TAX POLICY IN DIGITAL TECHNOLOGIES

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Abstract. The article examines the types of digital technologies and areas of their application in the implementation of tax policy, identifies the strengths and weaknesses of the use of digital technologies, the experience of implementing and using digital technologies in the tax administration of different countries, and outlines the main areas for activating the use of digital technologies in the field of taxation.

Keywords: tax policy, tax administration, digitalization, digital technologies, digital tax services.

Tax authorities around the world increasingly rely on digital technologies to collect and analyze tax data and implement intelligent systems that ensure the collection and assessment of taxes in real time[1]. Digital technologies are rapidly transforming the relationship between tax authorities and taxpayers, affecting the relationship between the state and the business entity in the taxation process. The relevance of the research topic is due to the need to use the capabilities of digital technologies and the potential of technological development in the formation and implementation of tax policy to modernize the existing tax system in order to comply with the ongoing changes in the global economy.

The use of digital technologies in the practical activities of tax authorities is the subject of research by: A.A. Anisimova, V.P. Vishnevsky and L.I. Goncharenko[2], E.F. Kireeva, S.P. Kolchin, I.A. Maiburov and O.M. Karpova[3] and others, as well as foreign authors and international organizations.

Thus, the paper examines the issues of applying tax administration technologies in the context of the functioning of integration associations. The author has determined that in the territory of a single market, digitalization of tax

administration technologies provides for the creation of integrated digital platforms, and has indicated that tax cooperation processes within the framework of economic integration are impossible today without digitalization of economic platforms and the formation of integrated databases required for interaction between countries and economic entities. Conclusions have been made about the need to improve tax administration based on unified methodological approaches to the interaction of tax authorities and taxpayers, taking into account the formation of a single digital space.

In the works[4,5], the authors consider the main trends in the development of digital technologies in tax administration in the world and in Russia and analyze the possibilities of improving digital tax services and applying the global experience of tax authorities in Russian practice. It is noted that Russian tax authorities are in the global trend, as evidenced, among other things, by the availability of information materials, personal accounts of taxpayers with the ability to submit a tax return and an application for a tax refund, as well as the ability to submit a request for any information or complaint. According to the authors, digital processes within the framework of tax administration imply their constant improvement in order to ensure a customer-oriented approach and voluntary compliance with tax legislation by taxpayers.

Despite the presence of a large number of studies by leading scientists, economists and practitioners on individual issues of the use of digital technologies in the implementation of tax policy, it is worth noting the need to generalize and systematize the world experience of using digital technologies in the implementation of tax policy, identifying the strengths and weaknesses of using digital technologies to determine the main directions for activating the use of digital technologies in the field of taxation.

Thus, the purpose of the study is to identify the main directions for activating the use of digital technologies in the field of taxation based on the generalization of

world experience in the implementation and use of digital technologies in the implementation of tax policy.

Tax policy is understood as an integral part of the socio-economic policy of the state, aimed at the formation of a tax system that stimulates accumulation and rational use of the country's national wealth, facilitating the harmonization of the interests of the economy and society and thereby ensuring the socio-economic progress of society.

The implementation of the formed tax policy is carried out through a tax mechanism, to the definition of which at the present stage a unified approach has not been developed, but in general it represents a set of forms, methods and ways of organizing and regulating tax relations, corresponding to the historically established goals and objectives of the state tax policy and enshrined in tax legislation[6]. The introduction of digital technologies allows improving the practice of: tax planning, tax forecasting, tax registration and accounting, tax regulation, tax control and tax analysis.

Their use reduces the costs of fulfilling tax obligations of both the state and the taxpayer, prevents tax fraud and erosion of the tax base, allows for the provision of new tax services in a simplified mode and remote access, realistically assesses the current state and predicts the future development of the economy and society. The constantly evolving infrastructure of tax technologies brings significant benefits to tax administrations and taxpayers, guarantees stable tax revenues to the budget, increases taxpayer satisfaction and ensures conscientious compliance with tax legislation. To achieve this, a correct holistic vision and strategy for the development of digital tax administration with a clear implementation plan and an appropriate system for monitoring ongoing tax processes are required[7].

Global experience shows that tax authorities in many countries are currently gradually adapting to digital processes, increasing the efficiency of tax administration [8].

Digital technologies in tax administration are used by developed countries in the field of: monitoring the operation of digital services, developing customer-oriented design of services, informing taxpayers about new opportunities for interaction with tax authorities, as well as information support for taxpayers within the digital environment [9].

Digital tax services are services of tax authorities provided to taxpayers via the Internet. They can be classified by the following features:

categories of taxpayers (legal entities, individuals; sole proprietors; and self-employed (tax regime "Tax on professional income"));

method of using tax services (mandatory or voluntary use);

breadth of coverage of taxpayers (services for individual use; services for mass use); structure of tax services (simple and complex digital services);

access to digital services (open and closed access);

placement (placement on the official Internet portal of the State Tax Service and mobile applications; placement on third-party Internet portals and mobile applications) [2].

The use of digital technologies in implementing tax policy has quite a few strengths that can be used to improve the quality of services provided to taxpayers, but it is not without its drawbacks and has its weaknesses (Table 1).

These tables show that the use of digital technologies in implementing tax policy has more strengths than weaknesses, but their list is not exhaustive, since digital technologies are developing rapidly and new problems may arise, as well as new opportunities for using digital technologies in implementing tax policy may open up.

Table 1

Strengths	Weaknesses
– increasing the transparency of taxation, the tax administration process, i.e. clarity and comprehensibility of tax rules for taxpayers, which in turn leads to a	– lack of regulatory legal acts to regulate new objects and processes inherent in the digital economy, as well as the rights, obligations and liability for violations of digital economy

decrease in the likelihood of unexpected financial losses of taxpayers due to the possibility of making errors when filing tax reports and paying taxes; – convenience of the tax compliance process; – increasing tax revenues to budgets at various levels; – expanding the tax base; – reducing the costs of tax administration, i.e. reducing the costs of consumables, postal services, paper, rent of space for placing an archive on paper; – reducing the time spent on processing the received data and exchanging data; – reducing the risk of technical errors; – increasing the speed of searching for necessary documents; – increasing the efficiency of tax administration; – strengthening control by tax authorities over transactions carried out by taxpayers; – the ability to exercise control in remote access; - reduction of the time for tax audits and their number, which became possible due to the creation of digital tax control tools, which generally has a positive effect on the business climate; - increase in the efficiency and quality of audits; - reduction in the labor costs of tax authorities aimed at explanatory work on tax administration and control and verification work;	entities; – insufficient level of digitalization of tax processes (information, administration, maintenance and control); – hacker attacks and viruses; – insufficient level of security of communication channels and collected data, as well as the threat of their theft, which leads to the emergence of risks to the information security of taxpayers and the tax security of the state; – lack of technical means for collecting, processing and storing collected data; – high costs of digitalization of tax authorities; – formation of additional costs for connection in the structure of taxpayers' expenses

Each specific country has its own experience in implementing and using digital technologies in tax administration. An analysis of global practice shows that rarely do countries use a systematic approach to the development of digital

interaction channels reflected in a single document, for example, a strategy. More often, such strategies are developed to develop digital services for the entire public sector, and digitalization of tax administration is considered as part of this process. The most striking example of a systematic approach to the implementation of digital technologies in the tax sphere is the practice of the UK, where there is a strategy for the development of information technologies for tax authorities. This strategy sets out an approach to implementing the long-term task of developing digital services in order to solve the following problems: achieving maximum possible compliance with tax legislation; increasing the efficiency of tax authorities; improving the quality of services provided. Some countries focus on creating customer-oriented services, assuming that if taxpayers need the proposed digital solutions to perform their tasks in the tax sphere and if these solutions are easy to use, then the level of involvement in digital interaction with tax authorities will grow (Austria, Canada, Singapore). In a number of countries, attention is paid to informing about new opportunities for interaction in the digital environment (Australia, Norway, Singapore) and various tips (Denmark, Australia, Canada), rightly believing that taxpayers may not have the necessary special knowledge in this area (practical examples of the application of the provisions of behavioral theory have shown the effectiveness of using information messages and various tips, and not only in the tax sphere). Monitoring the interaction of taxpayers with tax authorities in order to identify problems that hinder such interaction (Netherlands, Canada), as well as providing support to taxpayers within the digital environment (Australia) is important for creating a high-quality customer-oriented tax environment [2].

The experience of different countries around the world shows the need to transform taxation using digital technologies and current tax rules to meet the new conditions of doing business, as well as the active use of digital technologies in the work of tax authorities, which will simplify routine processes, optimize labor costs, and increase the speed and quality of providing public services in the tax sphere.

Tax authorities are increasingly using modern technologies to improve the efficiency and effectiveness of their work [3]. Digital transformations and changes have great potential for improving the tax policy. By improving the methods of collecting, processing and analyzing information, digital technologies can transform the tax policy of the state and, if used wisely, the tax policy will be more effective, convenient, transparent and fair.

In order to activate the use of digital technologies in the field of taxation, the following areas can be identified: adoption of a strategy for the implementation of digital technologies in revenue and duty authorities; availability of funding for the implementation of digital technologies in the practical activities of revenue and duty authorities; ensuring the training of highly qualified personnel capable of working in the conditions of digital tax administration; when training specialists in higher educational institutions of the Republic for revenue and duty authorities, in the educational process, provide for disciplines on the digitalization of tax administration, the study of foreign experience in the digitalization of the taxation sphere; consider the possibility of training IT specialists in the field of taxation.

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