

Report to the federal Parliament

Auditing the SMEs subject to corporate income tax



The Belgian Court of Audit has examined the auditing policy of the tax returns of small and medium-sized enterprises (SMEs) subject to corporate income tax. The interactive website <https://isoc-venb.ccrek.be/> (only available in French and Dutch) provides a visualisation of the Court's main findings and recommendations.

Although the federal tax administration has introduced a modern auditing policy in line with international best practices, it has not been able to perform all planned tax audits and guarantee sufficient equal treatment of SMEs due to decreasing human resources. Consequently, two SMEs with the same level of tax risks have a very different probability of being audited, depending on their location. Equal treatment is also insufficiently guaranteed in the sanctioning policy.

For a more equal treatment of SMEs, the Court recommends: better distributing the auditors between the audit centres, more objectifying the threshold used to determine which audit operations to carry out according to their profitability, and better supervising the policy of waiving tax penalties, for examples by separating the roles of the auditor and the official who reaches agreements with the taxpayer.

The report *Auditing the SMEs subject to corporate income tax* is now available (in either French or Dutch) on the Court's website (www.courtofaudit.be).