

**BRITACOM Working Level Seminar, 30 Jul 2020**

***“Digitalisation of Tax Services: A response to the COVID-19 Crisis”***

Singapore’s speech by Ms Angela Ang, Assistant Commissioner,  
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1. Greetings from Singapore.
2. As aptly put by our Deputy Prime Minister Heng Swee Keat, “COVID-19 has turned out to be the global crisis of this generation.” I am sure this is the case, not just for Singapore. Around the world, the lockdowns and public health measures to curb the virus have caused a deep economic crisis, taking a heavy toll on livelihoods. Many countries are on the brink of recession, and unemployment levels are reaching levels unseen. Singapore is not spared. We estimate the number of unemployed residents to exceed 100,000 this year, which is at least a 10% increase from what was registered during the 2003 severe acute respiratory syndrome (“SARS”) epidemic.
3. To mitigate the financial impact caused by the virus, Singapore has put forth a series of significant fiscal measures. In just four months, we passed four separate Budgets [Unity Budget (i.e. Budget 2020), Resilience Budget, Solidarity Budget and Fortitude Budget], amounting to S\$193 billion, more than double the size of Singapore’s annual Budget in preceding years. The main goals of these measures are to protect jobs and businesses, and to help Singaporeans and their families tide through this immediate crisis. All so, that we could position ourselves for recovery and emerge stronger post-pandemic.  
  
IRAS is also involved in administering several of these budget schemes, and I believe many of you are too. This crisis requires us to take a nation-wide approach. I will share with you a little of what we are doing at the national level.
4. Besides mounting a strong fiscal response, Singapore has also taken swift steps to combat the outbreak with technology. It has become crystal clear that technology is imperative in enabling citizens and businesses survive and thrive through and beyond this challenging time.

We launched the Singapore’s Smart Nation initiative in 2014, where we sought to deepen tech capabilities, modernise our digital infrastructure and deliver more seamless and pleasant digital experiences for our people. And, I must say, that our nimble responses to the COVID-19 crisis were made possible because of the strong digital foundation that has been collectively, and progressively built up.

But this is not enough. To accelerate the pace of digitalisation, Singapore will be investing a 30% increase in our infocomm technology (“ICT”) budget compared to last year’s expenditure. And as we increasingly realise that there is a limit to how much the Government can do on its own, we need to break down silos and collaborate horizontally. Involvement of the private sector and

the community is important. At the end of the day, even if the Government goes fully digital, we will get nowhere if our citizens and businesses are not.

5. Possibly not new to some countries, these are some of the digital initiatives to help Singapore better manage the crisis. With an outbreak like this, it is not uncommon to see fake messages and unfounded rumours spreading like wild fire. Hence, it is not just a fight against the virus, but also a fight against misinformation. To combat this, we made use of social media channels such as Telegram, Twitter and WhatsApp to disseminate timely and accurate information to the locals, and even Singaporeans abroad who are interested to be updated about the COVID-19 developments in Singapore. The WhatsApp channel provides updates in our four official languages.

On the artificial intelligence (“AI”) front, we have successfully developed a few AI-based temperature scanning solutions such as the VigilantGantry and SPOT.

VigilantGantry combines thermal cameras, gantries, AI and video analytics for a secure and efficient way to take temperatures. This solution was first piloted at the central library of the National University of Singapore (“NUS”), where student traffic is always high. Before VigilantGantry was introduced, there were 2-3 staff at every single temperature station, where the screening process involved the use of hand-held thermometers. Manpower wise, that was a big crunch. So, how this solution works, is that it first checks if there is sufficient skin exposed to make an accurate temperature screening, and the second check is whether the student is of normal temperature. If both checks pass, the gantry will open to allow access into the library. And if the checks fail, it’d bar movement where the student will be alerted to remove their headdress, or prompt staff intervention. To share its success, we plan to open-source its source codes for industry to scale and deploy nation-wide.

SPOT, also an AI-powered innovation, is a four-legged robot that is controlled remotely and fitted with safety sensors. Currently, it is being piloted in two ways. First, it is deployed over a 3km stretch in a section of one of our parks, to help promote safe distancing outdoors. What it does, is to broadcast a recorded message to remind park visitors to observe the safe distancing measures, and at the same time, estimate the number of visitors. And secondly, it is trialled to deliver essential items such as medicine to patients at an isolation facility.

6. So, where are we now? Singapore announced on 19 May 2020 that we will exit the ‘Circuit Breaker’ (or more commonly understood as a ‘stay-home-order’) on 1 Jun 2020 and embark on a three-phased approach to resume activities safely. We are now in Phase 2, “Safe Transition”, where more activities have resumed but subject to safe management measures being in place. Depending on the situation and risk assessment, we hope to gradually reach Phase 3, a “Safe Nation”.

7. While we say that we are now in the 'Safe Transition', how safe or secure is our future, really?

COVID-19 has tested how businesses and organisations can continue to operate amidst significant disruptions. Now, with millions working from home and digital connectivity taking a stronger hold on our everyday lives, many businesses are forced to upend and re-evaluate the way they work to meet new consumers demands.

Even my parents who are in their 60s and 70s are savvy in buying groceries online and talking to their community friends through video chat!

Going digital is no longer a wait and see, but a catch and act now imperative; even more so for the traditional, brick-and-mortar businesses.

8. Considering that the world will continue to transform rapidly and people's reliance on technology will grow, we as Tax Administrations will likewise need to rethink customer journeys and digital services. So, the question is, how might we leverage on the situation to accelerate digitalisation?
9. At IRAS, we believe in "No need for service is the best service." This means that we work to integrate tax into taxpayers' natural systems, such that 'tax just happens'. However, if interaction is necessary, our service approach is to direct and educate taxpayers to self-help. And if, taxpayers are faced with complex queries which may require further assistance from our officers, we will still provide our services in a consistent and timely manner, where we also provide support to our officers through technology.
10. In order to deliver these key experiences, we must digitalise our end-to-end processes, from filing to payment, and even in the way we communicate and serve our taxpayers. These four prongs reinforce each other to help IRAS be 'Digital to the Core' and create this digital future for taxpayers and staff.
11. In these turbulent times, survival is a priority. Maybe not tax. The challenge therefore is, how can we help taxpayers fulfil their tax obligations in the most seamless manner and maintain high levels of compliance. In 2007, IRAS implemented the No-Filing Service ("NFS"). Taxpayers are no longer required to file a tax return as their tax assessments will be automatically computed based on prefilled information, such as employment income provided by their employers and previous years' relief claims. This has helped maintain high voluntary compliance among taxpayers during this COVID-19 period.

Yet, where tax filing is still required, the experience must be as simple as possible. All of us, young and old, are familiar with chat interfaces. And so, we decided to introduce this concept called "Chat Filing". We embarked on a 'Proof-of-Concept' ("POC") collaboration with our Government Tech agency to allow taxi drivers to file their income tax via a chat bot interface, so that they don't need to come to our service centre. Technical jargon was replaced with their natural language (*for example, instead of just "Revenue", we use "Total Passenger fares and Rent collected from Relief Drivers"*) and only relevant

fields were displayed. This is an example of combining user experience design skills with technology to deliver digital conveniences to non-savvy taxpayers. We had close to 1,000 taxpayers who used this mode to e-file this year. And we plan to scale this up.

12. To begin with, our digital adoption rate is not low. However, as we accelerate our digital transformation efforts, we hope to achieve '100% Digital'. It is very encouraging to observe a 0.6% increase in digital self-help services. We are committed to continue to drive digital adoption at a whole-of-IRAS and whole-of-nation level.
13. How else is IRAS leveraging on technology? Due to the COVID-19 situation, we had to reimagine how taxpayers will be served at our service centre in the 'new normal'. Traditionally, the IRAS service centre was intended for walk-ins to speak to an officer face-to-face. However, it is no longer the case. Apart from redesigning the space to accommodate safe distancing measures, we also took deliberate steps to shift taxpayers to digital channels. For those who walk-in, they will be channelled to self-help kiosks or given an SMS link for video-conferencing (also known as 'Video Chat') from the comfort of their homes on another day. For those who made appointments, they will be served at our counters, but still via Video Chat. So far, feedback has been very positive.

Quite recently, we had the privilege to serve Mr Tan, a 64-year-old. The option of getting assistance on his tax matters via Video Chat was a new and unfamiliar one. When an IRAS officer (the face in the picture) reached out to him and attempted to resolve his queries over the phone, he was uncomfortable and shared that he felt more assured coming down to the service centre for in-person assistance. The IRAS officer then proposed for Mr Tan to opt for a Video Chat instead, as this would allow him to have the face-to-face interaction, he was familiar with, albeit a virtual one, while in the comfort and safety of his own home. Though initially reluctant, Mr Tan accepted this offer and the virtual appointment took place via a link sent directly to his device. You can see the quote from Mr Tan on this slide.

It was really encouraging for me and my team. We hope that through this crisis, we successfully change mindsets and behaviours, where taxpayers will gradually embrace digital options when communicating or transacting with us. And we can be a truly, Virtual Centre.

14. If I could summarise how we can accelerate digitalisation amid uncertainties, I would say that, agility is the key to success. Pandemic events are so fluid. What we know of the virus today, may not be the same tomorrow. Things can change very quickly, without notice; like how we were told to implement the '1-meter rule' at our service centre on one day and be ready with the new setup by 8am the next morning. Therefore, we need to arm ourselves with a quick-thinking, adaptable and flexible mindset, to react to the ever-changing situation yet be future-ready for the new world.

15. And, if I could pose another question, how might we accelerate digitalisation, and still serve with our heart? The emotional state of our taxpayers and staff now adds to the challenge, where many may feel fear, frustration or are physically and socially isolated. We cannot simply ignore these emotions, but even more exercise greater empathy in our every interaction.
16. How then, does IRAS demonstrate care and empathy in our service to taxpayers, especially those who are not digitally-savvy, during this COVID-19 period?

To illustrate, let me share with you a story of an 82-year old, Mdm See. On 15 May, Mdm See made an e-Appointment for filing assistance. An IRAS officer called her prior to the appointment date to inform that counter services are closed due to the Circuit Breaker and advised her to e-File. However, noting that Mdm See is rather aged and do not wish to inconvenience her further, she probed for details and found out that Mdm See only has rental income. So, the officer offered to file on taxpayer's behalf, assuring her that she does not need to take further action other than providing the gross rent and expenses incurred. On hearing this, Mdm See was elated and repeatedly commended the officer for her good service. The officer then went on to finalise Mdm See's tax assessment based on the verbal conversation, the very next day. This is an example of how we go beyond empathy, by being agile in finding new ways to help the digitally estranged in an increasingly digitalised world.

17. Much has been said about serving taxpayers with heart and empathy but let us also remember those who serve them. Those who are fighting this battle together with us, our people. They too, are adapting to new ways of working and are feeling the impact of the crisis. Minority of our staff used to work from home. We now have more than 90% of our staff working from home. Physical meetings are being replaced by virtual ones. On one hand, this mode of operation allows for greater flexibility and productivity. It allows also for more family time and interaction with loved ones living under the same roof. Yet, even as people save time on their commute, they are putting it right back into their work. Staff are losing track of time, because the working day no longer has clear boundaries. Burnout is starting to become a concern.

As leaders, we play an ever-important role to show care and support as we go through this difficult period together. Personally, I feel myself needing to invest more time and effort in caring for my teams and connecting with them. In a virtual world, we need to be even 'more human'. Otherwise, we might end up becoming the 'robots' in the workplace, and over time, this will have negative implications on culture and the services that we offer to our taxpayers as an organisation.

18. IRAS is committed in protecting our employees' well-being and morale. These are just some ways that we help our staff stay connected as they remain physically apart. To promote physical and mental wellness, our recreation club has been actively organising and encouraging staff to participate in free online fitness classes. Leadership teams across IRAS have also stepped up their

game in terms of connectivity by increasing the frequency of their employee meetings, just to make time to stay in touch and provide an outlet for staff to weigh their concerns, if any. Or to play games!

19. During the Circuit Breaker, we asked our staff to share how they were feeling. And here's what we found of the 819 respondents. Majority of them felt supported and equipped to work from home. While these are very positive results, we need to build on the trust that was earned, by continuing to be present, empathetic, fully transparent and engage them in meaningful ways.
20. No one knows how long this pandemic and its consequences are going to last, but in such times of crisis, we as leaders must project optimism and look at issues through a different lens.

Ask yourself, "What is the silver lining in this crisis for my organisation?"

If there's one takeaway from my COVID-19 journey thus far, is to conceive of crisis positively – it is an opportunity for growth, an opportunity to emerge stronger than before, and an opportunity to be seized. Stop thinking that things may return to its old ways of working. Instead, refocus your efforts in thinking and planning for the future. Dream boldly, embrace future possibilities, and move with agility.

21. To close, I'd like to say, "Let us turn a crisis to do good." There are no obvious nor easy solutions to challenges, but out of crises can emerge new and incredible opportunities, and it is up to us to rise up to the challenge and turn it into tomorrow's success.
22. Thank you.