

**ENHANCING IT-BASED TAX PAYMENT SYSTEMS
IN LOCAL AUTHORITIES IN SRI LANKA**

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DECLARATION

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ABSTRACT

There are three types of Local Authorities (LAs) in Sri Lanka namely Municipal Councils (MCs), Urban Councils (UCs) and Pradeshiya Sabhas (PSs). LAs have huge responsibility to provide better service to their customers and they have the authority to collect rates and taxes from the public as their income generation sources. The satisfactory service depends on how much efficient and effective the service providing process is. This research conducted with the objectives of analyzing Strengths, Weaknesses, Opportunities and Threats (SWOT) of existing IT-based tax and fee payment systems used by LAs and identifying the strategies that can be adapted to enhance the effectiveness and efficiency of existing IT-based tax payment systems in LAs. This research was carried out focusing twelve (12) LAs in Colombo District which have IT-based tax payment systems and, semi-structured interviews and secondary data sources such as legal provisions, policies and project reports were used to collect data. The data analysis was carried out based on qualitative methods with the theoretical lens of Innovation Diffusion Theory (IDT). Accordingly, SWOT of these systems were discussed focusing the five (05) attributes explained under IDT namely relative advantage, compatibility, complexity, trialability and observability and its parameters. Further, the strategies for enhancing effectiveness and efficiency in existing IT-based tax payment systems in LAs were addressed based on three aspects namely structural development, educational development and attitudinal development.

Keywords: Local Authorities, Municipal Councils, Urban Councils, Pradeshiya Sabhas, Innovation Diffusion Theory, IT-based tax payment systems

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LIST OF ABBREVIATIONS

API	-	Application Programming Interface
ATM	-	Automated Teller Machine
BPR	-	Business Process Reengineering
CMC	-	Colombo Municipal Council
eLG	-	e-Local Government
ERP	-	Enterprise Resource Planning
ICTA	-	Information and Communication Technology Agency
IS	-	Information System
IT	-	Information Technology
IDT	-	Innovation Diffusion Theory
IFAC	-	International Federation of Accountants
LA	-	Local Authority
LG	-	Local Government
MIS	-	Management Information System
MPCU	-	Model of PC Utilization
MM	-	Motivation Model
MC	-	Municipal Council
NTA	-	National Tax Agency
PLS	-	Partial Least Squares
PS	-	Pradeshiya Sabha
PC	-	Provincial Council
SME	-	Small and Medium-sized Enterprise
SCT	-	Social Cognitive Theory
SaaS	-	Software as a Service
SLCERT	-	Sri Lanka Computer Emergency Readiness Team
SWOT	-	Strengths, Weakness, Opportunities and Threats
TAM	-	Technology Acceptance Model
TPB	-	Theory of Planned Behavior
TRA	-	Theory of Reasoned Action
UTAUT	-	Unified Theory of Acceptance and Use of Technology
UC	-	Urban Council