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Edited by:
Godwin E. Oyedokun
Olubukunola R. Uwuigbe
Chukwuemeka Eze

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Plot 16, Otunba Jobi Fele way, Central Business District, Alausa Ikeja
P.O. Box 1087, Ebute-Me□a, Lagos State, Nigeria.
Tel: 09080888815
E-mail: *info@citn.org*
Website: www.citn.org

ABUJA LIASON OFFICE
David Ajibola Olorunleke's House
Block 26 (27), Abidjan Street, Wuse Zone 3,
Abuja, FCT, Nigeria
Tel: (234) 09-2918349

CHAPTER 16
TAXATION AND THE FOURTH INDUSTRIAL REVOLUTION

Michael Rotimi SANNI (PhD)
Senior Lecturer
Department of Accounting,
Redeemer's University, Ede, Osun State.
Sannir@run.edu.ng, **08035629290**

ABSTRACT
The Fourth Industrial Revolution is different from the previous ones in that it is driven by advances in digital technology rather than advances in physical technology. This wave of digital transformation is having a profound impact on how companies operate, how they interact with customers, and how they create value. The advent of large-scale industry and a more intricate global economy brought by the fourth industrial revolution called for the development of more complex tax systems to address the ever-changing business environment. It is against this background that this study investigates the position of taxation in the fourth industrial revolution. Findings from exploratory research method used by the study show that the use of digital technologies like Artificial Intelligence, the Internet of Things, blockchain, smart taxation and others brought many benefits to taxation. These high technological devices also brought some challenges. The study concludes that though the challenges of the fourth industrial revolution are enormous, they cannot overwhelm taxation. The study therefore recommends tax policies that can assist both the tax authorities and tax payers to fully maximise all the benefits of the fourth industrial revolution while mitigating against the short-comings.

Keywords: Fourth Industrial Revolution; Taxation; Artificial Intelligence; The internet of Things; Blockchain

INTRODUCTION
Worldwide economic, social, and political systems are changing as a result of the Fourth Industrial Revolution (4IR), a time of fast technological growth. It is defined by the convergence of cutting-edge technology like blockchain, big data analytics, robotics, and the internet of things (World Economic Forum, 2020).

Previous industrial revolutions had a significant impact on tax systems as mass production was introduced during the first industrial revolution. This led to an increase in the number of employees and firms liable to taxation. The advent of large-scale industry and a more intricate global economy as a result of the second industrial revolution called for the development of more complex tax systems (OECD, 2020). With the development of digital technology during the third industrial revolution, many tax-related activities, including the filing and payment procedures, could be automated.

The Fourth Industrial Revolution has a major and widespread impact on tax systems. This is due to the fact that taxes are essential to any contemporary economy's operation and are a crucial instrument used by governments to raise money, encourage economic growth, and redistribute wealth (International Monetary Fund, 2020a). 4IR technologies are fostering new kinds of value

creation, such as the sharing economy and data-driven services, as well as new ways for individuals and organizations to engage, innovate, and collaborate (OECD, 2020). The emergence of 4IR technologies thus presented new issues for taxation systems, including the necessity for more complex methods of tax identification and collection, the capacity to efficiently manage tax data, and the possibility of greater tax evasion (OECD, 2019).

The Fourth Industrial Revolution (4IR) is thus quickly altering how business is done around the globe and taxation regulations must be able to keep up with the rapidly changing digital economy in this new era of business.

The general aim of this chapter is therefore to critically evaluate taxation in the fourth industrial revolution against this backdrop. The specific aims are to ascertain how the fourth industrial revolution benefits taxation, what challenges it poses, how governments may maximize the benefits, and how to develop taxation policies that can counteract the risks provided by the digital economy.

For this chapter, exploratory research method is used. By examining the essential components of an understudied topic, explanatory research aims to explain the causes and effects of a precisely specified problem (Sanni, 2022). For researchers, it offers much of privacy and cost savings (Sanni et al, 2012). Exploratory research gives the researcher the opportunity to spot issues, uncover new data, and discover more about a topic that has not been extensively investigated. The fundamental benefit of this method is that, when applied correctly, it can establish a strong foundation for further study on the same subject (Sanni, 2022; Voxco, 2021). In actuality, that is one of the goals of this study.

Therefore, the fundamental foundation of this chapter is a survey of pertinent literature on the concepts of the fourth industrial revolution, taxation, and tax strategies. It covers pertinent theories that serve as the study's foundation. An overview of taxation in the fourth industrial revolution is provided in this chapter. It examines both the benefits and challenges of the fourth industrial revolution for taxation. Those factors that can maximise the benefits of the revolution and those that can possibly neutralize or minimise the drawback are taken into account. Recommendations for policy consideration are made.

2.0. LITERATURE REVIEW

2.1. Conceptual Review

2.1.1. The Fourth Industrial Revolution ((4IR) (4.0)

The Fourth Industrial Revolution (also known as Industry 4IR or 4.0) is a term used to describe the current wave of digital transformation that is occurring in industry. It is characterized by the integration of advanced digital technologies such as Artificial Intelligence (AI), the Internet of Things (IoT), blockchain, augmented reality, and robotics into production and manufacturing processes (World Economic Forum, 2020). This wave of digital transformation is having a profound impact on how companies operate, how they interact with customers, and how they create value.

The Fourth Industrial Revolution is different from previous industrial revolutions in that it is driven by advances in digital technology rather than advances in physical technology. It is also

different in that it is not limited to a single industry, but is instead impacting all industries across the globe (OECD, 2018). This wave of digital transformation is creating new opportunities for businesses to create value and to better meet customer needs.

The Fourth Industrial Revolution is having a profound impact on the way businesses operate. Companies are leveraging advanced digital technologies to create more efficient and effective processes, to increase their agility and responsiveness to customer needs, and to create new business models that better match customer needs and preferences (McKinsey & Company, 2020). As a result, businesses are becoming increasingly digital and data-driven, which is leading to the creation of new digital products and services (PwC, 2020).

2.1.2. Taxation

Taxation is the process of collecting money from individuals and businesses to pay for public services and infrastructure. It is an integral part of any government's fiscal policy and plays an important role in providing the resources necessary for the functioning of a modern society (Tax Policy Center, 2020).

Taxation is based on the principle of fairness, whereby those who benefit most from public goods should pay their fair share of the cost. This helps to ensure that everyone contributes their share to the overall cost of public services, while also creating incentives to be productive and successful (Blyth, 2011).

In addition to its role in providing resources, taxation also serves to redistribute wealth and reduce income inequality. By assessing higher taxes on those with higher incomes and lower taxes on those with lower incomes, the government can help to reduce the gap between the rich and the poor. This in turn can help to create a more equitable and just society, as well as providing economic stability and growth (Internal Revenue Service, 2020).

Overall, taxation is a fundamental part of any government's fiscal policy, and is necessary to ensure the provision of public goods and services. By assessing different levels of taxation based on income and ability to pay, government can ensure fairness and equity in the system, while also providing the resources necessary for economic growth (U.S. Department of the Treasury, 2020).

2.1.3. Tax strategies/Policies

Tax strategies are important components of financial planning for businesses, individuals and governments. They are a set of techniques used by individuals and businesses to reduce their overall tax liability. Some common tax strategies used by individuals and businesses include: claiming the standard deduction on taxes to reduce the amount of taxable income. This is an especially helpful strategy for those who are not itemizing deductions (IRS. 2020a). Tax credits can be taken advantage of to reduce the amount of taxes owed. Examples of credits include the Earned Income Tax Credit, Child Tax Credit, and the American Opportunity Tax Credit (IRS 2020b). Investing in tax-advantaged accounts such as IRAs (Individual Retirement Accounts) can reduce the amount of taxes that one owes (IRS 2020c). Other individual/ business tax strategies include: tax loss harvesting which can be used to offset capital gains by selling investments that have lost money and then buying a similar investment in its place (IRS 2020d)

and setting up a home office deduction that allows individuals and businesses to deduct a portion of their home's expenses from their taxable incomes (Investopedia. 2020).

Governments have several tax strategies they use to generate revenue and to encourage certain types of behavior. Some of these strategies include: tax credits which are designed to encourage certain activities. For example, the Earned Income Tax Credit allows low-income taxpayers to receive a refundable tax credit when they file their taxes (Internal Revenue Service, 2020a). Tax deductions are used by governments to reduce the amount of income that is subject to taxation. For example, the mortgage interest deduction allows homeowners to deduct interest payments on their mortgage from their taxable income (Internal Revenue Service, 2020b). Tax exemptions are used to exempt certain types of incomes or activities from taxation. For example, contributions to certain charity or religious organizations (Internal Revenue Service, 2020c). Other tax strategies used by government are: tax shelters used to defer or avoid taxes on certain types of incomes. For example, retirement accounts like 401(k)s and IRAs used to shelter income from taxation until it is withdrawn (Internal Revenue Service, 2020d) and tax rates used to set the amount of tax that must be paid on certain types of incomes. For example, capital gains tax rates are lower than ordinary income tax rates (Internal Revenue Service, 2020).

2.2.0. Theoretical Review

The study's theoretical foundations are the Technology Acceptance Model (TAM) by Davis (1986) and the Diffusion of Innovations (DOI) by Rogers (1995; 2003).

2.2.1. Diffusion of Innovations (DOI)

Rogers (2003) asserted that for dispersion to occur there must be fresh thinking, a new notion, or an invention. Rogers (2003) emphasized the importance of understanding a society's adoption, rejection, or acceptance of an innovation. A fresh idea or invention spreads throughout the entire organization when it is approved. Several environmental factors have an impact on how quickly technologies spread. For instance, the level of benefits that 4IR taxation technology will offer the organization will depend on its compatibility with the adopters' current traits and culture, its unpredictability or complexity (ease of use), its capacity to be tested on an initial premise, and how simple it is to see the benefits that follow observability (Rogers, 1995). The aforementioned factors influence technology diffusion by encouraging individuals within an organization to actively participate in their internal and external networks, where these potential adopters learn about new developments that are pertinent to their organization's needs (Rangarirai, 2022; Nguyen, 2019).

2.2.2. Technology Acceptance Model (TAM)

TAM claims that interface characteristics are connected to a system's operation and affect adoption choices (Davis, 1986). TAM has the following belief constructions: a: perceived utility: utilizing technology should increase output and job performance; b: perceived usability: utilizing technology should involve the least amount of work possible (free of effort). The attitude or disposition toward utilizing the system has a significant impact on the behavioral intention to use it, which in turn dictates how the system is actually utilized. Despite coming from different disciplines and levels of authority, TAM and DOI complement one another (Rangarirai, 2022). The relative advantage of Rodgers' DOI is matched by Perceived Usefulness (PU) in Davis' TAM, and the DOI's complexity characteristic is matched by perceived usability.

2.3.0. Overview of Taxation in the Fourth Industrial Revolution

The Fourth Industrial Revolution (also known as Industry 4.0) is ushering in a new era of digital transformation, marked by the integration of advanced digital technologies into production and manufacturing processes (Tax Policy Center, 2020). This wave of digital transformation is having a profound impact on how companies operate, how they interact with customers, and how they create value. As such, taxation is an important consideration for companies operating in this new digital environment.

Taxation in the Fourth Industrial Revolution is complex due to the prevalence of digital technologies and the emergence of new business models. Companies must be aware of the different types of taxes, such as income tax, Value-Added Tax (VAT), and payroll taxes, and the different rules and regulations that apply to them. Companies also need to consider how their digital business models may be subject to different tax laws and regulations in different countries (OECD, 2020). In addition, companies will need to consider how taxation affects their technology investments. For example, some countries offer incentives for companies to invest in digital technologies, such as software and hardware, by offering tax breaks (Blyth, 2011). Companies must be aware of these incentives and how they can be used to reduce their tax burden.

Overall, taxation is a complex issue for companies operating in the Fourth Industrial Revolution. Companies must be aware of the different types of taxes, the different rules and regulations that apply, and the incentives available for technology investments (International Monetary Fund, 2020). By taking these factors into consideration, companies can ensure that their tax strategies are compliant and that they are able to maximize the value of their investments.

2.4.0. Benefits the Fourth Industrial Revolution to Taxation

The Fourth Industrial Revolution is centered on the usage of digital currency to pay taxes to the government (Omodero & Okafor, 2021). This aligns with Goal 9 of the Sustainable Development Goals (SDGs), which is concerned with infrastructure, innovation, and the industrial revolution. One of the objectives of Industry 4.0 is to increase revenue for the private and public sectors. During the COVID-19 pandemic, the Nigerian government adopted digitization of tax and VAT e-filing, and it has done so ever since. Additionally, the Federal Government of Nigeria started implementing the Treasury Single Account (TSA) with an electronic payment component in April 2012. It is a payment made electronically through the use of online financial networks and made directly to an individual or business. In January 2015, the TSA's E-Collection component went active. The TSA and Sub-Accounts are managed and governed by the Central Bank of Nigeria. It is a fully automated system for transferring, monitoring, and reporting all Federal Government proceeds (revenues, contributions, transfers, refunds, grants, fees, taxes, levies, tariffs, and so forth) into the TSA and Sub-Accounts.

Financial service users, digital finance providers, governments, and the economy all benefit from digital finance and financial inclusion, according to Ozili (2017). By making it easier for the government to collect taxes, the use of digital financial instruments has improved the Nigerian economy. Many digital platforms are now available to taxpayers, enabling them to submit their taxes without physically going to the required tax offices. A tax payer in Nigeria may now online

file their tax returns and obtain a tax clearance certificate. The Federal Inland Revenue Service sends withholding tax certificates to a tax payer's email address using modern digital technology. These are just a few of the various inventions that have been made to boost tax revenue for the government and boost the economy.

Smuggling and other forms of external tax evasion are targeted for detection and prevention in order to minimize revenue losses and increase tax compliance
(Twesige et al, 2020). Hannah (2013) emphasized that technological advancements in the tax system will inevitably result in greater tax compliance, which will enhance tax collections. The study also made the case that technological advancements assist in reducing tax obligations by preventing fraud, underreporting sales, omitting some transactions from accounting records, and other causes of revenue losses. Governments are under more and more pressure nowadays to enhance the efficient delivery of public services. For instance, tax authorities are utilizing smart taxation to address this difficulty (Manyika et al., 2016). ICT use in business and tax contexts is widespread as of now. Notably, tax authorities continue to employ Smart in the administration of taxes around the world (Mandola 2013; Gasoyi, 2018; Manyika et al., 2016; Alm et al., 2020).

Numerous changes to the taxes industry could result from the Fourth Industrial Revolution (4IR). The industrial revolution can contribute to improving the quality and effectiveness of taxpayer services, such as offering more accurate and timely advice and making tax forms and filing procedures easier to access, in addition to automating tax collection, improving tax compliance, increasing transparency, and reducing tax avoidance (Gao & Kuang, 2020). As a result of new technology developed throughout the industrial revolution, taxpayers may find it simpler to comprehend and follow tax regulations. This might result in more compliance and greater satisfaction with the tax system (Khalilov, 2020). The "tax gap," or the difference between what is owing in taxes and what is actually collected, can be narrowed with the aid of the fourth industrial revolution. This might result in more reasonable and effective taxation (Kiyani, 2020). The fourth industrial revolution's introduction of new technology can improve the accuracy of tax assessments and collections, which could result in higher tax revenue for governments (McKinsey & Company, 2020; OECD, 2019).

A greater degree of automation in the tax collection process could result from the introduction of new technologies like artificial intelligence (AI), blockchain, and machine learning, which would boost efficiency and accuracy (Gao & Kuang, 2020). By giving tax authorities more precise and timely data, technologies like AI and blockchain can assist to enhance tax compliance. This might result in greater adherence to current laws (Khalilov, 2020). The complexity and obscurity of tax systems may be lessened by new technology, increasing their transparency and understanding. This might result in a rise in public confidence in the tax system (Kiyani, 2020). The opportunity for tax planning and evasion can be lessened with the aid of new technologies. This might contribute to more equitable and effective tax collection (McKinsey & Company, 2020).

The management of taxes is changing as a result of automation and artificial intelligence (AI), from tax compliance to real tax filing. Automation can assist decrease the amount of labor and materials required for human data entry, improving accuracy and lowering costs. Additionally, AI may be used to spot fraud and potential tax evasion strategies (Lee, 2019). Massive amounts

of data can be analyzed and interpreted by tax authorities using big data and analytics to spot potential tax concerns and opportunities. Tax authorities can learn how taxpayers are handling their taxes by utilizing data and analytics, and they can also take proactive measures to assure compliance (Kearney, 2018). A distributed, immutable ledger of transactions can be created using blockchain technology, which can be utilized to streamline and simplify the tax administration process. The technology can increase accuracy and transparency while cutting down onthe time and expenses involved with human operations (Guella, 2019).

2.5.0. Challenges of the Fourth Industrial Revolution to Taxation

The influence of the Fourth Industrial Revolution on taxation and government revenue, as well as an increase in economic inequality, are potential issues. With the richest 8% of the population receiving 50% of the global income and the rest 92% receiving the remaining 50%, the income gap around the world is currently at exceptionally high levels (Zervoudi, 2020). The world's economic gap has been rapidly expanding since the fourth industrial revolution began. Between 1990 and 2010, income disparities in developing countries grew to 11%. (Zervoudi, 2020). The rapid advancement of technology, the introduction of new technologies across all industries, the insufficient regulation of financial integration, and the intensifying competition in the markets for goods and services all have the potential to widen the gap in income inequality. Employees with the highest levels of education and competence will benefit the most from technological developments since they can more easily adjust to automation. Technological innovation will also significantly increase the worth of people's assets who have high incomes, skill levels, and wealth. However, low-skilled individuals will continue to confront pressure on their wages and income as well as unemployment. The Fourth Industrial Revolution will have the most effects on the workers who now think they are immune to competition from robots—those whose professions require only a minimal degree of skills, like customer service, which might be easily replaced by artificial intelligence. Without the right policies, the Fourth Industrial Revolution may contribute to the widening of the income inequality gap, which would have detrimental repercussions on taxation and society, according to numerous research and analysis (Zervoudi, 2020).

The Fourth Industrial Revolution also poses further challenges for the taxes industry (4IR). The use of new technology could lead to new privacy and security concerns, including the potential for data breaches or misuse. This might make things more dangerous for taxpayers and tax officials alike (Gao & Kuang, 2020). New technologies could increase the complexity of tax systems, making them harder to understand and follow. As a result, tax payer compliance and faith in the tax system may diminish (Khalilov, 2020). It might be more challenging for governments to adopt new technologies if new technology increases the cost of administration and tax collection (Kiyani, 2020). Technology advancements could lead to more regulatory challenges as well as an increase in tax fraud and avoidance. As a result, the government may receive less revenue and there may be more tax disparities (McKinsey & Company, 2020).

In addition to these problems, there are a number of others that could emerge, like a lack of skilled specialists. Because of the advent of new technologies, there can be a scarcity of workers with the required qualifications and knowledge for tax experts (Gao & Kuang, 2020). As a result of new technologies, taxpayers can be less aware of their rights and obligations under the tax system, which could lead to lower compliance (Khalilov, 2020). The use of modern technologies could increase opportunities for tax fraud and evasion, which could lead to a decrease in

government revenue (Kiyani, 2020). The advent of new technologies may lead to more tax disparities because it is possible that certain taxpayers may benefit from them while others will not (McKinsey & Company, 2020).

2.5.0. Maximizing Benefits, Minimising Challenges

The fourth industrial revolution has the potential to both add burdens and provide benefits to taxation. On the one hand, increased automation, digitalisation and globalisation can create new sources of taxation and may provide more efficient mechanisms to collect taxes (Deloi□e, 2020). On the other hand, the effects of this revolution may be difficult to track and assess, making it harder to accurately tax businesses that operate in a digital environment (International Monetary Fund, 2020; OECD, 2020). For example, the growth of digital services and the globalised nature of technology can make it challenging to determine the correct jurisdiction for taxation purposes.

For taxation not to be overwhelmed by the challenges and be able to maximise the benefits of the fourth industrial revolution, there must be tax incentives that can be used to encourage businesses to participate in sharing economy, which can help to ensure that economic benefits are shared more widely (OECD (2017). Tax incentives can be used to encourage businesses to develop digital platforms, which can help to ensure that businesses are able to take full advantage of the opportunities created by the fourth industrial revolution (European Commission, 2017). Tax incentives can be used to encourage businesses to invest in renewable energy sources, which can help to reduce emissions and create a more sustainable economy (Deloi□e (2017). Tax incentives can be used to encourage businesses to invest in the development of smart cities, which can help to ensure that cities are able to take full advantage of the opportunities created by the fourth industrial revolution (KPMG (2017). Tax incentives can also be used to encourage businesses to invest in new business models, which can help to ensure that businesses remain competitive in the fourth industrial revolution (KPMG, 2017).

Harmonising tax policies across different countries and jurisdictions can help to drastically minimise the impact of the Fourth Industrial Revolution on taxation. This could be done by developing a global consensus on tax rates, base definitions, and rules for digital transactions (OECD, 2019). A global tax system could be introduced to reduce the complexity of tax compliance in the Fourth Industrial Revolution. This could involve introducing a global tax on digital services and levying a standard rate of taxation on multinational companies (OECD, 2016a). Introducing a system of tax data exchange between countries could help identify and close loopholes in the taxation of digital services and transactions. This could involve sharing information on the value of digital services, profits generated, and the tax liabilities of companies (OECD, 2016b). Automating tax compliance can reduce the burden of filing taxes in the Fourth Industrial Revolution. This could involve using automated systems to track transactions and calculate tax liabilities, reducing the need for manual data entry and paperwork (KPMG, 2020).

The fourth industrial revolution cannot make taxation ineffective. Taxation has been a part of the global economy since ancient times, and it is a crucial part of the global economic system. The fourth industrial revolution has brought about revolutionary changes, such as automation and artificial intelligence, but these changes cannot make taxation ineffective. Taxation is still necessary to finance public goods and services, to redistribute income, and to foster economic growth. Here are some reasons why the fourth industrial revolution cannot make taxation ineffective.

Taxation is necessary to finance public goods and services. Governments rely on taxation to fund public services such as education, healthcare, infrastructure, and public safety (Aranha & Köhler, 2019). Governments use taxation to create a more equitable distribution of income and to reduce poverty (Boadway, 1998). Governments use taxation to encourage investment, support businesses, and promote economic growth. (Galasso & Shaviro, 2010). Governments use taxation to address the negative externalities of economic activity, such as pollution and climate change (Grief & Slemrod, 2018).

2.6.0. Conclusion

The Fourth Industrial Revolution is different from previous ones in that it is driven by advances in digital technology rather than advances in physical technology. It is also different in that it is not limited to a single industry, but is instead impacting all industries across the globe. The Fourth Industrial Revolution (also known as Industry 4.0) is ushering in a new era of digital transformation, marked by the integration of advanced digital technologies into production and manufacturing processes. This wave of digital transformation is having a profound impact on how companies operate, how they interact with customers, and how they create value. As such, taxation is an important consideration for companies operating in this new digital environment.

The Fourth Industrial Revolution (4IR) has the potential to transform the field of taxation in a number of ways. In addition to automated tax collection, improved tax compliance, increased transparency, and reduced tax avoidance, the industrial revolution can help to improve the quality and efficiency of taxpayer services, such as providing more accurate and timely advice, as well as easier access to tax forms and filing procedures. The Fourth Industrial Revolution (4IR) also poses a number of challenges to the field of taxation. The introduction of new technologies may create new risks to privacy and security, such as the potential for data breaches or misuse. This could lead to increased risks for taxpayers and tax authorities alike. It may lead to job loss.

The conclusion of this study is that though the challenges posed by the fourth industrial revolution are enormous, they cannot overwhelm taxation because of the availability of tax incentives and other measures that can be used to mitigate against them. Taxation has been a part of the global economy since ancient times, and it is a crucial part of the global economic system. Taxation is still necessary to finance public goods and services, to redistribute income, and to foster economic growth. Taxation will overcome the challenges and fully maximise the benefits of the global industrial revolution.

2.7.0. Recommendations/Policy Implications

The recommendations from this study are in two parts. The first set of recommendations relate to policies to put in place to assist tax authorities to be more effective in discharging their duties during the fourth industrial revolution. The second set is to taxpayers who need the right polices to guide them to easily and faithfully perform their civic responsibility.

Policies That Can Assist Tax Authorities

This study recommends that tax authorities should increase the use of technology and data-driven analytics to gain insights into taxpayers' financial activities. This will allow tax authorities

to identify discrepancies or patterns in taxpayer behavior that could indicate evasion or other irregularities (McGuire, 2017).

Tax authorities should increase cooperation and information exchange between different tax authorities across jurisdictions. This will allow tax authorities to gain access to a wider range of information and will help them identify and tackle cross-border evasion more effectively.

Tax authorities should invest in digital infrastructure and platforms that enable a more efficient and secure tax filing process. This will reduce the burden on taxpayers, while also helping tax authorities to capture more accurate data and identify discrepancies or irregularities more quickly.

Tax authorities should introduce pre-filing and post-filing checks to ensure that taxpayers are filing accurate and complete returns. This will help tax authorities to identify discrepancies between the information provided by taxpayers and the information held by tax authorities.

Tax authorities should invest in training and education for tax administrators so that they are able to use new technologies and tools effectively. This will ensure that tax authorities are able to effectively use the data and insights that they gain from the use of technology to identify discrepancies and tackle evasion.

This study recommends that tax authorities should introduce incentives for taxpayers to use digital systems for filing taxes and other compliance activities. This will help to reduce the burden and costs associated with manual filing processes and will also help to reduce the risk of errors.

Tax authorities should introduce measures that reduce the complexity of tax systems. This will make it easier for taxpayers to understand their obligations and will reduce the compliance burden on tax authorities.

Tax authorities should introduce measures that reduce the compliance burden on small and medium-sized enterprises. This will reduce the burden on taxpayers and will also make it easier for tax authorities to identify and tackle evasion.

Tax authorities should introduce measures to streamline the dispute resolution process. This will help to reduce the burden on taxpayers and will also help to ensure that disputes are resolved quickly and efficiently.

Tax authorities should introduce measures to reduce the administrative burden associated with filing taxes. This will reduce the burden on taxpayers, while also helping to ensure that tax authorities are able to capture accurate and up-to-date information.

Policies That Will Assist Tax Payers

Taxpayers should be given appropriate guidance and assistance in filing their taxes correctly and on time. Automated systems should be put in place to help streamline the tax filing process and

reduce the risk of errors. Additionally, the government should implement real-time reporting systems to ensure taxes are paid in a timely manner (KPMG, 2018).

The government should provide clear and concise information on tax laws and regulations, as well as make them accessible to all taxpayers. This will ensure that taxpayers understand their rights and obligations when it comes to filing taxes. Tax codes should be simplified to make them easier to understand and follow. This will help reduce the amount of time spent on filing taxes and help taxpayers to understand their liabilities (McDaniel, 2018).

The government should provide incentives to taxpayers who pay their taxes on time and in full. This could include tax breaks or reduced penalties for those who are compliant (PwC, 2019).

The government should increase enforcement of tax laws and regulations to ensure that all taxpayers are compliant. This could include increased auditing and penalties for non-compliance (Deloitte, 2020b).

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