

39<sup>th</sup> EDITION



# TAX TRIBUNE

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magazine

**GEORGIOS PITSLIS,  
IOTA PRESIDENT**

**THE IOTA PORTAL  
DEVELOPMENT**

**IOTA CRONICLES:  
WORKING IN A SUBGROUP**

**IOTA AWARD WINNER:  
LILLEMOR UNSBO**

**INTERESTING PEOPLE:  
ARIF ALAKBAR**

**IOTA SECRETARIAT:  
WOLFGANG BÜTTNER**

**PROJECTS OF THE MEMBERS:  
ARMENIA, FINLAND, NORWAY, SLOVAKIA, SWITZERLAND**

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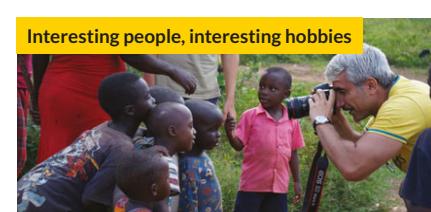
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## GEORGIOS PITSLIS, IOTA PRESIDENT

# WE ARE HERE TO PROTECT AND SERVE PUBLIC INTEREST

Interview by Dorottya Vannai, Communication and Publication Specialist  
IOTA Secretariat | Photos from IAPR and IOTA



At the 23rd General Assembly of IOTA in July 2019, Greece was appointed to hold the Presidency of IOTA for the term 2019/2020.

**Georgios Pitsilis**, the Governor of the Independent Authority for Public Revenue (IAPR) of the Hellenic Republic became IOTA's new President.

## Why was January 2016 an important date for you?

Following a public call for interest and a selection process, that was the date when I had the honour to be appointed by the Greek Government as Secretary General for Public Revenue. Serving as the country's head of tax administration was very new to me, since my experience originates from the private sector. Before becoming head of the Greek Tax and Customs Administration, I was a tax lawyer (since 2000) and also served as a Tax Advisor of the Hellenic Bank Association (2010-2016).

## What are your main achievements since you have become the Governor of the Independent Authority for Public Revenue of Greece?

Since I took office, my first priority was to ensure a smooth transformation of the already autonomous General Secretariat for Public Revenue into an independent revenue agency, the Independent Authority for Public Revenue (IAPR).

The purpose of this transformation, which was voted into law by a vast majority in the Greek Parliament, was to further implement the de-politicisation of the Greek tax administration, by providing it with

firm institutional, organizational and functional independence vis a vis the Ministry of Finance, and at the same time to substantially increase its accountability to Greek society, by introducing and implementing direct institutional accountability reporting obligations to the Greek Parliament. The transformation was indeed smooth and did not affect our overall performance of public revenue collection. The Tax and Customs administration exceeded revenue targets for 2016, collection of arrears increased by over 50% compared to 2015, and at the same time core organisational changes were made so that IAPR could start its operations on 1 January 2017.

### *"a modern tax administration understands its taxpayers"*

We were persistent in spreading the message that the transition into an independent authority organization was not the goal by itself. It was rather an enabling factor that would allow the Greek Revenue Authority to evolve into a model agency for the Greek public sector. This included setting ambitious targets, developing mid and long-term strategies, bringing organizational

changes to the agency, but above all, involving top management and staff by making everyone part of a common vision and duty, a new institutional culture to best serve public interest.

**Your term as Governor of IAPR has recently been renewed for another five years. What are your priority areas now?**

In the new term my priority is to lead the agency into the era of digitisation. This includes developing and applying new tools in auditing and collection, but also in taxpayer services. I firmly believe that digitisation is the key to a modern and efficient tax administration that seeks to continuously build a relationship of trust with taxpaying citizens.

**What are the most important projects for IAPR at the moment?**

IAPR makes steady progress in improving tax collection, including reducing long overdue debts. We have had significant achievements since its launch in 2017 and progress in achieving set targets on a number of key performance indicators (KPIs).

Our strategy is multifaceted in terms of parallel high priority projects that are being managed simultaneously. If I had to select one, I would definitely

choose the digitisation of bookkeeping and invoicing for businesses operating in Greece. We call the project "MyDATA", which stands for "my Digital Accounting and Tax Application". MyDATA is a digital platform which will accommodate all data from B2B and B2C invoicing, including online cash registers (ORC), and will constitute the basic bookkeeping of businesses that are taxable in Greece. Businesses will send these data to us through electronic invoicing, EPR programs, OCR, and through an online data entry form. They will have direct access to their digital books kept by IAPR, and the platform will categorise and qualify their revenues and expenses according to tax legislation.

Digital bookkeeping with IAPR will allow us to prefill taxpayers' VAT and income tax returns, thus facilitating compliance and fulfilling tax obligations. We consider this project a game changer in the relationship between taxpayers and the Tax Administration.

**What do you like about your work at the Greek Office?**

What I enjoy the most is leading the effort to conceive and implement reforms that are necessary for the Greek Revenue Authority and for Greek society, whom we proudly serve. Greece has suffered a lot in the previous years because of the financial crisis and it has become evident that the most convincing way out of the precarious past and into a business friendly future is a bold program of reforms that will establish confidence to domestic and foreign investors and reverse the outflow of talented young Greeks abroad. A modern tax administration that understands its taxpayers' needs and finds ways to assist them in being compliant at the lowest possible cost, while developing a firm stance against tax evasion and smuggling, which hurts healthy competition, can become a bright example of reforms that contribute to institutional credibility building and to the growth of the Greek economy. Having the opportunity to be part of this very important project is really an honour for me.



Hans D'Hondt outgoing Belgian President (left) holding the IOTA flag with Georgios Pitsilis incoming Greek President at the IOTA General Assembly, July 2019

**Greece joined IOTA in 2006. How has IAPR benefited from the membership so far?**

Globalisation can be an enormous driving force when it comes to tax processes. Knowledge of best practices that already exist in other tax administrations serve as the example of what we all need in order to improve our performance. This is where IOTA comes in. IOTA is a valuable organization, because it provides to its members a platform for exchanging experiences and best practices on important issues and current developments concerning the practical aspects of tax administration. Our revenue agency has gained valuable knowledge through IOTA and its cooperation with international and regional organizations. IOTA provides tools in the fight against tax evasion through leadership.

*"we must be knowledgeable enough to tame and master the waves of both globalisation and digitisation"*

**For what reasons did you apply for the IOTA presidency? Why do you think that holding it is a great opportunity for IAPR?**

Receiving the IOTA Presidency is the recognition of Greece's efforts during the last few years to create a truly efficient and independent tax authority. It is not only a great honour for me personally to become the President

but also a challenge for IAPR to provide assistance in the formulation and implementation of IOTA's new strategic plan (2018-2022).

During our Presidency we have the opportunity to strengthen our relations within IOTA and understand the vision, the mission and the values of IOTA better. Furthermore, by organizing the 24th General Assembly of IOTA in June 2020 in the beautiful Greek island of Rhodes, we will have the opportunity to address new challenges that will arise in the future, and find the best solutions.

**What are your main priorities during the Greek Presidency? What goals would you like to achieve?**

I would define two main priorities. The first one is to assist IOTA in reviewing its strategy and the amendment of its Charter. These are radical changes, which are necessary for the future efficiency and success of the Organization.

The second one is to assist IOTA in adopting a more forward-looking approach. I believe that change management is important in an organization. We live in an era where globalisation and digitisation make things change faster than ever before. We must be knowledgeable enough to tame and master the waves of both globalisation and digitisation. IOTA should adapt to these changes and strengthen its international position, taking into account the needs of its Members and always protect and serve public interest, as its priority. ■

## THE IOTA PORTAL DEVELOPMENT

# THE IOTA PORTAL'S DEVELOPMENT IS ENTERING ITS SECOND STAGE SOON

Interview by Dorottya Vannai, Communication and Publication Specialist  
IOTA Secretariat | Photo by Lajos Gelencsér, IOTA Secretariat

One of the biggest projects in the life of the Secretariat these days is the development of the IOTA portal. Most of the features, the layout, the structure and the functions will be changed or fine-tuned in the development process. Péter Póth, the Web and database specialist of the Secretariat is acting as the project manager. I asked him to tell me more about this huge project.

The website of IOTA goes through changes from time to time. Why did the Secretariat initiate the development process from ground zero this time?

Because the portal outgrew itself, the requirements have changed during the last three years and the whole portal needs to be set on a completely new basis. As an example, I could mention the technical enquiry project. It is an electronic tool on the IOTA portal, which allows a member tax administration to ask a question and then receive answers from any IOTA tax administration. It was implemented three years ago and it is very complex.

You are using the word 'portal' instead of website. Why?

Because it is not just a website any longer, our IOTA portal is more complex than ever before. It is the first line of communication between IOTA members and the Secretariat. Nowadays, we use the portal for more than just information sharing, our processes need to be

automated, we need a more interactive and user-friendly tool.

*"the portal is more complex than ever before"*

What were the first steps in the development process?

The results of the website audit were presented by the Secretariat to the Executive Council in 2018. The Council agreed on the portal development. They also understood that it had to be started from scratch and that the current website model would not serve the requirements in the future.

We started the project by looking for a company that can prepare the user function specifications for the portal. We found and selected Fluxon Ltd.

The service provider started the work by interviewing the regular users of the website who were chosen by the Secretariat. They were tax officials and IOTA contact persons from several tax



administrations. The service provider went on a business trip to meet some of the interview respondents in person: visited the Belgian tax administration as well as interviewed the IOTA contact person and the Head of the IT department. Each member of the IOTA Secretariat had been interviewed in order to determine the needs of the people who use the portal the most. Based on these interviews they prepared the specification document that included all the requirements for the new IOTA portal.

In what stage is the development at the moment?

In December 2019 the Secretariat approved the first, PCP chapter of the functional specification document and in early January 2020 we sent it out to the member tax administrations to

inform them about the new model. With this email we also sent out a survey that asked members about the prioritization of the functions, e.g. messaging among the users on the portal, questions on the archives, how to include the technical enquiry process, etc. There is also another specification document on the Secretariat's part that was finalised in January. Finally, once it becomes complete, the whole user specification document will be sent out to the members of the Executive Council.

*"we hope to select the developer this year"*

What are the next steps?

Once all elements of the document are considered final, a tender will be launched on the development of the

new IOTA portal. The winning company will be responsible for planning the user interface and user experience as well as for defining the technology behind the website. It will be contracted for long-term support for the web portal, managing any development in the future, supporting the users, bug fixing, handling change requests, etc.

How much of your working hours do you spend with the preparation of this huge project?

Since the project started, I have been acting as project manager. We did a huge amount of work together with the service provider to create the final documentation. We also had some additional follow-up discussions with Secretariat colleagues to clarify some points.

I cannot really give a precise estimate, but during the specification phase I spent many hours, approximately a quarter of my workdays with the project. And when the second stage, the development starts I am sure it will require even more.

Can you estimate when the IOTA portal will be ready?

We hope to select the developer this year, and start the development in early 2021. Our plan is to present the design concept to our members at the 25th IOTA General Assembly IOTA General Assembly in June 2021, although it will not be considered ready. According to our expectations the new portal will be fully functional with all the development phases implemented and operating in 2022. ■

# CAN YOU IMAGINE WORKING IN AN IOTA SUBGROUP?

By Anna Legendre, Tax Officer responsible for Exchange of Tax Rulings  
Federal Central Tax Office, Germany

Anna Legendre is a member of one of the BEPS Subgroups. In this article she shares her experience about working with colleagues from all over Europe.

## CAN YOU

“Can you imagine working in an IOTA Subgroup?” is what my Head of CLO, Ms. Petra Klawikowski, asked me on behalf of the German Ministry of Finance in May 2018.

I had been involved in the implementation process of the automatic exchange of Tax Rulings between the Member States of the EU (a.k.a. DAC 3) in Germany from the very beginning. Since I had also spontaneously exchanged Tax Rulings in the scope of BEPS Action Point 5, I felt curious and ready to take up the challenge, so I signed up for Subgroup 1 on Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations.

The draft roadmap sounded promising, and with mapped out targets like „a) Enhancing the process of (compulsory and spontaneous) EOI on tax rulings b) Improving the quality, consistency and content of the rulings summaries exchanged c) Ensuring the appropriate and effective use of tax ruling information received“ on the bulletin, it addressed matters that I had already considered needing improvement.

Thus, I filed an application through the website of IOTA. To my advantage and future joy I was accepted and invited to participate in the Subgroup.

Since the Subgroup was to share and explore its targets in a joint effort, I was very excited about whose cooperation I would be honoured with. I could not have been luckier. The IOTA Secretariat decided to entrust the excessively gifted Lillemor Unsbo from Sweden with the coordination of the Subgroup. It also chose to complete the group with some fabulous experts from all over Europe. Namely and in alphabetical order: Monica Acri from Italy, Deirdre Free from Ireland, Miina Lehtonen from Finland and Zoltán Vágó from Hungary. All of them are very capable and enthusiastic about the subject. On top of this, by a fortunate coincidence all of them complement each other in their talents.

## IMAGINE WORKING

Imagine working in a group with people completely unknown to each other. This might have been a risky undertaking, even though it was clear that we were all working in tax rulings. Still, would we be able to work in this field together?



Anna Legendre (far right corner at the table) with the BEPS Subgroup at a working dinner

Would the differences in structure and organisation of the various administrations allow for a consistent approach? Would the amount of work in our own countries leave us enough capacity to produce results productively and on time? What communication channels could we use, and could we communicate without misunderstandings in a language that is the native language only for one of us?

To not increase the tension to the unbearable, I'll just tell you that it worked out well, and this is how: Video conferences turned out to be unfeasible for technical and security-related reasons, so we started with three telephone conferences that helped us develop into a real team, determine our joint goals and settle organisational matters. After that, communication mostly took place via email and culminated in personal encounters at the Forum meetings, in

Budapest in December 2018 and then again in Skopje in June 2019.

Lillemor took great care – and we all supported that – to ensure that the deadlines specified in the Action Plan and the Timetable would be met. The tasks to be completed by then were divided into smaller units among all group members, and collected by Lillemor a little while before the deadline. She then put the work results together and made the outcome available to the group again for review and, if necessary, adjustment or harmonization. After this the consolidated final result was sent to the IOTA Secretariat by the deadline. We received much praise for our punctuality every time!

In the one and a half years since May 2018 we have assembled and evaluated a survey for IOTA Member States. We read and considered countless

pages of sources from OECD and EU Member States, including our own States. We exchanged and compared our experiences and received feedback from the BEPS Forum meeting in Skopje. Finally, we incorporated all of this into the report that was published in December, 2019.

## IN AN IOTA SUBGROUP

In an iota subgroup there is much more to find than work. What I found here were professional experiences I had never enjoyed before. I was cooperating with an international group of amazing tax experts within my own field, flash-improving my verbal and written use of the English language as well as enhancing my spontaneity and stage suitability. All of this happened in an atmosphere nothing short of friendly and kind.

Subgroup members as well as the participants of the Forum meetings and the IOTA Secretariat staff created a unique work environment where everyone strives to achieve their best for the sake of the subject. At the same time imperfections are graciously accepted and corrected by the community.

I consider all of this an invaluable enrichment and reason enough to get involved in the Subgroup. The true, lasting treasure that I found here is yet another. I was blessed with meaningful bonds to dedicated and affectionate people that – on a professional and on a personal level – will last for a long time.

So, if somebody asks you: „Can you imagine working in an IOTA Subgroup?“ Please, consider this opportunity a jackpot on your personal experience account and join the work! ■

LILLEMOR UNSBO FROM THE SWEDISH TAX AGENCY

# AWARD WINNING SUCCESS IN COORDINATING A BEPS SUBGROUP

Interview by Dorottya Vannai, Communication and Publication Specialist  
IOTA Secretariat | Photo by Lajos Gelencsér, IOTA Secretariat

**Lillemor Unsbo** works at the Swedish Tax Agency. She received an IOTA Award in July 2019 in the General Assembly of IOTA for her outstanding work as coordinator of Subgroup 1 of the Forum on Implementation of Measures to Counter Base Erosion and Profit Shifting (BEPS).

Please tell our Readers some details about Subgroup 1 of the IOTA Forum on Implementation of Measures to Counter BEPS.

the draft report, we received feedback from the delegates of IOTA member countries encouraging us to continue our work.

was hesitant, but after some time and further consideration, I answered yes. So, the Swedish Tax Agency applied for me to be part of the newly created Subgroup 1 of the IOTA Forum on BEPS that was mandated to draft a report on "The Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations". I would like to mention that my administration has supported me fully and unconditionally from the very beginning of my work for the Subgroup.

*This assignment has been the most fulfilling and rewarding in my entire career so far."*

Was it an easy decision for you to accept the role of coordinator?

After applying to participate as a member in the work of Subgroup 1, a selection process was undertaken by the Steering Group and the IOTA Secretariat, whereby I was appointed coordinator of the Subgroup. It was an easy decision for me to accept this appointment and I was happy to take on the role of coordinator of Subgroup 1.

I am a person who constantly wants to improve and develop. By taking on this assignment I have had the opportunity to gain new experiences.

Subgroup 1 on the "Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations" was established in June 2018 and since then I have been the coordinator of the group. When the work commenced, the Subgroup included the following members: Ms. Monica Acri (Italy), Ms. Deirdre Free (Ireland), Ms. Anna Legendre (Germany), Ms. Miina Lehtonen (Finland), Mr. Zoltan Vágó (Hungary) and myself.

Our task was to produce a report on the Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations. After the deliverables were determined and a roadmap and action plan were set up in cooperation with the IOTA Secretariat, the Subgroup's work began: collecting experiences, approaches and Best Practices of IOTA member tax administrations concerning the exchange and effective use of tax ruling information.

The work in the Subgroup was supposed to end after the finalisation of the draft report. However, at the 3rd meeting of the IOTA Forum on BEPS that took place on 4-6 June in Skopje, Republic of North Macedonia, where we presented

The Subgroup was asked to update the report in 2020/2021, include more examples and add success stories from the work with tax rulings, to create FAQs, expand the risk assessment part of the report, and to facilitate the exchange of practical experiences regarding the effective treatment of tax ruling information. In the future, we also intend to summarise the outcome from the work with tax ruling information and add a workflow with more detailed steps for managing tax rulings (inbound and outbound) in cooperation with the OECD and the European Commission. Therefore, in 2020-2021 the work of the Subgroup will continue under the Mandate from the IOTA Forum on BEPS.

How did you apply for the Subgroup?

I made a presentation about the experiences of the Swedish Tax Agency's work on tax rulings in Bern, Switzerland, at the 1st meeting of the IOTA Forum on BEPS, on 11 October 2017.

After this presentation, my colleague Margareta Nyström, a member of the Steering Group of the IOTA Forum on BEPS at that time, asked me if I would be interested in working as an expert in a Subgroup on tax rulings. At first, I



► Lillemor Unsbo (to the left) at the BEPS Steering group meeting in January, 2020.

This assignment has been the most fulfilling and rewarding in my entire career so far.

What extra input is needed from a coordinator of a Subgroup?

As the coordinator, I am the group member who ties together and consolidates the work of each individual Subgroup member. In that capacity, I am responsible for each Subgroup member's draft text. At the same time I am responsible for my own part of the draft report, which needs to follow the same common standard.

I am also the Subgroup's contact person with the IOTA Secretariat, so I implement the agreed roadmap and action plan. I arrange telephone conferences with the other Subgroup members and allocate the work amongst the Subgroup members. I also support the Subgroup members in their work if needed. I must ensure that the work progresses and that the agreed time schedule is kept.

What other responsibilities are connected to your work as a coordinator?

Drafting the Subgroup's Report on "Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations" had to be done in several steps.

I am the person who reports on our progress to the Steering Group at predetermined times. I am also responsible for producing and arranging the Subgroup's presentations at the IOTA Forum meetings. I have delivered three presentations at the IOTA Forum meetings.

Overall, the coordinator's responsibility is for the contents of the Subgroup's draft report and for the timely delivery of the final version of the Subgroup's draft report to the IOTA Secretariat.

*All Subgroup members were very committed and stated at a very early stage that we should become the best IOTA Subgroup."*

What activities have been implemented, what work has been done by your Subgroup? Have you achieved the goal of the Subgroup?

Yes, I work as a coordinator for the Automatic Exchange of Information at the Large Taxpayers Department of the

The Subgroup first analysed the existing external sources of information. We produced an online survey to collect data from IOTA member tax administrations on the treatment of tax ruling information and we received answers from 26 IOTA member countries. The answers provided a good overview on how the processes of exchanging and using information on tax ruling are managed in those IOTA member countries. We prepared a draft report and sent it out for comments to all IOTA tax administrations that participated in the country survey. After that, we analysed the comments we received and incorporated them in a revised version of the draft report, as we considered suitable. After further revisions and layout work had been done, the final report was published on IOTA's website in December 2019. With the publication of the report, the goal of the Subgroup has been successfully achieved.

Is your daily work in the Swedish Tax Agency connected with the exchange and use of tax ruling information?

Swedish Tax Agency. Therefore, my daily work is connected with the exchange and use of tax ruling information and all the other Automatic Exchanges of Information in the framework of the OECD and the European Commission. Of course, being an IOTA subgroup coordinator adds to my daily workload. On the other hand, I benefit from the additional knowledge and experience I have gained as a coordinator of the Subgroup that has been in charge of preparing a report on the exchange and effective use of tax ruling information.

#### What feedback have you received on your work as a Subgroup coordinator?

I received a lot of feedback from my contact person in the IOTA Secretariat, my colleagues in the Subgroup and my own administration. Most of the feedback has been positive and the feedback really motivated me all the way to continue working as a Subgroup coordinator.

#### LILLEMOR UNSBO'S CAREER PATH

1995	Started work as a tax official at the Swedish Tax Agency
2004	Became Head of Section at the Swedish Tax Agency
Since 2016	Working as coordinator for the implementation of the BEPS Action 5 minimum standard on Harmful Tax Practices and Automatic Exchange of Information at the Swedish Tax Agency
October 2017	1st meeting of the IOTA Forum on BEPS (Bern, Switzerland): Presentation on "Effective Treatment of Tax Rulings", representing the Swedish Tax Agency
Since 2018	Working as coordinator for the Automatic Exchange of Information at the Large Taxpayer Department of the Swedish Tax Agency
June 2018	Became the coordinator of Subgroup 1 of the IOTA Forum on Implementation of Measures to Counter BEPS
December 2018	2nd meeting of the IOTA Forum on BEPS (Budapest, Hungary): Presented the Report on the Country Replies to the IOTA Country Survey on the "Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations"
June 2019	3rd meeting of the IOTA Forum on BEPS (Skopje, Republic of North Macedonia): Presented the Draft IOTA Report on "Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations"
December 2019	The IOTA Report on "Effective Treatment of Tax Rulings subject to the Exchange between Tax Administrations" was published on the IOTA website.

We have had fantastic collaboration in our Subgroup. All Subgroup members were very committed and stated at a very early stage that we should become the best IOTA Subgroup. With that attitude of the Subgroup members, it is difficult to fail. We enjoyed great relationships and cooperation throughout our work on the report. Three of us delivered the presentation of the draft report together at the Forum meeting in Skopje, in June 2019. It was very nice to work with Anna and Monica. We have really become good friends. If anyone in the Subgroup has a question about practical issues regarding tax rulings, we are still in contact with each other and discuss the issues.

#### How did you personally and professionally benefit from your work as a Subgroup coordinator?

I already work as a coordinator within my tax administration, but the work as coordinator of a Subgroup responsible for drafting an IOTA report on the effective treatment of tax rulings has been a new challenge and enriched me with a lot of new experiences.

I remember my first presentation at the meeting of the IOTA Forum on BEPS in Bern, Switzerland, in October 2017. I was quite nervous and it was a real challenge. Since then, I have spoken and written so much in English that now I feel more comfortable using English in my professional life as well. ■

## ARMENIA

# BEPS IMPLEMENTATION CHALLENGES IN ARMENIA

By Nairuhi Avetisyan, Head of Transfer Pricing and Tax Cooperation Unit  
State Revenue Committee of the Republic of Armenia

Since 2015, when Armenia became a member of OECD Global Forum on Tax Transparency and Exchange of Information for Tax Purposes, the next step forward to implement international tax policy aligned with international standards was the signing of the OECD Multilateral Instrument to Implement Treaty Related Measures to Prevent Base Erosion and Profit Shifting (hereinafter MLI).

The implementation of this commitment was challenging, as Armenia had not been a member of the Inclusive Framework on BEPS, which means that we had not participated in the Working groups and were not familiar enough with the principles and rationales behind the MLI. Nevertheless, the MLI was signed by Armenia on 7 June 2017, together with 67 countries. Now, the MLI is undergoing internal procedures and it is intended to be ratified during 2020. It is worth mentioning that Armenia has been a member of the Inclusive Framework on BEPS since February 2019. We are committed to implement 3 minimum standards during the next 2 years. In particular: Action 5 (Harmful Tax Practices), Action 6 (Prevention of Tax Treaty Abuse), and Action 13 (Country-by-Country Reporting). With regards to the implementation of Action 14 (Mutual Agreement Procedure), we have asked for a deferral. Besides the minimum standards, Actions 8-10 (Transfer Pricing) are in the scope of our interest, as well.

#### BEFORE THE BEPS ERA

Before our membership in the Inclusive Framework on BEPS (February 2019) Armenia had 46 effective double taxation treaties. The majority of these

were with EU countries and post-Soviet republics. As a rule, Armenia negotiates double taxation treaties based on the OECD Model Tax Convention's provisions, with the exception of some articles. The exception refers to Articles 10-12, which are based on the UN Model Double Taxation Convention, where the source country has privileges to tax dividends, interest and royalties at the source. The other peculiarity is in Article 5 (Permanent Establishment), which allows a different time frame approach for construction sites and for the provision of some types of services deemed permanent establishments. Thus, it should be highlighted, that the regulations and approaches underlined in the BEPS Actions, as well as in the minimum standards, actually have not existed either in our domestic legislation or double taxation treaty provisions. Moreover, Armenia does not have any anti-abuse rules in its domestic legislation. Hence, from the practical point of view, it would be difficult to apply the Principal Purpose Test (PPT). The next difficulty is connected with Actions 8-10 (Transfer pricing), and Action 13 (Country-by-Country Reporting), as according to the Tax Code of the Republic of Armenia, transfer pricing regulations will be effective from 1 January 2020. Basically, the transfer pricing regulations

in Armenia are based on the OECD Transfer Pricing Guidelines, but in the current regulations we do not have a requirement for the three tiers of transfer pricing documentation (local and master files, and Country-by-Country Reporting). With regards to possible issues connected with Action 14 (Mutual Agreement Procedure), Armenia has requested a deferral. Anyway, there are no MAP cases reported to the Armenian Tax Authority. With regards to all of the above, it is obvious that the post-BEPS era could be challenging for the Republic of Armenia from the aspect of tax policy considerations as well as the application of the double taxation treaties.

#### THE POST BEPS ERA

Armenia joined the Inclusive Framework on BEPS in February 2019. The first mission after joining the Inclusive Framework on BEPS was in June, and it was considered the official launching of the Induction Programme. In December 2019, a high-level visit is expected to Armenia in the scope of the Induction Programme. As it was stated above, Armenia is committed to implement 3 minimum standards, to ratify the MLI, and asked for special technical assistance for applying Actions 8-10 (Transfer Pricing). It should be highlighted that

starting from 2017 Armenia has been under the attention of the EU Code of Conduct Group, which in 2017 published its first list of so-called "non-cooperative jurisdictions" that failed to meet BEPS-inspired good tax governance standards for countries. Based on EU criteria, Armenia appeared in the "grey list" by committing to fulfil the following actions:

- to abolish corporate income tax exemptions, which were considered harmful tax regimes, by the end of 2018 with grandfathering rules of up to 3 years,
- to join the Inclusive Framework on BEPS by the end of 2019,
- to implement BEPS Action 13 (Country-by-Country Reporting) by the end of 2020.

In this regard, the referred corporate income tax exemption was adopted at the beginning of 2015. The rationale behind this initiative was to remedy the significant drop in Armenian export volumes and consequently our foreign currency deficit, due to the economic crisis in Russia (Russia is the main partner of Armenia). In other words, the purpose of this initiative was to create export-oriented capacities for products produced in Armenia, which are facing difficulties accessing external markets. It is worth mentioning that our main exporting sectors, such as mineral extraction and (or) recycling, gem processing, jewellery industry, precious metal production, and excisable goods production cannot enjoy these exemptions. Also, the reduced profit tax rate can be exclusively applied to taxpayers, who as a result of export transactions deposited at least 40 billion in foreign currency equivalent into bank accounts of resident banks. Hence, the purpose of granting the exemption was to promote export potential in Armenia by having access to external markets, thereby contributing to the economic growth of Armenia and the inflow of foreign currency into the Armenian economy. The negotiations were unsuccessful and Armenia abolished the exemption in 2018.

The second group of corporate income tax exemptions, which can be considered

harmful tax practice, are exemptions defined by the RA Law "On state support to the information technologies sector". The rationale behind this initiative was to provide favourable financial conditions to the economic operators carrying out activities in the information technologies sector, attracting investments and promoting external economic activities, the state support shall be implemented under the programme, which shall be approved by the RA Government. The tax exemptions shall be granted to the certified persons in the amount prescribed by the Law of the Republic of Armenia regulating tax relations, and within the time period prescribed by this Law. According to the RA Tax Code, the corporate tax exemption is valid until the end of 2022.

Also, Armenia has no legal basis to issue tax rulings or advanced pricing agreements and to enter any other peculiar arrangements with a taxpayer or group of taxpayers.

For the Implementation of BEPS Action 5 the self-review template was sent to the Forum on Harmful Tax Practices. Initially some preliminary "assessment" was planned for December 2019, but it was postponed to April 2020.

In this regard it is very difficult to set boundaries between harmful tax regimes and the promotion of investment into a particular sector of the economy, especially for developing countries. For example, 202 IT companies with foreign capital are carrying out business activities in Armenia, which have a significant impact on the sector's development and consequently on economic growth (about 36% of industry total)<sup>1</sup>. Moreover, according to some estimations Armenia can become a unique IT Hub within the Eurasian Economic Union and the Middle East region. Hence, the abolishment of this exemption can be challenging from the perspective of the IT sector's development.

As a general rule, it should be emphasized that the elaboration of tax policy directions is mainly based on the economic situation in the Republic of Armenia. The Government of the



(from left to right) Mr. Andranik Hakobyan, Mr. Tigran Harutyunyan and the writer of the article, Ms. Nairuhi Avetisyan

Republic of Armenia periodically assesses the expediency of tax exemptions, based on the mentioned recommendations and on the current economic situation, after which it takes steps for either their elimination or extension.

When defining the scope of the MLI position of Armenia the rationale was to apply the same approach to all treaty partners and take as few reservations as possible. Thus, Armenia has covered all effective agreements and made only 2 reservations regarding the Mutual Agreement Procedure and Mandatory Binding Arbitration. There are some concerns among Armenian taxpayers and experts that Armenia acted too fast by selecting the simplified LOB provisions together with the PPT. Now this proposal is under discussion before being submitted to Parliament for ratification. At the same time, not all treaty partners have selected a double taxation treaty with Armenia as covered agreement, and their selected positions do not always match those of Armenia. Thus, there are some

countries for which the provisions of the MLI are not applied. On the other hand, this issue is temporary and can be solved with members of the Inclusive Framework on BEPS, as minimum standards at least are obligatory to be implemented for all IF members. In this regard, Armenia has already received proposals to renegotiate double taxation treaties to be in conformity with BEPS minimum standards. The application of Action 6 expands the capacity of tax administrations to properly apply double taxation treaties. Anyway, taking into account the existing lack of experience and appropriate knowledge regarding how to analyse the principal purpose of actions taken within the scope of double taxation treaties, some tax administrations may lack the capacity to implement the minimum standard, which can also raise complaints from taxpayers. These concerns can be very

real in Armenia. We have considered overcoming them by capacity building programmes for tax inspectors.

The 3<sup>rd</sup> minimum standard to be implemented in Armenia is Action 13 (Country-by-Country Reporting). In this regard Armenia will need to make some legislative amendments to its Tax Code, which means the Transfer Pricing Documentation requirements are going to be changed completely. On the other hand, there are no MNEs with consolidated group revenue of at least EUR 750 million conducting business in Armenia, so Armenia will be a receiving country. However, to apply this standard, and in particular to have all necessary IT solutions in place can be an additional financial burden for tax administrations. Especially, it is sometimes difficult to convince governments to make investments

in areas where cost-benefit analyses are presumably correct. The second issue is the appropriate use of received information, which should be maintained based on the confidentiality standard. In this regard, Armenia will need to enhance the analysing capacities of its engaged staff, for the effective use of received information.

## CONCLUSIONS

It is too early to evaluate or estimate all BEPS challenges for Armenia, as the implementation of all minimum standards is in its very preliminary assessment phase, but by joining the Inclusive Framework on BEPS, Armenia took a huge step forward and towards international tax cooperation to combat tax avoidance and evasion and to establish high standards of tax transparency. ■

<sup>1</sup> <https://www.export.gov/article?id=Armenia-information-technology>

## FINLAND

# FINNISH BUSINESS DEVELOPMENT PROJECT: THE COTS TRANSFORMATION

By Timo Laukkanen, Development Director  
Finnish Tax Administration

The Commercial off-the-shelf (COTS) transformation project has been the largest development project in the history of the Finnish Tax Administration (FTA). It included all tax types, taxation processes and functionalities as well as all e-services. It has a significant impact on nearly every taxpayer in Finland and everyone working in the FTA.

Like many tax agencies, the FTA built its own administration software from scratch. The software included up to 200 applications, all highly integrated with each other. As the whole system of applications grew larger, it became more expensive to maintain and slower to adapt.

Following detailed market research and after thorough consideration, the FTA decided to replace its legacy systems with a COTS product. The contract was signed for 15 years, including the Delivery Project, licenses to use the system, application management and continuous future development. The Delivery Project contract had a fixed price and a mechanism to price changes to the project scope, based on function point analyses.

"The COTS Transformation project is first and foremost a business development project", concludes



Olli Sierla, Process Director

As part of the project the FTA has also modernised all its e-services.



**Olli Sierla, Process Director.** FTA's processes have been developed to be more efficient and effective with the support of the COTS system.

All FTA employees are affected, not just by the new COTS tool, but also by changes in legislation, work procedures and responsibilities.

"Change management has been an integral part of the project from the start. The main aim of change management is to help people accept and adapt to the change", states **Heli Marttinen, Change Management Director**.

The major part of the transformation project has now been successfully completed. Annual savings in IT costs are EUR 15-20 million. The breakeven point of the project is expected in 2021. ■



Heli Marttinen,  
Change Management Director

With the COTS system, the FTA is able to make tax policy changes faster and with lower costs as well as ensure that taxation in Finland will continue to function effectively and reliably for years to come. ■



More information on the FTA's experience can be found in the handbook published by the OECD Forum on Tax Administration: <http://www.oecd.org/ctp/introducing-a-commercial-off-the-shelf-software-solution.htm>

## NORWAY

# NEW REGULATIONS ON SECURING EVIDENCE TO UNCOVER TAX EVASION

By Hans Petter Tetmo, Senior Advisor  
Norwegian Tax Administration, Norway

In Norway, new regulations regarding the tax authorities' right to secure evidence took effect on 1 July 2019. According to the new regulations, tax authorities are within their rights to secure evidence through forced access to premises, etc. This includes private property where commercial activity is taking place. The objective is to ensure that our tax authorities become better equipped to uncover serious tax evasion.

Forced access is used in a small number of cases where less radical measures are not sufficient. In addition, this type of control is carried out by specially trained staff.

The amendment proposal came from the Norwegian Ministry of Finance and was passed by our Parliament in December 2018. The new legislation empowers tax authorities to enter private premises in order to secure evidence even through forced access. The legislation builds on an already strong legal basis relating to securing evidence in cases where the Norwegian Tax Administration does compliance work. Taxpayers are required to give tax inspectors access to all business premises, archives, storage space and all relevant installations where evidence and other documentation may be found.



Principally, the Tax Administration's legal basis is regulated in two sections of the Norwegian Tax Administration Act, Sections 10-4 and 10-15. The general regulation is set out in Section 10-4, stating that tax authorities may carry out control activities on entities that have a reporting obligation pursuant to the Act. However, an entity is not obliged to provide access for controls in private homes, unless business activity takes place there.

Furthermore, Section 10-4 states that tax authorities may demand access to inspect business premises, review archives, get an overview of and appraise assets, etc. including real estate, facilities, installations, means of transport, etc. When inspecting goods subject to excise duty, the authorities may demand samples of goods delivered

without payment. When reviewing the company's archives, tax authorities can copy information to a data storage medium for later review either at the company's premises or at the tax authorities' premises. This gives us a general basis for performing tax audits that is very far-reaching and solid in relation to accessing and securing evidence in civil proceedings.

In past years, we have noticed that business activities are increasingly taking place in private homes, i.e. "home offices". Evidence might be stored digitally in the cloud or in other places outside the business premises. We have also noticed that the mandated restrictions of access to private homes in general give criminals an opportunity to hide evidence in tax proceedings. If the Norwegian Tax Administration uncovers tax crimes, these cases are referred to the police for criminal investigations. Still, evidence may be compromised or destroyed. That could lead to situations where tax inspectors are not able to secure evidence by using methods that the police, the Norwegian Prosecuting Authority and the courts can accept as admissible. Our legal option to access premises and secure evidence on private property is therefore an effective and important method to uncover tax fraud. ■

## SLOVAKIA

# EKASA – THE NEW DIGITAL PROJECT IN SLOVAKIA

By Drahomíra Adamčíková, Officer of Communication Department  
Financial Directorate of the Slovak Republic



Digitization in Slovakia entered a new era this year since the Financial Administration introduced its project aimed at the online connection of all cash registers to the Financial Administration.

The project is a part of multiple measures to combat tax fraud. Since 2012, the Slovak Financial Administration has introduced dozens of measures to combat tax fraud. Thanks to these, Slovakia has reduced its tax gap from 41% to 26% and the Financial Administration has collected EUR 3.7 billion more for the Treasury.



But the main intention of this project was not only to fight tax fraud. With eKasa the Financial Administration has provided entrepreneurs with a simpler and more modern solution to the registration of sales. Besides the automated and well-arranged system, one of the main advantages for entrepreneurs is that a computer cash register, tablet or mobile phone can all be used for the purposes of the new electronic cash register system. Electronic cash registers have thus been transformed into online cash registers. Entrepreneurs can also pay for this from their operating costs, since no service organizations are needed and no shutdown is necessary, as the transition between accounting days is continuous.

The use of the eKasa system is thus mandatory for all business entities. In September 2019 the Financial Administration registered revenue from more than 125,000 cash registers. This represents more than 50 percent of all cash registers that are required to be online by the end of this year. The online cash registers in the eKasa system produce more than 3.5 million cash receipts daily.

There is another practical benefit from the "eKasa" project for all Slovak citizens and visitors to Slovakia. By

just using the mobile application they can simply verify the authenticity of cash receipts. Anyone can report possible discrepancies to the Financial Administration. In this way, citizens and visitors are becoming financial controllers themselves.

Our inspiration for the eKasa project was triggered by information received from the Czech Republic and Croatia, which both had experience in implementing a similar system.

The eKasa project deserved and achieved massive media publicity. In addition to traditional press releases and meetings with journalists, the Slovak Financial Administration prepared informative animated videos, posters, leaflets and manuals for users. They can be found on our internet website as well as social media like Facebook and YouTube. ■



WOLFGANG BÜTTNER, SECONDED TAX EXPERT

# TAX INSPECTOR CROSSES BORDERS AGAIN

Interview by Dorottya Vannai, Communication and Publication Specialist IOTA Secretariat  
 Photos by Lajos Gelencsér and from Wolfgang Büttner, IOTA Secretariat

Wolfgang Büttner is one of IOTA's well-known seconded taxation experts, coming from the German Federal Ministry of Finance. After 3 years in Budapest, Wolfgang's secondment will be concluded at the end of May 2020. This will be a special month for him for another reason as well: he reaches retirement age. I asked him about his years in the IOTA Secretariat, his motivations, the highlights of his work and his future plans.

What was your motivation to apply for the position of seconded expert in the IOTA Secretariat?

I had several reasons. I wanted to work in an international organization again. I enjoy working in a multicultural team. I knew IOTA, I had already participated in several IOTA workshops. I like organising international events and interacting with participants from different countries. Besides all this, I wanted to contribute to assisting less advanced IOTA member countries to improve their tax administration.



How were you chosen for this position?

I saw the vacancy notice on the IOTA website and applied for the position after I got the support of my home tax administration. In the second round of the selection process I was interviewed via video conference, I was shortlisted and then invited for another job interview at the Executive Council meeting together with two other applicants in Tbilisi, in March 2017. A week later, I was informed that I had been selected.

*"engaging with people in a foreign country is never a problem for me"*

What do you think made you qualified for this position?

International taxation has been my field of expertise for more than thirty years. I worked in many different positions in the German tax administration and the Ministry of Finance, including as tax auditor and Deputy Head of the tax treaty and transfer pricing division. I also worked as Senior Advisor to the Centre for Tax Policy and Administration of the OECD for several years, organising and delivering transfer pricing workshops for non-OECD member countries. I

was also seconded to the European Commission for 3 years, working for the EU Joint Transfer Pricing Forum. In IOTA, a seconded international taxation expert like me needs to travel frequently. When I applied, I was already a professional with a lot of experience in international missions: the OECD workshops, for example, were held in Ankara, Budapest, Vienna, Mexico City, Seoul, etc. I also had 2 years of training in law, which made me even more qualified for the position.

How did you start preparing for your life in Budapest?

I received a phone call from the IOTA Secretariat in early May 2017 that I had been selected and could start on 1 June. I was very excited and immediately started the preparations. I had been in Budapest before. So, the city was not new to me, but I expected that the language would be a challenge. Therefore, I started taking Hungarian language lessons while still in Germany. I began looking for an apartment, contacted real estate agents and also received some useful weblinks from the German Embassy in Budapest and the IOTA Secretariat.



► Wolfgang Büttner (left) is interviewed by Dorottya Vannai (right)

Can you recall your first week in the Office?

Oh yes, it was very exciting. I met two colleagues who I knew from earlier IOTA events. I was introduced to the team and I have to say that I really enjoy working in this small team of only 12 people. At home, in the German Ministry of Finance, I worked in the International Tax Department with about 80 colleagues.

What was your first month like in Hungary? Was it easy to adjust?

Working in foreign countries and engaging with local people was never a problem for me. Besides my native language, I speak English and French. So, living in Paris and Brussels was not a challenge, unlike the first weeks in Budapest, where language was a real communication barrier.

Funnily, although I am still taking Hungarian lessons, I am not making much progress because I am not really exposed to the language. Many Hungarians speak English or German and I usually communicate with them in these languages.

I have already made lots of Hungarian and expat friends.

*"the colleagues in the Secretariat are open, helpful and supportive"*

Besides language challenges, have you found a community in Budapest?

After my arrival, I soon found a nice community here. An international organisation with communities in 420 cities worldwide, including Budapest, that brings together local people and expats, organises social events, such as hiking, cinema, dinners, etc. We are an international community, a big group of friends, sharing common interests.



## Colleagues at the IOTA Secretariat

opera, a jazz or a classical concert, and the programs are affordable.

This is another thing that I learned since I have lived here: Hungarians themselves like going to operas and concerts, they enjoy the so-called high culture and also like reading books. On average, my impression is that they might be a little more melancholic than most Western Europeans, but they are always helpful.

### What is the most important project you have worked on at the IOTA Secretariat?

It is definitely working for the IOTA Forum on BEPS. In particular, the discussions in the Forum on how to improve mutual agreement procedures and the use of tax ruling information. It is very interesting for me, because I can benefit from my past experience from the Ministry of Finance, the OECD and the European Commission. I facilitate the work of the Forum, provide guidance and supervise the working groups. I also like organising the meetings of the Forum on BEPS and the workshops on transfer pricing.



In the first year of my secondment, I also worked on the ISORA project in cooperation with OECD, IMF and CIAT, and recently organised and led a webinar on tax compliance.

### Could you describe some challenges you faced as a seconded expert in IOTA?

Yes, there were some challenges. For several months, I had to do the jobs of almost two experts until the vacancy was filled. Sometimes I had to organise several events at the same time and found it challenging to cope with the time pressure.

*"Whenever I can, I extend my stay to learn more about the country I am visiting"*

On the positive side, I would like to stress how open, helpful and supportive the colleagues in the Secretariat are and I have experienced the same in relation to the IOTA contact persons in the member tax administrations. I also enjoy the flat hierarchy in the Secretariat that is different from the German system: you can approach the

Executive Secretary directly with your questions or problems.

### International missions sometimes give you the possibility to stay in the country for a few days after the event. Do you have any memorable travel experiences?

Yes, this is one of the advantages of working in an international organisation that I particularly like. Whenever I can, I extend my stay to learn more about the country I am visiting. For example, in Riga, Latvia, where I organised a Forum on Automatic Exchange of Information in 2017, I was impressed by its Jugendstil architecture and the German influence dating back to the 13th century, with Riga becoming a member of the Hanseatic League. I visited a museum, literally an apartment that was designed in Art Nouveau style, just as in the old days, and the Central Market, Europe's largest market.

In 2018, I organised a joint OECD-IOTA regional meeting on BEPS in Yerevan. I learned that Armenia was the first country in the world to introduce Christianity as its state religion. I went on a short visit to one of the chapels in

## Colleagues at the IOTA Secretariat



the mountains, which was a memorable trip into history.

### *"I like working in the public sector and serving public interest"*

Your secondment to IOTA is coming to an end in May. The date is also special for you because you will retire, so you will not return to your home tax administration. Are you content with your career path?

I am an economist with complimentary legal studies. My career could have gone in another direction, e.g. I could have worked as a tax advisor in the tax department of a large multinational enterprise or in one of the Big Four accounting firms. But I like working in the public sector and serving public interest and I also very much enjoy

travelling and meeting people from different countries. I can say that I am content because I have achieved all these goals throughout my career.

### Doyou have any plans for the upcoming years yet?

Yes, I already have some. Regarding my professional life, I would like to continue working as a consultant, for example for "Tax Inspectors Without Borders", a joint OECD-UNDP initiative assisting developing countries in building tax audit capacity.

In my personal life, I look forward to having more free time to enjoy riding my motorbike. At the moment it is in a garage in Budapest, because it is winter. Usually I travel around Hungary, but I am also planning to ride to the Austrian Alps as well as to Romania and Slovenia this summer.

I have come to like Hungary very much over the past few years. So much so, that I am planning to stay in Budapest after my retirement. I have many friends here. I enjoy the country and the food. And maybe, at last, I can learn a little bit more Hungarian. ■

## WOLFGANG BÜTTNER'S CAREER PATH

1978	Tax Inspector, local tax office, Essen, Germany
1982	Tax Auditor, Regional Tax Audit Office for Large Enterprises, Essen
1986	Federal Tax Auditor, Federal Central Tax Office, Bonn
1994	Advisor, Centre for Tax Policy and Administration (CTPA), OECD, Paris
1996	Federal Tax Auditor, Federal Central Tax Office, Bonn
2000	Deputy Head of Division (Double Tax Treaties and Mutual Agreement Procedures), Ministry of Finance, Berlin
2002	Seconded National Expert, EU Joint Transfer Pricing Forum, DG TAXUD, European Commission, Brussels
2006	Deputy Head of Division (Transfer Pricing), Ministry of Finance, Berlin
2007	Senior Advisor, Transfer Pricing and Tax Treaty Division, CTPA, OECD, Paris
2013	Deputy Head of Division (Transfer Pricing), Ministry of Finance, Berlin
2017	Seconded International Taxation Expert, IOTA Secretariat, Budapest

ARIF ALAKBAR FROM AZERBAIJAN

# IT IS NOT THE MEGACITIES THAT ATTRACT ME BUT THE WILD NATURE OF AFRICA

By Gunel Mahmudova, Department of Media and Communication, State Tax Service, Ministry of Economy of the Republic of Azerbaijan | Photos from Arif Alakbar

**"Everyone should have a deep-seated interest or hobby to enrich his mind, add zest to living..."** This quote from Dale Carnegie is confirmed by peoples' lifestyles everywhere. It goes without saying that people seem happier when they do what they love. Spending time doing an enjoyable activity that is not attached to work or other commitments will help increase your happiness and satisfaction in life. So, sometimes people find different hobbies. There are numerous and various hobbies where you can use your wild imagination. For example, beautiful compositions can be authored by lawyers, interesting handicrafts can be made by a doctor, beautiful pictures can be drawn by a policeman and a tax inspector can be a photographer, as in case of **Arif Alakbar**.

*"in Africa you always look for something new and end up finding it"*

Arif Alakbar works at the State Tax Service of Azerbaijan and holds a rank of chief tax service adviser. Arif has an interesting hobby. He is an amateur photographer and a big travel lover. He shares his photos and posts on social media with the signature Ali Akbar. Arif Alakbar who has travelled around the USA, Costa Rica, Japan, Israel, Portugal, Tanzania, Uganda, Kenya, India, Spain, Italy, Hungary, Estonia, Panama, Finland, North Macedonia and many other countries, says that photography is his hobby, although it must be noted that the photos snapped by him have been selected and published by world-famous magazines, such as National Geographic. Arif considers that he has made a complete trip, if he returns home with successful photographs. For him, good photos and a good trip mean an integral whole.

Metropolises and large cities have never been in his sphere of interest. According

to him, the most successful of his visits were the ones to African countries. Nature is what attracts him the most in this Continent. Not big cities, noisy streets, magnificent buildings, but nature is the place where Arif devotes time to his hobby. He says that there is nothing like the wild nature of Africa. For example, when you return to the path that you passed a few minutes ago, you may witness a completely

different landscape. The vibrant and spontaneous nature of Africa makes this place attractive for Arif Alakbar. Furthermore, according to him, the reason that makes Africa special is that it is little-known. By this he implies that everything around is pristine and there are no stereotypes. This is true not just for the landscape, but also the people, lifestyles and views. Another feature of Africa is its wildlife. Arif says that no



similarly rich fauna exists anywhere in the world as in the savannah of Africa: 1,100 species of mammals, 2,500 species of birds, about 3,000 species of fish, and 10-20% of all insect species in the world.

"Here something changes every minute" – he claims and then adds "You are watching a pride of lions sunbathing, then after a couple of minutes when you return to the lookout point you find that a large herd of zebras have occupied the same place. Here you always look for something new and end up finding it". Of course, many Asian and American countries, as well as Australia, have different types of fauna, but it is not a constant background as in Africa. In Africa you don't need to search for diverse fauna, it just appears in front of you".

According to Arif Alakbar the ability to take pictures implies the hunch or premonition that the object or landscape in the focus of your camera lens will eventually attract interest as a photo. First and foremost, photos should appeal to viewers, not just 5-6 pals, but to strangers as well.

Speaking about the difficulties that he encountered during a trip to African countries, Arif mentions something else. You will not be attacked by a wild animal or a local tribe in Africa. "I'm looking for beauty, not adventures" says Arif, adding that Africa has very interesting traditions. The Maasai

wedding day, young Maasai compete in high jump. Whoever jumps higher than all the others is considered the strongest and most intelligent.

Men of this tribe may have more wives depending on their livestock. If the man later decides to marry for a second time, the selection is after his first wife. There are no divorces in this tribe. The leader of the tribe solves all the problems.

In Japan there are traditions that make a good impression on tourists. When Japanese people are asked about something that they do not know the answer to, or they do not speak English, they simply smile, stand embarrassed and wait for you to understand and leave. Or, when you enter a store, they will say "welcome" in Japanese even though they know that you don't understand.

Arif has recently made his childhood dream come true. He travelled to Tibet and climbed 5,360 meters to the Changla Pass of the Himalayas, the highest point in the world with the flag of Azerbaijan. His plans also include visiting Namibia, Greenland and Denmark. Nevertheless, Africa still fills 90% of his travel plans. ■

**You can view photos of Arif Alakbar here:**  
[instagram.com/aliakbarphotography](https://instagram.com/aliakbarphotography)  
[facebook.com/AliAkbarPhotography](https://facebook.com/AliAkbarPhotography)





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# **TAX TRIBUNE**

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