



IOTA

Intra-European Organisation
of Tax Administrations

WORK PROGRAMME **2023**

Contents:

Executive Summary3

Priority 1: Tax Compliance4

Priority 2: Progress in e-services and quality of taxpayer services12

Priority 3: Development of information and communication technology (ICT) and implementation of new technological solutions14

Priority 4: The administrative capacity of Tax Administrations15

Executive Summary

IOTA is expected to deliver a viable annual Work Programme that is sufficiently strategic, flexible and capable of meeting the needs of the membership.

These priorities set out **clear directions** of where the work of IOTA will focus in 2023 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 2023 amounted to **€ 351,814**.

Within the available budgetary allocations, the IOTA Secretariat plans to organise **21 technical activities: 10 digital events (workshops/webinars), 3 workshops, 6 forums, 1 international conference, 1 regional event; and carry out 5 projects under the Work Programme 2023** 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 2023 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, that focus on key areas of IOTA's work, including, but not limited to, the use of data from information exchange under the BEPS 12 Action Plan and the EU DAC6, tackling VAT fraud and non-compliance in the digital economy, risk analysis of transactions involving virtual currency, virtual assets: crypto assets, use of big data and the deployment of analytics, mitigating the disinformation threats in tax administration, the developments of international cooperation in tax matters, promoting employee well-being.**

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 € 13,531**. 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.**

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 the Automatic Exchange of Information

According to the existing mandate, 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:

- › **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 noncompliance 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, and 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 noncompliance 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 AEOL experts from Austria, Belgium, Norway, 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 **subgroup will continue their work 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 for 2022-2023, 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:

The Forum will provide a platform for member countries to **share their experiences and the impact of the exchanges of information on tax rulings** in order to assess the effectiveness of the standard under Action 5 of the BEPS Action Plan and EU DAC in relation to risk assessment.

Supporting member countries in implementing risk assessment processes and sharing best practices for **the effective use of 'Country-by-Country Reporting' data** under Action 13 of the BEPS Action Plan. In this respect, the Forum will publish 2023 a second IOTA Report on CbC Reporting.

Facilitating the development of **common practices towards the application of provisions (which are part of the four minimum standards) under the Multilateral Instrument (Action 15)**, with a specific focus on the Principal Purpose Test (PPT) and the Limitation of Benefits (LOB) Rules.

Facilitating the sharing of experiences of IOTA member countries with a view to **optimising the process of handling MAP requests** under Action 14 'Dispute Resolution' and to prevent tax disputes.

Providing a platform for IOTA member countries to **identify and tackle those challenges anticipated and/or encountered when implementing the OECD's two-pillar solution** to the tax challenges arising from the digitalisation of the economy.

Exploring the opportunities that **mandatory disclosure obligations under Action 12** can offer IOTA member countries to improve tax compliance, taking into account the experiences of IOTA member countries.

Sharing the experiences of IOTA member countries in relation to issues of relevance in Transfer Pricing.

The agenda for Forum's meeting is developed by a **Steering Group**, comprising of BEPS experts from Georgia, Italy, Sweden and from the 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 2023 the dedicated Subgroup will **continue implementing a project 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 international tax matters for Eurasia

These meetings are a key element of the ongoing work of the OECD in providing information, supporting active engagement and gathering feedback from participating countries on a regional basis on matters of critical importance to the international tax agenda. 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 the most up to date information on international tax issues and facilitate comprehensive discussions between tax administrators and policymakers in the Eurasian region on **the developments on the Two-Pillar Solution to address the tax challenges of digitalisation**.

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 raise awareness, explore opportunities to pursue common goals and overcome possible challenges, and gather feedback from jurisdictions on the topics under discussion.

Activity: DIGITAL WORKSHOP "Use of data from information exchange under the BEPS 12 Action Plan and the EU DAC6"

The exchange of information under the BEPS 12 Action Plan (and its EU-wide version, the DAC6) obliges taxpayers and advisers to disclose aggressive tax planning schemes to the tax authorities. The workshop will allow participants to **share experiences on the technical implementation of information exchange, as well as methods, results and difficulties in using the data obtained in risk management and control**.

Through sharing of experiences, the IOTA event will support the wider application of the BEPS 12 recommendations among non-EU countries and identify good practices and difficulties in using data from the BEPS 12 Action Plan and the EU DAC6 information exchange.

Activity: *SPECIAL INTEREST-CASE STUDY WORKSHOP “Transfer Pricing Special Issues: Intangible Asset Value Creation/Determination”*

Tax authorities must advise taxpayers on participation in the creation of the value of an intangible asset, determining the use of income from an intangible asset and its distribution among a group of companies when implementing tax incentive measures and concluding prior agreements with taxpayers on determining the market value of transactions.

Therefore, the main objective of this IOTA workshop will be to **improve participating tax administration officials’ knowledge and understanding of the provisions of Chapter VI of the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations developed by OECD on the distribution of profits generated by a group’s intangible assets among DEMPEs (Development, Enhancement, Maintenance, Protection, Exploitation) while respecting market principles.**

It is important that officials bring practical case studies and discuss challenges in the formation of the value of an intangible asset DEMPE (Development, Enhancement, Maintenance, Protection, Exploitation) functions and their impact on the value of an intangible asset as well as to consider key factors in transfer pricing risk analysis and inspection of intangible assets.

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 to the compliance risk management,** helping to work smarter in conducting the real-time identification of potential risks 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.

Activity: DIGITAL WORKSHOP “Tackling VAT Fraud and Non-Compliance in the Digital Economy”

In this age of digitalisation and globalisation, VAT fraud and non-compliance in digital trade is the most common and difficult to detect. For this reason, it is necessary to share good practice in finding ways to tackle these issues.

The IOTA workshop will bring the latest member country experience on VAT fraud and non-compliance in goods and services provided by digital platforms. The event will seek to find out new trends in this area, providing some guidelines on how to combat VAT fraud and non-compliance in e-commerce.

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: WEBINAR “Understanding Practices to Facilitate Risk Analysis of Transactions Involving Crypto Assets”

The IOTA webinar focuses on the ongoing amendment of Directive 2011/16/EU on administrative cooperation in the field of taxation and repealing Directive 77/799/EC (DAC8), which regulates the automatic exchange of information on crypto assets and digital currencies. The DAC8 takes into account and builds on the OECD CARF (Crypto Asset Reporting Framework) recommendations and is therefore relevant for non-EU Member States. The new data exchange will pose new challenges for tax authorities, both in terms of data management and data use. The event will provide an opportunity for participants to learn about the data management and data use practices of the member countries. Participants will **understand the tax practices of crypto assets transactions to date along with the future directions for utilisation and risk analysis experiences.**

Activity: WORKSHOP “Virtual Assets: Risks and Opportunities for Tax Administration”

A subject that keeps cropping up is Virtual Assets, but in most activities, this is dealt with rather patchily, e.g. from the point of view of fraud investigation, or their recoverability, or

the obligation to declare them, etc. The workshop will look at **the impact of the increase in the use of Virtual Assets in cross-border transactions throughout** the entire tax chain: how to declare them (and how/with whom to share the data on this), how to trace them if they are not declared, how to prevent their misuse, can they serve as means of payment, how to seize and realise them to settle debts, etc. The workshop will assist in the creation of a whole-of-administration approach to virtual assets, leaving a silo-based approach. The IOTA event will -of-administration approach to virtual assets, leaving a silo-based approach

Activity: WEBINAR “International Approaches to Virtual Currency”

Within the digitalization of money, the concept of virtual currency is constantly changing and now it quite differs from the initial purpose of virtual currency. Various operations with virtual currency as new payment measures emerging in practice, new business development models and new methods to attract funds, become a financial instrument for speculation and gaining income. Approaches to virtual currency differ according to each country's national legislation and other particular circumstances. Operations on virtual currency also create gaps in regulation/taxation of income gained from this sector, consequently, illegal activities are constantly initiated.

The webinar will introduce an international approach to virtual currency and increase knowledge of the latest trends with innovative technologies and various data analytics related to blockchain and cryptocurrency management.

Participation in the IOTA webinar will provide an increased tax administrator's knowledge of the virtual currency sector. It will also contribute to more efficient management of risks of virtual currency and internationally equal treatment of taxation of income gained from virtual currency. The knowledge received on webinar may be used while directly working with relevant cases.

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 co-ordination 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: FORUM on Tax Debt Management

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 2022-2024. In 2023, 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 IOTA knowledge database.

The personal data protection regulations as a challenge for tax debt recovery - overview of the similarities and differences in the legislative solutions adopted by IOTA member countries

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 the automation and digital 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 assists IOTA Secretariat in preparation for the Forum meetings.

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

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 practice among member tax administrations. This network of IOTA communication experts also contributes to increase 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;

An 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 through 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 the tax administrations of Belgium, Finland and Romania. **The IOTA Project "Taxpayers attitude/behaviour and nudging technics" to be continued in 2023 by the Subgroup** defining and identifying nudging techniques in the field of communication and providing guidelines for the implementation and practical application of nudging techniques.

Activity: DIGITAL WORKSHOP "Understanding and Mitigating the Disinformation Threats in Tax Administration"

Disinformation or "fake news" has continuously proven to be a pervasive threat in the digital space. The spread and persistence of disinformation especially in social networking media sites currently factors as one of the most challenging threats for users and content administrators alike. Its ecosystem encompasses several attributing factors including but not limited to humans as information users and source, social communication model as its channel, current trust models in place as defence and guards against it, and finally the archival correction that may halt its persistence in the social space.

The difference between a disinformation attack and a cyberattack is the target. Cyberattacks are aimed at computer infrastructure, while disinformation exploits our inherent cognitive biases and logical fallacies. In traditional cybersecurity attacks, the tools are malware, viruses, trojans, botnets, and social engineering. Disinformation attacks use manipulated, mis-contextualized, misappropriated information, deepfakes, cheapfakes, and so on.

The main objective of the IOTA workshop is to **clarify the threat level of disinformation in the environment of tax administration and basic proposals for lowering the severity of the threat and handling the impacts.**

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 support for new taxpayers**

exploring the recent practices of **conducting surveys and analytics to better identify taxpayer needs**

identifying examples of best practices 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 "Optimisation of Tax Declaration Processes for Individuals"*

The IOTA webinar will be **exploring the process of declaration of income and compulsory social contributions of individuals and optimising the processing of collected data**. Participation in this webinar will deepen the knowledge of the following topics:

- digital solutions for the pre-filling of income tax and social contributions declaration forms (communication channel, types of pre-filled information) and the streamlining of the taxpayer-administration communication process using digital remote communication solutions
- measures recently adopted by other tax administrations regarding the procedures for declaring and collecting income tax declared by individuals and compulsory social contributions which have proved useful in the context of the COVID crisis
- tax situation of individual taxpayers
- electronic viewing channel, how to detail existing data (including payments made by taxpayers and existing debts)

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: 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 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 enables 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: WEBINAR “Use of Big data and the Deployment of Analytics”

Data science offers new opportunities to improve tax compliance. Predictive modelling is a tool to increase revenue, detect fraud and better manage detected tax risks. There are new synergies to be gained from combining Big data with advanced analytics technologies. Participating tax administrations, which have begun to use predictive analytics, will further explore **new possibilities and best practices of other tax administrations to gain a better insight how tax administrations are using Big data and predictive 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: *WEBINAR “Addressing the Future Developments of International Cooperation in Tax Matters”*

It would be useful to be able to find out **the effects of international cooperation between tax administrations**. Such data would be useful not only for national tax administration purposes but also for other purposes, like promoting international cooperation. It is quite possible that there is a number of tax administrations struggling to convey the message that international cooperation contributes to significant results and is a means to achieve important goals and objectives.

The webinar will present the experiences of other administrations that are measuring the effects of international cooperation in tax matters.

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)

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

Employee of the future 2.0

Activity: *FORUM on Human Resource Management*

Tax authorities are undergoing 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 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 of 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).

Activity: WEBINAR-VIDEO EVENT “Promoting Employee Well-Being”

As tax administrations are promoting the maintenance of the well-being of employees, some of them have taken steps to promote unity and satisfaction, but more could be done.

The event would be valuable to explore how the principles of welfare are implemented in IOTA countries: learn what measures and activities to promote the welfare of employees are implemented in other countries, organisations and institutions and evaluate the use of best practices taking place.