Belastingdienst

Market consultation
A Commercial Off The Shelf solution for VAT

Tendering organization:

- Procurement centre of the Netherlands Tax and Customs Administration

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Content

Chapter 1. Introduction

1.1 Preface

The Netherlands Tax and Customs Administration (NTCA) is investigating the possibility of using a Commercial Off-the-Shelf (COTS) software solution for supporting its Value Added Tax (VAT) business processes. This COTS solution would be placed next to several other automated systems supporting other tax types. Topic of special interest are the possibilities and consequences for the integration with a number of common (shared) IT solutions.

The objective of this market consultation is to collect input for this research. This consultation should provide an answer to the question whether it is possible to support the VAT with a COTS solution and what the consequences are for:

- The taxpayers (the entrepreneurs)
- The business (the users)
- The architecture
- The IT organization

With this market consultation, the NTCA aims to gather the information it needs to set a clear and realistic objective for a possible tender process. The NTCA would also like to get an indication of the costs associated with the purchasing and implementation as well as the costs for maintaining a COTS solution. This is NOT a request for quotation.

1.2 Reading guide

- Chapter one contains a brief description of the background to this market consultation as well as an outline description of the NTCA and the position of the VAT within it.
- Chapter two elaborates on NTCA's functional requirements i.e. the support of the processes of the VAT.
- Chapter three describes the existing business architecture as well as a number of constraints.
- Chapter four describes our concrete questions for this consultation
- In chapter five the market consultation procedure is explained.

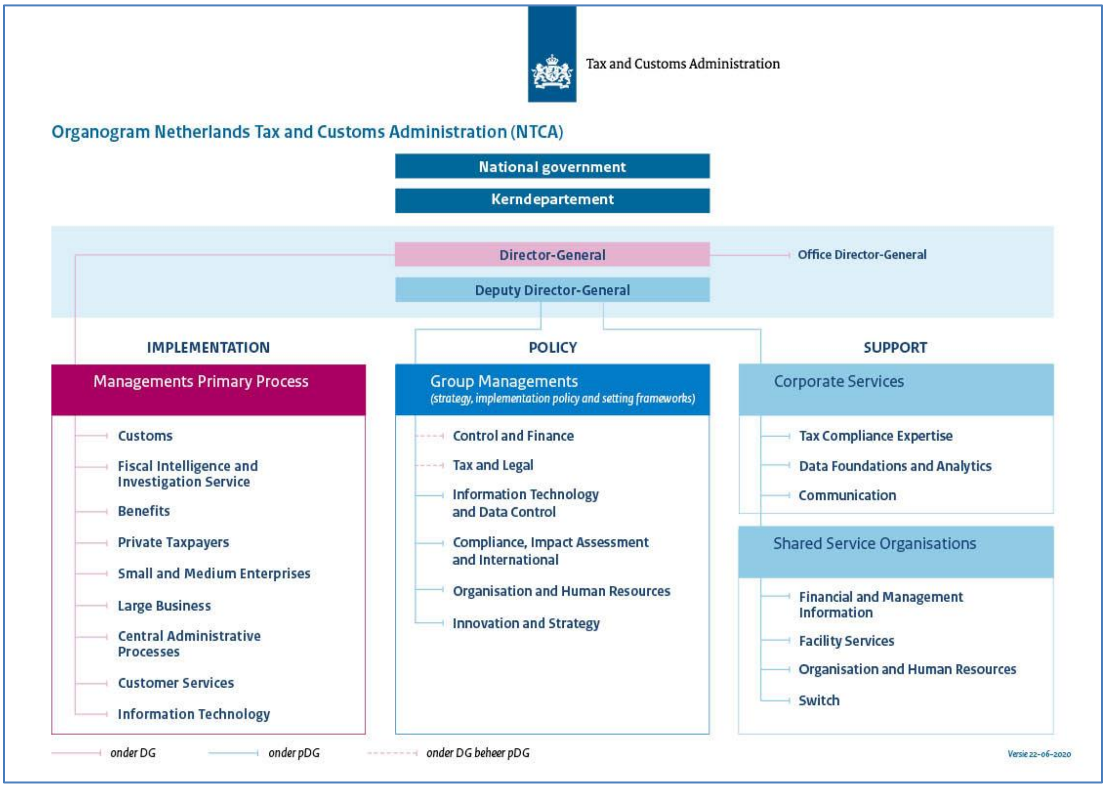
1.3 Netherlands Tax and Customs Administration

The Netherlands Tax and Customs Administration is part of the Ministry of Finance, which in turn is part of the legal entity that is the State of the Netherlands. The most widely known task of the NTCA is the assessment and collection of taxes and contributions. The NTCA not only collects funds, but also pays them out. For instance it is responsible for paying out child, childcare, housing, and healthcare benefits.

Other important tasks include:

- Investigating tax, economic, and financial fraud;
- Supervising the import, export, and transport of goods;
- Supervising compliance with tax legislation.

1.3.1 The structure of the NTCA



In addition to a number of central departments, the NTCA has the following executive organizational units:

- Three customer facing units:
    - Large businesses
    - Small and medium enterprises
    - Private taxpayers
- Central Administrative Processes (CAP): in charge of large-scale automated transaction processing
- Customer Services: in charge of communication and customer contacts
- Customs: in charge of supervising the import, export and transit of goods through the Netherlands;
- Benefits: responsible for assessing and paying out benefits
- Fiscal Intelligence and Investigation Service (FIOD).
- Information Technology (IT): The NTCA has a fully-fledged ICT organization of 3000 employees who take care of developing and running hundreds of applications in NTCA's own data centre. Where necessary and possible, this is supported by external service providers (ESP's).

The NTCA has approximately 30.000 employees in total.

1.3.2 Tax regulations

The NTCA is responsible for the implementation of a number of tax regulations:

- Corporate income tax
- Personal income tax
- Wage tax (PAYE)
- VAT
- Car taxes
- Gift- and inheritance tax
- Various other smaller tax types (property transfer, environment, insurance, dividend etc.)

1.4 Netherlands Tax and Customs Administration Procurement Centre (NTCA-PC)

The Netherlands Tax and Customs Administration Procurement Centre (NTCA-PC) is part of the NTCA Shared Facilities Service Organization and provides generic procurement services for the Central Government categories for which it is responsible. In addition, it performs specific procurement services for the NTCA and the State Property Service Movable Goods. For more information on the organization of the Netherlands Tax and Customs Administration, please visit the following websites: www.belastingdienst.nl and www.rijksoverheid.nl/ministeries/fin. The NTCA-PC will supervise this product market consultation.

Chapter 2. Value Added Tax: the functionality

2.1 Preface

In this chapter the processes of the VAT that should be supported by a COTS solution are briefly described.

The VAT consists of 4 schemes:
1. Value added tax (inland)
2. Intra Community Processes (ICP)
3. One Stop Shop
4. VAT-Refund

2.2 Compliance

An important objective for the Tax and Customs Administration in regard to the VAT is to increase compliance among entrepreneurs. By 'compliance' the Tax and Customs Administration means that citizens and businesses are willing to comply with their legal tax obligations towards the Tax and Customs Administration. As such, compliance can be expressed in terms of timely registration for tax liability, timely filing of tax returns, filing correct and complete tax returns and timely payment of tax returns. The Tax and Customs Administration believes that maintaining and stimulating the compliance of entrepreneurs requires the combined use of large-scale automated transaction processes, customer services and scrutiny and investigation. Seen from the point of view of taxable persons a number of requirements can then be attached to the processes such as ease of use, speed and legal certainty.

2.3 Value added tax (Inland)

Taxable persons report the VAT they owe or are entitled to receive. They do this regularly on a monthly, quarterly or annual base, or occasionally and therefore irregularly. The VAT is a tax based upon returns submitted by the taxpayer himself. The tax payer files the return, calculates how much tax he owes and pays that amount when he sends in the return. The Tax and Customs Administration checks whether the return and payment have been made on time, correctly and completely and imposes an additional levy if this is not the case. In the event of a negative tax return, the entrepreneur receives a refund from the NTCA on the basis of a refund decision.

For the purposes of the VAT (Inland) the following processes must be supported. Tax returns and payment transactions are almost entirely digital.

2.3.1 Processes VAT (Inland)

- Registering a company as a VAT payer: An entrepreneur can be registered or deregistered as a taxable person, often indicated as ‘customer’, for VAT. Customer data usually originates from the NTCA central master data administration and from the Chamber of Commerce. Registration can also be done via a portal.
- Issuing a tax return: the entrepreneur is informed that he should file a tax return and payment before certain due dates.
- Processing the tax return: a return is registered after checks on consistency and completeness. It is mandatory to submit the return digitally. A tax return can be generated from (commercial) software or filled out via the online portal of the Tax and Customs Administration. Checks take place as much as possible during filing. If a received tax return does not meet automated checks, manual exception handling will take place. As a next step in the process It is then determined whether there are any risks attached to this return. If this is the case, manual risk handling will take place. Negative returns lead to the creation of a refund decision.

- Processing payment on tax return: the payment on a declaration is registered.
- Verify return and payment obligation. When a return or payment has not been received, not received completely or not received on time, an additional levy and a fine can be imposed.
- Processing correction on return: processing changes on an original tax return.

2.3.2 Quantitative data

- Number of taxable persons: 2.000.000
- Tax returns per year: 9.000.000
- Corrections per year: 650.000
- Payments per year: 9.000.000

2.4 Intra-Community Processes

Part of the tax return is the accounting for cross-border trade transactions and services (Business to Business) between EU member states. Declaration must be made on all transactions and services from the Netherlands to the EU (Intra-Community Performance; ICP) and vice versa, of goods and services received from the EU (Intra-Community Acquisitions; ICA). Taxable persons must submit a recapitulative statement (listing) in addition to the return, which contains prescribed information about the customers and the transactions.

The ICP and ICA data are checked for timeliness, accuracy, completeness and validity. To this end, data is periodically exchanged with the other EU Member States via a European (VIES) network. For the purposes of the Intra-Community processes, the following processes should be supported. The messages and payment transactions are almost entirely digital.

2.4.1 Intra-community processes

Ned. - EU (intra-community performance, ICP)

- Dealing with ICP statement: A taxable entrepreneur must compile a recapitulative statement with European transactions and services at the time of the declaration. Verification takes place on correctness and completeness.
- Dealing with corrections to the ICP statement: an entrepreneur can submit a correction to a recapitulative statement. Verification takes place on correctness and completeness
- Determination of non-compliance: If the entrepreneur does not meet his obligations, a reminder will be sent and a fine may be imposed.
- Dealing with corrections, e.g. as a result of scrutiny by the Tax and Customs Administration.

EU - > Netherlands (Intra-Community Acquisitions, ICA)

- Handle counter-information requests (e.g. valid VAT numbers) from the EU.
- Determine correctness of returns based on returns from the EU. On the basis of a comparison between the Dutch and the European recapitulative statements, it can subsequently be determined whether a statement and therefore the tax return was (in)correct. This can induce additional scrutiny.

2.4.2 Quantitative data

- Number of entrepreneurs ICP: 180.000
- Number of entrepreneurs ICA: 180.000
- Recapulative statements and corrections per year: 600.000

2.5 One Stop Shop

The One-Stop-Shop Scheme (OSS) makes it possible for an entrepreneur who trades with several countries in Europe and owes VAT there, to file a VAT return in only one of these European countries instead of having to do this in each individual country. This currently only applies to a limited number of business-to-customer services, namely telecommunications, radio and television broadcasting and electronic services (TEB services). From 1 July 2021, the scheme will be extended to all B2C services and also cross-border sales of goods (distance sales) to consumers. In addition to this basic concept, from 01-07-2021 an import scheme will be added that allows entrepreneurs to bring in shipments with a value of up to €150 without paying import VAT upon entry, provided that they pay the VAT to the tax authorities via a VAT return under this new import scheme (import OSS; iOSS). Cooperation with customs is required for the implementation of this component.

2.5.1 MSID and MSCON

The country where the entrepreneur submits the tax return is the Member State of Identification (MSID). The countries where VAT is due are considered to be the Member State of Consumption (MSCON). Both taxable entrepreneurs from within and outside the European Union can make use of this scheme. The non-European entrepreneur trading in Europe may choose one Member State where he registers for OSS. For entrepreneurs in the European Union, the MSID is the Member State where the entrepreneur's head office is located.

OSS return and related payments are submitted electronically to the MSID on a quarterly basis (for the (i)OSS this is per month). After some basic checks, the returns and payments are then distributed by the MSID to the Member States where the VAT is due (MSCON). Each country then handles the incoming returns in accordance with its own legislation.

For the purpose of the OSS processes, the following processes need to be supported. The messages and payment transactions are entirely digital.

2.5.2 One Stop Shop

Ned. -> EU (MSID)

- Register participation: An entrepreneur must be able to register as a taxable person through a portal under certain conditions. A unique number is assigned as part of the framework of (i)OSS.
- Share unique numbers (i)OSS with customs.
- Handling EU notification: An entrepreneur periodically submits a EU notification consisting of a set of VAT returns for multiple EU countries. Corrections to previous notifications may also be processed in this report.
- Process payment on EU notification: The taxable person submits a payment that is distributed over the EU countries in accordance with the returns of the notification.
- Execute refund to an entrepreneur in a EU country

EU -> Netherlands (MSCON)

- Handling the OSS return: The return from a taxable person from a EU country is handled in accordance with Dutch legislation.
- Processing correction OSS: A correction is processed in accordance with Dutch regulation.
- Determining missing OSS return (financial): A return was found to be missing and a follow-up is determined. This can be an additional levy, possibly with a fine.
- Imposition of an assessment (additional levy or refund): In case of a missing return or a correction, a new assessment can be imposed.
- Processing payment on return OSS: Processing payment in accordance with Dutch VAT regulations.

2.5.3 Quantitative data

- Number of taxable persons MSID: 110.000
- Number of taxable persons MSCON: 300.000
- OSS notifications and corrections per year: 500.000
- MSCON returns and corrections per year: 2.000.000
- Payments per year: 2.000.000

2.6 VAT-Refund

This scheme includes the processing and payment of VAT refund requests (VAT Refund) from EU entrepreneurs from Member States. Participation in this scheme is only possible if the entrepreneur is not required to submit a VAT return in the country where the application for a refund is made. A distinction is made between:

- Requests from Dutch entrepreneurs to the Tax and Customs Administration for VAT refunds in another EU Member State (the Netherlands has the role of Member State of Establishment (MS-EST), and
- Requests from EU entrepreneurs in the other EU member states to their tax authorities for VAT refunds from the NTCA, with the Netherlands playing the role of Member state of Refund (MS-REF).

To fulfil the requirements of the VAT Refund processes, the following processes must be supported. The messages and payment transactions are almost entirely digital.

Netherlands -> EU (EST)

- Processing request VAT-Refund: an incoming request is registered, checked and distributed among the EU countries to which it relates.
- Dealing with correction on request for refund: a correction may be submitted to a previously submitted statement. This leads to an additional payment or refund request.

EU -> Netherlands (REF)

- Handle request VAT-Refund: a request for payment VAT-Refund is received via the EU network. This is registered and checked, after which the request either is rejected or paid out.
- Dealing with request for VAT-Refund correction: a correction can be submitted on an earlier request for restitution.
- Processing payment VAT-Refund: the request for payment leads to payment after approval.

2.6.1 Quantitative data

- Number of entrepreneurs: 55.000
- Requests and corrections on requests per year: 40.000
- Payments per year: 40.000

2.7 Generic processes for all VAT schemes.

2.7.1 Permissions requests

An entrepreneur can apply for a permission that is relevant to the handling of a VAT return. Examples are the request to make use of the ‘small entrepreneurs scheme’ (KOR), a change of the return period, an article 23 permit or a request for treatment as a fiscal entity. The handling of such permissions requests is automated as much as possible.

2.7.2 Request for extension

An entrepreneur can apply for a one-time extension, if he is unable to file a return or make a payment on time. This process is also automated as much as possible.

2.7.3 Supervision and scrutiny

Supervision and scrutiny takes place at different times and places. During the processes outlined above, scrutiny should be possible for cases selected through risk-assessment. Risk-assessment can be based on business rules, or analytical models. Risk-assessment can lead to interrupting the automated transaction process for a specific case. Which leads to scrutiny by an employee, after which the result is administered and the transaction process can be completed. With principles such as 'first time right' and 'compliance by design' we aim to avoid as many risks as possible.

Scrutiny is not always part of a transaction process. It may also take place as a separate process. This happens for example when entrepreneurs are selected for specific review.

2.7.4 Production

Basic philosophy for all processes is that they are automated as much as possible and that only when it is inevitable a manual intervention takes place. Automated processing is referred to as production.

Production control and monitoring. It must be possible to control production. It must be possible to hold and restart processes if there is a reason to do so. It must also be possible to monitor process flows (completeness, quantity, speed) and it must be possible to intervene when necessary.

Error handling. For those situations in which the automated transaction processing fails, an error handling facility is necessary allowing a user to intervene and correct the case so the IT can be reinjected into the automated process. Occurrence of errors can be prevented by performing as many checks as possible at the beginning of the process when the data is entered.

2.7.5 Handling notices of objection

An entrepreneur may object to any decision. Handling notices of objection is a manual task. An objection can lead to a correction.

Chapter 3. Architecture and other frameworks

3.1 Introduction

In this chapter we discuss a number of constraints and objectives of the Tax and Customs Administration as they apply to all tax types. Part of this is a description of the existing business architecture and the position of value added tax in it.

All processes necessary for the implementation of the various tax types such as the VAT must be set up in accordance with the main objectives of the Tax and Customs Administration. For the structuring of the solution, the Tax and Customs Administration uses a Business Capability Model (BCM) as a basis for the architecture. The integration of a COTS solution will possibly have consequences for this architecture. The Tax and Customs Administration would like to know what this impact will be.

3.2 Main priorities of the NTCA

Main objectives	Improvement goal
Fast, reliable and meticulous treatment	The Tax Administration operates data-driven, customer-oriented and near real time. It guards the safety of the data it needs for the execution of its task. It strives to make it easy for citizens and companies to meet their obligations and to prevent errors, for example by pre-filling information in tax returns. Citizens and businesses can get an overview of their tax situation at any time and settle their tax affairs digitally.
Expert and personal support where needed	Service is an inseparable part of our work. Our service is proactive and we do not lose sight of the human perspective. When citizens and companies are insufficiently supported by our standard services, we offer personal support. We work with public and private partners and make it possible for citizens and companies to have their tax affairs handled by an advisor. We strive to solve questions and problems, preferably in one go.
Effective scrutiny and fraud prevention	We promote compliance by acting proactively and promptly and preventing errors. When possible, we carry out scrutiny in advance, and when necessary afterwards. In doing so, we use data analysis and ensure that we comply with the requirements of the rule of law, privacy and non-discrimination. We attune our actions to the behaviour and attitude of individual citizens and companies. We pay special attention to situations in which strict application of the law could unintendedly cause damage to citizens and companies. .
Agile and future-proof organization	We focus on concrete objectives and make choices. We anticipate societal change. Managing conditions in the areas of personnel, culture, ICT, data and management & control has our permanent attention.

3.3 Architecture

The Tax and Customs Administration's existing architecture is based on a Business Capability Model (BCM). This model is the basis for the design of our business processes. Based on this model, the IT landscape is subdivided into IT domains. The Tax Administration has opted for a service-oriented architecture in which IT domains service each other.

Figure 1 shows the Tax and Customs Administration's capability model. The capability 'Return processing & assessment' for the VAT is currently realized by an outdated transaction system. In the end-to-end business processes for VAT, other capabilities are also required, such as collection, interaction, scrutiny and analytics. These are often realized by common applications that are not VAT-specific, but are also used for other tax types. This common use prevents unnecessary redundancy in the ICT landscape. Examples of common applications are:

- Applications that present data from various tax type specific systems in an integrated customer view,
- Applications that support the process of examination of books and records,
- Applications that enable risk detection based on analytics models, and
- Applications that support payments processing and collections

- Applications that support management of appeals
- An online portal environment for citizens and businesses.

Tax type specific transaction systems for return processing and assessment make their data available to these common systems, either through web services, messaging or technical replication.

The Tax and Customs Administration would like to know what impact the choice for a COTS solution would have on this architecture.

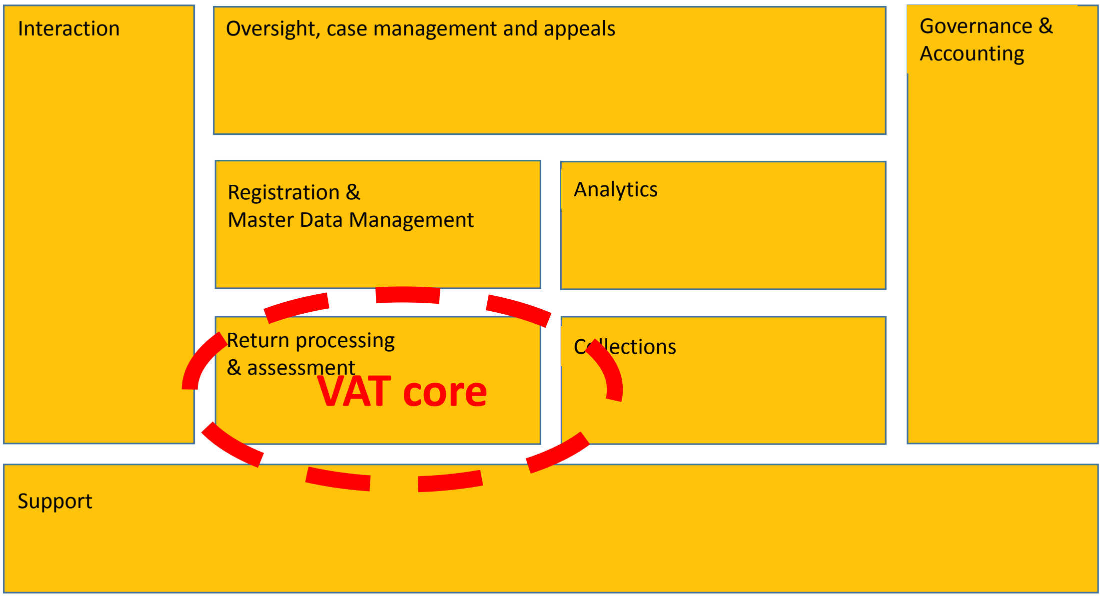


Figure 1: The Capability model

3.3.1 Return processing & assessment

This capability involves assessing tax liability based on tax legislation.

3.3.2 Collections

This capability relates to handling the financial consequences arising from tax liability, including receiving payments and making disbursements.

3.3.3 Interaction

This capability relates to facilitating the exchange of information between citizens and businesses on one hand and the Tax Administration on the other hand. Interaction includes providing services to taxpayers and receiving and communicating messages. Channels are mainly digital in the form of portals and various system to system links.

3.3.4 Oversight, case management and appeals

This capability includes gaining insight into compliance risks, the choice of approach to mitigate these risks, the selection of risks to be addressed and the actual scrutiny.

3.3.5 Registration and Master Data Management

This capability includes the collection and provision of data originating from third parties and carrying out the master data administration of personal (customer) data that is used throughout the Tax and Customs Administration.

3.3.6 Analytics

The analytics-capability is aimed at extracting value from large amounts of data and supporting decision making by performing analyses. Among other things, the analytics capability supports scrutiny by developing models for risk selection.

3.3.7 Governance and accounting

This capability is aimed at enabling the management of the Tax and Customs Administration at group level. It includes, among other things, the financial accounting.

3.3.8 Support

The capability support relates to supporting the business operations of the Tax and Customs Administration. It concerns for example Personnel and Organization, Communication and Purchasing.

3.3.9 Example process: processing tax return

The figure below shows how the different capabilities play a role in a simplified process of VAT return (Inland). The blue process steps are currently supported by the VAT core system. The white process steps are at the moment supported with common IT facilities, which also support other tax types.

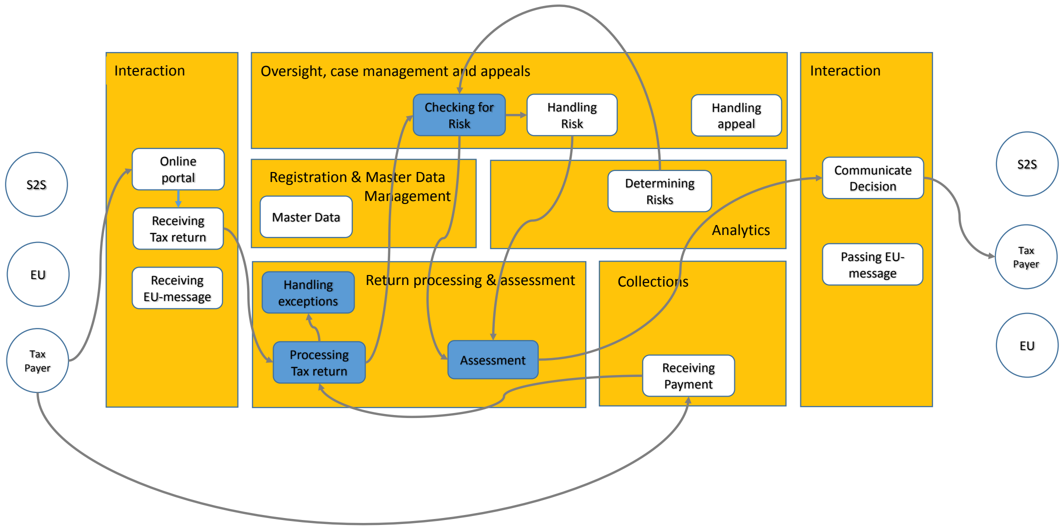


Figure 2: A process example against the background of the capability model

This process is automated as much as possible. A taxpayer submits a tax return, in this case via a portal, and makes a payment. The return is received and passed on to the VAT-system. There we check for correctness, timeliness and completeness. If necessary, exception handling of the return takes place. We also verify of a payment has been made that corresponds with the amount of tax that is due according to the return. The next step is a risk check using an analytics model. If the return is selected as a risk, the transaction process can be temporarily halted. A scrutiny case worker reviews the case, and makes a decision. That decision is returned to the transaction process, after which the treatment is completed and the decision is communicated to the taxpayer. The data needed for the analysis is provided by data management.

3.4 Existing IT architecture VAT (Baseline)

The existing automated VAT tax support consists of a fragmented and technologically outdated landscape. At the heart of the VAT landscape is a 40 year old monolithic custom built application that needs to be replaced to ensure long-term continuity and increase agility (ability to handle legislative changes and new business requirements). Around this, several specific applications have been added for OSS, VAT-Refund and ICP. These overlap in terms of functionality with the core VAT system. They arose because adaptation of the core system for the relevant regulations was not feasible at the time. A number of specific applications were also developed by employees working outside the Tax and Customs Administration's central IT organization. The VAT core system supports both large-scale automated transaction processing, exception handling and manual scrutiny case work. It also supports part of the collection process.

Common IT systems support generic functions that are used in the business processes of all tax types: web portal, authentication, archive, message handling, appeals management, a large part of the collections process, payment processing, analytics et cetera.

3.5 Policies and constraints

The Tax and Customs Administration uses various policies and constraints in the design of its IT. Important are:

- List of open IT standards as established by the standardisation forum: See: https://www.forumstandaardisatie.nl/node/217.
- Architecture principles as laid down in the Dutch Government Reference Architecture (NORA). The principles of the NORA are intended to guide government organizations in implementing changes and executing projects. The principles are described in relation to relevant policy frameworks, established standards, already available building blocks and examples, in order to maximize recognizability with practice. https://www.noraonline.nl/wiki/Principes
- The Baseline Information Security Government (BIO) is the basic standards framework for information security within all layers of government: https://www.digitaleoverheid.nl/overzicht-van-alle-onderwerpen/informatieveiligheid/kaders-voor-informatieveiligheid/baseline-informatiebeveiliging-overheid/
- Frameworks concerning the use of common facilities of the digital government (e.g. DigiD and basic registrations): https://www.digitaleoverheid.nl/overzicht-van-alle-onderwerpen/

It is important that a COTS solution fits within these constraints. Of course it is also important that all relevant laws and regulations can be complied with, not only specifically for VAT, but also generally applicable legislation such as, for example, the GDPR:

- Since 25 May 2018, the General Data Protection Regulation (Dutch: AVG) has been applicable. This means that the same privacy legislation applies throughout the European Union (EU). This regulation regulates the rights and obligations of the government, citizens and entrepreneurs throughout the EU.

Chapter 4. A COTS solution for VAT?

4.1 Introduction

The aim of this market consultation is:

- To get a picture of the possibilities that COTS solutions can offer OUT-OF-THE-BOX to support the processes of the VAT
- To answer the question what the deployment of a COTS solution would mean for the taxable persons (entrepreneurs), the users (the business) at the NTCA and the IT organization.
- To answer the question what the deployment of a COTS solution means for our architecture.
- To get insight in the design and realization process of a COTS solution for the Tax and Custom Administration.
- To get a picture of the costs and lead time of the acquisition, implementation and maintenance of a COTS solution for the VAT.

4.2 Goals and intended improvements

The Tax Administration has a number of strategic objectives. The question we want to be able to answer after this consultation is whether a COTS solution for the VAT can contribute to these objectives. The objectives can be summarized as follows:

- Ensuring the continuity of the (VAT) processes of the Tax and Customs Administration.
- Increasing agility to be able to implement legislative changes faster and at lower cost.
- Increasing the willingness of users to conform to compliant payment and filing behaviour.
- Improving the processes through better automated support, reducing the amount of manual work and faster and correct responses to users.
- Controlling the costs of maintenance and management.

4.3 Support VAT Processes

A COTS solution for the VAT will have to support the full functionality described in the previous chapters and possibly work together with other IT solutions. The starting point here is that a COTS solution should be used 'out-of-the-box' as much as possible. We are therefore specifically looking for COTS solutions that are tailored to the tax domain, not for generic ICT solutions that require significant tailoring for supporting tax processes. Our questions are:

Questions	
Question 1	Does your solution support the VAT processes as described in chapter 2?
Question 2	Which possible or necessary adjustments to the business processes of the Tax and Customs Administration do you anticipate when deploying your COTS solution and why?
Question 3	Can you indicate what expected level of tailoring (customization and parameterization) is required to support VAT processes with your COTS solution?
Question 4	Is your COTS solution quickly and easily expandable and adaptable to new regulations and legislation?

4.4 Architecture

If a COTS solution is selected, it will have to fit into the landscape as it is being developed by the Tax and Customs Administration. We would like to know to what extent this is possible with a COTS solution, what potential limitations there are to that starting point, and which concessions to this starting point we need to take into account. Questions are:

Questions	
Question 5	Can you indicate how your COTS solution will fit within the service-oriented landscape of the Tax and Customs Administration?
Question 6	Which adjustments to the architecture are necessary when deploying your COTS solution? How does your COTS-solution fit with other IT-systems realizing generic capabilities for all tax types?
Question 7	Can you indicate what the best practices are for the deployment of your COTS solution?
Question 8	Can you indicate the structure of your COTS solution? What integration possibilities are there? Can you indicate what the underlying software technology is?
Question 9	Can you indicate what the future security and sustainability of this technology is? Which developments do you foresee in the near and distant future?
Question 10	What infrastructure does your product require?

4.5 Development, transition

If a COTS solution is chosen for the VAT, the Tax and Customs Administration will have to start an implementation process. What does a standard implementation process with your COTS solution look like, what are the consequences for the Tax and Customs Administration. Questions are:

Questions	
Question 11	Can you describe how a development or implementation process looks like with your COTS solution?
Question 12	Which lead times do you expect in regard to this VAT case?
Question 13	Which efforts do you expect from external parties (i.e. your implementation team and/or system integrators) and which from the Tax and Customs Administration?
Question 14	Which knowledge, skills and competencies with regard to maintenance and management should, in your opinion, be present or be developed by Tax and Customs Administration employees?
Question 15	How do you view data conversion as part of the transition process? What experience do you have with this?

4.6 Costs

Choosing a COTS solution is subject to costs. Costs for the purchase, for the development but also for licenses, maintenance and support, and management. Questions are:

Questions	
Question 16	Can you give an indicative cost estimate of purchase, implementation (initial development), licenses, maintenance and support, and management of your COTS solution?

Chapter 5. Market consultation procedure

5.1 General

Any interested provider may participate in this market consultation. The participants in this market consultation are asked to answer the questions in chapter 4 and to describe their COTS solution.

Written reactions can be submitted via TenderNed. We would like to receive your contribution to the market consultation as soon as possible, but **no later than Friday 15th of January 2021 12:00,** via TenderNed (refer to subsection 5.4).

5.2 Contact

The NTCA applies clear rules for this market consultation. For this reason, you should only communicate on this market consultation with the contact person below, using TenderNed.

If you communicate about this market consultation with other employees of the NTCA or try to influence them through other channels, this may be a reason for the NTCA to exclude you from further participation in this market consultation.

Contact person	
Name:	J. (Jaques) Heeren
Position:	IT Procurement Specialist
E-mail:	j.heeren@belastingdienst.nl

5.3 Market consultative document

Organizations can provide an answer to the questions posed in this market consultation using this document. The NTCA to this purpose has worked out in detail its demand and explained the market consultation procedure in this document.

Should, in spite of the care with which the NTCA has prepared this document, anything be unclear or incomplete, or should it give rise to any questions, please inform the contact person by posting a message in TenderNed no later than the **deadline of Tuesday 15 December 2020 at 23:59** (refer to subsection 5.4). All answers to questions will be anonymized and will be published by way of a summary of additional information and changes.

The results of the market consultation may be included in tender documents and/or made public, albeit without them being traceable to market consultation participants. The NTCA may freely make use of the information provided. We request that you answer the questions in writing. The information provided by you will be treated confidentially.

We might ask you to present your product and/or explain your answers during a meeting with representatives of the Tax and Customs Administration.

5.4 Market consultation schedule

Activity	Date
Publication of the market consultation on TenderNed	Monday 30 November 2020
Deadline for posing questions	Tuesday 15 December 2020 23:59
Publication of the summary of additional information and changes, if any	Monday 21 December 2020
Deadline for the submission of answers	Friday 15 January 2021 12:00
Optional: oral explanation and additional questions	To be decided

5.5 Oral explanation and additional questions

The NTCA might invite market consultation participants to a (virtual) meeting to provide a further explanation of their answers. The NTCA may, during such a meeting, ask additional questions on the basis of the responses received.

The NTCA also intends to invite some participants to demonstrate their COTS solution. In addition to a general demonstration of the possibilities offered by the product, the NTCA wants to gain insight into the possibilities of setting up the COTS solution specifically for the NTCA's VAT processes in a short period of time. We will ask these participants to demonstrate how their product can be tailored, within one to five working days, to support a number of high level NTCA VAT use cases. Use cases will be supplied by the Netherlands Tax and Customs Administration to participants in the meeting.

Purpose:

1. Gain insight into the usability of a COTS solution for the business.
2. Gain insight into the possibilities of connecting COTS solutions to NTCA's requirements and the impact of a COTS product on architecture.
3. Gain insight into lead time and effort for parametrization.

Please indicate in your response to this consultation whether you are prepared to participate in a tailored demonstration of your product with NTCA VAT use cases. We are prepared to reimburse you for part of the hours for this effort. If you wish to make use of this, you are requested to indicate this in your response. Arrangements will be made about this in advance of the meeting. If you have any (additional) conditions attached to the demonstration, please state this clearly in your response.

5.6 Procedural requirements

With emphasis we would like to stipulate that it is not the intention to submit quotations. We urge you to confine yourself to answering the questions raised in Chapter 4. Please answer briefly and to the point. Of course you are not obliged to provide answers and you are also free to skip certain questions. We prefer to receive the contribution to the market consultation/answers to the questions in Word or Excel format. Additional and other documentation may be supplied as a PDF file.

In the letter accompanying the contribution to the market consultation we would like to receive the following information from the contact person on the side of the organization: name, position, office address, telephone number and e-mail address.

5.7 Preconditions for participation in this market consultation

By participating in this market consultation, you unconditionally agree to all the conditions as stated in this market consultation document. The preconditions are listed exhaustively below:

1. Participation in the market consultation is free of obligation for participating organization and the NTCA;
2. This market consultation document is exclusively intended for market consultation purposes.
3. The market consultation is not part of the possible tender but a consultation round.
4. The participants in this market consultation may not charge the NTCA any costs in connection with the response to this market consultation and the work to be carried out for it.
5. The purpose of this market consultation is explicitly not to make a pre-selection of market candidates in the context of a possible future tender. Market candidates who do not participate in the market consultation are therefore not excluded from participating in a possible procurement procedure. Nor are market candidates taking part in the market consultation in any way excluded from, or privileged in, any possible participation in a tendering or procurement process.
6. The results of the market consultation may be incorporated in tender documents (for example, by incorporating information received during the market consultation into the Descriptive Document), without being traceable to the participants in the market consultation. By participating in the market consultation, you agree to this.
7. Information provided as part of the market consultation may differ from the information to be provided in the tender procedure.
8. The input of participants in this market consultation will be treated confidentially as much as possible, taking into account the legitimate interests of the participants in this market consultation and the NTCA.
9. The language of communication during this market consultation will be Dutch or English.
10. The NTCA is in no way bound by the results of the market consultation.
11. Participants in the market consultation cannot derive any rights from participation in the market consultation or from any information provided during the market consultation.
12. It is not possible to accept or honour any conditions or claims (including conditions or claims regarding Intellectual Property Rights such as copyright) of participants in this market consultation regarding the use of information provided by them to the NTCA in the context of this market consultation or the confidentiality and secrecy of information provided by the relevant organization. However, when providing, disclosing or processing information obtained from participants during, or as a result of, this market consultation, the NTCA will try as much as possible to prevent this information from being directly traceable to a particular participant in the market consultation.
13. If intellectual property rights (including copyrights) of a participant or third parties apply, the NTCA shall be indemnified by the participant in question in this market consultation against any claim by this participant and/or third parties based on these intellectual property rights (including copyrights).
14. The NTCA explicitly reserves the right to change the planning of this market consultation as included in this document. In addition, to temporarily and/or permanently discontinue the market consultation.