



## KERTAS KERJA 19

- Tajuk** : Proposal for Improvement of the Payment Process for Survey Fees, Boundary Marks and Plans by District Land Administrator and Verification of Payment by JUPEM Johor
- Oleh** : Sr Wan Zainuddin Bin Wan Yusoff  
Pengarah Ukur dan Pemetaan Johor



## Proposal for Improvement of the Payment Process for Survey Fees, Boundary Marks and Plans by District Land Administrator and Verification of Payment by JUPEM Johor

by

**Sr Wan Zainuddin Bin Wan Yusoff**

State Director of Survey and Mapping, Johor

### 1. Background

Payment for survey collected by the department is in accordance with the rates set by National Land Code Order (Survey Fee) (Amendments), 1975. This payment is collected by the Land and Mines Office / Land Office from the land owner upon approval of land alienation, partition, subdivision or amalgamation by the State Authorities as stipulated in paragraph 81(1)(c) of the National Land Code 1965; and stated in *Pekeliling KPTG Bil. 26/1980* shown in **Annexure 1**. The payment for survey collected consists of three (3) components namely, survey fee, boundary marks and plans.

In comparison, the total amount of revenue collected from the sales of survey products such as digital cadastral survey data, maps and plans through the service counters and JUPEM Geoportal for 2013 is RM 354,534.29; while the total revenue from payment for surveys in the same period (from eFee report) is RM 1,774,717.00. Hence, generally the bulk of revenue collected by JUPEM Johor is from the payment for surveys (83% in 2013).

#### 1.1 eFee Report

The eFee report that is generated from the Cadastral Survey Record System (CSRS) is the basis for reporting revenue collection by the department.

The amount of payment for survey collected is keyed into the CSRS by the Requisition for Survey Section of JUPEM Johor from the Requisition for Survey (RS) submitted by the Land and Mines Office / Land Office. The RS that is in the prescribed form, known as Borang Tanah 126 Pin. 1/1996, contains itemised information on the amount of payment collected for survey fee, boundary marks and plans; together with the official receipt number and its date of issue.

## 1.2 Federal Government Revenue

The payment for survey constitutes revenue for the Federal Government that is collected by the Land and Mines Office / Land Office on behalf of JUPEM Johor.

As provided for in the Treasury Circular 05/2004, revenue collected by the Federal Government composed of tax revenue (General Object 60000), non-tax revenue (General Object 70000) which includes services and service fee (OS72000); and miscellaneous receipts (General Object 80000) that includes the receipt of refunds on expenditure (OS81000) and receipts from government agencies (OS82000).

In the current practice, payment for survey for the current year is made under OS72000; while payment for the preceding year is under OS82000.

## 1.3 Consolidated Fund

The payment for survey constitutes revenue for the Federal Government that is collected by the Land and Mines Office / Land Office on behalf of JUPEM Johor that is to be paid into the Federal Consolidated Fund. Article 104 of the Federal Constitution stipulates that all revenues and monies obtained or received by the Federation shall be paid into the Federal Consolidated Fund except the collection of zakat fitrah, baitulmal or similar Islamic religious revenue.

The fund comprises the Consolidated Revenue Account for accounting of revenue and expenses; Consolidated Trust Account for accounting of trust funds and deposits; and Consolidated Loan Account for accounting of government borrowings.

## 1.4 Treasury Instructions (TI)

The duties of public officers in the collection of collection of money from the public are provided for in various proviso of the Treasury Instructions:

**TI 53 (AP 53)** prescribes that all financial officers are responsible for carrying out the financial duties of their respective offices properly. That responsibility is to collect properly any public funds to be received by or under their instructions and store it safely. They are also responsible in the event of an



account given by them or under their power is found to be incorrect. Any delegation of this obligation to other officers shall be made by written instruction. However an officer generally do not escape from responsibility after delegation is made.

TI **80(a)** stipulates that the Accountant General and State Accountant / State Treasurer shall report to the Secretary General of the Treasury and State Financial Officer, as the case may be when the collector does not account their collection in accordance with Treasury instruction. If accounting officers do not collect or do not properly account for any public funds that can be accepted by them then the matter shall be reported by the Accountant General / State Treasurer to the Secretary General of Treasury / State financial officer.

TI **138(b)(i)** states that it shall be the duty of the Accountant General under the direction of the Secretary General of Treasury, to conduct supervision upon receipt of revenue or Federal Trust and take measures to ensure that the revenue or the trust is collected timely.

## 1.5 Interpretations

**An accounting officer** is termed as each public servant responsible for collecting, receiving or accounting public money; paying or withdrawing any public money or public items; and receiving, keeping or disposing or accounting public items.

Each accounting officer shall be subject to the Financial Procedure Act, 1957 and perform the duties, keep books and submit the accounts specified under the Act or by directives issued by the Treasury in matters of accounting and finance.

**A collector** is an officer because of his position or under any written law shall be responsible for collecting money from the public.

**Office Of The Collector is a** government department in charge of receiving collection from the public to be credited into the revenue account/ trust account / vote account and issue a receipt for collection.

**Accounting office** is defined as the Accountant General's Department, branch office and area office and self accounting department.

## **1.6 Roles and Responsibilities of the Financial Controller (Secretary General of the Ministry of Natural Resources and Environment)**

In general, the financial controller is responsible for the control of collection or receipt, control of expenditure and financial allocation, manage store and maintenance of vote book.

## **1.7 Work Flow for the Collection of Survey Fees**

The workflow for the collection of payment for surveys is as in **Appendix A**. In general it involves the Land and Mines Office, Land Office, the State Treasury, JUPEM Johor and the Accountant General's Office.

## **2. Problem Statement**

- 2.1 Currently, the Land and Mines Office and Land Offices do not consistently submit monthly report to JUPEM Johor on their collection of payment for surveys. Out of 14 centers of responsibility (PTJ) only 6 have ever submitted their monthly reports for the current year. Without such report JUPEM Johor cannot monitor actual amount collected by the Land and Mines Office or Land Office.
- 2.2 The Land and Mines Office and Land Offices use different formats of report. Most of these formats are too simple and unable to provide JUPEM Johor with enough information to check on the amount of payment for survey actually received for a particular month. Furthermore, it does not allow matching and cross checking to be made with the Requisition for Survey which is received at a later date.
- 2.3 Even though an official receipt number and its date of issue by the Land and Mines Office or Land Office has been keyed into the Cadastral Survey Record System the eFee report subsequently generated does not show the said information.
- 2.4 Payment for surveys deposited by the Land and Mines Office or Land Office cannot be released by the Johor State Treasurer without payment voucher



from the former. This leads to the yearly increase in payments backlog held by the State Treasurer.

### **3. Proposed Solutions**

In order to overcome the current weaknesses the following solutions are proposed:

- 3.1 Reminders will be sent to the Land and Mines Office and all Land Offices to duly submit their monthly report on payment for surveys collected by them.
- 3.2 A single comprehensive format for reporting will be adopted. Currently only the format of report used by Kluang Land Office contains sufficient details for the department to monitor the revenue collected for the month.
- 3.3 Changes should be made to the format of the eFee report so that it can show additional information such as the receipt number issued by the Land and Mines Office/Land Office and its date of issue. It is also proposed that the eFee report is provided with an additional column for Requisition for Survey (RS) number which will be filled when the RS is received at a later date.
- 3.4 Furthermore, payment vouchers shall have to be prepared and submitted monthly by the Land and Mines Office and Land Offices, according to the amount actually collected, to enable payment to be made by Johor State Treasurer to JUPEM Johor.
- 3.5 An Account Receivable (AR) report will be have to be generated for payments which are not received by JUPEM Johor on time.



#### 4. Conclusions

Generally, there are found to be weaknesses in the processes of reporting and payment of survey fees, boundary marks and plans by Land and Mines Office and Land Offices; and also in the monitoring process by JUPEM Johor.

The improvements proposed are to ensure that the said payments made by the land owners are timely deposited into the Federal Consolidated Revenue Account in compliance with the prevalent government accounting laws and regulations.

