BORANG PENGESAHAN STATUS TESIS

JUDUL: LICENSING EXEMPTION CERTIFICATION SYSTEM FOR ROYAL MALAYSIAN CUSTOM, JOHOR

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LICENSING EXEMPTION CERTIFICATION SYSTEM FOR ROYAL MALAYSIAN CUSTOM, JOHOR

KALAIVANI A/P KANABATHY

This report is submitted in partial fulfillment of the requirements for the Bachelor of Computer Science (Software Development)

FACULTY OF INFORMATION AND COMMUNICATIONS TECHNOLOGY
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2007

ADMISSION

I hereby declare that this project report entitled

LICENSING EXEMPTION CERTIFICATION SYSTEM

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DEDICATION

To my beloved parents, Mr.Kanabathy and Mrs.Parupathy, for their continuous inspiration and support.

To my brothers, Ramanakumar and Bharatkumar, for their unconditional love and support.

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ABSTRACT

There are different types of sales tax in Malaysia for manufacturers; License Exemption Certification is a certificate that applied by companies who sale value does not exceed the threshold of RM 100,000.00 during the preceding twelve months .The purpose of this project is to implement a successful computerized online system for License Exemption Certification (LEC) department through out Johor customs. Online system is important in the organization in establishing, building, leading quality of staff and department performance. It is also generally acknowledged as a vital element in efficiency and effectiveness of custom as a large organization. The current manual and standalone system do not satisfy the management performance of the department. Therefore, Licensing Exemption Certification online system is build to substitute current system. This system assists the officer to keep customer details safely, calculate the risk level of companies in certification, graphical representation for statistical analysis and data retrieval via searching. This system will be developed using XAMPP that integrate PHP Hypertext Preprocessor (PHP), Apache server and MySQL as a database platform. Software Development Life Cycle (SDLC) methodology and spiral model are implemented as a systematic guidance in developing the system. All the requirements specification in the project resulted from the analysis on current and proposed system. The proposed system has some value added in addressing problem. The result of this system reveals that the management of the departments in Royal Malaysian Custom in Johor well organized and improves the working environment become more efficient and easier.

ABSTRAK

Terdapat pelbagai jenis cukai di Malaysia bagi pengilang; Sijil Pengecualian Daripada Pelesenan adalah sijil yang dimohon oleh syarikat yang mempunyai nilai jualan yang tidak melebihi RM 100,000.00 dalam tempoh 12 bulan. Matlamat projek ini adalah untuk membangunkan satu sistem perkomputeran secara online untuk kegunaan bahagian cukai dalaman, Sijil Pengecualian Daripada Pelesenan kastam bagi seluruh negeri Johor. Sistem secara online penting dalam organisasi dalam mewujudkan dan meningkatkan tahap kualiti pekerja dan pelaksanan sesebuah organisasi. Sistem manual dan sistem setempat yang di aplikasikan sekarang tidak memenuhi kehendak pelaksanaan pengurusan organisasi. Oleh demikian, sistem online License Exemption Certification (LEC) dibangunkan untuk menggantikan sistem yang sedia ada. Sistem ini membantu pegawai kastam menyimpan maklumat pelanggan dengan selamat, mengira tahap risiko syarikat yang berada di bawah persijilan, perwakilan bergraf bagi analisa berstatistik dan memperolehi data melalui carian maklumat. Sistem ini dibangunkan dengan mengunakan XAMPP sebagai perkakas perisian iaitu gabungan PHP Hypertext Preprocessor (PHP), Apache server dan MySQL sebagai pangkalan data. Metodologi Kitar Hayat Pembangunan Sistem dan spiral model di implimentasikan sebagai panduan dalam membangunkan sistem secara sistematik. Semua spesifikasi keperluan sistem dalam projek adalah hasil kajian daripada analisa ke atas sistem yang sedia ada dan sistem yang bakal dibangunakan. Sistem yang bakal dibangunakan mempunyai penambahbaikan dalam menangani masalah yang wujud. Sistem online ini dapat meningkatkan tahap pengurusan dan suasana kerja Kastam Diraja Malaysia negeri Johor menjadi lebih mudah dan efisien.

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LIST OF ABBREVIATIONS

CLT	-	Computerized License Testing
DBMS	-	Database Management System
DFD	-	Data Flow Diagram
ERD	-	Entity Relationship Diagram
GUI	-	Graphical User Interface
HPT	-	Hazard Perception Test
ICT	-	Information and Communications Technology
LAN	-	Local Area Network
LEC	-	License Exemption Certification
OS	-	Operating System
PC	-	Personal Computers
PHP	-	PHP Hypertext Preprocessor
PSM	-	Projek Sarjana Muda
RM	-	Ringgit Malaysia
SDLC	-	Software Development Life Cycle
UTeM	-	Universiti Teknikal Malaysia Melaka
WAN	-	Wide Area Network

CHAPTER I

INTRODUCTION

1.1 Project Background

A sales tax is a consumption tax charged at the point of purchase for certain goods and services. The tax is usually set as a percentage by the government charging the tax. The tax can be included in the price (tax-inclusive) or added at the point of sale (tax-exclusive). Sales tax practiced in the country was single level tax that levied on specific goods that imported and locally-made goods. It is being imposed when goods imported or sold, use, or vanished differently by the millers. There are companies that are not required licensed under Sales Tax Act 1972; those companies can apply for License Exemption Certification to get exemption from licensed. There is usually a list of exemptions predetermined by the government.

License Exemption Certification (LEC) is a part of internal taxing division of Royal Malaysian Custom. It is a certificate that applied by companies or person who satisfies the Senior Officer of Sales Tax in customs that the sale value of the goods or products manufactured or disposed of does not exceed the threshold of RM 100,000.00 during the preceding of twelve months. A person who eligible applies for certification of exemption will not license as a licensed manufacturer. The sale value of taxable goods likely to be manufactured or sold or otherwise disposed of by the companies or person during the next twelve months is not expected to exceed the same threshold amount of

RM 100,000.00.The certification holder had to send total sales value report every 12 months to custom officer for periodic check.

For companies that apply certification for sales calculation based on wage pay, total wage pay must not exceed RM 20,000.00 and the following company operation for next 12 months the total wage also should not exceed the same salary pay amount. The custom officer had to control and provide appropriate advice for certification holders to follow certification rules and regulation.

Currently a standalone system and manual filing system was implemented, files and logbooks are wisely used to record the information and events of the LEC holder. Custom administrators and staffs need to calculate and organized the registrations manually. Therefore a web-based computerized system was developed to substitute the current system. The system developed using PHP and MySQL as a database. This system contains a few functions that assist the officer to carry out their duty and responsibility efficiently. The pioneer functions in the system were login, customer details, risk analysis, statistical analysis and searching.

All the customer of the certification will be added through system and saved in the database. Searching is an important and essential task for user to retrieve details for particular usage instantly. Searching can be done for industrial code, industrial category, company name or file number, annual sales report submission date, total sales and district for any zones in Johor customs. This system will not only apply to particular custom organization where else through out Johor state customs that means the entire License Exemption Certification (LEC) department in Johor will update their current certification information through this web-based online system. Any information of any custom zones will access easily via this system. Apart from that, the risk status of particular company also can be calculated through this system. From the customer details for particular companies, a statistical analysis can be generated according to industry type and customs zone.

1.2 Problem Statements

There are several problems that identified in current systems. The developed system can prevent and overcome the existing problem. The followings are the problems identified:

i. In the current standalone system, the data limited and authorized only to particular custom organization. If desire to access data for whole Johor it being hard because had to travel and get manually the data for particular purpose of data collection.

ii. Filing system probably leads to information lost and it's not safety because can be damaged by disaster or accident. There is no backup management for this manual system.

iii. Some files will certainly contain highly confidential data, the control on who may access what and keep a secure system for sensitive files are hard.

iv. Officers have to record and update all the information manually. Therefore, requires full-time staffing and time consuming.

v. Manual filing system capacity keeps on increasing as the certification holder's increase. Its required more storage capacity.

vi. The customs officer find difficulties to detect the information or file missing when operation or management process carried out because the files may travel for several people or units are located in different (decentralized) location.

1.3 Objective

Objectives to be achieved from proposed project are:

i. To increase information management where the officer easily can record, save, update or search all the information through online system. Authorized person able to access and manage data at anytime from anywhere. Data management solutions provide this key utility by storing all data in one place, and making it easier for authorized access to occur instantly.

ii. To secure the data in systematic way and protect the data from unauthorized access. Provide negotiable levels of access to resources by allocated zone identity, password and username. Administrator access level will be different from normal user. Individual levels of resource access are negotiated between the system and each of their users through customizable accounts. Access authorization for every transaction between user and system, authorized according to the access permissions defined in their account.

iii. To improve work conditions become more smooth and easy. Provide a comprehensive e-business solution through electronic records that drives, supports every user needs and manages data access in one easily accessible location for every License Exemption Certification (LEC) department through out Johor. Eliminate redundancy of knowledge-based work and reduce time involved with finding information in manual system.

iv. To increase the integrity of important information safely in database. All the information populated efficiently in a stable database. This makes the data management more systematic than filing system.

v. To automated risk analysis calculation. The risk of the company can be determined instantly by calculate the total marks of criterions, then convert it to percentage and state the risk level being easier and faster than manual calculator calculation.

vi. To generate statistics analysis according to industry types and zones. Based on the customer details that have been saved in the database, the statistic of the particular category will be produced using bar graph.

1.4 Scope

This system developed especially for keep up to date all certification holder details and limited only for License Exemption Certification (LEC) department of Royal Malaysian Custom through out Johor. Target users mainly are certification department administrator or authorized officer of the department. The public also can access the system but only for information and knowledge purpose about the licensing certification not to internal system. Modules in the system are:

i. Customer details

All the customer of the certification will be added in the system and stored in the database. The user also can update the details if there are any changes. The entered data can be viewed by loading it and can navigate one by one to view the availability of the existing data. Unwanted customer can be deleted from the database via the system but mostly the data do not deleted from the database where else will set as active when the company still in the certification and set as inactive when the company stop the certification. Handling customer details is a vast task in this online system. Apart from that,