

Statement of Internal Control System
National Taxation Bureau of Taipei, Ministry of Finance

Based on the findings of self-assessment and auditing, official statements with regard to the Internal Control System for the year 2019 are as follows:

1. The staff of the National Taxation Bureau of Taipei, M.O.F. and its affiliated Daan Branch, Songshan Branch, Xinyi Branch, and Zhongzheng Branch (hereinafter referred to as the NTBT) are well aware of the responsibility for establishing, implementing, and maintaining an adequate internal control system. This system, which is established based on risk assessment results, aims to achieve governance effectiveness, data reliability, and adherence to the law as well as to serve as a safeguard of assets. The system should provide reasonable assurance; however, it excludes external risks which are beyond the control of the NTBT.
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 the internal control system may be subject to changes 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 the auditing of the design and implementation of the Year 2019 internal control system, it is found that the establishment and implementation of the NTBT internal control system is effective, on December 31, 2019, and the system is able to reasonably ensure achievement of the aforementioned goals.

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Convener of internal control: *Lei, Limei*

Signed on: *March 24, 2020*