

Embedding Tax Risk - Private and Sector Perspective

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Agenda



- 1.Tax risk
- 2. Types of tax risks
- 3. Stakeholders role in tax risk management
- 4. Mitigation of tax risks

Tax risk



If you make taxes an afterthought, your business may quickly become a fond memory.

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The press is taking an increasing interest in tax issues







Monday 24 July 2017 5:46pm

Acacia Mining has been slapped with a Tanzanian tax bill almost 200 times the firm's market cap Kenya Revenue Authority gets nod to recover Sh125m from Wananchi Group

By Patrick Rono | Published Thu, November 27th 2014 at 00:00, Updated November 26th 2014 at 19:22 GMT *3

Types of tax risks



- ☐ This is the risk that transactions or business decisions may have unforeseen adverse tax consequences.
- ☐ Potential underpayments, overpayments, tax penalties and assessments.
- ☐ Relates to both above the line and below the line taxes.

Types of tax risks

Tax Risk



Transactional risk

Compliance risk

Operational risk

Reporting risk

Reputational risk

Financial risk

Tax risk can arise at all levels of the organization



Tax environment e.g

- Shareholders
- Tax authorities
- Global developments
- Civic society?

Board of Directors

Management

- People
- Process
- Systems/Technology

Business units & support functions

Compliance

Operational

Reporting

Transactional

Stakeholders role in tax risk management



• Tax Risk Management

Revenue Authorities?

Tax consultants Management

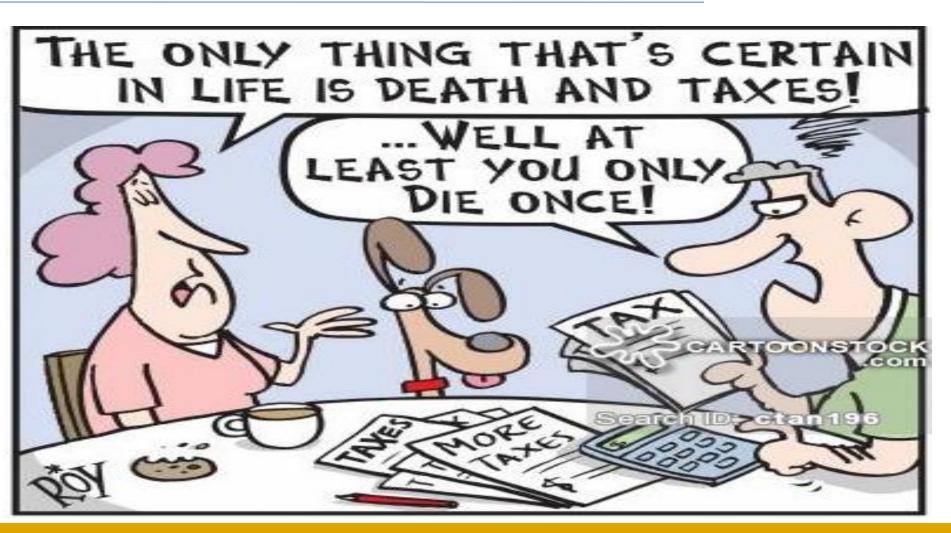
- Tax function
- CFO/CEO

The Board

Business units

Conclusion





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