

Ranked first among all government agencies in the number of complaints received from Ukrainians*

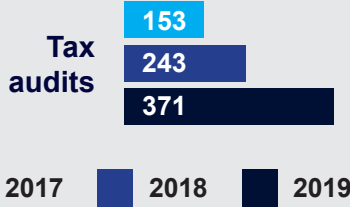
1097 COMPLAINTS

**STATE FISCAL SERVICE
OF UKRAINE
2019**

is divided into:

- State Tax Service
- State Customs Service




The number of complaints about tax audits is growing every year *







* Analytical data from the official website of the Business Ombudsman Council, Annual Report 2019

1. Which inspections can be carried out despite the moratorium?


Unscheduled documentary inspections:

-  at the taxpayer's request;
-  on the initiated procedure of reorganization of a legal entity (except for transformation), termination of a legal entity or entrepreneurial activity of an individual-entrepreneur, closure of a permanent representative office or separate subdivision of a legal entity, including a foreign company, organization, initiated bankruptcy proceedings or submitted application for deregistration of the taxpayer;
-  on declarations in which VAT refunds from the budget are declared, verification is carried out solely regarding the legality of claiming a VAT refund and/ or a negative value of VAT (more than 100 thousand hryvnias).

Factual inspections:

-  on accounting, licensing, production, storage and transportation of fuel, ethyl alcohol, alcoholic beverages and tobacco;
-  on targeted use of fuel and ethyl alcohol by taxpayers;
-  on equipment of excise warehouses by flowmeters and/or level gauges;
-  on carrying out the functions defined by legislation in the field of production and circulation of ethyl alcohol, alcoholic beverages, tobacco products and fuel on the grounds specified in the Tax Code of Ukraine.




Desk inspection / audit:

-  verification of tax returns (except for VAT returns) for the reporting (tax) periods of March - May 2020, or adjusting calculations (except for adjusting VAT calculations) submitted by taxpayers during March - May 2020.


Important! Documentary and factual inspections which were initiated before March 18, 2020 and were not completed are temporarily suspended for the period up to the last calendar day of the month (inclusive) in which the quarantine expires.

2. Which documents confirm grounds for inspections and powers of inspectors?

Before admitting an inspector to perform an inspection, it is necessary to check the availability of the following documents and make sure that they are properly executed in accordance with the provisions of the Tax Code of Ukraine, namely:

<p>1) Unscheduled documentary inspections: on-site</p> 	<p>Features</p> <p>carried out on existing grounds in accordance with the Tax Code.</p>	<p>Documents</p> <ul style="list-style-type: none"> • referral for inspection; • a copy of the inspection order; • Official IDs of the persons indicated in the referral for inspection. 	<p>Duration</p> <ul style="list-style-type: none"> • for large businesses- no more than 30 working days; • for small businesses - no more than 10 working days; • for other taxpayers - no more than 20 working days.
<p>2) Unscheduled documentary inspections: Off-site</p> 	<p>Features</p> <p>carried out on existing grounds in accordance with the Tax Code. The taxpayer's presence during the audit is not required.</p>	<p>Documents</p> <ul style="list-style-type: none"> • inspection order • a copy of the inspection order, which is handed to the taxpayer; • written notice of the start date and place of the inspection. 	<p>Duration</p> <ul style="list-style-type: none"> • for large businesses- no more than 15 working days; • for small businesses - no more than 5 working days; • for individual entrepreneurs - no more than 3 working days • for other taxpayers - no more than 10 working days.
<p>3) Factual inspections</p> 	<p>Features</p> <p>carried out without prior notice by two or more officials.</p>	<p>Documents</p> <ul style="list-style-type: none"> • inspection order • a copy of the order, which is handed to the taxpayer against a receipt before the inspection; • referral for inspection; • Official IDs of the persons indicated in the referral for inspection. 	<p>Duration</p> <ul style="list-style-type: none"> • no more than 10 working days.



4) Desk inspection	Features	Documents	Duration
	<p>all tax reports are subject to auditing.</p>	<p>no special decision of the head of the supervisory authority or referral for inspection is required.</p>	<ul style="list-style-type: none"> No more than 30 calendar days following the last day of the submission deadline, or if the documents were submitted later - on the day of their actual submission

Important! The condition for the admission of officials is that the information provided for in the Tax Code must be present in the referral for inspection and inspection order along with the signature of the head (or his deputy or other authorized person) of the supervisory authority and the seal of the supervisory authority. Their absence is adequate grounds for non-admission to the inspection.

3. Is it possible to prevent inspectors from conducting inspections?

- If a taxpayer refuses to allow officials to inspect, an act should be drawn up in two copies, certifying the fact of refusal and indicating the reasons for refusal. One copy is handed over to the taxpayer for immediate signature, and the act itself is registered by the supervisory authority no later than the next working day. The Tax Code of Ukraine provides the taxpayer with a right to provide his written explanation in the act. We encourage entrepreneurs to use this right to minimize distortions.
- It is possible only if there are grounds, such as failure to submit or failure to send the relevant documents, in cases provided by the Tax Code of Ukraine, or if such documents are issued in violation of the law.
- In all other cases, the taxpayer is obliged to allow inspectors to conduct the inspection. In the absence of objective grounds, non-admission may result in administrative seizure of the taxpayer's property.

