

IOTA WORK PROGRAMME 2022



IOTA

Intra-European Organisation
of Tax Administrations



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Executive Summary

One of the main strategic directions set out in the IOTA Strategy 2018-2022 is to offer a flexible work programme, including tailored events for regional or specific priorities and inter-member collaboration projects, etc.

IOTA is expected to deliver a viable annual Work Programme that is sufficiently strategic, flexible and capable of meeting the needs of the membership. IOTA Executive Council, at its 124th (digital) meeting on 2-3 February 2021, approved **priorities and action areas of the Work Programme 2022**.

These priorities set out **clear directions** of where the work of IOTA will focus in 2022 in terms of **1) identifying and supporting the implementation of good tax administration practice**, and **2) assisting and facilitating IOTA members in preparing for and working collaboratively towards meeting the key emerging challenges for tax administration**.

Also, the IOTA Work Programme will bring more diversity and flexibility providing opportunities to organise tailored (special interest, regional or country-specific) events and intra-collaboration projects with tangible products and outputs to address urgent needs for a collective and immediate action or solution, particularly requiring multilateral and cross-border co-operation between IOTA members.

The budgetary appropriation available for the technical activities programme in 2022 amounted to **€ 312,731**.

Within the available budgetary allocations, the IOTA Secretariat plans to organise **18 technical activities: 8 digital events (workshops/webinars), 2 workshops, 6 forums, 1 international conference, 1 regional event; and carry out 4 projects under the Work Programme 2022** which will provide opportunities for a more active engagement of IOTA members and will support tax administrations in their response to the complex and formidable challenges they currently face globally.

More specifically, the proposed Work Programme for 2022 will:

- **continue the activities defined in the mandates of the established forums and their project subgroups in the specific areas** (e.g. combating VAT fraud, use of data from AEoI, implementation of BEPS, tax debt management, communications, human resources management) and seek to advance the work already being successfully undertaken by IOTA;
- **offer more digital events**, including workshops and webinars, for identifying and supporting the implementation of good tax administration practice;
- address areas where **closer cooperation with international partner organisations** (e.g. OECD-IOTA regional events on BEPS for Eurasian countries) would be beneficial for IOTA membership.

A number of activities, especially webinars and workshops, have been **specified on the basis of the proposals collected from IOTA membership**. Some of these webinars and workshops will help to identify and disseminate practical solutions successfully implemented during the



pandemic and to generate ideas on what concrete tax administration measures can be implemented after the end of the pandemic in the economic recovery phases.

To ensure a sufficient degree of **flexibility and dynamism in the IOTA work programme** reflecting upon the current and urgent issues that are affecting member tax administrations, **the contingency funds have been allocated amounting to € 6,304**. This appropriation will be used to finance the organisation of **additional (hot topic, special interest) events that will be delivered in a digital format next year**. IOTA members will be offered the possibility to come up with proposals for open and flexible activities. From the beginning of 2022, the flexibility and so-called “self-serve” concept will be applied in the Work Programme 2022 providing opportunities for the IOTA membership to submit their activity proposals for digital events to the IOTA Secretariat through the online facility available on the IOTA website.

Priority 1: Tax Compliance

Action Area 1.1: Combating international tax avoidance and aggressive tax planning

The work of IOTA may include, but not be limited to:

- › assisting and facilitating **the implementation of Automatic Exchange of Information (AEOI) and Common Reporting Standard (CRS)**, identification of challenges for conducting AEOI, and development of effective ways to access and use data under the CRS
- › supporting member tax administrations to work collaboratively towards meeting the emerging challenges of **the implementation of measures to counter Base Erosion and Profit Shifting (BEPS)**
- › facilitating and contributing to the **OECD's capacity-building work** in the development and delivery of the Regional Meetings on BEPS for Eurasian countries

Activity: *Forum on the Use of Data from Automatic Exchange of Information*

According to the new mandate for 2021-2022, the focus of the Forum's work will be on the development of effective ways to access and use the Common Reporting Standard (CRS) data in the following priority areas:

Process

- › **Improving the IT systems for the procedural steps in the CRS reporting and data exchange** (preparation, treatment, use, compliance, feedback);
- › **Categorising correctly the received information** according to domestic income groups;
- › **Ensuring simple and effective** feedback with AEOI partners;
- › **Developing tools to measure the results** (e.g. additional taxes paid, improved compliance by FIs and taxpayers) obtained from the AEOI;
- › **Ensuring confidentiality, appropriate use and compliance with GDPR requirements;**

Compliance of Financial Institutions

- › **Facilitating the compliance of Financial Institutions (FIs) with CRS-related reporting obligations** under all applicable national laws through the provision of information and guidance;
- › **Developing or improving methods and tools for the use of CRS data to identify non-compliance by FIs;**
- › **Ensuring high-quality data**, i.e. completeness and accuracy of the data exchanged;

Use of Data and Taxpayer Compliance

- › **Enhancing the compliance risk management** (incl. risk analyses, data mining, risk profiling, use of segmentation), to identify high-risk taxpayers and to verify that the received data is reflected in the taxpayer's tax return;
- › **Developing or improving methods and tools for the use of CRS data to identify non-compliance by domestic taxpayers** (e.g. examining the data matching possibilities with domestic tax filing/reporting, predicting tax evasion behaviours, profiling, network

analyses, data aggregation received from multiple jurisdictions regarding the same taxpayer, etc.);

- › **Sharing experience of advanced tools (machine learning/AI) and data analytics** where CRS data has been used.
- › Using CRS data to **enhance and increase the effectiveness of existing data and processes**, e.g. collection of outstanding tax debt.

The Steering Group, composed of AEOI experts from Austria, Belgium, Germany, Norway, Russian Federation, United Kingdom and from an international partner organisation (the OECD Global Forum on Transparency and Exchange of Information for Tax Purposes) together with the IOTA Secretariat act as the driving force, steering and closely monitoring the achievement of overall objectives by the Forum, as set out in the mandate.

Under the Forum's mandate, the IOTA Secretariat will **set up subgroups and launch the work** with the overall objective of bringing expertise to **examine in-depth and report on specific topics of the priority areas** (e.g. use of CRS data to identify non-compliance by domestic taxpayers, Compliance of Financial Institutions).

Activity: Forum on Implementation of measures to counter Base Erosion Profit Shifting (BEPS)

Within the scope of the Mandate, the work of the IOTA Forum will primarily focus on the following two of the four minimum standards under the BEPS Action Plan: (i) harmful tax practices, and (ii) tax treaty abuse, and more specifically with regard to:

- › Supporting IOTA member countries to address **the challenges for tax administrations arising from the digitalisation of the economy**
- › Risk assessment processes and **effective use of Country-by-Country Reporting**
- › Enhancing the process of **automatic exchange of information on tax rulings** to ensure effective implementation of the transparency framework under Action 5 of the BEPS Action Plan and EU DAC.

The agenda for Forum's meeting is developed by a **Steering Group**, comprising of BEPS experts from Georgia, Italy, Sweden and from OECD Centre for Tax Policy and Administration, which also acts as a source of advice and guidance to the Forum providing consultations on planning and co-ordination of its work as well as ensuring the delivery of high-quality outputs in the running of the Forum activities.

To supplement the Forum's activities concerning the effective use of Country-by-Country Reporting, in 2022 the IOTA Secretariat will launch a **project** carried out by the dedicated Subgroup to prepare a **second edition of the Report on Implementation of Country-By-Country Reporting** looking at recent improvements made in the process, and identifying country best practice and capturing approaches.

Activity: Regional meetings/consultations on BEPS for Eurasian countries

These meetings are a key element of the OECD Inclusive Framework, enabling all countries and jurisdictions to discuss the implementation of the BEPS package on a regional basis, and feed their perspectives into the global dialogue. The purpose of the regional meetings/consultations is also to:

- › Provide participants with **the latest developments regarding the implementation of the BEPS minimum standards** in the areas of harmful tax practices, country-by-

country reporting and treaty-related matters as well as on the Multilateral Instrument.

- › Provide a useful platform for comprehensive discussions on the IF's work on **addressing the tax challenges of the digitalisation of the economy** in light of the G20 mandate to develop a consensus-based long-term solution.
- › **Prepare for participation in the upcoming meetings** of the Inclusive Framework on BEPS, including the Committee on Fiscal Affairs meetings, as well as the various Working Party meetings.
- › Provide participants with an update on the work carried out in developing **toolkits aimed at supporting low capacity developing countries and other capacity-building initiatives**.
- › Provide **an opportunity for countries to input their views, concerns and needs** into the Working Party and inclusive framework discussions in a coordinated and more effective way.

IOTA will continue to be engaged in the strategic partnership with OECD supporting the organisation of regional meetings/consultations so as to channel the views from its memberships within the Eurasian countries into the development of the BEPS Action Plan outputs.

Activity: Digital Workshop “The impact of the COVID-19 pandemic on international taxation: cross-border remote work and tax obligations”

The COVID-19 pandemic has resulted in significant disruption to international travel and business operations, including the location of directors, employees and other individuals. These unprecedented circumstances have re-shaped human mobility and the way multinational companies use their global workforce by introducing a “work from anywhere” model, which results in a significant number of employees on international assignments, who perform their job remotely.

It has been some time since the beginning of the pandemic, and with the slow opening of country borders, cross-border remote working has developed into a formula of remote work with great potential, which not only benefits the employee but also the employer.

It is, therefore, necessary for tax administrations to analyse in-depth the effects on determining the permanent establishments (i.e. a taxable presence) and tax residence of the employees, that this new way of working entails, and their tax compliance obligations.

The IOTA workshop will explore country examples of how certain IOTA members addressed **the impact of COVID-19 on the employer's taxation and the employee's residence situation in connection with cross-border teleworking opportunities**. The event will also address complex situations and **the way tax residency conflicts in connection with the different modalities of cross-border remote working have been resolved** between IOTA members jurisdictions (e.g. changes in domestic regulations, the rules imposed in the bilateral tax treaties) to avoid double taxation/double non-taxation.

Action Area 1.2: Preventing tax evasion and fraud

The work of IOTA may include, but not be limited to:

- › assisting and facilitating the implementation of concrete measures to address the threat of the **shadow economy**

- ▶ promoting the sharing of knowledge and experience on **cross-border VAT fraud in goods and services/intangibles and VAT fraud schemes in the digital economy**,
- ▶ strengthening **relations with law enforcement agencies** to find new and more effective ways to coordinate actions and co-operate in preventing and combating VAT fraud
- ▶ identifying and promoting **new approaches on the compliance risk management**, helping to work smarter in conducting the real-time identification of potential risk and promptly tackling non-compliance and tax evasion

Activity: *Forum on Combating VAT Fraud*

The IOTA Forum on Combating VAT Fraud will continue to operate as an important platform for assisting the IOTA member tax administrations to **enhance their capacity in tackling VAT fraud**. It will seek to further enhance the cooperation among IOTA member tax administrations in order to **build bridges of understanding, knowledge and trust as well as exchange updates on the new ways of tackling VAT fraud issues, especially VAT fraud related to a digital economy (B2B and B2C transactions), the use of alternative payment systems and money laundering (e.g. cryptocurrencies, abuses of escrow accounts, etc.)**.

The outcome of the Forum's work will allow IOTA member tax administrations to fight VAT fraud more strategically. In particular, it will allow for **better management of VAT fraud-related risk**, applying responses promptly based on experience and competence developed through the Forum activities.

A Steering Group composed of VAT Fraud experts provides advice and guidance in defining a mandate that takes into consideration the needs and expectations of the IOTA membership. The **Steering Group** is represented by the IOTA member tax administrations of Denmark, Italy, Norway, Portugal, Sweden, Switzerland and the United Kingdom. They are responsible for setting the agenda for each meeting and assist in identifying expert speakers from their extensive VAT Fraud networks that are in line with the overall objectives of the Forum's mandate.

Action Area 1.3: *Compounding the complexity and risk of the digitalised economy*

The work of IOTA may include, but not be limited to:

- ▶ contributing to the development of effective compliance programmes as well as risk-based and balanced approaches (e.g. audits, examinations, education, and outreach activities) in relation to the **digital economy operators**
- ▶ promoting the knowledge sharing on new business models as well as the exchange of experiences on the practical application of tools and techniques for **searching, capturing, analysing and using data obtained from sharing economy platforms**
- ▶ identifying and supporting the introduction of new, more effective methods to exchange data between tax administrations on **complex transactions carried out by digital economy platforms trading across borders**

Activity: Digital Workshop “Latest developments and best practices in the use of e-commerce monitoring and investigation tools”

The IOTA digital workshop will seek to **identify and promote the practical use of both paid and free e-commerce monitoring tools** currently used by IOTA member tax administrations, including the introduction of paid functionalities in free tools, as well as the development of other tools. It will build upon [the IOTA workshop “Tools for monitoring e-commerce” held in Budapest on 13-15 November 2018](#).

The event will be practical and will offer valuable opportunities to learn about **the newest IT tools** to efficiently obtain, analyse and process data from online payment services, hands-on experience with **the use of various databases, database management systems and interpretation of data collected from e-commerce businesses**.

The digital workshop will address possible implications of the use of the EU Council Directive as regards **the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements** (DAC6), including the efficiency of information exchanged and specific actions taken by IOTA members with DAC6 information.

Activity: Digital Workshop “Management of compliance risks posed by crypto-assets and virtual currency”

Digitalisation of money is rapidly changing along with the understanding of what a virtual currency is or how it operates. The purpose of virtual currency has changed in recent years and various operations with crypto-assets and cryptocurrency became a financial instrument for speculation and gaining income. Tax administrations’ approaches to the tax treatment of crypto-assets and virtual currency differ according to each country’s particular circumstances. Operations involving cryptocurrency and crypto-assets offer both advantages and drawbacks. Besides, this new digital technology has created gaps in regulation/taxation of this area, consequently, the rise of illegal activities is constantly initiated.

A number of emerging developments in the field of virtual currencies have not yet been widely considered by tax administrations, especially in implementing national and international legal frameworks and tools to address the risks of tax evasion and other financial crimes posed by crypto-assets and cryptocurrency-related transactions. There is also a need for greater tax transparency in this area, in particular in light of the tax compliance risks posed by crypto-assets.

Building on the results of [the IOTA workshop “Tax Treatment of Cryptocurrencies”](#), this digital workshop will address issues related to **the use of information about crypto-assets and cryptocurrency transactions for purposes of compliance and enforcement**. The event will explore **the latest international approaches to reporting and (automatic) exchange of information on crypto-assets and virtual currencies**.

The workshop will also aim at increasing **the knowledge of managing the compliance risks of virtual currency**, especially concerning the practical use of innovative technologies and performing various data analytics related to operations with crypto-assets and cryptocurrencies.

Action Area 1.4: Improving the efficiency of tax debt management

The work of IOTA may include, but not be limited to:

- › improving the management of **bankruptcy and insolvency procedures** and facilitating greater coordination of cross-border insolvency proceedings in 44 divergent insolvency regimes of the IOTA membership
- › exploring the new approaches to **information/data-driven collection and recovery**, including the opportunities to use data from the automatic exchange of information
- › tackling **e-commerce and sharing economy from a debt collection and recovery perspective**, particularly in cases where it is difficult to recover, identify and recover money or assets from debtors

Activity: Tax Debt Management Forum

This Forum will bring together senior debt collection/recovery experts from IOTA member to discuss strategies and practical application of working methods and tools developed to effectively manage tax debts. Discussions at the annual meetings will be built upon the existing knowledge and will further **support the identification, development and dissemination of good working practices in the area of debt management**. The Forum will also act as **a virtual network** encouraging cooperation between participating tax administrations in the recovery of tax debts associated with cross-border transactions.

The work of the Tax Debt Management Forum is structured around the different priority areas falling within the Mandate. In 2022, activities will be carried out to support the following priority areas:

- › **Cross-border recovery strategies/insolvency proceedings**, including predicting insolvency. Also, **continue the work of the IOTA knowledge database**.
- › **Automation of tax debt management processes**: keeping the balance between automation and manual work, making parts of the debt management process automated, reducing the manual work, debt management information for decision making. How to work alongside automation and digitalisation. Ethical issues of decision making based on process automation.
- › Tackling **e-commerce and sharing economy from debt collection and recovery perspective**.

The Steering Group made up of debt management experts from Belgium, the Netherlands, Norway, Sweden and United Kingdom provides the steward and guiding influence for the achievement of overall objectives by the IOTA Forum on Tax Debt Management. The Steering Group fosters discussions revealing good practices adopted by IOTA tax administrations in managing tax debts, through joint meetings, networking and concerted actions, and also assist IOTA Secretariat in preparation of the Forum meetings.

Within the scope of priority activities, **the Subgroup work will be carried with regard to tax debt management process mapping** – identifying high-level automated work processes (internal and external) in debt collection and recovery.

Activity: Case Study Workshop “Practical application of cross-border insolvency procedures”

In order to enhance higher-level coordination of cross-border insolvency procedures, the ongoing IOTA project led by the Swedish Tax Agency aims at developing an online knowledge base (practical toolbox) that will facilitate a qualitative decision-making process in cases when IOTA member tax administration would like to act as a creditor in the insolvency proceedings of another IOTA member for a cost-effective collection of cross-border debt. The database, which is under compilation and elaboration, intends to

summarise information on different insolvency procedures, deadlines, document templates and institutions having competence.

The case study workshop will provide opportunities for debt collection officers to **get acquainted with methods of acting successfully as a creditor in insolvency procedures carried out in another jurisdiction** and become familiar with practical experiences and best practices that are available in IOTA member countries.

The event will focus on examining and discussing **cases of cross-border insolvency procedures**, the application of which led to the successful collection of claims. Through the analysis of practical cross-border insolvency cases, participants will also seek to identify obstacles and proposals for **possible enhancement of the mutual administrative assistance amongst different IOTA member countries in this area**.

Action Area 1.5: Promoting voluntary tax compliance

The work of IOTA may include, but not be limited to:

- › facilitating the development of innovative approaches as well as new models of cooperation between tax authorities and taxpayers, in particular **enhanced relationship and Advanced Pricing Arrangements (APA) programmes**, with the aim to increase certainty in relation to tax liabilities and reduce compliance costs for both taxpayers and tax administration
- › bringing the **new and more advanced forms of communication with taxpayers** to enhance public awareness and encourage voluntary compliance
- › promoting the application of **nudging and behaviour change techniques** for tailoring approaches developed to facilitate taxpayer compliance

Activity: Forum on Communications

IOTA Forum on Communications operates as a network of communication experts seeking to intensify the exchange of communications best practices among member tax administrations. This network of IOTA communication experts also contributes to increasing the visibility of the organisation inside tax administrations. The work of the Forum will focus on:

- › Rethinking the role of communication in the current environment and its challenges.
 - Technology-based communication in tax administrations; digital communication channels, apps, mobile solutions, responsive websites, etc.
 - Media and tax administrations: policies on how to interact with traditional and social media; new challenges and the spread of fake news.
 - Behavioural insights, nudging and communications oriented to increasing tax compliance.
- › Internal Communication, taking care of the staff.
- › Communication strategies in tax administrations: messages, channels, target audiences, specific channels for specific audiences, customer-centric communication versus deterrence, recruitment and training, etc.
- › A greater understanding of **the latest trends and challenges** shaping the current communication environment;

- › Increased knowledge and understanding of **the communication tools and approaches** to cope with the new environment using empathy, simplification and digitalisation.
- › **Helping members to develop new communication techniques** (e.g. behavioural insights, nudging) for developing effective communication strategies;
- › Giving tax administrations a greater understanding of how other members of IOTA are **developing innovative communication channels as well as new risks/challenges** (e.g. fake news, reputational risks etc.).

Members will learn about effective services and practical solutions by the intensified exchange of communications best practices related to the improvement of tax compliance.

The Forum on Communications will hold its annual meeting based on an agenda as defined by a **Steering Group** made up of experts representing tax administrations of Belgium, Finland and Romania. The Steering Group has identified a possible topic for **IOTA Project: “Taxpayers attitude/behaviour and nudging technics” to be carried out in 2021-2022.**

Priority 2: Progress in e-services and quality of taxpayer services

Action Area 2.1: Enhancing the quality of taxpayer services

The work of IOTA may include, but not be limited to:

- › exploring the use of **automated (real-time) verification processes to reduce errors or omissions when paying taxes**, especially in the field of VAT
- › enhancing **capabilities of member tax administrations for tax refunds** claimed by taxpayers (individuals and companies), also through the adoption of risk analysis techniques
- › analysing the IOTA member country approaches in providing **targeted information and supports for new taxpayers**
- › exploring the recent practices of **conducting surveys and analytics to better identify taxpayer needs**
- › identifying examples of best practice for **strengthening the relationship between taxpayer and Tax Administration, and confidence in the efficiency and quality of services**, including the use of citizens' reporting (e.g. complaints) and fostering taxpayers' rights

Activity: Webinar “Delivering taxpayer services through social media”

Tax administrations have usually focused on using social media to provide tax information, as part of a broader communication plan, seeking to simplify the tax messages to the public, improve the communication and the relationship with taxpayers. However, more evidence has been shown that social media can also be used for taxpayer service delivery. It is important for tax administrations to keep the public informed and to be responsive to their needs. The role and influence of social media have also increased, especially as some of the social media platforms are seeing increases in usage.

What strategies IOTA member tax administrations are employing to create a new dimension on social media that is focused on service delivery? How to use social media platforms as effective tools for providing services to taxpayers nowadays? What are the most suitable social

media platforms for different content? What are new trends, experiences and the best practices and problems experienced by tax administrations in providing taxpayer services through social media?

The webinar will present **real success cases and projects shared by IOTA members concerning the utilisation of social media in the delivery of tax services and in fostering interactions with taxpayers.**

Action Area 2.2: Digitalisation of taxpayer services

The work of IOTA may include, but not be limited to:

- › following-up to the progress towards **digital maturity of tax administration** enabling to offer end-to-end, modern digital services meeting the highest standards of security while being easy to access and use
- › identifying the best practices, effective operation and shortfalls of **online invoicing systems** implemented in IOTA members tax administrations
- › identifying the effective ways of **making information and documents quickly available to taxpayers online**, including the use of early irregularity warning systems in order to foster a dynamic and structured dialogue
- › promoting the **broader adoption of pre-filled tax returns** for individuals and further implementation of digital solutions to be used for populating information in business tax returns (CIT, VAT, etc.)
- › exploring the innovative efforts of **partnership with other government agencies and third parties** as well as successful implementation of **customer engagement strategies** to provide high-quality services through secure digital and self-service channels.

Activity: Digital Workshop “Facilitating taxpayer touchpoints”

Communicating, interacting and facilitating engagements with taxpayers is important for improving customer experiences and facilitating voluntary compliance. This is managed and supported through **a number of touchpoints, varying from face-to-face interactions, phone calls, websites, e-services and other similar services provided by tax administrations.** Friction on these touchpoints may arise, for example, because of a lack of understanding on the taxpayer's side, or because of some other unusual circumstance that requires further discussion with the tax administration. Friction may also arise, when the processes of the tax administration are not working as they should, or when there is a need or lack of services offered to the taxpayer.

The objective of this IOTA digital workshop is to discuss and collect **best practices or experiences of actions, strategies or projects that aim to facilitate and/or reduce taxpayer touchpoints.** These could be examples of effective taxpayer support processes, collection of analytical data (to facilitate the understanding of where friction in taxpayer touchpoints arises), or experiences on using e-services or other systems to facilitate and enhance interaction between taxpayers and tax administrations.

Moreover, a key objective is to **identify practices, which emphasize that whenever the taxpayer needs to interact with the tax administration, it is effortless and effective.**

Activity: Workshop “Contact Center of the Future: Digital Transformation Best Practices”

The Covid-19 pandemic has led to an exponential rise in call volumes at customer service centres across IOTA member tax administrations. Enhanced taxpayer services have been allocated to contact centres with increased use of digital channels, dedicated hotlines and longer opening hours where practicable and appropriate. The fallout from the Covid-19 pandemic continues to have a significant impact on the way contact centres operate and keep up with taxpayer growing expectations.

It's important for tax administrations to re-imagine their contact centre's services and focus on creating efficiency and cost-savings momentum while also improving customer experiences and employee experiences. To achieve this, traditional contact centre business models won't be enough. A key to success is the contact centre's transformation in which digital technologies for customer insights, remote workforces, call deflection, personalisation, cloud infrastructure and intelligent automation are optimized to turn an old fashioned call centre into a contact centre of the future.

The IOTA workshop will explore **the latest digital transformation and contact centre technology approaches, such as using data-driven, predictive analytics** to improve insights across all customer communication channels.

The event will look into **new functionalities and services that are being offered to taxpayers through the contact centres of IOTA member tax administrations**. Furthermore, the workshop will present **examples of the expansion of the current contact centre capacity for delivery of electronic services via multi-media channels** (e-mail, chat, open media, social media) as well as **the use of technological advances** (robotic process automation, Artificial Intelligence, and machine learning) supporting the development of smart IVRs, online FAQs, automated chatbots/virtual assistants and enhanced knowledgebases to build resilient, future-proof contact centre operations.

The event will be a follow up to [the IOTA workshop “Organisation of Call Centre Structure in IOTA Member Administration”](#) held in Katowice, Poland (15-17 May 2019).

Priority 3: Development of information and communication technology (ICT) and implementation of new technological solutions

Action Area 3.1: Use of cutting-edge technology and intelligent solutions

The work of IOTA may include, but not be limited to:

- analysing the existing approaches of **developing a flexible and agile technology environment** that enable tax administrations to use automated, transparent processes and to improve operational efficiency, increase collections and compliance
- supporting further **use of new technology in e-audit and in risk management techniques** to improve tax audit process and increase their quality

Action Area 3.2: Use of big data and the deployment of analytics

The work of IOTA may include, but not be limited to:

- › identifying and promoting **solutions maximising the use of data, intelligence and analytics** to conduct the real-time identification of potential risks and promptly tackle tax non-compliance and evasions
- › helping **to expand and sharpen research and analytics capabilities** that would foster evidence-based and data-driven decision-making culture across IOTA member tax administrations
- › identifying and sharing member experiences on the **practical implementation of methodologies, tools and techniques concerning data quality measurement and data quality improvement** to maximise the effectiveness of data analytics

Activity: Digital Workshop “Using unstructured data to improve compliance risk management in tax administrations”

The amount of data generated by tax administrations daily is just mind-boggling. Today, with the rise of so-called BIG DATA technologies, there is an increasing demand from tax administrations to make use of the growing amount of unstructured data assets, such as free text, images or recorded sound.

Some IOTA member countries are at the forefront in the use of these technologies for risk management (e.g. whistleblowing, X-ray analysis) or even for service purposes (e.g. chatbots), while many member countries are still considering the introduction and widespread use of BIG DATA technologies. Therefore, to fully realise the potential of unstructured data, tax administrations need to knock down data silos in favour of a scalable data hub. By having the systems to store, analyse and report data from a variety of sources and share it with decision-makers, tax administrations can finally uncover the enormous value of unstructured data. Big data analytics can also speed up data collection and processing significantly, which leads to a more efficient compliance risk management process.

The digital workshop will aim to discuss the best practices that mainly focus on:

- Automatic processing, and
- Automatic usage of unstructured data (text, image sound type) for risk analysis, compliance risk management and perhaps taxpayer service delivery.

Participants of the IOTA digital workshop will learn about **different technologies and tools that support retrieving, inspecting, cleansing, transforming, modelling and visualization of unstructured data** by tax administrations to streamline compliance risk management processes.

This event will follow the outcomes from [the IOTA workshop “Use of techniques and modern tools for Big Data processing” organised in Bern, Switzerland on 11-13 December 2018](#).

Priority 4: The administrative capacity of Tax Administrations

Action Area 4.1: Transforming structures and processes

The work of IOTA may include, but not be limited to:

- › analysing and promoting the examples of **Business Transformation strategies** implemented to develop new core and supporting capabilities as well as to build new ways of working as a response to the changes in the operating environment
- › exploring the **key shifts in organisational design, including the changing structures and roles of member tax administrations**, to increase operational productivity and optimise the use of available resources

Action Area 4.2: Measuring tax administration performance

The work of IOTA may include, but not be limited to:

- › analysing the most recent models and methodologies implemented by members for **measuring end-to-end processes in tax administration**
- › facilitating **the review of the performance measures** and supporting **the improvement of performance measurement system** for better identification of emerging systemic risks and weaknesses in operational processes
- › providing an opportunity to learn about **Tax Administration Diagnostic Assessment Tool (TADAT)** and to share the experiences of IOTA members in conducting TADAT assessments (in close collaboration with IMF)
- › offering opportunities to **benchmark and compare core performance** across the IOTA membership using the data available in ISORA

Activity: *Digital Workshop “Tax Gap Estimation and Use – Latest Developments”*

The previous IOTA event dedicated to the subject of tax gap analysis was held in 2015 ([workshop “Tax Gap Estimation – Why? and How?” held on 2-4 December 2015 in Budapest, Hungary](#)).

Since then, a lot of progress has been made in both: 1) how tax gaps can be measured, and 2) how results from tax gap analyses can be used in steering, risk strategies and resource prioritisation within the tax administrations.

Tax gaps are increasingly becoming an important tool for measuring the performance of tax administrations, as well as indicating the path that can be taken to improve the level of compliance.

This digital workshop will be targetted to tax gap experts (practitioners responsible for the tax gap estimations) along with users of tax gap analysis results (e.g. management) creating a space for:

1. **Sharing of experiences and best-practice in measuring the tax gaps through various methods**, such as:

- Random audits
- Risk-based audits
- Top-down estimates
- Surveys etc.

2. Giving the participants an understanding and update on what are the recent methodological developments in the area of tax gap analyses, possibly including advanced analytics and machine learning.
3. Sharing experiences on how the tax gap analyses are used within the tax administrations as a tool for measurement of performance, and to target risk-based activities.
4. Discussing **challenges with estimating and using tax gaps** for different segments and different purposes.
5. Informing and inspiring those IOTA member countries which don't measure the tax gap.

Action Area 4.3: Ethics and fighting tax corruption

The work of IOTA may include, but not be limited to:

- › inventorying the best practices within IOTA membership concerning the **development and adoption of internal policies that deal with specific ethical issues** such as discipline, harassment, misconduct, etc.
- › identifying and promoting approaches of the **effective management of tax corruption risks**, including governance, internal mechanisms and processes implemented to detect and prevent risks pertaining to corruption of tax officials
- › sharing the knowledge and experience on the use of **systematic and independent reviews of tax administration performance by third parties** (e.g. State Control Department, General Audit Department)

Activity: Webinar “Identifying and addressing corruption risks in tax administration”

COVID-19 pandemic has resulted in large scale emergency spending by governments, sometimes without adhering to the regular checks and balances. The speed and scale of governments’ responses to the crisis have placed enormous strains on tax administrations and presented new and deepened opportunities for corruption to flourish.

While speed is understandable, without proper controls it exposes tax authorities to a variety of corruption risks that may undermine the effectiveness of their responses. The strains placed on the tax administrations in responding to the current pandemic situation present enormous opportunities for corruption to flourish. Corruption can lead to theft, wastage, and misuse of scarce resources. It can also entrench elite privilege and inequality, undermining institutions of accountability with lasting consequences.

The IOTA webinar will offer **opportunities for IOTA members to share good practices and efforts to prevent corruption and identify measures and methods to address wrongdoing** when it occurs as well as work towards improving behaviours, norms, and standards in tax administration needed to sustain anti-corruption efforts.

When approaching anticorruption at the country level, it is important to put in place institutional systems and incentives to prevent corruption from occurring in the first place.

Participants of this webinar will learn from **country examples about effective approaches to the efficient management of corruption risks, including internal mechanisms and processes implemented to detect and prevent corruption-related risks in tax administration.**



Action Area 4.4: Human Resource development and smart management of staff

The work of IOTA may include, but not be limited to:

- › Rethinking the **working environment**
- › **Transforming Learning and Development** to the needs of the workforce in the new normal
- › Effective **use of HR data and analysis** in management and leadership
- › **An employee of the future 2.0**

Activity: *Forum on Human Resource Management*

Tax authorities are undergoing a large scale transformation of their operating models to deliver their services to taxpayers in the most efficient way. However, this level of transformation is not always reflected in the operating models for HR. As all of the revenue administrations are embracing digitalisation, this creates serious challenges for HR professionals, as well as a series of opportunities to enhance productivity.

The IOTA Forum on Human Resource Management will provide an opportunity to address the main topics related to **new strategies and innovative approaches to managing human resources in tax administrations.**

The Forum will meet once per year based on agenda items focused on examining practical operational issues as defined by **a Steering Group** made up of HR experts representing IOTA members (Belgium, Estonia, Finland and Italy).

In 2022, the Forum plans to carry out the **IOTA project “Practical guide on HR tools and analytics”** which will develop a guide capturing best practices on using tools and analytics technics within IOTA tax administrations.