

## Tax review

The Bureau of Internal Revenue (BIR) is currently under pressure to increase its tax collections. One of its strategies to meet its revenue target is to increase taxpayers' compliance by strengthening its enforcement activities. As a result, the BIR has been quite active in conducting tax assessments.

By all indications, the BIR will continue to adopt measures—such as automation procedures and information-sharing efforts with other government agencies, particularly with local governments—to increase its collections. With this current business environment, it will be beneficial for you to review your tax practices and to ascertain whether these conform with existing tax rules. Compliance with the rules will help you avoid the huge penalties and interest that will be imposed on any deficiency taxes assessed by the BIR. The process also supports efforts to practice good corporate governance.

A **tax compliance review** can evaluate your overall level of compliance with existing laws and regulations, give caution on procedures and practices that will expose you to potential tax liabilities, quantify your tax risks and potential penalties, and offer you alternative tax-efficient policies and procedures.

Punongbayan & Araullo's Tax Compliance team can assist you in undertaking this process. **The tax review can be structured to suit particular needs.** It may cover comprehensive review of tax returns, books of accounts and other related records, or may be confined to a high-level analysis of your tax practices to identify potential risk areas. It can deal with all the taxes applicable to the business, or be limited to just a few types of taxes or transactions or segments of the business.



If you would like to know more about our tax compliance / due diligence review services, please contact:

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