

Digital Economy Compliance

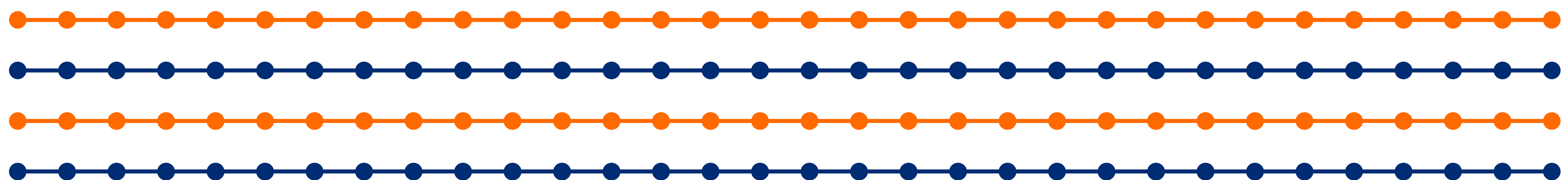
Developed by CIAT / NORAD

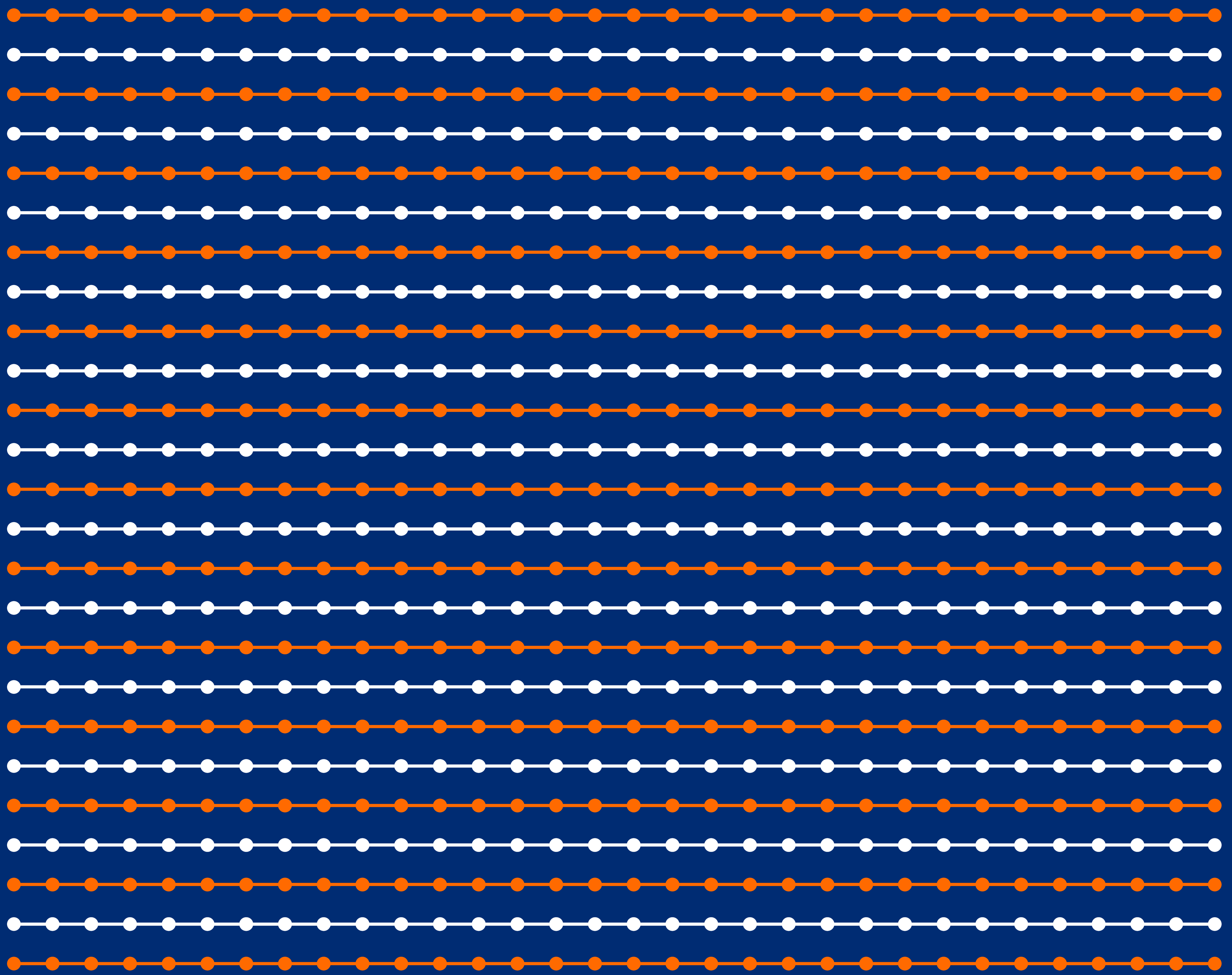


Norad



HANDBOOK





Version 1.0





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THE DIGITAL ECONOMY AND THE DEC SYSTEM

THE DIGITAL ECONOMY



From the final reports of the OECD in its BEPS Action plan, in 2015, it was concluded that it is not possible to precisely delineate the digital economy, given that it is becoming, more and more, the economy itself.

However, the digital economy and its business models present some key characteristics, which are relevant from a fiscal perspective, namely: mobility of intangible assets, users and business functions, the importance of data, network effects, the proliferation of business models, multifaceted business, the tendency to monopoly or oligopoly, and volatility.

Many companies have embraced global business models, centralizing functions regionally or globally rather than country-by-country. Even for small and medium-sized companies, it is possible to be "micro multinationals" that operate and have staff in multiple countries and continents.

Among the different business models of the digital economy, e-commerce, application stores, online advertising, cloud computing, participatory network platforms, high-frequency trading, intermediation of products, services, and currencies, online payment services, and many other activities stand out.

TAXATION OF THE DIGITAL ECONOMY



As a response to the need for tax administrations around the world to incorporate taxation of the digital economy into their tax systems, the working group led by the Organization for Economic Cooperation and Development - OECD, the Inter-American Center of Tax Administrations - CIAT, the Inter-American Development Bank - IDB, the World Bank - WB and the European Union - EU, have recommended the implementation of the value-added tax (VAT) as the first stage of taxation, which will allow the collection and control of the tax generated by cross-border transactions carried out through digital means.

One of the first steps that tax administrations must take to achieve this objective is to establish or adapt the tax regulations that establish tax obligations in the case of supply of goods, digital and intangible services, by foreign suppliers without physical presence, through digital means, for which it is essential to clearly identify in the law, the spatial scope of application of the normative, the activities considered as taxable events and the obligated subjects, under the figure of taxpayers, responsible and third parties.

To achieve effectiveness in the implementation of the consumption tax on digital activities, international guidelines recommend adopting the principle of destination when establishing connection links to tax goods and services in consumer jurisdictions, establishing, consequently, obligations taxes for foreign suppliers, even when they do not have a physical presence in said territories.

Establishing tax regimes aimed at foreign suppliers without a physical presence in the countries of consumption is an action to develop the principle of tax equality, which allows maintaining equity in the economies of the countries since it balances the conditions in which suppliers abroad compete with national suppliers. In addition, it strengthens the fiscal sovereignty of the countries in which foreign suppliers generate value through their activities.

DEC SYSTEM (DIGITAL ECONOMY COMPLIANCE)



The Inter-American Center of Tax Administrations - CIAT, with the financial support of NORAD (Norwegian Agency for Development Cooperation), in the quest to facilitate the implementation of effective mechanisms for the application of the tax to the digital economy, developed a technological registration system simplified and in compliance with tax obligations for the management of the tax regimes of the digital economy, which consists of a computer tool, low cost, open-source and fully parameterizable, which allows implementing the administrative management of the VAT applied on the digital transactions.

This tool was designed in order to be used for the effective implementation of mechanisms that allow implementing the administration of indirect taxation of the activities carried out within the digital economy, through the Value Added Tax, by the tax administrations with limited financial resources to carry out implementation processes for this type of tax.



ADJUSTMENT OF LEGAL FRAMEWORK

GENERAL ASPECTS



The DEC system is a technology tool designed based on international recommendations and best practices shared through the guidelines developed by the OECD, which serves as a mechanism for the practical application of the tax management processes required by the tax administration, to the administration of the value-added tax caused by the supply operations through digital means, of goods, digital and intangible services, carried out by foreign suppliers, without a physical presence in the country.

LEGAL NORMATIVE



The DEC system is the ideal solution available for the tax administrations of the countries that are in the process of adapting their tax system or that have already incorporated the necessary norms to establish the tax on the digital economy, in the form of taxation of the consumption, through the adaptation of the value-added tax, or through the creation of a special tax on digital activities.

DESTINATION PRINCIPLE



To establish a tax on cross-border digital operations, the best international practices recommend adapting the tax legislation adopting the destination principle, which allows the taxation of transactions carried out on goods, services, and intangibles supplied from abroad that are consumed in the country.

TAXABLE ACTIVITIES OR TAXABLE EVENTS

In relation to which operations must be taxed, the regulations must be adequate to qualify as taxable events the different activities carried out within the digital ecosystems. The OECD guidelines indicate two viable qualification methods, the restrictive one, which consists of establishing an express classification of the activities that will be subject to the tax, and the extended one, which refers to the establishment of generic concepts, which allow covering almost all of the operations carried out by providers of goods, digital services, and intangibles. This last method is the most recommended because it allows the taxation of digital transactions with a wide spectrum of applications, makes the tax regime fairer and allows the taxation of new business models that continue to be created, without the need to modify the legal regime again.

The general, non-limiting classification allows establishing the tax on transfers classified as:

- Operations with low value goods
- Supply of digital and intangible goods
- Provision of digital services
- Supply through digital platforms
- Use of data and online advertising
- Brokerage of sales, goods, currencies and services

LIABLE SUBJECTS

The legislation must clearly establish that this tax regime is designed to qualify as taxpayers of the tax foreign suppliers of digital and intangible goods and services, who carry out supply activities from abroad, without maintaining a physical presence in their consumers' jurisdiction. For this reason, it is essential to have the adoption of the destination principle in the tax system, since it is the mechanism that attributes the competence to impose tax obligations on foreign taxpayers, without the need to require that they have physical, legal representation, or a permanent establishment in the country.

LIABILITY REGIME

Once the constituent elements of the tax have been defined, such as the connecting links of the activities with the territory of the destination country, the taxable events, and the obligated subjects, it is necessary to have included into the regulations governing the tax, a simplified regime of tax obligations, which allows the correct implementation of the tax, comprising registration, declarations, payment, and reporting obligations.

The guidelines indicate that experience has shown that regimes that establish less complexity further stimulate compliance and voluntary payment by transnational corporations.

FUNCTIONAL SPECIFICATIONS

The DEC¹ is a Web system that has two worksites, the Taxpayer Portal and the Administrative Portal of the Tax Administration.

TAXPAYER PORTAL

The taxpayer portal is the system that allows the taxpayer to interact with the tax administration, and has the following functionalities:

1 Taxpayer registration:

Allows the taxpayer to register with the tax administration. The interested party or obligated party must complete their registry information, which is organized into several subject areas: general data, tax data in their jurisdiction of residence, contact data, operations carried out by the taxpayer in the digital economy, tax vector, vector of reports and supporting documentation and acceptance of the terms and conditions. This registration is reviewed and, if applicable, approved by the tax administration officials. If the registration is not approved, there are mechanisms to contact the taxpayer, informing those data or information that must be corrected or provided.

The screenshot displays the 'TAX PAYER REGISTRY' form. At the top, there is a progress bar with eight steps: General, Tax, Contacts, Operations, Tax vector, Report, Documents, and Acceptance. The 'General' step is currently active, indicated by a blue circle and a blue line. Below the progress bar, there are three input fields: 'Person type' with a dropdown menu showing 'BUSINESS', 'Business name' with a text input field, and 'Tradename' with a text input field.

¹ DEC: Digital Economy Compliance

2 Electronic mailbox:

This feature implements within the system the electronic mailbox for taxpayer notifications and records each action that the Taxpayer performs in the system; for example, the filing of returns, the presentation of reports, the updating of data, and other actions that generate an electronic notification that is received by the taxpayer both in their email and in the DEC mailbox.

INBOX

Notifications (1)
 Messages: 17

Showing 1 to 15 of 17 entries

<
<
1
2
>
>

Actions	Message	Read	Date
	Su declaración de impuestos ha...	NO	03/05/2021
	We have received your Tax Retu...	Ok	11/03/2021
	We have received your Tax Retu...	Ok	11/03/2021
	Su declaración de impuestos ha...	Ok	22/02/2021
	Su declaración de impuestos ha...	Ok	15/02/2021
	Reporte recibido satisfactoria...	Ok	15/02/2021

3 Registry Update:

Through the use of this feature, the taxpayer will be able to update their registry data throughout their life cycle.

UPDATE REGISTRATION

General
Tax
Contacts
Operations
Tax vector
Report
Documents

Person type

BUSINESS
v

Business name

Empresa S.A.

Tradename

La Empresa Comercial


4 Two-step's authentication Security:

This feature allows the taxpayer to enable double factor authentication to enhance the security of access to the system.

CONFIGURE AUTHENTICATOR APP

Download a two-factor authenticator app like Microsoft Authenticator for

1. Windows Phone, Android and Google Authenticator for Android and iOS.
2. Scan the QR Code or enter this key `d3dv 7gfs 5zrv w343 t2jq hyrr nz3s ovr3` into your two factor authenticator app. Spaces and casing do not matter.



3. Once you have scanned the QR code or input the key above, your two factor authentication app will provide you with a unique code. Enter the code in the confirmation box below.

Verification Code

5 API KEYS:

The system has an API KEYS generator so that the taxpayer can carry out software developments tailored to their needs, allowing them to use the web services provided by the system to be able to file tax returns and complementary reports.

API KEYS

Name	Expiration Date
<input type="text" value="SAP_INTEGRATION"/>	<input type="text" value="01/05/2021"/>

6 Payment consultation:

This feature allows the Taxpayer to consult all the payments made related to their tax obligations.

7 Tax Account consultation:

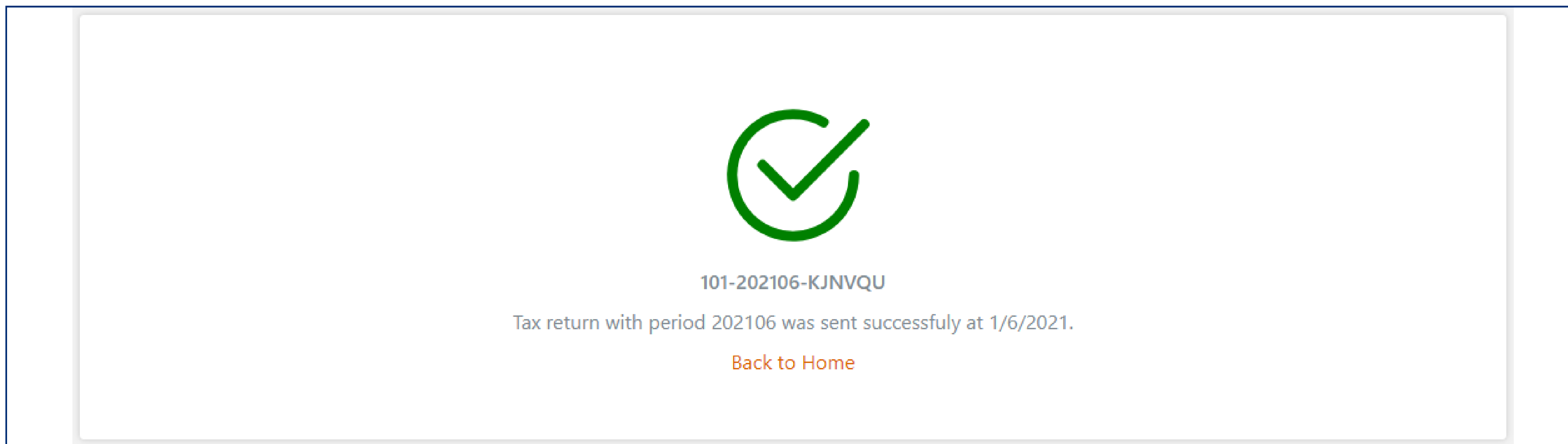
This feature allows the Taxpayer to consult their checking account. It allows viewing the details of transactions associated with both tax returns and payments provided by the current account of the tax administration.

8 Credit from corrections:

This feature allows the taxpayer to consult the credits generated as a result of the presentation of corrective (corrective) returns that reduce the total tax to be paid and that are approved by an official of the tax administration.

9 Submit Tax Return:

Through the use of this feature, the Taxpayer may submit their tax returns, in accordance with the tax vector associated with the taxpayer.



10 Submit additional reports:

This feature allows the taxpayer to present complementary reports according to the vector of reports associated with the taxpayer.

11 Submit Corrective Declaration:

Through the use of this feature, the Taxpayer may present corrective (corrective) declarations. The corrective statements that reduce the tax caused will remain in a pending status to be reviewed by an official of the tax administration who will make the decision to approve or reject the statement.

12 Consultation of Tax Returns:

This feature will allow the Taxpayer to consult all the tax returns that have been submitted through DEC.

DETERMINATION OF TAX AND TOTAL TO PAY	
601 - Determined tax ⓘ	0.00
602 - Previous credit ⓘ	0.00
603 - Fines ⓘ	54.54
604 - Tax interest ⓘ	54.54
605 - Total to pay ⓘ	109.08
606 - Amendment credit applied ⓘ	0.00
607 - Credit due amendment ⓘ	0.00
608 - Type of change ⓘ	1.00
609 - Total local tax to pay ⓘ	109.08
610 - Next credit ⓘ	0.00

13 Consultation of Complementary Reports:

This feature will allow the taxpayer to consult all the complementary reports that he has submitted.

REPORT DETAILS

Report number: Period:

Report Name:

Cell name	Type	Description
ID_CUSTOMER	Text	Customer identification
CUSTOMER_NAME	Text	Customer name
SALE_AMOUNT	Currency	Total amount of the sale
TAX	Currency	VAT tax

ADMINISTRATIVE PORTAL 

The Administrative portal is the system that allows the tax administration to manage all the actions necessary to facilitate the fulfillment of obligations by the taxpayer of the digital economy that carries out operations in its jurisdiction:

1 Two-steps Authentication Security:

This feature allows the taxpayer to enable double factor authentication to enhance the security of access to the system.

2 Users management:

The tax administration security officer who has access to this feature will be able to manage the users and permissions of all the tax administration officials.

EDIT USER

Id: User Name:

Department: Email:

Name: Disabled:

Preferred Language:

ROLS

Account Reports ⓘ

3 Taxpayers management

The official in charge of tax administration security with access to this feature may manage the taxpayer's users, in order to provide support for any problem related to access to the system.

Id	218da3b8-6d4a-4c37-9faf-ace701322999	User Name	RUC-210310-SH2CMH
Email	sebastian.noguez@gmail.com		
Name	Sebastian	Disabled	<input type="checkbox"/>
Preferred Language	es-ES x v		
x CANCEL		✓ SAVE	

4 Consultation of Security, Application, and Audit events

The security official of the tax administration with access to this feature will be able to use the eight personalized logs where he can review all the events and actions carried out in the system, both at the security level, as well as at the application level, this being a fundamental tool to carry out any system audit.

EVENT LOGS-SECURITY			
Date From	01/05/2021	Date To	03/06/2021
User		Aggregate Name	EnvironmentVariable x v
Event Name	AuthenticatorEnabled x v		
			↓ DOWNLOAD

5 Home Screen Configuration

This feature allows the tax administration to customize the home page of the system, for each of the languages configured in it.

HOME TEMPLATE

Preferred Language: en-US

```

1 <div className="row">
2   <div className="col-12 col-md-6">
3     <div>
4       <h1 className="display-4 font-weight-bolder text-dark">D
5
6     </div>
7     <p>
8       This is the first Page of the <b>Digital Economy Com
9     </p>
10    The administrator can access and change the alerts a
11    that the Tax Authority requires to send to our client
12    Tax Payers, thanks for your register
13  </p>
14  </div>
15 </div>
16 </div>
17 <div className="col-12 col-md-6">
18   <div className="px-4 py-3">
19     <img width="500" className="img-fluid mx-auto mb-2" src=
20   </div>
21 </div>
22 </div>


```

856/15000

DIGITAL ECONOMY COMPLIANCE

This is the first Page of the **Digital Economy Compliance System**

The administrator can access and change the alerts and informacions that the Tax Authority requires to send to our clients, Tax Payers, thanks for your register



× CANCEL
✓ SAVE

6 Security and Application Notification settings

these two functionalities allow the tax administration to customize the messages that are used by the system to send notifications to both the Taxpayer's electronic mailbox and their email. This feature allows the configuration of templates in each of the languages configured in the system.

UPDATE - APPLICATION NOTIFICATIONS

Template id
c9729519-b1bd-4390-95f4-7f7d3f94ebab

Email notification

Preferred Language
en-US

```

1 <!DOCTYPE html
2 PUBLIC "-//W3C//DTD XHTML 1.0 Transitional//EN" "http://www.w3
3 <html xmlns="http://www.w3.org/1999/xhtml">
4
5 <head>
6 <meta http-equiv="Content-Type" content="text/html; charset=utf
7 <meta name="viewport" content="width=device-width, initial-sca
8 <title>Skyline Ping Email</title>
9 <style type="text/css">
10 @import url(http://fonts.googleapis.com/css?family=Lato:40
11
12 /* Take care of image borders and formatting */
13 img {
14 max-width: 600px;
15 outline: none;
16 text-decoration: none;
17 -ms-interpolation-mode: bicubic;
18 }
19
20 a {
21 text-decoration: none;
22 border: 0;
23 outline: none;
24 color: #218E84;
25 }
26
27 a img {
28 border: none;
29 }
30
31 /* General styling */
32 td,
33 h1,
34 h2,
35 r
36

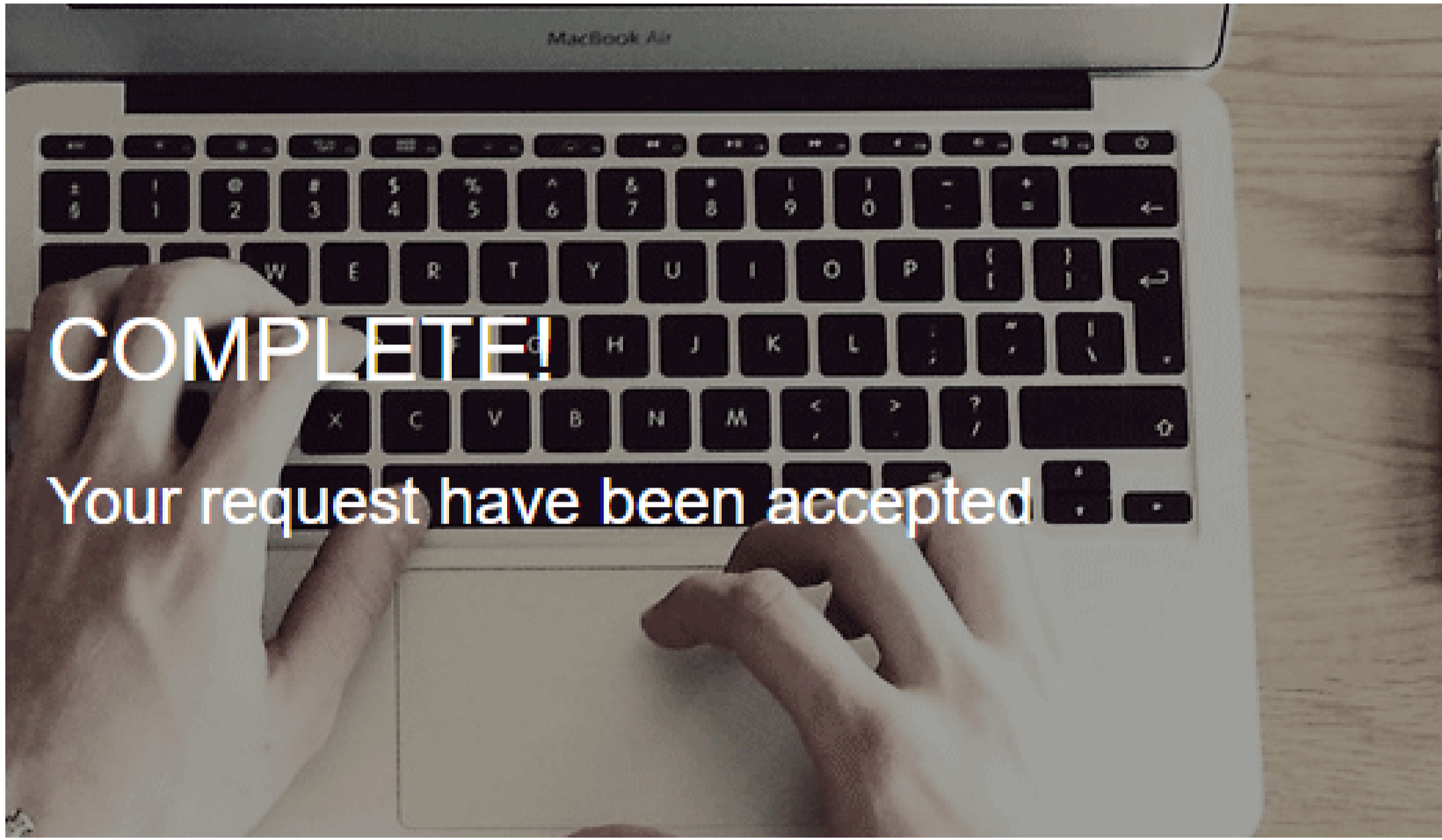
```

6184/15000

Name
tax-payer-enrollment

Push Notification

Inbox
Notifications



Hi {{ TaxpayerName }},

Your registration request has been received. If you have any issue, please [contact support](#)

Thanks!

Request Number:

7 Configuration of security and application environment variables

These two functionalities allow the tax administration official to customize different system configuration variables, among which the data of the email server used to send notifications, the maximum amount number of failed login attempts allowed before locking the user or the total time associated with locking the user.

UPDATE - APPLICATION ENVIRONMENT

Name
smtp_server

Type
Text

Value
smtp.office365.com

8 Catalogs' configuration:

This feature is one of the most important in terms of the parameterization and customization of the system since through this the tax administration official will be able to define different catalogs (Example: list of countries, regions, periods, types of taxpayers, and others) that can also be used in custom forms for filing tax returns. It is important to note that all the elements of the catalogs have multi-language feature.

UPDATE - CATALOG TYPE

Id

Name

Description

en-US 1/4

9 Taxpayer Field settings:

This feature allows the tax administration official to configure the fields that need to be enabled for the taxpayer registration feature.

TAXPAYER FIELDS

Contact ADDRESS Enabled <input checked="" type="checkbox"/>	Contact CITY Enabled <input checked="" type="checkbox"/>	Contact IDENTIFICATION Enabled <input checked="" type="checkbox"/>	Contact IDENTIFICATION TAX NUMBER Enabled <input checked="" type="checkbox"/>
Contact PHONE NUMBER Enabled <input checked="" type="checkbox"/>	Contact POLITICAL DIVISION Enabled <input checked="" type="checkbox"/>	Contact ZIP CODE Enabled <input checked="" type="checkbox"/>	Documents CONTACT IDENTITY IN THE RESIDENCE COUNTRY Enabled <input checked="" type="checkbox"/>
Documents LOCAL CONTACT REGISTERED IDENTITY Enabled <input checked="" type="checkbox"/>	General Data ADDRESS Enabled <input checked="" type="checkbox"/>	General Data CITY Enabled <input checked="" type="checkbox"/>	General Data COMMERCIAL NAME Enabled <input checked="" type="checkbox"/>

10 Operations settings (Economic Activity):

This feature allows the tax administration official to manage the list of operations (or simplified economic activity) that taxpayers can carry out in the digital economy. These operations are very important, they are the ones that determine the taxpayer's tax obligations at the time of registration.

ECONOMY ACTIVITY

Code

Name

✕ CLEAR
+ NEW
🔍 SEARCH

Actions	Code	Name	Description
	001	Services broker	Services broker
	002	Delivery of digital content	Delivery of digital content from downloads, streaming or other technologies.
	003	Software or infrastructure services/ licensing	Software or infrastructure services/ licensing
	004	Advertising	Advertising
	005	Other activities	Other activities
	006	IT services export	IT services export

11 Tax Administration:

This feature allows the tax administration official to manage the digital economy taxes or tax obligations that the system will process.

General

Rates

Periodicity

Code

Short Name

en-US 🌐 2/4

Name

en-US 🌐 2/4

✕ CANCEL
🗑 DELETE
✓ SAVE

12 Forms management:

This feature allows the tax administration official to configure the system's forms, which are the instruments through which taxpayers present their tax returns. This, from the perspective of the tax administration, is one of the most important functionalities of the system. It allows setting the general characteristics; For example, the form name, the possibility of submitting corrective returns and if they need to be reviewed by the tax administrations or, on the contrary, if they are automatically accepted, the possibility of configuring the details of the forms at the level of each box, being able to establish data entry fields, fields that are pre-filled with taxpayer information or calculated fields that allow configuring both logical / arithmetic formulas and the result of consumption of integration web services that can be provided by the administration's Core Tax system.

FORMS		VERSIONS
Code	Short name	Version: 1 Since: 01/01/2019
<input type="text" value="100"/>	<input type="text" value="VAT"/> <small>en-US 1/4</small>	
Name		+ NEW VERSION
<input type="text" value="Value Added Tax"/> <small>en-US 1/4</small>		
Tax		
<input type="text" value="Value Added Tax"/>		
Number Modifications	Amendment Approval Required	
<input type="text" value="4"/>	<input checked="" type="checkbox"/>	
<input type="button" value="× CANCEL"/> <input type="button" value="🗑️ DELETE"/>		<input type="button" value="✓ SAVE"/>

General data		Sections	Cells	Preview	Current Account Rules
Form code	Form name				
100	Value Added Tax				
Version					
<input type="text" value="1"/>					
Start date	End date				
<input type="text" value="01/01/2019"/>	<input type="text"/>				
Enabled					
<input checked="" type="checkbox"/>					
<input type="button" value="× CANCEL"/> <input type="button" value="🗑️ DELETE"/>		<input type="button" value="✓ SAVE"/>			

General data
Sections
Cells
Preview
Current Account Rules

Cell code

Description

Section

Order

Mandatory

Visible

Cell name

Type

Formula

Editable

Taxreturn Total

× CANCEL
DELETE
SAVE

13 Reports Administration:

Like the forms' management feature, this feature allows the tax administration official to configure the instruments that are used by the taxpayers to present the complementary reports that the tax administration deems necessary.

General
Periodicity

REPORT

Code

Short Name

Name

VERSIONS

Version: 1 ⚙️

Since: 01/01/2019

Version: 2 ⚙️



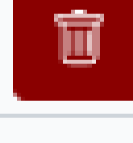


Since: 29/04/2021

× CANCEL
DELETE
SAVE

Version		Fields
		+ NEW
1 - CUSTOMER_NAME		
Description: Customer name		Type: Text
Order: 1	Formula:	
		EDIT
2 - PERIOD		
Description: Customer billing period (YYYY-MM-DD)		Type: Date
Order: 2	Formula:	
		EDIT
3 - AMOUNT_BILLED		
Description: Customer invoice amount		Type: Currency
Order: 3	Formula:	
		EDIT

14 Operations management - taxes:

This feature allows establishing the links between operations and taxes. These relationships are used by the system to determine the tax vector of the taxpayer at the time of registration or updating of their registry data.

MANAGE TAX OPERATIONS		
Tax	Operation	
<input type="text"/>	<input type="text"/>	
<input type="button" value="CLEAR"/>	<input type="button" value="+ NEW"/>	<input type="button" value="SEARCH"/>
Actions	Operation	Tax
	Services broker	Value Added Tax
	Software or infrastructure services/ licensing	Value Added Tax
	IT services export	Value Added Tax
	Advertising	Income tax
	Delivery of digital content	Income tax

15 Operations Management- Reports:

This feature allows to establish the links between operations and complementary reports. These relationships are used by the system to determine the taxpayer's reporting vector at the time of registration or updating of their data.

MANAGE REPORT OPERATIONS

Report

Operation

CLEAR
 + NEW
 SEARCH

Actions	Operation	Report
	Software or infrastructure services/ licensing	Sales report with foreign cards
	Advertising	Sales report
	Delivery of digital content	Sales report with foreign cards

16 Review of Taxpayers' Requests:

The tax administration official with access to this feature will be able to review the registration requests of new taxpayers, as well as the requests to update the data of existing taxpayers. This feature allows approving, rejecting or requesting additional information from the taxpayer.

General
Tax
Contacts
Operations
Tax vector
Report
Documents

Identifier of the company registration document

DOWNLOAD FILE

Contact identity in the residence country

DOWNLOAD FILE

Local contact registered identity

DOWNLOAD FILE

CANCEL
 REJECT
 REQUEST ADDITIONAL INFORMATION
 APPROVE

17 Taxpayers Consultation:

The tax administration official with access to this feature may consult the taxpayer's data in the system.

TAXPAYER REPORT

Nit

Name

Country

Person type

Actions	Nit	Name	Person type	Email
<input type="button" value="Q"/>	RUC-201023-VQ0ABE	Ctbte #3 Español	INDIVIDUALS	rolando.delacruz@ideati.net
<input type="button" value="Q"/>	RUC-201023-90FNVW	Ctbte Nat #4	INDIVIDUALS	ROLANDO.DELACRUZ@IDEATI.NET
<input type="button" value="Q"/>	RUC-201023-8EL4RM	Ctbte # 5 Nat Español	INDIVIDUALS	rolando.delacruz@ideati.net
<input type="button" value="Q"/>	RUC-201023-CE9SDO	Marcos Prins	INDIVIDUALS	marcosprins@gmail.com

18 Payment Consultation:

The tax administration official with access to this feature may consult the payments of any taxpayer in the system. This feature is important for tax administration officials who work performing help desk functions for the taxpayers.

PAYMENT INQUIRY

Tax identification

Tax

Date from

Date to

19 Checking Account consultation:

This feature allows the tax administration official to check the checking account of any Taxpayer registered in the system and consequently their payments. This feature is very important for tax administration officials who work performing help desk functions for Taxpayers.

20 Rectification Credit:

This feature allows the tax administration official to consult the credits generated by any taxpayer registered in the system. This functionality is very important for tax administration officials who work performing help desk functions for Taxpayers.

21 Revision of Corrective tax returns:

This feature allows the tax administration official to carry out revision tasks of the corrective statements that have been entered into the system. It is important to note that only the corrective declarations of the tax forms that have been configured with the option **"Rectifications Requiring Review"** will be listed. The official with access to this functionality may approve or reject the rectifying statement, and in the event of rejection, they must indicate to the taxpayer the reason why their correction has been rejected.

DETERMINATION OF TAX AND TOTAL TO PAY

601 - Determined tax ⓘ	602 - Previous credit ⓘ
<input style="width: 90%;" type="text" value="0.42"/>	<input style="width: 90%;" type="text" value="0.00"/>
603 - Fines ⓘ	604 - Tax interest ⓘ
<input style="width: 90%;" type="text" value="54.54"/>	<input style="width: 90%;" type="text" value="54.54"/>
605 - Total to pay ⓘ	606 - Amendment credit applied ⓘ
<input style="width: 90%;" type="text" value="109.50"/>	<input style="width: 90%;" type="text" value="0.00"/>
607 - Credit due amendement ⓘ	608 - Type of change ⓘ
<input style="width: 90%;" type="text" value="1,399,999,929.58"/>	<input style="width: 90%;" type="text" value="1.00"/>
609 - Total local tax to pay ⓘ	610 - Next credit ⓘ
<input style="width: 90%;" type="text" value="109.50"/>	<input style="width: 90%;" type="text" value="0.00"/>

× CANCEL

REJECT
APPROVE

PURCHASE DATA

Comments Approve

DETERMINATION OF TAX AND TOTAL TO PAY

Comments Approve

General Comments

× CANCEL
REJECT

22 Reports, Declarations Consultation:

This feature allows the tax administration official to consult all the tax returns that have been entered into the system, as well as filtering by multiple criteria.

TAXRETURN REPORTS

Form

Country

Nit

Period From

Active

Period ⓘ

Operation Type

Taxreturn Number

Period To

Status

Actions	Nit	Taxpayer Name	Taxreturn Number	Create Date	Operation Type	Status	Form
<input type="button" value="Q"/>	RUC-201030-GHF8IZ	Ctbte 9 Nat US	101-202010-WPPZFG	19/11/2020	Original	Accepted	200
<input type="button" value="Q"/>	RUC-201109-9BNRM2	Ctbte#21USNat	101-201910-WPPZXT	19/11/2020	Original	Accepted	100
<input type="button" value="Q"/>	RUC-201109-9BNRM2	Ctbte#21USNat	101-202001-WNKZYG	19/11/2020	Original	Accepted	100
<input type="button" value="Q"/>	RUC-201109-9BNRM2	Ctbte#21USNat	101-202001-WNNJYG	19/11/2020	Original	Accepted	100
<input type="button" value="Q"/>	RUC-201109-9BNRM2	Ctbte#21USNat	101-201912-WPPTBG	19/11/2020	Original	Accepted	100
<input type="button" value="Q"/>	RUC-201109-9BNRM2	Ctbte#21USNat	101-200001-WDPFXG	19/11/2020	Original	Accepted	100
<input type="button" value="Q"/>	RUC-201030-GHF8IZ	Ctbte 9 Nat US	101-202001-RWPZYG	20/11/2020	Original	Accepted	200
<input type="button" value="Q"/>	RUC-201112-DYKG9K	Ctbte#22NatESP	101-201912-QWPZYG	20/11/2020	Original	Accepted	100
<input type="button" value="Q"/>	RUC-201112-DYKG9K	Ctbte#22NatESP	101-201912-EREZYG	23/11/2020	Original	Accepted	100
<input type="button" value="Q"/>	RUC-201112-DYKG9K	Ctbte#22NatESP	101-201911-NOSREW	23/11/2020	Original	Accepted	100

Showing 1 to 15 of 140 entries

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23 Reports, Consultation of Complementary Reports:

This feature allows the tax administration official to consult any complimentary report that has been presented by the taxpayer. Through this functionality, it is possible to filter by multiple criteria.

REPORT DETAILS

Report type

Country

Nit

Period From

Tax payer Name

Period

Operation Type

Report number

Period To

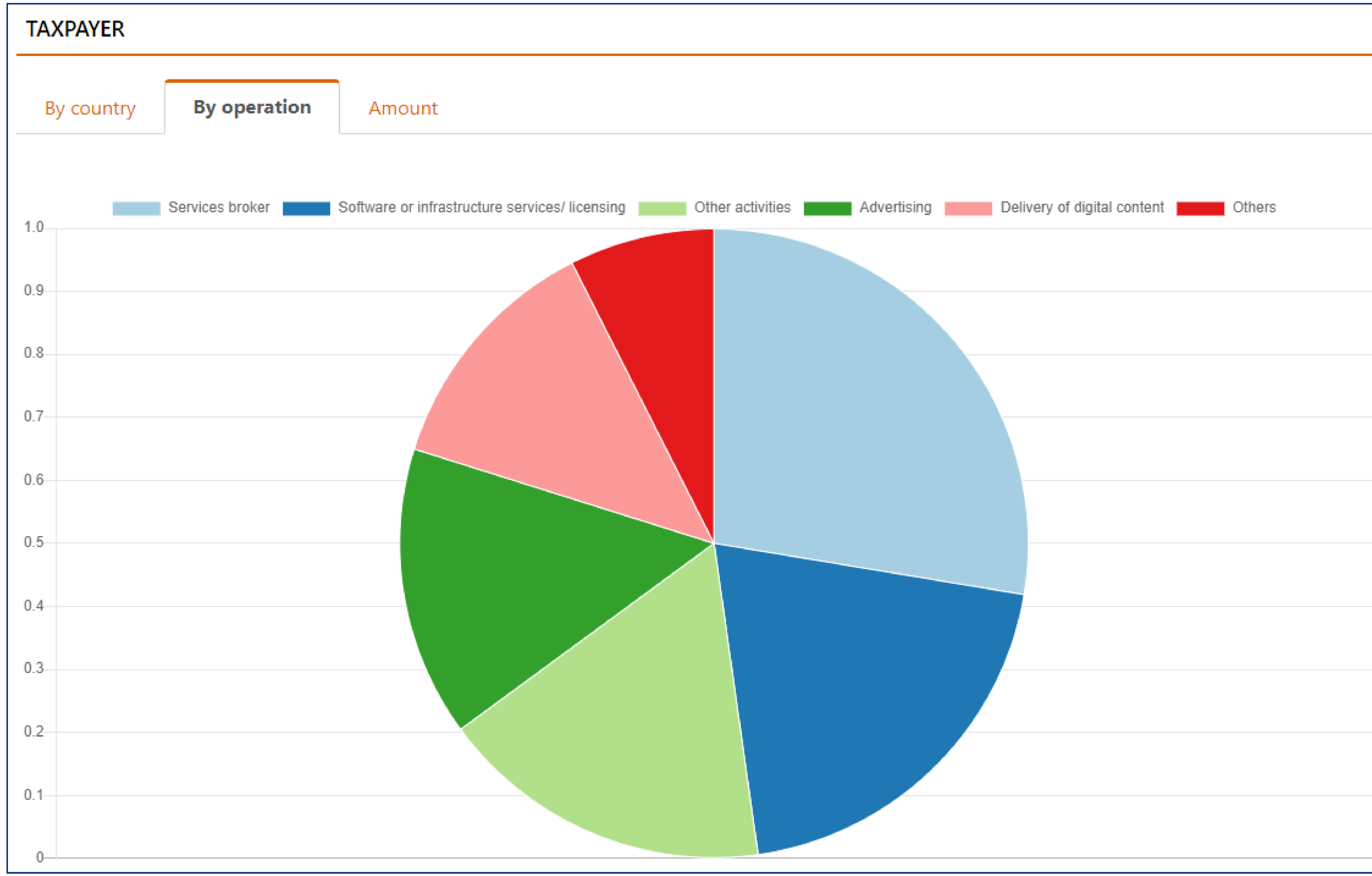
Actions	Report number	Tax payer number	Tax payer Name	Type	State	Active	Registration Date
<input type="button" value="Q"/>	3-201903-VFDHOZ	RUC-201112-DYKG9K	Ctbte#22NatESP	original	error	No	01/12/2020
<input type="button" value="Q"/>	3-202002-8RUFCR	RUC-201112-DYKG9K	Ctbte#22NatESP	original	error	No	03/12/2020
<input type="button" value="Q"/>	3-202001-YBODQQ	RUC-201112-DYKG9K	Ctbte#22NatESP	original	error	No	03/12/2020
<input type="button" value="Q"/>	1-201901-F29DMV	RUC-201203-XLEAKK	SubsSmart	original	error	No	03/12/2020
<input type="button" value="Q"/>	3-201901-T9ZRTL	RUC-201203-XLEAKK	SubsSmart	original	error	No	03/12/2020
<input type="button" value="Q"/>	3-202001-6GTWNI	RUC-201203-XLEAKK	SubsSmart	original	error	No	03/12/2020
<input type="button" value="Q"/>	3-202002-53AVKZ	RUC-201203-XLEAKK	SubsSmart	original	processed	No	03/12/2020
<input type="button" value="Q"/>	3-202003-OQZOND	RUC-201203-XLEAKK	SubsSmart	original	processed	No	03/12/2020
<input type="button" value="Q"/>	3-202004-2G1SLM	RUC-201203-XLEAKK	SubsSmart	original	error	No	03/12/2020
<input type="button" value="Q"/>	3-201903-KIPS3B	RUC-201112-DYKG9K	Ctbte#22NatESP	original	accepted	No	09/12/2020

Showing 1 to 15 of 85 entries

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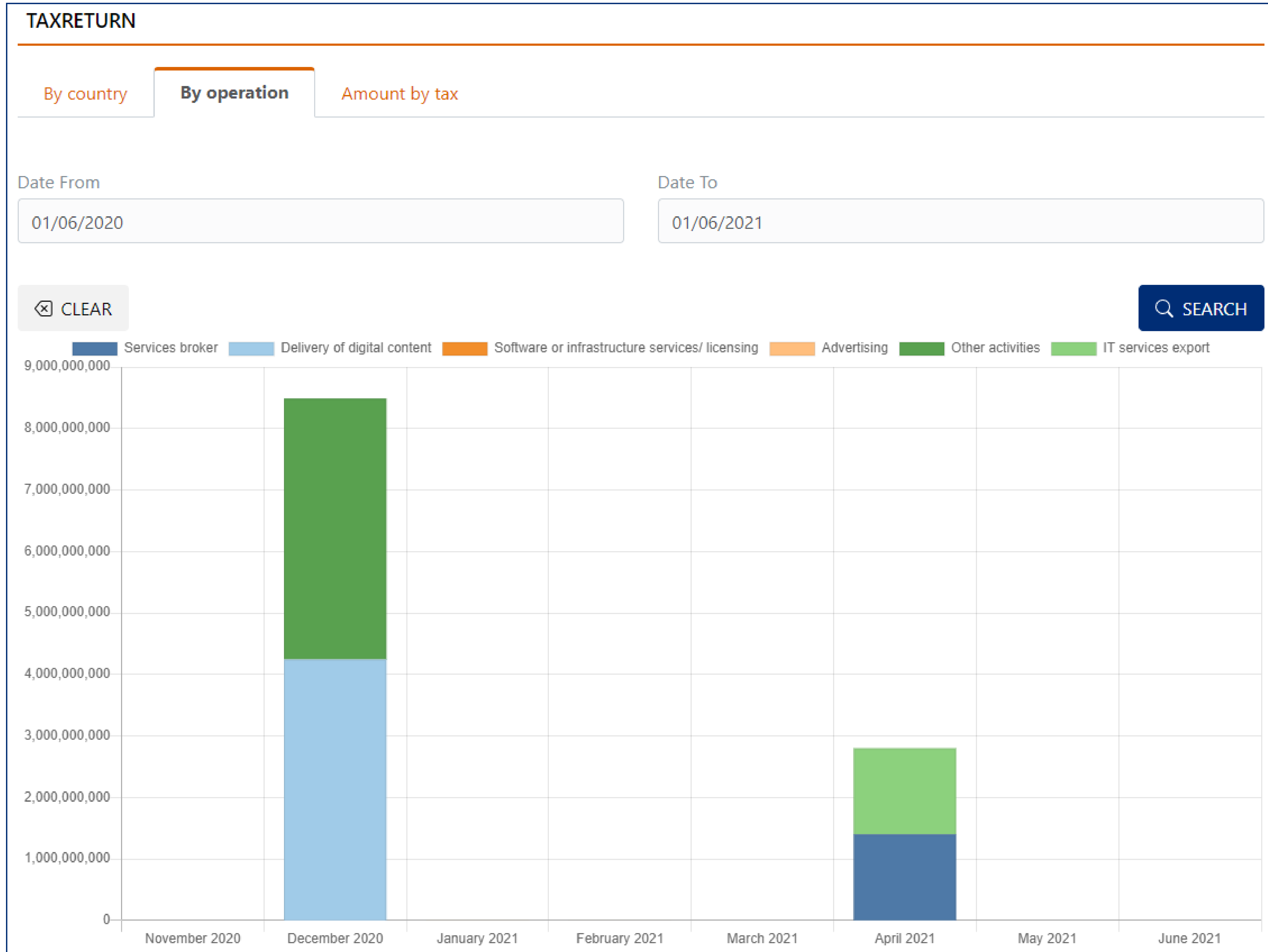
24 Taxpayer Management Reports:


This feature allows the tax administration official to view in a dashboard the consolidated information on the Taxpayers registered in the system.




25 Managerial Reports of Declarations:

This feature allows the tax administration official to view in a dashboard consolidated information on the Tax Returns submitted by Taxpayers.










SETUP FEATURES



DEC was conceived on the basis that it could be easily implemented in any tax administration that had the challenge of managing taxes in the digital economy.

Under this premise, the system has the following characteristics:

-  Parameterization in all the modules and functionalities of the system, including the parameterization of templates for all notifications made by the system and configuration of personalized catalogs.
-  Configuration of electronic forms for filing the tax returns.
-  It enables integration with the tax management system of the Tax Administration. In this sense, the DEC provides integration mechanisms with the main modules of the tax core, highlighting the taxpayer module and the tax account module.
-  Multi-language configuration of the system (currently available in Spanish and English).
-  Graphic design adaptable to the needs of the tax administration. Allows to customize name, logos and institutional colors.

TECHNICAL FEATURES

The DEC system is made up of the following components:



WEB SERVERS:

Authentication portal:

Web server used to capture the user's credentials.

Taxpayer Portal:

Web server that allows access to the functionalities available to the taxpayers.

Administrative Portal:

Web server that allows access to the functionalities available to Tax Administration officials.



API SERVERS

Security Backend:

API server that implements authentication and authorization services.

Application Backend:

API server that implements the services of the functionalities used by taxpayers and Tax Administration officials.



DATABASES

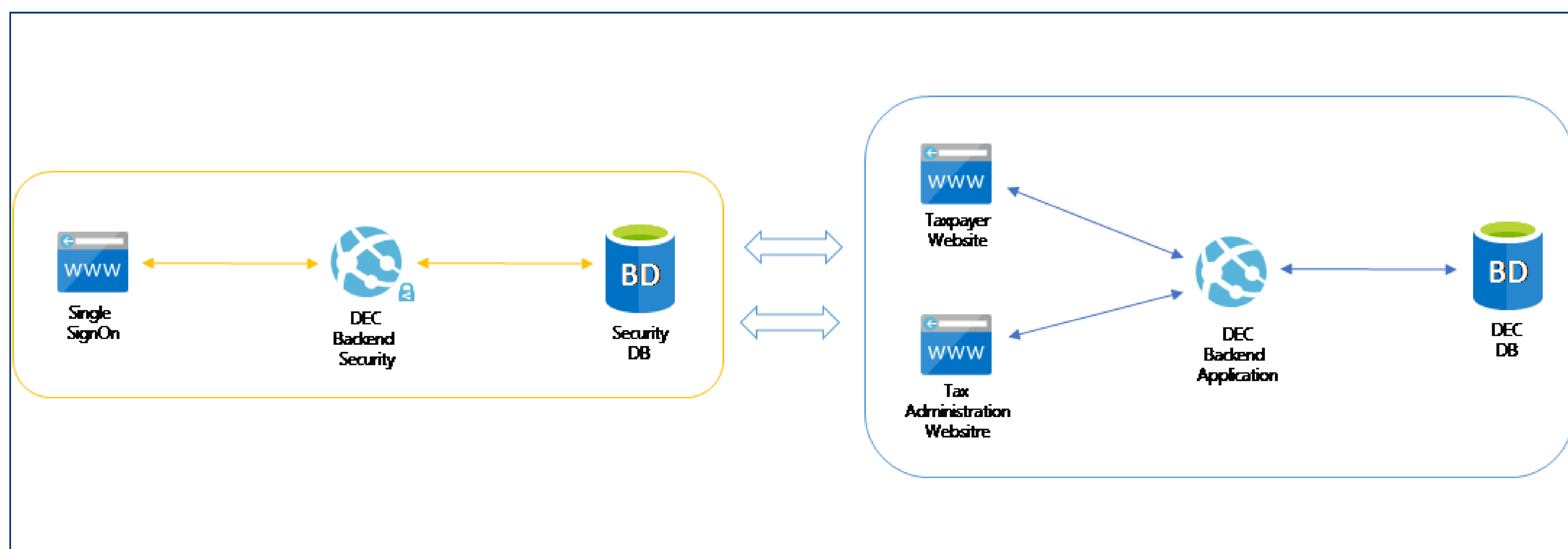
Safety database:

In charge of managing user and role information.

Database:

Database in charge of storing the data and transactions associated with the DEC system.

In the following conceptual architecture diagram, we can see how these components interact.

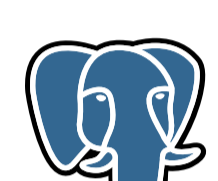





The DEC system architecture has the following advantages:

It can be implemented in any of the following options:

-  Microsoft Azure
-  AWS
-  Google Cloud
-  On-premises (Servidores Windows o Linux)

Regarding the system database repositories, you can use:

-  SQL Server
-  Oracle
-  MySQL
-  PostgreSQL

TEST ENVIRONMENT INSTALLATION REQUIREMENTS



BACKEND

- It must have a connection to the database associated with the environment (development, tests).
- At least 10gb of memory.
- 30GB of disk space available for the system.



FRONTEND

- At least 8GB of memory.
- 30GB of disk space available for the system.



INTEGRATION API

- At least 8GB of memory.
- 30GB of disk space available for the system.



DATABASES

- 1 database schema for DEC.
- 1 database schema for DEC-SECURITY.
- The user accessing the databases must have DDL permissions on those schemas (The system will create tables when starting for the first time).

SECURITY AND AUDIT

TWO-FACTOR AUTHENTICATION

Regarding the security of the system, access to the DEC is done through username and password, where additionally every user of the system, taxpayer, or administrator can enable the two-steps authentication (2FA) feature.



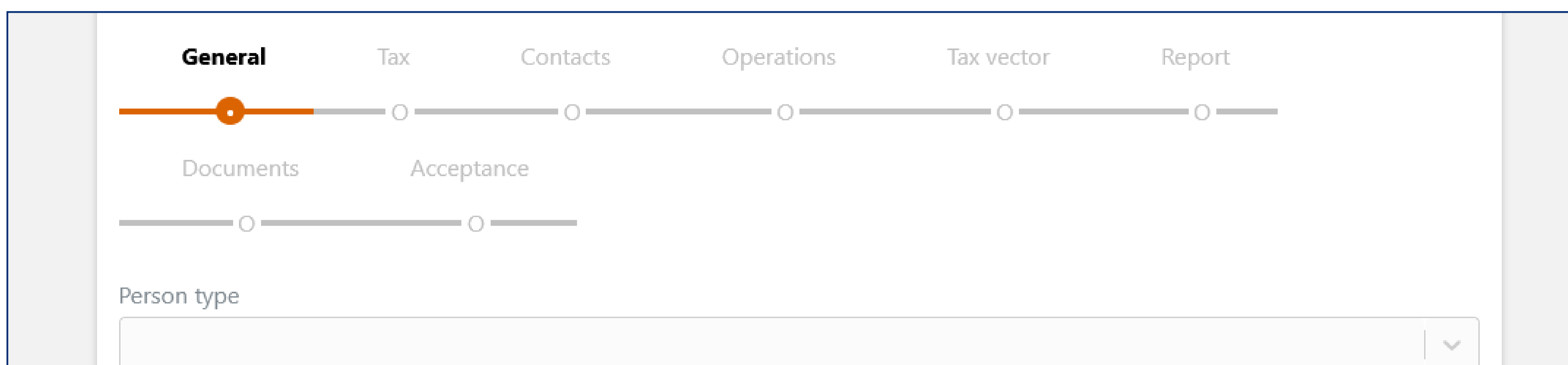
When implementing the DEC in the Tax Administration, it is possible to configure the integration with the security services that its authentication scheme uses.

AUDIT RECORDS

The system includes the audit feature, which is composed of records of events, accesses, and operations that allow identifying any action that occurs therein.

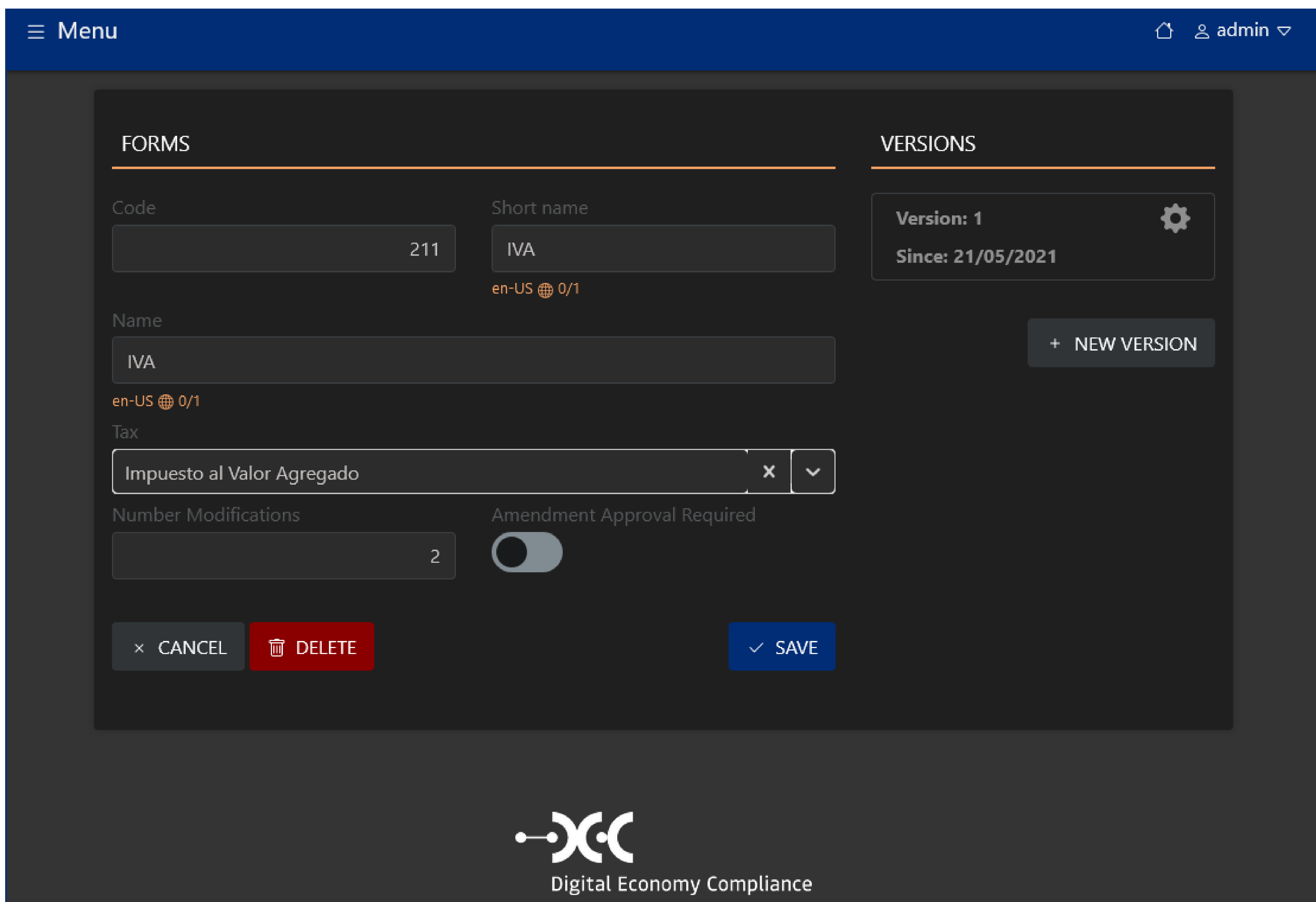
USER EXPERIENCE

The behavior and graphic design of DEC were carried out considering the main guidelines and good practices for the user's experience, made up by a set of factors and elements related to the user interaction, which may result in a positive or negative perception of said product.



DARK MODE

Another feature of DEC is that it can be used in dark mode, in those internet browsers that implement this feature.



MAINTENANCE

SOURCE CODE

The DEC implementation project includes the transfer of the system's source code only to Tax Administrations, without charges associated with this transfer.



SYSTEM

Once the DEC tool is installed, the Tax Administration will have total control over the corrective and evolutionary maintenance of the system.

The beneficiaries of the DEC system will be able to incorporate future updates developed by the CIAT team with the purpose of optimizing existing functionalities or creating new ones.










DEC IMPLEMENTATION



CIAT has a dedicated multidisciplinary implementation team, which works hand in hand with the counterpart team established by the TA.

It is important that the TA define a counterpart team, which must contain at least the following key profiles:

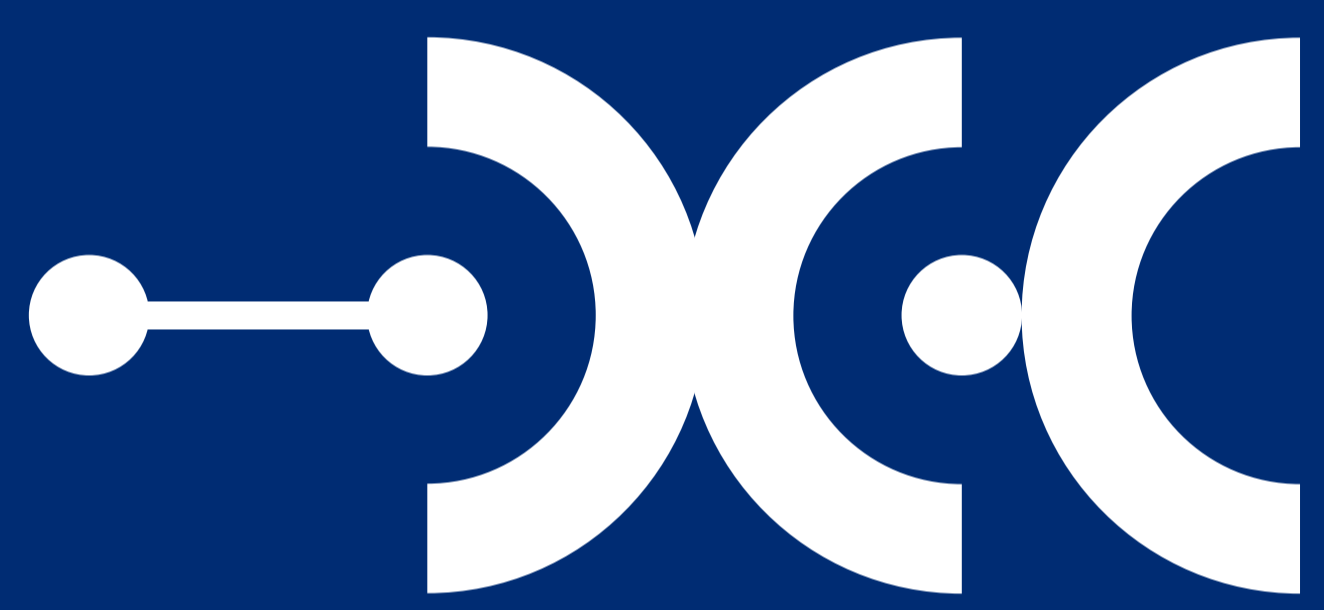
-  **PROJECT MANAGER**
In charge of leading the DEC implementation project
-  **DEVELOPMENT TEAM**
Personnel from the TA development team, who will participate in the configuration and integration activities of the TA Core with the DEC.
-  **FUNCTIONAL TEAM**
Personnel in charge of the definition of tax forms
-  **QUALITY ASSURANCE TEAM**
Personnel in charge of approving the system prior to deployment in production.
-  **LEGAL TEAM**
In charge of defining the terms, conditions and policies of use of the system.

DEC IMPLEMENTATION PLAN

CIAT has prepared a basic DEC implementation plan that has a 12-week extension. This plan has four phases.

- 1** Project initiation and presentation phase.
- 2** Survey phase to detect the specific needs of the TA where characteristics of the Core system and the forms of integration it provides are reviewed. In this phase the scope will be established in terms of integration with the Taxpayer registry of the Core system, as well as the integration of the Taxpayers current account.
- 3** Implementation phase, which is the most extensive of the project, where the DEC configurations and parameterizations are carried out, as well as the integrations with the CORE system.
- 4** Finally, there are two weeks for the approval and deployment of the DEC system in the production environment.

	Month 1				Month 2				Month 3			
	W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12
PHASE 1: KickOff												
PHASE 2: Analysis												
PHASE 3: Implementation												
PHASE 4: Deploy												



Digital Economy Compliance

Developed by CIAT / NORAD

