

Taxation Administration, Ministry of Finance

Statement of Internal Control System

Based on the findings of a self-assessment and auditing, the official statement with regard to the Internal Control System during the year 2023 is as follows:

- 1.The staff of the Taxation Administration, Ministry of Finance (hereinafter referred to as the TA) are well aware of the responsibility for establishing, implementing, and maintaining an adequate internal control system. The system, which is established based on risk assessment results, aims to achieve governance effectiveness, data reliability, adherence to the law as well as the safeguard of assets. The system should provide reasonable assurance; however, external risks which are beyond the control of the TA are excluded.
- 2.An internal control system has inherent limitation. No matter how perfectly designed, an effective internal control system can only provide a reasonable assessment of its relevant objectives. Moreover, the effectiveness of an internal control system may be subject to change due to unpredictable environmental, incidental factors beyond control. Nevertheless, our internal control system contains self-monitoring mechanisms, which are able to detect and correct defects within the internal control system.
- 3.Based on the findings of the assessment and auditing of the design and implementation of the 2023 internal control system, it is found that the establishment and implementation of the TA internal control system is effective, on December 31, 2023 and is able to reasonably ensure achievement of the aforementioned goals.
- 4.The head of TA took her position on March 1, 2023 ; prior to her inauguration, the former head of the TA promoted supervise relevant works,

Head of agency: *John-Ling Ding*

Convener of internal control: *CHEN HUI-CHI*

Signed on: *2024/01/29*