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**SME Policy Index**

**Western Balkans and Turkey 2022**

**ASSESSING THE IMPLEMENTATION OF THE SMALL BUSINESS ACT FOR EUROPE**

**DIMENSION 4 - Operational environment for SMEs**

**Qualitative indicators government questionnaire**

**Operational environment for SMEs assessment framework**

**Operational environment for SMEs** assesses the availability, quality and responsiveness of the public services available for small and medium-sized enterprises (SMEs) in the Western Balkans and Turkey.

This dimension is structured around three sub-dimensions:

* Sub-dimension 1: **Digital government services for enterprises**, which measures the extent to which SMEs can interact with public institutions through the use of digital technologies,
* Sub-dimension 2: **Company registration**, which focuses on the procedures necessary to register a company,
* Sub-dimension 3: **Business licensing**, which considers the complexities of the process of obtaining a licence,
* Sub-dimension 4: **Tax compliance procedures for SMEs**, which examines whether tax systems are adapted to SMEs’ unique needs.

Figure 1. Operational environment for SMEs assessment framework

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Dimension 4: Operational environment for SMEs** | | | | | | | |  | |
| **Sub-dimension 4.1:**  Digital government for SMEs | | | **Sub-dimension 4.2:**  Company registration | | | **Sub-dimension 4.3:**  Business licensing | | **Sub-dimension 4.4:**  Tax compliance procedures for SMEs | |
| **Thematic block 1:** Planning and design | **Thematic block 2:**  Implementation | **Thematic block 3:**  Monitoring and evaluation | **Thematic block 1:**  Design and implementation | **Thematic block 2:**  Performance | **Thematic block 3:**  Monitoring and evaluation | **Thematic block 1:**  Licence procedures | **Thematic block 2:**  Monitoring and streamlining of licence system | **Thematic block 1:**  SME tax compliance and simplification procedures | **Thematic block 2:**  Monitoring and evaluation of SME specific tax measures |
| **Quantitative indicators**  Number of days for obtaining a company registration certificate  Number of days for completing the overall company registration process, including compulsory licences for standard business activities  Number of administrative steps for obtaining a company registration certificate  Official cost of obtaining a company registration certificate  Costs connected with registration  Minimum capital requirement for business registration | | | | | | | | | |

## Sub-dimension 1: Digital government for SMEs

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Question** | | | | | **Response *[expand box as necessary]*** | **Source/evidence/links** |
| **Thematic block 1. Planning and design** | | | | | | |
|  | **Does your government have a strategy/policy/plan in place for[[1]](#footnote-1) digital government[[2]](#footnote-2)?** (If yes, please provide the link to the strategy/policy/plan) | | | | [ ] Yes  [ ] No |  |
|  | If yes | | Does this strategy/policy/plan mention SMEs as a specific target group? | |  |  |
|  | **Which of the following element(s) is/are identified in the strategy/policy/plan:** | | | |  |  |
|  | a) | | Digital services[[3]](#footnote-3) for filing tax returns | | [ ] Yes  [ ] No |  |
|  | b) | | Digital services for filing social security returns | | [ ] Yes  [ ] No |  |
|  | c) | | Digital services for pensions | | [ ] Yes  [ ] No |  |
|  | d) | | Digital services related to the Cadastre | | [ ] Yes  [ ] No |  |
|  | e) | | Digital services for issuing/obtaining business certificates, attestations, excerpts and copies of acts and data registered for an SME | | [ ] Yes  [ ] No |  |
|  | f) | | Digital services for out-of-court settlements (e.g. out-of-court debt settlement for companies) | | [ ] Yes  [ ] No |  |
|  | g) | | Digital services for applying and/or managing state–aid support programmes | | [ ] Yes  [ ] No |  |
|  |  | In particular, digital services for applying and/or managing state-aid support programmes in the context of COVID-19 related support offered to SMEs that have been affected by the crisis | [ ] Yes  [ ] No |  |
|  | h) | | The reporting of enterprise statistics through digital channels | | [ ] Yes  [ ] No |  |
|  | i) | | Awareness raising of digital services for SMEs | | [ ] Yes  [ ] No |  |
|  | j) | | Support for digitalisation of SMEs (financial and/or non-financial support schemes or incentives) | | [ ] Yes  [ ] No |  |
|  | k) | | Once-only principle[[4]](#footnote-4) | | [ ] Yes  [ ] No |  |
|  | l) | | A system of digital authentication and/or signature | | [ ] Yes  [ ] No |  |
|  | m) | | A system for data exchange within the public sector (e.g. a government service bus) based on international interoperability standards? | | [ ] Yes  [ ] No |  |
|  | n) | | Other digital service or initiative, please specify | | [ ] Yes  [ ] No |  |
|  | **Does your government have in place a strategy/policy/plan for Open Government Data (OGD)? If yes, please provide the link to the strategy/policy/plan.** | | | | [ ] Yes  [ ] No |  |
|  | a) | | Does this plan mention SMEs as a target group? | | [ ] Yes  [ ] No |  |
|  | b) | | Does this plan comprise increasing the number of available datasets and the number of public institutions publishing datasets? | | [ ] Yes  [ ] No |  |
|  | c) | | Does this plan mention any criteria for accessibility of datasets (e.g. machine-readable format, metadata, quality criteria)? | | [ ] Yes  [ ] No |  |
|  | d) | | Does this plan mention any specific action for promoting the development of public-private partnerships on open data innovation? | | [ ] Yes  [ ] No |  |
| **Thematic block 2. Implementation** | | | | | | |
|  | **To what extent can SMEs realise the following digital services end to end[[5]](#footnote-5) (i.e. through a government website, e-mail, social media or mobile application)?** | | | |  |  |
|  | a) | | Filing tax returns | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | b) | | Filing social security returns | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | c) | | Pensions | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | d) | | Services related to the Cadastre | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | e) | | Issuing/obtaining business certificates, attestations, excerpts and copies of acts and data registered for an SME | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | f) | | Out-of-court settlements (e.g. out-of-court debt settlement for companies) | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | g) | | Services for applying and/or managing state–aid support programmes (financial and non-financial)? | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | h) | | Reporting of enterprise statistics | | [ ] Not digital  [ ] Partially digital  [ ] Fully digital |  |
|  | i) | | Other service, please specify | |  |  |
|  | **Is there a digital authentication system and/or digital signature available for SMEs when accessing digital services?** | | | | [ ] Yes  [ ] No |  |
|  | **Is there a system in place for data sharing within the public sector?** | | | | [ ] Yes  [ ] No |  |
|  | **Has the once-only principle been implemented?** | | | | [ ] Yes  [ ] No |  |
|  | **To what extent are data protection regulations applied on digital services provided to SMEs:** | | | |  |  |
|  | a) | Can SMEs consent or refuse the collection and reuse of their data? | | | [ ] Yes  [ ] No |  |
|  | b) | Do SMEs have the possibility to remove permission or request the deletion of their data? | | | [ ] Yes  [ ] No |  |
|  | c) | Are SMEs informed about which public organisations have access to their data and do they have the opportunity to deny access? | | | [ ] Yes  [ ] No |  |
|  | d) | Are SMEs informed when enquiries on their data are made by a public organisation or other parties? | | | [ ] Yes  [ ] No |  |
|  | e) | Are digital services offered to SMEs declared to be GDPR[[6]](#footnote-6) compliant? | | | [ ] Yes  [ ] No |  |
|  | **Does the government have initiatives in place to raise awareness among SMEs about digital service delivery and promote their use?** | | | | [ ] Yes  [ ] No |  |
|  | If yes | | Please specify the initiatives in place | |  |  |
|  | **Does the government have initiatives in place to promote digitalisation of SMEs?** | | | | [ ] Yes  [ ] No |  |
|  | If yes | | Please mention specific initiatives, including financial or other types of support | |  |  |
|  | **How does the government inform SMEs about existing digital government systems?** | | | |  |  |
|  | **Have public institutions published datasets relevant/reusable by SMEs?** (Please specify the number of public institutions and the number of datasets published) | | | | [ ] Yes  [ ] No |  |
|  | **Are the majority of open datasets provided in machine-readable formats (e.g. CSV, JSON, XML)?** | | | | [ ] Yes  [ ] No |  |
|  | **Over the last year, has the government organised activities to stimulate the reuse of OGD by SMEs[[7]](#footnote-7) and promote co-creation processes and PPPs for open data innovation[[8]](#footnote-8)?** | | | | [ ] Yes  [ ] No |  |
| **Thematic block 3. Monitoring and evaluation** | | | | | | |
|  | **Does the government collect data on[[9]](#footnote-9):** | | | |  |  |
|  | a) | | Usage of digital government services by SMEs (e.g. digital services are used the most, by which categories of SMEs) | | [ ] Yes  [ ] No |  |
|  | b) | | Reuse of OGD by SMEs | | [ ] Yes  [ ] No |  |
|  | c) | | Usage of financial support schemes and incentives provided for the digitalisation of SMEs | | [ ] Yes  [ ] No |  |
|  | d) | | Satisfaction of SMEs with digital government services, i.e. to what extent do these services meet SMEs needs? | | [ ] Yes  [ ] No |  |
|  | e) | | Satisfaction of SMEs with support programmes and incentives provided for SMEs‘ digitalisation, i.e. to what extent do these programmes and incentives meet SMEs needs? | | [ ] Yes  [ ] No |  |
|  | f) | | Satisfaction of SMEs with available open data, i.e. –to what extent do available open datasets meet SMEs needs? | | [ ] Yes  [ ] No |  |
| 1.3.2 | **Is there a database of indicators on digital government services for SMEs and is it publically accessible?** | | | | [ ] Yes  [ ] No |  |
| 1.3.3 | **Is there a public institution tasked with monitoring and evaluation of digital government services for SMEs based on specific KPIs?** | | | | [ ] Yes  [ ] No |  |
|  | If yes | | Have any adjustments been made to digital services based on the acquired information? If so, please specify | |  |  |
| Have any adjustments been made to OGD initiatives based on the acquired information? If so, please specify | |  |  |
| Are SMEs involved in agile design processes and testing of new digital government services for SMEs? | |  |  |
| 1.3.4 | **Has the government conducted or financed research on the national economic impact to SMEs of the implementation of digital government services? If so, please specify.** | | | |  |  |
| *Optional - Please provide any further information on Digital government for SMEs* *in your economy that you deem relevant for the assessment:* | | | | |  |  |

|  |  |
| --- | --- |
| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) |  |
| Brief justification |  |
| Assessor name and institution |  |

## Sub-dimension 2: Company registration

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Question** | | | **Response *[expand box as necessary]*** | **Source/evidence/links** |
| **Thematic block 1. Design and implementation** | | | | |
| 2.1.1. | **How many company identification numbers are used in dealing with the public administration?** | | [ ] Single identification number in dealing with all standard functions of public administration - single registration process  [ ] 2 registrations and identification numbers in dealing with different administrative authorities  [ ] 3 registrations and identification numbers in dealing with different administrative authorities  [ ] More than 3 registrations and identification numbers in dealing with different administrative authorities |  |
| 2.1.2. | **Since the last assessment (January 2019), have there been any changes in establishing or functioning a one-stop-shop for company registration?** | | [ ] Yes. Please specify:  [ ] No |  |
| 2.1.3. | **Is it possible to conduct online company registration?** | | [ ] Yes, and it applies to all phases of the company registration process  [ ] Yes, but it does not apply to all phases of the company registration process  [ ] No |  |
|  | If yes | Does the online company registration cover the entire territory or is available for some specific areas (e.g. capital city)? Please specify. |  |  |
|  | Can all the financial transactions required to finalise the registration process be completed online? Please specify. |  |  |
| 2.1.4. | **Is the silent-is-consent principle in application?** | | [ ] Yes  [ ] No |  |
| 2.1.5. | **Is there a user guide book or manual on company registration that is publicly available online?** | | [ ] Yes  [ ] No |  |
| 2.1.6. | **Is there a decentralised national information agency or help centers that provide advisory services on starting a business?** | | [ ] Yes  [ ] No |  |
| **Thematic block 2. Performance** | | | | |
| 2.2.1. | **Since the last assessment (January 2019), have there been any changes in the number of days for obtaining company registration certificate? If yes, please specify.** | | [ ] Yes  [ ] No |  |
| 2.2.2. | **Since the last assessment (January 2019), have there been any changes in the number of administrative steps for obtaining a company registration certificate? If yes, please specify.** | | [ ] Yes  [ ] No |  |
| 2.2.3. | **Since the last assessment (January 2019), have there been any changes in the official cost of obtaining the company registration certificate? If yes, please specify.** | | [ ] Yes  [ ] No |  |
| 2.2.4. | **Since the last assessment (January 2019), have there been any changes in the number of days for completing the overall company registration process, including compulsory licences for standard business activities? If yes, please specify.** | | [ ] Yes  [ ] No |  |
| 2.2.5. | **Since the last assessment (January 2019), have there been any changes in the costs connected with registration (% of GNI per capita)? If yes, please specify.** | | [ ] Yes  [ ] No |  |
| 2.2.6. | **Since the last assessment (January 2019), have there been any changes in the minimum paid-in capital required to start a business (% of GNI per capita)?** | | [ ] Yes  [ ] No |  |
| **Thematic block 3. Monitoring and evaluation** | | | | |
| 2.3.1. | **Are there monitoring and evaluation mechanisms in place for the company registration?** | | [ ] Yes  [ ] No |  |
|  | If yes | Have adjustments been made based on the results? Please specify. |  |  |
| 2.3.2 | **Is there an online service to register user complaints or to monitor user satisfaction for the online registration process?** | | [ ] Yes  [ ] No |  |
|  | If yes | Have adjustments been made based on the results? |  |  |
| 2.3.3. | **Is there a specific agency that monitors the implementation and the process of registration? If yes, please provide the name of the agency.** | | [ ] Yes  [ ] No |  |
| 2.3.4. | **Is performance at local level monitored and made public?** | | [ ] Yes  [ ] No |  |
|  | *Optional - Please provide any further information on* ***Business registration*** *in your economy that you deem relevant for the assessment:* | |  |  |

|  |  |
| --- | --- |
| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) |  |
| Brief justification |  |
| Assessor name and institution |  |

## Sub-dimension 3: Business licensing

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Question** | | | | **Response *[expand box as necessary]*** | **Source/evidence/links** |
| **Thematic block 1. Licence procedures** | | | | | |
| 3.1.1. | **Does the business licensing procedure for SMEs include any written guidance material?** | | | [ ] Yes  [ ] No |  |
|  | If yes, | Do the written guidelines specify: | |  |  |
|  | a) | the licence and permit fees to be paid | | [ ] Yes  [ ] No |  |
|  | b) | the procedure of how to obtain a licence | | [ ] Yes  [ ] No |  |
|  | c) | the compliance standards, which need to be in place in order to obtain a licence | | [ ] Yes  [ ] No |  |
| 3.1.2. | **Are licensing and permit fees based on clear written requirements?** | | | [ ] Yes  [ ] No |  |
| 3.1.3. | **Is there a centralised, e-licence portal which serves as a single entry point for licences and permits (containing all information and applications on line)? If yes, please share the link to it.** | | | [ ] Yes, containing both information and applications.  [ ] Yes, containing only information.  [ ] No. |  |
| 3.1.4. | **Are all decisions to grant or not grant a licence documented in writing?** | | | [ ] Yes  [ ] No |  |
| 3.1.5. | **Is information collected for a licence shared with other authorities?** | | | [ ] Yes  [ ] No |  |
| 3.1.6. | **Are licensing fees complying with the cost-recovery principle? Please specify how licensing fees are calculated.** | | | [ ] Yes  [ ] No |  |
| 3.1.7. | **Is training on new licensing procedures and core principles in granting a licence provided to staff?** | | | [ ] Yes  [ ] No |  |
|  | If yes | | How often these trainings have taken place since the last assessment (January 2019)? |  |  |
| 3.1.8. | **Since the last assessment (January 2019), has the central government conducted any public awareness campaigns on licensing transparency and accountability in licensing procedures?** | | | [ ] Yes  [ ] No |  |
| **Thematic block 2. Monitoring and streamlining of licence systems** | | | | | |
| 3.2.1. | **Is there a plan to review and simplify current licensing procedures?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Has the review already started? If so, when? And what have the results been so far? | | [ ] Yes  [ ] No |  |
| How does the review mechanism look like? | |  |  |
| 3.2.2. | **Does the central government have a systematic overview of all the different licensing authorities in the country?** | | | [ ] Yes, the government is aware of all the licensing authorities.  [ ] No, but the government is aware of most licensing authorities.  [ ] No. |  |
| 3.2.3. | **Is there a central co-ordination body at the national level that oversees granting licences at different levels of the administration? If so, what is the co-ordination body?** | | |  |  |
| 3.2.4. | **Are SMEs able to give feedback on the licensing process?** | | | [ ] Yes  [ ] No |  |
|  | If yes | | How is this feedback taken into account? |  |  |
| Is there any mechanism in place that allows proactive request of feedback from SMEs on the licensing process? Please specify. |  |  |
| 3.2.5. | **Are decisions to grant a licence internally reviewed?** | | | [ ] Yes  [ ] No |  |
|  | If yes | | When reviewing these decisions, do you take into account the following objectives: | [ ] prevention of conflict of interest  [ ] prevention of misconduct  [ ] prevention of corruption (abuse of public office for private advantage)  [ ] public safety  [ ] other (please specify): |  |
| 3.2.6. | **Is there a mechanism to monitor and/or evaluate officials’ compliance with their mandates when doing business inspections? Please specify.** | | |  |  |
| 3.2.7. | **Does a regular independent audit of the licences issued take place?** | | | [ ] Yes  [ ] No |  |
|  | *Optional - Please provide any further information on* ***Business licensing in your economy*** *that you deem relevant for the assessment:* | | |  |  |

|  |  |
| --- | --- |
| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) |  |
| Brief justification |  |
| Assessor name and institution |  |

## Sub-dimension 4: Tax compliance procedures for SMEs

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Question** | | | | **Response *[expand box as necessary]*** | **Source/evidence/links** |
| **Thematic block 1. SME tax support, compliance and simplification procedures** | | | | | |
| 4.0.1 | **Which tax policy and administration support measures did SMEs benefit from during the COVID-19 pandemic (e.g. tax deferral, tax waivers, temporary tax reductions, other cash-flow support measures, etc.)?** | | |  |  |
| 4.0.2 | **In order to stimulate the economic recovery after the COVID-19 pandemic, did your economy introduce tax measures specifically targeted at SMEs (please include information on entry into force and end dates)?** | | |  |  |
| 4.0.3 | **Have there been other changes in tax policy and/or tax administration procedures related to the tax treatment of SMEs (beyond the COVID-19 related measures that have been reported above) since January 2019?** | | | [ ] Yes  [ ] No |  |
|  | If yes, | | please provide information on the reform(s) as well as their policy rationale; please include information on the reforms that were not specifically targeted at SMEs but that may have an impact on SMEs. |  |  |
| 4.0.4 | **What are the main (direct and indirect) tax challenges that SMEs are currently facing from a tax policy design perspective (i.e. in terms of tax rates, tax bases, tax-induced debt bias, SMEs that are cash-constrained which creates a drag on investment, difficulties to attract new equity, etc.)? (please describe)** | | |  |  |
|  |  | | a) Have these challenges been changed or deepened because of the COVID-19 crisis? Please specify. |  |  |
|  |  | | b) Has your economy introduced (or is it planning to introduce) tax reforms that tackle (some of) these challenges? Please specify. |  |  |
| 4.0.5 | **What are the main tax challenges that SMEs are currently facing from a tax administration perspective?** | | |  |  |
|  |  | | a) Have these challenges been changed or deepened because of the COVID-19 crisis? Please specify. |  |  |
|  |  | | b) Has your economy introduced (or is it planning to introduce) tax reforms that tackle (some of) these challenges? Please specify. |  |  |
| 4.0.6 | **Is there an online portal provided by the government that offers tax-related information to SMEs?** | | | [ ] Yes  [ ] No |  |
| **Thematic block 1a: Personal and Corporate Income Tax** | | | | | |
| 4.1.1 | **How is personal business income (earned by the self-employed) taxed under the personal income tax (PIT)?** | | |  |  |
|  | * What is the PIT rate schedule? Is there a basic tax allowance? At what (taxable) income level does a self-employed start effectively paying PIT on business income? | | |  |  |
|  | * Are all personal business expenses deductible from taxable personal income? | | | [ ] Yes  [ ] No |  |
|  | * Are there additional business-related deductions (tax allowances, tax credits) that self-employed entrepreneurs can deduct from taxable personal income or their tax liability? | | | [ ] Yes  [ ] No |  |
|  | * Can the self-employed carry forward and/or backward business losses? | | | [ ] Yes  [ ] No |  |
|  | * Is taxable business income taxed at the standard PIT rate schedule or do reduced/ increased PIT rates apply? | | |  |  |
| 4.1.2 | **How are “gig” workers (including online platform workers such as Uber drivers, temporary workers, etc.) taxed under the personal income tax?** | | |  |  |
|  | * Are “gig” workers taxed under standard rules that apply to self-employed workers or do special tax rules apply? If yes, specify. | | |  |  |
|  | * Do “gig” workers pay social security contributions similar to the self-employed (or salaried workers) or do special rules apply? Can they (partly or fully) opt out of the social security system? | | |  |  |
|  | * Do specific tax simplification measures apply to “gig” workers (including tax policy and tax administration measures)? Please specify. | | |  |  |
| 4.1.3 | **How is corporate business income (earned by an incorporated SME) taxed under the corporate income tax (CIT)?** | | |  |  |
|  | * Does your economy have a reduced CIT rate for SMEs? If so, please provide information on the rate and the eligibility criteria. | | |  |  |
|  | * Are there other special CIT provisions targeted at SMEs? If so, please specify. | | |  |  |
|  | * Do manager-owners of a closely held SME need to receive a well-defined “minimum” salary or can they earn all (or almost all) of their income in the form of personal capital income (e.g. dividends)? | | |  |  |
| 4.1.4 | **Does your economy have anti-avoidance rules that prevent entrepreneurs from deducting consumption expenditure as a business expense from taxable personal or corporate business income?** | | |  |  |
| 4.1.5 | **Does your economy have presumptive/ simplified tax regime(s) for small businesses within the personal and/ or corporate income tax (e.g. taxation based upon turnover rather than profits)?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify how the system(s) works (including presumptive rates, tax rates, specific thresholds, criteria that need to be met to qualify, sector specific rules, etc.). If there are multiple systems/regimes, please provide information on all of them, including the conditions that determine which simplified tax regime applies when. | |  |  |
|  | Do firms need to demonstrate that they meet the criteria on a yearly basis or less frequently? | |  |  |
|  | Please provide information on the main weaknesses in the design of this/these tax regime(s) in your economy (e.g. what are the main loopholes; does it prevent firms from growing, do they incentivise firms from working partially or fully in the informal sector, etc.)? | |  |  |
| 4.1.6 | **Does your economy allow small businesses to use cash accounting for income tax purposes?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify how the system works. | |  |  |
| Is there any threshold used to determine eligibility for cash accounting? (If yes, please specify) | |  |  |
| 4.1.7 | **Does your economy have additional simplified accounting rules for small businesses (e.g. simplified rules for the calculation of inventory, bad debts, relaxation of the requirement to keep financial accounting books for tax purposes, etc.)?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify rules. | |  |  |
| 4.1.8 | **Does your economy have simpler tax filing procedures or any other tax administration simplification measures targeted at SMEs?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify rules and procedures | |  |  |
| 4.1.9 | **Does your economy allow/ require SMEs to file income tax returns online and/ or to pay income taxes online?** | | |  |  |
| **Thematic block 1b: VAT** | | | | | |
| 4.1.10 | **Since the last assessment (January 2019), have any changes happened in VAT registration/collection threshold under which small businesses are not obliged to register for and remit VAT? If so, please specify.** | | |  |  |
|  |  | a) What is the threshold (in national currency unit) and how did it change? | |  |  |
|  |  | b) Is the regime optional (i.e. can firms register for VAT, if they would want to do so, even if they are below the threshold)? | |  |  |
| 4.1.11 | **Does your economy foresee simplified schemes for calculating VAT liability, including VAT presumptive tax schemes or simplified VAT input tax credit calculation schemes?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify. | |  |  |
| 4.1.12 | **Does your economy allow small businesses to use cash accounting for VAT purposes?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify rules. | |  |  |
| 4.1.13 | **Does your economy foresee simplified VAT return filing and VAT payment simplification schemes?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please describe. | |  |  |
|  | Does your economy allow/require SMEs to file VAT returns online? | | |  |  |
|  | Does your economy allow/require SMEs to pay VAT online? | | |  |  |
| 4.1.14 | **Does the VAT create hurdles for the growth of SMEs? Are there elements of the VAT that create a burden on businesses (e.g. lack of timely refund of VAT credits, VAT administration weaknesses, etc.)? Please explain.** | | |  |  |
| **Thematic block 1c: Other taxes** | | | | | |
| 4.1.15 | **Does your economy have investment tax incentives specifically targeted at SMEs?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please explain the design of the incentives and the eligibility criteria that apply. | |  |  |
| 4.1.16 | **Does your economy have reductions in social security contributions targeted at the self-employed and/or workers in SMEs?** | | | [ ] Yes  [ ] No |  |
| 4.1.17 | **Does your economy have any simplification measures for other taxes targeted at SMEs?** | | | [ ] Yes  [ ] No |  |
| **Thematic block 2. Monitoring and evaluation of SME specific tax measures** | | | | | |
| 4.2.1 | **Does your economy monitor the effective tax burden on SMEs?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify types of studies and results | |  |  |
| 4.2.2 | **Does your economy undertake regular evaluations of the performance of SMEs (e.g. bunching analysis to take advantage of simplified tax regimes, growth performance, opportunities used by SMEs to minimise their tax liability, tax-induced hurdles SMEs face in growing and complying with the tax system, etc.)?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify type of evaluations and results | |  |  |
| 4.2.3 | **Does your economy undertake regular evaluations of measures aimed at easing tax compliance for SMEs?** | | | [ ] Yes  [ ] No |  |
|  | If yes | Please specify the type of evaluations and the results found. | |  |  |
| 4.2.4 | **Does your tax administration use information from VAT returns to verify income tax returns (and vice versa)?** | | |  |  |
|  | *Optional - Please provide any further information on* ***Tax compliance procedures*** *in your economy that you deem relevant for the assessment:* | | |  |  |

|  |  |
| --- | --- |
| **Self-assessed level (1 through 5, whole and half numbers) for the overall dimension – Operational environment for SMEs:** |  |

1. E-Government refers to the use by the governments of information and communication technologies (ICTs), and particularly the Internet, as a tool to achieve better government. [↑](#footnote-ref-1)
2. Digital Government refers to the use of digital technologies and data, as an integrated part of governments’ modernisation strategies, to create public value. It relies on a digital government ecosystem comprised of government actors, non-governmental organisations, businesses, citizens’ associations and individuals which supports the production of and access to data, services and content through interactions with the government.

   *Source: OECD Recommendation of the Council on Digital Government Strategies (2014)* [↑](#footnote-ref-2)
3. Digital services can be understood as services provided through a government website, e-mail, social media or mobile application. [↑](#footnote-ref-3)
4. Refers to the right to provide data to public sector organisations only once, calling to the public sector to establish governance, standards and infrastructure needed to share and re-use data, respecting data protection and any other relevant regulation ([OECD,2019](https://www.oecd-ilibrary.org/governance/digital-government-index_4de9f5bb-en;jsessionid=Hy8NUMSrQzIsv5gFwgZasbcL.ip-10-240-5-93)). [↑](#footnote-ref-4)
5. **Not digital**: no single step of the service process can be realised in a digital way;

   **Partially digital**: one or more, but not all steps in the service process can be realised in a digital way;

   **Fully digital**: all steps of the service process can be realised in a digital way. [↑](#footnote-ref-5)
6. General Data Protection Regulation [↑](#footnote-ref-6)
7. Activities can range from hackathons to media campaigns to consultations about data needs. [↑](#footnote-ref-7)
8. Open data innovation is the ability of SMEs to use open data sets (e.g. of public sector organisations) to create added value through new products and services. [↑](#footnote-ref-8)
9. Through surveys and proactive feedback requests, web statistics, social media, etc. [↑](#footnote-ref-9)