

Revenue Administration: Implementing a High-Wealth Individual Compliance Program

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TECHNICAL NOTES AND MANUALS

Revenue Administration: Implementing a High-Wealth Individual Compliance Program¹

This technical note addresses the following questions:

- What are the characteristics of a high-wealth individual (HWI)?
- Why do leading tax administrations give special attention to the HWI sector?
- What should a tax administration do when considering setting up a High-Wealth Individual Compliance Program (HWICP)?
- How should a HWICP be started and staffed?
- Can the Compliance Risk Management² (CRM) model be used as a basis for a HWICP?

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² *Managing and Improving Compliance: Recent Developments in Compliance Risk Treatments*, OECD March 2009, Revenue Administration: Developing a Taxpayer Compliance Program, IMF Technical Note, November 2010.

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ACRONYMS

AOEI	Automatic exchange of information
ATO	Australian Taxation Office
ATP	Aggressive tax planning
AUD	Australian Dollar
CRM	Compliance risk management
CIT	Corporate income tax
EU	European Union
EUR	Euro
FATCA	Foreign Account Tax Compliance Act
GAAR	General anti-avoidance rule
GBP	Great Britain Pound
HMRC	Her Majesty's Revenue and Customs
HNWI	High-net-worth individual
HWI	High-wealth individual
HWICP	High-wealth individual compliance program
HWICS	High-wealth individual compliance strategy
IDR	Indonesian Rupiah
IMF	International Monetary Fund
IRS	Internal Revenue Service
IT	Information technology
LTO	Large taxpayer office
OECD	Organization for Economic Cooperation and Development
PIT	Personal income tax
UHWI	Ultra-high wealth individual
UHNWI	Ultra-high-net-worth individual
UK	United Kingdom
US	United States
USD	United States Dollar
VCL	Voluntary compliance level
VDI	Voluntary disclosure initiative