

Audit of the management of administrative assistance proceedings

Federal Tax Administration

Key facts

The Federal Tax Administration (FTA) previously granted international administrative assistance only on a restricted basis. The situation has changed since the Federal Council, under pressure from the G20 countries, decided in 2009 to adopt the corresponding OECD standard. The legal basis has been adapted and the network of double taxation agreements (DTAs) has been continuously expanded. This led to a significant increase in the number of incoming requests for administrative assistance and a corresponding expansion of the FTA's Service for the Exchange of Information in Tax Matters (SEI) to around 70 full-time positions.

The Swiss Federal Audit Office (SFAO) examined whether the management of administrative assistance on request complies with the principles of economic administration. It also assessed the appropriateness of available resources and the SEI's cooperation with other authorities.

Effective system support and clearly defined processes

The SEISYS case management system used allows all requests for administrative assistance to be managed efficiently. The processes are documented in a comprehensible manner, decisions are subject to the principle of dual control and are submitted to a broad-based committee. The fact that the majority of requests cannot be answered within the 90-day period required by the OECD is primarily due to the extensive Swiss information obligations. The SFAO sees room for improvement in the lack of interconnectedness between the internal manuals and guidelines.

Processing administrative assistance entails a large number of interfaces and points of contact. The SFAO found no indications that administrative assistance as a whole is not being provided to the satisfaction of stakeholders. The SEI is making efforts to train its staff and is constantly optimising the exchange of data with foreign authorities.

With the entry into force of the new DTA with the United States, additional administrative assistance work will be required in the near future. It is not yet possible to estimate reliably how long and to what extent this burden will continue. In the long term, however, thanks to the transparency of the automatic exchange of information and the resulting decline in Switzerland's attractiveness as a haven for untaxed assets, a reduction in applications can be expected.

The SFAO therefore welcomes the fact that the SEI's staffing levels will continue to be monitored for suitability in the future.

Original text in German