

DAGTVA

Dispositif technique Automatique de Gestion de la TVA

OR

ADMVAT

Automatic Device for Managing the Value Added Tax

Declarative system B2C

cash payment – automatic control

TCE = Tax Clearance Extraction

TCE = amount of VAT to levy

DAGTVA is divided in two separate and autonomous parts.

Part Registrants & Tax authority

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The security and control of statements are assured by the tax authorities.

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Part Payments & Banking system

Part Registrants & Tax authority

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Part Payments & Banking system

Like today, the security and control of payments are assured by the banking system.

Part
Registrants & Tax authority

————— **DAGTVA- -ADMVAT** —————

DAGTVA or ADMVAT use these two secured environments to create a third - tax withholding inviolable system.

Part
Payments & Banking system

Part declarants & Tax authority

B2C cash declarative system automatic control



Part payments & banking system

Part declarants & Tax authority

B2C cash declarative system automatic control

Purchaser U.C.

Seller B2

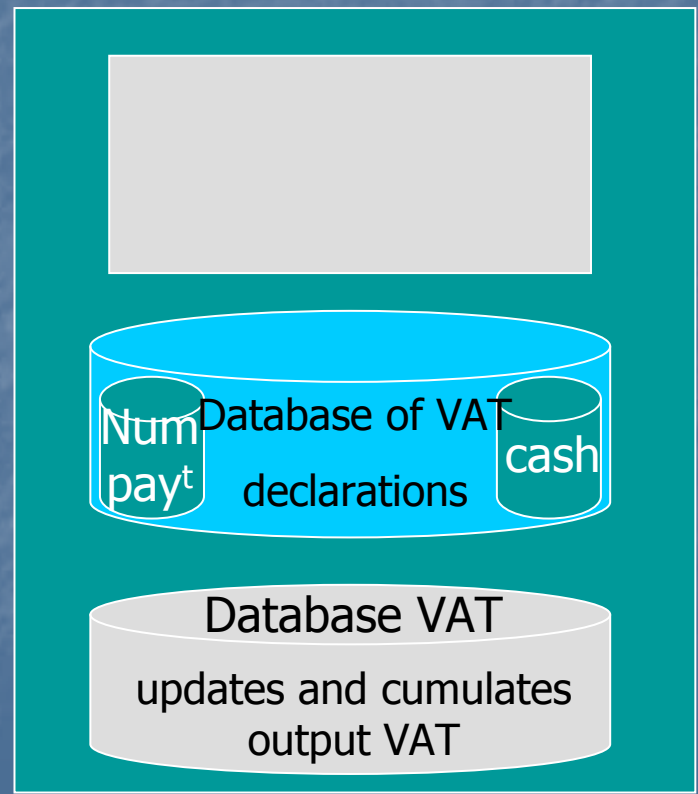
Purchaser U.C.

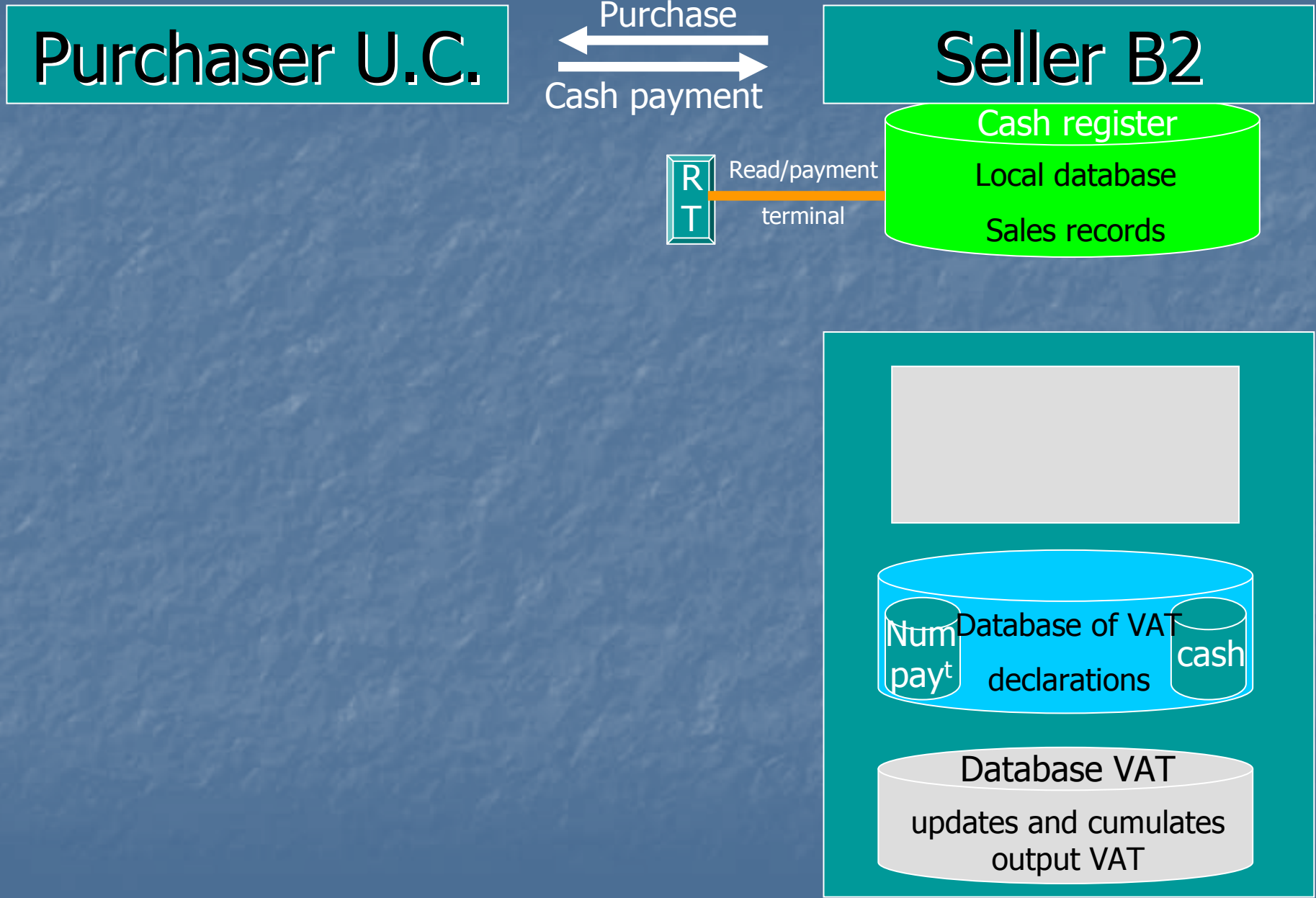
Seller B2

Tax authority

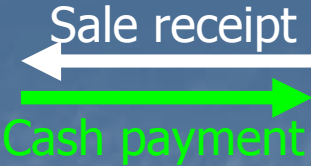
Purchaser U.C.

Seller B2





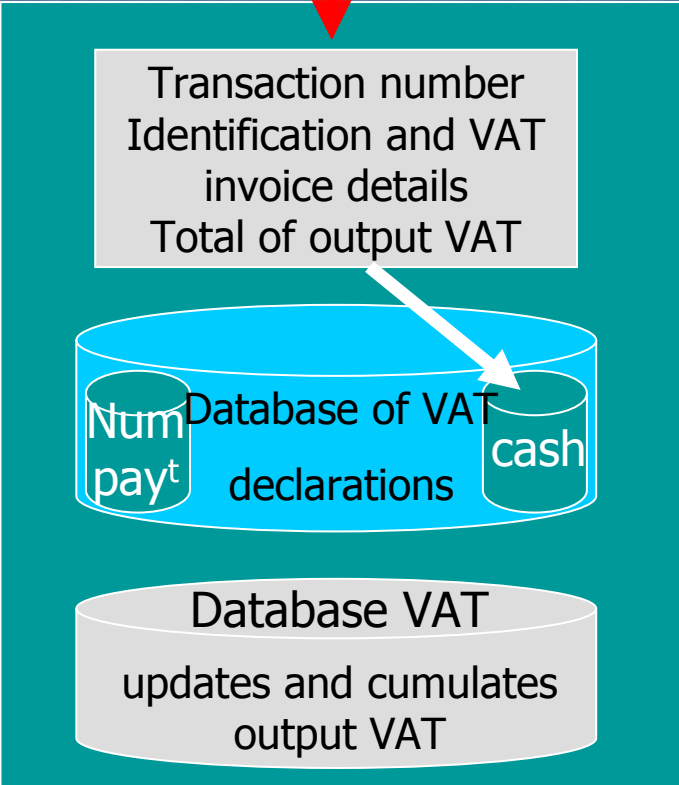
Purchaser U.C.



Seller B2

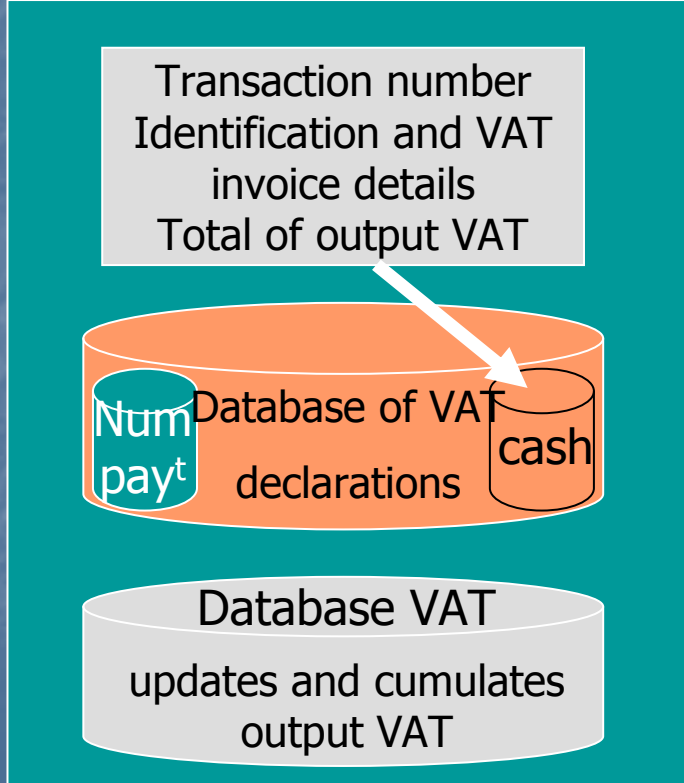


Automatic tax return e-filed



Purchaser U.C.

Seller B2

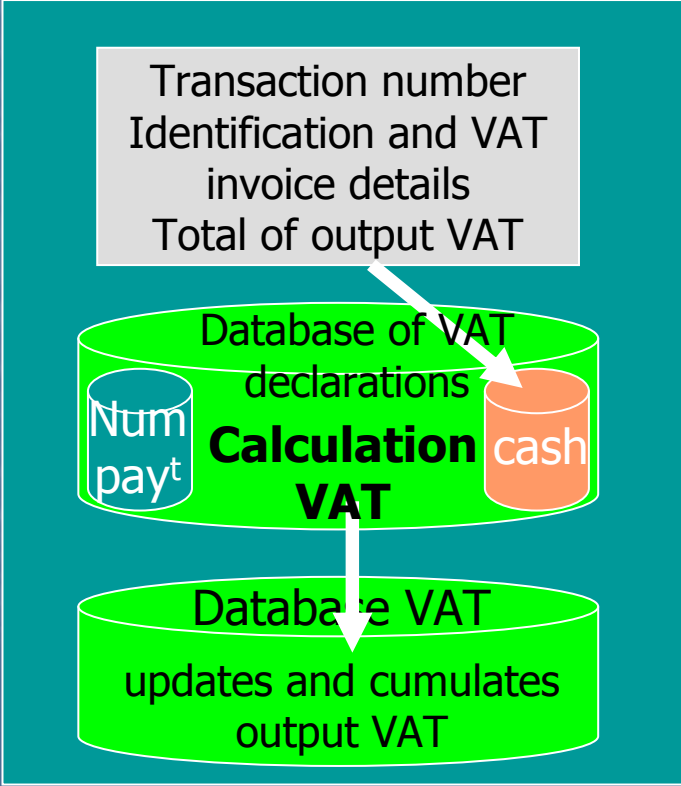
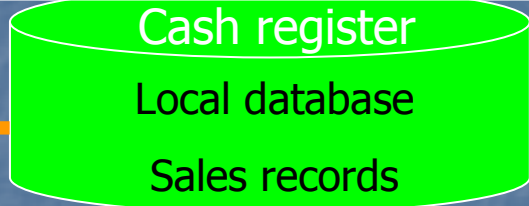


Purchaser U.C.

Seller B2



Read/payment terminal

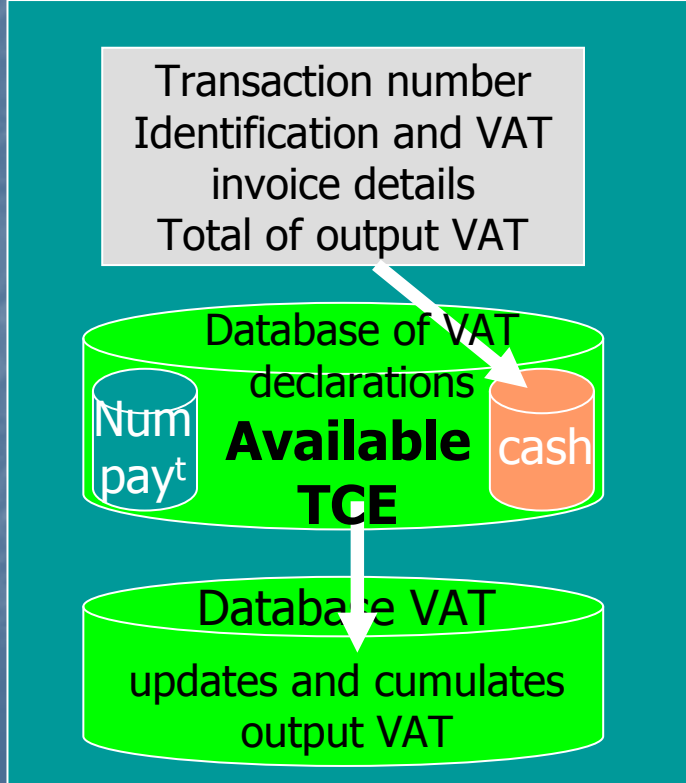


Purchaser U.C.

Seller B2



Where is the control ?



End process

Example of transactions communicated between cash register and Tax authority

CASH REGISTER 10x						TAX AUTHORITY- FILE OF STATEMENTS						
N° seq	Date	Type	TOTAL	VAT	Cumuls	Identification transfer	Date	Type	TOTAL	cumuls	VAT	cumuls
239	2/5/15 10:30	CA	100,00	20,00	20,00	FR83404833048-10-239	2/5/15 10:30	CA	100,00	100,00	20,00	20,00
240	2/5/15 10:31	CA	50,00	10,00	30,00	FR83404833048-10-240	2/5/15 10:31	CA	50,00	150,00	10,00	30,00
241	2/5/15 10:32	CA	70,00	14,00	44,00	FR83404833048-10-241	2/5/15 10:32	CA	70,00	220,00	14,00	44,00
242	2/5/15 10:33	CB	65,00	13,00	57,00	FR83404833048-10-242	2/5/15 10:33	CB	65,00	285,00	13,00	57,00
243	2/5/15 10:34	CA	82,00	16,40	73,40	FR83404833048-10-243	2/5/15 10:34	CA	82,00	367,00	16,40	73,40
244	2/5/15 10:35	CB	35,00	7,00	80,40	FR83404833048-10-244	2/5/15 10:35	CB	35,00	402,00	7,00	80,40
245	2/5/15 10:36	CA	45,00	9,00	89,40	FR83404833048-10-245	2/5/15 10:36	CA	45,00	447,00	9,00	89,40
246	2/5/15 10:37	CB	12,00	2,40	91,80	FR83404833048-10-246	2/5/15 10:37	CB	12,00	459,00	2,40	91,80
247	2/5/15 10:38	CA	89,00	17,80	109,60	FR83404833048-10-247	2/5/15 10:38	CA	89,00	548,00	17,80	109,60
248	2/5/15 10:39	CA	154,00	30,80	140,40	FR83404833048-10-248	2/5/15 10:39	CA	154,00	702,00	30,80	140,40
249	2/5/15 10:41	CA	22,00	4,40	144,80	FR83404833048-10-249	2/5/15 10:41	CA	22,00	724,00	4,40	144,80
250	2/5/15 10:42	CA	15,00	3,00	147,80	FR83404833048-10-250	2/5/15 10:42	CA	15,00	739,00	3,00	147,80
251	2/5/15 10:43	CK	38,00	7,60	155,40	FR83404833048-10-251	2/5/15 10:43	CK	38,00	777,00	7,60	155,40
252	2/5/15 10:44	CB	54,00	10,80	166,20	FR83404833048-10-252	2/5/15 10:44	CB	54,00	831,00	10,80	166,20
253	2/5/15 10:45	CK	63,00	12,60	178,80	FR83404833048-10-253	2/5/15 10:45	CK	63,00	894,00	12,60	178,80
254	2/5/15 10:46	CA	96,00	19,20	198,00	FR83404833048-10-254	2/5/15 10:46	CA	96,00	990,00	19,20	198,00
255	2/5/15 10:48	CA	24,00	4,80	202,80	FR83404833048-10-255	2/5/15 10:48	CA	24,00	1014,00	4,80	202,80
256	2/5/15 10:49	CB	75,00	15,00	217,80	FR83404833048-10-256	2/5/15 10:49	CB	75,00	1089,00	15,00	217,80
257	2/5/15 10:50	CB	32,00	6,40	224,20	FR83404833048-10-257	2/5/15 10:50	CB	32,00	1121,00	6,40	224,20
258	2/5/15 10:51	CA	10,00	2,00	226,20	FR83404833048-10-258	2/5/15 10:51	CA	10,00	1131,00	2,00	226,20
259	2/5/15 10:52	CK	18,00	3,60	229,80	FR83404833048-10-259	2/5/15 10:52	CK	18,00	1149,00	3,60	229,80

CA = cash CB = card Payment CK = cheque payment

Principle of control and treatment of the transactions in the accounting books and records

As shown in the above table in the previous screen and below, you can see that each transaction presents the cumulative amounts of the previous statements.

CASH REGISTER 10						TAX AUTHORITY- FILE OF STATEMENTS						
N° seq	Date	Type	TOTAL	VAT	Cumuls	Identification transfer	Date	Type	TOTAL	cumuls	VAT	cumuls
239	2/5/15 10:30	CA	100,00	20,00	20,00	FR83404833048-10-239	2/5/15 10:30	CA	100,00	100,00	20,00	20,00
240	2/5/15 10:31	CA	50,00	10,00	30,00	FR83404833048-10-240	2/5/15 10:31	CA	50,00	150,00	10,00	30,00
241	2/5/15 10:32	CA	70,00	14,00	44,00	FR83404833048-10-241	2/5/15 10:32	CA	70,00	220,00	14,00	44,00
242	2/5/15 10:33	CB	65,00	13,00	57,00	FR83404833048-10-242	2/5/15 10:33	CB	65,00	285,00	13,00	57,00
243	2/5/15 10:34	CA	82,00	16,40	73,40	FR83404833048-10-243	2/5/15 10:34	CA	82,00	367,00	16,40	73,40
244	2/5/15 10:35	CB	35,00	7,00	80,40	FR83404833048-10-244	2/5/15 10:35	CB	35,00	402,00	7,00	80,40

We know that with DAGTVA, they are obliged to transmit all transactions electronically to the Tax authority. The statements settled by card or cheque always arrive in banking system and tax fraudsters can't suppress these types of sales (payments).

Because, with these types of payment, the bank will request the TCE (Tax Clearance Extraction) from the Tax authority and, the Tax authority must have calculated this TCE Before responding to the bank, before splitting the payment into the Net and VAT amounts.

This obligation will apply also to cash amounts received.

The control begins when the first payment by card or cheque arrives in Tax authority.

This last payment by card or cheque presents the cumulative amount of VAT since the cash register was activated by the cashier.

DAGTVA ensures that all sales settled by card or cheque cannot be falsified.

In the exemple below, transaction **244** shows the sum of VAT : **80,40 €**.

The software of Tax authority searches in the file the previous transaction paid by card or cheque and finds the transaction **242** with total VAT of **57 €**. The difference between the two records gives the transaction **243** ($80,40 - 7 - 57$) = **16,40 €** of VAT.

Even if this sale is'nt registered due to fraud, the sequential number of the record is known. Therefore the transaction **243** settled in cash must be present in cash register !

This result gives the amount of VAT (and also the all taxes) of the transaction **243**.

Therefore it's not the transaction **243** paid in cash witch is not directly controled.

CASH REGISTER 10					
N° seq	Date	Type	TOTAL	VAT	Cumuls
239	2/5/15 10:30	CA	100,00	20,00	20,00
240	2/5/15 10:31	CA	50,00	10,00	30,00
241	2/5/15 10:32	CA	70,00	14,00	44,00
242	2/5/15 10:33	CB	65,00	13,00	57,00
243	2/5/15 10:34	CA	82,00	16,40	73,40
244	2/5/15 10:35	CB	35,00	7,00	80,40

TAX AUTHORITY - FILE OF STATMENTS						
Identification transfer	Date	Type	TOTAL	cumuls	VAT	cumuls
FR83404833048-10-239	2/5/15 10:30	CA	100,00	100,00	20,00	20,00
FR83404833048-10-240	2/5/15 10:31	CA	50,00	150,00	10,00	30,00
FR83404833048-10-241	2/5/15 10:32	CA	70,00	220,00	14,00	44,00
FR83404833048-10-242	2/5/15 10:33	CB	65,00	285,00	13,00	57,00
FR83404833048-10-243	2/5/15 10:34	CA	82,00	367,00	16,40	73,40
FR83404833048-10-244	2/5/15 10:35	CB	35,00	402,00	7,00	80,40

With DAGTVA it's also impossible to remove or modify by « skimming » any transactions by using software like « Phantomware » and « Zappers ».

CASH REGISTER 10					
N° seq	Date	Type	TOTAL	VAT	Cumuls
239	2/5/15 10:30	CA	100,00	20,00	20,00
240	2/5/15 10:31	CA	50,00	10,00	30,00
241	2/5/15 10:32	CA	70,00	14,00	44,00
242	2/5/15 10:33	CB	65,00	13,00	57,00
243	2/5/15 10:34	CA	82,00	16,40	73,40
244	2/5/15 10:35	CB	35,00	7,00	80,40

TAX AUTHORITY - FILE OF STATMENTS						
Identification transfer	Date	Type	TOTAL	cumuls	VAT	cumuls
FR83404833048-10-239	2/5/15 10:30	CA	100,00	100,00	20,00	20,00
FR83404833048-10-240	2/5/15 10:31	CA	50,00	150,00	10,00	30,00
FR83404833048-10-241	2/5/15 10:32	CA	70,00	220,00	14,00	44,00
FR83404833048-10-242	2/5/15 10:33	CB	65,00	285,00	13,00	57,00
FR83404833048-10-243	2/5/15 10:34	CA	82,00	367,00	16,40	73,40
FR83404833048-10-244	2/5/15 10:35	CB	35,00	402,00	7,00	80,40

You can also see on transaction 242 that it was impossible to falsify the previous amounts of any transactions on and between 239 to 241.

The transactions adjusted by substitution of higher to lower prices does not match with the same recorded file held by the Tax authority.

Idem, it's also impossible to renumber the sequential transaction numbers. The position of each record can't be removed or changed.

With DAGTVA is also possible to have in the cash register's software the obligation to send to the Tax authority the initial record of the first daily sale and the final record when the cash register is shut down at the end of the day.

To conclude : **it's through the control of the card and cheque payments that cash transactions are effectively controled.**