

Advanced Cooperation Programme: new model (3/35/18)

On 1 July 2012 the Ministry of Finance (MOF) in cooperation with the State Revenue Service (SRS) presented the Advanced Cooperation Programme (ACP aka the White List) aimed at improving cooperation between taxpayers and the SRS by minimising the administrative burden on both sides. The authorities in charge of the ACP say the programme has proven itself to be an effective tool for closer cooperation between taxpayers and government agencies. Proposals have been prepared for amending the [Cabinet of Ministers' Regulation No. 459 on the Advanced Cooperation Programme](#).

Automating the selection process

ACP membership is available to companies that meet criteria listed in the cabinet rules and file an application using the SRS Electronic Declaration System (EDS).

Candidates are assessed by the ACP commission, and a register of members is publicly available on the [MOF website](#). The register includes 75 companies that have so far enjoyed ACP benefits. However, only large companies may qualify for membership under the current selection criteria, and so the MOF, in cooperation with the Ministry of Economics and the SRS, has presented a new ACP model that provides for significant changes to the selection process.

The MOF recognises that the current ACP rules provide for complicated multi-step activities, and so the proposals introduce an automated process for assessing members against clearly defined criteria before admission and for regular compliance assessments after admission. Adopting the new model will significantly reduce the administrative burden on employees of the authorities administering the ACP since companies will be selected and grouped automatically using information system resources.

Three-tier selection criteria

The new model introduces Bronze, Silver and Gold selection criteria opening ACP membership to small and medium companies that meet the criteria set for a given level. The list of members will be revised once a year and new members added on 1 January.

The first year after the amendments take effect will see candidates admitted automatically on the basis of information held by the SRS.

The MOF expects that more than 2,500 companies will meet the selection criteria as a result of the amendments, meaning a substantial increase in ACP membership.

The Bronze level will initially include about 2,000 taxpayers who are responsible traders that have paid their taxes properly and cooperated with government agencies excellently. Any of those Bronze members can be promoted to Silver the following year if they have taken internal measures to identify, manage and prevent any transactional, compliance and accounting risks efficiently, and if they have set up a tax risk management system. A company that meets the Gold criteria but has not adopted a tax risk management policy will be admitted to Silver and informed of the chance to turn Gold after adopting such a policy. The

Gold level will include its current 75 members, and afterwards any company that has been Silver for at least two years can be promoted to Gold.

If the amendments come into force on 1 October 2018, the SRS will carry out system transition activities so that ACP members can benefit from financial and non-financial support measures as from 1 January 2019. Examples of member benefits include faster service at the SRS with a personal SRS consultant, a VAT refund within five working days after the due date for filing the VAT return, availability of information via EDS about any mismatch between the data a member has reported on their tax returns and informational returns and the information held by the SRS, a 14-day response to members' enquiries (other than advance ruling applications), relaxed administrative requirements, and a special status allowing the member to take part in, for example, the SRS Advisory Council.