



Audit of IT system of the Tax Administration of the Republic of Slovenia

An English summary of this report will be published on the EUROSAI IT Working Group members website, but readers can also contact the Court of Audit on sloaud@rs-rs.si for a copy.

Reasons for the introduction of the audit

The Tax Administration of the Republic of Slovenia (TARS) in common with other modern Tax and Revenue Administrations heavily relies on IT support. The Court of Audit of the Republic of Slovenia (CoA) has previously audited TARS and on both occasions made same request for action, which has not yet been fulfilled. Another good reason was that TARS new leadership indicated willingness to be audited externally.

Audit approach

Our audit approach was divided into two main parts. The efficiency part consisted mainly of an Assessment of efficiency of TARS IT systems according to version 4 of CobiT. On the efficiency part, the CoA has also performed an assessment of the quality of the information stored in three of TARS most important IT subsystems (Eppler model). We have tried to evaluate mainly user experience variables such as speed, availability, usability and so forth.

The second part – Regularity of TARS IT system – was quite narrow and only consisted of compliance and error checking.

The findings

Our auditors have, together with auditees staff, performed an evaluation of all 34 IT processes across four domains. The target for average grade of all 34 processes that we agreed with the auditee was to be three. This desired level was missed by 0.7 with only two processes reaching a score above 3 and additional five with a grade 3. CoA has made several recommendations for the most critical processes.

The assessment of the quality of the information in three most important applications (individual and businesses tax, VAT system, Taxation register) was less harsh but also in that area CoA agreed several less formal recommendations with the auditee.

The absence of central and integral bookkeeping evidence, significant number of errors in Income tax calculations as well as absence of controls for its detection and correction were the reasons for a negative opinion on the regularity part of the audit.

Development after the publication of the report

Our report has gained significant public attention and was quite favourably accepted by the auditee as well as by the Public Accounts Committee of the Slovenian Parliament. The response report issued by auditee was encouraging. TARS has introduced significant changes in its operations, their budget and plans were amended and public procurement process for new IT system is already in progress.



REVIZIJSKO POROČILO
O UČINKOVITOSTI IN PRAVILNOSTI DELOVANJA
INFORMACIJSKEGA SISTEMA
DAVČNE UPRAVE REPUBLIKE SLOVENIJE



Conclusion

The Court of Audit of the Republic of Slovenia intends to continue this type of measuring of performance of major public IT systems. Our goal is to be able to benchmark different auditees and to be able to show to the public and to the parliament how good is the service that our publicly financed IT systems are providing. With this in mind, we are striving to do our part in achieving our mission goal – **Watching over Public Money.**

For more information please visit our website: <http://www.rs-rs.si>. Some material is also available in English at <http://www.rs-rs.si/rsrcs/rsrseng.nsf>. 

