



STRENGTHENING OF TAX ADMINISTRATION PROJECT

REQUEST FOR EXPRESSIONS OF INTEREST

Consulting Firm to Prepare and Implement a New Audit Model, making use of the wider range examination and risk-based techniques (to include analytic tools for audit)

Institution: The Ministry of Finance (MOF)

Country: Belize

Project: Strengthening of Tax Administration (STA)

Abstract: Consulting Services – Consulting Firm to Prepare and Implement a New Audit Model, making use of the wider range examination and risk-based techniques (to include analytic tools for audit).

Loan No.: 4839/OC-BL

Deadline: June 25, 2021, Belize Local Time

The Government of Belize (GOB) has received financing from the Inter-American Development Bank (IDB) for the execution of a five-year tax modernization project entitled “Strengthening of Tax Administration” (BL-L1031). The main beneficiaries of the Project are: (a) the Government, which will have more revenues to implement its public policies; (b) taxpayers, who will have more support and a digital environment to fulfil their tax obligations; and (c) the population, from the government policies implemented. Through this project, the Belize Tax Service Department (BTSD) has procured a Modern Integrated Tax Administration System (the Revenue Management System (RMS)) and is presently in the implementation process. This new system will be used in the management of the Belize Tax Administration.

The BTSD management has identified the need for a modern audit approach based on risk analysis. The BTSD Strategic Plan states that:

“BTSD will explore the introduction of a Risk Management Plan (RMP) to properly respond to the risks identified on a timely basis, to minimize overall compliance burden for both the taxpayers and the tax administration. As an important aspect of the RMP, risk mitigating strategies will be proposed for application against potential and existing risks. The plan will highlight all areas of risks including risk-based assessments, risk-based audits, risk-based sector and taxpayer segmentation, compliance risks (registration, filing, reporting and payments) and international risks. Risk mitigation reduces the extent of exposure and ensures that the strategic objectives are achieved.”

The consulting services (“the services”) includes the contracting of a consulting firm for a period of ten (10) months to Prepare and Implement a New Audit Model, making use of the range examination and risk-based techniques (to include analytic tools for audit). The main activities of the consultancy includes:

1. To assess the status of BTSD taxpayer audit strategies and operations for all tax type.
2. To review the Audit Division organization and resources, as well as the staff skills
3. To suggest the strategy for centralization/decentralization of the audit

4. To propose a new organization area (if required)
5. To propose the staff composition by area and by location
6. To propose the different audit programs taking into consideration taxpayer segments and different audit locations (central, districts).
7. To propose a system of massive audit based on IT verification of returns against risk factors and third-party information. The selected cases should be resolved very quickly (4 cases a day) as they are based on firm verification.
8. To propose modern analytic tools suitable for Belize's environment by conducting a SWOT analysis to support the audit work.
9. Once the proposal on the modern analytic tool is approved, the consulting firm will procure, implement, and train auditors in its utilization.
10. To conduct Pilot audit with the audit team to plan, execute and report on randomly selected taxpayers.

The Consulting firm should have a minimum of five (5) years' experience in Tax Administration Taxpayer Audit and Risk Analysis. As well as a strong expertise in the use of modern analytic tools. The Consulting firm should prove its expertise in Tax Administration audit, risk analysis and Business Strategy (supporting business and organization goals).

The Ministry of Finance now invites eligible consulting firms ("Consultants") to indicate their interest in providing the services. Interested eligible Consultants must submit an Expression of Interest providing information demonstrating that they have the required qualifications and relevant experience to perform the services (brochures, description of similar assignments specifying start and end dates of assignments, experience in similar conditions, availability of appropriate skills, etc.). *The term "consultant" means a legally-established professional consulting firm or an entity that may provide the services.*

Expression of Interest package should contain:

- (i) Document explaining interest, experience, and competence of the consulting firm.
- (ii) Firms experience in the assignment of similar consultancy services during the past five years. Description of similar assignments specifying start and end dates of assignments.
- (iii) Firms evidence of past jobs.
- (iv) Two references
- (v) Proof of nationality: Copy of certificate of incorporation and information of shareholders of company specifying the shares owned by each respective shareholder of the company.

Additional documentation required for National Consultants:

- (vi) Copy of Certificate of Good Standing from Belize Company Registry
- (vii) Copy of Certificate of Good Standing from the Social Security Board
- (viii) Copy of Certificate of Good Standing from the Belize Tax Service Department
- (ix) Current Trade License

Consultants will be selected in accordance with the procedures set out in the Inter-American Development Bank: *Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank* (GN-2350-15, May 2019 edition) and is open to all eligible consultants as defined in the IDB policies.

Consultants may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications. For the purpose of establishing the short list, the nationality of a firm is that of the country in which it is legally incorporated or constituted and in the case of Joint Venture, the nationality of the firm appointed to represent it.

A Consultant will be selected in accordance with the Selection based on the Consultants' Qualification method set out in the IDB Consultant Policies. The selected consulting firm will be selected based on its experience and competence relevant to the assignment and most appropriate qualifications and references. **Only the highest ranked consulting firm from the short-listed firms will be notified and will be asked to submit a technical and price proposal.**

Further information can be obtained at the address below during office hours Monday to Friday 8:30 a.m. to 4:30 p.m. Expressions of interest must be delivered via direct mail or e-mail at the address indicated below by 4:00 p.m. (Belize local time) on Friday June 25, 2021.

Interested consulting firms are asked to submit their expression of interest via e-mail to Michelle.Longsworth@bts.gov.bz marked STAP- Consulting Firm to Prepare and Implement a New Audit Model in the subject header, or submit on or before 4:00 p.m. (Belize local time) on Friday June 25, 2021 to the following address:

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Strengthening of Tax Administration Project
Charles Bartlett Hyde Building
Mahogany Street, Belize City
Tel: 501-222-5114**

For clarifications kindly contact:

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