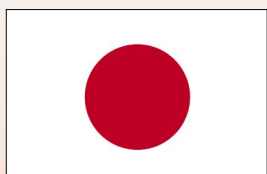


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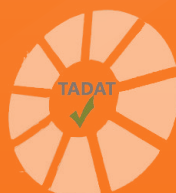
TADAT™

TAX ADMINISTRATION DIAGNOSTIC ASSESSMENT TOOL

Performance Assessment Report

Ukraine

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Andréasson, and Faris Fink



May 2018

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ABBREVIATIONS AND ACRONYMS

ACU	The Accounting Chamber of Ukraine
Cabmin	Cabinet of Minister of Ukraine
CIT	Corporate Income Tax
EC	European Commission
ECDU	European Commission Delegation in Ukraine
GDP	Gross Domestic Product
GIZ	German Cooperation Agency
HQ	Headquarters
IAD	Internal Audit Department
IMF	International Monetary Fund
FDI	Foreign Direct Investment
LTO	Large Taxpayers Office
MAC	The Convention on Mutual Administrative Assistance in Tax Matters
MoF	Ministry of Finance of Ukraine
NABU	National Anti-Corruption Bureau of Ukraine
NAPC	National Agency for Prevention of Corruption
NBU	National Bank of Ukraine
NGO	Non-Governmental Organization
PAYE	Pay-As-You-Earn
PEFA	Public Expenditure and Financial Accountability
PIT	Personal Income Tax
POA	Performance Outcome Area
PWC	PricewaterhouseCoopers International Limited
SAS	State Audit Service of Ukraine
SFS	State Fiscal Service of Ukraine
SOE	State-Owned Enterprise
SSC	Social Security Contributions
TADAT	Tax Administration Diagnostic Assessment Tool
TIN	Tax Identification Number
VAT	Value-Added Tax

PREFACE

An assessment of the system of tax administration of the Ukraine State Fiscal Service (SFS) was undertaken during the period February 12 – 26, 2018 using the Tax Administration Diagnostic Assessment Tool (TADAT). The TADAT assessment was organized by the European Commission Delegation in Ukraine (ECDU). TADAT provides an assessment baseline of tax administration performance that can be used to determine reform priorities, and, with subsequent repeat assessments, highlight reform achievements.

The assessment team comprised the following: Nes Barkey Wolf (Netherlands and Team Leader) Munawer Khwaja (TADAT Secretariat), Ann Andréasson (Sweden) and Faris Fink (US Treasury Resident Advisor). Valuable inputs were provided by Alexandra Janovskaia (ECDU), Sergii Suprun (US Treasury), Paulius Majauskas (Lithuanian MinFin), Gediminas Mudenas (Lithuanian Tax Agency). The TADAT assessment and the performance assessment report (PAR) were made possible by the assistance and support from the European Commission, the Netherlands, Sweden and the US Treasury.

The assessment team met Mr. Myroslav Prodan, the Acting Commissioner of the SFS, Mr. Anatoliy Aleksandrov, Head of the Reform Department, and other heads of the SFS structural units. Field visits were undertaken to territorial bodies of the SFS: Bila Tserkva State Tax Inspectorate of the General Directorate in the Kyiv region, the SFS General Directorate in the Zhytomyr region, and the Large Taxpayers Office (LTO) in Kyiv.

The assessment team expresses its gratitude to the SFS management and other officials (both at the headquarters and territorial offices) for their hospitality, and robust and open discussions. Special thanks are due to Ms. Nataliia Portniachina of the Reform Office of the SFS for the efficient manner in which they facilitated the work of the assessment team.

A draft PAR was presented to the Commissioner of SFS at the close of the assessment. Written comments from SFS were discussed and have been incorporated into the final PAR where appropriate. The PAR has since been quality-reviewed and cleared by the TADAT Secretariat.

EXECUTIVE SUMMARY

This assessment measures critical outcomes of the State Fiscal Service (SFS) of Ukraine as a tax administration against international good practice, based on evidence made available to the assessment team.

Overall, the SFS is making good progress in implementing modern tax administration practices. Progress is particularly evident in: (i) the use of technology to support timely payment of taxes; (ii) the use of good international practices for effective tax dispute resolution; and (iii) ensuring accountability and transparency.

The SFS still has key areas for improvement including the registered taxpayer base and risk management. The registered taxpayer base lacks systematic monitoring, and risk management requires structure to enhance reliability. The assessment also points to accuracy of reporting declarations as a critical weakness, as well as crosschecking data and systemic monitoring to detect inaccurate reporting that need strengthening.

The summary of the strengths and weaknesses below, evidences international good practices are already in place in some areas.

Strengths

- Taxpayers file more than 90 percent of declarations on time for all core taxes except PAYE.
- Taxpayers make more than 90 percent of their payments on time.
- There is an independent dispute resolution process.
- SFS acts on dispute outcomes.
- SFS assures the transparency through publication of the annual plan and the strategic plan in a timely manner.
- Tax withholding and advance tax systems are widely used.

Weaknesses

- There is no integrated compliance improvement plan.
- There is no structured compliance risk management framework.
- High level of tax arrears with more than 12 months old.
- Lack of monitoring and limited actions taken on deterring inaccurate reporting.
- Lack of large scale automated cross-checking of information from banks, financial institutions or employers.
- The extent of inaccurate reporting is not monitored.
- All VAT refund claims, whether low- or high-risk, are subject to pre-refund audit.

Table 1 provides a summary of performance scores, and Figure 1 a graphical snapshot of the distribution of scores. The scoring is structured around the TADAT framework's nine performance outcome areas (POAs) and 28 high level indicators critical to tax

administration performance. An ‘ABCD’ scale is used to score each indicator, with ‘A’ representing the highest level of performance and ‘D’ the lowest.

Table 1. Ukraine: Summary of TADAT Performance Assessment

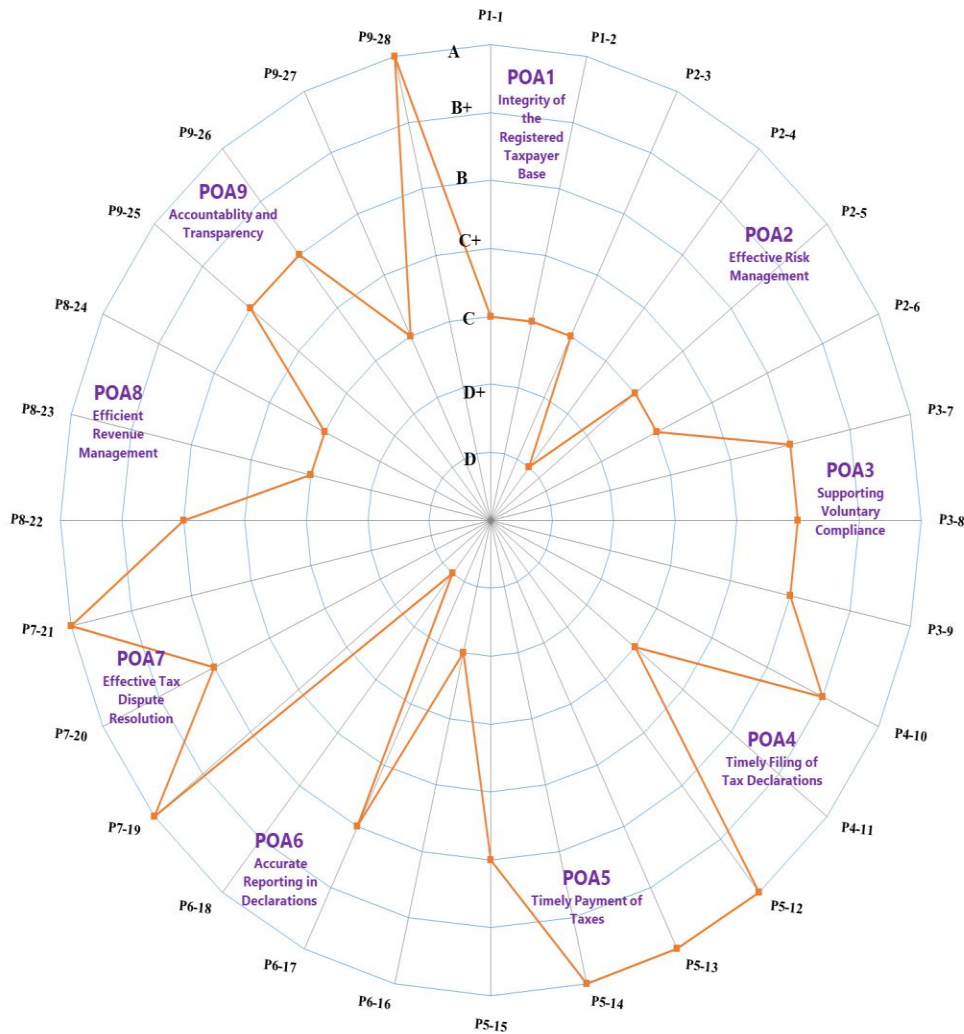
INDICATOR	Score 2018	SUMMARY EXPLANATION OF ASSESSMENT
POA 1: Integrity of the Registered Taxpayer Base		
P1-1. Accurate and reliable taxpayer information.	C	The database of registered taxpayers is fairly well maintained, and the information contained in it is adequate for the purpose of effective interaction with taxpayers; but it does not provide for pre-filled returns. Although documented procedures exist for updating information, and identifying and deactivating inactive taxpayers, the database is accurate only to a limited extent.
P1-2. Knowledge of the potential taxpayer base.	C	Initiatives to detect unregistered business and individuals are limited in scope.
POA 2: Effective Risk Management		
P2-3. Identification, assessment, ranking, and quantification of compliance risks.	C	Initiatives for intelligence gathering and research into compliance risk are somewhat developed. SFS has a risk assessment process but it is not well-structured.
P2-4. Mitigation of risks through a compliance improvement plan.	D	There is no annual compliance improvement plan.
P2-5. Monitoring and evaluation of compliance risk mitigation activities.	C	It is not usual practice in the SFS to evaluate the broader impact of risk mitigation activities.
P2-6. Identification, assessment, and mitigation of institutional risks.	C	There are procedures to identify institutional risks but the system is not structured and applied annually.
POA 3: Supporting Voluntary Compliance		
P3-7. Scope, currency, and accessibility of information.	B	SFS provides information to taxpayers on a wide range of topics and is customized to the needs of different taxpayer segments and groups. The tax administration ensures that the information is current, and taxpayers are made aware of changes in law before the law

INDICATOR	Score 2018	SUMMARY EXPLANATION OF ASSESSMENT
		or regulations takes effect. The information is provided to taxpayers through a wide range of cost-free service delivery channels and taxpayer education programs. Service delivery standards exist in relation to e-services provided to taxpayers. More than 70 percent of calls are responded to within three minutes.
P3-8. Scope of initiatives to reduce taxpayer compliance costs.	B	Many initiatives have been taken by the SFS to reduce compliance costs of taxpayers. There is, however, no provision for pre-filled returns.
P3-9. Obtaining taxpayer feedback on products and services.	B	The SFS regularly obtains feedback from taxpayers by commissioning perception surveys. Taxpayer groups and intermediaries are regularly consulted to obtain feedback on processes and products, but their involvement in designing and testing new processes and products is still being piloted.
POA 4: Timely Filing of Tax Declarations		
P4-10. On-time filing rate.	B+	Most of the taxpayers file on time.
P4-11. Use of electronic filing facilities.	C	SFS facilitates the filing of electronic tax declarations and has had some success in doing so.
POA 5: Timely Payment of Taxes		
P5-12. Use of electronic payment methods.	A	Electronic payments are mandatory for all core taxes and no other method of payment is allowed.
P5-13. Use of efficient collection systems.	A	Tax withholding at source and advance payment of taxes is widely available.
P5-14. Timeliness of payments.	A	A very high percent of VAT is paid on time.
P5-15. Stock and flow of tax arrears.	B	The level of overall tax arrears is low but a large proportion of these are older than 12 months.

INDICATOR	Score 2018	SUMMARY EXPLANATION OF ASSESSMENT
POA 6: Accurate Reporting in Declarations		
P6-16. Scope of verification actions taken to detect and deter inaccurate reporting.	D+	The SFS has an annual audit plan that covers all core taxes and all key taxpayers. There is a degree of large-scale automated crosschecking of data from various government agencies but not from banks/financial institutions.
P6-17. Extent of proactive initiatives to encourage accurate reporting.	B	The SFS has in place a system of public and private binding rulings but cooperative compliance arrangements are not well developed.
P6-18. Monitoring the extent of inaccurate reporting.	D	SFS does not conduct systematic monitoring of the extent of inaccurate reporting.
POA 7: Effective Tax Dispute Resolution		
P7-19. Existence of an independent, workable, and graduated dispute resolution process.	A	The SFS has a graduated system of administrative and judicial review available to and used by taxpayers. The administrative review mechanism available for dispute resolution is independent of the audit process. Information on the dispute resolution process is published and available in a variety of media, and taxpayers are made explicitly aware of it during the audit process.
P7-20. Time taken to resolve disputes.	B	The administrative review process is completed within 60 days of the proposed assessment for over 90 percent of all appeals.
P7-21. Degree to which dispute outcomes are acted upon.	A	The SFS regularly monitors and analyzes dispute outcomes.
POA 8: Efficient Revenue Management		
P8-22. Contribution to government tax revenue forecasting process.	B	SFS provides input to government revenue forecasting and monitors collection levels, but does not monitor tax expenditures and losses carried forward that may be offset against future tax liabilities.
P8-23. Adequacy of the tax revenue accounting system.	C	The tax revenue accounting system of the SFS is adequate and tax payments are posted within one business day. However regular external or internal audits of the accounting system are not conducted.

INDICATOR	Score 2018	SUMMARY EXPLANATION OF ASSESSMENT
P8-24. Adequacy of tax refund processing	C	The VAT refund system has funds budgeted to meet legitimate refund claims and permits the offsetting of excess VAT credits against tax arrears; but there is no risk-based verification of refund claims. A high number of VAT refund claims are paid, offset or declined in time.
POA 9: Accountability and Transparency		
P9-25. Internal assurance mechanisms.	B	There is a fully functional Internal Audit Department (IAD) which, though directly under the SFS Commissioner, is also under the dual control of the regional directors. The SFS has an organizationally independent Internal Security Department working directly under the Commissioner with adequate investigative powers.
P9-26. External oversight of the tax administration.	B	There is a fairly strong external oversight of tax administrations functional and financial operations, but their reports are partially published. There is also an elaborate investigative process for suspected wrongdoing and maladministration but systemic problems identified during external oversight are not always reported to the government.
P9-27. Public perception of integrity.	C	SFS has a good mechanism for monitoring public confidence in the organization, although the reports are not always made public.
P9-28. Publication of activities, results, and plans.	A	The SFS reports annually on its financial and operational performance and makes the report public in a timely manner. The strategic and operational plans are made public in advance of the period covered.

Figure 1. Ukraine: Distribution of Performance Scores



Indicator	Score
P1-1	C
P1-2	C
P2-3	C
P2-4	D
P2-5	C
P2-6	C
P3-7	B
P3-8	B
P3-9	B
P4-10	B+
P4-11	C
P5-12	A
P5-13	A
P5-14	A
P5-15	B
P6-16	D+
P6-17	B
P6-18	D
P7-19	A
P7-20	B
P7-21	A
P8-22	B
P8-23	C
P8-24	C
P9-25	B
P9-26	B
P9-27	C
P9-28	A

I. INTRODUCTION

This report documents the results of the TADAT assessment conducted in Ukraine during the period of February 12 - 26, 2018, and subsequently reviewed by the TADAT Secretariat. The report is structured around the TADAT framework of 9 POAs and 28 high level indicators critical to tax administration performance that is linked to the POAs. Forty-seven measurement dimensions are taken into account in arriving at each indicator score. A four-point 'ABCD' scale is used to score each dimension and indicator:

- 'A' denotes performance that meets or exceeds international good practice. In this regard, for TADAT purposes, a good practice is taken to be a tested and proven approach applied by a majority of leading tax administrations. It should be noted, however, that for a process to be considered 'good practice,' it does not need to be at the forefront or vanguard of technological and other developments. Given the dynamic nature of tax administration, the good practices described throughout the field guide can be expected to evolve over time as technology advances and innovative approaches are tested and gain wide acceptance.
- 'B' represents sound performance (i.e., a healthy level of performance but a rung below international good practice).
- 'C' means weak performance relative to international good practice.
- 'D' denotes inadequate performance, and is applied when the requirements for a 'C' rating or higher are not met. Furthermore, a 'D' score is given in certain situations where there is insufficient information available to assessors to determine and score the level of performance. For example, where a tax administration is unable to produce basic numerical data for purposes of assessing operational performance (e.g., in areas of filing, payment, and refund processing) a 'D' score is given. The underlying rationale is that the inability of the tax administration to provide the required data is indicative of deficiencies in its management information systems and performance monitoring practices.

For further details on the TADAT framework, see Attachment I.

Some points to note about the TADAT diagnostic approach are the following:

- TADAT assesses the performance outcomes achieved in the administration of the major direct and indirect taxes critical to central government revenues, specifically corporate income tax (CIT), personal income tax (PIT), value-added tax (VAT), and pay-as-you-earn (PAYE) amounts withheld by employers (which, strictly speaking, are remittances of PIT). By assessing outcomes in relation to administration of these

core taxes, a picture can be developed of the relative strengths and weaknesses of a country's tax administration.

- TADAT assessments are evidence based (see Attachment V for the sources of evidence applicable to the assessment of Ukraine).
- TADAT is not designed to assess special tax regimes, such as those applying in the natural resource sector, nor does it assess customs administration.
- TADAT provides an assessment within the existing revenue policy framework in a country, with assessments highlighting performance issues that may be best dealt with by a mix of administrative and policy responses.

The aim of TADAT is to provide an objective assessment of the health of key components of the system of tax administration, the extent of reform required, and the relative priorities for attention. TADAT assessments are particularly helpful in:

- identifying the relative strengths and weaknesses in tax administration;
- facilitating a shared view among all stakeholders (country authorities, international organizations, donor countries, and technical assistance providers);
- setting the reform agenda (objectives, priorities, reform initiatives, and implementation sequencing);
- facilitating management and coordination of external support for reforms, and achieving faster and more efficient implementation; and
- monitoring and evaluating reform progress by way of subsequent repeat assessments.

II. COUNTRY BACKGROUND INFORMATION

A. Country Profile

General background information on Ukraine and the environment in which its tax system operates are provided in the country snapshot in Attachment II.

B. Data Tables

Numerical data gathered from the authorities and used in this TADAT performance assessment is contained in the tables comprising Attachment III.

C. Economic Situation

Ukraine's economic situation has largely stabilized. Thanks to the sound macroeconomic policies implemented by the government, backed by substantial financial assistance from Ukraine's international partners, including the EU, Ukraine came out of the deep recession it went through in 2014 and 2015 (GDP contracted by 6.6 percent and 9.8 percent, respectively). The economy seems to be on the road to recovery with 2.3 percent GDP growth in 2016 and 2.1 percent GDP in 2017 despite the ongoing conflict in eastern Ukraine and the negative impact from a cargo blockage over the non-government controlled areas in place since March 2017. Same ascending trend is projected for 2018 with 3 percent GDP growth. Ukraine's successful return to international capital markets in autumn 2017, after four years, is also a sign of the growing confidence in the economy. Nevertheless, the growth is still modest compared to its potential mostly due to the uneven pace of advancing with the structural reforms. Furthermore, the growth outlook is subject to serious risks.

Economic stabilization is reflected in: (i) stabilization of the local currency, which allowed the central bank to gradually ease many of the currency controls introduced at the peak of the crisis in early 2015; (ii) strong fiscal consolidation; and (iii) a considerable increase of international reserves over the last 2½ years (from US\$ 5.6 billion at end-February 2015 to US\$18.4 billion at end-January 2018). Yet, the slow pace of the foreign exchange reserves accumulation is currently considered a growing macroeconomic risk.

A more stable exchange rate has helped to bring inflation under control (from 48.7 percent at the peak of the crisis to 13.7 percent in 2017); however, inflationary pressure is building up driven by growing production costs and consumer demand (notably resulting from wage hikes), as well as rising raw food and fuel prices. To mitigate these pressures, the monetary authority maintains a tight policy stance amid elevated risks to the macroeconomic stability.

On the fiscal side, an increase in tax collection helped the authorities reach a consolidated government deficit of 2.3 percent of GDP in 2016 compared with a 3.7 percent deficit target agreed under the IMF program. Also, in 2017, budgetary consolidation continued, with the authorities expecting a budget deficit of below 3 percent. The adopted budget for 2018 envisages a fiscal deficit of 2.4 percent of GDP.

Overall, through a mix of expenditure cuts and reforms, and supported by the IMF program, the country seems to have prioritized long-term fiscal sustainability. Prudent fiscal policies have been critical to stabilizing the government's debt-to-GDP ratio at 80 percent of GDP. The government and the National Bank of Ukraine (NBU) will be facing significant debt repayments in the period 2018-2020, with debt redemptions at US\$9 billion in 2018 and 2019 each year; US\$8.2 billion in 2020, including government domestic and external repayments, NBU, and state-owned enterprises' debt. In this context, maintaining cooperation with the official creditors will also be important to meet external financing needs.

On the external side, Ukraine's current account deficit has gradually widened following the sharp downward adjustment induced by the economic crisis. As a result of the recovery in investment imports and of robust domestic consumption, the current account deficit—despite an improvement in the terms of trade—amounted to 3 percent of GDP in 2017. The Foreign Direct Investment (FDI) inflows increase very gradually but are still too low to drive growth (around € 1.3 billion in January -September 2017).

The EU-Ukraine Association Agreement / Deep and Comprehensive Free Trade Area and the Association Agenda, combined with proximity to the European markets, create new opportunities for economic development of Ukraine and could compensate the temporarily lost capacity in the East. However, besides uncertainty over the situation in the East, among domestic risks are the upcoming presidential and parliamentary elections in 2019 that could slow-down the implementation of structural reforms needed for ensuring macro-financial stability. Without comprehensive and ambitious structural reforms to boost exports and attract FDI (e.g. deeper anticorruption reforms, further improvement to the business environment), Ukraine's economy will remain vulnerable to exogenous shocks.

D. Main Taxes

Ukraine's ratio of total revenue collection to GDP was 33.4 percent in 2016, dropping from 35.4 percent in 2015. This included total tax collection of 28.0 percent and social security contribution (SSC) of 5.5 percent of GDP. Since October 2013, SSC is collected by the SFS. The main national taxes are CIT, PIT (including PAYE) and VAT. Other major taxes include excise taxes and simplified single tax (a presumptive tax). The relative percentage contribution of each to total tax revenue in 2017 was CIT – 7.2, PIT (including PAYE) – 18.2, VAT – 30.7, excise – 10.7, other taxes including simplified single tax – 15.5, and social contribution 17.7.

Further details on tax revenue collections are provided in Table 1 of Attachment III.

E. Institutional Framework

The State Fiscal Service (SFS) of Ukraine is the main institution responsible for the administration and collection of taxes at the national level. The SFS reports to the Ministry of Finance within the government structure of Ukraine.

The SFS is organizationally a multiple legal entity (3-level structure) consisting of a headquarters operation with multiple departments. The Service has 25 regions and 161 local offices. Each of the different regions is a separate legal entity. The regional and local offices have operational areas which mirror the headquarters, the result is duplicative operations.

The SFS consists of multiple departments providing tax administration services and support activities. The tax organization of the SFS is multifaceted, being organized along type of

taxpayer, and type of function. The Service has a Large Taxpayer Organization, Individual entity unit, a High Net Worth Individual unit in Kyiv, and a “Legal Entities” department. The Service has functional units including Audit, Debt Collection and Customer Service. The result of this configuration is duplication of support in some instances.

An organizational chart of the tax administration is provided in Attachment IV.

F. International Information Exchange

Ukraine is a member of The Global Forum on Transparency and Exchange of Information for Tax Purposes. The most recent peer review for Ukraine was a Phase 1 legal and regulatory review completed in July 2016. Ukraine is scheduled for a new round (The Exchange of Information on Request Review) in 2018.

Ukraine has tax treaties with 73 countries including the United Kingdom, the United States of America, Germany and France and has signed the Mutual administrative assistance in tax matters Convention (MAC).

III. ASSESSMENT OF PERFORMANCE OUTCOME AREAS

A. POA 1: Integrity of the Registered Taxpayer Base

A fundamental initial step in administering taxes is taxpayer registration and numbering. Tax administrations must compile and maintain a complete database of businesses and individuals that are required by law to register; these will include taxpayers in their own right, as well as others such as employers with PAYE withholding responsibilities. Registration and numbering of each taxpayer underpins key administrative processes associated with filing, payment, assessment, and collection.

Two performance indicators are used to assess POA 1:

- P1-1—Accurate and reliable taxpayer information.
- P1-2—Knowledge of the potential taxpayer base.

P1-1: Accurate and reliable taxpayer information

For this indicator two measurement dimensions assess (1) the adequacy of information held in the tax administration’s registration database and the extent to which it supports effective interactions with taxpayers and tax intermediaries (i.e., tax advisors and accountants); and (2) the accuracy of information held in the database. Assessed scores are shown in Table 2 followed by an explanation of reasons underlying the assessment.

Table 2. P1-1 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P1-1-1. The adequacy of information held in respect of registered taxpayers and the extent to which the registration database supports effective interactions with taxpayers and tax intermediaries.	M1	B	C
P1-1-2. The accuracy of information held in the registration database.		C	

The database of registered taxpayers is fairly well maintained, and the information contained in it is adequate for the purpose of effective interaction with taxpayers, but it does not provide for pre-filled returns. The national centralized database is fully computerized and contains all relevant details including identity of related parties and filing and payment obligation of taxpayers. The taxpayers have unique high integrity taxpayer identification number (TIN) which is ten-digits for individuals and eight-digits for legal entities. The registration database is part of the Tax Block information system that links registration to other subsystems for filing and payments, thus allowing a whole-of-taxpayer view for tax inspectors and permitting generation of a variety of management statistics, using filters. The system allows for easy identification of dormant and inactive taxpayers and deregistration and archiving of cases. Audit trail of user access exists for any changes made to the registration data. However, the system is not used for generating pre-filled returns. Through e-cabinet, a taxpayer portal, taxpayers have online access to their tax accounts but are not authorized to update their registration information online.

Although documented procedures exist for updating information and identifying and deactivating inactive taxpayers, the database is accurate only to a limited extent. The system is linked to the database of the Ministry of Justice which provides updated information on the status of legal entities. Information on companies that discontinue their activities are deregistered and removed from the total number of taxpayers. Information from municipalities and other government bodies allows updating active status on individual taxpayers. Applications for registration are scrutinized by the Ministry of Justice after which a TIN is generated automatically. Cross-checking of information is also done on a smaller scale with various other government agencies such as the regional labor offices. No management or audit report was provided that would indicate the level of confidence in the accuracy of the registration database.

P1-2: Knowledge of the potential taxpayer base

This indicator measures the extent of tax administration efforts to detect unregistered businesses and individuals. The assessed score is shown in Table 3 followed by an explanation of reasons underlying the assessment.

Table 3. P1-2 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P1-2. The extent of initiatives to detect businesses and individuals who are required to register but fail to do so.	M1	C

Initiatives to detect unregistered business and individuals are limited in scope. The SFS uses third party information from the “Unified Registry of Legal Entities, Self-employed Individuals and Civil Organizations” of the Ministry of Justice and the Employment Service, to ensure registration. Documents show that all citizens over the age of 14 are required to obtain a TIN in order to get the national citizen ID (internal passport) or to conduct any civic activity. However, there is no verification program to determine whether a business is registered or not. Additionally, no reports were produced to indicate results of actions to detect unregistered taxpayers.

B. POA 2: Effective Risk Management

Tax administrations face numerous risks that have the potential to adversely affect revenue and/or tax administration operations. For convenience, these risks can be classified as:

- compliance risks—where revenue may be lost if businesses and individuals fail to meet the four main taxpayer obligations (i.e., registration in the tax system, filing of tax declarations, payment of taxes on time, and complete and accurate reporting of information in declarations); and
- institutional risks—where tax administration functions may be interrupted if certain external or internal events occur, such as natural disasters, sabotage, loss or destruction of physical assets, failure of information technology system hardware or software, strike action by employees, and administrative breaches (e.g., leakage of confidential taxpayer information which results in loss of community confidence and trust in the tax administration).

Risk management is essential to effective tax administration and involves a structured approach to identifying, assessing, prioritizing, and mitigating risks. It is an integral part of multi-year strategic and annual operational planning.

Four performance indicators are used to assess POA 2:

- P2-3—Identification, assessment, ranking, and quantification of compliance risks.
- P2-4—Mitigation of risks through a compliance improvement plan.
- P2-5—Monitoring and evaluation of compliance risk mitigation activities.

- P2-6—Identification, assessment, and mitigation of institutional risks.

P2-3: Identification, assessment, ranking, and quantification of compliance risks

For this indicator two measurement dimensions assess (1) the scope of intelligence gathering and research to identify risks to the tax system; and (2) the process used to assess, rank, and quantify compliance risks. Assessed scores are shown in Table 4 followed by an explanation of reasons underlying the assessment.

Table 4. P2-3 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P2-3-1. The extent of intelligence gathering and research to identify compliance risks in respect of the main tax obligations	M1	B	C
P2-3-2. The process used to assess, rank, and quantify taxpayer compliance risks.		C	

Initiatives for intelligence gathering and research into compliance risk are somewhat developed. The Ministry of Economy conducts environmental scans, but these are not routinely processed by the SFS. The SFS uses data from its internal departments, as well as external sources such as from the Ministry of Economy, Customs and other government agencies to identify compliance risks. These include results from audits as well as analysis of tax declarations and financial statements. The SFS conducted transfer pricing and profit shifting studies, as well as studies into the tax planning practices of high-wealth and high-income taxpayers. The SFS receives assistance in this area from external advisors such as a US Treasury resident advisor and the EC.

The SFS has a risk assessment process but this is not well-structured. There is no multi-year strategic document covering the whole risk assessment since this is organized in separate business units, and on a yearly basis. There is, however a risk assessment process available for all core taxes covering the four compliance obligations. There is a risk unit that produces an overview of risks for all core taxes. The SFS makes an annual report on compliance by different cluster groups. Individual risks are taken into account during the risk assessment process.

P2-4: Mitigation of risks through a compliance improvement plan

This indicator examines the extent to which the tax administration has formulated a compliance improvement plan to address identified risks. The assessed score is shown in Table 5 followed by an explanation of reasons underlying the assessment.

Table 5. P2-4 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P2-4. The degree to which the tax administration mitigates assessed risks to the tax system through a compliance improvement plan.	M1	D

There is no annual compliance improvement plan. Annual audit plans for the four core taxes are prepared based on assessed risks, but there is no compliance improvement plan consisting of all compliance risks and the operational steps to mitigate those risks. Apart from audit, the mitigation plan of the SFS does not focus on certain economical or geographical sector or selected groups of taxpayers or high net wealth individuals, nor is there a mitigation plan for communication with taxpayers. The audit plan focuses on audits but does not focus on continuing education, updating work-instructions or effective re-allocation of staff. These activities are carried out separately but not as an integral part of a risk mitigation plan. There is an annual plan on compliance actions that focusses on audits which is regularly monitored, at least quarterly.

P2-5: Monitoring and evaluation of compliance risk mitigation activities

This indicator looks at the process used to monitor and evaluate mitigation activities. The assessed score is shown in Table 6 followed by an explanation of reasons underlying the assessment.

Table 6. P2-5 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P2-5. The process used to monitor and evaluate the impact of compliance risk mitigation activities.	M1	C

It is not usual practice in the SFS to evaluate the broader impact of risk mitigation activities except in an ad hoc manner. The SFS has a compliance risk management process which is covered in several documents and is approved by senior management and monitored in an ad hoc manner. The Commissioner is briefed on results, and compliance plans are modified whenever necessary. There is however no regular monitoring of the risk management process or mitigation actions, except in an ad hoc manner. The SFS conducted a proof of concept in two regions where sample groups of taxpayers were approached (letter, phone call, etc.) and the results on compliance were measured, documented and used as input into the compliance risk process. The output of the process was also discussed and approved by senior management. The tax administration has on various occasions alerted policy

makers of weaknesses in the law that expose the tax system to high levels of risk. This has led to promulgation of new legislation.

P2-6: Identification, assessment, and mitigation of institutional risks

This indicator examines how the tax administration manages institutional risks. The assessed score is shown in Table 7 followed by an explanation of reasons underlying the assessment.

Table 7. P2-6 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P2-6. The process used to identify, assess, and mitigate institutional risks.	M1	C

There are procedures to identify institutional risks but the system is not structured and applied annually. Information technology (IT) risks are identified, assessed and mitigated within a structured process, and data is backed-up every night. A register covering emergency situations exists but it does not cover all institutional risks.

The SFS's business continuity plans are being produced on a subject matter basis, and staff gets training in disaster recovery procedures as well as other aspects of institutional risk management. This is done in a train-the-trainer manner where managers get certified for handling emergency situations. There is an emergency committee as well as an evacuation committee. In all SFS offices, emergency relocation and mobilization plans are updated on a yearly basis.

C. POA 3: Supporting Voluntary Compliance

To promote voluntary compliance and public confidence in the tax system, tax administrations must adopt a service-oriented attitude toward taxpayers, ensuring that taxpayers have the information and support they need to meet their obligations and claim their entitlements under the law. Because few taxpayers use the law itself as a primary source of information, assistance from the tax administration plays a crucial role in bridging the knowledge gap. Taxpayers expect that the tax administration will provide summarized, understandable information on which they can rely.

Efforts to reduce taxpayer costs of compliance are also important. Small businesses, for example, gain from simplified record keeping and reporting requirements. Likewise, individuals with relatively simple tax obligations (e.g., employees, retirees, and passive investors) benefit from simplified filing arrangements and systems that eliminate the need to file.

Three performance indicators are used to assess POA 3:

- P3-7—Scope, currency, and accessibility of information.
- P3-8—Scope of initiatives to reduce taxpayer compliance costs.
- P3-9—Obtaining taxpayer feedback on products and services.

P3-7: Scope, currency, and accessibility of information

For this indicator four measurement dimensions assess (1) whether taxpayers have the information they need to meet their obligations; (2) whether the information available to taxpayers reflects the current law and administrative policy; (3) how easy it is for taxpayers to obtain information; and (4) how quickly the tax administration responds to requests by taxpayers and tax intermediaries for information (for this dimension, waiting time for telephone enquiry calls is used as a proxy for measuring a tax administration's performance in responding to information requests generally). Assessed scores are shown in Table 8 followed by an explanation of reasons underlying the assessment.

Table 8. P3-7 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P3-7-1. The range of information available to taxpayers to explain, in clear terms, what their obligations and entitlements are in respect of each core tax.	M1	A	B
P3-7-2. The degree to which information is current in terms of the law and administrative policy.		B	
P3-7-3. The ease by which taxpayers obtain information from the tax administration.		A	
P3-7-4. The time taken to respond to taxpayer and intermediary requests for information.		A	

The SFS provides information to taxpayers on a wide range of topics and is customizes it to the needs of different taxpayer segments and groups. There is an elaborate website (<http://sfs.gov.ua/>) that contains information which covers all the main taxes and taxpayer obligations and entitlements, as well as social security single contribution payments. The information is tailored to the needs of different sectors of the economy, industry groups, tax intermediaries, and disadvantaged groups such as rural taxpayers, people with disabilities and minorities. The SFS also uses social media such as Facebook, Twitter and YouTube. The SFS has printed several thousand different brochures on a wide range of topics. Also, there are 475 service centers that provide information to taxpayers who do not have internet access. The SFS publishes the monthly *Tax Service Herald* which clarifies taxpayers' rights and duties on different topics.

The tax administration ensures that the information is current, and taxpayers are made aware of changes in law before the law or regulation takes effect. This is done by: (i) informing them about draft legislative and regulatory acts; (ii) conducting meetings, workshops and round tables to discuss the proposed changes; and (iii) undertaking media campaigns after the adoption of the legislation but before it comes into effect. The Taxpayer Service Department and the Communication Policy Unit that are responsible for ensuring that the information is current, and adequate staff is dedicated for this purpose. All departments of the SFS are required by documented procedure (SFS Order No. 18/2018) to inform the Taxpayer Service Department about changes made in their respective areas. These are then posted on the website and brochures are prepared whenever necessary. However, in many instances, information is posted only after the provisions take effect.

The information is provided to taxpayers through a wide range of cost-free service delivery channels and taxpayer education programs. In addition to the SFS website, service centers, social media, and information brochures and publication, taxpayers have access to targeted seminars and information campaigns. Procedures are updated annually for advance e-services (e.g. SFS Order 18/2018). The Public Council, which is a body consisting of taxpayers, Ministry of Finance and SFS meets regularly to discuss tax issues and provide information on new provisions in law and procedures. In addition, the SFS holds consultations with the Investment Council which includes heads of international and domestic companies, international institutions, industry associations, unions and NGOs. Tax officials conduct competitions for school children to improve their knowledge about taxes. The Tax University at Irpin conducts classes for college student. An annual report on the taxpayer education program is published.

Service delivery standards exist in relation to e-services provided to taxpayers. More than 70 percent of calls are responded to within 3 minutes. A modern call center, with electronic monitoring and recording, exists. The service standard is set for calls to be responded within three minutes. According to the system, 71.3 percent of calls are answered within three minutes. (Attachment III, Table 3).

P3-8: Scope of initiatives to reduce taxpayer compliance costs

This indicator examines the tax administration's efforts to reduce taxpayer compliance costs. Assessed scores are shown in Table 9 followed by an explanation of reasons underlying the assessment.

Table 9. P3-8 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P3-8. The extent of initiatives to reduce taxpayer compliance costs.	M1	B

Many initiatives have been taken by the SFS to reduce compliance costs of taxpayers. There is, however, no provision for pre-filled returns. A simplified scheme is in place for small individual taxpayers, under which they are taxed on a presumptive basis with minimal recording and filing requirement. However, salaried persons and others whose tax is withheld from passive incomes like interest and dividend, do not have to file return if they have no other sources of income. E-Cabinet, a taxpayer portal linked to the Tax Block, is available to taxpayers which provides them with secure online access to their tax accounts. Contact centers record and bunch together FAQs. There is also a register of individual consultation (SFS Order 475/2017 and Art. 52 of Tax Code). These are submitted to the Ministry of Finance (MoF) where an expert council (consisting of taxpayers, NGOs and SFS officials) analyzes them to help improve information services and products. Registry of questions and actions taken are on the SFS website. Also, public consultative bodies such as the Public Council, and the Investment Council (established under Cabmin resolution No.996/2016 and SFS orders No. 647 and 908) provide feedback to how forms and tax declarations can be improved.

P3-9: Obtaining taxpayer feedback on products and services

For this indicator, two measurement dimensions assess (1) the extent to which the tax administration seeks taxpayer and other stakeholder views of service delivery; and (2) the degree to which taxpayer feedback is taken into account in the design of administrative processes and products. Assessed scores are shown in Table 10 followed by an explanation of reasons underlying the assessment.

Table 10. P3-9 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P3-9-1. The use and frequency of methods to obtain performance feedback from taxpayers on the standard of services provided.	M1	A	B
P3-9-2. The extent to which taxpayer input is taken into account in the design of administrative processes and products.		B	

The SFS regularly obtains feedback from taxpayers by commissioning perception surveys. Statistically valid surveys were conducted nationwide by independent expert groups - McKinsey in 2017 and GIZ in 2016. Only the GIZ report was published. In addition, there is a telephone hotline where taxpayers can provide feedback on service received. The LTO has a customer survey on their website.

Taxpayer groups and intermediaries are regularly consulted to obtain feedback on processes and products, but they are not currently actively involved in the design and testing of new processes and products. The SFS consults the public council and the investment council regularly to identify deficiencies in administrative procedures and forms. Their involvement in the design and testing of new products is being piloted. The survey reports are also discussed in these forums.

D. POA 4: Timely Filing of Tax Declarations

Filing of tax declarations (also known as tax returns) remains a principal means by which a taxpayer's tax liability is established and becomes due and payable. As noted in POA 3, however, there is a trend toward streamlining preparation and filing of declarations of taxpayers with relatively uncomplicated tax affairs (e.g., through prefilling tax declarations). Moreover, several countries treat income tax withheld at source as a final tax, thereby eliminating the need for large numbers of PIT taxpayers to file annual income tax declarations. There is also a strong trend towards electronic filing of declarations for all core taxes. Declarations may be filed by taxpayers themselves or via tax intermediaries.

It is important that all taxpayers who are required to file do so, including those who are unable to pay the tax owing at the time a declaration is due (for these taxpayers, the first priority of the tax administration is to obtain a declaration from the taxpayer to confirm the amount owed, and then secure payment through the enforcement and other measures covered in POA 5).

The following performance indicators are used to assess POA 4:

- P4-10—On-time filing rate.

- P4-11—Use of electronic filing facilities.

P4-10: On-time filing rate

A single performance indicator, with four measurement dimensions, is used to assess the on-time filing rate for CIT, PIT, VAT, and PAYE withholding declarations. A high on-time filing rate is indicative of effective compliance management including, for example, provision of convenient means to file declarations (especially electronic filing facilities), simplified declarations forms, and enforcement action against those who fail to file on time. Assessed scores are shown in Table 11 followed by an explanation of reasons underlying the assessment.

Table 11. P4-10 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P4-10-1. The number of CIT declarations filed by the statutory due date as a percentage of the number of declarations expected from registered CIT taxpayers.	M2	C
P4-10-2. The number of PIT declarations filed by the statutory due date as a percentage of the number of declarations expected from registered PIT taxpayers.		A
P4-10-3. The number of VAT declarations filed by the statutory due date as a percentage of the number of declarations expected from registered VAT taxpayers.		A
P4-10-4. The number of PAYE withholding declarations filed by employers by the statutory due date as a percentage of the number of PAYE declarations expected from registered employers.		B
		B+

Most of the taxpayers file on time. Data for VAT and PAYE were provided for the year 2017, but since declarations for CIT and PIT were not fully due at the time of the assessment, data for CIT and PIT were provided for the year 2016. As shown in Tables 4 to 8 of Attachment III, on time filing rates for all taxpayers are high, that is, above 90 percent of expected declarations¹ were filed on time, across all core taxes, except for PAYE for which the rate was 84.1 percent. For large taxpayers, 94.9 percent filed CIT declarations on time for in 2016. It is expected that for 2017 (for which declarations are not fully due yet), this percentage will be higher. Further, 99.4 percent of large taxpayers filed VAT declarations on

¹ The SFS measures ‘expected declarations’ based on the number of active taxpayers, and adds to it a small percentage (as an internal target) based on recent/assessed trends.

time in 2017.

P4-11: Use of electronic filing facilities

This indicator measures the extent to which declarations, for all core taxes, are filed electronically. Assessed scores are shown in Table 12 followed by an explanation of reasons underlying the assessment.

Table 12. P4-11 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P4-11. The extent to which tax declarations are filed electronically.	M1	C

The SFS facilitates the filing of electronic tax declarations and has some success in doing so. As shown in Tables 9 of Attachment III, 55.0 percent of all PIT declarations and 68.2 percent of all CIT declarations were filed electronically in 2016. For VAT 99.3 percent and for PAYE 84.4 percent of declarations were filed electronically in 2017. All large taxpayers are required by law to file tax declarations for all core taxes electronically and 100 percent do so. The ‘Electronic Cabinet’ system allows taxpayers to send electronic documents and, in turn, receive information in real time.

E. POA 5: Timely Payment of Taxes

Taxpayers are expected to pay taxes on time. Tax laws and administrative procedures specify payment requirements, including deadlines (due dates) for payment, who is required to pay, and payment methods. Depending on the system in place, payments due will be either self-assessed or administratively assessed. Failure by a taxpayer to pay on time results in imposition of interest and penalties and, for some taxpayers, legal debt recovery action. The aim of the tax administration should be to achieve high rates of voluntary on-time payment and low incidence of tax arrears.

Four performance indicators are used to assess POA 5:

- P5-12—Use of electronic payment methods.
- P5-13—Use of efficient collection systems.
- P5-14—Timeliness of payments.
- P5-15—Stock and flow of tax arrears.

P5-12: Use of electronic payment methods

This indicator examines the degree to which core taxes are paid by electronic means, including through electronic funds transfer (where money is electronically transferred via the Internet from a taxpayer's bank account to the government's account), credit cards, and debit cards. For TADAT measurement purposes, payments made in person by a taxpayer to a third party agent (e.g., a bank or post office) that are then electronically transferred by the agent to the government's account are accepted as electronic payments. Assessed scores are shown in Table 13 followed by an explanation of reasons underlying the assessment.

Table 13. P5-12 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P5-12. The extent to which core taxes are paid electronically.	M1	A

Electronic payments are mandatory for all core taxes and no other method of payment is allowed. As shown in Tables 9 in Attachment III, all tax payments were made electronically. Taxpayers can either make tax payment by going to their bank and requesting a bank transfer, or make an electronic payment from their home or office using apps or websites of the bank.

P5-13: Use of efficient collection systems

This indicator assesses the extent to which acknowledged efficient collection systems—especially withholding at source and advance payment systems—are used. Assessed scores are shown in Table 14 followed by an explanation of reasons underlying the assessment.

Table 14. P5-13 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P5-13. The extent to which withholding at source and advance payment systems are used.	M1	A

Tax withholding at source and advance payment of taxes is widely available. Employers can withhold on salaries and wages, as can financial institutions on interest income and public companies on dividend. There is an advance payment regime to collect income taxes (CIT and PIT) from businesses within the year the relevant income is earned. As the assessment team found out, this is all covered by the Ukrainian Tax Code and is practiced.

P5-14: Timeliness of payments

This indicator assesses the extent to which payments are made on time (by number and by value). For TADAT measurement purposes, VAT payment performance is used as a proxy for on-time payment performance of core taxes generally. A high on-time payment percentage is indicative of sound compliance management including, for example, provision of convenient payment methods and effective follow-up of overdue amounts. Assessed scores are shown in Table 15 followed by an explanation of reasons underlying the assessment.

Table 15. P5-14 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P5-14-1. The number of VAT payments made by the statutory due date in percent of the total number of payments due.	M1	A	A
P5-14-2. The value of VAT payments made by the statutory due date in percent of the total value of VAT payments due.		A	

A very high percent of VAT is paid on time. 92.6 percent of the value of total VAT payment due is paid on time, and 90.1 percent of the total number of VAT payments are received on time. These 2017 figures in Table 10 of Attachment III are indicative of very high on-time payment. The high percent of VAT payment is partly explained by the fact that Ukraine uses an advance payment system for VAT, where taxpayers have to keep a running account from which VAT is paid as and when it arises.

P5-15: Stock and flow of tax arrears

This indicator examines the extent of accumulated tax arrears. Two measurement dimensions are used to gauge the size of the administration's tax arrears inventory: (1) the ratio of end-year tax arrears to the denominator of annual tax collections; and (2) the more refined ratio of end-year 'collectible tax arrears' to annual collections.² A third measurement dimension looks at the extent of unpaid tax liabilities that are more than a year overdue (a high percentage may indicate poor debt collection practices and performance given that the rate of recovery of tax arrears tends to decline as arrears get older.). Assessed scores are shown in Table 16 followed by an explanation of reasons underlying the assessment.

² For purposes of this ratio, 'collectible' tax arrears is defined as total domestic tax arrears excluding: (a) amounts formally disputed by the taxpayer and for which collection action has been suspended pending the outcome, (b) amounts that are not legally recoverable (e.g., debt foregone through bankruptcy), and (c) arrears otherwise uncollectible (e.g., the debtor has no funds or other assets).

Table 16. P5-15 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P5-15-1. The value of total core tax arrears at fiscal year-end as a percentage of total core tax revenue collections for the fiscal year.	M2	A	B
P5-15-2. The value of collectible core tax arrears at fiscal year-end as a percentage of total core tax revenue collections for the fiscal year.		A	
P5-15-3. The value of core tax arrears more than 12 months' old as a percentage of the value of all core tax arrears. ³		D	

The level of overall tax arrears is low but a large proportion of these are older than 12 months. Arrears data in Table 11 of Attachment III shows that the end-of-the-year stock of arrears is under 9 percent of total annual tax collections in 2015, 2016 and 2017. During the same period, less than 1 percent of these arrears is considered to be collectible—the bulk of the uncollectible is older than 12 months.

Over a three-year period, more than 75 percent of the tax debt is old arrears. This is partly because the tax laws prohibit SFS from writing off uncollectable debt before it is 36 months old. Another reason is that there are many arrears from debts that are under judicial review as well as many small debt amounts.

F. POA 6: Accurate Reporting in Declarations

Tax systems rely heavily on complete and accurate reporting of information by taxpayers in tax declarations. Tax administrations therefore need to regularly monitor tax revenue losses from inaccurate reporting, especially by business taxpayers, and take a range of actions to ensure compliance. These actions fall into two broad groups: verification activities (e.g., tax audits, investigations, and income matching against third party information sources) and proactive initiatives (e.g., taxpayer assistance and education as covered in POA 3, and cooperative compliance approaches).

If well designed and managed, tax audit programs can have far wider impact than simply raising additional revenue from discrepancies detected by tax audits. Detecting and penalizing serious offenders serve to remind all taxpayers of the consequences of inaccurate reporting.

³ Parts of Ukraine is occupied, and some of the old arrears that cannot be collected are from the occupied parts. The SFS provided data both including, and excluding, the occupied territories. However, since the data excluding occupied territory cannot be verified, the team took the overall arrears, recognizing that this does not give an exact status.

Also, prominent in modern tax administration is high-volume automated crosschecking of amounts reported in tax declarations with third party information. Because of the high cost and relative low coverage rates associated with traditional audit methods, tax administrations are increasingly using technology to screen large numbers of taxpayer records to detect discrepancies and encourage correct reporting.

Proactive initiatives also play an important role in addressing risks of inaccurate reporting. These include adoption of cooperative compliance approaches to build collaborative and trust-based relationships with taxpayers (especially large taxpayers) and intermediaries to resolve tax issues and bring certainty to companies' tax positions in advance of a tax declaration being filed, or before a transaction is actually entered into. A system of binding tax rulings can play an important role here.

Finally, on the issue of monitoring the extent of inaccurate reporting across the taxpayer population generally, a variety of approaches are being used, including: use of tax compliance gap estimating models, both for direct and indirect taxes; advanced analytics using large data sets (e.g., predictive models, clustering techniques, and scoring models) to determine the likelihood of taxpayers making full and accurate disclosures of income; and surveys to monitor taxpayer attitudes towards accurate reporting of income.

Against this background, three performance indicators are used to assess POA 6:

P6-16—Scope of verification actions taken to detect and deter inaccurate reporting.

P6-17—Extent of proactive initiatives to encourage accurate reporting.

P6-18—Monitoring the extent of inaccurate reporting.

P6-16: Scope of verification actions taken to detect and deter inaccurate reporting.

For this indicator, two measurement dimensions provide an indication of the nature and scope of the tax administration's verification program. Assessed scores are shown in Table 17 followed by an explanation of reasons underlying the assessment.

Table 17. P6-16 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P6-16-1. The nature and scope of the tax audit program in place to detect and deter inaccurate reporting.	M2	C	D+
P6-16-2. The extent of large-scale automated crosschecking to verify information in tax declarations.		D	

The SFS has an annual audit plan that covers all core taxes and all key taxpayers. It selects audit cases centrally on the basis of assessed risk which are weighted towards large taxpayers. However, it is not weighted towards high risk segments, such as high net wealth individuals. A range of audit types are used, including comprehensive, single or multiple issues, thematic issues and VAT audits. However, auditors do not use indirect audit methods, since it is not allowed by the Tax Code. The SFS does not monitor or evaluate the impact of the audit program on levels of overall taxpayer compliance.

There is a degree of large-scale automated crosschecking of data from various government agencies but not from banks/financial institutions. This is because of national bank secrecy legislation. No evidence was provided of large-scale automated crosschecking with employer information. Crosschecking of amounts reported in VAT declarations is being done using a database containing VAT invoices. Matching is done with customs, social security and shareholder registry but not with internet vendors.

P6-17: Extent of proactive initiatives to encourage accurate reporting

This indicator assesses the nature and scope of cooperative compliance and other proactive initiatives undertaken to encourage accurate reporting. Assessed scores are shown in Table 18 followed by an explanation of reasons underlying the assessment.

Table 18. P6-17 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P6-17. The nature and scope of proactive initiatives undertaken to encourage accurate reporting.	M1	B

The SFS has in place a system of public and private binding rulings; but cooperative compliance arrangements are not well developed. Private rulings are issued by the SFS, and public rulings by the MoF with input from the tax administration and representatives of taxpayers. The SFS has limited capacity to enter into cooperative compliance arrangements with qualifying taxpayers.

P6-18: Monitoring the extent of inaccurate reporting

This indicator examines the soundness of methods used by the tax administration to monitor the extent of inaccurate reporting in declarations. The assessed score is shown in Table 19 followed by an explanation of reasons underlying the assessment.

Table 19. P6-18 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P6-18. The soundness of the method/s used by the tax administration to monitor the extent of inaccurate reporting.	M1	D

SFS does not conduct systematic monitoring of the extent of inaccurate reporting. The Ministry of Economic Development and Trade conducted an analysis on the size of the shadow economy. Although the results of the analysis were shown to the team, there was no explanation of the methodology and no evidence was provided of statistically valid macro-economic tax-gap analysis. The SFS uses the results of analyses for revenue forecasting but not as input in designing administrative interventions to improve the accuracy of reporting.

G. POA 7: Effective Tax Dispute Resolution

This POA deals with the process by which a taxpayer seeks an independent review, on grounds of facts or interpretation of the law, of a tax assessment resulting from an audit. Above all, a tax dispute process must safeguard a taxpayer's right to challenge a tax assessment and get a fair hearing. The process should be based on a legal framework, be known and understood by taxpayers, be easily accessible, guarantee transparent independent decision-making, and resolve disputed matters in a timely manner.

Three performance indicators are used to assess POA 7:

- P7-19—Existence of an independent, workable, and graduated dispute resolution process.
- P7-20—Time taken to resolve disputes.
- P7-21—Degree to which dispute outcomes are acted upon.

P7-19: Existence of an independent, workable, and graduated resolution process

For this indicator three measurement dimensions assess (1) the extent to which a dispute may be escalated to an independent external tribunal or court where a taxpayer is dissatisfied with the result of the tax administration's review process; (2) the extent to which the tax administration's review process is truly independent; and (3) the extent to which taxpayers are informed of their rights and avenues of review. Assessed scores are shown in Table 20 followed by an explanation of reasons underlying the assessment.

Table 20. P7-19 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P7-19-1. The extent to which an appropriately graduated mechanism of administrative and judicial review is available to, and used by, taxpayers.	M2	A	A
P7-19-2. Whether the administrative review mechanism is independent of the audit process.		A	
P7-19-3. Whether information on the dispute process is published, and whether taxpayers are explicitly made aware of it.		A	

The SFS has a graduated system of administrative and judicial review available to and used by taxpayers. The SFS uses a tiered review mechanism in which an independent single review process exists within the tax administration. Where a taxpayer is dissatisfied with the outcome of an administrative review, independent external administrative tribunals with specialized tax benches are available for dispute resolution. Taxpayers also have an additional level of dispute review by higher courts to resolve factual issues and legal interpretations. The administrative review process is widely used by taxpayers.

The administrative review mechanism is independent of the audit process. The administrative review unit for dispute resolution is organizationally and physically independent of the audit department. There is a separate Department of Administrative Appeals and Litigation Support in the SFS, and all appeal officers are directly subordinate to this department and not to the line departments. This unit conducts all reviews and applies objective review procedures which are fully documented.

Information on the dispute resolution process is published and available in a variety of communication channels such as the official SFS website and written publications, and taxpayers are made explicitly aware of it during the audit process. General information on taxpayer dispute rights and the dispute resolution process are publicly available through a variety of source including the tax administration's website, written publications and guides available from the SFS. Established guidelines require auditors to explicitly inform taxpayers of their dispute rights and the available dispute resolution procedures. Notifications of audits provide information on dispute procedures and the associated taxpayer rights. Assessment notices also provide (in writing) dispute resolution rights and procedures.

P7-20: Time taken to resolve disputes

This indicator assesses how responsive the tax administration is in completing administrative reviews. Assessed scores are shown in Table 21 followed by an explanation of reasons underlying the assessment.

Table 21. P7-20 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P7-20. The time taken to complete administrative reviews.	M1	B

The administrative review process of all (100 percent) appeals must be completed within 60 days from the appeal date. There are guidelines which require the tax appeal officers to complete administrative reviews within 60 days and these guidelines are strictly adhered to in administrative dispute resolution cases. About 17.6 percent of administrative reviews are decided within 30 days and the balance 82.4 percent within 60 days. The SFS regularly monitors the dispute resolution process, using a case management system (“Complaints” module in the Tax Block information system), and weekly monitoring reports.

P7-21: Degree to which dispute outcomes are acted upon

This indicator looks at the extent to which dispute outcomes are taken into account in determining policy, legislation, and administrative procedure. The assessed score is shown in Table 22 followed by an explanation of reasons underlying the assessment.

Table 22. P7-21 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P7-21. The extent to which the tax administration responds to dispute outcomes.	M1	A

The SFS regularly monitors and analyzes dispute outcomes. It uses a quarterly monitoring process to formulate and adjust tax policy, legislation or administrative procedures. The monitoring process involves reviews of all decisions of tribunals and courts by the Appeals Department. Also, functional units provide feedback to the Appeals Department on the importance of dispute outcomes to ensure policies and procedures are adjusted based on the decisions. The outcomes of administrative disputes are made public, with attention paid to taxpayer privacy, outcomes are shared on the SFS website, and written notices of outcomes are available to the public.

H. POA 8: Efficient Revenue Management

This POA focuses on three key activities performed by tax administrations in relation to revenue management:

- Providing input to government budgeting processes of tax revenue forecasting and tax revenue estimating. (As a general rule, primary responsibility for advising government on

tax revenue forecasts and estimates rests with the Ministry of Finance. The tax administration provides data and analytical input to the forecasting and estimating processes. Ministries of Finance often set operational revenue collection targets for the tax administration based on forecasts of revenue for different taxes.)⁴

- Maintaining a system of revenue accounts.
- Paying tax refunds.

Three performance indicators are used to assess POA 8:

- P8-22—Contribution to government tax revenue forecasting process.
- P8-23—Adequacy of the tax revenue accounting system.
- P8-24—Adequacy of tax refund processing.

P8-22: Contribution to government tax revenue forecasting process

This indicator assesses the extent of tax administration input to government tax revenue forecasting and estimating. The assessed score is shown in Table 23 followed by an explanation of reasons underlying the assessment.

Table 23. P8-22 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P8-22. The extent of tax administration input to government tax revenue forecasting and estimating.	M1	B

The SFS provides input to government revenue forecasting and monitors collection levels, but does not monitor tax expenditures and losses carried forward that may be offset against future tax liabilities. The SFS gathers data on tax revenue collections and economic conditions for input into the budgeting process of tax revenue forecasting. Revenue collections are monitored against budget revenue forecasts and reported to the government. The SFS also forecasts VAT refund levels to ensure that sufficient funds are available to meet legitimate refund claims. However, it does not have processes in place to regularly monitor and report on the cost to revenue of tax expenditures or on the stock of tax losses carried forward which may be offset against future tax liabilities.

⁴ It is common for Ministries of Finance to review budget revenue forecasts and related tax collection targets during the fiscal year (particularly mid-year) to take account of the changes in the forecasting assumptions, especially changes in the macroeconomic environment.

P8-23: Adequacy of the tax revenue accounting system

This indicator examines the adequacy of the tax revenue accounting system. Assessed scores are shown in Table 24 followed by an explanation of reasons underlying the assessment.

Table 24. P8-23 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P8-23. Adequacy of the tax administration's revenue accounting system.	M1	C

The tax revenue accounting system of the SFS is adequate; however regular external or internal audits of the accounting system are not conducted. The SFS has an automated accounting system which meets government information technology and accounting standards; the system interfaces with the MoF's revenue accounting system. Tax payments notifications received from the Treasury are posted to the SFS accounting system within one business day. Regular external and internal audits are, not conducted to ensure that the SFS accounting system aligns with the tax law or government accounting standards.

P8-24: Adequacy of tax refund processing

For this indicator, two measurement dimensions assess the tax administration's system of processing VAT refund claims. Assessed scores are shown in Table 25 followed by an explanation of reasons underlying the assessment.

Table 25. P8-24 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P8-24-1. Adequacy of the VAT refund system.	M2	D	C
P8-24-2. The time taken to pay (or offset) VAT refunds.		B	

The VAT refund system has funds budgeted to meet legitimate refund claims and permits offsetting excess VAT credits against tax arrears; but there is no risk-based verification of refund claims. There is no payment of interest on delayed refunds or no preferential treatment is given to low-risk taxpayers. There is no risk-based verification of refund claims (using pre-refund audits of high-risk cases or post-refund audits of low risk cases), nor screening of refund claims using automated risk assessment software. Taxpayers requesting refunds are subjected to scheduled and unscheduled audits.

A high number of VAT refund claims are paid, offset or declined in time. 92 percent of all VAT refund claims in number of cases, and 87 percent in value, are paid, offset or declined within 30 calendar days. (Table 13 of Attachment III)

I. POA 9: Accountability and Transparency

Accountability and transparency are central pillars of good governance. Their institutionalization reflects the principle that tax administrations should be answerable for the way they use public resources and exercise authority. To enhance community confidence and trust, tax administrations should be openly accountable for their actions within a framework of responsibility to the minister, government, legislature, and the general public.

Four performance indicators are used to assess POA 9:

- P9-25—Internal assurance mechanisms.
- P9-26—External oversight of the tax administration.
- P9-27—Public perception of integrity.
- P9-28—Publication of activities, results, and plans.

P9-25: Internal assurance mechanisms

For this indicator, two measurement dimensions assess the internal assurance mechanisms in place to protect the tax administration from loss, error, and fraud. Assessed scores are shown in Table 26 followed by an explanation of reasons underlying the assessment.

Table 26. P9-25 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P9-25-1. Assurance provided by internal audit.	M2	C	B
P9-25-2. Staff integrity assurance mechanisms.		A	

There is a fully functional Internal Audit Department (IAD) that reports not only to the SFS commissioner but also falls under the dual control of regional directors. Six-monthly internal audit plans are proposed at the local level and approved by the Commissioner. These plans cover key tax operations, revenue accounting and internal financial management, but do not include internal audit of IT systems. Internal audit reports are reviewed by the regional director and then sent to the director of the IAD, the SFS Commissioner and the MoF. The SFS maintains a database on internal audit reports by region. Regular training is provided by the MoF to internal auditors, regular tax officials and regional directors. An independent review of internal audit operations was conducted in

2015-16 by the State Audit Service, and in 2017 by the MoF. The Organizational Support Department maintains the repository of all internal control procedures. The IT system generates automatically the audit trail of uses access.

The SFS has an organizationally independent Internal Security Department (the internal affairs equivalent) working directly under the Commissioner with adequate investigative powers. It has a staff of 460 of which 90 are in the HQ and rest in local offices. Staff in the local office report to HQ, although their salaries are paid at the local level. They have authority to conduct operational searches. For punitive actions, there is a disciplinary committee under the Commissioner. The department provides leadership on integrity issues, reports to the Commissioner regularly, and was instrumental in drafting the Ethics Code. It cooperates with the other enforcement agencies such as the National Anti-Corruption Bureau, Prosecutor's office and police. The department maintains integrity related statistics which are published on the SFS website.

P9-26: External oversight of the tax administration

Two measurement dimensions of this indicator assess (1) the extent of independent external oversight of the tax administration's operations and financial performance; and (2) the investigation process for suspected wrongdoing and maladministration. Assessed scores are shown in Table 27 followed by an explanation of reasons underlying the assessment.

Table 27. P9-26 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P9-26-1. The extent of independent external oversight of the tax administration's operations and financial performance.	M2	B	B
P9-26-2. The investigation process for suspected wrongdoing and maladministration.		B	

There is external oversight of the tax administration's functional and financial operations, but their reports are partially published. The external audit of financial performance is conducted annually by the State Audit Service (SAS) while the annual audit of operational performance is conducted by the Accounting Chamber of Ukraine (ACU). The SFS reviews the report and sends comments to the MoF and then to the aforesaid bodies. The SFS complies on the recommendation and is required to report back to the external audit bodies. The findings of the ACU and the responses and compliance by the SFS are published. However, there is no publication of the findings of the SAS.

There is external oversight and an elaborate investigative process for suspected wrongdoing and maladministration but systemic problems identified during external oversight are not always reported to the government. There are two bodies, the

Verkhovna Rada Commissioner for Human Rights (Ombudsman) and the Public Council, that receive complaints on actions of wrongdoing by tax officials. They investigate the complaints and file their report to the SFS Commissioner.

External oversight over anti-corruption activities of the SFS are performed by four government bodies: (i) National Anti-Corruption Bureau (NaBu); (ii) the Prosecutor's office; (iii) the Police; and (iv) the National Agency for Prevention of Corruption (NAPC). The NAPC is only a corruption prevention body that makes recommendations on ethics policy. The other three have investigative powers, and cases of anti-corruption are dealt with one or several of them, depending on the severity of the offence. There is regular and systematic monitoring and reporting to the Commissioner of action taken on these investigations.

P9-27: Public perception of integrity

This indicator examines measures taken to gauge public confidence in the tax administration. The assessed score is shown in Table 28 followed by an explanation of reasons underlying the assessment.

Table 28. P9-27 Assessment

Measurement Dimensions	Scoring Method	Score 2018
P9-27. The mechanism for monitoring public confidence in the tax administration.	M1	C

SFS has a good mechanism for monitoring public confidence in the organization, although the reports are not always made public. The reports are made by independent third parties (GIZ 2016 and McKinsey 2017). The GIZ report was made public but not the McKinsey report. The SFS is also monitoring their own surveys via the SFS website and they publish the result on the website. The SFS generally post surveys and results on their website. The SFS also uses these results to improve services.

P9-28: Publication of activities, results, and plans

Two measurement dimensions of this indicator assess the extent of (1) public reporting of financial and operational performance; and (2) publication of future directions and plans. Assessed scores are shown in Table 29 followed by an explanation of reasons underlying the assessment.

Table 29. P9-28 Assessment

Measurement Dimensions	Scoring Method	Score 2018	
P9-28-1. The extent to which the financial and operational performance of the tax administration is made public, and the timeliness of publication.	M2	A	A
P9-28-2. The extent to which the tax administration's future directions and plans are made public, and the timeliness of publication.		A	

The SFS reports annually on its financial and operational performance and makes the report public in a timely manner. It also prepares an annual report that is submitted to the Ministry of Finance. The 2016 report was published when it was approved, that is, six weeks after the end of the calendar (fiscal) year. The 2017 Report has just been published in March 2018.

The strategic and operational plans are made public in advance of the period covered. The plan for 2017-2020 was published in the end of 2016. The plans are made public prior to implementation.

Attachment I. TADAT Framework

Performance outcome areas

TADAT assesses the performance of a country's tax administration system by reference to nine outcome areas:

1. **Integrity of the registered taxpayer base:** Registration of taxpayers and maintenance of a complete and accurate taxpayer database is fundamental to effective tax administration.
2. **Effective risk management:** Performance improves when risks to revenue and tax administration operations are identified and systematically managed.
3. **Support given to taxpayers to help them comply:** Usually, most taxpayers will meet their tax obligations if they are given the necessary information and support to enable them to comply voluntarily.
4. **On-time filing of declarations:**
Timely filing is essential because the filing of a tax declaration is a principal means by which a taxpayer's tax liability is established and becomes due and payable.
5. **On-time payment of taxes:**
Nonpayment and late payment of taxes can have a detrimental effect on government budgets and cash management. Collection of tax arrears is costly and time consuming.
6. **Accuracy of information reported in tax declarations:** Tax systems rely heavily on complete and accurate reporting of information in tax declarations. Audit and other verification activities and proactive initiatives of taxpayer assistance, promote accurate reporting and mitigate tax fraud.
7. **Adequacy of dispute resolution processes:** Independent accessible, and efficient review mechanisms safeguard a taxpayer's right to challenge a tax assessment and get a fair hearing in a timely manner.



8. **Efficient revenue management:** Tax revenue collections must be fully accounted for, monitored against budget expectations, and analyzed to inform government revenue forecasting. Legitimate tax refunds to individuals and businesses must be paid promptly.
9. **Accountability and transparency:** As public institutions, tax administrations are answerable for the way they use public resources and exercise authority. Community confidence and trust are enhanced when there is open accountability for administrative actions within a framework of responsibility to the minister, legislature, and general community.

Indicators and associated measurement dimensions

A set of 28 high-level indicators critical to tax administration performance are linked to the performance outcome areas. It is these indicators that are scored and reported on. A total of 47 measurement dimensions are taken into account in arriving at the indicator scores. Each indicator has between one and four measurement dimensions.

Repeated assessments will provide information on the extent to which a country's tax administration is improving.

Scoring methodology

The assessment of indicators follows the same approach followed in the Public Expenditure and Financial Accountability (PEFA) diagnostic tool so as to aid comparability where both tools are used.

Each of TADAT's 47 measurement dimensions is assessed separately. The overall score for an indicator is based on the assessment of the individual dimensions of the indicator. Combining the scores for dimensions into an overall score for an indicator is done using one of two methods: Method 1 (M1) or Method 2 (M2). For both M1 and M2, the four-point 'ABCD' scale is used to score each dimension and indicator.

Method M1 is used for all single dimensional indicators and for multi-dimensional indicators where poor performance on one dimension of the indicator is likely to undermine the impact of good performance on other dimensions of the same indicator (in other words, by the weakest link in the connected dimensions of the indicator).

Method M2 is based on averaging the scores for individual dimensions of an indicator. It is used for selected multi-dimensional indicators where a low score on one dimension of the indicator does not necessarily undermine the impact of higher scores on other dimensions for the same indicator.

Attachment II. Ukraine: Country Snapshot

Geography	<ul style="list-style-type: none"> Ukraine is located in Eastern Europe and covers a territory of 603,550 sq. km. Bordering the Black Sea and Sea of Azov to the south, it is bounded to the west by Poland, Hungary and Slovakia, to the southwest by Romania and Moldova, to the northwest by Belarus, and to the east and northeast by Russia. The capital and largest city is Kyiv.
Population	<ul style="list-style-type: none"> 42.58* million January 2017 (Source: www.ukrstat.org) [* Excludes the temporarily occupied territories of the Autonomous Republic of Crimea, and the city of Sevastopol.]
Adult literacy rate	<ul style="list-style-type: none"> 99.8 percent of persons aged 15 and over can read and write. (Source: Central Intelligence Agency World Factbook)
Gross domestic product	<ul style="list-style-type: none"> 2016 nominal GDP: US\$ 93.3 (Source: IMF)
Per capita GDP	<ul style="list-style-type: none"> US\$ 2,198.8 (Source: IMF)
Main industries	<ul style="list-style-type: none"> Cultivation of agricultural products such as grain, sugar beets, sunflower seeds, vegetables, beef and milk; and industrial production of coal, electric power, ferrous and nonferrous metals, machinery and transport equipment, chemicals, food processing. (Source: Central Intelligence Agency World Factbook)
Communications	<ul style="list-style-type: none"> Internet users % of population: 52.48 in 2016. Mobile 'phone subscribers per 100 people: 132.64 in 2016. (Source: World Bank)
Main taxes	<ul style="list-style-type: none"> CIT, PIT (including PAYE), VAT and Social Contribution Collection. The relative percentage contribution of each to total tax revenue is CIT – 7.1%, Social Contribution – 17.7 percent, PIT – 18.2 percent and VAT – 30.7 percent.
Tax-to-GDP	<ul style="list-style-type: none"> 19.64 percent in 2016. (Source: (https://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS?end=2016&locations=UA-GE&start=1999, https://data.worldbank.org/indicator/GC.TAX.IMPT.ZS?end=2016&locations=UA-GE&start=1999)
Number of taxpayers	<ul style="list-style-type: none"> CIT (454,103); PAYE 693,057), PIT (41,964,951); VAT (249,352), and domestic excise taxes (6,866) end year 2017
Main collection agency	<ul style="list-style-type: none"> State Fiscal Service of Ukraine (SFS)
Number of staff in the main collection agency	<ul style="list-style-type: none"> 41,868 employees
Financial Year	<ul style="list-style-type: none"> Calendar year.

Attachment III. Data Tables

Table 1. Tax Revenue Collections ¹				
	2014	2015	2016	2017
In UAH (hryvnas) million				
National budgeted tax revenue forecast²	577,423.2	692,892.3	775,085.5	983,004.6***
Revenue forecast for the State Budget of Ukraine *	303,726.5	416,285.6	514,831.6	647,862.7
Revenue forecast for the local budgets of Ukraine **	94,580.2	86,669.2	131,849.0	174,148.2***
Forecast for social contribution collection***	179,116.4	189,937.4	128,404.9	160,993.7
Total tax revenue collections	562,842.6	704,339.4	795,916.8	1,021,894.1
Corporate Income Tax (CIT)	40,201.4	39,053.2	60,223.2	73,396.8
Personal Income Tax (PIT)	75,203.0	99,983.2	138,781.6	185,686.1
Value-Added Tax (VAT)—gross domestic collection	81,953.3	107,416.9	148,458.2	183,511.0
Value-Added Tax (VAT)—collected on imports	107,287.2	138,764.9	181,453.2	250,530.2
Value-Added Tax (VAT)—refunds approved/paid	-43,332.8	-68,405.3	-94,405.4	-120,060.6
Excises on domestic transactions	28,244.2	38,783.8	55,116.3	67,774.2
Excises—collected on imports	16,855.4	24,326.8	35,006.2	41,989.7
Social contribution collections	181,128.0	185,689.9	131,826.8	180,805.2
Other domestic taxes ³	75,302.8	138,726.1	139,456.7	158,261.5
In percent of total tax revenue collections				
Total tax revenue collections	100.0	100.0	100.0	100.0
CIT	7.1	5.5	7.6	7.2
PIT	13.4	14.2	17.4	18.2
Value-Added Tax (VAT)—gross domestic collection	14.6	15.3	18.7	18.0
Value-Added Tax (VAT)—collected on imports	19.1	19.7	22.8	24.5
Value-Added Tax (VAT)—refunds approved/paid	-7.7	-9.7	-11.9	-11.7
Excises—collected on domestic transactions	5.0	5.5	6.9	6.6
Excises—collected on imports	3.0	3.5	4.4	4.1
Social contribution collections	32.2	26.4	16.6	17.7
Other domestic taxes	13.4	19.7	17.5	15.5
In percent of GDP				
Total tax revenue collections	35.5	35.4	33.4	35.9
CIT	2.5	2.0	2.5	2.6
PIT	4.7	5.0	5.8	6.5
Value-Added Tax (VAT)—gross domestic collection	5.2	5.4	6.2	6.4
Value-Added Tax (VAT)—collected on imports	6.8	7.0	7.6	8.8
Value-Added Tax (VAT)—refunds approved/paid	-2.7	-3.4	-4.0	-4.2
Excises—collected on domestic transactions	1.8	2.0	2.3	2.4
Excises—collected on imports	1.1	1.2	1.5	1.5
Social contribution collections	11.4	9.3	5.5	6.4
Other domestic taxes	4.7	7.0	5.9	5.6
Nominal GDP in UAH (hryvna) million	1,586,915	1,988,544	2,383,182	2845800****
Explanatory notes:				
¹ This table gathers data for three fiscal years (e.g. 2013 – 15) in respect of all domestic tax revenues collected by the tax administration at the national level, plus VAT and Excise tax collected on imports by the customs and/or other agency.				
² This forecast is normally set by the Ministry of Finance (or equivalent) with input from the tax administration and, for purposes of this table, should only cover the taxes listed in the table. The final budgeted forecast, as adjusted through any mid-year review process, should be used.				
³ Other domestic taxes collected at the national level by the tax administration include, for example, property taxes, financial transaction taxes, and environment taxes.				

*set by the Ministry of Finance of Ukraine and used by SFS

** developed by regional, rayon and local authorities

*** developed and used by SFS

****Anticipated GDO (nominal) in accordance with the Cabinet of Ministers of Ukraine Resolution 399 of July 1, 2016 on approval of economic and social development forecasts of Ukraine for 2017

B. Movements in the Taxpayer Register

Table 2. Movements in the Taxpayer Register (Ref: POA 1)					
2015					
	Active ¹ [1]	Inactive (not yet deregistered) [2]	Total end-year position [1 + 2]	Percentage of inactive (not yet deregistered)	Deregistered during the year
Corporate income tax	279,128	173,003	452,131	38.3	105,391
Personal income tax*	20,058,129	21,887,663	41,945,792	52.2	540,562
Other taxpayers (single tax for individual entrepreneurs)**	1,008,351	125,311	1,133,662	11.1	327,006
PAYE withholding (# of employers)	618,233	13,026	631,259	2.1	9,539
Value Added Tax	184,380	35,357	219,737	16.1	41,694
Domestic excise tax	1,087	89	1,087	8.2	179
2016					
Corporate income tax	279,971	167,990	447,961	37.5	105,281
Personal income tax*	20,071,839	21,865,880	41,937,719	52.1	507,211
Other taxpayers (single tax for individual entrepreneurs)**	1,037,889	115,853	1,153,742	10.0	256,804
PAYE withholding (# of employers)	632,211	8,879	641,090	0.8	10,041
Value Added Tax	175,529	57,724	233,253	24.7	24,770
Domestic excise tax	5,793	45	5,793	0.8	328
2017					
Corporate income tax	283,606	170,497	454,103	37.5	105,171
Personal income tax*	19,960,199	22,004,752	41,964,951	52.4	522,130
Other taxpayers (single PIT for individual entrepreneurs)**	1,181,200	110,788	1,291,988	10.0	335,668
PAYE withholding (# of employers)	688,858	4,199	693,057	0.6	17,421
Value Added Tax	184,752	64,600	249,352	25.9	25,926
Domestic excise tax	6,866	49	6,866	0.7	384
Explanatory Note:					
¹ 'Active' taxpayer means registrants from whom returns are expected, i.e. excluding those taxpayers who have not filed a return within at least the last year because the case is defunct, the taxpayer cannot be located or the taxpayer is insolvent. *Includes every individual from whom final tax has been withheld and do not have to file tax return. ** Includes individual entrepreneurs who have to file PIT returns					

C. Telephone Enquiries

Table 3. Telephone Enquiry Call Waiting Time, 2017 (Ref: POA 3)			
Month	Total number of telephone enquiry calls received	Telephone enquiry calls answered within 6 minutes' waiting time	
		Number	In percent of total calls
Dec-17	228,641	183,860	80.4
Nov-17	175,605	133,082	75.8
Oct-17	107,966	80,004	74.1
Sep-17	152,697	119,332	78.1
Aug-17	221,376	173,991	78.6
Jul-17	509,832	327,770	64.3
Jun-17	414,457	191,937	46.3
May-17	195,158	132,478	67.9
Apr-17	244,911	202,701	82.8
Mar-17	217,322	164,323	75.6
Feb-17	229,942	186,342	81.0
Jan-17	286,721	231,632	80.8
Total 2017	2,984,628	2,127,452	71.3

D. Filing of Tax Declarations

Table 4. On-time Filing of CIT Declarations for 2016 (Ref: POA 4)			
	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³
All CIT taxpayers	272,647	279,971	97.4
Large taxpayers only	1,537	1,619	94.9
Explanatory notes: ¹ 'On-time' filing means declarations (also known as 'returns') filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy). ² 'Expected declarations' means the number of CIT declarations that the tax administration expected to receive from registered CIT taxpayers that were required by law to file declarations. ³ The 'on-time filing rate' is the number of declarations filed by the statutory due date as a percentage of the total number of declarations expected from registered taxpayers, i.e. expressed as a ratio: $\frac{\text{Number of CIT declarations filed by the due date}}{\text{Number of declarations expected from registered CIT taxpayers}} \times 100$			

Table 5. On-time Filing of PIT Declarations for 2016 (Ref: POA 4)			
	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (in percent)
PIT taxpayers*	1,183,239	1,232,101	96.0
Explanatory notes: ¹ 'On-time' filing means declarations (also known as 'returns') filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy). ² 'Expected declarations' means the number of PIT declarations that the tax administration expected to receive from registered PIT taxpayers that were required by law to file declarations. ³ The 'on-time filing rate' is the number of declarations filed by the statutory due date as a percentage of the total number of declarations expected from registered taxpayers, i.e. expressed as a ratio: $\frac{\text{Number of PIT declarations filed by the due date}}{\text{Number of declarations expected from registered PIT taxpayers}} \times 100$			
* Only individual entrepreneurs who are required to file declarations.			

Table 6. On-time Filing of VAT Declarations – All taxpayers* for 2017.

(Ref: POA 4)

Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
Jan-17	180,242	182,571	98.7
Feb-17	180,866	182,800	98.9
Mar-17	184,892	187,352	98.7
Apr-17	181,848	183,835	98.9
May-17	182,471	184,734	98.8
Jun-17	186,846	190,016	98.3
Jul-17	184,400	186,452	98.9
Aug-17	185,495	187,684	98.8
Sep-17	191,999	193,735	99.1
Oct-17	188,316	190,071	99.1
Nov-17	189,895	191,167	99.3
Dec-17	192,964	194,080	99.4
12-month total	2,230,234	2,254,497**	98.9

Explanatory notes:

¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy).

² 'Expected declarations' means the number of VAT declarations that the tax administration expected to receive from registered VAT taxpayers that were required by law to file declarations.

³ The 'on-time filing rate' is the number of VAT declarations filed by the statutory due date as a percentage of the total number of declarations expected from registered VAT taxpayers, i.e. expressed as a ratio:

$$\frac{\text{Number of VAT declarations filed by the due date}}{\text{Number of declarations expected from registered VAT taxpayers}} \times 100$$

* Legal entities only

Table 7. On-time Filing of VAT Declarations – Large taxpayers only for 2017
(Ref: POA 4)

Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³
			(In percent)
Jan-17	1,419	1,431	99.2
Feb-17	1,416	1,426	99.3
Mar-17	1,421	1,430	99.4
Apr-17	1,412	1,422	99.3
May-17	1,408	1,418	99.3
Jun-17	1,402	1,426	98.3
Jul-17	1,409	1,415	99.6
Aug-17	1,408	1,413	99.6
Sep-17	1,416	1,421	99.6
Oct-17	1,405	1,410	99.6
Nov-17	1,400	1,407	99.5
Dec-17	1,399	1,403	99.7
12-month total	16,915	17,022	99.4

Explanatory notes:

¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy).

² 'Expected declarations' means the number of VAT declarations that the tax administration expected to receive from large taxpayers that were required by law to file VAT declarations.

³ The 'on-time filing rate' is the number of VAT declarations filed by large taxpayers by the statutory due date as a percentage of the total number of VAT declarations expected from large taxpayers, i.e. expressed as a ratio:

$$\frac{\text{Number of VAT declarations filed by the due date by large taxpayers}}{\text{Number of VAT declarations expected from large taxpayers}} \times 100$$

Table 8. On-time Filing of PAYE Withholding Declarations (filed by employers) for 2017
(Ref: POA 4)

Month	Number of declarations filed on-time ¹	Number of declarations expected to be filed ²	On-time filing rate ³ (In percent)
Dec-17	593,960	710,000	83.7
Nov-17	594,155	710,000	83.7
Oct-17	591,937	710,000	83.4
Sep-17	592,875	705,000	84.1
Aug-17	587,506	700,000	83.9
Jul-17	587,507	700,000	83.9
Jun-17	583,466	695,000	84.0
May-17	581,272	695,000	83.6
Apr-17	580,974	689,900	84.2
Mar-17	576,643	680,090	84.8
Feb-17	569,593	669,500	85.1
Jan-17	553,865	652,200	84.9
12-month total	6,992,753	8,316,690	84.1%

Explanatory notes:

¹ 'On-time' filing means declarations filed by the statutory due date for filing (plus any 'days of grace' applied by the tax administration as a matter of administrative policy).

² 'Expected declarations' means the number of PAYE withholding declarations that the tax administration expected to receive from registered employers with PAYE withholding obligations that were required by law to file declarations.

³ The 'on-time filing rate' is the number of PAYE withholding declarations filed by employers by the statutory due date as a percentage of the total number of PAYE withholding declarations expected from registered employers, i.e. expressed as a ratio:

$$\frac{\text{Number of PAYE declarations filed by the due date}}{\text{Number of declarations expected from registered PAYE taxpayers}} \times 100$$

E. Electronic Services

Table 9. Use of Electronic Services, 2015-17] ¹ (Ref: POAs 4 and 5)			
	2015	2016	2017
	Electronic filing² (In percent of all declarations filed for each tax type)		
CIT	67.3*	68.2*	97.2**
PIT	55.0	55.0	59.2
VAT	100.0	100.0	99.3
PAYE withholding (declarations filed by employers)	85.0	88.6	84.4
Large taxpayers (all core taxes)	100.0	100.0	100.0
	Electronic payments³ (In percent of total number of payments received for each tax type)		
CIT	100.0	100.0	100.0
PIT	100.0	100.0	100.0
VAT	100.0	100.0	100.0
PAYE withholding (remitted by employers)	100.0	100.0	100.0
	Electronic payments (In percent of total value of payments received for each tax type)		
CIT	100.0	100.0	100.0
PIT	100.0	100.0	100.0
VAT	100.0	100.0	100.0
PAYE withholding (remitted by employers)	100.0	100.0	100.0
Explanatory notes:			
¹ Data in this table will provide an indicator of the extent to which the tax administration is using modern technology to transform operations, namely in areas of filing and payment.			
² For purposes of this table, electronic filing involves facilities that enable taxpayers to complete tax declarations online and file those declarations via the Internet.			
³ Methods of electronic payment include credit cards, debit cards, and electronic funds transfer (where money is electronically transferred via the Internet from a taxpayer's bank account to the Treasury account). Electronic payments may be made, for example, by mobile telephone where technology is used to turn mobile phones into an Internet terminal from which payments can be made. For TADAT measurement purposes, payments made in-person by a taxpayer to a third-party agent (e.g., a bank or post office) that are then electronically transferred by the agent to the Treasury account are accepted as electronic payments.			

F. Payments

Table 10. VAT Payments Made During 2017

(Ref: POA 5)

	VAT payments made on-time ¹	VAT payments due ²	On-time payment rate ³ (In percent)
Number of payments	975,731	1,082,537	90.1
Value of payments (million UAH)*	166,672	179,966	92.6

Explanatory notes:

¹ 'On-time' payment means paid on or before the statutory due date for payment.

² 'Payments due' include all payments due, whether self-assessed or administratively assessed (including as a result of an audit).

³ The 'on-time payment rate' is the number (or value) of VAT payments made by the statutory due date in percent of the total number (or value) of VAT payments due, i.e. expressed as ratios:

183,511.0 – gross amount of VAT revenues from domestic taxation in 2017 (table 1), of which:

*166,672.3 - timely VAT payments made in accordance with returns (table 10, amount of payments)

16,838.7 - VAT payments in repayment of tax debt, payment of penalties accrued based on the results of audit, and prepaid VAT payments

The on-time payment rate by number is:

$$\frac{\text{Number of VAT payments made by the due date}}{\text{Total number of VAT payments due}} \times 100$$

The on-time payment rate by value is:

$$\frac{\text{Value of VAT payments made by the due date}}{\text{Total value of VAT payments due}} \times 100$$



G. Domestic Tax Arrears (including occupied areas**)

Table 11. Value of Tax Arrears, 2015 – 2017 ¹			
(Ref: POA 5)			
	2015	2016	2017
	In million hryvna		
Total Core tax revenue collections (from Table 1) (A)	704,339.4	795,916.8	1,021,894.1
Total Core tax arrears at end of fiscal year² (B)	56,938.5	69,097.7	91,417.3
Of which: Collectible ³ (C)	6,354.1	6,819.3	5,849.1
Of which: More than 12 months' old (D)	37,320.4	57,650.3	70,585.5
	In percent		
Ratio of (B) to (A)	8.1	8.7	8.9
Ratio of (C) to (A)	0.9	0.9	0.6
Ratio of (D) to (B)	65.5	83.4	77.2
Explanatory notes:			
¹ Data in this table will be used in assessing the value of tax arrears relative to annual collections, and examining the extent to which unpaid tax liabilities are significantly overdue (i.e. older than 12 months).			
² 'Total Core tax arrears' include tax, penalties, and accumulated interest.			
³ 'Collectible' core tax arrears are defined as the total amount of domestic tax, including interest and penalties, that is overdue for payment and which is not subject to collection impediments. Collectible tax arrears therefore generally exclude: (a) amounts formally disputed by the taxpayer and for which collection action has been suspended pending the outcome, (b) amounts that are not legally recoverable (e.g., debt foregone through bankruptcy), and (c) arrears otherwise uncollectible (e.g., the debtor has no funds or other assets).			
⁴ i.e. $\frac{\text{Value of total Core tax arrears at end of fiscal year (B)}}{\text{Total core tax collected for fiscal year (A)}} \times 100$			
⁵ i.e. $\frac{\text{Value of collectible core tax arrears at end of fiscal year (C)}}{\text{Total core tax collected for fiscal year (A)}} \times 100$			
⁶ i.e. $\frac{\text{Value of core tax arrears >12 months old at end of year (D)}}{\text{Value of totalcore tax arrears at end of fiscal year (B)}} \times 100$			
**SFS also provided an additional table about arrears excluding occupied areas, but for logistical reasons, that information was not verifiable and is, therefore, not included in the report.			

G. Domestic Tax Arrears (without occupied areas)

Table 11. Value of Tax Arrears, 2015 – 2017¹
(Ref: POA 5)

	2015	2016	2017
	In million hryvna		
Total Core tax revenue collections (from Table 1) (A)	704,339.4	795,916.8	1,021,894.1
Total Core tax arrears at end of fiscal year ² (B)	56,938.5	69,097.7	91,417.3
Of which: Collectible ³ (C)	6,354.1	6,819.3	5,849.1
Of which: More than 12 months' old (D)	31,371.4	51,369.1	61,631.9
	In percent		
Ratio of (B) to (A) ⁴	8.1	8.7	8.9
Ratio of (C) to (A) ⁵	0.9	0.9	0.6
Ratio of (D) to (B) ⁶	55.1	74.3	67.4

Explanatory notes:

¹ Data in this table will be used in assessing the value of tax arrears relative to annual collections, and examining the extent to which unpaid tax liabilities are significantly overdue (i.e. older than 12 months).

² 'Total Core tax arrears' include tax, penalties, and accumulated interest.

³ 'Collectible' core tax arrears are defined as the total amount of domestic tax, including interest and penalties, that is overdue for payment and which is not subject to collection impediments. Collectible tax arrears therefore generally exclude: (a) amounts formally disputed by the taxpayer and for which collection action has been suspended pending the outcome, (b) amounts that are not legally recoverable (e.g., debt foregone through bankruptcy), and (c) arrears otherwise uncollectible (e.g., the debtor has no funds or other assets).

⁴ i.e. $\frac{\text{Value of total Core tax arrears at end of fiscal year (B)}}{\text{Total core tax collected for fiscal year (A)}} \times 100$

⁵ i.e. $\frac{\text{Value of collectible core tax arrears at end of fiscal year (C)}}{\text{Total core tax collected for fiscal year (A)}} \times 100$

⁶ i.e. $\frac{\text{Value of core tax arrears >12 months old at end of year (D)}}{\text{Value of totalcore tax arrears at end of fiscal year (B)}} \times 100$

H. Tax Dispute Resolution

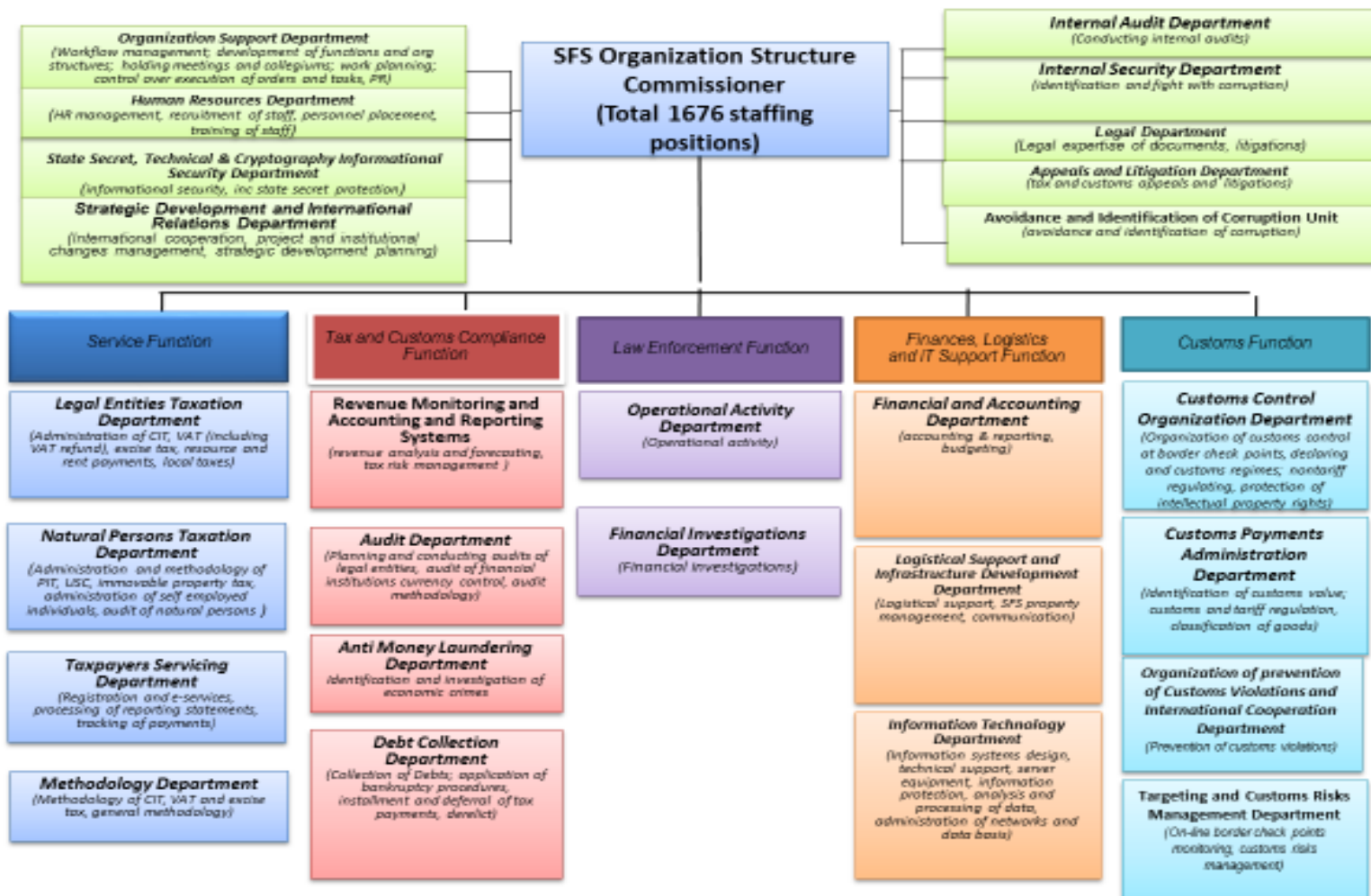
Table 12. Finalization of Administrative Reviews for 2017 (Ref: POA 7)							
Month	Total number finalized	Finalized within 30 days		Finalized within 60 days		Finalized within 90 days	
		Number	In percent of total	Number	In percent of total	Number	In percent of total
Dec-17	9,332	1,865	20.0	7,467	80.0	-	-
Nov-17	8,290	1,548	18.0	6,742	81.3	-	-
Oct-17	7,403	1,352	18.3	6,051	81.7	-	-
Sep-17	6,397	1,164	18.2	5,233	81.8	-	-
Aug-17	5,656	1,021	18.1	4,635	81.9	-	-
Jul-17	4,921	840	17.1	4,081	82.9	-	-
Jun-17	4,329	721	16.7	3,608	83.3	-	-
May-17	3,808	614	16.1	3,194	83.9	-	-
Apr-17	3,080	513	16.7	2,567	83.3	-	-
Mar-17	2,863	375	13.1	2,488	86.9	-	-
Feb-17	2,088	207	9.9	1,881	90.1	-	-
Jan-17	476	91	19.1	385	80.9	-	-
12-month total	58,643	10,311	17.6	48,332	82.4	-	-

* Law of Ukraine № 2464 "On the collection and accounting of unified contribution for mandatory state social insurance" and Article 56 of the Tax Code of Ukraine do not stipulate the consideration of complaints in a period of more than 30 days and 60 days respectively.

I. Payment of VAT Refunds

Table 13. VAT Refunds for 2017 (Ref: POA 8)		
	Number of cases	In million hryvna
Total VAT refund claims received (A) *	33,789	112,703.1
Total VAT refunds paid ¹	31,968	106,322.5
Of which: paid within 30 days (B) ²	30,761	93,830.3
Of which: paid outside 30 days	1,207	12,492.2
Total VAT refund claims declined ^{3**}	626	8,864.5
Of which: declined within 30 days (C)	332	3,915.7
Of which: declined outside 30 days	294	4,948.8
Total VAT refund claims not processed ⁴	281	2,714.1
Of which: no decision taken to decline refund ^{***}	269	1,951.4
Of which: approved but not yet paid or offset	12	762.7
In percent		
Ratio of (B+C) to (A) ⁵	92.0	86.7
<p>1 Include all refunds paid, as well as refunds offset against other tax liabilities.</p> <p>2 TADAT measures performance against a 30-day standard.</p> <p>3 Include cases where a formal decision has been taken to decline (refuse) the taxpayer's claim for refund (e.g., where the legal requirements for refund have not been met).</p> <p>4 Include all cases where refund processing is incomplete—i.e. where (a) the formal decision has not been taken to decline the refund claim; or (b) the refund has been approved but not paid or offset.</p> <p>* - does not include claims, filed for obtaining refund in December 2017</p> <p>** UAH 399,7 million is subject to consideration in court</p> <p>***audits have been carried out</p>		

Attachment IV. Organizational Chart



Attachment V. Sources of Evidence

Indicators	Sources of Evidence
POA 1: Integrity of the Registered Taxpayer Base General questions	<ul style="list-style-type: none"> • Discussion with SFS headquarter and regional staff. • Screen review of the registration database in Tax Block. • IT schematic structure • Law of Ukraine # 755-IV dated May 15, 2003, On the State Registration of Legal Entities, Self-Employed Businesses and Public Organizations • Order of the MoF of Ukraine # 759/5/371 dated March 18, 2016, On Informational Cooperation Between the Unified State Register of Legal Entities, Self-Employed and Public Organizations, and Information Systems of the SFS • Order of the Ministry of Finance of Ukraine # 1588 dated December 09, 2011, On Approving the Procedure on Accounting for Taxpayers SFS website • SFS organigramme on structure and functions
P1-1. Accurate and reliable taxpayer information	<ul style="list-style-type: none"> • Discussion with SFS headquarter and regional staff. • Screen review of taxpayer account in the database • Taxpayer registration forms • Concept of Centralized Data and Document Processing schematic • Management Report on Registered Taxpayers • Report of Internal Audit unit
P1-2. Knowledge of the potential taxpayer base	<ul style="list-style-type: none"> • Discussion with SFS headquarter and regional staff. • SFS Letter #3503 / 7 / 99-99-13-04-01-17 dated February 13, 2017 On Sending a Protocol of the Conference Call Meeting of the SFS and the State Labor Service • Information on data exchange with notaries (legislative norms) • Minutes from joint meetings between the municipalities' working groups and SFS officials • SFS Order #511 dated July 17, 2015, concerning methodical recommendations for conducting cross-audits • Legislative information on factual audits (Articles 75, 80 of the Tax Code)
POA 2: Effective Risk Management General questions	<ul style="list-style-type: none"> • Schematic organigramme of SFS Structure • List of Functions Performed by the Structural Units of the SFS Annex 1 to the SFS Order #265 dated November 12, 2014 • SFS Order #152p dated July 12, 2016 On Approval of the Working Group Participants • Protocol of the SFS Audit Department #20 dated September 22, 2017 On the Results of the Working Group Meeting on the Improvement of the Risk-Oriented Tax Control System

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • SFS Order #254-p dated August 14, 2015 On Ensuring the Algorithm of Control over Activities in the Complex Development of VAT Risks Documents pertaining to the work of Collegium, HQ meetings • Order of the Ministry of Finance #524 dated June 02, 2015 On Approval of the Procedure for Developing a Schedule for Documentary Planned Audits
P2-3. Identification, assessment, ranking, and quantification of compliance risks	<ul style="list-style-type: none"> • Order of the Ministry of Finance #524 dated June 02, 2015 on Approval of the Procedure for Developing a Schedule for Planned Audits of Taxpayers • Order of the Ministry of Economic Development and Trade #123 on Approving Methodological Recommendations for Calculation of the Shadow Economy • Brochure of the Ministry of Economic Development and Trade of Ukraine on General Trends of the Shadow Economy in Ukraine for 9 Months of 2017 • Order of the Ministry of Finance #567 dated June 13, 2017 on Approving the Criteria for Assessing the Degree of Risks Sufficient to Stop the Registration of a Tax Invoice/Adjustment Calculation in the Unified Register of Tax Invoices • Regulations on the analysis of information on property rights • Documents on cooperation with the Pension Fund (examples) • Analytical tables on working with business clusters (examples) • SFS documents regarding work on compliance risks (examples) • Examples of SFS documents on risk management by branches of the economy • Examples of SFS documents for the management of losses of budget revenues • Documents on the procedure for assessing tax risks in the SFS (examples) • Copies of certain SFS letters to territorial bodies regarding clarifications on transfer pricing • Order of the Ministry of Revenues and Duties #427 dated August 29, 2013 on the Organization of Work on Monitoring Legislation on Wages • PwC Reports and Public Audit Public Organization • SFS Plans and Reports and related documents (examples) • SFS Order # 45 dated January 23, 2018 on Indicative Revenues for Q1 2018 • SFS Order #305 dated April 27, 2017 on the Organization of SFS Activity for the Determination of Indicators and Ensuring Inflow of Payments • Memorandum of the Audit Department # 4004 dated December 20, 2017, concerning the Schedule of Documentary Audits for 2018

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • Examples of SFS agreements with other public authorities and government agencies for the exchange of information within the framework of interagency cooperation • SFS Order # 877 dated December 27, 2014 on Approval of the SFS Strategic Development Initiatives until year 2020 • SFS Order #1 dated January 2, 2018, On Carrying Out the Campaign for Citizens Declaration of Income in 2017
P2-4. Mitigation of risks through a compliance improvement plan	<ul style="list-style-type: none"> • SFS Order #116 dated January 21, 2017 on Approval of the SFS Action Plan and certain documents for its implementation • Order of the Ministry of Finance #567 dated June 13, 2017 on Approving the Criteria for Assessing the Degree of Risks Sufficient to Stop the Registration of a Tax Invoice / Adjustment Calculation in the Unified Register of Tax Invoices • SFS Order # 877 dated December 27, 2012 on Approval of the SFS Strategic Development Initiatives till 2020, where there are separate initiatives to monitor the compliance risks. • Documents on managing compliance risks (examples)
P2-5. Monitoring and evaluation of compliance risk mitigation activities	<ul style="list-style-type: none"> • SFS letters on referral to the territorial bodies of protocols of audit workshops/ meetings (examples) • SFS letters on proposals for amending tax legislation based on the results of risk management, incl. analysis of the draft law on defining criteria for wealthy citizens (examples) • SFS plans and reports (examples)
P2-6. Identification, assessment, and mitigation of institutional risks	<ul style="list-style-type: none"> • Law of Ukraine #80/94-VR dated July 5, 1994 "On Information Protection in Information and Telecommunication Systems" • Resolution of the Cabinet of Ministers of Ukraine # 373 dated March 29, 2006 on Approval of the Rules for Protecting Information in Telecommunication, and Information-Telecommunication Systems • SFS Order #578 dated June 29, 2016 on Approval of the Provision on Backing Up Information Resources • SFS Order # 56 dated January 31, 2018 on Approval of the Provision on the Procedure for Conducting Training and Verification of Knowledge on Labor Protection Issues in the State Fiscal Service of Ukraine • Analytical Information Report on occupational safety drills in the SFS for 2017 • Action and interaction plan for the authorities and civil defense forces in the event of emergencies at the facilities of the SFS (at peacetime) • An excerpt from the SFS Emergency Accounting and Registration Journal • CMU Resolution #484 dated June 21, 2017 on conducting an independent audit of databases and information resources used by the SFS

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • SFS Order # 618 dated August 18, 2015 On Approval of the Appointment of Roles in the Tax Block Information System • Letter of the State Service for Special Communications and Information Protection of Ukraine #11/01 / 01-315 dated February 15, 2017 concerning an order for the right to conduct an audit • Excerpts from the SFS action plan for the second half of 2017 on information security
<p>POA 3: Supporting Voluntary Compliance</p> <p>P3-7. Scope, currency, and accessibility of information</p>	<ul style="list-style-type: none"> • Organigramme showing the SFS structure and functions • Link to the official SFS web portal • Link to web portal of the SFS Magazine called Herald - Officially About Taxes • The Resolution of the Cabinet of Ministers of Ukraine # 898 dated August 12, 2009 on the Interaction between the Executive Bodies, the Secretariat of the Cabinet of Ministers of Ukraine and the Contact Center • Order of the Ministry of Finance # 611 dated July 01, 2015, On Approval of the Size of Actual Costs for Copying or Printing Documents Provided upon Request for Information administered by the Bodies of the State Fiscal Service of Ukraine, and the Procedure for Reimbursement of These Expenses • SFS Order #18 dated January 15, 2018 on Updating the SFS Web Portal • SFS Order # 584 dated August 7, 2015 on Preparation of Printed and Explanatory Materials • SFS Order on Carrying Out an Awareness Campaign for Citizens to Declare their Income Received in 2017 and related letters • SFS Order # 261 dated April 09, 2015, On Ensuring a Unified Information Policy for Interaction with Mass Media
	<ul style="list-style-type: none"> • SFS Order # 475 dated July 07, 2017, On Approval of the Procedure for the Provision of Information Services by the Contact Center of the SFS • SFS Order # 458 dated May 20, 2016, On Approval of Documents Regulating the Activity of Taxpayer Service Centers • Information cards of administrative services, approved by SFS orders dated January 13, 2015, # 7, September 18, 2015, # 712, July 28, 2017, # 500, and December 28, 2017, # 882 • SFS Order # 4 dated January 13, 2015, On Approval of the Procedure for Organizing the Review of Applications received by the State Fiscal Service of Ukraine from the Government Contact Center • SFS Order #877 dated December 27, 2017, On Approval of Strategic Initiatives for the Development of the SFS until year 2020

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • SFS Order # 293 dated April 25, 2017, On Approval of the Procedure for Organization of Work on Providing Individual Tax Consultations on Revenue Collection Technological cards of administrative services, approved by SFS orders dated December 19, 2014, #381, April 28, 2015, # 304, September 18, 2015, # 712, February 25, 2016, # 181, July 28, 2017, # 500 • SFS Order #5 dated January 13, 2015, On Approval of the Procedure for Introducing and Updating the Knowledge Database • Order of the SFS Information and Reference Department #107 dated August 11, 2017 on Approval of the Procedure for Monitoring the Quality of Provided Information Services • Order of the SFS Information and Reference Department #15 dated October 15, 2014, On Approval of the Knowledge Database Structure • Order of the SFS Information and Reference Department #15 dated January 18, 2018, On Approval of the Procedure for Processing Addresses of Natural Persons and Legal Entities Received by Means of Telecommunication • Order of the SFS Information and Reference Department #41 dated December 02, 2014, On Functional Authority of Structural Units within the SFS Information and Reference Department • Order of the SFS Information and Reference Department #103 dated August 10, 2017, On Identifying Further Ways to Use Information Services • Order of the Civil Service National Agency #277 dated December 20, 2016, On Approval of Typical Public Reporting Procedure by the Head of Executive Body • Assignment of the SFS Commissioner # 1633/7 / 99-99-06-02-01-09 from January 21, 2015, On the Contest of Children's Creativity (Paintings) • Assignment of SFS Commissioner # 1177 / 99-99-06-02-03-18 of July 29, 2015 • The schedule of "hotline" operations for the 1st quarter of 2018 Action Plan for organizing the work of the SFS Museum for schoolchildren • Materials of the seminar on the functioning of the CM KOR • Copies of printed materials and explanatory materials • Statistical information on the activities carried out in 2017 Information note about the web portal • Copies of the <i>Herald - Officially About Taxes</i> Magazine • Examples of children's creativity on tax topics (paintings for visual review) • Job Description for an employee of the communications unit • Web view system reports

Indicators	Sources of Evidence
P3-8. Scope of initiatives to reduce taxpayer compliance costs	<ul style="list-style-type: none"> • Tax Code of Ukraine (par. 49.2, art. 168, par. 179.2, par. 179.10) • Law of Ukraine # 80/94-VR dated July 5, 1994 On Information Protection in Information and Telecommunication Systems • Rules for ensuring the protection of information in, telecommunication and information and telecommunication systems, approved by the Resolution of Cabinet of Ministers of Ukraine # 373 dated March 29, 2006 • Order of the SFS #382 dated December 19, 2014, On Approval of the Response Algorithm to Critical Information on the Activities of SFS Regional Offices in the Mass Media • The Certificate of Compliance with the Web-Portal of the State Fiscal Service of Ukraine IISS ITS (Integrated Information Security System in the Information and Telecommunication System) is registered with the Administration of the State Communication Service #9891 on February 28, 2014. • Letters to MoF on simplifying forms of tax returns
P3-9. Obtaining taxpayer feedback on products and services	<ul style="list-style-type: none"> • Resolution of the Cabinet of Ministers of Ukraine # 996 from November 03, 2010, On Ensuring the Public's Involvement in the Process of Formation and Implementation of State Policy • SFS Order #382 dated December 19, 2014, On Approval of the Response Algorithm to Critical Information on the Activities of the SFS Regional Offices in Mass Media • SFS Order # 261 dated April 09, 2015 On Ensuring a Unified Information Policy on Interaction with Mass Media • SFS Order # 66 dated February 02, 2018, On Approval of the Statute on the SFS Public Council • SFS Order # 908 dated November 03, 2016, On Approval of the Public Council's List of Participants • SFS Order #647 dated August 28, 2015, On Approval of the List of Participants of the Board on Promoting Investments and Entrepreneurship Regulation on the Investment Board, from August 17, 2015 • Assignment of the SFS acting Commissioner, M.V. Prodan, #3375 dated November 09, 2017 on the Implementation of Protocol Tasks of Sectoral Meetings • The list of questions of the survey conducted with the support of LLC McKinsey and Company of Ukraine in 2017 (report itself was confidential). • Copies of the council meeting minutes, copies of requests to the MoF on proposals received from council members and representatives of the business community • Agenda of sectoral meetings • Copies of council meeting minutes • Minutes of sectoral meetings (September-November 2017)

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • Examples of requests to the MoF on proposals received from council members and representatives of the business community • Information on joint activities undertaken in 2017 together with representatives of civil society and the business community • Information on activities undertaken in 2017 with representatives of civil society and the business community • Technical Proposal filed by GfK Ukraine on holding an all-Ukrainian anonymous poll • Assignment of the SFS Commissioner #148 / 99-99-01-04-01-09 dated August 16, 2016, On Conducting an all-Ukrainian Online Survey • Application for generating information messages with an invitation to participate in conducting a nationwide survey • The wording of the taxpayer's notice on conducting a taxpayer survey on the quality of services rendered in 2016 and the text of the survey • Results of the anonymous survey of taxpayers in 2016 (presentation materials) • Action Plan to improve the taxpayer service system by using the results of an all-Ukrainian online taxpayer survey, approved by the SFS Commissioner dated December 20, 2016
P4-10. On-time filing rate	<ul style="list-style-type: none"> • Tables 4-8 of the Questionnaire
P4-11. Use of electronic filing facilities	<ul style="list-style-type: none"> • Table 9 of the Questionnaire • Website (reference to the E-Reports tab) • E-office link • SFS Order #877 dated December 27, 2017 On Strategic Initiatives on E-Reporting
POA 5: Timely Payment of Taxes General questions	<ul style="list-style-type: none"> • Tax Code of Ukraine, Bulletin of the Verkhovna Rada of Ukraine (BVR), 2011, # 13-14, # 15-16, # 17, art.112) • Law of Ukraine On Restoring Debtor's Solvency or Recognizing Him Bankrupt, • Bulletin of the Verkhovna Rada of Ukraine (BVR), 1992, # 31, art.440) • Law of Ukraine On Collection and Accounting for the Revenues from Social Insurance Payments • Bulletin of the Verkhovna Rada of Ukraine (BVR), 2011, # 2-3, art.11) • Law of Ukraine On Bailiff's Service, Bulletin of the Verkhovna Rada of Ukraine (BVR), 2016, #30 p.542); • Information Handouts • A link to the SFS website, where payment information materials are posted • Schematic representation of the SFS structure

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • Provisions on the SFS Debt Repayment Department
P5-12. Use of electronic payment methods	<ul style="list-style-type: none"> • Draft Law of Ukraine on introduction of a single account for payment of taxes, duties, and the single contribution to compulsory state social insurance • SFS expert conclusions on the abovementioned draft Law of Ukraine on Single Account • Table 9 of Attachment III
P5-13. Use of efficient collection systems	<ul style="list-style-type: none"> • The mechanisms of tax withholding at the source: Item 141.4 of Article 141, • Item 168.1 of Article 168, Items 170.4-170.5 of Article 170 of the Tax Code of Ukraine • Advance payment regimes Items 57.11.2 it. 57. 11 Art.57, it. 177.5 Art. 177, Art. 295 of the Tax Code of Ukraine • Tax Code of Ukraine http://zakon2.rada.gov.ua/laws/show/2755-17 Law of Ukraine # 2755-VI from December 02, 2010 on Collection and Accounting for the Single Contribution to Compulsory State Social Insurance
P5-14. Timeliness of payments	<ul style="list-style-type: none"> • Table 10 of Attachment III
P5-15. Stock and flow of tax arrears	<ul style="list-style-type: none"> • Table 11 of Attachment III • Form of tax claim
P6-16. Scope of verification actions taken to detect and deter inaccurate reporting	<ul style="list-style-type: none"> • Schedule of documentary audits of taxpayers for year 2018 and respective SFS reporting documents • MoF Order #524 dated June 02, 2015 On Approving the Procedure for Drawing up the Schedule of documentary audits of taxpayers • Documents on audit methodologies • SFS Order #22 dated July 31, 2014, On Approval of Methodological Recommendations on the Procedure for Interaction Between Subdivisions of the SFS units when Organizing, Conducting, and Implementing Tax Audits • Tax Code art. 75-76, 77, art. 164, art. 172-174 and art. 176 • Information from reports on the audit results (examples) • SFS Order # 116 dated February 21, 2017, On Approval of the SFS Action Plan • Letters to MoF and CabMin on implementation of measures to prevent budget losses (examples) • Examples of Protocols on automatic information exchange within the scope of inter-agency cooperation
P6-17. Extent of proactive initiatives to encourage accurate reporting	<ul style="list-style-type: none"> • MoF Order #811 dated September 27, 2017, On Approving the Procedure for Providing Generalized Tax Consultations

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • MoF Order #948 dated November 20, 2017, On Creating an Expert Council for Drawing up Generalized Tax Consultations at the Ministry of Finance of Ukraine • Examples of individual and generalized tax consultations • Examples of letters, notices to citizens on the declaration of income • Examples of SFS letters to MoF requesting clarification of complex tax matters • SFS Order #116 dated February 21, 2017, On Approval of the SFS Action Plan • Example of the minutes of the Investment and Entrepreneurial Activity Promotion Council meetings at the SFS of Ukraine
P6-18. Monitoring the extent of inaccurate reporting	<ul style="list-style-type: none"> • <i>General Trends of the Shadow Economy in Ukraine for 9 months of year 2017</i> • Brochure of the Ministry of Economic Development and Trade of Ukraine • Order of the Ministry of Economic Development of Ukraine #123 dated February 18, 2009 № 123 On Approving the Methodology for Calculating the Size of the Shadow Economy • SFS letter # 1522/4 / 99-99-19-03-01-13 dated June 18, 2015 "On the Provision of the Draft Law of Ukraine" (regarding the system of electronic administration of VAT) • Order of the Ministry of Finance #524 dated June 02, 2015, On Approval of the Procedure for Developing a Schedule for Documentary Planned Audits of Taxpayers Documents on audit methodologies • SFS letters to MoF on prevention of budget losses (examples based on audit results)
POA 7: Effective Tax Dispute Resolution General provisions	<ul style="list-style-type: none"> • Tax Code of Ukraine, Bulletin of the Verkhovna Rada of Ukraine (BVR), 2011, #13-14, # 15-16, # 17, art. 56 • MoF Order #916 dated October 21, 2015, On Approving the Procedure on Formalizing and Submitting Complaints by Taxpayers and Their Review by Controlling Authorities • Link to the SFS website, where information materials on appealing controlling authorities' decisions are posted
P7-19. Existence of an independent, workable, and graduated dispute resolution process	<ul style="list-style-type: none"> • The Tax Code of Ukraine (Bulletin of the Verkhovna Rada of Ukraine (BVR), 2011, # 13-14, # 15-16, # 17, art. 56) • Information on the survey conducted in 2016 among taxpayers including questions pertaining to the process of appealing decisions of the controlling authorities • Hyperlinks to events (including round tables) on appeal decisions of controlling authorities; • Functional Statement of the Department of Administrative Appeal and Court Support

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • Job description of an employee of the Department of Administrative Appeal and Court Support • MoF Order # 916 dated October 21, 2015, On Approving the Procedure on Formalizing and Submitting Complaints by Taxpayers and Their Review by Controlling Authorities • Form of tax decision letter • Act on the results of the document desk audit • SFS Order # 22 dated July 21, 2014, On Approval of Methodological • Recommendations on the Procedure for Interaction Between Subdivisions of the State Fiscal Service Bodies when Organizing, Conducting, and Implementing Tax Audits
P7-20. Time taken to resolve disputes	<ul style="list-style-type: none"> • Table 12 of Attachment III
P7-21. Degree to which dispute outcomes are acted upon	<p>SFS Order #719 dated August 25, 2016 On Approval of the Work Order and the Working Group Participants Concerning the Application of Legislative Regulations</p> <p>Order #194 dated March 23, 2015 on the Organization of the Regulation Drafting Process</p> <p>Court rulings regarding cassation complaints</p> <p>Hyperlinks to the SFS website, where information on appeal decisions is posted</p>
P8-22. Contribution to government tax revenue forecasting process	<ul style="list-style-type: none"> • SFS letter to the MoF dated August 17, 2016 On the Forecast of Payment Receipts during years 2017-2019 • Daily report on the forecast for reaching of the MoF indicators [Daily report on revenues collected] • Consolidated Report on Tax Benefits, which are Losses of Budget Revenues in Terms of Taxes and Duties • Algorithm on losses carried forward to subsequent reporting periods
P8-23. Adequacy of the tax revenue accounting system	<ul style="list-style-type: none"> • MoF Order # 422 dated April 07, 2016, On Approval of the Procedure for the Operations of the State Fiscal Service of Ukraine on Operative Accounting of Taxes and Duties, Customs Duties and Other Payments to the Budgets, and of the Single Contribution to the Compulsory State Social Insurance • Action plans of the Accounting Chamber • Reports of the Accounting Chamber and the Internal Audit Department (reviewed)
P8-24. Adequacy of tax refund processing	<ul style="list-style-type: none"> • Resolution of the Cabinet of Ministers of Ukraine # 26 dated January 25, 2017, On Approval of the Procedure for Maintaining the Registry of Applications for the Refund of the Amount of Budget Reimbursement of VAT • MoF Order #326 dated March 03, 2017, On Approval of the Procedure for Information Interaction of the Ministry of Finance of Ukraine with the SFS and the State Treasury of Ukraine in the

Indicators	Sources of Evidence
	<p>Process of Establishing the Registry of Applications for the Return of the Amounts of Budget Reimbursement of Value Added Tax</p> <ul style="list-style-type: none"> • SFS Order #263 dated April 14, 2017, On Approval of the Procedure of Interaction of the Structural Subdivisions of the SFS and the Head Departments of the SFS in the Regions, in the City of Kyiv, the SFS Office of Large Taxpayers in the Process of • Budget Reimbursement of Value Added Tax and Formation of the Registry of Applications on Refunding Amounts of Budget Reimbursement of VAT • Table 13 of Attachment III
P9-25. Internal assurance mechanisms	<ul style="list-style-type: none"> • Hyperlink to the national regulatory internal audit database SFS Order #168 dated October 07, 2014, On Approval of the Maintenance Procedure for the Repository of Reporting and Statistical Information of the State Fiscal Service of Ukraine • SFS Order #747 dated October 02, 2015, On the Organization of Work Aimed at Preventing Corruption and Ensuring Security in the bodies of the State Fiscal Service of Ukraine • SFS Order #60 dated January 22, 2016, On the Implementation of Measures Aimed at Adherence to Anti-Corruption Legislation • SFS Order #148 dated February 19, 2014, On Approval of the Provision on the Department of Internal Security of the SFS • SFS Order # 155 dated February 23, 2016, On Approval of the Procedure for Organizing and Conducting Internal Audit in the SFS, its Territorial Bodies and Subordinate Institutions • SFS Order # 979 dated December 01, 2016, On Introducing Changes to Rules of Ethical Conduct and Prevention of Corruption in the SFS • Internal auditors' report on conducting an audit of key areas of activity and proposals to the senior management on following up on the results of this audit (review): <ul style="list-style-type: none"> (i) Assessment of the Efficiency of the SFS Task Performance in Relation to the Organization of Activities Pertaining to the Use of Trade Operations Registrars; (ii) Assessment of the Administrative Services Quality when Issuing Certificates of Absence of Arrears Regarding Payments to the Budget; (iii) Assessment of the Efficiency of the SFS Function of Licensing Retail Alcoholic Beverages and Tobacco Products; (iv) Assessment of the Legality of the Calculation and Payment of Wages (financial remuneration) in the SFS Bodies; (v) Assessment of the Efficiency of the Implementation by the SFS of the VAT Payer Registration Function; (vi) Assessment of the Efficiency in Providing Free Administrative Service on

Indicators	Sources of Evidence
	<p>Registering Single Tax Payers; (vii)Assessment of Performance of the Function on Organizing and Controlling the [Processes of] Registration and Accounting of Legal Entity Taxpayers</p>
	<ul style="list-style-type: none"> • Materials on the audit of the Internal Audit Department by the Ministry of Finance (a report by the Ministry of Finance on conducting an assessment of the activities of the SFS Internal Audit Department #303030-07-10 / 17541 dated July 3, 2017; • Program of Organization of the Meeting, approved by the SFS Commissioner on July 26, 2017; an overview of the general state of development and functional capacity of internal audit in the public sector (draft of the Ministry of Finance, February 2018); • Reports of the State Audit Service on the audit of the SFS Internal Audit Department; • Report of the Accounting Chamber and SFS activities on elimination of drawbacks identified during the audit (Report (scan copy of the title and 24 pages) On the Results of the Audit of the Efficiency of the Government Authorities Compliance with the Requirements of the Law on Refunding and Unconditional Writing off of State Budget Funds; • SFS Letter #21884 / 3 / 99-99-07-02-03-16 dated December 16, 2016, On Activities of the SFS Resulting from the Consideration of the Decision of the Accounting Chamber # 22-2 dated October 25, 2016 on the Results of the Audit of the Efficiency of the Government Authorities Compliance with the Requirements of the Law on Refunding and Writing off of State Budget Funds) • SFS Letter #21 / 2 / 99-99-22-03-01-18 dated January 5, 2018, On the Results of Counteraction to Corruption in the SFS Bodies • SFS Letter # 205/4 / 99-99-22-03-01-18 dated January 22, 2018, On the Results of Performance in the Field of Combating Corruption • Information about the performance results of the Internal Security Department units for 2017 (screenshot of the official SFS web-portal) • Training of employees of the Internal Audit unit (SFS order # 121 dated February 10, 2016, on the Organization of the Execution of the State Order to Conduct Update Training for SFS Officers in 2016", • SFS Order # 40 dated January 25, 2017 on the Organization of the Execution of the State Order to Conduct Update Training for SFS Officers in 2017, • Letters - invitations from the Ministry of Finance to participate in the training on internal audit and control, and letters from the SFS on the nomination of candidates, internal audit certificates)
	<ul style="list-style-type: none"> • Materials on the verification of IT systems (Resolution of the Cabinet of Ministers of Ukraine #484 dated June 21, 2017 On

Indicators	Sources of Evidence
	<p>the Independent Audit of Databases and Information Resources Used by the SFS, and Approval of the Monitoring Procedure, Including Monitoring by the Ministry of Finance of the Administration by the SFS of Databases and Information Resources Used for Administration of Taxes, Duties and Other Mandatory Payments;</p> <ul style="list-style-type: none"> • Letter of the State Service for Special Communications and Information Protection of Ukraine # 11 \ 01 \ 01-315 dated February 15, 2017 (an authorization for the right to carry out audits), • SFS Order # 310 / 99-99-02-04-25 dated April 27, 2016, on Conducting Audits, a memorandum to the SFS Commissioner # 520 / 99-99-02-04-25 dated June 24, 2016, On the Execution of the Order)
P9-26. External oversight of the tax administration	<ul style="list-style-type: none"> • Website of the Accounting Chamber of Ukraine http://www.ac-rada.gov.ua/control/main/en/publish/category/ • Website of the National Anti-Corruption Bureau (NABU) https://nabu.gov.ua/en • Hyperlinks to the action plans of the Commissioner of the Verkhovna Rada of Ukraine on Human Rights (Ombudsman) • Audit reports of the Internal Audit Department on conducting audits of key areas of activity and Proposals to the senior management on following up on the results of this audit (for review) <i>Assessment of the Efficiency of the SFS Task Performance in Relation to the Organization of Activities Pertaining to the Use of Trade Operations Registrars; Assessment of the Administrative Services Quality when Issuing Certificates of Absence of Arrears Regarding Payments to the Budget; Assessment of the Efficiency of the SFS Function of Licensing Retail Alcoholic Beverages and Tobacco Products; Assessment of the Legality of the Calculation and Payment of Wages (financial remuneration) in the SFS Bodies; Assessment of the Efficiency of the Implementation by the SFS of the VAT Payer Registration Function; Assessment of the Efficiency in Providing Free Administrative Service on Registering Single Tax Payers; Assessment of Performance of the Function on Organizing and Controlling the [Processes of] Registration and Accounting of Legal Entity Taxpayers</i> • Hyperlinks to the SFS Internal Audit Action Plans on the SFS website • Act of verification of compliance with the legislation on the protection of personal data from September 19, 2017
P9-27. Public perception of integrity	<ul style="list-style-type: none"> • Order of the Ministry of Finance #856 dated October 19, 2017 on the Interdepartmental Working Group on the Development of Tax Online Services

Indicators	Sources of Evidence
	<ul style="list-style-type: none"> • SFS Order #496 dated July 2, 2017, On Ensuring the Work of the Members of the LLC McKinsey and Company of Ukraine Advisory Group Strategic initiatives for the development of the SFS until year 2020, approved by the SFS Order #877 dated December 27, 2017; • Materials of the survey conducted with the support of the German Society for International Cooperation (GIZ) (Assignment of the SFS Commissioner #148 / 99-99-01-04-01-09 dated August 16, 2016 On Conducting an All-Ukrainian Online Survey, a list of the survey questions, an application on the formation of informational announcements with an invitation to participate in conducting of the nationwide survey, the results of the anonymous survey of taxpayers) • Action Plan on Improvement of the Taxpayer Service System, Taking into Account the Results of the Conducted All-Ukrainian Online Survey of Taxpayers) • The list of questions of the survey conducted with the support of LLC McKinsey and Company of Ukraine in 2017
P9-28. Publication of activities, results, and plans	<ul style="list-style-type: none"> • Hyperlinks to published strategic initiatives, plans and reports on the SFS performance, reports on achievements of the SFS Key Performance Indicators, 2017 Financial Statements

