

- ☑ how this will be calculated
- ☑ give you the opportunity to tell us about any circumstances you believe justify a reduction in any penalty or interest
- ☑ tell you if we have found any error which has meant you have paid too much tax or received less payment than you were entitled to
- ☑ give you written notification of the outcome, generally within seven days of making our decision
- ☑ tell you how you can get our decisions reviewed, and
- ☑ explain any issues that will help you to understand and meet your tax obligations in the future.
- ☑ Some or all of these issues may be discussed during the review or audit, rather than at the end.

### Settlement meetings

At the conclusion of the Tax Audit and before the amended assessment has been finalized you should discuss payment with the Tax Auditor who may agree to a suitable arrangement on the terms for repayment of the tax debt.

If an amended notice of assessment has been sent to you and you find then that you cannot pay the tax debt in full, it is suggested that you discuss payment with a tax officer in our debt recovery Enforcement section.

### Interest charges, additional tax and offences ?

In many cases, where errors have been made, the result of an audit will mean that additional tax will be payable. The amount of the penalty will vary from case to case depending on the facts. Your level of cooperation will have a significant effect on the amount of penalty charged. It will be to your advantage to fully cooperate.

### What are your rights?

You have the right to have your tax agent or authorized representative present at all interviews.

You have the right to expect to be treated fairly in a professional and courteous manner at all times.

You also have rights to formally object against any amended assessment within specified time limits and you have further right of appeal to the Revenue Tribunal.

### For more information

**This brochure is not intended as an exhaustive explanation of the law. If you require detailed information about your tax obligations you should visit the SRC or write to us.**

#### Visit:

Seychelles Revenue Commission  
3rd Floor  
Maison Collet  
Victoria, Mahé

#### Write to:

PO Box 50  
Victoria, Mahé

#### Phone:

**4293737**

#### E-mail / Web

[commissioner@src.gov.sc](mailto:commissioner@src.gov.sc)

[www.src.gov.sc](http://www.src.gov.sc)



## TAX AUDITS



**An explanation of what you can expect if you are selected for a review or an audit**

## Introduction

We provide help through our advice, publications and visits. However, we have a responsibility to the community to ensure everyone complies with the revenue laws. For this reason, we sometimes check the accuracy of the information you give us. We do this by selecting some tax returns, activity statements and other documents for checking.

When we check your tax affairs it does not mean that SRC thinks you are dishonest. Even if we find a discrepancy we accept that mistakes can be made. If the law allows us to, we take this into account when considering any penalties.

## What is involved?

A tax audit is an examination of your tax affairs by the Revenue Commission to see if you have done what you are required to do under the Revenue laws, including whether you:

- have declared all the assessable income you received
- are entitled to the deductions and tax offsets you have claimed on your tax return.

The enquiries or audits we conduct vary in their complexity. Sometimes they only involve a phone call or a letter asking you to provide further information or verification of your claims. In some cases a tax officer may visit you or you may be asked to bring all your records for examination.

We sometimes decide to look more closely at tax returns making similar claims or from within the same industry. We can request the records and paperwork you used to complete your tax return.

If you tell us about any error before we notify you of an audit, including at any time during a review, we may significantly reduce any penalty that we would have imposed otherwise.

## Our approach

We prefer to consult with you and obtain information cooperatively. We conduct reviews and audits in an impartial, fair, reasonable and professional manner. We treat all taxpayers in accordance with the law.

## What is expected of you?

Under the cooperative approach, we expect you to provide our officers with full and free access to buildings, premises, records and documents.

We expect you to allow us to make copies of, or take extracts of, records and documents

We expect you to provide reasonable facilities and assistance to us. For example, we may need a desk and chair in a work area with adequate lighting and access to equipment you may have, such as a photocopier.

We expect you to provide complete, accurate and timely responses to requests for information.

We expect you to be truthful and honest in your dealings with us.

## Notification of audits

In most circumstances, we will tell you about a review or audit before we visit you.

We send a letter, normally to the address where you have asked us to send your mail. Sometimes we will contact you by phone first to arrange an interview time.

We try to complete reviews and audits in the shortest possible time. However, the time it takes will depend on how good your records are, the availability of information, the complexity of the issues and your level of cooperation.

## How to prepare

When you receive our notification letter, you should review relevant records, tax returns and activity statements.

If you find any errors, bring them to our attention immediately. If you do this, any penalty that would otherwise have been imposed may be reduced.

## The initial interview

At the initial interview the tax officer will:

- provide you with their Tax Office identification and contact phone number when they first meet you (unless they have —

already done this), as will any other tax officers present

- outline the process they will follow, and
- give you the opportunity to volunteer information about any possible errors you have found. If you do this, any penalty we would otherwise have imposed may be reduced.

## The enquiry process

During our enquiries, we will:

- guide you through the review or audit process if you need us to
- try to arrange any interviews or meetings at times and places that are mutually convenient, usually during normal business hours
- explain the purpose of any interview or visit
- ask clear and unambiguous questions and provide you with all reasonable assistance and explanations to clarify their meaning
- allow you to choose someone to act on your behalf or to attend interviews with you
- give you reasonable time to provide records, documents and other information, unless we have reason to think that they may be destroyed or altered
- answer any reasonable and relevant questions
- allow you to give your views on any relevant issue, including any proposed adjustments, and keep you informed on our progress.

## When we finish our enquiries?

When we finish our enquiries we will:

- tell you if you are not complying with your obligations and help you to fix this
- clearly explain the basis of any adjustments we will be making
- clearly explain the reasons for any penalty or interest and