



Resolution of Defects & Enhancements on iTax, September 2021

1) Voluntary Tax Disclosure Programme (VTDP)

a) Remission of Penalty and Interest for VTDP payers – Upon filing of VTDP, the system computes and debits taxpayers ledgers with the principal amount along with applicable penalties and interest. Upon payment of the full principal amount, VTDP taxpayers are entitled to remission of penalties and interest tied to the VTDP declaration. Whereas this relief had not been catered for in the initial phase of delivery of the VTDP module in iTax, the recent system enhancement has addressed this gap and moving forward, the system will automatically cancel out resulting penalties and interest upon payment of principal tax disclosed under VTDP. The automatic relief is applicable as guided below:

- i.** 100% remission where the disclosure is made and tax liability paid in the first year of the programme
- ii.** 50% remission where the disclosure is made and tax liability paid in the second year of the programme
- iii.** 25% remission where the disclosure is made and tax liability paid in the final year of the programme

b) Addition of Excise & Income Tax Withholding Obligations- In the first phase of roll-out of the Voluntary Tax Disclosure in July 2021, Excise and IT Withholding obligations had not been delivered. These two obligation categories have been included in the recently enhanced VTDP module.

c) Removal of Auto-calculation for IT Returns- The system has been enhanced such that VTDP tax for all Income Tax returns (IT2C, IT2P, ITR and ITNR) will no longer be auto-computed. The tax payable field will therefore be editable allowing the taxpayer to capture the tax



as per their computations. This is to cater for cases where the applicable tax rate is not the standard 30% for corporate resident companies.

2) Payments Module

- a) **Reinstatement of Digital Service Tax (DST) Payment Option** – The DST payment option has been reinstated to cater for Resident Tax Representatives making payments on behalf of Non-Resident persons as well as for DST Resident taxpayers for periods prior to July 2021. Note that for residents, the payment option will only be available if the tax period is prior to July 2021.

- b) **Inability to Generate PRNs for TOT** – It had been reported that some taxpayers were unable to generate payment slips for Turnover Tax (TOT) following registration. The system was displaying the error '*Wrong liability data selected*' or '*No Liability detail has been found for this tax obligation*'. This issue was resolved within the month, following which affected taxpayers have been able to generate payment slips and effect payment.

3) Ledger

- a) **Inclusion of Income Tax Rent Withholding when viewing the General Ledger** – When viewing the General Ledger, 'Income Tax Rent Withholding' option was missing upon selection of drop down for 'per tax obligation'. This has now been added.