

Breaking Tax News

Increasing audit intensity: focus on transfer pricing

In contrast to our monthly Tax News+, in our Breaking Tax news you will be informed immediately of regulatory changes affecting your business but without commentary by our experts.

This issue of our Breaking Tax News informs our Clients of a conference organised on 11 April by the Tax and Customs General Directorate for Large Taxpayers of NAV (National Tax and Customs Administration), **focusing on the improvement of the efficiency of tax audits.** In harmony with the tax audit guidelines, Dr. Katalin Somos, Director General highlighted **transfer pricing as a key targeted area in 2013.**

As a new feature in the tax authority's audit practice, a **Transfer Pricing Audit Department has been established to improve the efficiency and technical expertise of audits.** The Director General explained the roles and responsibilities of this new department and emphasised that it would support the work of other audit departments in general in addition to its individual auditing activities. The department will act as an expert in audits and will also issue expert opinions as requested to facilitate unified and professionally conducted tax audits. The department will also be responsible for the development of new transfer pricing audit methods and the training of inspectors.

In addition to the intensified review of transfer pricing reports, the **tax authority will also focus on the environmental product charge, the public health product tax as well as the energy tax.** Furthermore, to improve audit efficiency, the **Independent Support Department has been set up** with the role of modernising tax audits and also operating the IT system supporting reviews and the centralised selection system.

In conclusion, the tax authority is planning to improve audit efficiency by setting up new departments and installing a modernised IT system.

If you have any questions or comments concerning the above, please contact one of our tax experts:

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