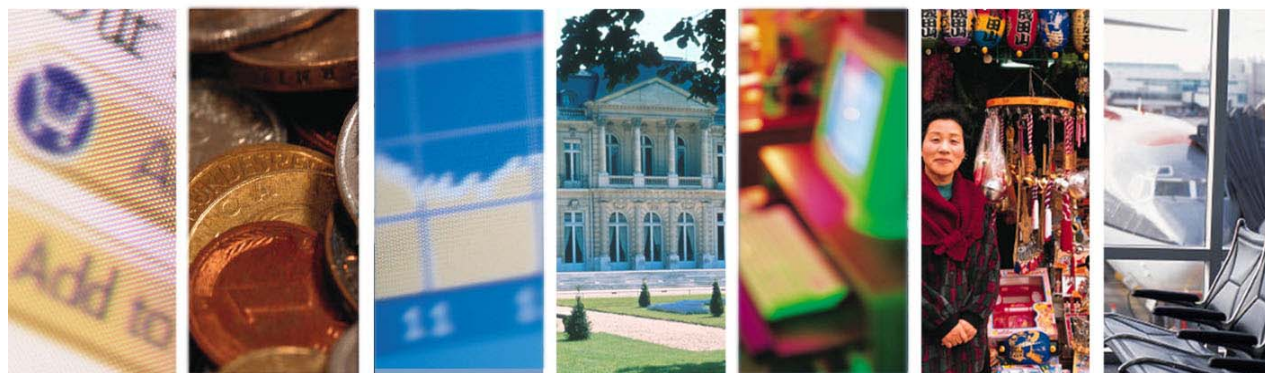




ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT



FORUM ON TAX ADMINISTRATION

Tax Administration Guidance & Information Series

October 2009



CENTRE FOR TAX POLICY AND ADMINISTRATION

Tax Administration Guidance & Information Series

1) Revenue administration in general

Title	Brief description	Date Released
Tax Administration in OECD and Selected Non-OECD Countries: Comparative Information Series 2008 www.oecd.org/dataoecd/57/23/42012907.pdf	The third edition of this series contains an extensive array of information on aspects of tax administration systems for all OECD and 13 selected non-OECD countries. It is structured to report on 1) institutional arrangements; 2) organisational setups; 3) selected management practices; 3) revenue body resources; 5) key areas of operational performance; 6) selected administrative powers of revenue bodies; and 7) selected administrative practices. It includes over 40 tabulations and related analyses, with the relevant data obtained from survey results, and research of revenue bodies' strategic plans and annual reports, OECD publications and other information sources.	2009 (January)
Tax Administration in OECD and Selected Non-OECD Countries: Comparative Information Series 2006 www.oecd.org/dataoecd/37/56/38093382.pdf	Compared to the first edition published in late 2004, this edition contains a broader array of data and its coverage has been extended to include some 15 non-OECD countries (i.e. CFA observer countries, non-OECD countries that are members of the EU and selected other countries that have been involved in the Forum's work).	2007 (February)
Tax Administration in OECD and Selected Non-OECD Countries: Comparative Information Series 2004 www.oecd.org/dataoecd/28/2/33866659.pdf	This information series provides internationally comparative data on aspects of tax systems and their administration in OECD member countries. The primary purpose of the series is to provide information that will facilitate dialogue among members on tax administration issues, and which may also identify opportunities for members to improve the design and administration of their respective tax systems.	2004 (October)
Taxpayers' Rights & Obligations www.oecd.org/dataoecd/24/52/17851176.pdf	This note describes the elements of a model statement of taxpayers' rights and obligations and provides an illustrative example of a taxpayers' charter.	2003 (July)

2) Compliance

Title	Brief description	Date Released
<i>Information Note</i> Withholding & Information Reporting Regimes for SMEs & Self-employed Taxpayers www.oecd.org/dataoecd/49/16/43728416.pdf	This information note has been prepared to assist revenue bodies advance their thinking on the use of legislated withholding and information reporting regimes for obtaining improved compliance in respect of business income derived by SME/ self-employed taxpayers. Building on other work recently carried out by the Forum, this note explores the approaches and experiences of selected countries (i.e. Canada, Ireland, Japan, New Zealand, Norway, UK, and USA) that administer withholding and/or information reporting regimes to varying degrees for prescribed categories of the income of SMEs and self-employed taxpayers. It complements this research with brief reference to the use of these instruments by other OECD and selected countries.	2009 (September)
<i>Information Note</i> Developments in VAT Compliance Management in Selected Countries www.oecd.org/dataoecd/49/17/43728444.pdf	This information note has been prepared to assist member revenue bodies achieve improved compliance with their VAT systems by sharing knowledge of recent developments in selected countries (i.e. Australia, Austria, Canada, Ireland and the United Kingdom), particularly in relation to the countries' overall risk management approach. The information note identifies a useful array of developments that build on the Forum on Tax Administration's earlier work on VAT abuses and compliance risk management in general. The information does not address members' activities to address fraud associated with EU intra-community	2009 (September)

	transactions, as this matter is the focus of special efforts by the European Commission's Tax Directorate-General Taxation and Customs Union. This is the third report on this topic. Earlier reports were produced in 2004 and 2005.	
<i>Information Note</i> General Administrative Principles: Corporate governance and tax risk management www.oecd.org/dataoecd/37/19/43239887.pdf	This information note deals with the topic of corporate governance and tax risk management. It shares and builds on the experiences and lessons of three countries, Australia, Canada and Chile in encouraging good corporate governance and continuing to develop approaches to sound tax risk management. Despite these countries' diverse regulatory environments and experiences they suggest a number of common benefits, challenges, and best practice considerations.	2009 (July)
<i>Guidance Note</i> Compliance Management of Large Business Task Group: Experiences and Practices of Eight OECD Countries www.oecd.org/dataoecd/36/32/43241144.pdf	This guidance note presents an overview of approaches and methods used by tax administrations in managing large taxpayers' compliance. Recognizing that large business taxpayers (also referred to as large taxpayers) are different from other groups of taxpayers, many tax administrations have instituted specific organizational and management arrangements as well as special compliance programs and initiatives as part of a strategy to deal effectively with this segment of taxpayers. The aim of the guidance note is to offer a view of the various organizational structures and features of large business units. In addition, the guidance note highlights common compliance issues associated with large taxpayers and identifies practices and innovative programs or initiatives used by tax administrations to deal with these challenges.	2009 (July)
Engaging with High Net Individuals on Tax Compliance www.oecd.org/ctp/ta/hnwi	This report sets out the conclusions of the OECD's study, which is a follow up to the 2008 Study into the Role of Tax Intermediaries, on tax compliance within the High Net Worth Individuals (HNWI) taxpayer segment. The report concludes that HNWIs pose significant challenges to tax administrations because of the complexity of their affairs, their revenue contribution, the opportunity for aggressive tax planning, and the impact of their compliance behaviour on the integrity of the tax system. The study found that by focussing resources on the HNWI segment, significant improvements in compliance can be achieved.	2009 (June)
Building Transparent Tax Compliance by Banks www.oecd.org/ctp/ta/banks	<p>This report sets out the conclusions of the OECD study, which is a follow up to the 2008 Study into the Role of Tax Intermediaries that examined the role of banks in the provision of aggressive tax planning arrangements. It examines the complex structured financing transactions developed by banks and how they are then used by both banks and their clients. It also explores the internal governance processes that banks use to manage tax risk and the prevention, detection and response strategies applied by different revenue bodies in responding to the challenges that banks pose. It examines the nature of the banking business and concludes that, in relation to their own tax affairs, banks can engage in an enhanced relationship with tax administrations in the same way as other large corporate taxpayers.</p> <p>The report makes a number of recommendations for revenue bodies and identifies best practices for consideration by banks. For example, revenue bodies should gain an understanding of how individual banks manage tax risks, as robust risk management processes can provide them with greater assurance of a bank's tax compliance. In turn, banks are encouraged, in setting their business strategy, to consider the benefits of an enhanced relationship with revenue bodies, including early certainty, reduced compliance costs and reduced reputational risks. The report makes a number of recommendations for revenue bodies and identifies best practices for consideration by banks.</p>	2009 (June)
<i>Information Note</i> Managing and Improving Compliance: Recent Developments in Compliance Risk Treatments www.oecd.org/dataoecd/36/34/42490764.pdf	This information note describes recent progress by revenue bodies in the development of more innovative or unusual risk treatment approaches to address non-compliance in the small and medium enterprise (SME) sector and provides examples of evaluation approaches adopted by agencies to measure the impacts and outcomes of these new treatment methods. While commenting on a range of non-compliance risk areas, it gives particular focus to those approaches that target reporting non-compliance within this broad population group.	2009 (March)
<i>Information Note</i> Companion Note Managing and	This note is published in conjunction with the information note - <i>Managing and Improving Compliance:</i>	2009 (January)

<p>Improving Compliance: Recent Developments in Compliance Risk Treatments: A Catalogue of Revenue Body Initiatives</p> <p>www.oecd.org/dataoecd/36/31/42490557.pdf</p>	<p><i>Recent Developments in Risk Treatment</i> and provides a catalogue of more innovative or unusual risk treatment approaches developed and applied by revenue bodies to address non-compliance in the small and medium enterprise (SME) sector. This catalogue should be read in conjunction with the information note which provides practical observations of these recent revenue body experiences, particularly in relation to reporting non-compliance and recent progress in evaluating the outcomes of individual treatment approaches.</p>	
<p><i>Guidance Note</i> Monitoring Taxpayers' Compliance: A Practical Guide Based on Revenue Body Experience</p> <p>www.oecd.org/dataoecd/51/13/40947920.pdf</p>	<p>This guidance note emphasises the value to revenue bodies of developing and maintaining a compliance monitoring framework—in essence, a set of “<i>compliance effectiveness</i>” indicators – that should include, to the extent practicable, measures and indicators for each of the major compliance risk types across each of the major taxes administered. To assist revenue bodies, the note provides many practical examples, drawn from member countries, of compliance-related measures and indicators that can be used as part of such a framework. However, the note does draw attention to the fact that some of the measures and indicators described (and the underlying methodologies) are subject to various qualifications and limitations and, accordingly, need to be used and interpreted with care.</p>	2008 (June)
<p>Study into the Role of Tax Intermediaries</p> <p>www.oecd.org/dataoecd/28/34/39882938.pdf</p>	<p>This report describes the key findings and recommendations of the study and focuses on the objective of achieving an ‘<i>enhanced relationship</i>’ between revenue bodies, taxpayers and tax intermediaries.</p> <p>The study’s key finding is that revenue bodies could achieve a more effective and efficient relationship in their dealings with taxpayers and tax intermediaries if their actions are based upon the following attributes: 1) Understanding based on commercial awareness; 2) Impartiality; 3) Proportionality; 4) Openness; and 5) Responsiveness. These attributes are fundamental for any revenue body and should underpin all their dealings with taxpayers. If revenue bodies demonstrate these five attributes and have effective risk-management processes in place, large corporate taxpayers would be more likely to engage in a relationship with revenue bodies based on co-operation and trust, what is described in the report as an “<i>enhanced relationship</i>”.</p> <p>An <i>enhanced relationship</i> offers benefits for revenue bodies as well as taxpayers. The report notes that taxpayers who behave transparently can expect greater certainty and an earlier resolution of tax issues with less extensive audits and lower compliance costs. An <i>enhanced relationship</i> between revenue bodies and tax intermediaries would also yield significant benefits.</p>	2008 (January)
<p><i>Information Note</i> -Strengthening Tax Audit Capabilities: Innovative Approaches to improve the Efficiency and Effectiveness of Indirect Income Measurement Methods</p> <p>www.oecd.org/dataoecd/46/16/37590009.pdf</p>	<p>The purpose of this note is to share information concerning the strategies employed by a number of selected revenue bodies to improve the efficiency and effectiveness of indirect measurement methods used to validate and to establish taxpayers’ tax liabilities in the course of tax audit activities. The note summarises the results of a short survey conducted in selected countries on their use of indirect income measurement methods, with particular emphasis on steps that have been taken to improve their efficiency and effectiveness. These include the development of industry benchmarks (using various approaches) and business specific guidance that complement use of the methods and the identification of sources of information to provide potentially valuable data concerning taxpayers’ incomes (e.g., lifestyle expenditure as evidenced by credit card account data).</p>	2006 (October)
<p><i>Information Note</i> - Strengthening Tax Audit Capabilities: Audit Workforce Management Survey Findings and Observations</p> <p>www.oecd.org/dataoecd/46/17/37589929.pdf</p>	<p>This information note reports the findings, observations and international comparisons derived from a survey of auditor workforce management approaches adopted in selected OECD countries. The survey, involving some 10 FTA member countries, explored a range of matters, including: 1) identifying the required capabilities of auditors and audit managers; 2) methods for assessing auditor capability; 3) approaches to improving auditor capability; and 4) cost-benefit analysis of capability improvement programs. The note includes extensive detail from revenue bodies’ responses that may assist member countries in understanding individual revenue body approaches and experiences.</p>	2006 (October)
<p><i>Information Note</i> - Strengthening Tax Audit</p>	<p>This information note focuses on audit programmes and the conduct of individual audits. It identifies</p>	2006 (October)

Capabilities: General Principles and Approaches www.oecd.org/dataoecd/46/18/37589900.pdf	common key features of audit activity found in a wide variety of tax administrations and outlines the principles underpinning these characteristics. The note does not purport to be an authoritative and comprehensive guide on how audit activities should be conducted. Rather, it draws together information provided by member countries through various information gathering activities (e.g., surveys and workshops) conducted over the last three years and presents an array of facts and observations that may assist member countries improve the efficiency and effectiveness of their audit activities in the SME sector.	
Workshop Report on Compliance Measurement and Evaluation	This report describes the proceedings of a workshop organised and hosted by the Canadian Revenue Agency during 2005 on selected country approaches to measuring and evaluating tax compliance. The report also provides a number of case studies in specific tax compliance areas provided after the workshop by the participating countries. The report very much represents "work in progress" on this topic and will be discussed at meetings of relevant officials in April 2006 to determine the follow-up action to be taken.	2006 (March) [limited circulation]
Report on the Survey of Country Practices in Debt Collection & Overdue Returns Enforcement	This report, available on a restricted basis only, summarises the findings of an exploratory survey initiated by the FTA in 2005 to identify individual country approaches, experiences and impacts in their conduct of tax debt collection activities. There is also a limited array of quantitative data pointing to the magnitude of tax debts and case inventories across surveyed countries.	2006 (March) [limited circulation]
VAT Abuses - 2004 Report	This report updates member country information on VAT abuse and provides further details on approaches taken by member countries to reduce their incidence and impact. These approaches are considered at the strategic, legislative and administrative levels. The report makes special reference to the 'strategic approach' adopted by the UK, notes the significant improvement in compliance reported by the UK authorities in late 2004, and provides further information on its gap measurement methodology.	2005 (May) [limited circulation]
<i>Guidance Note</i> - Guidance for the Standard Audit File-Tax (SAF-T) www.oecd.org/document/57/0,2340,en_2649_33749_34910329_1_1_1_1,00.html	This guidance note provides practical advice to business accounting software developers on the standards required of the SAF-T. It builds on the guidance contained in the GTCBAS note which recommends the use of SAF-T as a means of exporting accurate tax accounting data to revenue authorities in a way that can be read easily. It describes how the SAF-T can be used and its interactions with the main accounting systems. It recognizes the need for flexibility in format and highlights where it might best be applied. Finally, it suggests means of implementation. The annexes provide further technical elements required to support SAF-T.	2005 (May)
<i>Guidance Note</i> - Guidance on Tax Compliance for Business and Accounting Software (GTCBAS) www.oecd.org/document/57/0,2340,en_2649_33749_34910329_1_1_1_1,00.html	This guidance note describes in general terms the standards that should be applied in the development of tax accounting software. It covers tax reporting and filing standards and focuses on means of ensuring tax audit processes can be carried out with greater reliability and in such a way that costs to both revenue authorities and business can be minimized. It also provides some guidance on how the principles may be implemented in practice. The note concludes with specific guidance to support the standards aimed at revenue bodies and software developers.	2005 (May)
<i>Information Notes</i> - Catalogues of Compliance Research Projects and Compliance Strategies www.itdweb.org/documents/catalogue/COMPLIANCE_RESEARCH_PROJECTS_SEPT_04_ITD.htm	This information note presents details of compliance research projects undertaken by member countries to better understand the factors that influence the behaviour of SMEs, largely in relation to their direct tax obligations. It also presents descriptions of compliance interventions employed by member countries to test compliance with certain elements of a country's tax laws.	2004 (October)
<i>Information Note</i> - Compliance Risk Management: Use of Random Audit Programs www.oecd.org/dataoecd/44/34/33818547.pdf	This information note elaborates on the rationale, approaches, and experiences of selected countries that have conducted random audit programs, identifies some of the methodological issues to be addressed, and describes the advantages and disadvantages of such programs.	2004 (October)
<i>Information Note</i> - Compliance Risk Management:	This information note elaborates on some important considerations to the design, development, and use of	2004 (October)

Audit Case Selection Systems www.oecd.org/dataoecd/44/36/33818568.pdf	such systems and provides a number of case studies to illustrate particular country approaches.	
<i>Guidance Note</i> - Compliance Risk Management: Progress with the Development of Internet Search Tools for Tax Administration www.oecd.org/dataoecd/44/15/33818593.pdf	This guidance note focuses on several aspects of the use of Internet search tools for tax administration (i.e. tax compliance checking) purposes, namely: 1) the general background of the rise of e-commerce and the corresponding compliance issues against which the need for Internet search tools is being given substance; 2) an overview of country experiences with the use of Internet search tools; and 3) a description of the functional components of Internet search tools that could be applied in the risk identification processes of a revenue authority.	2004 (October)
<i>Guidance Note</i> - Compliance Risk Management: Managing and Improving Tax Compliance www.oecd.org/dataoecd/44/19/33818656.pdf	This guidance note provides a step by step description of a strategic process for the identification, assessment, and treatment of tax compliance risks, and associated monitoring and evaluation activities that are required to gauge the effectiveness of the treatment strategies implemented.	2004 (October)

3) Taxpayer services (with technology emphasis)

Title	Brief description	Date Released
<i>Guidance Note</i> - Standard Business Reporting www.oecd.org/dataoecd/36/52/43384923.pdf	<p>This guidance note seeks to provide sufficient information about Standard Business Reporting (SBR) to enable revenue bodies to consider its relevance to their Government and play a major role in cross-Government deliberations and implementation, if deemed appropriate.</p> <p>It is not a comprehensive guide, nor does it seek to make a business case for its adoption in all member countries. Rather, it focuses on the basic concepts and some of the issues which may be less familiar or not well understood so that it can be used as a “getting started” resource by officials of revenue bodies. It also provides insights from four countries implementing SBR.</p>	2009 (July)
<i>Information Note</i> - Third Party Reporting Arrangements and Pre-filled Tax Returns: The Danish and Swedish Approaches www.oecd.org/dataoecd/39/5/39948012.pdf	<p>This information note provides further information on the systems of pre-filing personal tax returns operating successfully in Denmark and Sweden. (An initial note on this topic was published in March 2006.)</p> <p>‘Pre-filing’ is a concept that has come into prominence over the last 5-10 years following major advances in Nordic region countries and its adoption (to varying degrees) by other revenue bodies. Its growing popularity results from the potential it has in many countries to reduce significantly the administrative/compliance burden of personal taxpayers (principally employees) that result from mandated tax return filing obligations. This new information note elaborates on the features of the third party reporting systems in place in Denmark and Sweden, enabling the respective revenue bodies to fully prepare the majority of personal tax returns for its population of personal taxpayers.</p>	2008 (January)
<i>Information Note</i> - Programs to Reduce the Administrative Burden Resulting from Tax Regulations in Selected Countries www.oecd.org/dataoecd/39/6/39947998.pdf	<p>This information note records the results of a study of the key strategies and approaches being adopted by ministries of finance and revenue bodies to reduce the administrative burden resulting from tax regulations. Cutting red tape/reducing administrative burdens is a priority item on the political agenda of many member countries, with Governments embarking on comprehensive ‘whole of government’ exercises to estimate the size of administrative burden resulting from government regulations, setting ambitious targets for their reduction and developing a program of measures to achieve the targets set. Taxation is a key focus of these burden reduction efforts.</p> <p>The note briefly describes: 1) the results of recent work in member countries to estimate aggregate administrative burdens resulting from tax regulations (in most cases using what is known as the Standard Cost Model (SCM)); 2) identifies targets that have been set for burden reduction; 3) describes the key tax</p>	2008 (January)

	policy and administrative measures proposed/ implemented to achieve burden reduction objectives; and 4) identifies known impacts of the measures already implemented.	
<i>Information Note</i> - Using Third Party Information Reports to Assist Taxpayers Meet their Return Filing Obligations: Country Experiences With the Use of Pre-populated Personal Tax Returns www.oecd.org/dataoecd/42/14/36280368.pdf	This information note briefly describes the use of pre-populated returns that has become a feature of the personal tax systems in Nordic region countries over the last decade or so and more recently in Spain and Chile. In doing so, it elaborates on a number of success factors critical to the efficiency and effectiveness of these arrangements (e.g., comprehensive third party reporting systems, use of high integrity taxpayer identifiers, compatible legislative framework, and effective use of technology by both third parties and the revenue body), bearing in mind the objective of providing as many taxpayers as possible with a pre-filled return that is largely complete. Although not studied in detail, the report also outlines the potential benefits and costs arising from use of these arrangements.	2006 (March)
<i>Information Note</i> - Strategies for Improving the Take-up Rates of Electronic Services www.oecd.org/dataoecd/41/36/36280699.pdf	This information note summarises the findings of a survey across 8 member countries to gather information on the key strategies employed to promote increased take-up of electronic services.	2006 (March)
<i>Information Note</i> - Management of Email www.oecd.org/dataoecd/42/19/36279861.pdf	This report outlines the findings from a survey of revenue bodies in six member countries (i.e., Australia, Canada, New Zealand, Netherlands, UK and US) of solutions implemented, both administrative and technical, to manage email communications with taxpayers. The objective of this work was to share information about email implementations in relation to levels of success, issues encountered and/or resolved, processes employed, design/details of systems in use, technical/security design and any other aspects seen as relevant by the participating revenue bodies and to determine any further work required in this area.	2006 (March)
<i>Information Note</i> - Application Software Solutions Being Used to Support the Technical Architecture of Selected Revenue Bodies www.oecd.org/dataoecd/42/12/36280568.pdf	This note summarises information provided by revenue bodies in 7 OECD member countries (i.e., Australia, Canada, New Zealand, Norway, The Netherlands, UK and US) to a 2005 survey regarding application software solutions, both custom-built and commercial off-the-shelf (COTS), planned or being implemented to support revenue administration. The aim of this work was to provide an inventory of solutions being adopted by a select number of national revenue bodies to support the technical architecture of revenue bodies' systems and to identify areas of commonality in approach, thus facilitating cross-country exchanges of experiences to assist future decision making in this area. The information in this note is intended to supplement the guidance contained in the note issued in April 2005 titled 'Achieving Success with Electronic Services - The Importance of Having a Sound Business Architecture'	2006 (March)
<i>Guidance Note</i> - Achieving Success With Electronic Services: The Importance of Having a Sound Business Architecture www.oecd.org/dataoecd/27/19/34767000.pdf	This note is intended to help and stimulate the thinking of business people in revenue bodies (particularly those which are at a relatively early stage in their adoption of e-services) about the role that a coherent business architecture can play in shaping and improving future business activities.	2005 (April)
Survey of Trends in Taxpayer Service Delivery Using New Technologies www.oecd.org/dataoecd/56/41/34904237.pdf	This report records the findings of a comprehensive survey of revenue bodies in member countries to identify the level of, and trends in, the use of technology to support the delivery of services to taxpayers.	2005 (February)

4) Electronic commerce

Title	Brief description	Date Released
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<p>Electronic Payment Systems—Accountability Guidance www.oecd.org/dataoecd/29/27/31663069.pdf</p>	<p>The purpose of this note is to encourage an appropriate level of accountability in electronic payment systems in a manner consistent with historical precedent so that taxpayers can continue to rely on data from these systems to substantiate their tax position.</p>	<p>2003 (July)</p>
<p>Record Keeping Guidance www.oecd.org/dataoecd/29/25/31663114.pdf</p>	<p>The purpose of this note is to set out guidance that will encourage appropriate standards for record keeping by businesses offering services or products via the Internet. The guidance is equally applicable to transaction-based taxes (GST/VAT) and direct taxes that make use of aggregated transaction information. It is aimed specifically at record keeping requirements for e-commerce although its principles apply equally to all computerised record keeping.</p>	<p>2003 (July)</p>
<p>Transaction Information Guidance www.oecd.org/dataoecd/29/26/31663095.pdf</p>	<p>The purpose of this note is to encourage appropriate guidance on transaction information for businesses offering services or products via the Internet. The paper is written from an audit perspective—to ensure that an appropriate amount of information exists in the transaction so as to enable verification of the tax results arising from the transaction or aggregated series of transactions.</p>	<p>2003 (July)</p>
<p>Business Identification Guidance www.oecd.org/dataoecd/4/56/14990201.pdf</p>	<p>The purpose of this note is to encourage appropriate standards of identification for businesses offering services or products via the Internet.</p>	<p>2003 (July)</p>