



2010 INNOVATION AWARDS PROGRAM

INTRODUCTION

The CIAT Innovation in Tax Administration Awards Program seeks to recognize and promote improvement and creativity in tax administration. Through this annual awards competition, the Program provides concrete evidence for tax administrations that innovation improves its performance and consequently, be deserving of greater public trust. By highlighting exemplary ways of tax administrations' innovative performance, the Program serves as a catalyst for continued progress in addressing the ever-present demand tax administrations face to find new and better ways of doing business.

Beyond receiving CIAT recognition, Innovation Award winners also serve as examples of model programs worthy of replication, and spark creative interest in other tax administrations who seek to excel in a particular area.

PURPOSE AND AWARDS

- Purpose
 - Identify and recognize innovative good practices which may promote integrity and transparency, and/or effectiveness and/or efficiency.
 - Disseminate successful cases of innovation.
 - Generate synergic effects of exchange of successful experiences.

An innovative practice may yield benefits in more than one category. Greater consideration should be given to that particular category which has the highest operational impact on the tax administration.

- Three annual awards will be presented to winning member countries and associate member countries as recognition of innovative good practices implemented by the tax administration which result in achieving the necessary attributes for a sound and effective tax administration, such as integrity and transparency, efficiency and effectiveness.

CATEGORIES OF RECOGNITION

Three categories of recognition will be established:

- **INTEGRITY AND TRANSPARENCY**: Innovative good practices that may contribute to managerial integrity and transparency, thus strengthening ethics and equity of the tax administration (e.g.: code of conduct for tax officials, internal control procedures, public dissemination of the tax administration's operational results, public access to information on administrative processes, the establishment of actions for handling taxpayer claims, etc.).
- **EFFICIENCY**: Innovative good practices that may contribute to carrying out the activities of the administration at lower costs, as well as providing taxpayers the benefits of time- or cost-savings, without impacting on effectiveness or integrity of the tax administration (for example, ways of using modern technology that may facilitate and lower costs in carrying out the functions of the tax administration and compliance by the taxpayers, managerial and human resources training practices, management control systems, etc.).
- **EFFECTIVENESS**: Innovative good practices that may contribute to more effectively carrying out the activities of the tax administration, especially with regards to control and verification of taxpayer compliance with their tax obligations; and, the effective execution of the tax administration in securing all outstanding tax debt (for example, systems and processing of information for the selection of cases to be examined, requesting information of tax relevance from taxpayers and third parties, preventive measures and enforced collection procedures, etc.).

The tax administration will indicate under which category one of these categories it wishes to be considered for an award. Only one (1) innovative practice per member country and associate member country may be submitted in each category per year.

NOMINATION SUBMISSION PROCEDURES

Only one innovative practice per member country or associate member country may be submitted for each category of recognition; that is, each country may present in one year up to three practices that meet the following requisites:

- The nominating country has not been granted the award of the respective category the previous year.
- That it be formally nominated and submitted by the Representative of the CIAT member country or associate member country.

- That the competing practice be one that is currently implemented and has shown proven and verifiable results.
- That the practice shows an effective contribution to better performance of the tax administration in terms of integrity and transparency, efficiency or effectiveness, depending on the category under which it is nominated.

Nominations must be received by the CIAT Executive Secretariat by midnight, **November 30, 2009**. Entries can be submitted via electronic mail in PDF format to svelazquez@ciat.org or by postal service to:

Inter-American Center of Tax Administrations
Attn: Socorro Velázquez
P.O. Box 0834-02129
Panamá, Rep. of Panamá

For those entries submitted by mail, please enclose magnetic media of all paper documents submitted.

ENTRY REQUIREMENTS

The nominated innovation must be submitted with a cover letter addressed to the CIAT Executive Secretary and signed by the member country or associate member country Representative.

The attached **Annex A** should be completed providing details of the innovation. Supporting documentation can also be submitted which presents established procedures for the implementation of the innovation, documents made available to the public, media coverage, statistical analysis, data, etc.

AWARD EVALUATION AND SELECTION CRITERIA

The innovative practices will be evaluated according to their impact on the three attributes of the tax administration that comprise the three categories considered; that is, according to their positive impact on integrity and transparency, efficiency and/or effectiveness.

The following aspects will be fundamentally considered in each of them, regardless of other aspects which may be considered as well:

- Integrity and Transparency – The benefits obtained in terms of improvement of society's perception regarding the quality of service and image of the tax administration.

- Efficiency – The reduction of costs and time achieved for the tax administration, as well as the taxpayers, provided they do not negatively impact the work of the tax administration and its effectiveness.
- Effectiveness – Obtaining greater results with respect to collection, qualitative, effective expansion of non-compliance controls and increased voluntary compliance with tax obligations.

The entries will be reviewed and winners determined by the Executive Council at their first calendar-year meeting, prior to the 2010 General Assembly.

AWARDS PRESENTATION

- The award winning good practices will be announced at the Administrative Session of the 2010 General Assembly in Uruguay and the Executive Council President will present the awards at the closing ceremony.
- The award will consist of a diploma of recognition to the winning tax administration, signed by the Executive Council President and the Executive Secretary, on behalf of all CIAT member countries and associate member countries.
- The award-winning innovative good practices will be published in the CIAT website, in addition to other non-winning nominations whose dissemination may be considered of general interest.

INFORMATION CONTACT

If additional information is needed on the CIAT Innovation in Tax Administration Awards Program, please contact Socorro Velázquez at svelazquez@ciat.org, Tel. +(507) 269-1270, FAX +507-264-4926.

Annex A



INTER-AMERICAN CENTER OF TAX ADMINISTRATIONS – CIAT

2010 INNOVATION IN TAX ADMINISTRATION AWARDS PROGRAM

CIAT Country Tax Administration: _____

Award Category: _____

Name of Innovation Program: _____

Date Implemented: _____

1. Please provide a two sentence summary of the innovation. This description should accurately and succinctly convey the innovation and its importance. (30 words)

2. Describe the program. What problem(s) does your program address? What is the innovation? Please emphasize the programs creative elements. (500 words)

- 2.1 Background
- 2.2 Brief description of the objective of the practice
- 2.3 Explanation of the problem faced prior to the implementation of the practice.
- 2.4 Brief description of the impact of the practice in terms of improvement of integrity and transparency, efficiency or effectiveness, as appropriate.

3. Cite the best verifiable evidence of the most significant achievements and impact of the program. (250 words)

- 3.1 Description of benefits obtained, verified on the basis of results of surveys, amounts saved, time reduction, increase in collection, etc.
- 3.2 Data on the scope of the benefits obtained (at the level of a functional area or office or process in particular; at the level of a region or a system; at the level of the institution as a whole).
- 3.3 Information on the nature of impact of the final benefit and its preponderance in terms of integrity and transparency, efficiency or effectiveness.
- 3.4 Description of the impact of the innovation on the tax officials.

4. Provide a brief analysis of the viability of the application or adaptation of the practice by other tax administrations, at the national and international levels. (250 words)