



Tax-on-Web

I've done it, on internet, and I lived to tell the tale. That is, I have filed my tax return on internet. Last year, Finance Minister Reynders decided that he would drag us all into the digital age. Computers have been used for ages, but having tax officers copy tax returns into a big mainframe is a costly process. Even with the help of students.

Getting everyone to file a tax return via internet would be nice, but that will take some time. Last year some 570.000 taxpayers filed their tax returns on the web. That is 9 % of all taxpayers. In the meantime, the tax authorities are massively scanning all paper tax returns. And that creates a lot of problems.

Scanning

First of all, you need to complete a pink form that looks most like a lotto ticket. To help you prepare this form, you get an old style tax return where you can go from one category of income to the other. That is a question of copying numbers, but if you have to give more information, you need to write it by hand, and the scanners have difficulties with handwriting. That means that you often do not get the exemption for overseas income.

Quite often the last page is not scanned, and that is where you complete contributions for pension savings plans. Also if your allowance for tax deductible expenses is higher than the amount of expenses you have declared, the computer should automatically deduct the higher allowance. And for some reason, it does not do this anymore.

The only solution then is to contact your tax office to see if they are willing to set the record straight. If not, you have to file an appeal with the tax authorities.

Tax-on-Web

Last year, I have filed my tax return on www.taxonweb.be. Should I be proud to admit it? I know, for a tax lawyer, it sounds like working with the enemy. I admit, it feels like doing their work for them. And you can't help wonder, am I more at risk of getting a tax audit? Or is the taxman more likely to leave me alone?

Tax-on-web is not something you do lightly, or in a hurry. Before you can complete your tax return on internet, you have to register. For security reasons, you need the Ministry to identify yourself on Tax-on-web. You will need some identification: your national number (on the back of your ID card and SIS card) and the number of your ID card. If you have an electronic ID card, you can skip most of these steps. You will be asked to choose a username and password and by way of confirmation you receive an email with a link. You then have 30 days to confirm by clicking on that link. About ten days later your 'token', as they call it, arrives by mail. That is a set of 24 personalised codes; they sound cheesy, like GESARU or BISOCU.

What is appealing about Tax-on-web is that you can do it from any pc. And if you are like many taxpayers and put off filing your tax return until the last day, you can avoid the last minute run to the tax office. Another advantage is that you do not need to file all the justifications that you normally file with your return. You can scan them and send them as a pdf file, but you can just as well keep them until your taxman asks for them.



What convinced me in the end was that I was about to go on holiday. So I did it, on the last day, out of a sense of adventure and by way of experiment to advance tax science. This is what happened. When you log on to Tax-on-web, you will be asked to identify you with, say, code 13. You then open your own Taxbox. What you see has the same look as the form you get in the brown envelope to help you prepare your tax return. On each page you can click for online help, to add a comment or to append pdf-files. The help files are not much more than the explanatory brochure with your tax return.

You can take your time filling out your tax return at your own pace. All you have to do is save the interim versions. That can be useful if you want to need to take your time to check something. If you make a mistake, the Taxbox will point it out. Not all mistakes are errors, however, and it can be frustrating if you cannot go on.

Completing the form is more user friendly than the new paper tax return really looks like a lotto ticket. However, this does not mean that filing your tax return is easy now. Understanding the nuances between some categories of income still require some more tax knowledge or assistance.

What Tax-on-Web does not do yet, is give you last year's information, but if you filed your tax return on Tax-on-web last year, you will find last year's tax return in a pdf format. What would be really useful is if the taxman to suggest what you should fill out. He already has a lot of your information, such as your salary, and the tax that has been withheld. That may come sooner than you think.

Before you send off the information, you can calculate what you'll have to pay. It is a rough estimate because it does not take account of complicated issues like cross border workers, overseas income, etc.

Finally, you need to sign the electronic tax return. Spouses and partners who file a joint tax return must log on and sign separately with their own access codes. Once you have signed your tax return, you receive a confirmation of the date of filing. I would suggest you print it or save a copy. You can always check the summary of your tax return in your Taxbox. It is not a bad idea to save a copy as well. The taxman asks you not to confuse him by sending him a return on paper or even a copy of the pdf summary. Once it is filed, you cannot change your tax return anymore. If you need to change anything, you need to contact your local tax office.

Filing your tax return over the internet does not give you any preferential treatment. You do not get your assessment quicker. Rumour has it, though, that the taxman is not auditing tax-on-web returns. But that is not a guarantee for the future.

Marc Quaghebeur
27 May 2006