

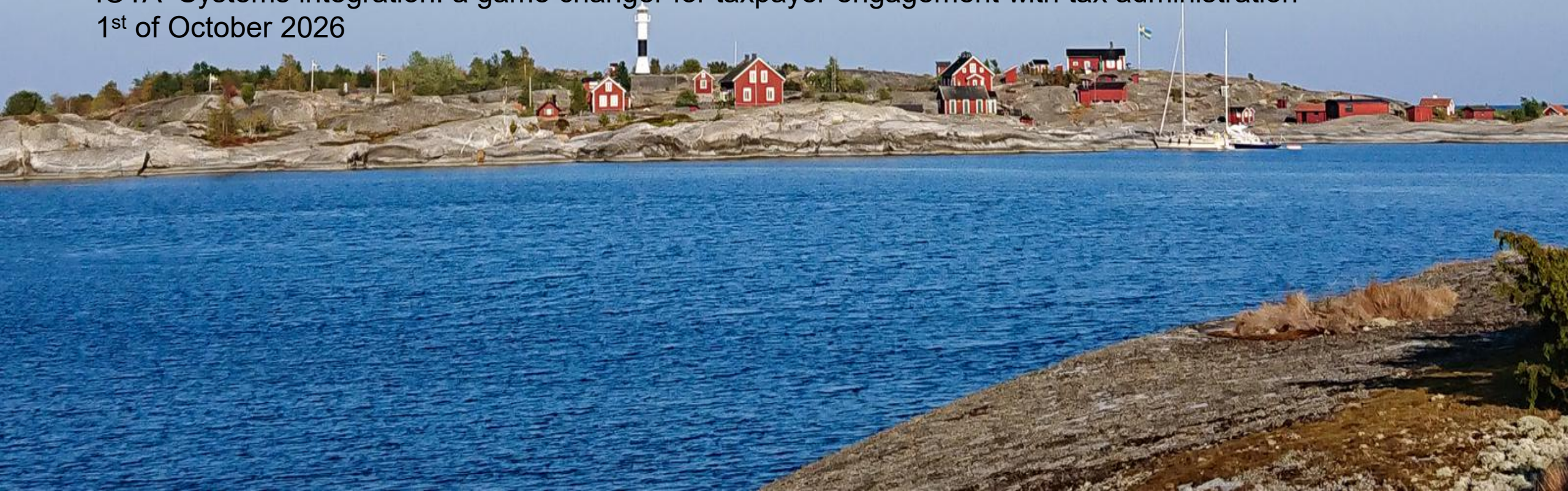
Rules as Code

OECD projects and Swedish Tax agency's experience

Tomas Algotsson, Tax director, Legal department, Swedish Tax Agency

IOTA "Systems integration: a game changer for taxpayer engagement with tax administration"

1st of October 2026



Agenda Rules as Code

1. OECD project phase 1, 2025
 - status, definition, tools, workmodels and scenarios
2. OECD project phase 2 2026
 - Prove the value of RaC, code legislation, cost/benefit and AI
3. Swedish Tax agency's experience

OECD project phase 1, 2025

- Definition
- Status
- Conclusions

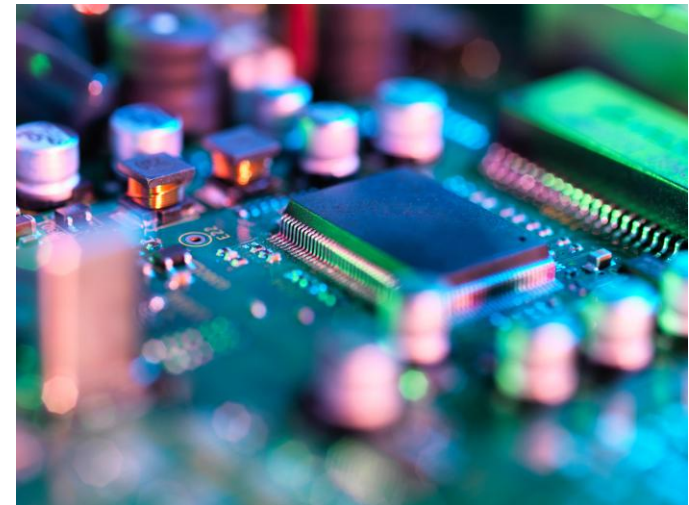
Participating countries

Belgium, Canada, Denmark, Finland, France, Hungary, India, the Netherlands, the United Kingdom and Sweden.

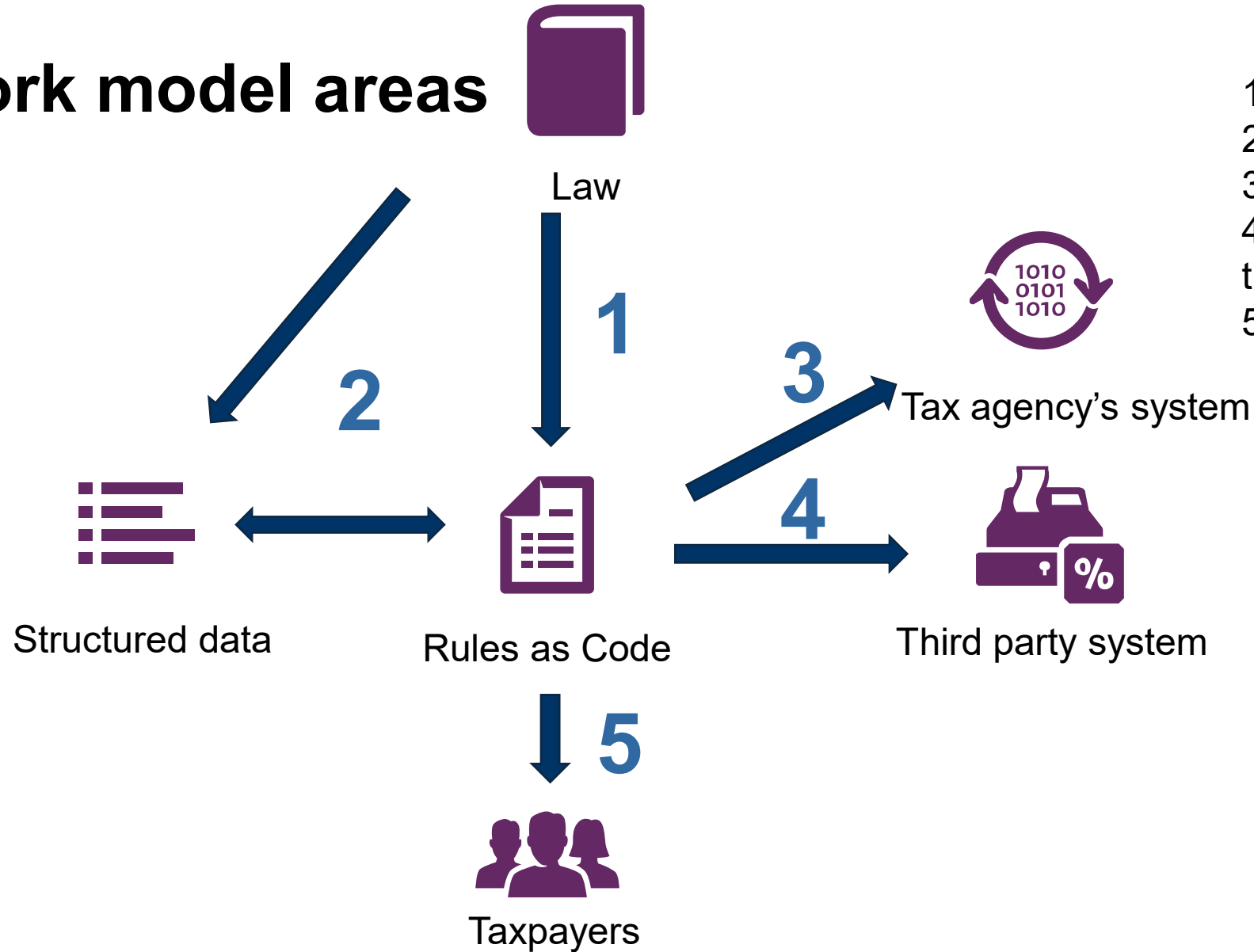


RaC is in this project defined as

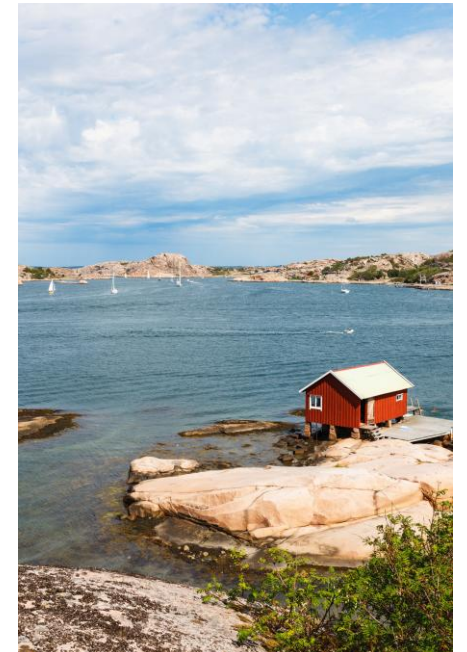
- Creating **machine-consumable** versions of government **rules** that maintain **legal fidelity** while enabling **automation**, **human readability** and **integration into software systems**.
- It facilitates real-time compliance, policymaking and service delivery, with strong ties to AI for rule conversion and guard railing.



Work model areas



1. Law-to-RaC translation
2. Law-to-data structuring
3. Tax agency's system
4. Implementation
5. Public transparency



Status of the work with RaC in the participating countries

- scope of ongoing work (from pilots to comprehensive encoding),
- time of creation (post legislative work),
- legal status of RaC (from guidance to binding),
- access models (from internal use to externally open APIs),
- modelling and testing (for policy simulation),
- creation processes (from manual to low-code) and
- AI use (promising for conversion but requiring oversight).

Conclusions

1. International collaboration is a cornerstone for sustainable progress.
2. Strategic governance choices and cost-benefit analyses are essential
3. Different national levels of RaC maturity means that one solution does not fit all.
4. Clear benefits of RaC adoption are demonstrated.
5. AI is an enabler for RaC and RaC could act as a guardrail for AI



OECD project phase 2, 2026

- Project plan and activities
- Deliverables
- Legal area for coding
- Findings and conclusions
- Next step





Project plan

Purpose:

To demonstrate and **validate RaC** as a preferred model for implementing **law in a machine-consumable** form, enabling seamless **integration into IT systems** and establishing a **business case** for easy adoption.

The purpose is not to compare different RaC tools.

Deliverables

- Translate selected legislation into machine-consumable rules using existing RaC tools.
- Build and test AI-assisted translation to machine-consumable rules, benchmarking against manual approaches.
- Identify and specify required structured input data and data for integration needs.
- Identify and comment relevant components for cost and benefit analysis.



Legal area part of Pillar 2

- Simple rule to code
 - Threshold test to determine if a Multinational Enterprise is in scope of the Global Minimum Tax reform.
- More complex rule to code
 - Transitional CBCR safe harbour, which allow to exclude a jurisdiction if a tests are fulfilled.

Workstreams

- Two workstreams
 - The Netherlands
 - Sweden
- Translate selected legislation into machine-consumable rules using existing RaC tools.
 - NL using RegelSpraak in ALEF and FLINT
 - SE using editor Rocker and BPMN and DMN



Findings

- Legal experts, rule analysts, modelling specialists and technical experts need to work together
- Different RaC tools serve different purposes
- Multi level scenario-based testing is part of the process
- Structured data is a critical dependency
- AI can support parts of the lifecycle
- RaC could act as a guardrail in generative AI solutions
- Interoperability is essential to create value beyond isolated national use
- Open source and an open approach
- Need of feedback loop to legislator

Conclusions

- The RaC concept **works** as a viable model for translating law to a machine-consumable form.
- RaC can improve legal and operational transparency by **separating** legal logic from application code.
- The success of RaC will **increase** with high levels of
 - legal clarity, data quality and availability, continuous maintenance as well as traceability and validation.
- RaC may not be the solution for **coding all tax rules** due to
 - legal complexity, lack of binary possibilities or political intended ambiguity in the law
 - solutions could be legal statements from tax authorities or guidance within the RaC solution
 - Remaining legal uncertainties could be discussed with the legislators to address need for clarification.
- **AI can support** the RaC lifecycle management in several ways.
- RaC could also act as a **guardrail** for generative AI solutions.
- Value besides rule files arose **in the process**: in the clarification of legal assumptions, the identification of required facts.

Next step suggestion (draft)

- Identify components for use of RaC, focus on
 - structured data,
 - safe AI use in scaling up RaC and
 - RaC as guardrails for AI.
- Alternative:
 - Wider work on Pillar 2
 - including safe AI use and
 - common legal interpretations by legal experts.

Rules as Code

The Swedish Tax Agency's experience

Tomas Algotsson,
Tax Director, Legal Department
Swedish Tax Agency

The Swedish Tax Agency's conclusions

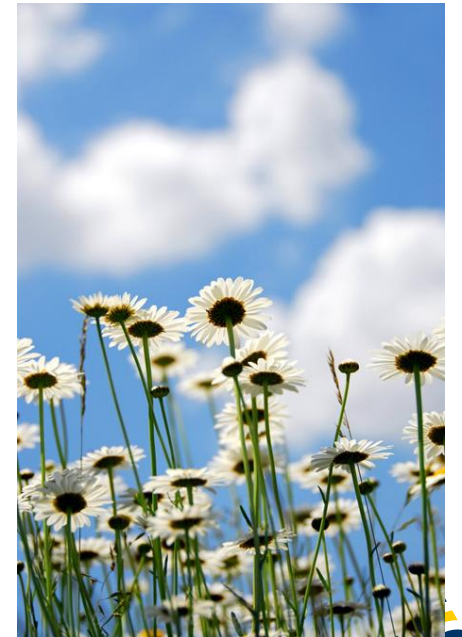
- Machine-consumable rules can be published without legal, practical or technical issues
- It is voluntary for companies to implement RaC with guidance from the STA
- Increasingly important to ensure transparency and traceability
- Legal rules as a standalone module: easy to maintain
- Smooth collaboration Rules as Code with AI solutions
- **Legal rules will be machine-consumable for direct machine-to-machine use**



The Swedish Tax Agency's model

A technical solution that provides legal guidance in business systems to facilitate tax compliance

- No need for specially adapted legislation
- Technical staff not required
- Optional use
- Based on Open source
- Applications to be built by others



The benefits of Rules as Code

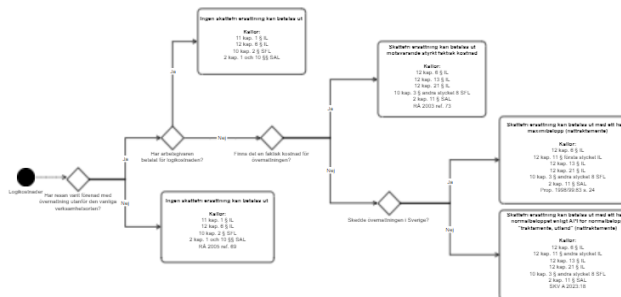
- Tax certainty for businesses – higher level of compliance
- Easy integration into business systems
- Improved service provided to citizens and companies
- Increased efficiency for government agencies
- New effective tool for tax experts
- Improved legal quality – simplified, binary interpretation of the term)



Process from rule to customer



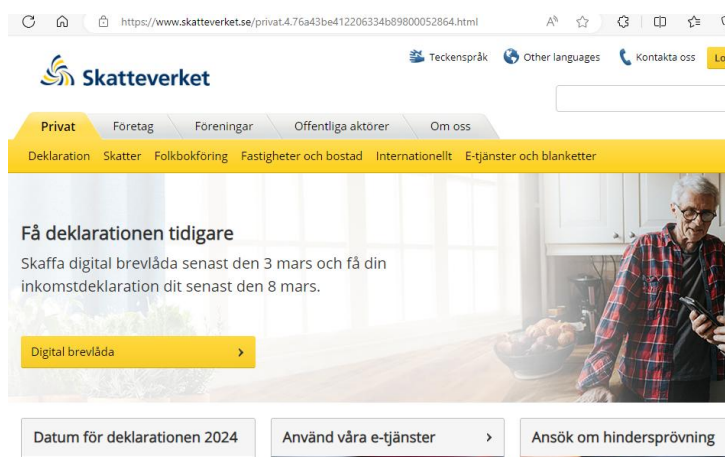
Legal experts
with support of AI



Ruletree



Ruleeditor



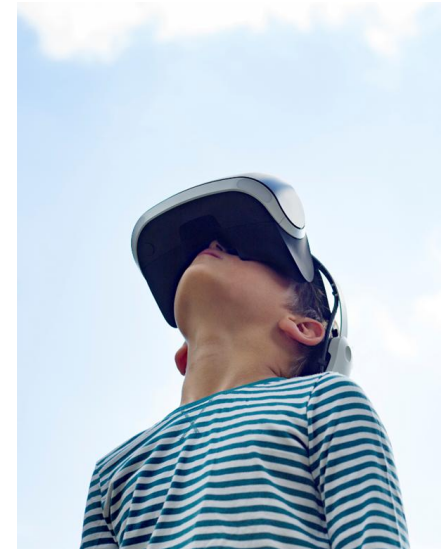
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Applications and as
guardrail for AI

Current status

- RaC covering four legal areas published and one API created. Work on further legal areas underway
- Further development of file format in dialogue with software providers (XML - BPMN/DMN)
- Continued dialogue with software providers on RaC usage/adaptation.
- Internal useage STA – PoCs regarding system development processes
- AI today: a usable tool in creating and using rulefiles
 - RaC files as guardrails for AI
- Collaborations:
 - OECD project: Rules as Code (Tax Administration 3.0)
 - EU study group - Tax rules as code for EU tax directives
 - OECD project Law as Rule



Rules as Code: challenges

- Is all legislation suitable for Rules as Code?
- Legal interpretation
- Explainability, transparency and traceability
- Responsibility
- Software providers and implementing
- Upscaling, AI support
- Enabler for higher quality AI
- Crossborder and standardization



LLMs Alone Won't Reach 99% Legal Accuracy – Says GPT-5

19th August 2025 [artificiallawyer](#) [GenAI Accuracy](#)



LEGAL ACCURACY

People in the legal world have said that GPT-5 is reaching about 90% in terms of the desired quality of output. But lawyers need 99.9% to be able to trust the output. Over time will OpenAI's LLMs ever get to this point?

Rules as Code is not AI. It's better than that

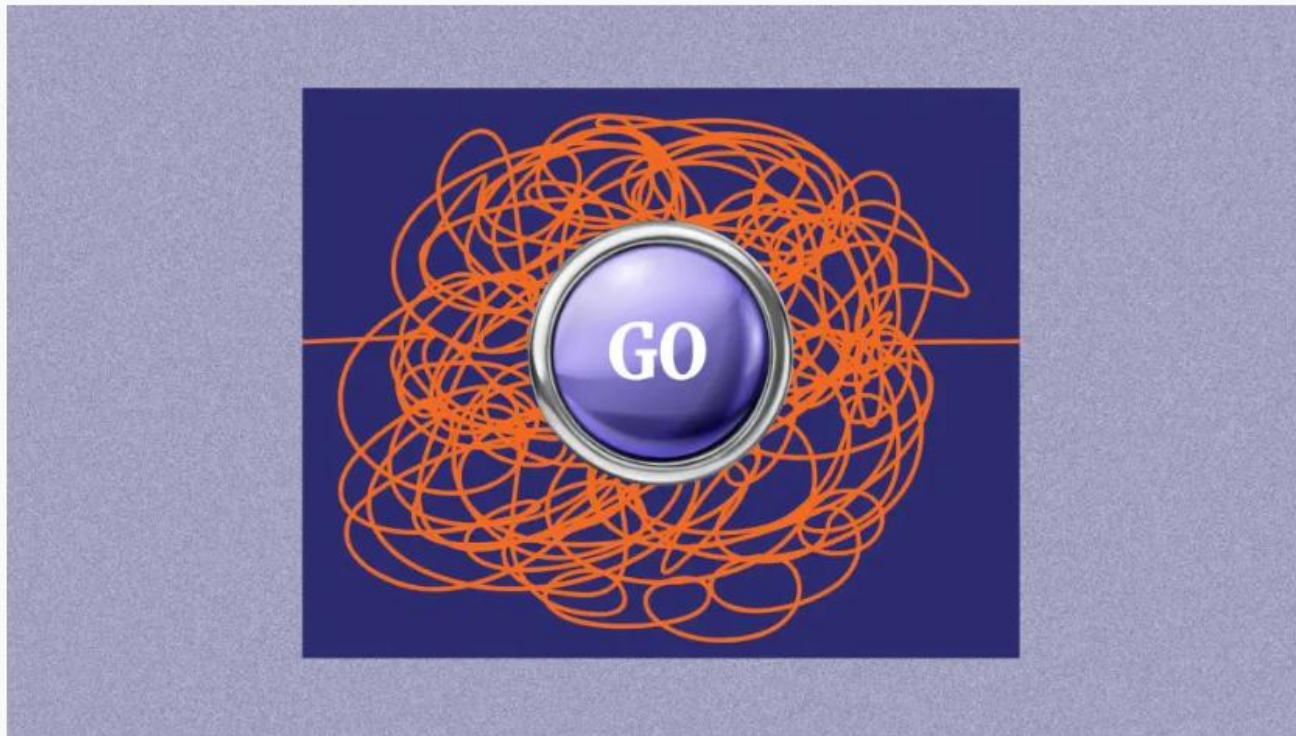
What if there were a single service for any government decision, where the outcome is determined by intersecting prescriptive pieces of legislation, regulations, standards, and policies? Even if more than one agency is involved?



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What if there were a single service for any government decision, even if more than one agency is involved? (Zennie/Private Media)



Swedish Tax Agency

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