

# Nigeria's Lagos State Government Creates Electronic Banking System Using ABBYY FormReader™

## *The First ABBYY Project for Government of Nigeria Redefined Revenue Cycle Management in Lagos*

### Background

In 2004, the Income Tax Application forms in the State of Lagos, Nigeria were running into millions of pages. The government was under pressure to process and send payment receipts to the tax payers before the fiscal year came to an end. At that time data entry was being outsourced and done manually. The obvious drawbacks: human typographical errors and processing delays, on top of long transit times between local tax stations and the head office. Hence, Lagos State Government set a goal to create an electronic banking system which would bring the following benefits:

- provide online access for revenue data collection;
- supply information for tax administration and planning;
- allow coordinating and monitoring all revenue-collecting activities in the state.

The next step was to find a reliable software solution provider able to deliver scalability, time and cost savings. The project entailed processing existing hand-filled tax forms; and also creating and subsequent processing of new, machine-readable forms. NETSPIDER India (NIIL), ABBYY's partner in India, had come up with the winning proposal offering ABBYY's acclaimed form processing software, **ABBYY FormReader 6.0 Enterprise Edition**, to achieve the goal.

### Project Goals for NIIL using ABBYY FormReader

- I. Electronically process existing handwritten forms.
- II. Design ICR tax return application forms and receipts for future usage.
- III. Provide solutions to process filled up application forms from remote tax stations without physically delivering them to the head office.

### Methodology

#### Part I – streamline processing of paper-based, older client records.

Scanning the existing handwritten tax return application forms using ABBYY FormReader and uploading them into the LASG EBS-RCM, an application software developed by Brickred were the steps. Fourteen verification stations with FormReader were used for processing.



### About Lagos State

Lagos State was created on May 27, 1967 by virtue of State (Creation and Transitional Provisions) Decree No. 14 of 1967, which restructured Nigeria's Federation into 12 States. Today, Lagos remains the nation's economic and commercial capital. According to extant political records, "Lagos is to the people of Nigeria, what the head is to the body of an individual." More details are available at <http://www.lagosstate.gov.ng>



### About NETSPIDER INDIA (NIIL)

NETSPIDER INDIA specializes in ABBYY channel distribution and giving end-to-end solutions in various fields like imaging, networking, scanning, connectivity, Project consultancy, and doing developments around ABBYY technology. NETSPIDER INDIA has experienced technical skills in implementing ABBYY FineReader OCR, FormReader Enterprise, Desktop, FlexiCapture Studio and other ABBYY line of products. More information is available at <http://www.niil.in>

### Part II – create new forms and introduce new clients into the income tax system.

Designing ICR Tax Return Application Form using ABBYY FormDesigner for the new clients was the goal. Fourteen types of ICR forms were generated for Tax Clearance Certificates, Tax Renewal Forms, Claim forms for Allowance and Relief, etc. These forms are presently being used by the tax payers to fill in their personal details based on which the tax payment and receipts are processed.

### Part III – centralize processing of forms from remote locations

All of the form processing cycle stages are handled by ABBYY's solution: scanning (done locally at tax stations), recognition, verification, correction and export (done at the head office). Once the payment data has been exported, it is collated with payer's personal information using the Direct Bank Lodgment System (DBLS). This information network links Tax Stations and other Revenue Agencies to lodgment banks. It uses the Consolidated Online Bank Information Systems (COBIS), a messaging system for inter-bank communications by creating and maintaining a database of all revenue collection activities thus, allowing for on-line tracking.

### Results

The Government's goal has been achieved: the entire revenue cycle management process is now automated. With FormReader's powerful technology, thousands of forms are being processed in a single day, involving nominal amount of time and staff resources.

Reflecting upon this project, Ankur Garg, Project Manager at Brickred said, *"ABBYY is a stable, scalable, and time-tested product. Potential users can blindly rely on this, based on experience of other users like us."*

### Summary

1. Thousands of receipts per day are issued to taxpayers with minimum manpower.
2. Data entry outsourcing costs have been eliminated.
3. Manual data entry errors are things of the past.
4. The Government goals have been achieved, and ABBYY FormReader Enterprise Edition is running successfully since its installation in 2005.

### Conclusion

ABBYY FormReader and expertise of NETSPIDER INDIA (NIIL), India, cross trans-continental boundaries and help create an online Database for Taxpayers, whose tax paying activities are now monitored in real time. The Electronic Banking System has made it easy to administer, monitor and co-ordinate of all revenue activities in the State of Lagos.

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