

# Tax Complexity Survey

## Paderborn University

### Welcome to the Tax Complexity Survey!

**Dear employee of the tax administration,**

thank you for participating in our survey study! We would like to ask for your help in answering a few questions about tax complexity – a topic you probably come across every day. Given the growing complexity of companies and their business models, we have set up this research project in order to gain systematic insights into the development and state of tax complexity to which tax administrations are exposed.

There is no doubt that tax complexity has become an important feature of a tax system in recent years, influencing decisions of tax administrations and taxpayers in different ways. But to what extent? Current approaches to quantifying tax complexity are very limited to individual dimensions and usually take only the perspective of the taxpayer. However, this picture is highly incomplete. We would like to fill this gap with our research project.

The aim of this survey is to identify possible causes of complexity in investigation, assessment, collection, audit and enforcement in tax administration. With a view of the demographic challenges in the tax administrations and increasingly digital business processes, the scientifically based identification of areas that are characterized by particularly high tax complexity offers great knowledge potential.

#### Aim of our survey study

- Identifying possible causes of tax complexity.
- Providing a deeper understanding of the various causes of tax complexity.
- Identification of possible solutions and simplifications for the taxation process.

#### Your Involvement

By participating in this study, you can make a significant contribution to providing guidance on priorities for adjustment and improvement processes in financial management. The results of this study can support the development of future solutions.

The survey relates only to income tax regulations for companies (EStG, AStG, KStG, GewStG) and the associated taxation process. For an insight into the results of the *2016 Global MNC Tax Complexity Survey* – a related study from the perspective of tax consulting experts – please click here (<http://taxcomplexity.org>).

We thank you in advance for your time and consideration.

### Procedure and anonymity

Your answers will be treated confidentially and anonymously. Your answers cannot be assigned to your person. All data will be evaluated in aggregated form only. It will take about 30 minutes to process the questionnaire.

To start the survey, please click on the "Next" button at the end of the text.

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### Contact information:

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There are 45 questions in this survey.

### Content-related aspects

For the following survey, we define tax complexity as a characteristic of the tax system, which is determined by limitations in the readability, comprehensibility, reliability and application of the tax laws or as a result of challenges caused by the tax framework (directives, legislative procedures, payments, tax returns, tax audits and complaint procedures, etc.).

### General aspects

- Please give your own assessment.
- Detailed information on the respective question is provided in part.

### Technical aspects

Please use only the "Back" and „Next“ buttons at the bottom of the page for navigation. Please do not use the "Next" and „Back“ buttons of your browser. If you get an error message during navigation, please reload the page by pressing F5 or the "Refresh" button of your browser.

### Start of the survey study

Please click on the "Next" button to start the survey.

**Question 1: How strongly do you agree with the following statements about tax complexity?**

Please select the appropriate answer for each point.

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
Tax complexity, to which the tax administrations are exposed, has increased over the last 5 years in the area of taxation of internationally operating companies in Germany.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax complexity will lead to additional effort in tax administration in the coming years.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax complexity is increased by increasingly cross-border economic situations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax complexity is increased by increasingly digital business models	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax complexity has exclusively negative effects on internationally operating companies in Germany.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax complexity allows internationally operating companies to use the tax rules to their advantage.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 2: How important do you consider the following regulations to be?**  
**“Important” means that this regulation has a significant impact (i.e. expressed as time spent in your daily work).**

Please select the appropriate answer for every point.

	Not important	Somewhat important	Moderately important	Important	Extremely important
Business Tax	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(Alternative) Minimum Taxation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Capital Gains/Losses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CFC-Rules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporate Reorganization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Depreciation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dividends (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Anti-Avoidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group Treatment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interest (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment Incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loss Offset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not important	Somewhat important	Moderately important	Important	Extremely important
Royalties (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Statutory Corporate Income Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transfer Pricing and Arm's Length Principle	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent Establishments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 3: To what extent do you think “ambiguity & interpretation” contribute to the complexity of the regulations listed below?**

**Definition of “ambiguity & interpretation”**

When a regulation is phrased in an unclear, imprecise and/or ambiguous manner so that different interpretations are possible.

For each applicable regulation, please indicate the extent to which the respective source contributes to the complexity of that regulation.

Please select the appropriate answer for each point.

	Not important	Somewhat important	Moderately important	Important	Extremely important
Business Tax	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(Alternative) Minimum Taxation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CFC-Rules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporate Reorganization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Depreciation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dividends (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Anti-Avoidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group Treatment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interest (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment Incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loss Offset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not important	Somewhat important	Moderately important	Important	Extremely important
Royalties (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Statutory Corporate Income Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transfer Pricing and Arm's Length Principal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent Establishments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 4: To what extent do you think “change” contributes to the complexity of the regulations listed below?**

**Definition of “change”**

When a regulation is frequently changed and the changes are extensive in terms of quantity and/or scope.

For each applicable regulation, please indicate the extent to which the respective source contributes to the complexity of that regulation.

Please select the appropriate answer for each point.

	Not important	Somewhat important	Moderately important	Important	Extremely important
Business Tax	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(Alternative) Minimum Taxation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CFC-Rules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporate Reorganization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Depreciation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dividends (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Anti-Avoidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group Treatment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interest (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment Incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loss Offset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



	Not important	Somewhat important	Moderately important	Important	Extremely important
Royalties (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Statutory Corporate Income Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transfer Pricing and Arm's Length Principal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent Establishments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 5: To what extent do you think “detail” contributes to the complexity of the regulations listed below?**

**Definition of “detail”**

When a regulation contains excessive details, such as numerous rules, exceptions to rules and/or cross-references to other rules.

For each applicable regulation, please indicate the extent to which the respective source contributes to the complexity of that regulation.

Please select the appropriate answer for each point.

	Not important	Somewhat important	Moderately important	Important	Extremely important
Business Tax	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(Alternative) Minimum Taxation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CFC-Rules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporate Reorganization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Depreciation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dividends (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Anti-Avoidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group Treatment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interest (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment Incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loss Offset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not important	Somewhat important	Moderately important	Important	Extremely important
Royalties (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Statutory Corporate Income Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transfer Pricing and Arm's Length Principal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent Establishments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 6: To what extent do you think “record keeping” contributes to the complexity of the regulations listed below?**

**Definition of “record keeping”**

When many records and documents must be kept to substantiate all claims under a regulation and/or to complete the tax return.

For each applicable regulation, please indicate the extent to which the respective source contributes to the complexity of that regulation.

Please select the appropriate answer for each point.

	Not important	Somewhat important	Moderately important	Important	Extremely important
Business Tax	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(Alternative) Minimum Taxation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CFC-Rules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporate Reorganization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Depreciation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dividends (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Anti-Avoidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group Treatment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interest (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment Incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loss Offset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not important	Somewhat important	Moderately important	Important	Extremely important
Royalties (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Statutory Corporate Income Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transfer Pricing and Arm's Length Principal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent Establishments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 7: To what extent do you think “computation” contributes to the complexity of the regulations listed below?**

**Definition of “computation”**

When many and/or sophisticated calculations are necessary to prove the (non-)applicability of a regulation and/or to determine the specific tax treatment.

For each applicable regulation, please indicate the extent to which the respective source contributes to the complexity of that regulation.

Please select the appropriate answer for each point.

	Not important	Somewhat important	Moderately important	Important	Extremely important
Business Tax	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(Alternative) Minimum Taxation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CFC-Rules	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporate Reorganization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Depreciation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dividends (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Anti-Avoidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group Treatment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interest (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment Incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loss Offset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not important	Somewhat important	Moderately important	Important	Extremely important
Royalties (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Statutory Corporate Income Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transfer Pricing and Arm's Length Principal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent Establishments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 8: To what extent do you think do the drivers listed below *on average* contribute to the complexity of income tax rules?**

**Definition of “ambiguity & interpretation”**

When a regulation is phrased in an unclear, imprecise and/or ambiguous manner so that different interpretations are possible.

**Definition of “change”**

When a regulation is frequently changed and the changes are extensive in terms of quantity and/or scope.

**Definition of “detail”**

When a regulation contains excessive details, such as numerous rules, exceptions to rules and/or cross-references to other rules.

**Definition of “record keeping”**

When many records and documents must be kept to substantiate all claims under a regulation and/or to complete the tax return.

**Definition of “computation”**

When many and/or sophisticated calculations are necessary to prove the (non-)applicability of a regulation and/or to determine the specific tax treatment.

Please select the appropriate answer for each point.

	No extent	Little extent	Some extent	Great extent	Very great extent
Ambiguity & Interpretation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Change	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Detail	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Record Keeping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Computation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



**Question 9: In your opinion, how complex (in terms of ambiguity & interpretation, change, computation, detail and record keeping) are the following rules?**

For each of the regulations listed below, please indicate for how complex you consider the regulation in question to be overall.

Please select the appropriate answer for each point.

	Not important	Somewhat important	Moderately important	Important	Extremely important
Business Tax	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Minimum Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Capital Gains/Losses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Additional Taxation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Corporate Reorganization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Depreciation & Amortization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dividends (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
General Anti Avoidance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Group Treatment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interest (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment Incentives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loss Offset	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not important	Somewhat important	Moderately important	Important	Extremely important
Royalties (incl. Withholding Taxes)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Statutory Corporate Income Tax Rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transfer Pricing and Arm's Length Principal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Permanent Establishments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Question 10: In your opinion, how different are national accounting standards for determining income for domestic reporting purposes (HGB) and for determining income for income tax purposes (keyword: § 60 (2) EStDV)?**

**!!** Please select only one of the following answers:

- ☐ Not different at all
- ☐ Less different
- ☐ Partly different
- ☐ Different
- ☐ Very different

**Question 11: How important in your daily work of dealing with tax legislation is the application of administrative rules which are legally binding on the administration but not on the taxpayer?**

**!!** Please select only one of the following answers:

- ☐ Not important
- ☐ Less important
- ☐ Partly important
- ☐ Important
- ☐ Very important

**Question 12: In your opinion, are there essential economic facts or transactions whose tax treatment is not (sufficiently) specifically codified in the tax laws?**

**!!** Please select only one of the following answers:

- ☐ Yes
- ☐ No

**Question 13: In your opinion, what tax treatment of essential economic facts or transactions is not specifically codified in tax law?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 12" (In your opinion, are there essential economic facts or transactions whose tax treatment is not (sufficiently) specifically codified in the tax laws?)

Please enter your answer here:

**Question 14: Do you actively participate in legislative processes in tax law or have you already participated in the legislative process, e.g. by preparing drafts?**

!! Please select only one of the following answers:

- ☐ Yes
- ☐ No

**Question 15: Which of the following aspects regularly cause problems in the legislative process?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 14" (Do you actively participate in legislative processes in tax law or have you already participated in the legislative process, e.g. by preparing drafts?)

!! Please select all applicable answers:

- ☐ Influence of third parties (e.g. lobbyists)
- ☐ Federalism
- ☐ Supranational regulations by the EU
- ☐ Quality of draft tax legislation
- ☐ Date of entry into force of tax legislation
- ☐ Amount of time between announcement of changes in the tax law and their entry into force
- ☐ Willingness to compromise
- ☐ None of the above
- ☐ Others:

### Question 16: Do you work as an auditor?

!! Please select only one of the following answers:

- ☐ Yes
- ☐ No

### Question 17: How many assessment periods are covered on average by an ordinary tax audit?

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 16" (Do you work as an auditor?)

!! Please select only one of the following answers:

- ☐ One year
- ☐ Two to four years
- ☐ More than four years

**Question 18: Considering the external audit process, which of the following aspects do you see as problematic?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 16" (Do you work as an auditor?)

**!!** Please select all applicable answers:

- ☐ Lack of documentation by the taxpayer
- ☐ Lack of cooperation by the taxpayer in the clarification of issues
- ☐ Poor or no communication on audit issues between auditors or between different departments of the same or different tax authorities
- ☐ Ineffectiveness of sanctions imposed in case of fraud
- ☐ Lack of skills or experience on the part of taxpayers/tax advisors
- ☐ Offensive or unethical behaviour by taxpayers/tax consultants
- ☐ Time lag between audit and realisation of facts
- ☐ Insufficient information technology equipment of the tax administration
- ☐ Lack of access to professional literature
- ☐ Lack of knowledge management in the administration
- ☐ None of the above

**Question 19: Please name up to three income tax regulations that are currently the focus of particular attention in tax audits.**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 16" (Do you work as an auditor?)

!! Please select the appropriate answers:

!! Please select a maximum of 3 answers.

- ☐ Business Tax
- ☐ Minimum Tax Rate
- ☐ Additional Taxation
- ☐ Corporate Reorganization
- ☐ Depreciation and Amortization
- ☐ Dividends (incl. Withholding Taxes)
- ☐ Group Treatments
- ☐ Interests (incl. Withholding Taxes)
- ☐ Investment Incentives
- ☐ Loss Offset
- ☐ Royalties (incl. Withholding Taxes)
- ☐ Transfer Pricing and Arm's Length Principal
- ☐ Permanent Establishments
- ☐ Others:

**Question 20: Do you deal with tax appeals or its consequences?**

!! Please select only one of the following answers:

- ☐ Yes
- ☐ No

**Question 21: Looking at the processing of appeals, which of the following aspects do you see as problematic?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 20" (Do you deal with objection and complaints procedure or its consequences?)

**!!** Please select all applicable answers:

- ☐ Inconsistent decisions
- ☐ Lack of (specialised) personnel
- ☐ Coordination within the authority
- ☐ Coordination with superordinate authorities
- ☐ Responsibility of individual authorities
- ☐ None of the above

**Question 22: Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?**

**!!** Please select only one of the following answers:

- ☐ Yes
- ☐ No



**Question 23: What is the main legal basis in your experience for transfer pricing adjustments?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

**!!** Please select all applicable answers:

- ☐ § 1 AStG (Adjustment of revenue)
- ☐ § 8 Abs. 3 S. 2 KStG (hidden profit distribution)
- ☐ § 8 Abs. 3 S. 3 KStG (hidden contribution)
- ☐ Arm's length principal in the relevant double tax treaty (see Art. 9 OECD-MA)

**Question 24: If transfer price adjustments are made under § 1 AStG, for which situations does § 1 AStG primarily apply in your experience?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

Please enter your answer here:

**Question 25: Which of the following legal bases do you see as problematic in practical application?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

**!!** Please select all applicable answers:

- ☐ § 1 AStG (Adjustment of revenue)
- ☐ § 8 Abs. 3 S. 2 KStG (hidden profit distribution)
- ☐ § 8 Abs. 3 S. 3 KStG (hidden contribution)
- ☐ Arm's length principal in the relevant double taxation agreement (see Art. 9 OECD-MA)
- ☐ None of the above legal bases

**Question 26: Which of the following legal bases do you see as particularly clear in practical application?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

**!!** Please select all applicable answers:

- ☐ § 1 AStG (Adjustment of revenue)
- ☐ § 8 Abs. 3 S. 2 KStG (hidden profit distribution)
- ☐ § 8 Abs. 3 S. 3 KStG (hidden contribution)
- ☐ Arm's length principal in the relevant double taxation agreement (see Art. 9 OECD-MA)
- ☐ None of the above legal bases

**Question 27: Should certain aspects be regulated additionally in § 1 AStG? If so, which ones?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

Please enter your answer here:

**Question 28: Do you consider the BMF letter on § 1 AStG as helpful (understandable and applicable)?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

**!!** Please select only one of the following answers:

- ☐ Not helpful
- ☐ Barely helpful
- ☐ Somewhat helpful
- ☐ Helpful
- ☐ Very helpful

**Question 29: Would you consider a practical guide containing a standardised scheme for guidance in transfer pricing audits helpful?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

**!!** Please select only one of the following answers:

- ☐ Not helpful
- ☐ Barely helpful
- ☐ Somewhat helpful
- ☐ Helpful
- ☐ Very helpful

**Question 30: Do you consider the OECD Transfer Pricing Guidelines useful for your work?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 22" (Do you deal with the auditing of internationally operating companies, in particular with the auditing of transfer prices?)

**!!** Please select only one of the following answers:

- ☐ Not helpful
- ☐ Barely helpful
- ☐ Somewhat helpful
- ☐ Helpful
- ☐ Very helpful

**Question 31: Are you involved in mutual agreement procedures or joint audits?**

**!!** Please select only one of the following answers:

- ☐ Yes
- ☐ No

**Question 32: What causes problems in cooperation with tax administrations of other countries in connection with mutual agreement procedures or joint audits?**

Answer this question only if the following conditions are fulfilled:

Answer was "Yes" to "Question 31" (Are you involved in mutual agreement procedures or joint audits?)

**!!** Please select all applicable answers:

- ☐ Lack of willingness to compromise
- ☐ Long decision-making periods
- ☐ Lack of preparation
- ☐ German rules of procedure
- ☐ Procedural rules of the other state
- ☐ Different tax regulations (no harmonisation)
- ☐ Language skills (own or of the person abroad)

**Question 33: Which federal state do you work for? If you work for the federal government, please select „federal government“.**

**!!** Please select only one of the following answers:

- ☐ Federal Government
- ☐ Baden-Württemberg
- ☐ Bavaria
- ☐ Berlin
- ☐ Brandenburg
- ☐ Bremen
- ☐ Hamburg
- ☐ Hesse
- ☐ Mecklenburg-Western Pomerania
- ☐ Lower Saxony
- ☐ North Rhine-Westphalia
- ☐ Rhineland-Palatinate
- ☐ Saarland
- ☐ Saxony-Anhalt
- ☐ Saxony
- ☐ Schleswig-Holstein
- ☐ Thuringia

**Question 34: In which authority do you work?**

**!!** Please select only one of the following answers:

- ☐ Federal Central Tax Office
- ☐ Senate Administrations/ Ministries of Finance of the states (Supreme State Authority)
- ☐ Regional Finance Office / Regional Authorities (Middle Authority)
- ☐ Tax office (Local Authority)

**Question 35: In which position are you currently working?**

**!!** Please select only one of the following answers:

- ☐ Auditor
- ☐ Head of department
- ☐ Clerk
- ☐ Speaker
- ☐ Head of Unit

**Question 36: Are you specialised in a particular subject area? If so, which one?**

Please enter your answer here:

**Question 37: How long have you been working in your specialised field, if you are specialised in a particular subject area?**

**!!** Please select only one of the following answers:

- ☐ over 15 years
- ☐ between 10 and 15 years
- ☐ between 5 and 10 years
- ☐ less than 5 years

**Question 38: How long have you been working for the tax authorities?**

**!!** Please select only one of the following answers:

- ☐ over 15 years
- ☐ between 10 and 15 years
- ☐ between 5 and 10 years
- ☐ less than 5 years

**Question 39: What percentage of your weekly working time is estimated to be spent on the tax assessment of cross-border situations of companies?**

**!!** Please select only one of the following answers:

- ☐ 0 %
- ☐ 10 %
- ☐ 20 %
- ☐ 30 %
- ☐ 40 %
- ☐ 50 %
- ☐ 60 %
- ☐ 70 %
- ☐ 80 %
- ☐ 90 %
- ☐ 100 %



**Question 40: With which legal forms do you estimate that you mainly deal with in your daily work?**

**!!** Please select only one of the following answers:

- ☐ Mainly with corporations
- ☐ Mainly with partnerships
- ☐ In equal shares with corporations and partnerships

**Question 41: What is your highest educational level?**

**!!** Please select only one of the following answers:

- ☐ Secondary School Level
- ☐ A-levels
- ☐ Bachelor's degree
- ☐ Master's degree/Diploma
- ☐ Promotion

**Question 42: In which specialist area are you educated?**

**!!** Please select all applicable answers:

- ☐ Business Administration
- ☐ Economics
- ☐ Law
- ☐ Financial management (dual study programme for senior management)
- ☐ Other

**Question 43: Please indicate your age group.**

!! Please select only one of the following answers:

- ☐ over 59 years
- ☐ between 50 and 59 years
- ☐ between 40 and 49 years
- ☐ between 30 and 39 years
- ☐ under 30 years

**Question 44: Please indicate your gender.**

!! Please select only one of the following answers:

- ☐ female
- ☐ male
- ☐ divers

**Question 45: If you would like to include additional comments or suggestions, please use the field below.**

Please enter your answer here:

Thanks for your participation!

**Contact information:**

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