Is Your Hairdresser Fraudulous?
Workshop on Risk-based Tax Auditing
October 21 - October 23, 2014

Workshop Report
Risk based tax auditing is being taught and implemented in many countries: the EU–twinning project is running in Eastern Europe, the OECD is developing a training program for non-member states whereas CIAT (Center for Inter-American Tax-administration) has presented an Examination Handbook for Tax Administrations in March 2004.

The course examined the core principles of risk-based audits and analytical techniques used in risk-based audit strategies of small and medium-sized businesses with the aim to discuss on how such approach can help tax administrations improve their audit strategies and promote better compliance. It also discussed use of data and evaluation of IT infrastructure risks critical for effective use of risk management techniques. Apart from the plenary sessions, the workshop was devoted to discussions focused on the case study and role playing exercise. New video material supported the interaction. These sessions allowed participants and experts to share views and country-specific experiences in dealing with tax auditing.

**Topics covered:**
- Key principles of risk based audits
- Risk based approach to small and medium-sized businesses
- Design of effective audit plans
- Designing audit selection strategy
- Data requirements and information technology (IT) infrastructure needed to operate the risk based approach to tax auditing
- Data and data tooling

**Lecturers:**
- Paul Munster and Jaap Thesing, both from the Ministry of Finance, The Netherlands

**Participants:**
There were 14 participants from Armenia, Georgia, Hungary, Macedonia, Moldova, Montenegro, Slovenia, and Ukraine.
Evaluation:

**Overall satisfaction with the course**

No. of all responses: 14, Average mark: **4.57**

**The workshop met my expectations**

No. of all responses: 14, Average mark: **4.42**

**Selected Participants' Comments:**

- *I will do the analysis and steps like provided in the workshop from the beginning of the workshop of audit to the end.*
- *I work in risk management division, accordingly most of approaches are applicable in my work.*
- *I was very satisfied with this workshop. I hope I will attend some other workshops organized by the CEF.*