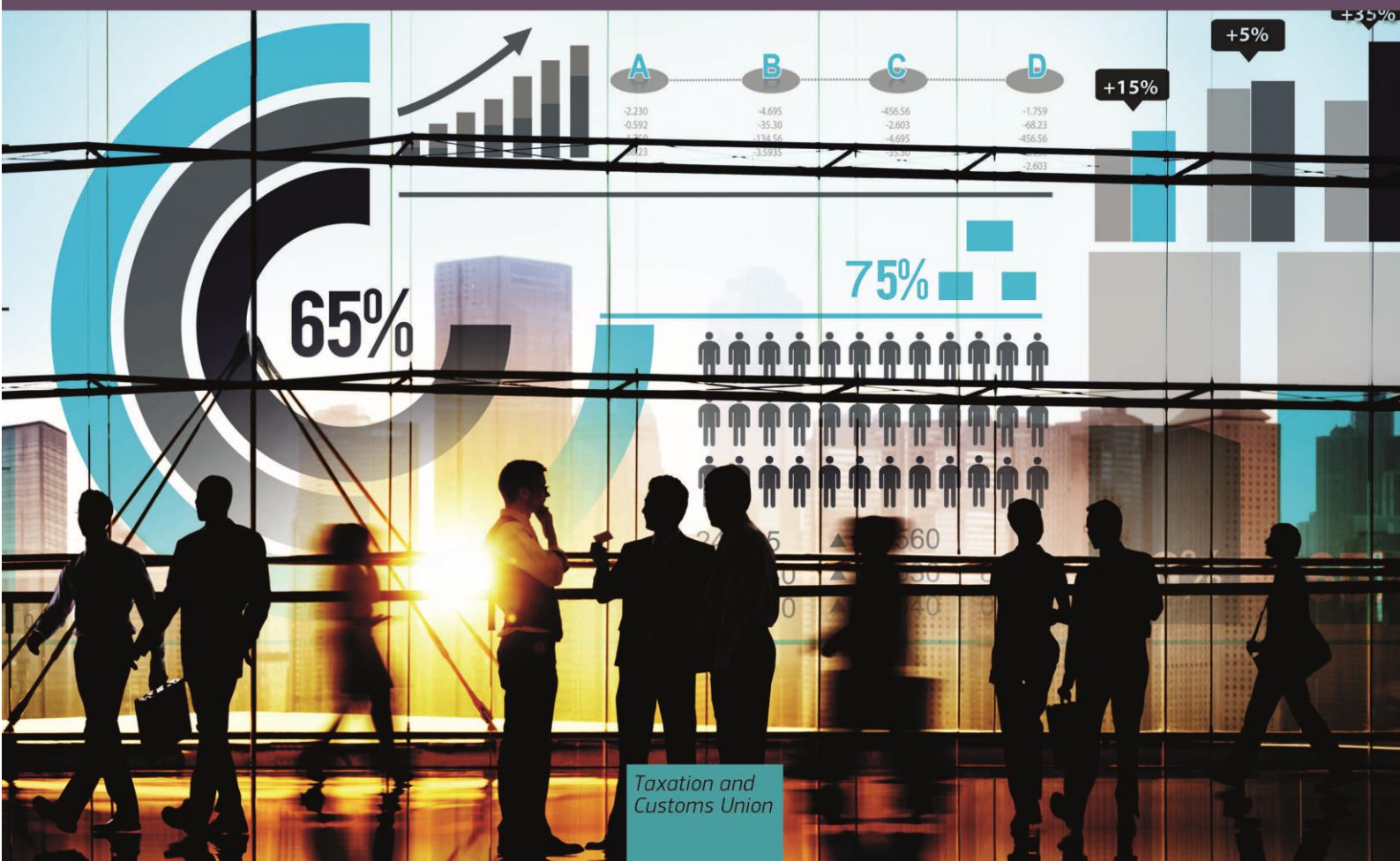




# TaxComp<sup>eu</sup>

## EU Tax Competency Framework

*Competencies  
Dictionary*



Taxation and  
Customs Union

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## A. Introduction

### Document Purpose

The purpose of this document is to provide a detailed description of the fifty-five (55) TaxComp<sup>eu</sup> Competencies, as well as definitions for the 7 Core Values and 4 Proficiency Levels.

### Structure

This document is organised as follows:

- **Introduction**, purpose and structure of this document; TaxComp<sup>eu</sup> Framework Overview presents the competency framework view at a high level;
- **Customs Core Values**, horizontal values that are relevant for any individual working in the Customs profession;
- **Proficiency Levels**, generic proficiency levels that can be associated with a competency for the purposes of defining competency requirements for a specific role profile;
- **Tax Professional Competencies**, competencies that are applied to a broader professional context, and do not necessarily apply to tax only. However, the included competencies are deemed relevant to the tax domain;
- **Tax Operational Competencies**, competencies that are relevant to an operational and functional level. They represent the knowledge and skills required to operate the core and supporting tax functions;
- **Tax Management Competencies**, Management Competencies deemed relevant for both operational and strategic managers within tax.

## Acronyms and Abbreviations

The following acronyms and abbreviations are used in this document:

Acronyms	Description
AC	Arbitration Convention
AEOI	Automatic Exchange of Information
BEPS	Base erosion and profit shifting
CFCs	Controlled Foreign Companies
CJEU	Court of Justice of the EU
CRS	Common Reporting Standard
DPO	Data Protection Officer
DST	Digital Service Tax
eID	Electronic Identification
eIDAS	Electronic Identification and Authentication Services
EU	European Union
FATCA	Financial Account Compliance Act
GDPR	General Data Protection Regulation
HNWI	High Net Wealth Individuals
HRM	Human Resource Management
ICT	Information and Communications Technology
IRD	Inland Revenue Department
LBT	Large Business Taxpayers
MAP	Mutual Agreement Procedures
MLC	Multilateral Control
MS	Member State(s)
MTC	Model Tax Convention
OECD	Organization for Economic Cooperation and Development
SME	Small and Medium-sized Enterprise
TPG	Transfer Pricing Guidelines
VAT	Value-added Tax

*Table 1 - Acronyms and Abbreviations*

## B. Framework High-Level Overview

In the following sections, each of the main building blocks of the TaxComp<sup>eu</sup> will be elaborated upon.

### TaxComp<sup>eu</sup> Overview



Figure 1 - TaxComp<sup>eu</sup> Overview

## C. Tax Core Values

The Tax Core Values encompass the basic vision of tax. Individuals working in tax roles are always required to demonstrate these values.

These are not competencies, according to the agreed definition, and do not have proficiency levels associated to them. The Tax Core Values should be demonstrated by and be visible in the work ethic of everyone working in the tax profession. They form the foundation of the TaxComp<sup>eu</sup> because they help to “improve tax operations” and lead to “better organisational performance”, two of the Framework’s main goals. This can be achieved by making sure that the characteristics of potential new tax hires can be matched against the core values of EU Tax during the recruitment process.

TAX CORE VALUES	DESCRIPTION
<b>1. Strong Ethics and High Integrity</b>	All tax professionals exhibit <b>integrity</b> and earn <b>trust</b> through ethical behaviour. Their uncompromising professionalism in everything they do and say earns the trust and respect of their colleagues, customers and Trade, as well as all other relevant tax partners. Tax professionals ensure high levels of transparency at all times.
<b>2. Data Security Focus</b>	All tax professionals exhibit continuous commitment towards taking the most appropriate digital and non-digital <b>privacy provisions</b> to respect the protection of taxpayer information, private and family privacy rights (as well as free movement of these data) and prevent unauthorised access to computers, databases and websites, as described in the General Data Protection Regulation (GDPR) and other relevant rulings.
<b>3. Customer Service Orientation</b>	All tax professionals commit to and promote a customer-centred culture that emphasises <b>outstanding service levels</b> . Tax employees seek to provide high-quality support, value and service at every level of the organisation. Smooth and efficient revenue collection, the prosperity of business and the promotion of trade relations depend on top-class services provided by tax professionals to its customers.
<b>4. Operational Excellence</b>	Tax Administrations are committed to demonstrating excellence in all spheres of their work, in all operations and in all interactions with colleagues, customers and the economy. In addition, Tax Administrations <b>facilitate excellence</b> by fostering the exercise of judgment, professionalism, rigour, self-discipline, perseverance and team spirit. Tax professionals are expected to demonstrate resilience, technical credibility and professional behaviour at all times.
<b>5. Public Service Commitment</b>	Tax professionals take pride in their profession and are committed to delivering high-quality public service to the general public and to the economy. They assume <b>personal accountability</b> for their individual contribution to the positive reputation of the Tax Administration.
<b>6. Continual Learning and Professional Development</b>	In a world that is rapidly changing, tax professionals <b>assume the responsibility for their own professional growth</b> . To ensure effectiveness and efficiency of tax operations, tax professionals are personally committed to continuously developing their capabilities and are open to lifelong learning. They seek feedback and work to attain progress and professional maturity.
<b>7. Spirit of European Collaboration</b>	Tax Administrations and professionals <b>share a common aim</b> to collaborate with the European Union (EU) and Member States (MS) in ways that encourage cross-border synergies towards effective collection of taxes, fighting fraud and evasion, and the exchange of information.

*Table 2 - Tax Core Values*



## D. Proficiency Levels

The Proficiency Levels used within the TaxComp<sup>eu</sup> apply to all the competencies in the framework (Professional, Operational and Management Competencies). There are four levels ranging from 1 (Awareness) to 4 (Expert). The Proficiency Levels do not apply to the seven Customs Core Values since all Customs professionals are expected to adhere to and demonstrate these values.

A Proficiency Level summarises the required level of proficiency for someone within a certain role. In combination with the competencies required for a certain role, it should mirror both the importance of the competency and the frequency of when it is required in the role. Figure 2 *TaxComp<sup>eu</sup> Proficiency Levels Overview* indicates the Proficiency Levels definitions.

### TaxComp<sup>eu</sup> Proficiency Levels Overview

COMPETENCIES		level 1	level 2	level 3	level 4
		AWARENESS	TRAINED	EXPERIENCED	EXPERT
Operational Competencies "What"	Operational and Expert Career Path	Awareness of <b>basic</b> competency <b>tasks</b> .	Trained in core competency <b>tasks</b> to aid <b>individual contribution</b> .	Experienced in the <b>overall spectrum</b> of competency <b>tasks</b> .	Understanding how competency <b>tasks interlink</b> with domain <b>responsibilities</b> and administrative <b>processes</b> .
	Management Career Path	Awareness of basic <b>domain responsibilities</b> and <b>processes</b> .	<b>Adequate understanding</b> of competency tasks (what needs to be done) and domain <b>responsibilities / processes</b> (how things work).	Experienced in both domain <b>tasks</b> (what needs to be done) and <b>responsibilities / processes</b> (how things work).	
Professional Competencies "How"		Demonstration of <b>basic professional skills</b> .	Trained in <b>core professional skills</b> to aid individual contribution.	Experienced demonstration of <b>professional skills</b> , including handling of <b>special cases</b> .	Experienced demonstration of <b>professional skills</b> . Required to utilise skills to aid <b>domain</b> and <b>administrational processes</b> .
Management Competencies "Why"		Demonstration of <b>basic managerial ability</b> .	Trained in <b>core managerial ability</b> to aid his/her management responsibilities.	Experienced demonstration of <b>managerial ability</b> , including handling of <b>special cases</b> .	Experienced demonstration of <b>managerial ability</b> . Required to utilise ability to aid <b>domain</b> and <b>administrational processes</b> .

Figure 2 - TaxComp<sup>eu</sup> Proficiency Levels Overview

Depending on the **Career Path of each role** (Operational, Expert, Management, Figure 3: TaxComp<sup>eu</sup> Hierarchical Role Levels), as well as the **nature of the specific competency** (Professional, Operational, Management), **proficiency levels have different explanations**, as shown in the descriptions and examples in:

- Figure 4: TaxComp<sup>eu</sup> Level definitions with examples - Operational Competencies
- Figure 5: TaxComp<sup>eu</sup> Level definitions with examples – Professional Competencies
- Figure 6: TaxComp<sup>eu</sup> Level definitions with examples - Management Competencies

## TaxComp<sup>eu</sup> Career Paths

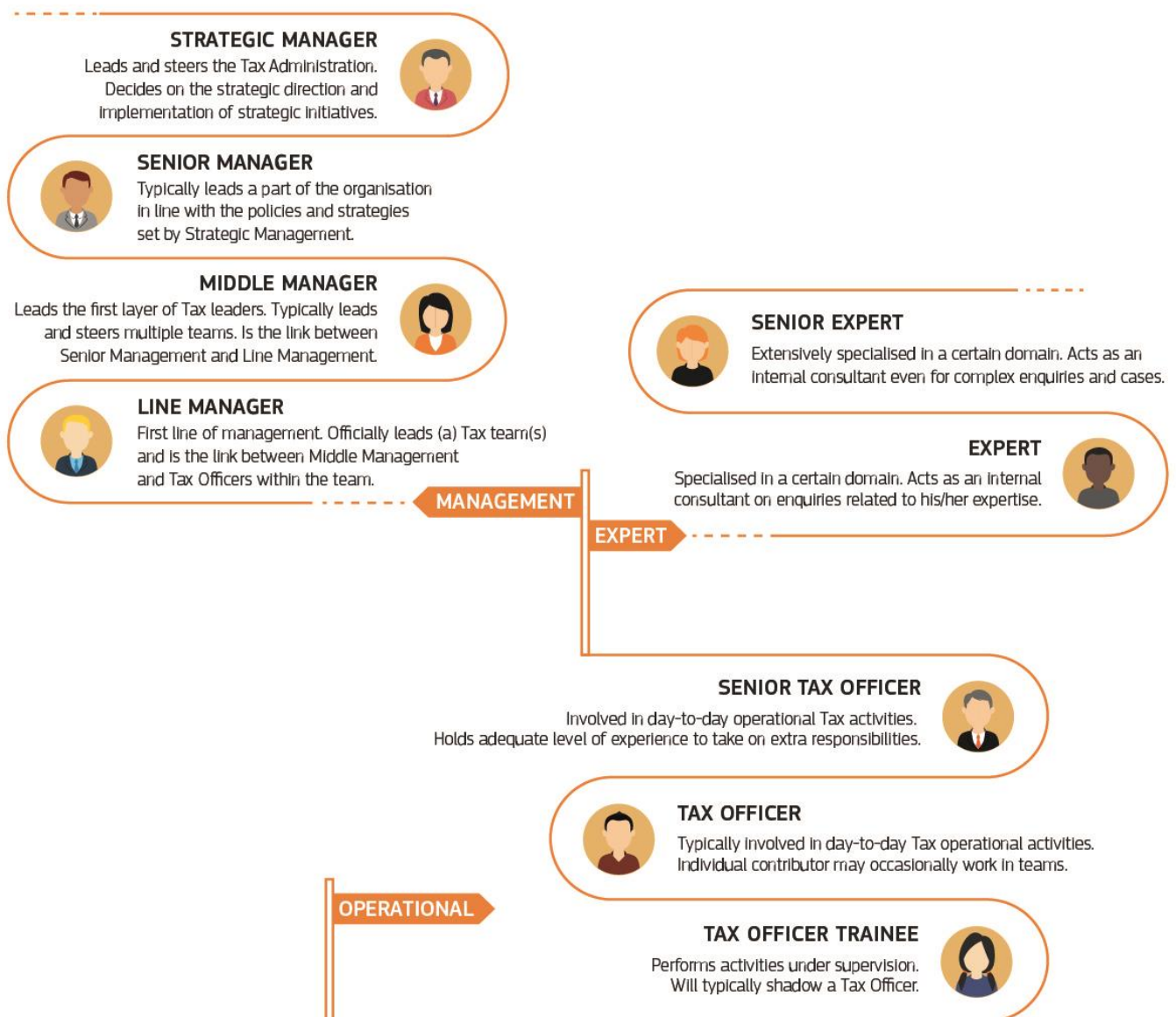


Figure 3 - TaxComp<sup>eu</sup> Hierarchical Role Levels



# TaxComp<sup>eu</sup> Proficiency Level definitions with examples - Operational Competencies

Operational Competencies “What”	level 1	level 2	level 3	level 4
	AWARENESS	TRAINED	EXPERIENCED	EXPERT
<b>Operational and Expert Career Path</b>	Indicates that <b>insight</b> into the <b>competency-specific tasks</b> is required to perform in the specific role. For roles within the Operational career path, would imply that this is not a core competency for the specific role.	<b>Standard</b> level requirement in order to <b>perform individually</b> in specific, standard role tasks in the area of the competency.	Experienced in the <b>overall spectrum</b> of competency <b>tasks</b> .	Understanding how competency <b>tasks interlink</b> with domain <b>responsibilities</b> and administrative <b>processes</b> .
Examples: Tax collection	General understanding of the tax collection tasks required to perform the role. Does not need to perform independently in this competency area.	Good working knowledge of the various tasks within Tax collection, accumulated through formal and on-the-job training. Is expected to apply this knowledge and work independently in standard tax collection situations.	Broad, in-depth knowledge of the Tax collection process and the various tasks to be performed both by this role and by others, even in cases of handling special situations and resolving problems. Might be assigned to train/mentor others on Tax collection specific tasks.	Extensive expert knowledge and understanding in both the tasks and processes incorporated within Tax collection, as well as how Tax collection links to other tax domains and the bigger picture. Can provide tailored advice in a variety of related contexts within Tax collection, responding to both internal and external queries.
<b>Management Career Path</b>	Awareness of <b>basic</b> domain <b>responsibilities and processes</b> (not tasks).	Working knowledge of both domain <b>tasks and responsibilities / processes</b> .	Beyond standard level requirement, refers to <b>increased knowledge and understanding</b> in the area of the competency due to extensive training, experience or a combination of both. Also refers to the ability to <b>process special cases and exceptions</b> within the relevant competency area. Indicates the ability to <b>share this knowledge</b> either formally or informally.	Indicates requirement of extensive <b>comprehension of the varying tasks and processes</b> within the wider competency area combined with <b>understanding of how this competency interlinks and impacts other processes</b> within the administration. <b>End-to-end understanding</b> of both detailed and high-level parameters within the competency definition.
Examples: Tax collection	General awareness of the tax collection process key parameters.	Adequate understanding of both Tax collection tasks (what needs to be done) and responsibilities / processes (how things work within Tax collection).	Broad, in-depth knowledge of the Tax collection process and the various tasks to be performed both by this role and by others, even in cases of handling special situations and resolving problems. Might be assigned to train/mentor others on Tax collection specific tasks.	Extensive expert knowledge and understanding in both the tasks and processes incorporated within Tax collection, as well as how Tax collection links to other tax domains and the bigger picture. Can provide tailored advice in a variety of related contexts within Tax collection, responding to both internal and external queries.

Figure 4 - TaxComp<sup>eu</sup> Level definitions with examples - Operational Competencies

# TaxComp<sup>eu</sup> Proficiency Level Definitions with examples - Professional Competencies

	level 1	level 2	level 3	level 4
	AWARENESS	TRAINED	EXPERIENCED	EXPERT
<b>Professional Competencies “how”</b>	<p>Indicates that <b>insight</b> into the <b>competency-specific skills</b> is required to perform in the specific role. When found within Professional Competency Profiles, would imply that this is not a core competency for the specific role.</p>	<p><b>Standard</b> level requirement in order to demonstrate <b>average professional skills</b> in the area of the competency.</p>	<p>Beyond standard level requirement, refers to <b>increased skill and understanding</b> in the area of the competency due to extensive training, experience or a combination of both.</p>	<p>Indicates requirement of <b>extensive demonstration</b> of relevant skills within the wider competency area. Can produce <b>end-to-end outputs</b> of high detail and quality.</p>
<p>Examples: Oral and Written Communication</p>	<p><i>Ability to convey clear and coherent messages.</i></p>	<p><i>Explains issues clearly and succinctly;</i></p> <p><i>Writes clearly and succinctly in standard communication settings and styles;</i></p> <p><i>Can clearly identify the subject and state the purpose of the communication;</i></p> <p><i>Develops a logical structure and presents ideas in a logical sequence.</i></p>	<p><i>Communicates effectively with others in a variety of settings using clear and coherent language;</i></p> <p><i>Presents thoughts and ideas in a concise, compelling and well-organised manner;</i></p> <p><i>Makes use of arguments to explain ideas and thoughts;</i></p> <p><i>Explains even complex issues clearly and succinctly;</i></p> <p><i>Writes clearly and succinctly in a variety of communication settings and styles.</i></p>	<p><i>Presents thoughts and ideas in a concise, compelling and well-organised manner;</i></p> <p><i>Rhetoric as well as grammatical excellence;</i></p> <p><i>Has a strength in reasoning;</i></p> <p><i>Models actively listening.</i></p>

Figure 5 - TaxComp<sup>eu</sup> Level definitions with examples – Professional Competencies

## TaxComp<sup>eu</sup> Proficiency Level Definitions with examples - Management Competencies

	level 1	level 2	level 3	level 4
	AWARENESS	TRAINED	EXPERIENCED	EXPERT
<p><b>Management Competencies</b> “why”</p>	<p>Exhibits <b>insight</b> into <b>basic principles</b> and <b>processes</b> within the competency area is required for the role to perform successfully. When found in a Competency Profile, would imply that this is not a core competency for the specific role.</p>	<p><b>Standard</b> level requirement of skills and abilities in order to <b>efficiently perform the managerial responsibilities</b> of the role linked to this competency area.</p>	<p>Beyond standard level requirement, indicating <b>deep familiarity with the management counterparts</b> of the competency area, gained through extensive training, experience or a combination of both. Also refers to the ability to handle <b>special issues</b> within the relevant competency area and the ability to <b>share this knowledge</b> either formally or informally.</p>	<p>Indicates requirement of <b>seasoned managerial skills</b> as well as a <b>thorough understanding of strategic parameters</b> in this competency area. At this level, the role requires ability to <b>link managerial skill to the bigger picture</b> to aid informed, high-impact decisions.</p>
<p>Examples: People Management</p>	<p><i>The role requires awareness of the basic HR principles governing a management role (delegation, providing support and direction, etc) as well as the existence of basic HR processes (training, performance management, holiday entitlement, etc) within the administration.</i></p>	<p><i>The role is required to perform management activities such as delegating, providing direction to his/her team, investing in other's development, giving and receiving feedback, taking corrective actions, etc. Moreover, can follow through standard HR processes such as the performance management process and training needs analysis for his/her team.</i></p>	<p><i>The role requires extensive experience in people management skills as well as leading efficient teams, demonstrated both in day-to-day operations and official requests to train or mentor. Also required to have thorough understanding of HR processes (performance management, training needs analysis etc) and how to utilise them to boost team effectiveness.</i></p>	<p><i>The role requires extensive experience in HR skills as well as leading efficient teams, demonstrated both in day-to-day operations and official requests to train or mentor. Also required to have thorough understanding of how HR processes link with other processes within the administration to aid the completion of strategic goals and objectives.</i></p>

Figure 6 - TaxComp<sup>eu</sup> Level definitions with examples - Management Competencies



## E. Tax Professional Competencies

Professional Competencies are of use in a broad professional context and describe the motivation, abilities and traits required to perform effectively in a wide range of jobs/roles within the organisation. Also known as “soft skills” or “behavioural competencies”, Professional Competencies are an integral part of on-the-job success in virtually every context and occupation, and therefore do not apply to taxation only.

A **Competency Profile** (list of Professional, Operational and Management competencies) accompanies every core Tax Role Description of the TaxComp<sup>eu</sup>. As such, Competency Profiles designate the **optimal blend of knowledge and skills** required for successful performance in each core role. Depending on specific role responsibilities and tasks, Competency Profiles include a different proficiency level per Competency, ranging from **Awareness (Level 1) to Expert (Level 4)**. The level distinction summarises the required level of skills for successful performance within a certain role (for more information visit section D. Proficiency Levels). Hence, ascending from one level to the next implies one has mastered all previous levels.

The following 22 Professional Competencies have been designated as significant to different roles within a Tax Administration, and for this reason are listed and described below. Descriptions aim at helping create a shared understanding of the desired/expected attitudes, behaviours and skills within the professional environment.

REF.	PROFESSIONAL COMPETENCY	DESCRIPTION
<b>PC1</b>	<b><i>Drive for Results</i></b>	<ul style="list-style-type: none"> <li>▪ Demonstrates and encourages action-oriented behaviour;</li> <li>▪ Takes actions that lead to the delivery of set targets;</li> <li>▪ Keeps track of and measures outcomes against set targets;</li> <li>▪ Takes actions that lead to quantifiable improvements;</li> <li>▪ Adopts a proactive (make things happen) instead of a reactive (waiting for things to happen) stance;</li> <li>▪ Seeks out opportunities to improve delivery of service through partnership and new ways of working;</li> <li>▪ Operates with personal ownership and looks for ways and means to improve performance all the time;</li> <li>▪ Has an internal motivation for constant development;</li> <li>▪ Able and willing to learn, accepts new ways of learning and keeps open mind for new ideas;</li> <li>▪ Willing to take on professional challenges and opportunities;</li> <li>▪ Motivated by success and passionate about working and achieving higher results;</li> <li>▪ On time consistently and to a high standard;</li> <li>▪ Persists to complete tasks / responsibilities, even in the face of difficulties;</li> <li>▪ Encourages and motivates self and others to achieve results.</li> </ul>

REF.	PROFESSIONAL COMPETENCY	DESCRIPTION
<b>PC2</b>	<b>Teamwork</b>	<ul style="list-style-type: none"> <li>▪ Able to integrate within a team, participate actively, share responsibility and rewards, and contribute to team results;</li> <li>▪ Participates in the development and execution of team goals and plans;</li> <li>▪ Demonstrates the ability and willingness to share information, give and receive constructive feedback;</li> <li>▪ Acknowledges others' skills, experience, knowledge, creativity and contributions. Is willing to learn from others;</li> <li>▪ Seeks to understand and build on differing perspectives of others to enhance team efficiency and quality outcomes;</li> <li>▪ Contributes to a positive, constructive working atmosphere and supports self and team members in combining individual strengths to enhance team performance;</li> <li>▪ Proactively assists and involves others and encourages participation in team outcomes.</li> </ul>
<b>PC3</b>	<b>Oral &amp; Written Communication</b>	<ul style="list-style-type: none"> <li>▪ Communicates effectively with others in a variety of settings using clear and coherent language;</li> <li>▪ Presents thoughts and ideas in a concise, compelling and well-organised manner;</li> <li>▪ Makes use of arguments to explain ideas and thoughts;</li> <li>▪ Listens to and synthesises others' ideas;</li> <li>▪ Explains even complex issues clearly and succinctly;</li> <li>▪ Writes clearly and succinctly in a variety of communication settings and styles;</li> <li>▪ Conveys messages in a coherent manner and in an appropriate language for the intended audience;</li> <li>▪ Can clearly identify the subject and state the purpose of the communication;</li> <li>▪ Develops a logical structure and presents ideas in a logical sequence;</li> <li>▪ Rhetoric as well as grammatical excellence;</li> <li>▪ Has a strength in reasoning;</li> <li>▪ Models actively listening.</li> </ul>
<b>PC4</b>	<b>Decision Making</b>	<ul style="list-style-type: none"> <li>▪ Makes well-informed, effective and timely decisions using sound logical thinking, analysis of facts, personal experience and well-reasoned judgment;</li> <li>▪ Ensures that decisions are made based on policies, rules and organisational directives in order to achieve progress and resolve emerging problems;</li> <li>▪ Understands and anticipates the implications of decisions;</li> <li>▪ Uses data to support decisions;</li> <li>▪ Demonstrates the courage to make tough decisions when needed;</li> <li>▪ Establishes a control and evaluation system for decision making;</li> <li>▪ Able to communicate decisions in an appropriate way and takes a clear view.</li> </ul>



REF.	PROFESSIONAL COMPETENCY	DESCRIPTION
<b>PC5</b>	<b><i>Problem Solving</i></b>	<ul style="list-style-type: none"> <li>▪ Uses sound logic, methods and experience to anticipate, identify, analyse and solve problems;</li> <li>▪ Weighs the relevance and accuracy of information;</li> <li>▪ Analyses issues to separate cause from symptom;</li> <li>▪ Recognises where problems may arise and suggests preventative measures;</li> <li>▪ Adopts a solution-focused mindset (generates alternative solutions and recommendations);</li> <li>▪ When making decisions, takes into account all involved parties, acts upon and follows up on actions in a timely manner.</li> </ul>
<b>PC6</b>	<b><i>Analytical Thinking</i></b>	<ul style="list-style-type: none"> <li>▪ Collects information and data;</li> <li>▪ Identifies the logical, factual outcomes based on the data, information and analyses conducted;</li> <li>▪ Systematically breaks down a complex problem or process into component parts; Understands the interrelations among these parts;</li> <li>▪ Utilises data to identify possible causes for a problem, acts to prevent the problem from occurring partially or totally;</li> <li>▪ Probes and investigates for potential irregularities effectively;</li> <li>▪ Uses analytical techniques to identify several solutions and weighs the value of each;</li> <li>▪ Draws accurate conclusions and makes balanced and fair recommendations.</li> </ul>
<b>PC7</b>	<b><i>Adaptability to Change</i></b>	<ul style="list-style-type: none"> <li>▪ Demonstrates willingness to contribute and adapt to change;</li> <li>▪ Acts as a positive multiplier;</li> <li>▪ Accepts changes in one's own organisation or job requirements as a component of progress;</li> <li>▪ Treats change as an opportunity rather than threat and responds to it positively;</li> <li>▪ Demonstrates a continuous improvement mindset;</li> <li>▪ Shifts strategy or approach in response to demands of the situation to accomplish organisational objectives;</li> <li>▪ Able to adapt to and work effectively in a variety of situations, individuals, or groups;</li> <li>▪ Able to understand and appreciate different and opposing perspectives of an issue;</li> <li>▪ Changes own behaviour or approach to suit the situation.</li> </ul>
<b>PC8</b>	<b><i>Time Management</i></b>	<ul style="list-style-type: none"> <li>▪ Organises and manages own time and work effectively;</li> <li>▪ Communicates all potential time- and workload-related issues in a proactive manner;</li> <li>▪ Understands the difference between urgent and important issues, and the respective time/effort that should be invested in them;</li> <li>▪ Quickly identifies and focuses on the critical items;</li> <li>▪ Prioritises based on the severity of the consequences;</li> <li>▪ Works quickly to identify and focus on factors that will assist in accomplishing a goal, while eliminating the obstacles to reaching that goal.</li> <li>▪ Can deal with several tasks simultaneously, as well as with deadlines without reducing the quality;</li> <li>▪ Follows organisational / departmental pace;</li> <li>▪ Spends own time and the time of others on what is most important in relative terms;</li> <li>▪ Focuses on high impact measures.</li> </ul>

REF.	PROFESSIONAL COMPETENCY	DESCRIPTION
<b>PC9</b>	<b><i>Coping with Stress</i></b>	<ul style="list-style-type: none"> <li>▪ Able to deal with complex, high-pressure challenges;</li> <li>▪ Remains calm and keeps oversight in stressful situations;</li> <li>▪ Can deal with and find solutions for urgent issues;</li> <li>▪ Recognises and responds to important matters;</li> <li>▪ Demonstrates resilience even in the face of difficulty;</li> <li>▪ Does not avoid accountability;</li> <li>▪ Able to put things into perspective;</li> <li>▪ Aware of and monitors his/her mental and physical resources;</li> <li>▪ Demonstrates a positive, can-do attitude.</li> </ul>
<b>PC10</b>	<b><i>Knowledge/Experience Sharing</i></b>	<ul style="list-style-type: none"> <li>▪ Aware of the benefits of sharing knowledge and experience;</li> <li>▪ Willing and open to disseminate knowledge and experience to others to achieve mutual benefits;</li> <li>▪ Able to explain things in an easily understandable way;</li> <li>▪ Able to change the way he/she communicates according to the audience at hand;</li> <li>▪ Knows how to verify that the message was understood by the recipients;</li> <li>▪ Analyses relevant knowledge and knows the methodology of knowledge transfer.</li> </ul>
<b>PC11</b>	<b><i>Technological Ability</i></b>	<ul style="list-style-type: none"> <li>▪ Has an affinity for technology and IT;</li> <li>▪ Suggests and encourages the adoption of new technologies. Picks up on new technology (collaborative tools, online software platforms, e-learning) quickly;</li> <li>▪ Seeks opportunities to learn about new technologies;</li> <li>▪ Understands the importance of technology in the world of tax;</li> <li>▪ Uses technology as a tool to research, organise, evaluate and communicate information.</li> </ul>
<b>PC12</b>	<b><i>Interpersonal Relations</i></b>	<ul style="list-style-type: none"> <li>▪ Interacts positively with different people at all levels – internal and external to the Administration;</li> <li>▪ Builds mutual trust, is reliable, consistent and credible;</li> <li>▪ Puts in place conditions conducive to respect for all individuals and teams;</li> <li>▪ Shows respect and genuine concern for other people’s needs and builds good working relationships with colleagues and co-workers;</li> <li>▪ Actively listens to the views of others.</li> </ul>
<b>PC13</b>	<b><i>Data Protection</i></b>	<ul style="list-style-type: none"> <li>▪ Ensures individual privacy / identity protection in line with the relevant national laws on personal data protection, as well as the EU GDPR;</li> <li>▪ Abides by the EU GDPR, the Convention on the Protection of Human Rights and Fundamental Freedoms and national data protection laws;</li> <li>▪ Deploys knowledge on legal protection of taxpayers, regarding both individual and company data (i.e. data protection by EU legislation, GDPR, jurisdiction of the Court of Justice of the EU (CJEU) etc.);</li> <li>▪ Takes appropriate provisions to ensure legal security to taxpayers (individuals and companies), respects private, family and privacy rights according to the GDPR, the Convention on the Protection of Human Rights and Fundamental Freedoms and other relevant rulings.</li> </ul>

REF.	PROFESSIONAL COMPETENCY	DESCRIPTION
<b>PC14</b>	<b>Handling Conflict</b>	<ul style="list-style-type: none"> <li>▪ Applies active listening, finds common ground and resolves disputes equitably;</li> <li>▪ Tries to look at the issue from the different parties' perspective, demonstrating understanding and seeking win-win solutions;</li> <li>▪ Analyses situations thoroughly before taking actions;</li> <li>▪ Anticipates, manages and resolves conflicts and disagreements in a positive and constructive manner;</li> <li>▪ Assumes own responsibility, refrains from passing judgement and blaming others.</li> </ul>
<b>PC15</b>	<b>Processing Information</b>	<ul style="list-style-type: none"> <li>▪ Able to retrieve, process and input information both in virtual and physical contexts;</li> <li>▪ Able to validate, interpret, combine and share information with transparency whilst respecting all relevant rules and regulations;</li> <li>▪ Able to engage in the appropriate procedures when required information is missing;</li> <li>▪ Able to show multiple angles and perspectives of an issue;</li> <li>▪ Puts in place measures according to received information.</li> </ul>
<b>PC16</b>	<b>Data Management</b>	<ul style="list-style-type: none"> <li>▪ Demonstrates the knowledge and ability to apply the principles, procedures and tools of data management, such as modelling techniques, data backup, data recovery, data dictionaries, data warehousing, data mining, data disposal, and data standardisation processes;</li> <li>▪ Is able to manage critical organisational data and utilise it in tasks;</li> <li>▪ Knows how to use database software to find records, sort, review, edit, print and other functions, and how to use built-in forms and reports in a database;</li> <li>▪ Understands definitions, programme guidelines and sources of data;</li> <li>▪ Reviews data and works with colleagues to ensure that data is accurate;</li> <li>▪ Can use data effectively to make improvements and draw conclusions, including looking at lists and summaries, looking for patterns, analysing results and making presentations to others.</li> </ul>
<b>PC17</b>	<b>Dealing with Operational Risk</b>	<ul style="list-style-type: none"> <li>▪ Able to apply general principles, methods and tools commonly used for risk assessment and management;</li> <li>▪ Demonstrates the knowledge and ability to deal with operational risk on a daily basis;</li> <li>▪ Knows when/how to escalate/minimise/avoid risks.</li> </ul>
<b>PC18</b>	<b>Professional Networking</b>	<ul style="list-style-type: none"> <li>▪ Establishes and cultivates contacts that are useful to the business of tax (both at a national and international levels);</li> <li>▪ Builds up relevant contacts and establishes rapport;</li> <li>▪ Draws upon network of contacts to improve own professional effectiveness and efficiency.</li> </ul>
<b>PC19</b>	<b>Working Virtually</b>	<ul style="list-style-type: none"> <li>▪ Able to effectively and efficiently use the appropriate systems (physical and virtual) as a way to read, report, store and communicate data and information;</li> <li>▪ Able to work as part of a virtual team.</li> </ul>

REF.	PROFESSIONAL COMPETENCY	DESCRIPTION
<b>PC20</b>	<b><i>Intercultural Relations</i></b>	<ul style="list-style-type: none"> <li>▪ Demonstrates willingness to understand diversity, that every individual is unique. Recognises individual differences along the dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, religious / political beliefs, or other ideologies;</li> <li>▪ Adopts a social inclusion mindset;</li> <li>▪ Actively seeks others' perspectives to ensure inclusiveness and understanding;</li> <li>▪ Tailors communications to diverse audiences.</li> </ul>
<b>PC21</b>	<b><i>English as a Foreign Language</i></b>	<ul style="list-style-type: none"> <li>▪ Demonstrates fluency in reading, listening, speaking and professional writing in English;</li> <li>▪ Utilises knowledge of the English language in the context of cooperation initiatives at EU and international levels.</li> </ul>
<b>PC22</b>	<b><i>Customer Focus</i></b>	<ul style="list-style-type: none"> <li>▪ Can identify internal / external customers and their differing needs;</li> <li>▪ Sees him-/herself as a service provider for his/her customers;</li> <li>▪ Is aware of the different tools and methodologies to analyse client needs;</li> <li>▪ Can solve conflict situations in customer contact in a constructive way;</li> <li>▪ Reviews his/her actions regarding the impact on customers;</li> <li>▪ Engages to improve customer experience.</li> </ul>

**Table 3 - Tax Professional Competencies**

## F. Tax Operational Competencies

Operational Competencies cover the demonstrable technical characteristics that enable successful performance in tax roles and as such, designate the core expertise of the Administration. However, it should be noted that Operational Competencies alone are not sufficient to perform as a tax professional. In all cases, they should be combined with other competencies (Professional and/or Management) to ensure that the tax professional will be successful in his/her role.

A **Competency Profile** (list of Professional, Operational and Management competencies) accompanies every core Tax Role Description of the TaxComp<sup>eu</sup>. As such, Competency Profiles designate the **optimal blend of knowledge and skills** required for successful performance in each core role. Depending on specific role responsibilities and tasks, Competency Profiles include a different proficiency level per Competency, ranging from **Awareness (Level 1) to Expert (Level 4)**. The level distinction summarises the required level of skills for successful performance within a certain role (for more information visit section D. Proficiency Levels). *Proficiency levels carry a differing explanation depending on the Career Path of the role for Operational competencies. Please review Section D, figure 4 for more details.*

The following 16 Operational Competencies have been designated as significant to different roles within a Tax Administration, and for this reason are listed and described below. In the table below, a **Scope** column is included to explain the context in which each competency is applicable, along with the **Description** column that lists the tasks related to the competency. Both should allow for a common understanding of what is envisaged to be covered under the Tax Operational Competencies.

OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
<b>OC1: Tax Business Understanding</b>	Knowledge of national Tax Code processes and the role of the Tax Administration within the national and EU economic and tax environment.	<ul style="list-style-type: none"> <li>▪ Has knowledge of the (operational and strategic) roles of taxation in daily decision making;</li> <li>▪ Demonstrates understanding of tax policy governance;</li> <li>▪ Demonstrates understanding of both macroeconomics and microeconomics related to tax issues within a national, EU and global context;</li> <li>▪ Contributes to the creation of a fair and attractive taxation environment, both at national and EU level;</li> <li>▪ Has in-depth understanding of the organisation's goals;</li> <li>▪ Applies knowledge regarding cooperation between usual internal and external partners in daily activities;</li> <li>▪ Demonstrates understanding of compliance in securing national income.</li> </ul>
<b>OC2: Tax Legislation</b>	Compliance with the national and EU legal provisions. Refers to the drafting, interpretation and administration of tax regulations and the application of legal competence to ensure greater efficiency of Tax Administrations.	<ul style="list-style-type: none"> <li>▪ Demonstrates understanding of the scope of tax legislation and its legal definitions;</li> <li>▪ Applies knowledge of national and EU legal provisions in their daily operations;</li> <li>▪ Supports the review and drafting of tax legislation;</li> <li>▪ Applies legal knowledge, legal interpretation and advice when and where necessary;</li> <li>▪ Applies legal competence to practical tax situations (e.g. assessment, enforcement, penalties, interest);</li> <li>▪ Drafts and provides guidance on proper implementation of direct and indirect tax legislation;</li> </ul>



OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
		<ul style="list-style-type: none"> <li>▪ Responds to queries from individuals / persons and economic operators in relation to legislation, in readily accessible language;</li> <li>▪ Reviews appeals, refers and examines details to ensure fair and legal decisions have been made;</li> <li>▪ Applies understanding of implementation of new tax regimes, policies and/or social programmes;</li> <li>▪ Works towards alignment with EU legislation at a national level.</li> </ul>
<b>OC3: Taxpayer Compliance</b>	<p>Ensuring taxpayer (both physical and legal persons) compliance with the legal requirements of the tax regulations. Encouraging maximum compliance with fiscal obligations, with a focus on voluntary compliance.</p>	<ul style="list-style-type: none"> <li>▪ Carries out a series of initiatives aimed at enhancement of voluntary compliance;</li> <li>▪ Identifies taxpayers' omitted tax obligations and invites them to regularise the situation prior to the audit activities;</li> <li>▪ Implements co-operative compliance programmes for large businesses, as well as public awareness compliance and preventive measures to promote a culture of taxpayer compliance;</li> <li>▪ Carries out and manages active compliance activities with the aim to deter, detect and address noncompliance with tax laws;</li> <li>▪ Safeguards taxpayer rights and ensures appropriate checks and balances are in place when Administrations exercise tax powers;</li> <li>▪ Manages small and medium-sized enterprise (SME) compliance;</li> <li>▪ Processes verification of taxpayer-reported information manages compliance by design and applies knowledge of tax compliance measures for the 'sharing economy' (internet service platforms);</li> <li>▪ Performs tax gap analysis over time and prepares reports of non-compliance and emerging risks;</li> <li>▪ Works towards reducing tax compliance costs and delays.</li> </ul>
<b>OC4: Tax Audit</b>	<p>Carrying out audit activities aimed at deterring, detecting and addressing non-compliance with taxation laws.</p>	<ul style="list-style-type: none"> <li>▪ Manages statutory audits, queries, desk and field audits;</li> <li>▪ Understands and deploys customer compliance management methodologies;</li> <li>▪ Collects information about taxpayer activity (e.g. develops and administers questionnaires to taxpayers, collects information from inquiries to third parties within national legal scope);</li> <li>▪ Uses the most appropriate tax audit tools and techniques (e-audit and e-control applications, mobile app and tax);</li> <li>▪ Performs inspections and cross-assessment of tax bases, tax procedures, property taxes and other regulations;</li> <li>▪ Processes data matching;</li> <li>▪ Examines accounting books in accordance with economic transactions and completeness;</li> <li>▪ Organises and performs visits to business premises to view and check documents and interview staff;</li> <li>▪ Demonstrates understanding of the laws and initiatives designed to manage the shadow economy (electronic cash registers and electronic invoicing);</li> <li>▪ Collaborates on a national level with other authorities (e.g.</li> </ul>

OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
		<p>Customs Control);</p> <ul style="list-style-type: none"> <li>▪ Produces reports (e.g. reports on suspected criminal offences detected during tax audits at the relevant law enforcement authorities);</li> <li>▪ Monitors and evaluates the performance and outputs of tax audits;</li> <li>▪ Manages risk-based multilateral control audits of taxpayers together with officials from foreign Tax Administrations.</li> </ul>
<b>OC5: Tax Collection</b>	<p>Collection of direct and indirect taxation, as well as taking appropriate action against economic operators not filling tax returns on time and/or making due payments. Verification of the accuracy and completeness of taxpayer-reported information and tax obligations.</p>	<ul style="list-style-type: none"> <li>▪ Develops and implements integrated revenue collection strategies, policies and systems;</li> <li>▪ Implements knowledge in processing the collection of taxes and related contributions;</li> <li>▪ Applies knowledge in managing billing, collection, payment arrangements, interest and penalties processes;</li> <li>▪ Supports the processes of filing tax returns, self-assessment, VAT and withholding tax, as well as third-party reporting and matching;</li> <li>▪ Processes and handles outstanding returns and payments, manages the collection of unpaid taxes;</li> <li>▪ Processes debt management enforcement (tax debts vs overpayments, payment arrangements and extensions, interests and penalties, etc.);</li> <li>▪ Implements knowledge of dispute settlement and resolution, appeal and review processes, and of transfer and acceptance of tax balances in the case of taxpayers' liquidation or bankruptcy;</li> <li>▪ Applies knowledge to execute reimbursements in all Tax Administration levels, i.e. central, regional and local;</li> <li>▪ Applies knowledge in pre-filled tax returns and third-party data management;</li> <li>▪ Identifies unrecognisable or erroneous payments and makes appropriate attraction or redirection of payments;</li> <li>▪ Verifies taxpayer information and shares payment information with other institutions (e.g. banks);</li> <li>▪ Provides international assistance, particularly Assistance in Collection Articles, in agreements between jurisdictions.</li> </ul>
<b>OC6: Tax Policy and Governance</b>	<p>Refers to the implementation of government policy, laws and decisions regarding aspects relating to the overall quantity of taxes to be collected that can inversely affect the level of economic activity. Also refers to issues of fairness (whom to tax) and efficiency (which taxes will have how much of a distorting effect on various types of economic activity).</p>	<ul style="list-style-type: none"> <li>▪ Adopts governance and accountability approaches that are agile, flexible and responsive;</li> <li>▪ Proposes policy and compliance strategies that tackle non-compliance issues and emerging risks;</li> <li>▪ Adopts business structures and technologies that are adaptive and open;</li> <li>▪ Adopts processes that support wider engagement with stakeholders and users, are more accessible and take into account all facets of the tax system;</li> <li>▪ Develops guidance for emerging compliance risks (e.g. managing VAT carousel fraud or promoting the proper implementation of the OECD actions on base erosion and profit shifting-BEPS);</li> <li>▪ Processes and proposes 'fair tax reform' in connection to strategic management decisions of the Tax Administration, creates and deploys procedures that ensure integrity of the</li> </ul>

OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
		<p>tax system;</p> <ul style="list-style-type: none"> <li>▪ Manages and encompasses advanced analytics techniques, gather insights from data (optimise debt management processes, improve filing rates and quality, deliver better taxpayer services and understand the wider impact of policy changes);</li> <li>▪ Develops plans for ongoing and annual monitoring and evaluation of tax law and policy achievements through planning and reporting processes;</li> <li>▪ Strengthens and improves the capacity for conducting “Impact Assessments” of tax policies;</li> <li>▪ Implements the Directive on double taxation dispute resolution mechanisms in the EU;</li> <li>▪ Drafts and produces tax policy reports on macroeconomic and microeconomic, as well as e-commerce and e-invoicing aspects of taxation to be presented both to the Administration’s strategic management and to the Parliament, National Central Bank, Capital Market Commission, private stakeholders, etc.;</li> <li>▪ Ensures the Tax Administration is sufficiently autonomous in the following areas: organisation and planning, budget management, performance management, resource allocation and human resource management;</li> <li>▪ Introduces new technologies or work methods (e.g. developing digital services).</li> </ul>
<b>OC7: Tax Enforcement</b>	All required activities to enforce tax legislation in cases of confirmed tax fraudulent or tax criminal activities. Collection of tax duties by means available under the tax legislation.	<ul style="list-style-type: none"> <li>▪ Applies knowledge of the legal provisions and instruments for tax enforcement;</li> <li>▪ Imposes fines according to tax law provisions, as well as other enforcement actions (e.g. legal seizure of property);</li> <li>▪ Co-operates with other institutions (e.g. banks) through information and intelligence exchanges;</li> <li>▪ Effectively co-operates with other (law enforcing) authorities on taxation issues and initiates legal proceedings at both national and international level.</li> </ul>
<b>OC8: Tax Fraud and Investigation</b>	The identification, detection, investigation and prosecution of tax fraud in both traditional and digital economy. Refers to a wide variety of tax-related investigations to identify legal source, illegal source and financial tax crimes that threaten the strategic, political and economic interests of jurisdictions.	<ul style="list-style-type: none"> <li>▪ Works with an integrated and comprehensive tax fraud and avoidance prevention strategy that covers all issues, from ensuring that legislation is sufficiently transparent and effective to promoting culture of taxpayer compliance;</li> <li>▪ Safeguards public revenue by identifying, detecting, investigating and prosecuting tax fraud;</li> <li>▪ Detects and prevents tax crime, with a focus on enforcement and securing tax claims;</li> <li>▪ Applies legal competence to fight against tax evasion/avoidance;</li> <li>▪ Fights against tax evasion/avoidance with regard to VAT and excise duties, personal and corporation taxation, housing, environmental taxation and others;</li> <li>▪ Tackles tax evasion/avoidance in any new emerging business that has high implication of hiding transactions (e.g. digital economy, collaborative economy, online platforms);</li> <li>▪ Conducts independent financial investigations, assesses</li> </ul>

OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
		<p>principles of evidence and uses direct and indirect methods of proof;</p> <ul style="list-style-type: none"> <li>▪ Deploys anti-corruption measures and mechanisms;</li> <li>▪ Plans, conducts and records interviews for prosecution purposes;</li> <li>▪ Uses strong and effective cooperation and/or liaison links with other agencies, institutions or Tax Administrations engaged in fighting tax fraud (e.g. financial police, prosecution services, judicial authorities);</li> <li>▪ Fights against tax havens, offshore financial centres, secrecy jurisdictions or non-cooperative jurisdictions;</li> <li>▪ Applies knowledge in developing and following methods of tracing the illegal movement of money to combat anti-money laundering, terrorist financing, corruption and other financial crimes;</li> <li>▪ Prepares civil suits in criminal cases;</li> <li>▪ Tackles international tax offences by using an efficient and effective risk-based system and procedures for the exchange of information with other national Tax Administrations.</li> </ul>
<b>OC9: Exchange of Information</b>	Refers to the exchange of information between the national Tax Administration, the EU and MS Tax Administrations, as well as third countries, for tax purposes (cross-border investments, establishments, personal and capital movements) abiding to bilateral treaties, multilateral conventions and EU law.	<ul style="list-style-type: none"> <li>▪ Implements the relevant articles and provisions of the OECD Model Tax Convention (MTC);</li> <li>▪ Implements the EU Directive concerning Mutual Assistance for the recovery of Claims and the EU Directive on Administrative Cooperation;</li> <li>▪ Adheres to the new global standards on Automatic Exchange of Information (AEOI), the Common Reporting Standard (CRS) and the Financial Account Compliance Act (FATCA) that provides for the exchange of non-resident financial account information;</li> <li>▪ Exchanges information on request of the EU, MS and third country Tax Administrations, within national legal scope;</li> <li>▪ Processes spontaneous exchange of information;</li> <li>▪ Deals with automatic exchange of information by using digital services and e-applications.</li> </ul>
<b>OC10: International Tax Affairs</b>	Collaboration with a growing global network of Tax Administrations, the EU and other international bodies (OECD, Council of Europe, IMF, UN, etc.), with the aim of fighting international tax evasion/avoidance, and aggressive tax practices, as well as promoting capacity building among developing countries' Tax Administrations. Engaging with other Tax Administrations to identify trends, develop strategies, set benchmarks and share	<ul style="list-style-type: none"> <li>▪ Deploys knowledge of domestic tax law, bilateral double tax treaties, anti-avoidance measures and EU tax legislation;</li> <li>▪ Understands aggressive tax planning in the EU and the design of competitive tax policies (e.g. the Platform for Tax Good Governance, Aggressive Tax Planning and Double Taxation, the Patent Box regime and controlled foreign companies (CFCs));</li> <li>▪ Oversees corporate tax practices and engages in cross-border collection;</li> <li>▪ Ensures compliance with Mutual Agreement Procedures (MAPs) (e.g. dispute resolution mechanisms, exploitation of transfer pricing rules, debt-shifting, hybrid mismatch arrangements, tax treaty abuse, artificial avoidance of permanent establishment status and tax rulings);</li> <li>▪ Identifies trends, develops strategies, sets benchmarks and shares best practices with other Tax Administrations on debt management;</li> </ul>

OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
	best practices on tax enforcement.	<ul style="list-style-type: none"> <li>▪ Processes information exchange for tax purposes, (i.e. exchange of information on request, spontaneous or automatic exchange of information);</li> <li>▪ Implements tax planning techniques and mechanisms, and the OECD package on BEPS actions (i.e. transfer pricing rules, debt shifting, hybrid mismatching arrangements, tax treaty abuse, artificial avoidance of permanent establishment, etc.);</li> <li>▪ Deploys parameters of the European Commission action plan for a fair and efficient corporate tax system in the EU.</li> </ul>
<b>OC11: Risk Management and Analysis</b>	Refers to employing processes and techniques to manage risk in order to ensure compliance with tax law. Also refers to sustaining confidence in the tax system by putting in place strategies and structures to ensure that non-compliance with tax law or tax fraud is kept to the minimum possible.	<ul style="list-style-type: none"> <li>▪ Develops and puts in place strategies and structures to ensure that non-compliance with the tax law or tax fraud are kept to the minimum possible;</li> <li>▪ Performs the risk management process: identify risks, assess and prioritise risks, analyse compliance behaviour (causes, options for treatment), determine treatment categories, plan and implement strategies, evaluate compliance outcomes and any type of tax risk;</li> <li>▪ Manages and optimises data management processes to improve detection and prevention of non-compliance;</li> <li>▪ Performs risk analysis and documents/reports the findings to relevant stakeholders;</li> <li>▪ Effectively manages audit case selection, deploys risk-based tax audit strategies, determines and prioritises audits according to agreed risk factors (e.g. the size and complexity of taxpayers and their compliance record);</li> <li>▪ Carries out tax gap measurements, random audits and robust risk monitoring;</li> <li>▪ Effectively neutralises negative risk for the Tax Administration's objectives (risk prevention, transfer and education);</li> <li>▪ Manages integrated risk assessment;</li> <li>▪ Uses risk-based systems to monitor tax fraud and evasion/avoidance and uses data to inform and support the efficient deployment of resources.</li> </ul>
<b>OC12: Operational and Advanced Tax Relevant Data Analytics</b>	Data analysis and day-to-day analytics activities, with the main objectives to provide insight into tax operations and gather targeted information to identify opportunities for tax process policy improvements.	<ul style="list-style-type: none"> <li>▪ Uses data analytic techniques;</li> <li>▪ Supports real-time or near real-time operational processes by using analytic techniques;</li> <li>▪ Utilises data to determine operational strategies and resource allocation;</li> <li>▪ Utilises target data to proactively identify areas for improvement of operational effectiveness based on performance measurement activities and the identification of patterns and taxpayer behaviours;</li> <li>▪ Interprets operational data to provide insights and improve decision making;</li> <li>▪ Communicates the results of data analyses to all appropriate parties (as appropriate and legally possible);</li> <li>▪ Supports a wide range of actions (e.g. optimising debt management processes, improving tax returns, filing rates and quality, delivering advanced taxpayer services) with the purpose of understanding the wider impact of tax policy changes and improving the Tax Administration's performance.</li> </ul>



OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
<p><b>OC13: Taxpayer Identification and Registration</b></p>	<p>Management and maintenance of tax registers for those taxpayers that are part of the system, as well as identification and registration of those yet to join. Also refers to cross-border recognition of electronic identification (eID).</p>	<ul style="list-style-type: none"> <li>▪ Applies knowledge to facilitate efficient taxpayer identification and registration;</li> <li>▪ Demonstrates knowledge of online registration processes;</li> <li>▪ Ensures the maintenance of taxpayer registration systems;</li> <li>▪ Guides and helps taxpayers comply with their tax registration;</li> <li>▪ Ensures security and authentication of taxpayer information processes (prevention of unlawful attempts to obtain information, protection of taxpayer rights, taxpayer authentication);</li> <li>▪ Processes third-party data (within national legal regulations) and uses data analytics methods to improve the quality of the taxpayer registry;</li> <li>▪ Use of electronic Identification and Authentication Services (eIDAS) within the EU;</li> <li>▪ Deploys knowledge to process cross-border recognition of eID.</li> </ul>
<p><b>OC14: Taxpayer Services Processing</b></p>	<p>Making relevant information readily available to taxpayers, use of tax e-platforms, support of taxation, tax declaration processes and compliance management. Supporting taxpayers in meeting their obligations and/or claiming their entitlements and providing more self-service options.</p>	<ul style="list-style-type: none"> <li>▪ Performs annual tax processes (e.g. receipt and filing of tax returns, receipt and payment of tax bills, correspondence with the Inland Revenue Department (IRD));</li> <li>▪ Provides support to the public (e.g. information on how to complete tax returns, fulfil tax obligations and solve common tax issues, download IRD software and tax forms, use interactive application software, tax digital services and mobile apps, access personalised online tax services under eTAX and provide non-stop shop services for certain target groups);</li> <li>▪ Applies knowledge in determining the value and use of assets, to calculate property and other taxes;</li> <li>▪ Applies knowledge to support taxpayers on tax rulings (advising taxpayers on tax law interpretation);</li> <li>▪ Strives to increase taxpayer satisfaction through customer experience management and taxpayer satisfaction surveys;</li> <li>▪ Provides high-quality customer-oriented services.</li> </ul>
<p><b>OC15: Large Business Taxpayers and High Wealth Individuals Processing</b></p>	<p>Dealing with all fiscal functions related to both Large Business Taxpayers (LBT) and High Wealth Individuals (HWI) over a significant turnover threshold determined at national level.</p>	<ul style="list-style-type: none"> <li>▪ Processes and manages all fiscal functions for LBT and HWI;</li> <li>▪ Handles the full spectrum of central excise, income/corporate tax and VAT or service tax;</li> <li>▪ Monitors and consults with corporate taxpayers;</li> <li>▪ Deploys supply chain transaction methodologies;</li> <li>▪ Implements the OECD's Transfer Pricing Guidelines (TPG) (rules for pricing transactions between enterprises under common ownership or control);</li> <li>▪ Applies uniformity in handling tax/duty determination for LBT and HNWI;</li> <li>▪ Implements relevant articles and provisions of the OECD Model Tax Convention on Income and Capital (MTC);</li> <li>▪ Implements Mutual Agreement Procedures (MAP);</li> <li>▪ Understands and deploys BEPS actions relating to dispute resolution mechanisms;</li> <li>▪ Demonstrates knowledge of the European Union Arbitration Convention (AC);</li> <li>▪ Has knowledge of domestic tax law, double tax treaties and</li> </ul>

OPERATIONAL COMPETENCY	SCOPE	DESCRIPTION
<p><b>OC16:</b> <b>Taxation of New Emerging Businesses and Digital Economy</b></p>	<p>Refers to understanding future economic trends and the hybrid market model of peer-to-peer exchange (e.g. car sharing, short term lets) that is often facilitated by community-based online services. Also refers to understanding the rules relating to both the corporate taxation of significant digital presence and the digital service tax (DTS) in revenues resulting from the provision of certain digital services.</p>	<p>anti-avoidance issues.</p> <ul style="list-style-type: none"> <li>▪ Understands the level playing field between collaborative and traditional economies;</li> <li>▪ Effectively decodes the collaborative economy;</li> <li>▪ Understands the regulatory challenges across a variety of platforms;</li> <li>▪ Understands the tax challenges posed by digitalisation of the economy;</li> <li>▪ Identifies practical and reasonable ways of applying internationally accepted taxation norms to e-commerce;</li> <li>▪ Decrypts tax-related competition between collaborative and traditional economies;</li> <li>▪ Understands e-commerce operations;</li> <li>▪ Able to determine and validate the tax value created by the 'sharing', 'gig or 'peer-to-peer' economy;</li> <li>▪ Applies legal competence to collecting tax from various platforms;</li> <li>▪ Able to implement both the DST and the taxation of online business, i.e. a taxable nexus for digital business operating at national and EU level with limited or no physical presence;</li> <li>▪ Able to draft and provide guidance for proper implementation of taxation of the digital economy;</li> <li>▪ Able to understand the complexity of the problem to fairly tax the digital economy and works towards ensuring fair taxation for all digital economy opportunities;</li> <li>▪ Understands and applies knowledge on online advertising services and intermediation services;</li> <li>▪ Understands the rules and regulations concerning the sale of user data.</li> </ul>

**Table 4 - Tax Operational Competencies**

## G. Tax Management Competencies

Management Competencies are intended to be of specific use for roles with a management function. Some are tax-specific, while others are not. Naturally, there are many different levels of management, ranging from expert and line management to strategic management. The Management Competencies in this document may apply to all levels, depending on the specific organisational context within national Administrations.

A **Competency Profile** (list of Professional, Operational and Management competencies) accompanies every core Tax Role Description of the TaxComp<sup>eu</sup>. As such, Competency Profiles designate the **optimal blend of knowledge and skills** required for successful performance in each core role. Depending on specific role responsibilities and tasks, Competency Profiles include a different proficiency level per Competency, ranging from **Awareness (Level 1) to Expert (Level 4)**. The level distinction summarises the required level of skills for successful performance within a certain role (for more information visit section D. Proficiency Levels).

The following 17 Management Competencies have been designated as significant to different managerial roles within a Tax Administration, and for this reason are listed and described below. Descriptions aim at helping create a shared understanding of the desired/expected managerial attitudes and behaviours within the professional environment.

REF.	MANAGEMENT COMPETENCY	DESCRIPTION
<b>MC1</b>	<b>Act as a Role Model</b>	<ul style="list-style-type: none"> <li>▪ Demonstrates the organisation's core values, models ethics, good governance and good service;</li> <li>▪ Sets a good example for Tax employees; highlights and practices good governance;</li> <li>▪ Focuses on delivering good service;</li> <li>▪ Able to ensure conformity concerning regulatory compliance with his/her team; behaves in a fair and ethical manner;</li> <li>▪ Creates a culture that fosters high standards of integrity and honesty;</li> <li>▪ Encourages others to follow his/her example;</li> <li>▪ Presents a positive presence and attitude;</li> <li>▪ Serves as an example of values, attitudes and behaviours;</li> <li>▪ Recognises the need for continuous learning and strives for continuous self-improvement.</li> </ul>

REF.	MANAGEMENT COMPETENCY	DESCRIPTION
<b>MC2</b>	<b>People Management</b>	<ul style="list-style-type: none"> <li>▪ Connects department goals and individual contributions to vision;</li> <li>▪ Highlights the important elements for the team within wider strategies/plans;</li> <li>▪ Sets stretching goals and assigns responsibilities;</li> <li>▪ Able to delegate and distribute workload appropriately;</li> <li>▪ Able to provide the necessary support and direction for his/her team to achieve its goals;</li> <li>▪ Invests the necessary time and effort in people development;</li> <li>▪ Has the capacity to motivate others and to create a shared vision of organisational and operational excellence;</li> <li>▪ Monitors and takes corrective action when required;</li> <li>▪ Recognises staff as a resource for ideas and for achieving common goals;</li> <li>▪ Able to build effective and efficient teams, and leverage diversity within those teams;</li> <li>▪ Understands the challenges faced and works with the team to resolve problems;</li> <li>▪ Develops workforce and succession planning strategies that support the future mandate of the organisation;</li> <li>▪ Deals with corrective feedback in a manner that inspires accountability and self-redirection among colleagues;</li> <li>▪ Practices active listening and demonstrates empathy;</li> <li>▪ Has social skills to interact with all levels;</li> <li>▪ Able to give and receive constructive feedback;</li> <li>▪ Able to distinguish people from problems.</li> </ul>
<b>MC3</b>	<b>Conflict Management</b>	<ul style="list-style-type: none"> <li>▪ Able to effectively and proactively identify common causes and situations that could lead to conflicts;</li> <li>▪ Consistently manages conflicts promptly and provides constructive feedback to employees;</li> <li>▪ Able to prevent unnecessary conflicts and makes effort not to turn conflict into battle;</li> <li>▪ Able to facilitate during discussions;</li> <li>▪ Able to track the evolution of potential conflicts to avoid and mitigate the risks it would bring;</li> <li>▪ Able to identify the driving causes behind the conflict;</li> <li>▪ Demonstrates a solutions-focused attitude in conflict situations;</li> <li>▪ Able to use personalised persuasion techniques;</li> <li>▪ Able to de-escalate conflicts.</li> </ul>
<b>MC4</b>	<b>Negotiating</b>	<ul style="list-style-type: none"> <li>▪ Able to weigh on other people's thinking and decisions through listening to them and presenting them with solid arguments;</li> <li>▪ Able to identify and/or create win-win situations;</li> <li>▪ Able to facilitate discussions and negotiations with authority whilst maintaining constructive cooperation;</li> <li>▪ Able to obtain the resources or change required by the business (either commercially or developmentally);</li> <li>▪ Able to see alternative points of view, listen and influence to create buy-in of ideas and solutions without conflict;</li> <li>▪ Attempts to achieve results based on standards, following a non-biased approach.</li> </ul>

REF.	MANAGEMENT COMPETENCY	DESCRIPTION
<b>MC5</b>	<b>Project Management</b>	<ul style="list-style-type: none"> <li>▪ Designs, implements and manages multiple ongoing projects and directs the related resources, personnel and activities to successful completion;</li> <li>▪ Able to proactively identify and mitigate project risks;</li> <li>▪ Able to link strategic planning to risk management protocols, policy and procedures;</li> <li>▪ Able to effectively manage changes that impact the trajectory of a project;</li> <li>▪ Manages projects to meet timescales, budgets and deliverables, and reviews progress;</li> <li>▪ Demonstrates broad understanding of good financial management;</li> <li>▪ Able to allocate financial resources to effectively deliver the business objectives of the National Tax Administration;</li> <li>▪ Able to monitor operating costs and budgetary spend, and report performance;</li> <li>▪ Understands the pivotal role of technology in project management, especially within the Tax landscape. Utilises technology to meet project objectives;</li> <li>▪ Able to develop a clear vision of how IT can help to achieve Tax strategic objectives.</li> </ul>
<b>MC6</b>	<b>Communication Management</b>	<ul style="list-style-type: none"> <li>▪ Understands the key role and channels of communication in a modern Tax Administration;</li> <li>▪ Creates a culture of compliance through transparency;</li> <li>▪ Educates and informs both government and the public using the appropriate techniques;</li> <li>▪ Able to act according to the organisation's internal and external communications strategies. Develops and follows strategic communication plans;</li> <li>▪ Able to assess situations and to use appropriate communication techniques and innovative communication channels;</li> <li>▪ Formulates and selects appropriate communication messages, styles, techniques and channels for the target group, demonstrates and ensures that team communications are focused, accurate and clear.</li> </ul>
<b>MC7</b>	<b>Change Management</b>	<ul style="list-style-type: none"> <li>▪ Recognises the need for change, is able to define the goals and results to be achieved through it;</li> <li>▪ Demonstrates knowledge of the key drivers of change and is able to proactively anticipate and prepare for it;</li> <li>▪ Able to strategically analyse the key components of the change process and devise a change management strategy for the organisation;</li> <li>▪ Demonstrates a digital mindset and is open to utilising technology in the change management process;</li> <li>▪ Able to inspire for ideas and for the need for change when appropriate;</li> <li>▪ Identifies and supports key persons within the organisation (leaders) capable of facilitating and delivering change;</li> <li>▪ Monitors the processes of change, determines the necessary interventions and monitors their implementation;</li> <li>▪ Defines a development process to achieve the stated goals and outcomes;</li> <li>▪ Supports the process of change through a communication strategy that considers the development objectives and the expected results;</li> <li>▪ Evaluates development results and expresses feedback;</li> <li>▪ Empathises with those experiencing change and assists them in developing new knowledge, skills and behaviours required;</li> <li>▪ Able to overcome resistance to change and maintain focus even in adverse or ambiguous situations.</li> </ul>



REF.	MANAGEMENT COMPETENCY	DESCRIPTION
<b>MC8</b>	<b>Managerial Courage</b>	<ul style="list-style-type: none"> <li>▪ Demonstrates accountability for actions within own team/department;</li> <li>▪ Demonstrates confidence in own judgment or ability;</li> <li>▪ Able to make educated and informed decisions, even in cases of potentially incomplete information;</li> <li>▪ Steers and advises team members when no clear guidelines or policies are in place;</li> <li>▪ Allows for exceptions when the situation asks for it and takes responsibility for it;</li> <li>▪ Uses proper arguments to justify the idea or decision, considering risks and opportunities;</li> <li>▪ Swiftly takes action (negative or positive) if situation merits it;</li> <li>▪ Runs risks and stays the course.</li> </ul>
<b>MC9</b>	<b>Emerging Tax Trends</b>	<ul style="list-style-type: none"> <li>▪ Follows up on new global developments within Tax and matches them to the national and EU context in their Administration;</li> <li>▪ Monitors the evolution of Tax in the short and long term;</li> <li>▪ Understands Tax trends of the 21st century, and how they relate to new developments within Tax Administrations worldwide;</li> <li>▪ Able to conduct research on emerging trends following structured methodology;</li> <li>▪ Demonstrates a continuous learning mindset;</li> <li>▪ Links recent developments to long-term improvement.</li> </ul>
<b>MC10</b>	<b>Strategy Design</b>	<ul style="list-style-type: none"> <li>▪ Has knowledge of the strategic Tax requirements in their area and the procedures for their development and implementation;</li> <li>▪ Has knowledge of the national, EU and international policy imperatives and has the ability to translate them into Tax strategies;</li> <li>▪ Able to transform strategy into operational action;</li> <li>▪ Contributes to the development of strategies within government, at EU level and internationally;</li> <li>▪ Adheres to the limitations on policy and the legislative basis for them;</li> <li>▪ Engages with key stakeholders to influence and assist with the development of strategies within his/her department.</li> </ul>
<b>MC11</b>	<b>Political Awareness</b>	<ul style="list-style-type: none"> <li>▪ Acknowledges the importance of national and international politics, and their influence on the decision-making process;</li> <li>▪ Has an interest in international politics;</li> <li>▪ Able to identify the major political players;</li> <li>▪ Has knowledge of national, EU and international economic policies and social directions;</li> <li>▪ Demonstrates political knowledge in communications and cooperation during his/her daily work;</li> <li>▪ Able to effectively cooperate and negotiate with own and foreign governments;</li> <li>▪ Understands the needs of stakeholders.</li> </ul>

REF.	MANAGEMENT COMPETENCY	DESCRIPTION
<b>MC12</b>	<b>Mentoring / Coaching</b>	<ul style="list-style-type: none"> <li>▪ Uses own experience and knowledge to coach and mentor others at all levels when appropriate;</li> <li>▪ Has a genuine intent to foster the learning or development of others. Remains approachable, available and able to listen;</li> <li>▪ Supports others to improve their performance by sharing experience and approaches to work;</li> <li>▪ Generates creative, purposeful action towards others' goals and desires. Gives directions with reasons or rationale;</li> <li>▪ Is able to recognise others' strengths and build on them;</li> <li>▪ Expresses positive expectations of others, even in "difficult" cases;</li> <li>▪ Gives constructive feedback in behavioural rather than personal terms, devises and follows up on professional development strategies for others.</li> </ul>
<b>MC13</b>	<b>Process Management</b>	<ul style="list-style-type: none"> <li>▪ Has a clear insight in how Tax processes are structured and interlinked (in particular, for the processes performed by the members of his/her own team(s));</li> <li>▪ Continuously seeks to improve the efficiency and effectiveness of Tax processes, both those within his/her own department and those that have dependencies on other departments;</li> <li>▪ Demonstrates process approach and methodology;</li> <li>▪ Able to model any complex activity or task in processes and map its contexts;</li> <li>▪ Is knowledgeable of the Tax IT landscape and can recommend process improvements through the adoption of new technologies;</li> <li>▪ Able to suggest and make process both to individual IT systems and to a network of IT systems, as necessary;</li> <li>▪ Able to modify and re-model an existing process in light of changed expectations and circumstances;</li> <li>▪ Elevates what works well with meaningful improvements.</li> </ul>
<b>MC14</b>	<b>Visionary Leadership</b>	<ul style="list-style-type: none"> <li>▪ Able to communicate a clear direction for the organisation to all levels;</li> <li>▪ Able to clearly disseminate the organisational vision and inspire others;</li> <li>▪ Able to see the big picture and provide inspiration;</li> <li>▪ Able to impact with his/her environment towards growth, evolution and progress;</li> <li>▪ Develops a culture of learning and development;</li> <li>▪ Gets results from people. Leads by example;</li> <li>▪ Demonstrates authority and self-confidence, and assumes responsibility for self and team;</li> <li>▪ Plans for, develops, communicates and implements the business vision;</li> <li>▪ Recognises effort and accomplishments.</li> </ul>

REF.	MANAGEMENT COMPETENCY	DESCRIPTION
<b>MC15</b>	<b>Strategic Agility</b>	<ul style="list-style-type: none"> <li>▪ Able to understand rapidly changing environment trends, market opportunities, competitive threats, strengths and weaknesses of his/her own organisations, in order to identify the optimum strategic response;</li> <li>▪ Has a critical understanding of national, EU and global Tax environment;</li> <li>▪ Analyses strategic goals (end-to-end visioning, planning, strategic objectives) founded upon EU and national objectives;</li> <li>▪ Is thoroughly aware of organisational goals and strategic direction;</li> <li>▪ Makes strategic decisions, plans accordingly and allocates appropriate resources to implement those decisions;</li> <li>▪ Drives the organisation to create and sustain competitive advantages;</li> <li>▪ Assesses risk, its impact, and strategies to mitigate adverse outcomes through a systematic approach where any fact and/or phenomenon is not seen in isolation, but as parts of the system;</li> <li>▪ Accurately anticipates challenges and creates strategies to meet them;</li> <li>▪ Able to foresee how different pieces of the organisation, operations, strategies and policies are interconnected and how one impacts the other;</li> <li>▪ Able to oversee and lead the implementation of new IT systems and/or improvements to them, and understands how this will impact daily business and the current IT landscape;</li> <li>▪ Develops plans together with the key stakeholders and establishes networks to foster strategic relationships;</li> <li>▪ Able to develop workable roadmaps to translate strategy to tactics and operations;</li> <li>▪ Switches procedures easily to facilitate change in line with organisational priorities.</li> </ul>
<b>MC16</b>	<b>Innovation</b>	<ul style="list-style-type: none"> <li>▪ Fosters development and implementation of new ideas;</li> <li>▪ Demonstrates and encourages creative thinking. Demonstrates knowledge of methods and techniques to stimulate it;</li> <li>▪ Consistently demonstrates foresight, and proactively seeks opportunities to expand knowledge of innovative solutions and ideas;</li> <li>▪ Is consistently receptive to new ideas and information;</li> <li>▪ Seeks value and development opportunities rather than constraints and barriers in new suggestions;</li> <li>▪ Effectively manages productive change and takes initiative towards it;</li> <li>▪ Uses modern management systems and IT tools.</li> </ul>
<b>MC17</b>	<b>Entrepreneurship</b>	<ul style="list-style-type: none"> <li>▪ Continuously searches for ways to improve effectiveness and efficiency;</li> <li>▪ Strives for best results, making optimal use of available time and resources;</li> <li>▪ Focuses effort to change for betterment, both with economic and non-economic impacts;</li> <li>▪ Able to identify opportunities for optimisations.</li> </ul>

**Table 5 - Tax Management Competencies**

