

Tax Policy and Administration work group

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FICIL's proposals accepted

- Mediation introduced in 2014 in Civil Procedure (family cases) (FICIL IPWG)
- Ministry of Finance work group «Implementation of alternative methods for solving tax disputes» (FICIL Tax WG)



Scope of working group at MF

- Alternative tax dispute resolution instruments – binding experts' decision or mediation
- Within SRS decision taking process (until decision of the General Director)
- Court appealation left outside the working group's scope



FICIL's Tax WG position

- Position Paper (spring 2016) of the Tax WG :
 - Constructive dialogue between government and society
 - Cooperation between taxpayers and the tax authorities
 - Motivation to *bona fide* taxpayers



FICIL's IPWG position

- Position Paper (spring 2016) of the Investment Protection WG included various suggestions for administrative process (including tax disputes):
 - Diversified stamp duty
 - Compensation of litigation expenses (incl. attorneys fees) to the winning party
- IPWG considers for the PP 2017
 - Introducing institute of the paid expert (to be compensated to the winning party)



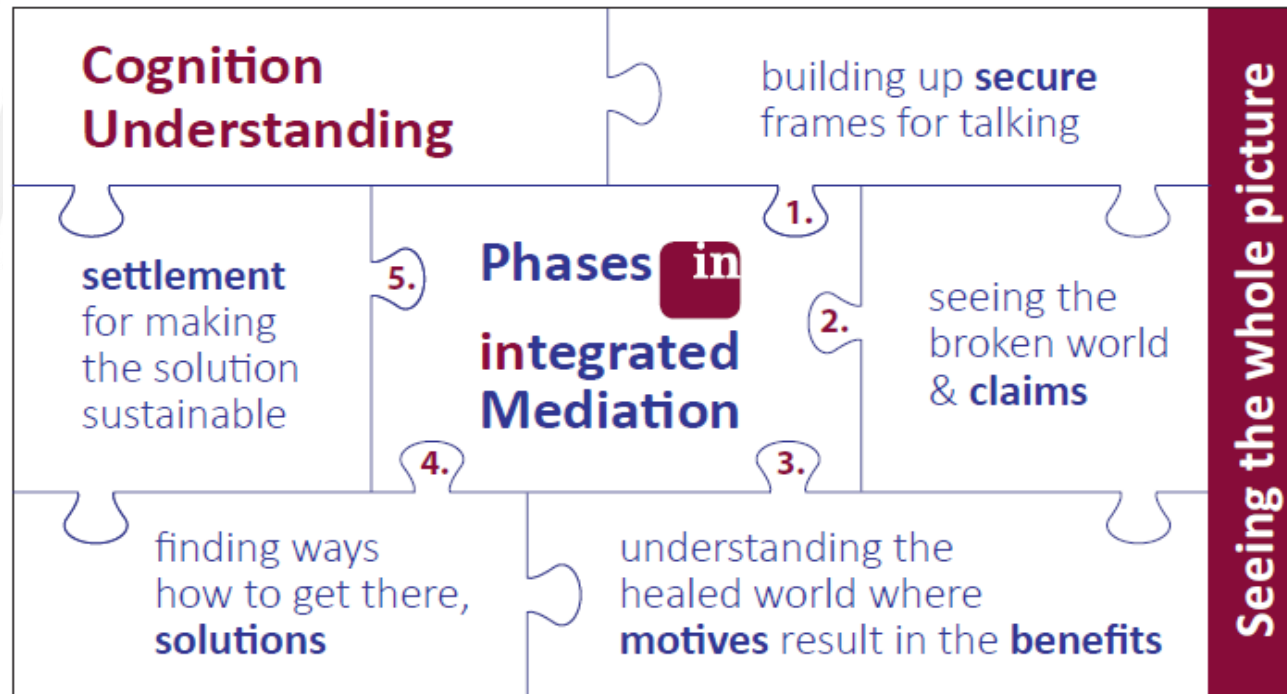
Mediation

confidential process under guidance of an **independent, neutral and objective** person (mediator), where parties cooperate with **equal rights** in respectful manner in order to **seek for mutually acceptable solution** of the dispute



Mediation process

/approach by Baiba Strupiša for classical mediation/



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Pilot project

- Aim is to highlight
 - Could mediation help in tax disputes?
 - Which tax disputes and tax payers are suitable for mediation?
 - What qualification is needed for the mediator?
 - Is mediation the only tool for reducing tax appeals (experts' involvement)?



Pilot project

- Eligibility
 - Tax payers from FICIL's members (including chambers)
 - *Mutual agreement* between Tax payer and SRS
 - Tax disputes until SRS GD's decision (eg, tax audit)
 - 3 free of charge mediations provided by the Council of Certified Mediators
- Within the existing legal framework
 - Appellation period to SRS GD prolonged to 4 months
 - Mediation result as non-binding info for SRS GD's decision (approve or cancel the initial decision)



Next steps

- Consultations on wording of the amendments to the laws and regulations to introduce mediation in tax disputes
- Eliminating barriers to the existing administrative agreement instrument
- Strengthening experts's instrument within the tax disputes
- ... And all this as the first step to apply the same principles to the whole Administrative Procedure Law

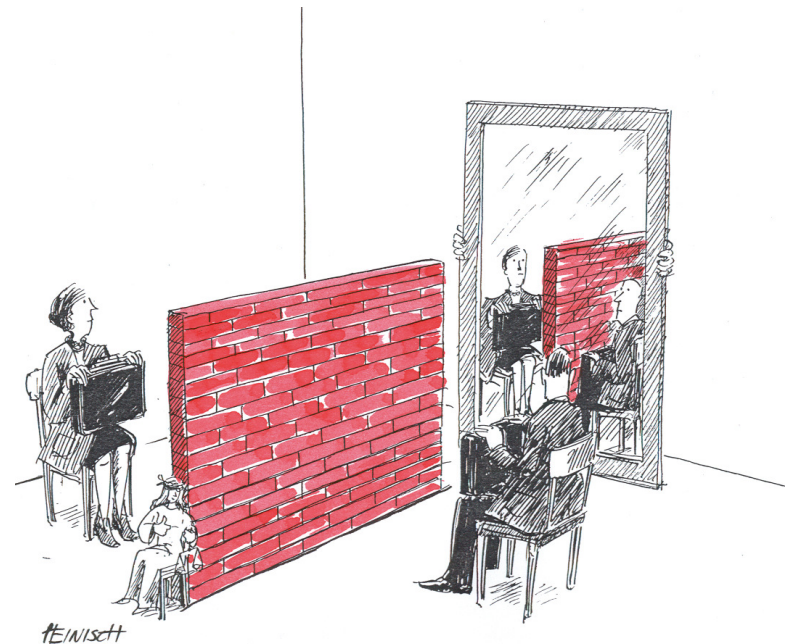


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THANK YOU!



Find the Mediator!



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