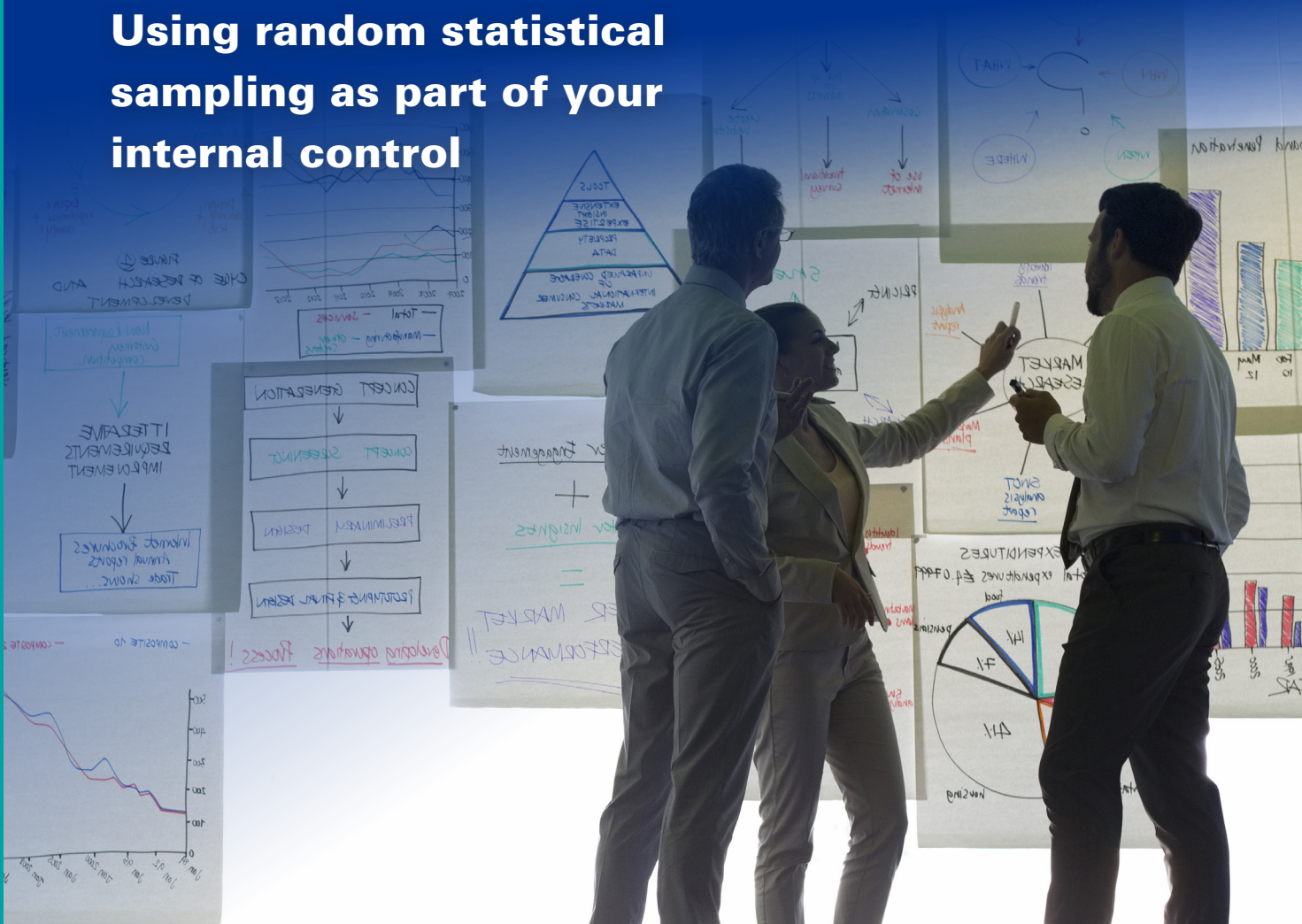




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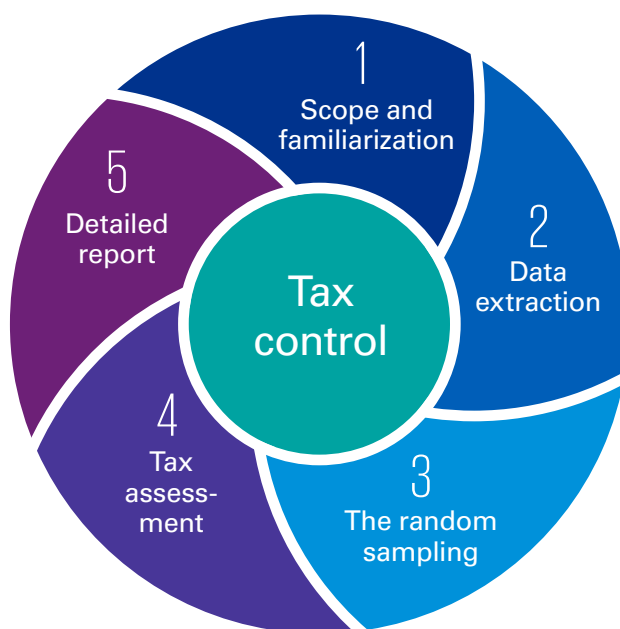
# Random statistical sampling: Monitoring your tax control

**Using random statistical  
sampling as part of your  
internal control**



# Control tax processes with random statistical sampling

As enterprise you would like to be in control in all kinds of areas: from realizing your business objectives to your tax processes. The Dutch tax authorities also requires this of enterprises and regularly performs audits - by means of random statistical sampling for example. How do you ensure that your tax affairs are in order? And how do you monitor your (tax) accounts and records?



## Random statistical sampling as a control tool

Random statistical sampling is ideally suited as a control tool to monitor whether you are in control of your tax position. Random checks can be used preventively, both for technical tax purposes and for assessing the quality of tax processes and control measures.

Performing a random check enables you to determine the accuracy of a larger population with a degree of certainty.

By using random statistical sampling preventively as periodic or incidental check and evaluating it, you retain control of your tax position and processes.

## How can we help you?

We can help you with the entire process of continuously monitoring your tax position.

### Random statistical sampling

can be used as a control tool for this, both as part of your tax control framework or on an incidental basis. We can help you with the entire process from scoping to tax assessment, from data to consultation with the Dutch tax authorities, but also with a particular part of the process.

Random statistical sampling can be used for each tax or for a specific purpose. Some examples are:

- Cross-over taxes (VAT, payroll taxes and corporate income tax combined)
- VAT-specific (zero rate, VAT on costs)
- Customs classification
- Customs origin and value
- Payroll tax and social security contributions
- Payroll records



# Random statistical sampling in practice



## Use of technology

We use advanced technologies to perform random statistical sampling, which means that, in addition to efficiently performing the activities, we can also provide additional added value. For example, to collect and process data we use automated data extraction applications so that we can effectively guarantee the accuracy and completeness of the provided data. This means that we can spend more time on assessing the drawn transactions and generating additional insights (root causes) for identified errors. This enables us to help you improve processes and thus reduce future risks.

## Advantages of control via random statistical sampling

- Insight into tax risks and opportunities and the effect of tax control measures
- Analysis and quantification of observations and presenting these in a transparent manner
- Possibility of periodic monitoring with relatively limited effort
- Control according to or derived from the Dutch tax authorities Audit Approach.

## Random statistical sampling as part of the Tax Control Framework (TCF)

For one of our clients, in consultation with the Dutch tax authorities we elaborated on the internal tax control for both VAT and payroll taxes by means of periodic checks via random statistical sampling (**continuous monitoring**).

Making random statistical sampling part of the client's **Tax Control Framework** and continuously monitoring resulted in a number of advantages. Firstly, over the years the error rate for the tax accounts and records was reduced. This led to fewer adjustments (and penalties) afterward. By being transparent when sharing the checks with the Dutch tax authorities, the Dutch tax authorities rely more on the client's TCF.

Because over the years the error rate was reduced, it was possible to reduce the frequency of the random statistical sampling and also apply a reduction per period. This reduced the workload and saved on costs.

# Please feel free to contact us



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