



# KPMG-Toolkit Tax Compliance Management System (Tax CMS)

**Your first step towards more legal certainty for your company and those bearing responsibility within it**



**Companies and their decision-makers are responsible for their actions on a day-to-day basis. This is also true for tax-relevant evaluations. Legal certainty can be increased considerably using a tax compliance management system (Tax CMS): in critical situations, the Tax CMS facilitates reasoning to the tax authorities right the way through to improving the prospect of release from liability. With the KPMG-Toolkit Tax CMS, you can get started with your Tax CMS using one tax type as base. You will then be able to further configure your own Tax CMS also for the other tax types with flexible involvement of KPMG.**

## **The challenge**

Increased requirements in terms of transparency and documentation, digitalisation, tighter legal conditions and a more restrictive approach by the tax authorities are increasingly having an impact on the tax function. In addition, tax-relevant decisions are made in many areas of the company and are often made by employees who do not have expert tax knowledge. This increases the risk of error.

Against this background, tax audits as well as adjustments relating to incorrect tax returns are increasingly resulting in criminal proceedings or administrative offence proceedings – even for relatively minor errors, in our experience. At the same time, appealing, for instance, solely to the existence of directions is often insufficient for a release from liability or successful defence of those bearing responsibility.

In addition, in our experience the processes and responsibilities in tax departments are often not transparent or clearly defined, not documented or not practised. The potential for digitalisation is also not fully utilised.

## **Our service – your benefits**

Take the first step to greater legal certainty: we can provide you with the tools in the form of our KPMG-Toolkit Tax CMS (tested by medium-sized companies) for all tax types in order to comply with the requirements of a Tax CMS demanded by the tax authorities.

Our KPMG-Toolkit Tax CMS service includes the following components, which we will develop together with you for your preferred type of tax:



survey of core tax processes and measures already in place,



identification of tax risks,



derivation of required actions and



draft of an organisational guideline for this type of tax.

We provide you with these services – depending on the tax type chosen and the complexity of your business – at a price starting from EUR 15,900.

If you also wish to introduce a Tax CMS for other tax types (which is to be recommended), we can provide you with a customised approach: you decide which services are to be provided by you and which services by KPMG. The options in this regard extend from KPMG merely making available the required databases through to full support from KPMG. In this way you can efficiently build a compliant and comprehensive Tax CMS without burdening your resources.

If your Tax CMS is implemented and effectively practised, it contributes to the evaluation and mitigation of financial risks. It also increases the legal certainty for those bearing responsibility in your company and forestalls the allegation of tax evasion or reckless tax understatement. If errors do materialise, the prospects for release from liability are considerably improved. But even in assessing any potential fine due to failings, the Tax CMS typically has a positive effect.

At the same time, with Tax CMS you create a base for more efficient tax processes and a basis for digitalisation measures.

### Well-equipped to meet your needs

Our experts in tax organisation and process advice and in the respective tax types have gained extensive experience with the implementation of a Tax CMS from a large number of projects. We are well-versed in the practical challenges typically arising from the implementation of a Tax CMS through our many years of experience and we have incorporated these insights into the development of our Tax CMS toolkit. Benefit from our approach, which is targeted to the needs of medium-sized firms and developed on the basis of a comprehensive catalogue of process and decision models of various branches and our experience in practice.

We are happy to clarify the key requirements of a Tax CMS and to present to you our toolkit approach in the course of complimentary initial information. Please get in touch.

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

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