

# *Israel Customs: Doing Business*

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Israel Tax Authority  
Feb. 2013*



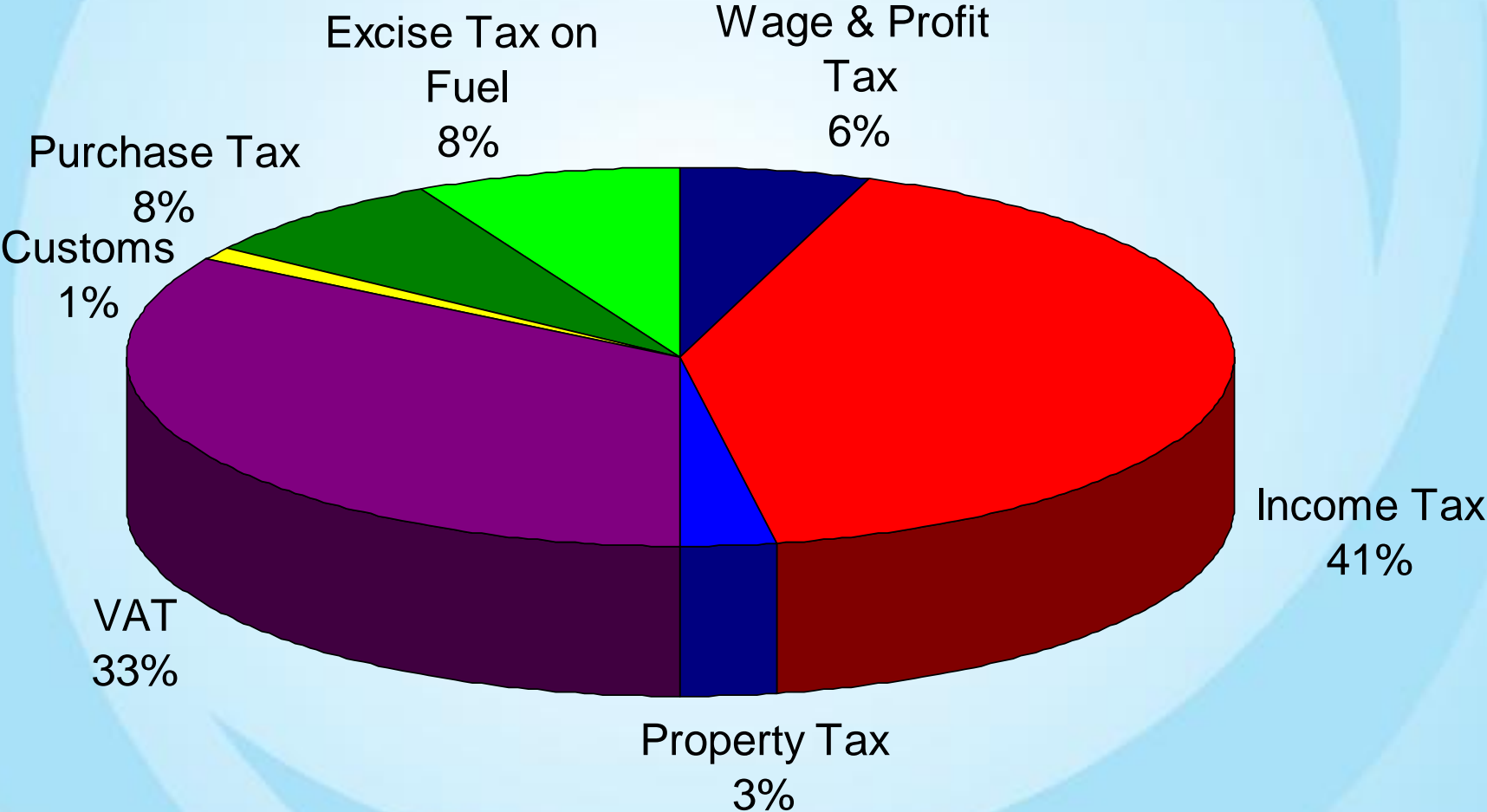
# *Israel Tax Authority*

## Unification of:

- **Department of Customs and VAT**
- **Income Tax Commission**
- **Computerized Processing Service**

# Israel Tax Authority Revenues 2012

Revenues for 2012 totaled 218.6 billion NIS



# *Israel Tax Authority: Vision*

*“Leading in tax collection and service”*

Israel Tax Authority will effectively enforce collection of taxes and provide an efficient service, with quality and fairness, while empowering human capital in the organization and integrating the social value of paying true tax.

# Strategic Model

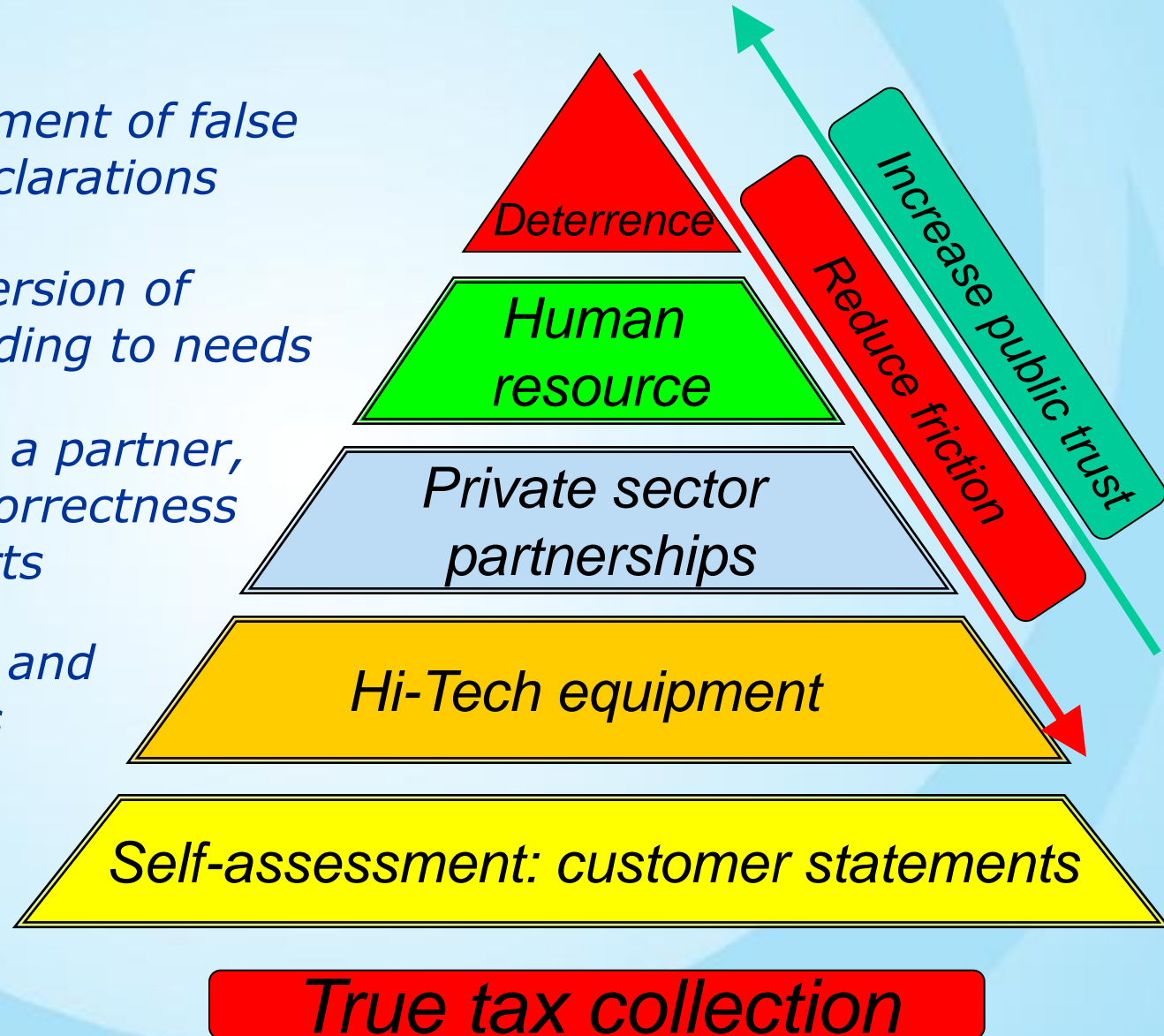
*Exhaustive treatment of false statements & declarations*

*Training and diversion of manpower according to needs*

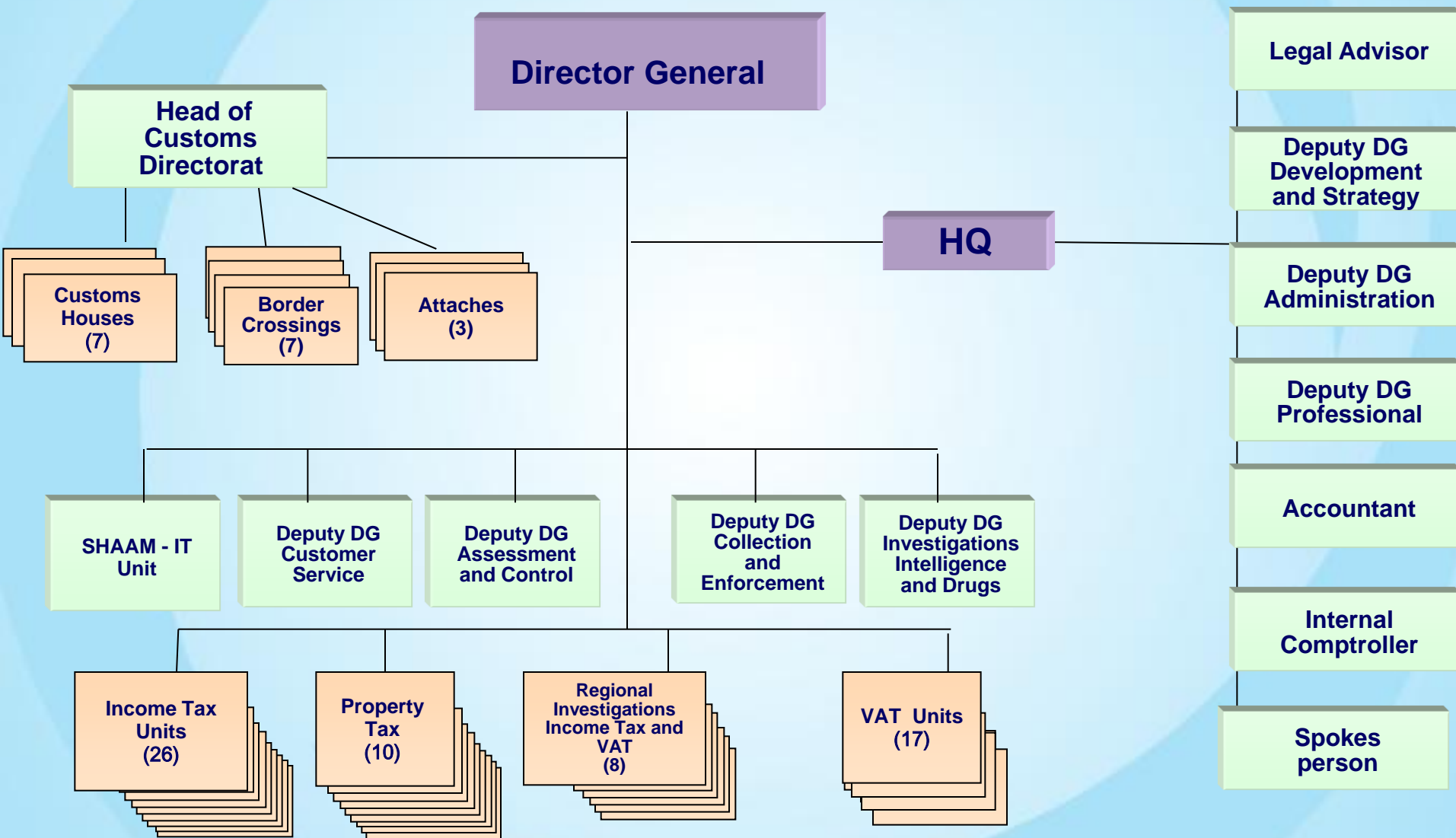
*Private sector as a partner, responsible for correctness of financial reports*

*Risk assessment and profiling systems*

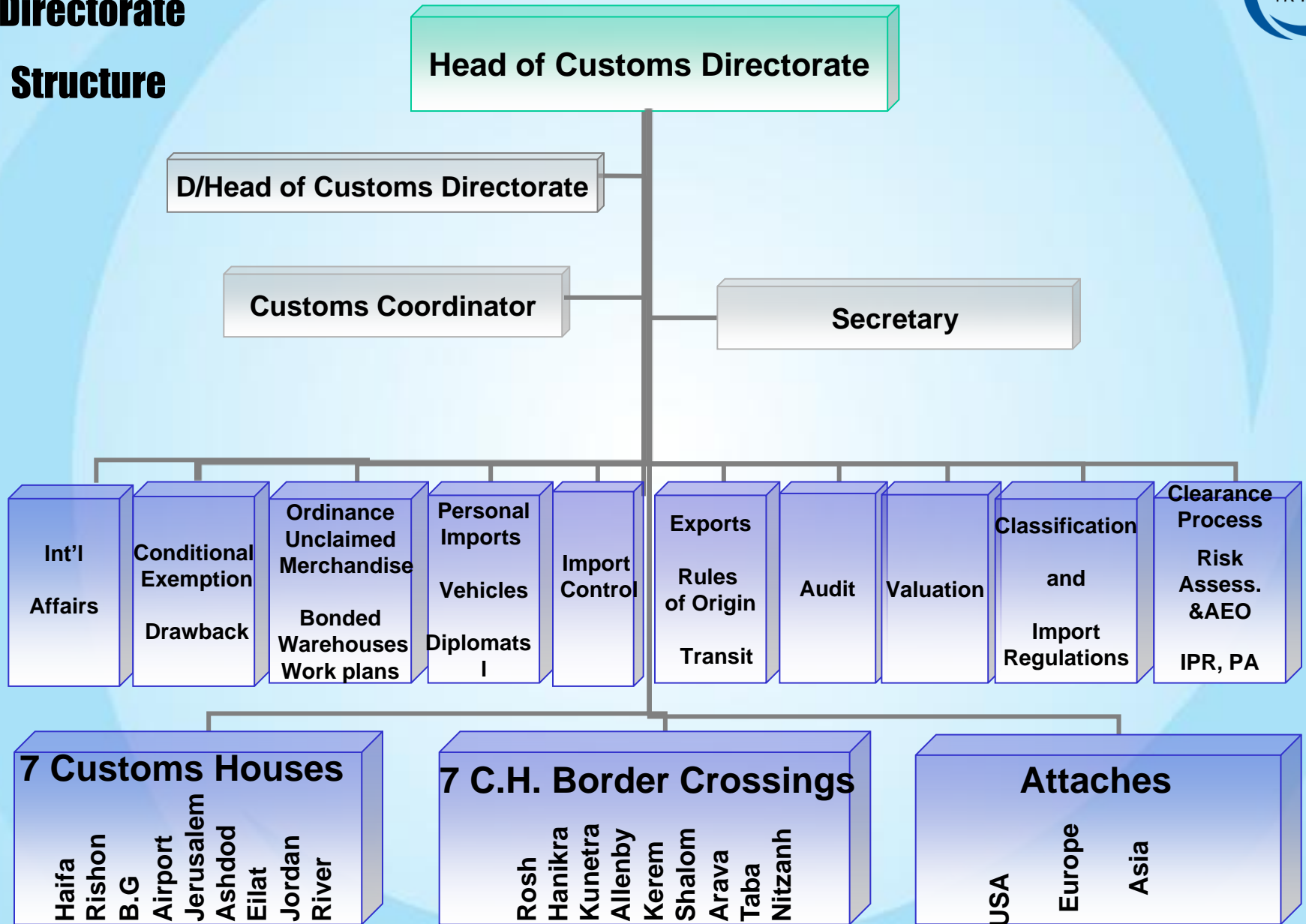
*Focusing on high potential cases*



# ITA – Organizational Structure



# Customs Directorate Structure



# Israel's Imports & Exports (Billions of US\$)





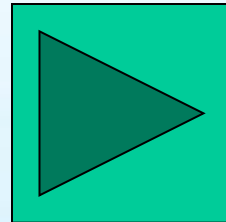
## ***Customs Directorate: Vision***

Israel Customs will lead Israel's foreign trade administration by defining the highest standards of organizational quality and excellence.

# ***Customs Directorate: Missions & Tasks***

- Administrating foreign trade
- Facilitating trade and improving customer service
- Promoting ‘customs – business’ partnerships
- Collecting import taxes
- Enforcing import and export laws and regulations
- Preventing drug smuggling, money laundering & IPR
- Security control over imports
- Administrating trade with the PA
- Improving and upgrading international cooperation
- Promoting and investing in human capital

# Israel Customs: Doing Business



# *Customs Dilemma in the New Era*

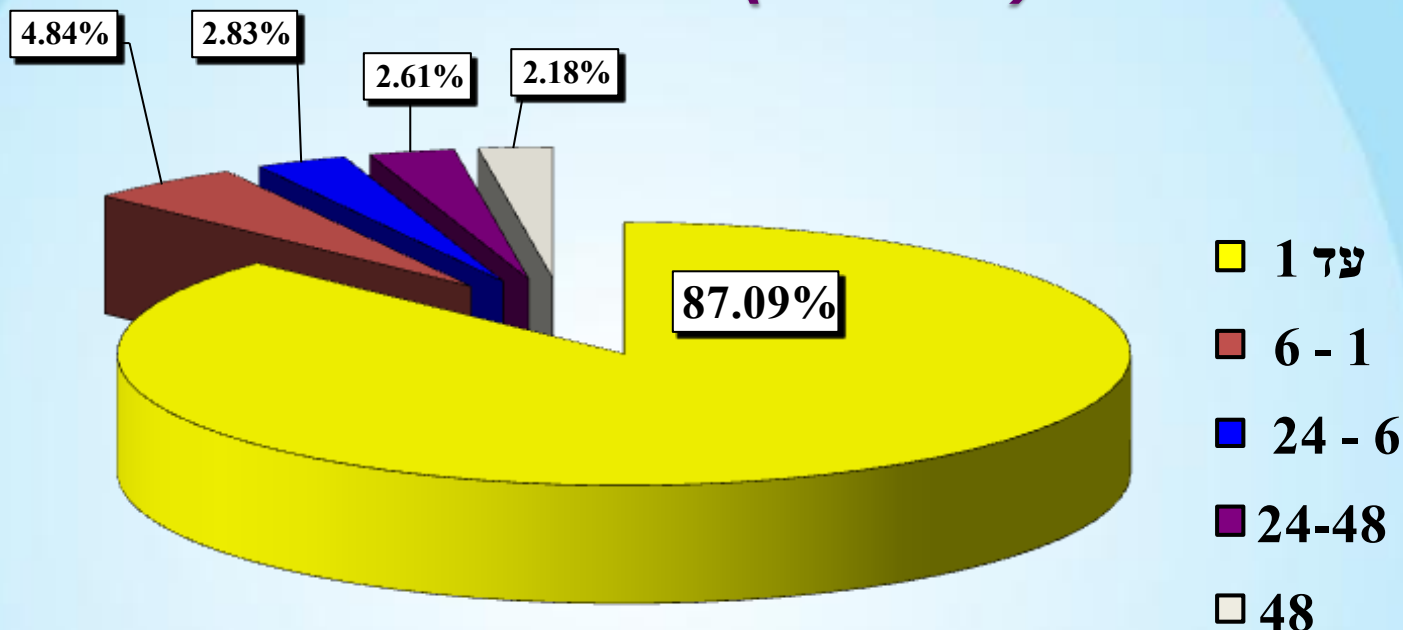


***CUSTOMS  
ENFORCEMENT***

***TRADE  
FACILITATION***

***Development of 'New Generation  
System' using advanced technology***

# Duration of Clearance of Import Entries 2012 (Hours)



Duration (Hours)	Percentage of Total Entries
Up to 1h	87%
1 to 6h	5%
6 to 24h	3%
<u>Total within 24 hours</u>	<u>95%</u>
24 to 48h	2.5%
After 48h	2.5%
<b>Total</b>	<b><u>100%</u></b>

# The Doing Business Economy Rankings





Economy	Ease of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
Singapore	1	4	2	5	36	12	2	5	1	12	2
Hong Kong SAR, China	2	6	1	4	60	4	3	4	2	10	17
.Korea, Rep	8	24	26	3	75	12	49	30	3	2	14
Denmark	5	33	8	14	6	23	32	13	4	34	10
United Arab Emirates	26	22	13	7	12	83	128	1	5	104	101
Finland	11	49	34	21	24	40	70	23	6	9	5
Estonia	21	47	35	52	14	40	70	50	7	31	72
Sweden	13	54	25	9	35	40	32	38	8	27	22
Panama	61	23	73	16	107	53	82	172	9	125	110
Israel	38	41	139	91	144	12	6	82	10	94	47
Malaysia	12	54	96	28	33	1	4	15	11	33	49
Netherlands	31	67	89	67	49	53	117	29	12	32	6
Germany	20	106	14	2	81	23	100	72	13	5	19

# ***Main Projects for Doing Business :***



## ***Trade Facilitation***

- **New Generation computerized system** 
- **Single Window Project (“TRACK”)** 
- **AEO Program** – Customs-business partnership acting towards mutual recognition with other countries. 

## ***Enforcing import and export laws***

- **Risk Assessment control** 
- **Hi-Tech equipment**



*Thank you*