

TERMS OF REFERENCE

EUROSAI Study Group on Benchmarking the Costs/Performance of Tax Administrations Study Group

The Eurosai Congress in Bonn in May/June 2005 recommended:

“Eurosai members should be encouraged to exchange benchmarking information, definitions and criteria to enable them to compare internationally the costs and performance of tax administrations.”

A small Study Group of EUROSAI members chaired by the UK will during 2006 undertake work to bring together existing benchmarking information to enable members to compare the costs and performance of tax administrations. This research work includes:

- Collating and categorising the main indicators tax administrations use to evaluate their performance.
- Exploring why tax administrations use the performance indicators they do and why others are not used.
- Identifying the main costs of tax administration (recognising the costs may fall on the tax administration, the taxpayer or others).
- Exploring what tax administrations have done to improve performance and reduce costs (This may provide a set of good practice for tax administrations seeking to improve performance in areas such as compliance, efficiency and quality of service).
- Collecting and comparing data on the results of the key set of indicators of costs and performance (not to provide a league table but to show how such benchmarks can raise questions which the SAI and Tax Administration might like to explore further).