

# Trust, compliance and preventing and handling disputes

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# State of play in The Netherlands

- High level of trust in government
- High level of compliance
- Trust and compliance are not self-evident:  
“Trust comes on foot, and leaves on a horse”

# Compliance is the strategic goal of NTCA

- The strategic goal is compliance: the voluntarily complying to fiscal obligations
- Core values of NTCA are credibility, carefulness and responsibility
- Supervision-strategy: everybody gets the attention he or she deserves (compliant and non-compliant taxpayer get a different approach).

# What do we do in general to maintain trust and compliance?

- Rendering of services
- Compliance by design: make it easy to comply, and difficult not to comply:

“We cannot make it more fun, but we can make it easier!”

# Boosting compliance and the prevention of conflicts/disputes

- Rendering of services, be transparent and easily accessible (Webcare on Twitter and Facebook, internet, tax-callcentres: “interaction (whether digital or personal) before transaction”
- Compliance by design: pre-filled tax returns, supervision-communication before filing
- Horizontal control/supervision
- Agreement possible in all phase of taxation, even prior to filing, or before the facts take place: preliminary consultation
- Better information before and during filing
- Contact during primary phase of decision-making (auditing the tax-return)

# How we treat disputes and conflicts (1)

- Appeals check on Internet
- Low threshold and easy administrative appeals procedure
- The administrative procedure has three functions: filter, building trust, learning/mirror-function
- Contact during procedure: informal approach (contact soon after filing, asking for reasons, acceptance does not only depend upon the content of the decision, involving taxpayers)
- The appeal is handled by a different official
- A hearing is a right for the taxpayer, but often does not take place

# How we treat disputes and conflicts (2)

- The decision is made in writing
- You can lodge a judicial appeal against this decision at a court of first instance
- Follow up of this possible at a higher court, and The High Court.
- Possibility of mediation
- Project Escala (handling very highly escalated conflicts)

# Conclusions

- Taxation in The Netherlands is build upon the notions of trust and compliance
- Compliance by design
- We actively try to prevent disputes and conflicts in all stages of taxation
- The administrative appeals procedure has a low threshold, and is easy for the taxpayer
- The informal approach leads to better results than the traditional handling of appeals
- There is a possibility of judicial appeal, and of mediation