

EFFECTIVENESS OF TAX ARREARS COLLECTION

The aim with the audit was to study the present state of collection by the Tax Administration: how effective tax collection is and what measures could be used to increase its efficiency. A further intention was to ascertain whether the effectiveness of collection measures is being monitored in a way that can be considered adequate. Also examined was whether the legislative provisions and regulations are adequate to ensure that collection is implemented appropriately.

The audit revealed, however, that comparable material which would allow these questions to be answered was not available. The Tax Administration's information systems are not sophisticated enough to enable comparable data of this kind to be obtained. In addition, there were major discrepancies between data obtained from different sources.

During the audit, a questionnaire-based survey concerning collection guidelines was conducted at each tax office. The replies revealed that the tax offices have issued their collection staffs with varying guidelines. As a result, different offices observe different practices.

The fragmented nature of the regulations governing tax collection has been found to be problematic. The absence of norms means that persons liable for tax are treated to some degree differently in the various parts of Finland.