

# Performance Audit Input on Fields of Tax Deficit and Grey Economy

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To be able to spend a euro,  
you have to earn a euro first.

*- And both of these euros  
have the same value.*



# Tax deficit

- Legal measures of tax evasion,
- tax frauds,
- tax competition,
- inefficient tax subsidies and
- non-collectable taxes



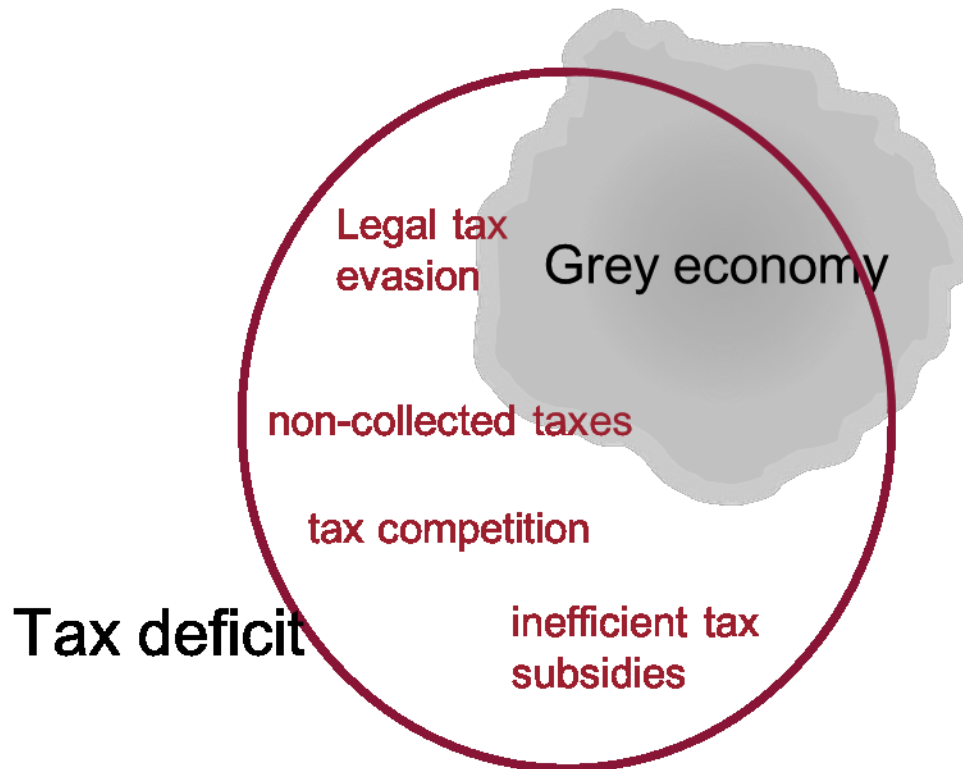
## More Focused Picture

# Grey economy

**Most of the tax crimes, plus some other illegal actions with an intent of economical profit, and which may danger employees, customers, nature and/or are distorting markets.**



# Do you think We should also pay some attention to tax deficit?



Grey economy is a pop-up audit theme, but



# Performance Audit Input by NAOF

## Taxation

- Economical Impact of Tax Modifications, 2014

## Tax Subsidies

- European Parallel Audit on Tax Subsidies, 2007
- EUROSAI-Congress report, 2008

## Quality of Legislation

- Audit Theme, matrix based view to performance audits

## Grey Economy Control

- The Grey Economy Control Function of the National Board of Customs, 2013
- Efficiency of Tax Inspection Function, 2013



# Any Ideas?

What could be done in the field of tax deficit?

National Level?

Strengthen the quality of tax legislation

European Level?

Clarify the taxation procedures of the eCommerce and the cross border enterprises

Universal Level?

Promote transparency in the financial markets

Academic Level?

Develop analyzing models to foresee insolvency to decrease the amount of non-collectable taxes?

What could be the  
role of a SAI when the  
taxation leaks are  
supposed to be  
stanching?



Thank you for your attention.