



The 5th BRITACOF

Deepening Tax Administration Cooperation for
High-Quality Belt and Road Development

Hong Kong, China 24-26/9/2024



Business and Industry Tax Dialogue: Promote Tax Administration Digitalization through Coordination between Tax Authorities and Enterprises

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Introduction: the role of the Business and Industry Tax Dialogue (BITD)

01. Provides stakeholder engagement platform

02. Allows for business and tax administration collaboration

03. Address sector specific challenges

04. Helps create a predictable & fair tax environment





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Keynote Speech



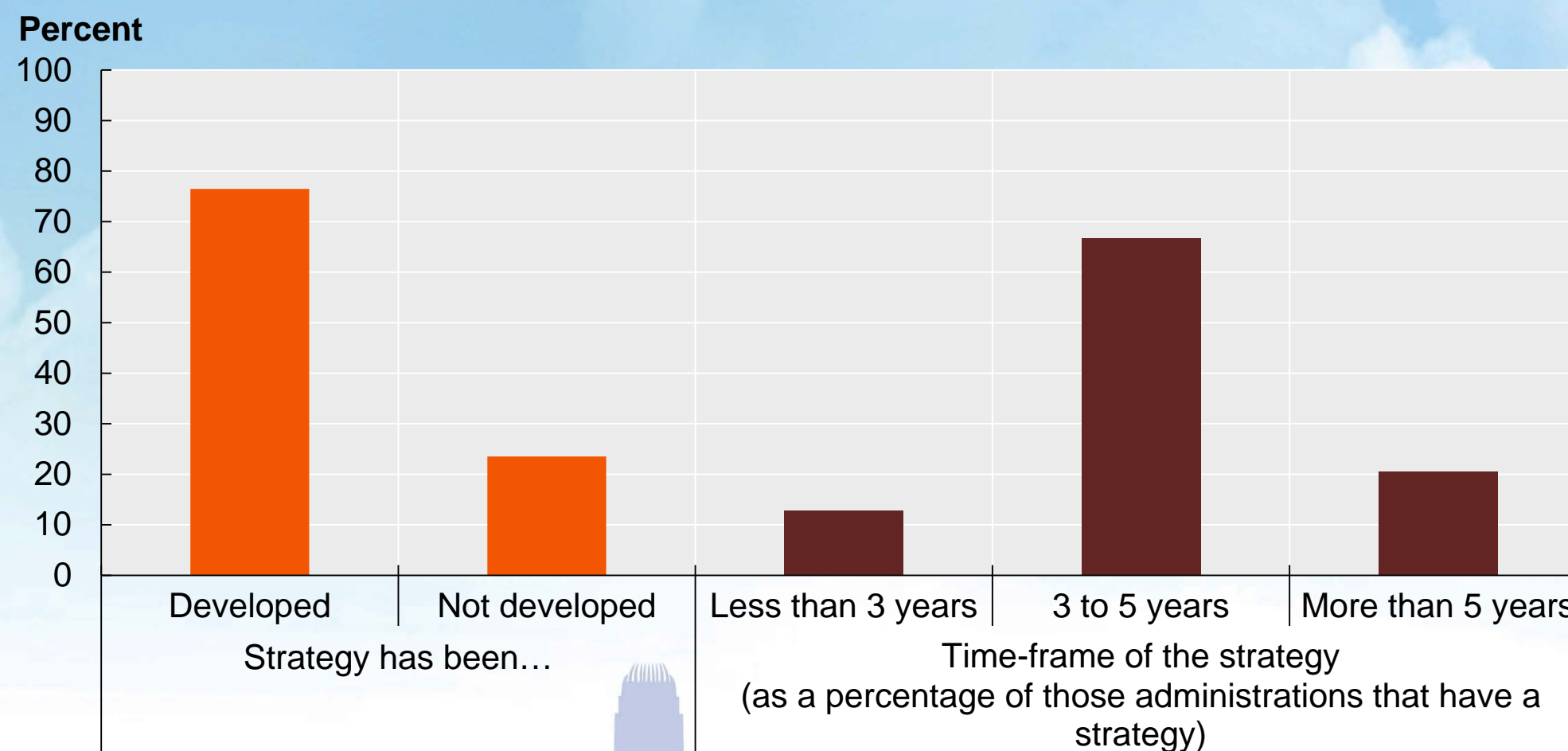


Digitalization and the changing role of tax administration

The BITD can:

- Help ensure systems are user friendly
- Build trust between business and tax authorities
- Identify training needs
- Help tax authorities to develop a digitalization vision

Existence of a strategy for digital transformation, 2022



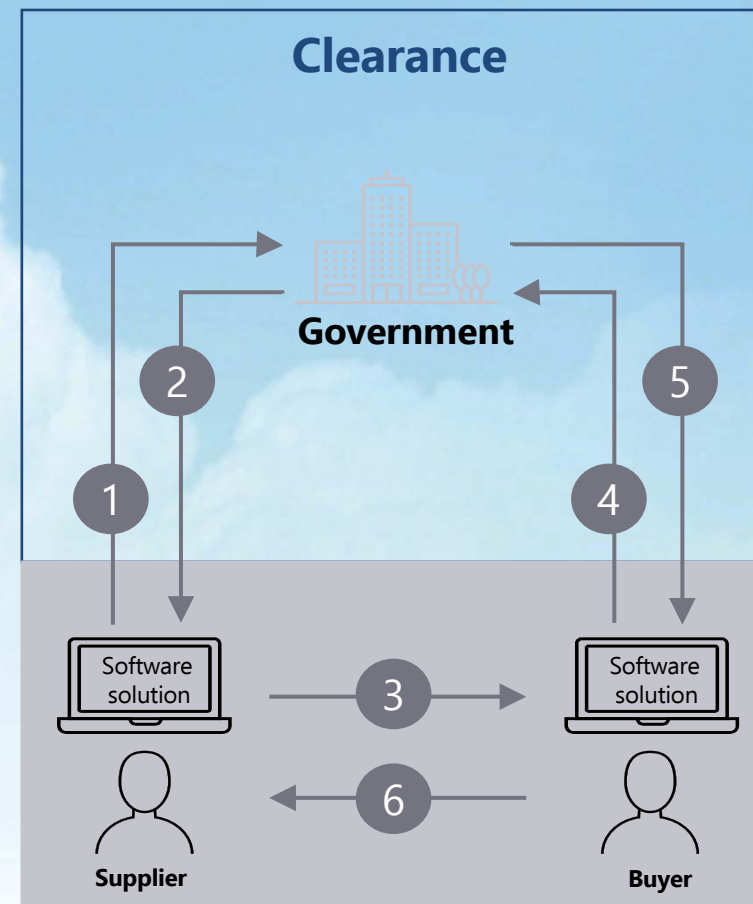
Source: OECD et al. (2023), Inventory of Tax Technology Initiatives (n=52)



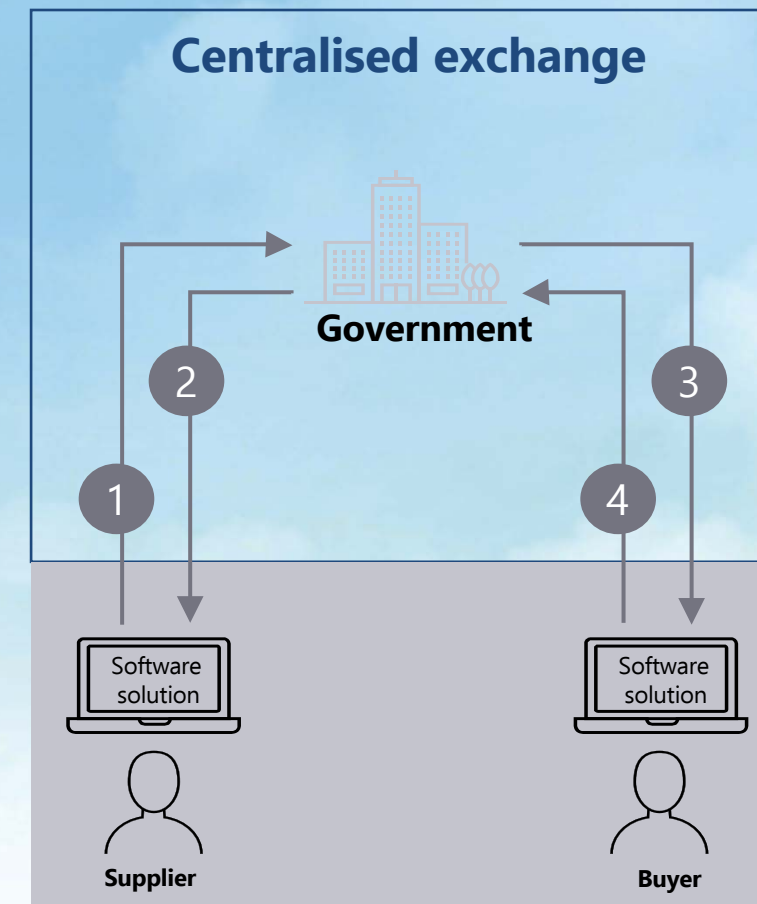
BITD and E-invoicing

The BITD can:

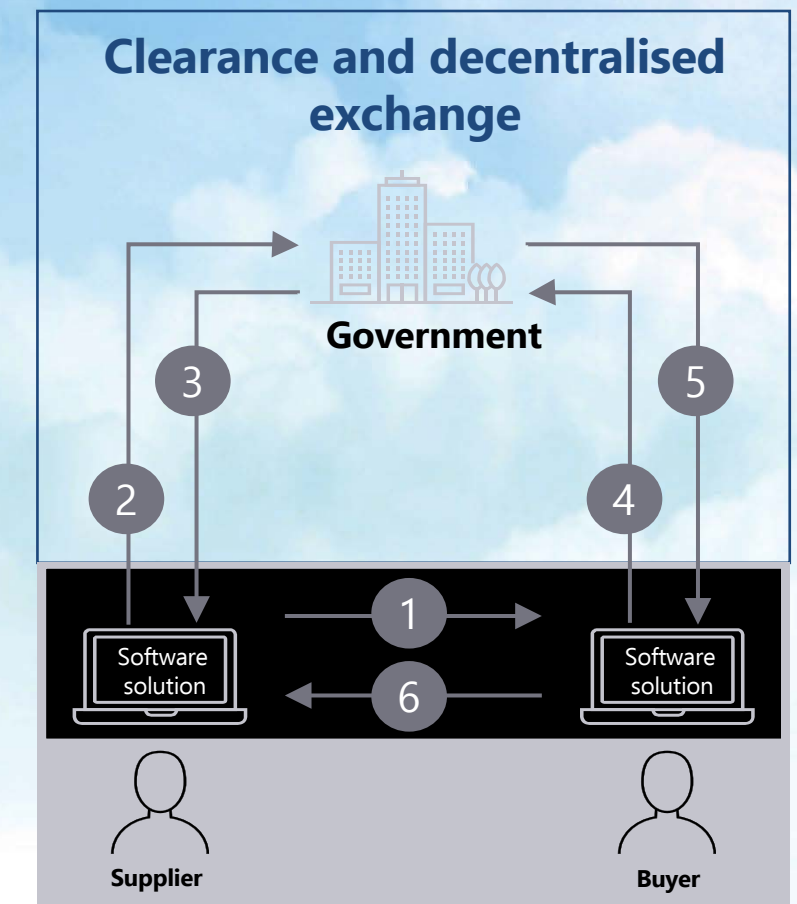
- Contribute to harmonized e-invoicing standards for easier cross-border transactions
- Give tax authorities insight into technology capabilities and constraints of business
- Share best practice on e-invoicing implementation



Validation by platform in near-real time to exchange and validation post reception



Transactions are **validated and exchanged by platform**



Decentralized exchange with validations and reporting via network of certified vendors

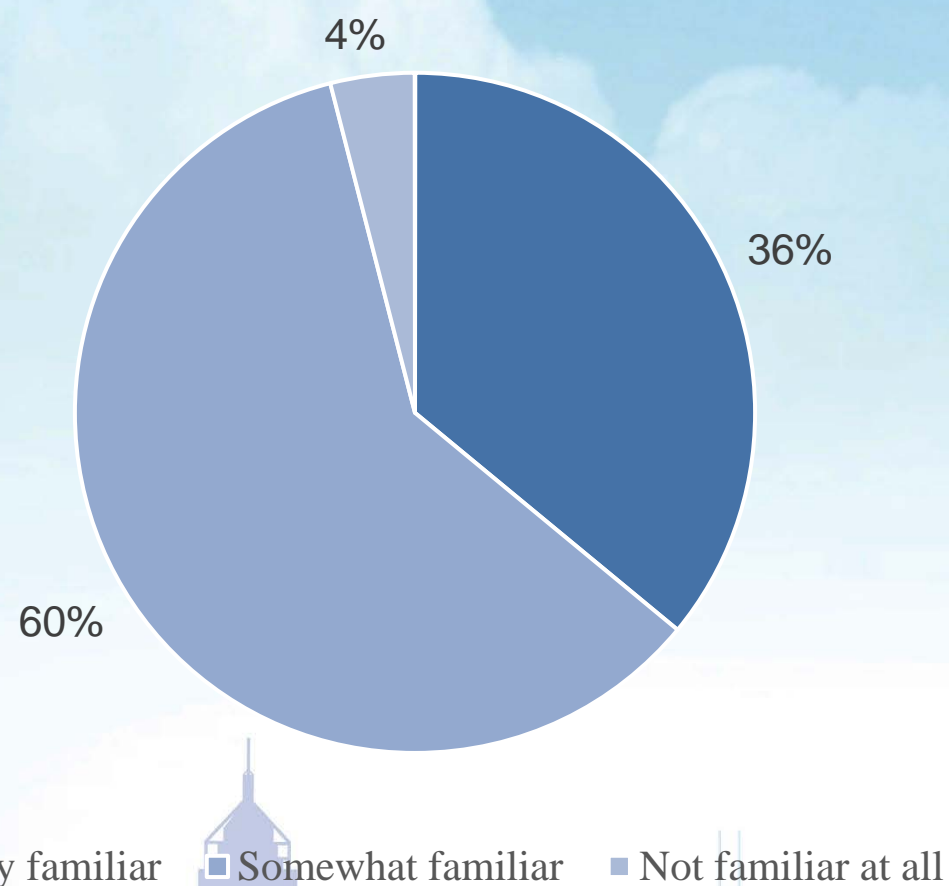
Since the beginning of 2020, there have been over 200 announced introductions or amendments to Digital Tax Administration regimes.

65% of these relate to e-invoicing.

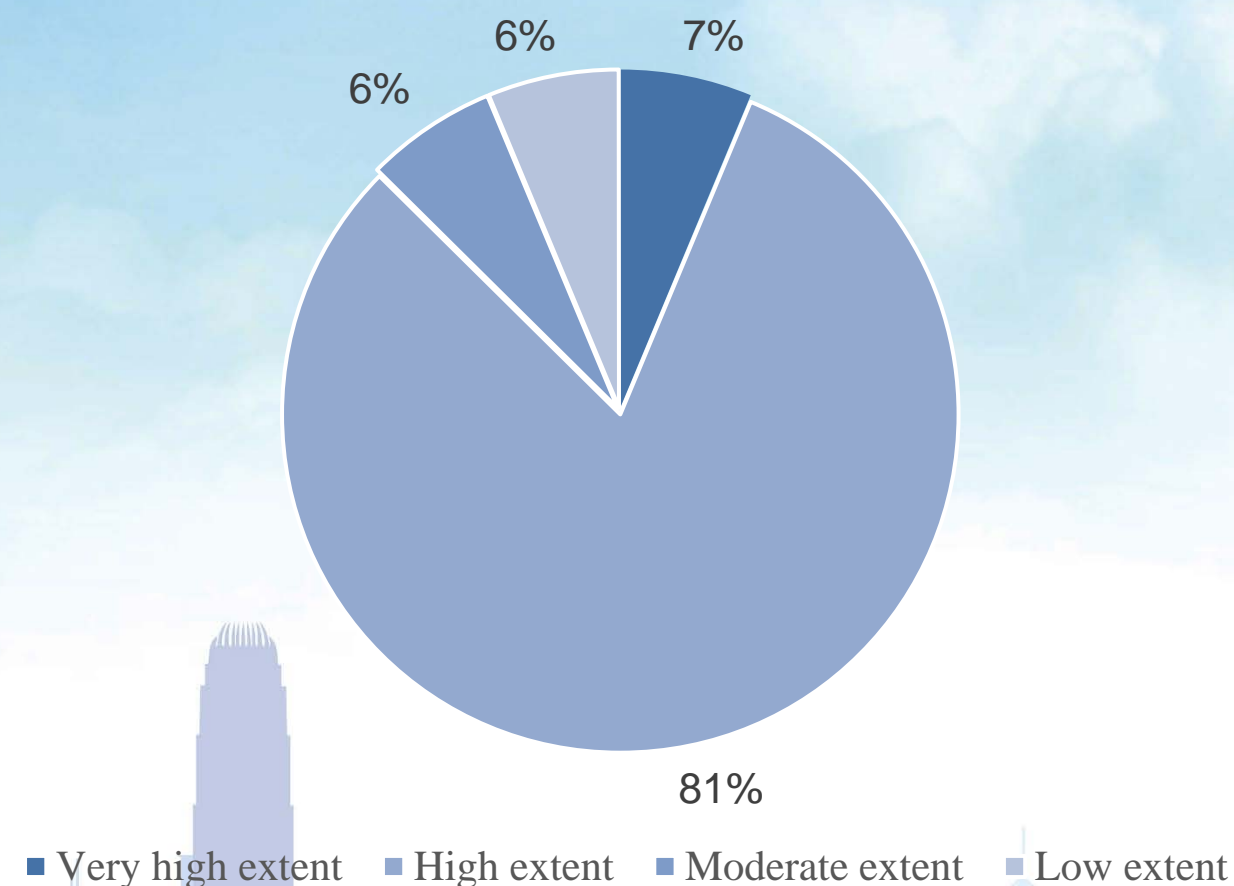


Opportunities from engagement between business and tax authorities

How familiar are you with the concept of digitalization in tax administration?



To what extent do the electronic invoicing systems assist you with indirect tax filings, if applicable?

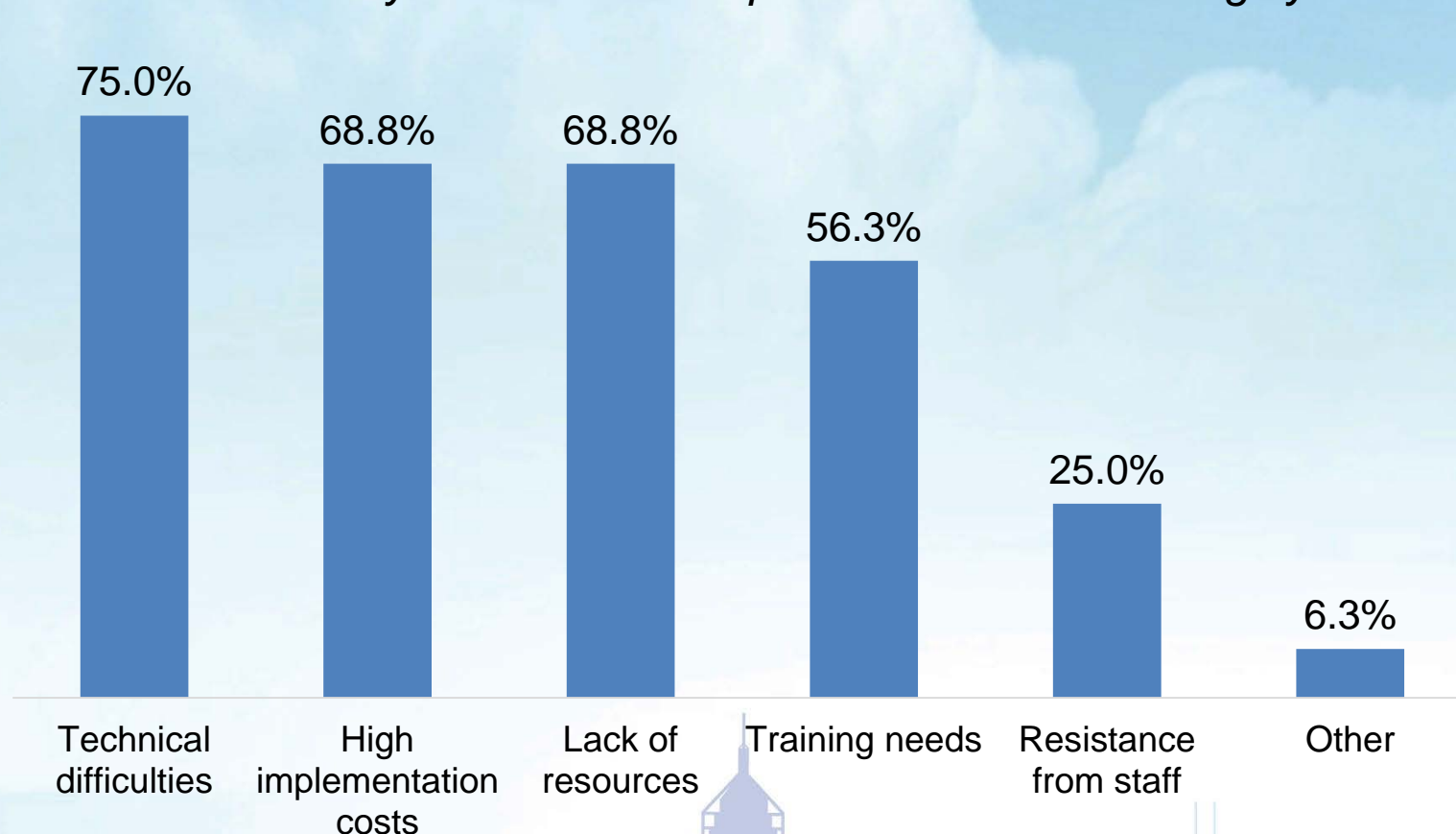


Source: Hong Kong Chamber of Commerce survey on enhancing collaboration and fostering dialogue among the enterprises and tax administrations (September 2024, n=25)

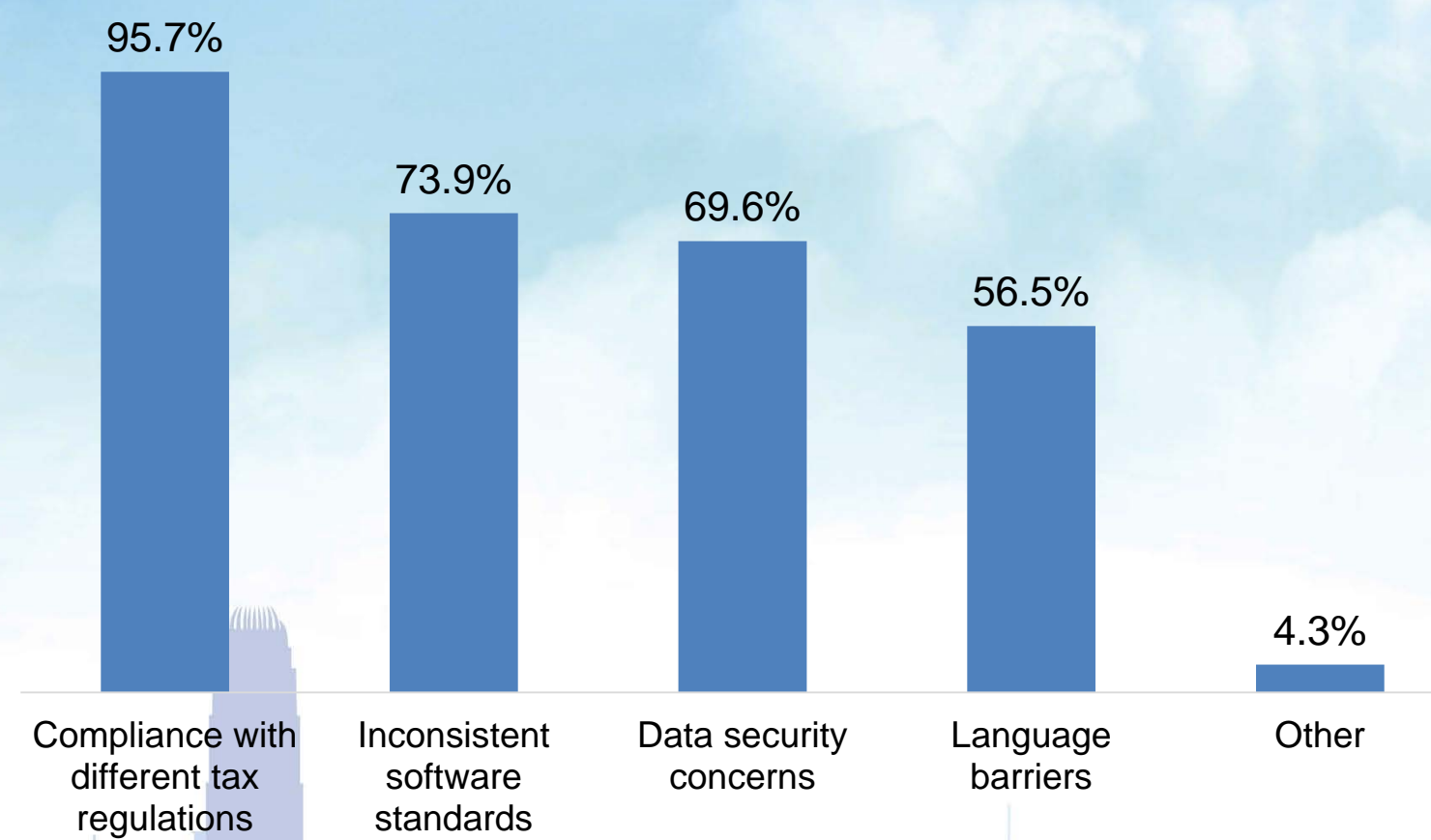


Opportunities from engagement between business and tax authorities

The three most significant challenges in integrating tax administration systems with Enterprise Resource Planning system



The three most significant challenges with digital tax systems offered by tax administrations across borders



Source: Hong Kong Chamber of Commerce survey on enhancing collaboration and fostering dialogue among the enterprises and tax administrations (September 2024, n=25)



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Conclusions



Need

for harmonized international standards and clearer communication on cross-border tax issues



**Continued
dialogue
between tax
authorities
and enterprises**



Facilitate

the digitization process for businesses and the growth in trade and investment of businesses along the B&R





The 5th Belt and Road Initiative Tax Administration Cooperation Forum



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Thank you

