

# TAX TRIBUNE

MAGAZINE  
VOL. 43

## IOTA SECRETARIAT

CODE OF CONDUCT – A NEWLY DEVELOPED DOCUMENT TO ENHANCE AND ENSURE PROFESSIONAL BEHAVIOUR WITHIN IOTA

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INTENSE TRANSFORMATION JOURNEY – NEW VIDEO CALL SERVICE LAUNCHED FOR TAXPAYERS IN ITALY

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## IMPRESSUM:

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# FOREWORD

Dear Readers,

June is a remarkable month in the life of IOTA. Not only does this month mark our long-awaited 26th General Assembly in Zurich, Switzerland, which will be the first hybrid General Assembly in the Organisation's history after two years of virtual operation. June, on the other hand, is a remarkable month as we have started to take the IOTA's events to the next level with our first hybrid technical event as well. The Forum on Combating VAT Fraud was successfully held in Budapest at the beginning of the month. The event, which was held under the framework of the newly developed format, attracted more than 50 participants gathering in person at the venue and 130 attendees joining digitally to create a totally new experience.

At the start of this year, we gave voice to our intention that we would like to return to normality in 2022 and move forward to achieve a new level of agility and resilience for a more sustainable and secured development of the organisation. Midyear is just around the corner and let me say that we are on the right way to succeed and advance with it.

In 2022, IOTA will organise in total 20 activities and 5 projects in a more agile way with the development of possible new formats to facilitate practical collaboration and knowledge sharing among IOTA members. With its pilot hybrid event – 29th Forum of IOTA Principal Contact Persons in April, IOTA became acquainted with this new hybrid format. I am also pleased to announce a major event – Annual International Conference which will be hosted this autumn by Greece with a topic reflecting the main challenges tax administrations have to face in this post pandemic period.

The main challenge for IOTA is to develop its activities in a sustainable and secured environment. The preparation of the new Strategy 2023–2027 and the outputs of the financial framework working group to ensure financial sustainability should make IOTA succeed in staying a leading organisation in the everchanging and challenging economic environment.

Finally, one more thing has to be born in mind, you are reading the 43rd edition of the IOTA's Tax Tribune Magazine and, this is the last issue in this traditional form. One of our organisation objectives is to strengthen the IOTA's digital mindset. With that goal in mind, we decided to turn the magazine into a blog on the IOTA website. The blog will serve as a platform for articles written both by Secretariat members as well as Member Countries and other invited authors. This innovation can contribute to making information accessible to relevant audiences and facilitate the Organisation to be seen as a pioneer within the international tax community.

Many other news items are to be found in this publication, so have a great read.  
Stay safe, stay healthy! And stay tuned, there is always more to come.



A handwritten signature in blue ink, which appears to read 'Alix Perrignon de Troyes'.

Alix Perrignon de Troyes  
Executive Secretary of IOTA

# CODE OF CONDUCT – A NEWLY DEVELOPED DOCUMENT TO ENHANCE AND ENSURE PROFESSIONAL BEHAVIOUR WITHIN IOTA

by Alix Perrignon de Troyes, Executive Secretary of IOTA

As a trustworthy and politically neutral organisation, IOTA respects its commitments in delivering its services for the common interest of its members, to uphold its reputation, to act with honesty and to be entirely above personal interest of any member, role or individual.

Each and every modern organisation has a Code of Ethics, Values or Conduct to enhance and ensure professional behaviour. The success of IOTA is not only based on its good management and the quality of the services delivered to its members but also on our values as an organisation and with our staff. Our newly developed Code of Conduct outlines the Organisation's values, rules, and principles linking them with standards of professional conduct.

The development of a Code of Ethics was proposed by the IOTA Executive Council (EC) on its 128<sup>th</sup> meeting in June 2021 and in September 2021 the IOTA Executive Council approved setting up a Working Group to prepare the document to be renamed to "Code of Conduct".

The membership of the Working Group (chaired by the Executive Secretary and co-chaired by the Strategy and Institutional Development Manager,

was composed of five representatives of member tax administrations and two members of the IOTA Secretariat) agreed on delivering a comprehensive and practical binding document. The draft of the Code of Conduct was approved by the Executive Council at its 133rd meeting which was held this year between 18-19 May after taking into account the results of the membership survey (34 members replied) and the lastest proposals of the working group.

Under the framework of our organisational values like professionalism, transparency, partnership as well as integrity, the Working Group has marked out the seven most fundamental professional conduct standards in the Code of Conduct. These standards, which must be followed by both the Employer and Employees, are as follows Respect, Equity (providing equal opportunities), Providing a safe and productive workplace, Protection

against discrimination, Protection against harassment, Promoting diversity in addition to the Employee development.

The Code of Conduct's scope covers all the statutory bodies with values for the members as an Organisation as stated in the Strategy of IOTA for 2023-2027 and standard behaviour for the Staff (including TACs). Regarding the staff, the document is binding with sanctions in case of non-compliance of duties and obligations within a process of resolution and in case of a serious misconduct the setup of an Ethics Committee whose EC members are called upon by the Presidency.

The Code of Conduct will be signed by every employee regardless of their position within the Organisation and will be part of the on-boarding process for all new employees.

## The Code of Conduct working group consisting of the following representatives:

Belgium	Magalie Roijers
Hungary	Gábor Reményi
Italy	Emanuele Santulli
Romania	Alina Criclevit
United Kingdom	Charlotte Scriven
TAC	Tracey Brooks
Administrative Staff	Viktória Szaló-Kiss
IOTA Secretariat	Alix Perrignon de Troyes (Executive Secretary)
IOTA Secretariat	Roman Bichevoy (Institutional development and Strategy Manager)

# ADOPTING REGULATIONS ON TAXATION OF INCOMES FROM CRYPTOCURRENCY TRANSACTIONS IN ARMENIA

by Andranik Hakobyan, Chief Tax Inspector at Transfer Pricing and Tax Cooperation Unit, State Revenue Committee of the Republic of Armenia

**Back in 2018-2019, there were discussions by the state bodies of Armenia regarding the transactions concluded through cryptocurrencies and their taxation. But the discussions did not produce any meaningful final results, and hence they ceased.**

Currently, like in many countries, the number of crypto-transactions and number of people who “create” cryptocurrencies, i.e. crypto-mining, is increasing. There are also several crypto-exchange offices in Armenia, who exchange e.g. USD to a cryptocurrency.

Many countries already have regulations on taxing crypto-income, and have special provisions in their legislation on the definition and categorization of a cryptocurrency, but these vary from country to country. Crypto-income in some cases is categorized as property, capital, and in some cases as an asset similar to a stock, or even as a legal currency. Some countries plan to have a legislation on cryptocurrencies and incomes from them, while in other countries the use of cryptocurrencies is banned and can result in a fine for their use.

This article will present the tax regulations of cryptocurrencies in 5 countries, after which will provide the perspectives of having such regulations in Armenia, with recommendations.

## Countries that have tax regulations on incomes from crypto-transactions

### 1) USA

The USA is among the first countries to adopt tax regulations on crypto-income. Since 2014, the tax authority of the USA considers holding cryptocurrencies as “property”. For taxing the income from cryptocurrencies, two factors are important: 1) the amount of income, and 2) the holding period of the cryptocurrency, i.e. if the period is less than 365 days then it will be taxed as a short-term capital gain, if longer than 365 days then long-term capital gain. The tax rates differ depending on these 2 factors, as is shown in the Table 1 and Table 2<sup>2</sup>. The taxpayers have also a liability for declaration of their income from using cryptocurrencies.

2021 Short Term Capital Gains Tax Brackets			
Tax Bracket/Rate	Single	Married Filing Jointly	Head of Household
10%	\$0-\$9,950	\$0-\$19,900	\$0-\$14,200
12%	\$9,951-\$40,525	\$19,901-\$81,050	\$14,201-\$54,200
22%	\$40,525-\$86,375	\$81,051-\$172,750	\$54,201-\$86,350
24%	\$86,376-\$164,925	\$172,751-\$329,850	\$86,351-\$164,900
32%	\$164,926-\$209,425	\$329,851-\$418,850	\$164,901-\$209,400
35%	\$209,426-\$523,600	\$418,851-\$628,300	\$209,401-\$523,600
37%	\$523,601+	\$628,301+	\$523,601+

Table 1

<sup>1</sup><https://www.mossadams.com/articles/2021/08/understand-the-tax-implications-of-cryptocurrency>

<sup>2</sup><https://taxbit.com/blog/understanding-the-cryptocurrency-tax-rate>

## 2021 Long Term Capital Gains Tax Brackets

Tax Bracket/Rate	Single	Married Filing Jointly	Head of Household
0%	\$0-\$40,400	\$0-\$80,800	\$0-\$54,100
15%	\$40,401-\$445,850	\$80,801-\$501,600	\$54,101-\$473,750
20%	\$445,851+	\$501,601+	\$473,751+

**Table 2****3) Latvia**

The Latvian tax authority considers cryptocurrencies as a contractual, not statutory, means of payment which can be exchanged. Cryptocurrencies cannot become a legal currency as they are not tied with any official currency and the issuance and use of cryptocurrencies are not regulated. In case of companies, the trading cryptocurrencies and making income from them will be taxed the same as trading stocks, i.e. as a capital gain, and will be exempted from VAT.

In case of individuals, the income from cryptocurrencies will be taxed as an income tax at a 20% tax rate<sup>5</sup>.

**4) Salvador**

In 2021, Salvador became the first country to recognize Bitcoin as an official state currency, and plans to build a smart city, based on the use of Bitcoin, and the construction financing will be based on Bitcoin-based bonds. On the other hand, there is the issue that 70% of the population does not have a bank account. Salvador plans to foster FDIs in Bitcoin, and such investments will be exempted from taxes<sup>6,7</sup>.

**5) United Kingdom**

The UK tax authority treats income from cryptocurrencies either as a capital gain, or income and taxes accordingly. If as a result of the crypto-transaction an income was generated then it will be taxed as an income tax, while if there was a capital gain, e.g. cryptocurrency exchange transaction,

then it will be taxed as a capital gain. But, in case of taxing cryptocurrencies as a capital gain, the UK tax authority provided an allowance opportunity for the taxpayers in an amount of £12,300. Moreover, the tax rates differ, depending on the amount of income and can be 10%, 20%, and an additional 20% in some cases. The tax rates are presented in the Table 3<sup>3</sup>.

Tax rate	Taxable income
10%	Basic Rate Income Band (up to £50,270)
20%	Higher Rate Income Band (up to £150,000)
20%	Additional Rate Income Band (more than £150,000)

**Table 3****2) Japan**

Crypto-incomes exceeding JPY200,000 (app. \$1700) is considered as a “miscellaneous income” and can be taxed by up to 55% tax rate. Taking into account the fact that the tax rate on incomes from stocks is 20%, the 55% tax rate is very high.

Taxpayers must present declaration on their incomes by 15th of March of the next year. The tax rate depending on the amount of income is different and can vary from 5% to 45% plus 10% local inhabitant's flat tax rate. The tax rates are presented in the Table 4.

In 2021, there was the first prosecuted case of crypto-tax evasion which resulted a 1 year sentence in the prison and a fine of approximately \$200,000 (JPY22 million)<sup>4</sup>.

Tax Bracket (JPY)	Income Tax Rate
Less than 1.95m	5%
1.95 - 3.3m	10%
3.3 - 6.95m	20%
6.95 - 9m	23%
9 - 18m	33%
18 - 40m	41%
40m and above	45%

**Table 4**

<sup>3</sup><https://koinly.io/guides/hmrc-cryptocurrency-tax-guide/>

<sup>4</sup><https://tokentax.co/blog/crypto-taxes-in-japan>

<sup>5</sup><https://www.binance.com/en/blog/community/taxes-and-cryptocurrency-in-latvia-421499824684903029>

<sup>6</sup><https://www.tmf-group.com/en/news-insights/articles/2021/december/adoption-of-the-bitcoin-in-el-salvador/>

<sup>7</sup><https://tomorrow.city/a/crypto-city-el-salvador>

## Cryptocurrency taxation perspectives in Armenia

As Armenia does not have regulations on taxing incomes from cryptocurrency transactions yet, it is crucial to take into consideration the international experience in this area.

Firstly, there should be a provision on the categorization/definition of cryptocurrencies. Cryptocurrencies can be categorized as an asset, and the relevant income from them as a capital gain.

The possibility of an allowance/deduction of a certain amount of crypto-income could be helpful for the tax administration to concentrate its resources on more "risky" transactions. Such an amount could be for instance be \$10,000. The tax rate, like in the above-mentioned countries can be ascending, and could be similar to the rates of the UK, for instance:

- **If the income is \$10,001-\$50,000 – 10%,**
- **If the income is \$50,001-\$150,000 – 20%,**
- **If the income exceeds \$150,000 – additional 20% on the exceeding amount.**

There should also be a crypto-income declaration form for the taxpayers to submit and fines and penalties for not submitting them by the due date, because without imposing fines, the necessary information would not be submitted to the tax authority. For individuals, it can be as a self-declaration, for companies, such information can be filled in the profit tax reports. For legal persons for not submitting such information the following system of fines can be implemented, (the amount of fines is the same as for not submitting the notice on controlled transactions for transfer pricing purposes):

- **If the income is \$10,001-\$50,000 – 1 million AMD (around \$2000),**
- **If the income is \$50,001-\$150,000 – 3 million AMD (around \$6000),**
- **If the income exceeds \$150,000 – 5 million AMD (around \$10,000).**

## Conclusion

Taking into account all the above-mentioned, Armenia could adopt crypto-income taxation regulations having regard to the international experience. The area of taxing crypto-transactions is a new and challenging area not only for Armenia, but also for most countries. This field needs thorough research. Some countries already have such regulations and could prevent possible tax evasion mechanisms through cryptocurrencies, hence, Armenia also needs to examine this area and adopt such regulations, which can increase taxpayer compliance and also produce tax-income for the state budget.



STEFANO LATINI

# TAXPAYERS FACE TO FACE IN VIDEO CALLS WITH THE ITALIAN REVENUE AGENCY

by Stefano Latini, Press Officer, Communication and Media Relations Department, Italian Revenue Agency

The COVID-19 crisis has revolutionised lives and livelihoods around the globe. Just as businesses have had to transform operations and individuals have had to rethink every aspect of daily life as they respond to the crisis, governments also have had to reinvent how they operate. This turned out to be especially true for tax authorities, which have faced several challenges in the past two years.

Particularly, tax administrations have had to figure out the COVID-19 crisis has revolutionised lives and livelihoods around the globe. Just as businesses have had to transform operations and individuals have had to rethink every aspect of daily life as they respond to the crisis, governments also have had to reinvent how they operate. This turned out to be especially true for tax authorities, which have faced several challenges in the past two years. Particularly, tax administrations have had to figure out how to operate with remote workforces and rebuild, or reinvent, a satisfactory strategy able to intercept the needs, partly changed, of millions of citizens/taxpayers. To face this scenario, tax authorities have been deploying a vast range of new innovative tools to support collections efforts during large-scale debt moratoriums, filing postponements, payment extensions and, above all, a massive redesigning of the services provided. Is in such an intense transformation journey that the Italian Revenue Agency has first elaborated and then launched a new video call service for assistance with fiscal refunds, income tax returns, registering, and health cards. The new digital service, whose goal is to provide all taxpayers a virtual face-to-face opportunity to meet and improving communication with the Revenue Agency and at the same time to assist them in resolving tax matters, is a



dialogue on fiscal matters between citizens and tax authorities.

**Let's find out how the new service works** - The new service allows taxpayers to video call an official of the Revenue Agency and talk face-to-face and receive assistance remotely, almost as if the conversation was held in the office. Indeed, with the new video call option, it is possible to schedule a face to face virtual meeting with an official of the Revenue Agency and receive assistance just like it would be in person at the office. With the difference being that everything happens from the pc, smartphone or tablet.



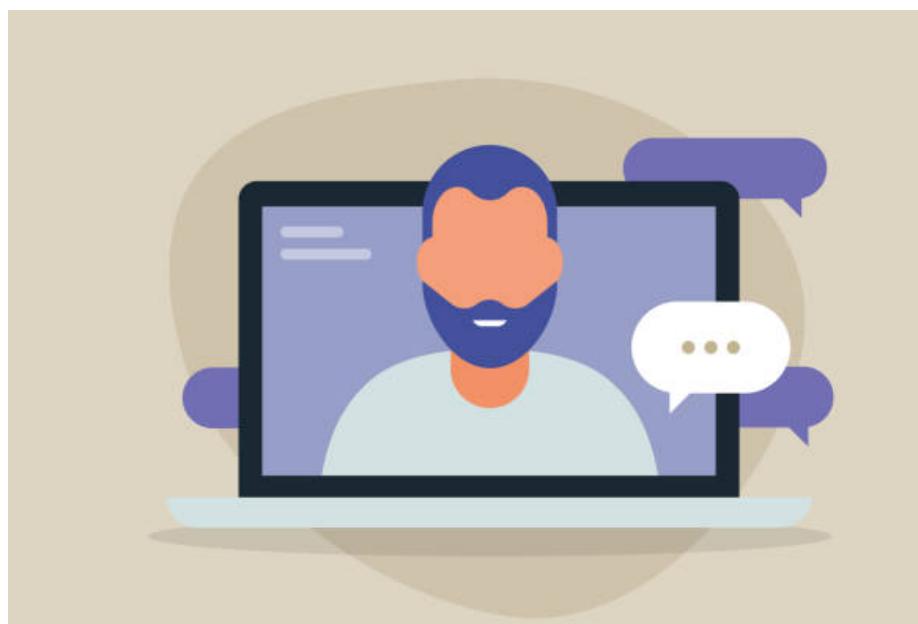
**Two ways to book the video call with a revenue officer** - How to book the video call with the Revenue Agency? The possibility is twofold because on the one hand there is online via desktop and on the other **via a dedicated app** of the Revenue Agency. An important procedural aspect is the compilation of the "reasons for booking the appointment" box, indicating all the useful elements. Furthermore, in order to better prepare for the video call, an official may contact taxpayers a few days before the appointment. In any case, the office sends by e-mail, the day before the appointment, the **link to access the video call**. It is not necessary to download a specific software to connect.

**Booking a fiscal virtual meeting step by step** - The first thing to do is to connect to the dedicated page and select the reservation **For yourself** (indicating your tax code) or **On behalf of another person** (in this case it is necessary to enter the tax code of the delegating party). To move forward, it is therefore essential to accept the information on the processing of personal data, by ticking the box. After clicking on the **Next** button, a screen with **9 tax services** to choose from is displayed. The first is precisely that of the video call. At this point, by the dedicated section of the site "book an appointment" or through the app of the Revenue Agency, taxpayers can choose between the following assistance areas active in video call:

- **Acts and successions (Registry area);**
- **Declarations and refunds (direct taxes area);**
- **Tax code and duplicate of the health card (Identification area).**

Once selected the desired day and time, to proceed with the video call taxpayers must first have read and accepted **the information on the protection of privacy** and the general conditions of the service.

During the video call with the Revenue Agency, it is advisable to keep the **documentation necessary for the requested service**, to make the most of the time set aside for the appointment. A dedicated brochure is also available.



# ATGO – MOBILE APPLICATION FOR SELF-EMPLOYED TAXPAYERS WITHOUT ORGANISED ACCOUNTING

by Ana Quintela Sousa, Head Unit of the Management Division - Taxpayers Registration Directorate, Portuguese Tax Administration

The Portuguese Tax Administration has continuously been developing services to improve taxpayers' compliance. Providing support to self-employed taxpayers without organised accounting is a part of this strategy, given that, in general, this type of taxpayer has limited professional support. Portugal has approximately 1 million taxpayers under these conditions, making it essential to create new ways to facilitate tax compliance and reduce associated costs.

To accomplish this objective, Portugal developed a mobile application called ATGO (available on iOS, Android and Huawei operating systems) that allows these taxpayers to easily manage their professional activities through a single point of access, in an integrated and mobile environment. With this newly designed solution, taxpayers do not need to use other channels to fulfill tax obligations, within the framework of a self-employed professional activity.

templates for easier filling, when dealing with regular clients. It is also possible to consult the evolution of income and expenses, comparing with the same period of the previous year. A "Top 5 clients" feature is also available, and can be created either by the amount of income earned or by the number of receipts issued. Along the App, tutorials and humanized help are provided in order to guide taxpayers into all the features. The first access, called Onboarding, provides a general overview about the app features. Contextual help is also available while using the app and a general help is accessible from the main menu.



This APP allows taxpayers to have an overview of the state of their professional activities at all times, helping them with the analysis and facilitating their interactions with the Portuguese Tax Administration.

By accessing the APP ATGO, taxpayers can view professional activity data, namely consult VAT and IRS schemes, NACE and IRS activity codes. They can also issue and view their receipts and send, on the spot, the receipts to their clients using SMS, WhatsApp or e-mail. Taxpayers are also able to save



As a way of improving the services provided by the app, taxpayers can evaluate them and provide their opinion.

In the near future, the application will have new features, such as a digital fiscal agenda and alerts on tax compliance.

The development of solutions such as the ATGo APP reinforces the technological innovation matrix of the Portuguese Tax Administration and its focus on providing personalized services tailored to the needs of different taxpayer segments. The goal is to simplify and reduce the costs associated with tax compliance, which means improved service, strengthening a positive relationship with taxpayers, in addition to promoting economic competitiveness.

The App was developed under the project "Gia - Gestão Integrada de Atividade por Conta Própria (Integrated Management of Self-Employed Activity), in a multiplatform support", co-financed by the programs Compete 2020, Portugal 2020, and the European Union's European Regional Development Fund.



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# FINANCIAL LITERACY AND TAX TRAINING IN LITHUANIA IS TAKING ON A NEW FORM

by Šarūnas Gurklys, Chief Specialist of Education and Methodology Division of Tax Information Department, State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania

**The State Tax Inspectorate of Lithuania (hereinafter – “The STI”) during the year 2021 has made progress in tax education.**

Recently an interactive presentation was the main tax-training delivery tool. Although it has been an excellent and convenient educational tool, which conveys the desired information in a visual and comprehensive manner, and it makes learning engaging and interesting, tax training is a continuous process where lecturers must return to the classes with the same children, it has been suggested different teaching material needs to be adopted. Consequently, the STI has implemented two new educational tools.

One of the tools used for tax training is the cognitive educational stand of the STI in the educational entertainment centre called CURIOCITY. This educational tool is based on the “play-know” concept. CURIOCITY has been created for families raising children aged 1-13 and for groups of schools and

kindergartens. This new generation educational entertainment centre offers a wide range of tools, equipment, and games, which help develop the emotional, intellectual, social and physical skills of children. The layout of the educational centre creates an impression of a multifunctional city, integrating children into playful educational activities where active entertainment creates conditions for children to imitate real-life situations, while being acquainted with the world, natural phenomena, various professional activities and fields of science. It is an imitation of real life. The centre is equipped with sections about the body, construction, police, livestock, sound, lightning, ambulance, etc.

The educational stand of the STI gives opportunity for children to find out about tax system implemented in

Lithuania, understand the benefits of paying taxes and the damage of shadow income, introducing the profession of a tax specialist. It is important for children to research, discover and imitate the activities of adults. In the form of games, they may allocate a budget on their own, discover about taxes they pay by purchasing a specific item or service, and where the taxes are used, etc.

The second education tool is an agile game called ‘Pillow fight’. It is a good, very funny tool, which works in conjunction with other educational tools. While playing a pillow fight, children move a lot which helps them to vent their energy and become prepared to hear new information. After playing a pillow fight, children watch videos about taxes, which show the benefits of taxes and the detriment caused by not paying taxes. Knowledge and good emotions go well together.

The pillow fight can be done very easily at any school. All you need are pillows. There should be slightly more pillows than there are children in the class. The recommended size of a pillow is 40x40 cm.

**The rules of the game are as follows: Methodological tool ‘ECONOMICS AS A PILLOW FIGHT’**

**Participants in the game:** lecturer, teacher, students.



**Game accessories and environment:** pillows. There has to be slightly more pillows than the number of children in the class. The children have to have enough space to stand freely in a circle and not to interfere with each other while throwing pillows. If the lesson takes place in the classroom, the desks have been lined up against the walls.

**Course of the game:** (Before starting the game, the children have to be told that utilities are not real taxes). The children stand in a circle. A lecturer and a teacher stand next to or inside the circle. The lecturer introduces himself as a representative of the tax inspectorate and asks the children what taxes they know. The children answer about utilities and the lecturer explains that utilities are not the 'real' taxes, and that the real taxes are when a person gives part of his money to the state. The lecturer tells that now we will see how the money moves between people and what taxes look like in this whole context.

The children are provided with pillows. The lecturer explains the rules: 'we will play a pillow fight. When I will give the command 'throw', you all have to start throwing, and when I will give the command 'hold', you all have to catch the pillows and hold them. Let's try. Throw!'

Children are throwing pillows and having fun. This is the very first outburst of the game, which is completely uncontrolled. The children fall to the floor, grab pillows from the ground, throw them, fight with each other and shout loudly. The children can play for up to a minute. Then the lecturer gives a command aloud: 'hold!'. Children are lined up in a circle, and throw pillows from where they are standing. Then the lecturer says: 'Now, when you are throwing pillows, imagine that pillows are money. When you throw a pillow, it means you are spending the money, and when you catch the pillow, it means you have got the money. Throw!'



The children are throwing pillows again. The lecturer asks if there are enough pillows for all the children. The children continue throwing pillows for a while until the lecturer stops the game. He then asks if there are any of the children that does not have a pillow. Several children raise their hands. The lecturer then explains that this is how the money moves in the real life. When people spend money for their own needs, there is enough money for everyone. When people do not spend money, the money starts to run out. The children are again allowed to throw pillows. Throwing slows down. The lecturer stops the game. The children are asked if all of them have a pillow. Those, who do not have a pillow, raise hands. The lecturer asks: 'Wouldn't it be better if there were more pillows?'. After the children express their approval, they are reminded that pillows symbolize the money of the state and the state can pay people for work (doctors, teachers, police officers, etc.). The children are then asked a question: 'Where can the state get the money from?'. We listen to various answers from the children and then we talk about taxes.

A new rule is introduced: the teacher is the government and the guest is the tax inspectorate. The game continues as follows: the teacher can give pillows to those children who do not have any. However, the teacher can take

a pillow only from the guest - the tax inspectorate, and the tax inspector will receive them from the children. The children will be throwing the pillows and the guest will point at any child and that child will have to throw a pillow to the guest (pay a tax).



The inspector passes pillows one by one to the teacher (the inspector can also collect several pillows so that the lack of money could be felt during the game), and the teacher asks who does not have a pillow and then gives a pillow to that child. The rest of the game is played like follows: the children throw pillows, the lecturer 'collects taxes' (the children throwing pillows make a loud noise and often do not notice that the lecturer is pointing a finger at them. So you could shout 'taxes!'), and the teacher redistributes the money. Gradually, the teacher is given all the remaining pillows and they are thrown into the game. The game is paused, and we can see that some children have more than one pillow. We can call these pillows savings. The lecturer says: 'By saving money you do another good job. When you spend money, you do a good job for the state, and when you save it, you do a good job for yourself'.

The children are again allowed to throw pillows just for fun, and when the children calm down and stop throwing pillows, the game is over.

During the game, the children are presented with a simplified model of the country's economy. They are shown why the government needs money, and they are instructed that the money comes from taxes, etc.

After a 'pillow fight', children love to sit down or lay on the pillows. After this energetic game, having made themselves comfortably, children are very receptive to viewing the STI-created videos on taxes.



# ART AS AN ALTERNATIVE FOR OVERCOMING PANDEMIC STRESS AND SOCIAL DISTANCING

by Silvana Radeva, Acting Director of the Communications Directorate, Headquarters of the National Revenue Agency of Bulgaria

In the conditions of Covid-19 pandemic, along with emergency measures and a ban on holding any type of event where people could get together, employees of the Varna Appeals and Tax and Social Security Practice Directorate of NRA initiated three annual literary and visual competitions. They offered an alternative for overcoming pandemic stress and social distancing between colleagues, and enabled the expression of undeclared and hidden creative talents in the National Revenue Agency. In addition to being good at collecting taxes and social security contributions and monitoring compliance, we can and we do express ourselves in various fields of art.

The first competition was held in 2020, in the beginning of the pandemic. Its theme was “WE, because ME is not enough.” The main idea of the competition was to show solidarity, empathy and togetherness, while ensuring personal safety. This crisis revealed two main aspects of life:

- 1) We are all equal as human beings
- 2) We are not alone.

It is a fact that social distancing affected each of us. But being together - colleagues and next of kin – underpinned the creation of a virtual Hobby Hub as an escape from reality. It minimized the negative pandemic consequences and provoked tax officials to show their creative potential and hidden talents, beyond their official duties and daily routine. After the success of the first competition and the social effect achieved, in November 2020 our colleagues in Bulgaria’s sea capital Varna invited all NRA employees to participate in a second such competition in 2021, this time on the topic of “Challenge: the HUMAN BEING”.

The forms of activities were essays, prose or poetry, painting, sculpture,

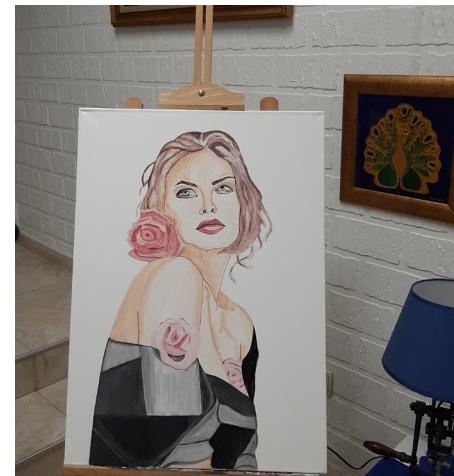
and photography. The participants were NRA employees from all structural units and their next of kin: their children, grandchildren, nieces and nephews who have creative talents and desire to express themselves on the topic.

The projects of the participants were divided into groups in order to be judged by a competent jury, according to the chosen means of expression.

The third competition themed “In the silence of the HUMAN MIND” is currently underway, and it has entered its final stage - the works presented are being reviewed by the jury of the competition

A special committee reviews the works and selects winners in each category. A separate competition is underway of children’s works. The children’s works are especially exciting.

Participants in this category are children and grandchildren of our colleagues. The youngest participant in the 2020 competition was 2 years old, and he participated in the following competitions with his original appliqués and drawings.



*The lady with the roses, painting, Hristina Aleksandrova*



*Petya Petkova, polymer clay, applied art*

## BULGARIA

Kids and their pure perceptions of the world make adults think again about the important aspects of being, often blurred by the routine of mundane life.

And our daily lives were strongly influenced by the unexpected circumstances related to the pandemic and the Covid-19 situation. We had our chances for more philosophic retreats, which kids could provoke, choke or inspire, either by their mere presence, or with their untarnished art.

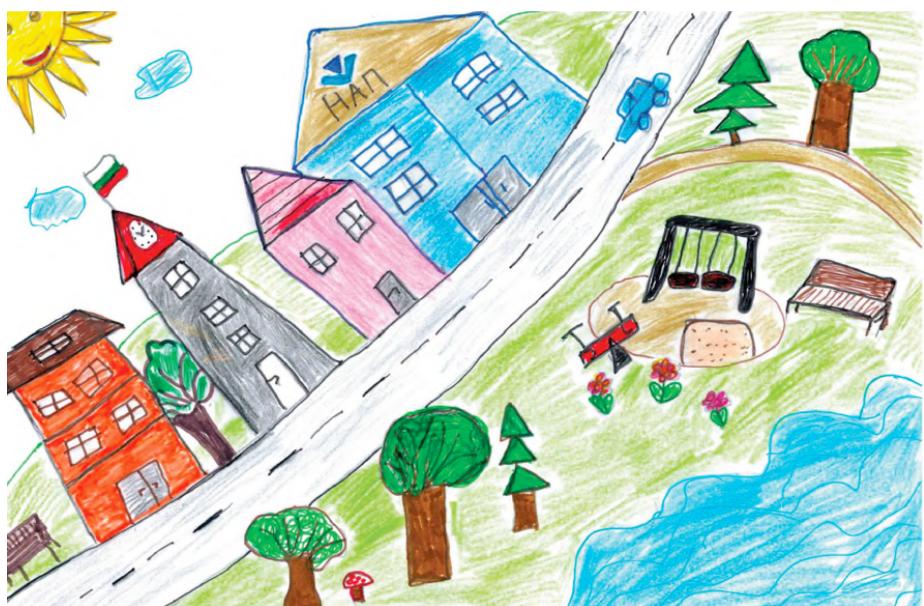
The number of art enthusiasts in the Bulgarian National Revenue Agency, presenting their personal work, is growing – while in the first competition “WE, because ME is not enough” in 2020 participants produced 30 works in four categories, in the second national competition in 2021 entitled “Challenge: the HUMAN BEING” there were 42 works. The jury of the third literary and visual competition under the motto “In the silence of the HUMAN MIND” is currently judging over 60 works in the four categories.

At the initiative of the organizers, electronic catalogues for 2020 and 2021 have been compiled, which contain all the competition work, and subsequently an e-catalogue for 2022 will be created, leading to the setting up of a Hobby Hub.

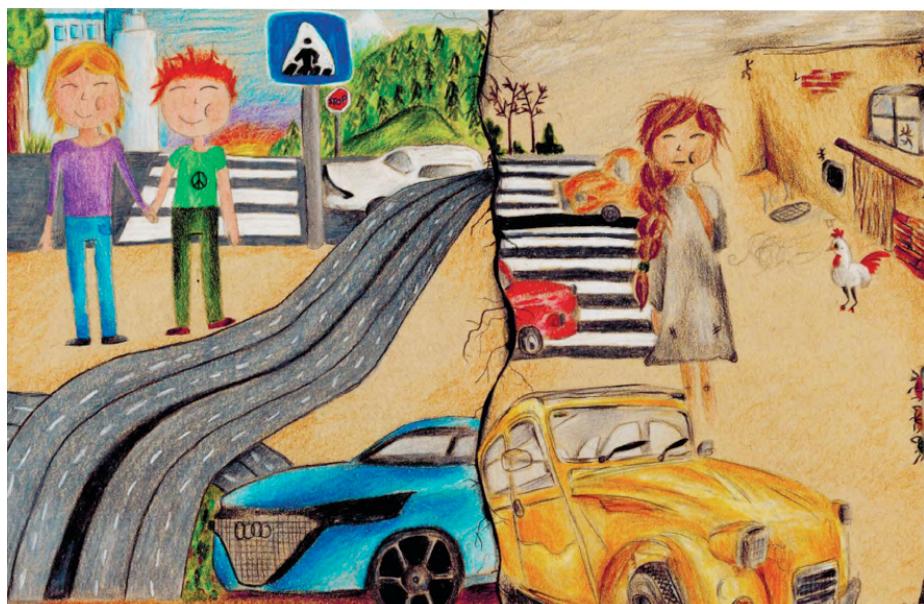
What is most important is the result achieved – overcoming stress and social distancing, fostering desire for self-expression and creative approach to everyday challenges.

The success of this social project, started in 2020, and its emotional final stage, taking place at the seaside, has motivated the organisers to turn this creative stand-alone event into an annual national competition.

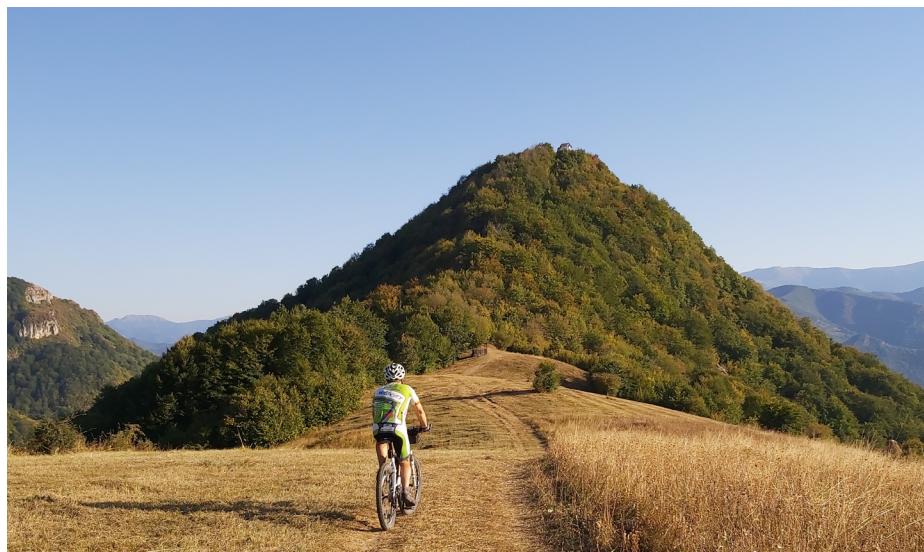
The new topic and the start of accepting competition works for the next year will be announced on November 16, 2022, when we celebrate the professional holiday of the Bulgarian revenue administration.



Emilia Kastrova, 6 years old



Boyana Kardjieva, 14 years old



“The only way is up”, Maria Koleva, photography

# HIGH-LEVEL FLOORBALL REFEREE

by Nadine Ellis, Swiss Federal Tax Administration (FTA)

**Sandra Zurbuchen, a head of team in the DAS main division, won the gold medal for the best refereeing duo in the floorball championships in Helsinki in December 2021.**

Beat Feuz and Corinne Suter's victories in Beijing aroused incredible memories for Sandra Zurbuchen. Together with Corina Wehinger, she won the gold medal as the referee for the final of the men's world floorball championship in Helsinki! The two women were the first female referee team to have had the honour to blow their whistles during a men's world championship. In Sandra's words: 'we achieved the goal of our careers that we had worked for with the help of a psychological coach.'

Sandra and Corina demonstrated their expertise over the course of the seven matches that they refereed. As Sandra put it: 'during the championship, we didn't sleep very much and we were constantly full of adrenaline. As women, people scrutinised us more and we felt a greater need to prove ourselves to others.'

It was not until the day before the event that they learned that they had been selected to referee the final. The applicable selection criteria was experience and their performance during the other world championship matches. Additionally, the countries that face off during the final are also an important factor. Sandra and Corina's joy was immense but was matched by the stress they felt. Just as during previous matches, the two women had to prove their worth by demonstrating their expertise.

Their selection for the world championships was the result of enormous effort: thanks to their many years of experience and their consistently good performances, they were proposed by the Swiss floorball federation to referee international

matches and nominated by the international floorball federation.

## Trash talk and emotions are part and parcel of the game

Men's floorball is faster and more physical than women's floorball. Men provoke each other by exchanging trash talk. 'But their behaviour towards us was respectful. Of course, we got shouted at, but emotions are part of the game,' remarked Sandra. 'You need to be brave to assert yourself as a woman when you're surrounded by men,' Sandra explains.

What will you do after this victory? The world championship 2022, which will take place in November in Switzerland, are their new motivation. 'It would be a great ending. Whatever happens, it will be difficult to do even better,' Sandra added. After her time as a referee, she could see herself working in referee training or as an observer.

## Employers too benefit from investing in female athletes

Sandra is happy that the Swiss Federal Tax Administration FTA allows her to engage in her passions by giving her a flexible work schedule and paid leave. Nevertheless, she is also convinced that her sporting activity benefits the Swiss FTA: 'working as a referee, I acquired skills that benefit my employer: communication skills, critical dialogue and management.'

Sandra Zurbuchen leads the team control in the division for cantonal supervision within the main division for federal direct tax, anticipatory taxes and stamp duty DAS. She works full time and spends 10 hours a week training or refereeing. She no longer plays floorball herself. She referees both in Switzerland and abroad and takes pleasure in sharing her experience with others.



**Corina Wehinger (left) and Sandra Zurbuchen (right) with their gold medals.**  
Source: Swiss Unihockey.



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