



THE EXPERTS VIRTUAL ROUNDTABLE

“一带一路”税收征管和纳税服务产品体系 专家圆桌研讨活动

26 JUNE 2025 | 15:00-17:00 BEIJING TIME, UTC+8
2025年6月26日 15:00-17:00 (北京时间)



Cooperative Compliance

Providing Greater Certainty for Businesses and Tax Administrations

Jim Robertson

Senior Advisor, International Tax and Investment Center

Cooperative Compliance

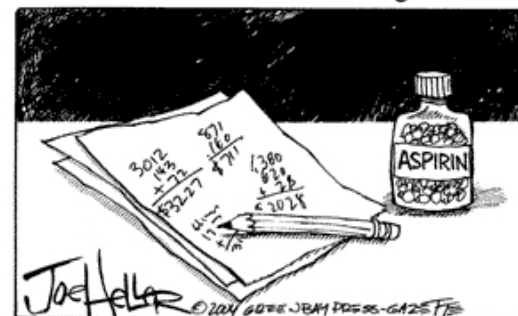
The concept: origins & evolution

Risk management: mutual benefits & caveats

Critical enablers: structural, managerial, practical

Practical experience: UK, Netherlands

The Evolution of Tax Preparation -



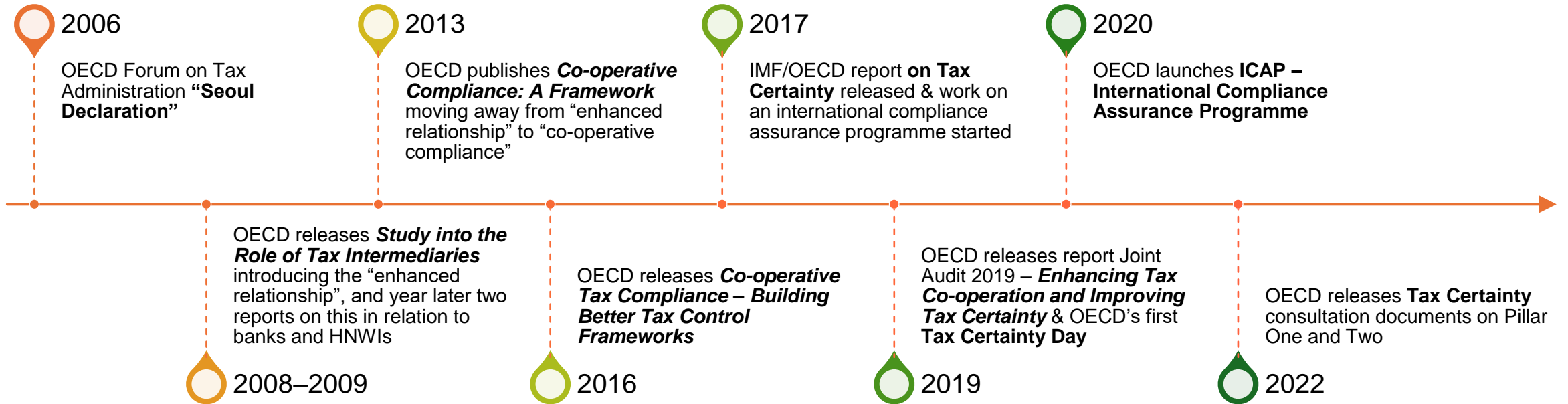
The Concept of Risk Management

Taxpayer classified by Tax Administration as High, Medium or Low Risk

Low Risk Taxpayers benefit from quicker and simpler examination by Tax Administrations

- Incentive for Taxpayers to convince Tax Administrations that they are Low Risk
- Tax Administrations can then concentrate their scarce resources on the High Risk Taxpayers

Origins and Evolution



...Mutual Benefits

Tax Administration

- Earlier and better information on Taxpayer's business and tax position, enabling more effective risk management and more appropriate **resource allocation**
- **Real time monitoring** of Taxpayer behaviour, enabling earlier implementation of remedial law changes
- More stable and **predictable forecasts** of tax revenues that will be collected
- Improved investment climate leading to higher **economic growth**

Taxpayer

- Faster resolution of open issues resulting in **real time certainty**
- **Lower compliance cost** because of less intrusive audits and fewer tax disputes
- **Enhance reputation** as a good corporate citizen paying its fair share of tax

But...

Cooperative compliance is not about getting special deals:

Rulings and discussions must be **fully compliant with applicable laws & regulations**

Critical Enablers

Structural

- Legislative framework
- Corporate framework

Managerial

- Endorsement from the top
- Culture shift – change program

Practical

- SMART KPIs
- Resources

Cooperative Compliance Avoids Lots of Effort!



Netherlands

Horizontal Monitoring

Formal agreement between taxpayer and the government

In general, taxpayer has monthly meetings with tax inspectors (on Corporate Income Tax, Employment Tax, VAT and Customs)

In those meetings, taxpayer brings forward any tax uncertainty accompanied with a factual description and taxpayer's view of the tax treatment

After discussion, the tax inspector either agrees or disagrees

In the latter case, the project or its tax treatment can be amended according to the inspector's wishes or they can agree to disagree and go to court

Usually, taxpayer receives certainty about the project's tax treatment in 2-4 weeks

Audits are system oriented to avoid extensive data-oriented audits

Now applies to all top 100 companies in the Netherlands



United Kingdom

Business Risk Review process

Customer Compliance Manager (CCM) performs a risk assessment based on the taxpayer's responses to a questionnaire

CCM shares formal risk assessment with taxpayer, but CCM's decision is final

Low Risk taxpayers are not reviewed again for three years

Regular meetings scheduled by taxpayer to take CCM through significant commercial transactions to explain structure/issues shortly after completion

Allows CCM to ask real time questions and reduce subsequent compliance enquiries.



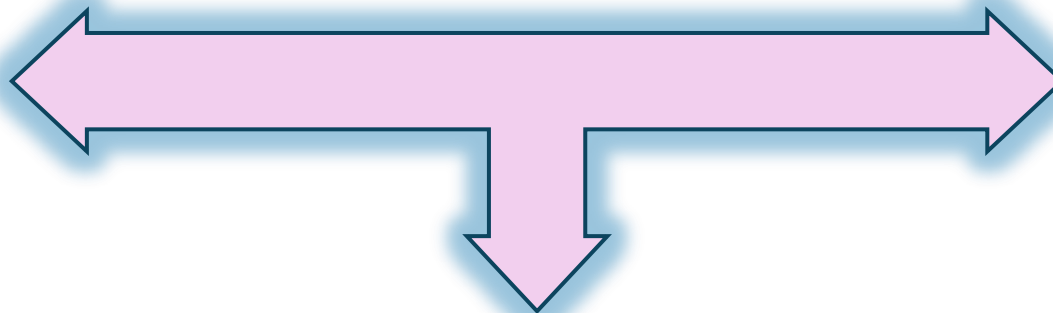
HM Revenue
& Customs

Mutual Agreement in Real Time

HMRC (UK)



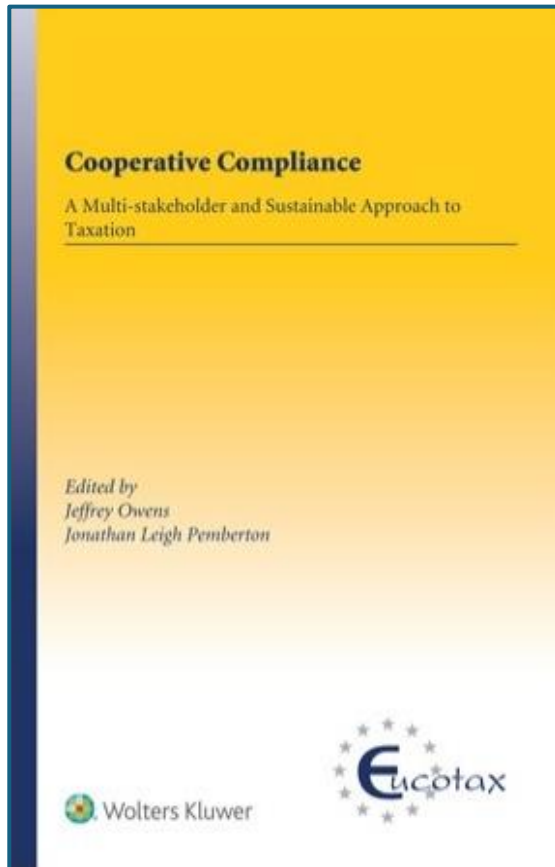
Belastingdienst
(NL)



Real time multilateral “MAP”

Summary

Cooperative compliance programs support companies in improving tax assurance and enable governments to focus on non-compliant taxpayers.



“No, I’m too busy dealing with all these tax disputes to talk about cooperative compliance”



THANK YOU

