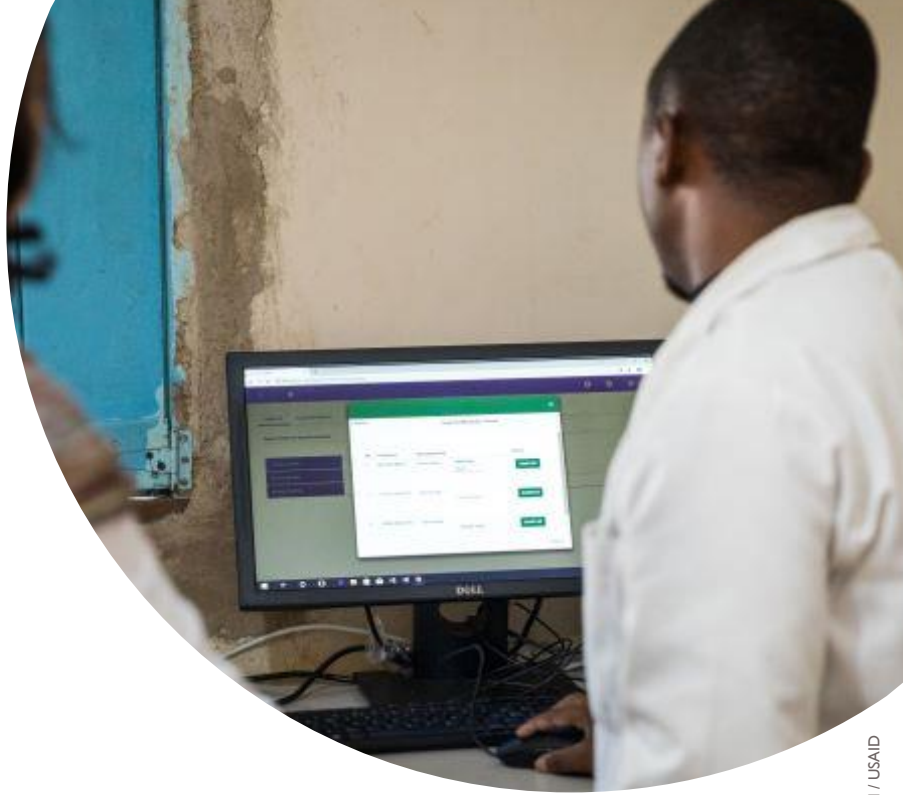




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# PS3 CASE BRIEF

## LOCAL GOVERNMENT REVENUE COLLECTION INFORMATION SYSTEM

The Local Government Revenue Collection Information System (LGRGIS) has increased tax revenue collected by local governments, paving the way for a more responsive health system.

Collecting revenue transparently and efficiently has been a challenge for local governments in Tanzania. Local government authorities (LGAs) use “own source revenue” (OSR) such as taxes, fees or licenses to fund operational and development activities to supplement what they receive from the central budget. To help make local revenue collection easier and more transparent for citizens and LGAs alike, the United States Agency for International Development (USAID) through the Public Sector Systems Strengthening Project (PS3), in partnership with the GOT and the World Bank developed and implemented a new Local Government Revenue Collection Information System (LGRGIS).

PS3 worked across the education and health sectors using a systems approach to identify interventions that impacted multiple functions in the health system at once, such as information systems and data use, human resources, finance, governance, service delivery and quality improvement. Through PS3, USAID and the GOT are strengthening the systems that deliver important services to Tanzanians and paving the way for Tanzania to rely less on foreign donor assistance and more on the ingenuity of Tanzanians themselves.

## **COMPARATIVE ADVANTAGE**

In the past, tax revenue was recorded in a paper-based that was separate from budgets and accounting for expenditures, making it difficult for LGA management to quickly obtain a clear picture of their financial situation. To alleviate this issue, PS3 worked with the GOT to enhance and scale the LGCRIS system so that it can be used on a wide scale of revenue collection points and exchange information with other LGA public financial management systems - including the LGA planning, budgeting system (PlanRep), and accounting system (Epicor).

LGA officials are benefiting from quick and seamless access to comprehensive automated financial information instead of fragmented information compiled manually. As a result, LGAs are in a position to better understand the resources they have at hand and make data-driven decisions on how to most efficiently use those resources to provide public services.

## **IMPACTS TO THE HEALTH SYSTEM**

USAID supported the GOT with a nationwide rollout of a mobile version of LGCRIS in 2017. Today, there are approximately 16,000 mobile locations and point of service machines countrywide. The mobile version makes tax payments easier, faster, and more transparent. With more collection points, a less costly collection process, and easier ways of paying, the LGCRIS has contributed to increased revenue and increased tax revenue collected by the LGAs that PS3 supported which paves the way for local governments to be responsive to the health needs of their communities.