

Determinants of Standard Audit File for Tax Purposes Accounting Legal Obligation Compliance Costs: Empirical Study for Portuguese SMEs of Leiria District

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Abstract : In Portugal, since 2008, there has been a requirement to export the Standard Audit File for Tax Purposes (SAF-T) standard file (in XML format). This file thus gathers tax-relevant information from a company relating to a specific period of taxation. There are two types of SAF-T files that serve different purposes: the SAF-T of revenues and the SAF-T of accounting, which requires taxpayers and accounting firms to invest in order to adapt the accounting programs to the legal requirements. The implementation of the SAF-T accounting file aims to facilitate the collection of relevant tax data by tax inspectors as support of taxpayers' tax returns for the analysis of accounting records or other information with tax relevance (Portaria No. 321-A/2007 of March 26 and Portaria No. 302/2016 of December 2). The main objective of this research project is to verify, through quantitative analysis, what is the cost of compliance of Small and Medium Enterprises (SME) in the district of Leiria in the introduction and implementation of the tax obligation of SAF-T - Standard Audit File for Tax Purposes of accounting. The information was collected through a questionnaire sent to a population of companies selected through the SABI Bureau Van Dijk database in 2020. Based on the responses obtained to the questionnaire, the companies were divided into two groups: Group 1 -companies who are self-employed and whose main activity is accounting services; and Group 2 -companies that do not belong to the accounting sector. In general terms, the conclusion is that there are no statistically significant differences in the costs of complying with the accounting SAF-T between the companies in Group 1 and Group 2 and that, on average, the internal costs of both groups represent the largest component of the total cost of compliance with the accounting SAF-T. The results obtained show that, in both groups, the total costs of complying with the SAF-T of accounting are regressive, which appears to be similar to international studies, although these are related to different tax obligations. Additionally, we verified that the variables volume of business, software used, number of employees, and legal form explain the differences in the costs of complying with accounting SAF-T in the Leiria district SME.

Keywords : compliance costs, SAF-T accounting, SME, Portugal

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