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**Master's Thesis of Public Administration**

**A Study on Improving Quality of  
Adjudications by the Korean Tax  
Tribunal**

**- Focusing on the Discussion of Alternatives by  
Expert Group (Delphi) -**

조세심판원의 재결 품질 개선방안 연구  
- 조세불복 업무 종사자들의 대안제시 및  
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**Graduate School of Public Administration  
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**Kim, Sunyop**

**A Study on Improving Quality of  
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**- Focusing on the Discussion of Alternatives by  
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**Hong, Joon-Hyung**

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Seoul National University  
Public Administration Major**

**Kim, Sunyop**

**Confirming the master's thesis written by**

**Kim, Sunyop  
November 2020**

Chair	<u>Lee, Soo-Young</u>	(Seal)
Vice Chair	<u>Choi, Taehyon</u>	(Seal)
Examiner	<u>Hong, Joon-Hyung</u>	(Seal)



# Abstract

There is a question of whether the security of taxpayer's rights and the tax adjudication quality has reached sufficient levels despite the continued improvement of relevant laws or reorganization in the tax appeals, which is one of the essential tax relief measures. Therefore, this study tried to identify the factors that make up the quality of adjudication of the tax appeals and find the measures to ultimately improve the quality of adjudication and what priorities should be given, using the Delphi method with experts in the field.

Based on prior research related to the assessment of the quality of general administrative services, litigation, and administrative appeal, the factors: the promptness of the adjudication; the rationality and fairness of the decision; the procedural validity in the appeal process; other indirect factors including kindness and organizational immersion of the civil servants were identified as the key elements that compose the quality of adjudication.

Next, about 30 experts who are currently working at the Tax Tribunal of South Korea or have participated in the protest against taxation as tax agents were selected to find out how to strengthen the quality of adjudication based on the above factors. In the first round of the Delphi, each participant was asked to present any alternatives to improve the adjudication quality of the tax appeal without restriction. In the second and third Delphi, the proposed alternatives were classified to identify what was actively supported by experts and analyze the reasons for the adoption or rejection. As a result of the first Delphi, 49 alternatives were presented, which can be categorized as 1. Strengthening Networks, 2. Improving Review Systems, 3. Enhancing Expertise, 4. Improving Organizational Operations, 5. Secure Organizational Independence, 6. Develop Supporting Systems, and 37 of them were presented as final candidates by the result of the second round. Finally,

27 alternatives were adopted by the third round of Delphi, among which participating experts agreed as the essential alternatives were the followings: the recruitment of investigators and the increase of standing judges, the strengthening of staff expertise through internal education, the strengthening of coordination review functions (organization, personnel), the introduction of quality evaluations of adjudication itself, and the strengthening of organizational personnel and budget independence.

In particular, almost all experts agreed that the highest proportion of the quality factors of adjudication was the rationality and fairness of the decision, and that, for the improvement of it, a working environment should be created in which investigators and tax judges can fully deploy their capabilities in the process of investigation and examination.

**Keyword:** administrative appeal, tax appeal, adjudication, service quality, improvement measures, Delphi

**Student Number:** 2018-22791



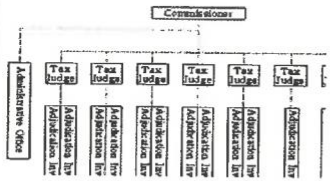
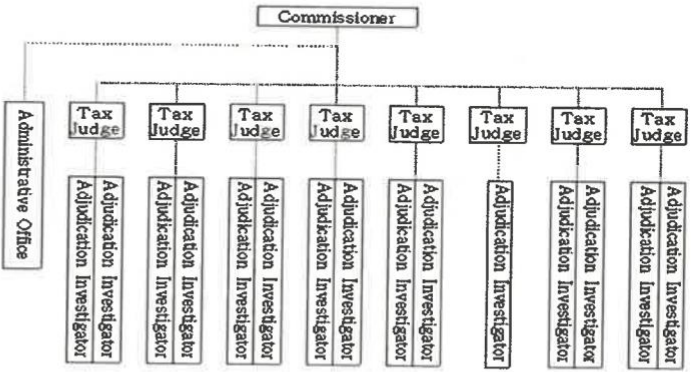
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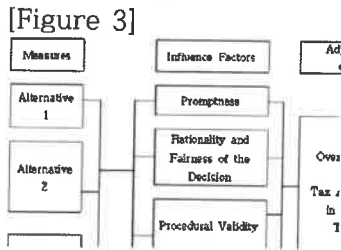
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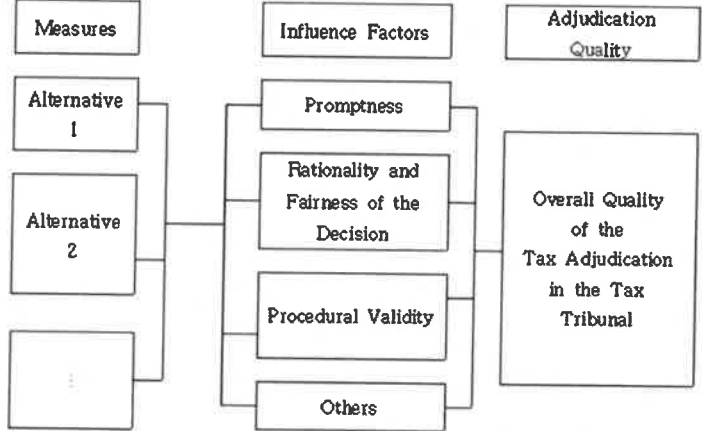
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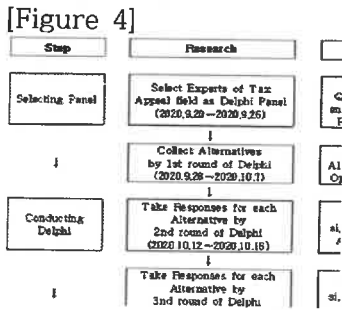
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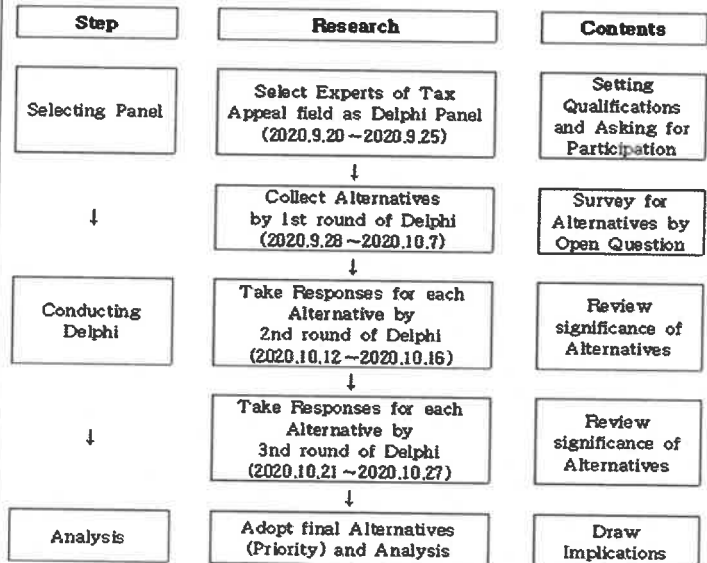
[Figure 3]



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[Figure 4]



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"These are alternatives presented by the expert group. Please fill your own level of importance for each of the following alternatives: (u of notes for your individual comments if there is opposition or any other opinion)"

Sub-groups	Alternatives	important	important	important	important	Notes
Strengthen Network	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)			0		
Cooperation with Related Organization	2. Develop the information sharing system among related agencies for			0		

"These are alternatives presented by the expert group. Please fill your own level of importance for each of the following alternatives: (use the column of notes for your individual comments if there is opposition or any other opinion)"

Groups	Sub-groups	Alternatives	important	important	important	important	Notes
Strengthen Network	Cooperation with Related Organization	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)			0		
		2. Develop the information sharing system among related agencies for objective and faithful investigation of cases, such as grounds for disposition and verification of basic facts			0		
...	...	...			...		...

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The following alternatives are shown to be significant or responses of a group of experts in the 2nd Delphi. Each line the average level and range of answers from the entire expert group. Please provide your final opinion by referring to your existing answers and the entire expert group's opinion. (use the column of no individual comments if there is opposition or any other opinion)  
 \* Above columns mean "the whole panel's [Mdn, 1Q~3Q] / (mean, s.d.)"

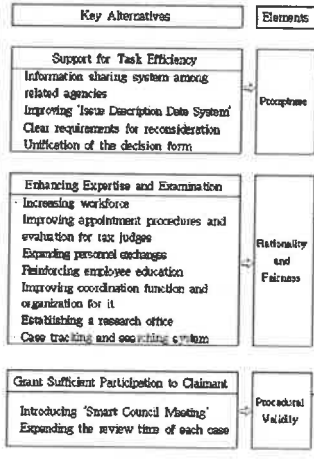
Groups	Sub-groups	Alternatives	important	less important	no
Stengden Network	Cooperation with Related Organization	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)	4	3~5	13.9 1.1
		2. Develop the information sharing system among related agencies for objective and faithful investigation of cases, such as grounds for disposition and verification of basic facts.	5	4~5	18.4 0.8

"The following alternatives are shown to be significant or likely by the responses of a group of experts in the 2nd Delphi. Each item also shows the average level and range of answers from the entire expert group. Please provide your final opinion by referring to your existing answers and the entire expert group's opinion. (use the column of notes for your individual comments if there is opposition or any other opinion)"  
 \* Above columns mean "the whole panel's [Mdn, 1Q~3Q] / (mean, s.d.)"

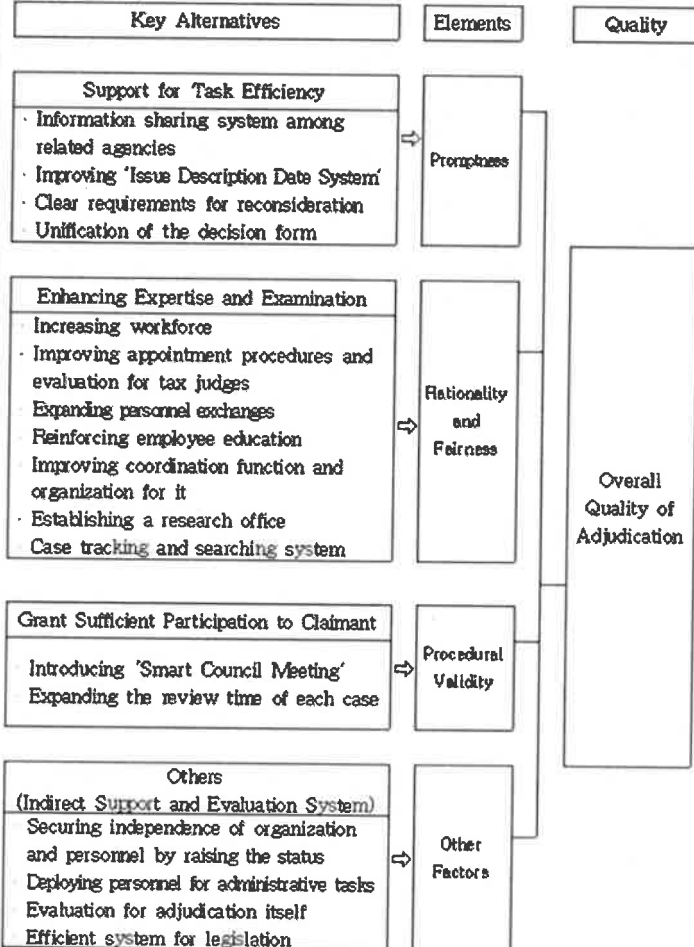
Groups	Sub-groups	Alternatives	important	less important	no	important	very important	Notes
Stengden Network	Cooperation with Related Organization	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)	4	3~5	(3.9, 1.06)			
		2. Develop the information sharing system among related agencies for objective and faithful investigation of cases, such as grounds for disposition and verification of basic facts.	5	4~5	(4.4, 0.98)			

p. 84 : 1

[Figure 5]



[Figure 5]



# **Chapter 1. Introduction**

## **1.1. Background of Study**

### **1.1.1. Meaning of Administrative Appeal**

An administrative appeal is a process of dispute that allows a citizen to quickly and easily receive relief if they are infringed on their rights or interests due to any illegal or unjust disposition of public power by administrative agencies [Administrative Appeals Act (of South Korea) Article 1]. This is distinct from the general administrative procedure in that it is a system that disputes a specific disposition after it is made. It is also distinguished from administrative litigation in that the administrative appeal is made by the administration's (which may differ from the disposition office but is of the administrative branch) own ruling (hereinafter referred to as "adjudication") before seeking the court's judgment.

In general, administrative appeals can resolve disputes faster than court lawsuits from the claimant's perspective and do not incur separate costs such as stamp duty and delivery fees in the litigation process. Also, an adjudication that recognizes an appeal differs from that of other complaints or grievance proceedings. It has the legal effect of binding the disposition office and other relevant administrative agencies involved in the case. Thus, there is efficiency for administrative appeals in economic and administrative aspects compared to other means of relief, including litigation.

### **1.1.2. Tax Appeal as a Specialized Administrative Appeal**

In the case of tax administrative appeal (hereinafter referred to as "tax appeal") in South Korea (hereinafter referred to as "Korea"), it is one of the special administrative appeals mainly conducted by the Tax Tribunal (an appeal named "request for adjudgment"), which is an affiliated organization of the Prime Minister of Korea. (However, in addition to the "request for adjudgment" of the Tax Tribunal, "request for examination" by the National Tax Service, and the "request for examination under the Board of Audit and Inspection Act" by the Board of Audit and Inspection also exist as separate means of tax appeal)

The tax appeal can be called a system or a process to relieve taxpayer's rights by making adjudication through application and interpretation of tax laws from a neutral position on a dispute between taxpayer and agency that makes dispositions (hereinafter referred to as "disposition agency"). The tax appeal system as a means of tax relief against unlawful and unjust taxation is an essential part of the realization of tax legalism and tax equality (Kim & Hong, 2011). It performs the function of the confirmation of taxation in the tax law and the guarantee of the people's property rights stipulated in Korea's Constitution.

Taxpayers will ultimately be able to redeem their property rights infringed upon by illegal tax dispositions through administrative litigation (court). However, the possibility is also open that the rights will be promptly redeemed quickly and conveniently through tax appeals that require relatively simple procedures and administrative requirements compared to lawsuits. In this regard, tax appeals are becoming more important (Chy, 2015).

In particular, compared to the era when authoritative administrative culture prevailed in Korea, the practical function of tax appeals is considered to be

expanding, as the rate of adjudication recognizing the appeal (hereinafter referred to as "revoking adjudication") are increasing through the expansion of taxpayers' rights, the maturity of social consciousness, and the enhancement of expertise of relevant expert groups (So, 2014). In particular, unlike other general administrative appeal procedures, Korea's tax appeal has adopted the principle of the necessary exhaustion of administrative remedies, which means that one cannot file a lawsuit without complete this tax appeal procedure.

As mentioned above, the tax appeal as a pre-litigation procedure in Korea's tax protest and rights relief is not unified with the "request for adjudgment" carried out by the Tax Tribunal. There are a total of three systems, "request for adjudgment" by the Tax Tribunal, "request for examination" by the National Tax Service (hereinafter referred to as "request to NTS"), and "request for examination under the Board of Audit and Inspection Act" by the Board of Audit and Inspection (hereinafter referred to as "request to BAI"). The law stipulates that taxpayers (who fight against the tax dispositions) choose one of them to carry out the pre-litigation process before filing the lawsuit.

Among them, the Tax Tribunal, which is the organizer of the request of adjudgment, as an affiliated organization of the Prime Minister's Office, is independent of the taxation-related offices such as the National Tax Service and the Ministry of Strategy and Finance. Therefore, it is known that taxpayers tend to think that the decision (adjudication) of the Tax Tribunal will be fair, objective, and reasonable, depending on the characteristics of the organization, rather than filing complaints to the National Tax Service (hereinafter referred to as "NTS"). In other words, it appears that the request for adjudgment is considered an important remedy that taxpayers can trust and rely on relatively more compared to other similar procedures. (Bae & Kim, 2015)

Of course, as one of the administrative appeals, the tax appeal has most of the general characteristics of the administrative appeals, such as prompt resolution, low costs, and binding power on administrative offices in the struggle for illegal tax administration.

## **1.2. Problem Statement and Research Purpose**

### **1.2.1. The Need to Improve the Administrative Appeals System**

The administrative appeal system plays a key role in the right relief system as the ultimate self-correcting function at the administrative level for illegal and unjust administrative actions (dispositions). Therefore, it is necessary to seek ways to improve the administrative appeal system considering its unique characteristics and organizations to maximize its advantages, such as administrative organizations' promptness and professionalism.

It may be reviewed, for example, as a micro way, that the electronic litigation system, which is already efficiently operated by courts at various levels, can be actively introduced for administrative appeals to help claimants clearly understand the specific progress. As a macro (organizational) scope, administrative appeals and organizations, which are separated and vary for each field, can be reorganized to minimize confusion in the national position and ensure consistency in decision making.

As a sub-research for optimizing the overall administrative appeals organizations and their operation, the study of the tax appeal system and the method of enhancing

the adjudication quality may be an empirical and illustrative basis in searching for ways to improve the overall administrative appeals system.

## **1.2.2. The Need to Improve the Tax Appeal System**

### 1.2.2.1. Wide Application and the Ripple Effect

Tax legal relations and tax administrative actions are basically intrusive to the people, and, in particular, compared to other administrative actions, the tax administration has a special nature of being carried out on a large, broad, and periodic (repeating) basis.

The principle is that a single tax appeal case, in which the administrative organization disposes illegal or unjust taxation before reaching the litigation stage, should have its legal effect (the revoke of the taxation) only on individual cases. However, due to the nature of the tax disposition, which is executed with uniformity to specific requirements, such adjudication will have a decisive effect on other tax administrative actions, such as the tax investigation by the tax offices or the NTS, as well as on the tax dispositions that are virtually identical or similarly applicable. Therefore, the tax appeal adjudication's ripple effect is likely to be greater than that of the general administrative appeal, which usually affects only specific cases.

### 1.2.2.2. The Need to Consider the Detailed Operation of the Tax Appeal

In the past, the NTS and the national tax tribunal of the Ministry of Strategy and Finance, who had to maintain a neutral stance as organizations for the administrative appeals, tended to be nationalistic (keeping national budget). This has drawn considerable criticism that taxpayers who protest against the tax

disposition did not trust the appeal organization's independence and fairness and thus did not achieve a substantially faithful remedy for rights (Chy, 2015).

In this regard, relevant institutional improvements have been made, including attempts to introduce quasi-judicial elements (e.g., granting taxpayers the right to state their opinions in the council meeting and conducting a pre-view of case investigations). Among them, the most important change was the reorganization in 2008 (expanding and combining of the national tax tribunal of Ministry of Strategy and Finance and local tax appeals of the Ministry of Government Administration and Home Affairs, and established current Tax Tribunal belonging to the Prime Minister, which greatly enhanced the independence and neutrality of the Tax Tribunal (Chy, 2015).

However, according to many studies, despite the expansion or reorganization by related laws and regulations, the public still recognizes that the level of guarantee for taxpayer's rights is insufficient (Yoon & Koo, 2007). There is still a question of whether the taxpayer's rights relief rate (ratio of revoking adjudication) by the relief procedure has been raised to a sufficient level as well. This may be because while there has been considerable progress in the development of fundamental systems and the introduction of advanced systems in itself, there has not been as much improvement or research as expected in its practical operation.

To increase the effectiveness of the actual remedy of the right in tax appeal and secure the taxpayer's trust, the claimant, and even the general public in taxation, it is necessary to study the significant factors in determining the adjudication that the claimant can be satisfied with. Furthermore, based on this, a study to find reasonable improvement measures for tax relief and its procedure to strengthen the factors and ways for ensuring that the current system can be effectively operated within our tax appeal environment should proceed. Therefore, the purpose of this



study is to seek ways to improve the quality of adjudications made by the Tax Tribunal, which is in charge of the largest portion of tax-related administrative appeals in Korea as a rights relief organization.

### **1.3. Structure of the Thesis**

To find the measure to improve the current tax appeal system in Tax Tribunal, Chapter 2 examines the legal basis and function of Korea's tax appeal system and reviews the current system. After that, it presents factors that affect the adjudications' quality based on existing relevant studies and introduces the specific research method of Delphi used in this study. Chapter 3 presents the result of the Delphi of what measures (alternatives) can be suggested to improve the quality of the adjudications in the Korean Tax Tribunal, and on which of them will be the most effective, with experts who have participated or are currently participating in the practice of tax appeal as a panel. Based on these analysis results, Chapter 4 examines what policy implications can be derived in the field of tax appeal to conclude the research.

## **Chapter 2. Research Background**

### **2.1. Tax Appeal in Korea**

#### **2.1.1. General Position of Tax Appeal**

As a means of post-administrative relief, the administrative relief system aims to determine the existence, illegality, or unjustness of the administrative actions and remedy the people's rights according to its judgment results. It is also divided into administrative appeal in which the administration (executive branch) takes the role of subject and administrative litigation in which the court, the judicial body, takes the role.

As a sub-concept of the administrative relief system, the tax relief system may be defined as any legal means for conducting relief against the infringement of the rights or interests of taxpayers due to all administrative dispositions, such as erroneous reporting and application of the taxpayer themselves or illegal and unjust disposition and collection of taxation authorities (So, 2014).

In Korea, the tax appeal system takes the principle of the necessary exhaustion of administrative remedies, unlike general administrative appeals, which allow claimants to select the way (appeal or litigation) to dispute.

Framework Act on National Taxes

Article 56 (Relation to other Acts) (2) Notwithstanding the main sentence of Article 18 (1) and Article 18 (2) and (3) of the Administrative Litigation Act, no administrative litigation against an illegal disposition prescribed in Article 55 shall be filed without a request for examination or adjudgment and a decision on such request under this Act: Provided, That the same shall not apply to administrative litigations against dispositions issued by a disposition agency following a decision of re-investigation in the proviso to Article 65 (1) 3 (including cases applied mutatis mutandis in Article 81) rendered for a request for examination or a request for adjudication.

## **2.1.2. Purpose and Functions of Tax Appeal**

### 2.1.2.1. General Administrative Appeals

The Administrative Appeals have both characteristics of administrative actions and adjudicative actions (quasi-judicial actions) for administrative, legal disputes that have already occurred (Hwang et al., 2015).

In other words, an administrative appeal is a procedure of administrative dispute to relieve the rights or interests of the people, and at the same time, has the function of self-correcting by the administration. An administrative dispute procedure means protecting people's rights and interests when illegal or unjust administrative actions violate them. Simultaneously, self-correcting refers to the pursuit of administrative actions' legitimacy and relevance by allowing administrative agencies to correct wrong administrative actions or other actions on their own (Jung, 2011).

Some of the main functions of administrative appeals are the securing of administrative efficiency (a relative advantage over litigation), the utilization of

administrative agencies' expertise, the securing of litigation economy, and the expansion of the scope of rights relief (appeal against unjust administrative actions, application of the expended form of protest (e.g., request for execution of administrative duties).

#### 2.1.2.2. Tax Appeal

##### 2.1.2.2.1. Purpose of Tax Appeal

The tax appeal system is also one of the administrative appeals and naturally has both purposes: the relief of the people's rights (adjudication on dispute) and the administration's self-correction. The general law of each country determines which of the above two purposes should be weighed. Jung (2011) introduced this information in his study, and a brief introduction to the system of significant countries is as follows.

U.K.: The Tax Tribunal, a third-party agency apart from the tax authorities, shall review and decide the tax appeal case by applying the usual litigation procedures, which contribute to protecting taxpayers' rights by allowing relatively fair adjudications.

U.S.: Tax authorities operate a separate consultation process before imposing a tax, which is evaluated primarily as a system aimed at protecting the people's rights.

Germany and Japan: Contribute to the relief of the people's rights because it is possible to review administrative agencies' discretionary decisions and resolve disputes quickly. Simultaneously, it is a system for self-control of administration or ensuring the legality and validity of administration.

Kim (1990) assessed that the purpose of the tax appeal system in Korea was to supplement the institutional shortcomings and limitations of the relevant administrative litigation system and to make a series of relief measures effective as

a whole, according to the constitution, which ensures the fundamental rights of the people and applies the judicial process to the administrative appeal procedure [Constitution of the Republic of Korea Article 107 (3)].

Constitution of the Republic of Korea

Article 107 (3) Administrative appeals may be conducted as a procedure prior to a judicial trial. The procedure of administrative appeals shall be determined by Act and shall be in conformity with the principles of judicial procedures.

#### 2.1.2.2.2. Functions of Tax Appeal

The tax appeal system has all the functions of those above general administrative appeal systems, and some details are as follows.

##### 2.1.2.2.2.1. Securing Administrative Efficiency

The purpose of the tax appeal system is to give the tax authorities (tax offices), the regional tax offices, or the NTS that directs the head of a tax office an opportunity to cancel or change the wrong tax disposition on their own, thereby achieving legal and relevant taxation dispositions and tax administration. The tax appeal system also minimizes the tax administration's inefficiency and that of taxpayers by promptly settling disputes related to taxation, preceding judicial litigation by the court (Jung, 2011).

##### 2.1.2.2.2.2. Utilization of the Expertise of Administrative Agencies

The tax appeal system is operated by the organizations consisting of employees with taxation and tax law expertise to determine conflicts and disputes concerning the disposition and other tax administration, not by general agencies or

administrative appeal authorities. It serves to supplement the laws and facts to be reviewed in future lawsuits for courts with a wide range of subjects and scope of litigation as well (Jung, 2011).

#### 2.1.2.2.2.3. Securing Litigation Economy

The adjudication of administrative appeal revokes (or changes) any unlawful or unjust disposition or states the legality and justness of it in advance of reaching the procedural and complex stage of the court's litigation. It means that the administration provides a primary legal judgment and information on the disposition to the taxpayers who have questions about the legality and justness of the statute application and the fact interpretation. Therefore, it has the function of persuading taxpayers not to put unnecessary time and effort into litigation on relatively straightforward legal and justifiable tax dispositions. This also results in lessening the burden on the court (Jung, 2011).

#### 2.1.2.2.2.4. Extending the Scope of Rights Relief

Since administrative appeals can correct not only illegal actions but also unjust ones, tax appeal can also determine the justness and range of the tax official's discretion (such as appropriateness of the disposition's purpose). This means that more active protection of people's rights and interests is allowed in administrative appeals than in the legal system, which only uses legality as the basis for judgment (Jung, 2011). However, there is also a view that the tax authorities cannot recognize the scope of the tax law at their discretion, which in turn leads to disputes over illegality only (So, 2014).

#### 2.1.2.2.3. Object of Tax Appeal

According to the provisions of the Framework Act on National Taxes of Korea, the object of a tax lawsuit or a tax appeal is limited to the disposition under "this Act or other tax-related Acts." Therefore, to object to tax appeals, laws, and regulations that are the basis for relevant acts, such as tax dispositions, should fall under the "tax-related Acts." However, there is no explicit separate provision under the Framework Act on National Taxes that explicitly specifies the "tax-related Acts" scope.

Framework Act on National Taxes

Article 55 (Protest) (1) Any person whose rights or interests have been infringed on, by receiving an unlawful or unreasonable disposition or due to failure to receive a required disposition under this Act or other tax-related Acts, may request the cancellation or modification of such disposition or request other necessary dispositions pursuant to this Chapter.

The scope of the "disposition under this Act or other tax-related Acts" done by taxation authorities should also be reviewed. Judging by the basic concept of general (academic) administrative actions, the disposition of taxation authorities have to directly impact taxpayers' specific rights obligations to be recognized as the object of the tax lawsuit or appeal. They will be determined based on precedents on individual cases or based on each country's specific laws and academic disciplines.

### **2.1.3. Legal Basis and Status**

#### 2.1.3.1. Legal Basis of Administrative Appeals in Korea

The Constitution of Korea stipulates administrative appeal as a pre-litigation procedure of the trial, and at the same time, provides that the judicial procedures shall be applied. Under these regulations, the Administrative Appeals Act was enacted as a general law on administrative appeals.

#### 2.1.3.1.1. The Constitution of the Republic of Korea

Article 107 (3) Administrative appeals may be conducted as a procedure prior to a judicial trial. The procedure of administrative appeals shall be determined by Act and shall be in conformity with the principles of judicial procedures.

Article 107 of the Constitution stipulates the jurisdiction of trials and states that judicial procedures should be applied to administrative appeals (Clause (3)). By this provision, it is clear that the decision (adjudication) of an administrative appeal, in comparison to other administrative dispositions, should ensure a high degree of legitimacy in its procedural aspects. This suggests that an administrative appeal system should be designed so that independent and legitimate judgments can be made in its personnel and organizational composition as well as its procedures.

#### 2.1.3.1.2. Administrative Appeals Act

Article 1 (Purpose) The purpose of this Act is to relieve citizens from the infringement of rights or interests caused by any illegal or unjust disposition or omission of public power by administrative agencies through the administrative appeals procedures, thereby achieving a due operation of administration.

Since the Administrative Appeals Act is a general law on administrative appeals, matters not prescribed by other related-Acts shall be ruled by the Administrative Appeals Act, even if the related-Acts prescribe special provisions for special administrative appeals or administrative appeals procedures.

Also, as in the Constitution's text, the administrative appeal procedure is a quasi-judicial procedure, so this Act's contents are mostly similar (intuitively understandable) to the contents of the Administrative Litigation Act, but there are



some differences. For example, unlike administrative litigation, the main documents used in the administrative appeal process are separately stipulated in the Enforcement Rules of the Act.

#### 2.1.3.2. Legal Grounds for Tax Appeals as Specialized Administrative Appeals

The term "specialized administrative appeal" means an administrative appeal according to the special procedures prescribed separately in individual Acts for a specific field to preserve the expertise and specialty of the field and the case (Central Administrative Appeals Commission, 2020). In other words, they are not judged by the 'Administrative Appeals Act' procedure. Tax appeals fall under one of these specialized administrative appeals, and the specific basis provisions are as follows.

##### 2.1.3.2.1. Specialized Administrative Appeals System under the Administrative Appeals Act

Article 4 (Specialized Administrative Appeals, etc.) (1) Unless it is necessary given the extraordinary and exceptional nature of a specific case, other Acts shall not provide for a specialized administrative insubordinate procedure (hereinafter referred to as "specialized administrative appeals") that substitutes the administrative appeals under this Act, or any exceptional case of the administrative appeals procedure under this Act.

##### 2.1.3.2.2. Tax Appeals under the Framework Act on National Taxes

Article 67 (Tax Tribunal) (1) In order to decide on requests for adjudgment, a Tax Tribunal shall be established under the jurisdiction of the Prime Minister.

(2) The Tax Tribunal shall independently perform duties under its authority.

#### **2.1.4. Comparison to Other Systems (Other Tax Disobedience)**

The procedures that the people can raise to fight against the disposition received from any administrative agency can be classified into three categories: 1. general complaints (civil petitions), 2. administrative litigations, and 3. administrative appeals.

In the case of a general complaint, the decision is made in the form of a recommendation or advice, so each administration is not bound and judges it independently. On the other hand, administrative appeals and administrative litigation have the legal effect of forcing (binding) administrative agencies to follow the decision.

For the means of tax relief (protest), there are representative ways of a "pre-assessment review," an "objection," and a "tax appeal" in addition to general complaints (e.g., asking for recommendations by the Anti-Corruption and Civil Rights Commission), which are done by administration branch. In the case of tax appeal, there are three administrative appeals (accepted as pre-procedure for filing a suit), each of which is carried by the NTS(request to NTS), the Board of Audit and Inspection (request to BAI), and Tax Tribunal (request for adjudgment). If the taxpayer does not receive the relief of rights even by one of the above ways, they will (can) eventually proceed with administrative litigation.

##### **2.1.4.1. General Complaints (Anti-Corruption and Civil Rights Commission, Tax Offices)**

The general complaint raised by the taxpayer is to deal with in consideration of their insists or rights, but it is not compulsory. Also, because it is not a legal

dispute procedure, whether the object is the disposition is not strictly considered. In practice, complaints submitted to the Anti-Corruption and Civil Rights Commission against tax (limited to disposition) will be transferred to the tax tribunal.

#### 2.1.4.2. Measures for the Relief of Rights Before the Tax Appeal Phase

##### 2.1.4.2.1. Pre-Assessment Review (Before the Disposition)

Framework Act on National Taxes

Article 81-15 (Pre-assessment Review) (1) A person who receives notification falling under any of the following subparagraphs may request a judgment on whether the content of notification is legal (hereinafter in this Article, referred to as "pre-assessment review") to the head of a tax office or the commissioner of a regional tax office who gave the notification concerned within 30 days from the date of its receipt

When a tax office makes a notification of tax to the taxpayer about the amount and reason of the tax before disposing of it, it can be argued by the taxpayer immediately. Such a pre-assessment review constitutes just standard administrative procedures, not a procedure to cancel the existing disposition.

##### 2.1.4.2.2. Objection (After the Disposition)

Framework Act On National Taxes

Article 66 (Objections)(1) An objection shall be filed with the head of a tax office who has issued or should have issued the relevant disposition

It is a procedure in which a taxpayer disputes the legitimacy against the tax office

or the NTS, who is the director of the actual taxation disposition already made. However, it is just an internal complaint procedure of the NTS and is not recognized as a necessary procedure for administrative litigation. That is, from the taxpayer's point of view, it is an optional procedure (So is the pre-assessment review).

#### 2.1.4.3. Tax Appeals as Pre-Procedure of Litigation.

Korea's tax appeal system is divided into three procedures whose subjects are not unified. However, no matter which procedure is carried out, there is something in common: 1. the tax office cannot argue against the result of each appeal (through further litigation) in which the disposition that had been already canceled (including the part of partial cancellation) by the revoking adjudication. 2. the taxpayer who had conducted any of these three appeals can file a lawsuit to the court against the disposition immediately without adding any other procedure (Kim & Hong, 2011). The following sections describe two procedures other than the "request for judgment" of Tax Tribunal.

##### 2.1.4.3.1. Request to NTS

###### Framework Act on National Taxes

Article 61 (Period of Request) (1) Any request for examination shall be made within 90 days from the date when the disposition concerned is known (if notice of the disposition is issued, the date when such notice is received).

There is a view (Kim & Hong, 2011) that the decision for the request to NTS is generally made by the Head of the National Tax Service, the higher authority of the tax office so that the procedure is just exercising internal supervision and command (correcting illegality through supervision) rather than the function of rescuing

taxpayers' rights.

The request to NTS is carried out in the same status (administrative appeal as a necessary remedy procedure for litigation), the same function and procedure as the request for adjudgment by the Tax Tribunal. However, this procedure has the disadvantage of inherently lacking independence because the quasi-judicial procedures are not recognized in the examination. The subject is the head of the NTS, the higher authority of the tax office, not a third party.

#### 2.1.4.3.2. Request to BAI

Board of Audit and Inspection Act

Article 43 (Request for Examination) (1) Any person who has an interest in a disposition or other activity concerning the duties of a person subject to inspection of the Board of Audit and Inspection may request the Board of Audit and Inspection to examine it.

Instead of taking tax appeals through the Tax Tribunal and the NTS, taxpayers may choose to apply the request to BAI based on Article 43 of the Board of Audit and Inspection Act.

The request to BAI also has the same legal status as the request for adjudgment of the Tax Tribunal and the request to NTS. Article 56 of the Framework Act on National Taxes and Article 80 of the Local Tax Act stipulates that if adjudication is made by the Board of Audit and Inspection, it is the same as the above two appeal procedures. Thus, the taxpayer with the adjudication of the Board of Audit and Inspection may file a lawsuit without any other administrative appeal procedure.

#### 2.1.4.4. Administrative Litigation

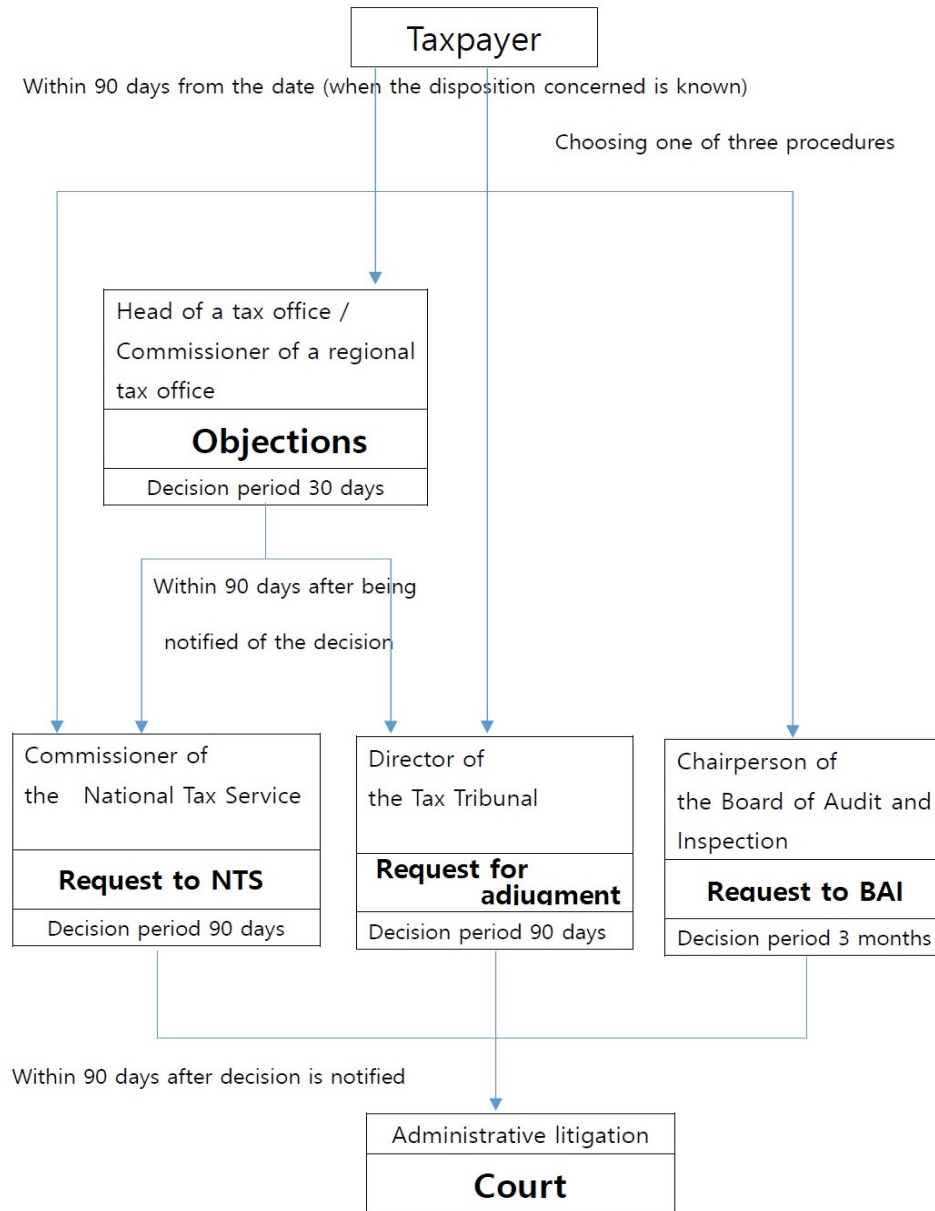
The tax suits seeking court's judgment do not have a separate litigation system but constitute a particular form of administrative litigation. Therefore, tax suits as a protest to the administration body's tax disposition must meet all legal requirements for the general administrative litigation. To file tax litigation, general conditions for suit such as the plaintiff's qualification, the interest of right protection, and the period for filing lawsuit (within 90 days from the date a disposition is known) must be satisfied. Of course, unlike other general administrative litigations, the plaintiff of a tax suit must undergo the tax administrative appeal (1 of 3 appeals) in advance (Kwak, 2013).

## **2.2. Current System of Korean Tax Tribunal**

### **2.2.1. Current System of Tax Appeal**

As mentioned above, Korea's tax appeal is being carried out separately by the three organizations, as in Figure 1, and taxpayers who protest against the disposition of taxation may choose one of these and can file a lawsuit after that (exhaustion of administrative remedies). Below is a review of the organization and procedure for conducting the request for adjudgment of the Tax Tribunal, which accounts for the highest proportion of the whole national tax appeal cases among the three institutions (as of 2018, 90.4% of the Tax Tribunal, 7.6% of the National Tax Service, 2.0% of the Board of Audit and Inspection).

[Figure 1] Current System of Tax Appeal in Korea (Chy, 2015)



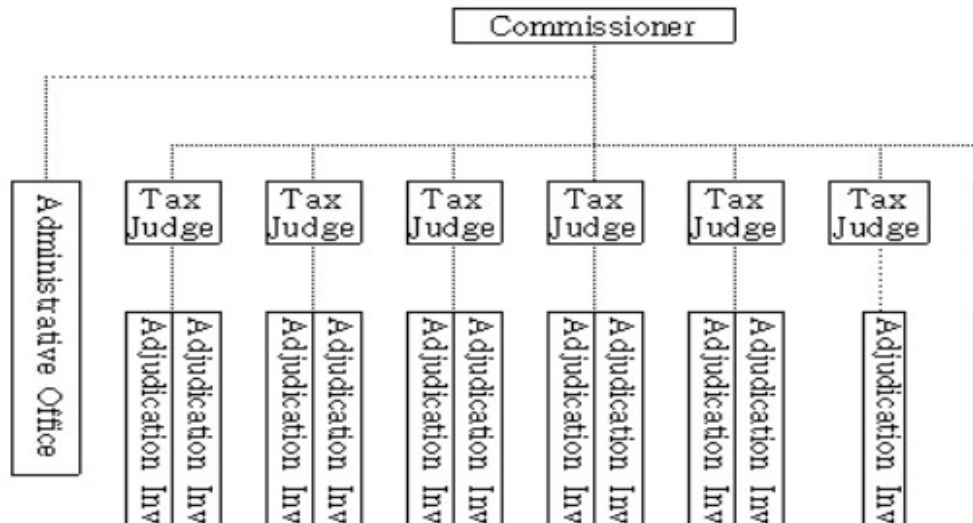
## 2.2.2. Korean Tax Tribunal

### 2.2.2.1. Organizational Structure and Personnel

As of November 2020, Tax Tribunal consists of one commissioner, eight tax

councils [five for national tax, one for customs duty and small-scale, two for local tax], and 17 adjudication investigators (managers), and one Administrative Office. As of 2020, the total number is 123, of which 65 are assistant staff (officers) in charge of practical investigation work.

[Figure 2] Organization of Tax Tribunal (2020)



#### 2.2.2.1.1. The Commissioner

The Commissioner represents the Tax Tribunal, directs and supervises the public officials under their jurisdiction, and coordinates the council of national tax judges' results to preside over a joint session of tax judges so that the Tax Tribunal can operate smoothly.

#### 2.2.2.1.2. The Council of Tax Judges

Each council shall consist of two regular judges and two non-regular judges. The council of tax judges convenes with the attendance of two thirds or more tax judges and adopts resolutions by the affirmative vote of the majority of tax judges present



(Framework Act on National Taxes Article 67 Paragraph (3)). The qualifications of tax judges are stipulated in the Enforcement Decree of the Framework Act on National Taxes<sup>①</sup>.

Regular judges (8): As a director-level public official, generally, they participate as a chief judge or associate judge at the council of tax judges.

Non-regular judges (29): They are private experts in the tax field, such as professors and lawyers, the number of who participate in the council of tax judges more than that of regular judges.

#### 2.2.2.1.3. Joint Session of Tax Judges

When it is necessary to make a significant adjudication, such as changing the previous case of adjudication, maintaining consistency in decisions among tax judges and councils, or produce a significant impact on tax administration<sup>②</sup>, the

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① Article 55-2 (Qualifications of Tax Judges) (1) A tax judge under Article 67 (4) of the Act shall be one having the following qualifications:

1. A national public official or local public official of Grade IV or higher or a member in general service of the Senior Executive Service with service experience for not less than three years in duties related to taxes, or a national public official or local public official of Grade V or higher with service experience for not less than five years;
2. A judge, prosecutor, or military judicial officer with service experience for not less than five years;
3. An attorney-at-law, a certified public accountant, a licensed tax accountant, a licensed customs agent, or a certified public appraiser with service experience for not less than six years;
4. A person holding a position of assistant professor or higher rank in the field of law, accounting, trade, finance, or real estate appraisal in a publicly certified university.

② Framework Act on National Taxes Article 78 (Procedure of Decision) (2)

1. Where the interpretation of the tax law is an issue concerning the relevant case of appeal, and there is no previous decision by the tax judge;
2. Where a tax judge changes the interpretation and application of a tax law previously established by the Tax Tribunal;
3. For the purpose of maintaining consistency of decisions between tax judges' meetings;
4. Other cases prescribed by Presidential Decree, such as when it is expected to have a significant impact on the administration of national taxes or the rights and obligations of taxpayers

commissioner can call a Joint Session of Tax Judges in which the case shall be reviewed and determined by consensus system (participants: the commissioner, all the regular judges and non-regular judges whose number (designated by the commissioner) is less than regular judges')

#### 2.2.2.1.4. Adjudication Investigator

Adjudication investigators direct the investigating staff (officers) who assist them, investigate specific data, such as facts and legal relations on the case of the request for adjudication, prepare an investigation report, and submit it to the councils of tax judges. They also attend the councils (meeting) of tax judges to record the meeting's details and arrange the decision (a written adjudication) on the case after the meeting.

#### 2.2.2.1.5. Administration Office

Administrative Office is composed of a planning team, an administrative team, and a coordination team.

The planning team and administrative team are in charge of organization planning, administrative affairs, support for the request for adjudgment (receiving the applications of appeals and notification of the assignment of the cases or results (adjudication)) and preservation of adjudication documents and evidence, and reading and lending of case records.

The coordination team conducts a comparative review (e.g., deciding whether to re-consider (additional resolution by the Council) an individual case) and studies the precedents of appeals or cases of the Supreme Court and other decision interpretations to make comprehension (coordination of the results of councils).

## 2.2.2.2. Procedure of Request for Adjudgment

### 2.2.2.2.1. Receipt of Request

A request for adjudgment (application) shall be submitted within 90 days from the date on which the relevant disposition is known (usually when the disposition is notified). However, when a request for adjudgment is made after filing an objection to the national tax service, it shall be allowed to submit within 90 days from the date on which the decision on the objection is notified.

### 2.2.2.2.2. Assignment of the Case

The requested cases are assigned to the relevant judges by taxes, such as national taxes, local taxes, and customs duties, and the Adjudication investigator and the officials in charge are designated in turn.

### 2.2.2.2.3. Case Investigation

The claimant may submit an additional rebuttal to the tax office's response (disposition agency) or any objection (including evidentiary documents or evidence) to supplement their claim during the investigation after submitting the request for adjudgment. The pre-view system of the investigation report has the effect of substantially strengthening these procedures.

### 2.2.2.2.4. Meeting of the Council of Tax Judges

Each Council of tax judges is organized with one chief tax judge (regular judge) designated by the commissioner and two or more tax judges (regular or non-regular

judge). A case shall be investigated and examined by the adjudication investigator and their staff before the resolution and adjudication are being made. The chief tax judge shall be the chairperson and open the council meeting with the attendance of at least 2/3 of the relevant tax judge, and pass resolutions with the consent of a majority of the tax judges present.

The tax judges in charge may exercise the questions and inspection rights<sup>③</sup> at the request of themselves or the claimants, if necessary, for the investigation and decision on the case.

At the stage of the request or during the investigation, a claimant may request an opinion statement by which they can directly attend the council meeting or the joint session (including conference calls and video conferences) and state their opinion.

#### 2.2.2.2.5. Adopting Resolution and Decision (The Adjudication)

The case of a request for adjudgment shall be determined by the examination and resolution at the council (meeting) of the tax judges. However, in some cases, which are deemed exceptionally important, the decision shall be made through a resolution by the Joint Session of Tax Judges of the Tax Tribunal.

The adjudication of the Tax Tribunal shall be binding on the relevant administrative office. Therefore, the tax office shall immediately take the necessary measures following the purpose of the adjudication. The disposition agency shall

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③ Framework Act on National Taxes Article 76 (Rights to Question and Inspect) (1) If it is necessary for investigation and examination into a request for adjudgment, tax judges in charge may, ex officio or upon request by a claimant perform any of the following conducts:

1. Questioning a claimant, agency which made a disposition, interested person or witness;
2. Demanding to present books, documents and other articles kept by those referred to in subparagraph 1;
3. Inspecting books, documents or other articles belonging to those referred to in subparagraph 1, or requesting appraisal to an appraisal institution.

not raise any administrative litigation in protest of the adjudication of the Tax Tribunal. Specifically, the head of the relevant administrative agency (usually the head of the tax office) who has been notified of the Tax Tribunal's adjudication shall report the full processing to the Tax Tribunal's commissioner within 14 days from the date of receipt.

## **2.3. Literature Review**

### **2.3.1. The Quality of the Adjudication and the Determinants**

The people's desire for the quality of administrative services continues to increase due to the high level of consciousness. The government is also striving to implement customer-oriented administrative services to enhance the competitiveness of the public sector. This cannot be an exception to the area of administrative appeal.

Ultimately, this paper aims to study what influences and what institutional measures can be drawn up to improve the quality of adjudication of tax appeal as a means of relieving taxpayers' rights. Therefore, a review of the quality of a tax appeal's adjudication and what components it has should be preceded by.

The adjudication of administrative appeals, including tax appeals, is also included in the scope of administrative services in a broad sense. In this part, the factors of the administrative service and the adjudication quality are identified and based on existing research results and their implication, the quality of adjudication in tax appeals and factors that may affect it are reviewed in turn.

## **2.3.2. The Quality of Administrative Services and the Impact Factors**

### 2.3.2.1. Quality of Service in General Sense

#### 2.3.2.1.1. Definition and Characteristics of Quality of Service

Lewis and Booms (1983) described the service quality as a measure determined by how much the service delivered to the customer matched the customer's expectations for that service. Parasuraman et al. (1985) argued that the quality of service evaluation includes not only the results of the service but also the delivery of it and that the interaction between the service provider and the customer should be particularly important in the quality evaluation. Unlike products or products with physical value, these services are not easy to measure.

Considering various research, Kim (2006) defined the quality of administrative services as "the result of administrative services provided to citizens by the government and the level of performance of services that people perceive about them in the process."

#### 2.3.2.1.2. Assessment and Evaluation for Quality of Service

As a representative measurement model of service quality, Parasuraman et al. (1991) developed a service quality measurement index called SERVQUAL by reviewing the composition of service quality through systematic and empirical methods. They concluded that, through empirical research targeting various organizations, the key factors influencing the evaluation of quality are tangibleness, reliability, responsiveness, assurance, empathy.

From a similar perspective, Cronin and Taylor (1992) argued that it should be

viewed as a full and long-term assessment and attitude of a particular service in determining the quality of the service. Regarding these characteristics of service quality, Hur (2005) summarized meaningful conclusions as follows: 1. In the case of human services, assessment is difficult; 2. Since it is through actual comparison with expectation, not calculated output, the process provided must be considered; 3. If objective measures of quality assessment are not present, it is appropriate to measure the customer's perception, 4. As Parasuraman et al. (1985) claim, the results and the service delivery procedures and interactions between service providers and customers should be deeply considered.

### 2.3.2.2. Service Quality in the Public Administrative Area

#### 2.3.2.2.1. Application of Private Sector Model

Some scholars like Orwig et al. (1997) and Stewart (1988) point out that it may not be appropriate to apply the aforementioned private service metrics, such as SERVQUAL, to the public domain. However, as many scholars argue, this could be a powerful and adaptable diagnostic tool to measure service quality in the public service area (Dalymple, 1995). This method of measuring services can have significant implications for the public domain as well.

#### 2.3.2.2.2. Civil Satisfaction as Quality of Administrative Service

In terms of the quality of administrative services, in the end, the degree of satisfaction of the clients, who are citizens, will be the essential factor of judgment. Williams (1971) divides the model that measures citizen satisfaction with public services into a social approach model, an individual approach model, and a service delivery model. Walsh (1991) argues that the quality elements of the service are the nature of the service (convenience, consistency, reliability, rapidness),

interpersonal relationship (friendliness, responsiveness, ability, communication with citizens), physical environment (externality, accessibility), and civic power (rights to speech, right to choose, and rewards).

Meanwhile, Stewart (1988) emphasizes customer-oriented administrative services with the importance of equity and believes that the quality of customer-oriented service can be enhanced only when citizens are secured to have the right to know about policies, decision-making contents and processes, the right to discuss administrative projects together and accurately communicate the direction of implementation, the right to participate in issues in the policy-making process, and the right to participate as evaluators in implementing policies.

Also, street-level bureaucrats' attitude and behavior who provide administrative services directly to the people have been emphasized as a medium of policy to significantly impact administration quality via their actions and attitudes.

#### 2.3.2.2.3. Evaluation Factors of Satisfaction in Administrative Services

Park and Joung (2012) analyzed the various preceding research results and presented the factors for evaluating the satisfaction level of civil service and the service quality as follows.

##### 2.3.2.2.3.1. Assessment Factors for Citizens' Satisfaction

The evaluation factors of citizen satisfaction, which are the results of the studies of Parasuraman et al. (1985), Walsh (1991), and Skelcher (1992), can be classified as follows (Park & Joung, 2012)



[Table 1] Factors for Citizen Satisfaction

Factors	Specific Meaning
Equity	The degree of fair handling of civil service affairs following the regulations and guidelines for civil service administration regardless of the social status, age, gender, income, educational background of civil petitioners, and the opportunity guarantee for citizens which is given on a fair level
Responsiveness	Kind explanations of the contents of administrative services, active interest and support for citizen (complaints), sensitivity and reflection to the requirements of a citizen, expression of interest, and kindness to citizen
Accessibility	Knowing how easily can a citizen have access to the relevant administrative office in time and space to resolve the civil service affairs
Amenity	Knowing how pleasant is it for citizens to visit administrative offices in terms of sanitary and environmental (or human-oriented) aspects of public facilities

#### 2.3.2.2.3.2. Quality of Public Service

Park and Joung (2012) also classified and organized indicators (satisfaction) to determine the quality of the service as follows:

[Table 2] Kind of Service Satisfaction

Kind of Satisfaction	Specific Meaning
Psychological Expectation	Spreng et al. (1996) assess customer satisfaction as satisfaction and dissatisfaction by comparing "consumers' expectations of the service's performance in advance" and "results after purchasing the service."
Economic Cost	Zeithaml (1988) present a study that citizens' perceived costs (money, time, effort, and psychological costs) directly affect the citizens' decision-making process of purchasing services.
Personal Emotion	Westbrook and Oliver are the scholars who emphasize the customer's feelings of satisfaction: the customer's positive feelings have positive effects on satisfaction and vice versa (Westbrook & Oliver, 1991). Belk (1975) also argued that customer satisfaction is also affected by psychological factors that have resulted from individual experience.

Overall	Customer-oriented satisfaction assessment indicators should include direct and indirect expectations of the services the customer receives, time and cost the customer pays, effects before and after service use, personal feelings (Ha & Joung, 2011)
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### 2.3.3. Quality and Evaluation of Adjudication

#### 2.3.3.1. Quality of Adjudication as a Special Public Service

Unlike general administrative services, administrative remedies have adjudication, which "recognizes" or "rejects" the appeal. It means that they have a completely different level of component, which requires a different approach from other general administrative services to recognize or evaluate satisfaction. Nevertheless, in Korea, rather than a separate study on administrative relief services, it has been investigated and studied as part of the general administration (Chang, 2009). Also, Kim and Hong (2011) pointed out that while studies of the taxpayer's rights relief system itself as tax disobedience have been carried out at a considerable level, practical studies regarding the current system's effective operation appear insufficient.

The quality of the adjudication as a result of the administrative appeal can be defined as "the level of performance of the administrative appeal service that the public or the people (the claimant) who contend for the illegality of the disposition may recognize by both the result of adjudication itself and the process of drawing the adjudication by the adjudicating organization." This means that the following factors should be considered in assessing the quality of administrative appeals and their results (adjudications), which are closely related to administrative appeals' functions mentioned in Chapter 2.

### 2.3.3.2. Factors and Indicators of the Adjudication Quality

#### 2.3.3.2.1. Promptness of Adjudication (whether a decision on the appeal was made promptly or not)

There is litigation through the court as a traditional means for citizens to disapprove of administrative dispositions. Nevertheless, there are various reasons for having an administrative appeal system as a pre-process of a lawsuit. Moreover, one of the most critical values for the claimant (people) is that it allows them to quickly and cheaply get relief for their rights. In the indicators developed by Parasuraman et al. (1991) and others mentioned above, responsiveness is closely related to rapid rights relief. The need for speed can also be recognized in the quality of administrative appeals. The speed is a factor in the assessment of civic satisfaction, which was argued in many studies, including Skelcher's (1992) and Walsh's (1991).

In the case of a tax tribunal (request for adjudgment), the National Tax Framework Act requires decisions to be made within 90 days from the appeal date. The organization evaluation and internal employee evaluation use the ratio of achieving this period. In other details, related indicators may be considered as to whether the receipt of an appeal and notification to the disposition office were processed promptly and accurately, whether the response was immediate when a mistake or error occurred, or whether the reason was notified to the claimant when the legal deadline for the decision was expired.

#### 2.3.3.2.2. Rationality and Fairness of the Decision (whether a legitimate and fair decision is achieved based on an accurate examination)

An adjudication is to decide on whose argument is right when there is a dispute

between the administrative agency and the people about the procedures and contents of the disposition. The intrinsic quality of the decision depends on the rationality (rightness) of the decision. In SERVQUAL indicators, reliability will eventually directly impact the decision's rationality and acceptability, which is the greatest and intrinsic value of the adjudication. The intelligence of the investigators (including kindness and stability) also has a significant impact on the assurance of the adjudication during the process of appeal.

These values are based on which legality, rationality, and equity are secured in the adjudication of individual cases. The primary factors are how much the adjudication-making body or its members meet their expertise in the field and whether there is any political intervention. Specifically, it can be used as indicators of whether a fair decision has been made regardless of personal status (such as gender, age, income, academic background), whether the expertise of the person in charge of the examination and investigation has been sufficiently secured (such as experience, qualification) and whether detailed complaints are being handled according to the regulations, and whether there has been any illegal request (such as money or entertainment) in the whole adjudication process.

On the other hand, the most challenging reason for objectively assessing the quality of adjudication compared to other administrative services is that, from the claimant's point of view, the assessment of the quality or satisfaction of the service (regardless of any other factor) depends decisively on whether the request is recognized (revoking the original disposition) or rejected. That is, although the adjudication itself is perfect in which the procedural rationality was secured (the claimant's claims were sufficient, without misunderstanding, reflected in the whole examination process), the timing of the decision was quick (within 90 days), and even the conclusion of adjudication was legally and politically reasonable, it is common for the claimant to underestimate the quality of the service if the outcome

of the adjudication was "rejection." This also can be interpreted as having a decisive influence on the emotional and psychological factors previously presented by Spreng et al. (1996) and Belk (1975).

In the end, unlike other administrative services, the assessment of the quality of adjudication is reasonable after it is ultimately determined whether the results were legally justified. In other words, the quality of the adjudication needs to be positively assessed, apart from the customer's personal satisfaction level, if the claimant accepts the rejecting adjudication as reasonable without any more protest (lawsuit), and if the court eventually confirms that the rejecting adjudication was legitimate due to the same reason of the original adjudication. These claimant acceptance ratios and the final rejection ratio could be used as alternative indicators of the adjudication's rationality.

2.3.3.2.3. Procedural Validity (whether procedural rationality has been obtained in the process of the appeal)

Thibaut and Walker (1975) pointed out that control over the process, as well as control over the factors that affect the content, is essential in ensuring fairness in resolving disputes. In a similar view, Chung(1997) found that in the course of the trial, the parties tended to think more fairly about the proceedings, such as the presentation of evidence and the exercise of the right to plead, if their control is secured enough during the trial.

The same is true of administrative appeals. In the appeal process, before the result is made, whether the claimant is fully provided with the opportunity to present their own opinion and actually exercising their rights is a key to ensuring the swiftness and the rationality of the decision. In itself, it affects the quality of the adjudication independently as well. To do this, the claimant should have the opportunity to fully

explain their claim to the resolution-making body (council) in the appeal process and to require to share the grounds for the disposition presented by the disposition agency. The preview of documents and materials used for investigation as essential grounds for the decision shall be accepted as well.

An adjudication made without this sufficient procedural clarification and protection of rights risks leading to unreasonable conclusions because it is difficult to be built on a faithful review. Moreover, even though it was made on legal and reasonable grounds, the adjudication without sufficient procedural participation would result in a loss of satisfaction, which would be difficult for the other party to accept

In the case of the Tax Tribunal, it recently has benchmarked (introduced) the court's electronic litigation and litigation information provision system so that the claimant can grasp the progress in real-time. The Tax Tribunal also uses the claimant's opinion statement rate, the rate of prereview for the investigation report as internal evaluation indicators. Other specific indicators may be included, such as whether the information on the claimant's inquiries has been made well and whether the forms used for the complaints are easy to find and write.

#### 2.3.3.2.4. Other Factors Affecting the Satisfaction of Claimants

Psychological, emotional, and economic factors experienced by the claimant, such as whether the claimant has been sufficiently informed (accessibility) about how to file an appeal to the relevant agency, and whether the claimant is treated reasonably during the defense against the disposition, or whether they bear unnecessary costs, also can be indirect factors affecting the quality of the adjudication.

For example, the relevant indicators and assessments could include the following: 1. Is the officer in charge kind and polite?; 2. Is the physical distance and time to the

judge's place appropriate?; 3. Are the place and the handling procedure of the complaint easily provided to anyone?; 4. Is the parking lot conveniently available?; 5. Are the waiting and resting areas convenient?

#### 2.3.3.2.5. Other Indirect Factors (such as internal elements of the organization)

Bettencour and Brown (1997) studied the impact on services in terms of employees (public servants) rather than on customer-side services. They concluded that insiders' awareness of the job site's fairness has a significant impact on service delivery. In other words, it is argued that the unfairness of the employee at the job site harms the quality of the service. Research by Schneider et al. (1980) proved that job satisfaction is positively correlated with service quality. Meyer and Allen (1997) also supported that organizational immersion in service members affects job performance and service quality. Therefore, the organizational immersion and internal evaluation system of the adjudication organization members may also affect the quality of the adjudication.

For example, suppose the evaluation and promotion system for internal officials is determined simply by nominal performance (e.g., the number of cases handled), and internal employees do not sympathize with that standard of the evaluation. In that case, the employees will not be able to find a reason to maximize service quality in the adjudication process of investigation or the conclusion. In short, "the number" of "fast" decisions will crowd out "reasonable" decisions.

### **2.3.4. Other Related Literature Review**

#### 2.3.4.1. Studies on the Influence Factors of Adjudication Quality

##### 2.3.4.1.1. Promptness

Lodder et al. (2001) stated in his study on the informatization of courts that the ultimate purpose of information services in each country's judiciary is to achieve three things: fairness, speed, and economy, but the important thing is, the speed should be based on the premise that it does not damage judges' careful decision-making.

Hong (2011) also saw that as part of judicial reform, most major developed countries have pushed for information services tailored to each country's characteristics and that all of them seek speed, fairness, and transparency without much disagreement over its purpose.

#### 2.3.4.1.2. Rationality and Fairness

Concerning the adjudication content by the judiciary or the administrative branch, there are many studies on which factors significantly affect the outcome.

According to Chang (2009)'s empirical analysis study [based on the survey (14,648) conducted by the Anti-Corruption and Civil Rights Commission in 2008], the actual aspects (trust in results: professionalism, fairness) have a far more important effect on the overall satisfaction of rights relief than the process (convenience in processing: kindness, procedural guidance, promptness)

On the other hand, although it is not about an adjudication, according to a study by Park and Joung (2012), an regression analysis of the effects of four factors (equity, responsiveness, accessibility, and comfort) on citizen satisfaction showed that equity and responsiveness were essential factors in general. This can be interpreted as meaning that fair and reasonable decisions have an important impact on service quality.



Regarding the expertise of public officials in charge of ensuring reasonable decisions, Kim and Hong (2006) revealed through empirical analysis that the personal legal expertise (major, legislative work experience, legal education period) and organizational expertise (interest and support) had significant effects in the legislative capacity of public officials.

#### 2.3.4.1.3. Procedural Validity and Others

In the assessment of the quality of adjudication based on the rationality of it, Boekema (2015) analyzed the rate of disapproval of the lower court's decision in Dutch administrative litigation through a survey (241 people), in which the claimants show more weight on appraising aspect (considering the procedure and distributive justice: emotional factors) than calculating aspect (considering the probability of winning and agency costs).

According to a survey of 98 tax agents, Lee and Jung (2007) found that the factors influencing the choice of tax disobedience procedures were convenience (preferring the request to NTS), fairness (preferring the request for judgment (Tax Tribunal)), and tax amount (preferring the request for judgment (Tax Tribunal)).

On the other hand, procedural rationality is closely related to the reliability of administrative services. In the tax administration field, it is vital how much the taxpayer trusts the tax office and its director (NTS), which causes the tax appeal. Vogel (1974) concluded that the low trust level that taxpayers have in the taxation authorities leads to an increase in tax avoidance. Jun and Byun (2002) also decided that taxpayers' reliability to national tax administration positively affected reporting and payment, while the lower reliability causes a higher level of tax resistance.

Kim (2010) claimed that the value for the tax investigation and service has a statistically significant impact on taxpayer's trust as a result of analyzing (factor analysis) of 313 people from four groups(students, business operators, officials, and experts).

#### 2.3.4.2. A Study on the Influence Factors on the Tax Adjudication and the Improvement Measures

##### 2.3.4.2.1. Influence Factors on the Adjudication

Colaiacovo (2013) determined that the recognizing decision rate of the IRB (the largest administrative tribunal in Canada) responsible for immigration appeals varies significantly depending on the judges' background such as education, gender, and professionalism [by regression for 68,000 refugee appeals (264 judges) from 2006 to 2011].

Gazal-Ayal and Sulitzeanu-Kenan (2010) reviewed Arab and Jewish judges' decisions in the first bail hearing on each ethnic suspects in an Israeli court, presenting evidence that ethnic prejudice can work in judicial action.

In his study, Kulik (2003) also concluded that even if the severity of the case is controlled, the judge's characteristics [age or political orientation (party of the president who appointed them)] affects the decision of the judgment.

Hume (2007) analyzed 530 rulings and determined that the government's protest against the lower court's decision was influenced by a kind of signal in the written judgment (the basis of judgment, the use of notes, the judge's perception of the law), and also by the ideology and other tendencies of the Supreme Court judges.

#### 2.3.4.2.2. Influence Factors on the Tax Adjudication

Bae and Kim (2015) analyzed some instances (1,206 cases related to unlisted stocks). They concluded that the higher the amount (money) of the case, the higher the probability of rejection, and the higher the tax revenue progress, the higher the probability of recognition. Interestingly, the probability of rejection of the cases has gone up after the Tax Tribunal's independence.

Kim and Hong (2011) analyzed 2,326 individual cases in Tax Tribunal and analyzed what factors could affect appeals results. They concluded that 1. the more considerable the money amount of claims, 2. when the tax agent was appointed (especially tax accountant) 3. the more extended the processing period (within one year) was, the higher the rate of recognition.

#### 2.3.4.2.3. Improvement Measures for Tax Appeal

Introducing some of the existing research on ways to improve the tax appeal system is as follows.

Suh (2005) reviewed the institutional problems by analyzing the status of the adjudications in The Tax Tribunal and its workload, and suggested measures as 1. increasing the recognition rate; 2. increasing the workforce considering the workload; 3. guaranteeing the tenure and status of the tax judge. Suh also argued for integrating three tax appeals and the establishment of tax courts in the long term.

Kim (2008) concluded (through an analysis of experts' opinions) that the pre-relief system and the creation of tax court are needed in tax dissatisfaction and that lawyer and other groups' opinions are divided over granting the agent rights for tax

litigation to tax accountants.

Pointing out the problems of Korea's diversified tax appeal system, Park (2018) proposed the formation of a consultative body and related agreements, the enhancement of personnel and other (official and unofficial) exchanges, and the establishment of an information-sharing system as a way to strengthen measures for organizational and functional adjustment.

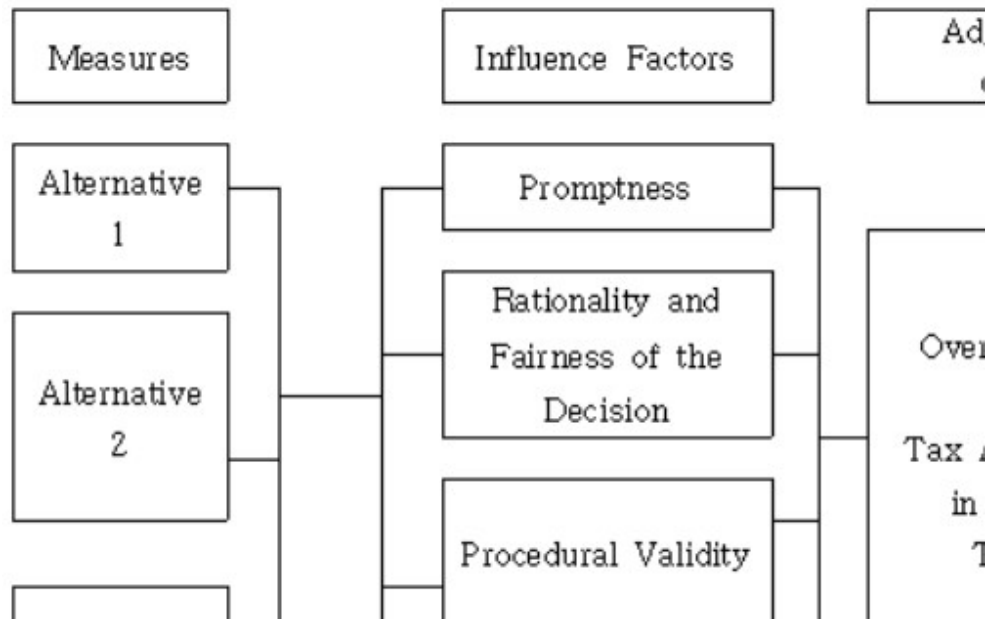
Kim and Hong (2011) argued how to improve the system of tax appeals: 1. expansion of the appeal's subjects; 2. enforcement of the process for claimant's opinion (increasing the number of meetings); 3. expansion of the scope of the examination. Lee and Jung (2007) also presented improvement measures as allowing administrative lawsuits with a selective request among all protests: a pre-assessment review, an objection, and one of the three tax appeals.

## **2.4. Research Question and Method**

### **2.4.1. Research Question**

This study seeks to identify reasonable improvements in the tax appeal system that can affect the elements of adjudication quality, which are to strengthen the effectiveness of real rights relief in tax appeals, to secure the reliability of the adjudication, and finally to secure the trust of taxpayers for the tax appeals. The analysis will focus on the Tax Tribunal, which accounts for an absolutely high percentage of domestic tax appeals. In summary, the research question is, "what measures improve the quality of adjudication of the Tax Tribunal, and what is the priority?"

[Figure 3] Searching for the Measures to Improve the Quality of Adjudication



As previously stated, despite the improvement of various systems to enhance the adjudication quality, there still seems to be considerable demand for strengthening taxpayer's rights. At the same time, not sufficient practical research has been done on specific (detailed) improvement measures.

For this, it may be a reasonable way to approach problems and draw practical alternatives based on the views of internal and external experts who have been engaged in the field for a considerable period and are usually conscious of the institutional problem.

Therefore, specific studies were conducted by applying the Delphi method as following.

#### 2.4.2. Research Method (Application of Delphi Method)

### 2.4.2.1. Delphi Method

#### 2.4.2.1.1. Meaning of the Method

The Delphi method (technique) began to develop into a way to predict the future by mobilizing experts' intuition in a particular field when the proper forecasting method was not found. It is expanding its scope to be used in estimating problems or gathering opinions from members by reaching consensus as well as forecasting future changes (Lee, 2001). Hasson et al. (2000) defined it as a technique in which a group of experts goes through repetitive discussion (survey) rounds to expand the scope of knowledge and build consensus.

Some point out that repetitive surveys of the Delphi method can result in respondents being biased due to responses to previous rounds. However, Hassan et al. (2000) instead emphasize that as they expose this bias information themselves, participants will have the opportunity to change their views in light of the overall response of the expert group (e.g., accepting the average opinions of others), which is an advantage of the Delphi method. This means that experts can gather their opinions under more objective and open conditions combined with Delphi's other characteristics that guarantee participants' anonymity. Thus, the Delphi method has the advantage of eliminating undesirable effects that can occur during face-to-face discussions: 1. Ignoring minority opinions; 2. Influence of an authoritative member; 3. collectivism by pre-coordination; 4. adherence to the first positions (Lee, 2001).

#### 2.4.2.1.2. Precautions for Application of Delphi Method

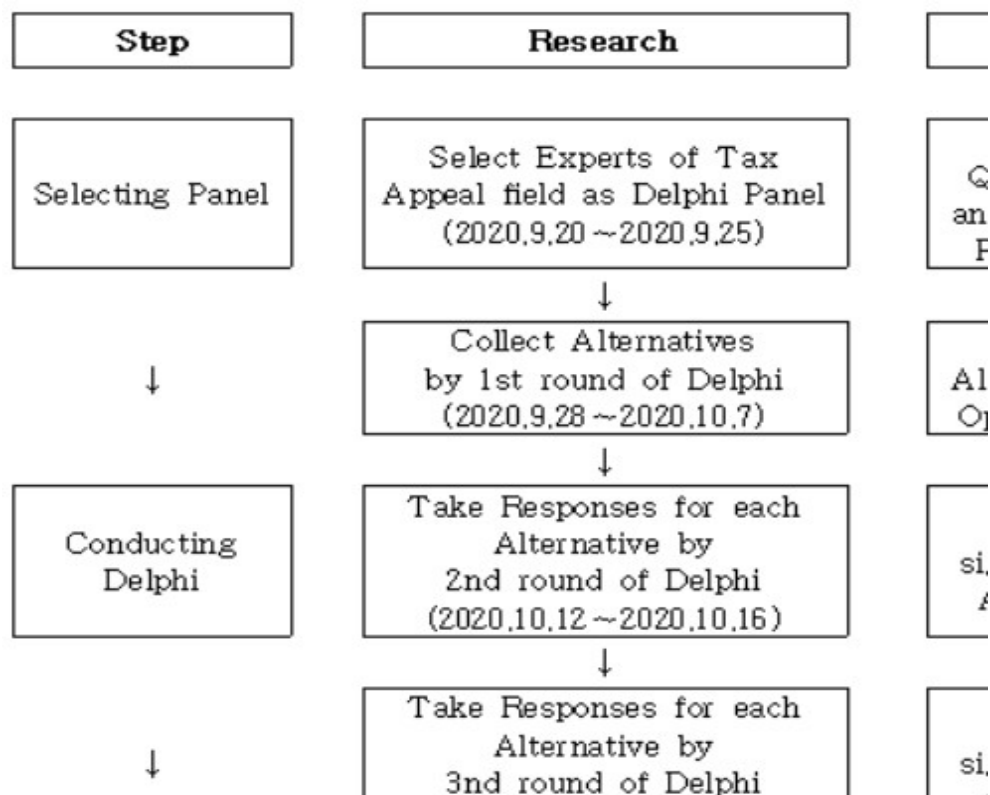
When trying to apply the Delphi method, the essential tasks are 1. to define the estimating problem as narrowly as possible, 2. to select panels reasonably, and 3. to

prevent panels from leaving during the procedures (Lee, 2001). Concerning the size of a panel, a small number of panels may reduce the analysis's validity. However, on the contrary, even when they are too large, problems such as panel fatigue, lack of consistency in response, and regression to the mean of panel reactions can arise (Lee, 2001).

#### 2.4.2.2. Specific Research Procedures and Measures to Secure Reliability at Each Phase

##### 2.4.2.2.1. Research Procedures

[Figure 4] Delphi Procedures of this Study



The methods for each step are shown in Table 3, and the response rates for the first to third Delphi are as shown in Table 4.

[Table 3] Research Method for Each Step

Step	Specific Research Method
Select Experts	·Select a group of experts (panel) to participate in the study.
1st round of Delphi	·Sends open questions to panel members asking how to improve the tax adjudication quality and properly classifies the various answers (alternatives) submitted (integrates overlapping measures).
2nd round of Delphi	·Through the first Delphi results, all the classified and integrated alternatives are prepared in closed questions (using a five-scale of Likert) ·Send the questionnaire to the panel members to determine how much each alternative is supported
3rd round of Delphi	·Based on the results of the 2nd round of Delphi, a new questionnaire is created by deleting invalid alternatives. The panel is given statistics (Median and IQR) of each (valid) alternative. ·The panels will respond to their opinions once again, taking into account the other participants' opinions (statistics). ·Determine whether consensus for each alternative is made based on the answers.
Analyze Results	·After the end of the final round, analyze the panel group's alternatives and their priorities.

[Table 4] Response Rate for Each Round

Delphi Round	Period	The number of Experts		Response Rate
		Asked	Answered	
1st	2020.10.3. ~ 2020.10.8.	29	26	92.9%
2nd	2020.10.15. ~ 2020.10.22.	26	25	96.2%
3rd	2020.10.26. ~ 2020.11.3.	25	25	100%

#### 2.4.2.2.2. Measures to Secure Reliability at Each Step

##### 2.4.2.2.2.1. Selecting Experts (Panel)

It appears that universally agreed or objective standards, which are the criteria for selecting Delphi research panels, have not yet been established (researchers are



generally using pre-evaluation methods for characteristics such as career, research achievements, and reputations among peer groups).

In this study, the following criteria were applied as the basis for panels that present alternatives and share opinions. The experts were composed of 1 .people who understand the administrative and legal procedures of taxation disposition and tax judgment; 2. people who could analyze legal, tax, and accounting aspects of the disputes; 3. people who understand the organizational and systemic reality of tax appeals.

To do this precisely, 1. the people who have worked or are currently working for the tax tribunal and have at least ten years of experience in overall tax affairs, or 2. the people who hold relevant certificates such as lawyers, accountants, or tax accountants, and have at least five years of experience in investigations in tax dispute (as a position of officer or higher level) were selected as the panel experts. In order to further reinforce the professional requirements, those who had worked as adjudication investigator (manager) or higher service experience, those who have experiences in coordination team, and those who have participated in tax dispute as agents of taxpayers were selected preferentially (see Table 6 of Section 3 for selection).

#### 2.4.2.2.2. Analyzing Results of Delphi Response

Since Delphi is basically based on experts' subjective opinions, unless it is defined as a result that will actually occur in the future, the validity of its forecast results can be measured by the degree of expert consensus. This study also has no choice but to determine its validity by consensus on each item in the experts' group because the alternatives presented by the experts cannot be applied and extracted as dependent variables, which will cause outcomes or results in the future.

In applying the Delphi method, the standard commonly used as a tool to determine whether the internal validity of each item in the survey is the Content Validity Ratio (CVR), which was designed and calculated by Lawshe (1975). It is measured in the following formula using the number of experts who answered that it is important (essential) for each item.

$$CVR = \frac{N_e - (N/2)}{N/2}$$

Ne = The number of who responds to the item is important  
 N = Total number of panels

If the CVR value is above a certain level, the item is judged to be recognized as "important" by the expert group. The threshold (minimum value) of CVR varies as follows by the size of the expert group (panels),

[Table 5] Minimum Value of CVR by Number of Panels

Number of Panels	Minimum Value
5	0.99
6	0.99
7	0.99
8	0.75
9	0.78
10	0.62
11	0.59
12	0.56
13	0.54
14	0.51
15	0.49
20	0.42
25	0.37
30	0.33
35	0.31
40	0.29

In this study, the minimum value of CVR was 0.37, as the number of participants who responded in the 2nd and 3rd round of the Delphi was constant at 25. Therefore, significant alternatives (items) were selected for each step based on the CVR minimum value of 0.37. The median and the IQR (interquartile range, the 3rd quartile - the 1st quartile) of the answers for each item were calculated.

In addition to the CVR, the degree of consensus and the degree of convergence were derived based on the median above and the quartile as supplementary indicators for verification of feasibility. The degree of convergence is an index that indicates the degree of convergence of responses obtained through the Delphi survey. The smaller the quadrant, the smaller the convergence, which means that experts' opinions are gathered closer. The consensus is a way of verifying how much consensus has been reached among experts. The larger the consensus index, the higher the level of mutual agreement between the experts (Lee, 2001). Meanwhile, the coefficient of variation (statistically stable if the value is between 0.1 and 0.3) was used to measure the stability to determine whether further investigation is necessary. Each indicator is measured in the following ways:

$\text{the degree of consensus} = 1 - (\text{IQR} / \text{Median})$ $\text{the degree of convergence} = \text{IQR} / 2$ $\text{the coefficient of variation} = \text{Standard Deviation} / \text{Average}$
--

The criteria adopted as the appropriate improvement measures in this study were those items that satisfied all elements of 1. CVR value above the reference point of 0.37; 2. degree of consensus above 0.75; 3. degree of convergence less than 0.50; and 4. coefficient of variation less than 0.3 in the final Delphi result.

#### 2.4.2.2.2.3. Other ways to Secure Reliability

For increasing the response rate of the panels, the research process was periodically

guided to the participants. In particular, if each alternative's meaning is somewhat ambiguous, the experts can contact the researcher and get information related to understanding each alternative's content exactly and equally.

Also, not only the statistics (Median, IQR) for each item but also the additional (subjective) opinions [e.g., why their opinions differ from the average opinion (Median) of whole panels] on the overall answers of the panels were presented to each panel in the next round of the Delphi so that even a minority opinion could be shared among the panels. This information provided is expected to provide a basis for each expert to change their final opinion in the future, considering the knowledge and opinions of many other experts except themselves during the process.

# Chapter 3. Research Results

## 3.1. Specific Research Method and Results

### 3.1.1. Specific Research Process and Outcomes

#### 3.1.1.1. Expert Panel Composition

[Table 6] Experience and Certification of Each Panel Member

	Initial of Family Name	Experience (years)					Certification		
		10+ years of Career in Tax Affairs	5+ years of Career in Investigation (as higher than Officer)	Career as an Adjudication Investigator (Manager)	Career in Coordination work	Tax Agent Career	Lawyer	CPA	Tax Accountant
1	K	○ (27)	○ (8)		○ (5)	○ (3)			○
2	K	○ (24)	○ (7)						○
3	P	○ (24)	○ (6)		○ (5)				
4	K	○ (20)	○ (8)		○ (1)			○	
5	L	○ (20)	○ (9)		○ (3)				
6	K	○ (20)	x (4)		○ (3)				
7	K	○ (20)	○ (8)		○ (5)				○
8	C	○ (20)	x (3)		○ (5)	○ (3)			○
9	L	○ (19)	○ (12)		○ (2)			○	
10	K	○ (18)	○ (5)	○ (5)	○ (5)		○		
11	K	○ (17)	○ (14)	○ (1)					
12	C	○ (15)	○ (13)	○ (1)	○ (1)		○		
13	C	○ (15)	○ (12)		○ (3)		○		
14	O	○ (15)	○ (5)		○ (5)				○

15	C	○(14)	x (0)	○(4)		○(10)	○		
16	L	○(14)	○(8)	○(5)	○(1)				
17	K	○(13)	○(9)	○(3)	○(1)				
18	S	○(13)	x (1)		○(5)				
19	N	○(12)	○(8)				○		
20	C	○(12)	○(5)			○(7)		○	
21	P	○(11)	○(8)	○(2)	○(1)				
22	J	○(11)	○(7)						
23	C	x (9)	○(7)	○(2)	○(2)		○		
24	Y	x (9)	○(6)			○(3)	○		
25	B	○(8)	○(5)		○(1)		○		

The expertise's status, including the tax field experience for each expert who participated in the actual research (26 respondents in the first Delphi out of 29), is as Table 6.

### 3.1.1.2. Implementation of the 1st Round of Delphi

The following open questions were e-mailed to the panel of experts to gather answers so that each expert could review and suggest the measures to improve the adjudication quality in the Tax Tribunal from the ground without any prejudice.

#### 3.1.1.2.1. The Opened Question

<p>"Please present possible five measures that you think are necessary to improve the quality of adjudication of the Tax Tribunal (including measures to strengthen the current or recently introduced system)."</p> <p>1. _____</p> <p>2. _____</p> <p>3. _____</p> <p>4. _____</p> <p>5. _____</p>
--

### 3.1.1.2.2. Results and Main Answers

A total of 29 people was e-mailed to receive the first response from 25 (response rate of 92.9%). At least two to five alternatives per person were presented as answers to the first round question, and a total of 103 alternatives were collected accordingly

All responses were reviewed, and the same or similar content was aggregated and categorized by related items such as cooperation with the related organization, internal process improvement, microscopic reorganization, and personnel management (as sub-groups), resulting in a total of 49 alternatives, including six groups and 19 sub-groups, as shown in Table 7 below.

[Table 7] Alternative Items for Improvement Presented in the 1st Round

Groups	Sub-groups	No.	Alternative Item
Strengthen Network	Cooperation with Related Organization	1	Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)
		2	Develop the information sharing system among related agencies for objective and faithful investigation of cases, such as grounds for disposition and verification of basic facts
	Expanding Personnel Exchanges	3	Expand personnel exchanges with new agencies (e.g., the Courts, the Ministry of the Interior and Safety, the Korea Customs Service).
		4	Expand personnel exchanges with current agencies (e.g., the Ministry of Strategy and Finance, the NTS)

Improve Review System	Improving Government-Appointed Tax Agent System	5	Make a pool of candidates for the government-appointed agent through the necessary qualification examination
		6	Strengthen and activate the government-appointed agent system
	others	7	Strengthen objective and individual judgment (reducing reliance on precedents)
	Improve Internal Processes	8	When re-considering (additional resolution) individual cases, the original council should be excluded to ensure objectivity and fairness of the decision.
		9	Extend the review period (1 → 2 weeks) for the hearing (meeting) of the councils or Reduce the meeting cycle from the current weekly to every two weeks (to allow time for a thorough review of each case)
		10	Improve the 'issue description date system' (Delete the "amount" of the existing criteria and leave the "difficulty level" as the only criterion)
		11	Form a separate team that handles the cases without precedent or of formalized (easy) issues.
		12	Make clear requirements for reconsideration: Excessive reconsideration increases claimants' fatigue and decreases the Tax Tribunal's credibility.
		13	Introduce a direct examination of tax judges system or reinforcement of elements of direct examination
		14	Reinforce the process of small-scale cases (shortening the processing period and promoting substantial judges' meetings)
	Protection of Claimant Rights	15	Seek ways to simplify and rationalize the judgment process that may seem complicated for the general public / Guide claimants through the overall case handling procedure (enhance understanding)
		16	Expand the review time of judges' meeting for each case
		17	Enhance the opinion statement of claimants
		18	Provide a mandatory case-description hearing to the investigator and staff



		19	Offer the claimant an opportunity to describe the case directly to the judges
	Standardization	20	Unify the decision form (the criteria for writing orders, the criteria for describing fact-relation in the case, the method of determining the evidence, the method of writing reasons for the decision)
		21	Improve the investigation's quality by standardizing the appeal application (by claimant) form and the answer (by tax offices) form
		22	Change the investigation form (based on the issues and related legal principles)
Enhance Professionalism	Internal Education	23	Reinforce regular internal staff-education to improve quality in writing investigation reports and adjudication.
		24	Develop original talent training programs
		25	Invite famous instructors / activate various (or regular) seminars
	External Education	26	Activate education system of relevant ministries (tax office, the NTS, the Korea Customs Service) and external educational institutions (cooperation with associations of lawyers, tax accountants, CPA.) to strengthen the capacity of employees
Improve Organizational Operation	Microscopic Re-organization	27	Reorganize the affairs of each judging council by tax item to ensure the work efficiency and uniformity of decisions
		28	Establish an organization in charge of research/analysis of internal data (such as precedents, court cases, and foreign systems)
		29	Change the current coordination review system (by the council → by tax item)
		30	Separate the coordination team (make it another office) from the administration office to strengthen the coordination review function
	31	Develop a "legal support team" to support measures to review other laws that are key to determining the complicated issues	
	Personnel Management	32	Increase the number of regular tax judges for the in-depth review

		33	Introduce open-position (from the private sector) regular tax judges
		34	Improve the appointment procedures of tax judges (including non-regular) to reinforce professionalism and fairness
		35	Strengthen the functions of the coordination by assigning experienced (5+ years in investigating) officers
		36	Introduce of 1:1 mentoring system for new employees to enhance their work and organizational adaptability
		37	Give responsibility to chief investigators for direct investigation and handling of important cases (considering difficulties, ripple effects, and amounts)
	Strengthen Policy Feedback	38	Establish a system that can quickly recommend legislative amendments to errors and deficiencies in tax laws identified during the appeal process
	Expansion of Investigating Staff	39	Increase the number of investigating staff to reduce the number of cases per person
	Improvement of Performance Evaluation Criteria	40	Avoid evaluating performance based on quantitative indicators (e.g., number of cases handled), and encourage investigators and tax judges to improve the quality of adjudication by introducing an evaluation for the case itself (e.g., the award for the best quarterly adjudication)
		41	Introduce the 360-degree evaluations and apply disadvantages to judges who lack the competence to increase fairness and objective reputation of judges
Strengthen the Organization's Status	Institutional Integration	42	Consolidate the three tax appeal systems into one
	Strengthen the Organization	43	Secure independence in personnel and budget
		44	Raise the rank (position) of the commissioner to establish the status of the Tax Tribunal as a quasi-judicial institution
Improve support systems	Adjudication Monitoring	45	Track each case to know its final decision by the court.[Monitors (produce statistics) whether the judgment of court and adjudication is consistent across the board]

	System Improvement	46	Establish a computer network and recruit personnel exclusively responsible for the activation of the electronic appeal system.
		47	Introduce Smart Council Meeting, by which tax judges share details and additional data for the case (e.g., movie clips, diagrams) in real-time by using digital equipment in the meeting room
		48	Secure personnel exclusively responsible for various administrative tasks such as document receipt
	Strengthen investigation support	49	Develop an independent search system that allows staff to search detailed precedents and research papers

### 3.1.1.3. Implementation of the 2nd Round of Delphi

#### 3.1.1.3.1. The Closed Questions

“These are alternatives presented by the expert group. Please level of importance for each of the following alternatives: (u of notes for your individual comments if there is opposition opinion)”

Groups	Sub-groups	Alternatives	not important	less important	so so
Strengthen Network	Cooperation with Related Organ	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)			○
		2. Develop the information sharing system among related agencies for			

The above form of the questionnaire is prepared to inquire about each item's importance on 49 items in Table 6 above. The questionnaire was distributed by e-mail, and the answers based on the five-point Likert scale were compiled, and 25 of the 26-panel members who participated in the first Delphi responded (96.2%).

### 3.1.1.3.2. Collection Results

[Table 8] Statistics for Each Item according to the Results of the 2nd Round

No.	Item	CVR	Mdn	Degree of Consensus	Coefficient of Variation
<b>Strengthen Network</b>					
1	Introduce the Entrustment for Expert Testimony in the tax appeal process	0.36	4	0.500	0.276
2	Develop the information sharing system among related agencies	0.76	5	0.800	0.223
3	Expand personnel exchanges with new agencies	0.44	4	0.563	0.268
4	Expand personnel exchanges with current agencies	-0.20	3	0.667	0.311
<b>Improve Review System</b>					
5	Make a pool of candidates for government-appointed agent through basic qualification	0.20	4	0.375	0.283
6	Strengthen and activate the government appointed agent system	0.20	4	0.750	0.243
7	Strengthen objective and individual judgment (reducing reliance on precedents)	-0.20	3	0.417	0.266
8	Excluded the original council when re-considering individual cases	-0.36	2	-0.375	0.501
9	Extend the review period (1 → 2 weeks) for the hearing (meeting) of the councils	0.04	35	0.143	0.385
10	Improve the 'issue description date system'	0.76	4	0.750	0.232
11	Form a separate team that handles the cases without precedent or of formal issues	-0.44	3	0.333	0.413
12	Make clear requirements for reconsideration	0.28	4	0.625	0.304
13	Introduce a system of direct examination of tax judges	-0.36	3	0.333	0.338

14	Reinforce the process of small-scale cases	0.28	4	0.250	0.347
15	Seek ways to simplify and rationalize the judgment process and guide claimants	-0.28	3	0.667	0.280
16	Expand the review time of judges' meeting for each case	0.36	4	0.500	0.229
17	Enhance the opinion statement of claimants	0.28	4	0.750	0.232
18	Provide a mandatory case-description hearing to the investigator and staff	0.28	4	0.750	0.261
19	Offer claimant an opportunity to describe the case directly to the judges	-0.12	3	0.333	0.420
20	Unify the decision form	0.52	4	0.500	0.282
21	Improve the quality of the investigation by standardizing the application form.	-0.12	3	0.333	0.317
22	Change the investigation form (based on the issues and related legal principles)	-0.36	3	0.333	0.389
Enhance Professionalism					
23	Reinforce regular internal staff-education	0.60	4	0.750	0.216
24	Develop original talent training programs	0.44	4	0.500	0.281
25	Invite famous instructors / open seminars	0.36	4	0.500	0.262
26	Activate education system of relevant ministries and external institutions	0.68	4	0.750	0.165
Improve Organizational Operation					
27	Reorganize the affairs of each judging council by tax item	-0.28	3	0.333	0.400
28	Establish an organization in charge of research/analysis of internal data	0.60	4	0.750	0.276
29	Change the current coordination review system (by council → by tax item)	0.52	4	0.500	0.231
30	Separate the coordination team from the administration office	0.92	5	0.800	0.148
31	Develop a "legal support team" to support measures to review other laws	0.36	4	0.750	0.290
32	Increase the number of regular tax judges for the in-depth review	0.76	5	0.800	0.156
33	Introduce open-position (from private sector) regular tax judges	-0.44	3	0.333	0.430
34	Improve the appointment procedures of tax judges to reinforce professionalism	0.68	5	0.800	0.260
35	Strengthen the functions of the coordination by assigning experienced officers	0.60	4	0.750	0.191

36	Introduce of 1:1 mentoring system for new employees	0.76	4	1.000	0.143
37	Give responsibility to chief investigators for direct investigation	0.28	4	0.750	0.360
38	Establish a system for legislative amendments to errors and deficiencies	0.52	4	0.750	0.223
39	Increase the number of investigating staff to reduce the number of cases per person	0.92	5	1.000	0.096
40	Avoid evaluating performance based on quantitative indicators	0.84	5	0.800	0.218
41	Introduce the 360 degree evaluations for tax judges	0.84	5	0.800	0.163
Strengthen the Organization's Status					
42	Consolidate the 3 tax appeal systems to one	0.36	4	0.500	0.344
43	Secure independence in personnel and budget	0.76	5	1.000	0.224
44	Raise the rank (position) of the commissioner	0.60	5	0.800	0.268
Improve support systems					
45	Track each case to know its final decision by the court (produce statistics)	0.68	5	0.800	0.168
46	Establish a computer network and recruit personnel exclusively responsible for it	0.52	4	0.500	0.239
47	Introduce Smart Council Meeting	0.52	4	0.500	0.182
48	Secure personnel exclusively responsible for various administrative tasks	0.68	4	0.750	0.162
49	Develop an independent case search system	0.52	4	0.500	0.266

The answer results of the 2nd round of Delphi are as shown in Table 7. As a result of each item's CVR review, a total of 25 items had CVR values of 0.37 or higher. Also, nine items with the coefficient of variation of more than 0.3 or the degree of consensus less than 0.75 out of twelve items with the CVR values below the reference point (0~0.37) but with the median value greater than 3.0 were included in the 3rd round Delphi question for further consensus, as they were not yet considered that sufficient agreement was made. As a result, a total of 34 items were included in the 3rd Delphi Questionnaire.

On the other hand, eleven items with the CVR below zero or a median of 3.0 or

below, and four items with the CVR below the reference point (0-0.37), the degree of consensus of 0.75 or higher, and the coefficient of variation less than 0.3 (which means the agreements as "negative") were excluded from the subsequent analysis.

In the second Delphi, the key points that experts specify for negative reasons for items whose CVRs and median values did not satisfy the criteria are shown in Table 9 below.

[Table 9] Reasons for Rejection of Non-adopted Items in the 2nd Round

No.	Non-adopted Items	Reasons for Rejection
4	Expand personnel exchanges with current agencies	<ul style="list-style-type: none"> <li>· Personnel exchanges with the ministry that is not an adjudication-making body (especially those that are not tax-related, such as the HQ of the Prime Minister's Office), are feared to undermine the expertise.</li> <li>· Unlike before, the exchange with the National Tax Service is perceived as a simple dispatch due to personnel demand between agencies.</li> </ul>
6	Strengthen and activate the government-appointed agent system	<ul style="list-style-type: none"> <li>· The current system's level is sufficient (such as mandatory labeling of demand in the appeal application).</li> </ul>
7	Strengthen objective and individual judgment (reducing reliance on precedents)	<ul style="list-style-type: none"> <li>· As an administrative judge, it is necessary to deal with the case uniformly (Requires consistent judgment based on precedents).</li> <li>· There is a risk that the decision will be lenient under the pretext of individual judgment.</li> <li>· Even now, it does not rely much on the decision of the former cases.</li> </ul>

8	Excluded the original council when re-considering individual cases	<ul style="list-style-type: none"> <li>· This purpose can be achieved through a Joint Session.</li> <li>· Considering the continuity of the examination, the decision by the original council is reasonable.</li> <li>· There is a possibility of artificially inducing other conclusions when changing the department (judging panel), and making decisions by the original department that have previously undergone judging procedures (identification of facts or issues, examination) can eliminate unnecessary suspicions.</li> <li>· There is no basis for such a conclusion to be considered more reasonable than the original conclusion if another council has reached a different conclusion.</li> <li>· The reduction in work efficiency is more significant than the effect of fairness and independence.</li> </ul>
11	Form a separate team that handles the cases without precedent or of formal issues	<ul style="list-style-type: none"> <li>· Worried about undermining work efficiency.</li> <li>· Even within the current system, experienced investigators in each judge department can handle it.</li> <li>· Even formalized issues often have to be considered differently depending on subsequent changes in statutes or precedents or facts in each case.</li> </ul>
13	Introduce a system of direct examination of tax judges	<ul style="list-style-type: none"> <li>· There are too many cases now, and it is impossible considering the nature of the administrative appeal system.</li> <li>· No expertise can be guaranteed because many judges have no experience in investigating cases (the investigating facts and the interpretation of law should be made by a skilled person (investigator)).</li> <li>· There is a high risk that the tax judges' work will be overloaded and will instead be negligent in their hearing and adjudication-making.</li> </ul>
15	Seek ways to simplify and rationalize the judgment process and guide claimants	<ul style="list-style-type: none"> <li>· Separate counseling personnel may be assigned and operated in the civil service office.</li> </ul>
17	Enhance the opinion statement of claimants	<ul style="list-style-type: none"> <li>· If too many resources are put to the cases of opinion statements, it harms other cases (the current system is sufficient).</li> </ul>
18	Provide a mandatory case-description hearing to the investigator and staff	<ul style="list-style-type: none"> <li>· The method with documents is more accurate and specific, and mutual inquiry is possible whenever necessary.</li> </ul>



19	Offer claimant an opportunity to describe the case directly to the tax judges	<ul style="list-style-type: none"> <li>· It is reasonable to prohibit direct contact in terms of fairness and independence.</li> <li>· If allowed, there is room for confusion in the progress of the case.</li> <li>· It is possible to fully explain (opinion statement system) at the judges' meeting, and request additional meetings if insufficient.</li> </ul>
21	Improve the quality of the investigation by standardizing the application form.	<ul style="list-style-type: none"> <li>· Appealing reasons need to be freely described without any stubborn form because the argument method depends on each claimant's situation. (However, it is necessary to enter the required items, such as the purpose of the claim)</li> <li>· It is challenging to demand standardization from various claimants and other agencies.</li> </ul>
22	Change the investigation form (based on the issues and related legal principles)	<ul style="list-style-type: none"> <li>· It is reasonable to find the most efficient method according to the circumstances of the case.</li> <li>· Considering its status as a civil service agency and the characteristics of indirect examination, it is necessary to make a faithful statement of the claim.</li> <li>· Unlike the decision, the investigation is only for internal review.</li> <li>· To judge the disposition's unfairness, the claim must be reflected (the reliability of the hearing and decision) as much as possible.</li> </ul>
27	Reorganize the affairs of each judging council by tax item	<ul style="list-style-type: none"> <li>· Even if the council is reorganized by the types (categories) of tax, the actual benefits are small as the organization size is small (e.g., position circulating).</li> <li>· There is a risk that the decision's tendency will become entrenched in the opinion of the person in charge.</li> <li>· It is unnecessary because coordination reviews are done by tax type.</li> <li>· Since various taxes are related, there may be some missing parts if only one item is concentrated.</li> </ul>
31	Develop a "legal support team" to support measures to review other laws	<ul style="list-style-type: none"> <li>· Usually, it is at a level that can be reviewed by the investigating staff in charge.</li> <li>· Strengthening expertise through internal education is enough.</li> </ul>
33	Introduce open-position (from the private sector) regular tax judges	<ul style="list-style-type: none"> <li>· There is a risk that responsibility will decrease.</li> <li>· All verification procedures for securing independence shall precede.</li> </ul>

#### 3.1.1.4. Implementation of the 3rd Round of Delphi

3.1.1.4.1. The 2nd Close Questions

Following the analysis of the 2nd round of Delphi results, each item in the 3rd questionnaire included the median and IQR of the panel group answers of the 2nd round (provided mean and standard deviation for reference - not used as the basis for analysis) and the previous answer on which each panel initially responded. Through this, each panel was allowed to identify the level of universal opinion and key individual opinions that the entire panel group currently has and modify each opinion on individual items.

"The following alternatives are shown to be significant or responses of a group of experts in the 2nd Delphi. Each item the average level and range of answers from the entire Please provide your final opinion by referring to your existing the entire expert group's opinion. (use the column of no individual comments if there is opposition or any other opinion

✳ Above columns mean "the whole panel's [Mdn, 1Q~3Q] /

Groups	Sub-groups	Alternatives	not important	less important	ago
Strengthen Network	Cooperation with Related Organizations	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)			[4, 3~5 (3.9, 1.0  ○
		2. Develop the information sharing system among related agencies for objective and			[5, 4~5 (4.4, 0.9

In the third Delphi, the reasons for the out-of-range answers were allowed to be indicated in the notes.

#### 3.1.1.4.2. Collection Results

The results of the third Delphi answer are as shown in Table 10 below. As a result of each item's CVR review, 27 items had CVR values higher than 0.37. Most of the adopted CVR values and consensus levels were higher than the results in the 2nd round of Delphi (but for no.2. Develop the information sharing system among related agencies, they fell slightly). The coefficient of variation has all been stabilized as well. It can be said that opinions were converged during the Delphi process and that opinions were mainly moved to strengthen consensus on the need for each alternative.

Among the nine items on the boundary (CVR 0-0.37, non-compliance with the agreement or variation factor) at the 2nd round of Delphi, the items finally adopted (CVR 0.37 or higher, satisfied both the degree of consensus and the coefficient of variation) were no.12. Clear requirements for reconsideration, and no.16. Expansion of the review time of judges' meeting for each case.

[Table 10] Statistics for Each Item according to the Results of the 3rd Round

No.	Item	CVR	Mdn	Degree of Consensus	Coefficient of Variation
Strengthen Network					
1	Introduce the Entrustment for Expert Testimony in tax appeal process	0.04	4	0.750	0.232
2	Develop the information sharing system among related agencies	0.68	4.5	0.778	0.214
3	Expand personnel exchanges with new agencies	0.44	4	0.750	0.268

Improve Review System					
5	Make a pool of candidates for government-appointed agent through basic qualification	0.04	4	0.750	0.299
9	Extend the review period (1 → 2 weeks) for the hearing (meeting) of the councils	-0.12	3	0.333	0.354
10	Improve the 'issue description date system'	0.84	4	0.938	0.218
12	Make clear requirements for reconsideration	0.44	4	0.750	0.203
14	Reinforce the process of small-scale cases	-0.04	3	0.333	0.318
16	Expand the review time of judges' meeting for each case	0.44	4	1.000	0.211
20	Unify the decision form	0.76	4	1.000	0.200
Enhance Professionalism					
23	Reinforce regular internal staff-education	0.84	4	0.750	0.165
24	Develop original talent training programs	0.44	4	1.000	0.268
25	Invite famous instructors / open seminars	0.28	4	0.750	0.227
26	Activate education system of relevant ministries and external institutions	0.68	4	1.000	0.178
Improve Organizational Operation					
28	Establish an organization in charge of research/analysis of internal data	0.68	4	1.000	0.186
29	Change the current coordination review system (by council → by tax item)	0.52	4	1.000	0.190
30	Separate the coordination team from the administration office	0.92	5	1.000	0.102
32	Increase the number of regular tax judges for the in-depth review	1.00	5	1.000	0.076
34	Improve the appointment procedures of tax judges to reinforce professionalism	0.84	5	0.800	0.165
35	Strengthen the functions of the coordination by assigning experienced officers	0.92	4	0.750	0.121
36	Introduce of 1:1 mentoring system for new employees	0.68	4	1.000	0.141
37	Give responsibility to chief investigators for direct investigation	0.20	4	0.750	0.268
38	Establish a system for legislative amendments to errors and deficiencies	0.52	4	1.000	0.152
39	Increase the number of investigating staff to reduce the number of cases per person	1.00	5	1.000	0.055
40	Avoid evaluating performance based on quantitative indicators	0.84	5	0.800	0.163
41	Introduce the 360 degree evaluations for tax judges	0.92	5	0.800	0.112

Strengthen the Organization's Status					
42	Consolidate the 3 tax appeal systems to one	0.20	4	0.750	0.252
43	Secure independence in personnel and budget	0.76	5	1.000	0.168
44	Raise the rank (position) of the commissioner	0.84	5	1.000	0.213
Improve support systems					
45	Track each case to know its final decision by the court (produce statistics)	0.68	5	1.000	0.163
46	Establish a computer network and recruit personnel exclusively responsible for it	0.52	4	1.000	0.178
47	Introduce Smart Council Meeting	0.76	4	1.000	0.143
48	Secure personnel exclusively responsible for various administrative tasks	0.76	4	1.000	0.147
49	Develop an independent case search system	0.60	4	0.750	0.239

The main points that experts specify for negative reasons for the alternatives that were finally rejected in the third round of Delphi are shown in Table 11. In the case of items no.5. Making a pool of candidates for the government-appointed agent through necessary qualification and no.25. Inviting famous instructors / open seminars, the overall approval rates are high but rejected for numerical reasons. It seems reasonable to understand that the needs are acknowledged but already satisfied with the policy's current level or execution.

[Table 11] Reasons for Rejection of Non-adopted Items in the 3rd Round

No.	Non-adopted Items	Reasons for Rejection
1	Introduce the Entrustment for Expert Testimony in the tax appeal process	<ul style="list-style-type: none"> <li>· Delegation should be careful as the authority is transferred</li> <li>· To prepare the system, the law needs to be revised, such as specifying the method of evidence, procedures for detecting evidence in detail in the Framework Act on National Taxes.</li> <li>· Since there is an opportunity to request the Entrustment for Expert Testimony in the litigation process, there is a possibility that it will become a duplicated procedure.</li> <li>· Unlike lawsuits, the tax appeal is practically inappropriate to adopt it because it is challenging to hold several meetings (Entrustment for Expert Testimony requires several meetings to present and listen to opinions, including applications, selection of experts, testimony, appeal to it)</li> </ul>

9	Extend the review period (1 → 2 weeks) for the hearing (meeting) of the councils	<ul style="list-style-type: none"> <li>· It is clear that the case processing period will be extended.</li> <li>· After completing the investigating report, additional answers from the claimant or the tax service will be submitted, which will make the investigation less reasonable.</li> <li>· It is meaningless unless the total amount of cases per personnel eventually decreases.</li> <li>· Rather, a review period is needed for the investigating officers and the managers.</li> <li>· If necessary, a thorough review is possible through additional council meetings.</li> </ul>
14	Reinforce the process of small-scale cases	<ul style="list-style-type: none"> <li>· Small-scale judges do not account for much of the total cases. It is predicted that it will not be easy to shorten processing time compared to the current period.</li> </ul>
37	Give responsibility to chief investigators for direct investigation	<ul style="list-style-type: none"> <li>· There have been attempts in the past, but due to practical problems, the staff (officers) conducted the investigation again at last.</li> </ul>
42	Consolidate the three tax appeal systems into one	<ul style="list-style-type: none"> <li>· Providing various channels of appeal to taxpayers can be helpful.</li> <li>· It is a matter for the political community to decide.</li> </ul>

### 3.1.2. Finally Adopted Alternatives

#### 3.1.2.1. Top Priority Alternatives

As shown above, after integrating the 103 items proposed in the first round of Delphi into 49 items, a total of 27 alternative items were finally adopted as a result of gathering expert opinions twice (round 2 and round 3). The final (third round) Delphi results showed that most of the items were more fit (increased CVR) and that consensus was reached on each item (increased degree of consensus, decreased degree of convergence, and decreased coefficient of variation). The average CVR of the 27 derived items was 0.716, the degree of consensus was 0.921, and the degree of convergence was 0.171 (not shown in the table above) with the coefficient of variation of 0.172.

The results of the 3rd round of Delphi show that the finally selected alternative items and their specific statistical figures are shown in Table 12 below (The items were arranged in order of the CVR, median, and the degree of consensus in each group).

[Table 12] Finally Adopted Alternatives and Statistics

No.	Item	CVR	Mdn	Degree of Consensus	Coefficient of Variation
<b>Strengthen Network</b>					
2	Develop the information sharing system among related agencies	0.68	4.5	0.778	0.214
3	Expand personnel exchanges with new agencies	0.44	4	0.750	0.268
<b>Improve Review System</b>					
10	Improve the 'issue description date system'	0.84	4	0.938	0.218
20	Unify the decision form	0.76	4	1.000	0.200
12	Make clear requirements for reconsideration	0.44	4	0.750	0.203
16	Expand the review time of judges' meeting for each case	0.44	4	1.000	0.211
<b>Enhance Professionalism</b>					
23	Reinforce regular internal staff-education	0.84	4	0.750	0.165
26	Activate education system of relevant ministries and external institutions	0.68	4	1.000	0.178
24	Develop original talent training programs	0.44	4	1.000	0.268
<b>Improve Organizational Operation</b>					
39	Increase the number of investigating staff to reduce the number of cases per person	1.00	5	1.000	0.055
32	Increase the number of regular tax judges for the in-depth review	1.00	5	1.000	0.076
30	Separate the coordination team from the administration office	0.92	5	1.000	0.102
41	Introduce the 360 degree evaluations for tax judges	0.92	5	0.800	0.112
35	Strengthen the functions of the coordination by assigning experienced officers	0.92	4	0.750	0.121
40	Avoid evaluating performance based on quantitative indicators	0.84	5	0.800	0.163

34	Improve the appointment procedures of tax judges to reinforce professionalism	0.84	5	0.800	0.165
36	Introduce of 1:1 mentoring system for new employees	0.68	4	1.000	0.141
28	Establish an organization in charge of research/analysis of internal data	0.68	4	1.000	0.186
38	Establish a system for legislative amendments to errors and deficiencies	0.52	4	1.000	0.152
29	Change the current coordination review system (by council → by tax item)	0.52	4	1.000	0.190
Strengthen the Organization's Status					
44	Raise the rank (position) of the commissioner	0.84	5	1.000	0.213
43	Secure independence in personnel and budget	0.76	5	1.000	0.168
Improve support systems					
47	Introduce Smart Council Meeting	0.76	4	1.000	0.143
48	Secure personnel exclusively responsible for various administrative tasks	0.76	4	1.000	0.147
45	Track each case to know its final decision by the court (produce statistics)	0.68	5	1.000	0.163
49	Develop an independent case search system	0.60	4	0.750	0.239
46	Establish a computer network and recruit personnel exclusively responsible for it	0.52	4	1.000	0.178

According to each group (the broad category), there were many opinions that as a way to strengthen the network, it was necessary to develop an information-sharing system with related agencies and expand human exchanges with new agencies such as courts and the Ministry of Public Administration and Security rather than the existing organizations as the NTS and the Ministry of Economy and Finance.

As the measures to improve the review system, to relax the requirements for the 'issue description date'(which means a meeting of council held to discuss the issue first in advance to the meeting of resolution), to enhance the efficiency of work and legibility of the decision through the unification of the decision form, to clarify the re-considering requirements, and to expand examination time for each case were presented.



The need to strengthen employee education was mainly supported as a measure to enhance professionalism, including the use of opportunities for external education through cooperation with other associations.

The measures to improve organizational operations were most actively supported as the alternative group to improve the adjudication quality. In particular, experts strongly agreed on recruiting more workforce (investigation practitioners and regular tax judges). Also, various alternatives to the practical improvement and reinforcement of the coordination function responsible for legal and factual review were presented after the resolution, and the introduction of appropriate evaluation criteria for staff, including tax judges, and the need for the establishment of a separated research and analysis organization were also supported.

In order to strengthen the organization status as an independent adjudication-making body, many said that the position of the commissioner of the Tax Tribunal, which is currently in grade I, should be raised to the vice minister-level to secure the justification and actual status of the organization that decides the legality of disposition of the NTS and local governments and enhances the independence of personnel, organization, and budget.

Finally, as a way to strengthen the system to support the review and resolution process, the introduction of the tentatively named "Smart Council Meeting" to efficiently review the examination data was presented, and alternatives such as securing database (case search system and statistics of cases) and hiring the related workforce, which will finally help ensure the internal stability of the investigation and adjudication quality.

### 3.1.2.2. Individual Opinions on the Finally Adopted Alternatives

Meanwhile, the main opinions [and minority (opposite) opinions] on the final adoption are as follows in Table 13. Most of the comments were presented at the time of the 2nd round of Delphi, and it seems that there were not many other opinions from the 3rd because the panels had expressed their intention to some extent already in the process of the 2nd.

Also, many of the items adopted as quality improvement measures with overwhelming support were not supported by individual opinion. However, they were instead got the voice of concerns, which can be assumed that since consensus among experts on the need for relevant items has already been formed.

[Table 13] The Main Opinions for Finally Adopted Alternatives[and minority (opposite) opinions]

No.	Alternatives	Reason for Supporting (opposite)
Strengthen Network		
2	Develop the information sharing system among related agencies	<ul style="list-style-type: none"> <li>· It is essential for a proper investigation, and it is expected that much effort will be needed to seek cooperation from other ministries.</li> <li>(· Under the current Framework Act on National Taxes, the exercise is possible with the right to question and inspect.)</li> </ul>
3	Expand personnel exchanges with new agencies	<ul style="list-style-type: none"> <li>· It is necessary to accept knowledge and experience of expertise and administrative reality held by tax exercising agencies.</li> <li>· It is necessary to share the judgment criteria of the court and the Tax Tribunal.</li> <li>(· Contrary to the intention, it can rather undermine professionalism and independence.)</li> <li>(· Recruiting (exchanging) interviews are required for necessary expertise of personnel)</li> </ul>

Improve Review System		
10	Improve the 'issue description date system	<ul style="list-style-type: none"> <li>· There is no reason to explain the issue in advance on the grounds of the amount of tax.</li> <li>· Also, there is a need for the requirement for the case with multiple issues.</li> <li>※ The system improved to the purpose of the alternative in October 2020.</li> </ul>
20	Unify the decision form	<ul style="list-style-type: none"> <li>· Readability and efficiency can be enhanced by using forms similar to those of the Administrative Court's sentencing.</li> <li>· When preparing a written adjudication, it is necessary to state in detail why the claim is denied and to briefly state the arguments or answers of the parties that are not denied.</li> <li>(· Improving the expertise of the people (officers and managers in the Tax Tribunal) in charge of the case is a priority.)</li> </ul>
12	Make clear requirements for reconsideration	<ul style="list-style-type: none"> <li>· Tax appeal should be done by the judge's voting body, not determined by the final decision-makers intention.</li> <li>· Appropriate levels of reconsideration can increase the credibility of the adjudication.</li> <li>· Re-considering has the positive function of taxpayers' predictability, maintaining consistency in adjudications.</li> <li>(· There are no current institutional problems (the current requirements are also clear). Instead, it is more important to operate well.)</li> </ul>
16	Expand the review time of judges' meeting for each case	<ul style="list-style-type: none"> <li>· The meeting ended too early compared to the investigation period, causing complaints from agents, claimants, and even the disposition office.</li> </ul>
Enhance Professionalism		
23	Reinforce regular internal staff-education	No comments
26	Activate the education system of relevant ministries and external institutions	No comments
24	Develop original talent training programs	(· It is not a talent training institution. recruiting an employee with related talent and expertise is more important and efficient.)

Improve Organizational Operation		
39	Increase the number of investigating staff to reduce the number of cases per person	No comments
32	Increase the number of regular tax judges for the in-depth review	· More detailed examination is possible through time spare.
30	Separate the coordination team from the administration office	· It is necessary as a means of strengthening the function of coordination in a practical sense.
41	Introduce the 360-degree evaluations for tax judges	No comments
35	Strengthen the functions of the coordination by assigning experienced officers	· It is necessary as a means of strengthening the function of coordination in s practical sense.
40	Avoid evaluating performance based on quantitative indicators	(· The organization already reflects qualitative indicators, and if too focused on qualitative assessment, the criteria may be ambiguous and arbitrary.)
34	Improve the appointment procedures of tax judges to reinforce professionalism	(· There is still not enough human resources pool.)
36	Introduce of 1:1 mentoring system for new employees	No comments

28	Establish an organization in charge of research/analysis of internal data	(· Not to the extent that a dedicated organization is required (foreign case study is sufficient by research services (outsourcing).))
38	Establish a system for legislative amendments to errors and deficiencies	(· It is also possible with the current suggestion system.)
29	Change the current coordination review system (by the council → by tax item)	(· In terms of efficiency, yes, but there is a risk that it will be an obstacle to gathering various opinions. In other words, focusing on just one detail negatively affects judgment on a complex issue or case.)
<b>Strengthen the Organization's Status</b>		
44	Raise the rank (position) of the commissioner	No comments
43	Secure independence in personnel and budget	· As an adjudication institution, it can enhance its status to ensure independent and fair judgment. (· Careful approach is required as it can be self-righteous and arbitrary in the name of independence (It already is an independent organization under the Prime Minister).)
<b>Improve support systems</b>		
47	Introduce Smart Council Meeting	No comments
48	Secure personnel exclusively responsible for various administrative tasks	· Reducing the burden of investigation personnel so that they can concentrate on their original work will lead to improved quality of adjudication.
45	Track each case to know its final decision by the court (produce statistics)	· Work efficiency can be increased through feedback effects. (· Investigation of pre-determined cases and court precedents are already reflected in case investigation and hearing.)
49	Develop an independent case search system	(· It is more efficient to utilize internal systems already developed and private data banks if needed.)

46	Establish a computer network and recruit personnel exclusively responsible for it	No comments
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### **3.2. Additional Survey: The Weight of Factors on the Adjudication Quality**

This research aims to propose alternatives that can improve the adjudication quality and select meaningful ones among them. However, these items of improvement will theoretically affect the final quality of adjudication in a way that directly or indirectly affects each element (1. the promptness of the adjudication, 2. the rationality and fairness of the decision, 3. the procedural validity in the appeal process, and 4. other indirect factors) of the quality. Therefore, although subjective, it would also be meaningful to investigate what weight of each quality element of the adjudication in tax appeal should be accounted for by the participating experts, and the following Table 14 is the result (which was included in the survey as a supplementary question in the 3rd round of Delphi).

[Table 14] The Weight of Quality Factors Suggested by Experts

		Promptness	Rationality and Fairness	Procedural validity	Others	Overall
Each Points		17.2	53.0	25.0	4.8	100
Standard Deviation		5.416	7.217	6.455	3.055	0
Intervals Estimated (95% confidence level)	Upper	19.44	55.98	27.66	6.06	100
	Lower	14.96	50.02	22.34	3.53	100

The survey found that all 25 experts agreed that the most critical factor in the quality of the adjudication in tax appeal is the rationality of the results and the amount (estimation) was about 53 points (95% confidence level 50.02 to 55.98). Next, procedural validity was determined to be 25 points (22.34–27.66 at the same confidence level), and the promptness of the decision was 17.2 points (14.96–19.44) with no overlap in estimated intervals, so there is no significant disagreement in the priority of the three factors itself. Finally, other factors, such as citizens' convenience, which are generally valued in other administrative services, were only around 4.8 points.

This conclusion is consistent with the initial idea that the decision's rationality will be paramount due to the adjudication's nature. However, it has been shown that one of the intrinsic values of administrative appeal, promptness (quick relief of rights, strictly speaking), does not take precedence over the procedural validity for the claimant. Considering the Delphi experts' absolute majority are those working for the Tax Tribunal, the opinion from other actors in this field may have a considerable difference from this judgment and the results.

However, it can be said that the above results have considerable implications in determining the components of the quality of the adjudication, provided that the experts who have a considerable period of experience to understand claimants' desire to participate in the proceedings, their legal or emotional acceptance to the results, and the dissatisfaction with the delayed decision will have relatively objective views and criteria for the overall quality of the adjudication based on their experiences.

### **3.3. The Effects and Implications of Each Alternative**

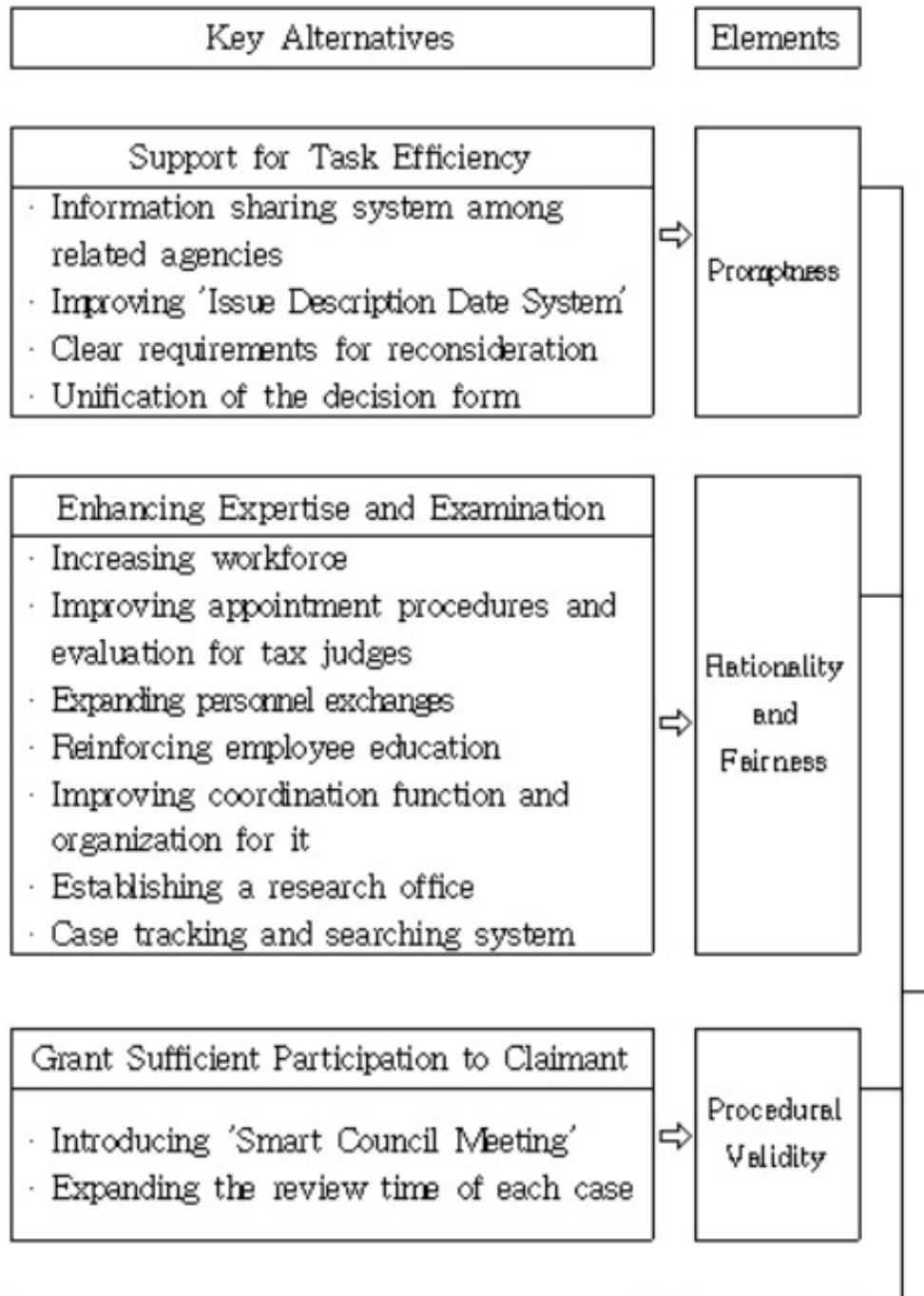
#### **3.3.1. Relationship between each Alternative and the Quality of the Adjudication**

It is expected that the alternatives finally adopted through the above Delphi process will affect the factors of the adjudication quality, directly and indirectly, eventually increasing the adjudication quality. However, an alternative and a quality factor usually cannot be made in a one on one matching, and each alternative often has an overlapping effect. For example, the increase of judges and investigating workforces will strongly influence both the adjudication result's rationality and the rapidness (promptness).

A schematic of the effects of alternatives focusing on the key elements is shown in Figure 5. The following sections provide a more detailed look at the practical (expected) effects and implications of the adopted alternatives for the items with the highest CVR and median value for each section.



[Figure 5] Expectation (Effect on Adjudication Quality)



### **3.3.2. Effects and Implications of Key Alternatives**

#### **3.3.2.1. Strengthening Network: Development of Information Sharing System among Related Institutions**

Suppose there is not enough objective and official data on which each taxation is based. In that case, considerable time and effort should be devoted to identifying it from the tax appeal staff's perspective who reviews its illegality. In particular, if most of the information is not directly acquired by the Tax Tribunal system and should be requested and received by the disposition office or other government offices, it will not only delay the examination but also significantly affect the rationality of the adjudication if it is finally omitted.

The Tax Tribunal, which is basically unable to access tax information related to the claimant directly, must rely on the tax authority's submission or cooperation even to get basic information such as sales volume or previous year's corporate tax payments of claimants. It is often even unclear whether particular data exists in the tax authority or not. It means that if the disposition office has such data but does not submit it though unintentionally, the council cannot make a reasonable decision based on the full information available. Moreover, even some claimants (taxpayers) do not submit the critical data that advocates themselves in their tax appeal. They think the Tax Tribunal already has (share) all the data they have provided to the NTS during the original disposition or initial protest because they are all government organizations.

It is hard to accept the logic that taxpayer tax information is personal information and, therefore, cannot be allowed to be viewed by the investigators of the Tax Tribunal. This is because even if the Tax Tribunal requests and receives the data from the taxpayer, the authenticity of the data can only be determined by

comparing it with tax information held by the NTS, which results in additional inefficient procedures.

### 3.3.2.2. Improving Review System

#### 3.3.2.2.1. Issue Description Date system

The term "Issue Description Date" means the date when a meeting of the council is held to discuss the issue first in advance of the meeting of resolution so that the tax judges can have a sufficient period of deliberation to continue or resolve the discussion. At the time of the system's introduction, the conditions for it were listed 1. cases in which the amount was more than 3 billion won, and 2. cases in which the difficulty of its issue is objectively admitted. Many experts pointed out that the condition no.1 is not something those tax judges should consider to apply this procedure. In other words, the money amount of a case in which the same content and issue have infringed the taxpayer's rights should not affect the result of the adjudication and the depth of the review.

This problem has been raised steadily, and in October 2020, the Tax Tribunal removed the condition no.1 and changed the system to be applied only based on the difficulty level of the issue. In this research Delphi process, a minority opinion was suggested that cases with multiple issues should also be subject to an issue description date.

#### 3.3.2.2.2. Unification of Written Decision Form

Since the tax tribunal makes adjudications on individual cases with various tax items through meetings of councils, each adjudication (written decision) of the tax tribunal is indeed being prepared in various forms, influenced not only by the tax

item and the nature of the case but also by the claimant's method of making claims and that of the disposition office's opinion.

The problem is that the type of writing is significantly different depending on the nature of the investigator and the chief judge, resulting in unnecessary time spent writing each adjudication of cases with the same content and inefficiency in readability for others who are involved in the analysis of the decision or precedent (future claimants or agents). Therefore, the standardized writing form, which is structured according to some tax types, facts, and decisions (reasons for judgment) to enhance understanding of the adjudication statement, is meaningful.

#### 3.3.2.3. Enhancing Professionalism: Staff Education

In the Delphi, the experts almost agreed on the need to strengthen education for staff in charge of the investigation contents as measures to strengthen the organization's expertise, including education on tax laws that are changing continuously.

However, it was found that the method of education using internal expertise is more popular than using other ministries' or external resources. It is expected that internal education is an efficient way to realistically improve the quality of adjudication in a short period, especially in terms of learning the standard processing procedures of tax appeal, sharing problems, and cultivating the ability to handle work quickly, especially for staffs who have newly joined. In other words, this may mean that education is not going well at the moment. (no.36. 1:1 Mentoring systems for new employees are closely related to this problem)

#### 3.3.2.4. Improving Organizational Operation

#### 3.3.2.4.1. Increasing Workforce

Since the establishment of the independent Tax Tribunal, there has been little significant change in the methodologies, such as case analysis and means. Thus, the human qualities of those involved in analysis and decision making will be the critical factor in investigation and examination quality. However, not only is it difficult to gauge the quality level of human resources, but there is an intrinsic problem that a dramatic rise in them is hard to expect. Therefore, there seems to be no more certain way to improve the quality of tax appeal adjudication as increasing the number of key personnel, which is directly related to both the promptness and the rationality.

In Tax Tribunal, currently, around 10 to 50 cases are being judged at the weekly meeting of the council of tax judges. The number of judges will have a decisive impact on the content rationality and reliability of the examination and resolution. The number affects the rapidness of the adjudications as well. The investigating staff (mostly officers) prepare the investigation report of which contents have the most significant effect on each case's resolution. This means that the number of investigating staff also has a significant impact on the quality of adjudication. However, the degradation of administrative service quality due to the lack of workforce is a normal phenomenon that applies in any area. Therefore, it is somewhat difficult to assert that this is a significant element drawn from this research.

Meanwhile, in October 2020, the Tax Tribunal increased the number of two regular judges positions (National Taxes 1, Local Taxes 1) and other members, including non-regular tax judges and investigators before and after it, by a long organizational effort. Therefore, it is expected that the quality of its decision will be improved as conditions for a rapid and more reasonable investigation and

hearing have been established.

#### 3.3.2.4.2. Improving Coordination Function

An adjudication of the Tax Tribunal for individual cases shall be made after the review for the council's resolution, which checks whether any error in legality, factuality, consistency, and others exist. The Coordinating Office does this review process. Despite the importance of the coordination function, the Tax Tribunal's current organizational structure has some limitations in its efficiency. The coordination team is integrated with the administrative team responsible for administrative support tasks (such as document sending and receipt, budget execution). Although there is controversy over the coordination function's legal basis, according to the experts who participated in the Delphi, there seems to be a consensus that the function should be strengthened. Therefore, efficient and accurate coordination is expected to improve adjudication quality through the upward adjustment of the coordination team's positions and improvement (alternative no.29). This also is closely linked to the speed and rationality of adjudication.

#### 3.3.2.4.3. Quality Evaluation

For the Tax Tribunal, the staff evaluation and the whole organization's performance evaluation are primarily dependent on the quantitative indicators of case handling. In other words, they are mainly evaluated by the number of cases handled (decided and sent to claimants) over a certain period, such as the ratio of cases decided to newly applied cases and the number of cases that have not been resolved for a long time (usually a year). The problem is that these indicators only value the speed or promptness but has little to do with the rationality and procedural validity of the adjudication. Instead, there is a massive possibility of adverse effects on these

factors. Ultimately, improvements in the performance evaluation methods of its members and the organization itself will be linked to the adjudications' rationality and will also affect the whole staff and members' involvement in the organization.

Therefore, it is necessary to increase the weight of the quality of the adjudication itself as an indicator of performance evaluation, along with the quantitative indicators of the handling of cases. In other words, indicators should include not only the promptness of the decision (another interpretation of the number of cases) but also the degree how valid (reasonable) the decision was, whether the claimant was fully involved in the process and whether the claimant was satisfied with other factors (psychological, economic satisfaction) in the whole process. The alternative should also be concerned about how to set objective indicators, what efficient ways to measure them, and how to balance the indicators.

On the other hand, the evaluation of the final adjudication quality requires the development of indicators such as "claimants' acceptance rate for the adjudication" or "adjudication's consistency with the final decision of the court" to determine the rationality, which is closely related to the improvement of the support system, especially the case tracking (alternative no.45). This suggests that a strategic approach is needed to realize the introduction of a "quality evaluation."

#### 3.3.2.4.4. Research Organization

The Tax Tribunal's judgment serves as a final decision on taxation within the administrative branch, and its impact is quite significant. The competence of the person in charge of individual cases, investigators, and tax judges is vital in making these decisions. However, it is also necessary for the organization to closely study the tax law system and tax disobedience cases in the mid-to-long-term. Apart from the legislative and executive processes, it is necessary to have the ability to

preemptively study laws or dispositions that are legally problematic (or in the future) from the taxpayer's point of view (e.g., if many similar cases are requested to be judged).

#### 3.3.2.5. Strengthening the Organization's Status

The adjudication of the Tax Tribunal shall be based on individual cases' judgment and is subject to the legality of the actions done by individual tax offices or local governments. However, its substance has the function of examining the validity of the higher tax authorities' judgment, such as the Ministry of Strategy and Finance, the NTS, and the Ministry of Public Administration and Security, which exercise the command and supervision of the Acts of the relevant disposition. This is why it is reasonable that most administrative appeals committees are legally composed of committees under the Prime Minister's jurisdiction.

In this regard, the Tax Tribunal also changed its position to one belonging to the Prime Minister by integrating separated agencies (under the Ministry of Strategy and Finance and the Ministry of Government Administration and Home Affairs). However, as mentioned above, the commissioner of Tax Tribunal's position is grade I, so there is a question of whether the Tax Tribunal can independently decide on the illegality of each disposition, as the commissioner's position level is lower than the ministers of each ministry and the head of the NTS (vice minister-level).

This is also directly related to alternative item no.43. "independence in personnel and budget." Currently, the Tax Tribunal is required to follow the decision of the Prime Minister's Office (the Administrative and Government Coordination Office) in its personnel or organization management even though it performs completely separate official duties. There are critics that the Tax Tribunal is impossible to



conduct proper activities because of this current status.

### 3.3.2.6. Improving Support Systems

#### 3.3.2.6.1. Smart Council Meeting

The current council's meeting is a system in which the resolution is made with each judge's opinions supported by case investigations and legal reviews based on paper documents. However, many of today's tax appeals are with a large amount of digital data and evidence (such as video clips) in different forms, which cannot be well described by document form. Many new materials are presented even when the case is being reviewed for the meeting of the council.

Therefore, it is necessary to actively utilize various electronic equipment already available in the council meeting room (already used for video conferences, on-line statements in the Tax Tribunal) and, if necessary, connect other network and digital equipment to support the demonstration of data that the parties (especially claimants) intend to provide at the council's meeting in real-time. This will increase the adjudication quality by allowing the claimant to sufficiently state their opinion and is, therefore, a procedural validity.

#### 3.3.2.6.2. Personnel for Administrative Tasks

The Tax Tribunal is trying to establish a system that allows claimants to proceed with tax appeals more quickly and conveniently than before, including the recent introduction of an electronic judging system. This direction is receiving positive reviews, both internally and externally. However, with the claimants or the disposition offices making additional claims or statements in the appeals process, the investigators should carry out a large part of handling various means such as e-

mail, official documents, and mailing for this purpose.

Investigating staff handles many documents and requests coming in for each case while investigating as many as 100 cases or more every year. Due to this reality, the documents are often not received efficiently and accurately, and investigators cannot concentr

ate on investigating the case, which is their original task. Therefore, it was noted in this study that it is necessary to recruit or coordinate the work to separately secure personnel in charge of the document-related work, like the system of the courts.

#### 3.3.2.6.3. Database including Case Tracking

The Tax Tribunal has its own precedents searching system. However, this is limited in the way of searching, such as individual cases and tax types. Because there is not sufficient case classification such as individual legal provisions, similarities in facts, and related precedents that can apply to specific (investigating) cases, working-level investigators refer to their work by utilizing their capabilities and even case search systems established by the private sector (accounting firm which is famous as a tax agent).

Tens of thousands of cases (more cases considering other tax appeals and litigation cases) have already been accumulated over the decades. Many changes have been made through amendments to statutes, changes in precedents, and changes in the judges' own decisions. However, it is difficult to say that there is an efficient analyzing and searching system to systematically identify and utilize them. It is necessary to develop and improve the system through appropriate research and outsourcing to contribute to the investigation and analysis of the tax appeal cases. Furthermore, by making the system more fully utilized by taxpayers who have legal doubts about the tax dispositions or their process, it will reduce unnecessary disputes, promote public trust in the government, and advance tax administration.

On the other hand, while conducting the study, it was able to confirm the existence of vast amounts of statistical data related to the government's tax administration in the statistics system of the Tax Tribunal and the NTS. However, it was unfortunate that the Tax Tribunal does not have a real-time grasp of the individual case's final conclusion (litigation) because it is not a party to the case but only a judging-organization with a neutral standpoint. In other words, only the tax authorities and taxpayers are parties to the tax dispute, so only they know how their case is currently going and do not inform the Tax Tribunal of it even after the final results are made. Therefore, it is impossible to identify or comprehensively analyze the factors that affect the outcome of adjudication or the gap between the Tax Tribunal and courts with existing data. Although being introduced in the earlier chapter, overseas research shows that vast amounts of data are available in many countries, enabling researchers to comprehensively analyze factors that affect rulings and administrative appeals (even the ethnic race of judges in charge).

Suppose this information is produced and disclosed. Not only the government (including the National Assembly and other public institutions) but also academia will study and disclose from various angles what problems there are with the current system and what improvements can be considered, which will allow the government to consider many other improvements in addition to the primary effect of enhancing transparency. It is a pity that the statistics cannot confirm the results of lawsuits in the overall tax cases though individual cases are being disclosed.

## Chapter 4. Conclusion

In the realm of tax protest, Korea established a tax administrative appeal system. The exceptional principle of the necessary exhaustion of administrative remedies is applied to the system despite the existence of a means of litigation in the court. This is probably because the need is notably recognized in taxpayer rights relief and administrative self-control. The Tax Tribunal status is especially significant in terms of the self-control of tax administration and the prompt relief of rights by an independent organization with high expertise. Therefore, in this study, the experts who have engaged in the tax relief task for a meaningful period and range were selected as a Delphi panel to consider the factors of the quality of the tax adjudication that directly affect the rights and interests of taxpayers and to find out how to improve the quality from the perspective of experts. As a result, for the research question of “what measures improve the quality of adjudication of the Tax Tribunal, and what is the priority,” experts have shown that strengthening the network, expertise, and review systems (including operation) are the key measures. They evaluated specific alternatives such as increasing the workforce, reinforcing coordination review function, and developing internal education and information sharing systems as the most important.

As the factors affecting the tax appeal's adjudication quality as a specialized administrative appeal, the first element is the promptness, which means how quickly the decision was made (the current law recommends 90 days). This is directly related to the intrinsic goal of administrative appeals: the achievement of rapid rights relief. Second, maybe as the most critical factor, it is essential whether the content of the adjudication itself is reasonable and fair. The quality is high when the taxpayer's claim is recognized as a result of the remedy of rights against illegal tax disposition and when, even if it is rejected, it is based on reasonable fact-

finding and legal review. Third, whether procedural validity has been secured in the course of the appeal is an essential element as well. In the process of arguing against administrative disposition, the claimants' legitimate participation in the reviewing process guaranteed and faithfully reflecting their specific opinions, and evidence in the hearing has a two-sided effect of enhancing the rationality of the adjudication itself and increasing the applicant's satisfaction with the appeal services. Finally, other indirect factors are expected to affect the adjudication quality, such as enhancing the applicant's psychological and emotional satisfaction and the Tax Tribunal staff's recognition of fairness. The experts responded to each weight of the quality factors in the order of 1. the adjudication's rationality, 2. the procedure validity, and 3. the promptness. It seems that they generally agreed on the priority of each element.

As the proper alternatives to improve the quality of decisions with the above factors, participating experts adopted 27 alternatives. In the measures to strengthen the network, developing information-sharing systems with related agencies, especially the NTS, and expanding personnel exchanges with new institutions such as courts were supported. Next, as the measures to improve the examination, experts suggested that the government should simplify the issue description requirement based on the level of the issue's difficulty and that the writing form of adjudication should be unified to speed up the process and to increase the readability and utilization of the result. Third, as a measure of enhancing professionalism, most agreed that the organization's education should be strengthened. In particular, internal employee education tends to be prioritized over education using external institutions. The fourth sector in which the most alternatives were adopted was the improvement of organizational operations, with the most overwhelmingly supported alternatives being the increase of investigating workforce and the regular tax judges. This seems to reflect the experts' sense of the problem that sufficient investigation for an individual case is not being carried out

due to too much work burden. Other detailed items for organizational operating were supported and adopted to improve coordination functions and introduce qualitative performance evaluation based on the adjudication quality itself. Fifth, there was a perception that it is important to raise the position of the head of the Tax Tribunal, the commissioner, to secure authority as a quasi-judicial body and the independence of the organization's personnel and budget in real terms. Finally, measures to improve the support system were proposed, such as introducing the "Smart Council Meeting" and the deployment of personnel exclusively responsible for administrative affairs so that investigators can focus on their intrinsic work.

It is expected that the proper introduction of the proposed and supported alternatives based on the actual recognition of experts in the field of tax appeals will be an excellent way to induce a high-quality tax adjudication that is quick, reasonable, and guaranteeing the claimant's procedural rights. Already, under such awareness of the problem, the Tax Tribunal has made continuous efforts to ensure the rationality and transparency of its decision, including granting prior reading opportunities to claimants, expanding opportunities to state opinions, and introducing an institution of government-appointed tax agents. The promotion of transparency and credibility of the appeal process based on these alternatives and policies will not be limited to the tax tribunal's achievements. It will also help secure the trust of the government's administrative disposition, considering its function as the final self-correction of the administration.

However, this study has the following limitations in its processes and contents.

First, it seems that the composition of the Delphi panel tended to be somewhat biased. In other words, the panel was composed of experts whose groups were mainly responsible for case investigating (contents) of the tax appeal claim. They

are likely to have perceived that the most important thing is for the adjudication results themselves to be rational. Therefore, there is a question of whether the adopted alternatives focus too much on the rationality of the decision among the four quality factors. If a balanced selection of more managers or persons in charge of administrative affairs across the entire tax appeal process, and especially those who take roles outside the Tax Tribunal (such as taxpayers, disposition officers, agents), it may have a possibility that a more in-depth problem awareness and measures based on emotional, psychological and economic needs have been derived. In particular, given the trend of emphasizing the role of street-level bureaucrats who interact with citizens since Lipsky's argument (Lipsky, 1980), it should be acknowledged that the overall service quality of tax adjudication and its process depends on the claimant's perspectives as much as on the official's and that there may be significant differences between the two. However, as mentioned earlier, to consider the claimant's evaluation for the quality of an adjudication tends to be determined by whether their request is approved (revoking the taxation) or rejected, the implications of this thesis focused on the staffs who have independent perspectives could be persuasive to some extent.

Second, experts focused on the current system's deficiencies, mainly presenting alternatives and expressing their support for areas that need improvement. However, opinions on systems that have already been put into considerable effort were not well revealed in the research result. For example, even if experts recognize that the most important item for ensuring rational decision-making and procedural validity is reinforcing the claimant's statement of opinion in council meetings, experts do not respond to it as an "improvement measure" because it is already settled sufficiently. Even though it is not adopted as a final alternative, it does not mean that it is insignificant.

Third, it relied only on experts' experience and intuition but failed to confirm

objectively how and how much each alternative affects the decision's quality. A more specific and objective analysis of a decision's rationality would be possible by borrowing the form of the studies mentioned earlier in chapter 4. Some independent variables (e.g., the types of agents, whether claimants state their opinions in the council meeting, whether they pre-reviewed the investigating report, the structure or the workforce of the organization at the time) can be set to determine how each variable affect the outcome of the adjudication and how it was ultimately judged by the court, which can be an indicator of the adjudication quality. Nevertheless, the Tax Tribunal was not producing or managing such specific data. Given that there are precise (abroad) studies of factors affecting the ruling by using the data of not only the results of each dispute but also other specific variables even including the race of judges, the Korean administration also needs to produce and manage the relevant data and come up with measures to expand the scope of research and promote policy development based on them. Research on these specific details is expected to help relevant agencies and statutes introduce measures to improve the quality of decision-making of tax appeals substantially.



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## 1. Introduction

This study is aimed at improving the adjudication quality of the Korean Tax Tribunal. If you are willing to participate in the research (Delphi) for the proper alternatives, please answer the questions. All information and answers will be anonymous.

### I. Purpose of Research :

To explore alternatives to improve the adjudication quality of the Tax Tribunal

### II. Research Methods and Plans

#### 1. Methods: Delphi (Collect anonymous opinions of expert groups)

#### 2. Research plan (schedule)

##### 1) Selection of a group of experts

Among those who have a certain experience (such as 1. having experience more than 10 years in charge of investigation / 2. more than 5 years with related certification, 3. other requirements) who participated in the tax appeal and reply to this e-mail (including the 1st round Delphi) will be selected as the Delphi pane.

##### 2) 1st Delphi (September)

Open (subjective) Question for ways to improve the adjudication quality of tax appeal

##### 3) 2nd Delphi (mid-October)

- Develop multiple-choice questions (Survey, Likert scale (from "very important" to "not important") by selecting and integrating the improvement measures presented by the 1st Delphi
- Based on the results of the second Delphi, meaningful items will be selected for the 3rd Delphi target.

##### 4) 3rd Delphi (Right after the end of the 2nd Delphi analysis, scheduled for the end of October)



- Check the significant improvement measures selected as a result of the second Delphi (collect opinions and select final alternatives)
- Submit your changed opinions by compiling your previous opinions and other experts' opinions (by displaying the median, range (IQR), and other key opinions of the experts in the previous survey) for each alternative.

5) 4th Delphi (if necessary, after the third Delphi analysis)

## 2. Your Tax career information

	(example)
Total Tax Experience	O (10 years)
Investigative career (as an officer or above)	O (7 years)
Investigator Career (manager)	O (1 year)
Coordination work experience	X
Tax agency career	X
Certificate	Lawyer

## 3. 1st Question for Delphi

"Please present possible five measures that you think are necessary to improve the quality of adjudication of the Tax Tribunal (including measures to strengthen the current or recently introduced system)."

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

Appendix II – The Second Survey Questionnaire

“These are alternatives presented by the experts’ group. Please fill your own level of importance for each of the following alternatives: (use the column of notes for your individual comments if there is opposition or any other opinion)”

Groups	Sub-groups	Alternatives	not important	less important	so so
Strengthen Network	Cooperation with Related Organization	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)			
		2. Develop the information sharing system among related agencies for objective and faithful investigation of cases, such as grounds for disposition and verification of basic facts			
	Expanding Personnel Exchanges	3. Expand personnel exchanges with new agencies (e.g., the Courts, the Ministry of the Interior and Safety, the Korea Customs Service).			
		4. Expand personnel exchanges with current agencies (e.g. the Ministry of Strategy and Finance, the NTS)			
Improve	Govt	5. Make a pool of candidates for the government-appointed agent			

Groups	Sub-groups	Alternatives	not important	less important	so so
Improve Review System	others	7. Strengthen objective and individual judgment (reducing reliance on precedents)			
	Improve Internal Processes	8. When re-considering (additional resolution) individual cases, the original council should be excluded to ensure objectivity and fairness of the decision.			
		9. Extend the review period (1 → 2 weeks) for the hearing (meeting) of the councils or Reduce the meeting cycle from the current weekly to every two weeks (to allow time for a thorough review of each case)			
		10. Improve the 'issue description date system' (Delete the "amount" of the existing criteria and leave the "difficulty level" as the only criterion)			
		11. Form a separate team that handles the cases without precedent or of formalized (easy) issues.			
		12. Make clear requirements for reconsideration: Excessive reconsideration increases the fatigue of claimants and decreases the Tax Tribunal's credibility.			

Groups	Sub-groups	Alternatives	not important	important	so-so
Improve Review System	Protection of Claimant Rights	15. Seek ways to simplify and rationalize the judgment process that may seem complicated for the general public / Guide claimants through the overall case handling procedure (enhance understanding)			
		16. Expand the review time of judges' meeting for each case			
		17. Enhance the opinion statement of claimants			
		18. Provide a mandatory case-description hearing to the investigator and staff			
		19. Offer the claimant an opportunity to describe the case directly to the judges			
	Standardization	20. Unify the decision form (the criteria for writing orders, the criteria for describing fact-relation in the case, the method of determining the evidence, the method of writing reasons for the decision)			
		21. Improve the investigation's quality by standardizing the appeal application (by claimant) form and the answer (by tax office) form			
		22. Change the investigation form (based on the issues and related legal principles)			
	Enhance	Internal Education	23. Reinforce regular internal staff-education to improve quality in writing investigation reports and adjudication.		
24. Develop original talent training programs					

Groups	Sub-groups	Alternatives	not important	important	so-so
Improve Organizational Operation	Microscopic Re-organization	27. Reorganize the affairs of each judging council by tax item to ensure the work efficiency and uniformity of decisions			
		28. Establish an organization in charge of research/analysis of internal data (such as precedents, court cases, and foreign systems)			
		29. Change the current coordination review system (by the council → by tax item)			
		30. Separate the coordination team (make it another office) from the administration office to strengthen the coordination review function			
		31. Develop a "legal support team" to support measures to review other laws that are key to determining the complicated issues			
	Personnel Mana	32. Increase the number of regular tax judges for the in-depth review			
		33. Introduce open-position (from the private sector) regular tax judges			
		34. Improve the appointment procedures of tax judges (including non-regular) to reinforce professionalism and fairness			
		35. Strengthen the functions of the coordination by assigning experienced (5+ years in investigating) officers			

Groups	Sub-groups	Alternatives	important	important	SO SO
Improve Organizational Operation	Policy Feedback	38. Establish a system that can quickly recommend legislative amendments to errors and deficiencies in tax laws identified during the appeal process			
	Expansion of Investigating Staff	39. Increase the number of investigating staff to reduce the number of cases per person			
	Improvement of Performance Evaluation Criteria	40. Avoid evaluating performance based on quantitative indicators (e.g., number of cases handled), and encourage investigators and tax judges to improve the quality of adjudication by introducing an evaluation for the case itself (e.g., the award for the best quarterly adjudication)			
		41. Introduce the 360-degree evaluations and apply disadvantages to judges who lack the competence to increase fairness and objective reputation of judges			
Strengthen the	Institutional Integration	42. Consolidate the 3 tax appeal systems to one			



Improve support systems	Adjudication Monitoring	45. Track each case to know its final decision by the court, [Monitors (produce statistics) whether the judgment of court and adjudication is consistent across the board]			
	System Improvement	46. Establish a computer network and recruit personnel exclusively responsible for the activation of the electronic appeal system.			
		47. Introduce Smart Council Meeting, by which tax judges share details and additional data for the case (e.g. movie clips, diagrams) in real-time by using digital equipment in the meeting room			
		48. Secure personnel exclusively responsible for various administrative tasks such as document receipt			

Appendix III –Result of the Second Round Survey

No.	CVR	Mdn	IQR		Degree of Consensus	Degree of Convergence	Coefficient of Variation
			Q1	Q3			
1	0.36	4	3	5	0.500	1.000	0.276
2	0.76	5	4	5	0.800	0.500	0.223
3	0.44	4	3	4.75	0.563	0.875	0.268
4	-0.20	3	3	4	0.667	0.500	0.311
5	0.20	4	2.25	4.75	0.375	1.250	0.283
6	0.20	4	3	4	0.750	0.500	0.243
7	-0.20	3	2.25	4	0.417	0.875	0.266
8	-0.36	2	1.25	4	-0.375	1.375	0.501
9	0.04	3.5	2	5	0.143	1.500	0.385
10	0.76	4	4	5	0.750	0.500	0.232
11	-0.44	3	2	4	0.333	1.000	0.413
12	0.28	4	2.75	4.25	0.625	0.750	0.304
13	-0.36	3	2	4	0.333	1.000	0.338
14	0.28	4	2	5	0.250	1.500	0.347
15	-0.28	3	3	4	0.667	0.500	0.280
16	0.36	4	3	5	0.500	1.000	0.229
17	0.28	4	3	4	0.750	0.500	0.232
18	0.28	4	3	4	0.750	0.500	0.261
19	-0.12	3	2	4	0.333	1.000	0.420
20	0.52	4	3	5	0.500	1.000	0.282
21	-0.12	3	2	4	0.333	1.000	0.317
22	-0.36	3	2	4	0.333	1.000	0.389
23	0.60	4	4	5	0.750	0.500	0.216
24	0.44	4	3	5	0.500	1.000	0.281
25	0.36	4	3	5	0.500	1.000	0.262
26	0.68	4	4	5	0.750	0.500	0.165
27	-0.28	3	2	4	0.333	1.000	0.400
28	0.60	4	4	5	0.750	0.500	0.276
29	0.52	4	3	5	0.500	1.000	0.231
30	0.92	5	4	5	0.800	0.500	0.148
31	0.36	4	3	4	0.750	0.500	0.290
32	0.76	5	4	5	0.800	0.500	0.156
33	-0.44	3	2	4	0.333	1.000	0.430
34	0.68	5	4	5	0.800	0.500	0.260



35	0.60	4	4	5	0.750	0.500	0.191
36	0.76	4	4	4	1.000	0.000	0.143
37	0.28	4	3	4	0.750	0.500	0.360
38	0.52	4	3	4	0.750	0.500	0.223
39	0.92	5	5	5	1.000	0.000	0.096
40	0.84	5	4	5	0.800	0.500	0.218
41	0.84	5	4	5	0.800	0.500	0.163
42	0.36	4	3	5	0.500	1.000	0.344
43	0.76	5	5	5	1.000	0.000	0.224
44	0.60	5	4	5	0.800	0.500	0.268
45	0.68	5	4	5	0.800	0.500	0.168
46	0.52	4	3	5	0.500	1.000	0.239
47	0.52	4	3	5	0.500	1.000	0.182
48	0.68	4	4	5	0.750	0.500	0.162
49	0.52	4	3	5	0.500	1.000	0.266

Appendix IV – The Third Survey Questionnaire

1. The following alternatives are shown to be significant or likely by the responses of a group of experts in the 2nd Delphi. Each item also shows the average level and range of answers from the entire expert group. Please provide your final opinion by referring to your existing answers and the entire expert group's opinion. (use the column of notes for your individual comments if there is opposition or any other opinion)"

※ Above columns mean "the whole panel's [Mdn, 1Q~3Q] / (mean, s.d.)"

Groups	Sub-groups	Alternatives	Not	less	so so	important
			important	important		
Strengthen Network	Cooperation with Related Organization	1. Introduce the Entrustment for Expert Testimony in the tax appeal process (Entrustment for Expert Testimony: Delegation of necessary affairs to other equivalent government offices so that experts in the field can report their opinions and knowledge on specific matters related to the trial.)			[4, 3~5] (3.9, 1.06)	
		2. Develop the information sharing system among related agencies for objective and faithful investigation of cases, such as grounds for disposition and verification of basic facts			[5, 4~5] (4.4, 0.98)	
	Expanding Personnel Exchanges	3. Expand personnel exchanges with new agencies (e.g., the Courts, the Ministry of the Interior and Safety, the Korea Customs Service).			[4, 3~4.7] (3.8, 0.99)	
Impact	Govt Tax				[4, 2.25~4] (3.6, 0.85)	

Groups	Sub-groups	Alternatives	Importance			
			not important	less important	so-so	important
Improve Review System	Improve Internal Processes	9. Extend the review period (1 → 2 weeks) for the hearing (meeting) of the councils or Reduce the meeting cycle from the current weekly to every two weeks (to allow time for a thorough review of each case)	[3.5, 2~5] (3.4, 1.30)			
		10. Improve the 'issue description date system' (Delete the "amount" of the existing criteria and leave the "difficulty level" as the only criterion)	[4, 4~5] (4.1, 0.95)			
		12. Make clear requirements for reconsideration: Excessive reconsideration increases the fatigue of claimants and decreases the Tax Tribunal's credibility.	[4, 2.75~4.7] (3.6, 1.10)			
		14. Reinforce the process of small-scale cases (shortening the processing period and promoting substantial judges' meetings)	[4, 2~5] (3.6, 1.24)			
Improve	Protection of Claimant Right	16. Expand the review time of judges' meeting for each case	[4, 3~5] (3.9, 0.86)			

Groups	Sub-groups	Alternatives	not important	less important	so so
Enhance Professionalism	Internal Education	23. Reinforce regular internal staff-education to improve quality in writing investigation reports and adjudication.			[4, 4~5] (4.1, 0.84)
		24. Develop original talent training programs			[4, 3~5] (4.0, 1.04)
		25. Invite famous instructors / activate various (or regular) seminars			[4, 3~5] (3.8, 1.01)
	External Education	26. Activate education system of relevant ministries (tax office, the NTS, the Korea Customs Service) and external educational institutions (cooperation with associations of lawyers, tax accountants, CPA.) to strengthen the capacity of employees			[4, 4~5] (4.2, 0.67)
Improve Organization	Microscopic Re-or	28. Establish an organization in charge of research/analysis of internal data (such as precedents, court cases, and foreign systems)			[4, 4~5] (3.8, 1.05)
		29. Change the current coordination review system (by the council → by tax item)			[4, 3~5] (3.9, 0.89)

Groups	Sub-groups	Alternatives	not important	less important	so so
Improve Organizational Operation	Personnel Management	32. Increase the number of regular tax judges for the in-depth review			[5, 4~5] (4.6, 0.64)
		34. Improve the appointment procedures of tax judges (including non-regular) to reinforce professionalism and fairness			[5, 4~5] (4.3, 1.11)
		35. Strengthen the functions of the coordination by assigning experienced (5+ years in investigating) officers			[4, 4~5] (4.0, 0.75)
		36. Introduce of 1:1 mentoring system for new employees to enhance their work and organizational adaptability			[4, 4~4] (4.1, 0.56)
		37. Give responsibility to chief investigators for direct investigation and handling of important cases (considering difficulties, ripple effects, and amounts)			[4, 3~4] (3.6, 1.27)
		38. Establish a system that can quickly recommend legislative amendments to errors and deficiencies in tax laws identified during the appeal process	Policy Feedback		
Improve Organization	Expansion of Investigating Staff	39. Increase the number of investigating staff to reduce the number of cases per person			[5, 5~5] (4.8, 0.46)
	Improve Evaluation	40. Avoid evaluating performance based on quantitative indicators (e.g., number of cases handled),			[5, 4~5] (4.5, 0.98)

Groups	Sub-groups	Alternatives	Importance		
			Not important	Important	So-so
Strengthen the Organization's Status	Institutional Integration	42. Consolidate the 3 tax appeal systems to one	[4, 3~5] (3.7, 1.26)		
	Strengthen the Organization	43. Secure independence in personnel and budget	[5, 5~5] (4.6, 1.02)		
		44. Raise the rank (position) of the commissioner to establish the status of the Tax Tribunal as a quasi-judicial institution	[5, 4~5] (4.3, 1.16)		
Improve support system	Adjudication Monitoring	45. Track each case to know its final decision by the court, [Monitors (produce statistics) whether the judgment of court and adjudication is consistent across the board]	[5, 4~5] (4.5, 0.75)		
	System Improvement	46. Establish a computer network and recruit personnel exclusively responsible for the activation of the electronic appeal system.	[4, 3~5] (4.0, 0.96)		
		47. Introduce Smart Council Meeting, by which tax judges share details and additional data for the case (e.g. movie clips, diagrams) in real-time by using digital equipment in the meeting room	[4, 3~5] (4.0, 0.72)		
		48. Secure personnel exclusively	[4, 4~5]		

2. (Additional Survey) According to Previous Research or Theory, the vital factors that consist of the final quality of adjudication seem following: 1. the adjudication's promptness, 2. the rationality and fairness of the decision, 3. the procedural validity

in the appeal process, and 4. other factors. Please input each point (weight) of which you think is the importance of the factors.

Factors	Explanation	Weight (example)
Promptness of the Adjudication	How quickly individual cases are handled (decided)	(30)
Rationality and Fairness of the Decision	How professional is the person in charge (investigating staff, investigator, judge) and, as a result, has drawn the right decision (legal disposition → rejecting adjudication / illegal disposition → revoking adjudication)	(30)
Procedural Validity in the Appeal Process	Whether the claimant and the disposition office participated in the process of dissatisfaction sufficiently and fairly and delivered their opinions	(30)
Other Factors	The convenience and immersion of the staff, etc.	(10)
Total		100



Appendix V –Result of the Final Round Survey

No.	CVR	Mdn	IQR		Degree of Consensus	Degree of Convergence	Coefficient of Variation
			Q1	Q3			
1	0.04	4	3	4	0.750	0.5	0.232
2	0.68	4.5	4	5	0.778	0.5	0.214
3	0.44	4	3	4	0.750	0.5	0.268
5	0.04	4	3	4	0.750	0.5	0.300
9	-0.12	3	2	4	0.333	1	0.354
10	0.84	4	4	4.25	0.938	0.125	0.218
12	0.44	4	3	4	0.750	0.5	0.203
14	-0.04	3	2	4	0.333	1	0.318
16	0.44	4	4	4	1.000	0	0.211
20	0.76	4	4	4	1.000	0	0.200
23	0.84	4	4	5	0.750	0.5	0.165
24	0.44	4	4	4	1.000	0	0.268
25	0.28	4	3	4	0.750	0.5	0.227
26	0.68	4	4	4	1.000	0	0.178
28	0.68	4	4	4	1.000	0	0.186
29	0.52	4	4	4	1.000	0	0.190
30	0.92	5	5	5	1.000	0	0.102
32	1.00	5	5	5	1.000	0	0.076
34	0.84	5	4	5	0.800	0.5	0.165
35	0.92	4	4	5	0.750	0.5	0.121
36	0.68	4	4	4	1.000	0	0.141
37	0.20	4	3	4	0.750	0.5	0.268
38	0.52	4	4	4	1.000	0	0.152
39	1.00	5	5	5	1.000	0	0.055
40	0.84	5	4	5	0.800	0.5	0.163
41	0.92	5	4	5	0.800	0.5	0.112
42	0.20	4	3	4	0.750	0.5	0.252
43	0.76	5	5	5	1.000	0	0.168
44	0.84	5	5	5	1.000	0	0.213
45	0.68	5	5	5	1.000	0	0.163
46	0.52	4	4	4	1.000	0	0.178
47	0.76	4	4	4	1.000	0	0.143
48	0.76	4	4	4	1.000	0	0.147
49	0.60	4	4	5	0.750	0.5	0.239





# 조세심판원의 재결 품질 개선방안 연구

## - 조세불복 업무 종사자들의 대안제시 및 논의를 중심으로(델파이) -

서울대학교 행정대학원

글로벌행정 전공

김선엽

조세불복수단의 한 축을 담당하고 있는 조세심판에 있어서 지속적인 관련법령의 확충이나 제도 및 조직개편에도 불구하고 납세자의 권리보장 수준 및 종국적인 재결의 품질이 충분한 수준에 이르렀는지에 대해서는 여전히 의문이 있다. 본 연구에서는 조세심판 결정의 품질을 구성하는 요소를 파악하고, 델파이 방법을 사용하여 전문가들로부터 종국적으로 재결의 품질을 증진시키는 방안에는 무엇이 있으며 어떤 것에 우선순위를 두어야 하는지를 파악해보고자 하였다.

우선, 일반적인 행정서비스의 품질에 대한 평가, 소송 및 심판 등 행정불복과 관련한 선행연구를 바탕으로 무엇이 재결의 품질을 구성하는 요소가 되는지를 살펴본 결과, 첫째, 심판청구에 대한 결정의 신속성, 둘째, 재결 내용 자체의 합리성 및 공정성. 셋째, 재결과정에서의 절차적 타당성 확보정도, 넷째, 그 외 간접적 요소로서

기타 공무원의 친절도, 심판절차에 있어서의 물리적, 시간적 편의성, 제도적 접근성 및 조세심판 담당자의 조직몰입도 등이 재결의 품질 수준을 결정하는 주요 요소로 파악되었다.

재결품질의 강화방안을 알아보기 위해, 현재 조세심판원에 근무하거나, 또는 대리인으로서 불복업무에 참여한 전문가 20여명을 선별하여 1차 델파이에서는 각 참여자별로 “조세심판 결정의 품질을 높이기 위해 필요하다고 생각하는 방안”을 제약 없이 제시하도록 하고, 2-3차 델파이에서는 제시된 대안을 분류하여 무엇이 전문가들로부터 적극적으로 지지되고 있는지를 파악하고 그 지지항목의 채택이유와 지지되지 못한 항목의 거부이유를 분석하였다. 1차 델파이 조사 결과를 정리한 결과 6개 대분류(1. 기관간 네트워크의 강화, 2. 심리제도의 개선, 3. 전문성의 강화, 4. 조직운영의 개선, 5. 조직위상의 강화, 6. 지원시스템의 개선)하에 총 49개의 대안들이 제시되었고, 2차에서는 이중 34개의 대안이 최종적인 후보로 제시되었다. 3차 델파이를 걸쳐서 채택된 대안은 총 27개 항목인데, 이 중 참여 전문가들이 가장 중요하다고 의견을 모은 방안은 조사인력 충원 및 상임심판관의 증원, 내부교육을 통한 직원 전문성강화, 조정검토기능(조직, 인사)의 강화, 심판결정 자체에 대한 품질평가의 도입, 조직위상 재정립을 통한 조직인사 및 예산 독립성 강화 인사운영 등이었다. 특히 재결의 품질을 개선하기 위해서는 조사담당자와 상임심판관들이 조사 및 심리과정에서 그 역량을 충분히 투입할 수 있는 업무환경이 조성되어야 한다는 데에 거의 모든 전문가들의 의견이 일치했다.

주요어 : 행정심판, 조세심판, 재결, 품질, 제도개선, 델파이

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