

Audit of the key ICT project Fiscal IT

Federal Tax Administration

Key facts

With the FISCAL IT programme, the Federal Tax Administration (FTA) is replacing its existing specialist applications which have reached the end of their lifespan. At the same time, it is making its IT system landscape uniform and transferring it to a modern ICT architecture. This combination has led to technical and operational challenges, triggering postponements and additional costs on several occasions¹. At the time of the SFAO audit, the FTA intended to replace the old STOLIS system in the “Direct Federal Tax, Anticipatory Tax and Stamp Duty” (DAS) organisational area by September 2017. In the area of VAT, the FTA is planning to replace the old MOLIS system by the end of 2018.

The operating costs are still unknown, the schedule cannot tolerate any delays

In autumn 2016, the Federal Department of Finance (FDF) informed the Finance Delegation that the FISCAL IT programme would exceed its budget by CHF 26 million, resulting in total costs of CHF 117.6 million, including CHF 6.4 million for internal FTA expenses. At the same time, the FTA reduced the realisation scope in order to be able to replace the old STOLIS and MOLIS systems on schedule. The FTA wishes to optimise and expand the new FISCAL IT applications in subsequent operation releases. It intends to implement any remaining requirements in regular releases charged to operating credits. The FTA has not yet planned the operation releases and thus the resultant costs are not known. As the service level agreement with the FOITT has not yet been created, the costs of operating the ICT service platform remain unclear.

Despite noticeable progress in the programme, the SFAO believes the schedule for replacing the old STOLIS system by September 2017 is very ambitious. The main question is whether it is possible for the existing delays to be made up and the agreed delivery times to be respected by all parties. The FTA and FOITT have to have completed the development and tested the applications by the time of replacement. At the same time, both have to finish establishing their operational organisations, test them and adapt them to the new requirements. Because of the tasks' high degree of dependency, individual delays have a direct impact on the entire schedule, as already happened in the area of specialist tests, and can thus lead to additional costs.

A growing backlog of work could jeopardise the completion of the state financial statements

With the new FISCAL IT applications, there is at least a temporary risk of a significant backlog of work in the affected FTA organisational areas due to the changeover. Moreover, there is a danger of the FTA having to compromise on the planned functionality of the system (e.g. plausibility checks, electronic data entry/input) in order to adhere to the programme schedule. This could result in the work in the specialist areas being more time consuming and productivity being lower. A processing backlog could lead to estimates that adversely affect the quality (completeness and accuracy) of business data at the end of the

¹ Audits of the key ICT project FISCAL IT (audit mandates 13506 / 14539 / 16153), available on the SFAO website

year and thus jeopardise the completion of the state financial statements. Consequently, the SFAO believes that the new systems' impact on the productivity of the entire processing chain in the introductory phase still has to be assessed. Productivity should be considered as an important criterion when deciding on replacement.

The FTA possibly sees the risk of a short-term increase in the backlog of work as justifiable in order to achieve its programme objectives. In this case, however, it should plan measures for reducing the backlog of work beforehand and keep a close eye on implementation.

In the SFAO's opinion, the FTA should give higher priority to ensuring accuracy in business processes than to the programme schedule.

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