**"Agreed"**

**Head**

**The SRD of Nur-Sultan**

**\_\_\_\_\_\_\_\_\_\_\_\_\_ Anuarbekov Sh.A.**

**August 25, 2022**

**Analytical report**

Based on the results of an internal analysis of corruption risks in the district State Revenue Offices and at customs posts of the State Revenue Department in Nur-Sultan

In order to identify and investigate possible causes and conditions conducive to the commission of corruption offenses in accordance with the Law of the Republic of Kazakhstan “On Combating Corruption” and Methodological recommendation for conducting an internal analysis of corruption risks, approved by the Chairman of the Anti-Corruption Agency of Republic of Kazakhstan dated April 7, 2021 (hereinafter referred to as the Methodological recommendations) in pursuance of paragraphs 10.1, 10.2 of the protocol of the board of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan (hereinafter referred to as the SRC) dated 22.07.2022,in the Department of State Revenues of Nur-Sultan (hereinafter referred to as the Department) by order №225 dated 22.08.2022 an internal analysis of corruption risks in the activities of individual structural units of the Department was carried out.

An internal analysis of corruption risks was held by working group determined by order №225 dated 22.08.2022, consisting of employees with practical experience in applying industry legislation in activities: Heads of the Cameral Monitoring Department Bektemisova T.K., Department of Public Services Gadayeva S.S., acting head of the Collateral Department Dauletbaeva E.A. heads of district departments of State Revenues Kapdusultan G.A., Mykitan A.Sh., Alisheva Zh.E., acting head of the Department of State Revenues Amanbaeva G.S. and Enbaeva A.B., heads of customs posts Sadykov A.B., Zhumaseitova S.D. and Esmagambetova A.R

* Collateral Department in terms of the procedure for application of enforcement measures in the form of an inventory of the property of the taxpayer, which is limited in disposal;
* Cameral Monitoring Department in terms of the procedure for issuing an order to suspend debit transactions on bank accounts as part of the execution of the notification;
* Customs posts “FEZ “Astana-zhana kala”, “Auezhay-Astana” and “Astana customs clearance center” on the issue of conducting customs inspections in order to identify false declaration of goods.

To identify corruption risks and develop recommendations, the data of information systems and other information of the object of analysis were reviewed.

Internal analysis of corruption risks in the district Offices and custom posts of the Department was carried out in accordance with the approved Methodological recommendations for the following stages:

1. collection and generalization of information on the object of analysis;
2. analysis of legal acts and internal documents governing the activities of the object of analysis, its organizational and managerial activity on the presence of corruption risks;
3. preparation and signing of the analytical report.
4. **Collection and generalization of information on the object of analysis.**

The Department is a territorial body of the SRC authorized to act as functions of state administration and control in the field of customs affairs, to ensure the completeness and timeliness of tax receipts, customs and other mandatory payments to the budget, calculation, deduction, transfer of social payments, participation in the implementation of tax policy and policy in the field of customs and other functions in accordance with the legislation of the Republic of Kazakhstan.

The basis for the analysis of corruption risks was instruction announced during the board of the SRC of the Ministry of finance of the Republic of Kazakhstan on July 22, 2022, the letter dated 01.08.2022. №SRC-06-2-15/11406-И.

According to the arguments of the above letter, there are corruption risks in the Department’s activities.

Based on the results of the analysis conducted for the actions of employees entailing corruption actions, possible corruption risks were identified.

**Risk.**

Article 120 of the Tax Code of the Republic of Kazakhstan regulates the restriction in the disposal of the debtor’s property.

According to paragraph 7 of article 120 of the Tax Code, an inventory of the property restricted in the disposal is made after 10 working days from the date of delivery to the taxpayer of the decision on the restriction in the disposal of property.

Meanwhile, we assume that the adoption of measures of compulsory collection of tax debts of a legal entity may have the following corruption risk.

The taxpayer’s balance sheet contains both liquid and non-liquid assets.

In turn, an employee of the district department of state revenues, when compiling the inventory contacts the taxpayer, while having the opportunity to give preference to taxpayer in terms of conducting an inventory of non-liquid property (office equipment, auto junk, etc.) in the presence of liquid property (transport, real estate, land plots, etc.)

Corruption risk is caused by the lack of information about the registered property of a legal entity in the information systems of the state revenue authorities.

**Recommendations:** in order to set restrictions without the participation of human resources in an automatic mode, as well as to provide access to information on the presence / absence of registered property for the debtor without sending a request, which will reduce the cycle time for the sale of property, we consider it necessary to consider the possibility of integrating information systems of authorized registration bodies with information systems of the state revenue body.

**Risk.** Within the framework of the adoption of measures for the compulsory collection of tax debts, for the purpose of further compiling an inventory of property, state revenue bodies send requests to the authorized bodies to confirm the presence (absence) of the taxpayer's property.

In the course of the analysis, it was found that in order to confirm the presence (absence) of the taxpayer's property, employees of the district departments of state revenues send requests to the authorized registration authorities late or not sent at all, which in turn retains corruption risks in the form of a selective approach of an official.

**Recommendations:** consideration of the possibility of integrating information systems of authorized registration bodies with information systems of the state revenue authority.

**Risk:**

Article 118 of the Code of the Republic of Kazakhstan "On Taxes and Other Obligatory Payments to the Budget" regulates the procedure for suspending debit transactions on taxpayer's bank accounts.

Meanwhile, due to the fact that today the synchronization of the operating day between Integrated Tax Information System of Republic of Kazakhstan and Centralized unified personal accounts is not updated, there are technical failures in the automatic formation of Suspension of debit transactions on bank accounts of taxpayers(RPRO), namely, RPRO is formed in ITIS Republic of Kazakhstan, but the second-tier bank is sent with a delay.

At the same time, due to the fact that the RPRO was not delivered to the bank, the system automatically generates it again according to the same notification. In manual mode, specialists produce a recall of RPRO, within the time period established by paragraph 5 of Article 118 of the Code of the Republic of Kazakhstan “On taxes and other obligatory payments to the budget”.

**Recommendations:** to consider the issue of updating the operational day for the interaction between IS RPRO and ITIS of Republic of Kazakhstan in order to eliminate delays in the formation and recall of RPRO in automatic mode, we also propose to exclude access to manual recall of RPRO in ITIS Republic of Kazakhsatn to exclude.

**Risk:**

Article 118 of the Code of the Republic of Kazakhstan "On Taxes and Other Obligatory Payments to the Budget" regulates the procedure for suspending debit transactions on taxpayer's bank accounts.

In connection with the non-fulfillment of tax obligations in accordance with Article 96 of the Tax Code, the taxpayer is sent a notification of cameral control, in case of non-fulfillment of which, an RPRO is formed, meanwhile, after the notification is executed manually, the RPRO is withdrawn.

At the same time, today there are facts of repeated closure of transactions on bank accounts in an automated mode on previously withdrawn RPROs due to malfunctions in the IS ITIS, thereby violating the rights of the taxpayer and the need to apply to an employee of the state revenue authority to take measures to withdraw the RPRO, thus, there is a corruption risk in view of the fact that it is possible to resolve the issue informally.

**Recommendations:** to make changes for the uninterrupted operation of ITIS, as there are technical problems, there are facts of repeated automatic formation of the RPRO.

Corruption risks during customs inspections in order to identify false declaration of goods have not been identified, due to the fact that the customs inspection process is carried out using video recorders with sending information online to the servers of the Situation Center of the SRC.

**2. Analysis of legal acts and internal documents regulating the activities of the object of analysis, its organizational and managerial activities for the presence of corruption risks.**

The activity of the object of analysis is regulated by the following list of legal acts.

- Code of the Republic of Kazakhstan dated December 25, 2017 No. 120-VI "On taxes and other obligatory payments to the budget" (hereinafter referred to as the Tax Code);

- Code of the Republic of Kazakhstan dated December 26, 2017 "On customs regulation in the Republic of Kazakhstan" (hereinafter referred to as the Customs Code);

- Regulations on the structural divisions of the State Revenue Department for Nur-Sultan of the Ministry of Finance of the Republic of Kazakhstan, approved by the Order of the Chairman of the Committee dated July 22, 2019 No. 350 Application 222.

The analysis carried out in the regulatory legal acts affecting the activities of the district administrations and customs posts of the Department did not reveal discretionary powers and norms that contribute to the commission of corruption offenses.

**4. Assessment of identified corruption risks.**

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| **№** | **Identified corruption risk** | **Assessment of risk probability** | **Assessment of risk impact** | **Risk zone** |
| 1 | Corruption risk may be associated with the absence of registered persons in the information bodies of state authorities, requests to authorized bodies of bodies are sent out of time or are found not directed, which in turn reveals corruption risks in the form of an electoral district. | **5** | 4 | Red zone |
| 2 | Corruption risk in the repeated automatic formation of the RPRO, which entails the repeated appeal of the non-commercial partnership to the employee of the State Revenue Authorities and possible solution of the issue of opening an account in an "informal setting". | 4 | 3 | Orange zone |
| 3 | Corruption risk in access to manual revocation of RPRO in ITIS Republic of Kazakhstan | 5 | 4 | Red zone |

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| **RISK MAP** | | | | | | | | | | |
| **Name of corruption risk** | | | | | | | | | | |
| **Corruption risk is caused by the lack of information about the registered property of a legal entity in the information systems of state revenue bodies, requests are not sent to the authorized registering bodies, which in turn preserves corruption risks in the form of a selective approach of an official** | | | | | | | | | | |
| **Red zone** | | | | | | | | | | |
|  |  |  |  |  |  |  |  |  |  |  |
|  | **nfluence** | 5 |  |  |  |  |  |  |  |  |
|  | 4 |  |  |  |  | **+** |  |  |  |
|  | 3 |  |  |  |  |  |  |  |  |
|  | 2 |  |  |  |  |  |  |  |  |
|  | 1 |  |  |  |  |  |  |  |  |
|  |  |  | 1 | 2 | 3 | 4 | 5 |  |  |  |
|  |  |  | **Probability** | | | | |  |  |  |
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| **Probability:** | | **5 points** | | |  |  |  |  |  |  |
| **nfluence:** |  | **4 points** | | |  |  |  |  |  |  |

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| **RISK MAP** | | | | | | | | | | | | | | | |
| **Name of corruption risk** | | | | | | | | | | | | | | | |
| **Corruption risk in the automatic re-formation of the RPO, which entails the repeated appeal of the NP to the OGD employee and possibly resolving the issue in an "informal setting"** | | | | | | | | | | | | | | | |
| **Orange zone** | | | | | | | | | | | | | | | |
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|  | **nfluence** | 5 |  |  |  |  | |  | |  | |  | |  | |
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|  |  |  | **Probability** | | | | | | |  | |  | |  | |
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| **Probability:** | | **4 points** | | |  |  | |  | |  | |  | |  | |
| **nfluence:** |  | **3 points** | | |  |  | |  | |  | |  | |  | |
| **RISK MAP** | | | | | | | | | | | | | | |
| **Name of corruption risk** | | | | | | | | | | | | | | |
| **Corruption risk in access to manual revocation of RPRO in the ITIS of the Republic of Kazakhstan** | | | | | | | | | | | | | | |
| **Red zone** | | | | | | | | | | | | | | |
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|  | **nfluence** | 5 |  |  |  |  |  | |  | |  | |  | |
|  | 4 |  |  |  |  | **+** | |  | |  | |  | |
|  | 3 |  |  |  |  |  | |  | |  | |  | |
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|  | 1 |  |  |  |  |  | |  | |  | |  | |
|  |  |  | 1 | 2 | 3 | 4 | 5 | |  | |  | |  | |
|  |  |  | **Probability** | | | | | |  | |  | |  | |
|  |  |  |  |  |  |  |  | |  | |  | |  | |
| **Probability:** | | **5 points** | | |  |  |  | |  | |  | |  | |
| **nfluence:** |  | **4 points** | | |  |  |  | |  | |  | |  | |

**Deputy head Baltabekov K.Zh.**

Executor: Zhumazhanov N.B.