

Appendix 11 – Overview of cost data

1. In this appendix, an overview is given of the quantitative data provided by the Member States in scope with which a follow-up interview was performed to validate the data. Follow-up interviews were performed with the following Member States:
 - Belgium
 - Finland
 - France
 - Hungary
 - Italy
 - Poland
 - United Kingdom
2. These Member States were able to provide quantitative data, although not for all cost elements assessed in the questionnaire. In case no answer was provided, this is indicated in the tables below by “N/A”.
3. Although the tax authorities from Germany, also a Member State in scope, partially completed the questionnaire, they were not able to provide any quantitative data. Moreover, no follow-up interview was performed with the German authorities due to the fact that they were not present at the Fiscalis meeting of 2-4 October 2012. Therefore, no quantitative data is available for Germany. This is also the reason why Germany is not included in the tables presented below.

	3.1 - Set-up costs of changing the legislation due to the introduction of the proposed common EU standard VAT return					
	Adapt legislation			Notify new legislation		
	Internal resources		External resources	Internal resources		External resources
	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)
Data entries	3	2	1	3	3	1
Minimum	15	7,500	0	5	2,500	0
Maximum	180	40,000	0	200	40,600	0
Average	92	23,750	0	88	24,367	0
Median	80	23,750	0	60	30,000	0

	3.2 - Set-up costs of a new IT system or the cost to change the IT system due to the common approach to filing mechanism for the proposed common EU standard VAT return								
	Platform			VAT return form			Authentication and signing		
	Internal resources		External resources	Internal resources		External resources	Internal resources		External resources
	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)
Data entries	3	2	4	3	2	2	4	3	4
Minimum	0	0	0	0	0	170,000	0	0	0
Maximum	8,400	400,000	120,000,000	2,400	47,000	350,000	960	0	100,000
Average	3,067	200,000	30,462,500	830	23,500	260,000	240	0	43,750
Median	800	200,000	925,000	90	23,500	260,000	0	0	37,500

	3.2 - Set-up costs of a new IT system or the cost to change the IT system due to the common approach to filing mechanism for the proposed common EU standard VAT return					
	Proof of receipt and archiving			Interfacing with existing IT systems/processes		
	Internal resources		External resources	Internal resources		External resources
	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)
Data entries	4	3	4	3	2	3
Minimum	0	0	0	0	0	50,000
Maximum	1,680	0	500,000	3,600	24,000	800,000
Average	420	0	143,750	1,265	12,000	300,000
Median	0	0	37,500	195	12,000	50,000

	3.3 - Set-up costs to design and implement the back-office processes/working procedures needed if the proposed common EU standard VAT return is introduced and used			3.4 - Set-up costs of changing the existing processes for the activities performed by tax authorities for VAT-collection purposes, processing data, follow-up etc. or to provide new ones			3.5 - Set-up costs for training due to the introduction of the proposed common EU standard VAT return		
	Internal resources		External resources	Internal resources		External resources	Internal resources		External resources
	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)	Time spent (in working days)	Cost estimate (in euro)	Cost estimate (in euro)
Data entries	4	3	4	4	3	4	4	3	3
Minimum	0	0	0	0	0	0	700	142,100	0
Maximum	3,600	20,300	500,000	2,400	10,150	1,700,000	12,000	1,800,000	1,000,000
Average	948	12,633	237,500	625	5,325	429,750	4,285	757,367	333,333
Median	95	17,600	225,000	50	5,825	9,500	2,220	330,000	0

	3.6 - Recurring costs for activities for VAT-collection purposes					
	VAT return collection		Data processing		Request additional information from other MSs	
	Internal resources		Internal resources		Internal resources	
	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation
Data entries	4	2	4	2	1	1
Minimum	0	0	0	0	1	0
Maximum	20,160	40,000,000	10	0	1	0
Average	5,041	20,000,000	3	0	1	0
Median	3	20,000,000	1	0	1	0

	3.6 - Recurring costs for activities for VAT-collection purposes					
	Request additional information from taxpayers		Risk analysis		Refund audit	
	Internal resources		Internal resources		Internal resources	
	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation
Data entries	2	1	2	0	2	1
Minimum	1	0	1	0	120	30
Maximum	1	0	20	0	734	30
Average	1	0	11	-	427	30
Median	1	0	11	-	427	30

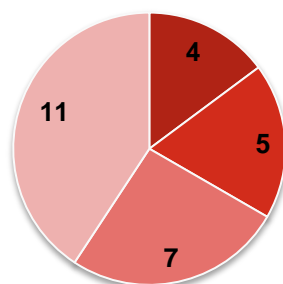
	3.6 - Recurring costs for activities for VAT-collection purposes					
	Link and match data in periodic VAT return with payment received		Refund		Storage	
	Internal resources		Internal resources		Internal resources	
	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation	Time spent (in minutes) per VAT return in current situation	Cost estimate (in euro) per VAT return in current situation
Data entries	2	1	2	1	2	1
Minimum	0	0	0	0	0	0
Maximum	1	0	1	0	1	0
Average	1	0	1	0	1	0
Median	1	0	1	0	1	0

	3.7 - Yearly recurring IT costs				
	Platform	VAT return form	Authentication and signing	Proof of receipt and archiving	Interfacing with existing IT system/processes
	Cost estimate (in euro) in current situation	Cost estimate (in euro) in current situation	Cost estimate (in euro) in current situation	Cost estimate (in euro) in current situation	Cost estimate (in euro) in current situation
Data entries	0	2	2	2	0
Minimum	0	50,000	0	0	0
Maximum	0	110,000	50,000	50,000	0
Average	-	80,000	25,000	25,000	-
Median	-	80,000	25,000	25,000	-

	3.8 - Yearly costs on training for VAT - collection and processing purposes	
	VAT training	Software training
	Cost estimate (in euro) in current situation	Cost estimate (in euro) in current situation
Data entries	3	3
Minimum	10,000	0
Maximum	375,000	50,000
Average	238,333	20,000
Median	330,000	10,000

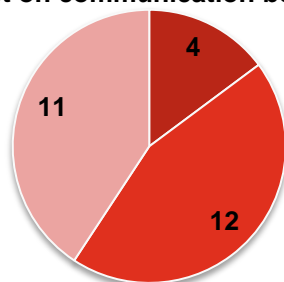
	3.9 - Number of audits on a yearly basis and the cost of one audit	
	Number of audits on a yearly basis	Cost estimate (in euro) of one audit in current situation
Data entries	5	3
Minimum	3,150	1,500
Maximum	380,000	6,000
Average	113,680	3,700
Median	55,000	3,600

Budgetary impact



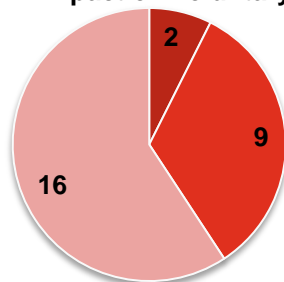
- No answer
- Positive impact
- Negative impact
- No impact

Impact on communication between tax authorities



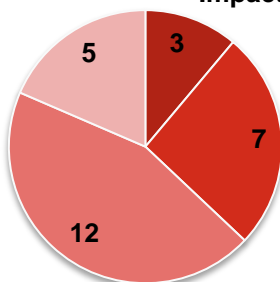
- No answer
- Yes
- No

Impact on voluntary compliance



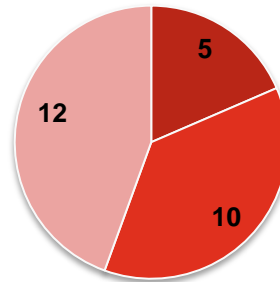
- No answer
- Yes
- No

Impact on logical checks



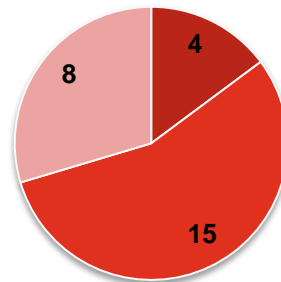
- No answer
- Easier to perform logical checks
- More difficult to perform logical checks
- No impact

Impact on detection of potential fraud



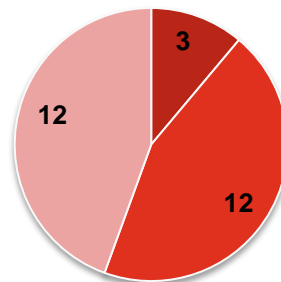
- No answer
- First risk assessment will not indicate potential fraud
- First risk assessment will indicate potential fraud

Impact on controls needed to reveal potential abuse



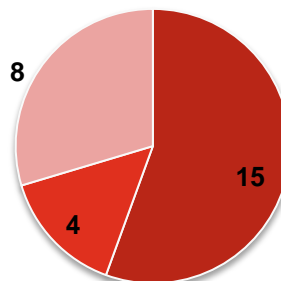
- No answer
- Yes
- No

Impact on how companies are audited



- No answer
- Yes
- No

The common EU standard VAT return will encourage the implementation of e-auditing



- No answer
- Yes
- No

The common EU standard VAT return will facilitate e-auditing techniques



The common EU standard VAT return will impact the systems requirements regarding e-auditing techniques



The common EU standard VAT return will facilitate a common approach to audits at the European level

