

## Tax behaviour ratings (1). Tax compliance rating

Component	3 - everything in order	2 - some deficiencies	1 - significant deficiencies	Updates
<p><b>Arrears</b> Rating is based on the amount and age of company's arrears and the existence of debt rescheduling or insolvency proceedings.</p>	Company has no arrears or is paying tax arrears in instalments.	Company has arrears and/or has failed to meet the schedule for payment of arrears or has not applied for payment in instalments.	Company has arrears and/or is subject to insolvency proceedings.	<ul style="list-style-type: none"> <li>• Data for the current month will be available from the first day of the month and updated once every 24 hours according to changes in the data.</li> <li>• Data for previous months is not re-calculated.</li> </ul>
<p><b>Declarations</b> Rating is based on the timely submission of declarations (forms KMD, TSD, VD and excise declarations) and data (stock records and reporting database, security data to customs). The Tax and Customs Board will also review if the data on form KMD and entries made to the employment register using a simplified procedure or an employee's date of birth are correct.</p>	Company has submitted all declarations and data.	Company has submitted declarations late and/or has entered incorrect data.	Company has failed to submit all necessary declarations.	<ul style="list-style-type: none"> <li>• Data for the current month will be available from the first day of the month and updated according to the submission of data or changes in the data.</li> <li>- Data from the stock records and reporting system (LAAK) is updated once a week from the first day of the current month.</li> <li>- Data about the entries that are based on the report of the employment register is updated once every 24 hours from the first day of the current month.</li> <li>- Data from tax declarations (forms KMD, TSD, excise duty returns) is updated once every 24 hours from the third day after the deadline for submitting a declaration.</li> </ul>
<p><b>Offences</b> Rating is based on punishments in force imposed for tax and customs offences.</p>	There are no punishments for tax and customs offences in force against a company.	There is one punishment for tax and customs misdemeanor in force against a company.	There is at least two punishments for tax and customs misdemeanors in force against a company and/or one or more punishments for criminal offences.	<ul style="list-style-type: none"> <li>• Data for the current month will be available from the first day of the month and updated once a week according to changes in the data.</li> <li>• Data for previous months will be re-calculated retroactively when the punishment imposed for an offence is deleted from the criminal records database. If the punishment imposed for an offence is deleted from the criminal records database, the offence will no longer be displayed in previous months.</li> </ul>
<p><b>Tax proceedings</b> Rating is based on tax proceedings (incl licence proceedings) and/or control activities conducted over the last 12 months which have revealed errors in the submitted data.</p>	Tax proceedings have not been carried out against a company over the last 12 months or it has appeared in the course of tax proceedings and/or control activities that the submitted data is correct.	Tax proceedings and/or control activities carried out over the last 12 months have revealed errors in the submitted data.	Tax proceedings and/or control activities carried out over the last 12 months have revealed significant errors in the submitted data.	<ul style="list-style-type: none"> <li>• Data for the current month will be available from the first day of the month and updated once every 24 hours according to changes in the data.</li> <li>• Data for previous months is not re-calculated.</li> </ul>
<p><b>Background of responsible person</b> The rating is based on the amount and age of arrears of the responsible person, fulfilment of tax instalments schedule and the existence of insolvency procedure. In addition, the following components are taken into account: tax arrears of the companies related to the responsible person that have incurred during his/her management period, and prohibitions on business or prohibitions to engage in enterprise. Both valid and invalid business relations are considered. <u>Persons responsible</u> are the following: board member, general partner, limited partner, director of branch, procurator, liquidator and sole proprietor.</p>	A person responsible has good track record.	A person responsible has tax arrears and/or has failed to meet the schedule for payment of arrears or has not applied for payment in instalments and/or companies related to the person have unpaid arrears.	A person responsible has arrears and/or the person is subject to insolvency proceedings and/or has received a prohibition on business or prohibition to engage in enterprise and/or companies related to the person have unpaid tax arrears.	<ul style="list-style-type: none"> <li>• Data for the current month will be available from the first day of the month and updated once every 24 hours.</li> <li>• Data for previous months is not re-calculated.</li> </ul>
<p><b>Average wages</b> Rating is based on comparison between the average wages in your company's positions and the national average wages in the same positions.</p>	Average wages in the company's positions are lower than the national average wages in the same positions.	Not available	Average wages in the company's positions correspond to the national average wages in the same positions.	<ul style="list-style-type: none"> <li>• Data of the current month will be available from the 21st day of the following month.</li> <li>• Data for previous months is not re-calculated.</li> </ul>

## Tax behaviour ratings (2). Tax behaviour adequacy rating

Component	3 - everything in order	2 - some deficiencies	1 - significant deficiencies	Updates
<b>Taxable expenses</b> Rating is based on the fringe benefits and expenses not related to business declared on form TSD.	Data about expenses unrelated to business and fringe benefits has been declared correctly on form TSD.	There are deficiencies in how a company has declared expenses unrelated to business and fringe benefits.	Not available	<ul style="list-style-type: none"> <li>Data of the current month will be available next month, three days after the deadline for submitting form TSD.</li> <li>Data is updated once every 24 hours from the third day after the deadline for submitting a declaration.</li> </ul>
<b>Payments</b> Rating is based on the data about payments and the taxes calculated and withheld on these payments declared on form TSD. NB! Rating will be available no later than in October 2020.	Data on company's payments on form TSD is correct.	There are deficiencies in how a company has declared payments of the previous period of taxation	There are significant deficiencies in how a company has declared payments of the previous period of taxation.	<ul style="list-style-type: none"> <li>Data of the current month will be available next month, three days after the deadline for submitting form TSD.</li> <li>Data is updated once every 24 hours from the third day after the deadline for submitting a declaration.</li> </ul>
<b>Employment</b> Rating is based on the data recorded in the employment register.	Company's data in the employment register is correct.	Company has deficiencies in the data in the employment register.	Company has significant deficiencies in the data in the employment register.	<ul style="list-style-type: none"> <li>Data for the current month will be available from the first day of the month and updated once every 24 hours according to changes in the data.</li> </ul>
<b>Purchase</b> Rating is based on the data about the purchase of goods and services declared on the VAT return and its annex.	Data about the purchase of goods and services declared on the VAT return and its annex is correct.	There are deficiencies in how a company has declared acquisition of goods and services.	There are significant deficiencies in how a company has declared acquisition of goods and services.	<ul style="list-style-type: none"> <li>Data of the current month will be available next month, three days after the deadline for submitting form TSD.</li> <li>Data is updated once every 24 hours from the third day after the deadline for submitting a declaration.</li> <li>Exception: comparisons of previous months between the data declared by a company and intra-Community transactions will not be updated.</li> </ul>
<b>Sales</b> Rating is based on the data about the sale of goods and services declared on the VAT return and its annex.	Data about the sale of goods and services declared on the VAT return and its annex is correct.	There are deficiencies in how a company has declared sale of goods and services.	There are significant deficiencies in how a company has declared sale of goods and services.	<ul style="list-style-type: none"> <li>Data of the current month will be available next month, three days after the deadline for submitting a VAT return or form TSD.</li> <li>Data is updated once every 24 hours from the third day after the deadline for submitting a declaration.</li> </ul>
<b>Other observations</b> The rating is based on other observations and circumstances that do not affect the rating given to tax behaviour adequacy. For example, you are notified when the management board of your transaction partner has changed, or provided with taxation rules relating to dwellings if you have acquired immovable property.	The Tax and Customs Board has no further observations to make.	The Tax and Customs Board has made observations about the tax behaviour adequacy and asked the company to take them into account where necessary.	Not available	<ul style="list-style-type: none"> <li>Data of the current month will be available next month, three days after the deadline for submitting form TSD.</li> <li>Data for previous months is not re-calculated.</li> <li>Exception: data is updated once every 24 hours in the event of a change of board member of transaction partner.</li> </ul>