

Appendix 12 – Concerns raised by tax authorities regarding the loss of data gathered for other purposes¹

Austria	The data from VAT returns is used by the Austrian statistical services for different publications and furthermore serves as a source of information for many other stakeholders.
Belgium	Due to the more detailed information included in the national VAT return, there will be significant consequences for the country's statistical services, which rely on the information contained in the return. Furthermore, risk analyses and the cross-checking of fiscal data (and other non-fiscal data) are undergoing constant development and refinement in Belgium, and are considered to be priority objectives by the Belgian fiscal authorities.
Czech Republic	Data from the VAT return is connected with other systems and applications. New IT applications will probably have to be developed if the common EU standard VAT return is introduced.
Finland	Customers entitled to VAT relief apply it by including the information concerning it with a VAT return. A separate application for relief would be needed later. The impact on special regimes will need to be assessed differently if the information is no longer included in the VAT return.
France	The French tax authorities indicate that, if the standard VAT return is selected, French taxpayers would submit a standard VAT return and an annex for those that have economic activities in Corsica, Monaco etc. This would undermine the purpose of having a standard.
Germany	The German tax authorities indicate that the introduction of a common EU standard VAT return would require the development of new national forms, which need to be sent out in addition to the unified/standardised tax return. This would lead to a significant additional burden for both companies and public institutions.
Greece	Statistical information for other purposes is obtained from the annual VAT return. If the annual VAT return is abolished, this may cause problems.
Hungary	Due to the loss of information, risk assessment procedures would be less effective. Also, the average time required for an audit would increase. More generally, auditors would require more time to retrieve and assess the information that was formerly available in the VAT return.
Italy	The Italian tax authorities indicate that it is very difficult to estimate all the consequences at this stage. With the new standard VAT return, they would lose significant data that is currently used for statistical purposes. As a result, they would need to gather the information in a different way.
Latvia	The information provided in the Latvian VAT return is used in the VAT revenue collection process. In addition, the data is used for other purposes, for example, to calculate the base of VAT own resources.
Lithuania	In order to have information available, tax officials will either look for other ways to obtain information that is lost if the standard VAT return is introduced or will reorganise their processes taking into account the fact that less data on certain topics is available. It should be noted that the proposal to abolish the requirement for taxpayers to submit information about specific transactions is unacceptable as this kind of information helps to identify fraud.

¹ Table based on the input collected from the tax authorities via the questionnaire. The table provides the opinions of tax authorities, which have not been adapted or interpreted by PwC (apart from language checks and translations, where required).

Luxembourg	The data that is used for other purposes will have to be obtained from the respective authorities (statistical services, direct taxation, etc.).
Poland	The Polish tax authorities expect to have to introduce changes to national VAT law, and not only in the regulations related to VAT returns. In addition, they expect a loss of some very important statistical data which is used in calculating the VAT own resource base. Moreover, they see the need to introduce an additional information form, which brings additional costs for authorities and business.
Portugal	The Portuguese tax authorities are afraid that they will lose the currently available information with introduction of the common EU standard VAT return.
Slovakia	The Slovakian tax authorities foresee a number of negative consequences, including the loss of available information.
Slovenia	The Slovenian tax authorities say that the standard VAT return would have an impact on the country's statistical services. Adjustments would probably have to be made in statistical reporting and data would have to be collected by other means if certain information were no longer included in the VAT return.