

MALAWI REVENUE AUTHORITY—“*The TADAT assessment was an eye opener ...*”

In May 2015, upon the request of the Malawi Revenue Authority (MRA), a team of officials under the TADAT Secretariat conducted a performance assessment of the MRA’s tax administration using the Tax Administration Diagnostic Assessment Tool (TADAT). It included a detailed review of the systems, operations, and practices on the ground, which involved staff from the head and field offices. Weaknesses and strengths were identified across the tax administration.

The Commissioner General of the MRA, Raphael Kamoto, acknowledged that the TADAT assessment was an invaluable asset. “The TADAT assessment was an eye opener. By allowing ourselves to open up to an external and frank scrutiny, the MRA was able to assess itself against good practice and to take immediate corrective measures. We are very grateful to the IMF for finding time to provide [with] us such an insightful assessment,” he said.

Consequently, the MRA immediately assembled a team to examine the TADAT’s results and draw up measures to address these shortcomings. Indeed, the assessment coincided perfectly with the MRA’s program for implementing reforms to modernize its operations, in line with its 2014—2017 corporate strategic plan. Specifically, the assessment revealed the areas in which the MRA needs to focus its attention as it implements these reforms, including the taxpayers database, return filing, VAT refunds, and dispute resolution.

Following completion of the TADAT ‘Performance Assessment Report’, a taskforce was appointed to devise mechanisms that lead to the attainment of good international tax administration practices. To that end, the taskforce has appointed a team of officers who will pilot Performance Outcome Area (POA) 1—“Integrity of the Registered Taxpayer Base.” If this proves successful, more teams will be appointed to champion reforms needed with respect to the remaining eight POAs.

The MRA plans to undertake an internal assessment (by May 2016) to evaluate the progress made on improvements across all POAs. Three officers, currently undergoing TADAT assessor training provided online by the TADAT Secretariat, will conduct the assessment.

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