



10 actions

For a more efficient and serene tax audit of professionals

2015

General Directorate of Public finances

Tax audits are essential.

They help ensure that mistakes were not made in the tax returns and penalizes fraudulent operations.

Tax audits guarantee the respect of the principle of tax equality and fair competition between companies. The General Directorate of public finances pays great attention to carry out audits in compliance with the principles of impartiality, neutrality and objectivity.

However, we want tax audits to be conducted in a fair climate, effectively and as transparently as possible.

The tax audit procedure, as described in the "Charter of rights and obligations of audited taxpayers" allows to carry out audits with a constructive dialogue.

However, in order to strengthen this dialogue and to address the legitimate constraints that burden companies, we take the following additional commitments.

Of course, in order for these commitments to facilitate audit operations, it is necessary that on your side you show openness, cooperation and responsiveness.

The general Director of Public Finances

Commitment # 1

We prepare the first intervention together

Wherever possible, the first intervention will be preceded by a telephone interview to discuss the audit.

This interview will focus on the documents expected during this first intervention and in particular the delivery of your accounting files, if you have a computerized accounting.

This preliminary meeting will also inform you on how the first intervention will pan out.

Commitment #2

We define with you the best audit methods

During the first intervention, a discussion can usefully take place on the modalities of the audit including:

- on the expected duration of the operations on site and the optimum frequency of interventions on site of the auditor. A provisional timetable of interventions will thus be established jointly in the balance of our mutual obligations;
- on the material terms of the auditor's questions and answers from the company and provision of the required documents. Email exchanges will be offered;
- on the on-site interventions which may be supplemented, where possible, by using audio conferencing.

It can also be suggested to carry out the inspection on site in a short time if the circumstances of the audit and the size of the business allow it and, especially, if you are available at that time.

Commitment #3

We get to know **your business**

During the first on-site intervention, our main focus is to increase our knowledge on your company and explain how the audit will go, as well as to obtain the accounting entries files.

It allows you to provide us with the characteristics of your business, its legal, economic and financial situation and its mode of operation and governance.

To facilitate the conduct of the audit, you will be asked to provide details of your accounting organization and management, your computer system as well as the internal monitoring system you have in place.

A tour of the premises is often necessary to know your business.

You will also designate the direct interlocutors of the auditor.

For our part, we will explain the operation of the audit and the guarantees granted by the Charter of the audited taxpayer, including the possibility of appeal before the collection of any adjustments.

We will also provide you with the possible regularization procedures during the audit.

Commitment #4

We ensure a quality dialogue

We offer to carry out at least one waypoint after the four first on-site interventions. Your professional obligations may limit your availability during the audit. This or these waypoint (s) are an opportunity for you to have a good view of the progress of the investigations and discuss any suggested adjustments. You can attend these waypoints alone or be accompanied by your accountant or council.

On-site debate is essential, but to facilitate the conduct of the audit and, if you wish, we can also supply a list of the main issues or documents expected for the next intervention.

We pledge to hold a review meeting at the end of the field operations to re-expose the suggested adjustments and the estimated financial implications that will be notified and discuss the arguments or evidence you will be providing.

You have a phone number and an email address of the auditing service to contact the auditor when he is not carrying out the on-site interventions.

Commitment #5

In all transparency, we show you what we are examining

We indicate, whenever possible, at the time of the first intervention, or within a reasonable timeframe, the points to be examined. Thus, we allow you to anticipate the documents we will be requesting or even spontaneously provide us with useful information to the audit.

Of course, the announcement of these points is not exclusive of new investigations based on the result of the work already carried out.

If during the audit we discover an error in your favor, it will be reported, and the regularization procedures will be provided.

Commitment #6

We pay attention to **your legal security**

We ensure that our positions are uniform within a group of fiscally integrated companies.

To allow you to secure for the future operation of your business, we will pay attention to clearly explain the reasons for the suggested adjustments and the elements leading to apply the penalties.

Commitment #7

We control the deadlines

In the interest of all, we promise:

- after the review meeting that closes the on-site intervention, to contact you within 30 days, with the conclusions of the examination: notified adjustments or absence of adjustments.
- to respond to your comments within 30 days or within 60 days if you request an extension.
- to provide you with the conclusions of the administrative appeal and interlocution, within 30 days of its holding or receipt of additional documents that you wanted to send to your interlocutor.

If these deadlines cannot be met, we will send you an email or letter.

Commitment #8

We provide you with quality
appeals

If you disagree, you can meet the superior of the auditor whose contact information were provided.

You can also ask to meet with the interlocutor whose contact information are provided in the notice of audit. The interlocutor will examine in an interview the remaining outstanding issues.

Commitment #9

Our exchanges are totally
confidential

All information obtained during the audit are covered by tax secrecy.

This is for us an absolute rule that we are legally required to follow and that also applies to the experts that we seek.

This secrecy covers all information received in whatever form. Our procedures are secure and in particular the transmission of your accounting entries. The transmitted files are destroyed after inspection.

If necessary, sensitive documents may be transmitted via a secure exchange platform.

Commitment #10

We will help you with your post-audit obligations

In each audit service, a clearly identified correspondent is available to inform you about the different steps following your audit.

In particular, this correspondent can bring you details on the collection of your adjustments and on possible litigious aftermaths.

A tax audit can only be serene when both parties want to work well together.

The commitments we make cannot be legally enforceable. Indeed, we are committed to systematically offer them but their actual implementation depends on the willingness of the company to be part of a constructive approach and facilitation of dialogue, in full transparency.

You will understand that our commitments can only have an effect if the two parties want a friendly and constructive exchange.