

The Deloitte logo, consisting of the word "Deloitte" in a bold, blue, sans-serif font, followed by a small green dot.

2016 Swiss Tax
Management Survey
Executive summary

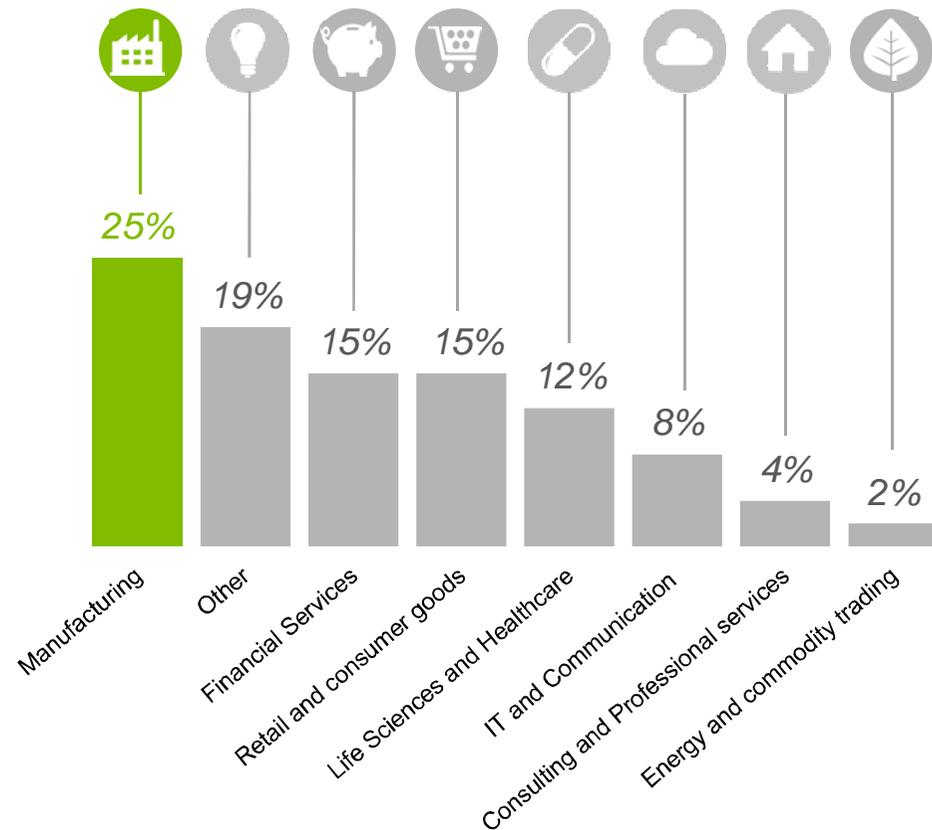


Survey overview

The survey was undertaken to understand how companies are **responding to international tax reform and the increasing pressure** to respond to new tax compliance requirements and manage increased tax risk.

- The 2016 survey gathered over **50 Swiss-based tax and finance** professionals.
- The respondents represent **all industry sectors**, with manufacturing being the top industry represented in the survey accounting for 25% of the respondents.
- 75% of the respondents are **present in more than 25 countries** around the world, and 50% more than 50 countries.

What industry sector do you operate in?



Key topics addressed

Tax governance and risk management



Tax operating models



Resourcing the tax function



Tax data and systems



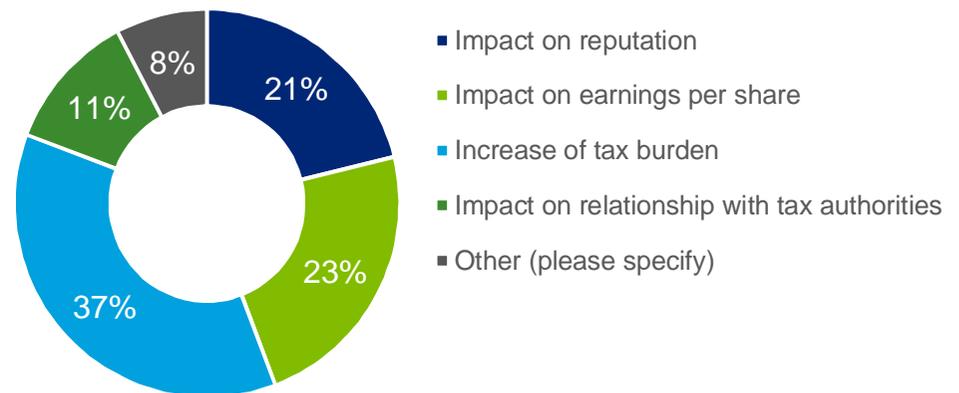
Impact of Base Erosion and Profit Shifting (BEPS) initiatives



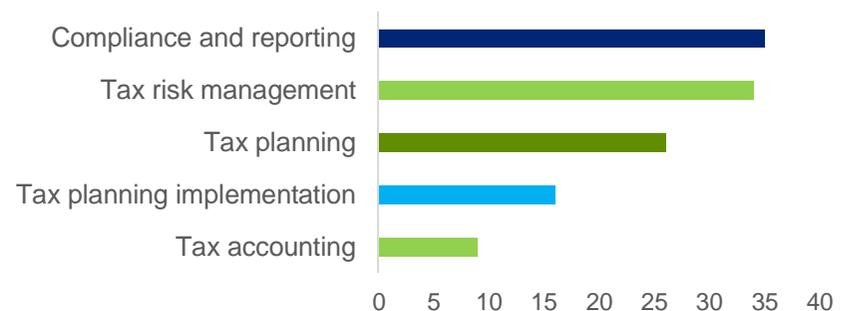
Key findings

- Respondents were most concerned by tax risk related to **increased tax authority scrutiny**.
- The **Effective Tax Rate** remains the **most important performance measure** for 50% of the respondents, with compliance status gaining importance (31%).
- The **use of tax technology** tools remains the exception.
- The most **significant impact of BEPS** on the organisation is expected to be through increased compliance burden (79%) and additional time spent on tax audit (69%).
- Despite the additional significant compliance burden anticipated by respondents, less than 15% expect to **change headcount in the tax function** wholly or partly as a result of the changes arising from BEPS.

If a tax risk were to materialise, what consequences would concern you most?



What will you be managing differently under BEPS?



Index of survey questions

Background Questions

- What industry sector do you operate in?
- What is your entity/group category (i.e. quoted status)?
- What is the consolidated turnover of your group?
- What is your function in Switzerland?
- How many countries does your group operate in?
- What department do you work in?
- What is your role in the organisation?
- What taxes do you manage?
- What are the relevant accounting principles of the group?

Tax Data and Systems

- Do you have a central data store and/or group-wide tool where tax compliance information such as payment dates/tax filings etc. is stored and reported?
- How do you consolidate the tax information needed for your Annual Report, including the tax notes?
- Do you use any bespoke or off the shelf tax technology tools to assist you in calculating tax positions?
- Do you use any bespoke or off the shelf tax technology tools to assist you in preparing tax returns?

Tax Governance and Risk Management

- Which tax risks and uncertainties concern you most?
- If a tax risk were to materialise, what consequences would concern you most?
- As measurements of performance of your tax function, please rate the importance to your organisation of the following performance indicators: Cash tax, effective tax rate, balance sheet tax, and compliance status.
- Over the past twelve months, have you been asked to justify your tax strategy by any of the following internal or external stakeholders (i.e. shareholders, investment analysts, non-executive directors, investor relations, or other stakeholders)?

Tax Operating Models

- What is the main role of your tax department?
- To what extent do taxes influence operational decisions?
- Please place the following tax manager competencies in order of importance: Competence in tax optimisation and planning, so called Boardroom presence, international project management, finance and accounting skills, communication and organisational skills, competencies in tax and finance technology tools, and industry knowledge.
- Do you have standard processes and controls across the organisation to manage the following tax compliance activities: corporate income tax, VAT and sales tax, excise tax, customs duties, and transfer pricing documentation?
- Is tax (direct and indirect) within the remit of your internal audit department?

Resourcing

- How many people are employed in your tax department globally?
- How many people are employed in your tax function globally?
- Would you consider the following tax functions to be a centralised or decentralised or coordinated function: tax risk management processes, tax structuring, tax compliance, tax reporting/accounting, tax payments, transfer pricing documentation, VAT & customs duties?
- Which tax activities (if any) are located in a shared service centre or equivalent?

Base Erosion and Profit Shifting (BEPS)

- How do you think BEPS will most impact your organisation?
- What will you be managing differently under BEPS?
- Do you anticipate that your group's compliance burden will significantly increase as a result of the BEPS initiative?
- Is your group planning on changing resources/headcount for the tax function wholly or partly as a result of the anticipated changes arising due to the BEPS initiative?
- Is your group planning on changing resources/headcount for the tax function wholly or partly as a result of the anticipated changes arising due to the BEPS initiative?

Contact us

André Claes

Partner
Tax Management Consulting
Deloitte AG

anclaes@deloitte.ch

David McNeil

Partner
Tax Management Consulting
Deloitte SA

dmcneil@deloitte.ch



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/ch/about for a detailed description of the legal structure of DTTL and its member firms.

Deloitte AG is a subsidiary of Deloitte LLP, the United Kingdom member firm of DTTL.

Deloitte AG is an audit firm recognised and supervised by the Federal Audit Oversight Authority (FAOA) and the Swiss Financial Market Supervisory Authority (FINMA).

This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication. Deloitte AG would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. Deloitte AG accepts no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

© 2016 Deloitte AG. All rights reserved.