



European Commission — Taxation and customs union

# ***Fiscal Blueprints***

*A path to a robust, modern and efficient tax administration*





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# Foreword

As commissioner responsible for taxation and customs, I am delighted to present officially the revised version of the fiscal blueprints issued by the European Commission's Directorate-General for Taxation and Customs Union

The fiscal blueprints are practical guidelines laying down clear criteria based on EU best practice, against which a tax or fiscal administration is able to measure its own operational capacity. They can be used to analyse gaps between the existing situation in individual countries and the blueprint standards and thus provide a basis for plans to undertake fiscal reforms.

The purpose of the fiscal blueprints is twofold:

- to provide a set of best practices and recommendations for tax administrations,
- to serve as a tool for the tax administration to provide a speedy and clear identification of its strengths and weaknesses.

The fiscal blueprints describe the main functions and systems of a tax administration and are conceived as benchmarks against which shortfalls in operational capacity, as well as areas needing improvement, can be determined. As a result, identification of consequential technical assistance requirements is facilitated.

The first version of the blueprints, drafted in 1999, consisted of 11 separate chapters (legislation, rights and obligations of taxpayers, ethics, organisation and management, human



resources management, training, communication, revenue collection and enforcement, fiscal control, administrative cooperation and mutual assistance, IT). Each fiscal blueprint was internally structured with an overall aim, strategic objectives and key indicators.

The current set of fiscal blueprints represents a collection of 14 separate chapters structured internally in the same manner as the 1999 fiscal blueprints. In addition, the new set includes the concept of measurement via a scoring system. The scoring is used to establish the relative importance of each strategic objective, as well as to assess its relative level of achievement.

Further details and useful information can be found in the explanatory guidelines, which set out our ideas as to who should use the blueprints and how they can be put to best use.

I have no doubt that the fiscal blueprints will provide a valuable tool and help us to fulfil our tasks and meet new challenges in a spirit of close and constructive cooperation.

A handwritten signature in black ink, appearing to read 'Kovacs'.

Laszlo Kovacs





# Explanatory guidelines

The 1999 fiscal blueprints were developed to serve as a tool for the candidate countries for accession to the EU to enhance their administrative capacity in adopting, applying and enforcing the *acquis communautaire* (Community legislation) in preparation for membership. Based on the benchmarks established in the blueprints, each candidate country, in cooperation with the Intra-European Organisation of Tax Administrations (IOTA):

- carried out a gaps and needs analysis,
- set up a business change management plan, and
- determined its needs for technical assistance.

## I. Reviewing the fiscal blueprints

### The context

At present, both the Commission and the Member States, which are the main providers of technical assistance, face a new situation, characterised in particular by:

- the EU's European neighbourhood policy (ENP) (cf. Communications of the European Commission of 11 March 2003 (COM(2003) 104) and 1 July 2003 (COM(2003) 393),
- opportunities arising from progress in the IT area,
- the general trend towards changing tax administrations into client-oriented administrations,
- the general trend towards decentralising the management of tax administrations.

The EU should therefore have at its disposal an appropriate tool in order to be able to provide

technical assistance in the tax administration area to potential beneficiaries, notably to candidate countries and countries covered by the ENP.

With regard to the latter, technical assistance would not necessarily focus on the adoption and implementation of the *acquis communautaire*, but would more generally look at taxation management and, in particular, the modernisation of tax administrations.

### The process

During the meeting of the Liaison Group (Technical Assistance — Taxation) <sup>(1)</sup> held in May 2003, delegates shared the opinion of the Commission that a review of the fiscal blueprints would be useful in the post-enlargement context.

In June 2004, the Fiscalis committee agreed to create a working group of experts from Member States, chaired by the Directorate-General for Taxation and Customs Union, in order to draft a new set of fiscal blueprints.

The working group met five times between June 2004 and May 2005 and produced the final draft of the new fiscal blueprints in May 2005.

## II. The revised fiscal blueprints

### Overall structure

The blueprints are organised according to a logical structure in five groups. The numbering of the individual blueprints is for reference purposes only and does not reflect any hierarchical order of relative importance.

<sup>(1)</sup> The Liaison Group (Technical Assistance — Taxation), chaired by the European Commission (DG Taxation and Customs Union), is a group of experts of Member States charged with coordinating and sharing experiences with regard to taxation technical assistance.

### • **Framework, structures and basis**

This group consists of three blueprints covering the overall framework of the tax administration and its structure as well as highlighting the horizontal issue of tax legislation:

- Overall Framework of a Tax Administration (FB01)
- Structure and Organisation (FB02)
- Tax Legislation (FB03).

### • **Human and behavioural issues**

This group consists of two blueprints covering horizontal personnel issues:

- Ethics (FB04)
- Human Resources Management (FB05).

### • **Systems and functioning**

This group consists of four blueprints covering the key operational systems and functions of the tax administration:

- Revenue Collection and Enforcement (FB06)
- Tax Audit (FB07)
- Administrative Cooperation and Mutual Assistance (FB08)
- Fraud and Tax Avoidance (FB09).

### • **Taxpayer services**

This group consists of three blueprints covering taxpayer-oriented concepts and services:

- Taxpayer Rights and Obligations (FB10)
- Systems for Taxpayers' Management (FB11)
- Voluntary Compliance (FB12).

### • **Support**

This group consists of two blueprints covering support functions and tools:

- Information Technology (FB13)
- Communications (FB14).

### ***Internal structure***

Each of the fiscal blueprints has the same structure, including:

- an *Aim*: a broad statement of the overall purpose of the blueprint,
- *Strategic objectives*: statements that identify crucial issues to be addressed, indicating the expected achievement and expressing a measurable result (see below),
- a *Scoring* of each strategic objective. The scoring assigns a weighting, indicating the relative importance of each strategic objective, expressed as a percentage (of a total of 100% for each fiscal blueprint). The final score of each strategic objective reflects the level of achievement of the corresponding key indicators (see below). Repeating the scoring exercise over time will enable the administration to monitor progress made.
- *Key indicators* related to each strategic objective. The key indicators express the strategic objectives in technical and practical terms. They provide the necessary information in order to assess the level of achievement of each strategic objective and therefore its scoring.
- Where necessary, *Definitions* in order to avoid any misunderstanding on technical issues/ vocabulary.

### ***Annexes to be added at a later stage***

- For each of the blueprints, a fictitious scoring example is provided in annex I.

- Annex II contains a fictitious example of a scoring profile.

### III. Using the fiscal blueprints

#### *Overall process*

The fiscal blueprints are designed to be used as a self-assessment tool. They provide the overall framework and necessary benchmarks to assess internally each technical and organisational area of a tax administration.

Basically, answering the questions in the key indicators makes it possible to measure the level of achievement for each strategic objective.

Based on experience already gained by the Commission, any exercise using the fiscal blueprints should ideally incorporate the following elements:

1. The management and coordination of the exercise should be undertaken at the highest level e.g. at the level of the board of management. The nomination of an official, who will ultimately be responsible for the overall coordination of the exercise and the proper implementation of the results, is essential.
2. There should be a diagnostic phase, including:
  - 2.1 A comparison between the actual situation on the ground and the fiscal blueprints benchmark, which reflects the ideal situation.
  - 2.2 Based on this comparison, an analysis of needs, identifying at the same time possible solutions to address each individual disparity (or group of interrelated disparities) between the blueprint standard and the real situation. This analysis should also include an impact assessment of the implementation of the proposed solutions.

#### 3. An action phase should include:

##### 3.1 The drafting of an action plan:

- taking into account the results of the diagnosis,
- organising and classifying actions to be undertaken in a meaningful order according to their priority and the means available,
- split between actions to be completed internally and actions needing external technical assistance,
- specifying ways and means as well as the timetable for the implementation of actions.

##### 3.2 The drafting of project proposals for external technical assistance.

Future technical assistance projects can therefore be designed as a result of a sound and logical process. Moreover, potential technical assistance providers would benefit from an extended awareness and knowledge of the local context.

This process can be applied to specific areas of the tax administration, using individual or groups of blueprints, or to the entire administration, using the full set of blueprints. Repeating the fiscal blueprints exercise periodically allows the measurement of the progress realised, and therefore provides a basis for updating the action plan.

#### *Using the scoring*

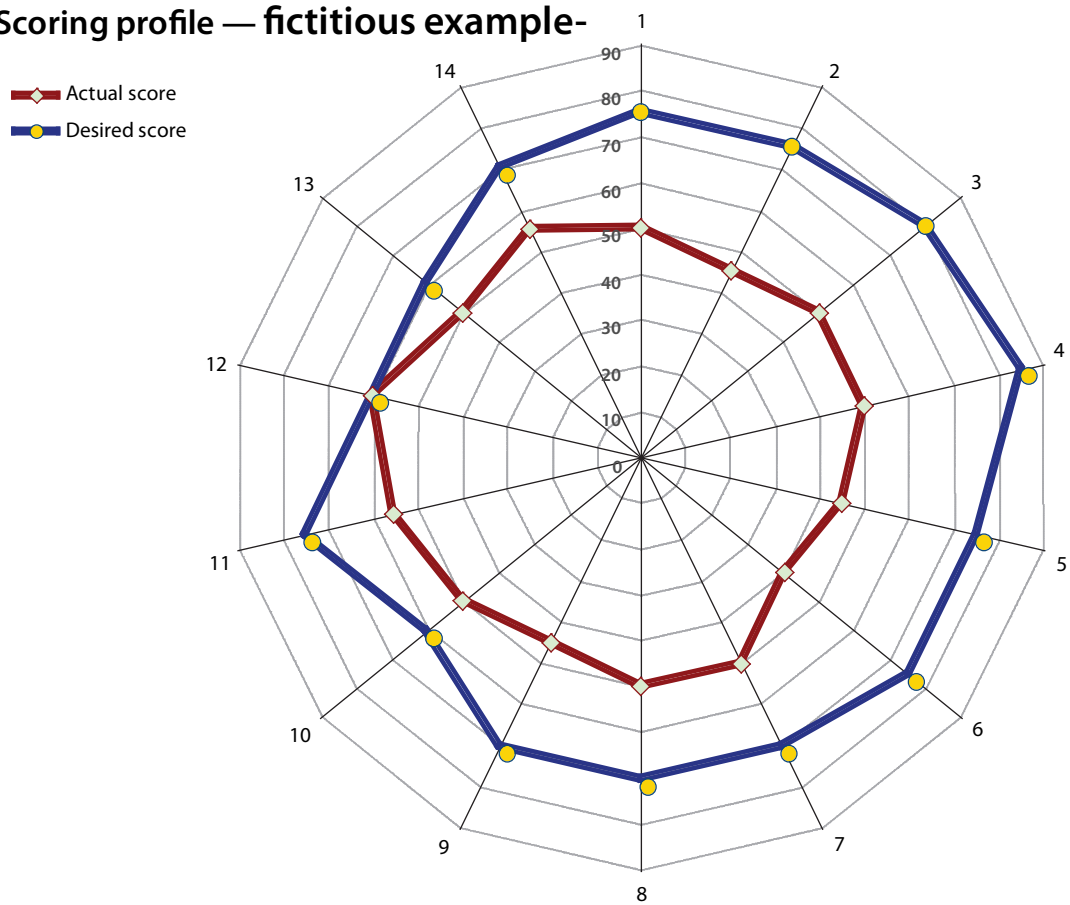
The scoring is the numerical expression of the level of achievement of a specific strategic objective.

The scores (of a -) may be recorded in a table, e.g. an Excel file. The results can then be mapped

onto, for example, a radar or bar chart, thereby providing a clear and succinct overview of the results as illustrated below (see detailed fictitious example in annex).

It should be noted that the ‘desired score’ expresses the goal set by the administration, taking into account the present situation and the means realistically available.

Scoring profile — fictitious example-



# ***Fiscal Blueprints***

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# Overall Framework of a Tax Administration (FB 01)

## Framework, Structures and Basis

### Aim

To establish a modern tax administration able to achieve goals efficiently and effectively and to meet requirements set by stakeholders and envisaged by law

Strategic objectives	Scoring (Total 100)	Key indicators
1. The tax administration is guaranteed an adequate level of autonomy	25	<ul style="list-style-type: none"> <li>• Is the autonomy of the tax administration provided for by law?</li> <li>• Is there a statutory basis defining to whom the head of the tax administration reports?</li> <li>• Is the autonomy of the tax administration reflected in its organisational structure and operational responsibilities?</li> <li>• Is the tax administration provided with the freedom to design and implement its own operational policy?</li> <li>• Is there a clear description of responsibilities of bodies at the central, regional and local level?</li> </ul>
2. The obligations of the tax administration are clearly translated into its mission, vision and objectives	15	<ul style="list-style-type: none"> <li>• Are the tasks of the tax administration in line with its mission and vision?</li> <li>• Does the tax administration draw up strategies providing objectives, benchmarks and plans for its operations?</li> <li>• Is the mission of the tax administration publicised among taxpayers and other stakeholders, as well as among its personnel?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>3.</b> The tax administration has its own structure and powers allowing for efficient and effective operations	<b>5</b>	<ul style="list-style-type: none"> <li>• Does the structure of the tax administration allow the fulfilment of its tasks and obligations?</li> <li>• Does the organisational structure of the tax administration provide for the decentralisation of responsibilities, so that decisions concerning the taxpayer are made at the most appropriate level?</li> </ul>
<b>4.</b> The tax administration is provided with adequate resources to implement and manage the tax system	<b>20</b>	<ul style="list-style-type: none"> <li>• Is the tax administration given sufficient resources and funding to ensure the efficient implementation of its policies and performance of duties?</li> <li>• Does the tax administration stem from a budget dialogue based on performance agreements?</li> <li>• Does the tax administration's budget planning cycle cover several years, allowing strategic planning and the carry over of funding surpluses?</li> </ul>
<b>5.</b> The tax administration is provided with a stable legal framework ensuring proper administration and enforcement of tax dues	<b>10</b>	<ul style="list-style-type: none"> <li>• Is the tax administration responsible for the formulation of laws concerning the assessment, collection and enforcement of taxes (leaving the responsibility for the formulation of other tax laws with the ministry of finance)?</li> <li>• Is the tax administration provided by law with sufficient powers to efficiently undertake all its statutory responsibilities?</li> </ul>
<b>6.</b> The tax administration is accountable for its operations which are subject to control and assessment	<b>10</b>	<ul style="list-style-type: none"> <li>• Is there a system of internal audit in the tax administration?</li> <li>• Is there an independent external institution carrying out the tax administration's audit of operations and assessing its performance?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
7. The operations of the tax administration are managed and assessed on the basis of the performance management system	15	<ul style="list-style-type: none"> <li>• Is the tax administration managed in accordance with benchmarks and indicators agreed with the stakeholders while the results of its activities are constantly monitored?</li> <li>• Is there a proper reporting system ensuring that performance reports are delivered to the management?</li> <li>• Is there a quality management system allowing for the constant monitoring of quality of services rendered by the tax administration?</li> <li>• Are performance management models applied in the tax administration?</li> </ul>

## Definitions

Some common management tools:

*Balanced scorecard*: a management system developed by R. Kaplan and D. Norton allowing the management and measurement of the success of companies' or administrations' operations from two categories of perspectives — first, financial and non- financial perspectives such as learning and growth perspectives (employee training and corporate cultural attitudes) and the business process perspective (monitoring of internal business processes) and, second, the customer perspective (focus on customers satisfaction). The system aims at defining the administrations' vision and strategy and at implementing them. The system envisages providing feedback about internal business processes and external outcome so as to improve performance continuously.

*EFQM excellence model*: a system for assessing organisations confirmed by the European Quality Award, allowing the achievement of sustainable excellence in all performance aspects through 'leadership-driving policy and strategy, which is delivered through people, partnerships and resources, and processes.'

# Structures and Organisation (FB 02)

## Framework, Structures and Basis

### Aim

To establish an effective and efficient structure and organisation for achieving a tax administration's tasks

Strategic objectives	Scoring (Total 100)	Key indicators
1. The tax administration is structured and organised to identify and manage all significant risks and priorities	25	<ul style="list-style-type: none"> <li>Does the tax administration have systems and procedures for a quick identification and response to risks (both fiscal and other)?</li> <li>Is the tax administration able to understand and meet the needs of key taxpayer groups or segments?</li> <li>Is a large taxpayer unit (LTU) in place, at a national level, to deal with the most important companies representing a significant part of the tax revenue?</li> <li>Are special units requesting specific skills and offering operational economies of scale (tax intelligence, enforced collection, specific audits, etc.)?</li> </ul>
2. A unified tax administration	15	<ul style="list-style-type: none"> <li>Is the tax administration responsible for all taxes and linked social contributions?</li> <li>Is the tax administration responsible for all fiscal functions (assessment, collection, data processing, audit, taxpayer service and claim investigation) and organised accordingly?</li> <li>Do some other administrations or bodies play a role in the management of local taxes and is there any rationality for it?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>3.</b> A robust and adequately resourced headquarters function	<b>15</b>	<ul style="list-style-type: none"> <li>• Does the tax administration have a headquarters function able to undertake strategic operational planning?</li> <li>• Can headquarters' operational departments develop national programmes and provide technical advice and guidance to operational units?</li> <li>• Is there a specific department dealing with 'think tank studies', the establishment of performance objectives, and the measurement, monitoring and evaluation of field operations?</li> <li>• Is this department — or another specific unit — responsible for the identification, gathering, and dissemination of good practices and knowledge (knowledge management)?</li> </ul>
<b>4.</b> Clear relationship rules established and agreed upon between the headquarters, regional and local levels	<b>25</b>	<ul style="list-style-type: none"> <li>• Do regional and local managers understand and support the business strategy and are they made responsible for its implementation?</li> <li>• Are operational functions in place at central, regional and local levels appropriate and free of duplication or overlapping risks?</li> <li>• Have regional and local managers sufficient flexibility in organising their business?</li> <li>• Does the organisational structure allow most decisions concerning taxpayers to be made at the local level?</li> <li>• Are internal audit systems in place to evaluate the operation of the tax administration and assess its performance?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
5. A flexible and reactive allocation of resources	20	<ul style="list-style-type: none"> <li>• Does the tax administration's headquarters have performance indicators to evaluate workload and risks?</li> <li>• Are such indicators periodically reviewed and updated?</li> <li>• Is the allocation of resources to operational units reviewed and adjusted accordingly?</li> </ul>

### Definitions

*Large taxpayer unit (LTU):* specific operational unit dealing with all fiscal functions related to businesses over a significant turnover threshold determined at national level.

# Tax Legislation (FB 03)

## Framework, Structures and Basis

### Aim

To develop and maintain a comprehensive, clear and transparent tax law framework that implements all national and/or supra-national legislation, codes and agreements, that can be properly applied and enforced and that clearly defines taxpayers' rights and obligations

Strategic objectives	Scoring (Total 100)	Key indicators
1. All tax legislation is framed according to key principles	25	<ul style="list-style-type: none"> <li>• Does the tax legislation have a clear statutory basis?</li> <li>• Is the tax law stable and clear enough to be correctly applied by the administration and well known by the taxpayer (is the law certain)?</li> <li>• Does the fiscal legislation allow the taxpayer to be properly represented and defended?</li> <li>• Does the tax legislation lay down a reasonable proportionality between its objectives and the consequences for the taxpayer?</li> <li>• Do tax law provisions prevent double taxation of the same object or transaction?</li> <li>• Does the tax law respect territorial boundaries, international agreements and treaties?</li> <li>• Has the law been fully and appropriately publicised, particularly as to the date when its provisions enter into force?</li> <li>• Does the law apply from a current or future date?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>2.</b> The legislative process respects basic principles	<b>20</b>	<ul style="list-style-type: none"> <li>• Has the tax law been properly approved by parliament?</li> <li>• Has there been a reasonable and appropriate period of time between the approval of the tax law and its entry into force?</li> <li>• Have the tax law and tax instruments been drafted and issued in the State's official language(s)?</li> </ul>
<b>3.</b> The structure of the legislation (law, decree, codification) is clear	<b>15</b>	<ul style="list-style-type: none"> <li>• Is the hierarchy of the tax law publicised and understood?</li> <li>• Is the legislation coherent and consistent with all existing legislation?</li> <li>• Do a tax code and/or collection of all tax provisions exist?</li> </ul>
<b>4.</b> The tax administration has a clear and acknowledged role in the development and preparation of tax legislation	<b>20</b>	<ul style="list-style-type: none"> <li>• Is the tax administration able to propose modifications to improve the overall quality of the legislation?</li> <li>• Is the tax administration able to specify how the law should be administered and/or enforced and how disputes with taxpayers might be fairly and appropriately solved?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
5. All tax legislation (e.g. acts, executive orders, court rulings) is fully and uniformly applied	20	<ul style="list-style-type: none"> <li>• Does the tax administration publicise and disseminate its interpretation of tax laws?</li> <li>• Does the tax administration respect court decisions?</li> <li>• Does the tax administration fairly and equitably apply tax law without distinction or discrimination?</li> <li>• Does the tax administration ensure the education of its personnel by instructions, training or other means to ensure the uniform application of law?</li> <li>• Does the tax administration provide information to tax officials about legislation, fiscal decrees and case law?</li> </ul>

## Definitions

‘Tax laws’ cover all primary and secondary legislation adopted by the parliament.

‘Fiscal decree’ means a government or a fiscal authority decision that sets out what is to be done and /or determines procedures or rules that are needed in order to implement tax laws.

‘Executive orders’ means a decision from the fiscal authority to implement a tax law or a fiscal decree or to organise the fiscal administration’s activities.

## Ethics (FB 04)

### Human and Behavioural Issues

#### Aim

To develop, promote and ensure, both internally and externally, the ethical behaviour of all tax administration officials, by displaying fairness, impartiality, honesty, integrity and professionalism in order to enhance the overall trust in the tax administration and to guarantee its proper functioning

Strategic objectives	Scoring (Total 100)	Key indicators
1. Development and implementation of ethical standards which sustain taxpayers' trust in the tax administration	40	<ul style="list-style-type: none"> <li>• Is there an ethics policy actively promoted by senior management?</li> <li>• Have the ethics policy and a concise written code of conduct, also covering harassment issues, been communicated to all staff members?</li> <li>• Are the ethics policy and the code of conduct regularly evaluated, adapted and possibly renewed?</li> <li>• Do employees' representatives participate in the development of the ethics policy and the code of conduct?</li> <li>• Are taxpayers' files handled according to objective and professional criteria, creating uniform rulings for all taxpayers?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>2.</b> Conditions of employment that are based on objective criteria	<b>30</b>	<ul style="list-style-type: none"> <li>• Are all appointments to positions in the administration based on transparent criteria such as qualifications and/or suitability?</li> <li>• Is it ensured that employment is not offered to people with a serious criminal record?</li> <li>• Is equal treatment ensured through development of administrative procedures respecting employees' rights and obligations both as private taxpayers themselves and as tax officials?</li> <li>• Are guidelines on incompatible work or inappropriate behaviour developed and communicated throughout the organisation?</li> <li>• Are there fair and transparent written rules and procedures for dismissing staff?</li> </ul>
<b>3.</b> Development and implementation of internal regulations or procedures to prevent or give early warning of fraud and irregularities amongst the employees	<b>15</b>	<ul style="list-style-type: none"> <li>• Are there internal regulations to control fraud, misconduct and irregularities by employees?</li> <li>• Does the tax administration have systems or arrangements for the early detection of employee fraud or serious misconduct (e.g. a specialist team responsible for undertaking internal investigations)?</li> <li>• Are tax officials required to notify information about their private financial affairs?</li> <li>• Can information about employee fraud or misconduct be given anonymously, and is discretion guaranteed until validity has been properly investigated?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>4.</b> Clear, fair and proportionate sanctions where employee fraud or serious misconduct is proved.</p>	<p><b>15</b></p>	<ul style="list-style-type: none"> <li>• Are the sanctions for employee fraud or serious misconduct defined and publicised?</li> <li>• Are the sanctions widely accepted as being fair and proportionate to the fraud or serious misconduct involved?</li> <li>• Can cases be appealed to an independent employment court or tribunal where, if appropriate, there is legal representation for the employee involved?</li> </ul>

# Human Resources Management (FB 05)

## Human and Behavioural Issues

### Aim

The development of human resources management strategy, policies, systems and procedures that support the achievement of the tax administration's objectives and the development of members of staff through structured training and professional development.

Strategic objectives	Scoring (Total 100)	Key indicators
1. Development of human resource management strategy, policies and systems which fully support the tax administration's business strategy	25	<ul style="list-style-type: none"> <li>• Has the tax administration developed and published an HRM strategy and policy and, where appropriate, sub-strategies for each area of its business areas?</li> <li>• Is the HRM strategy clearly linked to delivering the business strategy of the tax administration?</li> <li>• Does the HRM strategy, policies and systems fully support the achievement of objectives specified in the business strategy?</li> <li>• Does the tax administration develop strategic human resource planning systems to predict and meet its future employment requirements?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>2.</b> The tax administration is autonomous in making decisions about recruitment, retention, performance management and assessment, promotion, career progression, training and development, transfer, severance, dismissal and retirement</p>	<p><b>20</b></p>	<ul style="list-style-type: none"> <li>• Have the roles and responsibilities of each function and of employees working at all levels within each function (including managers) been clearly defined?</li> <li>• Has the tax administration prepared job descriptions (including the minimum level of knowledge, skills and aptitudes required for competent performance) for all categories of jobs?</li> <li>• Is a personnel planning system established to identify the number of new employees to be recruited and the qualifications required for eligibility of the posts?</li> <li>• Are periodical performance management personal reports made with a view to evaluating staff performance?</li> <li>• Are individual managers trained to correctly use the necessary procedures to carry out appraisal interviews and performance management in so far as they relate to their own staff?</li> <li>• Is a transparent assessment system, with its relative criteria published, accessible to applicants for a higher post, a specialist post or a managerial post?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
3. Human resource policies and practices that motivate, support and protect employees	15	<ul style="list-style-type: none"> <li>• Is the top management committed to securing the best working conditions for all tax administration employees?</li> <li>• Are employees given sufficiently challenging tasks within the framework of their grade and the job specification to which they are assigned?</li> <li>• Is there any form of financial bonus (supplementary to the national bargaining or government minimum legislation) to offer additional incentives for higher levels of performance?</li> <li>• Is the work environment designed in such a way that all employees are provided with modern office accommodation, facilities, computers and other equipment?</li> <li>• Is a safety policy defined, set, and regularly enforced?</li> <li>• Has a system been set up at the tax administration to establish the causes of absenteeism, to support its employees with health and abuse problems, and to understand whether staff turnover is within the resolve of the administration?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>4.</b> A long-term training and development strategy for employees endorsed at top management level	<b>20</b>	<ul style="list-style-type: none"> <li>• Is there a training and development strategy for employees as part of the business strategy of the tax administration?</li> <li>• Are training policies and programmes based on an agreed system for full and proper analysis of the organisation's present and future training needs and priorities?</li> <li>• Are managerial training programmes designed to provide managers with the knowledge, skills and attitudes required to perform their jobs to a high standard?</li> <li>• Do training programmes at the recruitment stage take into account people's educational achievements prior to their entry into the tax administration and other specific job/individual potential requirements?</li> <li>• Do supplementary training programmes, such as specialist training, provide the employees with the technical knowledge and skills necessary to perform their current job or to obtain a different job or a job at a higher level?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>5.</b> An organisational structure and systems to support the delivery of employee training and development needs within the tax administration	<b>20</b>	<ul style="list-style-type: none"> <li>• Is a training coordinator responsible for the training function within the tax administration appointed?</li> <li>• Is a departmental training unit with clearly defined responsibilities established?</li> <li>• Does the tax administration provide off-the-job training courses in-house or externally, conducted by trainers with the required qualifications and experience using a range of methodologies reflecting the particular training requirement?</li> <li>• Does the tax administration provide systematic on-the-job training courses with the instruction provided by trained trainers with the required experience?</li> <li>• Does the departmental training unit assess the quality and effectiveness of the training segment attended?</li> </ul>

# Revenue Collection and Enforcement (FB 06)

## Systems and Functioning

### Aim

To put in place and maintain regulations, systems and procedures including enforcement powers, which ensure that taxpayers pay the correct amount of tax at the right time

Strategic objectives	Scoring (Total 100)	Key indicators
1. To develop comprehensive and integrated revenue collection strategies, policies and systems	15	<ul style="list-style-type: none"> <li>• Does the tax administration have a comprehensive and integral revenue collection strategy?</li> <li>• Are management controls in place to protect and ensure the integrity of the revenue stream?</li> <li>• Are detailed records and audit trails of revenue collection and accounting maintained to facilitate internal financial audits?</li> <li>• Are independent national audits periodically carried out to assess the revenue collection and the accounting system?</li> <li>• Are independent auditors able to recommend changes in the tax administration's accounting systems and are such recommendations duly considered?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>2.</b> Highly automated revenue receipt and accounting systems ensure that payments are processed to the shortest possible timescale	<b>15</b>	<ul style="list-style-type: none"> <li>• Do systems ensuring that payments are posted within the shortest possible deadline exist?</li> <li>• Are large companies required to pay their tax liabilities through bank transfers so that a wide share of the tax revenue is fully automated?</li> <li>• Are taxpayers able to pay all or most of their tax liabilities by electronic transfers?</li> <li>• Does the tax administration have systems or arrangements to accept anticipative tax payments in respect to a part of a taxpayer's estimated annual liability?</li> </ul>
<b>3.</b> IT systems for analysing and monitoring the collection system to facilitate early problem identification	<b>20</b>	<ul style="list-style-type: none"> <li>• Are partial or non-payments related to declarations and returns posted by the tax administration on a daily basis?</li> <li>• Is early action prescribed and undertaken against taxpayers who fail to meet their payment obligations?</li> <li>• Are there procedures for collecting tax arrears via carefully monitored instalment plans?</li> <li>• Is the tax administration entitled to prepare and issue statements advising taxpayers of the amount of tax arrears?</li> <li>• Does the tax administration operate a system for issuing reminders and/or warning messages prior to undertaking court proceeding?</li> <li>• In case of payment failure, is the interest accumulated between the due date and the date of payment received (or cleared through the banking system)?</li> <li>• Is the interest collected considered as if it were a tax amount so that the same means may be used to collect or enforce payment?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
4. A robust and effective debt collection system and procedures are in place	20	<ul style="list-style-type: none"> <li>• Are there dedicated debt collection units at regional or national levels, possibly including a unit chasing tax arrears by phone?</li> <li>• Are adequate procedures in place to ensure that the debt collection function is able to operate effectively including: <ul style="list-style-type: none"> <li>– property seizures, seized property sales, enforced debit from the bank account of the tax debtor, obligation for third parties having debts against a taxpayer to pay tax arrears on his behalf, etc.,</li> <li>– tax administration access to information on the detailed assets of bankrupt taxpayers or of taxpayers representing a significant tax debt risk revealed by the risk assessment system?</li> </ul> </li> <li>• Are costs incurred in enforcement action able to be recharged to the taxpayer by the administration and may they be pursued as a matter of course?</li> <li>• In case of notable misbehaviour, can the tax administration be allowed, through a judicial process, to remove the limited liability status of a company in order to transfer the tax liability to the company's controllers?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>5.</b> Enforced collection is based on risk assessment and performance management	<b>20</b>	<ul style="list-style-type: none"> <li>• Are tax arrears regularly classified by age and by size to identify collectable and uncollectable debts and to define the extent and the nature of action?</li> <li>• Is a plan of proactive enforcement action developed, concentrating on significant collectable debts?</li> <li>• Is there a system to enable the write-off of uncollectable debts?</li> <li>• Has the administration developed transparent and impartial decision-making procedures for debt write-off?</li> <li>• Are precise and transparent objectives assigned to debt collection units and is their performance regularly evaluated?</li> </ul>
<b>6.</b> Effective, risk based refund procedures are in place	<b>10</b>	<ul style="list-style-type: none"> <li>• Under legal conditions, may overpayments and tax credits be refunded to taxpayers?</li> <li>• Does the tax administration have a system for allowing taxpayers to offset debt in one type of tax against a credit in another, may the tax administration offset a credit in one tax against a tax debt in another?</li> <li>• Is the taxpayer notified of the offset in writing so that a permanent record of the transaction is kept?</li> <li>• Are there IT-supported procedures based on risk assessment methodologies which ensure that a significant part of low-risk refund requests are promptly processed?</li> <li>• Is special attention given to requests made by exporters?</li> </ul>

## Definitions

**Debt collection:** set of systems and procedures assuring that tax debts which are not spontaneously paid are collected in the simplest and most effective way.

**Tax due:** payments in due time + outstanding debts created during the year.

**Coverage ratio of gross tax due:** payments in due time + payments of outstanding debts created during the year / tax due.

**Ratio of payments in due time:** payments in due time/tax due.

**Gross tax due:** tax due of the year + outstanding debts at the beginning of the year.

**Outstanding debts:** outstanding debts at the beginning of the year + outstanding debts created during the year – discharges (following an action).

**Gross outstanding debts:** outstanding debts – payments of outstanding debts – write-offs.

**Ratio of gross outstanding debts:** gross outstanding debts/gross tax due.

**Net outstanding debts:** gross outstanding debts – disputed tax due – outstanding debts of bankrupt taxpayers.

**Ratio of net outstanding debts:** net outstanding debts/gross tax due.

**Ratio of outstanding debts with possible enforcement action:** net outstanding debts/gross outstanding debts.

**Gross ratio of collection of outstanding debts:** payments of outstanding debts/outstanding debts.

**Net payments of outstanding debts:** payments of outstanding debts – payments of outstanding debts of bankrupt taxpayers.

**Net ratio of collection of outstanding debts:** net payments of outstanding debts/net payments of outstanding debts + net outstanding debts.

**Ratio of write-off:** write-off/outstanding debts.

# Tax Audit (FB 07)

## Systems and Functioning

### Aim

To maximise the effectiveness of tax audits as a key element of a taxpayer compliance strategy

Strategic objectives	Scoring (Total 100)	Key indicators
1. A sound legislative basis for tax audit, including access to data in taxpayer's computer based systems	30	<ul style="list-style-type: none"> <li>Is there a clear and consistent legal basis for tax audits?</li> <li>Does the legislation require the taxpayer to provide access to data in computer-based systems?</li> <li>Does the legislation achieve a sound and appropriate balance between the rights and responsibilities of taxpayers and the tax administration?</li> </ul>
2. A risk-based tax audit strategy that determines and prioritises audits according to agreed risk factors such as the (size) and complexity of taxpayers and their compliance record	30	<ul style="list-style-type: none"> <li>Does the administration have a risk-based tax audit strategy?</li> <li>Has the taxpayer population been appropriately categorised according to relative revenue risk?</li> <li>Does the risk-based system used for selecting taxpayers for audits draw on a wide range of information sources (e.g. register of incorporated companies, banks or financial institutions) and provide an overall evaluation based on all relevant tax types?</li> </ul>
3. Use of the most appropriate and modern tax audit tools and techniques to control taxpayers' accounting systems, including the computerised ones	20	<ul style="list-style-type: none"> <li>Have tax auditors been provided with sufficient training, information and logistical support to undertake effective audits?</li> <li>Are the auditors routinely provided with specialist technical information and support for the latest auditing software approved for use in their jurisdiction?</li> </ul>

Strategic objectives	Scoring (Total 100)	Key indicators
<p>4. Regular monitoring and evaluation of the performance and outputs of tax audits</p>	<p>20</p>	<ul style="list-style-type: none"> <li>• Does the tax administration have clear rules and procedures that require the prompt and accurate recording of all tax audits undertaken?</li> <li>• Is the tax audit information regularly and routinely analysed (e.g. number of audits undertaken, additional tax liability identified, ratio of additional revenue to audit resources deployed)?</li> <li>• Are the results or outcomes from tax audits used to inform and update the strategic risk model?</li> <li>• Are the results or outcomes from tax audits used to keep the tax administration aware of anti-fraud or tax avoidance strategies?</li> <li>• In terms of results, has the tax administration achieved the correct balance between audits at taxpayers' premises and desk audits at offices of the tax administration?</li> </ul>

# Administrative Co-operation and Mutual Assistance (FB 08)

## Systems and Functioning

### Aim

To cooperate with other tax administrations in order to ensure payment of the correct amount of tax in the right place and at the right time, taking all necessary steps to counter tax evasion and tax avoidance and avoid double taxation.

Strategic objectives	Scoring (Total 100)	Key indicators
1. A network of treaties with the tax administrations of strategically important countries	20	<ul style="list-style-type: none"> <li>• Have treaties been concluded with all the strategically important countries?</li> <li>• Do the treaties cover all the taxes for which there is a need to exchange information?</li> <li>• Do the treaties have provisions for the recovery of tax debts where such powers are considered to be necessary?</li> <li>• Are the treaties legally sound and in accordance with international models (e.g. the OECD Model Double Tax Treaty)?</li> </ul>
2. A published strategy and a central policy and/or operational unit with responsibility for the overall coordination and management of administrative cooperation (including information exchange) systems and procedures	20	<ul style="list-style-type: none"> <li>• Does the administration have an administrative cooperation and/or an information exchange strategy?</li> <li>• Is there a central policy and/or operational unit which owns the strategy and systems?</li> <li>• Are the role and responsibilities of the central unit and any approved decentralised units clearly specified, publicised and understood within the tax administration?</li> <li>• Do all the units possess the necessary trained resources?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>3.</b> Efficient and effective risk-based systems and procedures for raising or handling requests for the information within the tax administration	<b>15</b>	<ul style="list-style-type: none"> <li>• Are legal gateways in place to allow the exchange of information with other appropriate national agencies (e.g. a customs or police authority)?</li> <li>• Are there sound and clearly understood systems and procedures for generating and/or dealing with information exchange requests?</li> <li>• Are information exchange requests entirely risk-based (e.g. are there <i>de minimis</i> limits to exclude requests involving little or no tax revenue)?</li> <li>• Do all the units possess the necessary trained resources in order to ensure that agreed response times are met?</li> </ul>
<b>4.</b> Structured and secure systems for the organisation, management and storage of taxpayer information	<b>10</b>	<ul style="list-style-type: none"> <li>• Are the systems for posting, storing and retrieving taxpayer data efficient and secure?</li> <li>• How accurate and up to date are the data in the administrations' tax information database(s)?</li> <li>• Is data exchanged in a suitably secure way?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>5.</b> Efficient and effective risk-based systems and procedures for the exchange of information with other tax administrations	<b>15</b>	<ul style="list-style-type: none"> <li>• Are there sound and clearly understood systems and procedures for generating and/or dealing with information exchange requests?</li> <li>• Are information exchange requests entirely risk based (e.g. are there <i>de minimis</i> limits to exclude requests involving little or no revenue)?</li> <li>• Have all high-risk sectors or types of transaction been identified?</li> <li>• Are agreed response times being met?</li> <li>• Are there sound agreements and clear rules covering the presence and information-gathering powers of foreign tax officials?</li> </ul>
<b>6.</b> Taxpayers are aware of their obligation to provide timely and accurate data on their cross-border transactions or liabilities and there are appropriate and proportionate penalties for non-compliance	<b>10</b>	<ul style="list-style-type: none"> <li>• Have publicity and guidance been issued to all the appropriate taxpayers?</li> <li>• What percentage of taxpayers provide data by the specified deadlines and does this meet agreed performance targets?</li> <li>• What is the percentage of errors and does this meet agreed performance targets?</li> <li>• Is an appropriate and proportionate penalty regime in place and enforced for taxpayers who do not comply?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
7. Risk-based multilateral control (MLC) audits of taxpayers are organised with officials from foreign tax administrations.	10	<ul style="list-style-type: none"> <li>• Are managers and staff aware of the potential benefits of organising MLC audits of large multinational taxpayers?</li> <li>• Are there clear guidelines for organising and managing MLC audit exercises and monitoring the results?</li> <li>• Are there procedures in place for evaluating the cost/benefits of MLC audit proposals?</li> </ul>

## Definitions

### *Types of information exchange*

The following terminology is used to describe the three main categories or types of information exchanges:

- (a) Exchange on request: specific or targeted exchanges in a structured format normally relating to a single case),
- (b) Automatic exchange: regular exchange of data (i.e. at a specified date and in an agreed format) covering both single cases or bulk data transfer. (The EC has sub-divided this category for VAT exchanges into (i) automatic exchange which means regular automatic; and (ii) 'Structured automatic' which means irregular automatic (as and when available),
- (c) Spontaneous exchange: random and irregular exchanges provided at suppliers' convenience.

### *Central units*

All EU tax administrations and many others have a central VAT policy and operational unit called a central liaison office (CLO). An equivalent unit with responsibility for excise duties is called an excise liaison office (ELO).

# Tax Fraud and Avoidance (FB 09)

## Systems and Functioning

### Aim

To identify, investigate, and prosecute tax fraud and tax avoidance in order to increase the general level of tax compliance

Strategic objectives	Scoring (Total 100)	Key indicators
1. An integrated and comprehensive tax fraud and avoidance prevention strategy which covers all issues from ensuring that legislation is sufficiently transparent and effective to promote a culture of taxpayer compliance	15	<ul style="list-style-type: none"> <li>• Does the administration have a strategy for dealing with tax fraud?</li> <li>• Does the structure of the tax system promote a workable environment capable of diminishing the extent and the opportunities for tax avoidance and evasion?</li> <li>• Are adequate measures taken to diminish tax avoidance and non compliance by:               <ul style="list-style-type: none"> <li>– widely publicising successful fraud prosecutions,</li> <li>– organising and collecting information within the administration including tax avoidance prevention measures?</li> </ul> </li> <li>• Do the fiscal and penal law clearly define the illegal fiscal behaviour, the responsibilities and the sanctions?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>2.</b> The nature and extent of tax fraud and avoidance has been fully researched and analysed and is monitored on a regular basis	<b>20</b>	<ul style="list-style-type: none"> <li>• Are there reports that clearly analyse and explain the nature of tax fraud and tax avoidance?</li> <li>• Are there estimates of the size and extent of fraud and avoidance and whether they are increasing or decreasing?</li> <li>• Has the administration estimated the tax gap in both direct and indirect tax areas?</li> <li>• Have tax gap estimates been validated by comparing outcomes from the 'top-down' and 'bottom-up' calculations?</li> </ul>
<b>3.</b> Fiscal and penal law that facilitates the fight against fraud	<b>10</b>	<ul style="list-style-type: none"> <li>• Does the tax administration have a significant role in the formulation and adoption of fiscal provisions facilitating the fight against fraud?</li> <li>• Does the administration have the possibility to propose changes in the fiscal law when necessary to prevent identified frauds?</li> </ul>
<b>4.</b> Anti-fraud units of the tax administration are structured and organised in a way that enables them to successfully identify, detect, investigate and prosecute fraud	<b>15</b>	<ul style="list-style-type: none"> <li>• Are there short- and long-term anti-fraud plans defining the necessary activities, resources and priorities?</li> <li>• Is an anti-fraud structure organised to ensure the successful investigation and prosecution of fraud?</li> <li>• Is there an intelligence unit with responsibility for developing a risk-based operational strategy?</li> <li>• Are there specialised investigation units?</li> <li>• Is a specialised unit responsible for the prosecution of tax fraud cases?</li> <li>• Are all these units provided with all necessary and appropriate administrative, operational and technical support?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>5.</b> Risk-based systems for monitoring tax fraud and avoidance are used to inform and support the deployment of resources	<b>10</b>	<ul style="list-style-type: none"> <li>• Are there systems in place for monitoring overall levels of tax fraud and tax avoidance?</li> <li>• Is there an agreed set of indicators for tax fraud and avoidance measurement?</li> <li>• Are there reports or communications provided by intelligence units and used as a basis for taking decisions on resource deployment and to define priorities?</li> <li>• Is there a system for the analysis of processed tax returns?</li> <li>• Are the selection of taxpayers for audit and other types of anti-fraud control based on the assessment of risk?</li> <li>• Is there a system for measuring the outcome of particular audits and anti-fraud activities?</li> <li>• Does the tax administration have databanks related to taxpayer compliance and to breaches of fiscal law?</li> <li>• Are taxpayers' risk profiles established, developed, used and regularly reviewed by the intelligence unit together with investigations units?</li> <li>• Is there an IT-based comprehensive intelligence and information system to support tax control, including risk analysis?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>6.</b> There are systems and procedures for gathering and quickly disseminating intelligence about tax fraud and avoidance</p>	<p><b>10</b></p>	<ul style="list-style-type: none"> <li>• Is there a system for exchanging information on taxpayers (or potential taxpayers) between all levels and locations of the tax administration?</li> <li>• Is the risk analysis database accessible not only to intelligence units but also to investigator offices?</li> <li>• Do selection procedures indicate the type of audit applicable for each case selected?</li> <li>• Is there an effective methodology for early detection of fraud supported by systems which identify fraud types and tax evaders' profile (tracking)?</li> <li>• Are the audit tools, systems and methods revised on the basis of updated information derived from former controls and on the results of investigation/fraud activity?</li> <li>• Are there systems in place for monitoring the outcomes of tax audits (including assessment, collection, application of penalties, information of other tax/customs bodies and full information of the taxpayer)?</li> <li>• Are there procedures which allow the effective exchange of information between tax administrations (internal and international exchange of information)?</li> <li>• Can the tax administration have access to bank data for tax purposes and to respond to enquiries from a tax treaty partner?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>7.</b> Conduct rules and guidelines for fraud investigators to eliminate or significantly reduce the risk of bribery, corruption or misconduct and to protect officials from the actions of criminals	<b>10</b>	<ul style="list-style-type: none"> <li>• Are there clear guidelines that define corruption and bribery in administrative and penal law?</li> <li>• Are there arrangements for auditing the conduct of investigators?</li> <li>• Does the organisation take steps to support and protect anti-fraud investigators (e.g. effective operational preventive measures as well as the provision of legal assistance)?</li> </ul>
<b>8.</b> Strong and effective cooperation and/or liaison links with other agencies, institutions or tax administrations engaged in fighting tax fraud (e.g. police, prosecution services, judicial authorities)	<b>10</b>	<ul style="list-style-type: none"> <li>• Does the administration have cooperation or mutual assistance agreements with other anti-fraud agencies or organisations established at the senior and operational level?</li> <li>• Are joint exercises or initiatives planned or organised with measurable outcomes?</li> <li>• Is external cooperation with other competent authorities promoted and encouraged?</li> <li>• Does the tax administration have automated electronic exchange of information arrangements?</li> <li>• Are there arrangements for seconding officials between tax administrations?</li> <li>• Are there close working relationships, including regular meetings with the other national law enforcement agencies, with the relevant police departments, prosecution services and other national bodies participating in the fight against fraud?</li> </ul>

## Definitions

The 'tax gap' is the difference between the potential and actual amount of revenue that is collected.

'Tax evasion' defines the efforts of individuals, firms, trusts and others entities to evade tax payment by breaking the law.

'Tax mitigation' is acceptable tax planning, minimising tax liabilities in ways expressly endorsed by law.

'Tax avoidance' is considered now as the legal exploitation of the tax regime to one's own advantage to attempt to reduce the amount of tax that is payable but which involve the use of arrangements that have no legitimacy or credibility other than to avoid or significantly reduce the amount of tax paid.



# Taxpayers' Rights and Obligations (FB 10)

## Taxpayer services

### Aim

To define and publicise taxpayers' rights and obligations so that taxpayers have confidence in the fairness and equity of the tax system but are also aware of the implication of non-compliance

Strategic objectives	Scoring (Total 100)	Key indicators
1. The tax administration operates in a transparent manner to ensure sufficient legal security to taxpayers	15	<ul style="list-style-type: none"> <li>• Is the administrative interpretation of law made public?</li> <li>• Is a system operational to ensure the harmonised and impartial application of law within the country?</li> <li>• Is it forbidden for the tax administration to change its published doctrine with retroactive effect, thus enabling taxpayers to securely assess the tax consequences of their decisions?</li> <li>• May taxpayers introduce a written request to be informed about the tax consequences of their de facto and legal situation and is the reply of the tax administration binding, provided that the de facto situation is later confirmed?</li> <li>• Does the tax administration facilitate access for taxpayers and their advisors to non-sensitive or non-restricted information held about them?</li> <li>• Does the tax administration have a definite policy for dealing openly as a matter of normal practice with businesses and professional advisors (accountants, tax advisors, etc.)?</li> <li>• Are rights and obligations of tax officials and taxpayers, tax penalties and appeal procedures contained in guides available to businesses, advisors, tax officials and to the public?</li> </ul>

Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>2.</b> The tax administration strictly respects private and family rights in accordance with Article 8 of the Convention on the Protection of Human Rights and Fundamental Freedoms</p>	<p><b>10</b></p>	<ul style="list-style-type: none"> <li>• Are the confidentiality of data collected and the protection of privacy strictly guaranteed, especially in the case of access to bank account data?</li> <li>• Does the national legislation contain sanctions against breaches of confidentiality by tax officers?</li> <li>• Is there a requirement that data made available to the tax administration may only be used for taxation purposes and may only be exchanged with other national agencies or foreign tax administrations in specific cases defined by law or on the basis of a tax agreement?</li> <li>• Are taxpayers informed about the exchange of information about themselves with foreign tax administrations, except in the case of tax fraud investigation?</li> <li>• Have taxpayers a right to check data concerning themselves included in the tax administration's databases, with the exception of strategic data such as selection for audit and information gathered through intelligence activity?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>3.</b> The tax administration fully respects the right of a taxpayer to be properly represented or defended in accordance with Article 6 of the Convention on the Protection of Human Rights and Fundamental Freedoms</p>	<p><b>15</b></p>	<ul style="list-style-type: none"> <li>• With the exception of severe and confirmed non-compliance, does the burden of proof always rest with the tax administration?</li> <li>• Do taxpayers have a right to be assisted or represented by an advisor (lawyer, tax advisor or representative of other relevant bodies)?</li> <li>• Are taxpayers offered a sufficient notice period before a standard tax audit starts?</li> <li>• Is comprehensive information provided to audited taxpayers about the extent of audit procedures before the audit begins?</li> <li>• Do taxpayers have the right to be informed about the precise motivation of administrative decisions and are they given sufficient time to make comments?</li> <li>• Are the reasons for sanctions application notified and is the faulty taxpayer given sufficient time to comment or to be heard to?</li> <li>• Do taxpayers have the right to be informed about the closure of an audit procedure and about its consequences even when there is no formal assessment?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>4.</b> Fair and balanced appeal and complaint procedures are offered to taxpayers disagreeing with a decision made by the tax administration</p>	<p><b>15</b></p>	<ul style="list-style-type: none"> <li>• Do taxpayers enjoy the possibility to refer any serious difficulty in their relations with the tax administration to a mediator within the tax administration or outside the tax administration (such as an ombudsman)?</li> <li>• May a taxpayer disagreeing with the tax administration lodge an appeal within a specified deadline?</li> <li>• Are deadlines for investigating a case reasonably short and adhered to unless a time extension is justified?</li> <li>• In cases where a prior administrative level of appeal is compulsory, and where the tax administration has not made a decision within the specified deadline, does the taxpayer have the possibility to submit the case to the court?</li> <li>• May tax collection be suspended at the taxpayer's request for the duration of the appeal, possibly when the taxpayer is providing sufficient guarantee for the postponed recovery of tax?</li> <li>• When the case under appeal is lost by the tax administration, does the taxpayer have the right to be refunded without undue delay?</li> <li>• Is the payment of interest to the taxpayer automatic in the case of a late decision or late refund of a tax credit by the tax administration?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
5. Tax compliance is supported by an obligation of registration	15	<ul style="list-style-type: none"> <li>• Are taxpayers identified by a single identification number for the purpose of all taxes and, when relevant, social contributions?</li> <li>• Are taxpayers obliged to communicate all the necessary data required by the tax administration to compile and maintain a comprehensive and accurate register of taxpayers containing key identification elements?</li> <li>• Are businesses obliged to inform the registration bodies about changes in the conditions of their activity?</li> </ul>
6. Tax compliance is supported by an obligation to keep records	10	<ul style="list-style-type: none"> <li>• For trade and tax purposes, are businesses legally obliged to keep sufficient records of the key elements of their activity (sales, purchases, other expenses, investments, personal withdrawals, etc.)?</li> <li>• May the obligation to keep records be reduced/lightened in the case of small businesses?</li> <li>• Does the tax administration contribute to the development of a tax-friendly framework for book-keeping and for invoicing (including electronic invoicing and self-billing)?</li> <li>• In this approach, is the same legal status given to both paper and electronic records?</li> <li>• Are suppliers' and the purchaser's tax identification numbers, when the latter is a business, to be mentioned on invoices?</li> <li>• In addition to its audit right, does the tax administration have a right to check the accuracy of invoices?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>7.</b> Tax compliance is supported by a robust but sensible sanctions regime</p>	<p><b>20</b></p>	<ul style="list-style-type: none"> <li>• In cases of non-compliance with tax obligations (registration, returns filing, record keeping, etc.) and in cases of abusive failures to report the proper taxable amount, does a well-defined, simple and fair sanctions regime exist?</li> <li>• Is the tax administration entitled by law to charge an interest rate without notice when payments are not made in due time, without this being considered as a sanction?</li> <li>• Is a system of remission and mitigation of sanctions foreseen to take full account of specific situations?</li> <li>• May a remission or a mitigation of the sanction be offered in case of voluntary disclosure of tax failures?</li> <li>• Is such a system strictly documented and regularly supervised through internal control?</li> </ul>

# Systems for Taxpayers' Management (FB 11)

## Taxpayer services

### Aim

To develop systems for managing all taxpayers' related data

Strategic objectives	Scoring (Total 100)	Key indicators
1. Comprehensive and accurate systems for recording taxpayers and details of their tax returns	30	<ul style="list-style-type: none"> <li>• Is a taxpayers' register in place, based on a unique tax identification number for each registered person and for all tax types?</li> <li>• Are there provisions in the registration procedure to allow a visit to the applicants' premises prior to registration?</li> <li>• Has a computerised system been introduced to record the information submitted in periodical tax returns?</li> <li>• Does the tax administration provide taxpayers with different types of payment services?</li> <li>• Is a computerised system to be introduced to record offences, audit assessments and penalties?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>2.</b> Comprehensive and accurate systems for recording taxable transactions, activities or supplies and all the tax payments received	<b>25</b>	<ul style="list-style-type: none"> <li>• Is all the data related to the tax activities recorded in a central database?</li> <li>• Are all necessary taxpayers' details kept in one consolidated file and controlled by a file-tracking system?</li> <li>• Are information flow diagrams available?</li> <li>• Does the tax administration have systems for recording details of taxable transactions, activities and supplies?</li> <li>• Are there accurate records of payments received?</li> <li>• Does the tax administration have an operational archiving system?</li> </ul>
<b>3.</b> Systems and procedures for monitoring and managing the compliance performance of taxpayers	<b>25</b>	<ul style="list-style-type: none"> <li>• Has the tax administration developed and optimised its working procedures with the extensive use of new technologies?</li> <li>• Are effective and efficient procedures in place to identify taxpayers who are non-filers, non-payers and stop-filers?</li> <li>• Do procedures include the immediate sending of reminders to taxpayers who fail to comply?</li> <li>• Are penalty applications and commencement of enforcement procedures automatically generated through an IT system?</li> <li>• Is the selection of periodic verification/control visits which targets the 'at risk' category of taxpayers done through an IT system?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
4. Clear and simple tax returns and straightforward systems and procedures by which the taxpayer can submit them to the tax administration	20	<ul style="list-style-type: none"> <li>• Do taxpayers receive pre-printed tax returns with their necessary personal details and information in order to facilitate their subsequent processing?</li> <li>• Is the tax return designed in such a way that the taxpayer can calculate and state the resultant tax liability?</li> <li>• Does the tax return offer the facility to the taxpayers to indicate the credit carried over from previous tax periods and to claim excess credit?</li> </ul>

### Definitions

Data flow diagrams can be used to provide a clear representation of any business function. The technique starts with an overall picture of the business and continues with the analysis of each of the functional areas of interest. This analysis can be carried out to the precise level of detail required. The technique exploits a method called top-down expansion to conduct the analysis in a targeted way. The result is a series of diagrams that represent business activity in a way that is clear and easy to communicate. A business model comprises one or more data flow diagrams (also known as business process diagrams).

# Voluntary Compliance (FB 12)

## Taxpayer services

### Aim

To ensure payment of the correct amount of tax at the right time with a minimum of administrative intervention

Strategic objectives	Scoring (Total 100)	Key indicators
1. Voluntary compliance is actively and continuously promoted as a part of a strategic taxpayer compliance model	20	<ul style="list-style-type: none"><li>• Has the administration developed a general taxpayer compliance strategy that includes voluntary compliance?</li><li>• Have all the elements and the terminology in the compliance strategy, particularly as regards voluntary compliance, been defined, measured and quantified?</li><li>• Are there clear and publicised incentives to support compliant behaviour?</li><li>• Are there robust and visible sanctions against those who are deliberately non-compliant?</li></ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>2.</b> Compliance burdens on taxpayers are kept to a minimum through understanding of needs or methods of specific groups or types of taxpayers	<b>30</b>	<ul style="list-style-type: none"> <li>• Does the tax administration work with intermediaries and representative bodies when developing systems and procedures and to provide targeted advice and guidance?</li> <li>• Are there simplified schemes for particular taxpayer groups (e.g. small businesses)?</li> <li>• Is there risk-based (rather than routine) auditing of taxpayer declarations?</li> <li>• Is information and data collected once for use across multiple applications?</li> <li>• Are authorisation and registration/notifications aligned across different tax types?</li> <li>• Does the administration ask for information such as statements or declarations only when absolutely necessary in order to determine accurate liability?</li> <li>• Does the administration have systems and procedures for measuring the compliance cost of its systems and procedures?</li> </ul>
<b>3.</b> Easy to understand and accessible guidance is provided to taxpayers	<b>20</b>	<ul style="list-style-type: none"> <li>• Has the administration provided a targeted risk-based taxpayer education service?</li> <li>• Has the administration provided up-to-date and accessible guidance available through a range of media (e.g. Internet, advice centres and print materials)?</li> <li>• Is guidance provided through an easy to use one-stop service that covers all taxes and other related legislative requirements?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>4.</b> Systems for registering and accounting for tax are simple to use and efficient to administer</p>	<p><b>30</b></p>	<ul style="list-style-type: none"> <li>• Has the administration provided a range of services (including e-channels, paper-based) for taxpayers to register, make declarations, notify changes and pay the tax that is due?</li> <li>• Have standard forms been provided that demand the minimum amount of information compatible with risk management?</li> <li>• Does the administration use a single taxpayer identifier across all its taxes and duties?</li> </ul>

# Information Technology (FB 13)

## Support

### Aim

To use IT to the maximum possible extent in support of the business strategy and operations of the tax administration using systems that are flexible, stable and secure

Strategic objectives	Scoring (Total 100)	Key indicators
1. An IT strategy supports the mission, vision and operations of the tax administration and makes the taxpayer the key entity	25	<ul style="list-style-type: none"> <li>• Does the tax administration have a published and regularly reviewed IT strategy?</li> <li>• Does the IT strategy fully support the tax administration's business strategy and key operational systems?</li> <li>• Has the IT strategy been approved at the top management level in the tax administration and has a senior level manager responsible for the IT function in the tax administration been appointed?</li> <li>• Is the IT function clearly identified throughout the organisational structure and are its roles and responsibilities defined and published?</li> <li>• Is information (legislation and forms) easily available, are filing data (returns) easily managed, both externally and internally, and is access gained through a user-oriented interface with a high level of simplicity?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<p><b>2.</b> IT architecture and management organised in a uniform and cost effective way</p>	<p><b>20</b></p>	<ul style="list-style-type: none"> <li>• Has the IT systems architecture been designed and constructed in close cooperation between systems owners, managers or users and IT specialists, in order to create suitable, user-friendly and manageable solutions?</li> <li>• Have recognised IT protocols, procedures and standards been used to design the architecture and individual systems?</li> <li>• Wherever possible and appropriate, have generic or industry systems/solutions been used in order to keep developments and maintenance costs to a minimum?</li> <li>• Are there clear and simple systems and procedures in place for prioritising and approving IT projects according to business needs?</li> <li>• Are retrieved data accessible in data warehouses, and sorted with taxpayers as the key entity?</li> <li>• Does the tax administration (through its IT department) retain control and have the overview of data and IT systems?</li> <li>• Are procedures in place for measuring the construction and spending of the IT budget and its proportion to the total tax administration budget?</li> <li>• Is benchmarking of IT solutions done regularly (implementation of projects, stability, availability, etc.)?</li> <li>• Is ownership of all IT solutions established at the outset?</li> <li>• Are access and use of IT solutions measured and assessed on a regular basis?</li> <li>• Are adequate measures taken to ensure the necessary protection of data (i.e. security, contingency, fallback and recovery plans are defined and documented), and are they regularly reviewed?</li> </ul>

Strategic objectives	Scoring (Total 100)	Key indicators
<b>3.</b> IT projects are professionally managed and properly resourced	<b>20</b>	<ul style="list-style-type: none"> <li>• Do business managers keep an effective control on the definition and the implementation of the business strategy?</li> <li>• Are project management methodologies agreed and documented?</li> <li>• Is provision made for the financing of IT projects and are procedures in place for estimating and reviewing associated budgets?</li> <li>• Is an IT procurement policy, including an IT investment plan, defined and published?</li> </ul>
<b>4.</b> The use of IT systems for all external taxpayer and internal administration systems is promoted and maximised	<b>20</b>	<ul style="list-style-type: none"> <li>• Does the tax administration have a strategy, objectives and targets for promoting the use of IT?</li> <li>• Do tax administration staff have adequate access to computers, IT training and Internet to meet and contribute to fulfilling the IT strategy and development?</li> <li>• Are sufficient means of support (e.g. helpdesks, internal/external) in place to support taxpayers and tax administration staff in using IT?</li> <li>• Are appropriate IT systems capable of accepting electronic data interchange (EDI) messages and exchanging data electronically in place in all areas of tax administration?</li> <li>• Are external tax data for central statistics purposes delivered to agreed schedules?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
5. IT security arrangements are robust and effective and guarantee taxpayer/user confidentiality and data integrity	15	<ul style="list-style-type: none"> <li>• Is a single manager responsible for data security and does the tax administration have simple and rapid systems for reporting breaches of security or concerns?</li> <li>• Is IT security maintained at a level that sustains the confidentiality of the taxpayer?</li> <li>• Are IT solutions (both externally and internally managed) reviewed regularly regarding suitability, security, access to (and delivery of) and protection of data?</li> </ul>

### Definitions

Helpdesk is an internal supportive function, usually accessible by phone or e-mail.



# Communications (FB 14)

## Support

### Aim

To communicate with taxpayers in a clear, precise and prompt way that is appropriate to their needs, so they know and understand their rights and obligations and can readily comply with the law. To communicate openly and honestly with tax administration staff so they know what is expected of them and so they are appropriately motivated and informed.

Strategic objectives	Scoring (Total 100)	Key indicators
1. Taxpayers' compliance is promoted through the use of different media and tools	30	<ul style="list-style-type: none"> <li>• Is there an external communication strategy laying down the principles and procedures of such communication?</li> <li>• Is there a unit responsible for implementation of such a strategy which is published and regularly reviewed?</li> <li>• Is there a network of employees at central and regional levels responsible for contacts with the media?</li> <li>• Is the taxpayer provided with timely and correct information concerning tax legislation?</li> <li>• Does the tax administration use different media including the Internet, call centres, brochures and other tools?</li> </ul>
2. Top management is actively engaged in developing effective internal communication that informs and motivates staff	10	<ul style="list-style-type: none"> <li>• Is there a communication framework specifying guidelines for standards, structure, design and methods, for internal communication to be developed and implemented?</li> <li>• Is the internal communication framework agreed with the stakeholders?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>3.</b> Systems and procedures in place obtaining the views of taxpayers on a range of issues and services provided by the tax administration	<b>20</b>	<ul style="list-style-type: none"> <li>• Does the tax administration carry out a dialogue with various interest groups?</li> <li>• Are their attitudes surveyed and taken into account?</li> <li>• Is the use of the Internet and call centres promoted and encouraged?</li> <li>• Does the tax administration publish activity reports containing an evaluation of its activities?</li> <li>• Does the tax administration analyse feedback received from different groups and organisations?</li> <li>• Does the tax administration organise meetings with various stakeholders and inform them of its achievements and future plans?</li> </ul>
<b>4.</b> An efficient internal communication system	<b>20</b>	<ul style="list-style-type: none"> <li>• Is there an internal communication strategy laying down the principles and procedures of such communication?</li> <li>• Is there a unit responsible for implementation of such a strategy, which is published and regularly reviewed?</li> <li>• Are the Internet and intranet widely used for the purpose of internal communication?</li> <li>• Do the personnel at all levels have access to a database containing tax acts and regulations, their interpretations, court rulings and other documents deemed necessary?</li> <li>• Is there an efficient electronic flow of documents among different units of the tax administration?</li> </ul>

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Strategic objectives	Scoring (Total 100)	Key indicators
<b>5.</b> The good practices of the tax administration are promoted among its personnel	<b>10</b>	<ul style="list-style-type: none"> <li>• Are all the employees aware of their specific obligations and of how their work and performance contribute to the success of the activities operated by the tax administration?</li> <li>• Does the system allow for top-down, bottom-up and inter-functional communication?</li> <li>• Are the business strategy, and any changes to it, explained to all employees and their feedback sought?</li> <li>• Is the corporate identity of the tax administration promoted among its personnel?</li> </ul>
<b>6.</b> The tax administration provides its staff with relevant training in communication and interpersonal skills	<b>10</b>	<ul style="list-style-type: none"> <li>• Are the employees trained to master communication skills?</li> <li>• Are the staff aware of the importance of the proper functioning of both external and internal communication?</li> </ul>



# Annex I: Fictitious scoring example

## FB 1 — Overall Framework

		0–25	25–50	50–75	75–100	
		Little or no proof	Some proof	Proof	Documented proof	
<b>SO 1</b> 25 %	KI 1			60		
	KI 2		40			
	KI 3		45			
	KI 4				80	
	KI 5		40			
Total						53
<b>SO 2</b> 15 %	KI 1		50			
	KI 2			60		
	KI 3		40			
Total						50
<b>SO 3</b> 5 %	KI 1			70		
	KI 2				80	
Total						75
<b>SO 4</b> 20 %	KI 1		40			
	KI 2		30			
	KI 3			55		
Total						42
<b>SO 5</b> 10 %	KI 1			70		
	KI 2				80	
Total						75
<b>SO 6</b> 10 %	KI 1		40			
	KI 2			55		
Total						48
<b>SO 8</b> 15 %	KI 1		40			
	KI 2		30			
	KI 3					
	KI 4			55		
Total						31

FB average	50
FB assessment value	50

## FB 2 — Structures and Organisation

		0–25	25–50	50–75	75–100	
		Little or no proof	Some proof	Proof	Documented proof	
SO 1 15 %	KI 1	60				
	KI 2	40				
	KI 3	20				
	KI 4	40				
	Total					40
SO 2 15 %	KI 1	50				
	KI 2	60				
	KI 3	40				
	Total					50
SO 3 15 %	KI 1	40				
	KI 2	30				
	KI 3	35				
	KI 4	55				
	Total					40
SO 4 25 %	KI 1	40				
	KI 2	30				
	KI 3	35				
	KI 4	50				
	KI 5	55				
	Total					42
SO 5 20 %	KI 1	70				
	KI 2	70				
	KI 3	80				
	Total					73
		FB average				45
		FB assessment value				45

### FB 3 — Tax Legislation

		0–25	25–50	50–75	75–100		
		Little or no proof	Some proof	Proof	Documented proof		
<b>SO 1</b>  25 %	KI 1	60					
	KI 2						
	KI 3						
	KI 4						
	KI 5						
	KI 6						
	KI 7						
	KI 8						
	Total					44	

<b>SO 2</b>  20 %	KI 1	50			60	
	KI 2					
	KI 3					
	Total					50

<b>SO 3</b>  15 %	KI 1	70			80	
	KI 2					
	KI 3					
	Total					73

<b>SO 4</b>  20 %	KI 1	40			55	
	KI 2					
	Total					48

<b>SO 5</b>  20 %	KI 1	60				
	KI 2					
	KI 3					
	KI 4					
	KI 5					
	Total					48

FB total		51
FB assessment value		50

FB 4 — Ethics

		0–25	25–50	50–75	75–100		
		Little or no proof	Some proof	Proof	Documented proof		
SO 1 40 %	KI 1	60					
	KI 2	40					
	KI 3	80					
	KI 4	40					
	Total						55
SO 2 30 %	KI 1	50					
	KI 2	60					
	KI 3	20					
	KI 4	25					
	KI 5	70					
	KI 6	40					
	Total						44
SO 3 15 %	KI 1	70					
	KI 2	70					
	KI 3	45					
	KI 4	80					
	Total						66
SO 4 15 %	KI 1	40					
	KI 2	30					
	KI 3	55					
	Total						42
		FB average		51			
		FB assessment value		50			



## FB 5 — Human Resources Management

		0–25	25–50	50–75	75–100	
		Little or no proof	Some proof	Proof	Documented proof	
<b>SO 1</b> 25 %	KI 1			60		
	KI 2		40			
	KI 3				80	
	KI 4		40			
	<b>Total</b>					<b>55</b>
<b>SO 2</b> 20 %	KI 1		50			
	KI 2			60		
	KI 3	20				
	KI 4	25				
	KI 5		40			
	KI 6		40			
	<b>Total</b>					<b>39</b>
<b>SO 3</b> 15 %	KI 1		40			
	KI 2		30			
	KI 3		45			
	KI 4		40			
	KI 5		35			
	KI 6			55		
	<b>Total</b>					<b>41</b>
<b>SO 4</b> 20 %	KI 1			70		
	KI 2			70		
	KI 3		45			
	KI 4		45			
	KI 5				80	
	<b>Total</b>					<b>62</b>
<b>SO 5</b> 20 %	KI 1		40			
	KI 2		30			
	KI 3		35			
	KI 4					
	KI 5			55		
	<b>Total</b>					<b>32</b>

FB average	47
FB assessment value	45

FB 6 — Revenue Collection and Enforcement

		0–25	25–50	50–75	75–100	
		Little or no proof	Some proof	Proof	Documented proof	
SO 1 15 %	KI 1	60				44
	KI 2	40				
	KI 3				80	
	KI 4					
	KI 5	40				
	Total					
SO 2 15 %	KI 1	50				43
	KI 2	60				
	KI 3	20				
	KI 4	40				
	Total					
SO 3 20 %	KI 1	40				45
	KI 2	30				
	KI 3	45				
	KI 4	40				
	KI 5				50	
	KI 6				55	
	KI 7				55	
	Total					
SO 4 20 %	KI 1	40				43
	KI 2	30				
	KI 3	45				
	KI 4				55	
	Total					
SO 5 20 %	KI 1	70				44
	KI 2	70				
	KI 3					
	KI 4					
	KI 5				80	
	Total					
SO 6 10 %	KI 1	40				37
	KI 2	30				
	KI 3	35				
	KI 4	25				
	KI 5				55	
	Total					

FB average	43
FB assessment value	40

*FB 7 — Tax Audit*

		0–25	25–50	50–75	75–100		
		Little or no proof	Some proof	Proof	Documented proof		
SO 1 30 %	KI 1	60					
	KI 2	40					
	KI 3	40					
	Total					47	
SO 2 30 %	KI 1	70					
	KI 2	70					
	KI 3	80					
	Total					73	
SO 2 20 %	KI 1	50					
	KI 2	40					
	Total					45	
SO 4 20 %	KI 1	40					
	KI 2	30					
	KI 3	35					
	KI 4	45					
	KI 5	55					
	Total					41	
		FB average		50			
		FB assessment value		50			

FB 8 — Administrative Co-operation and Mutual Assistance

		0–25	25–50	50–75	75–100		
		Little or no proof	Some proof	Proof	Documented proof		
SO 1	KI 1	60			20 %		
	KI 2	40					
	KI 3	80					
	KI 4	40					
	Total						
SO 2	KI 1	50			20 %		
	KI 2	60					
	KI 3	20					
	KI 4	40					
	Total						
SO 3	KI 1	70			15 %		
	KI 2	70					
	KI 3	45					
	KI 4	80					
	Total						
SO 4	KI 1	40			10 %		
	KI 2	30					
	KI 3	55					
	Total						
SO 5	KI 1	50			15 %		
	KI 2	60					
	KI 3	20					
	KI 4	25					
	KI 5	40					
	Total						
SO 6	KI 1	70			10 %		
	KI 2	70					
	KI 3	50					
	KI 4	80					
	Total						
SO 7	KI 1	40			10 %		
	KI 2	30					
	KI 3	55					
	Total						
		FB average		52			
		FB assessment value		50			

## FB 9 — Tax Fraud and Avoidance

		0–25	25–50	50–75	75–100	
		Little or no proof	Some proof	Proof	Documented proof	
<b>SO 1</b> 15 %	KI 1			60		
	KI 2		40			
	KI 3				80	
	KI 4		40			
	<b>Total</b>					<b>55</b>
<b>SO 2</b> 20 %	KI 1		50			
	KI 2			60		
	KI 3	20				
	KI 4		40			
	<b>Total</b>					<b>43</b>
<b>SO 3</b> 10 %	KI 1			70		
	KI 2				80	
	<b>Total</b>					<b>75</b>
<b>SO 4</b> 15 %	KI 1		40			
	KI 2		30			
	KI 3	25				
	KI 4		35			
	KI 5		30			
	KI 6			55		
	<b>Total</b>					<b>36</b>
<b>SO 5</b> 10 %	KI 1			70		
	KI 2			70		
	KI 3		35			
	KI 4		35			
	KI 5		35			
	KI 6		35			
	KI 8		35			
	KI 9		40			
	KI 10				80	
	<b>Total</b>					<b>44</b>

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		0–25	25–50	50–75	75–100
		Little or no proof	Some proof	Proof	Documented proof
SO 6	KI 1				
	KI 2				
	KI 3				
	KI 4				
	KI 5				
	KI 6				
	KI 7				
	KI 8				
Total					38
SO 7	KI 1				
	KI 2				
	KI 3				
Total					50
SO 8	KI 1				
	KI 2				
	KI 3				
	KI 4				
	KI 5				
	KI 6				
Total					54
FB average		48			
FB assessment value		45			

**FB 10 — Taxpayers' Rights and Obligations**

		0–25	25–50	50–75	75–100		
		Little or no proof	Some proof	Proof	Documented proof		
<b>SO 1</b> 15 %	KI 1			60			
	KI 2		40				
	KI 3		45				
	KI 4				80		
	KI 5		35				
	KI 6		45				
	KI 7		40				
	Total						49
<b>SO 2</b> 10 %	KI 1		50				
	KI 2			60			
	KI 3	20					
	KI 4	25					
	KI 5		40				
	Total						39
<b>SO 3</b> 15 %	KI 1			60			
	KI 2		40				
	KI 3		45				
	KI 4				80		
	KI 5		35				
	KI 6		45				
	KI 7		40				
	Total						49
<b>SO 4</b> 15 %	KI 1			60			
	KI 2		40				
	KI 3		45				
	KI 4				80		
	KI 5		35				
	KI 6		45				
	KI 7		40				
	Total						49
<b>SO 5</b> 15 %	KI 1			70			
	KI 2			70			
	KI 3				80		
	Total						73

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		0–25	25–50	50–75	75–100
		Little or no proof	Some proof	Proof	Documented proof
SO 6	KI 1	60			80
	KI 2	40			
	KI 3	45			
	KI 4				
	KI 5	35			
	KI 6	40			
	Total				50
SO 7	KI 1	60			80
	KI 2	40			
	KI 3	45			
	KI 4				
	KI 5	40			
	Total				53
		FB average		53	
		FB assessment value		50	



## FB 11 — Strategy and Systems for Taxpayers' Management

		0–25	25–50	50–75	75–100	
		Little or no proof	Some proof	Proof	Documented proof	
<b>SO 1</b> 30 %	KI 1	20	50	60		
	KI 2					
	KI 3					
	KI 4		30			
	KI 5		40			
	Total				40	
<b>SO 2</b> 25 %	KI 1			70		
	KI 2			70		
	KI 3		50	55		
	KI 4					
	KI 5					
	KI 6				80	
	Total					63
<b>SO 3</b> 25 %	KI 1			70		
	KI 2			70		
	KI 3		50	55		
	KI 4					
	KI 5			80		
	Total					65
<b>SO 4</b> 20 %	KI 1		40			
	KI 2		30			
	KI 3			55		
	Total					42
		FB average		52		
		FB assessment value		55		

FB 12 — Voluntary Compliance

		0–25	25–50	50–75	75–100		
		Little or no proof	Some proof	Proof	Documented proof		
SO 1	KI 1	60				20 %	
	KI 2	40					
	KI 3	80					
	KI 4	40					
	Total						
SO 2	KI 1	50				30 %	
	KI 2	60					
	KI 3	20					
	KI 4	25					
	KI 5	70					
	KI 6	15					
	KI 7	40					
	Total						
SO 3	KI 1	70				20 %	
	KI 2	70					
	KI 3	80					
	Total						
SO 4	KI 1	40				30 %	
	KI 2	30					
	KI 3	55					
	Total						
		FB average				61	
		FB assessment value				60	

## FB 13 — Information Technology

		0–25	25–50	50–75	75–100
		Little or no proof	Some proof	Proof	Documented proof
<b>SO 1</b> 25 %	KI 1			60	
	KI 2		40		
	KI 3		45		
	KI 4			55	
	KI 5		40		
	<b>Total</b>				<b>48</b>
<b>SO 2</b> 20 %	KI 1		50		
	KI 2			60	
	KI 3	20			
	KI 4	25			
	KI 5			70	
	KI 6		45		
	KI 7		50		
	KI 8			55	
	KI 9		30		
	KI 10		40		
	KI 11		40		
	<b>Total</b>				<b>44</b>
<b>SO 3</b> 20 %	KI 1			70	
	KI 2		45		
	KI 3		40		
	KI 4			70	
	<b>Total</b>				<b>56</b>
<b>SO 4</b> 20 %	KI 1		40		
	KI 2		45		
	KI 3		40		
	KI 4		45		
	KI 5			55	
	<b>Total</b>				<b>45</b>
<b>SO 5</b> 15 %	KI 1			70	
	KI 2		40		
	KI 3			70	
	<b>Total</b>				<b>60</b>

FB average	50
FB assessment value	50

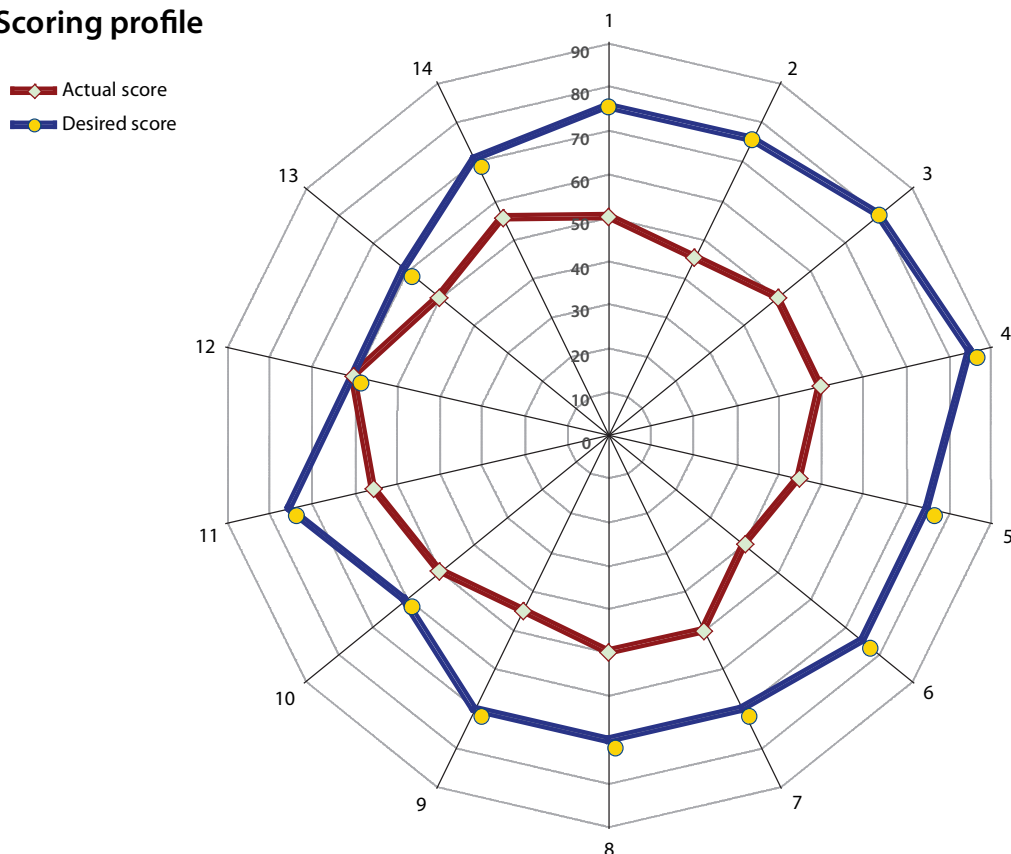
FB 14 — Communications

		0–25	25–50	50–75	75–100	
		Little or no proof	Some proof	Proof	Documented proof	
SO 1 30 %	KI 1			60		
	KI 2		40			
	KI 3				80	
	KI 4		45			
	KI 5		40			
	Total					53
SO 2 10 %	KI 1			70		
	KI 2				80	
	Total					75
SO 3 20 %	KI 1		50			
	KI 2			60		
	KI 3	20				
	KI 4	25				
	KI 5			70		
	KI 6		40			
	Total					44
SO 4 20 %	KI 1			70		
	KI 2			70		
	KI 3			55		
	KI 4			55		
	KI 5				80	
	Total					66
SO 5 10 %	KI 1		40			
	KI 2		30			
	KI 3		35			
	KI 4			55		
	Total					40
SO 6 10 %	KI 1			70		
	KI 2				80	
	Total					75
FB average			57			
FB assessment value			55			

## Annex II: Fictitious scoring profile example

All FBs	Score	Desired score
FB 1	50	75
FB 2	45	75
FB 3	50	80
FB 4	50	85
FB 5	45	75
FB 6	40	75
FB 7	50	70
FB 8	50	70
FB 9	45	70
FB 10	50	60
FB 11	55	75
FB 12	60	60
FB 13	50	60
FB 14	55	70
Total score	695	1 000

Scoring profile





## Map of the European Union







# Contact list

## *For more information on EU tax and customs matters*

### Contact us

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