Practice of Using the Administrative Data for Statistical Purposes in the Kyrgyz Republic

National Statistical Committee of the Kyrgyz Republic

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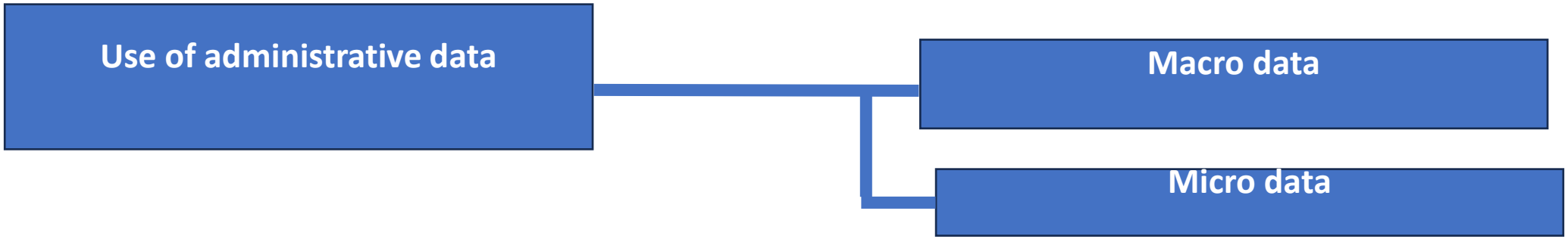
II International Statistical Forum of the CIS: new technologies and data sources in statistics

October 2-4, 2024.

Tashkent

Inter-Agency Cooperation of the State Statistical Committee of the Kyrgyz Republic



Macro data		Micro data	
Ministry of Finance	State budget implementation report	Statistics of foreign trade in goods	State Customs Service under the Ministry of Finance of the Kyrgyz Republic
National Bank	Balance of payments statistics		- 1993 - Cargo customs declarations information
Total	36 agreements and memorandums on cooperation and collaboration		- 2015 - Customs declaration data for statistics of foreign trade in goods with third countries

Law of the Kyrgyz Republic “On Official Statistics”

Article16. Authority for data collection

- Data for formation of official statistics may be obtained from all types of sources, whether statistical surveys (primary sources) or other (secondary sources)
- Producers of official statistics shall select data sources based on professional considerations with particular regard to quality, cost and respondent burden.

Article18. Access to administrative data

- All public authorities are obliged to provide producers of official statistics, free of charge, with data at their disposal, at the level of detail required for the production of official statistics, including, where necessary, the production of personal data with identifiers.
- The data obtained shall be used by producers of official statistics exclusively for statistical purposes

"TUNDUK" INTERDEPARTMENT ELECTRONIC INTERACTION SYSTEM

- The cooperation agreements are signed in accordance with the Decree of the Government of the Kyrgyz Republic “On Approval of Requirements for the interaction of information systems in the system of interdepartmental electronic interaction “Tunduk” from April 11, 2018 № 200
- Interaction of the National Statistical Committee through the Tunduk IDEIS:

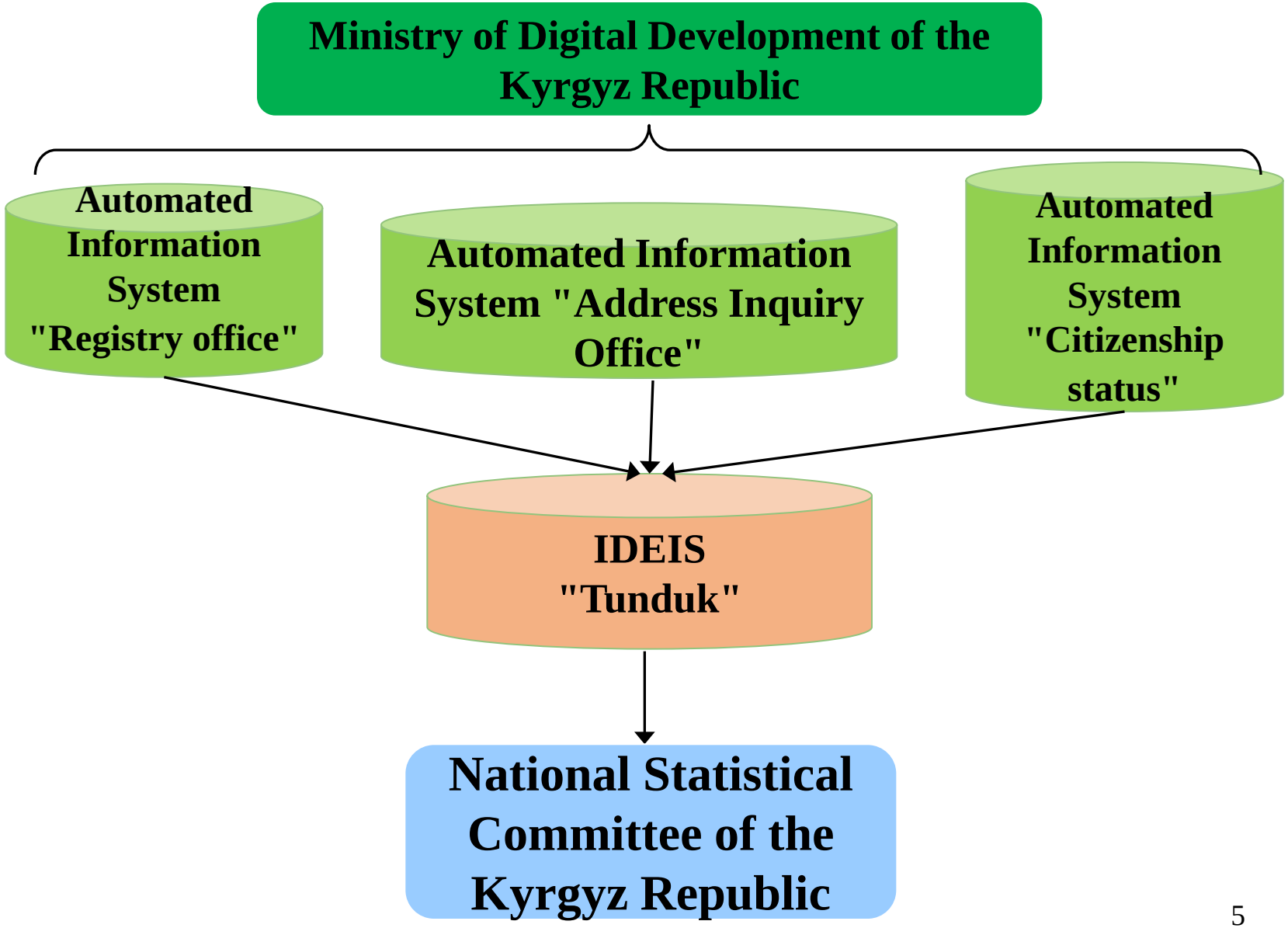
State Tax Service under the MoF of the Kyrgyz Republic State Tax Service under the MoF of the Kyrgyz Republic

State Customs Service under the MoF of the Kyrgyz Republic

Ministry of Digital Development of the Kyrgyz Republic

Ministry of Justice of the Kyrgyz Republic

Demographic statistics:
micro data flows on natural population movement and migration



MEDIUM-TERM PLAN FOR DEVELOPMENT OF OFFICIAL STATISTICS OF THE KYRGYZ REPUBLIC FOR 2022-2026

(approved by the Cabinet of Ministers of the Kyrgyz Republic on October 7, 2022 No. 551)

Item 8: Set of measures for use of administrative data

- Definition of a list of administrative data of state bodies
- Establishment of cooperation partnerships
- Technical interaction with data providers
- Development of interfaces (adapters)
- Training of personnel working with administrative data

World Bank Project “Modernization of Tax Administration and National Statistical System”

TAX CODE OF THE KYRGYZ REPUBLIC

(As amended by Laws of the Kyrgyz Republic No. 51 as of June 30, 2022, No. 78 as of April 3, 2023, No. 31 as of February 2, 2024, No. 136 as of July 23, 2024)

Article 64. Tax secrecy

2. Tax secrecy shall not be subject to disclosure by tax authorities, their officials, except for cases when information is transferred to :

8) statistical authorities for the purpose of statistical activities provided for by the legislation of the KR;

Article 143. Interaction of tax authorities with statistical authorities

1. Tax authorities and statistical bodies shall interact within the limits of authority established by this Code and the Law of the Kyrgyz Republic “On Official Statistics”.

4. The tax authorities shall submit following to state statistics bodies:

1) information from the database on taxpayers passed state registration;

2) information from the database on taxpayers engaged in economic and entrepreneurial activities.

The project works on analysis on the possibilities of using State Revenue Service data:

- For statistics of wholesale and retail trade and market services
- For statistics of mutual trade with EAEU countries (import of goods)
- For labor statistics (wages of employees, record of new jobs creation)

	Wholesale and retail; car and motorcycle repair, hotels and restaurants	Market services
Object of statistical survey. Definition	**“Turnover for the reporting month”** - the amount of cash proceeds received from goods and services sold to customers, **including VAT, excise, sales and service taxes**	**“Scope of market services”** - the amount of cash proceeds received from rendered services of the main and additional types of activity, **including VAT, excise duties, etc. taxes**
Forms of reporting	No.1-Torg (Trade), No.1-FHD-Micro (Section 5)	No.3-Uslugy (Services), No.12-Svyaz (Communication), No.1-FHD-Micro (Section 6)
Reporting frequency	Monthly	
Reporting date	1 day after the reporting period	
Timing	8th to the 10th.	
Usage	Express information “Main indicators of socio-economic development of the Kyrgyz Republic” (month)	
	GDP calculations (month, year)	
	Express information “On performance of works by all types of transport and volumes of postal and courier services and communication services in the Kyrgyz Republic” (month)	
	Express information “On the volume of turnover of wholesale and retail trade, repair of cars and motorcycles” (month)	
	Statistical bulletin “Main indicators of trade and services” (month)	
	Report “Socio-Economic Situation of the Kyrgyz Republic” (month)	
Statistical survey subjects	Legal entities (unselected) and individuals (sampling, quarter)	
Formation of surveyed subjects entirety	Unified State Register of Statistical Units (USRSU), State Revenue Service data on the number of issued patents, market data on the number of trading places and the number of traders on them	

Information from four tax reports for the years **2020 – 2022** was analyzed.

Purpose of work:

Reducing the reporting burden on respondents

Aim: to determine the relevance of administrative data as a substitute for statistical survey information

		Tax forms		
	(FORM STI-131);	**(FORM STI-129);**	**(FORM STI-130);**	**(FORM STI -091)**
Forms of reporting	Report on sales tax of the subject (except for small and medium enterprises)	Report on sales tax of a small business entity	Sales tax report of a medium business entity	Report on unified tax
Indicators	VOLUME OF PROCEEDS FROM THE SALE OF GOODS (WORKS, SERVICES)			
Reporting frequency	Monthly	Quarterly	Quarterly	Quarterly
Reporting date	**20th day** after the reporting period			
Subjects	Legal entities and individuals			
Criteria: annual turnover	more than 30 million som	8 to 30 million som	up to 8 million som	Simplified taxation system in lieu of: 1) profit tax; 2) sales tax; 3) VAT on taxable supplies.

Work stages

1. All necessary details have been added to the State Revenue Service database by OKPO codes and TIN from the USRSU (both the current and liquidated bases):

- Type of activity
- Region;
- Legal form, etc.

2. Deleted duplicate reports
3. New variables (details) were introduced
4. New derived variables calculated
5. Calculation of turnover volume and comparison of final data with statistical data by types of activity and by regions were made
6. Many interesting things revealed.....

Item No.	table name of the tax reporting form	total number of entries (with duplicates)	number of entries (no duplicates active)	number of unique entries (TIN + district) active	number of unique entries (TIN) active subjects	Import OKPO by TIN from USRSU	Number of records where TINs do not match	Imported data from USRSU	Imported data from Liquid	Failed to import from USRSU
1	091_1_2020	48,853	47,367	13,668	13,551	2,507	710	43,369	3,116	882
2	091_2_2021	55,675	53,702	16,309	16,097	2,748	883	49,934	2,553	1,215
3	091_2_2022	1,261	1,218	1,218	1,212	123	33	1,133	43	42
4	091_3_2022	175,020	164,700	52,100	50,822	7,679	4,080	154,861	4,193	5,646
5	129_2_2020	133,903	129,610	36,962	35,981	6,520	2,147	119,737	6,708	3,169
6	129_2_2021	137,317	132,123	39,035	37,586	5,334	2,195	122,696	5,549	3,882
7	129_2_2022	8,440	7,911	7,883	7,668	276	149	7,460	201	250
8	129_3_2022	50,516	48,,076	16,467	15,875	1,524	883	45,938	762	1,392
9	130_2_2020	22,964	21,402	6,232	5,725	742	371	20,401	695	306
10	130_2_2021	24,175	22,551	6,867	6,291	748	402	21,720	479	352
11	130_2_2022	2,620	2,397	2,397	2,255	79	45	2,330	33	34
12	130_3_2022	18,718	17,389	5,852	5,429	474	319	16,942	169	278
13	131_2_2020	164,492	156,159	17,324	14,711	3,554	2,356	147,523	6,754	1,882
14	131_2_2021	166,347	158,028	18,530	15,254	3,482	2,343	151,881	3,936	2,212
15	131_2_2022	32,764	30,757	12,193	9,714	710	455	29,956	365	436
16	131_3_2022	114,543	107,842	13,870	10,872	2,062	1,628	105,898	480	1,464
	total for all forms	**1,157,608**	**1,101,232**	**266,907**	**249,043**	**38,562**	**18,999**	**1,041,779**	**36,036**	**23,442**

Work progress:

Suggestions from business representatives to reduce the burden of declaration

1	Sales tax	The report is submitted by almost all economic entities, including entrepreneurs who do not work under a voluntary patent (individuals) of all types of economic activities. Value Added Tax is payable by business entities with an annual turnover exceeding 8 million som.
2	Access to primary data	Demand from business representatives (appeal to public organizations and Cabinet of Ministers of the Kyrgyz Republic) to reduce reporting burden Joint work with SRS in one WB project “Modernization of tax administration and national statistical system”
3	Initial data	The data was uploaded several times. Only the program that created the database (SQL) can merge the SRS data with the USRSU data without loss and distortion of the data format. Data were requested for all details specified in the report format: address part, content part, data by dates - data submission and data approval Tax reporting is submitted by entities on a desk basis: no one controls the data at the time of submission. Reports must be filed by the 20th day after the end of the reporting period. There is an attribute in the database: “Initial Report” or “Adjusted Report” The business entity amends the report after the end of the reporting period (and not just once!) A frequency analysis of the number of reports in the database by day of the month showed that the largest number of adjusted reports in the database accumulates by the 25th-28th day after the reporting period in both monthly reports and quarterly reports. The database was found to have turnover and payment settlement data with NEGATIVE values. The reporting period may not coincide with the reporting year. The amount of returned products and goods may be significant. According to the tax law, a business entity can adjust the report an unlimited number of times within a 6-year period. The software used for filing allows the input of such reports.
4	Classifiers	The revenue authority does not use the SOATE State Classifier, but has developed its own directory of districts and cities. There are also conditional area codes for certain categories of taxpayers.

Use of State Revenue Service Reporting Data: PROS

1. Reduction of budgetary costs for replication and delivery of forms to the regions

2. Reducing the reporting burden on respondents

3. Reduced costs (financial and time) for data collection from respondents, data entry, control, analysis

4. Update of USRSU data: activity, address, phone number

5. USRSU covers LOCAL units (record registration in tax authority)

6. Improvement in the level of coverage of respondents, data correctness (accuracy) respectively

7. Direct reporting from economic entities - natural persons working with hired employees

8. High level of macrodata quality at the DISTRICT level

9. Correct allocation of sales tax volume by for system of national accounts calculations

10. The sales tax database also contains revenue data for agricultural, industrial, and construction entities

Use of State Revenue Service Reporting Data: CONS and CHALLENGES

1. Timeliness - 30 days. What will users say?
2. Statistical reports on entities operating under special tax regimes (foreign investment zones, high-tech parks, etc.) will be retained.
3. Need to develop a VAT database and increase the amount of VAT to obtain information on trade turnover and market service volume.
4. Necessity to develop a methodology and algorithm of actions with negative values, clarified reports for previous reporting periods.
5. Changes in the methodology of turnover and revenue indicator formation: transition from a functional approach to an institutional one.
6. Lack of a number of indicators, e.g., sales to the public and market services to the public.
7. Need to develop an algorithm for estimating SME data by month before quarterly reports are received
8. The flow of information is being rearranged: instead of the existing bottom-up (district - oblast-CID) to top-down (CID-district).
9. Need for adjusting the activities of the District Statistics Office.

Use of State Revenue Service Reporting Data: EXTERNAL CHALLENGES

1. Changing tax report forms: in the middle of the year, several times a year.

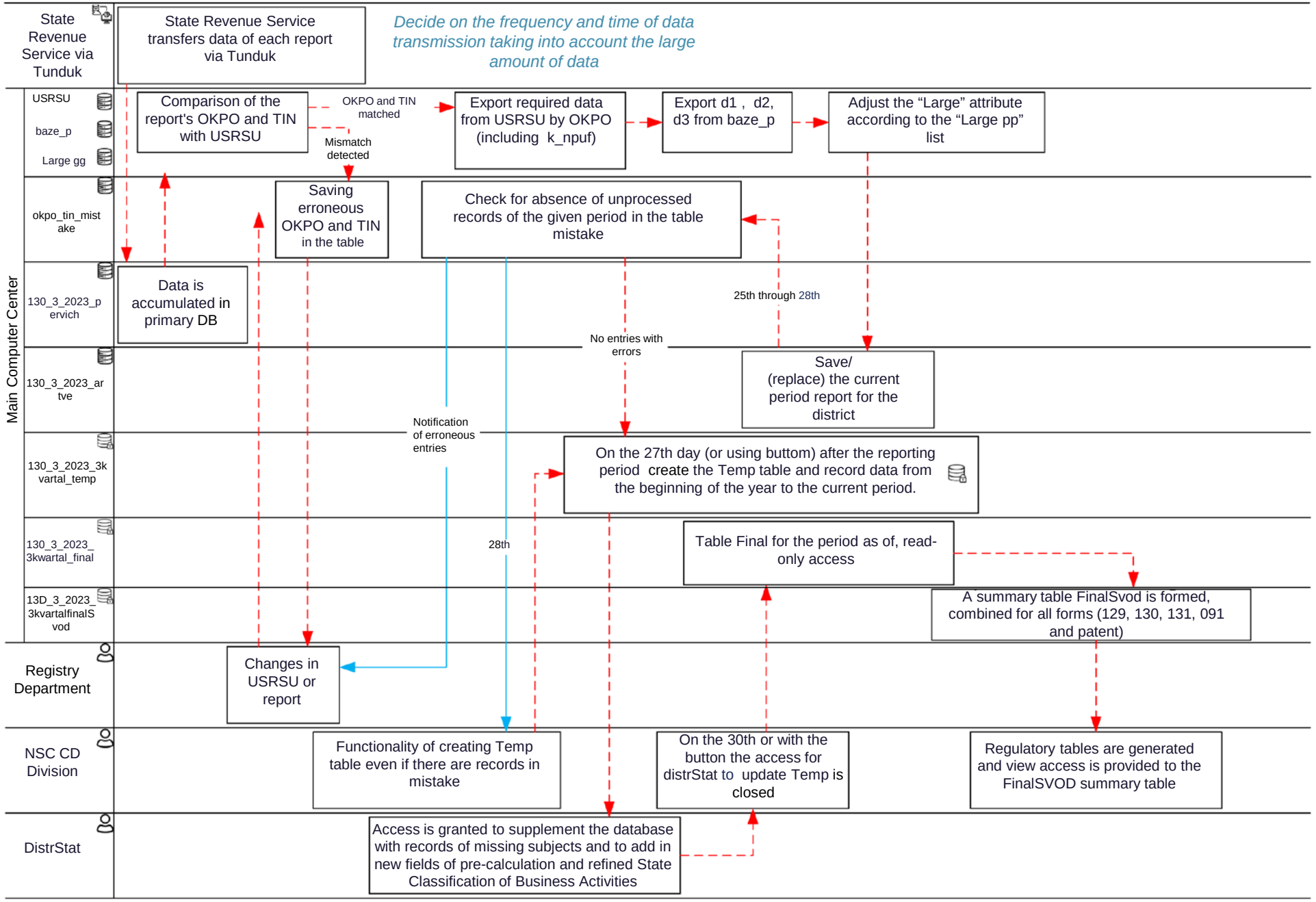
2. The tax (respectively the report) can be canceled (?)

Possible solutions (under discussion)

After implementation into operation, work through the following issues with key users:

1. Develop and publish only indices on a monthly basis and do not publish nominal volumes of trade and services turnover. Representativeness: country and regions.
2. Quarterly develop and publish nominal volumes. Representativeness: country, regions, districts
3. Timeliness of data - define for each data set

Block diagram of processing State Revenue Service data (for sales tax, Common tax and Patents) for statistics (version of 18.09.23)



Action algorithm for using report data of State Revenue Service for statistics of trade and market services

Based on the results of the completed work, a draft action algorithm was prepared to develop technical specifications and software to form statistical indicators from reported tax data.
The development of the service for obtaining tax reporting data from SRS is currently in progress.
Upon completion of the service development, the development of the Automated Statistical Information System (ASIS) to integrate administrative data and statistical survey data for the

generation of macroeconomic indicators will commence.

Thank you for your attention!

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