

Management summary Phase 1 Transformation Sint Maarten Tax and Customs Administration (C.4.1)

Tax and Customs Administration Transformation Phase 1	
Sint Maarten	
Taxes (Theme C)	
Measure C.4	
Reasons for the project	The consequences for the local economy of Sint Maarten, successively from Hurricanes Irma and Maria and the COVID-19 pandemic, are clearly visible in the contraction of the Gross National Product resulting in shrinking tax revenues. Over time, the Sint Maarten Tax and Customs Administration has incurred significant arrears in the levying and collection of taxes, the files have become very polluted, the Tax and Customs Administration is understaffed in terms of quality and quantity, and the tax system and its implementation have become too complex for the country Sint Maarten.
Project objectives	Modernizing and optimizing the Tax and Customs Administration and reforming the tax system of Sint Maarten, in such a way that tax can be levied and collected in an accurate, efficient manner, so that every citizen and entity contributes to the further development and (financial) future-proofing of Sint Maarten.
Scope	The assignment involves transforming/modernising in the field of business operations and regulations of the Sint Maarten Tax and Customs Administration.
Chosen approach	The chosen approach consists of simultaneously developing and executing a more comprehensive transformation plan. However, a number of preconditions must first be met. The action plan for measure C.4.1 concerns the fulfilment of these preconditions by tackling the identified bottlenecks in a phased manner, recruiting and retaining sufficiently qualified employees, making a supporting ICT system operational, tackling formulated <i>quick profits</i> and the introduction of a highly simplified tax system (measure C.1). In this way, a good foundation is laid for the next phase, the implementation of a greatly simplified tax system and its implementation by a future-proof organised Tax and Customs Administration.
Intended results	The intended result of the first phase of the transformation/modernisation of the Tax and Customs Administration is that a starting position is reached from which the actual change process can be started, the modernisation of the Tax and Customs Administration in conjunction with the simplification of the tax system.
Preconditions, coherence and dependencies	The first phase of the transformation of the Tax and Customs Administration is conditional on other measures in theme C, namely the actual modernisation of the Tax and Customs Administration, structurally increasing Compliance (measure C.3) and ultimately being able to efficiently and effectively implement a simplified tax system. Measure C.1, the reform of the tax system, is inextricably linked to the transformation/reorganisation of the Tax and Customs Administration. A highly simplified tax system is conditional for proper implementation by a transformed/modernised Tax and Customs Administration.

Initials [Aruba/Curaçao/ Sint Maarten]	Initials The Nether- lands

Planning

This concerns the first phase of measure C.4. The implementation of the *quick wins* and the phased approach to the bottlenecks will run until media 2023.

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