

A modern office interior with glass walls and a staircase. The text is overlaid on a dark semi-transparent rectangle.

Horizontal Monitoring bei Großunternehmen in den Niederlanden

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Supervision large business in the Netherlands

- › Enhancing and maintaining compliance
- › Integrated, subject-oriented approach
 - Groups
 - CIT, VAT, wages tax, other taxes, audit, tax collection
- › Working in real time, where possible
- › Influencing behaviour
 - Responsive to compliance behaviour and underlying motives
 - Through a professional working relationship
- › Dedicated account team with a *client coordinator* and specialists

Added value Horizontal Monitoring

- Access to the boardroom, connection tone at the top
- Working in real time, as agreed in the compliance agreement
- Early certainty for all parties
- Early availability relevant information
- Deformalisation and optimisation of tax processes
- Reciprocity: mutual trust, understanding and transparency

Important feature

- No separate legal regulation



Horizontal monitoring in the Netherlands through the years

2005:
Start pilot with 20 multinational listed enterprises (groups)

2007:
Evaluation of the pilot

2008:
Roll out to total population large business (appr 8500 groups)

2010:
Introduction horizontal monitoring via tax intermediaries in the SME segment

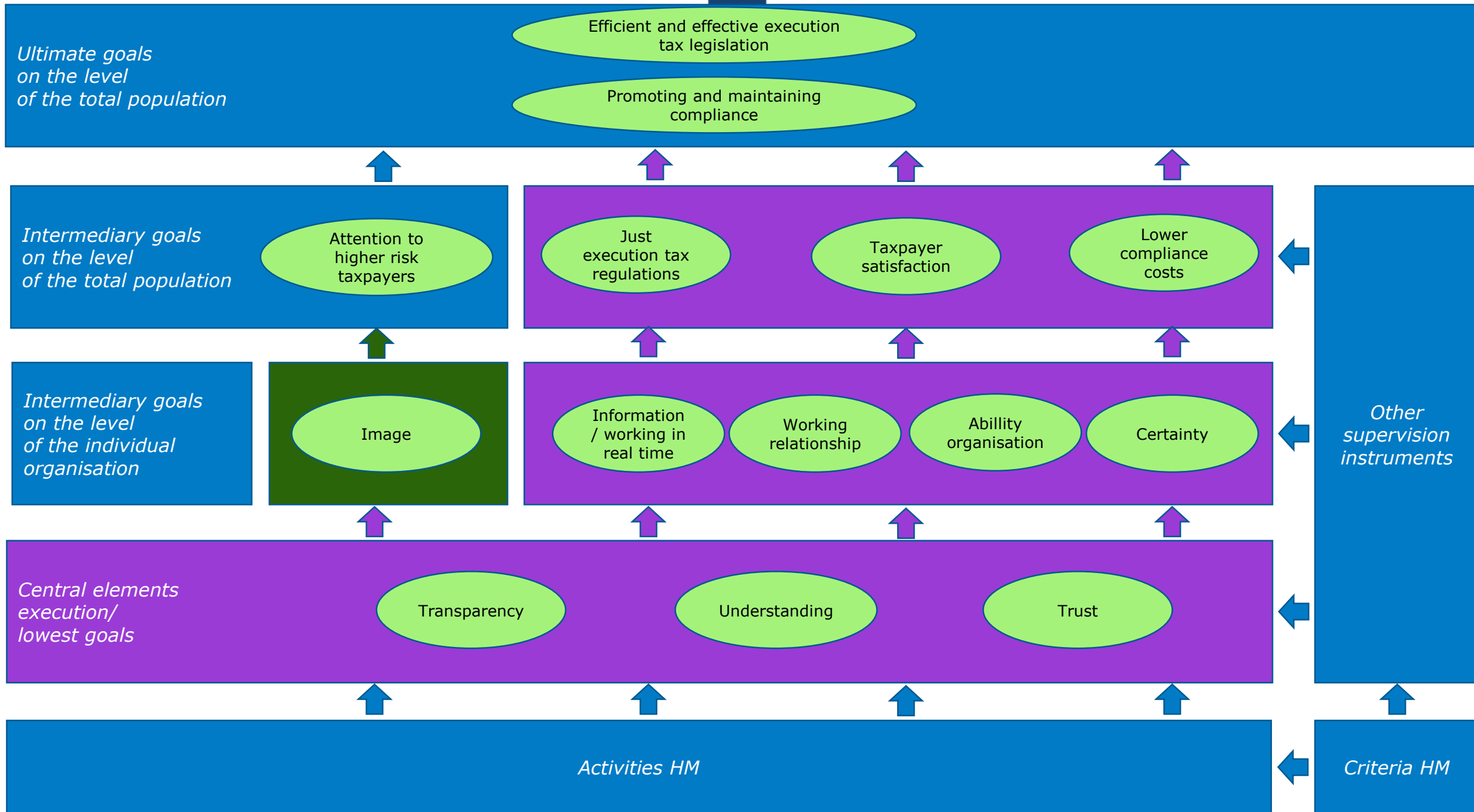
2012:
Evaluation Committee Stevens

2013:
Publication guide Horizontal Monitoring in the Netherlands

2018 (running):
Project 'further development horizontal monitoring'

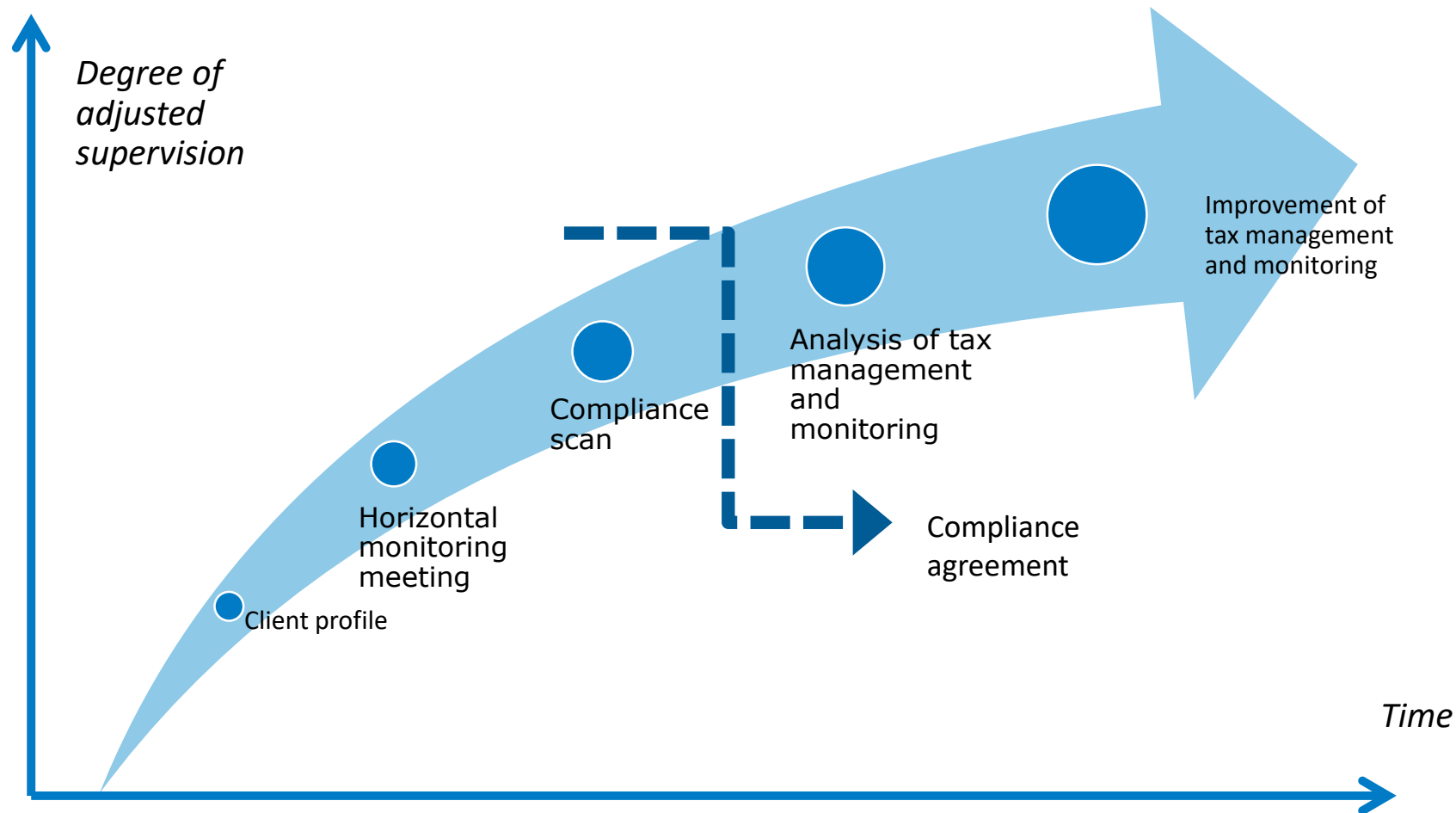
State of affairs 2019

- Large Business
 - 1900 individual compliance agreements
- SME
 - 350 compliance agreements with tax intermediaries
 - 130.000 enterprises





Horizontal monitoring – process (as is)



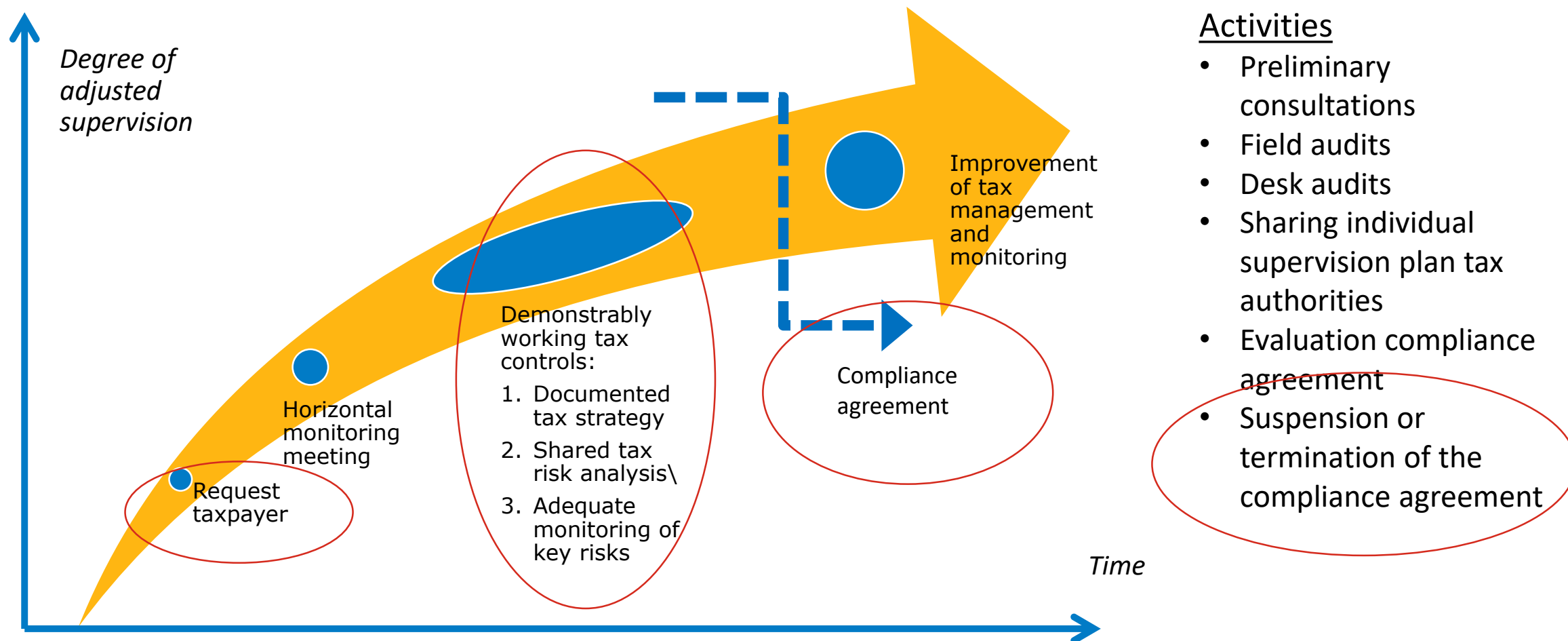
Activities

- Preliminary consultations
- Field audits
- Desk audits
- Sharing individual supervision plan tax authorities
- Evaluation compliance agreement



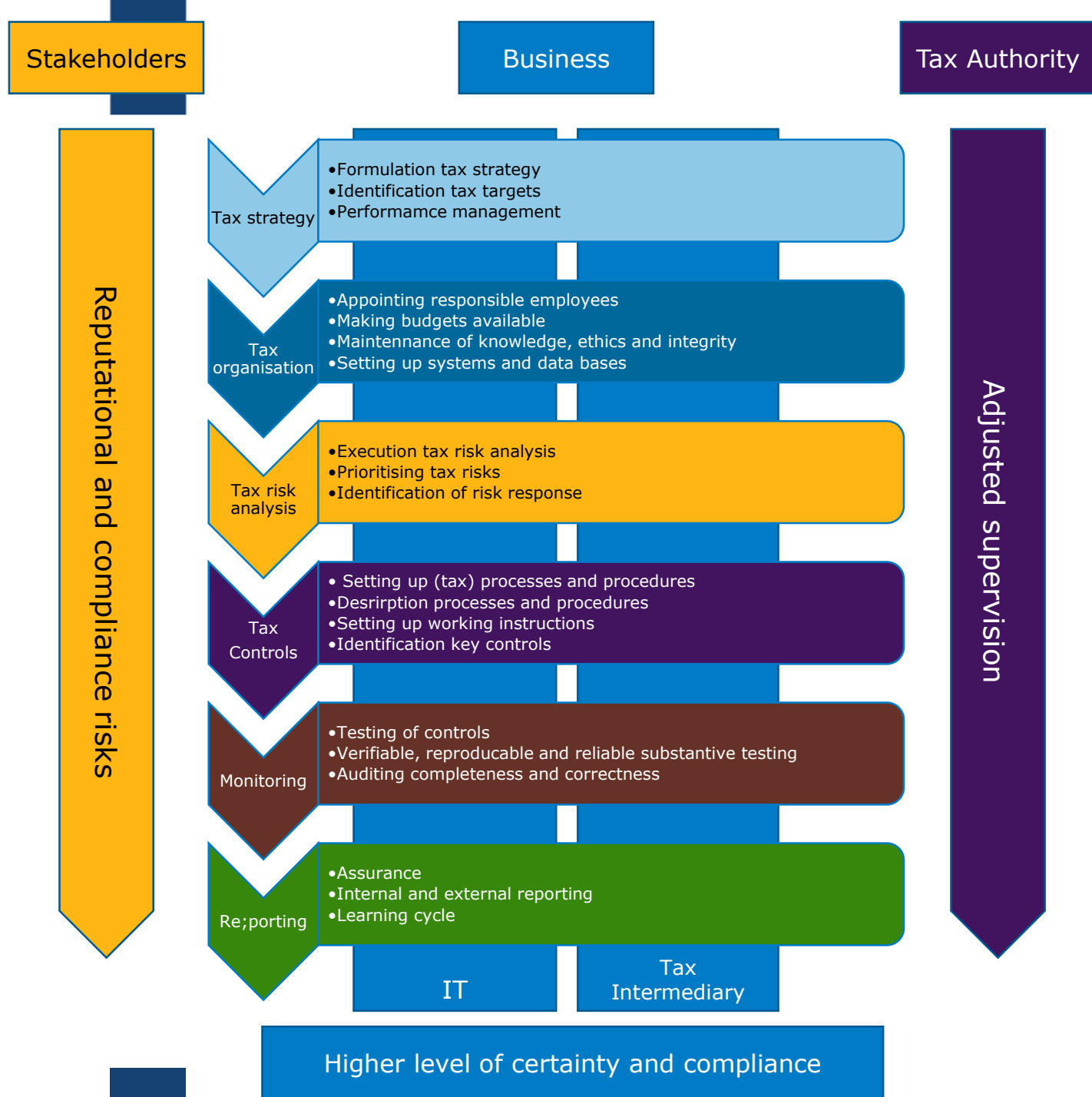


Horizontal monitoring – process (proposed change)



The importance of the tax control framework

- > Open norm
- > TCF is responsibility taxpayer
- > The NTCA
 - Actively acquires knowledge of the quality of the TCF
 - Determines if and in what extent it can adjust its supervision
 - Shares its treatment and audit plan





Other aspects

- › Internationalisation
 - Cooperation, Joint Audits and ICAP
- › Critical attitude society
 - Behaviour multinational enterprises
 - Risk of 'sweet heart deals'
- › Connection to regulations corporate governance
 - Responsibility management
 - Corporate social responsibility

Corporate governance- Public disclosure

- Global Reporting Initiative:
Draft standard *Tax and Payments to Governments*
- Consultation until 15 March 2019
- Topics to be disclosed
 - Approach to tax
 - Tax governance, control and risk management
 - Stakeholder engagement
 - Entities and activities by tax jurisdiction
 - Country-by-country reporting

<https://www.globalreporting.org/standards/media/2160/public-comment-form-exposure-draft-standard-for-tax-and-payments-to-governments.pdf>



Documentation –current- NTCA Large Business approach

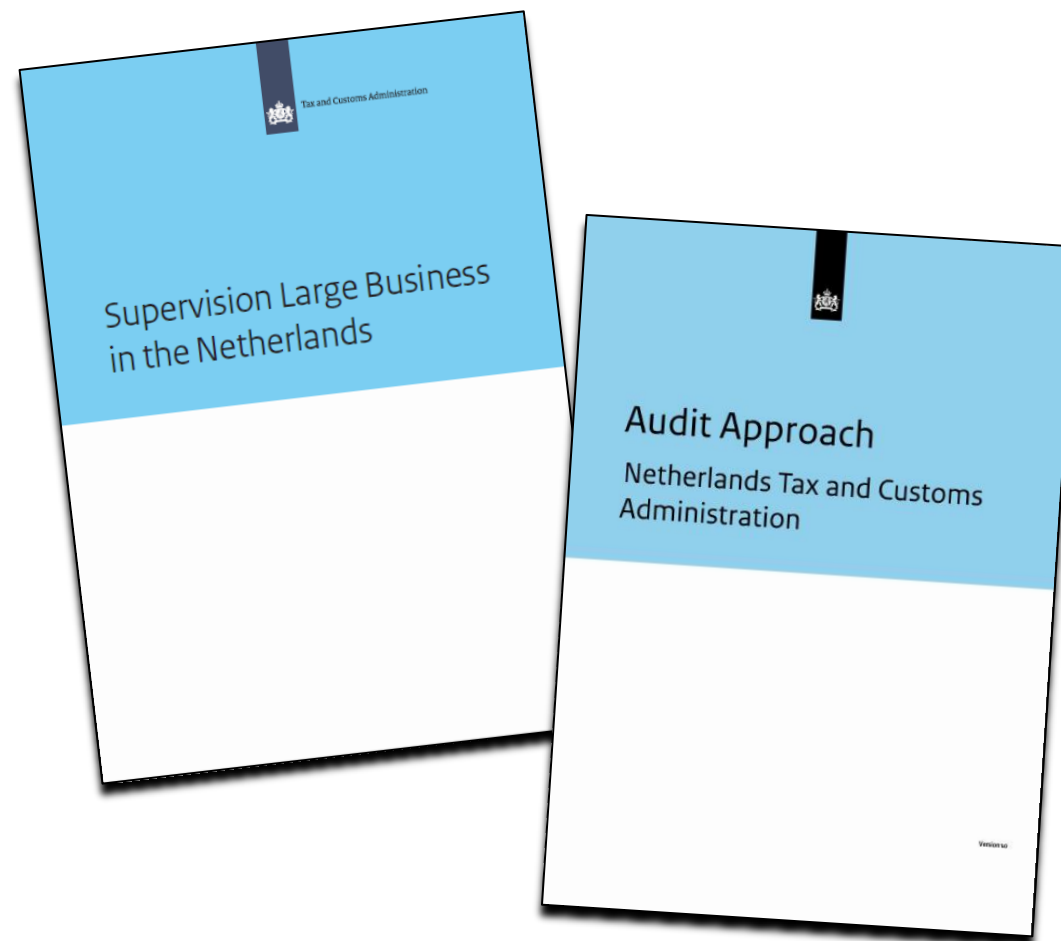
- > *Guide Supervision Large Business in the Netherlands 2013*

https://www.belastingdienst.nl/wps/wcm/connect/bldcontenten/themaoverstijgend/brochures_and_publications/supervision_large_business_in_the_netherlands

- > *Audit approach NTCA*

This manual is published In Dutch on our website:

https://download.belastingdienst.nl/belastingdienst/docs/cab_dv4221z2fd.pdf





Danke für Ihre Aufmerksamkeit!

