



Audit • Advisory • Tax

TAX SERVICES

# IN CONTROL OF YOUR TAXES

BDO Tax Value Creator™



# WHY BDO TAX VALUE CREATOR™?

COMPULSORY TAX TRANSPARENCY REQUIRES GLOBAL TAXPAYERS TO DEMONSTRATE A COMMITMENT TO BUILDING TRANSPARENT, COOPERATIVE AND CONSTRUCTIVE RELATIONSHIPS WITH ALL STAKEHOLDERS, INCLUDING TAX AUTHORITIES, BY ADOPTING AND COMMUNICATING A RESPONSIBLE APPROACH TO THEIR TAX AFFAIRS. GLOBALLY, TAX AUTHORITIES SEEK ASSURANCE FROM COMPANIES' BOARDS THAT APPROPRIATE OVERSIGHT IS EXERCISED OVER A COMPANY'S TAX AFFAIRS INCLUDING, *INTER ALIA*, THE IDENTIFICATION, ASSESSMENT AND MANAGEMENT OF TAX RISKS THROUGH APPROPRIATE GOVERNANCE POLICIES AND PROCESSES.

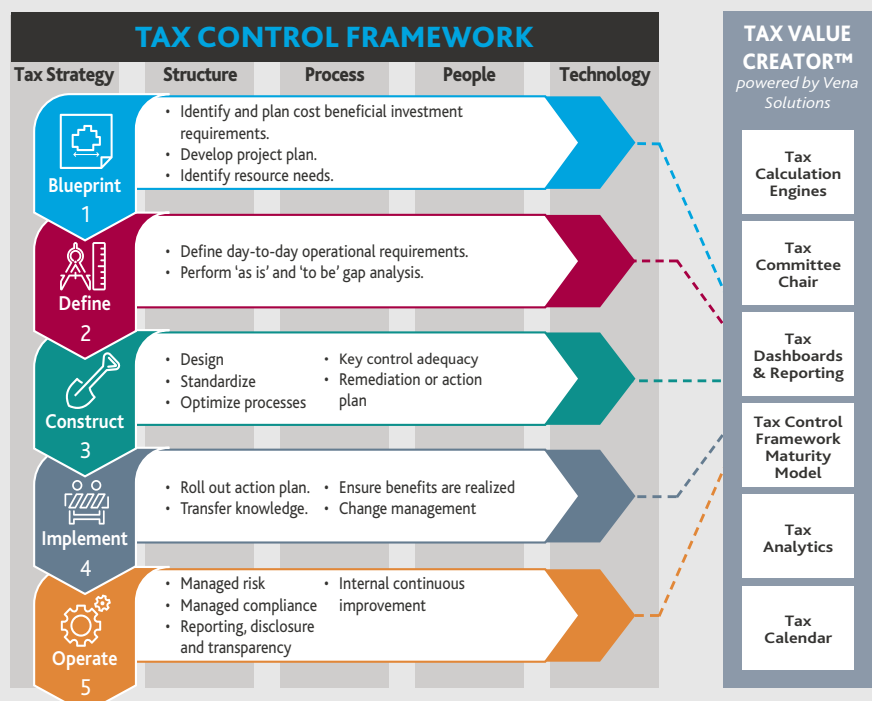
SOUTH AFRICAN CORPORATE GOVERNANCE RECOGNIZES THE ROLE AND RESPONSIBILITIES OF THE BOARD AND THE AUDIT COMMITTEE IN TAX GOVERNANCE AND OVERSIGHT, INCLUDING THE FORMULATION OF A TAX STRATEGY AND POLICY ALIGNED TO RESPONSIBLE CORPORATE CITIZENSHIP AND WIDER STAKEHOLDER CONSIDERATIONS, INCLUDING REPUTATIONAL RISK, WHILST BALANCING SHAREHOLDER EXPECTATIONS THAT TAX AND OTHER COSTS ARE KEPT TO A MINIMUM.

Tax is top of mind for CEOs and CFOs in South Africa and other African jurisdictions (in terms of complexity, uncertainty, and as a cost of doing business).

This shifts the emphasis placed by Heads of Tax or Group Tax Managers from tax technical expertise to:

- building an effective tax function and operating model;
- developing and implementing a strategy for the tax function;
- framing and communicating the company's "approach to tax";
- developing processes to identify and mitigate tax risks; and
- identifying and managing internal and external stakeholders.

BDO Tax Value Creator™ assists companies with the implementation of a Tax Control Framework based on best practice to manage taxes through, *inter alia*, relationship management and enhanced public tax reporting. The BDO Tax Control Framework (TCF) contains a set of actions and processes allowing companies to control the core elements of their tax affairs and provides an important element in the tax governance process.



## The building blocks of the BDO Tax Control Framework include the following:

- tax strategy and environment;
- aligning the TCF to business operations;
- optimizing tax processes and operations;
- tax risk management;
- building capacity and skill;
- maximizing technology;
- oversight, monitoring and testing;
- assurance to stakeholders; and
- tax reporting and disclosure.

# A HOLISTIC TAX ASSURANCE MODEL

The BDO Tax Value Creator™ is a holistic tax assurance model that includes a clear tax strategy, an appropriate tax organizational structure, strategic and operational resources, tax risk management and monitoring policies and processes, and enables tax technologies to enhance tax reporting.

It will provide the board and audit committee with the necessary comfort that they are fulfilling their tax obligations.

BDO Tax Value Creator™ can assist companies with the management of all aspects of their tax organizations through, *inter alia*, the following:

## TAX STRATEGY AND POLICY

Developing and implementing a clear tax strategy and policy, supported by the Board, and clearly communicated to all stakeholders. Reviewing and benchmarking the tax function against best practice, focusing on the interaction of business and tax, tax operations, tax risk management and compliance and assurance. Embedding the tax agenda into the company's corporate strategy, growth drivers and results and ensuring that the tax structure and resourcing complement the company's strategy and operating model.

**BDO TAX VALUE CREATOR™ CAN ASSIST COMPANIES IN THE CONSOLIDATION AND MANAGEMENT OF ALL TAX ASPECTS.**

## TAX PROCESSES AND OPTIMISATION

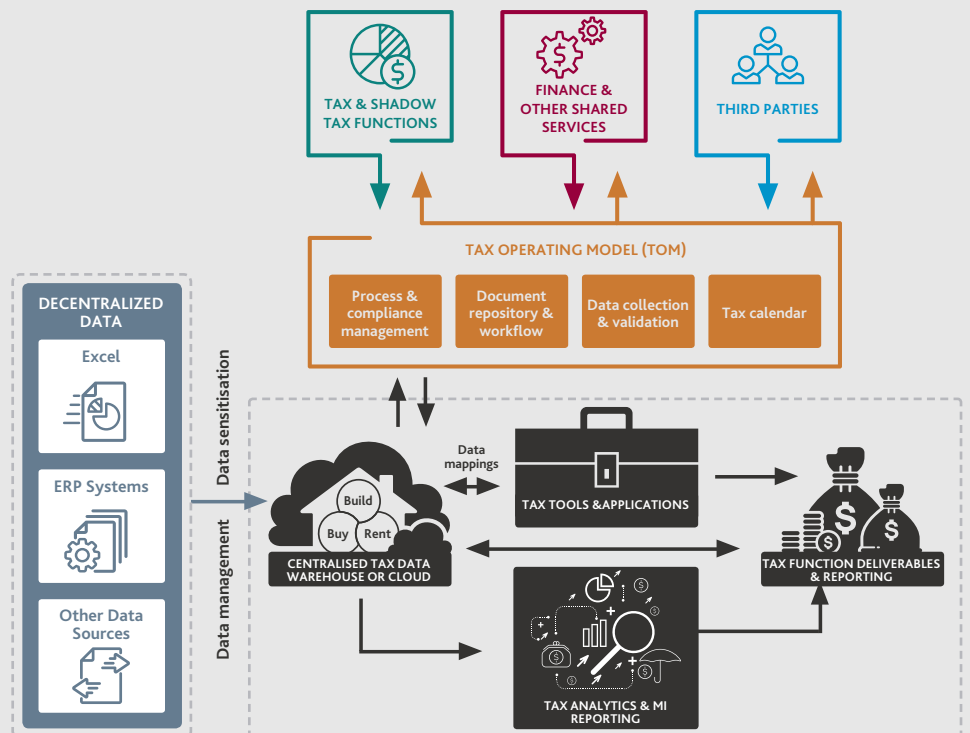
Assessing the clarity, cohesion, and efficiency of tax processes within the tax function. Reviewing processes to identify, review and, where viable, implement tax optimisation strategies. Enabling the company to influence tax policy by contributing to the development of tax legislation, where appropriate.

Reviewing tax risk management processes and controls to manage transactional, operational, compliance, reporting and reputational risk. Creating a "tax aware" culture through the implementation of focused and relevant education and training procedures. Advising on processes to strengthen relationships with stakeholders. Reviewing tax dispute resolution

processes. Reviewing processes to identify, analyse, and communicate opportunities and risks arising from tax legislative changes. Advising on policies and processes on corporate governance, and regulatory and legal compliance.

## TAX RESOURCING AND TECHNOLOGY

Aligning tax resources to business requirements, focused on sourcing, retention and development of required skills. Ensuring effective co-ordination of tax resources, to ensure successful implementation of tax strategy. Advising on external advisor relationships to maximise value. Assessing the use of tax technology, co-sourcing and outsourcing, to add value, reduce risks and increase efficiencies.





WE TAKE IT PERSONALLY.  
FOR FURTHER INFORMATION,  
PLEASE CONTACT US:

**MARCUS BOTHA**

Director: Head of Corporate Tax  
BDO Tax Services  
mabotha@bdo.co.za  
T 011 481 3016

**RAY ESKINAZI**

Senior Manager  
BDO Tax Services  
reskinazi@bdo.co.za  
T 011 488 1796



/BDOSouthAfrica



/bdoafrica



/bdo\_sa



/company/bdo-south-africa

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