

Tax Technology

Trends Shaping the Taxation Function of Public Practice

Agenda

Agenda

1. Public Practice – the Shift up the value chain

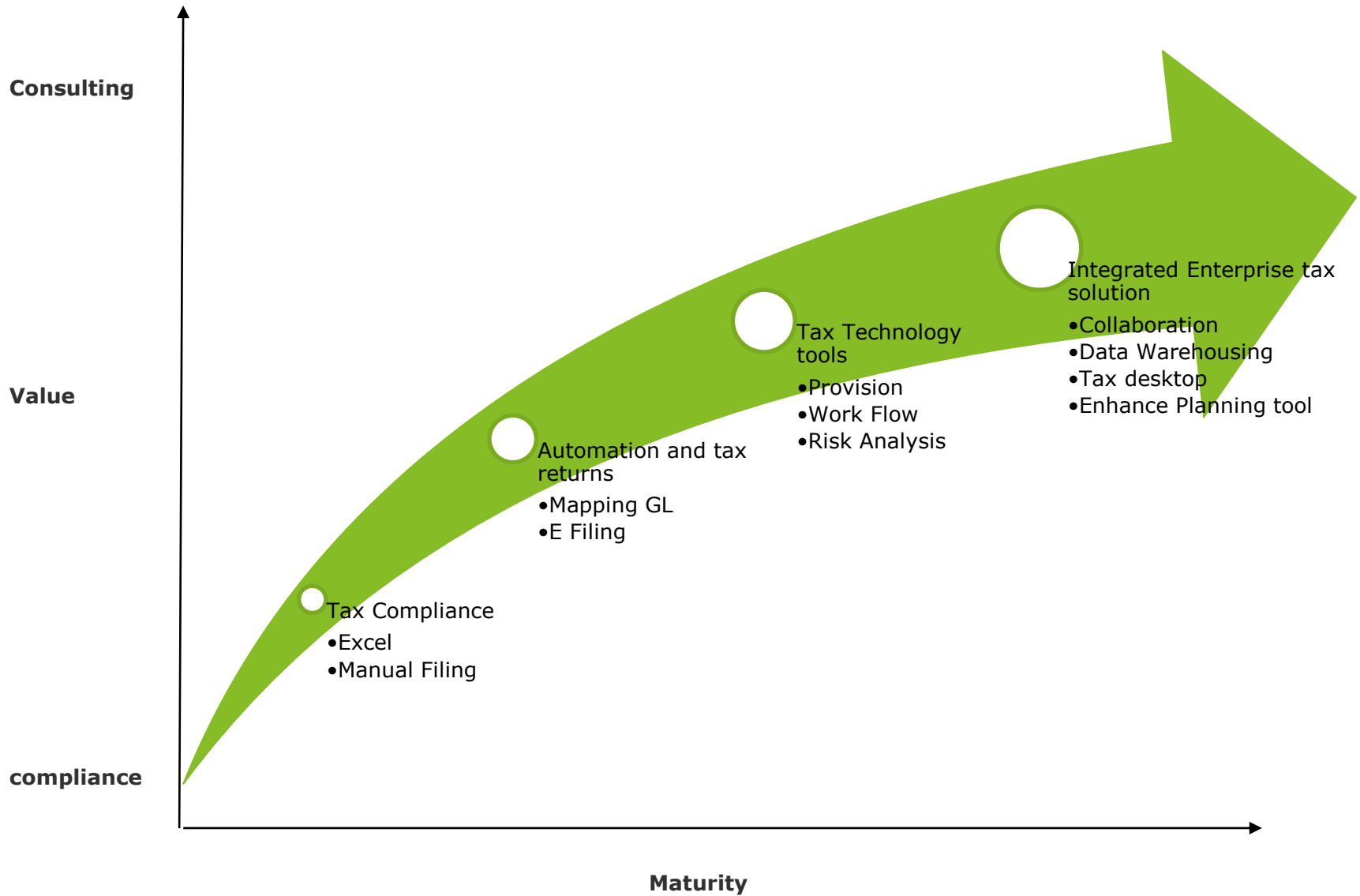
2. Government Agenda – a driver of change

3. Tax Issues arising from the Digital Economy

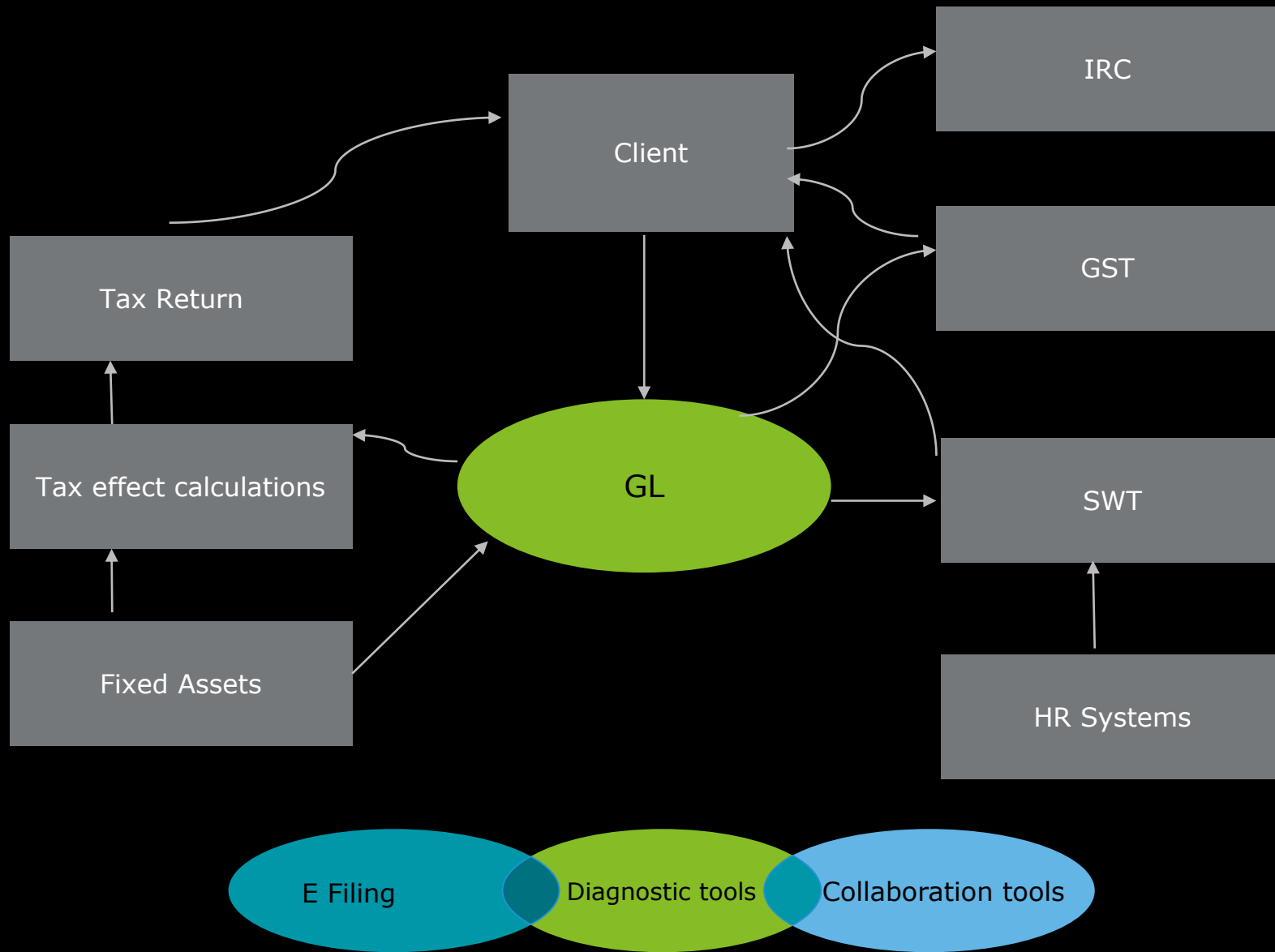
Public Practice

The shift up the value chain

The Value Chain



Integrated Systems



The Value Chain



Tap into the vast quantities of enterprise data now available; manage it for accuracy, consistency, and timeliness; and make it available for tax compliance purposes and use by tax specialists. Use data to analyse and mitigate tax risks, evaluate possible tax opportunities, and model potential tax impacts of key business decisions.



Refine tax department processes to utilise enabling technologies. Gain improved operational and cost efficiency and faster time to results, through more effective resource utilization.



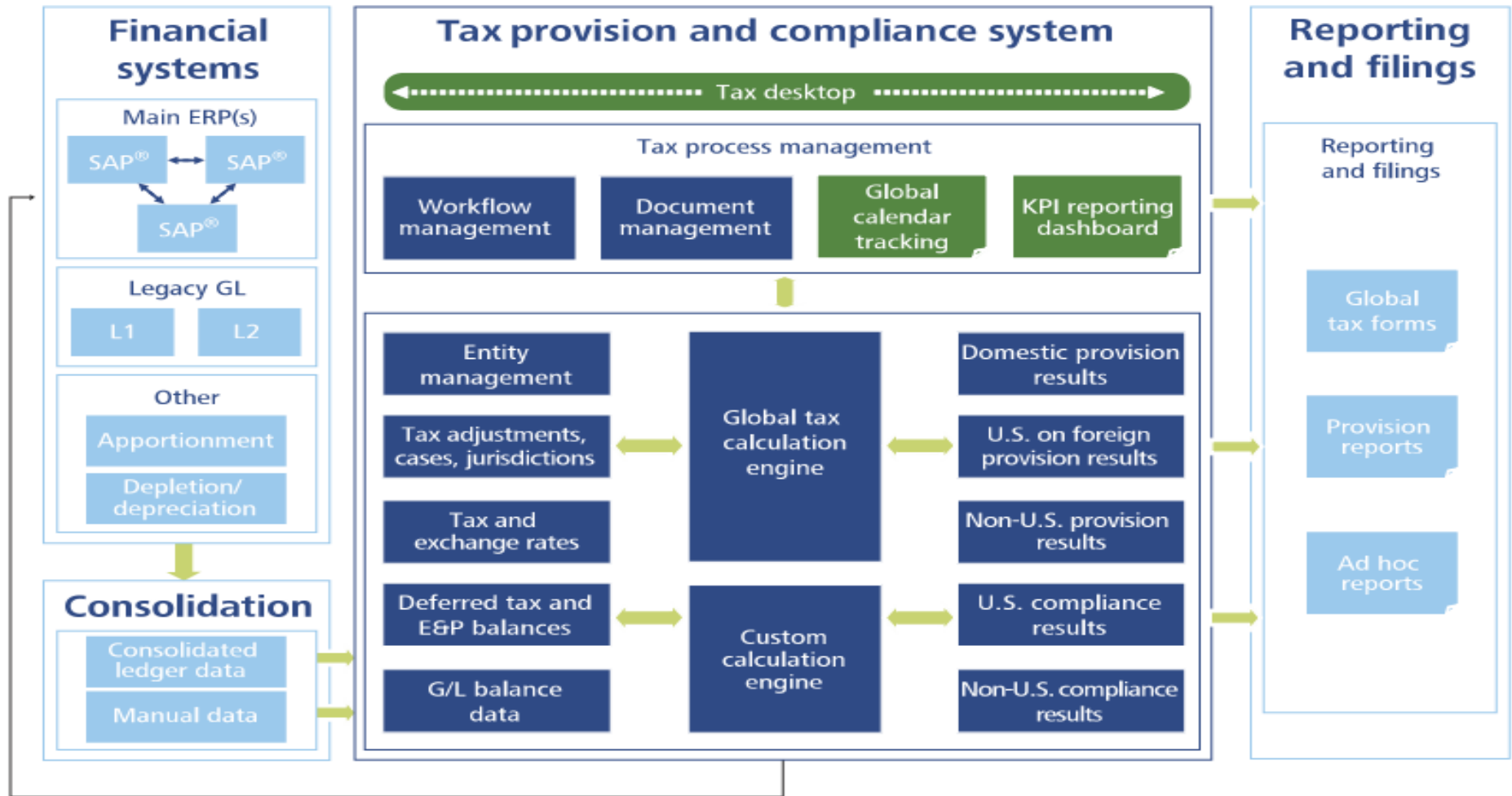
Use the broad functionality of tax and financial systems to automate tax processes and tax data management. Generate data-driven business insights and targeted tax risk mitigation plans.



Enhance tax organisational structures to align with an evolving business model. Attract, develop, and retain people with the knowledge and skills to thrive in a rapidly changing business environment.



Global Level - Today



Government Agenda

A Driver

A day in the life of regulatory-driven disruption

Today in Australia, the owner of a local coffee shop electronically sends a required report to the government tax agency by clicking “prepare” and “submit” on her mobile phone’s business tax app.

In The Netherlands, the cloud-based system of a multinational bank prepares transaction-level digital records that are directly uploaded to the tax authority, instantly reflecting the tax rules and rates of multiple jurisdictions.

In New Zealand you can only Register and file GST online

And in Brazil, the tax administration analyses the data of a local automotive supplier, calculates the tax they determined it owes, and sends the company a notice of the payment due.

In Ireland Personal Tax Returns can only be filed online and are pre-filled with tax data

Government Trends – Drive our responses

The point of
no return

Frequent
reporting
intervals

Affordable
Technology

•Tax
Transparency

•Country-by-
Country
Reporting

Multi-Lateral
Tax Treaties

•Directly
accessing
taxpayer
data

•Analytical
tools

Trend away from
Income Tax to
consumption
taxes and
withholding taxes

What's on PNG's Agenda

•**Medium Term Revenue Strategy
2018 – 2022**

•**PNG IRC Corporate Plan 2018 –
2022**

•**Increase Compliance through
enforcement**

•**Tax Administration – diagnostic
assessment tool (2020)**



•**Simplify Corporate Tax System
Remove myriad of concessions,
exemptions and special
arrangements**

•**Increase Budget for IRC –
targeted**

•**Update legislation, regulations,
policy etc.**

•**Broaden the tax base (e.g. CGT)**

What's on PNG's Agenda

Tax Policy Reform Principles

Efficiency/Neutrality

Simplicity and Transparency

Equity/Fairness

High Revenue gathering capacity

Harmonization/coordination with other systems

Greater reliance on domestic taxes

Feasibility

Integration

Self assessment

Streamlined collection systems and procedures

Risk based audit and other verification programs

Extensive use of IT

Invest in next generation revenue administration system

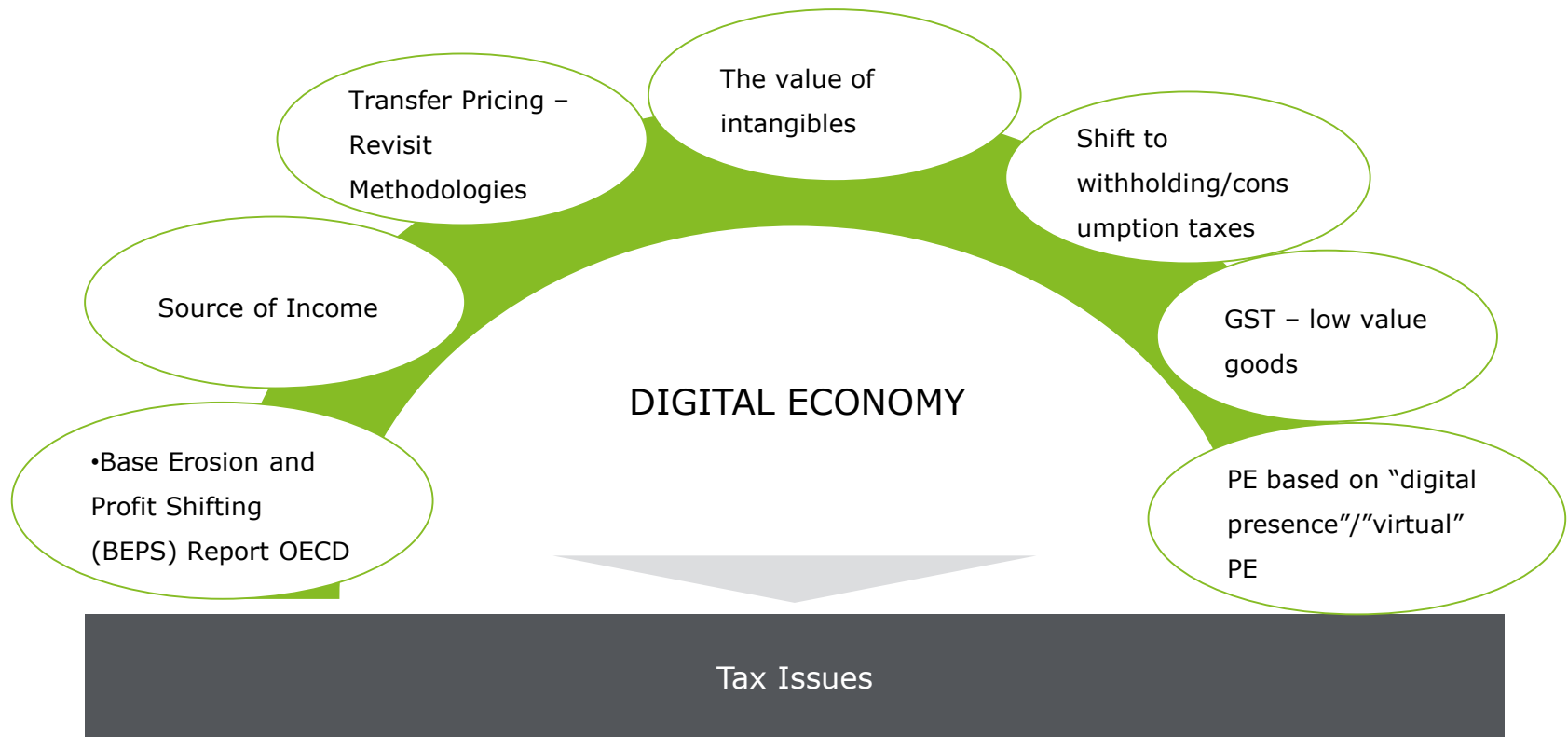
e-Filing, e-Payment
"Transfer some tax processing responsibilities to the taxpayer"

"Reduce large volumes of paper"

IRC "value added compliance improvement activities"

Tax Issues Arising from the Digital Economy

Tax Issues Arising From The Digital Economy





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