



BUILDING A GROWTH-FRIENDLY TAX ENVIRONMENT

# Mobile Applications for the Fulfillment of Tax Obligations by Citizens and Entrepreneurs

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# Experience and Practice of Improving Tax Compliance by Individual Income Tax APP

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# Part 1

# General Overview

# Background—Chinese Tax Digital Transformation



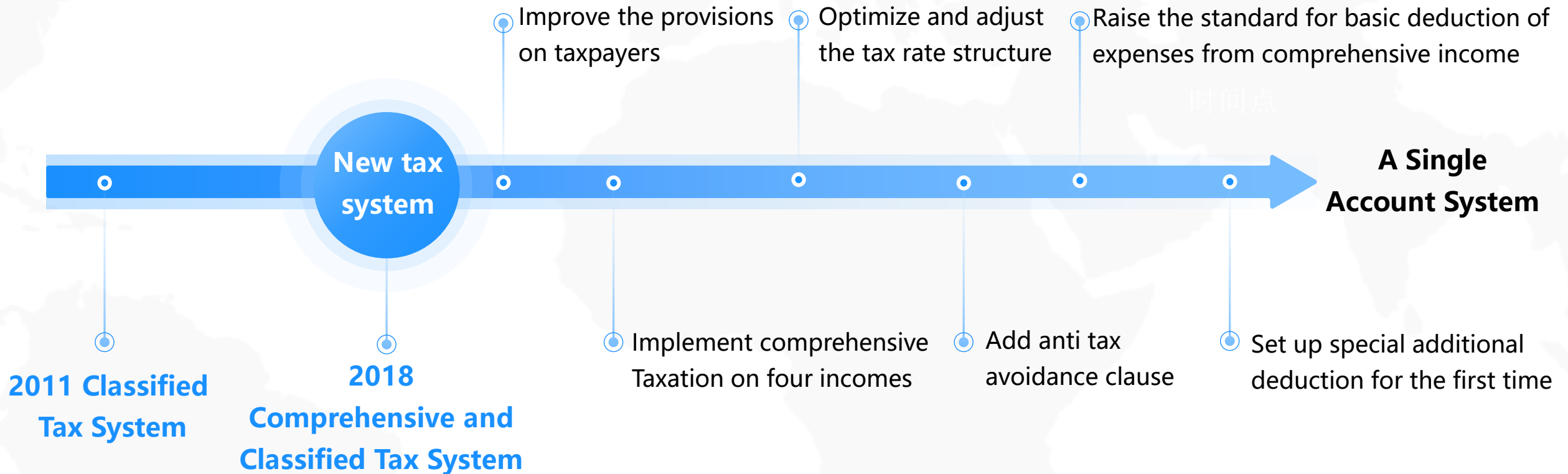
## The Digitization of Tax Administration

Provides a strong technical driving force for deepening the reform of 'Delegation, Regulation and Service'

Provides a strong technical driving force for optimizing the tax business environment

Provides a strong technical driving force for promoting the construction of smart taxation

# New individual Income Tax Reform-New Tax System



# Brief Introduction

Currently, the individual Income Tax APP has **100 million registered users** and has become one of the largest government service applications in China. Especially since the outbreak of the COVID-19 pandemic, it has vigorously supported **the "contactless" tax services** promoted by the Chinese tax authorities.

**The proportion of handling the core business of individual tax by APP**

**94%**





## Part 2

# Construction Concept



# The Concepts of System

- **Taxing with Data**

Achieve the automatic and intelligent operation of tax business through the data and rules

- **Ecological Development**

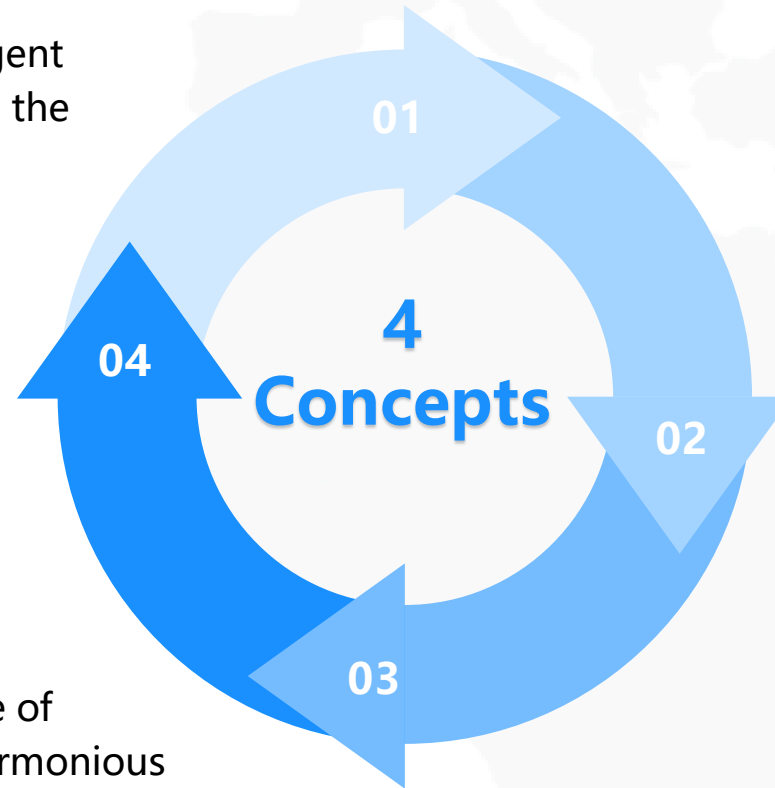
Promote the social co-governance of taxation work to build a green, harmonious and sustainable taxation ecology

- **People-Oriented**

Take the user as the center, continuously optimize the tax process, improve the service level, and enhance users' sense of satisfaction and the sense of gain

- **Integration**

Realize the integrated management of "design, construction and operation", carry out the "three-in-one" integrated operation of business, technology and data





## **Part 3**

# **Natural Person Tax Digital Account**

# The Development History of the Individual Income Tax APP

The Individual Income Tax APP  
Demonstrates "China speed"

The Individual Income Tax APP  
creates a "mobile government"  
for natural person

The Individual Income Tax APP  
responds to COVID-19

The Individual Income Tax APP  
succeeds in "annual settlement"

The Individual Income Tax APP  
improves "business environment"

The Individual Income Tax APP  
fully implements "digital strategy"

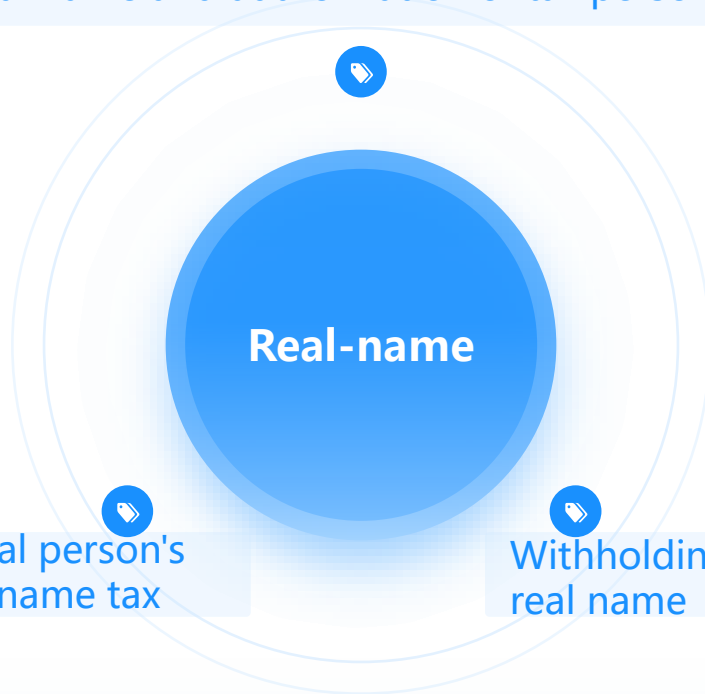
The Individual Income Tax APP  
undergoes a comprehensive upgrade



# Natural person tax digital account

## The "one-person" collection

Real name and authorization of tax personnel



Real-name

Natural person's  
real name tax

Withholding agent's  
real name



Aggregate "fragmented person"  
into "a whole person"

It has created accurate and secure identification capabilities, and given each eligible natural person an unique taxpayer identification number that will remain unchanged for life.  
Finally an aggregative national natural person tax digital account has been established.

# The intelligent accounting and tax calculation service

## Annual income tax pre-filling service

We provide taxpayers with an annual income tax pre-filling service by using big data technology

Now, more than **98%** of natural person taxpayers have used this service.



Natural person tax  
digital account



Real-name



Annual income tax pre-filling service

- Operation instructions;
- Automatic tax calculation;
- Taxpayer confirmation;
- Complete declaration.

# The Intelligent Accounting and Tax Calculation Service

"Machine Audit + Manual Audit"

First intelligent tax rebate mechanism that combines 'machine audit + manual audit'. After taxpayers apply for final settlement and refund on the APP, Realize the automatic operation of the whole audit process according to the 'data + rules', **eliminates manual approval, and automatically completes the tax refund audit.**



Reducing **90%** of the tax staffs' workload and realizing comprehensive electronic tax payment and refund.

Taking 'Tax Refund Automatic Audit' as an Example



## **Part 4**

# **Tax Services at Fingertips**

# Tax Service at Your Fingertips

1. Self-Service

2. Reminder

3. Consultation



5. Warm

4. Interactive



# Tax Service at Your Fingertips — Self-service

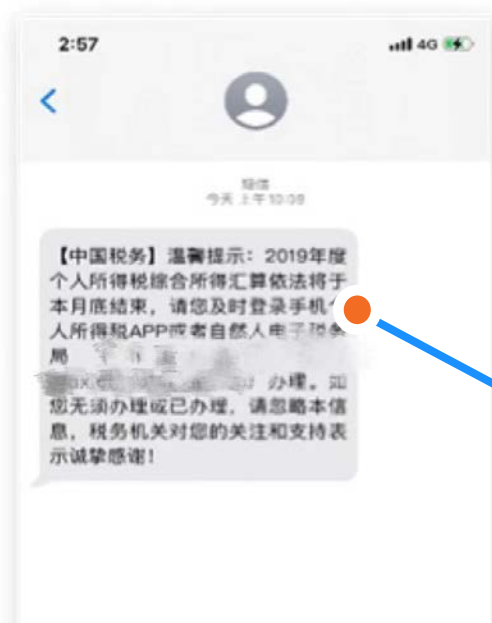


Taking 'Special additional deduction Report' as an Example

# Tax Service at Your Fingertips — Reminder

## Information Push Service Involves Three Scenarios

### 【Reminder Category (Pre-event)】



Remind taxpayers and tax collectors to handle tax affairs timely, which will avoid unintentional overdue, or remind them of any tax preferences, and self-examination and self-correction of any tax-related risks, etc.

### 【Interaction Category (During-event)】



Guide the taxpayers to comply with provisions and make self-examination and self-correction initiatively through the collection-payment and payment-payment interactive conformation. Help the tax authorities to integrate management into service, which will greatly improve the management quality and efficiency.

### 【Notification Category (Post-event)】



The tax-related results will be informed to the taxpayers and tax collectors in real time, so that they can handle the follow-up matters in time, avoiding the impact of long waiting on taxpayer satisfaction.

# Tax Service at Your Fingertips — Consultation

If taxpayers have any questions related to the **Individual income tax policy, System operation, Tax handling process, Data verification, System error or other tax-related issues**, they can log into the APP to leave a consultation message and check the reply later.



The screenshot shows a mobile application interface for submitting a consultation message. At the top, there are navigation options: '< 返回' (Return) and '留言咨询' (Leave Message Consultation). Below this, there are two tabs: '提交留言' (Submit Message) and '查看回复' (View Reply). The main form consists of three sections: 1. '咨询类型' (Consultation Type) with a dropdown menu and the instruction '请选择咨询类型' (Please select a consultation type). 2. '问题标题' (Question Title) with a text input field and the instruction '请输入标题, 不可超过50字' (Please enter a title, cannot exceed 50 characters), with a character count '0/50'. 3. '问题描述' (Question Description) with a text input field and the instruction '请输入问题描述, 不可超过1000字' (Please enter a question description, cannot exceed 1000 characters), with a character count '0/1000'. At the bottom, there are two buttons: '置空' (Clear) and '提交' (Submit).

Taxpayers select the 'consultation type' to be consulted .

**questions were accepted online**

**5 +** million

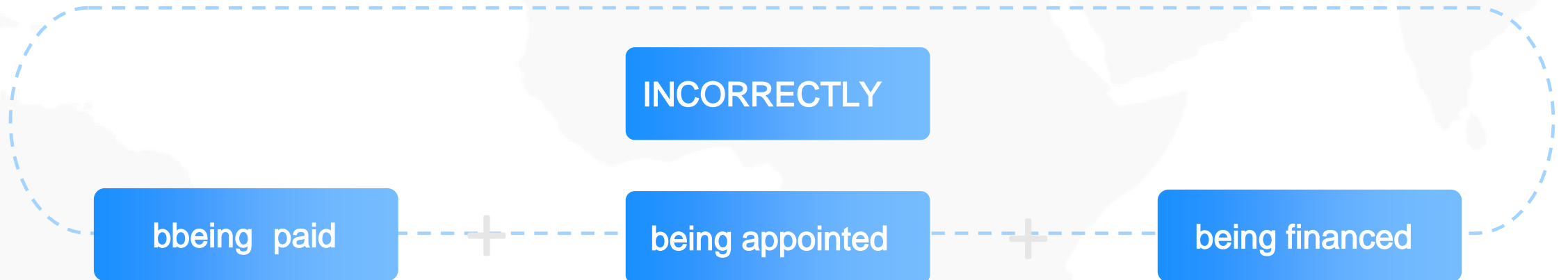
# Tax Service at Your Fingertips — Interactive

Enhance the active service capability. Provide an interactive channel that improves the communication among taxpayers, withholding agents and tax collectors and contributes to a harmonious collection-payment relationship.

Explain with Appeal Scenarios

When a natural person taxpayer logs into the APP and finds his/her identity being falsely used or one of the income items is not obtained by him/her, the taxpayer can initiate an appeal against certain records.

The **types of appeal acceptable** now include



**11** + million appeals have been handled.

# Tax Service at Your Fingertips — Warm

Strengthen emotional bonds between taxpayers and tax collectors.

Launch a new function "Individual Income Tax Memory", turning the pain of tax payment into a sense of honor.





# Part 5

# Future Prospects

# | Improving Tax Service



Fully tapping the potential of the APP, to provide flexible and diverse tax services, promote the transformation of tax-related procedures from "possible on APP" to "easy on APP", improve the mobile services, enhance the tax compliance of natural persons, reduce the cost of both sides, and create a harmonious relationship between tax collectors and payers.

# Supporting Taxation Reform and Innovation



Expand the mobile services on the APP, and enrich its application scenarios, to provide more extensive, diversified, and valuable tax-related services, meet the needs of natural persons during the taxation reform and business innovation, and to serve the overall development of the nation.



# Promoting Digital Transformation of Government Affairs



Taking advantage of the wide coverage and precise access of the mobile Internet, differentiated tax payment services and management based on natural person portraits, and serve the new natural person tax and fee supervision system

# | Constructing Tax Ecological System



Actively building a natural person tax credit indicator system, promote tax credit to be widely used in all aspects of economic and social life such as loans, residence, and settlement, and promote natural person tax compliance through tax credit combined rewards and punishments.



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**THANKS**