



The Mexican Experience in the Non-Judicial Defense of the Taxpayers' Rights.

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Introduction

Historically there was no defense available for the people who pay taxes. As we know, one of the principal ways in which the State Power shows its force to the people is precisely the imposition of taxes.

Nevertheless with the coming of the rule of law, the States met some limits to the unconditional exercise of their powers. First of all, we can mention the famous statement: *"No Taxation without Representation"*; which, at last, acquired as one of its principal meanings that the only remedy to an unfair taxation is to exercise the vote against the party or the representatives which passed the bill of the disproportionate levy.

Throughout time, many countries adopted special judicial procedures or administrative appeals (before tax authorities) in order to challenge different kinds of tax decisions like actions or resolutions of the Tax Administration Agencies.

In such way, in the Twentieth Century there was a strong development of tax justice within specialized tax courts. Even, in some countries as Mexico, taxpayers have the right to challenge precisely the law or bill which establishes taxes. Thus, the person who is obliged to pay the levy could go to a Constitutional Federal Administrative Court,

to claim that the tax was established in contravention with the principles of the Mexican Magna Carta. In Mexico such procedure is denominated as “*Juicio de Amparo contra leyes fiscales*”¹.

Such claims could even reach the Supreme Court of Justice of Mexico, which has the last decision in those matters.

Nevertheless, at the beginning of the new century, a progressive decline of the taxpayers’ judicial defense could be appreciated. Specifically in Mexico it seems that the Courts lost trust in the taxpayers’ honest behavior and, concurrently, the taxpayers increasingly lost their confidence in Court justice in tax matters.

A relevant example of such process is that Tax Courts began, more and more, to resolve the legal cases based not in the substance of the tax dispute, but rather in different formal questions related to formal requirements that according to law must be fulfilled by tax authorities when they issue their actions or decisions, such as textual mention of the precepts of law which support the decision, as well as taxpayers’ disrespect of some formal obligations they ought to fulfill (like present a specific tax informative note to report some operations or activities to the Tax Administration Agency²).

Such kind of practice, had originated a genuine crisis of the judicial defense of the taxpayers’ rights.

¹ Constitutional judicial lawsuit available to citizens in order to oppose, among others, laws which establish or modify taxes.

² In Mexico the Tax Administration Agency is named Servicio de Administración Tributaria (SAT).

Certainly we can observe that when justice begins to support their verdicts in formal questions, people at the same time start to lose trust in the justice system itself. We can easily expect that judicial formalism leads to a justice unaware of the real needs of the claimers.

For example, if the tax assessment exclusively stands on the fact that the taxpayer did not present on time a tax informative note related to a certain operation he had made, such as the contracting of different loans, that omission could lead into a legal presumption: The taxpayer never acquired any loan, therefore the money obtained through those credits is going to be presumed as taxable income; even if in the judicial procedure, the taxpayer could fully prove that the loans had been certainly obtained in order to attend to his business operation.

The following data clearly shows the importance given by tax courts and judges to legal formalism in their rulings. Just as an example, in the past three years, the Federal Court of Administrative and Tax Justice³ have issued only a lower percentage of sentences based in the substance or material truth, meanwhile the Court decisions supported in legal formalism reached higher level.

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3 This Mexican Court is nowadays denominated with a new name: Federal Court of Administrative Justice. It is interesting to note that even the adjective of "Tax Justice" is lost in the new denomination. Nevertheless this Federal Court maintains its jurisdiction in tax matters, but in its new organization has acquired, in addition to its faculties to resolve any kind of administrative disputes, an original power to impose according with the law, the liabilities that may proceed against public officials for administrative responsibility.

2014			
Month	Total Number of criteria issued by the Federal Court of Administrative Justice	Total Number of criteria based on the substance	Percentage
January	78	12	15.38%
February	115	21	18.26%
March	148	29	19.59%
April	100	12	12.00%
May	67	18	26.86%
June	65	5	7.69%
July	60	11	18.33%
August	83	6	7.22%
September	63	5	7.93%
October	64	11	17.18%
November	80	10	12.50%
December	148	33	22.29%
Total	1071	173	16.15%

2015			
Month	Total Number of criteria issued by the Federal Court of Administrative Justice	Total Number of criteria based on the substance	Percentage
January	87	11	12.64%
February	52	2	3.84%
March	109	14	12.84%
April	80	7	8.75%
May	66	6	9.09%
June	61	8	13.11%
July	83	11	13.25%
August	100	15	15.00%
September	54	4	7.40%
October	86	4	4.65%
November	72	9	12.50%
December	87	9	10.34%
Total	937	100	10.67%

2016			
Month	Total Number of criteria issued by the Federal Court of Administrative Justice	Total Number of criteria based on the substance	Percentage
January	44	7	15.90%
February	44	5	11.30%
March	99	21	21.21%
April	65	4	6.15%
May	64	6	9.37%
June	51	8	15.68%
July	77	8	10.38%
August	47	5	10.63%
September	103	15	14.56%
October	100	15	15.00%
November	73	13	17.80%
December	68	9	13.23%
Total	835	116	13.89%

a) Mexican Legislation in the New Millennium. The Taxpayers' Rights Federal Bill and the Law which created the Procuraduría de la Defensa del Contribuyente (PRODECON by its acronym).

In 2003, some members of the Mexican Federal Congress realized the need to formulate a new way to defend and effectively vindicate the rights of the taxpayers.

The progressive complexity of Tax Legislation, the numerous Administrative Rules and Different Regulations issued by Tax Administration Service (SAT), the important and reinforced faculties of Tax Authorities to audit taxpayers and subject them to the collection procedure and also the new faculties to simply “invite” taxpayers to correct their tax situation without a formal ruling of the tax authorities, provoked a main concern about tax fairness.

Therefore and probably inspired in the United States experience⁴ a Senator and a Congressman proposed a Law Initiative to create a new system to protect, promote and defend taxpayers' rights outside the Judicial Defense. In other words, create new patterns to allow taxpayers to preserve their rights without going to Courts.

⁴ The Taxpayer Advocate Service in the US has an experience of more than twenty years. Important faculties have been granted to it and even it is within the Internal Revenue Service (IRS), actually acts as an independent agency and the head of the office can appear before the US Congress.

The new kind of defense and protection came from the ancient idea of the relevance that people can count with a popular advocate, a defender of society: the Ombudsman, who is committed to a flexible and holistic safeguard of the rights of the community in this case specifically the rights of the people who pay taxes.

Precisely, the Ombudsman is in the opposite side of legal formalism. Indeed, for the defense of taxpayers he pursues to accomplish the important and relevant task of focusing on the substance of the case: the fundamental truth involved in the particular situation the Ombuds deals with.

For communities it can be very hard to understand that somebody could be subjected to the imperative force of an official act issued by authorities, based only in legal formalities not in correspondence with the real conditions of the person or persons involved.

In this context the Congressman Juan Carlos Pérez Góngora and the Senator Martha Tamayo, submitted in the last months of 2003 two different Law Initiatives but with the same purpose: to create a new public and autonomous organism to safeguard the taxpayers' right to obtain tax justice.

Such purpose was finally reflected in the Article 1 of the law of the novel institution, which provides:

ARTICLE 1. *This Law is of public order, for application in the entire domestic territory, having as purpose to regulate the structure and faculties of the Taxpayer Advocacy Agency in order to assure the taxpayers' right to receive justice in tax matters, at the federal level, by providing advisory, representation and defense, resolution of Complaint Procedures and if proceeds, be competent to issue recommendations to tax authorities in the terms established by this law.*

It is important to mention that the Law was promulgated by the President of Mexico on September 4, 2006. Nevertheless it was until April 2011 when the following President proposed to the Senate the shortlist of three candidates to select the head of the new office. Finally, it was on April 28 when the Senate named the leader of the Procuraduría de la Defensa del Contribuyente, which is called “Procurador (a)”, term which in this case means a kind of Advocate, a Non-Judicial promoter of the defense and justice for every taxpayer. In other words a genuine Taxpayers’ Ombudsman.

In this way it is easy to appreciate that the Mexican experience led to the creation of an authentic Ombudsman in order to effectively guarantee tax

justice. Then we can realize that the sole system of judicial defense is not enough to secure that objective. It is interesting to try to explain the reasons that make it difficult for taxpayers to access real justice in Courts.

First of all, it is simple to understand that Tax Regulations are in general very vast and complex and frequently beyond the comprehension of common taxpayers. The requirement of a specialized adviser seems essential in tax matters. Additionally, by nature, the tax legal dispositions are not plainly interpretable. It could be said that they admit several directions or senses, and precisely is one of the main tasks of judges and courts to definitively establish the appropriate sense or direction of the tax rule. In many countries, such as Mexico, tax litigation is very difficult and necessarily requires the assistance of a legal counselor with a law degree. Furthermore, this kind of trials are destined to be attended by lawyers with a strong expertise in tax issues, and consequently the counselors' fees are commonly high.

Besides the showed up facts, taxpayers' ought to consider when they go to trial, that tax authorities have a high winning percentage at Courts. According to the data of the Mexican Tax Administration Service (SAT) around 55% of the cases resolved by Courts are issued in favor of Tax Administration. Look at the following table:



VIII. Tax trials

TAX TRIALS WON OR LOST BY THE TAX ADMINISTRATION SERVICE (SAT) January to June, 2016

	1st. Instance	Number of trials	% of Total	Amount (million pesos)	% of Total
Total		14,105	100.0	72,289.1	100.0
Won		7,291	51.7	49,499.3	68.5
Nullified for further actions		1,588	11.3	4,948.2	6.8
Lost		5,226	37.1	17,841.6	24.7
	2nd. Instance	Number of trials			
Total		5,281	100.0	63,551.1	100.0
Won		3,508	66.4	35,577.7	56.0
Lost		1,773	33.6	27,973.4	44.0
	Definitive	Number of trials			
Total		12,618	100.0	51,293.8	100.0
Won		6,666	52.8	26,750.3	52.2
Nullified for further actions		837	6.6	5,161.3	10.1
Lost		5,115	40.5	19,382.1	37.8

Preliminary figures subject to review.

Totals may not add up due to rounding differences.

1./SAT keeps its faculties to determine and, in such case, collect the challenged tax liability.

Source: Tax Administration Service (SAT)

It is interesting to remark that, beyond the numbers that indeed favored the tax authorities, it can be observed that in general terms the judicial system is trending to a progressive distrust in taxpayers' defense, as we can see in the following judicial precedents.

For example, the Supreme Court of Justice ruled in a very relevant precedent that the presumption of innocence -which might be considered as a fundamental principle that assumes that every person shall be treated as not responsible until it has been proved he is guilty- cannot be applicable when a taxpayer is subject to a tax audit; because according to the Supreme Court such principle of innocence, even if it could have force in administrative or tax law, merely applies in disciplinary procedures. In other words, the principle could apply if the taxpayer can be penalized with tax fines (*ius puniendi* in latin), but not if he is being reviewed by the tax authorities⁵.

It is difficult to realize that, as the Court considers, criminal law offenders subjected to a criminal process have in any case the presumption of innocence rather than taxpayers who support the government expending with the payment of their taxes.

Even since the appointment of the head of this new Agency (**PRODECON**) had been created on April 28, 2011, it was four months later when, by virtue of

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⁵ The precedent can be consulted under the following link: <http://sif.scjn.gob.mx/sifsist/paginas/tesis.aspx> Official web site of the Mexican Supreme Court of Justice. The name of the criterion is: "*Facultades de comprobación de las autoridades fiscales. Las previstas en el Código Fiscal de la Federación no se rigen por el principio de presunción de inocencia*"; December 2015. Register number 2010600.

transitory legal provisions, the organism opened to the public and began to exercise its legal faculties and powers. This topic will be developed in the next section, just now it is important to say, that the creation of **PRODECON** found an immediate precedent: the enactment of the Taxpayers' Rights Federal Law, which took place on June 23, 2005.

The mentioned ordinance came from a Legislative Initiative proposed by myself as a Congresswoman. Its principal purpose was to list, in an express and detailed way, the specific and principal rights that taxpayers have⁶.

Let's examine the kind of prerogatives granted by the Taxpayers' Bill.

Actually we can attempt to classify the catalogue of rights that figure in Article 2 of the law, attending to the topic or objective they pursue.

In this context, we can mention first those rights which attend to the due process of law, like the right to be informed about the status of the related procedures; the right to be heard prior to the assessment of the tax debt; the right to attend his defense before tax authorities through the exhibition of the appropriate evidence and documentation.

⁶ You can see the complete version of the referred law in the appendix of this work.

In a second group we can observe rights which pursue the promotion of a cooperative compliance between taxpayers and Tax Administration, such as the right to be assisted and supported by tax authorities to fulfill tax obligations and the right to not deliver documents which may already be in the possession of tax authorities.

We can also find rights referred to the substance of the tax duty like the right to obtain tax refunds, and the right of taxpayers to self-correct their tax obligations when it may proceed; or rights referred to identify tax authorities involved and the confidentiality that tax officials must observe with the personal data of taxpayers.

Finally it can be noticed in the Taxpayers' Rights Federal Law prerogatives addressed to promote the adoption of the best practices in the actions carried out by tax authorities, as the right of taxpayers to be treated respectfully, and, very important, the right to be informed about their rights by tax authorities.

b) The Importance of an Ombudsman as a Special Protector and Defender of the Taxpayers.

According to the background exposed in the previous subparagraph, we can appreciate that the establishment of a Taxpayers' defender seems to be especially relevant to achieve real tax justice.

One of the main roles that can be performed by an Ombudsman is to bring the most approachable solution of tax conflicts. It is inherent to such kind of defender to introduce innovative and fresh procedures, defined by its easy access for taxpayers. Appearing to Courts is imposing to ordinary people and in a majority of countries, the judicial defense requires the professional assistance of a private tax attorney, such as it happens in Mexico. Furthermore, when a person goes to trial he knows that the conflict he is facing is going to be resolved with a binding decision and if the judicial sentence were issued against his interests, the Tax Administration will proceed to a coercive collection of the tax debt.

The alternative to turn to an Ombudsman appears friendlier with obviously less risk and less stress to taxpayers.

In fact the novel public organism, Mexican Taxpayers' Ombudsman, **PRODECON**, is provided with significant powers in order to have an effective action in the promotion and defense of taxpayers.

It is important to emphasize that **PRODECON** does not have the supremacy of an authority. As a matter of fact it is a public agency but it is not invested with officialdom. As the true representative of the general public, the agency does not have the coercive powers of Government, its real function is to develop special procedures to make it easier for taxpayers to obtain a quick and effective solution to the problems which they may face in their relationship with tax officers.

For that purpose the Mexican Ombudsman is invested with a variety of faculties which truly allow the organism to act as an effective intermediary between the two parties involved in the tax-legal relationship. The target of the Ombudsman is to obtain efficient, fast and actual remedies for the taxpayers' problems, with an important distinguishing feature: by the procedures set by the organism, taxpayers could question any kind of actions issued by the tax authorities. It is not important if such kind of actions are not final because they are merely a phase of a whole administrative process, or because they are only simple summons to taxpayers to deliver some information, or plain informal "*invitations*" to taxpayers to present some tax returns, or simple proposals to pay certain amounts of presumed tax debts.

In other words, taxpayers can go to **PRODECON** when they feel affected for actually any type or kind of action coming from tax offices, even the sort of

acts which commonly could not be challenged before courts.

Through its special procedures, as we can see in the next chapters, the Taxpayers' Ombudsman can act with great flexibility. The public organism is empowered to do several actions: call the tax officers to working meetings, request and obtain any kind of information from tax authorities when it is related to the matter of the procedure in course; **PRODECON** can also suggest and recommend to the tax authorities which are exercising their powers with certain taxpayers, several and different ways to solve taxpayers' problems. For that purpose **PRODECON** has powers to interpret the tax legal rule or tax provisions which are in related to taxpayer's problems, and therefore propose the corresponding actions to tax officers.

When taxpayers turn to **PRODECON** they do not need to fulfill any special requirements nor provide any specific documents. Because of informality, flexibility and friendliness of the Ombudsman's procedures, **PRODECON** will help and assist users to gather the pertinent information or appropriate documents required to solve their particular problems with Tax authorities.

Another relevant feature is that taxpayers are allowed to reach **PRODECON**'s procedures through several

means. It is not even necessary that the taxpayer goes personally to the public offices, any person on behalf of the troubled taxpayer may go to such offices asking for advice and counsel. It is not required in this first approach of the Ombudsman's procedures that such person has the legal representation of the taxpayer, it could rather be a relative, a friend or one of his employees.

PRODECON does not give only personal and direct attention, taxpayers could make telephone calls⁷, enter the live chat in **PRODECON**'s web site or send an e-mail setting out their problems.

Furthermore, **PRODECON** has recently opened modern virtual modules with the capability to hold face to face live assistance. When the taxpayer access the module, through a set of headphones and a web camera, he can talk with a professional attendee of **PRODECON**. In such a way, users can request and obtain in the same moment the tax assistance they may require, or even, if it proceeds, present immediately their Complaints against the tax authorities. The modules (which size is not bigger than a small cabin) are equipped with scanner, so that the user can send the concerning documents to the **PRODECON**'s representative.

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⁷ **PRODECON** has a toll-free national phone number which allows taxpayers to easily reach the specialized call center available to any person for questions or tax advice.

Even more, the mentioned modules also have an integrated laser printer, therefore **PRODECON's** representative can immediately send to the user the official document in which the filed Complaint or formal request of legal defense appears, then the taxpayer can sign it and the specific procedure begins immediately.

It results easy to appreciate that the role of the Taxpayers' Ombudsman is to foster the possibilities to access tax justice through new and informal reachable procedures. Due to the great complexity of tax regulations or the difficulties to deal with Courts' justice, the option for taxpayers to go to a people's defender seems to have a very special and relevant attractiveness.

c) Main Powers and Faculties of the Mexican Taxpayers' Ombudsman. The Brand New Procedures in the Defense of Taxpayers.

It is common and well known that tax regulations are not only complex but extremely profuse. Anyone may go to the official web site of the Revenue Body of various countries to easily find that out.

Mexico is not an exception to the aforementioned situation. We have, as many countries, two main taxes, one which falls on income and the other that levies purchases and services, mainly. The income tax is regulated in our country by the denominated "*Ley del Impuesto sobre la Renta*" (Income or more precisely Profit Tax Law), and the other tax is established by the "*Ley del Impuesto al Valor Agregado* (Value Added Tax Law)".

Both of them are federal (national) laws. The Mexican Income Tax Law has almost two hundred articles (195 provisions) and the Value Added Tax has only 43 provisions.

It is important to notice that the mentioned laws regulate the imposition of levies or taxes.

With parallel importance, the Mexican tax legal system compiles in one legal body the provisions that rule the administrative procedures tax authorities can install in order to collect taxes, such as the faculties to review and verify the compliance of tax obligations, assess the tax debts or impose the related fines and penalties. That legal body is known as the Federal Tax Code (“*Código Fiscal de la Federación*”) and it has more than two hundred articles⁸.

Nevertheless those legal dispositions (approved by the Mexican Federal Congress) do not represent the total of fiscal regulations, because, as it comes to happen in other tax systems, the Revenue Body in Mexico, the Tax Administration Service (SAT) yearly issues a lot of different regulations in order, as it may be justified, to make the tax legal dispositions applicable.

Such regulations are named “*Resolución Miscelánea Fiscal*” (Miscellaneous Tax Resolution) in Spanish (RMF for its initials) and here we can find hundreds or even thousands of provisions ordered, first, by the year they shall be applied and, second, by the number of the diverse resolutions which amend the original Resolution for that year.⁹

⁸ Even the Federal Tax Code ends in Article 196 B, there are various articles with letters that increase the total number. This is the case of the alternative dispute resolution procedure named Conclusive Agreements (exposed in a further chapter of this essay) which is regulated in Articles 69-C to 69-H.

⁹ On 2016 the Miscellaneous Tax Resolution had four further Modification resolutions while in 2015 there were five of them.

If we add to this vast framework the multiple judicial criteria in tax matters where we can find the way that Courts consider legal norms should be applied, we can assess that the Tax system is certainly a matter for highly qualified experts.

Thus, we may confirm the strong importance of a public defender and counselor of the taxpayers, and at the same time the essential relevance that involves that such a public defender can count with the necessary faculties to install brand new procedures with the characteristics of informality, flexibility and simplicity.

It is interesting to observe that the law that regulates the structure and faculties of **PRODECON** (**PRODECON** Organic Law) counts (unlike the Mexican Tax laws) with only 28 articles. The Taxpayers' Ombudsman began to implement the provisions of the law on September 1, 2016 and for the proper operation and development of its faculties **PRODECON** issued some special dispositions¹⁰ in 110 articles.

Through the interpretation of its law, the new public organism found out that it has nine main and substantive powers or faculties, which are as follows:

¹⁰ The dispositions are officially named "Dispositions to apply **PRODECON**'s faculties", and were issued by **PRODECON** and published in the Official Government Journal.

1. To counsel and advice taxpayers facing authorities' actions.
2. To attend legal defense in courts when the tax debt quantity does not exceed a certain limit¹¹.
3. To receive any sort of Complaints against tax authorities' acts.
4. To solve tax legal and specialized consultation.
5. To investigate and identify the systemic problems of the taxpayers and to propose to the Revenue Body suggestions for their better solution.
6. To issue its opinion about the sense and interpretation of tax regulations at the request of the Revenue Body.
7. To propose to such Body the proper amendments to its internal strategies.
8. To call high tax officers to hold meetings with taxpayers' organizations in order to discuss and propose different kinds of solutions to their main problems.

¹¹ This is the only faculty which is restricted to a certain amount, thirty annual minimum salaries, about forty thousand US dollars.

9. To propose before the Tax Legislative Committee of the Federal Congress amendments to tax regulations.

It is important to mention that since 2014 at scarcely two years from its foundation, **PRODECON** was invested by the Federal Congress with a new faculty to act as an intermediary between taxpayers and tax authorities when an audit is taking place. In such cases the taxpayer can go to **PRODECON** and suspend the audit asking for a Conclusive Agreement, which is the first mean to alternative dispute resolution in the Mexican Tax system.

Then **PRODECON** counts with a tenth power which is provided by Articles 69-C through 69-H of the Federal Tax Code, to:

10. Act as an intermediary and even as a public witness in the Conclusive Agreement procedures in order to settle, in an alternative way, the tax conflicts that may arise between audited taxpayers and tax authorities.

In accordance to these ten powers **PRODECON** has developed the corresponding procedures.

As we will see, the most relevant procedures are:

- a) Adviser and counselor procedure (1).
- b) Complaint Procedure (3).
- c) Legal defense at Courts (2).
- d) Conclusive Agreements (10).

The relevance of such procedures comes from the number of taxpayers who requested such services.

As per the following statistics:

PRODECON
Taxpayer's services in numbers
September 2011 – December 2016

Tax advice and Counseling	253,169
Legal defense at Courts	29,121
Complaints against tax authorities actions	75,912
Conclusive Agreements	4,853
Total of services	363,055

PRODECON
Taxpayer's services

September 2011 – December 2016

Calendar year	2011	2012	2013	2014	2015	2016	Total
Tax advice and counseling	533	2,986	17,389	56,141	73,595	102,525	253,169
Legal defense at Courts	243	347	2,775	5,476	10,041	10,239	29,121
Complaints against Tax authorities actions		431	5,407	17,683	24,455	27,936	75,912
Conclusive Agreements				982	1,800	2,071	4,853
Total of services	776	3,764	25,571	80,282	109,891	142,771	363,055

For a novel organism not sufficiently well known by Mexican taxpayers it is important to observe the relevant amount of services that **PRODECON** has given in its first five years. Equally important is the steady percentage of growth of such services.

The procedures described in numbers 5 and 8 refer to general problems of taxpayers.

In contrast the procedure described in number 4: To solve a tax legal and specialized consultation, is used by fewer taxpayers, which particularly confront a more complex problem with the Tax Administration. In such cases, **PRODECON** acts as a true expert, developing its written opinions to propose the solution to the query at hand.

Finally there are three kinds of procedures that the organism developed facing other State bodies, such as the Tax Administration Service (SAT) or even the Federal Congress. In these cases, mentioned in numbers 6, 7 and 9, **PRODECON** interacts with other public actors in the tax system in order to improve the protection and guarantee of the taxpayers' rights from different angles.

In this essay we are going to analyze only the two most relevant faculties of the Mexican Taxpayers' Ombudsman: i) Complaint Procedure against Tax authorities' actions; and ii) Conclusive Agreements.

They are considered relevant since their study may reveal the importance of a new pattern of protection of taxpayers' rights. At the same time, I strongly believe that the procedures of Complaints and Conclusive Agreements developed by **PRODECON** are exceptional in front of other kinds of similar processes by other public agencies of Taxpayers' defenders in different countries. Both procedures are relevant as for the following reasons:

- a) Complaint and Conclusive Agreement procedures have a wide access. Every individual or corporation, no matter its residence or nationality, can come to such procedures. In the same way the amount of the tax assessment or the relevance of the tax problem is totally irrelevant. **PRODECON** can serve, through those two procedures, from small taxpayers to truly Multinational Enterprises (MNEs).
- b) The two procedures are flexible and can help taxpayers before they go to courts.
- c) Therefore, both, Complaint and Conclusive Agreement procedures can be seen as alternative means to resolve tax disputes timely.

- d) They really have a relevant lower cost for taxpayers. Private professional counseling is not a requirement to access the procedures.

- e) Tax authorities have great confidence in the suggestions or proposals that **PRODECON** can make due to its character of being a public and official intermediary.