

TIWB Programme N° L2012-0001

Host Administration:

Colombia/Dirección de Impuestos y Aduanas Nacionales (DIAN)

Partner Organisations:

OECD, WBG & EC/Transfer Pricing Capacity Building Programme

Programme Dates:

April 2012 – October 2014

In 2011, DIAN's International Audit Unit requested assistance through the OECD's Tax and Development Programme regarding transfer pricing, focused primarily on the need to i) reform primary and secondary legislation, ii) have better information on intercompany transactions through a redesign of a transfer pricing return schedule and iii) provide the audit team with technical transfer pricing knowledge through skills building workshops. Based on those demands, DIAN and the Tax and Development Programme designed a three-year support programme on transfer pricing capacity development for DIAN's International Audit Unit, with the support of the OECD, World Bank Group and the European Commission.

Throughout the Programme, DIAN received specific assistance from international experts on its ongoing transfer pricing audit cases on an anonymised basis. The combination of technical knowledge gained by DIAN officials through the Tax and Development Programme and the direct support they received on their ongoing audit cases allowed them to perform their day-to-day audit activities better, strengthening their confidence to audit taxpayers and producing an increase in revenue figures.

Impact of the practical audit assistance programme

The transfer pricing audit assistance programme helped Colombia achieve the following results:

- Increase in revenue collection derived from transfer pricing adjustments and penalties, from USD3m in 2011 to USD33m in 2014.
- Solid knowledge and technical skills for auditors to carry out their daily auditing work.
- Participation of DIAN auditors as experts in south-south cooperation programmes.