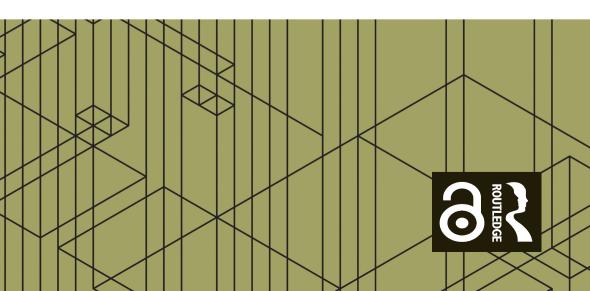


TAXATION IN THE DIGITAL ECONOMY

NEW MODELS IN ASIA AND THE PACIFIC

Edited by Nella Hendriyetty, Chris Evans, Chul Ju Kim, and Farhad Taghizadeh-Hesary



Taxation in the Digital Economy

A robust and efficient tax administration in a modern tax system requires effective tax policies and legislation. Policy frameworks should cover all aspects of tax administration and include the essential processes of capturing, processing, analyzing, and responding to information provided by taxpayers and others concerning taxpayers' affairs. By far the greatest challenges facing tax administrations in all countries are those posed by the continuing developments in the digital economy. Whereas societies are grappling to come to terms with the transitions from the third industrial or digital revolution, revenue authorities grapple with the consequences for the sustainability of their tax bases and the efficient administration and collection of taxes. This book presents a critical review of the status of tax systems in Asia and the Pacific in the era of the digital economy.

The book suggests how countries can maximize their domestic resource mobilization when confronted by the challenges that digitalization inevitably produces, as well as how they can best harness or take advantage of aspects of digitalization to serve their own needs. The full implications of the COVID-19 crisis are still too uncertain to predict, but it is clear that the crisis will accelerate the trend toward digitalization and also increase pressures on public finances. This, in turn, may shape the preference for, and the nature of, both multilateral and unilateral responses to the tax challenges posed by digitalization and the need to address them.

This book will be a timely reference for those researching taxation in the digital economy and for policymakers.

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Abbreviations

ACA annual compliance arrangement
ADB Asian Development Bank
ADR alternative dispute resolution
ALP arm's length principle
ANCOVA analysis of covariance

ATO Australian Taxation Office
BEPS base erosion and profit shifting
CBDT Central Board of Direct Taxes

CIT corporate income tax COVID-19 coronavirus disease

CPAF certified public accounting firm CRM compliance risk management

CRS Cash Receipt System

CTCP Cooperative Tax Compliance Program

DGT Directorate General of Taxese-BSS e-Bill of Supply System

e-TIN electronic tax identification number

ETT electronic transaction tax

FATCA Foreign Account Tax Compliance Act

FFS fully filled service

FIRST Future Inland Revenue Systems and Technology

G20 Group of 20

GRI Global Reporting Initiative
GST goods and services tax
GTP Golden Tax Project
HTS Home Tax Service

ICC International Chamber of Commerce

ICT information and communication technology

IMF International Monetary Fund

IPAA Institute of Public Administration Australia

IRS Internal Revenue Service

Lao PDR Lao People's Democratic Republic

MNC multinational corporation

xxii Abbreviations

MNE multinational enterprise

NBR National Board of Revenue

NGH Next-Generation Hometax

NPG National Payment Getaway

NTA National Tax Agency

NTCA Netherlands Tax and Customs Administration

NTIS Neo Tax Integrated System

NTS National Tax Service
ODI Open Data Institute

OECD Organisation for Economic Co-operation and Development

PIT personal income tax PFS pre-filled service

PRC People's Republic of China PwC PricewaterhouseCoopers

ROK Republic of Korea

SDG Sustainable Development Goal

SDS State Data-Sharing

SEP significant economic presence SMEs small and medium-sized enterprises

SOE state-owned enterprise STP Single Touch Payroll

SYTSS Simplified Year-End Tax Settlement System

TAL tax assessment letter
TCF tax control framework
TCL tax collection letter
TIS Tax Integrated System
UK United Kingdom

UNCTAD United Nations Conference on Trade and Development

US United States
VAT value-added tax

VIF variance inflation factor WEF World Economic Forum