Reflecting on Revenue Collection in Tanzania: What went wrong with Records Management?

Author: Agnes. J. Ndemyanyisho

Assistant Lecturer: Tanzania Public Service College, P.O.Box 329, Tabora.
Tel: +255 26 260 4278,
Fax: +255 26 260 4537
Email: agysiya@yahoo.co.uk

Any civilized government in the world depends on tax in order to ensure provision of public goods and services, redistribution of income and wealth among members of the society, guarantee economic stability and promote social and economic welfare. Different studies have been conducted in Africa and in particular Tanzania on tax administration and tax systems which seek on improving revenue collections (cf. Agyman, 1982; Osoro, 1995, Mbilinyi and Mutalemwa, 2010; Fjeldstad and Heggestad 2011, among others). However, little or none of these studies pay attention on proper record keeping as the way of enhancing revenue collection, curbing tax avoidance and evasion. This paper, therefore, looks into the management of tax records at the Tanzania Revenue Authority (TRA). The paper investigates the current practices of records management at TRA throughout the whole life cycle of the records and the extents to which TRA records management adheres to the (International Standard Organization) ISO 15489-1. The paper outlines some of the challenges associated with poor records keeping at TRA and suggests its plausible solutions. The data materials were gathered through participatory observation, questionnaire formal interviews and documentary review in Kinondoni District (Dar es Salaam Region) and Dodoma Region in the country. Among these challenges are unqualified records officers, little linkage between information and technology department and records management unit, lack of records management tools such as policies, records retention and disposition schedules, vital and disaster management plan. Equally, low priorities were given by the organization on records management issues. The paper recommends total restructuring of records management systems in TRA in order to adhere with ISO 15489-1 in its record keeping practices.

Keywords: Taxation, tax records, record keeping, records management and revenue collection.

1.1 Brief History of Taxation

Taxation is a mark of civilization (Samson, 2002). The exact point in time when tax was first instituted is unknown due to poor historical records, culture and societal structure of ancient empires. However, Samson (2002) indicated that the history of taxation can be traced to ancient China some 3,000 years ago following the establishment of the Chinese Empire. The revenues collected were used to support military campaigns. Moreover, Perold et, al. (2008) reported that in Pharaohnic Egypt ‘scribes’ (tax collectors) imposed tax on cooking oil and conducted regular audits in the households to monitor and ensure that appropriate amounts of cooking oil (a taxable item) were consumed.

Imperial Rome was the earliest empire to introduce customs duties on imports and exports called portolias. At that time Julius Caesar imposed a one-per-cent sales tax and an inheritance tax to provide retirement funds for the military (Samson, 2002). Even in the scriptures taxation is documented in Mathew 17:22-27, Mathew 22: 15-22, Mark12-13-17 and Luke 20:20-26.
chapters show that Jesus indeed paid tax and told his disciples the importance of paying tax to the instituted authorities.

Nightingale (2002) states that in Britain, taxation started during the 14th century when income tax was imposed on the income of wealthy, office holders and members of the clergy. Also tax on movable properties was imposed by merchants. The poor paid little or no taxes. This resulted in what is today known as progressive tax. An example of progressive tax is PAYE (Pay as You Earn) in which the more you earn the more you pay. Other taxes which were imposed during that time were taxes on land and excise duties which were used to pay for the army. The parliament further introduced taxes on essential commodities such as wheat and meat which attracted more funds than tax imposed by the king. These taxes were however very heavy especially on the poor. This apparently led to the riot in 1647.

Tax in America was introduced in 1764 under the Sugar Act (Sabine, 1980). The tax included import duties on foreign molasses, sugar, wine and other commodities. Later on, other taxes were introduced such as the Federal Property Tax and Income Tax. Taxation was for the expansion of the Army and the Navy in the event of possible war with France.

**Taxation in Africa**

At the beginning of human occupation of this continent, men lived in small roaming bands as “food gatherers” and families were free from tax. It was when man learned to plant grain that the situation of land ownership developed (Mulinge and Lesetedi, 1998). As agriculture developed, man had more time for arts and crafts, spiritual awareness, and the development of small industries, all of which led to the transfer of authority in the realm of communal goods to a chief selected by the community. According to Perold et al. (2008) during that time people paid tributes to their chiefs in order to support local defence against intruders.

Modern forms of taxation came to Africa during colonialism when different types of taxes and legislation were introduced. These laws required indigenous peoples to pay tax to the colonial government. For example, in 1894 the Glen Grey Act introduced hut tax in South Africa. The specific aim was to force peasants who were not part of the money economy to find work in order to pay tax to the Dutch East India Company which later on formed De-Beers Company (Perold et al., 2008). The same experience obtained in Kenya, Zambia and other countries in Sub Saharan Africa as noted by Gadner (2009), Mulinge and Lesetedi (1998) where colonialists introduced hut tax and poll tax to indigenous Africans and forced them to pay in terms of cash.

**Taxation in Tanzania**

Like most African countries, Tanganyika (current Tanzania mainland) experienced tax systems after the introduction of colonial administration. The first taxation ordinance was issued in 1897 by the German colonial administration. Much of their focus was in the collection of hut tax whose main objective was stated to be 'educational', in that it was intended to oblige Africans to accept paid labour and accustom themselves to European administrative discipline (Iliffe, 1969). Apart from hut tax other taxes introduced during this period were house and poll tax. The revenue generated was used in the construction of railways, roads, schools, hospitals and financing the colonial administration and its military campaigns.

After independence in 1961, the government embarked on transforming the economy through industrialisation and rural development schemes. Several years later, in 1967, the government adopted socialism (Ujamaa) as its development ideology. Initially social indicators improved, and Tanzania made significant progress in building a nation state through its tax system (IMF, 1999). However, the oil crisis in the 1970s and early 1980s, and other external shocks set the beginning of an economic downturn, which was not reversed on a sustained basis until the late 1990s.
The current situations which affect the tax system in Tanzania are highly dependent on international development assistance, extensive tax exemption, high dependence on aid and increased high-level of corruption in government agencies. In order to deal with the situation the Government of Tanzania underwent several tax reforms in order to recover the economy of the country (OREA, 2010).

1.2 The Concept of Taxation
Nightingale (2002) defines taxation as compulsory transfers of money from individuals to governments. The major purposes of taxation are: generating revenue for public expenditure, redistribution of income and wealth in ways considered just and equitable, correcting market system inefficiencies in the allocation of resources and control of money in circulation in order to stabilise the economy (Lymer & Hancock, 2002; Stiglitz, 2000, James & Nobes, 2000).

There are different types of taxes: direct and indirect tax, progressive, regressive and proportional tax. Direct tax is when the burden and incidence falls upon the same person, but when the burden and incidence fall upon different persons the tax is said to be indirect. Progressive tax means the higher the income the higher the tax while regressive tax refers to the higher the income the lower the tax. Proportional tax is when the tax rate is the same regardless of the amount of income (TRA, 2007).

Nightingale (2002) states that a tax structure is supposed to have the following features: equity, efficiency, conveniency, certainty, productivity, political feasibility and constitutional acceptance. Equity refers to fairness with respect to the tax contribution of different individuals both horizontally and vertically, efficiency means small costs of collection as proportionate to revenue collected; conveniency is when the tax system is easy to understand and administer; certainty means that the time of payment, structure and mode of payment should be known; productivity refers to tax system that should enhance adequate revenue to meet government expenditure; and constitutional acceptance means the tax should not be against the constitution.

1.3 The Concept of Records Management
ISO 15489-1 clause 3.16 states that records management is a field responsible for the efficient and systematic control of creation, receipt, maintenance, use, and disposition of records including processes for capturing and maintaining evidence of and information about business activities and transactions. Shepherd and Yeo (2003:2) define record as any piece of recorded information regardless of physical format or storage medium, created or received and maintained by an organization or individual in the transaction of business and kept aside for preservation as evidence of some specific activity. In order for records to function effectively as evidence of activities, it must possess the following characteristics: content, context and structure (Shepherd and Yeo, 2003:10). Content refers to how records reflect the fact about the activity, that is, metadata necessary to document a transaction. The context of records asserts the information about the circumstances in which records were created and used. For example, the environment that gave rise to records, the wider function of the activity and the administrative context. The structure of records must reflect the relationship between their constituent parts. For example, in business letters there is a formal structural relationship between the details of the addressee, the date, the body of the text divided into paragraphs and signature at the end.

There are also structural relationships between the individual letters in a file or folder, and between records in a series (Shepherd and Yeo, 2003:11). In addition, ISO 15489-1 clause 7.2 describes other characteristics of records which are authenticity, reliability, integrity and usability. Authenticity of records implies the intactness of records. Reliability of records refers to the way in
which records can be maintained in a systematic way so as to be trusted. Integrity of records denotes the possibility of records to be complete and unaltered. Usability means the ability of records to be located, retrieved, presented and interpreted. Failure to comply with these characteristics will diminish the weight of a record as evidence of an activity. Hence, records must be created and maintained systematically with sufficient measures that will show proof of the transaction as it was purported by AS 4390.3-1996, clause 5.3.

1.4 The Taxation Process and the Role of Records
According to the Approved Quality Management System Document (TRA, 2011) the taxation process in Tanzania passes through six stages: (1) Tax returns (forms filled with details of taxpayer) are received at regional Manager’s office and forwarded to data processing unit, (2) Data entry operators capture data into the information system, (3) the Data Entry Supervisor validates and authorizes posting of data, (4) Data Entry operators post data to be stored permanently into the system, (5) Registry clerk sorts the returns by type and forwards to the Head Examination Unit, (6) Tax Officer examines the returns to ascertain compliance with the laws. The process mentioned above shows that records are essential in the revenue collection process without records revenue authorities cannot be able to perform their functions effectively. There is a need, therefore for these organizations to ensure that they maintain proper records management practices throughout the whole life cycle of the records.
TRA depends on records in order to assess and collect tax. Hence, there is a need to maintain quality records so as to provide evidence of tax payments (TRA, 2011). Additionally, sound recordkeeping systems help revenue authorities to protect them from litigation, preserve their corporate memory, and foster accountability and good governance. Millar (2003) regards proper records management in organizations as a “precious resource” and a winning strategy for organizations in this competitive world of business. According to ISO 15489-1 (2001), organizations should create and maintain authentic, reliable and usable records, and protect the integrity of those records for as long as they are required. This follows the fact that records constitute one of the important corporate resources such as finance and human resources (Makhura 2001:1; Ngulube 2004:7).

1.5 The Tax Administration in Tanzania (Reforms)
Tax reforms in Tanzania date back to the late 1960s (Osoro, 1993). The major objective behind the tax reforms in the 1960’s was revenue and equity. This objective was implemented with the introduction of new Sales Tax Act in 1969 to offset the decline caused by growth in import substitution industries (Osoro, 1995).
While in the 1970’s the objective of tax reforms remained revenue collection and equity, protection also became another important objective. According to the Income Tax Act (1973), the major tax reforms were the introduction of a progressive income tax in 1973, the repealing of the 1969 Sales Tax Act, and replacing it with the new Sales Tax Act of 1976, and the abolition of the excise duty in the late 1970’s (Osoro, 1995). Tax reforms in the 1980s were a result of the economic crises. Prior to 1985, most tax charges were on indirect taxation under the influence of the IMF (International Monetary Fund) which adhered with the policy of trade liberalisation.
Tax reforms in the 1990’s comprised further reduction of individual income tax rates from 10-50% to 7.5-35% in 1992 (Osoro, 1995). Tax incentives were also extended to investors to attract foreign investments. However, the reforms have not achieved the objective of raising the revenue productivity. According to Osoro (1993), Maliyamkono and Bagachwa (1990) the low revenue productivity of the tax system has been attributed mainly to tax exemptions, low compliance and tax evasion, coming from both a weak tax administration and high tax rates.
Prior to June 1996, tax administration in Tanzania was under three independent Revenue Departments, namely: Income Tax Department, Sales Tax Department (currently known as Value Added Tax (VAT Department), and Customs and Excise Department. The three Departments were under the civil service structure and the Ministry of Finance was responsible for the direction and control of these independent departments whose performance was not very good. The Government was determined to improve the revenue collection situation and one way of doing this was through an improved tax administration system which operates under one institution. This led to the establishment of a semi autonomous tax administration by the Government and the Tanzania Revenue Authority (TRA) was set up on 1st July 1996. The Authority was established by the TRA Act No. 11 of 1995 as a semi autonomous Government agency responsible for the administration of central Government taxes as well as different types of non-tax revenues.

Since its establishment, the TRA has undergone three waves of reforms centring on:

(i) Institutional capacity building;
(ii) Improving service delivery; and
(iii) Deepening the authority specialisation (OREA, 2010).

These waves resulted in increased levels of revenue collection due to modernization efforts which comply with the Principles of Good Tax Administration. OREA (2010) states that revenue generation for Tanzania appear to be in an exponential trajectory in the medium to long term. However, in the short-term, tax efforts will be constrained by two factors: firstly, the continued elite resistance to the abolition of the prevailing extensive tax exemptions, and secondly, the threat of increased high-level corruption in government agencies.

Additionally, OREA (2010) reports that the absence of systems and mechanisms to reach many taxpayers and the limited TRA knowledge about potential taxpayers in the informal sector economy, and inadequacies in exploiting ICT to enhance efficiency are among the factors that inhibit revenue collection in Tanzania. In the same vein, Mbilinyi and Mutalemwa (2010) outline the challenges facing collection of income tax in Tanzania and these include: lack of reliable records on the number of tax payers, lack of public records and statistics for taxation, inadequate knowledge of keeping records by the tax payers and lack of records in sales transactions and receipting by the registered tax payers.

1.6 Statement of the Problem

Despite the establishment of the TRA and many modernization programmes, the revenue generation from tax has not increased to expected level which is 20% per GDP. The study conducted by Fjeldstad and Heggestad (2011) indicates that current Tanzania tax collection is 14.2% of the GDP which is the least figure compared to Mozambique 15.4% and Zambia 15% per GDP. As noted above, Mbilinyi and Mutalemwa (2010) have identified lack of reliable records on the number of tax payers, lack of public records and statistics for taxation, inadequate knowledge of keeping records by the tax payers and lack of records in sales and transaction receipt by the registered tax payers as being some of the factors affecting effective revenue collection in Tanzania. This study therefore seeks to find out the current state of recordkeeping practices at the TRA. In particular, the extent to which TRA adhere to ISO 15489-1 in its records management practices.

1.7 Aim of the Study

The purpose of this study is to investigate the current practice of records management at the TRA throughout the whole life cycle and the extent to which they adhere to the International Organization for Standardization on Information and Documentation (ISO 15489-1). The specific objectives of the study were to:

i. To examine the existence of regulatory and legal framework for managing records at TRA
ii. To investigate the current practices for managing records throughout their life cycle;
iii. To assess the skills of records officers at TRA;
iv. To investigate the use of ICT's in the management of tax records at TRA; and
v. To find out the perceptions of TRA staff members on the importance of records and their management.

2.0 Methodology.
The Case Study Design was used to investigate the management of Tax Records at the Tanzania Revenue Authority (TRA). The study used both qualitative and quantitative data collection approaches where interviews, observations, documentary review and questionnaires were employed. The data from closed questionnaires (quantitative) were analysed using the SPSS software and (qualitative) data from open-ended questionnaires, interview, documentary review and observation were coded thematically.
The study was conducted at the TRA Headquarters in Dar es Salaam and two tax regions of Kinondoni and Dodoma. The reason for choosing TRA headquarters was because it oversees policy issues while other two tax regions were concerned with daily collections and assessments of tax. Additionally, it has a reasonable number of employees to enable a researcher to obtain the required data.
The population of the study consisted of sixty nine (69) respondents selected purposively as indicated below:

i. Forty five (45) action officers: these include Managers and Heads of units from Audit, Motor Vehicle Registration, VAT, Income tax, Customs, Human Resources and Administration, Legal, Procurement, Examination, Accounts and Finance unit among others at TRA Kinondoni and Dodoma. The reason for selecting this group was that they are the main creators and users of records as they depend on records in their daily decisions;

ii. Seven (7) IT specialists from TRA Dodoma, Kinondoni and Headquarters were included in the study. The reason was to see how TRA manages their electronic records from creation to the final disposition;

iii. Fifteen (15) Records officers from TRA Dodoma and Kinondoni were included because they are the ones who keep records from creation to the final disposition.

iv. The Director of National Archives was selected due to the fact that the department is responsible for the co-ordination of record keeping work in all public offices and parastatal organizations in Tanzania; and

v. The Head of Records and Archives Administration Unit at TRA Headquarter was selected since she is the key figure who is responsible for overseeing the management of tax records in the country.

To make this study more reliable and valid in terms of the instruments that were used in data collection, the researcher conducted a pilot study at the Tanzania Revenue Authority in the Tabora region by administering the questionnaires and interview schedule on a trial run to test their effectiveness. Aina (2002) and Bell (2010) opine that a pilot study should be done to a group similar to the one that will form the population of your study. The rationale for conducting pilot study was to identify weaknesses of the instruments and make corrections before being employed in the study (Bell, 2010).
The researcher ensured the reliability of the study through the use of the semi structured interview and questionnaires to TRA Tabora registry staff and action officers from different departments. Different respondents from the piloted area were given the same content of questions to answer and
later the researcher tried to aggregate responses to see if they matched each other and collected the desired information (Bryman and Bell, 2007).

3.0 Findings and Discussions
The findings and discussions of the study are presented objective-by-objective in the sections that follow below

Objective 3.1: The Regulatory Framework for Managing Records at TRA.
This study sought to determine the regulatory and policy framework within which the TRA operates, and particularly the laws that impact on records management at TRA. The study conducted a document survey of laws, regulations and policies that have implications for records management at TRA. The findings revealed a number of instruments that are summarised below.

i. Tanzania Revenue Authority Act
The findings of the study show that TRA was established under the Tanzania Revenue Act No. 11 of 1995 as a central body for the assessment and collection of specified revenue administer and enforce the laws relating to revenue collection. The Act was enacted by the Parliament of the United Republic of Tanzania on 7th July, 1995. The Act came into effect on 1st, July 1996. Section 4(3) of the Act stipulates that, the authority shall be the agency of the government and shall be under the general supervision of the Minister of Finance and shall be operated in Tanzania mainland and Zanzibar. Additionally section, 4(4)-4(6) vests the power of executing TRA functions under Commissioner General and the Secretary to the Board. Section 8(1) of TRA Act states that; “Revenue Commissioner, or any other Commissioner or person employed in the carrying out of the provisions of this Act shall regard and deal with all documents and information relating to the income, expenditure or other financial dealings or status of any tax payer or other person involved in any operations in furtherance of the purposes of this Act, and all confidential instructions in respect of the administration of this Act which may come into his possession or to his knowledge in the course of his duties, as secret to any unauthorised person”.
As can be seen from section 8(1) of the Tanzania Revenue Authority Act, employees of TRA are required to manage all tax records as secret and confidential. However, the findings of the study revealed that inadequacies in a way that records are accessed and managed. Furthermore, section 26 (1) of the TRA Act demands that TRA retains financial records as evidence of business transaction. The section states that: “The Authority shall keep accounts and records of its transactions and affairs and shall ensure that all moneys received are properly brought to account and all payments out of its moneys are correctly made and properly authorised and adequate control is maintained over its property and over the incurring of liabilities by the Authority”.

The findings of the study indicated that, this section emphasises on records creation and maintenance and does not cover other parts such as use, preservation and disposition.

ii. Income Tax Act
The findings of the study indicated that recordkeeping at TRA are subject to the provisions of the Income Tax Act of 2004. Section 80(2) provides for the retention periods for income tax documents, indicating that, “the documents referred to in this section shall be retained for a period of five years from the end of the year of income or years of income to which they are relevant unless the Commissioner otherwise specifies by notice in writing.”
However section 80(4) draws the exemption of section 80(2) by clearly stating that, “the Commissioner may, by service of a notice in writing, require a person, whether or not liable for tax under this Act to retain documents described with reasonable certainty in the notice for such period as may be specified in the notice.”

The findings of the study observed that there was no records retention and disposition schedule to guide retention and disposition of income tax records at TRA.

iii. Information and Communications Technology Policy

Being a public institution, the TRA is guided by the National ICT Policy of 2003, which demands the use of ICT to promote efficiency and effectiveness in the provision of services. ICT’s are seen as enabling organizations to enhance operational efficiency through supporting internal information flows, leading to greater accuracy and timeliness of executing decision-making, resource allocation, risk management and operational control. Furthermore, the policy stipulates that the Government will take steps to align Tanzania’s economy with the new global economy while minimising the adverse effects of globalisation on the local economy and tax revenues. In relation to recordkeeping requirements TRA can use ICT’s in order to facilitate storage and retrieval of information and minimize space problem caused by paper records. However the findings revealed that the current ICT’s systems in TRA do not have records management functionality.

iv. Tanzania Records and Archives Management Act

TRA is also subjected to the Tanzania Records and Archives Management Act No.3 of 2002 which governs the management of records in the public service. RAMD which falls under the President’s Office, Public Service Management (PO, PSM), provided the framework for effective records management across the public sector through this Act. Likewise, section 9 of the RAMD Act, states that: “Heads of public offices shall be responsible for creating and maintaining adequate documentation of the functions and activities of their respective public offices through the establishment of good records keeping practices, including:

a) Creating and managing current records within appropriate filing systems;

b) Drafting retention and disposal schedules relating to records specific to each public office, with the assistance of the Director of the Department;

c) Implementing retention and disposal schedules issued in accordance with paragraphs (d) and (e) of this Act;

d) Transferring semi-current records into the custody of the Director of, except in so far they may remain classified as confidential or secret on grounds of-

i. National security;

ii. Maintenance of public order;

iii. Safeguarding the revenue; or

iv. Protection of personal privacy and deferment of their transfer for a further specified period has been approved by the Minister by regulation of section 28 of this Act.

e) Appointing a qualified officer who shall be a coordinator of records management activities in the department or Ministry.”

However the findings of the study indicate that current management of records at TRA is poor and does not effectively adhere to this Act. This is due to the fact that, there is inconsistency of file classification schemes; there is no retention and disposition schedule and the low level of skills by the coordinator of records management activities in TRA.
3.1.1 Policy Framework for Records Management
ISO 15489-1, (2001: 5) requires that organizations should define and document a policy for records management. The objective of the policy should be the creation and management of authentic, reliable and usable records, capable of supporting business functions and activities for as long as they are required. Organizations should ensure that the policy is communicated and implemented at all levels in the organization. For this reason, this study sought to investigate if TRA has records management policies and procedures which ensure that appropriate attention and protection is given to all records, and that the evidence and information they contain can be retrieved using standard practices and procedures. Hence, action officers were asked whether the TRA has a policy on records management. The results obtained are presented in figure 1 below.

Figure 1 Availability of Records Management Policy at TRA

![Figure 1 Availability of Records Management Policy at TRA](image)

Source: Field Data 2012

Figure 1 above indicates that 33(85%) of the respondents were aware of the availability of a records management policy, 2 (5%) said there was no policy at all, and 4 (10%) were not sure whether the policy existed or not. Interviews with TRA staff and observations by the study established that TRA has no documented records management policy as none of these 85% of respondents was able to produce a copy. One of the respondents argued that “TRA is a big and modern institution in the country and obviously it has many policies including that of records management”. Respondents were further asked to indicate the time when the policy was formulated. 10(25.6%) of respondents indicated that the policy was formulated more than 5 years ago, 14(35.8%) more than 10 years ago, 4(10.25%) no idea while 11(28.2%) respondents did not answer this question. It can therefore be concluded that presently there is no records management policy at TRA.

The findings were similar to those of Mnjama and Wamukoya (2007:279) who pointed out that one of the challenges to the management of paper and electronic records in the ESARBICA region was the absence of organizational policies and procedures to guide the management of both paper and electronic records.

Objective 2: TRA Recordkeeping Practices throughout the whole Life Cycle and ISO 15489-1
In order to measure records keeping practices at TRA, the study compared various records management activities in TRA with the provisions of ISO15489-1. In that case the study investigated how TRA creates, captures, maintains, uses and disposes their records. The explanation of the life cycle is highlighted below.

2.1 Records Creation
Section 7.1 of ISO 15489-1 provides the criteria for the organization to create and maintain authentic, reliable and usable records. These criteria among others are to:

i. Determine what records should be created in each business process, and what information needs to be included in the records;
ii. Deciding what form and structure records should be created and captured and the technologies to be used;

iii. Determining what metadata should be created with the records and through records processes and how that metadata will be persistently linked and managed; and

iv. Deciding how to organize records so as to support requirements for use.

The findings revealed that TRA creates records so as to be able to assess, collect and account for all central government revenue, administer effectively and efficiently all the revenue laws of the central government, advise the government on all matters related to fiscal policy, promote voluntary tax compliance, improve the quality of services to the tax payers, counteract fraud and other forms of tax evasion and produce trade statistics and publications (TRA, 2011). Personal observation revealed that Action Officers, other government agencies, ministries, departments and individual tax payers, among others, create tax records.

On the type of records created and captured in TRA records system, the results indicate that 18 out of 39 respondents, indicated that (46.1%) of all the records produced in TRA are Tax payers records which include; tax invoices, receipts, contracts, VAT(Value Added Tax) returns, income tax returns, P.A.Y.E (Pay as You Earn) returns and S. D. L (Skills Development Levy) returns among others, followed by personnel and administrative records 10(26%), financial records 5(13%), supplies records 4(10.2%), and legal records 2(5.1%). Currently financial, legal and supplies records are held at their own departments by the Action Officers, while personnel records and administrative records are controlled in independent registries. Tax payers’ records are located separately at the Main Registry. During data collection the study managed to see the bulk of paper records in the main registries at Kinondoni and Dodoma tax regions. Furthermore, the study managed to see Action Officers creating TIN (Tax Payers Identification Number) and motor vehicle registration using computers to capture data of the tax payers. The findings of the study revealed that, TRA operates a hybrid system for these case records were created and maintained using both paper and electronic formats.

In addition to the above findings, respondents were asked to indicate the availability of guidelines for the creation, capturing and retention of records. The purpose of guidelines is to provide information for the analysis of current and past records keeping practices. The study revealed that there were no guidelines for the creation, capture and retention of records at TRA.

2.2 Organization of Records in TRA (Physical and Intellectual Control)

The study sought to determine how TRA manages its records so as to ensure that records are accessible and reliable all the time.

The findings revealed that TRA operates a decentralized registry system where almost every department controls its own records. Roper and Millar (1999) state that in any organization, especially large organizations, there must be a degree of decentralization. However, personal observations revealed that decentralization of the registry system at TRA resulted in inconsistencies in file classification systems. For example, administrative records were classified using alphanumerical system; the procurement unit classifies their files using the subject approach, and tax payers’ records were classified using numerical classification system. This finding is similar to that of Chachage (2005; 185) which revealed that many companies in Tanzania use different filing systems in different departments which resulted in lack of standardization and uniformity in filing.

The study further revealed that within the TRA organizational structure, all issues pertaining to records management fall under the Director of Human Resources and Administration (DHRA).
The present findings are comparable to those of Mwela (2007), Ndaro (2010), Cyrille (2010), Kamatula (2010) and Sichalwe (2010). These studies observed that the absence of an autonomous department, specifically established for records and archives administration in the Ministries, Departments and Agencies (MDA’s) may have an impact in the allocation of funds. Wamukoya (1988) as cited by Sichalwe (2010) asserted that registries were not highly regarded in government departments hence they were given a low priority. Chachage (2005:195) revealed that no company used “Records Manager” as a title for head of records management section; rather they were named as a supervisor for the records administration unit. These observations are similar to those obtained at TRA.

**Records Maintenance and Use**

ISO 15489-1, 2001 clause, 9.6 stipulates that records should be stored on a media that ensure their usability, reliability, authenticity and preservation for as long as they are needed. For this reason the study sought to investigate the maintenance of records at TRA. Respondents who work at Dodoma and Kinondoni were asked on the availability of an index at TRA. The findings show that out of six respondents, one respondent was aware of the existence of the file index, while the remaining five respondents were not sure if TRA indexes its records.

It can therefore be concluded that there is no file index for current and semi current records kept in the main registry at Kinondoni and Dodoma tax regions. Observation conducted by the researcher revealed that records personnel use their own memories to identify and locate files when required for use by action officers. For this reason, the absence of a file index would have a negative effect on TRA as it leads to delays in retrieval of files or duplication of files as there is a possibility of creating files on the same theme every day.

A similar problem was noted by Kemoni (2007:319) that most of registries in Kenya ministries lacked inventories leading to difficulties in knowing the volume of records created, their location, preservation status and problems faced in providing access. He also noted that it would be difficult to identify the status of records that were due for appraisal and disposition.

**File Tracking**

Section 9.8 of ISO 15489-1 states that records should be documented to ensure that items can be located when required. Tracking mechanisms may record the item identifier, the title, person or unit having possession of the item and the time /date of the movement. It is further suggested that, “the system should track the issue, transfer between persons, and return of records to their location”. The study therefore sought to determine whether the TRA has standard procedures for controlling file movements. The findings revealed that in TRA registries the most commonly used form of monitoring file movements are file movement registers as reported by four respondents while other two respondents indicated file movement cards and transfer slips. When record officers were asked to indicate whether they face any problems in locating and retrieving records, four indicated that they faced some problems, whereas two stated that they faced no problems. The findings revealed that the tracking of records was ad hoc because the records personnel commonly used file movement cards which some action officers cannot efficiently utilize leading to loss of files. Moreover, some records personnel rely on their memories to track records a situation which contributes to the delays in locating requested files. This situation leads to difficulties in retrieving files and sometimes leads to complete loss of files.

Additionally, this study sought to find out how Action Officers evaluated services provided by the registry. In this vein, officers were asked to state whether they were satisfied with information services provided by records staff. The results revealed that 10(26%) were satisfied, whereas 17(44%) were somehow satisfied, and 12(31%) were not satisfied at all. Most of the respondents 19(49%) indicated that it normally takes one to two or even more days for action officers to receive...
some of the requested files. According to Ndibalema (2001) the retrieval time of recorded information from the system is normally less than five minutes. Further, TRA lacks effective retrieval tools such as indexes for both current and closed files leading to delays in records retrieval.

**Storage, Preservation and Disposal of Records**

According to ISO 15489-1 records should be stored on media that ensure their usability, reliability, authenticity and preservation for as long as they are needed. Records require storage conditions and handling processes that take into account their specific physical and chemical properties. Storage conditions and handling processes should be designed to protect records from unauthorized access, loss, or destruction, and from theft or disaster. For this reason, this study sought to assess the principles and techniques applied to store, preserve and dispose records at TRA.

The researcher noticed the lack of space as the major challenge at TRA Dodoma and Kinondoni. The problem resulted from the congestion of records where current and semi-current files were mixed and are poorly kept in these main registries. The study observed plenty of closed records at TRA Kinondoni registry whose quantity and content was not yet known as there was no index or register for all closed files.

The present findings are similar to those of Kenosi (1999), Mwela (2007), Kamatula (2010), Sichalwe (2010) and Ndaro (2010) which showed that due to space problems most public offices in Botswana and Tanzania accommodate both closed and noncurrent records in the same storage area hence make retrieval of current records difficult.

The study also sought to examine the procedures in place for transferring records from one stage of their life cycle to another. The findings revealed that due to modernization efforts, TRA was in the process of improving the storage facility of their current records. For instance, TRA Kinondoni and Dodoma offices now use mobile file cabinets. However, the findings of the study also revealed that the registry had accumulated a lot of dust as it was not cleaned properly. The records at Kinondoni main registry are exposed to electric and sun lights which face the records directly as most of them have poor quality file covers. Ngulube (2003) opined that light accelerates deterioration of records and archival materials by acting as a catalyst in their oxidation.

Offices housing records in Dodoma and Kinondoni lack air conditioners, humidifiers and dehumidifiers despite the fact that Tanzania is a tropical country. Furthermore, TRA (Kinondoni) is located in a coastal area which experiences high relative humidity and high temperatures. These elements lead to the deterioration of records.

When asked whether there was any storage facility for semi-current and non-current records, respondents at TRA Kinondoni and Dodoma indicated that records were stored in a container and in a room which is not adequate for storage purposes. The findings revealed that there is no air conditioner, dehumidifiers, and humidifiers in both of the containers. Moreover, due to the nature of a container, it absorbs heat during day time and becomes cold during night. Likewise, the room which store semi current and noncurrent records at TRA Dodoma contain dismantled chairs and tables which not only made cleaning difficult but also could become a potential breeding place for pests. These conditions are contrary to ISO 15489-1 (2001) requirements.

These findings are similar to those of Kenosi (1999) who reported serious problems regarding management of semi current records in Botswana. He observed that it is common to find untidy and shabby stores of masses of inactive files in most ministries and departments. The findings of Mnjama (2004:47-48) who surveyed record keeping practices in public sectors organizations in
Kenya, Botswana, Tanzania, Ghana, Gambia and Sierra Leone revealed a similar pattern of neglect of semi-current records in government departments. Records

Retention Tools
This study therefore sought to find out if TRA has a records retention schedule and whether it ever disposed off their records. An interview with the Head of Records Unit at TRA Headquarters revealed that TRA lacks retention schedules. In addition, it was revealed that TRA does not destroy its records and no appraisal has ever been conducted hence it is impossible to determine the retention value of records.

Vital Records and Disaster Preparedness Plan
Section 4.3.7.1 of ISO 15489-2 states that organizations must conduct a risk analysis to choose a physical storage and handling options. Records those are particularly critical for business continuity may require additional methods of protection and duplication to ensure accessibility in the event of a disaster. Moreover, organizations should conduct a risk management analysis which should involve development of a disaster recovery plan that defines an organized and prioritized response to the disaster, planning for continuance of regular business operations during the disaster and making appropriate plan for recovery after disaster (ISO 15489-2). This study sought to find out whether TRA had a vital records management program and where TRA stores its vital records.

Of the six respondents from Records and Administration Unit at TRA Kinondoni and Dodoma, four indicated that TRA has a vital records management program, while two said they were not sure if TRA had a vital records management program. Respondents were further asked where TRA preserves the vital records. Two respondents indicated that the TRA stores its vital records in boxes, one person indicated in the shelves, another person in the strong safe while two respondents did not answer the question. The researcher further asked for written documents which show a vital records management program and no one was able to produce a copy in all registries in TRA Kinondoni, Dodoma and Headquarters. In that case the study concluded that TRA lacks a vital records management program.

Respondents were asked to state the procedures used for records disaster preparedness plan at TRA. They indicated that there were no procedures or plans for the protection of TRA’s vital records. In addition, it was interesting to observe that officers were not trained in any emergency procedures. Further, the study findings indicated that TRA has no off-site storage or any paper format back up of its vital records with the exception of electronic systems where network devices for professional back-up of critical data are installed in the TRA Headquarters servers. In addition, the ICT services have installed a TRA-wide antivirus for end-user support.

Similarly, it was revealed that no procedures were in place to ensure the recovery of paper records if the system collapses. The situation at regional tax offices showed that there were no trained disaster management teams, lack of fire alarms and fire detectors in Dodoma and Kinondoni Registries.

These findings are analogues to those by Kilasi (2010:112) which reveal the absence of vital records protection programmes, guidelines and procedures at the President’s Office Public Service Management and the Prime Minister’s Office in Tanzania. Also, Akussah (2002:162) pointed out that most of government registries in Ghana did not have any idea about disaster preparedness, a situation which indicated that some records might not survive at all to become archives in the event of a disaster.
Objective 3: The Qualifications of Records Management Officers at TRA.
The quality of any records management system is directly related to the quality of the staff that operates it. Records work should be seen as a worthwhile career for those who are well educated, intelligent and industrious. It is not the posting of last resort for those who are unqualified, incompetent or idle (Roper and Miller, 1999). Therefore this study sought to find out level of qualification for registry staff at TRA Kinondoni and Dodoma.

Figure 2 below provides a summary of their qualifications.

**Figure 2  Qualifications of Records Personnel**

Source: Field Data 2012

Figure 2 above indicates that one records officer holds a diploma in records management, one person has a certificate in records management and other four respondents have diploma and certificates in other disciplines like accounts, secretarial studies, tax administration and one person has an ordinary level secondary certificate. It was further revealed that among the respondents only two out of five had formal training in records management while others possess diploma and certificate in other disciplines. The findings of the study generally show that the majority of personnel that work in TRA registries do not have qualifications in the area of records management. Furthermore while other departments are supervised by personnel who have Masters and Post Graduate Diploma qualifications, this is not the case in records and archives administration unit in TRA where the Head of Records Administration possesses only a Certificate in Records Management which she obtained in 2008 at the Tanzania Public Service College.

The findings of the study show that to some extent, the status of records management is neglected at TRA. This is due to the fact that even the supervisory level in records management is headed by unprofessional staff compared to other departments.

Objective 4: The Use of ICT’s in Managing Records at TRA.
The increasing use of ICTs, especially the internet, office systems in government operations around the world driven by public sector reforms, have given impetus to the generation of e-records. Like traditional paper records, e-records support the day to day operations of government services and
interactions with citizens, private and public sector partners (IRMT, 2004). Therefore, this study sought to determine whether TRA is using ICTs in its daily operations and ultimately produces and captures electronic records.

The findings of this study indicate that TRA uses computers in its daily operations. However, it was revealed that computers are mainly used for: assessing and collecting tax. An interview conducted with the Head of Records Administration at TRA revealed that TRA does not use computers in its records keeping systems though there is tremendous improvement in automation of its systems for tracking taxpayers. These systems among others are:

- Automation System for Customs Data (ASYCUDA++);
- Exemption Tracking System (ETS);
- Tax Payers Identification Number (TIN); and
- Electronic Cargo Tracking (ECT).

Personal observations revealed that the installed computers in the central registries in Kinondoni, Dodoma and Headquarters are not used for records management purposes rather the computers are used for other tax administration functions such as creating and capturing unique tax identification number for the tax payers. It was further observed that TRA lacks an Electronic Records Management System (ERMS) which could be used to systematically capture and preserve electronic records. Likewise, official emails were being saved by the individual’s desk top PC inboxes. There were no measures for monitoring addition or omission of official emails hence the authenticity of records can be compromised. This suggests that TRA does not use computers for managing records regardless of the fact that computers are installed in all registries.

On the role of IT (Information Technology) staff at TRA, the study revealed that IT personnel enable provision and access to the systems. Further, IT personnel were responsible for processing and managing electronic records when the need arises. When asked how they managed official e-mails the response indicated that normally they are saved in the TRA server, while others are printed and stored in the registry. Moreover, IT staff members ensure the integrity and security of e-records by installing fire walls, antivirus software, secured network, passwords, and backup measures. Discussion with IT staff revealed that IT staff deal with electronic records at TRA, but were not involved with managing paper-based records. This clearly demonstrates that there is no linkage between the IT department and TRA registries. However, the interview conducted at TRA Headquarters with the Head of Records and Archives Administration indicated that TRA has a plan of establishing a programme for capturing electronic records.

The Tanzania Registry Procedure Manual (2007) recognizes e-mails sent or received through government computers as an official public record just like paper correspondence and must be managed as such. This being the case, the Manual directs any action officer who sends messages as part of his/her functional responsibility to create electronic folders with which to maintain e-mails of different subjects. Action officers are also urged to print a copy and file it in an appropriate file. The Manual requires that the file folders which relate to different subjects should share the same keywords as paper files. However, as pointed by Mutiti (2001) there is a need for training of archivists in electronic records keeping to enable them to perform an active role in the management of electronic records in the public sector by providing professional advice to the ministries, departments and agencies on proper management of electronic records.

In a nutshell, the study concluded that though there are tremendous improvements in ICT’s functions at TRA as part of modernization program, there is no linkage between IT Departments
and Records Management Unit. Hence, this has repercussion on records which are created in TRA as they can lack essential records management requirements. For this reason, the authenticity of records as evidence of business transaction can be compromised.

Objective 4 Perceptions of TRA staff members on the importance of records and their management.

The findings of the study revealed that low priority given to workers who work at registry as some of respondents said “kufanya kazi registry ni kuwekwa kijiweni’meaning that “working in a registry means you are dumped.” This is because the top management did not recognize the role of registry staff. This might be due to the factors below.

The budget allocated to records office in TRA is very low as it comes from the Department of Human Resources and Administration which performs many activities hence allocates insufficient or little budget to registry activities. Sicchalwe (2010:263) states that funding is a key to the formulation and implementation of effective and efficient records archival services. The absence of specific budget allocated to registries suggests that records management activities at TRA are given low priority.

Likewise, Mazikana (2009:38) who observed that records and archives management in East and Southern Africa have not been able to attract the substantive funding required to make the difference partly because, the link has not been established between records keeping and national development issues, such as poverty reduction, infrastructure development and environmental protection. This is the case in TRA whereby it fails to link the importance of proper records management and tax collection hence little fund was dedicated to records management functions.

Furthermore, the study sought to know if TRA provides adequate training to its staff members. The findings showed that inadequate training is given to records personnel and they are highly demotivated due to the fact that, those who want to go for further training especially in records management have to sponsor themselves. The findings of the study also revealed that there is low awareness on IT issues by many TRA staff especially those dealing with records management. This finding is contrary to Clause 11 of the ISO 15489-1:2001 and Clause 6 of ISO15489-2: 2001.

Moreover, the study observed poor working conditions at TRA Kinondoni where registry staff work in dusty environments hence they are vulnerable to flu and tuberculosis (TB). During data collection there were some field attachment students who were working at TRA Main Registry in Kinondoni who were not satisfied with the poor working conditions which they faced at TRA. These students found haphazardly dusty files dumped in the Main Registry as their main task was to rearrange these dusty and humid files into shelves. Most of the files were disorganized because that there were only two registry officers who work in that registry and they were busy with other records management activities. It is from this situation where some records personnel complained that despite of their hardworking, the TRA does not recognize their contribution that is why they were not given dust protectors, risk allowance and training. Personal observation revealed that most of the action officers’ offices are well organised, there were air conditioners, nice curtains and nice chairs for customers (taxpayers) to sit while waiting for or during service or during the services. This was not the case in registries as TRA Kinondoni lacks curtains. In TRA Dodoma, customers who are waiting for service were given wooden benches which were outside the registry office to sit on and others can stand until they get service. Additionally, TRA Kinondoni registry lacks air conditioning in spites of the hot temperature in Dar-es-Salaam.
5.4 Conclusion and the way forward

The aim of the study was to examine current records management practices at TRA throughout their lifecycle and the extent to which they adhere to the ISO 15489-1. The study revealed that although TRA has undergone tremendous improvement especially in modernization of its functions and activities, there’s much to be done in the area of records management. The findings of the study indicated a number of challenges which TRA registries in Kinondoni and Dodoma were facing which includes; lack of skilled registry professional due to the inadequate training given to records professional and low priority given by management on issues related to records management. This impacts on the registries funding and leads to lack of written disaster management plans and security control measures, lack of written records management policy, lack of retention and disposition schedules. These challenges hampered registry space and led to congestion of records in registries and mixing up of current and semi current records.

The TRA should restructure records management systems in order to improve efficiency of TRA operations and service delivery to the public. The restructuring should include formulation of records management policies in order to accommodate the changes brought about by technology so as to enhance the proper management of records. There is also a need to strengthen the legal and regulatory framework which will address the management of records throughout the whole life cycle, the provision of resources, hunt for support from senior management and compliance with records management standards specially ISO 15489-1 and 2 in the creation, maintenance, use, appraisal and disposal. Hire qualified records manager, provide training for records staff, integrate records management unit and IT department and develop vital and disaster management programmes. The aim is to create a clear link between tax collection, assessment and accounting with proper record keeping practices.

References


