

INTRODUCTION

The 38th Meeting of the Study Group on Asian Tax Administration and Research (SGATAR) was held at the Shangri-La Hotel, Guangzhou, People's Republic of China from 4 to 6 November 2008.

Delegates representing the fifteen SGATAR Members, namely Australia, the People's Republic of China, Hong Kong Special Administrative Region, Indonesia, Japan, the Republic of Korea, Macau Special Administrative Region, Malaysia, New Zealand, Papua New Guinea, the Philippines, Singapore, Chinese Taipei, Thailand and the Socialist Republic of Vietnam attended the Meeting.

In addition, observers from the Asia-Oceania Tax Consultants Association (AOTCA), the International Bureau of Fiscal Documentation (IBFD) and Mongolia were also present during the Meeting.

(The list of delegates and observers is attached as Appendix VII.)

STEERING COMMITTEE MEETING

Mr. Xiao Jie, Commissioner of the State Administration of Taxation of the People's Republic of China, opened the Steering Committee Meeting and welcomed all delegates to China. Mr. Wang Li was introduced as the Secretary-General of the 38th SGATAR Meeting.

Chairpersons and Rapporteurs for the three Working Groups and the Chairperson and Members of the Drafting Committee were selected at the Steering Committee Meeting. Working Group Rules and

Procedures were proposed to be adopted at the Preliminary Session.

PRELIMINARY SESSION

The Preliminary Session of the 38th SGATAR Meeting commenced with delegates and observers in attendance.

Address by the Retiring Chairperson of the 37th SGATAR Meeting

Mr. Nelson M. Aspe, Deputy Commissioner of the Philippine Bureau of Internal Revenue, addressed the delegates on behalf of the Chairperson of the 37th SGATAR Meeting. He thanked all SGATAR Members for making the 37th Meeting in the Philippines a success and remarked that SGATAR meetings provided opportunities not only for the exchange of information and insights into developments in tax administration, but also for fostering the encounter between cultures.

(The complete text of the address by the representative of the Retiring Chairperson is in Appendix II.)

Election of Chairperson for the 38th SGATAR Meeting

Mr. Nelson M. Aspe then presided over the election for the 38th SGATAR Meeting. He proceeded to invite nominations for the new Chairperson. Mr. Michael D'Ascenzo (Australia), proposed Mr. Xiao Jie, Commissioner of the State Administration of Taxation of the People's Republic of China, to be the Chairperson of the 38th Meeting. Mr. Moses Lee (Singapore) seconded the proposal.

Address by the Chairperson on Election

Mr. Xiao Jie, Commissioner of State Administration of Taxation of the People's Republic of China, expressed his gratitude to the Heads of delegation and all delegates for electing him as Chairperson of the 38th SGATAR Meeting. He believed that the hard work of all participating members would make the 38th SGATAR Meeting a success.

(The complete text of the address by the Chairperson on Election is in Appendix II.)

Introduction of Secretary-General

The Chairperson then introduced the Secretary General of the 38th SGATAR Meeting, Mr. Wang Li, Deputy Commissioner of the State Administration of Taxation of the People's Republic of China.

Adoption of Agenda and Program

The Secretary-General briefly read out the proposed Agenda and Program of the Meeting. The adoption of the Agenda and Program was proposed by Mr. Djonifar Abdul Fatah (Indonesia), and seconded by Ms. Le Hong Hai (Vietnam). The Agenda and Program were then officially adopted.

Adoption of Working Group Rules and Procedures

Adoption of the Working Group Rules and Procedures was proposed by Mr. Robert Russell (New Zealand), and seconded by Ms Orieta Lau (Macau SAR). The Working Group Rules and Procedures were

unanimously adopted.

(The Working Group Rules and Procedures are described in Appendix I.)

Nomination of Chairpersons and Rapporteurs for Working Groups and Chairperson and Members of Drafting Committee

Mr. Michito Ishii (Japan) proposed the adoption of the Working Group Chairpersons and Rapporteurs. He was seconded by Mr. Vinai Vittavasgarnvej (Thailand). Ms. Hasmah Abdullah (Malaysia) proposed the acceptance of nominations for the Chairperson and Members of the Drafting Committee, and Mr. Sheu Yu-er (Chinese Taipei) seconded the proposal.

(The lists of the Chairpersons and Rapporteurs of the Working Groups, as well as the Chairperson and Members of the Drafting Committee, are in Appendix I.)

Closing

There being no other matters on the agenda, Mr. Xiao Jie declared the Preliminary Session closed.

PHOTOGRAPHIC SESSION

Commemorative photographs were taken of Heads of Delegations, delegates, observers, and all participants.

OPENING CEREMONY

Address by the Chairperson

Mr. Xiao Jie, Chairperson of the 38th Meeting, welcomed all delegates from the SGATAR family and the observers to its 38th Meeting. He emphasized that the maintenance of a multi-level, multi-channel and multi-field dialogue among SGATAR Members was important for establishing a tax exchange platform and pledged that China would continue to support the organization. He also expressed confidence that more consensuses on tax administration and research would be reached while deeper links between member jurisdictions would be forged through the Meeting.

(The complete text of the Opening Ceremony by the Chairperson is in Appendix II.)

Responding Address by Representative of the Delegates

Ms. Le Hong Hai, Deputy Director General of the General Department of Taxation of Vietnam, made a responding address on behalf of the delegates. She expressed her gratitude to China for hosting this year's Meeting and believed that the SGATAR Meeting would provide an opportunity for members to exchange view on issues of common concern and contribute to enhancing cooperation in the field of tax administration among members.

(The complete text of the responding address by the Representative of the Delegates is in Appendix II.)

WELCOME DINNER

The welcome dinner took place on the first day of the Meeting in the Guangzhou Ballroom of the Shangri-La Hotel. The dinner was hosted by Mr. Xiao Jie, Commissioner of the State Administration of Taxation of the People's Republic of China.

HEAD FORUM

The Head Forum of the 38th Meeting was held on 5 November 2008 and chaired by Mr. Xiao Jie, Commissioner of the State Administration of Taxation of the People's Republic of China and the Chairperson of the 38th Meeting. Heads of delegation exchanged their views on the following issues:

- Report from the 37th SGATAR Secretariat
- Updates from the 10th SGATAR Working Level Meeting
- Hosting of the 11th and 12th SGATAR Working Level Meetings
- Updates from the 6th SGATAR Joint Training Program
- Hosting of the 7th and 8th SGATAR Joint Training Programs
- Report of the 4th Meeting of Heads of SGATAR Training Institutions
- Hosting of the 39th and 40th SGATAR Meetings
- Hosting of the 5th Meeting of Heads of SGATAR Training Institutions
- Developments at the OECD Forum on Tax Administration in Cape Town
- Heads of Delegations Report on Latest Developments in Respective Jurisdictions
- Other Matters

(The Report of the Head Forum Meeting is in Appendix V.)

WORKING GROUP ACTIVITIES

The three Working Groups' discussions took place over the first two days of the Meeting, from the afternoon of 4 November 2008 to the morning of 5 November 2008. The respective Chairpersons presided over the discussions while the Rapporteurs documented all points discussed, in preparation of the Working Group Reports to be presented during the Plenary Session. Each report contained identified issues as well as the resolutions of the relevant Working Groups.

(The Reports of the Working Groups on Topics 1, 2 and 3 are in Appendix IV.)

GOVERNOR'S DINNER

The Governor's dinner took place on the second day of the Meeting in the Guangzhou Ballroom of Shangri-la Hotel. The dinner was hosted by Mr. Huang Huahua, Governor of Guangdong Province of the People's Republic of China.

PLENARY SESSION

Opening Remarks by Chairperson

In his Opening Remarks, the Chairperson of the 38th Meeting, Mr. Xiao Jie, welcomed all delegates to the Meeting.

(The complete text of the opening remarks by the Chairperson is in Appendix VI.)

Presentation of Reports by Working Groups and Head Forum

The Secretary-General, Mr. Wang Li, then called upon each of the three Rapporteurs to present the findings and resolutions of their respective Working Groups.

Mr. John Wendron Trezise, Rapporteur of Working Group I, summarized tax issues arising from the discussion of the topic of Addressing Tax Administration Challenges Posed by Globalization of Tax Base.

Mr. David Peter Jordan, Rapporteur of Working Group II, summarized tax issues arising from the discussion of the topic of Improving Tax Compliance through Better Taxpayer Service.

Ms. Yap Mei Mei, Rapporteur of Working Group III, summarized tax issues arising from the discussion of the topic of Case Selection in Tax Audit.

Mr. Wang Li, Secretary-General of the 38th SGATAR Meeting, gave a summary of the Head Forum. The summary contained the resolutions of the discussions for continued tax cooperation among SGATAR Members.

Acceptance of Final Report

The Secretary-General further expressed his appreciation of the

contributions and the completion of the Reports by members of all Working Groups and members of the Drafting Committee.

Mr. Nelson M. Aspe (The Philippines) proposed the acceptance of the Final Report. He was seconded by Ms. Betty Palaso (Papua New Guinea). The Final Report of the 38th SGATAR Meeting prepared by the Drafting Committee was unanimously accepted.

CLOSING CEREMONY

Opening Remarks by Secretary-General

Mr. Wang Li, the Secretary-General of the 38th SGATAR Meeting, made his opening remarks. He expressed his gratitude to all delegates for their participation and discussion which contributed to the success of the 38th SGATAR Meeting.

(The complete text of the Secretary-General's remarks at the closing ceremony is in Appendix VI.)

Election of Host of 39th SGATAR Meeting

Indonesia was elected as host of the 39th SGATAR Meeting which was proposed by Mr. Sang Yool Han (Korea), and seconded by Mrs. Alice Lau (Hong Kong SAR).

Address by Head of Delegation Representing Host Tax Administration of 39th SGATAR Meeting

Mr. Darmin Nasution, Director General of the Directorate General of Taxes of Indonesia, thanked SGATAR Members for electing Indonesia as host of the 39th SGATAR Meeting in 2009. He conveyed his appreciation to China for hosting a successful 38th Meeting and welcomed all to Indonesia next year.

(The complete text of the address of the Head of the Delegation representing the host Tax Administration of the 39th Meeting is in Appendix VI.)

Closing Address by Outgoing Chairperson

Mr. Xiao Jie, Chairperson of the 38th SGATAR Meeting, thanked all participants for their effort, cooperation and enthusiasm as well as the administrative staff for their hard work and contribution leading to the successful completion of the meeting. He wished all participants a pleasant trip home.

(The complete text of the closing address by the Chairperson is in Appendix VI.)

Handover of the SGATAR Flag to the Host of the 39th SGATAR Meeting

Mr. Xiao Jie handed over the SGATAR Flag to Mr. Darmin Nasution, Head of Indonesia Delegation. The 38th SGATAR Meeting was then officially declared closed.