

TERMS OF REFERENCE (TOR)

SUPPLY, DELIVERY, INSTALLATION, AND COMMISSIONING OF AN ONLINE BUSINESS TAX ASSESSMENT AND BILLING SYSTEM FOR THE CITY TREASURY OF QUEZON CITY

I. RATIONALE AND BRIEF BACKGROUND

After implementing the Online Unified Business Permit Application System (OUBPAS), an intermediary business tax assessment feature was included. This feature was originally intended to cater to the assessment of fees for new businesses. There is a need to improve this feature to become a fully realized business tax assessment module for existing businesses that will meet the requirements of the City Treasurer's Office (CTO). Phase 1 shall be a cloud-based system while a 2nd phase can possibly be implemented for an on-premise system.

II. PROJECT DESCRIPTION

Turn the existing permit and tax billing module of OUBPAS into its own fully featured online business tax assessment system for use by the personnel of the City Treasurer's Office (CTO). This system will integrate and share data with the OUBPAS system of the Business Permits & Licensing Department (BPLD).

III. PROJECT SCOPE OF WORK

1. Technical Specifications:

- a. All internal users will require a valid email address to log in and use the system. They can recover their password through their email.
- b. The web applications will be accessible using the latest versions of Safari and Chrome on Mac/iOS and Chrome on Windows/Android
- c. The web applications will store all data and documents in the cloud instead of on-premises servers.
- d. All data captured by the system including source code and data captured and generated by the system, will be owned and controlled by the City. If the service agreement expires or is terminated the data on cloud can be retrieved without additional cost to the City.

2. Security:

- a. The web server will be protected by SSL certificates.
- b. The web server will be a separate instance from the database server.
- c. The system will implement industry standard measures to protect user data, prevent web fraud, mitigate bot attacks, secure APIs, and prevent unauthorized application access.
- d. The system will conform with data privacy laws. The application must also conform/abide with the Department of Information and Communications Technology (DICT) Philippine Government's Cloud First Policy (latest version).
- e. The system will register the subdomain to the DNS service provider of quezoncity.gov.ph.

3. System Features:
 - a. Migration of PAY BUSINESS TAX (Online Sales Declaration and Evaluation) modules from the Online Unified Business Permit Application System (OUBPAS) to a dedicated cloud server
 - i. Transfer of pre-existing modules to a separate website within QC eServices platform
 - A. Provision for business owners to submit their sales declaration and other supporting documents via OUBPAS
 - B. Provide CTO an access to evaluate the sales declaration online submissions, as well as to conduct tax assessments and to generate tax bills
 - C. Generate Tax Bill e-copy
 - D. Integration to QC ePayments
 - E. Automatic payment validation via the CTO and ITDD servers
 - ii. Separation of all Business Tax data and backend processes from OUBPAS. Data sharing and other processes will be executed through customized APIs
 - A. Access to OUBPAS business database
 - B. Annual business tax confirmation
 - C. Other backend processes
4. New System Features and Enhancements:
 - i. Enhancement on the Tax Payer's user-interface/user-experience
 - A. Allow tax payer to select if their business is Registered in BIR or Not Registered in BIR (for non-Corporation business types)
 - B. Allow tax payer to process quarterly tax payments
 - C. Allow tax payer to process delinquent tax payments
 - D. Provision to upload proof of payment for manual payment method
 - E. Provision for evaluators to return a sales declaration to business owner and communicate to them via the web portal
 - F. Allow taxpayers to pay business tax using tax bill QR-code
 - ii. In-person transaction module
 - A. Provision for CTO officers to evaluate sales declaration, conduct tax assessment and process business tax for business owners who prefer to go physically to CTO
 - B. Automated routing of transactions based on the evaluation and approval hierarchy
 - C. Generation of Acknowledgement Receipts (AR) to be issued to tax payers
 - D. Provision for tax payers to link their in-person transaction to their QC eServices account using the tracking number in the Acknowledgement Receipt
 - iii. Negative List Management
 - A. Uploading of historical records of businesses with pending cases
 - B. Management module for the negative list (Add, edit, delete functions)
 - iv. Separate access levels for the evaluation and approval of the sales declaration and tax assessment
 - A. CTO Examiner/Satellite Examiner
 1. First level of sales declaration evaluation and tax assessment
 2. Queuing system
 - a. Separate queue for Registered in BIR and Not Registered in BIR

- b. Separate queue for online quarterly applications
 - c. Separate tab for delinquent applications
 - d. Re-evaluation tab - Queue for previously assessed applications
 - e. Saved as Draft and unfinished applications will go back to queue if there is no activity for more than 24 hours
 - f. Access and printing of 2-4 quarter assessment based on approved/paid 1st quarter assessment
- 3. Access to billing history
- B. Final Reviewer
 - 1. Second level of sales declaration evaluation and tax assessment
 - 2. Queuing system
 - a. Separate tab for delinquent applications
 - b. Separate queue for in-person applications
 - c. Separate queue for in-person applications via Satellites (Branches)
 - d. Re-evaluation tab - Queue for previously assessed applications
 - e. Saved as Draft and Unfinished Applications will go back to queue if there is no activity for more than 24 hours
 - 3. Access to billing history
- C. Final Approver/City Treasurer
 - 1. Third and final level of sales declaration evaluation and tax assessment
 - 2. Queuing system
 - a. Separate tab for delinquent applications
 - 3. Approved sales declaration and tax assessment tab
 - a. Allows final approver to search and view submitted sales declaration and approved tax bills
 - 4. Summary Table
 - a. Display and compare 2020 and 2021 Tax Amount and Gross Sales
 - 5. Access to billing history
- D. Market Examiner Access
 - 1. First level of sales declaration evaluation and tax assessment for market-related businesses
- E. Market Final Reviewer Access
 - 1. Second level of sales declaration evaluation and tax assessment for market-related businesses
- F. Other back-office processes
 - 1. Master Printer
 - a. Provision for CTO to print original copies of tax bill
 - b. Access to data and productivity reports
 - 2. Negative List Manager
 - a. Allow to assess online applications
 - b. Access to in-person transaction module
 - 3. Payment Validation
 - a. Allow CTO officer to validate payments received through QC ePayments
 - b. Generation of transmittal report

- v. System Management Tool
 - A. User Management Tool (Add, edit, delete system users)
 - B. Deadline Management
 - 1. Allow CTO to set quarterly tax payment deadlines
 - 2. Automatic cancellation of pending sales declarations and tax bills
- vi. Automated Email Notifications
 - A. Upon Submit of Online Sales Dec and Evaluation
 - B. Upon Approve of Approver 1
 - C. Upon Return of Approver 1
 - D. Upon Approve of Approver 2
 - E. Upon Return of Approver 2
 - F. Upon Approve of Approver 3
 - G. Upon Return of Approver 3
 - H. Auto Renewal Notification
 - I. Delinquent Assessment - Auto Cancel Notification
 - J. Automated Deadline Management - Auto Cancel Notification
- 5. Integration to 3rd-Party Systems
 - i. Integration of Quezon City's Appointment System
 - A. Automated pushing or pulling of data using customized APIs
 - B. Redirection of users from PAY BUSINESS TAX to the QC Appointment System
 - ii. Integration to ITDD's RP and Business Block and Unblock (Negative List Management) application
 - iii. Automated pushing or pulling of data using customized APIs
- 6. Data Ownership and Management
 - i. All data collected by the system shall remain the property of the City
 - ii. The cloud-based storage that contains the data will be turned over to the City at an agreed date prior to the expiration or termination of the agreement.

IV. AREA OF COVERAGE – The web application will be deployed online through QC-eServices and will be available for use by applicable internal QC LGU offices.

V. PROJECT STANDARDS AND REQUIREMENTS

The following are the minimum qualifications and requirements for the Contractor or Bidder:

- i. Track Record
 - a. The service provider must be in the same industry as per their DTI or SEC filing for at least five (5) years
 - b. The service provider should have been in operation for at least five (5) years
 - c. The service provider must have implemented a similar registration and web application project within the last three (3) years.
 - d. The service provider should have implemented a public or private project with a single completed contract amounting to at least fifty percent (50%) of the ABC.
- ii. Organization
 - a. Service providers must have Platinum status in PHILGEPS

- b. The service provider must be a duly registered company with DTI or SEC filing
- c. The service provider must be filed with DTI or SEC as an IT company with the purpose of software development and the supply of IT-related goods and services
- d. The service provider must be duly registered under the National Privacy Commission (NPC) and submit a copy of current and valid NPC Registration
- e. The service provider shall guarantee that the system shall abide with the DATA PRIVACY ACT OF 2012 to ensure that the personal information is protected.

iii. **Manpower**

- a. The service provider must have their own headcount of software developers.
- b. The service provider must have their own support staff to conduct support tasks for the project such as system administrators and quality assurance testers.
- c. Staff complement:
 - i. Overall Program Manager – college graduate (preferably IT-related courses) and with at least five (5) years experience on this field
 - ii. Senior Web Development Project Manager – college graduate (preferably IT-related courses) and with at least two (2) years experience on this field
 - iii. Google Cloud Platform Server Administrator – college graduate (preferably IT-related courses) and with at least one (1) year experience on this field
 - iv. Web Security Engineer – college graduate (preferably IT-related courses) and with at least one (1) year experience on this field
 - v. Quality Assurance and Testing Staff – college graduate (preferably IT-related courses) and with at least one (1) year experience on this field

VI. **TRAINING**

The service provider will provide all necessary trainings to at least two (2) CTO reviewers for the usage of the system with four (4) hours training duration. A separate training for key CTO and ITDD personnel will be conducted for the administration and management of the system with an equivalent four (4) hours of training.

VII. **AFTER SALES SUPPORT**

The service provider will submit an Affidavit of Undertaking stating the following:

- Software Component will have one (1) year warranty upon implementation.
- User manual and installer will be provided for software components.
- All hardware requirements are existing and to be provided by the Quezon City Government
- Technical support:
 - i. Workdays from 8AM to 5PM, expect a response within the day or by next day
 - ii. Weekends and holidays, expect a response by next workday

IV. **DELIVERY SCHEDULE**

The delivery schedule will be within sixty (60) calendar days upon the issuance of the Notice to Proceed observing the schedule of delivery as stated below:

MILESTONES	DELIVERY PERIOD
Project Implementation Plan	5 calendar days from the Notice to Proceed
Application Development	60 calendar days from the date of the Notice to Proceed
Training and Turnover	7 calendar days from Certificate of Acceptance
Project Support and Maintenance	1 year

V. BASIS OF PAYMENTS

- A. Upon submission of the system for internal testing, the procuring entity will release fifteen percent (15%) of the total winning bid amount to the service provider
- B. Upon deployment of the system, the procuring entity will release eighty-four percent (84%) of the total winning bid amount to the service provider
- C. One percent (1%) of the total winning bid amount will be released one (1) year after the final acceptance of the system as performance security

VI. APPROVED BUDGET FOR THE CONTRACT

The Approved Budget for this Contract (ABC) amounts to seventeen million pesos only [17,000,000.00 PHP] VAT inclusive.

COST DERIVATION

DESCRIPTION	AMOUNT
Software Development Cost	
· Professional Registration Module	
· Checklist Generator Module	
· Pre-Evaluation Module	
· Technical Evaluation Module	
· Integration with other QC systems	
· System Architectural Module	
Technical and Customer Service Support	
Documentation, Training, End User Support, Maintenance	
TOTAL	17,000,000.00

VII. PENALTIES FOR BREACH OF CONTRACT

Failure to deliver the services according to the standards and requirements set by the City shall constitute an offence and shall subject the Contractor to penalties and/or liquidated damages pursuant to RA 9184 and its revised Implementing Rules and Regulations.

VIII. CANCELLATION OR TERMINATION OF CONTRACT

The guidelines contained in RA 9184 and its revised IRR shall be followed in the termination of any service contract. In the event the City terminated the Contract due to default insolvency, or for cause, it may enter negotiated procurement pursuant to RA 9184 and its IRR.

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