

**Subject: **GPLA** -  
Joint Audit of  
Wage-Related Taxes**

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# Overview of tax revenue for 2002-05



**FEDERAL MINISTRY  
OF FINANCE**

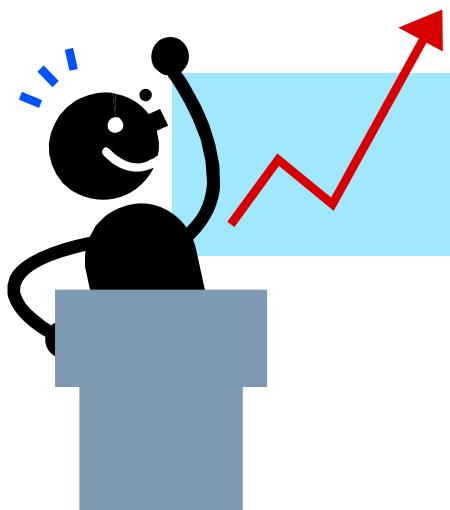
Institution	Type of taxation	Revenue in millions of euros			
		2002	2003	2004	2005
Tax Administration	Wage tax	17.108	17.841	18.025	17.848
	Employer contribution	3.333	3.386	3.445	3.538
	Additional charge to Employer contribution	241	236	234	238
Social Insurance Institutions	Health insurance	4.734	4.851	5.076	5.307
	Pension insurance	14.923	15.302	15.637	16.177
	Accident insurance	909	924	932	970
	Unemployment insurance	3.841	3.913	3.906	4.019
	Additional charges (wage and salary insurance in case of insolvency)	1.232	1.260	1.289	1.340
	Chamber contribution Housing contribution)				
Municipalities	Municipal tax	1.847	1.889	1.900	2.004
	<b>Total</b>	<b>48.168</b>	<b>49.602</b>	<b>50.490</b>	<b>51.441</b>

# Audit Aim / Performance



**FEDERAL MINISTRY  
OF FINANCE**

- **Audit performance 2002:** 148 Mio. € (L,DB,DZ)
- **Audit performance 2003:** 107 Mio. € (L,DB,DZ, SV-contributions)
  
- **The aim for 2004:** 238 Mio. €
- **Audit performance 2004:** 242 Mio. € (L,DB,DZ, SV-contributions)
  
- **The aim for 2005:** 250 Mio. €
- **Audit performance 2005:** 281 Mio. € (L,DB,DZ, SV-contributions)
  
- **The aim for 2006 \*):** 280 Mio. €
- **Audit performance 2006:** 472 Mio. € (L,DB,DZ, KommSt., SV-contributions)



\*) With new audit software

# Starting position

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## 3 different audit procedures by 3 different institutions

Tax Administration

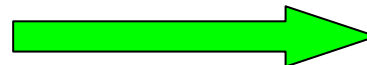


One company

Health Insurance Organisations



Municipalities



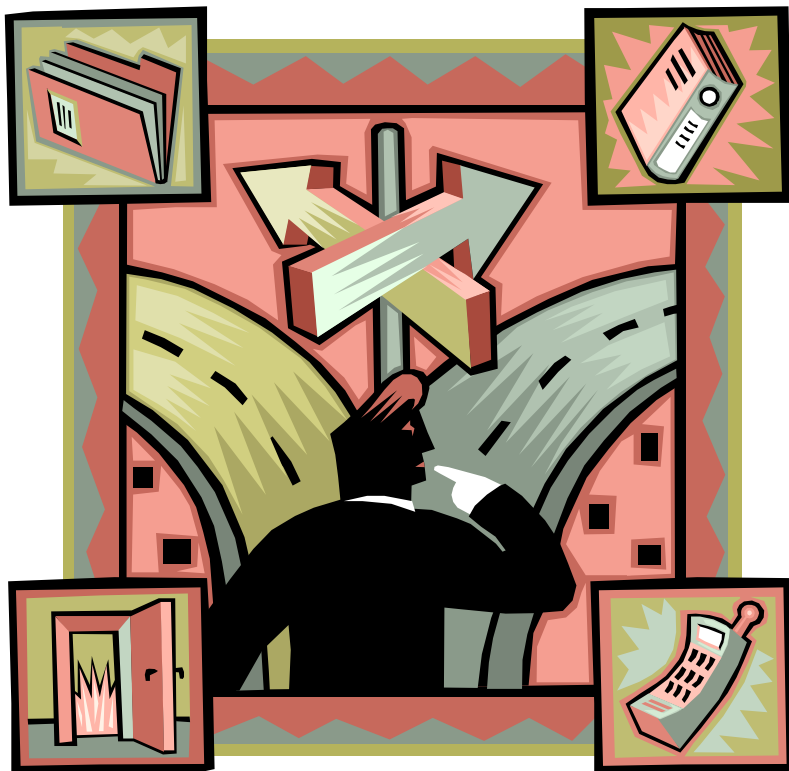
To abolish parallel processing



## Objectives

1. Reduce administration
2. *Reduce costs*
3. Increase efficiency  
(less audit but same output)

# Options



1. **F takes over from SV**
2. **SV takes over from F**
3. **separate auditing company**
4. **joint audit**

# Solution

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**1. Joint audit (virtual company F + SV)**

**2. F + SV audit all fields:**

- wage tax
- municipal tax
- social insurance taxes

**3. No audit by municipalities and *no* costs**

# Data transfer via joint portal

- Pay slip + social insurance relevant data by **ELDA**
- Declaration of municipal tax on **FinanzONLINE**
- **Result:** increase in efficiency & usability



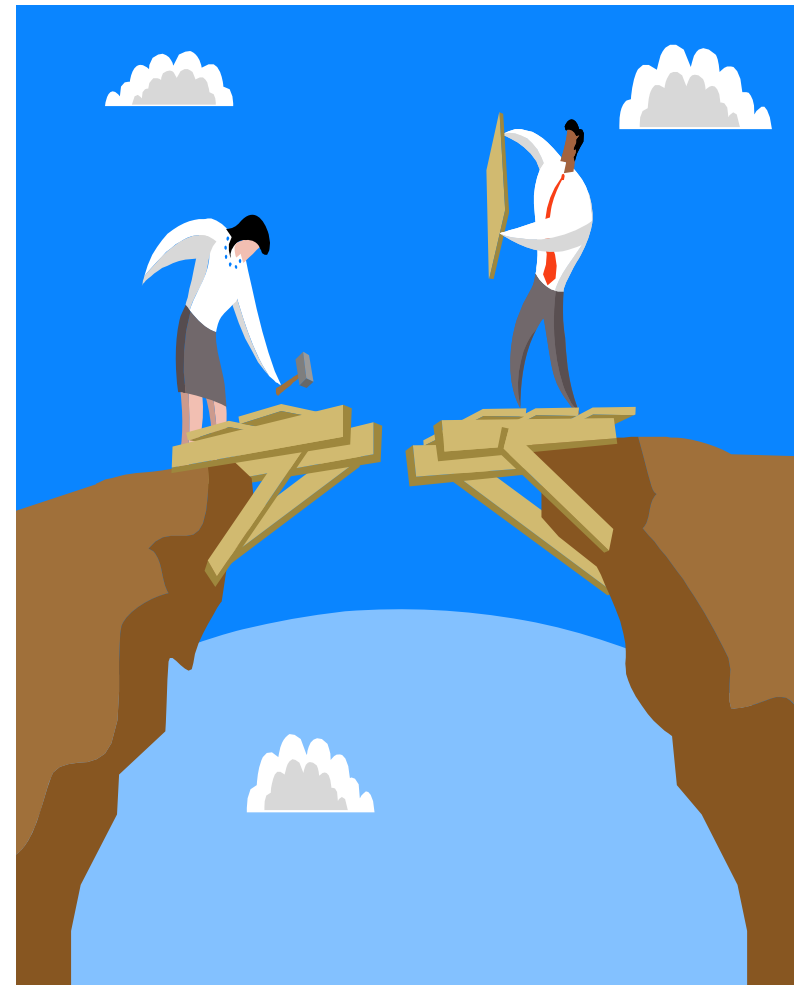
# Factors for successful implementation

- \* **clear political objectives**
- \* **competent analysis of the problem**
- **general consensus and acceptance by the social partners**
- \* **unanimous Act of Parliament**



# Factors for successful transformation

- \* Pressure for success on the management of the auditing organisations
- \* Establishment of mutual trust by intensive co-operation
- \* Joint benchmarking and annual agreement of objectives
- \* monthly controlling and reporting to the Minister of Finance
- \* 100% electronic data processing and data transmission



# Time for Questions

