

Combat the Financial Crisis  
Deloitte Cash Tax Strategies



As you adapt your business plans in the light of the current economic climate, a review of your tax position could result in significant savings.

In addition to realigning your tax approach with your business plans, every area of tax currently paid should be reviewed for opportunities to:

- Increase or speed up tax repayments; and
- Reduce or defer tax outgoings.

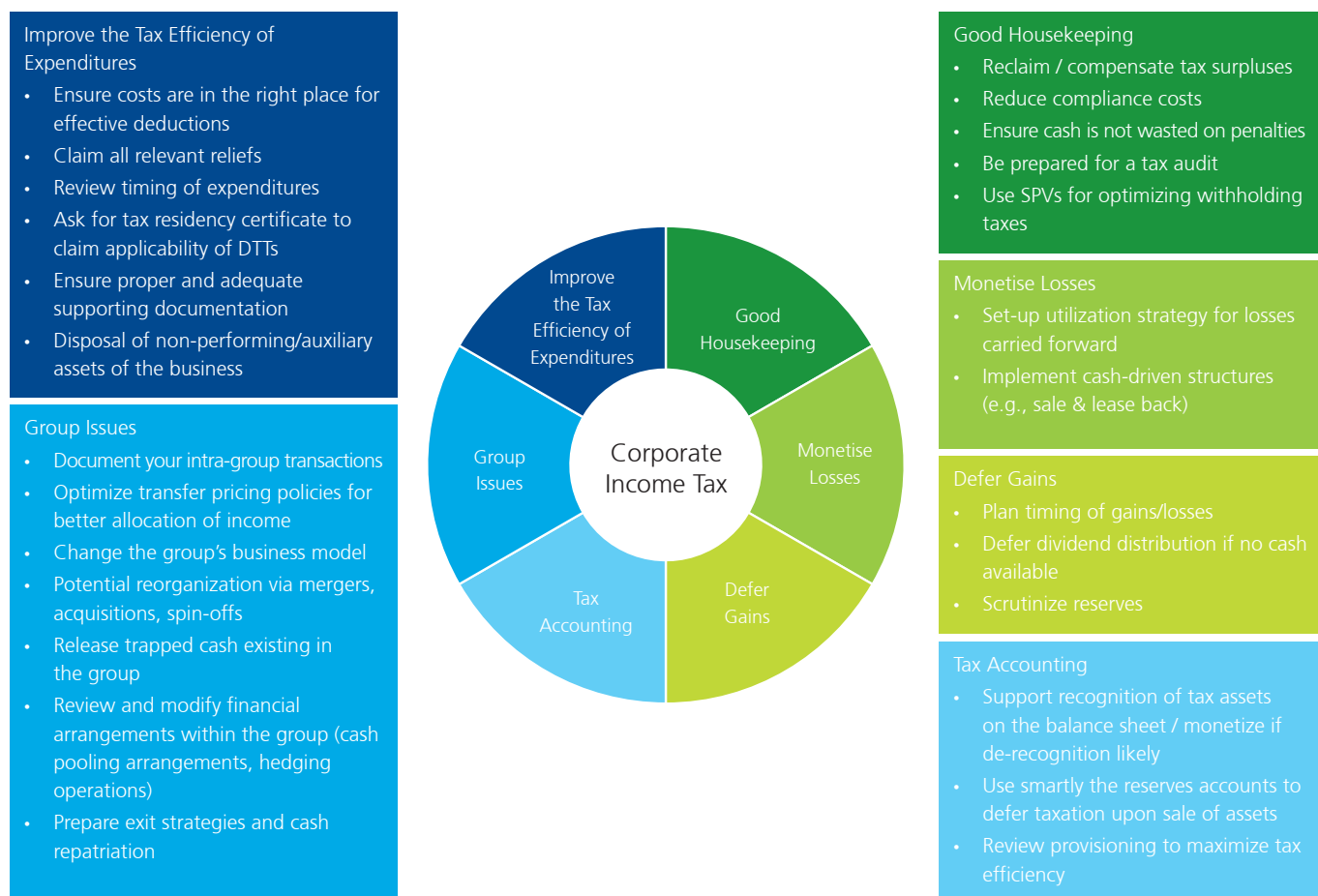
As well as improving the cash position of your business, all strategies should deliver earnings

benefits – with VAT and personal income tax/social security and health insurance strategies directly increasing pre-tax point.

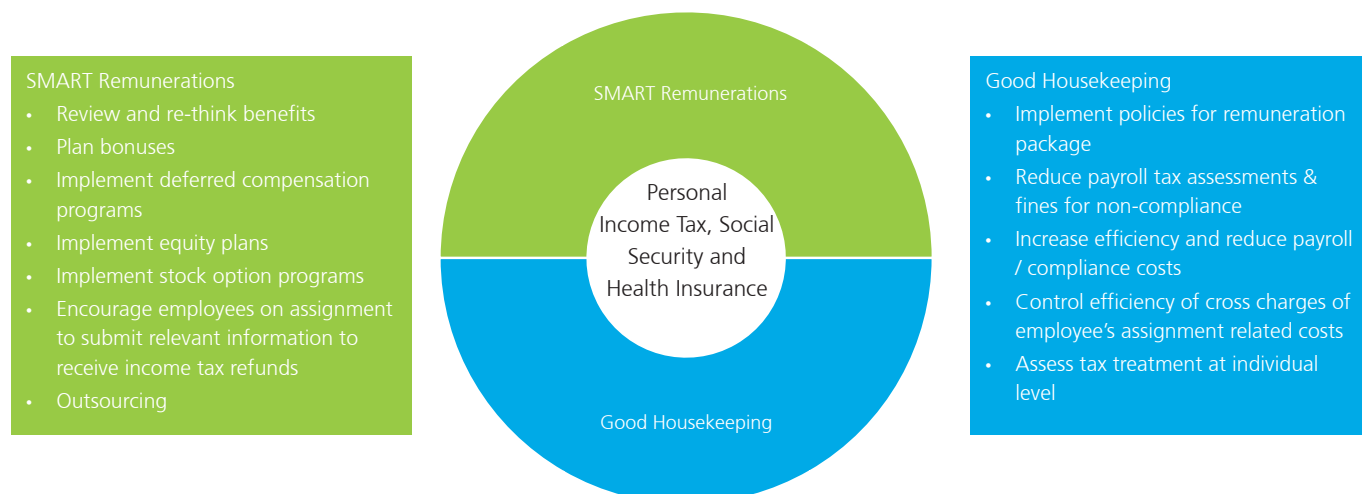
Deloitte has a range of simple cash strategies across all taxes. This brochure highlights key areas for savings around corporate tax, VAT, personal income tax/social security charges as well as grants and incentives.

Your Deloitte contact will be happy to discuss how these ideas can be applied in your organisation.

### Corporate Income Tax



### Personal Income Tax, Social Security and Health Insurance



## VAT

### Minimise VAT Costs

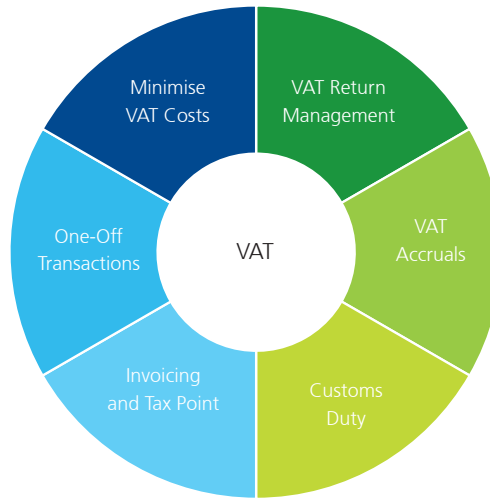
- Review key business areas to:
  - Improve VAT recovery
  - Minimise output VAT costs
- Ensure VAT claims are fully maximized
- Improve EU and Switzerland related VAT recovery
- Implement or increase pro-rata recovery

### One-Off Transactions

- Review VAT recovery on share issue costs
- Review property arrangements
- Review applicability of transfer of business treatment to specific transactions
- Ensure one-off transactions do not create an additional VAT cost

### Invoicing and Tax Point

- Review the format and timing of invoicing
- Consider the implementation of e-invoicing or invoicing on behalf of the supplier
- E-archiving



### VAT Return Management

- Consider monthly VAT returns and VAT grouping to improve efficiency and maximize recovery:
  - Ensure efficient and accurate VAT return process
  - Improve reporting and VAT payment processes

### VAT Accruals

- Business typically claim 25-40 percent of input VAT later than necessary
- Understand the size of the VAT injection your business could obtain
- Focus on immediate recovery

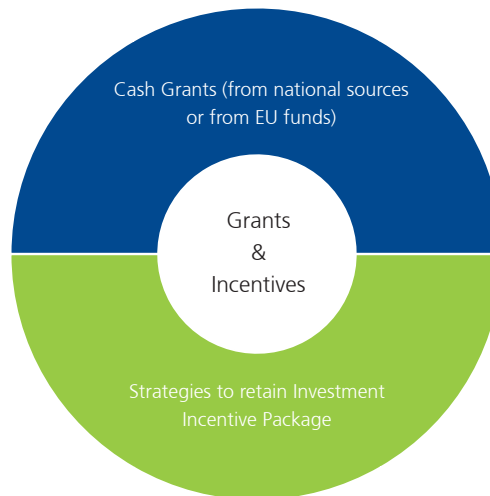
### Customs Duty

- Identify opportunities to lower duty costs
- Review product classification and valuation procedures
- Consider deferral of duty payment
- Implement AEO regime

## Grants & Incentives

### Cash Grants (from national sources or from EU funds)

- Investment
  - Investment in new technologies, equipments
  - Production facilities
  - Laboratories
- Energy
  - Renewable energy
  - Energy efficiency
- Human Resources
  - Training
  - Re-training
  - New Qualifications
  - Work safety
- Environment Protection
  - Decreasing pollution
  - Waste management
- Infrastructure
  - Urban development
  - Water systems
  - Sewage
  - Public lighting
  - Educational infrastructure
- Public administration
  - Local development strategies
  - Training of civil servants
  - Strengthening administrative capacity



### Strategies to retain Investment Incentive Package

- Filling criteria and conditions in investment incentives
- Involvement as partners in the implementation of the projects
- Project implementation management
- Processing of investment incentives

## Contacts

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