



TUVALU

# KEY LEARNING OF THE WEEK



- The important of addressing administrative gaps/challenges.
- The importance of classification right tariff code in the HS.
- Need of accurate data collection for data analysis and decision making.
- Identify of relevant and irrelevant information for decision making [ e.g. tax expenditure].
- Important of risk management.

# WHAT AREA IN CUSTOMS AND TAX WANT TO FOCUS MORE ATTENTION ON



## Customs:

- **Policy Framework:**
  - Review the Customs Act and Regulations.
- **Compliance Risk management:**
  - Customs valuation
  - Post-clearance audit
  - Awareness program
- **Boarder security:**
  - Inconsistent enforcement of customs regulations
  - Proper tools and equipment for operation

## Tax:

- **ICT System and Data:**
  - Improve/replace system
- **Policy framework:**
  - Review Tax legislation
  - Develop & engage MOU with other gov't and law agencies
- **Compliance Risk Management Framework:**
  - Improve compliance strategy
  - Awareness program
  - Develop risk-based approach for audit case selection

ONE THING YOU FEEL CAN ACTUALLY PROGRESS THAT IS A PRIORITY AND IS NOT IN THE CURRENT WORK PLANS.



## Tax Expenditure:

- Identifying relevant provisions of the revenue foregone;
- Provide an estimate on the revenue foregone and where to mobilize.

# CONSIDER REQUESTING PFTAC/IMF TO SUPPORT TAX POLICY REVIEWS.



- a. **Tax reform** – TCT legislation,
- b. **Tax expenditures** - Zero-rated, exemptions and others.
- c. **Administrative gaps** – monitoring & evaluating;  
capacity building;
- d. **Modernization** – upgrading/replace tax system;



# FAKAFETAI LASI