

INCOME TAX DEPT IN ASIA EASED WORKS AND INCREASED TAX REVENUE

Overview

An income tax department of a developing ASIAN country with approximately USD 25 billion annual tax revenue successfully improve their operational efficiency while increasing their tax revenue by leveraging big data, Artificial Intelligence and Machine Learning with KewMann.

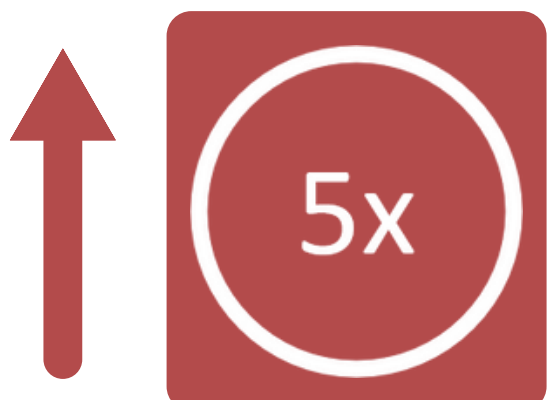
The income tax department has more than 600,000 audits per year to solve potential tax gaps and figure out non-compliance issues from the tax payers by performing manual investigation to suspicious payers or random checking. However, they were still facing some critical challenges that needed to be solved to achieve better results.

With the emergence of digital economy, the senior government leaders believed that the income tax department can do more to increase tax revenue and minimize the possibilities of tax evasion.



- 1. Undetected tax gaps and non-compliance tax payer**
 - Purely manual investigation and random checking leave many gaps for the rogue tax payers to go non-compliance without being caught
 - Caused the income tax department unable to optimise the tax revenue to help the nation.
- 2. Insufficient human resources and cost allocation**
 - The common direct way to solve this issue is to expand the investigation officers (IOs) team
 - But it might not be able to achieve cost efficiency since the main task here is only to perform manual investigative works and researches
- 3. Lack of operational efficiency & higher occurrence of human error**
 - Manual investigation and researchers might cause higher potential in the occurrence of human error such as non-compliance tax payer was clarified as a clean profile
 - The time and effort to investigate and research might not able to brings significant value since the random proportion of tax payers could be mostly compliance

Impact & Result



**Processed
5 times more cases**

Increase efficiency of IOs



**2.8 times
more per IO**

Increase tax receipt



**Near Real-
Time**

detection with fast data

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The Product : KewDetect

Have a Deeper Understanding of Tax Payers by Leveraging on Alternative Data

Acquired massive external public data from website and mashup internal data from systems or applications, external parties' data like other government bodies, financial institutions and more to form a deep understanding of tax payers, which includes their monetary capabilities and spending.

Ability to Detect And 'Codify' New Non-compliance Pattern in Near Real-Time Manner

The new non-compliance pattern that is not included previously can be immediately "codified" and detected which improves operational efficiency by eliminating additional times and efforts to perform a further investigation on potential new non-compliance pattern.

Accurate Alert for Suspicious Non-Compliance Tax Payer

Used Artificial Intelligence (AI) to flag out & alert the suspicious non-compliance cases quickly to the IOs and provides reasons on why this tax payer is suspicious. This allows the IOs to prioritise on the high suspicious group of tax payers and increase tax revenue by taking immediate action to the confirmed non-compliance tax payers.

Comprehensive AI Approach that Ensure Detection Accuracy

Applying more proven Machine Learning methods to ensure "no stone left unturned" and enhance detection accuracy which includes the rule-based, supervised, unsupervised and linked/relationship methodologies to ultimately reduce false alarm.

KewDetect

Contact us:

<https://www.kewmann.com/company/contacts>

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