

TAXPAYER CHARTER PROJECT

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Outline of Talk

Overview of Project

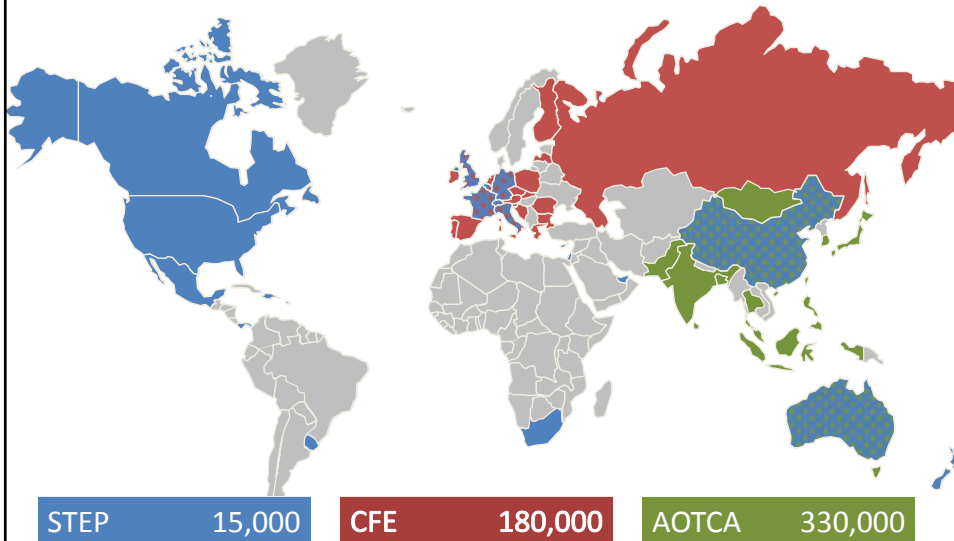
Fundamental Questions

Progress to Date

End Goals

Overview of Project

Collaboration of AOTCA / CFE / STEP



Overview of Project

Preliminary Research
Review of Taxpayer Charters
Books/Articles Compiled



TAXPAYER CHARTER SURVEY

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 << Question >>



C) TAX ADMINISTRATION

11 Can Taxpayers use Taxpayer Rights to delay payment of tax or delay disclosure of tax?

Country	Total	Absolutely Yes	Somewhat Yes	Somewhat No	Absolutely No	Neutral
Australia	1			✓		
Canada	1				✓	
China	1				✓	
Czechia	1					✓
Hong Kong	1				✓	
India	1				✓	
Ireland	1				✓	
Israel	1			✓		
Japan	1				✓	
Latvia	1		✓			
Poland	1					✓
Slovakia	1		✓			
South Korea	1			✓		
Switzerland	1	✓				
U.K.	1				✓	
Vietnam	1		✓			

Additional Comments:

Australia
 Notwithstanding the fact that tax is payable upon receipt of an assessment or deemed assessment practice to defer 50% of the tax owing where there is an objection or appeal on foot. There is no return however penalties for late lodgement are nominal but a high rate of interest is charged or due date for lodgement.

Canada
 Taxpayers have statutory rights to delay payment when tax is assessed and it is disputed admin court. These rights vary depending whether the taxpayer is an individual or a corporation, small

Hong Kong
 Unless with reasonable excuse

Israel
 Taxes that were not paid on a timely basis are subject to an interest charge.

Slovakia
 Delay of payment is possible if approved by tax authority on the basis of a written request. However consent of tax authority is not obligatory. Delay of disclosure of tax is possible in some cases only on the basis of written notification.

E) FILINGS

23 Does the Tax Authority provide clear instructions, forms, guides and information to assist the Taxpayer in making a tax filing?
 Yes 15 93%
 No 1 6%

Additional Comment

Generally yes
 ADDITIONAL COMMENT
 "Sometimes no guidance is provided when draft legislation has been proposed for many years without being enacted or some technical tax concepts (FAIR, safe income calculations, etc.)"

ADDITIONAL COMMENT
 "Special Tax Packs are provided for individuals lodging simple returns. Most filings can be done online and a lot of "are filing" is done by the ATD (i.e. interest received from banks)"

ADDITIONAL COMMENT
 "The Tax Authority provides guidance regarding the taxpayers' filing obligation, however, more guidance is needed."

24 Which aspects of the instructions provided by the Tax Authority are well done?

"E-services generally, information included on Revenue website."
 "Individual tax return forms are accompanied by copious notes which are helpful"
 "Instructions for e-filing are reasonably clear and easily accessed."
 "Tax forms and instructions concerning filings."
 "Tax returns are accompanied with filing instructions."
 "Tax treatments for deduction of expenses for corporate income tax"
 "The Tax Authority provides clear instructions in their up to date information sheets."
 "The Tax Authority provides extensive guidance in respect of technical issues relating to the maintenance of books and accounts and the filing of tax returns."
 "The technical interpretation letters. The taxpayer and his advisors were relying on interpretation bulletins and information circular to understand the position of the tax authority. These documents have not been updated for a long time. It is in a process of doing that. These documents are non binding and the tax authority is allowed to assess contrary to a stated position."
 "They are filled with examples."
 "We have a well-developed and broadly used tax rulings system, as well as a quite efficient call-center of the National Tax information (they provide telephone answers to the full range of tax questions, concerning mostly common day-to-day tax issues). Also, the tax administration usually provides clear technical instructions as to how complete the tax forms."
 "Website"
 "Website, brochures, leaflets, tax consultation services provided by telephones or interviews"

25 Which aspects of the instructions provided by the Tax Authority are poorly done?

"As mentioned, the interpretation bulletins need to be updated to reflect the current administrative position of the tax authority."
 "Education on taxation for school children as well as junior- high, high school and college students"
 "None that come to mind"
 "None."
 "None."
 "Not really identifiable."

Overview of Project

Areas covered

Existing Taxpayer Charter

Tax Administration in general

Tax Filings

Assessments

Audits

Appeals assistance from Tax Administration

Service Standards

Rulings and Interpretations

Overview of Project (continued)

Taxpayer Records
Confidentiality and Privacy
Dealings with Tax Administration
Burden of Proof
Drafting Legislation
Retroactivity
Double Taxation
Interest and Penalties
Development of Tax Laws

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Fundamental Questions

Taxpayer rights only or rights and obligations with rights and obligation?

Balanced document

Legally binding or a practice statement ?

Legally binding as far as possible at highest level

Comprehensive or selective ?

Comprehensive, cover tax administration and tax legislation

Detailed or summary ?

Detailed like a model tax treaty

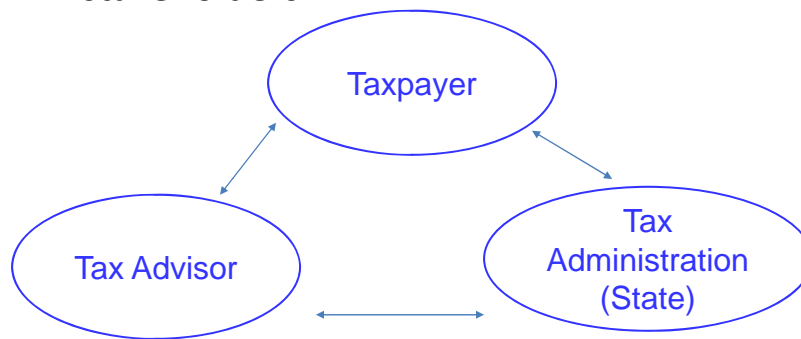
Apply to all taxes or just income tax ?

All taxes at all levels

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Why Have a Taxpayer Charter

- Enhance relationship between 3 important stakeholders



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- Environment of trust, respect, belief in fairness of system
- Increase voluntary compliance
- Confirm taxpayer obligations
- Standardize and list out taxpayer rights
- Accountability for all stakeholders

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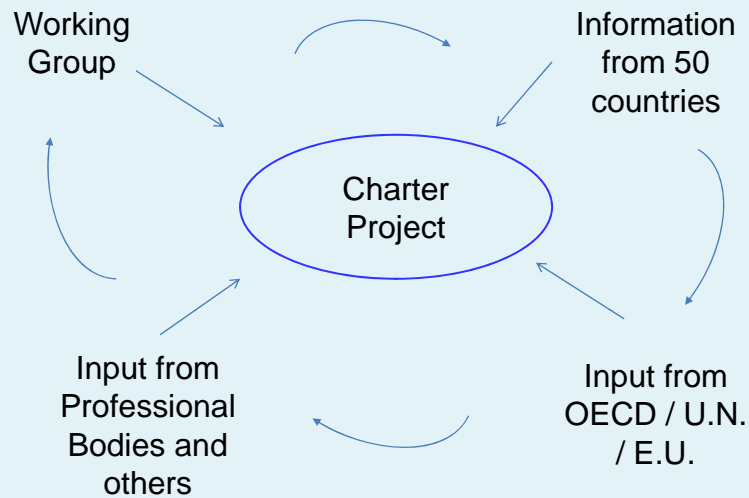
Progress to Date

- Agree Broad Concepts
- Draft General Outline of Charter
- Obtain Information from 50 Countries
- Analyze Information
- Produce Charter Document
- Produce Preliminary Report
 - Describe overall project
 - Survey results
 - Draft Charter Document
 - Process for Adoption

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- Publish Preliminary Circulate Report to
 - OECD / U.N. / E.U.
 - 50 Countries who participated
 - Professional Bodies in these countries
- Compile Feedback
- Produce Final Report

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End Goals

- Develop worldwide standard
- Actively pursue adoption
- Monitor progress of adoption
- Compile index by country to publicize Taxpayer Charter adoption
- Amend Charter in the future (refinements)

End Goals

Each Taxpayer Charter Article to be supported
by examples from across the world

Not a taxpayer advocacy project

Important for Charter to be balanced and fair to
all stakeholders



ANY QUESTIONS?