

PRE AND POST PRFORMANCE :
AN EVALUATION ON CORPORATISATION OF
INLAND REVENUE BOARD, MALAYSIA.

A PAPER SUBMITTED IN PARTIAL FILFILLMENT
OF THE REQUIREMENT FOR THE DEGREE OF
BACHELOR OF ACCOUNTANCY (Honours)

PRESENTED BY :
NOR HAWANI WAN ABDUL RAHMAN
96123853
FACULTY OF ACCOUNTANCY, ITM.

OCTOBER , 1998

ACKNOWLEDGEMENT

With the name of Allah, the most Merciful and the most Graceful

Praised be to Allah S.W.T who gave me the strength to prepare and submit this research paper. First and foremost, I would like to extend my sincere gratitude to my advisor, Puan Noor Liza Adnan, for her kind guidance in completing this project paper.

My heartfelt thank go to all staff Inland Revenue Board, especially to Cik Nor Halimun Wan Abdul Rahman, who have kindly given their assistance and invaluable information.

My sincere appreciation is also dedicated to all individuals and my lecturers (especially RAC Lecturers) who have contributed and assisted me either directly or indirectly in order to produce this project paper. Special thanks also go to my second examiner, Puan Norazamina Mohamed.

Lastly, I would like to thank to my beloved parents, all my sisters, friends and not forgetting a beloved brother of mine, thank you very much for moral support and continuous encouragement.

Thank you very much.

ABSTRACT

The main aim of this project paper is to study and discuss regarding the Corporatisation of Inland Revenue Board, Malaysia. In order to discuss more on corporatisation and to make it clear, the study of its performance has been emphasised on its activities and financial.

This paper will try to analyse the three main activities and financial prospect of IRB due to its corporatisation process in order to see how far the corporatisation can help towards increasing the total revenue collection. Thus, the problems and challenges of the implementation of corporatisation by IRB can be measured.

Before all this can be done, this paper also provides the meaning and importance of corporatisation so that the readers can see how it contributes and give impact to the organisation.

The success of an organisation can be determined by the total revenue collection for the country. Since IRB plays a vital role in dealing with government needs, this paper will try to see whether IRB has been very successful in fulfilling government needs.

CHAPTER 1

1.0 INTRODUCTION

1.1 Background of Study

The current emphasis on the responsibility of the public sector to create an environment with that would provide an impetus for rapid economic growth has led to changes and restructure in the role of the tax administration so as to be more productive in terms of revenue generation as well as in providing services. Thus, it requires a number of reform strategies, namely contracting out, commercialisation, corporatisation and privatisation.

However, this research will only emphasis on one of the reform strategies, corporatisation. Corporatisation can be defined as a process by which public sector entities are incorporated. Its aim is to increase national productivity by means to promote a more efficient and effective machinery in order to meet the revenue challenges in the modern era.

Inland Revenue Board (IRB) is the only sample used for this research in order to know and evaluate its pre and post corporatisation performance. IRB, which is under the Ministry of

TABLE OF CONTENTS

	PAGE
Acknowledgement	i
Abstract	ii
Table of Contents	iii
List of Table	iv
1.0 INTRODUCTION	1
1.1 Objectives of Study	5
2.0 LITERATURE REVIEW	6
3.0 RESEARCH METHODOLOGY	11
4.0 FINDING AND ANALYSIS	13
4.1 Overall Activities Performance	15
4.2 Overall Financial Performance	32
5.0 RECOMMENDATIONS	44
6.0 CONCLUSION	46
Bibliography	
Appendices	