

Snap-on Incorporated

Tax Policy/Strategy

Snap-on Incorporated is a leading global innovator, manufacturer and marketer of tools, equipment, diagnostics, repair information and systems solutions for professional users performing critical tasks.



Who We Are

OUR MISSION

The most valued productivity solutions in the world

BELIEFS

We deeply believe in:

Non-negotiable Product and Workplace Safety
Uncompromising Quality
Passionate Customer Care
Fearless Innovation
Rapid Continuous Improvement

VALUES

Our behaviors define our success:

We demonstrate Integrity.
We tell the Truth.
We respect the Individual.
We promote Teamwork.
We Listen.

VISION

To be acknowledged as the:

Brands of Choice
Employer of Choice
Franchisor of Choice
Business Partner of Choice
Investment of Choice

Snap-on's business activities generate a substantial amount and variety of taxes, including corporate income taxes, VAT or GST, employment taxes, and stamp duties. Such taxes form a significant part of Snap-on's economic contribution to the countries and communities in which it operates. This policy applies to Snap-on Incorporated and all UK subsidiaries or other UK entities in its group.

1) Commitment to tax compliance –

Snap-on is committed to compliance with tax law and practice in the UK. Compliance means paying the right amount of tax in the right place at the right time. It involves disclosing all relevant facts and circumstances to the tax authorities as appropriate, and claiming lawful reliefs and incentives where available. Snap-on adheres to relevant tax law and seeks to minimize the risk of uncertainty.

2) Tax planning –

In structuring its commercial activities, Snap-on will consider (among other factors) the tax laws of the countries in which it operates, with a view to maximizing value on a sustainable basis for its stakeholders (including shareholders, associates, and business partners). Any structuring that is undertaken will have commercial and economic substance, and will have full regard to the potential impact to Snap-on's reputation and broader goals. No arrangements will be implemented that are contrived or artificial.

Snap-on establishes legal entities in jurisdictions suitable to hold its overseas investments and to conduct its overseas operations, giving consideration to its business activities and the prevailing economic and regulatory environment.

Snap-on conducts transactions between its related group companies on an arm's-length basis and in accordance with current OECD principles. Steps are often taken to reduce the risk of double taxation (i.e. – the same income being taxed twice in two different jurisdictions), with a view towards simplification to reduce the burdens of needless complexity where possible.

Tax incentives and exemptions are sometimes implemented by governments and fiscal authorities in order to support investment, employment, and economic development. Where they exist, Snap-on seeks to apply them in the manner intended.

3) Tax risk management –

Given the scale and variety of its businesses and volume of tax obligations, risks will inevitably arise from time to time in relation to the interpretation of complex tax law and nature of Snap-on's tax arrangements. Snap-on actively seeks to identify, evaluate, monitor and manage these risks to ensure they remain in line with its objectives. Where there is significant uncertainty or complexity or challenges in relation to a risk, external tax and/or legal advice may be sought, particularly in relation to international tax obligations.

4) Constructive approach to dealing with HMRC –

Snap-on seeks to build and sustain relationships with governments and fiscal authorities that are constructive and based on mutual respect, honesty, integrity, and fairness. It works cooperatively and collaboratively wherever possible with fiscal authorities to resolve disputes and achieve early agreement and certainty.

Whilst Snap-on will not take tax positions that may create reputational risk or jeopardize its good standing with taxing authorities, it is however prepared to litigate (or invoke competent authority) where it disagrees with a decision or tax position taken by a taxing jurisdiction, having always first sought to resolve any disputed matters through active and transparent discussion.

5) Oversight and governance -

This tax policy is aligned with Snap-on's mission statement outlined under "Who We Are" (above) and is approved and owned by Snap-on's Vice-President of Tax, and adhered to by Snap-on's Senior Accounting Officers of its UK subsidiaries.