



THE MODALITIES OF AMICABLE SETTLEMENT OF TAX ISSUES

1. Objective of the rules

These rules determine the modalities for amicable settlement of tax issues.

2. A request for amicable settlement

Amicable settlement of tax disputes is requested by the taxpayer in writing and addresses to the Commissioner General.

3. Conditions

To be received, the request for amicable settlement of tax issues, must fulfill the following conditions:

1. It must be in writing and signed by the taxpayer or the taxpayer's legal representative;
 2. To indicate clearly specific issues that the taxpayer wish to be settled amicably;
 3. To be accompanied by evidences supporting the contentious that the taxpayer wishes to be settled amicably;
- ✓ A taxpayer requesting for an amicable settlement must pay 25% of the total assessed taxes or the amount not contested whichever is greater.
 - ✓ When the tax issues have not been lodged to court, the request for amicable settlement must be submitted within 30 days from reception of the decision of the Commissioner General.
 - ✓ When the tax issues have been lodged to Court, the request for amicable settlement can be submitted only before the Court ruling.
 - ✓ New issues which were not part of the appeal to the Commissioner General are not acceptable for amicable settlement.
 - ✓ An appeal rejected by the Commissioner General for reasons provided by the law, is not acceptable for amicable settlement.



4. Amicable settlement procedure

- ✓ The Tax Administration meets the applicant to examine the request. The Tax Administration may require more supporting evidences whenever deemed necessary.
- ✓ When the Tax Administration and the applicant agree on an amicable settlement agreement to be signed by both parties.
- ✓ The minutes of amicable settlement meeting are signed by all participants to the meeting. The amicable settlement agreement is based on those minutes.

5. Amicable settlement agreement

- ✓ When tax issues settled amicably, both parties sign the amicable settlement agreement. Issues settled amicably cannot be lodged to court.
- ✓ When both parties agree on an amicable solution for issues lodged to Court, the amicable settlement agreement is signed after the plaintiff withdraws the case from Court.
- ✓ The amicable settlement agreement is applicable only on the tax period and tax type specified in the agreement. It cannot create a precedent for current or future cases.
- ✓ The amicable settlement must cover all discussed issues. There is no amicable settlement in case the parties failed to settle amicably one or more issues.

6. Time of amicable settlement

- ✓ The amicable settlement procedure cannot exceed 60 days from the receipt of the request.
- ✓ For amicable settlement requests received before the commencement of these rules, 60 days are counted from the commencement of these rules.
- ✓ When both parties do not reach an amicable settlement within the 60 days period, the Commissioner General decision remains valid.

July, 2017