

VOLUNTARY TAX COMPLIANCE IN SLOVENIA – A PATH TO COOPERATION AND MUTUAL TRUST WITH PUBLIC ADMINISTRATION?

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Abstract:

The emphasis of the voluntary tax compliance instrument seems to be based on the characteristics of good public governance or good administration, such as more partnership-like, preventive, open, co-operative, responsible and decentralised. The main idea is to improve relations between taxpayers and tax authorities and consequently increase transparency and co-operation between these two parties in a way to resolve any tax issues in a timely manner. The survey of in-depth interviews was made among tax consultants on benefits and deficiencies of the instrument in respect of rule of law. The findings show that taxpayers find this instrument positive, since it forces them to identify tax risk and establish internal tax controls, which improves their business process, and contributes to transparency. However, main lack is not clear definition by law of content of these controls. Finally, they would like to get some more help from tax authority on their legal questions, besides solving technical issues. However, tax authorities are strictly bound by law and perform competences as imposed to them by legislation. Therefore, their manoeuvre space of flexible approaches is somehow limited within legal frames.

Key words: good administration, rule of law, Slovenia, voluntary tax compliance

1. INTRODUCTION

“The problem of tax compliance is old as taxes themselves” (Andreoni et al., 1998). The tax compliance refers to willingness of individuals to act in accordance with both the “spirit” and “letter” of tax law and administration without the application of enforcement activity (James & Alley, 2002). While tax compliance is crucial for public finance expenditures, the national tax authorities are forced to manage tax risks, which is a multi-dimensional activity. The researches of taxpayers’ motivation to comply or not to comply, spread from accounting, economics, political science, public administration and psychology (Saad, 2012), which proves the thematic diversity.

Based on those scientific findings, alternative approaches have started to develop as the contrary to the traditional authority - taxpayer relationship. The development of the good public governance or good administration concept has progressed the taxpayer and tax authority relationship from purely based on legality to one that is based on the lawful and legitimate authority but also cooperative, open, more partnership-like, preventive, responsible and decentralised (Jovanović, 2017). The basic idea of co-operative compliance, which can be described as the monitoring, forecasting, and prevention of problems that appear in the relationship between taxpayers and the tax authority has developed to concept of “enhanced relationship”. The OECD’s (Organisation for Economic Co-operation and Development) “enhanced relationship” concept has been spread in several countries while in many more it is still in the development phase.

Republic of Slovenia started the first activities of improved relations between tax authority and taxpayers in 2010 under the project of horizontal monitoring and with strategic objective to increase voluntary tax compliance. After the pilot project of horizontal monitoring, in autumn 2015 the instrument of voluntary tax compliance for medium-sized and large taxpayers has been enacted in Slovenia (Article 99 of Financial Administration Act³, FAA). Since the Slovenian tax system is familiar with modern, co-operative concept of compliance for almost 10 years, the main objective of our paper is to detect potential breaking the rule of law in this instrument focusing mainly on pros and cons expressed by interviews. Since the character of the research is

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³ Official Gazette, no. 25/14.

exploratory, the qualitative empirical methodology based on in-depth interviews has been used. On the sample of 10 interviews with tax consultants experiencing schemes of voluntary tax compliance in Slovenia, the paper presents interesting results for potential development of instrument.

The limitations of our research reflect in fact that only 11 taxpayers have applied to the tax instrument in Slovenia, while the element of originality can be detected in pioneer attempt to reveal the potential and realized threats of violation the basic law postulate – rule of law.

2. LITERATURE REVIEW OF TAX COMPLIANCE

Taxation is fundamental for sustainable development by raising tax revenues and managing public expenditure but also being a catalyst for more responsive and accountable governments (Dickinson, 2011). The doctrine of good administration is the key element of good public governance theory. Nevertheless, good governance is more subject of economic and managerial researches and good administration is most often founded in legal theory, there is an obvious correlation (Kovač et al, 2016) and the overlapping role of those two concepts (Bissessar, 2013). The idea of co-operative concept in tax compliance leans on good governance or good administration doctrine/theory. Starting from the principle (Slemrod, 1990) of efficient (having as little costs as possible to collect taxes) tax collecting, the administration (governance) is providing maximum possible benefits. One of the most efficient ways of taxation is voluntary tax compliance (Alm et al., 2012), contrary to the long-standing prevailing view argued that deterrence from unlawful conduct is possible through rigid controls or investigations and harsh penalties. The psychological aspect of strict controls and penalties might cause negative side effects, what is the reason for intensive observations and researches of social components of taxation strategies nowadays. Social control in general and especially investigations as key activities of a regulated society follow the realisation that people observe legal order primarily because it represents the legitimate structure of a regulated society and not out of fear of sanctions and penalties (May & Wood, 2003, p. 117).

While compliance and non-compliance is not black and white issue, there are several factors influencing the intensity of compliance, like the degree of tax burden, the purpose of expenditures funded by collected revenues, the form of taxation, knowledge of taxation, tax complexity, the public perception on whether the tax system is fair or not, etc. (Popović, 1997, Saad, 2014). The latest, fairness has been frequently researched factor of tax compliance since the literature supports the premise that taxpayers who perceive a tax authority to be fair are more likely to be compliant (Farrar, 2015, Murphy & Tyler, 2008). Besides fairness, several studies have coped with factors of power of tax authorities and trust in the tax authorities (Wahl et al., 2010, Muehlbacher et al., 2010, Gangl et al., 2015), which have been upgraded by the so-called ‘slippery slope’ framework as a new approach to understand tax compliance. The slippery slope framework builds on the assumption that the relationship between the authorities and taxpayers may have two extreme points; from extremely antagonistic (taxpayers are forced to comply) to extremely synergistic (taxpayers comply voluntarily) (Kirchler et al., 2014, Kastlunger et al., 2013). It all starts from the social dilemma of short-term motivation to minimize tax payment on one side to long-term interest to ensure sufficient tax payments for financing the public goods on the other. There are two measures used by tax authorities to resolve this social dilemma and obtain high tax compliance: a) power measures (like audits and fines) and b) trust related measures such as fair procedures (Gangl et al., 2015). The positive impacts of both measures on tax compliance have been presented in literature (Muehlbacher & Kirchler, 2010; Wahl, Kastlunger, & Kirchler, 2010, Kirchler et al., 2008).

The lack of studies researching compliance challenge in the field of companies as taxpayers, combined with pioneer attempt of Slovenian tax authority to improve trust related measures in the tax procedures, has been the predominant research motivation for the paper. Since modern tax-related literature emphasizes the cooperation and reciprocity component of tax authority - taxpayers’ relationship, our research focuses on the rule of law factor in the instrument of voluntary tax compliance in Slovenia. The positive and reciprocity attitude of tax authorities towards taxpayers provides better conditions for voluntary tax compliance, while tax avoidance and tax evasion may appear as the results of the negative reciprocity (Torgler, 2003).

3. METHODOLOGY

Due to the content specifics and the exploratory nature of the research topic, the paper methodology focuses on the application of the qualitative research methodology, while the quantitative empirical methods could not meet the research demands and provide satisfactory results. Consequently, the methodology has been adopted to the researched problem specifics and its implications (Golafshani, 2003). Methodologically, the paper is based on the content analysis research design focusing primarily on a broad review of primary and secondary literature sources in the first step. In the second step, the structured interviews with prominent tax advisors have been performed to penetrate into this complex research field of cooperative tax compliance area.

The interviewed tax advisors (experts) have been selected according to experiences gained with the status of voluntary tax compliance. Due to information that 10 big companies have entered the system of voluntary tax compliance until 2018, the research process started by searching interviewees among members of Chamber of tax consultants. The results of this pilot phase revealed that tax consultants that participated the procedures of obtaining the voluntary tax compliance status are employees of Big4, which are not the members of Chamber of tax consultants. We gained responses of 10 tax advisors, of which eight are engaged in Big4 and have had concrete experiences with the status obtainment after the year 2015 and the other two are engaged in smaller tax consultant offices. One of them collaborated with taxpayers that were engaged in the pilot project of horizontal monitoring in 2010 and the other is informed with the instrument at the principle level. Since majority of interviewees come from major tax consulting companies, the sample is relevant for the purpose of performed research. Finally, the participating experts were aged between 32 and 50 years, the ratio between sexes being four men and six women.

4. VOLUNTARY TAX COMPLIANCE STATUS IN SLOVENIA

The OECD (2008) identifies three basic mechanisms for improving relations between the tax authority and taxpayers: (1) a unilateral statement by the tax authority setting out the process of improving relations and the consequences if the taxpayer or tax representative agrees to co-operate or not to co-operate; (2) a document signed by the tax authority, taxpayer and tax representative, which determines how they intend to work together and what they intend to do, and with particular focus on the consequences arising if they fail to do so; (3) an agreement between the tax authority and specific taxpayers created to meet specific needs.

The idea of improved relationship between taxpayers and tax authorities promotes measures for transparency and co-operation improvement as to resolve any tax issues in a timely manner. Such programmes are usually encouraged by the tax authority, which primarily monitors the scope and quality of the taxpayer's internal tax controls during the inclusion while taking into account tax risks. The entry into the programme demands from taxpayer to reveal the uncertainty of their tax position to the tax authority, while tax authority offers timely resolution of any related issues. The concept of "uncertainty of the tax position" may include any business activity of the taxpayer for which the taxpayer seeks to obtain any tax advantages in form of tax payment reduction, which can arise from the openness or ambiguity of tax legislation. According to concept framework, the uncertain tax positions are not the matter of tax authority's audits, since only the submitted tax returns and self-assessment tax returns are considered in those procedures (De Simone et al., 2013).

In the Republic of Slovenia, the first activities related to the concept of improved relations began in 2010 under the name horizontal monitoring. According to OECD (2008) classification, the Slovenian concept fits into group of agreements between tax authority and specific taxpayers created to meet specific needs. The Business Strategy of Slovenian Tax Authority determined for the period 2010–2013 the increase of voluntary tax compliance as the first strategic objective. The objective was supposed to be achieved by (Šinkovec, 2012):

- simplification of procedures for taxpayers willing to comply voluntarily;
- offering help to taxpayers who are willing to but not always able to comply;

- quick and effective recognition of any tax avoidance or even evasion cases;
- use of all legal measures to prevent taxpayers from intentional noncompliance.

Medium and large taxpayers (altogether 721) have been invited into the pilot project, while 18 decided to participate. The pioneering attempt to control and audit the current and future activities of taxpayers without using findings retroactively. Based on the results of the two-year project analysis, the decision for concept development and enactment has been brought since both sides evaluated the project positively (Verbič et al., 2014).

In 2015, the major conceptual and organizational reform of the Slovenian Tax Authority were going on. According to the FAA, the tax authority and the custom authority have transformed into common authority, called The Financial Administration of Republic of Slovenia (FURS). Among other provisions, the voluntary tax compliance status has been enacted focusing mainly on cooperative approach and reduction of the administrative burdens of tax controls as the main purposes of the instrument (status). The cooperation should base on transparency, understanding and mutual trust between taxpayers and authorities. Finally, the status obtainment through the long lasting internal tax controls implementation procedure does not relief the taxpayer from tax controls and audits.

The status can be granted to medium and large companies (taxpayers), which meet the following conditions:

- the unqualified auditor opinions for the last three years before preceding the submission of the application,
- the establishment of the internal tax controls system at the moment or in two years period from the acquisition of the status;
- signing the agreement between taxpayer and tax authority according to which company is obligated to a) inform about any circumstances of the business that give (or could give) rise to tax risk and b) provide access to all information related to internal tax controls and take into account all FURS findings and recommendations regarding the adequacy of internal tax controls established;
- the members of the taxpayer's management have not been convicted of a criminal offence by a final decision or an offence concerning regulations on compulsory charges in the period of three years prior to the submission of the application for the special status;
- the taxpayer will fulfil the commitments under the special status for a period of three years prior to the submission of the application for the special status;
- at least three years have elapsed from the time the taxpayer actually started doing business to the time they submitted the application for the special status, whereby the legal predecessor's period of business is taken into account in cases where the person liable for tax was created through a change of status.

By 31 December 2018, ten large taxpayers have obtained the status of voluntary tax compliance. Since seven of those have gained the status in 2017, FURS was dealing with disclosed tax risks, rapid and responsive cooperation, ongoing monitoring of activities, etc. Activities were carried out in the field of verification of the operation of internal tax controls and tax treatment of those areas that were identified as risky. On the other side, the applications of three new large companies were resolved positively in 2018, while one application is still pending (FURS, 2019). However, it has to be emphasized that the law enacted this right already in 2014. However, the implementing rules which defined the procedure to gain the status, were enacted only in October 2015. Therefore this institute actually became "alive" only from 2016 on (Kovač, 2018).

5. ADMINISTRATIVE PROCEDURE AS AN INSTRUMENT OF RULE OF LAW

Rule of law is basis of a democratic state and considered as an expression of the principle of legality. Through different legislation, the state imposes and implements its policy and defines rights and obligations of natural and

legal persons. These rights and obligations derive from either public or private law. Taxes for example, are part of public (administrative) law. Typical for this legal branch is *jus cogens* and existence of conflict between public and private interest(s), where the public interest should prevail. The competent authorities decide on the parties' rights and obligations, i.e. decide on administrative matters, as defined by substantive administrative law (e.g. Personal Income Tax Act; FAA etc.)⁴.

Respect of principle of legality, i.e. strict adherence to regulations is fundamental obligation of public authorities functioning in the state, governed by the rule of law. Moreover, executive branch of power has no right to *exceptio illegalis*.

In accordance with the rule of law, the state regulates tools to decide on substantive administrative rights and obligations. In Slovenia, General Administrative Procedure Act was enacted in 1999 (GAPA)⁵, defining fundamental principles and rules that need to be applied when deciding on all administrative matters as derive from different substantive administrative fields (e.g. taxes, agriculture, identity documents, social welfare benefits, building permits etc.). Therefore, administrative procedure is considered as an instrument of a state to implement different public policies and as a tool to limit arbitrary actions of authority and protect rights of the parties. However, in order to adapt procedures to certain special needs of relevant administrative field, the substantive law can regulate certain procedural rules differently than GAPA. In this case, GAPA is still applied subsidiary.

Moreover, in order to enable fundamental procedural safeguards of parties in all public matters, GAPA is applied also in the fields, which are not strictly considered as administrative matters, but defined as other public law matters (see Article 4 of GAPA), e.g. misdemeanours, disciplinary actions against students at faculty, public services etc. Usually procedures to decide on these matters are not (sufficiently) regulated, therefore, GAPA is applied, but only *mutatis mutandis*. Meaning only certain GAPA rules will be relevant, usually rules on dealing with incomplete application (i.e. obligation of authority to give notice to the parties to supplement their application), right to reasoned decision, right to legal remedy etc. However, sometimes substantive law as such defines *mutatis mutandis* use of GAPA (these are so called formally defined other public law matters).

Such is an example, when deciding on the right of voluntary tax compliance status. Namely, *Rules on granting special status for promotion of voluntary compliance* (Rules)⁶ apply and define *mutatis mutandis* application of GAPA as regards the substance of the application and its submission (see Article 2 of Rules). Based on this we can define right to voluntary tax compliance status as other public law matter, where certain fundamental procedural safeguards of GAPA apply.

However, the fact is, that different statuses (cf. also authorised economic operator status, AEO) give subjects certain advantages or benefits. Moreover, status cannot be gained by anyone, but only by those who fulfil conditions as set by law. Looking at the substantive criteria for the matter to be defined as administrative matter, the following needs to be fulfilled: the authority decides on the right in the field of administrative law, with the potential conflict between public and private interests. As said, voluntary tax compliance status was defined by law (i.e. formally) to be other public law matter with only *mutatis mutandis* application of GAPA. However, looking at it by substantive criteria of administrative matter, we could conclude, it has all the elements of administrative matter, where GAPA should apply subsidiary and individual administrative act should be issued. Actually, we can compare this status to the AEO⁷ status, where the tax authority decides by issuing individual administrative act in accordance with the Union Customs Code⁸, Act Implementing the Customs Legislation of the European Union⁹ and Tax Procedure Act¹⁰. In our opinion, the differentiation between statuses and GAPA

⁴ Official Gazette, no. 117/06 and amendments.

⁵ Official Gazette, no. 80/99 and amendments.

⁶ Official Gazette, no. 25/14 and amendments.

⁷ See more on the status in Kovač, 2018, 2019.

⁸ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (Official Gazette L 269, 10. 10. 2013).

⁹ Official Gazette, no. 32/16.

application does not make sense. Namely, looking from the perspective of protection of procedural rights of parties, the latter is somehow lower, when matter is defined only as the other public law matter since not all GAPA rules apply, but only fundamental procedural standards.

Finally, in modern state, citizens want more than just legality. They want quality, efficient and user oriented services provided by public administration (PA). They want PA that upgrades rule of law with good governance and good administration principles. These two concepts are interrelated, good governance being broader concept, involving also managerial and economic principles (e.g. efficiency, effectiveness, accountability, responsiveness to people's needs, simplification of procedures, transparency, participation etc.), as well as good administration principles as narrower legal concept (e.g. principle of lawfulness; equality, fairness, non-discrimination; impartiality, proportionality, certainty, the right to be heard, access to information etc.) (see Sever et al., 2014; Venice Commission, 2011). Administrative procedures are a means for providing principles of good administration and as such, they establish an important part of the quality of public administration (Sever et al., 2014).

6. RESULTS AND DISCUSSION

First precondition of fulfilling the rule of law is to define certain right by law and not lower act. This is fulfilled in case of voluntary tax compliance status, which is defined by FAA and further on regulated by Rules. Consequently, FURS as state authority deciding on the matter is strictly bound by the legislation. Therefore, it can grant this status or withdraw it only when conditions as set by law are fulfilled.

Moreover, the rule of law demands legal certainty, the principle of confidence in validity and durability of regulations, principle of clarity and determination, principle of proportionality, etc. The regulation on voluntary tax compliance status was not changed since its enactment. The purpose of law (FAA) is clearly seen, i.e. cooperation of FURS with taxpayers, encouraging them to pay taxes voluntarily and reduction of administrative burden within financial control. In our opinion, this purpose itself is an expression of rule of law as it promotes tax payment on voluntarily basis, with the help of the state. It promotes efficiency, transparency and accountability (all of them being good governance principles).

Principle of legality envisages also decision making by discretion (see Article 6 of GAPA), when substantive law defines so. Deciding on voluntary tax compliance status is such case, where FAA defines discretionary decision making by FURS (see Article 99 of FAA). Its purpose is to enable authority to choose between two or more legal decisions, the one that is the most in accordance with the public benefit. However, despite limitation, that such decision-making is possible only when envisaged in advance by law and needs to be reasoned by final issued decision; it does put certain level of uncertainty on the parties' side.

Moreover, FAA and Rules demand from taxpayers to have internal tax controls or to establish them in no later than 2 years since gaining the status. This is positive for the companies in terms of forcing them to establish internal tax controls and identify tax risk. However, the interviewees exposed it is not clearly defined by FAA and Rules what exactly is the content of these internal controls. This constitutes legal uncertainty for taxpayers. Namely, they do not know in advance, what precisely is expected from them and what will FURS demand from them. Therefore, the regulation of the institute shows in this part the lack of transparency, predictability and determination and as such does not contribute to the rule of law.

Institute promotes fast communication between FURS and taxpayers, and the latter can actually gain information faster from FURS, since a person for communication is defined on each side. However, taxpayers miss gaining information on more complex issues. There is also lack of resolving questions of legal substance and rather only solving technical issues. Moreover, there were cases of lack of information on taxpayers' side (e.g. unpublished instructions of FURS) (see Table 1 on all cons). These complaints show some lack of transparency, predictability

¹⁰ Official Gazette, no. 117/06 and amendments.

and legal certainty. However, it can lead to taxpayer's accountability in the end if it does not fulfil FURS interpretations, instructions, although they were not always clearly expressed in advance.¹¹

Of course, in such cases, parties have possibility to exhaust legal remedies. The negative side of it is that these procedures take long time. The trend of the appeal bodies and administrative court is to return cases to the first instance and not deciding on the merits. Namely, the purpose of the administrative judicial review in our legal system is checking the legality of decision-making of lower instance ("cassation dispute") and not intervening in their competence to decide on the merits. The latter is possible only exceptionally (see Administrative Dispute Act).¹²

FURS views and actions traditionally derive from repressive approach, where the goal is to punish "bad taxpayers" through inspection procedures. Their traditional stand in relation to taxpayers is that you should not trust the latter. This view should somehow change, especially in terms of special status relations, which by itself are meant as a cooperative tool. Moreover, although certain legal provisions (e.g. internal tax control), issued FURS opinion etc. might seem clear and elaborated enough to the tax authority, it is not necessarily perceived as such by taxpayers. Therefore, although FURS is not meant to be tax consultant to the taxpayers, changing strictly repressive attitude and introducing more resources within this area, would enable accumulation of knowledge and promotion of status on higher scale. Namely, interviewees did expose quite some positive effects of the status (see Table 1). For example, as exposed above, involvement in status forces company to establish internal tax controls and identify tax risk. It improves business process, transparency and control. Namely, due to rather complex tax system, larger companies want an upgrade to gain additional explanations on correct tax assessment. Status gives them possibility to get all relevant, up to date information faster.

Table 1: Tax advisors positions on voluntary tax compliance status – major pros and cons¹³

Pros	Cons
Due to rather complex tax system, larger companies want an upgrade to gain additional explanations on correct tax assessment.	There is no guarantee you will not be subject to tax control and inspection. Possible obligation to pay tax and default interest (limitation period is 5 years).
Possibility to get all relevant, up to date information faster due to special status and consequently established communication between tax authority and taxpayer.	Lack of personnel on the side of authority. FURS is not promoting the status. Doubt whether FURS has all the relevant knowledge to assess effectively internal tax controls, processes.
Taxpayers with status are treated "in a spirit that they do not hide anything".	Lack of personnel on the side of taxpayer (e.g. the case of medium sized company).
Promoting transparency of companies' business operation - "we have nothing to hide".	Not possible to gain information on more complex issues. Lack of resolving questions of legal substance, rather only solving technical issues. The lack of information on taxpayers' side.
Gaining recommendations by FURS how to improve the process, add; improve internal tax controls etc. – cooperation relationship.	Taxpayer does not gain direct financial interest or reduce tax risk by introducing internal tax controls, as required by status.
If there is no consent on the disputed issue between	There is still some risk for taxpayers to have special

¹¹ Cf. Constitutional Court Decision, no. U-I-126/05, 19 October 2006; unpublished explanations with external effects are breach of principle of legality. On FURS's explanations, see also Supreme Court Judgment, no. X Ips 76/2014, 23 April 2015.

¹² Official Gazette, no. 105/06 and amendments.

¹³ Data are presented cumulatively of altogether 10 interviewed tax advisors.

FURS and taxpayer there is always a possibility to exhaust legal remedies.	status, due to rather repressive approach of the FURS.
Forces company to establish internal tax controls and identify tax risk. It improves business process, transparency, control.	Not clear, what is the substance of internal tax controls (too vague) that need to be established and performed by taxpayer with a status?

Source: own, based on interviews, 2018

Finally, the decision of legislator to regulate and enable medium sized and large companies (taxpayers) to gain voluntary tax compliance status definitely shows the will of legislator to promote user oriented PA, with participative, transparent and cooperative approach. Moreover, the Rules itself define special principles to be applied by FURS and taxpayers, such as transparency, cooperation, understanding and mutual trust. Therefore, voluntary tax compliance status can be detected as good governance and good administration institute. Authority strives for accurate, fast, transparent communication and resolving matters with taxpayers and vice versa (see Table 1).

7. CONCLUSION

Effective policy-making and thus tax regulation necessitates effective mechanisms that can facilitate preliminary impact assessment of planned tax instruments. FURS as the leading organization in the legislation preparation and implementation phases has detected numerous positive effects (in particular, encouraging taxpayers to calculate and pay taxes properly and on time, better utilisation of the authority's available human, financial, and material resources) of the observed instrument, although no measurable targets or performance criteria of the institute have been set. This fact complicates our research results and their interpretation. However, based on the performed interviews with the tax advisors, coming from Big4 we can gain interesting insights into this institute.

FAA and Rules based on it define the institute. Since the status is defined as other public law matter, the GAPA rules apply *mutatis mutandis*. Based on the rule of law and principle of legality, FURS as public authority, competent to decide on the matter is strictly bound by legislation (e.g. when deciding on granting the status, its withdrawal or prolongation, enabling taxpayers' rights or imposing obligations during the status etc.). However, FURS is encouraged by this institute itself to enable cooperative, participative, user-oriented relation with taxpayer. The law itself sets the starting point for changing the position of FURS from repressive to cooperative approach (of course when possible). However, due to rule of law and principles of legality and equal protection of rights, FURS still needs to react and start inspection procedures *ex officio* in case of detected law infringements. However, within Rules on voluntary tax compliance status FURS has the possibility to apply also its consultative, cooperative actions, leaving repressiveness only to legal infringements. The need for change in some of FURS functions to more advisory stand derives also from its work program for 2019 (FURS, 2019) and Strategy 2015-2020 (FURS, 2014). Therefore, it would be interesting to repeat interviews with tax consultants and taxpayers in 2 or 3 years to compare results and see whether some progress has been made.

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