

## **Observatory on the Protection of Taxpayers' Rights**



***The IBFD Yearbook on Taxpayers' Rights  
2024***

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## 0. Executive Summary

### 0.1. Introduction

The Observatory on the Protection of Taxpayers' Rights (OPTR) is a neutral, non-judgemental platform for monitoring developments concerning the effective protection of taxpayers' fundamental rights worldwide. Each year, these developments are compiled and composed in the Yearbook on Taxpayers' Rights, which provides a unique overview of the minimum standards for the protection of taxpayers' rights, the status of the legal framework and the case law on the matter.

The 2024 Yearbook initially provides an executive summary of the most significant findings of the year, which serves to illustrate the overarching trends. This introduction is followed by a detailed description of the method used for the underlying data.

The 2024 Yearbook elaborates on 13 different areas and provides the full set of findings for each of them, supported by reference to the underlying empirical data from the 60 reports provided for the year. The Yearbook has increased by a section this year (section 13.) and enhanced the content of the other 12, which have been stably monitored over 10 years. The technique of adding the extra section has been used to preserve the value of monitoring over the years.

Thus, this year's Yearbook presents a undated set of minimum standards and best practices, and a wholly new section dealing with artificial intelligence (AI) and automated analytical systems (AAS, see section 13.). As can be seen from the reporting over the years, the trend towards the digitalization of tax administration accelerated during the COVID-19 pandemic. Technological advancements seem only to have gained momentum since then, with the integration of technologies such as AI and AAS. The use of these technologies in their simplest forms, such as the use of chatbots on tax administration websites or in the use of AI/AAS in audit selection and monitoring, has already altered how tax administration is carried out and perceived. From this year on, the effects of these shifts will become increasingly visible through the monitoring function that the OPTR has within the realm of taxpayers' rights.

The widespread adoption of AI/AAS by tax administrations is driven not only by the new possibilities developed in the technological sphere but also by sheer necessity. The amount of data collected by tax administrations is hard to navigate without the intervention of AAS that allow for the extrapolation of conclusions from what is (mandatorily) reported by taxpayers.

The trend towards digitalization of the internal modes of assessment of tax administration has been accelerated by an increase in reporting duties, especially for larger companies that are active across borders. The European Union and its Member States are a case in point, as can be seen from the implementation of the DAC6 Directive in EU Member States (see section 7.). The (future) implementation of Pillar Two regulations, coming next year in the European Union, will only increase the amount of data.<sup>1</sup> Human capabilities are simply insufficient to deal with expanded reporting duties and the subsequent increase in data that needs to be

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<sup>1</sup> Authorities seem to acknowledge this trend by aiming for simplification. Take, for example, the proposed DAC9 legislation currently being discussed at the EU level, which should make it possible to file a single return for the whole group for an MNE subjected to the Pillar Two rules (the duty to report a top-up tax information return, or TTIR, stems from article 44 of the Pillar Two Directive).

processed. In this sense, the shift towards digitalization justifies its own existence, as the information it generates cannot be navigated without the help of digital solutions.

Appendix A adds an overview of the topical highlights of this year, and Appendix B outlines the full details of the protection of taxpayers' rights per country.

## 0.2. Short overview of findings

The executive summary that follows this general introduction of the 2024 Yearbook highlights significant findings, including the already mentioned growing influence of AI and AAS in tax administration. Introducing these technologies has fundamentally shifted the landscape, enhancing efficiency and raising transparency and accountability issues. In this current section, a short overview of findings will highlight a specific shift in one or multiple sections as an introduction to the general issues. However, please consult the more extensive summary, the topical reports and the national reports for more detailed reporting.

In the area of identifying taxpayers, issuing tax returns and communicating with taxpayers (sections 1., 2., and 3.), a notable shift was observed in **Brazil**, where the Individual Taxpayer Registry (CPF) has been mandated as the sole identification processor for citizens, thereby streamlining identification processes.<sup>2</sup> This is part of a wider sustainable trend, according to which an ever-increasing number of dealings between taxpayers and tax administrations are being digitalized. In the field of cooperative compliance, the trend towards the usage of these compliance models has also maintained momentum.

Further, it is notable that the national reporter for **the Netherlands** signals an increase in compliance burdens due to new legislation concerning Pillar Two and the exchange of information directives, both stemming from EU law. This trend will be observed in coming years, when the new legislation takes effect.

Trends in communication with taxpayers (section 3.) indicate an increasing emphasis on digital security, legal protections and administrative safeguards.

The normal audits section (section 4.) emphasizes the importance of procedural principles in tax audits. **Italy** reported a positive shift by introducing a law that protects taxpayers' rights and emphasizes proportionality in tax audits, reinforcing fair treatment.<sup>3</sup> In general terms, the trend towards aligning with procedural principles has become somewhat static over the years. Certain countries show regressive patterns, such as in the case of **Guatemala**.<sup>4</sup>

In the area of more extensive audits (section 5.), **Guatemala** experienced a negative shift, according to which media coverage of criminal proceedings occurred before notifying the taxpayer, highlighting the need for better communication and transparency in audit

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<sup>2</sup> See sec. 0.1.3.

<sup>3</sup> See sec. 0.1.4.

<sup>4</sup> See sec. 4.

processes.<sup>5</sup> Judicial intervention is often an instigator of change in this respect, as has been observed in previous years – and this current year – in **Belgium** and **Spain**.<sup>6</sup>

The section on reviews and appeals (section 6.) underscores the importance of remedies for taxpayers. This year saw a positive shift in **Greece**, which now offers online hearings for tax cases, enhancing accessibility and convenience for taxpayers.<sup>7</sup> Generally speaking, this is a continuation of the trend to provide for online hearings and discussions with tax administrations, which was also observed in previous years.

With regard to criminal and administrative sanctions (in section 7.), it is reported that **Italy** has improved its penalty system by amending laws to ensure proportionality in both administrative and criminal regimes, aligning with best practices and protecting taxpayer rights.<sup>8</sup> Although no reporting on case law from the European Court of Human Rights (ECtHR) or Court of Justice of the European Union (ECJ) has been included this year, these courts have been a major force behind the convergence of proportionality of punitive sanctions in tax cases over the past years (mainly 2022 and 2023).

Regarding the enforcement of taxes (section 8.), **Lithuania** has implemented measures ensuring that debt cancellation from agreements between debtors and creditors does not count as taxable income, thereby supporting best practices by promoting insolvency agreements.<sup>9</sup> This section notes some stabilization since the COVID-19 pandemic years, during which countries opted for special regimes to relieve taxpayers given the exceptional circumstances.

The section on cross-border procedures (section 9.) shows varied compliance with standards. The area remains as active as ever, with the implementation of DAC7 legislation in national laws in EU Member States resulting in a number of changes. **Lithuania** moved away from the minimum standard by eliminating judicial authorization for sharing tax-related information with third parties, thereby impacting data protection.<sup>10</sup> Mutual agreement procedures (MAPs) remain an opaque area, in which there seems to be a trend towards the use of guidance and soft law without provoking actual shifts in the minimum standards and best practices. This is a trend to be carefully monitored in the coming years.

In terms of legislation (section 10.), **Italy** has seen a major change in its structural application of laws, with a new interpretative rule being added that demands compliance with essential principles of EU and international law relevant to national tax laws.<sup>11</sup> This marks an important shift towards the principled interpretation of norms and should be assessed in detail in subsequent OPTR Yearbooks, as it could serve as an example that significantly expands the rights of taxpayers on a principled basis. Italy also reported a positive shift by amending article

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<sup>5</sup> See sec. 0.1.5.

<sup>6</sup> See sec. 5.

<sup>7</sup> See sec. 0.1.6.

<sup>8</sup> See sec. 0.1.7.

<sup>9</sup> See sec. 0.1.8.

<sup>10</sup> See sec. 0.1.9.

<sup>11</sup> See sec. 0.1.10.

3 of Law 212 to prohibit retrospective tax legislation, thereby enhancing taxpayer protection and aligning with the minimum standard.<sup>12</sup>

With regard to reviewing revenue practice and guidance (section 11.), **Italy**, **Hungary** and **Colombia** reported positive shifts towards the minimum standard of publishing relevant legal materials, thereby providing taxpayers with better access to guidance and enhancing transparency.<sup>13</sup> It is also highly positive to see a trend towards rulings being binding upon tax authorities, which has enhanced legal certainty in **Spain** and **Panama**.<sup>14</sup>

The section on the institutional framework for the protection of taxpayers' rights (section 12.) reports a positive shift in **Italy**, where the introduction of the National Taxpayer Ombudsman ensures uniformity and national jurisdiction, thereby improving the protection of taxpayers' rights.<sup>15</sup> A slight increase in jurisdictions that have tax ombudspersons is also a positive trend, although it still has some way to go, with 45% of countries still without such an office.<sup>16</sup>

Finally, the section on artificial intelligence/automated analytical systems (section 13.) introduces new standards for transparency and accountability. **Japan**, **Türkiye** and the **United Kingdom** all reported shifts towards transparency, ensuring taxpayers are informed when AI/AAS is applied in tax compliance procedures.<sup>17</sup>

### 0.3. Most significant developments of the year

#### 0.3.1. Identifying taxpayers, issuing tax returns and communicating with taxpayers

Taxpayer identification has most dramatically changed in **Brazil**, where public entities and agencies are required to use the CPF as the only identification number for citizens.<sup>18</sup> In **Colombia** and **Honduras**, registration and identification have also changed for the better, with improved embedded security guarantees.<sup>19</sup> The **United Kingdom** has a new system called One Login that should provide single access to about 50 different governmental services, including tax administrations.<sup>20</sup>

In **Italy**, the new Taxpayers' Bill of Rights (the introduction of which was pronounced and covered in last year's Yearbook) has seen reinforced confidentiality requirements for the exchange of information between governmental agencies take effect.<sup>21</sup> The national reporter, however, rightly points out that explicit penalties or disciplinary consequences are lacking, and

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<sup>12</sup> Id.

<sup>13</sup> See sect. 0.1.11.

<sup>14</sup> Id.

<sup>15</sup> See sec. 0.1.12.

<sup>16</sup> See sec. 12.3.; and chart 80.

<sup>17</sup> See sec. 0.1.13.

<sup>18</sup> See sec. 1.2.

<sup>19</sup> Id.

<sup>20</sup> Id.

<sup>21</sup> See sec. 1.3.

that their introduction could further improve the issue.<sup>22</sup> In *Ordre des avocats du Barreau de Luxembourg* (Case C-432/23),<sup>23</sup> the ECJ ruled that **Luxembourg's** tax law provision in article 177 of its General Tax Law infringes article 7 of the Charter of Fundamental Rights of the European Union (CFREU). The broad exclusion of tax matters from legal professional privilege undermines the essence of the right to confidentiality as protected in article 7 of the CFREU. The national legislature still has to amend its national laws in line with that decision.<sup>24</sup> Finally, in **Spain**, a Supreme Court case reinforced taxpayer deduction rights in the case of non-withholding of the tax by a third party. This is a notable shift, as there were no developments to report in this respect in the past 3 years.<sup>25</sup>

Over the course of 2024, access to information increased in **Honduras**, with the introduction of the SIISAR system.<sup>26</sup> A new digital secure electronic signature authorization process was also introduced in **Honduras**.<sup>27</sup>

Cooperative compliance systems around the world have shown remarkable levels of activity over the years. A general trend is that, after their introduction, several changes are implemented to fine-tune the system and make it more equipped to meet the demands of both taxpayers and tax administrations. **Brazil**, for the third year in a row, shows positive shifts in this regard, with a successful pilot project launched in 2023 and a further rollout in 2024.<sup>28</sup> In addition, an automatic refund system was launched in **Colombia** for refundable tax credits under income tax returns for resident individuals. **Italy's** framework for cooperative compliance has significantly expanded, with key changes introduced to the regime, perhaps the most notable of which is the reduction of the turnover threshold.<sup>29</sup> However, taxpayers who do not meet the threshold can now opt for a framework with characteristics similar to those of the cooperative compliance framework. Finally, with regard to cooperative compliance programmes, a negative shift was reported in **Guatemala**, where the selection criteria remain unclear for determining which taxpayers are invited to discuss with the authorities.<sup>30</sup>

In terms of assistance with compliance obligations, **Brazil** extended the deadline for the submission of individual income tax returns by 5 months in the case of force majeure and natural disasters, with similar measures enacted in **Spain**.<sup>31</sup> **New Zealand** has updated its

<sup>22</sup> Id.; and IT: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 3.

<sup>23</sup> See LU: ECJ, 26 Sep. 2024, Case C-432-23, *F and Ordre des avocats du barreau de Luxembourg v. Administration des contributions directes*, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:62023CJ0432> (accessed 3 Mar. 2025).

<sup>24</sup> See sec. 1.3.

<sup>25</sup> Id.

<sup>26</sup> See sec. 1.4.

<sup>27</sup> See sec. 1.5.

<sup>28</sup> See sec. 1.6.

<sup>29</sup> Id.

<sup>30</sup> Id.

<sup>31</sup> See sec. 1.7.

laws to be more responsive in case of natural disasters.<sup>32</sup> Contrary to that positive development, taxpayers in **Canada** were not accommodated after facing difficulties with submitting their tax returns due to postal strikes.<sup>33</sup>

Tax representatives in **Chinese Taipei** have had their rights reinforced with an amendment to the withholding tax scheme, meaning less chance of triggering liability for agents.<sup>34</sup> **Colombia** has reported significant strides regarding assistance for taxpayers, the assessment of tax liability and the need to file a return, outreach programmes to the indigenous population, and a significant simplification of income tax return forms.<sup>35</sup> **Guatemala** reports a negative development in this respect, as there are no measures in place to take on board those parts of society that struggle with the widespread digitalization of tax matters.<sup>36</sup>

In **Germany**, income tax returns are now pre-filled for certain categories of individual, with the option to correct any information contained in the return. This is part of a wider trend reported over the past years towards pre-filled returns. In **Greece**, taxpayers active in the agricultural sector have a simplified tax regime at their disposal.<sup>37</sup>

**The United States** has significantly expanded taxpayer assistance in 2024, with Congress passing a variety of bills to reinforce the currently existing framework, as seen in the work of the National Taxpayer Advocate.<sup>38</sup>

Finally, it is notable that **the Netherlands** reports a shift away from the best practice that requires the limiting of tax compliance costs, referring to the new international and European reporting requirements for MNEs under the EU Pillar Two Directive and the DAC6 directive, a report that could signify a trend that will also be interesting for other EU Member States to observe in coming years. It seems clear that these rules will increase complexity for taxpayers.

### 0.3.2. The issue of tax assessment

Tax assessment remains a topic of many developments with regard to the relevant minimum standards and best practices in every year. Effective tax administration involves transparency, predictability and open communication. In light of legal certainty, this means, for example, that a taxpayer should have access to the relevant laws and guidance in relation to a tax assessment, reasonably be able to determine its position and have an open channel of communication with the tax administration to be able to discuss on any uncertainty during tax assessments.

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<sup>32</sup> Id.

<sup>33</sup> Id.

<sup>34</sup> Id.

<sup>35</sup> Id.

<sup>36</sup> Id.

<sup>37</sup> Id.

<sup>38</sup> Id.



In 2024, **Belgium** presents a mixed picture, with improved procedural fairness but limitations on constructive taxpayer dialogue due to various decisions in cases before the Supreme Court.<sup>39</sup> **Bolivia's** tax assessments have become contentious due to aggressive audits, which have especially impacted large fortunes tax and VAT refunds; the Bolivian national reporter covers reports from those who have experienced this shift.<sup>40</sup> **Honduras**, despite promising reforms in 2023 with the passing of the Tax Justice Bill, faced opposition and polarized political debate in 2024 that undermined the effectiveness of the proposed changes.<sup>41</sup> The **United States** struggled with administering the employee retention credit, due to processing delays and communication issues. About 1.2 million claims stemming from the COVID-19 pandemic remain unprocessed.<sup>42</sup>

**Italy** introduced a substantial amendment to its Taxpayers' Bill of Rights, in order to ensure preliminary dialogue with taxpayers before issuing assessments. **South Africa** implemented an AI-led conversational platform for real-time responses to taxpayer inquiries, with the aim of improving dialogical structures between taxpayers and tax authorities. **Guatemala** facilitated conflict resolution meetings before formal tax adjustments, **Costa Rica** established a forum for dialogue between tax authorities and national taxpayers and the **United Kingdom** updated its Code of Governance for Resolving Tax Disputes to enhance clarity and transparency.<sup>43</sup>

E-filing, a best practice that generally sees a lot of activity due to digitalization, has once again proved a category in which many shifts were reported. In response to the COVID-19 pandemic, many countries adopted e-filing to improve tax efficiency and reduce delays. **Botswana** enhanced e-service campaigns, while **Honduras** launched the "Virtual Office" to streamline tax processes. **Luxembourg** mandated e-filing for directors' fees from January 2025. **Spain** introduced corrective self-assessments, improving flexibility and efficiency in tax filings. In **Chinese Taipei**, according to the national reporter, e-filing adoption grew, reducing reliance on paper-based communication. The **United Kingdom's** voluntary Making Tax Digital programme for income tax, which starts in April 2026, aims to simplify tax reporting. In the **United States**, the Internal Revenue Service (IRS) addressed challenges through means such as processing paper backlogs and implementing scanning technology, which has resulted in expedited refunds and improved accuracy.<sup>44</sup>

Ensuring tax refunds are made on time is vital for efficient tax administration and taxpayer trust. Delays burden taxpayers and undermine the system. A new minimum standard has been added to the OPTR to address the issue of late or delayed payments of tax refunds by tax administrations to taxpayers, stating that "[w]here a tax assessment indicates a repayment is due, that repayment should be made without undue delay or unnecessary formalities". To address this, automated refund processes and risk-based verifications are recommended. While no broadly significant shifts towards the minimum standard have been noted, **South Africa** stands out as a first mover on the minimum standard due to its new inclusion. The South African Revenue Service (SARS) has announced improvements in refund processing,

<sup>39</sup> See sec. 2.

<sup>40</sup> Id.

<sup>41</sup> Id.

<sup>42</sup> Id.

<sup>43</sup> Id. for all examples mentioned.

<sup>44</sup> Id. for all examples mentioned.



thereby enhancing efficiency and security. It shows the minimum standard is a timely addition, and it will be interesting to see future reporting in this respect, potentially intertwining with the use of new technologies.

### 0.3.3. Confidentiality

The protection of taxpayer confidentiality remains a critical issue due to its sensitivity, implications for the relationship between taxpayers and tax administrations, and the feeling of trust in the government in general. To reiterate, 2024 is a year in which notable developments occurred across various jurisdictions. Every year, the OPTTR reports on an abundance of shifts related to taxpayer confidentiality, the details of which can be found in section 3. and its subsections, with a few notable developments highlighted in this current section. Due to the high level of reporting on this matter, it is advisable to see the detailed reporting in both section 3. and the national reports, especially as practice varies by country, with shifts noted in both directions (i.e. towards and away from best practices and minimum standards).

Trends indicate an increasing emphasis on digital security, legal protections and administrative safeguards. **Honduras** has introduced new prohibitions on unauthorized disclosure,<sup>45</sup> while **Luxembourg** has codified rules on IT outsourcing to ensure tax secrecy.<sup>46</sup> **Brazil** stands out for its national strategy on cloud computing and cybersecurity,<sup>47</sup> which reinforces data protection as a best practice. This Brazilian national strategy represents a good step towards a clear standpoint on these issues, on which citizens can rely. However, weaknesses persist elsewhere, such as in **Luxembourg**, where data security standards have been set back this year due to a failure to maintain strict access controls.<sup>48</sup>

A new minimum standard with regard to data protection rights has been added to this year's Yearbook: "Data protection rights apply to all information held by tax authorities. This includes rights to access data and correct inaccuracies and the destruction (or anonymous archiving) of all data once its purpose has been fulfilled." The main aim for its inclusion is to monitor updates to data management practices, not solely at the moment of providing information but also after the reporting, while handling the data. **Costa Rica** has revealed instances of unauthorized access and highlighted the need for better auditing mechanisms.<sup>49</sup>

A new minimum standard has been added due to the need to monitor the handling of data outside the premises of tax administrations: "Where tax officials are permitted to work remotely (e.g. from home), equivalent measures should be taken to ensure confidentiality and data protection as if the official were working from a tax office. The measures taken to ensure confidentiality and data protection should be audited on a regular basis." **Brazil** addresses

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<sup>45</sup> See sec. 3.3.

<sup>46</sup> Id.

<sup>47</sup> Id.

<sup>48</sup> Id.

<sup>49</sup> See sec. 3.4.

remote work security by requiring tax officials to use government-provided devices.<sup>50</sup> **Canada** limits remote work to improve confidentiality, signalling a partial return to office settings.<sup>51</sup> **Colombia** enhances confidentiality awareness among tax officials through mandatory training sessions and a classified email system.<sup>52</sup>

**Peru** has appointed a data protection officer for better oversight,<sup>53</sup> while **Honduras** has strengthened disciplinary measures for breaches.<sup>54</sup> **Guatemala** mandates automatic information-sharing between public agencies and the tax administration,<sup>55</sup> which has raised concerns about preserving taxpayer confidentiality. **Costa Rica** publicly lists taxpayer identification numbers alongside unpaid tax debts, which is a move away from best practices.<sup>56</sup>

**Peru** has ensured personal data protection in non-compliance lists, thereby moving closer to the minimum standard.<sup>57</sup> **Guatemala** has repeatedly disclosed personal information related to tax fraud cases,<sup>58</sup> indicating weaknesses in confidentiality protections. **Bulgaria** has introduced whistleblower protection legislation under the newly added best practice, which reads: "Legislation should protect whistleblowers in appropriate cases (including those in which the information disclosed demonstrates that a crime has been committed), in particular when the whistleblower discloses breaches of confidentiality and data protection by revenue authorities (and by third parties holding data for tax purposes)."<sup>59</sup>

**Guatemala** intends to actively target tax advisors for client-related tax adjustments, potentially undermining legal professional privilege.<sup>60</sup> Recent ECJ rulings reaffirm the extension of legal professional privilege to all communications between lawyers and clients in tax matters.<sup>61</sup>

Overall, while many countries have enhanced legal protections, encryption standards and administrative safeguards, others have weakened confidentiality through broader data-sharing policies or insufficient oversight. This section thus remains vibrant and pressing, and, as countries move towards and away from the minimum standards and best practices in this field, its relevance is clear.

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<sup>50</sup> See sec. 3.5.

<sup>51</sup> Id.

<sup>52</sup> Id.

<sup>53</sup> See sec. 3.6.

<sup>54</sup> See sec. 3.7.

<sup>55</sup> See sec. 3.9.

<sup>56</sup> See sec. 3.10.

<sup>57</sup> Id.

<sup>58</sup> Id.

<sup>59</sup> See sec. 3.11.

<sup>60</sup> See sec. 3.14.

<sup>61</sup> See sect. 3.14.; and ECJ cases C-623/22 (Belgian Association of Tax Lawyers) and C-432/23 (*Ordre des avocats du barreau de Luxembourg*).

#### 0.3.4. Normal audits

In tax audits, it is impossible to overstate the importance of procedural principles such as proportionality, prohibition of double jeopardy, the right to be heard and the principle against self-incrimination.<sup>62</sup> Breaches of these principles can lead to unlawful findings or invalidate an entire audit. Good tax governance should align with minimum standards, but it must also protect taxpayers' rights to effective legal remedies.

In **Italy**, a shift towards the minimum standard was observed with the introduction of the new law on tax proceedings that emphasize proportionality and protect taxpayers' rights.<sup>63</sup> Conversely, in **Guatemala**, a shift away from the minimum standard occurred due to a Constitutional Court ruling that limits the objection of audit initiation information, potentially affecting fairness principles.<sup>64</sup> Overall, tax systems as assessed by the national reporters can be categorized into those not observing fundamental principles (e.g. **Chinese Taipei**),<sup>65</sup> those with legislated principles and those in which principles are inconsistently upheld (e.g. the **United States**).<sup>66</sup>

The *ne bis in idem* principle ensures proportionality and certainty for taxpayers during tax audits. In 2024, **Greece** made a positive shift by amending article 27 of the Tax Procedure Code to prevent audit duplication.<sup>67</sup> **Italy** also aligned with best practices, amending article 9-bis of its Taxpayer's Bill of Rights to limit audits per tax period, potentially influencing future audit processes.<sup>68</sup> Conversely, **Guatemala** moved away from best practice, with instances of using audit data for multiple tax adjustments without public guidance.<sup>69</sup> **Spain** maintained positive case law developments from 2024,<sup>70</sup> while the **United States** saw no changes in attitude towards the *ne bis in idem* principle but upheld its composite position allowing repeat audits if deemed necessary.<sup>71</sup>

<sup>62</sup> This was also explained in the 2022 report, as follows:

[T]he first minimum standard envisages that audits should respect the following principles: (i) proportionality; (ii) *ne bis in idem* (prohibition of double jeopardy); (iii) *audi alteram partem* (right to be heard before any decision is taken); and (iv) *nemo tenetur se detegere* (principle against self-incrimination). Tax notices issued in violation of these principles should be null and void. The second minimum standard in this area foresees that, in the application of proportionality, tax authorities may only request information that is strictly needed, that is not otherwise available and that imposes the least burdensome impact on taxpayers. According to the third minimum standard, in the application of *audi alteram partem*, taxpayers should have the right to attend all relevant meetings with the tax authorities (assisted by advisers), as well as the right to provide factual information and present their views before decisions of the tax authorities become final. The fourth and final minimum standard states that, in application of *nemo tenetur*, the right to remain silent should be respected in all tax audits.

The best practice is an application of the *ne bis in idem* principle and reflects the idea that a taxpayer should not be subjected to more than one audit per taxable period. See sec. 4.1.

<sup>63</sup> See sec. 4.1.

<sup>64</sup> Id.

<sup>65</sup> Id.

<sup>66</sup> Id.

<sup>67</sup> Id.

<sup>68</sup> Id.

<sup>69</sup> Id.

<sup>70</sup> Id.

<sup>71</sup> Id.

The application of *nemo tenetur*, and respect for the right to remain silent, has only resulted in reports of shifts away from this minimum standard. **Canada** stands out in this respect, as an amendment to its Income Tax Act saw an expansion the tax administration's power to compel taxpayers to answer questions.<sup>72</sup>

Guidelines are an important tool for providing taxpayers with certainty regarding how audits will be conducted. In this respect, **Panama** has experienced a positive shift, with audit guidelines laid out in its new Tax Procedures Code.<sup>73</sup> **Spain** has also developed new guidance on this topic in 2024, signalling a positive trend.<sup>74</sup>

Taxpayers should be made aware of the initiation of an audit, the extent of an audit and their rights and responsibilities. Case law in **Spain** further substantiated these rights, as the Supreme Court ruled that the tax administration must state the reasons for an audit in its first communication with a taxpayer.<sup>75</sup>

Time limits for audits greatly enhance certainty for taxpayers. The OPTR contains a minimum standard and best practice to address this issue. This year, only positive developments have been reported in that regard, in **Greece, Panama** and **Spain**.<sup>76</sup>

Sections 4.4. and 4.5., which deal with technical assistance and the audit report, have not reported any shifts this year.

### 0.3.5. More extensive audits

Due to their nature, more extensive audits come with specific consequences for the protection of the rights of the taxpayer involved. Intensive audits are a costly experience for taxpayers and tax administrations; as such, the former's interest is to not be subjected to such an intensive process unless this is warranted by law and communicated with reasons. It is in the best interests of the tax administration and society at large to spend the limited resources available for conducting such audits on the cases that best serve society. Those decisions are preferably shaped by clear legal guidelines, as well as checks and balances from the judicial branch (when, for example, criminal procedures are opened). However, there should also be an option for taxpayers to raise their concerns before a court once compliance costs outweigh those reasonably required.

During audits in which it becomes foreseeable that a penalty or criminal charge will be the outcome, the minimum standard under section 5.2. requires that taxpayers be granted a stronger protection in line with their higher risk of (criminal) legal liability. In **Guatemala**, the national reporter anecdotally observes an instance in which the likelihood of criminal proceedings was covered in the media before it was made known to the taxpayer, which

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<sup>72</sup> Id.

<sup>73</sup> See sec. 4.2.

<sup>74</sup> Id.

<sup>75</sup> Id.

<sup>76</sup> See sec. 4.3.

signals a worrying trend.<sup>77</sup>

Case law in **Spain** brought the country's laws more in line with the minimum standard that requires judicial authorization before entering the premises of the taxpayer, ruling that evidence obtained by the tax inspector during searches that were carried out prior to the notification of the start of the audit are invalid.<sup>78</sup>

According to the best practice in section 5.3., bank account access should only be made available following judicial authorization. There has been a shift away from this best practice in **Brazil**<sup>79</sup> and **Chile**; in the latter case, following a legislative change.

According to the minimum standard regarding the seizure of computers, any such seizure should be subject to a requirement of giving reasons and a fixed time limit. **Spain** has noted case law developments that demonstrate a shift towards this minimum standard.<sup>80</sup>

Lastly, section 5.4, which deals with the treatment of privileged information, has seen no reportable shifts this year.

#### 0.3.6. Reviews and appeals

Remedies for taxpayers in the form of reviews and appeals form the backbone of the rule of law in tax matters, as they allow taxpayers to challenge views taken by the authorities and provide access to justice. The way in which such procedures are made available to taxpayers has been part of the broader movement towards the digitalization of tax matters, as also reflected under the best practices and minimum standards that track the developments in this section.

Concerning remedies, section 6.1. contains the best practice that e-filing requests for internal review should be made available to taxpayers in order to ensure a quick turnaround. In this regard, several countries have observed shifts in the right direction. **Botswana, Honduras, Hungary** and the **United States** have all reported shifts towards this best practice, with various initiatives. Whereas **Honduras** is introducing its Virtual Office of the Honduran Tax Administration Service this year,<sup>81</sup> the **United States** is continuing the roll-out of its Strategic Operating Plan.<sup>82</sup> These kinds of developments are a constant among reporting countries, with a large group of positively shifting countries also noted in last year's report.<sup>83</sup> In this sense, a global trend towards the availability of e-filing for internal reviews is reconfirmed each year.

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<sup>77</sup> See sec. 5.2.

<sup>78</sup> See sec. 5.3.

<sup>79</sup> Id.

<sup>80</sup> Id.

<sup>81</sup> See sec. 6.1.

<sup>82</sup> Id.

<sup>83</sup> Id.

Last year was full of changes with regard to the minimum standard that the right to appeal should not depend upon prior exhaustion of administrative reviews, but that movement has lost momentum this year, with no reported shifts. This shows that shifts not related to digitalization, which remains a continuing trend, move more haphazardly.

Section 6.2. saw the addition of a new minimum standard, stating that “[t]axpayers should have a remedy to accelerate or terminate (including through reference to mediation or ADR) reviews and appeals in cases of excessive delay”. No reporting was done under the new minimum standard in 2024, but its addition shows the commitment of the OPTR project to enhancing its standards in line with critical principles of fair trials and procedures, with the duration of such procedures acknowledged as a part of that legal principle.

Concerning tax arbitration as an option for taxpayers, as reported in section 6.3., **Portugal** shows a shift away from the best practice that says states should allow for tax arbitration. In a case law development reported by the Central Administrative Court (South Bench), a law permitting taxpayers to transfer cases pending in judicial courts to arbitration tribunals was struck down, on the grounds that it violated the Constitution.<sup>84</sup> It remains to be seen if this development, which is contrary to previous custom in the country, will be overturned in the near future.

Concerning the payment of taxes before an appeal, the best practice is that an appeal should not require prior payment of taxes in all cases. **Nigeria** reported a positive development in this regard, as the Federal High Court struck down as unconstitutional certain practices of the Federal Inland Revenue Services that required taxpayers to pay 50% of the taxes in order to be able to file an appeal.<sup>85</sup>

Digitalization also transforms hearings during the appeals phase of tax procedures. The OPTR reflects the differences in accessibility that taxpayers face by including a minimum standard that online hearings should be made available to taxpayers if so desired. **Greece** reports a positive shift in this regard, as online hearings have become available for tax cases.<sup>86</sup> Finally, concerning access for taxpayers and advisors to relevant court cases, publication of judgments has become more widely available in **Italy** in 2024.<sup>87</sup>

### 0.3.7. Criminal and administrative sanctions

In 2024, several countries showed significant shifts in their tax penalty systems. **Italy** moved towards best practices by amending laws to ensure penalties are proportionate both in administrative and criminal regimes.

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<sup>84</sup> See sec. 6.3.

<sup>85</sup> See sec. 6.4.

<sup>86</sup> See sec. 6.7.

<sup>87</sup> See sec. 6.8.



**Spain's** Supreme Court strengthened the principle of proportionality in its tax penalties,<sup>88</sup> allowing courts to modulate sanctions based on economic damage. The **United States** IRS emphasized evaluating reasonable cause statements before penalties, thereby upholding the principle of proportionality.<sup>89</sup>

**Panama** also aimed to reinforce proportionality by addressing minor offences with administrative fines rather than criminal measures.<sup>90</sup> Conversely, **Belgium's** Constitutional Court upheld its VAT law, which allows for cumulative fines under certain conditions, thereby raising questions about proportionality.

At a supranational level, the **ECJ** clarified that concurrent administrative and criminal sanctions must be proportional, while the *ne bis in idem* principle remains strictly interpreted.<sup>91</sup>

Recent shifts in voluntary disclosure regimes vary significantly between countries. In the **United States**, changes to the voluntary disclosure application form in June 2024 have reduced participation, moving away from the minimum standard which states that sanctions should not be increased simply to encourage voluntary disclosures.<sup>92</sup>

Conversely, **Argentina** introduced a new regime on 8 July 2024, allowing for the voluntary payment of unpaid taxes while exempting taxpayers from sanctions and interests, shifting towards best practices by promoting regularization.<sup>93</sup>

Similarly, **Greece** implemented a scheme that encourages cooperation between taxpayers and authorities during audits, rewarding early acceptance of audit findings with reduced penalties, thus moving towards best practices.<sup>94</sup>

### 0.3.8. Enforcement of taxes

Tax enforcement is essential for a society's financial foundation, balancing state tax collection with taxpayer rights. Effective and non-biased enforcement also contains an equality element that ensures taxpayers are treated similarly regarding their property and the state's prerogative to infringe on that private property for the benefit of society as a whole. A minimum standard that incorporates the duty of care of a state to its citizens is the first one in this section, which lays down that collection of taxes should never deprive citizens of the minimum they require to subsist.

**Lithuania** specifically ensures tax collection does not deprive taxpayers of minimum living

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<sup>88</sup> See sec. 7.1.

<sup>89</sup> Id.

<sup>90</sup> Id.

<sup>91</sup> Id.; and BE: ECJ, 12 Dec. 2024, Case C-331/23, *Dranken Van Eetvelde NV v. Belgische Staat*, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:62023CJ0331> (accessed 5 Mar. 2025).

<sup>92</sup> See sec. 7.1.

<sup>93</sup> See sec. 7.2.

<sup>94</sup> Id.

standards.<sup>95</sup> By adjusting personal income tax calculations based on increased minimum wage, employees earning below EUR 2,387.29 will pay less tax, thereby increasing their monthly income between EUR 11-13.

In 2024, **Lithuania** introduced new legislation that increased the powers of the State Tax Inspectorate in debt collection procedures, limiting judicial control to improve efficiency.<sup>96</sup> This shift aligns with best practices aimed at reducing administrative and financial burdens on both the debtor and the state.

Conversely, **Switzerland** moved away from best practices with new legislation effective from January 2025, which allow unpaid taxes to initiate bankruptcy procedures if the taxpayer is listed in the commercial registry.<sup>97</sup> This represents a deterioration of taxpayer rights, as the bankruptcy procedure could lead to company liquidation.

To prevent taxpayer bankruptcy, **the Netherlands** has implemented measures ensuring that debt cancellation from agreements between debtors and creditors does not count as taxable income.<sup>98</sup> This supports best practices by facilitating insolvency agreements and removing tax spillover effects that discourage the process.

**Brazil** has continued its policy of tax relief in response to natural disasters, specifically after severe floods in Rio Grande do Sul.<sup>99</sup> Measures include exemptions from indirect taxes on fixed assets purchases, no reversal of indirect taxation credits for damaged goods and refunds of indirect taxes on household appliances. These actions align with best practices for providing flexibility in tax payments during extraordinary situations.

### 0.3.9. Cross-border procedures

Cross-border procedures are always a vibrant field in which many shifts are reported, although countries' attitudes towards the effectiveness and desirability of implementing the options for cross-border relief and procedures that guarantee effective remedies in those procedures for taxpayers in their territories differ greatly. In addition, in cases in which fundamental rights such as those laid down in constitutional documents and international treaties foster a direct relationship with the act of taxpaying in a domestic setting, there is a more reluctant application of those norms to the cross-border setting. This lower level of protection means taxpayers are at greater risk within cross-border procedures, making this section of the Yearbook particularly important. In this year's edition, to stress the point, shifts from previous years have been taken into account. While shifts are only reportable in light of actual changes, national reporters have given clarifications that shed an interesting light on the policy of their countries without

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<sup>95</sup> Id.

<sup>96</sup> Id.

<sup>97</sup> Id.

<sup>98</sup> Id.

<sup>99</sup> Id.



signifying an actual shift in law. This is a further example of cross-border procedures being a field at the margins of oversight, thus meriting even more their place in the OPTR Yearbook.

Similarly, as in recent years, various countries have reported updates and clarifications related to the minimum standard and best practices for taxpayers' rights in the cross-border exchange of information procedures. Some countries have made positive strides, while others have moved away from these standards. The clearest change in the actual law, reported in relation to the adoption of the EU Directive, is the widespread national implementation of the DAC7 legislation concerning the exchange of information.<sup>100</sup> Future changes are to be expected in this regard, with new European legislation coming out on reporting on crypto assets (DAC8). The influence of EU law is felt at the individual country level as well, with Member States changing their laws towards the general standards contained in EU law. For example, in 2023, **Slovenia** amended the Tax Procedure Act to align with the General Data Protection Regulation (GDPR), a shift towards the minimum standard. This amendment aimed to enhance data protection for taxpayers during cross-border information exchanges, and it continued into 2024.<sup>101</sup>

Conversely, last year **Botswana** indicated a shift away from the minimum standard that demands taxpayers be notified of an exchange of their information, as the country does not provide specific assistance to taxpayers during exchange of information (EOI) procedures. The continued monitoring in the OPTR aims to see if countries shift back or change their policy in this regard, which has not been the case this year for Botswana.

Notably, **Chinese Taipei** has consistently clarified that various minimum standards and best practices do not apply, since taxpayers' rights do not form an integral part of the tax codes or internal regulations of the country when it comes to cross-border procedures. This highlights the difficult nature and wide variety of treatment, as indicated in section 0.2.<sup>102</sup>

The **United States** did not report a shift with regard to EOI but clarified that taxpayers typically cannot challenge the legality of information exchange requests.<sup>103</sup> However, they can challenge IRS summonses issued at the request of foreign governments in US courts. Although taxpayers are generally informed when third parties seek their data, there are exemptions, such as for third-party summonses related to assessed tax collection. The IRS can issue a so-called John Doe summons to unidentified taxpayers, meaning these individuals cannot be informed beforehand.

**Lithuania** moved away from the minimum standard that, in the case of information being sought from third parties, judicial authorization is necessary, and the third party involved should have a right to bring a legal challenge to test the legality of the request in court.

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<sup>100</sup> See sec. 9.1.

<sup>101</sup> See sec. 9.1.1.

<sup>102</sup> Id.

<sup>103</sup> Id.

Lithuania has eliminated judicial authorization for sharing tax-related information with third parties.<sup>104</sup>

**Guatemala** shifted away from the minimum standard that demands that, in the case of exchange of information on request, the taxpayer should be granted access to the information received by the requesting states.<sup>105</sup> Thus, in general, taxpayers cannot access information received from international requests. However, this year was the first time that the tax administration actually made such a request, so the practice is still in its early stages.

Since 2015, when the OECD Forum on Transparency and Exchange of Information made countries repeal the taxpayers' right to be informed before exchanging information, many countries have removed this right. In 2024, several countries continued to move away from the minimum standard and best practices regarding taxpayer notification of information requests, suggesting a consolidation of this negative trend.<sup>106</sup>

**Botswana's** Bill 19 of 2024 amended the Data Protection Act but did not include specific provisions for safeguarding tax-related data in information exchanges. The Act allows for restrictions on certain rights for monetary, budgetary, and taxation interests, potentially compromising data protection in tax matters.<sup>107</sup>

**Bolivia** faced criticism from the national reporter for not notifying taxpayers about EOI procedures, thereby continuing a practice that undermines taxpayer rights.<sup>108</sup>

Mutual agreement procedures (MAPs) are a pivotal part of the international tax system. However, many countries still limit the option to have such a procedure initiated or do not incorporate the option at all (61%).<sup>109</sup> Additional restrictions might apply even in the case of a favourable position on the initiation of a MAP, which is demonstrated by the fact that only 11% of the surveyed countries allow for access to communications in such a procedure.<sup>110</sup> This year, the picture did not shift much. However, interesting background information was reported in **Chinese Taipei** and the **United States**, where the national reporters point to the national guidance clarifying taxpayers' rights and procedures applicable in a MAP. It shows that developments regarding MAPs are sometimes observable below the surface, not directly resulting in a shift in the relevant minimum standard and best practices but still clarifying or expanding the rights of taxpayers in such procedures.

Overall, while some countries have improved data protection and adherence to minimum standards, others have moved away from these practices, impacting taxpayers' rights and

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<sup>104</sup> See sec. 9.1.2.

<sup>105</sup> Id.

<sup>106</sup> Id.

<sup>107</sup> Id.

<sup>108</sup> See sec. 9.1.4.

<sup>109</sup> See chart 67, sec. 9.2.

<sup>110</sup> See chart 68, sec. 9.2.

transparency in cross-border information exchanges. It shows that the strengthening of taxpayers' rights in cross-border settings, lacking a clearer normative demand from the national constitutional or international treaty framework, remains a voluntary exercise for countries with strong shifts over the years and wide differences in reporting between countries.

### 0.3.10. Legislation

Legislation is the outcome of (constitutional) procedures that lay a path towards the valid adoption of tax legislation in abidance with the rule of law, thereby safeguarding taxpayers' rights regarding what they can expect from their governments. In democratic states, an extra condition for adopting tax laws is that these procedures require an element of representation to be present. This representation usually materializes in the form of parliamentary adoption of tax laws and is part of the principle of legality of taxation, which requires a law to be the basis of any charge on the private property of citizens, in order to ensure that the state only uses this exceptional power in cases expressly mandated by the relevant procedures.

In 2024, in **Italy**, the amendment to the Taxpayers Bill of Rights implements a shift in how tax laws are to be interpreted going forward, which is very interesting in light of the OPTR's broader structure. The new law prescribes an interpretation of its norms that is in line with European, international and constitutional principles. In that sense, the amended Bill can be seen as incorporating a law of principles that should provide for a principled interpretation of tax laws and a convergence of norms. Therefore, it will be highly interesting to assess its effect within the OPTR project over the coming years.

Furthermore, article 3 of the Italian Taxpayers Bill of Rights (Law 212) enhanced taxpayer protection by prohibiting retrospective tax legislation, moving towards the minimum standard that retrospective taxation should only be permitted in limited circumstances.<sup>111</sup>

**Türkiye** experienced a shift away from the best practice that states that retrospective taxation should ideally be banned completely when its Constitutional Court upheld a retrospective tax following the February 2023 earthquakes, citing extraordinary circumstances. It shows that countries find themselves in a difficult position when it comes to unforeseen circumstances and natural disasters that pose a direct need for extra financing.<sup>112</sup>

**Brazil** has continued its trend towards the best practice that public consultation should precede law-making and policymaking in taxation, with the Federal Revenue Service and Congress conducting public consultations before enacting tax laws.<sup>113</sup> **New Zealand** returned to the use of the generic tax policy process (GTPP), marking a shift towards best practice.<sup>114</sup> **Poland**, following a change of government, resumed public consultation in tax legislation,

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<sup>111</sup> See sec. 10.2.

<sup>112</sup> Id.

<sup>113</sup> See sec. 10.3.

<sup>114</sup> Id.

moving towards the best practice in this area.<sup>115</sup> Conversely, **Bolivia** did not adhere to the best practice, as tax laws were enacted without prior public consultation and did not pass through parliament but rather were enacted directly by the president for the 2025 Financial Budget.<sup>116</sup>

### 0.3.11. Revenue practice and guidance

Subjectification to tax laws, meaning that the force of the law applies to a specific person (just as with subjectification to any other type of governmental power), is an exercise and experience that is not solely or exhaustively spelt out in the law that establishes the relationship between government and subject. Exhaustive legislation and guidance on the workings of the administration hamper the functioning of the administrative state and would place an enormous burden on the legislature. Therefore, tax administrations are granted margins of appreciation to function effectively. Taxpayers should be able to have access to standard practices and be able to assess their position under the relevant laws when this depends on the exercise of this discretion by the administration. In section 11. of the Yearbook, the OTPR monitors compliance with these principles of effectively functioning government and administration.

In this light, the first minimum standard that requires the publication of relevant legal materials and regulations, rulings, manuals and other guidance reported a positive shift in multiple jurisdictions. **Italy**, **Hungary** and **Colombia** have reported shifts towards this minimum standard; it should be highlighted that **Colombia** does so for the second year in a row and therefore continues a trend.<sup>117</sup>

Access to materials such as those mentioned in the previous paragraph is vital for taxpayers to determine their position and envisage their interaction with authorities. Despite the widespread shift towards digitalization of the relationship between taxpayers and administrations, as reported in the previous sections, it is imperative that countries make materials available to those without access to the Internet. **Hungary** reports a positive shift in that regard for this year, as it has clarified that there is no obligation for taxpayers to conduct their relationship with the administration over the Internet.<sup>118</sup>

Rulings provide a long-established instrument that some jurisdictions in the world use to grant certainty to taxpayers regarding their obligations. This certainty is only present if the ruling is also binding on the tax authorities (unless based on an incorrect presentation of the relevant circumstances). The minimum standard laying this down saw **Spain** and **Panama** reporting shifts toward it, in the case of the former because of new case law, and in the latter because

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<sup>115</sup> Id.

<sup>116</sup> Id.

<sup>117</sup> See sec. 11.2.

<sup>118</sup> Id.

of newly adopted laws.<sup>119</sup>

Inaccuracies in non-legally binding guidance that is published by the revenue authorities should not be to the detriment of taxpayers, even though this guidance is not binding. In this respect, **Brazil** has reported a shift towards this minimum standard as its Supreme Court ruled that a tax that was previously not charged (although being part of the state tax laws) could not be charged on taxable events before the administrative policy changed and the tax was to be charged.<sup>120</sup>

### 0.3.12. Institutional framework for the protection of taxpayers' rights

The considerations in section 0.3.11. are also at the forefront in the 12th section of the Yearbook, in which the OPTR assess the structural institutional frameworks that are specifically in place to protect taxpayers' rights. Due to its special relationship with the exercise of state power and the fact that it reaches into the private property of citizens, taxation has a special relationship with the exercise of power. This was also seen in the principle of legality of taxation, which shows that taxation has a special status under general (constitutional) law, as mentioned in section 0.3.10. However, specific material safeguards are necessary due to the widely different groups of taxpayers, the situations they find themselves in and the reflection of those differences in their subjectification to tax laws. An institutional framework for protecting taxpayers' rights acknowledges this special status.

In that regard, **Poland** has not yet adopted a taxpayer's bill of rights. However, it continues its drafting process and is actively working towards compliance with the minimum standards that the existence of such a bill of rights should be commonplace.<sup>121</sup> The Polish Charter of Taxpayer Rights is currently under public consultation.

The OPTR strongly acknowledges the tax ombudsman as a pivotal part of protecting taxpayers' rights. **Italy** has seen the introduction of a new National Taxpayer Ombudsman, replacing the previous system of having a public official in each region. The shift is positive, as the single office ensures uniformity of application and national jurisdiction, avoiding fragmented implementation and decision-making.<sup>122</sup>

### 0.3.13. Artificial intelligence/automated analytical systems

A new section has been added to the OPTR that comprises the most significant novelty in the update to the minimum standards and best practices that have been carried out. This new section deals with the implications of the adoption and usage of AI and AAS, and was necessitated by the changing landscape in tax administration and enforcement. The wave of digitalization that has been observed in past years, exacerbated by the necessity to provide

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<sup>119</sup> See sec. 11.3.

<sup>120</sup> See sec. 11.4.

<sup>121</sup> See sec. 12.2.

<sup>122</sup> See sec. 12.3.

digital forms of communication during the COVID-19 pandemic, seems to be revolutionizing the way in which taxpayers and tax administrations deal with their tax affairs.

As mentioned in section 13.1., “[t]hese technologies offer significant potential to enhance efficiency, accuracy, and transparency in tax compliance procedures. By leveraging AI, tax authorities can streamline processes, reduce human error, and provide better services to taxpayers”. This is the clear upside to technology that has processing capabilities that are unmatched by humans. Taking into account the increasing reporting duties of taxpayers and, therefore, the increased pressure on tax authorities to process that data, it seems that the adoption of these kinds of technologies will be indispensable to coping with the trend of expanding data collection and the increased complexity of collected data. Likewise, it is necessary for the taxpayer to keep an eye on new technologies, in order to gain efficiency, comply with reporting duties and make use of the simplifications that they may bring about.

The other side of the coin, as also reported in section 13.1., is “that the implementation of these systems also raises important questions about transparency, accountability, and the protection of taxpayer rights”. Examples of risks are that the technology that becomes so efficient in dealing with complex matters also sometimes suffers from opacity in its decision-making, and technology that can standardize communication between taxpayers and tax authorities could be mistaken for human contact and raise expectations that are then not met. It is not a given that these risks will actually materialize, but it is good to be aware of the risks in advance.

The new section has been divided into three subsections to reflect the critical areas in which developments have occurred over the past years or in which they might be expected to happen in future. The first regards transparency and demands as a minimum standard that taxpayers who are subject to a tax compliance procedure in which AI or AAS is applied are informed of the fact that such procedures are applied. Several countries report a shift towards transparency, first showing that this section has indeed been added with merit, and second that legislatures in **Japan, Türkiye** and the **United Kingdom** all work towards abidance with this minimum standard.<sup>123</sup> **Denmark** does not report any shift, but it does use these systems and only sometimes informs taxpayers.<sup>124</sup> The Danish practice is a case in point, illustrating that norms within this field are still under development; this to-be-developed guidance and case law will determine in which cases transparency is absolutely necessary in the eyes of national courts and in which cases more leniency will be applied. Another aspect of transparency can be seen in the setting of communication, according to which taxpayers should be informed if they are not communicating with a human but with an AI or AAS in their interactions with the tax authorities. All jurisdictions that are reporting in this respect – namely, **Brazil, Honduras, Japan** and the **United Kingdom** – report abidance with the minimum standard.<sup>125</sup> The main form of communication technique that has surfaced is the chatbot,

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<sup>123</sup> See sec. 13.2.

<sup>124</sup> Id.

<sup>125</sup> Id.



which is an automated messaging system able to help taxpayers with simple questions, usually based on keywords. Chatbots have proved handy in navigating the information sections of tax administration websites, among other functions.

Concerning decision-making and transparency, the minimum standard in section 13.2. requires tax administrations to disclose the fact that AI/AAS has been used in making a decision, with at least a basic explanation of the procedure that has been applied. The best practice in this regard is to give full details of the criteria and algorithms that were used to reach a given decision. This leads to the idea of explainability of decision-making in the use of AI/AAS,<sup>126</sup> which is a standard that greatly enhances the rights of taxpayers in terms of transparency, but also in case of any possible dispute that might arise in future. Certain countries, such as **Denmark**, opt for a different standard, namely the right to have the data that was used to come to a decision disclosed.<sup>127</sup> The **United States** is an example of a jurisdiction which requires its agencies, including the IRS, to inventory AI-use cases and report the information, as well as make the inventory public.<sup>128</sup>

Human oversight and safeguard, the title of section 13.3., contains two minimum standards and two best practices.<sup>129</sup> The first set seeks to ensure that AI/AAS cannot exclusively make decisions that significantly impact taxpayers. A suitably qualified person should oversee this process. These norms also stretch to the judiciary, and **Brazil** provides a case in point. The Brazilian Supreme Court has developed an AI system for assisting judicial authorities in simpler cases and preparing abstracts, but it demands human supervision.<sup>130</sup> **Spain** also requires human intervention in all instances.<sup>131</sup> In the **United Kingdom**, a different trend could

<sup>126</sup> See also B. Kuźniacki et al., *Towards eXplainable Artificial Intelligence (XAI) in Tax Law: The Need for a Minimum Legal Standard*, 14 *World Tax J.* 4 (2022), Journal Articles & Opinion Pieces IBFD, available at <https://doi.org/10.59403/2yhh9pa>.

<sup>127</sup> Id.

<sup>128</sup> Id.

<sup>129</sup> Those read as follows:

- (i) "No decisions that may have a significant impact on a taxpayer maybe taken exclusively by artificial intelligence/automated analytical systems. All decisions affecting a taxpayer should be overseen by a suitably qualified individual before the decision is notified. This applies both to decisions by the tax authorities and by judicial authorities." (MS);
- (ii) "No decisions impacting a taxpayer should be taken exclusively by artificial intelligence/automated analytical systems. All decisions affecting a taxpayer should be overseen by a suitably qualified individual before the decision is notified. This applies both to decisions by the tax authorities (in connection with audits and reviews) and by judicial authorities." (BP);
- (iii) "When an audit (or a more intense audit) employs any material generated by artificial intelligence/automated analytical systems, the material generated should be made available to taxpayers and their advisers, together with an explanation of how the material was derived by artificial intelligence/automated analytical systems. The taxpayer's legal remedies should be effective against unlawful or inaccurate use of artificial intelligence/automated analytical systems." (MS); and
- (iv) "Where artificial intelligence/automated analytical systems are to be employed by a tax authority (e.g. to identify under-declarations or evasion of tax), any taxpayers who may be impacted (which may include all taxpayers) should be given prior warning of the proposed action and given an opportunity to make voluntary disclosure (without any additional potential penalty)." (BP)

<sup>130</sup> See sec. 13.3.

<sup>131</sup> Id.

be observed: in case law, it was decided that an automated process for sending notices would have the same value as notices issued by a human officer.

Section 13.4. takes a more holistic approach to the issues that might arise in the case of the adoption of AI/AAS by tax authorities. A minimum standard in that respect is the issuing of guidance notes by all revenue authorities explaining the ways in which they use AI/AAS. As a minimum standard regarding content, it is imperative for any algorithm that is used by tax authorities that no criteria are used that are foreseeably likely to have a discriminatory, distortive or disproportionate effect on the decision taken as a consequence of the use of those algorithms. Cases of discrimination by using algorithmic governance have surfaced in the past few years and shown the dramatic effects of a tendency of wrongly used technology to exacerbate discrimination.<sup>132</sup> Besides the minimum standards that address this aspect directly, other measures can also help mitigate these effects pre-emptively, for example the appointment of a senior official with overriding responsibilities for the use of AI/AAS, as also contained in the minimum standard in section 13.4. Certain countries such as the **United States** and **Colombia** already comply with this standard, but other countries could still improve in terms of oversight.<sup>133</sup>

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<sup>132</sup> See D. Hadwick & S. Lan, *Lessons to Be Learned from the Dutch Childcare Allowance Scandal: A Comparative Review of Algorithmic Governance by Tax Administrations in the Netherlands, France and Germany*, 13 World Tax J. 4 (2021), Journal Articles & Opinion Pieces IBFD, available at <https://doi.org/10.59403/27410pa>.

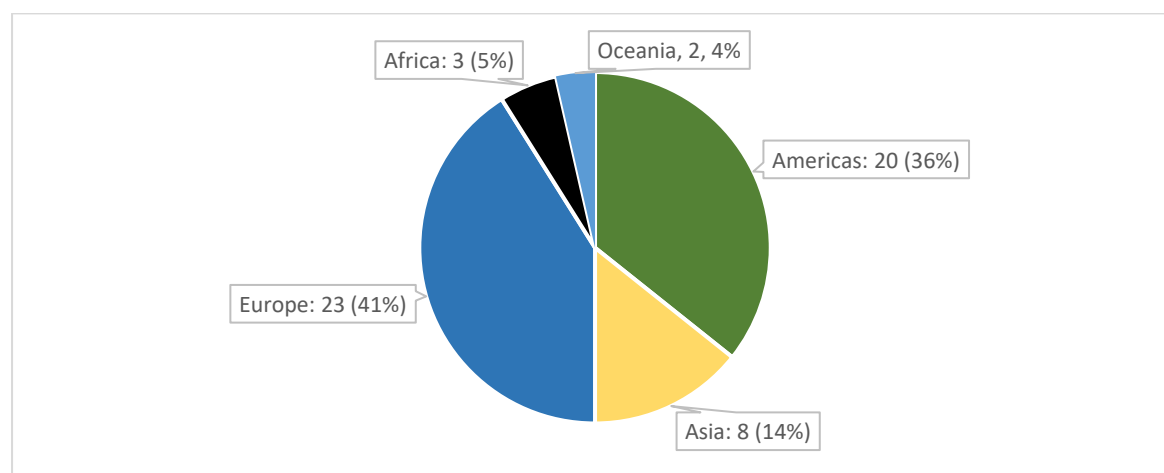
<sup>133</sup> See sec. 13.4.



## 0.4. Methodological remarks

Following the OPTR's working standards and procedures, this Yearbook has been prepared based on the information provided in national reports from 56 countries worldwide,<sup>134</sup> distributed regionally as presented in Chart A.

**Chart A. Surveyed countries per region**



Reporters are grouped by country. To the fullest extent possible, these groups of experts are composed of practitioners/taxpayers, tax authorities, academics, tax ombudspersons and members of the judiciary of each surveyed country, with the aim of obtaining a neutral, balanced report on the situation of taxpayers' rights in each jurisdiction. Individual reporters can have more than one affiliation simultaneously (e.g. tax administration and academia). The judicial, academic and tax ombudsperson members of each country group of experts are considered neutral, whereas the taxpayer, tax practitioner and tax administration members are considered not neutral. The national groups of experts for 2024 are as follows:

Country	Position	Name
Argentina	Practitioner-Academic	Alberto Tarsitano
Australia	Tax Administration	Duy Dam
		Karen Payne
	Academic	John Bevacqua
Austria	Tax Administration	Alfred Faller

<sup>134</sup> It should be noted that, in connection with some countries, two or more national reports were submitted, as indicated further in this section.

Country	Position	Name
Bahamas	Practitioner	Olive Stevenson-Clarke
Barbados	Practitioner	Olive Stevenson-Clarke
Belgium	Practitioner	Jef Van Eyndhoven
	Academic	Sylvie De Raedt
	Practitioner	Tomas Martens
Bolivia	Practitioner-Academic	Alvaro Villegas Aldazosa
Bosnia and Herzegovina	Academic	Ana Dujmović
Botswana	Academic	Mbakiso Magwape
Brazil	Practitioner-Academic	Paulo Ayres Barreto
		Dalton Luiz Dallazem
	Judiciary	Bianor Arruda
	Academic	Luís Eduardo Schoueri
		Raphael Assef Lavez
Bulgaria	Academic	Stoycho Dulevski
	Practitioner	Boyana Milcheva
		Ivan Alexander Manev
Canada	Practitioner	Nicolas Cloutier
Chile	Practitioner	Yuri Varela
China (People's Rep.).	Academic	Zhengwen Shi
	Tax Administration	Zhiyong Zhang
Colombia	Tax Administration	Leonardo Andrés Bautista Raba

Country	Position	Name
		Yvonne Carolina Florez Cutiva
		Daniela Carolina Garzon Rey
Costa Rica	Academic	Johnny Pacheco Castro
Croatia	Academic	Nataša Zunic-Kovačević
Czech Republic	Practitioner-Academic	Hana Skalická
Denmark	Tax Administration	Henrik Klitz
	Practitioner	Henrik Peytz
Finland	Academic	Kristiina Äimä
		Eero Männistö
Germany	Tax Administration	Eva Oertel
	Practitioner	Martin Bartelt
	Academic	Daniel Dürrschmidt
Greece	Tax Administration-Academic	Katerina Perrou
	Judicial	Ioannis Dimitrakopoulos
Guatemala	Practitioner	Alfredo Rodríguez
		Alejandra Fuentes-Pieruccini
Guyana	Practitioner	Olive Stevenson-Clarke
Honduras	Academic	Roberto Ramos Obando
	Practitioner	Cristian Erazo Delgado
	Tax Administration	Renato Chavarría Lara
Hungary	Academic	Daniel Deak
India	Practitioner	Kuntal Dave
Italy	Practitioner	Pietro Mastellone

Country	Position	Name
		Isabella Cugusi
	Academic	Giovanna Tieghi
Jamaica	Practitioner	Olive Stevenson-Clarke
Japan	Academic	Masato Ohno
Kazakhstan	Practitioner	Anuar Nurakhmet
Lithuania	Practitioner	Marius Grajauskas Artūras Liutvinas
Luxembourg	Academic	Aikaterini Pantazatou
Mexico	Practitioner	Luis Salinas
		Fernando Juárez Hernández
		Diana Bernal Ladrón de Guevara
	Academic	Carlos Espinosa Berecochea
Nepal	Practitioner	Shailendra Uprety
		Srijana Adhikari
Netherlands	Practitioner	Roxana Bos
		Paul Halprin
New Zealand	Academic	Adrian Sawyer
Nigeria	Practitioner	Folajimi Olamide Akinla
Norway	Tax Administration	Eileen Monsen

Country	Position	Name
Panama	Practitioner	Edgar Herrera
Peru	Practitioner	Esteban Montenegro Guillinta
	Tax Administration	Víctor Alberto Zúñiga Morales
Poland	Academic	Małgorzata Sęk
		Aneta Nowak-Piechota
		Dominik Mączyński
Portugal	Practitioner	Rui Camacho Palma
Serbia	Academic	Svetislav V. Kostić
		Lidija Živković
Slovenia	Practitioner	Marusa Pozvek
		Igor Angelovski
	Academic	Polonca Kovač
South Africa	Academic	Jennifer Roeleveld
Spain	Ombudsperson-Academic	Javier Martín Fernández
		Jesús Rodríguez Márquez
	Judiciary	Felipe Alonso Murillo
		Manuel J. Lucas Durán
	Academic	Yolanda Martínez Muñoz
		Elizabeth Gil García
Sweden	Practitioner	Lynda Ondrasek Olofsson

Country	Position	Name
	Academic	Eleonor Kristoffersson
Switzerland	Academic	Thierry Obrist
(Chinese) Taipei	Academic	Stefan Huang Shih Chou
Trinidad & Tobago	Practitioner	Olive Stevenson-Clarke
Türkiye	Academic	Billur Yaltı
United Kingdom	Practitioner	Folajimi Olamide Akinla
United States	Academic	Christine S. Speidel
Uruguay	Practitioner	Gianni Gutierrez
Venezuela	Academic	Melissa Elechiguerra
	Practitioner	Ronald Evans
		David Mongiovi
		Serviliano Abache Carvajal

In addition, two regional units keep track of the development of the jurisprudence of international courts dealing with taxpayers' rights, namely (i) for Europe, one comprising the case law of the ECtHR and the ECJ, and (ii) for the Americas, one covering the judgments of the Inter-American Court of Human Rights (ACtHR). The regional groups of experts for 2024 are as follows:

Region	Position	Name
Court of Justice of the European Union	Tax Administration-Academic	Katerina Perrou
European Court of Human Rights	Tax Administration-Academic	Felix Desmyttere

Inter-American Court of Human Rights	Practitioner	Patricio Miguel Masbernát Muñoz, Gloria Ramos
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Reporters were asked to provide relevant information in three different ways. First, through Questionnaire 1, reporters were asked to assess assertively (yes/no) the level of practical implementation of legal procedures, safeguards and guarantees associated with taxpayers' rights in domestic law in 100 situations. The answers are presented throughout this Yearbook in pie charts that compile the answers per country.

In cases in which there is more than one report per country, it may be reported that the same country has experienced progress and setbacks in the adoption of a given standard or practice, depending on the different assessments made by the reporters concerned. In those cases, the groups of national reporters were asked to discuss internally their disagreement and, if possible, to align their assessments of a given factual situation. Despite these efforts, agreement was not always possible. In cases of remaining divergences, the different reports from the same country are taken as fractions of the jurisdiction's report to maintain parity between jurisdictions so that all countries are equally represented. Specifically, for Questionnaire 1's statistical purposes, each of the two reports from **Brazil**, **Bulgaria**, **Mexico** and **Poland** will have a value of 0.5, as presented in the pie charts, in order that each of these countries is represented with an equal value vis-à-vis other countries with single reports. All divergent opinions among reporters of the same country have been reported alongside the pie charts.

This formula aims to give all countries equal weight and to split the input of each country among the various reporters. In other words, in cases in which more than one team is involved or a question has sub-questions, there may be decimals in the findings. All decimal results have been rounded off by (i) dropping all decimals when the first decimal is smaller than or equal to 4, (ii) adding 1 to the rounding digit when the first decimal is greater than 5, (iii) dropping all decimals when the first decimal is 5 and the figure is smaller than its counterpart in the statistical analysis, and (iv) adding 1 to the rounding digit when the first decimal is 5 and the figure is greater than its counterpart in the analysis. Appendix B of this Yearbook compiles all answers that the reporters provided in this regard.

Second, through Questionnaire 2, reporters should assess assertively (shift towards/shift away from) the level of compliance with 93 minimum standards and 59 best practices to protect taxpayers' rights, grouped into 104 benchmarks. The answers are presented throughout this Yearbook, in boxes that state the minimum standard or best practice discussed in each specific section. In cases in which there is more than one report per country, it may be reported that the same country has experienced progress and setbacks in the practical adoption of the minimum standard or best practice, depending on the different assessments made by the reporters concerned. In those cases, different reports from the same country have been identified by a number, as they appear in Appendix B of this Yearbook.

Third, reporters should provide an impartial, non-judgemental summary of events occurring in 2024 (legislation enacted, administrative rulings, circulars, case law and tax administration practices) that grounds each report's assessment of the level of compliance in the

aforementioned benchmarks for the practical protection of taxpayers' rights. The information is presented, editorially selected, throughout this Yearbook. Reporters do not always substantiate their evaluations, which makes it methodologically impossible to report the reasons for diverging assessments in the case of multiple reports for a single country.



## 1. Identifying Taxpayers, Issuing Tax Returns and Communicating with Taxpayers

### 1.1. General issues

Over the past year, several jurisdictions have implemented significant shifts, particularly concerning taxpayer identification, data protection, communication with taxpayers and cooperative compliance. These trends reflect a broader movement towards digitalization, administrative simplification and the strengthening of taxpayer rights. At the same time, some negative developments have been observed, particularly regarding transparency and non-discriminatory treatment.

A dominant trend is the digitalization of taxpayer identification and communication (see section 1.2.). Consequently, it is no surprise that, starting with this edition of the Yearbook, an additional best practice has been assessed across the selected jurisdictions.<sup>135</sup> Countries such as **Brazil**, **Honduras** and the **United Kingdom** have taken steps towards more secure and efficient identification systems. **Brazil** has introduced the CPF as the sole official identification number, while **Colombia** has fully digitized its registration process for the Single Taxpayer Registry (RUT). Another noteworthy example is **Honduras**, which has replaced its traditional tax identification card with a digital certificate featuring a QR code and a secure verification code. Meanwhile, the **United Kingdom** has introduced One Login, a unified access system for government services, which has significantly reduced the number of login credentials required by taxpayers.

In terms of data protection in the light of information supplied by third parties (see section 1.2.) and the right to access and correct information (see section 1.3.), **Italy** and **Luxembourg** have made positive strides. **Italy** has strengthened its Taxpayer's Bill of Rights, while **Luxembourg** has been forced to revise its tax-related legal professional privilege restrictions following an ECJ ruling. Regarding communication, **Honduras** has introduced a more secure electronic signature system, while His Majesty's Revenue and Customs (HMRC) in the **United Kingdom** has improved taxpayer access to account information. The **United States** is expanding its digital communication options, but integration remains inefficient, making it cumbersome for taxpayers to interact with the IRS online.

There is a growing emphasis on protecting taxpayer confidentiality in cases in which third parties handle tax data (see section 1.3.). **Italy** and **Luxembourg** have strengthened regulations to ensure better confidentiality of taxpayer information gathered by third parties. **Spain** has made progress with a Supreme Court ruling that clarifies taxpayers should not be held liable if a withholding agent fails to remit taxes, thereby reinforcing the principle that third-party failures should not penalize individuals.

In line with the previous editions of this Yearbook, the trend in the area of cooperative compliance is mixed (see section 1.6.). Countries such as **Brazil**, **Colombia** and **Italy** are advancing cooperative compliance programmes, fostering proactive engagement between taxpayers and tax authorities. **Brazil** has expanded its voluntary compliance programme, CONFIA, while Italy has gradually lowered the threshold for companies to participate in its cooperative compliance regime. Conversely, **Guatemala** has moved in a negative direction,

<sup>135</sup> "Taxpayers should employ the highest levels of identification security, including dual authentication (without imposing an excessive burden on taxpayers to log in when accessing private information or engaging in communication with the revenue authorities)."

as opaque negotiation practices with taxpayers raise concerns about transparency and fair treatment.

Several countries have implemented measures to support taxpayers in meeting their compliance obligations (see section 1.7.). Regular readers of the Yearbook will notice a significant expansion of this section, with the assessment now covering not just one<sup>136</sup> but two<sup>137</sup> additional minimum standards, alongside a newly introduced best practice.<sup>138</sup> These additions have proven both necessary and effective, as multiple jurisdictions have reported noteworthy developments in these areas.

**Colombia** and the **United States** have introduced initiatives to assist taxpayers with limited digital access, while **Spain** and **Brazil** have extended tax deadlines for those affected by natural disasters. **Canada**, however, has demonstrated a negative shift, failing to implement tax relief measures despite a postal strike disrupting tax-related correspondence. A concerning development is in **Guatemala**, where taxpayers have been forced into mandatory electronic filing without compensatory measures for those lacking digital access.

Meanwhile, **the Netherlands** has experienced a growing compliance burden due to international reporting obligations, potentially increasing business costs. Although **the Netherlands** is currently the only jurisdiction highlighting these challenges, other countries will likely face similar issues in the future. This rise in compliance obligations appears to be primarily driven by the expanding tax information requirements resulting from international and supranational developments, including reporting frameworks such as Pillar Two and DAC6.

Overall, the global trend in tax law points towards increased digitalization and a stronger focus on taxpayer rights. Many countries are moving towards more secure identification systems, greater transparency in data management and better protection for taxpayers when third parties are involved. However, challenges remain in ensuring non-discriminatory compliance and accessibility to tax services, particularly for vulnerable groups. While countries like **Brazil**, **Italy** and **Spain** are implementing positive reforms, negative shifts in **Canada**, **Guatemala** and **the Netherlands** highlight areas in which taxpayer rights and accessibility could be at risk.

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<sup>136</sup> “Compliance obligations on third parties should only be imposed where necessary and in all cases, the burden imposed on third parties should be proportionate and not excessive.”

<sup>137</sup> “In circumstances of force majeure (e.g. pandemics/natural disasters), mechanisms should automatically apply to relieve taxpayers of compliance obligations that have become excessively difficult due to the circumstances. The point at which such circumstances start to apply and cease to apply should be clearly and publicly announced.”

<sup>138</sup> “Tax compliance obligations should be designed so as to ensure that taxpayers can fulfil their compliance obligations without excessive cost and without the compulsory use of a tax agent, due regard being had to the type of taxpayer (individual/corporate/others) and to the complexity of the taxpayer’s tax affairs.”

## 1.2. Identification of taxpayers

**Minimum standard:** Implement safeguards to prevent impersonation when issuing a unique identification number

**Shifted towards/improved the minimum standard:**

Brazil, Honduras, United Kingdom

**Shifted away from the minimum standard:**

None

**Best practice:**

Methods of identifying taxpayers should employ the highest levels of identification security, including dual authentication (without imposing an excessive burden on taxpayers to log in when accessing private information or engaging in communication with the revenue authorities)

**Shifted towards/matched the best practice:**

Colombia, Honduras

**Shifted away from the best practice:**

None

**Minimum standard:** The system of taxpayer identification should take account of religious sensitivities

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

As of 2024,<sup>139</sup> public agencies and entities in **Brazil** are required to use the CPF as the sole identification number for citizens in official databases.<sup>140</sup> This reform, introduced by Law 14.534/23,<sup>141</sup> aims to streamline administrative processes and enhance taxpayer identification. Article 1 of the law explicitly establishes the CPF as the unique and sufficient number for identifying individuals across public service databases.

**Colombia** has introduced enhancements to its online registration system for the RUT, improving both efficiency and security.<sup>142</sup> The updated system now allows taxpayers to complete the registration process entirely online, eliminating the need for appointments. Notably, applicants are no longer required to upload identity documents, photographs or personal data, as the system now interoperates seamlessly with the National Civil Registry. Additionally, the new process includes a dynamic key verification mechanism to enhance security. This key is sent either to the email address registered in the RUT or to the

<sup>139</sup> Agencies and entities were given a transition period of 12 months from the law's publication, on 11 Jan. 2023, to adapt their systems and procedures accordingly.

<sup>140</sup> See BR: OPTR Report (2024) (Academia), Questionnaire 2, Question 1.

<sup>141</sup> BR: Law 14.534, 11 Mar. 2023, available at <https://www.in.gov.br/web/dou/-/lei-n-14.534-de-11-de-janeiro-de-2023-457335009> (accessed 3 Mar. 2025).

<sup>142</sup> See CO: OPTR Report (2024) (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 1.

notifications section of the Electronic Information Service, serving as a two-factor authentication method.

In 2024, the **Honduras** Revenue Administration Service (SAR) introduced a modernization measure by replacing traditional National Tax Registry (RTN) cards with a National Tax Registry Certificate issued on plain paper.<sup>143</sup> This new certificate features a QR code and a secure verification code (CSV) to ensure authenticity. While previously issued numeric RTN cards remain valid, taxpayers can now download the updated certificate free of charge via the Virtual Office, effective from 28 June 2024. Additionally, taxpayers can access various tax services and procedures using an Advanced Electronic Signature, which is uniquely assigned to each taxpayer.

As part of its efforts to modernize tax administration, the **United Kingdom** HMRC has announced measures aimed at improving taxpayer access to and oversight of their tax accounts. In its consultation outcome Simplifying and Modernising HMRC's Income Tax Services through the Tax Administration Framework Review,<sup>144</sup> published on 15 February 2024, HMRC stated that, as of February 2024, taxpayers would find it easier to view all activity on their account and report any suspicious transactions.<sup>145</sup> However, the specific steps taken to implement this initiative remain unclear. Further, HMRC has introduced a streamlined digital authentication process through One Login,<sup>146</sup> a unified access system for UK government services. According to HMRC's guidance published on 27 February 2024,<sup>147</sup> taxpayers can now access HMRC's online services using One Login, which features dual authentication for enhanced security. By November 2024, One Login is expected to provide access to approximately 50 different UK government services, eliminating the need for multiple logins across different platforms. These measures reflect the UK's commitment to simplifying tax administration and enhancing digital security for taxpayers.

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<sup>143</sup> See HN: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 1.

<sup>144</sup> Consultation outcome available at <https://www.gov.uk/government/consultations/simplifying-and-modernising-hmrcs-income-tax-services-through-the-tax-administration-framework/outcome/0f337cdb-341c-4476-8f65-ff9af7be5fbc> (accessed 3 Mar. 2025).

<sup>145</sup> See UK: OPTR Report (2024) (Taxpayers/Tax Practitioners), Questionnaire 2, Question 1.

<sup>146</sup> See <https://www.sign-in.service.gov.uk/> (accessed 4 Mar. 2025).

<sup>147</sup> See <https://www.gov.uk/guidance/accessing-hmrc-online-services-using-govuk-one-login> (accessed 4 Mar. 2025).

### 1.3. Information supplied by third parties and withholding obligations

**Minimum standard:** Impose obligations of confidentiality on third parties with respect to information gathered by them for tax purposes

**Shifted towards/improved the minimum standard:**

Italy, Luxembourg

**Shifted away from the minimum standard:**

None

**Best practice:** Where tax is withheld by third parties, the taxpayer should be excluded from liability if the third party fails to pay over the tax

**Shifted towards/matched the best practice:**

Spain

**Shifted away from the best practice:**

None

As in the previous year,<sup>148</sup> **Italy** has reinforced taxpayer confidentiality through an amendment to its Taxpayers' Bill of Rights.<sup>149</sup> The new provision, introduced by Legislative Decree 219 of 30 December 2023 and effective from 18 January 2024, strengthens the protection of taxpayer data and information. Under the revised article 9-ter, tax authorities are granted the power to access taxpayer-related data held by other public entities through interoperability, provided that they comply with legal limitations. However, the law explicitly prohibits tax authorities from disclosing such data, except in cases in which it is required by legal transparency obligations or in cases of specific statutory waivers. While this measure demonstrates a clear intent to enhance taxpayer data protection, the national reporters rightly point out that the absence of explicit penalties or disciplinary consequences for tax officials in the event of non-compliance may weaken its effectiveness from a taxpayer rights perspective.<sup>150</sup>

In *Ordre des avocats du Barreau de Luxembourg* (Case C-432/23),<sup>151</sup> the ECJ ruled that **Luxembourg's** tax law provision in article 177 of its General Tax Law<sup>152</sup> of 22 May 1931 unduly restricts legal professional privilege in tax matters, thereby infringing article 7 of the Charter of Fundamental Rights of the European Union. Under article 177 AO, while legal professionals may generally refuse access to confidential information, an exception applies to lawyers when advising or representing clients in tax matters, unless disclosure would expose clients to "criminal prosecution". The ECJ ruled that this broad exclusion from legal professional privilege goes beyond exceptional circumstances and, due to its extensive scope, undermines the essence of the right to confidentiality as protected by article 7 of the Charter.

<sup>148</sup> See OPTR Report (2023), at pp. 45 and 46.

<sup>149</sup> IT: Law 212 of 27 July 2000, available at <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:legge:2000-07-27;212~art1-com2> (accessed 3 Mar. 2025).

<sup>150</sup> See IT: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 3.

<sup>151</sup> See LU: ECJ, 26 Sep. 2024, Case C-432-23, *F and Ordre des avocats du barreau de Luxembourg v. Administration des contributions directes*, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:62023CJ0432> (accessed 3 Mar. 2025).

<sup>152</sup> LU: , *Abgabenordnung* (AO) [General Tax Law], 22 May 1931, available at <https://legilux.public.lu/eli/etat/leg/loi/1931/05/22/n1/jo> (accessed 3 Mar. 2025).

As the case was a reference for a preliminary ruling, it will now return to the Luxembourg Administrative Court for further proceedings. No legislative amendments have been introduced in response to the judgment thus far.<sup>153</sup>

For the first time in 3 years, changes were reported in relation to the best practice that requires that, if tax is withheld by third parties, the taxpayer should be excluded from liability if the third party fails to pay over the tax. In a ruling issued on 7 February 2024, the **Spanish** Supreme Court clarified taxpayers' rights concerning the deduction of withheld taxes in the context of personal income tax.<sup>154</sup> The Court held that a taxpayer's right to deduct withholdings cannot be denied solely because the tax was not withheld by a third party. This decision reinforces the principle that taxpayers should not bear the consequences of a withholding agent's failure to comply with its obligations.

#### 1.4. The right to access (and correct) information held by tax authorities

**Minimum standard:** Where pre-populated returns are used, these should be sent to taxpayers to correct errors

Shifted towards/improved the minimum standard:

Colombia

Shifted away from the minimum standard:

**Minimum standard:** Provide a right of access for taxpayers to personal information held about them and a right to apply to correct inaccuracies

Shifted towards/improved the minimum standard:

Honduras, Italy

Shifted away from the minimum standard:

Chinese Taipei

**Best practice:** Publish guidance on taxpayers' rights to access information and correct inaccuracies

Shifted towards/matched the best practice:

Honduras

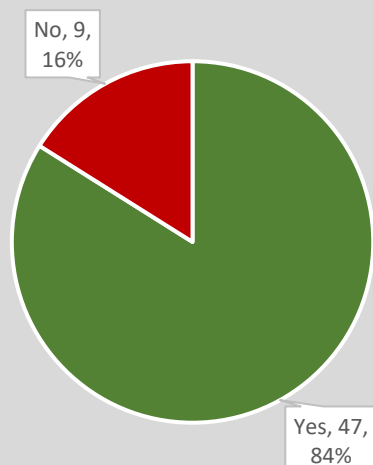
Shifted away from the best practice:

<sup>153</sup> See LU: OPTR Report (2024) (Academia), Questionnaire 2, Question 3.

<sup>154</sup> See ES: OPTR Report (2024) (Taxpayers/Tax Practitioners, (Tax) Ombudsperson, Academia, Former Judiciary), Questionnaire 2, Question 3.

**Chart 1. Do taxpayers have the right to see the information held about them by the tax authority?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 1

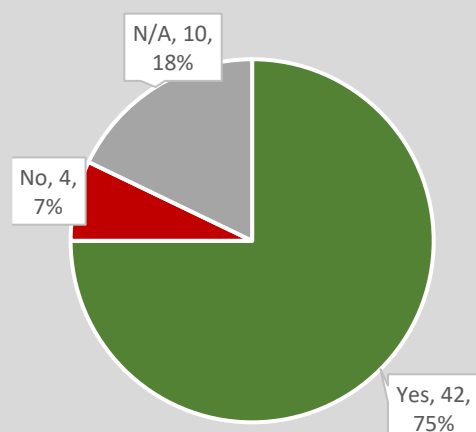
**Yes:** Argentina, Australia, Austria, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**No:** Bahamas, Barbados, Croatia, Jamaica, Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Trinidad and Tobago

**Reports with diverging opinions:** Mexico

**Chart 2. If yes, can they request the correction of errors in the information?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 2

**Yes:** Argentina, Australia, Austria, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Honduras, India, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, United Kingdom, United States, Uruguay, Venezuela

**No:** Bosnia and Herzegovina, Chile, Hungary, Türkiye

**Not applicable:** Bahamas, Barbados, Croatia, Guyana, Jamaica, Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Trinidad and Tobago

**Reports with diverging opinions:** Mexico



In **Honduras**, the introduction of the new SIISAR system, a virtual office platform, has been accompanied by an institutional campaign aimed at familiarizing taxpayers with its features. As a result, taxpayers now have improved access to information regarding their current account status and other relevant tax details.<sup>155</sup>

Recent amendments to **Italy's** Taxpayers' Bill of Rights (see also section 0.1.3.) have strengthened procedural safeguards for taxpayers. Legislative Decree 219 of 30 December 2023, which entered into force on 18 January 2024,<sup>156</sup> expressly mandates that all state administrations adhere to key principles of tax fairness, including the right to be heard (*audi alteram partem*), access to tax administrative documentation, the protection of legitimate expectations, the prohibition of *ne bis in idem*, the principle of proportionality and the duty to correct administrative acts.<sup>157</sup> These provisions also apply as guiding principles for regional and local authorities, which must align their systems accordingly while respecting their autonomy. Furthermore, Italy's special statute regions and the Autonomous Provinces of Trento and Bolzano are required to adapt their legislation in accordance with their respective statutes and implementation rules. A particularly notable reform concerns article 6-bis(3) of the Taxpayers' Bill of Rights, which now grants taxpayers the right to access documents held by the tax authorities before a formal notice of assessment is issued.

### 1.5. Communication with taxpayers

**Minimum standard:** Where communication with taxpayers is in electronic form, institute systems to prevent impersonation or interception

Shifted towards/improved the minimum standard:

Honduras, Hungary, United Kingdom

Shifted away from the minimum standard:

<sup>155</sup> See HU: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 5.

<sup>156</sup> IT: Decree 219 of 30 Dec. 2023, available at <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legislativo:2023-12-30;219#:~:text=Gli%20atti%20dell'amministrazione%20finanziaria%20impugnabili%20dinanzi%20agli%20organi%20di,e%20sulla%20validit%C3%A0%20degli%20atti>. (accessed 4 Mar. 2025).

<sup>157</sup> See IT: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 5.



**Chart 3. Is it possible in your country for taxpayers to communicate electronically with the tax authority?**

60 responses

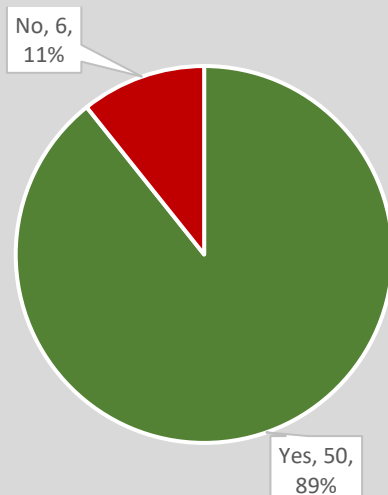


Source: OPTR: Questionnaire 1, Question 3

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**Chart 4. If yes, are there systems in place to prevent unauthorized access to the channel of communication?**

60 responses



Source: OPTR: Questionnaire 1, Question 4

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**No:** Bolivia, Bosnia and Herzegovina, Guatemala, Nepal, Panama, (Chinese) Taipei,

In **Honduras**, a new electronic signature authorization process has been introduced to enhance security and prevent risks such as impersonation or data interception (see *also*

section 0.1.2.).<sup>158</sup>

As part of its efforts to modernize tax administration, the **United Kingdom** HMRC has outlined plans to improve taxpayer access to account information. In its consultation outcome Simplifying and Modernising HMRC's Income Tax Services through the Tax Administration Framework, HMRC announced that, from February 2024, taxpayers would be able to more easily view all activity on their accounts and report any suspicious transactions.<sup>159</sup> However, HMRC has not yet clarified the specific measures implemented to achieve these improvements. The extent of these changes and their practical impact on taxpayers remain to be fully assessed.<sup>160</sup>

Even though the **United States** has noted no shift, it is noteworthy that, in 2024, the IRS expanded electronic communication options for taxpayers and their representatives, aiming to improve accessibility and efficiency in interactions with the tax agency.<sup>161</sup> However, despite this progress, online communication functions remain cumbersome, as they are not fully integrated into individual taxpayer accounts or tax professional portals. This limitation has been highlighted in the 2024 National Taxpayer Advocate Annual Report to Congress<sup>162</sup> and in IRS News Release IR-2024-196 (25 July 2024).<sup>163</sup> The lack of seamless integration continues to pose challenges for users seeking a more efficient and user-friendly digital interface with the IRS, which has been a lingering issue in the United States as previously mentioned in this Yearbook.<sup>164</sup>

## 1.6. Cooperative compliance

**Minimum standard:** Where a system of “cooperative compliance” operates, ensure it is available on a non-discriminatory and voluntary basis

**Shifted towards/improved the minimum standard:**

Brazil, Chile, Colombia, Italy

**Shifted away from the minimum standard:**

Guatemala

<sup>158</sup> See HU: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 6.

<sup>159</sup> See Sec. 1.2.

<sup>160</sup> See UK: OPTR Report (2024) (Taxpayers/Tax Practitioners), Questionnaire 2, Question 6.

<sup>161</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 6.

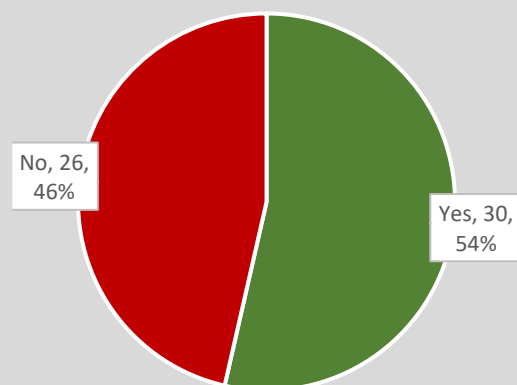
<sup>162</sup> See US: National Taxpayer Advocate, *Annual Report to Congress 2024*, iv, 29, 5, available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 4 Mar. 2025).

<sup>163</sup> See IRS Releases IR-2024-196 (25 Jul. 2024), available at <https://www.irs.gov/newsroom/irs-continues-to-expand-taxpayer-services-and-online-tools-key-milestones-reached-with-inflation-reduction-act-funding> (accessed 4 Mar. 2025).

<sup>164</sup> See also OPTR Report (2023), at sec. 1.5.

**Chart 5. In your country, is there a system of “cooperative compliance”/“enhanced relationship” which applies to some taxpayers only?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 5

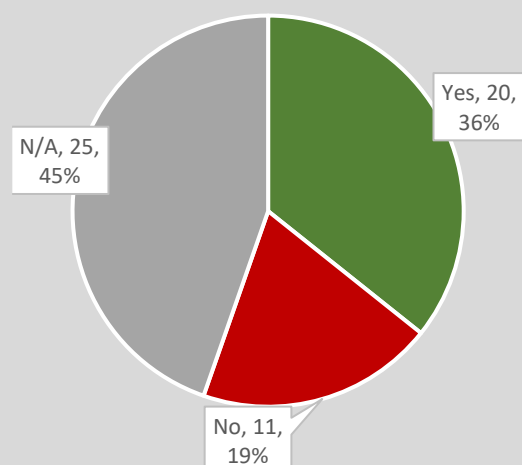
**Yes:** Australia, Austria, Belgium, Brazil (1), Brazil (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Denmark, Finland, Germany, Guatemala, Italy, Japan, Kazakhstan, Lithuania, Mexico (1), Netherlands, New Zealand, Norway, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Spain, Sweden, Switzerland, United Kingdom, United States

**No:** Argentina, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Bulgaria (1), Bulgaria (2), China (People's Rep.), Czech Republic, Greece, Guyana, Honduras, Hungary, India, Jamaica, Luxembourg, Mexico (2), Nepal, Nigeria, Panama, Peru, Serbia, (Chinese) Taipei, Trinidad and Tobago, Türkiye, Uruguay, Venezuela

**Reports with diverging opinions:** Mexico

**Chart 5A. If yes, are there rules or procedures in place to ensure this system is available to all eligible taxpayers on a non-preferential/non-discriminatory/non-arbitrary basis?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 5A

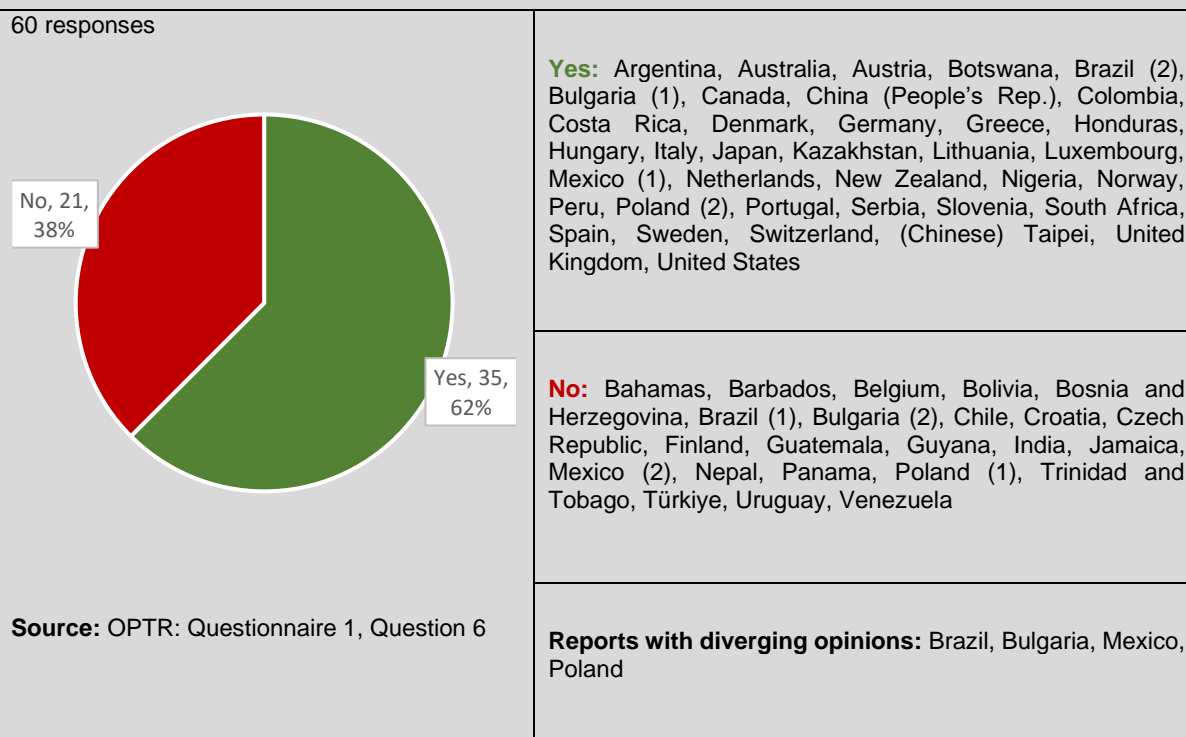
**Yes:** Australia, Austria, Brazil (1), Brazil (2), Chile, Colombia, Costa Rica, Croatia, Italy, Japan, Kazakhstan, Lithuania, Norway, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Spain, Sweden, United Kingdom, United States

**No:** Belgium, Canada, Denmark, Finland, Germany, Guatemala, Mexico (1), Netherlands, New Zealand, Switzerland, Venezuela

**Not applicable:** Argentina, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Bulgaria (1), Bulgaria (2), China (People's Rep.), Czech Republic, Greece, Guyana, Honduras, Hungary, India, Jamaica, Luxembourg, Mexico (2), Nepal, Nigeria, Panama, Peru, Serbia, (Chinese) Taipei, Trinidad and Tobago, Türkiye, Uruguay

**Reports with diverging opinions:** Mexico

**Chart 6. Are compliance obligations imposed on third parties subject to limits that ensure they are necessary and proportionate?**



For the third year in a row, a positive shift in this area was observed in **Brazil**.<sup>165</sup> In 2023, the Federal Revenue Service launched CONFIA, a pilot project for cooperative compliance aimed at fostering a more transparent and collaborative relationship between taxpayers and tax authorities. The initiative seeks to reduce litigation and improve voluntary tax compliance by encouraging dialogue and mutual trust. In 2024, building on this initiative, the Brazilian Federal Revenue Service began allowing companies to voluntarily join the pilot phase of the programme. At this stage, 20 companies have been certified as meeting the necessary criteria. This programme represents a significant step toward modernizing tax administration in Brazil and aligning it with international best practices in cooperative compliance.

In 2024, the **Colombian** National Tax and Customs Directorate (DIAN) introduced an automatic refund system for resident individuals through Resolution 117 of 2024.<sup>166</sup> This system applies to income tax returns for the 2023 tax year and beyond, specifically for refundable tax credits not exceeding 40 Colombian tax value units. Under the new process, once a taxpayer files their income tax return and a refund is due, the electronic information system prompts a question asking whether they wish to initiate the refund process. Taxpayers must then provide their bank account details and confirm their acceptance within 2 days of

<sup>165</sup> See BR: OPTR Report (2024) (Academia), Questionnaire 2, Question 7; OPTR Report (2022), at sec. 1.6; and OPTR Report (2023), at. sec. 1.6.

<sup>166</sup> See CO: OPTR Report (2024) (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 7.

filing the return. The administrative act ordering the refund and the actual disbursement must be completed within 15 days following the taxpayer's acceptance.

In **Guatemala**, a negative shift was reported.<sup>167</sup> The tax administration has been actively engaging in negotiations with taxpayers regarding potential tax liabilities. However, the criteria used to determine which taxpayers are invited for discussions remain unclear, raising concerns about transparency and the risk of selective enforcement. The lack of publicly available guidelines or formal publications potentially creates risks of unequal treatment and could undermine confidence in the fairness of the tax system.

Recent legislative reforms have significantly expanded **Italy's** cooperative compliance framework,<sup>168</sup> which aims to identify corporate taxpayers' "tax risk" and foster a proactive dialogue with tax authorities. Legislative Decree 221 of 30 December 2023, amending Legislative Decree 128 of 5 August 2015, entered into force on 18 January 2024, introducing key changes to the regime.<sup>169</sup> One of the most notable amendments is the gradual reduction of the turnover threshold required for admission to the cooperative compliance procedure:<sup>170</sup>

- from 2024, taxpayers with a turnover of at least EUR 750 million are eligible;
- from 2026, the threshold lowers to EUR 500 million; and
- from 2028, it further decreases to EUR 100 million.

Additionally, the reform allows even "smaller" taxpayers who do not meet the turnover thresholds to opt for a framework dedicated to detecting, measuring, managing and controlling tax risk.

## 1.7. Assistance with compliance obligations

**Minimum standard:** Provide assistance for those who face difficulties in meeting compliance obligations, including those with disabilities, those located in remote areas and those unable or unwilling to use electronic forms of communication

**Shifted towards/improved the minimum standard:**

Colombia, Honduras, United States

**Shifted away from the minimum standard:**

Guatemala

**Minimum standard:** Compliance obligations on third parties should only be imposed where necessary and in all cases, the burden imposed on third parties should be proportionate and not excessive

<sup>167</sup> See GT: OPTR Report (2024) (Tax Administration/Tax Practitioners), Questionnaire 2, Question 7.

<sup>168</sup> See IT: OPTR Report (2024) (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 7.

<sup>169</sup> IT: Legislative Decree 221 of 30 Dec. 2023, available at <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legislativo:2023-12-30;221> (accessed 4 Mar. 2025).

<sup>170</sup> Revised art. 7, para. 1-bis of the decree.

**Shifted towards/improved the minimum standard:**

Chinese Taipei

**Shifted away from the minimum standard:**

**Minimum standard:** In circumstances of force majeure (e.g. pandemics/natural disasters), mechanisms should automatically apply to relieve taxpayers of compliance obligations that have become excessively difficult due to the circumstances. The point at which such circumstances start to apply and cease to apply should be clearly and publicly announced

**Shifted towards/improved the minimum standard:**

Brazil, New Zealand, Spain

**Shifted away from the minimum standard:**

Canada

**Best practice:**

Tax compliance obligations should be designed so as to ensure that taxpayers can fulfil their compliance obligations without excessive cost and without the compulsory use of a tax agent, due regard being had to the type of taxpayer (individual/corporate/others) and to the complexity of the taxpayer's tax affairs

**Shifted towards/matched the best practice:**

Greece, Colombia, Guatemala, Honduras, United States

**Shifted away from the best practice:**

The Netherlands

**Minimum standard:** Compliance obligations on third parties should only be imposed where necessary and in all cases, the burden imposed on third parties should be proportionate and not excessive

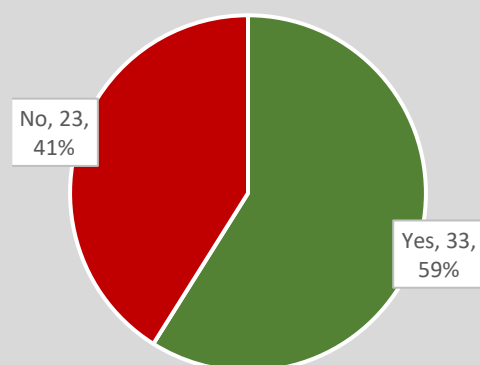
**Shifted towards/improved the minimum standard:**

Chinese Taipei

**Shifted away from the minimum standard:**

**Chart 7. Are there special arrangements for individuals who face particular difficulties (e.g. the disabled, the elderly, other special cases) to receive assistance in complying with their tax obligations?**

60 responses



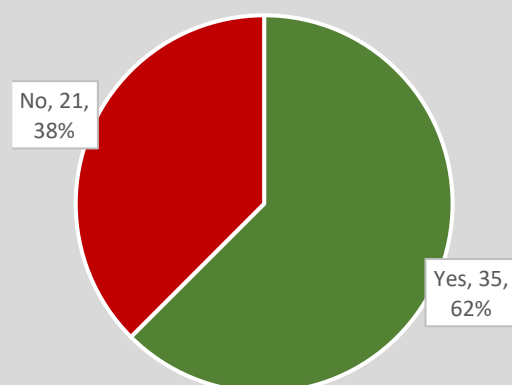
**Source:** OPTR: Questionnaire 1, Question 7

**Yes:** Australia, Austria, Belgium, Botswana, Canada, China (People's Rep.), Costa Rica, Denmark, Finland, Germany, Greece, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Norway, Poland (1), Poland (2), Serbia, Slovenia, South Africa, Sweden, (Chinese) Taipei, Türkiye, United Kingdom, United States

**No:** Argentina, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Chile, Colombia, Croatia, Czech Republic, Guatemala, Guyana, Nepal, Nigeria, Panama, Peru, Portugal, Spain, Switzerland, Trinidad and Tobago, Uruguay, Venezuela

**Chart 7A. Are there special arrangements in circumstances of force majeure?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 7A

**Yes:** Australia, Belgium, Bolivia, Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Czech Republic, Denmark, Finland, Germany, Greece, Honduras, India, Italy, Japan, Kazakhstan, Lithuania, Mexico (1), Mexico (2), Nepal, New Zealand, Nigeria, Norway, Peru, Poland (1), Portugal, Serbia, Slovenia, Spain, Sweden, (Chinese) Taipei, Türkiye, United Kingdom, United States

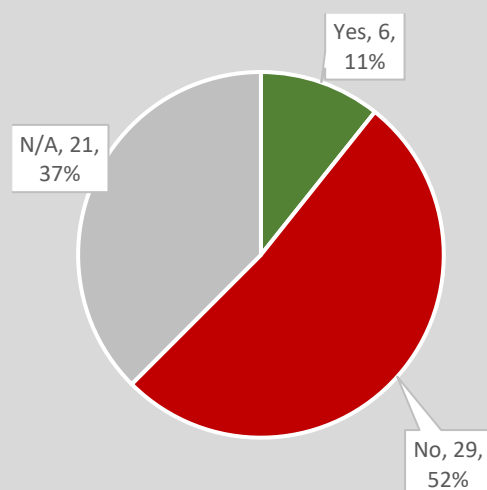
**No:** Argentina, Austria, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Brazil (1), Costa Rica, Croatia, Guatemala, Guyana, Hungary, Jamaica, Luxembourg, Netherlands, Panama, Poland (2), South Africa, Switzerland, Trinidad and Tobago, Uruguay, Venezuela

**Reports with diverging opinions:** Brazil, Poland



**Chart 7B. If yes to 7A, do said arrangements operate automatically?**

60 responses


**Source:** OPTR: Questionnaire 1, Question 7B

**Yes:** China (People's Rep.), Czech Republic, India, New Zealand, Peru, Slovenia

**No:** Australia, Belgium, Bolivia, Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Denmark, Finland, Germany, Greece, Honduras, Italy, Japan, Kazakhstan, Lithuania, Mexico (1), Mexico (2), Nepal, Nigeria, Norway, Poland (1), Portugal, Serbia, Spain, Sweden, (Chinese) Taipei, Türkiye, United Kingdom, United States

**Not applicable:** Argentina, Austria, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Brazil (1), Costa Rica, Croatia, Guatemala, Guyana, Hungary, Jamaica, Luxembourg, Netherlands, Panama, Poland (2), South Africa, Switzerland, Trinidad and Tobago, Uruguay, Venezuela

Following severe floods in the state of Rio Grande do Sul, the **Brazilian** Federal Revenue Service extended the deadline for submitting the Individual Income Tax Return by five months.<sup>171</sup> This measure aims to provide relief to affected taxpayers, allowing them additional time to comply with their tax obligations without penalties. The extension applies to taxpayers in 336 municipalities impacted by the disaster.<sup>172</sup>

The **Canadian** report indicated a shift away from the minimum standard in circumstances involving force majeure.<sup>173</sup> A postal strike in 2024 has created challenges for taxpayers relying on mail services to submit tax documents and receive correspondence from tax authorities. However, due to political challenges at the federal level, no specific measures have been implemented to accommodate affected taxpayers.

The **New Zealand** Taxation Bill was introduced in August 2024, proposing amendments to enhance the Inland Revenue's ability to provide timely tax relief following emergency events. The bill seeks to incorporate specific tax relief measures directly into legislation, allowing them to be activated swiftly by an Order in Council when needed. As of the time of writing this chapter, the bill has not yet been enacted. If passed, it would improve the responsiveness of the tax system in times of crisis, ensuring affected taxpayers receive relief more efficiently.<sup>174</sup>

<sup>171</sup> See BR: OPTR Report (2024) (Academia), Questionnaire 2, Question 10.

<sup>172</sup> Ministério da Fazenda, *Receita prorroga prazo de entrega da declaração do imposto de renda e pagamento de tributos para 336 municípios do RS* (7 May 2024), available at <https://www.gov.br/fazenda/pt-br/assuntos/noticias/2024/maio/receita-prorroga-prazo-de-entrega-da-declaracao-do-imposto-de-renda-e-pagamento-de-tributos-para-336-municipios-do-rs> (accessed 4 Mar. 2025).

<sup>173</sup> See CA: OPTR Report (2024) (Taxpayers/Tax Practitioners), Questionnaire 2, Question 10.

<sup>174</sup> See NZ: OPTR Report (2024) (Academia), Questionnaire 2, Question 10.



The **Spanish** Royal Decree-Law 6/2024 of 5 November introduced urgent measures in response to the DANA (*Depresión Aislada en Niveles Altos*) weather event in different municipalities between 28 October and 4 November 2024, providing tax relief for affected individuals and businesses.<sup>175</sup> The decree includes the suspension or extension of deadlines for tax procedures, allowing additional time for compliance and deferrals in the payment of taxes to ease the financial burden on those impacted by the severe weather conditions.<sup>176</sup>

In August 2024, **Chinese Taipei** amended its withholding tax scheme to relieve tax representatives of liability in cases of non-compliance. This reform aims to optimize the income tax withholding system and safeguard the rights and interests of withholding agents.<sup>177</sup>

In **Colombia**, DIAN introduced several significant taxpayer assistance initiatives aimed at improving compliance and accessibility.<sup>178</sup> First, a new online search service was developed to help individuals determine whether they are required to file an income tax return. This tool utilizes third party-reported economic and financial data to assess a taxpayer's filing obligations, enhancing transparency and simplifying compliance. Second, the DIAN's Taxpayer Ombudsman conducted seven educational sessions specifically tailored for indigenous communities. These sessions aimed to improve understanding of tax obligations and facilitate compliance. Furthermore, a new tool was developed that enables individual taxpayers to review their electronic invoices and claim deductions on their income and complementary tax. Lastly, the updated form for individual taxpayers now includes only 38 questions, significantly reduced from the previous 249. It also introduces three tailored filing options: (i) accept the suggested return: taxpayers can accept a pre-filled return based on DIAN's records; (ii) expert user: designed for taxpayers familiar with tax filing, allowing greater customization; and (iii) non-expert user: a guided experience with simplified questions and third-party reported data pre-loaded to streamline the process. These innovations, accessible via DIAN's Electronic Information Service, aim to make tax compliance more user-friendly by accommodating different levels of tax knowledge.

As of 2024, the **German** tax administration now pre-fills income tax returns for certain categories of individuals.<sup>179</sup> These pre-filled returns are presented to taxpayers for review and any necessary corrections. If the taxpayer takes no action, the return is automatically submitted, streamlining the filing process and reducing administrative burdens.

In **Greece**, new measures were introduced for specific types of taxpayers who are active in the agricultural sector. A new law establishes two special and simplified tax regimes designed to ease compliance obligations for businesses engaged in the commercialization of livestock

<sup>175</sup> See ES: OPTR Report (2024) (Academia), Questionnaire 2, Question 10.

<sup>176</sup> ES: Legislative Decree 6/2024, *por el que se adoptan medidas urgentes de respuesta ante los daños causados por la Depresión Aislada en Niveles Altos (DANA) en diferentes municipios entre el 28 de octubre y el 4 de noviembre de 2024*, 5 Nov. 2024, available at [https://www.boe.es/diario\\_boe/txt.php?id=BOE-A-2024-22928](https://www.boe.es/diario_boe/txt.php?id=BOE-A-2024-22928) (accessed 4 Mar. 2025).

<sup>177</sup> See TW: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 9; and Ministry of Finance, 所得稅法部分條文修正－優化扣繳制度修正重點大補給, available at <https://www.mof.gov.tw/singlehtml/384fb3077bb349ea973e7fc6f13b6974?cntId=d8359c5b4d6648108c275ebf35233627> (accessed 4 Mar. 2025).

<sup>178</sup> See CO: OPTR Report (2024) (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 10.

<sup>179</sup> See DE: *Gesetz zur Modernisierung des Besteuerungsverfahrens*, 18 July 2016, available at <https://dip.bundestag.de/vorgang/.../71245> (accessed 4 Mar. 2024).

and agricultural products. These regimes aim to reduce administrative burdens and promote formalization in this particular sector.

**Guatemala** reported a shift away from the first minimum standard under this heading.<sup>180</sup> The mandatory shift to electronic filing and payment for all tax declarations has significantly streamlined tax compliance. However, this transition has also created challenges for individuals in remote areas, those with disabilities and those who are unable or unwilling to use digital platforms. While the tax administration has actively promoted the use of electronic services, as highlighted in recent reports, there are currently no dedicated assistance mechanisms in place to support taxpayers facing digital accessibility barriers. The absence of alternative compliance methods or tailored support programmes raises concerns about inclusivity and the ability of all taxpayers to meet their tax obligations effectively.

The **Honduras** SAR has launched the Tax Guidance Unit to support micro, small and medium-sized enterprises (MSMEs) in formalizing their businesses and regularizing their economic activities.<sup>181</sup> This initiative aims to provide targeted assistance to smaller enterprises, helping them navigate tax compliance requirements more effectively. The Tax Guidance Unit offers a range of services, including fiscal, accounting and administrative support, as well as training and guidance on tax obligations. Additionally, the unit provides assistance in using SAR's Virtual Office, ensuring that businesses can efficiently manage their tax affairs through digital platforms.

The national report of **the Netherlands** indicated a shift away from the best practice in the area of the cost of tax compliance obligations.<sup>182</sup> Recent developments have led to an increase in tax information obligations, particularly in relation to Pillar Two, DAC6 and other international reporting requirements. Additionally, changes have been introduced regarding how these obligations must be fulfilled, impacting compliance procedures for affected taxpayers.

In the **United States**, taxpayer assistance efforts expanded in 2024.<sup>183</sup> Congress maintained increased funding for tax clinics and free tax preparation programmes under the 2024 Further Consolidated Appropriations Act.<sup>184</sup> Additionally, the Certified Acceptance Agent programme for Individual Taxpayer Identification Number (ITIN) application assistance reopened in January 2024.<sup>185</sup> The IRS hired additional staff, improving the level of service (LOS) both by phone and in-person. However, phone service remained inconsistent: while the overall LOS for toll-free lines was 56%, only 31% of callers reached a live assistor.<sup>186</sup> For in-person assistance, the IRS operated the same number of taxpayer assistance centres (TACs) as in

<sup>180</sup> See GT: OPTR Report (2024) (Taxpayers/Tax practitioners), Questionnaire 2, Question 8.

<sup>181</sup> See HU: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 8.

<sup>182</sup> See NL: OPTR Report (2024) (Taxpayers/Tax Practitioners), Questionnaire 2, Question 10.

<sup>183</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 10.

<sup>184</sup> US: Further Consolidated Appropriations Act, Public Law 118-47, 23 Mar. 2024, available at <https://www.govinfo.gov/app/details/PLAW-118publ47> (accessed 4 Mar. 2025).

<sup>185</sup> See IRS, *ITIN Acceptance Agent Program Changes*, available at <https://www.irs.gov/individuals/itin-acceptance-agent-program-changes> (accessed 4 Mar. 2025).

<sup>186</sup> See US: National Taxpayer Advocate, *Annual Report to Congress 2024*, viii, 48-52, available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 4 Mar. 2025).

2023 but handled 300,000 more face-to-face interactions compared with the previous fiscal year. The IRS also improved its TAC appointment line service, answering 43% of calls up from 34% in 2023.<sup>187</sup> However, some TACs were closed due to staffing shortages.<sup>188</sup> To improve accessibility, the IRS continued offering select TAC services on Saturdays and extended limited evening hours during tax season.<sup>189</sup> It also conducted 11 community assistance visits (temporary TACs) and expanded virtual assistance options.<sup>190</sup> The national report indicates that, despite these efforts, further progress is needed. Lastly, the IRS piloted Direct File, a new programme enabling qualifying taxpayers in 12 states to electronically file their tax returns for free directly with the IRS. This initiative aims to provide a cost-free alternative to third-party tax preparation services.<sup>191</sup>

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<sup>187</sup> See US: National Taxpayer Advocate, *Annual Report to Congress 2023*, 3, available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 04 Mar. 2025); National Taxpayer Advocate, *Annual Report to Congress 2024*, xx, 52, 53-63, available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 04 Mar. 2025).

<sup>188</sup> See US: National Taxpayer Advocate, *Annual Report to Congress 2024*, 54, available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 04 Mar. 2025).

<sup>189</sup> See US: National Taxpayer Advocate, *Annual Report to Congress 2024*, iv, 54, available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 04 Mar. 2025); and IRS News Release IR-2024-66, *IRS continues special Saturday hours on March 16 for face-to-face help at 70 Taxpayer Assistance Centers* (7 March 2024), available at <https://www.irs.gov/newsroom/irs-continues-special-saturday-hours-on-march-16-for-face-to-face-help-at-70-taxpayer-assistance-centers> (accessed 4 Mar. 2025).

<sup>190</sup> See US: National Taxpayer Advocate, *Annual Report to Congress 2024*, 54-55, available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 04 Mar. 2025).

<sup>191</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 11; IRS News Release IR-2024-122, *Direct File pilot officially closes after more than 140,000 taxpayers successfully use direct e-filing system in 12 states, including integration with 4 state tax systems*, available at <https://www.irs.gov/newsroom/direct-file-pilot-officially-closes-after-more-than-140000-taxpayers-successfully-use-direct-e-filing-system-in-12-states-including-integration-with-4-state-tax-systems> (accessed 4 Mar. 2025); GAO Report GAO-24-107236, available at <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.gao.gov/assets/gao-24-107236.pdf> (accessed 4 Mar. 2025); and TIGTA, Report No. 2024-200-050, *The Direct File Pilot Deployed Successfully; However, Security and Testing Improvements Are Needed*, available at <https://www.tigta.gov/reports/audit/direct-file-pilot-deployed-successfully-however-security-and-testing-improvements-are> (accessed 4 Mar. 2025).

## 2. The Issue of Tax Assessment

**Best practice:** Establish a constructive dialogue between taxpayers and revenue authorities to ensure a fair assessment of taxes based on the equality of arms

**Shifted towards/matched the best practice:**

Italy, South Africa

**Shifted away from the best practice:**

Belgium, Bolivia, Honduras, United States

Effective and efficient tax administration should prioritize transparency, predictability and open communication, ensuring that taxpayers understand assessments and have the means to challenge them when necessary. Furthermore, constructive engagement fosters voluntary compliance and prevents arbitrary or overly burdensome tax practices.

In 2024, national reports show that many jurisdictions have struggled with these principles.

**Belgium** presents a complex picture regarding taxpayer engagement. On one hand, the Supreme Court, in its 2 March 2023 ruling (F.21.0156.F),<sup>192</sup> emphasized the importance of procedural fairness by reinforcing the “right to be heard” under article 346 of the Belgian Income Tax Code of 1992, which requires tax authorities to issue prior notifications outlining reasons for proposed adjustments, ensuring greater transparency in tax assessments.

However, a more recent ruling by the same court, issued on 15 January 2024 (F.20.0168.F),<sup>193</sup> has raised concerns. The court determined that a tax official reviewing a complaint about an assessment could uphold the decision while modifying the reasoning related to the applicable assessment period. This ruling, therefore, limits taxpayers’ capacity for constructive dialogue with the tax administration, as well as the effectiveness of the “right to be heard” principle.

As for **Bolivia**, although there is no official report or data, national practitioners reported that tax assessments have become increasingly contentious, with the tax administration adopting a more aggressive audit approach in response to fiscal deficits, with the large fortunes tax and businesses seeking VAT refunds being the most affected.<sup>194</sup>

In **Honduras**, although 2023 had shown signs of progress with the passage of the Tax Justice Bill – where multiple public discussion sessions generated over 102 suggested

<sup>192</sup> See the previous edition of this Yearbook and, in particular, BE: OPTR Report (2023) (Taxpayers/Tax Practitioners, Judiciary, Academia), Questionnaire 2, Question 9. The judgment is available at <https://juportal.be/content/ECLI:BE:CASS:2023:ARR.20230302.1F.3/FR> (accessed 1 Mar 2025). In the case addressed by the court, the taxpayer had classified its remuneration from Luxembourg sources as “exempted” foreign income. The Belgian tax authorities, however, argued that this income could only be exempted if the taxpayer could prove physical presence in Luxembourg during the relevant period, and since the taxpayer’s income tax return did not report such physical presence, the tax authorities proceeded to tax the Luxembourg income. The Belgian Supreme Court deemed this taxation invalid, emphasizing the obligation of Belgian tax authorities to issue a “notice of change” before altering facts in a tax return. See BE: OPTR Report (2023) (Taxpayers/Tax Practitioners, Judiciary, Academia), Questionnaire 2, Question 9.

<sup>193</sup> The judgment is available at <https://juportal.be/content/ECLI:BE:CASS:2024:ARR.20240115.3F.6> (accessed 1 Mar. 2025). In the case addressed by the court it was decided that the tax official deciding on the complaint of a taxpayer regarding his tax assessment can maintain the tax assessment but correct the motivation of the tax official with regard to the tax assessment period. See BE: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 13.

<sup>194</sup> See BO: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 13.

modifications<sup>195</sup> – these gains have been undermined in 2024. The country's leading private-sector organization, Council of Private Enterprise (COHEP), has opposed the reform, arguing that the tax administration has adopted an overly aggressive stance, resulting in assessments that fail to align with economic realities.<sup>196</sup> Meanwhile, the government justifies the law as necessary to improve tax equity and prevent Honduras from being labelled a tax haven.<sup>197</sup> However, instead of addressing COHEP's concerns through dialogue, authorities have polarized the debate<sup>198</sup>.

In the **United States**, the tax system has been tested by several factors<sup>199</sup>.

One major issue was the administration of the Employee Retention Credit (ERC), a program designed to provide tax relief for businesses affected by COVID-19. By 26 October 2024, approximately 1.2 million claims remained unprocessed, largely because the IRS suspended new ERC claims in September 2023 to mitigate fraud. Another major challenge in this context was the IRS's lack of clear communication. Taxpayers have struggled with unclear disallowance notices and a lack of timely updates, making it difficult for them to challenge rejections. Additionally, the IRS has deviated from standard audit procedures, using a model that has led to erroneous rejections and further delays.<sup>200</sup>

Moreover, taxpayers face significant barriers in requesting an in-person examination instead of a correspondence audit ("IRS campus exam"). In these cases, procedural restrictions make in-person reviews highly impractical, as the IRS imposes multiple conditions and, even when an in-person transfer is approved, additional delays often arise.<sup>201</sup>

While some countries have struggled with this best practice, some countries distinguished themselves in fostering a more open dialogue between taxpayers and tax authorities.

In **Italy**, a substantial amendment to Law no. 212 of 27 July 2000, known as the Taxpayer's Bill of Rights, was introduced through Legislative Decree no. 219 of 30 December 2023, which entered into force on 18 January 2024. This amendment incorporated the "right to be heard"

<sup>195</sup> See the previous edition of this Yearbook and, in particular, HN: OPTR Report (2023) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 9. Reports of public hearings are available at [https://congresonacional.hn/noticias/audiencias\\_publicas](https://congresonacional.hn/noticias/audiencias_publicas) (accessed 15 Feb. 2025).

<sup>196</sup> For example, COHEP and other representatives of the business sector have labelled this law as harmful to the economy and have accused the government of not carrying out a real socialization, but rather an imposition of ideas through presentations. See <https://www.elheraldo.hn/honduras/cohep-alerta-paquetazo-tributario-aumento-costo-canasta-basica-ley-justicia-tributaria-gobierno-xiomara-castro-honduras-ME13174190> (accessed 1 Mar. 2025).

<sup>197</sup> See <https://www.sar.gob.hn/2024/07/la-ley-de-justicia-tributaria-de-honduras-proporciona-un-ejemplo-destacado-de-lo-que-los-paises-en-desarrollo-pueden-hacer-south-centre/> (accessed 1 Mar. 2025) and HN: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 13.

<sup>198</sup> See <https://criterio.hn/primer-debate-de-la-ley-de-justicia-tributaria-interrumpido-tras-insurreccion-en-el-congreso-nacional/> (accessed 1 Mar. 2025) and HN: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 13.

<sup>199</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 13.

<sup>200</sup> See National Taxpayer Advocate, *National Report to Congress (2024)* pp. 4-19, available at [https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2024/12/ARC24\\_MSP\\_01\\_ERC.pdf](https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2024/12/ARC24_MSP_01_ERC.pdf) (accessed 1 Mar. 2025).

<sup>201</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 13.



under article 6-bis of the Taxpayer's Bill of Rights. According to this provision,<sup>202</sup> actions undertaken by the Italian Revenue Agency (with some exclusions, including "automatic" notices of assessment triggered by errors and miscalculations identified in the annual tax return),<sup>203</sup> must undergo a preliminary dialogue with the taxpayer. During this phase, the Tax Revenue Agency provides the taxpayer with a draft notice of assessment, allowing 60 days for the submission of observations and comments. If, despite the taxpayer's input, the tax authorities proceed to issue the notice of assessment, they must state the reasons for rejecting the taxpayer's observations. Failure to engage in this preliminary phase renders the notice of assessment null and void, subject to review by the tax court.

In **South Africa**, the Revenue Service (SARS) has begun, as of 12 December 2024, the implementation of a new artificial intelligence (AI) conversational platform (AI Assistant), which provides responses in real-time to questions from taxpayers, traders and travellers based on published information, user guides and other SARS systems which are publicly available on the website.<sup>204</sup>

Furthermore, several countries are continuing to positively engage with this best practice. The previous year's report indicated that tax authorities themselves actively promoted a more collaborative environment with taxpayers: (i) in **Guatemala**, where, throughout 2023, the tax administration has consistently facilitated conflict resolution meetings for taxpayers before issuing formal tax adjustments, nurturing a positive dialogue between the parties;<sup>205</sup> (ii) in **Costa Rica**, where the tax administration established a forum involving prominent national taxpayers, fostering a constructive dialogue between the two parties;<sup>206</sup> and (iii) in the **United Kingdom**, where HMRC updated its Code of Governance for Resolving Tax Disputes by providing greater clarity and transparency in its processes.<sup>207</sup>

## 2024 relevant case law – European Court of Human Rights

Case	MAROSLAVAC v. Croatia No. 64806/16 <sup>208</sup>
Date	13 February 2024
ECHR Articles	1 - P1

<sup>202</sup> The provision is available at <https://www.normattiva.it/atto/caricaDettaglioAtto?atto.dataPubblicazioneGazzetta=2000-07-31&atto.codiceRedazionale=000G0265&atto.articolo.numero=0&atto.articolo.sottoArticolo=1&atto.articolo.sottArticolo=1&qId=ba617726-23fe-4e4e-8e0e-b6421ac316c5&tabID=0.14778980133922914&title=lbl.dettaglioAtto> (accessed 22 Feb. 2024).

<sup>203</sup> For such exclusions, see the Ministerial Decree of 24 April 2024, available at <https://def.finanze.it/DocTribFrontend/getAttoNormativoDetail.do?ACTION=getSommario&id=%7BA078B00C-0EE5-45D3-9373-0A97DED8A08F%7D> (accessed on 1 Mar. 2024). For further exclusions, see also art. 7-bis, comma 1, Law Decree n. 39/2024, available at <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legge:2024-03-29:39> (accessed on 1 Mar. 2024).

<sup>204</sup> Information is available at <https://www.sars.gov.za/whats-new-at-sars/6/> (accessed on 1 Mar. 2025). See ZA: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Ombudsperson, Academia), Questionnaire 2, Question 13.

<sup>208</sup> See HR: ECtHR, No. 64806/16, MAROSLAVAC v. CROATIA, available at <https://hudoc.echr.coe.int/eng#%7B%22itemid%22%3A%22001-230654%22%7D> (accessed 4 Mar. 2025).

Facts	Decision
<p>The Croatian tax authorities conducted an audit of the applicant's financial affairs, determining that she owed additional taxes.</p> <p>The applicant contested the validity of the tax audit, claiming it was procedurally flawed.</p> <p>A crucial part of her argument was that she was ordered to pay taxes for periods during which the state's right to collect those taxes had become time-barred under national law.</p> <p>Additionally, she claimed that she had been denied the opportunity to effectively defend herself because: (i) the decision to extend the audit to include her income tax was served only a day before the tax inspection ended; and (ii) this limited her ability to challenge the findings or provide evidence in her defence.</p>	<p>There has been a violation of article 1 of Protocol No. 1 to the Convention.</p>

**Best practice:** Use e-filing to speed up assessments and the correction of errors, particularly systematic errors

**Shifted towards/matched the best practice:**

Botswana, Honduras, Luxembourg, Spain, Chinese Taipei, United Kingdom, United States

**Shifted away from the best practice:**

None

The pandemic acted as a catalyst for the widespread adoption of e-filing. Measures such as electronic invoicing, digital taxpayer folders and incentivizing businesses with electronic account document filing marked significant efforts by jurisdictions globally to balance the dynamics between taxpayers and tax authorities. However, this progress came at the expense of an increased reporting burden. Furthermore, e-filing enhances tax efficiency by speeding up assessments through instant submission and automated validation, reducing delays and ensuring quicker refunds.

The previous year showed developments across various regions.<sup>209</sup> In 2024, this trend gained even more momentum, with several countries endorsing e-filing through new legislation and case law. **Botswana** enhanced efforts and campaigns to promote the use of e-services,

<sup>206</sup> Information about the Foro de Grandes Contribuyentes Nacionales (Big National Taxpayers Forum), is available at <https://www.hacienda.go.cr/docs/N3QueEsElForoDeDialogo.pdf> (accessed 22 Feb. 2025).

<sup>207</sup> The updates also include a link to the remits for its dispute resolution boards, available at <https://www.gov.uk/government/publications/dispute-resolution-governance-board-remits/tax-disputes-resolution-board-remit> (accessed 20 Feb. 2025).

<sup>208</sup> See HR: ECtHR, No. 64806/16, *MAROSLAVAC v. CROATIA*, available at [https://hudoc.echr.coe.int/eng#{%22itemid%22:\[%22001-230654%22\]}](https://hudoc.echr.coe.int/eng#{%22itemid%22:[%22001-230654%22]}) (accessed 4 Mar. 2025).

<sup>209</sup> See, *amplius*, Observatory on the Protection of Taxpayers' Rights. *The IBFD Yearbook on Taxpayers' Rights* 2023, sec. 2 (IBFD 2024).

including publication initiatives and ensuring e-filing is directed towards specific taxpayer groups.<sup>210</sup>

**Honduras** has introduced the Virtual Office through the *Servicio de Administración de Rentas* (SAR), a digital platform for taxpayers to fulfil their tax obligations online. This system streamlines tax declaration management by digitizing and centralizing processes, enhancing efficiency, minimizing errors and promoting compliance (see also section 6).<sup>211</sup>

In **Luxembourg**, as from 1 January 2025, Law No. 8388 of 11 December 2024 has extended mandatory e-filing for directors' fees withholding tax returns.<sup>212</sup>

In **Spain**, Law No. 13/2023 amended article 120.3 of the General Tax Law, allowing taxpayers to submit a corrective self-assessment if their initial filing negatively affects their interests. This change removes the need for a formal rectification procedure, offering greater flexibility and efficiency in addressing unintended errors. Building on this reform, Royal Decree No. 117/2024, enacted in 2024, updated the regulations for personal income tax, corporate tax, VAT, excise duties and the Tax on Fluorinated Greenhouse Gases, fully integrating corrective self-assessments into the tax system.<sup>213</sup> Meanwhile, in **Chinese Taipei**, national reporters have highlighted the growing adoption of e-filing across various tax procedures, progressively reducing reliance on traditional paper-based communication.<sup>214</sup>

The **United Kingdom** has opened volunteer participation in the *Making Tax Digital for Income Tax* program, introducing a new system for reporting income and expenses for traders and landlords. This initiative, set to become mandatory in phases starting from 6 April 2026, aims to streamline tax reporting through digitalization. Under this system, sole traders and landlords will be required to use compatible software to digitally record their business income and expenses, submit quarterly updates to HMRC, file their tax returns and settle any tax due.<sup>215</sup>

Finally, a positive shift was reported also in the **United States**.<sup>216</sup> Since the start of the COVID-19 pandemic, the IRS has struggled to administer the tax system. Its challenges were due partly to the paper backlogs that developed when the agency closed its processing centres and offices early in the pandemic and partly to the need to divert resources from its core tax

<sup>210</sup> See BW: OPTR Report (2024) (Academia), Questionnaire 2, Question 14 and the Botswana Unified Revenue Service Public Notice concerning the commencement of the 2024 e-filing season.

<sup>211</sup> See Servicio de Administración de Rentas, Acuerdo No. SAR-236-2024. Information is available at <https://www.sar.gob.hn/download/acuerdo-no-sar-236-2024-no-36538-de-fecha-20-de-mayo-2024-se-crea-la-oficina-virtual-del-servicio-de-administracion-de-rentas-sar-como-la-herramienta-que-facilita-a-los-obligados-tributarios-el/> (accessed on 1 Mar. 2025). See also HN: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 14.

<sup>212</sup> See LU: OPTR Report (2024) (Academia), Questionnaire 2, Question 14.

<sup>213</sup> The reference to the Royal Decree 117/2024 is available at the Spanish Official Gazette: <https://www.boe.es/buscar/pdf/2024/BOE-A-2024-1771-consolidado.pdf> (accessed on 1 Mar. 2025). See ES: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Ombudsperson, Academia, Former Judiciary), Questionnaire 2, Question 14.

<sup>214</sup> See TW: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 14.

<sup>215</sup> See <https://www.gov.uk/guidance/use-making-tax-digital-for-income-tax/introduction> (accessed 4 Mar. 2025) and UK: OPTR Report (2024) (Taxpayers/Tax Practitioners), Questionnaire 2, Question 14.

<sup>216</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 14.



processing responsibilities to administer financial relief programs that Congress authorized.<sup>217</sup> For 3 years in a row, the IRS failed to pay timely refunds to taxpayers. The IRS also struggled to process taxpayers' tax returns, correspondence and requests for a CDP appeal.<sup>218</sup> These processing delays resulted in the IRS's records of taxpayer accounts being inaccurate, which led the IRS to automatically send erroneous automated levies.

To address these challenges, several measures were adopted in 2022. The IRS temporarily suspended its Automated Levy Program (ALP).<sup>219</sup> Furthermore, the IRS created and implemented an automated tool to rectify errors related to the Recovery Rebate Credit and changes to refundable credits (Earned Income Tax Credit (EITC) and Child Tax Credit (CTC)), resulting in expedited refunds for over 12 million taxpayers compared to 2021.<sup>220</sup> In addition, the National Taxpayer Advocate issued a Taxpayer Advocate Directive (TAD) to the IRS, instructing the implementation of scanning technology to machine-read paper-filed tax returns in time for the 2023 filing season.<sup>221</sup>

Following the enactment of the Inflation Reduction Act (IRA) in August 2022, the Department of the Treasury and the IRS initiated efforts to develop a strategic operating plan. This plan aimed to identify the highest-priority opportunities for delivering transformational change for taxpayers, including the expanding of electronic filing and processing of documents to identify and resolve issues more efficiently.<sup>222</sup>

Throughout 2023 and 2024, the agency made some progress.

In particular: (i) the IRS opened an online portal allowing businesses to file Form 1099 for free;<sup>223</sup> (ii) taxpayers filing electronically Form 1040-X, Amended U.S Individual Income Tax

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<sup>217</sup> See National Taxpayer Advocate, *National Report to Congress* (2022) pp. 2-3, available at <https://www.taxpayeradvocate.irs.gov/reports/2022-annual-report-to-congress/full-report/> (accessed 17 Feb. 2025).

<sup>218</sup> See National Taxpayer Advocate, *National Report to Congress* (2022) p. 213, available at <https://www.taxpayeradvocate.irs.gov/reports/2022-annual-report-to-congress/full-report/> (accessed 17 Feb. 2025): "Taxpayers who receive a Notice of Intent to Levy and a Final Notice are advised to request a hearing with Appeals. When the notice is issued, it is recorded on the IRS's central taxpayer account database. However, if the taxpayer's response is not entered into the database within ten weeks, the IRS's Automated Levy Program (ALP) generates a levy. Many taxpayers' CDP requests remained unopened until after the ten-week deadline, resulting in the issuance of erroneous automated levies."

<sup>219</sup> See National Taxpayer Advocate, *National Report to Congress* (2022), p. 214, available at <https://www.taxpayeradvocate.irs.gov/reports/2022-annual-report-to-congress/full-report/> (accessed 17 Feb. 2025); and US: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 9.

<sup>220</sup> See National Taxpayer Advocate, *National Report to Congress* (2022), p. 2, available at <https://www.taxpayeradvocate.irs.gov/reports/2022-annual-report-to-congress/full-report/> (accessed 17 Feb. 2025); and US: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 10.

<sup>221</sup> See E.M. Collins, *Getting Rid of Kryptonite: The IRS Should Quickly Implement Scanning Technology to Process Paper Tax Returns*, National Taxpayer Advocate Blog (15 Apr. 2022), available at <https://www.taxpayeradvocate.irs.gov/news/nta-blog-getting-rid-of-the-kryptonite-the-irs-should-quickly-implement-scanning-technology-to-process-paper-tax-returns/> (accessed 18 Feb. 2025). Specifically, the TAD directed the IRS to (i) implement technology to automate the processing of paper-filed returns prepared with tax software by the start of the 2023 filing season; and (ii) automate the processing of handwritten paper-filed returns by the start of the 2023 filing season if possible or, if not, by the start of the 2024 filing season.

<sup>222</sup> See IRS Publication 3744 (Apr. 2023), *Internal Revenue Service Inflation Reduction Act Strategic Operating Plan FY2023 – 2031*, pp. 22-23, 46-48, available at <https://www.irs.gov/pub/irs-pdf/p3744.pdf> (accessed 20 Feb. 2025).

<sup>223</sup> See IRS News Releases IR-2023-14 (25 Jan. 2023), available at <https://www.irs.gov/newsroom/irs-opens-free-portal-to-file-information-returns-new-electronic-option-can-reduce-millions-of-paper-forms-1099-estimated-to-be-filed-by-businesses-in-2023> (accessed 20 Feb. 2025).

Return, were enabled to direct deposit and enter their banking or financial institution information for quicker delivery of refunds;<sup>224</sup> (iii) moreover, following the IRS Commissioner's announcement in November 2022,<sup>225</sup> the agency gradually implemented the use of scanning technology to digitize and process certain tax returns, which have been expanded in 2024; and (iv) finally, the IRS announced that e-filing will be possible in 2025 for returns claiming a duplicate dependent, if the primary taxpayer has an identity protection PIN.<sup>226</sup>

**Minimum standard:** Where a tax assessment indicates a repayment is due, that repayment should be made without undue delay or unnecessary formalities

**Shifted towards/improved the minimum standard:**

South Africa

**Shifted away from the minimum standard:**

None

Ensuring that tax refunds are processed promptly and without unnecessary formalities is a key principle of efficient and effective tax administration. Delays in repayments impose financial burdens on taxpayers (particularly businesses operating with tight margins where cash flow is paramount) and can undermine trust in the tax system. Given the structure of major taxes, some level of overpayment is unavoidable. To address this, tax administrations should increasingly adopt automated refund processes and risk-based verification systems. Indeed, the ongoing digital transformation of tax administrations and of assessment procedures could play a crucial role in streamlining refund processes, as advanced technologies should be deployed not only to identify fraudulent claims, but also to ensure that legitimate refunds are processed without undue delay.<sup>227</sup>

While national reports indicate no significant shifts towards this minimum standard, **South Africa** stands out as an exception. SARS announced on 15 July 2024 improvements in refund processing, enhancing both efficiency and security.<sup>228</sup> Since the start of the filing season, over ZAR 14 billion had been paid to 1.5 million taxpayers. Initially, 30,000 refunds were reversed

<sup>224</sup> Previously, taxpayers who filed Form 1040-X with the IRS had to wait for a paper check for any refund, a step that added time onto the amended return process. See IRS News Releases IR-2023-22 (9 Feb. 2023), available at <https://www.irs.gov/newsroom/new-irs-feature-allows-taxpayers-electronically-filing-amended-returns-to-choose-direct-deposit-to-speed-refunds> (accessed 20 Feb. 2025).

<sup>225</sup> See Letter from Doug O'Donnell, Acting Comm'r Internal Revenue, to Sen. Ron Wydman, Chair, Comm. on Fin., (22 Nov. 2022), mentioned in the National Taxpayer Advocate, *National Report to Congress*, p. 211 (2022), available at <https://www.taxpayeradvocate.irs.gov/reports/2022-annual-report-to-congress/full-report/> (accessed 17 Feb. 2025).

<sup>226</sup> See National Taxpayer Advocate, *National Report to Congress*, pp. 23-27 (2024), available at <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report/> (accessed 1 Mar. 2025). This report, however, also shows that vast majority of paper-filed returns are still processed by hand, that the IRS is not on target to meet its ambitious paperless processing goals and that taxpayers cannot e-file in many situations.

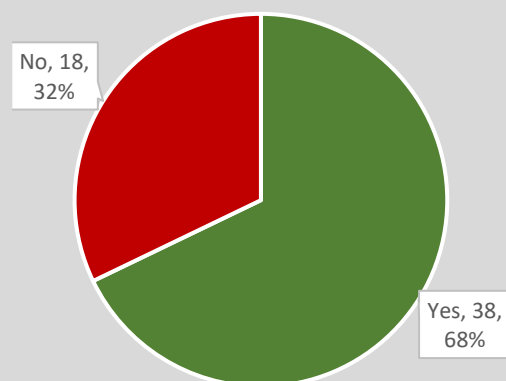
<sup>227</sup> See OECD, *Tax Administration 2024: Comparative Information on OECD and other Advanced and Emerging Economies*, pp. 57-58 (OECD Publishing 2024), available at [https://www.oecd.org/en/publications/tax-administration-2023\\_900b6382-en/full-report.html](https://www.oecd.org/en/publications/tax-administration-2023_900b6382-en/full-report.html) (accessed on 2 Mar. 2025), which highlights that the majority of administrations pay out VAT refunds almost immediately.

<sup>228</sup> The SARS media release is available at <https://www.sars.gov.za/latest-news/media-release-refund-reversal-resolved/> (accessed on 2 Mar. 2025).

due to validation checks, but SARS has since resolved 90% of these cases. Despite the reversals, 83% of refunds were processed within 72 hours, reinforcing SARS's commitment to timely payments.<sup>229</sup>

**Chart 8. Does a dialogue take place in your country between the taxpayer and the tax authority before the issue of an assessment in order to reach an agreed assessment?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 8.

**Yes:** Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Botswana, Canada, Chile, China (People's Rep.), Costa Rica, Denmark, Germany, Greece, Guatemala, Guyana, Honduras, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Portugal, Slovenia, Switzerland, Chinese Taipei, Trinidad and Tobago, United Kingdom, United States, Uruguay, Venezuela

**No:** Argentina, Bosnia and Herzegovina, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Colombia, Croatia, Czech Republic, Finland, Hungary, India, Panama, Peru, Poland (1), Poland (2), Serbia, South Africa, Spain, Sweden, Türkiye

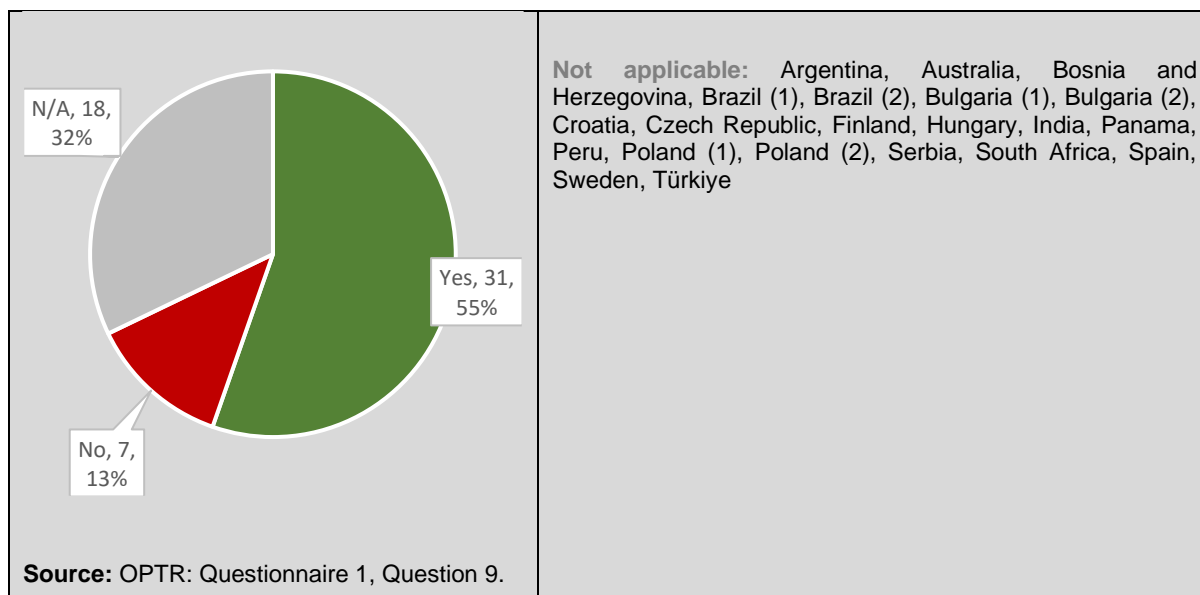
**Chart 9. If yes, can the taxpayer request a meeting with the tax officer?**

60 responses

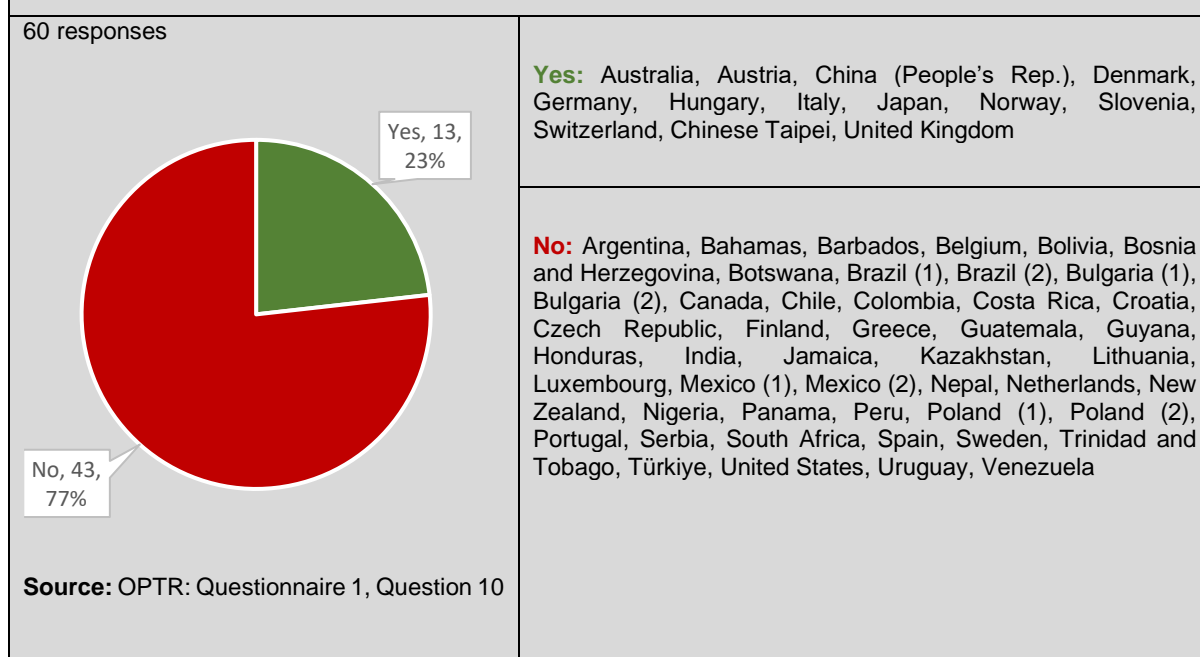
**Yes:** Austria, Bahamas, Barbados, Belgium, Bolivia, Canada, Chile, China (People's Rep.), Costa Rica, Denmark, Greece, Guatemala, Guyana, Italy, Jamaica, Japan, Kazakhstan, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Portugal, Switzerland, Chinese Taipei, Trinidad and Tobago, United Kingdom, United States, Uruguay, Venezuela

**No:** Botswana, Colombia, Germany, Honduras, Lithuania, Nepal, Slovenia

<sup>229</sup> See ZA: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Ombudsperson, Academia), Questionnaire 2, Question 15, confirming that in "refunds are being paid out more timeously especially in the indirect tax area of VAT" and noting that this improvement is "largely due to the efforts of the Tax Ombudsman".



**Chart 10. If a systematic error in the assessment of tax comes to light (e.g. the tax authority loses a tax case and it is clear that tax has been collected on a wrong basis), does the tax authority act *ex officio* to notify all affected taxpayers and arrange repayments to them?**



### 3. Confidentiality

#### 3.1. General issues

The protection of taxpayer confidentiality remains a critical issue, with notable developments across various jurisdictions. Trends indicate an increasing emphasis on digital security, legal protections and administrative safeguards to prevent unauthorized access and disclosure of taxpayer data. However, challenges persist, with some countries experiencing setbacks in confidentiality standards, raising concerns about the balance between transparency and taxpayer rights.

Several countries have reinforced their legal frameworks to ensure greater confidentiality protections (see section 3.3.). **Honduras** has introduced new prohibitions on unauthorized disclosure under its amended tax administration career regime, while **Luxembourg** has codified new rules on IT outsourcing to ensure tax secrecy remains intact when handled by external contractors. These measures highlight a growing awareness of the risks associated with data sharing and the need for strict oversight. **Brazil** stands out as a leader in the field of data security, having published a national strategy for cloud computing and cybersecurity. This strategy outlines principles for robust encryption, access control and data protection, reinforcing the role of technology in safeguarding taxpayer information. Encryption is increasingly recognized as a best practice for safeguarding taxpayer data. **Brazil** has implemented high-level encryption standards to protect tax records, setting a benchmark for other jurisdictions. However, weaknesses persist elsewhere. **Luxembourg** has experienced a decline in data security standards, as its tax administration failed to maintain strict access controls, potentially exposing sensitive taxpayer data to unauthorized officials.

In **Costa Rica**, tax authorities uncovered multiple instances of unauthorized access to taxpayer records, emphasizing the need for better auditing mechanisms to monitor data access and prevent internal breaches (see section 3.4.). As from this edition of the Yearbook, an additional minimum standard is assessed in the area of data access and retention.<sup>230</sup> In this respect, the new **Botswana** Data Protection Act can be mentioned.

With remote work becoming more common, maintaining data security outside tax office environments is a growing challenge. Therefore, it is not surprising that the Yearbook has introduced a new minimum standard specifically addressing this issue (see section 3.5.).<sup>231</sup> **Brazil** has addressed this issue by requiring tax officials to use government-provided devices for remote work, ensuring secure data transmission. **Canada** has also taken steps to improve confidentiality by limiting remote work rights, signalling a partial return to pre-pandemic office settings for tax officials. A more nuanced approach, such as enhanced encryption, secure remote access protocols and stricter auditing measures, could in the authors' opinion have achieved the same security goals without restricting modern work arrangements. This shift suggests a rather *reactive* rather than *fundamental* (or strategic) approach to data protection, focusing on physical presence rather than the implementation of technological safeguards.

<sup>230</sup> "Data protection rights apply to all information held by tax authorities. This includes rights to access data and correct inaccuracies and the destruction (or anonymous archiving) of all data once its purpose has been fulfilled."

<sup>231</sup> "Where tax officials are permitted to work remotely (e.g. from home), equivalent measures should be taken to ensure confidentiality and data protection as if the official were working from a tax office. The measures taken to ensure confidentiality and data protection should be audited on a regular basis."

**Colombia** has enhanced confidentiality awareness among tax officials through mandatory training sessions and the introduction of a classified email labelling system to reinforce the protection of sensitive information.

Countries are recognizing the need for independent oversight in cases of unauthorized disclosures. **Peru** has made progress by formally appointing a data protection officer within its tax administration, ensuring high-level accountability for data security (see section 3.6.).

Meanwhile, **Honduras** has strengthened its disciplinary measures, imposing stricter penalties for confidentiality breaches among tax officials (see section 3.7.).

In contrast to the previous edition of this Yearbook, no new shifts have been reported regarding the minimum standard involving remedies in case of breaches of confidentiality (see section 3.8.).

A notable development is the expansion of legal exceptions that allow tax authorities to share taxpayer data with other government institutions. In **Guatemala**, a new decree mandates automatic information-sharing between public agencies and the tax administration, aiming to enhance tax enforcement (see section 3.9.). While this may improve compliance, it also raises concerns about the extent to which taxpayer confidentiality is preserved.

The practice of “naming and shaming” remains controversial, hence also this section has been expanded in this edition of the Yearbook with an additional best practice.<sup>232</sup> **Peru** has implemented safeguards ensuring that personal data is not disclosed when publishing taxpayer non-compliance lists, shifting towards the minimum standard (see section 3.10.). In contrast, **Costa Rica** has moved away from best practices by publicly listing taxpayer-identification numbers alongside unpaid tax debts, exposing individuals to potential risks. Similarly, in **Guatemala**, authorities have repeatedly disclosed personal information related to tax fraud cases, highlighting weaknesses in confidentiality protections.

**Bulgaria** was the first jurisdiction reporting on a change involving a new best practice by introducing whistleblower protection legislation,<sup>233</sup> ensuring safeguards for individuals reporting breaches of confidentiality within tax administrations (see section 3.11.). Another new minimum standard was introduced suggesting that information held by a tax authority (or by third parties for tax purposes) should not be supplied to other public authorities unless the transfer is authorized by law and there are appropriate safeguards (e.g. a requirement of judicial authorization) in place. No jurisdiction reported changes with respect to the latter minimum standard.

Taxpayer access to their own tax data is improving in some jurisdictions (see section 3.12.). **The Netherlands** has strengthened the right of taxpayers to access their tax files and appeal decisions where access is denied. However, **Guatemala** has moved in the opposite direction by expanding government-mandated data-sharing without clear safeguards for taxpayer rights.

<sup>232</sup> “If “naming and shaming” is employed by any governmental body on the basis of tax information, then personal data that places the individual at risk(e.g. the individual’s home address) should not be disclosed.”

<sup>233</sup> “Legislation should protect whistleblowers in appropriate cases(including where the information disclosed demonstrates that a crime has been committed), in particular where the whistleblower discloses breaches of confidentiality and data protection by revenue authorities (and by third parties holding data for tax purposes).”



Like in the previous edition of this Yearbook, no new shifts have been reported regarding the minimum standard and best practice on anonymized judgments and rulings (see section 3.13.), even though an additional best practice was newly introduced.<sup>234</sup>

As regards legal professional privilege (see section 3.14.), **Guatemala** has seen a negative shift, as tax authorities have indicated intentions to pursue tax advisors for certain client-related tax adjustments, potentially undermining confidentiality protections. Recent European Court of Justice rulings in *Belgian Association of Tax Lawyers* (C-623/22) and *Ordre des avocats du bareau de Luxembourg* (C-432/23) have provided further guidance on legal professional privilege. The court reaffirmed that legal professional privilege should not be limited solely to cases involving criminal risk but must extend to all communications between lawyers and clients in tax matters. These cases follow the previously reported *Orde van Vlaamse Balies* case (C-694/20).<sup>235</sup>

Lastly, a new minimum standard involving the quality and proportionality of mandatory disclosure requirements was introduced as from this edition of the Yearbook, but no changes were reported in this respect.<sup>236</sup>

The global trend in taxpayer confidentiality reveals a dual movement: while many countries are enhancing legal protections, encryption standards and administrative safeguards, others are weakening confidentiality guarantees through broader data-sharing policies or insufficient oversight of unauthorized disclosures.

### 3.2. Guarantees of privacy in the law

**Minimum standard:** Provide a specific legal guarantee for confidentiality, with sanctions for officials who make unauthorized disclosures (and ensure sanctions are enforced)

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

Chile

<sup>234</sup> “Anonymised tax rulings should be published to allow taxpayers to understand administrative practices. This should be subject to exceptions where publication would be potentially damaging to the taxpayer concerned.”

<sup>235</sup> See on this topic OPTR Report (2022), sec. 3.14.

<sup>236</sup> “Mandatory disclosure requirements (if adopted) should be clearly drafted and only apply to cases in which such disclosure is strictly necessary and proportionate. The disclosure obligation should not operate to adversely affect the relationship with professional advisors and other third parties to a disproportionate extent.”

### 3.3. Encryption: Control of access

**Minimum standard:** Encrypt information held by a tax authority about taxpayers to the highest level attainable

Shifted towards/matched the best practice:

Brazil

Shifted away from the best practice:

None

**Minimum standard:** Introduce an offence for tax officials covering up unauthorized disclosure of confidential information

Shifted towards/improved the minimum standard:

Honduras

Shifted away from the minimum standard:

None

**Minimum standard:** Restrict access to data to those officials authorized to consult it. For encrypted data, use digital access codes

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

Luxembourg

**Minimum standard:** Ensure an effective firewall to prevent unauthorized access to data held by revenue authorities

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

The **Brazilian** Federal Revenue Service (*Receita Federal do Brasil*, RFB) has published the “Software and Cloud Computing Services Usage Strategy Document”, emphasizing data security as a priority for tax administration.<sup>237</sup> The document outlines key principles for ensuring robust cybersecurity, including the idea that security must be integrated at all levels, covering access, authentication, data encryption and continuous monitoring to mitigate cyber risks and protect sensitive taxpayer data. The RFB is also required to verify that data processing and storage comply with legal requirements and to assess the necessity of encryption based on risk factors, legal obligations and cost-benefit considerations, and to implement hardware-based encryption keys whenever possible.

In **Honduras**, recent amendments to the SAR Career Regime introduce new prohibitions under article 70 concerning the disclosure of confidential information.<sup>238</sup> For example, the provision of information to unauthorized third parties about credits, debts or other transactions

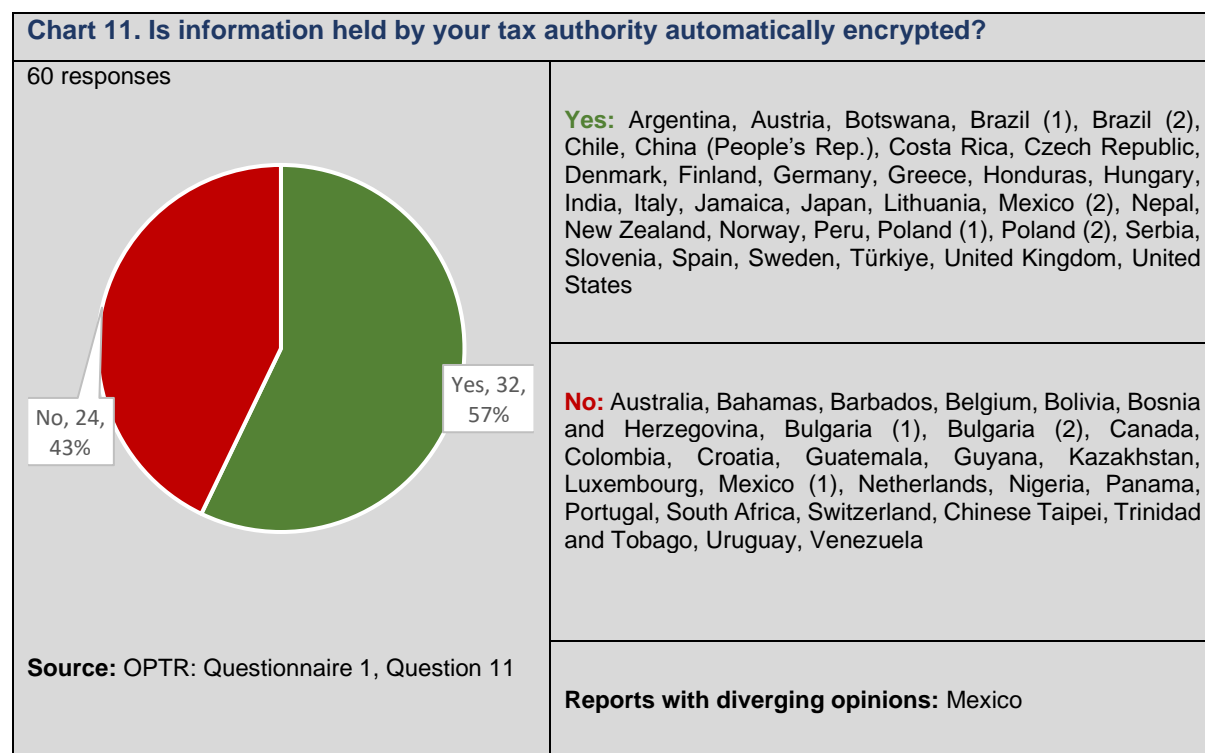
<sup>237</sup> See BR: OPTR Report (2024) (Academia), Questionnaire 2, Question 16.

<sup>238</sup> See HN: OPTR Report (2024) (Taxpayers / Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 16.



of taxpayers. These changes strengthen the legal framework governing the protection of taxpayer data.

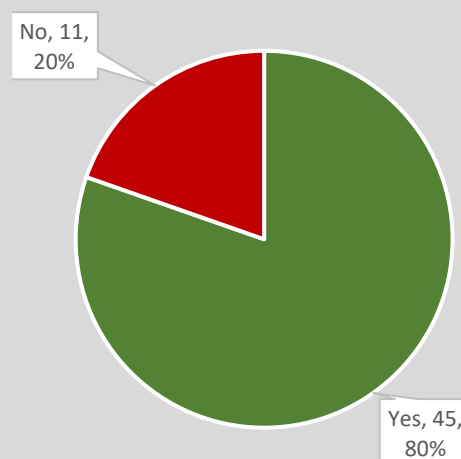
In December 2024, Law 8186A introduced an amendment to the **Luxembourg** General Tax Law (*Abgabenordnung*),<sup>239</sup> inserting a new provision, § 22bis, which establishes a framework for the outsourcing of IT-related work by the Direct Tax Administration while ensuring the protection of tax secrecy. The amendment explicitly authorizes the Direct Tax Administration to entrust IT work to the State Information Technology Centre, as well as to external IT contractors and their subcontractors, provided that they operate under the conditions set out in the amended Act of 20 April 2009, which created the State Information Technology Centre. The law introduces specific safeguards regarding the handling of confidential taxpayer information. If, in the course of performing outsourced IT work, access to confidential tax information is deemed necessary, such access may only be granted with the prior authorization of the director of the Direct Tax Administration or a designated delegate. Furthermore, the law reinforces the confidentiality obligation by criminalizing any unauthorized disclosure of tax-secret information obtained during the execution of IT work. Any such breach, if it occurs outside the scope of the assigned work, is punishable under § 412 of the *Abgabenordnung*.



<sup>239</sup> See LU: OPTR Report (2024) (Academia), Questionnaire 2, Question 18; Law 20 December 2024 modifying the General Tax Law of 22 May 1931, known as the *Abgabenordnung* or AO, available at <https://legilux.public.lu/eli/etat/leg/loi/2024/12/20/a5711/jo> (accessed 4 Mar. 2025).

**Chart 11A. Do data protection rights apply to all information held by tax authorities?**

60 responses



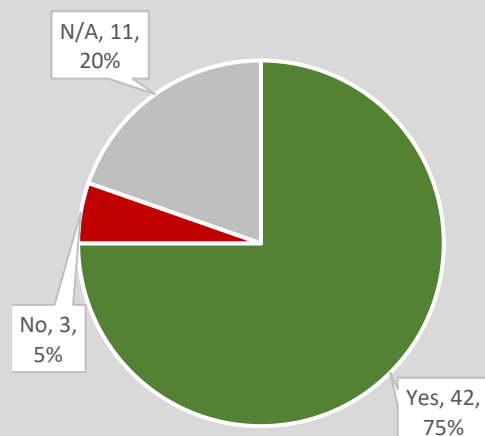
Source: OPTR: Questionnaire 1, Question 11A.

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Czech Republic, Denmark, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Lithuania, Mexico (1), Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, United Kingdom, United States, Uruguay

**No:** Bolivia, Bosnia and Herzegovina, Botswana, Costa Rica, Croatia, Finland, Kazakhstan, Luxembourg, Nepal, Türkiye, Venezuela

**Chart 11B. If yes to 11A, does it include the right to access data and correct inaccuracies?**

60 responses



Source: OPTR: Questionnaire 1, Question 11B.

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Brazil (1), Brazil (2), Canada, Chile, China (People's Rep.), Colombia, Czech Republic, Denmark, Germany, Greece, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Lithuania, Mexico (2), Netherlands, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, United Kingdom, United States, Uruguay

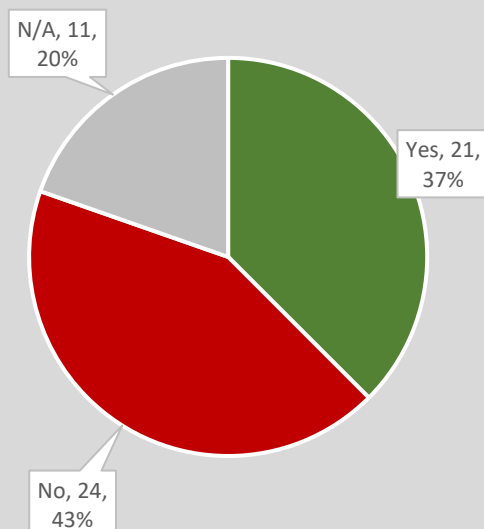
**No:** Bulgaria (1), Bulgaria (2), Guatemala, Mexico (1), New Zealand

**Not applicable:** Bolivia, Bosnia and Herzegovina, Botswana, Costa Rica, Croatia, Finland, Kazakhstan, Luxembourg, Nepal, Türkiye, Venezuela

**Reports with diverging opinions:** Mexico

**Chart 11C. If yes to 11A, is all data (at some point) destroyed once its purpose has been fulfilled?**

62 responses



**Source:** OPTR: Questionnaire 1, Question 11C.

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Canada, China (People's Rep.), Colombia, Czech Republic, Denmark, Germany, Hungary, Nigeria, Norway, Poland (1), Serbia, Slovenia, Sweden, Switzerland, United Kingdom, United States

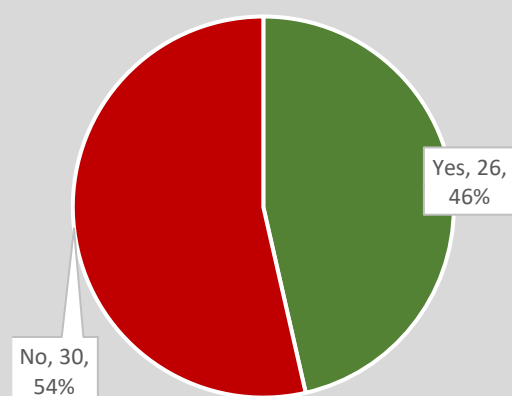
**No:** Bolivia, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Chile, Guatemala, Guyana, Honduras, India, Italy, Jamaica, Japan, Lithuania, Mexico (1), Mexico (2), Netherlands, New Zealand, Panama, Peru, Poland (2), Portugal, South Africa, Spain, Chinese Taipei, Trinidad and Tobago, Uruguay

**Not applicable:** Bosnia and Herzegovina, Botswana, Costa Rica, Croatia, Finland, Greece, Kazakhstan, Luxembourg, Nepal, Türkiye, Venezuela

**Reports with diverging opinions:** Poland

**Chart 12. Is access to information held by the tax authority about a specific taxpayer accessible only to the tax official(s) dealing with that taxpayer's affairs?**

60 responses



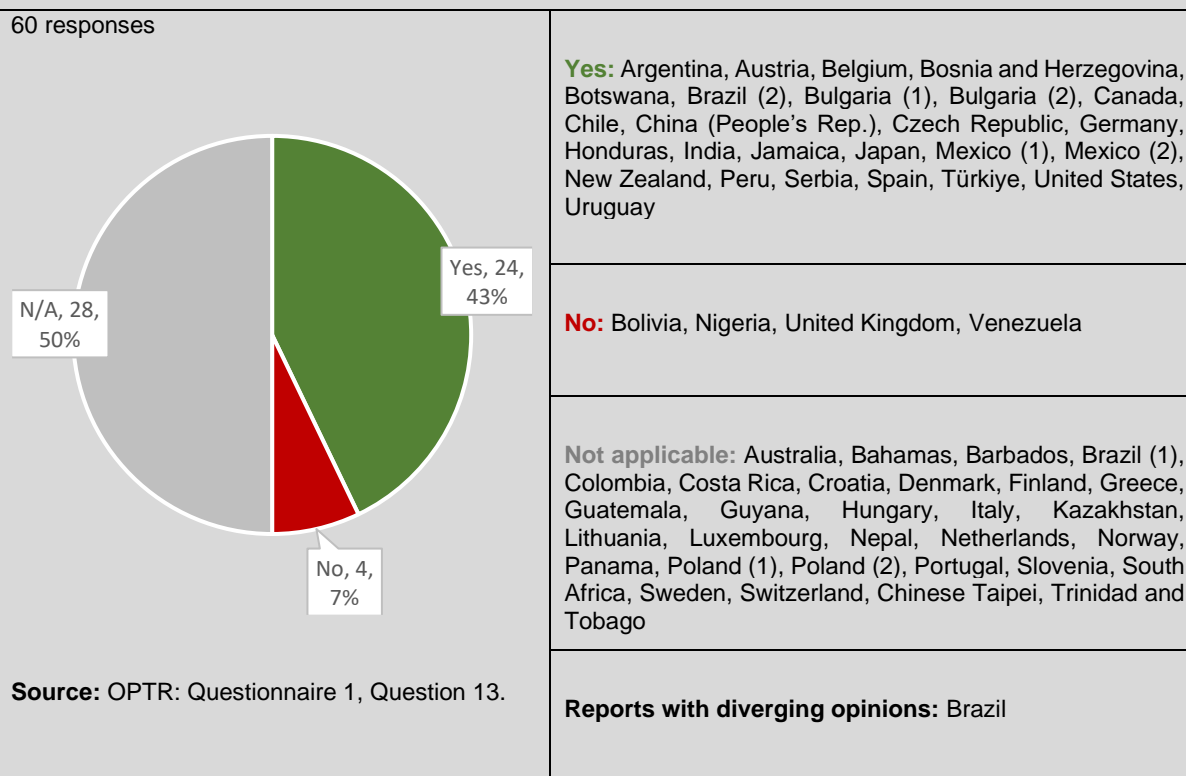
**Source:** OPTR: Questionnaire 1, Question 12

**Yes:** Argentina, Austria, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Czech Republic, Germany, Honduras, India, Jamaica, Japan, Mexico (1), Mexico (2), New Zealand, Nigeria, Peru, Serbia, Spain, Türkiye, United Kingdom, United States, Venezuela

**No:** Australia, Bahamas, Barbados, Brazil (1), Colombia, Costa Rica, Croatia, Denmark, Finland, Greece, Guatemala, Guyana, Hungary, Italy, Kazakhstan, Lithuania, Luxembourg, Nepal, Netherlands, Norway, Panama, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, Uruguay

**Reports with diverging opinions:** Brazil

**Chart 13. If yes, must the tax official identify himself/herself before accessing information held about a specific taxpayer?**



### 3.4. Auditing of access

**Minimum standard:** Data protection rights apply to all information held by tax authorities. This includes rights to access data and correct inaccuracies and the destruction (or anonymous archiving) of all data once its purpose has been fulfilled

**Shifted towards/improved the minimum standard:**

Botswana

**Shifted away from the minimum standard:**

Chile

**Minimum standard:** Audit data access periodically to identify cases of unauthorized access

**Shifted towards/improved the minimum standard:**

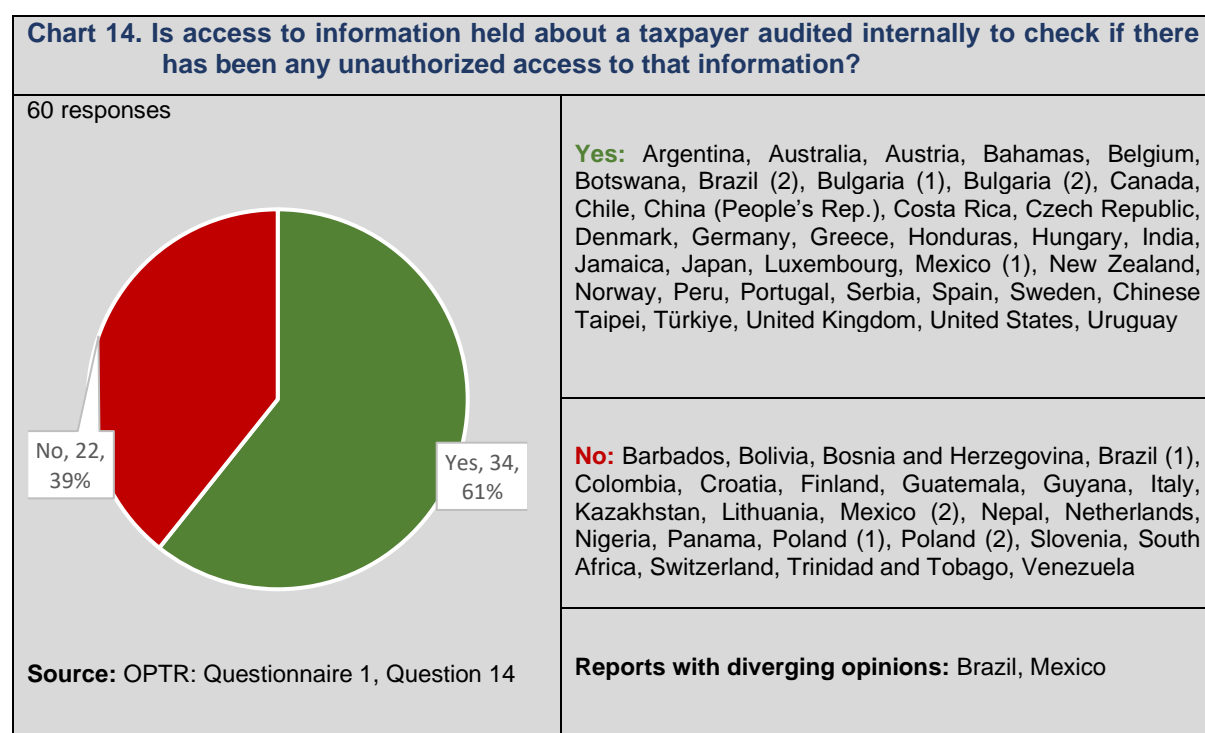
Costa Rica

**Shifted away from the minimum standard:**

None

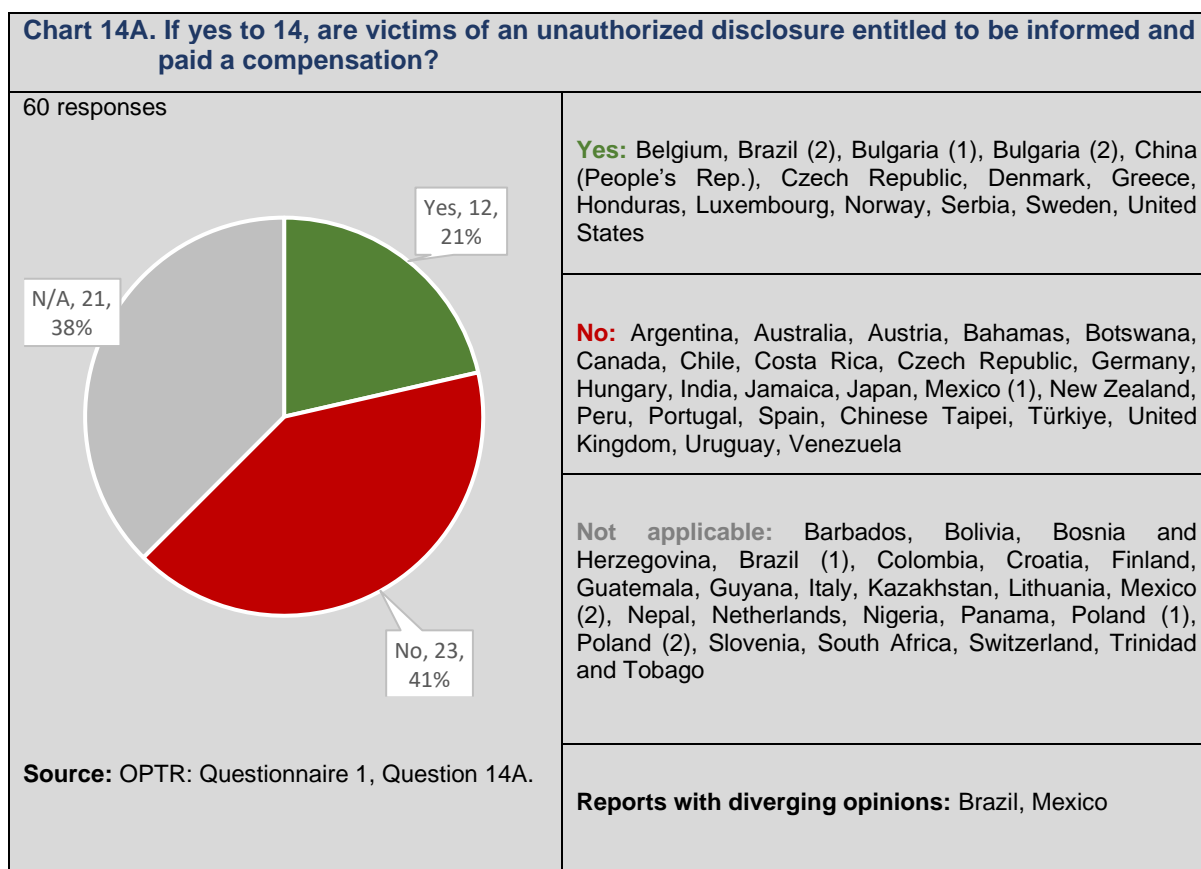
In 2024, the **Botswana** Data Protection Act entered into legal effect, introducing specific limitations concerning tax-related information.<sup>240</sup> Under this framework, tax data is subject to restricted legal protection, meaning that the competent tax authority, the Revenue Service, may request exclusions from the act's coverage on a case-by-case basis.

Through the use of auditing procedures, the **Costa Rican** Tax Administration identified two cases in which tax officials were improperly accessing taxpayer information without authorization and making unauthorized modifications to the amounts of taxes due. These incidents highlight concerns regarding internal data security and the integrity of tax administration processes.<sup>241</sup>



<sup>240</sup> See BW: OPTR Report (2024) (Academia), Questionnaire 2, Question 19; available at <https://itlawco.com/focus-areas/data-protection-and-privacy/data-protection-act-18-of-2024-botswana/> (accessed 4 Mar. 2025).

<sup>241</sup> See CR: OPTR Report (2024) (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 19.



### 3.5. Administrative measures to ensure confidentiality

**Minimum standard:** Introduce administrative measures emphasizing confidentiality to tax officials

**Shifted towards/improved the minimum standard:**

Colombia, Honduras

**Shifted away from the minimum standard:**

None

**Minimum standard:** Where tax officials are permitted to work remotely (e.g. from home), equivalent measures should be taken to ensure confidentiality and data protection as if the official were working from a tax office. The measures taken to ensure confidentiality and data protection should be audited on a regular basis

**Shifted towards/improved the minimum standard:**

Brazil, Canada

**Shifted away from the minimum standard:**

None

**Brazil** established new regulations<sup>242</sup> for telework within the RFB, setting clear requirements for the equipment used in remote work arrangements. According to the regulations, telework activities must be conducted using desktop computers, notebooks or similar devices provided by the RFB. This measure ensures the secure and timely transmission of sensitive tax administration information.

In **Canada**, a (slight) shift towards the minimum standard was reported.<sup>243</sup> In 2024, the tax administration implemented a reduction in the right to work from home, signalling a partial return to pre-pandemic office work arrangements. This change implies a reinforcement of confidentiality in handling taxpayer information. While remote work provided convenience and efficiency, returning to office environments offers a higher degree of control over data security and access to sensitive tax records.

During 2024, the **Colombian** DIAN implemented several measures aimed at strengthening data governance and information security within the tax administration.<sup>244</sup> One of the key initiatives was the dissemination of the Data Governance Manual, which was officially adopted through Resolution 0002 of 2024 and shared with all DIAN tax officials to ensure consistent data management practices. In addition, from 18 to 22 November 2024, DIAN organized training sessions on Information Security for tax officials. These sessions provided practical tools to enhance security in the professional environment while also promoting good security practices in personal life. The primary objective was to strengthen the prevention and mitigation of security risks associated with handling sensitive tax data. Further reinforcing its commitment to data security, on 6 December 2024, the DIAN Information Security Office introduced a mandatory labelling system for classifying official information shared via email. Under this measure, information must be categorized as public, classified public, or reserved public. Initially, this requirement applies to tax officials at DIAN's central level and will be extended to officials at the local level in 2025.

In **Honduras**, as part of the recent reforms to the *Career Regime*, new serious offences have been introduced under article 76.<sup>245</sup> The updated provisions establish stricter disciplinary measures for violations related to professional conduct, confidentiality and compliance with tax administration policies. For example, the disclosure of all types of information to which they have access by virtue of their status as an employee, except for the cases established in the Confidentiality Agreement for Employees of the Revenue Administration Service.

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<sup>242</sup> See BR: OPTR Report (2024) (Academia), Questionnaire 2, Question 22.

<sup>243</sup> See CA: OPTR Report (2024) (Taxpayers / Tax Practitioners), Questionnaire 2, Question 22.

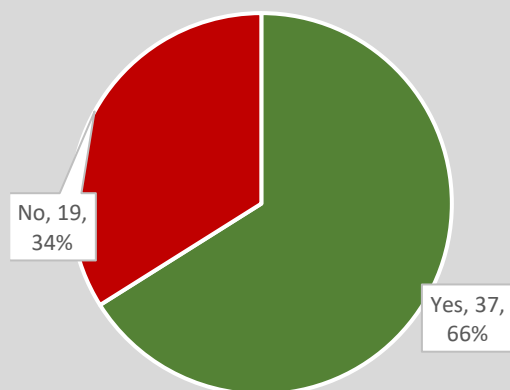
<sup>244</sup> See CO: OPTR Report (2024) (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 22.

<sup>245</sup> See HD: OPTR Report (2024) (Taxpayers / Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 21.



**Chart 15A. Are tax officials entitled to work remotely?**

60 responses



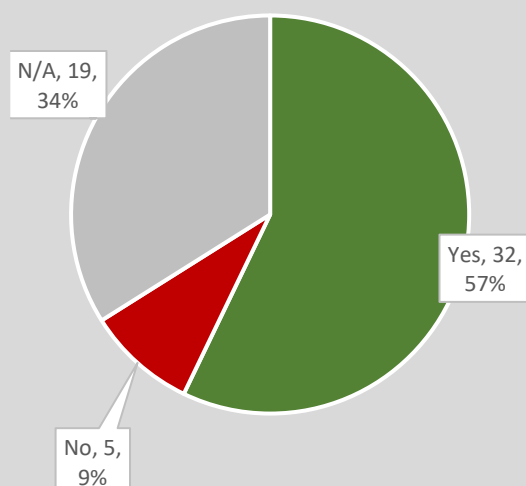
**Source:** OPTR: Questionnaire 1, Question 15A

**Yes:** Argentina, Australia, Austria, Belgium, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Honduras, Hungary, Italy, Japan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Peru, Poland (1), Poland (2), Portugal, Slovenia, Spain, Sweden, Switzerland, Türkiye, United Kingdom, United States

**No:** Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Croatia, Guatemala, Guyana, India, Jamaica, Kazakhstan, Nepal, Panama, Serbia, South Africa, Chinese Taipei, Trinidad and Tobago, Uruguay, Venezuela

**Chart 15B. If yes to 15A, are equivalent measures taken to ensure confidentiality and data protection to the ones that apply when the official is working from a tax office?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 15B.

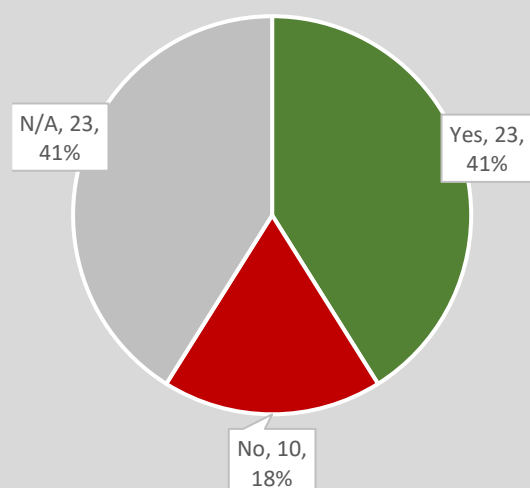
**Yes:** Australia, Austria, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Germany, Greece, Hungary, Italy, Japan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Norway, Peru, Poland (1), Poland (2), Portugal, Slovenia, Spain, Sweden, Switzerland, Türkiye, United Kingdom, United States

**No:** Argentina, Finland, Honduras, Nigeria, Venezuela

**Not applicable:** Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Croatia, Guatemala, Guyana, India, Jamaica, Kazakhstan, Nepal, Panama, Serbia, South Africa, Chinese Taipei, Trinidad and Tobago, Uruguay

**Chart 15C. If yes to 15B, are those measures audited?**

60 responses


**Source:** OPTR: Questionnaire 1, Question 15C.

**Yes:** Australia, Austria, Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Germany, Greece, Japan, Luxembourg, Mexico (1), New Zealand, Norway, Peru, Poland (1), Poland (2), Slovenia, Spain, Sweden, Türkiye, United States

**No:** Belgium, Brazil (1), Denmark, Hungary, Italy, Lithuania, Mexico (2), Netherlands, Portugal, Switzerland, United Kingdom

**Not applicable:** Argentina, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Croatia, Finland, Guatemala, Guyana, Honduras, India, Jamaica, Kazakhstan, Nepal, Nigeria, Panama, Serbia, South Africa, Chinese Taipei, Trinidad and Tobago, Uruguay, Venezuela

**Reports with diverging opinions:** Brazil, Mexico

### 3.6. Official responsibility for data confidentiality

**Minimum standard:** Appoint data protection officers at the senior level and local tax offices

**Shifted towards/matched the best practice:**

Peru

**Shifted away from the best practice:**

None

Through Resolution No. 000197-2022-SUNAT/800000, the **Peruvian Superintendencia Nacional de Aduanas y de Administración Tributaria (SUNAT)** formally appointed a data protection officer.<sup>246</sup>

<sup>246</sup> See PE: OPTR Report (2024) (Taxpayers / Tax Practitioners), Questionnaire 2, Question 23.

### 3.7. Breaches of confidentiality: Investigations

**Minimum standard:** If a breach of confidentiality occurs, investigate fully with an appropriate level of seniority by independent persons (e.g. judges)

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

**Minimum standard:** Introduce an offence for tax officials and others covering unauthorized disclosure of confidential information

Shifted towards/improved the minimum standard:

Honduras

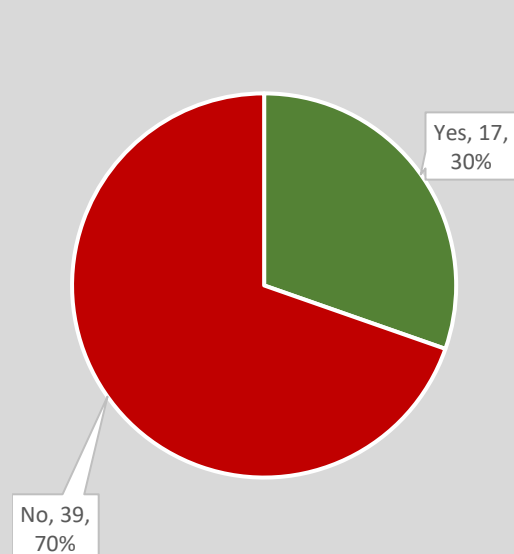
Shifted away from the minimum standard:

None

In **Honduras**, as part of the recent reforms to the Employee Regulations, new serious offenses have been introduced under article 76 (see section 3.5.).<sup>247</sup>

**Chart 15. Are there examples of tax officials who have been criminally prosecuted in the last decade for unauthorized access to taxpayers' data?**

60 responses



Source: OPTR: Questionnaire 1, Question 15

**Yes:** Argentina, Australia, Austria, Brazil (2), Chile, China (People's Rep.), Colombia, Costa Rica, Denmark, Germany, Greece, Honduras, Hungary, Luxembourg, Netherlands, New Zealand, Sweden, United States

**No:** Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Bulgaria (1), Bulgaria (2), Canada, Croatia, Czech Republic, Finland, Guatemala, Guyana, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Mexico (1), Mexico (2), Nepal, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye, United Kingdom, Uruguay, Venezuela

Reports with diverging opinions: Brazil

### 3.8. Breaches of confidentiality: Remedies

<sup>247</sup> See HD: OPTR Report (2024) (Taxpayers / Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 21.

**Minimum standard:** Taxpayers who are victims of unauthorized disclosure of confidential information should be entitled: (a) to be informed as soon as possible of the unauthorized disclosure; and (b) to full compensation, including damages (in cases where tax authorities and third parties have not maintained adequate standards of data protection)

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

No changes were reported with regard to this minimum standard.

### 3.9. Exceptions to confidentiality: The general principle

**Minimum standard:** Exceptions to the general rule of confidentiality should be explicitly stated in the law, narrowly drafted and interpreted. Data held by tax authorities (or third parties for tax purposes) should only be accessible to those who can show a legitimate interest in access to that data

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

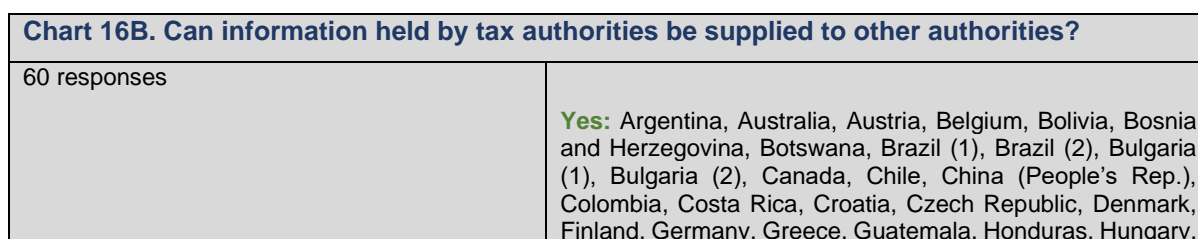
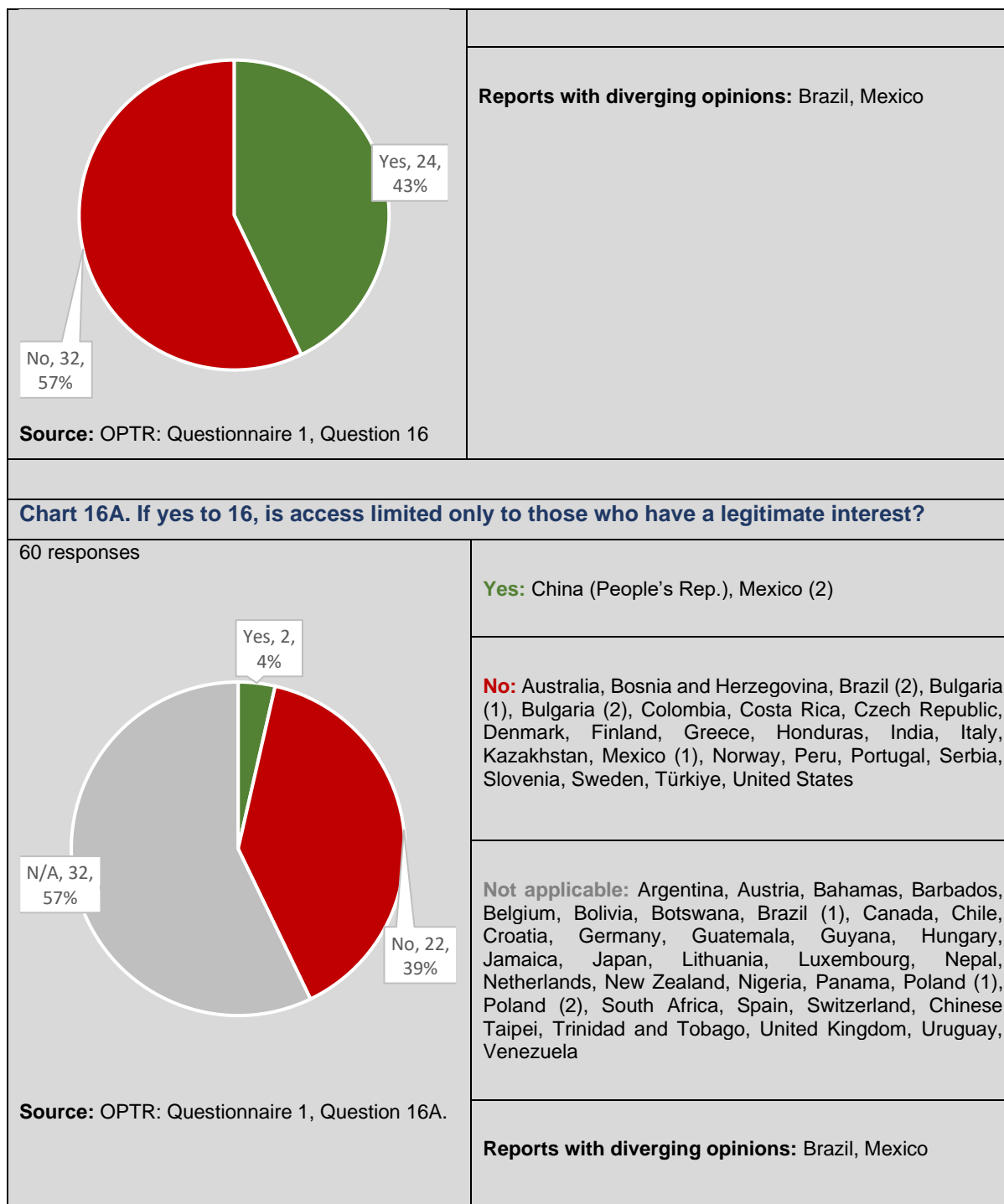
Guatemala

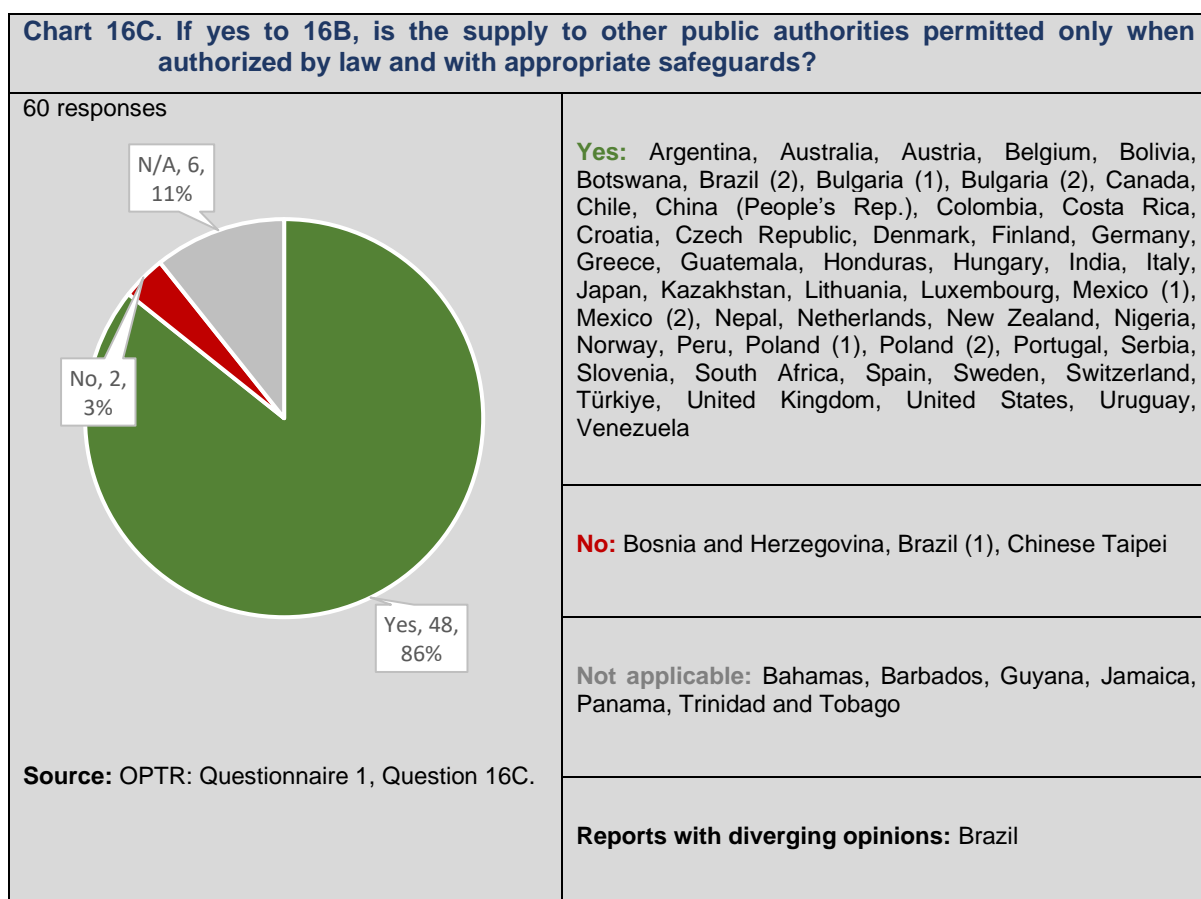
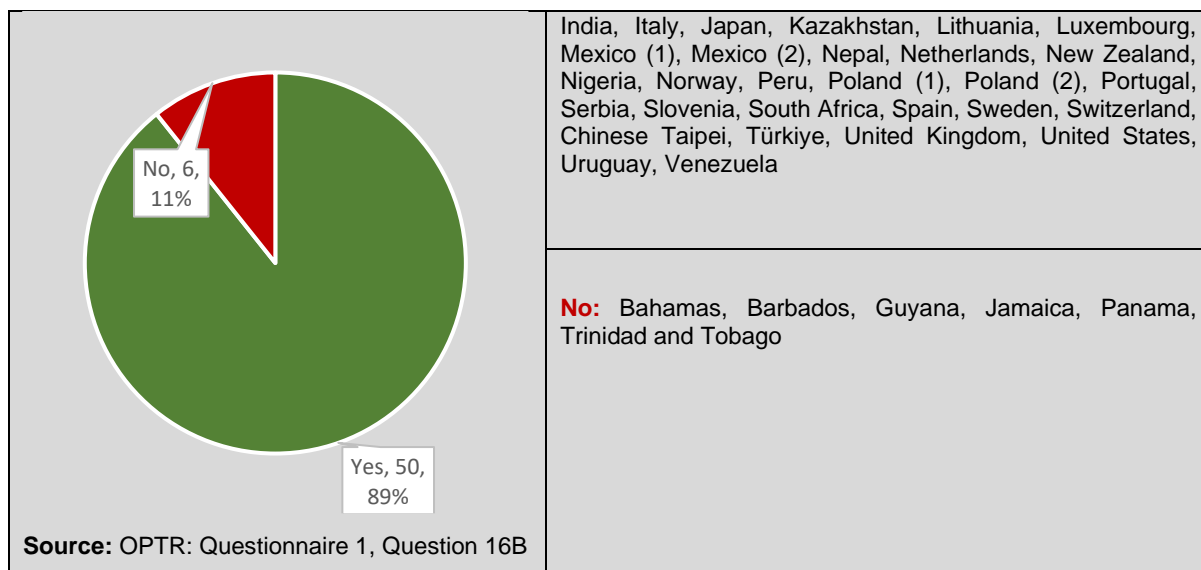
In **Guatemala**, a new decree<sup>248</sup> establishes a new obligation for government institutions to automatically share taxpayer-related information with the tax administration.<sup>249</sup> This measure aims to enhance tax compliance and improve the efficiency of tax enforcement by ensuring that the tax authorities have direct access to relevant data held by other public entities.

Chart 16. Is information about the tax liability of specific taxpayers publicly available in your country?	
60 responses	<p><b>Yes:</b> Australia, Bosnia and Herzegovina, Brazil (2), Bulgaria (1), Bulgaria (2), China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Greece, Honduras, India, Italy, Kazakhstan, Mexico (2), Norway, Peru, Portugal, Serbia, Slovenia, Spain, Sweden, Türkiye, United States</p> <p><b>No:</b> Argentina, Austria, Bahamas, Barbados, Belgium, Bolivia, Botswana, Brazil (1), Canada, Chile, Croatia, Germany, Guatemala, Guyana, Hungary, Jamaica, Japan, Lithuania, Luxembourg, Mexico (1), Nepal, Netherlands, New Zealand, Nigeria, Panama, Poland (1), Poland (2), South Africa, Switzerland, Chinese Taipei, Trinidad and Tobago, United Kingdom, Uruguay, Venezuela</p>

<sup>248</sup> Legislative Decree No. 31-2024, available at [https://www.congreso.gob.gt/assets/uploads/info\\_legislativo/decretos/163c9-31-2024.pdf](https://www.congreso.gob.gt/assets/uploads/info_legislativo/decretos/163c9-31-2024.pdf) (accessed 4 Mar. 2025).

<sup>249</sup> See GT: OPTR Report (2024) (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 27.





### 3.10. Exceptions to taxpayer confidentiality – disclosure in the public interest: Naming and shaming

**Minimum standard:** If “naming and shaming” is employed, ensure adequate safeguards (e.g. judicial authorization after proceedings involving the taxpayer)

Shifted towards/improved the minimum standard:

Peru

Shifted away from the minimum standard:

Costa Rica

**Best practice:** If “naming and shaming” is employed by any governmental body on the basis of tax information, then personal data that places the individual at risk (e.g. the individual’s home address) should not be disclosed

Shifted towards/matched the best practice:

Peru

Shifted away from the best practice:

Guatemala

**Best practice:** Require judicial authorization before any disclosure of confidential information by revenue authorities

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

On December 10th, the **Costa Rican** Tax Administration issued a public notification in the official bulletin listing several taxpayers with outstanding tax debts.<sup>250</sup> The publication included sensitive taxpayer information, such as national identification numbers, names and the amounts due.

In **Guatemala**, there have been multiple instances in which the tax administration and the prosecution have publicly shared personal details related to tax fraud cases.<sup>251</sup> This practice, as exemplified in the attached case, raises concerns regarding data privacy and the protection of taxpayer information.

In 2023, the **Peruvian** Superintendencia Nacional de Aduanas y de Administración Tributaria (SUNAT) introduced two monitoring systems, compliance profiles and subjects without operational capacity, aimed at identifying taxpayers who exhibit tax non-compliance or behaviour indicative of suspicious activities.<sup>252</sup> These systems serve as internal mechanisms to assess and track potential risks in tax compliance. These changes were marked as a

<sup>250</sup> See CR: OPTR Report (2024) (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 29.

<sup>251</sup> See GT: OPTR Report (2024) (Taxpayers / Tax Practitioners), Questionnaire 2, Question 29.

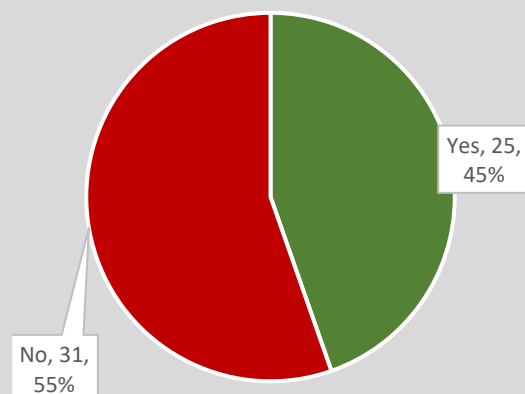
<sup>252</sup> See PE: OPTR Report (2024) (Taxpayers / Tax Practitioners), Questionnaire 2, Question 29.



positive development. While these measures publicly categorize certain taxpayers based on their compliance history, they do not involve the disclosure of personal taxpayer information or detailed financial data.

**Chart 17. Is “naming and shaming” of non-compliant taxpayers practised in your country?**

60 responses



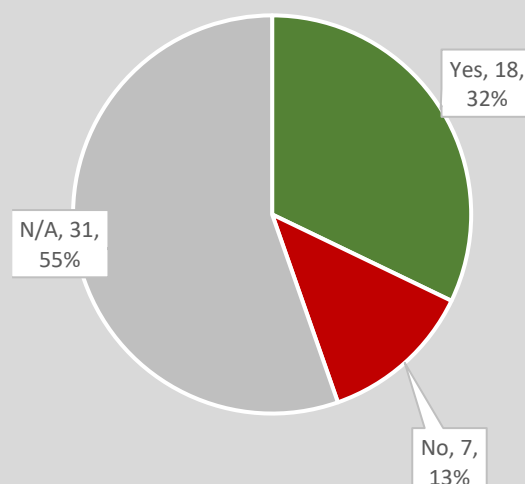
**Source:** OPTR: Questionnaire 1, Question 17

**Yes:** Australia, Bolivia, Bosnia and Herzegovina, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), China (People's Rep.), Costa Rica, Croatia, Czech Republic, Finland, Greece, Guatemala, Hungary, Kazakhstan, Mexico (1), Mexico (2), Nigeria, Peru, Portugal, Serbia, Slovenia, South Africa, Spain, Chinese Taipei, Türkiye, United Kingdom

**No:** Argentina, Austria, Bahamas, Barbados, Belgium, Botswana, Canada, Chile, Colombia, Denmark, Germany, Guyana, Honduras, India, Italy, Jamaica, Japan, Lithuania, Luxembourg, Nepal, Netherlands, New Zealand, Norway, Panama, Poland (1), Poland (2), Sweden, Switzerland, Trinidad and Tobago, United States, Uruguay, Venezuela

**Chart 17A. If yes to 17, is personal data that places the individual at risk not disclosable?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 17A.

**Yes:** Australia, Bolivia, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), China (People's Rep.), Costa Rica, Croatia, Greece, Guatemala, Kazakhstan, Mexico (1), Mexico (2), Peru, Portugal, Serbia, Slovenia, South Africa, Spain, Türkiye

**No:** Bosnia and Herzegovina, Czech Republic, Finland, Hungary, Nigeria, Chinese Taipei, United Kingdom

**Not applicable:** Argentina, Austria, Bahamas, Barbados, Belgium, Botswana, Canada, Chile, Colombia, Denmark, Germany, Guyana, Honduras, India, Italy, Jamaica, Japan, Lithuania, Luxembourg, Nepal, Netherlands, New Zealand, Norway, Panama, Poland (1), Poland (2), Sweden, Switzerland, Trinidad and Tobago, United States, Uruguay, Venezuela

### 3.11. Exceptions – disclosure in the public interest: Supply to other government departments

**Best practice:** Legislation should protect whistleblowers in appropriate cases (including where the information disclosed demonstrates that a crime has been committed), in particular where the whistleblower discloses breaches of confidentiality and data protection by revenue authorities (and by third parties holding data for tax purposes)

**Shifted towards/matched the best practice:**

Bulgaria

**Shifted away from the best practice:**

None

**Minimum standard:** No disclosure of confidential taxpayer information to politicians or where it might be used for political purposes

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

**Best practice:** Parliamentary supervision of revenue authorities should involve independent officials, subject to confidentiality obligations, examining specific taxpayer data and then reporting to Parliament

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

**Minimum standard:** Information held by a tax authority (or by third parties for tax purposes) should not be supplied to other public authorities unless the transfer is authorized by law and there are appropriate safeguards (e.g. a requirement of judicial authorization)

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

In **Bulgaria**, as of mid-2023, the Whistleblower Protection Act entered into force, providing detailed regulations on the persons covered under the law, their rights and obligations and confidentiality measures.<sup>253</sup> The law establishes protections for individuals who report misconduct, ensuring that their identity remains safeguarded to prevent retaliation.

<sup>253</sup> See BU: OPTR Report (2024) (Academia), Questionnaire 2, Question 29.

### 3.12. The interplay between taxpayer confidentiality and freedom of information legislation

**Minimum standard:** Freedom of information legislation may allow a taxpayer to access information about themselves. However, access to information by third parties should be subject to stringent safeguards, namely only if an independent tribunal concludes that, in disclosing, the public interest outweighs the right of confidentiality, and only after a hearing where the taxpayer has an opportunity to be heard

**Shifted towards/improved the minimum standard:**

The Netherlands

**Shifted away from the minimum standard:**

Guatemala

A new **Guatemalan** Decree mandates several governmental offices to automatically share information with the tax administration.<sup>254</sup> This measure aims to enhance data exchange between public institutions and improve tax compliance by providing the tax authorities with direct access to relevant taxpayer information.

In **the Netherlands**, taxpayers have already obtained the right to request access to their personal tax file held by the tax authorities.<sup>255</sup> However, starting from 31 December 2025, if the tax authorities decline to provide access, taxpayers will have the right to appeal this decision.

#### 2024 relevant cases – European Court of Human Rights

Case	Application Nos. 51010/13 and 2843/16 Case of Romanenko v. Ukraine	
Date	Judgment of 18 April 2024	
ECHR Articles	Article 10 ECHR	
Facts		Decision
<p>The applicant requested copies of income declarations from the Mayor of Kramatorsk, his deputies and certain local council officials. The request was denied, stating that only the information in the declarations, not the documents themselves, was public.</p> <p>The applicant challenged that refusal before the courts relying both on the law on Access to Public Information and the Law on Prevention and Fight against Corruption according to which the public officials' declarations were open to the public. In his application before the court he also claimed that he</p>		<p>The court concluded there has been a violation of article 10 of the Convention. To substantiate the conclusion to the disproportionate nature of the seizure, the court concluded that the 15-month retention of the applicant's computer was disproportionate, as the government failed to justify the prolonged seizure, periods of inactivity and delays in ordering forensic examinations, despite knowing the data was impractical to decrypt within a reasonable time.</p>

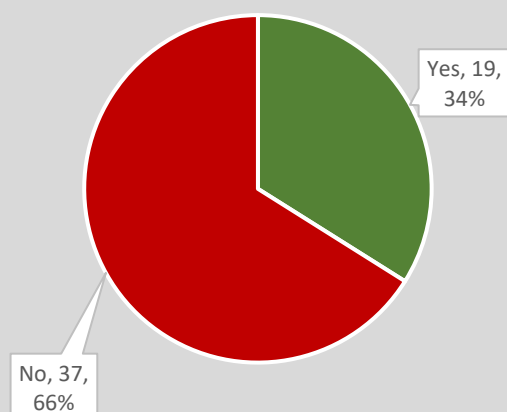
<sup>254</sup> See GT: OPTR Report (2024) (Taxpayers / Tax Practitioners), Questionnaire 2, Question 32; Legislative Decree No. 31-2024, available at [https://www.congreso.gob.gt/assets/uploads/info\\_legislativo/decretos/163c9-31-2024.pdf](https://www.congreso.gob.gt/assets/uploads/info_legislativo/decretos/163c9-31-2024.pdf) (accessed 4 Mar. 2025).

<sup>255</sup> See NL: OPTR Report (2024) (Taxpayers / Tax Practitioners), Questionnaire 2, Question 32.

Facts	Decision
<p>needed the copies of the original declarations and not the extracts from them to have trustworthy information and avoid manipulations. After one re-examination of the case, the High Administrative Court upheld the decision of the Court of Appeal, which partly allowed the applicant's claims ordering to disclose the information contained in the financial declarations. The courts, however, concluded that the copies of the originals of financial declarations could not be provided to the applicant as part of the information contained in them (like, for example, the address and the individual tax number) was confidential in nature.</p>	

**Chart 18. Is there a system in your country by which the courts may authorize the public disclosure of information held by the tax authority about specific taxpayers (e.g. habeas data or freedom of information)?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 18

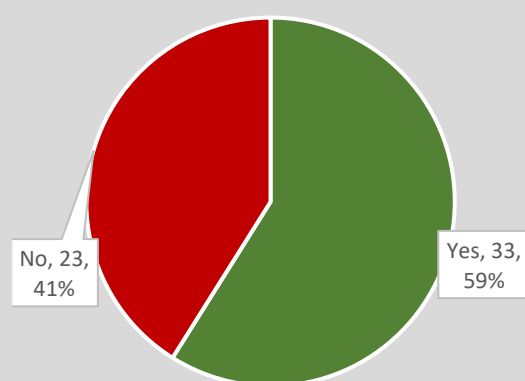
**Yes:** Bolivia, Bosnia and Herzegovina, Brazil (1), Brazil (2), China (People's Rep.), Costa Rica, Denmark, Guatemala, Honduras, India, Italy, Kazakhstan, Lithuania, Mexico (2), Nigeria, Peru, Serbia, Slovenia, South Africa, United States, Venezuela

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Botswana, Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Croatia, Czech Republic, Finland, Germany, Greece, Guyana, Hungary, Jamaica, Japan, Luxembourg, Mexico (1), Nepal, Netherlands, New Zealand, Norway, Panama, Poland (1), Poland (2), Portugal, Spain, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye, United Kingdom, Uruguay

**Reports with diverging opinions:** Mexico

**Chart 18A. Is there legislation that protects whistleblowers that disclose confidential information held by revenue authorities (or third parties holding data for tax purposes)?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 18A.

**Yes:** Australia, Austria, Bahamas, Belgium, Bosnia and Herzegovina, Botswana, Brazil (2), Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Colombia, Croatia, Czech Republic, Denmark, Germany, Greece, Hungary, India, Jamaica, Japan, Lithuania, Luxembourg, Mexico (2), Nepal, Netherlands, Norway, Poland (1), Poland (2), Serbia, Slovenia, South Africa, Spain, Sweden, Trinidad and Tobago, United Kingdom

**No:** Argentina, Barbados, Bolivia, Brazil (1), Canada, Costa Rica, Finland, Guatemala, Guyana, Honduras, Italy, Kazakhstan, Mexico (1), New Zealand, Nigeria, Panama, Peru, Portugal, Switzerland, Chinese Taipei, Türkiye, United States, Uruguay, Venezuela

**Reports with diverging opinions:** Brazil, Mexico

### 3.13. Anonymized judgments and rulings

**Minimum standard:** If published, tax rulings should be anonymized and details that might identify the taxpayer should be removed

**Shifted towards/improved the minimum standard:**  
None

**Shifted away from the minimum standard:**  
None

**Best practice:** Anonymized tax rulings should be published to allow taxpayers to understand administrative practices. This should be subject to exceptions where publication would be potentially damaging to the taxpayer concerned

**Shifted towards/matched the best practice:**  
None

**Shifted away from the best practice:**  
None

**Best practice:** Anonymize all tax judgments and remove details that might identify the taxpayer

**Shifted towards/matched the best practice:**  
None

**Shifted away from the best practice:**  
None

No changes were reported with regard to the above-mentioned minimum standard and best practices.

### 3.14. (Legal) professional privilege

**Minimum standard:** Legal professional privilege should apply to tax advice

**Shifted towards/improved the minimum standard:**

Belgium

**Shifted away from the minimum standard:**

None

**Best practice:**

Privilege from disclosure should apply to all tax advisers (not just lawyers) who supply similar advice to lawyers. Information imparted in circumstances of confidentiality may be privileged from disclosure

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

Guatemala

**Minimum standard:** Where tax authorities enter premises that may contain privileged material, arrangements should be made (e.g. an independent lawyer) to protect that privilege

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

**Minimum standard:** Mandatory disclosure requirements (if adopted) should be clearly drafted and only apply to cases in which such disclosure is strictly necessary and proportionate. The disclosure obligation should not operate to adversely affect the relationship with professional advisors and other third parties to a disproportionate extent

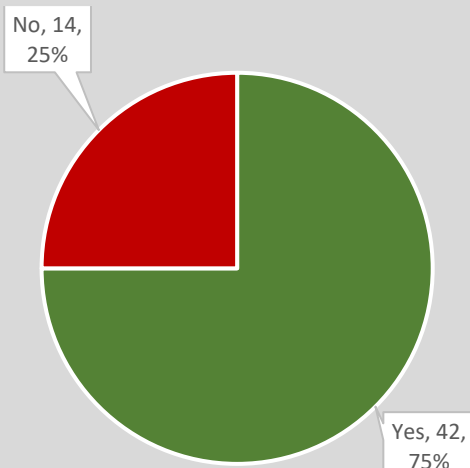
**Shifted towards/improved the minimum standard:**

**Shifted away from the minimum standard:**

The **Guatemalan** report mentions that the tax authorities have indicated the possibility of pursuing tax advisors in relation to certain tax adjustments, which could potentially weaken the privilege from disclosure. This raises concerns about the extent to which legal professional privilege and client confidentiality may be affected. However, no official publications or detailed policy statements on this matter have been released.

**Chart 19. Is there a system of protection of legally privileged communications between the taxpayer and its advisors?**

60 responses



Source: OPTR: Questionnaire 1, Question 19

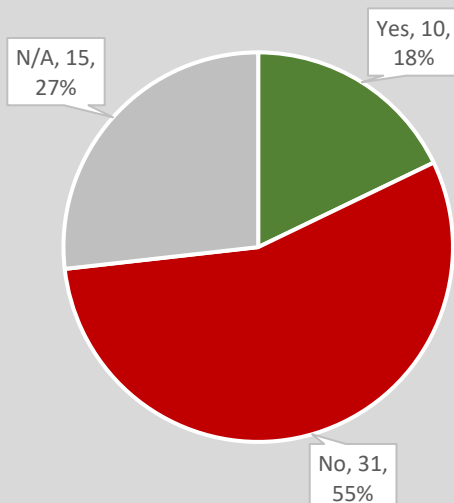
**Yes:** Australia, Bahamas, Belgium, Bolivia, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, Italy, Jamaica, Kazakhstan, Luxembourg, Mexico (1), Netherlands, New Zealand, Nigeria, Norway, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**No:** Argentina, Austria, Barbados, Bosnia and Herzegovina, Chile, Finland, India, Japan, Lithuania, Mexico (2), Nepal, Panama, Switzerland, Chinese Taipei, Trinidad and Tobago

**Reports with diverging opinions:** Mexico

**Chart 20. If yes, does this extend to advisors other than those who are legally qualified (e.g. accountants, tax advisors)?**

60 responses



Source: OPTR: Questionnaire 1, Question 20

**Yes:** Belgium, Bulgaria (1), Costa Rica, Croatia, Germany, Italy, Mexico (1), Netherlands, Serbia, United States, Venezuela

**No:** Australia, Bahamas, Bolivia, Brazil (1), Brazil (2), Bulgaria (2), Canada, China (People's Rep.), Colombia, Czech Republic, Denmark, Greece, Guatemala, Guyana, Honduras, Hungary, Jamaica, Kazakhstan, Luxembourg, New Zealand, Nigeria, Norway, Peru, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Spain, Sweden, Türkiye, United Kingdom, Uruguay

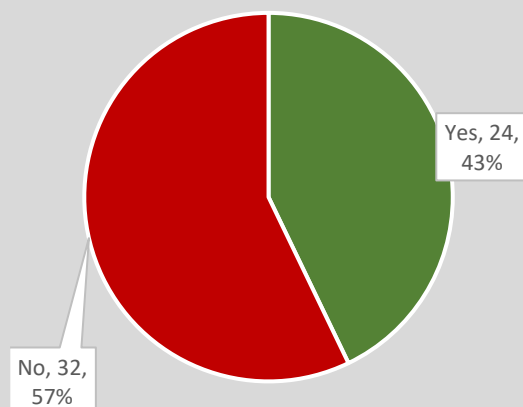
**Not applicable:** Argentina, Austria, Barbados, Bosnia and Herzegovina, Botswana, Chile, Finland, India, Japan, Lithuania, Mexico (2), Nepal, Panama, Switzerland, Chinese Taipei, Trinidad and Tobago

**Reports with diverging opinions:** Bulgaria, Mexico



**Chart 20A. Are there mandatory disclosure requirements (e.g. mandatory disclosure of tax planning arrangements)?**

60 responses



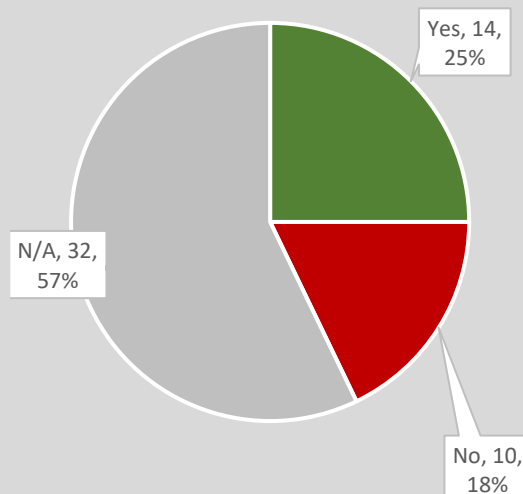
**Source:** OPTR: Questionnaire 1, Question 20A.

**Yes:** Austria, Belgium, Bulgaria (1), Bulgaria (2), Canada, China (People's Rep.), Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Italy, Luxembourg, Mexico (1), Mexico (2), Netherlands (The), Norway, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Spain, Sweden, United Kingdom

**No:** Argentina, Australia, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Chile, Colombia, Costa Rica, Guatemala, Guyana, Honduras, India, Jamaica, Japan, Kazakhstan, Lithuania, Nepal, New Zealand, Nigeria, Panama, Peru, Serbia, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye, United States, Uruguay, Venezuela

**Chart 20B. If yes to 20A, are those mandatory disclosure obligations so drafted as not to affect the relations with professional advisers?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 20B.

**Yes:** Austria, Bulgaria (1), Bulgaria (2), China (People's Rep.), Croatia, Czech Republic, Denmark, Greece, Mexico (1), Mexico (2), Norway, Slovenia, South Africa, Spain, Sweden, United Kingdom

**No:** Belgium, Canada, Finland, Germany, Hungary, Italy, Luxembourg, Netherlands, Poland (1), Poland (2), Portugal

**Not applicable:** Argentina, Australia, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Chile, Colombia, Costa Rica, Guatemala, Guyana, Honduras, India, Jamaica, Japan, Kazakhstan, Lithuania, Nepal, New Zealand, Nigeria, Panama, Peru, Serbia, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye, United States, Uruguay, Venezuela

## 2024 relevant case law – European Court of Justice

Case	<b>C-623/22 Belgian Association of Tax Lawyers</b>	
Date	29 July 2024	
EU Charter Articles	Articles 7, 20, 21 and 49(1) EU Charter	
Facts	Decision	Comments
The Belgian Association of Tax Lawyers challenged several aspects of the directive before the Belgian Constitutional Court. In response, the court referred several questions to the CJEU for a preliminary ruling. These questions addressed (i) the scope of DAC6, which extends beyond corporate taxation; (ii) the alleged use of vague terms such as “arrangement”, “intermediary”, “associated enterprise”, “hallmarks” and the “30-day period”; (iii) the application of the “notification requirement” for professionals other than lawyers who are bound by legal professional privilege (LPP); and (iv) the proportionality of DAC6.	1) The validity of DAC6 on automatic exchange of reportable cross border arrangements is not affected by the provisions of the charter. 2) The solution adopted in the judgment in case C-694/20 as regards the notification obligations of lawyers can only be extended to professionals practicing under one of the titles listed in Directive 98/5/EC	<p>Whilst several key concepts introduced by DAC6 are broad, they are nevertheless “determined in a sufficiently clear and precise manner” and do not call into question the validity of the directive</p> <p>The court referred to case C-694/20 (<i>De Orde van Vlaamse Balies</i>). In that case, the CJEU ruled that the “notification requirement” under DAC6 is incompatible with article 7 of the charter, insofar as it forces a lawyer acting as an intermediary, who is exempt from the reporting obligation due to LPP, to notify another intermediary who is not their client about the reporting obligation.</p>

## 2024 relevant case law – European Court of Justice

Case	<b>C-432/23 Ordre des avocats du barreau de Luxembourg</b>	
Date	26 September 2024	
EU Charter Articles	Articles 7 and 52(1) EU Charter	
Facts	Decision	Comments
The case concerns a request for information by the Spanish tax authorities under Directive 2011/16, which led the Luxembourg Inland Revenue ( <i>Administration des contributions directes</i> ) to order F, a Luxembourg-based legal service provider, to disclose documents related to its services for a Spanish company, K, in connection with business acquisitions. F refused, citing legal professional privilege, arguing that its services concerned company law rather than tax matters. Despite repeated orders	Legal professional privilege under article 7 of the Charter (i.e. the strengthened protection of communications between lawyers and clients guaranteed by article 7 of the Charter) covers all communications between lawyers and their clients and is not limited only to cases where there is a risk of criminal prosecution against the client	This case provides guidance as to the application of article 7 of the EU Charter to situation covered by the right to remain silent. The findings in this case should be read in concert with the abovementioned case C-623/22 Belgian Association of Tax Lawyers

<b>Case</b>	<b>C-432/23 Ordre des avocats du barreau de Luxembourg</b>		
<b>Date</b>	26 September 2024		
<b>EU Charter Articles</b>	Articles 7 and 52(1) EU Charter		
<b>Facts</b>	<b>Decision</b>	<b>Comments</b>	
and the imposition of a fine, F maintained its position and challenged the decision before the Luxembourg Administrative Court, which dismissed its action. On appeal, the Higher Administrative Court admitted the case and sought clarification from the CJEU on whether the order to disclose information violated legal professional privilege under article 7 of the charter. The key issue is whether the directive allows for limitations on the obligation of lawyers to provide information in tax matters, and whether Luxembourg's national law aligns with EU legal standards regarding the confidentiality of lawyer-client communications.			

## 4. Normal Audits

### 4.1. Tax audits and their foundational principles

Facts and legal qualifications are an essential part of correct tax assessments; therefore, they are also a fundamental part of the tax administration's means to enforce the law.

From a procedural aspect, tax audits should be conducted around four fundamental principles of general procedural law, namely (i) proportionality; (ii) *ne bis in idem*, or the prohibition of double jeopardy; (iii) *audi alteram partem*, or the right to be heard before any decision is taken; and (iv) *nemo tenetur se detegere*, or the principle against self-incrimination.

If a tax assessment is conducted and an audit is carried out contrary to these four principles – depending on the gravity of the breach – some of its findings might be considered unlawful and, in cases of especially serious breaches, the whole audit should be considered null and void altogether.

It is crucial to emphasize that while there is a trend towards aligning good tax governance with minimum standards, this alone may not suffice. As highlighted by Baker and Pistone, prioritizing tax governance over taxpayers' rights poses a risk to accessing effective legal remedies when tax authorities fall short of complying with established standards.<sup>256</sup> Against this background, it is encouraging to observe that, in 2023, a greater number of jurisdictions have reported aligning with the minimum standards and best practices than deviating from them.

**Minimum standard:** Audits should respect the following principles: (i) proportionality; (ii) *ne bis in idem* (prohibition of double jeopardy); (iii) *audi alteram partem* (right to be heard before any decision is taken); and (iv) *nemo tenetur se detegere* (principle against self-incrimination). Tax notices issued in violation of these principles should be null and void

**Shifted towards/improved the minimum standard:**

Italy

**Shifted away from the minimum standard:**

Guatemala

In **Italy**, a consolidation in the shift towards the minimum standard was observed, in light of the entry into force of the new article 6-bis, Law no. 212 of 27 July 2000 (so-called Taxpayer's Bill of Rights), as well as the new article 10-ter of the same Taxpayer's Bill of Rights, as amended by Legislative Decree no. 219 of 30 December 2023, on 18 January 2024. In particular, the amendment codified the principle of proportionality in tax proceedings, which shall apply to all phases (i.e. fact-finding, tax assessment, imposition of tax administrative penalties and forced tax collection), and provides that the tax authorities shall not exceed what is strictly needed for ensuring the correct payment of taxes nor compress taxpayers' rights beyond what is necessary to the goal.

Over the year 2024, on the other hand, a shift away from the minimum standard was observed in **Guatemala**: a ruling by the Constitutional Court from 18 December 2024 (1432-2024) stated

<sup>256</sup> P. Baker & P. Pistone, *General Report*, in *The Practical Protection of Taxpayers' Fundamental Rights*, sec. 4.1. (IFA Cahiers vol. 100B, 2015), Books IBFD.

that it is not possible to object or discuss the requirement of information that initiates the audit, this can affect the proportionality and nemo tenetur principles.<sup>257</sup>

The picture from last year otherwise comes across as rather static. It still seems worthy to mention that, overall, three groupings can be singled out. Systems where these fundamental principles are not observed (e.g. Chinese Taipei, based on the feedback by the national reporter), systems where these fundamental principles are envisaged by legislation<sup>258</sup> and systems where these principles are not consistently upheld and addressed only in administrative practice: for instance, in the United States, some restrictions apply to repeatedly auditing the same taxpayer on the same issue for more than two consecutive tax periods, but these are limited to certain taxpayers and they are not in statute or regulations.<sup>259</sup>

**Minimum standard:** In the application of proportionality, tax authorities may only request information that is strictly needed, not otherwise available and imposes the least burdensome impact on taxpayers

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

Guatemala

In **Guatemala**, a regressive trend was observed in connection with this minimum standard, especially considering some positive developments observed earlier in 2023.<sup>260</sup> By contrast, in 2024 it was reported that there are effectively no limits regarding the information that the tax administration can request. In some cases if the taxpayer objects, the tax administration has the possibility to initiate criminal prosecution. This position has been mentioned by the tax administration in meetings but there are no publications regarding the matter, which has thus been reported on an anecdotal basis.

**Best practice:** In the application of *ne bis in idem*, the taxpayer should only receive one audit per taxable period, except when facts become known after the audit was completed

Shifted towards/matched the best practice:

Shifted away from the best practice:

<sup>257</sup> GT: The ruling held in particular that “The Court has determined that, in matters of administrative tax law, a request for information, by its nature, constitutes a solicitation based on the powers granted to tax auditors and supervisors by laws and regulations. Its purpose is to obtain information as part of their function to verify compliance with tax obligations by taxpayers. Therefore, it does not fall under any of the scenarios provided in the recently cited article that would make it subject to challenge through annulment. This is because it is neither a procedural act nor a resolution that, in itself, could result in a violation of constitutional guarantees, legal provisions, or essential formalities of the administrative file, nor does it involve an error in determining the tax obligation, penalties, surcharges, or interest.” Translation by the National Reporters.

<sup>258</sup> In this respect, it is interesting to highlight that Spain appears to continue experiencing a progressive trend. In fact, already in 2023 a general improvement in terms of the convergence of tax audits with the minimum standard was reported.

<sup>259</sup> See IRM 4.10.2.13 (02-11-2016).

<sup>260</sup> GT: OPTR Report 2023 (Taxpayers/Tax Practitioners), Questionnaire 2, Question 26.

Greece, Italy

Guatemala

The *ne bis in idem* principle represents a further guarantee of proportionality and an assurance of certainty for taxpayers. This principle is fundamental in every state's intervention in its citizens' private sphere, including for tax audits. The principle provides a proportionate limit to the authorities' interference and, in terms of certainty, the principle grants taxpayers certitude on their tax matters for a specific period and a given tax.

In this respect, a positive development was observed in **Greece** in the course of 2024, as article 27 of the Tax Procedure Code was amended to reflect the restriction of no duplication of audits.

Likewise, in **Italy** consolidation of the best practice in this area was observed, as article 9-bis, Law no. 212 of 27 July 2000 (so-called Taxpayer's Bill of Rights), as amended by Legislative Decree no. 219 of 30 December 2023 and entered into force on 18 January 2024, which provides that "Unless specific rules provide otherwise and confirm the possibility to amend formal and procedural defects, the taxpayer has the right to have the Tax Authorities carry out the assessment action relating to each tax only once for each tax period". Although this rule may not appear a proper "shift towards", being formally limited to notices of assessment (and not also tax audits), it seems appropriate to underline this development as it may be conducive at some point of a spillover also on audits.

On the other hand, a shift away was observed in **Guatemala**, where on an anecdotal basis, it was reported that there have been cases in which the tax administration uses the information gathered in one audit to formalize a tax adjustment for other taxable periods. There is however no public guidance regarding this matter.

It is worthy to report that, while no specific developments occurred in **Spain** in connection with the concerned best practice, the positive case law developments in this area that took place in 2024 do not appear to have been overturned.<sup>261</sup>

In the **United States**, no changes occurred in the course of 2024 but it is worthy to recall the composite US position on the matter, by which, generally the principle *ne bis in idem* applies, but the tax authority may engage in repeat audits that it deems necessary.<sup>262</sup> Also, the IRS has several summary assessment and return review processes that function substantially as correspondence audits, but that do not trigger the protections provided under IRC 7605(b).<sup>263</sup>

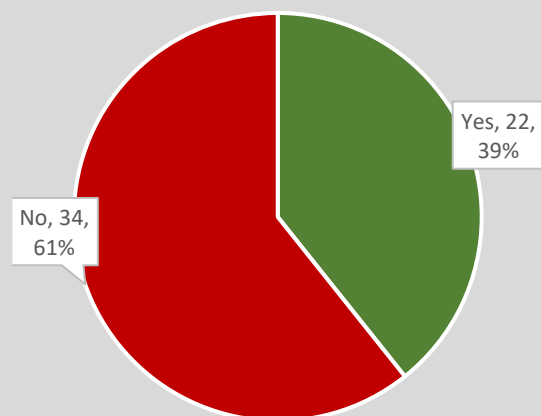
<sup>261</sup> Compare the decision of the Supreme Court from 28 September 2023, ES: TS [Supreme Court], 28 Sept. 2023, ECLI:ES:TS:2023:3759.

<sup>262</sup> See IRC 7605(b).

<sup>263</sup> See NTA Blog, "Real" vs. "Unreal" Audits and Why This Distinction Matters, available at <https://perma.cc/W3E9-DJJS> (accessed 5 Mar. 2025). These include math error corrections and document matching notices, among others. These "unreal audits" constitute the majority of IRS compliance contacts.

**Chart 21. Does the principle *ne bis in idem* apply to tax audits (i.e. that the taxpayer can only receive one audit in respect of the same taxable period)?**

60 responses



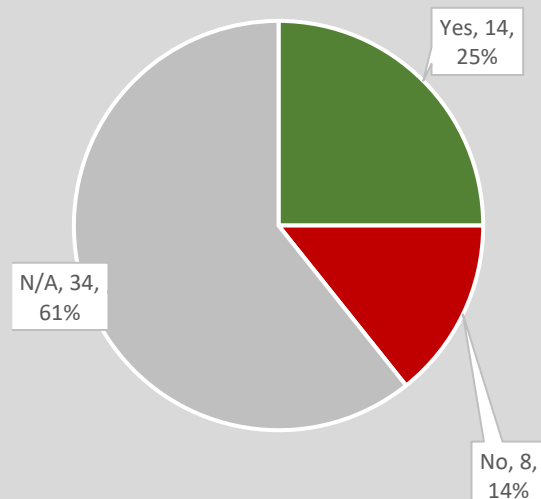
**Yes:** Argentina, Austria, Bolivia, Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Costa Rica, Czech Republic, Greece, Honduras, Hungary, Japan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Panama, Peru, Portugal, Serbia, Slovenia, United States, Venezuela

**No:** Australia, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Canada, Colombia, Croatia, Denmark, Finland, Germany, Guatemala, Guyana, India, Italy, Jamaica, Kazakhstan, Nepal, Netherlands, New Zealand, Nigeria, Norway, Poland (1), Poland (2), South Africa, Spain, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye, United Kingdom, Uruguay

**Source:** OPTR: Questionnaire 1, Question 21

**Chart 22. If yes, does this mean only one audit per tax per year?**

60 responses



**Yes:** Argentina, Austria, Bolivia, Chile, Costa Rica, Greece, Japan, Lithuania, Mexico (1), Mexico (2), Panama, Portugal, Serbia, Slovenia, United States

**No:** Brazil (2), Bulgaria (1), Bulgaria (2), China (People's Rep.), Czech Republic, Honduras, Hungary, Luxembourg, Peru, Venezuela

**Not applicable:** Australia, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Botswana, Brazil (1), Canada, Colombia, Croatia, Denmark, Finland, Germany, Guatemala, Guyana, India, Italy, Jamaica, Kazakhstan, Nepal, Netherlands, New Zealand, Nigeria, Norway, Poland (1), Poland (2), South Africa, Spain, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye, United Kingdom, Uruguay

**Source:** OPTR: Questionnaire 1, Question 22

**Reports with diverging opinions:** Brazil



**Minimum standard:** In the application of *audi alteram partem*, taxpayers should have the right to attend all relevant meetings with tax authorities (assisted by advisers), as well as the right to provide factual information and present their views before decisions of the tax authorities become final

**Shifted towards/improved the minimum standard:**

Italy

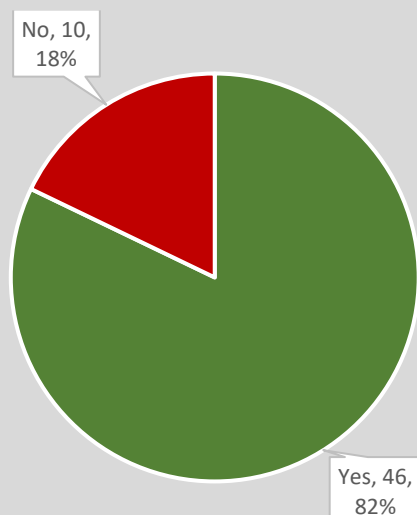
**Shifted away from the minimum standard:**

None

A consolidation of the positive development occurred in 2023 was observed in **Italy**, as the new article 6-bis, Law no. 212 of 27 July 2000 (so-called Taxpayer's Bill of Rights), as amended by Legislative Decree no. 219 of 30 December 2023, entered into force on 18 January 2024, positivizing the principle of *audi alteram partem* within the context of the interaction between taxpayers and tax administrations.

**Chart 23. Does the principle *audi alteram partem* apply in the tax audit process (i.e. does the taxpayer have to be notified of all decisions taken in the process and have the right to object and be heard before the decision is finalized)?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 23

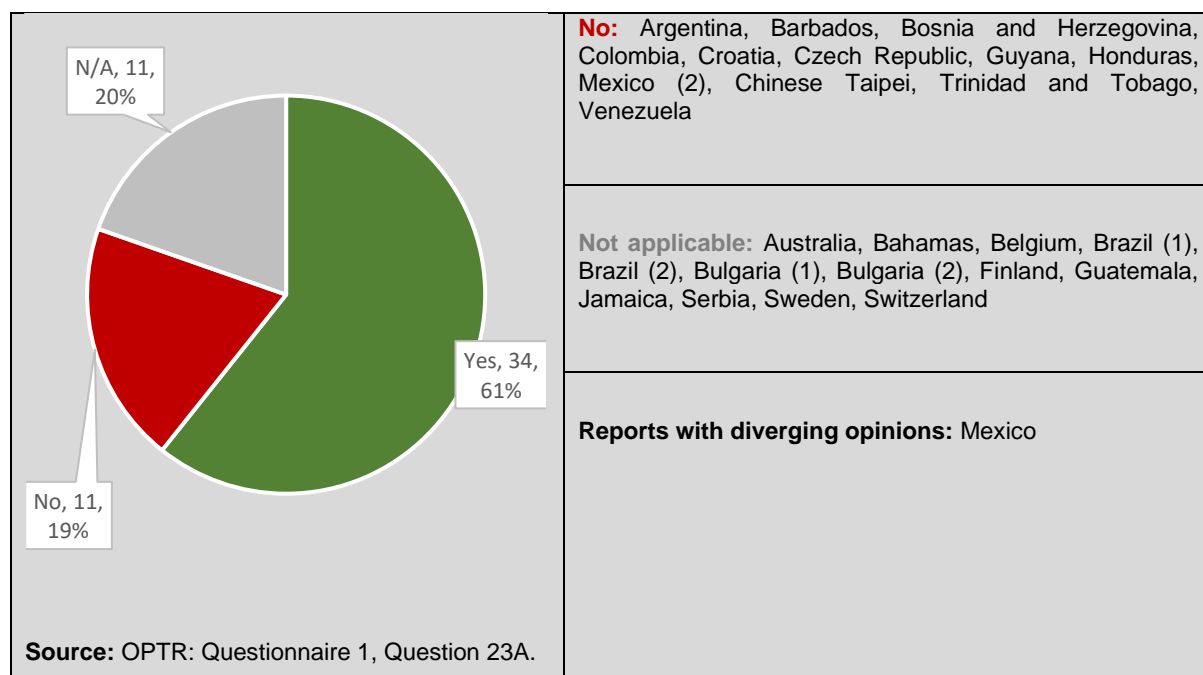
**Yes:** Argentina, Austria, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Germany, Greece, Guyana, Honduras, Hungary, India, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Chinese Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**No:** Australia, Bahamas, Belgium, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Finland, Guatemala, Jamaica, Sweden, Switzerland

**Chart 23A. If yes to 23, does this principle also apply to online meetings?**

60 responses

**Yes:** Austria, Bolivia, Botswana, Canada, Chile, China (People's Rep.), Costa Rica, Denmark, Germany, Greece, Hungary, India, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Spain, Türkiye, United Kingdom, United States, Uruguay



**Minimum standard:** In the application of *nemo tenetur*, the right to remain silent should be respected in all tax audits

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

Canada, Guatemala

A shift away was observed in **Canada**, as the Revenue Agency, by means of an amendment to the Income Tax Act,<sup>264</sup> was granted larger powers to compel taxpayers to answer questions, in a civil tax audit and rely on the answers to base tax assessments. It should be noted that there is no right to remain silent during civil audits. This also fits into a broader context where oral interviews are becoming more prevalent in tax audits.

In **Guatemala**, a shift away was observed based on earlier mentioned case law developments.<sup>265</sup>

## 4.2. The structure and content of tax audits

**Best practice:** Tax audits should follow a pattern that is set out in published guidelines

**Shifted towards/matched the best practice:**

Panama, Spain

**Shifted away from the best practice:**

None

<sup>264</sup> CA: Sec. 231(1) of the Income Tax Act.

<sup>265</sup> GT: Constitutional Court decision of 18 December 2024, 1432-2024.

In **Panama** a shift towards was observed in 2024 with the implementation of New Tax Procedure Code (*Código de Procedimiento Tributario*) laying down guidelines for the conduct of audits.

Likewise, in **Spain**, the General Directorate of the Tax Administration approved the general guidance of the 2024 Annual Audit Plan for Taxes and Customs.<sup>266</sup>

**Best practice:** A manual of good practice in tax audits should be established at the global level

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

No developments were observed in the course of 2024.

**Best practice:** Taxpayers should be entitled to request the start of a tax audit (to obtain finality)

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

Although no developments were reported in 2024, it is worth mentioning that in the United States, developments concerned revenue procedures, by which, in designated circumstances taxpayers can pay for certainty via a private letter ruling.<sup>267</sup> Besides this, in the US experience, repeat audit can be requested, but the agency does not have to oblige.<sup>268</sup> Likewise, there are pre-filing dispute resolution programs for large businesses.<sup>269</sup>

**Chart 24. Does the taxpayer have the right to request an audit (e.g. if the taxpayer wishes to get finality of taxation for a particular year)?**

60 responses

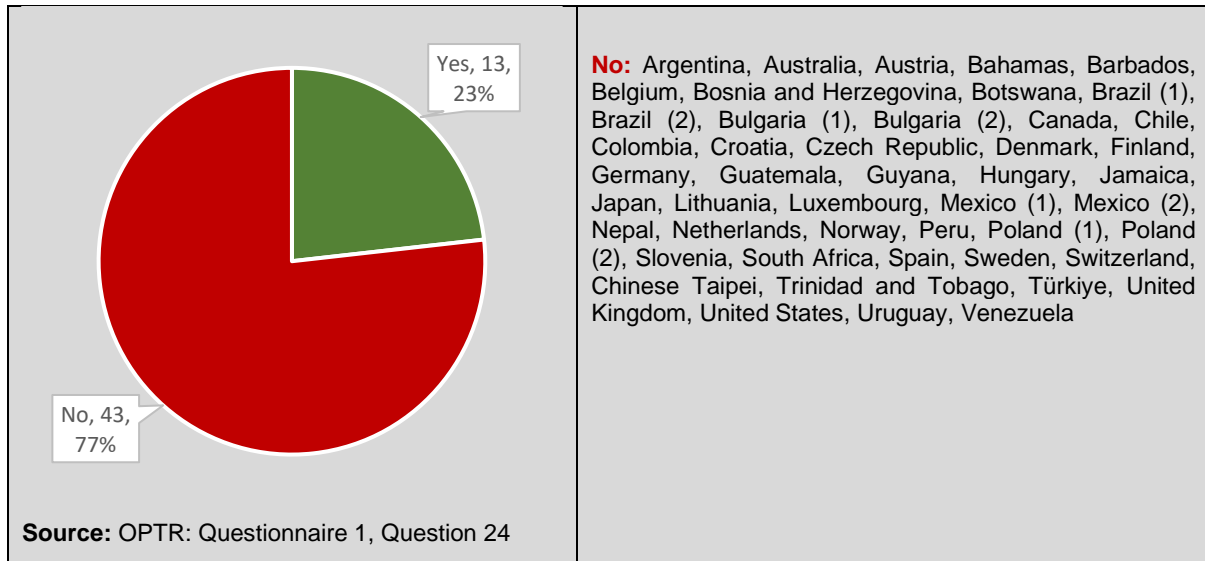
**Yes:** Bolivia, China (People's Rep.), Costa Rica, Greece, Honduras, India, Italy, Kazakhstan, New Zealand, Nigeria, Panama, Portugal, Serbia

<sup>266</sup> The text of the plan is available at the following link: <https://www.boe.es/boe/dias/2024/02/29/pdfs/BOE-A-2024-3876.pdf> (accessed 3 Mar. 2025).

<sup>267</sup> Rev. Proc. 2024-1, 2024-1 IRB 1 (2 Jan. 2024).

<sup>268</sup> IRM 4.13.1.

<sup>269</sup> See further <https://www.irs.gov/businesses/dispute-resolution> (accessed 20 Feb. 2025).



**Minimum standard:** When tax authorities have resolved to start an audit, they should inform the taxpayer

**Shifted towards/improved the minimum standard:**

Spain

**Shifted away from the minimum standard:**

Guatemala

**Minimum standard:** When tax authorities have resolved to start an audit, they should inform the taxpayer

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

Guatemala

**Best practice:** Where tax authorities have resolved to start an audit, they should hold an initial meeting with the taxpayer in which they spell out the aims and procedure, together with a timescale and targets. They should then disclose any additional evidence in their possession to the taxpayer

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

Guatemala

In **Guatemala**, a shift away from both the minimum standard and best practice was observed in the course of 2024, as the tax administration has implemented a system that allows it to

audit and make decisions regarding potential tax adjustments, without the knowledge of the taxpayers.<sup>270</sup>

In **Spain**, a positive development towards the fulfilment of the minimum standard could be recorded in light of case law developments from 2024. In particular, with regard to the value verification procedure, the judgments of the Supreme Court of 4 and 9 December 2024<sup>271</sup> confirmed that the tax administration must motivate in the first communication the following items: the way in which the procedure begins, the means of verification used, the reasons that justify it, the cause of the discrepancy with the value included in the self-assessment and the indications of a lack of agreement between such value and the real value.

#### **Minimum standard:** Taxpayers should be informed of information gathering from third parties

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

No developments were observed in the course of 2024 with regard to the concerned minimum standard.

### **4.3. Time limits for normal audits**

**Minimum standard:** For normal audits there should be a limitation period for the start of the audit; this should only be extended where information comes to light that could not reasonably have been obtained previously. Once an audit has commenced, it should be conducted with a view to achieving certainty and finality as soon as reasonable, and adequate resources should be devoted to achieving that objective

**Shifted towards/improved the minimum standard:**

Greece, Panama, Spain

**Shifted away from the minimum standard:**

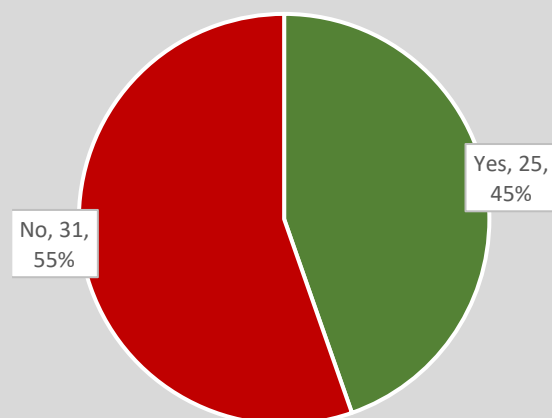
None

<sup>270</sup> See <https://portal.sat.gob.gt/portal/noticias/atencion-a-los-contribuyentes-sera-mas-agil-y-eficiente/> (accessed 3 Mar. 2025).

<sup>271</sup> The summaries of the judgments are respectively available at the following links: <https://www.poderjudicial.es/search/AN/openDocument/a6a6d0d848b6c617a0a8778d75e36f0d/20241216> and <https://www.poderjudicial.es/search/AN/openDocument/6181355227f35854a0a8778d75e36f0d/20241220> (accessed 3 Mar. 2025).

**Chart 25. Are there time limits applicable to the conduct of a normal audit in your country (e.g. the audit must be concluded within so many months)?**

60 responses



Source: OPTR: Questionnaire 1, Question 25

**Yes:** Bolivia, Botswana, Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Czech Republic, Germany, Greece, Honduras, Hungary, India, Kazakhstan, Mexico (1), Mexico (2), Nepal, Norway, Panama, Peru, Portugal, Slovenia, Spain, Türkiye, United States, Venezuela

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Brazil (1), Brazil (2), Costa Rica, Croatia, Denmark, Finland, Guatemala, Guyana, Italy, Jamaica, Japan, Lithuania, Luxembourg, Netherlands (The), New Zealand, Nigeria, Poland (1), Poland (2), Serbia, South Africa, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, United Kingdom, Uruguay

#### Best practice:

**Reasonable time limits should be fixed for the conduct of audits**

**Shifted towards/matched the best practice:**

Greece

**Shifted away from the best practice:**

None

The notion of a “reasonable” time limit is not easily determined and varies greatly among jurisdictions based on their specific legal context and background, in terms of a formal timeline and efforts to reduce the average time spent on a tax audit. This being premised, some relevant developments in this area can be reported across various geographic regions for 2024.

In **Greece**, in the course of 2024, article 27 of the Tax Procedure Code was amended introducing greater certainty in general and in particular article 28 envisages time limits for the audits, which should not last for more than 12 months plus an extension of additional 6 months if certain conditions are met.<sup>272</sup>

In **Panama**, likewise, the matter of the timelines of audits was addressed in the newly implemented Tax Procedure Code from 2024.

In **Spain**, according to the judgment of Supreme Court of 30 September 2024,<sup>273</sup> the resolution of an audit procedure is null and void if the tax authorities decide to extend the proceedings

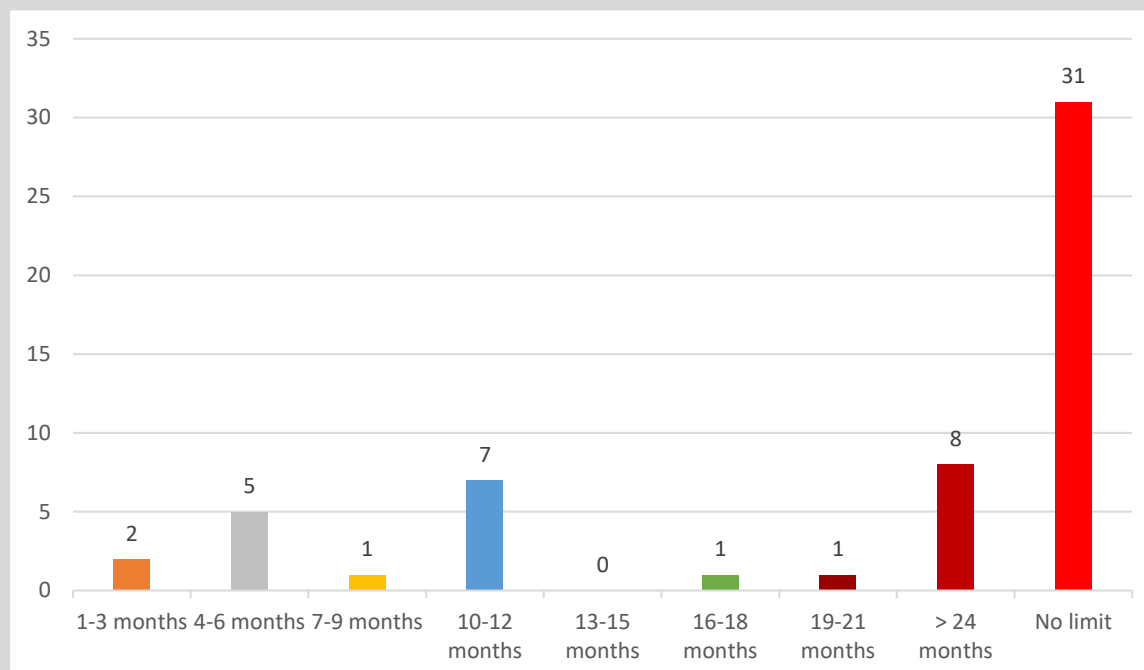
<sup>272</sup> The concerned piece of legislation is accessible at the following link: <https://www.taxheaven.gr/law/5104/2024> (accessed on 3 Mar. 2025).

<sup>273</sup> The summary of the judgment is accessible at the following link: [https://www.supercontable.com/boletin/F/sentencias\\_boletin/STS\\_4789\\_2024.pdf](https://www.supercontable.com/boletin/F/sentencias_boletin/STS_4789_2024.pdf) (accessed on 3 Mar. 2025).

simultaneously or after the opening of the allegations period. Such extension would only be possible, with due justification, if it is carried out prior to the opening of such period.

**Chart 26. If yes, what is the normal limit in months?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 26.

**1-3 months:**

China (People's Rep.), Hungary,

**4-6 months:**

Bulgaria (1), Bulgaria (2), Panama, Portugal, Slovenia, Venezuela

**7-9 months:**

Honduras

**10-12 months:**

Bolivia, Chile, Greece, Kazakhstan, Mexico (1), Mexico (2), Peru, Türkiye,

**13-15 months:**

N/a

**16-18 months:**

Spain

**19-21 months:**

India

**More than 24 months:**

Botswana, Canada, Colombia, Czech Republic, Germany, Nepal, Norway, United States

**No limit:**

Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Brazil (1), Brazil (2), Costa Rica, Croatia, Denmark, Finland, Guatemala, Guyana, Italy, Jamaica, Japan, Lithuania, Luxembourg, Netherlands, New Zealand, Nigeria, Poland (1), Poland (2), Serbia, South Africa, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, United Kingdom, Uruguay



#### 4.4. Technical assistance (representation) and the involvement of independent experts

**Minimum standard:** Technical assistance (including representation) should be available at all stages of the audit by experts selected by the taxpayer

Shifted towards/improved the minimum standard:

None

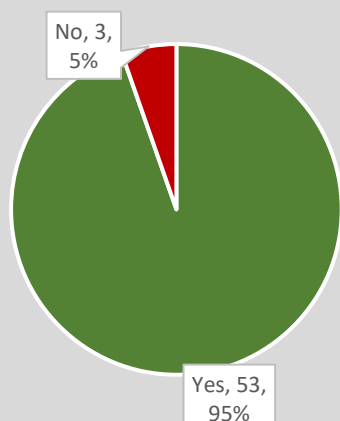
Shifted away from the minimum standard:

None

No shifts have been reported with regard to this minimum standard in 2024.

**Chart 27. Does the taxpayer have the right to be represented by a person of its choice in the audit process?**

60 responses



Source: OPTR: Questionnaire 1, Question 27

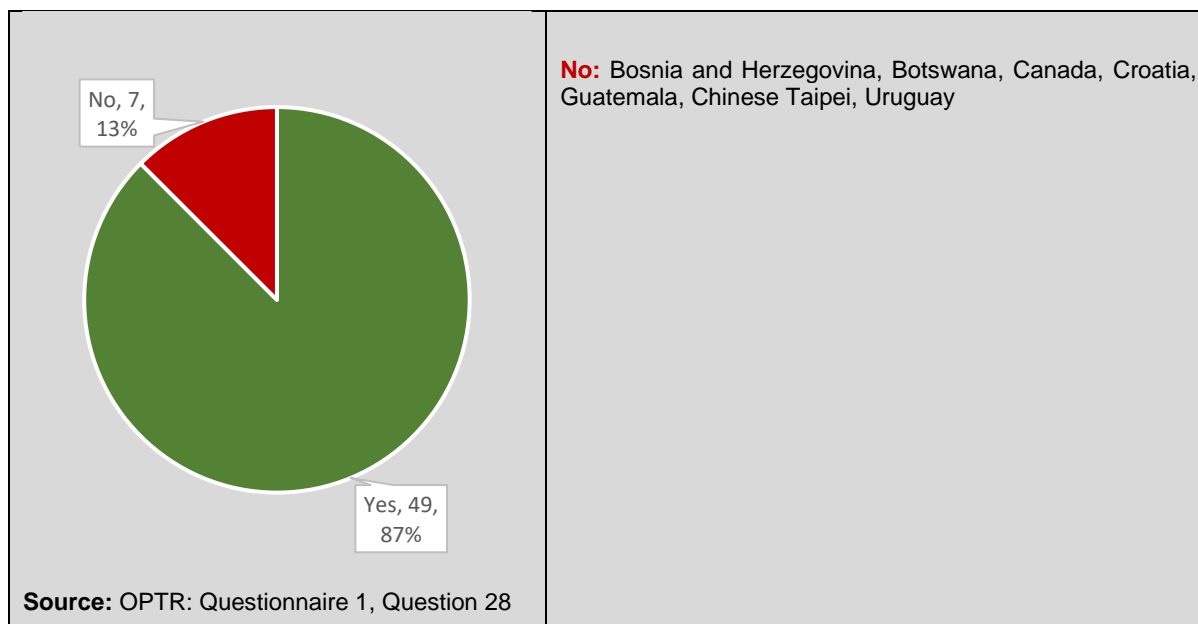
**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Germany, Guatemala, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**No:** Croatia, Greece, Guyana

**Chart 28. May the opinion of independent experts be used in the audit process?**

60 responses

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Trinidad and Tobago, Türkiye, United Kingdom, United States, Venezuela



#### 4.5. The audit report

**Minimum standard:** The completion of a tax audit should be accurately reflected in a document and provided, in its full text, to the taxpayer

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

**Best practice:** The drafting of the final audit report should involve participation by the taxpayer, with the opportunity to correct inaccuracies of facts and to express the taxpayer's view

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

**Minimum standard:** Once a tax audit is completed, no further evidence should be collected or included, no further arguments brought forward by the tax authorities and no further tax charges brought, unless in exceptional circumstances (e.g. where information comes to light that the taxpayer has concealed)

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

**Best practice:** Following an audit, a report should be prepared even if the audit does not result in an additional tax or refund

Shifted towards/matched the best practice:

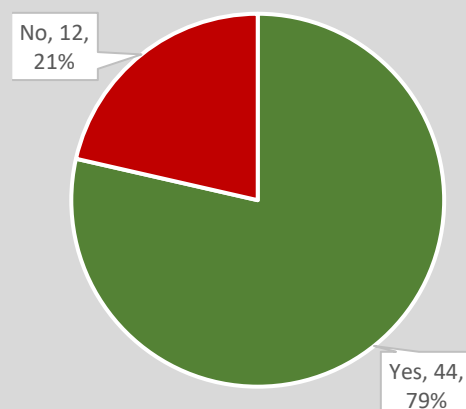
None

Shifted away from the best practice:

None

**Chart 29. Does the taxpayer have the right to receive a full report on the conclusions of the audit at the end of the process?**

60 responses



Source: OPTR: Questionnaire 1, Question 29

**Yes:** Argentina, Austria, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Germany, Greece, Honduras, Hungary, India, Italy, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Türkiye, United Kingdom, United States, Uruguay, Venezuela

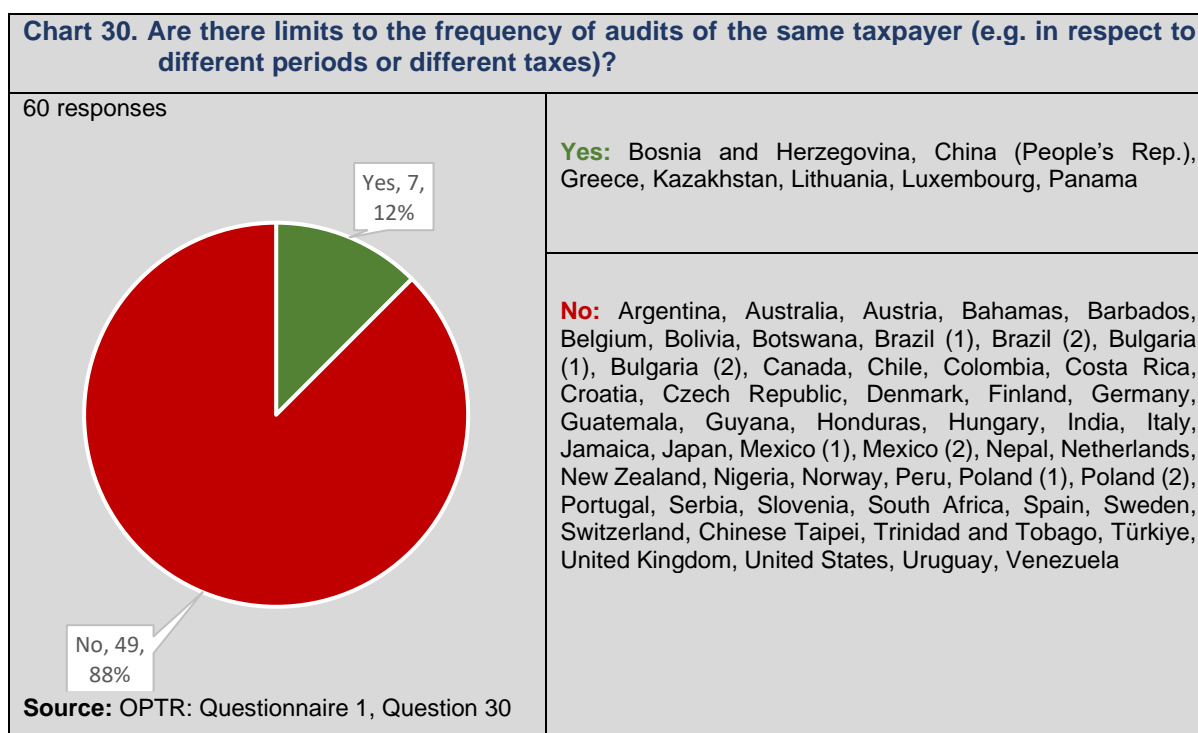
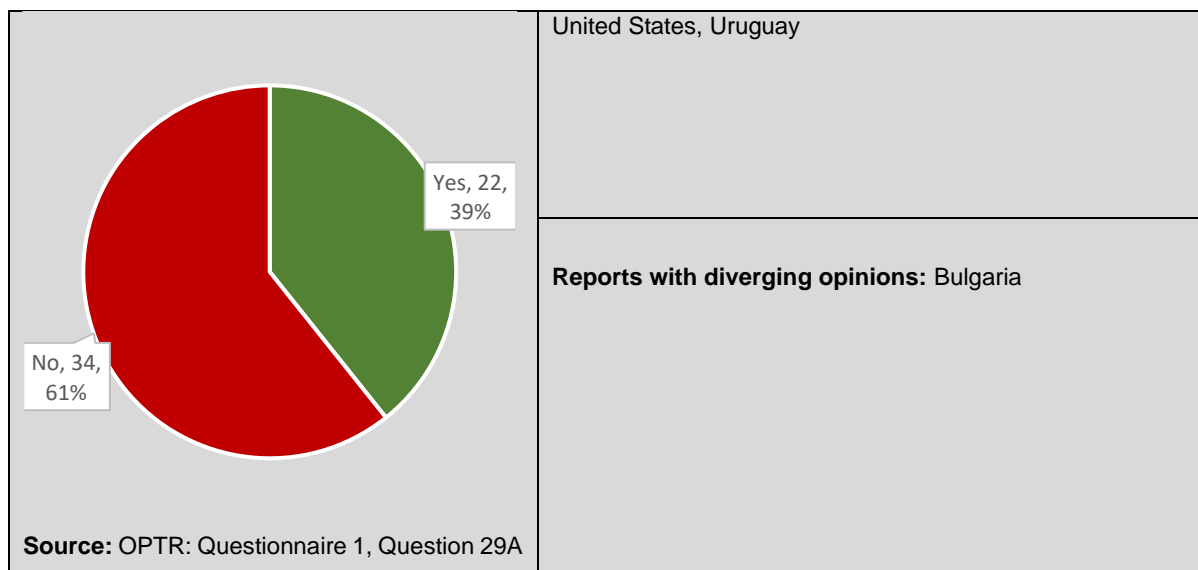
**No:** Australia, Bahamas, Barbados, Chile, Finland, Guatemala, Guyana, Jamaica, Japan, Netherlands, Chinese Taipei, Trinidad and Tobago

**Chart 29A. Once a tax audit is completed, are there rules that prevent further evidence being collected, further arguments being put forward and no further tax charges being brought?**

60 responses

**Yes:** Austria, Bolivia, Brazil (1), Brazil (2), Bulgaria (1), Colombia, Costa Rica, Czech Republic, Greece, Honduras, Hungary, India, Japan, Kazakhstan, Lithuania, Mexico (1), Mexico (2), New Zealand, Nigeria, Panama, Peru, Spain, United Kingdom, Venezuela

**No:** Argentina, Australia, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Botswana, Bulgaria (2), Canada, Chile, China (People's Rep.), Croatia, Denmark, Finland, Germany, Guatemala, Guyana, Italy, Jamaica, Luxembourg, Nepal, Netherlands, Norway, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Sweden, Switzerland, Chinese Taipei, Trinidad and Tobago, Türkiye,





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## 5. More Intensive Audits

### 5.1. The general framework

**Best practice:** More intensive audits should be limited and only occur when strictly necessary to ensure an effective reaction to non-compliance

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

No developments were observed with regard to this best practice in the course of 2024.

### 5.2. The implications of the *nemo tenetur* principle in connection with subsequent criminal proceedings

**Minimum standard:** If, in the course of an audit, it becomes foreseeable that the taxpayer may be liable for a penalty or criminal charge, from that point, the taxpayer should have stronger protection of their right to silence, and their statements should not be used in the audit procedure

Shifted towards/improved the minimum standard:

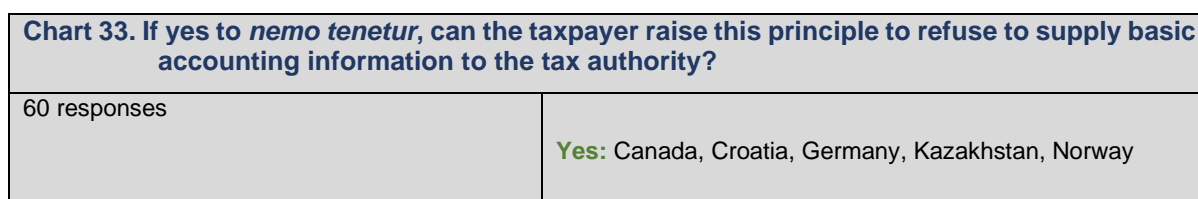
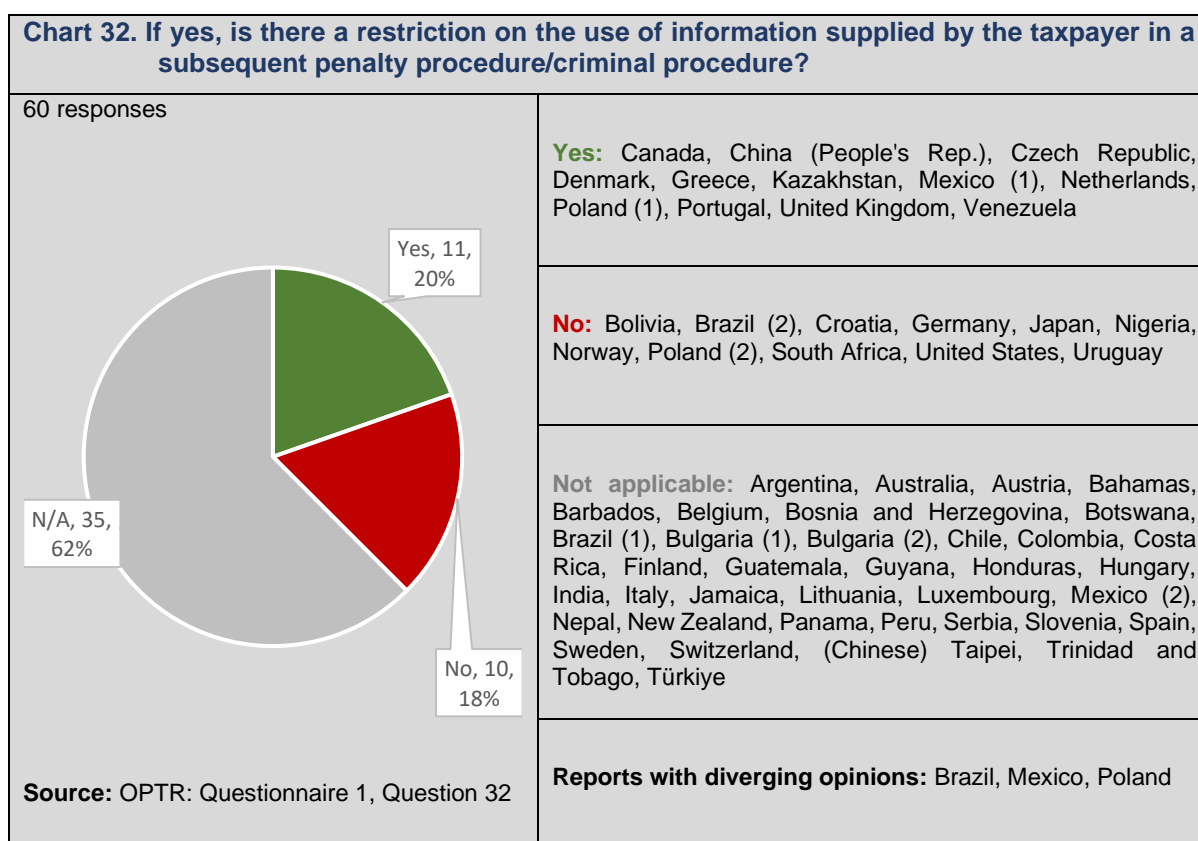
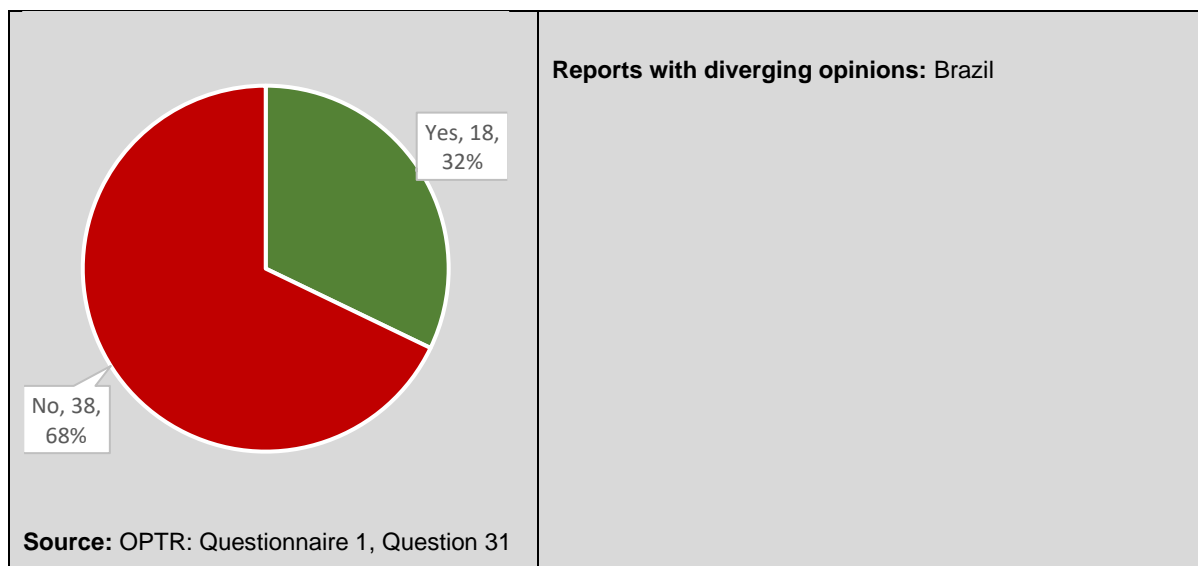
None

Shifted away from the minimum standard:

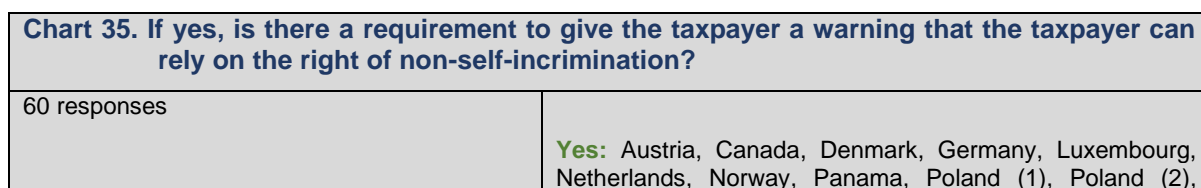
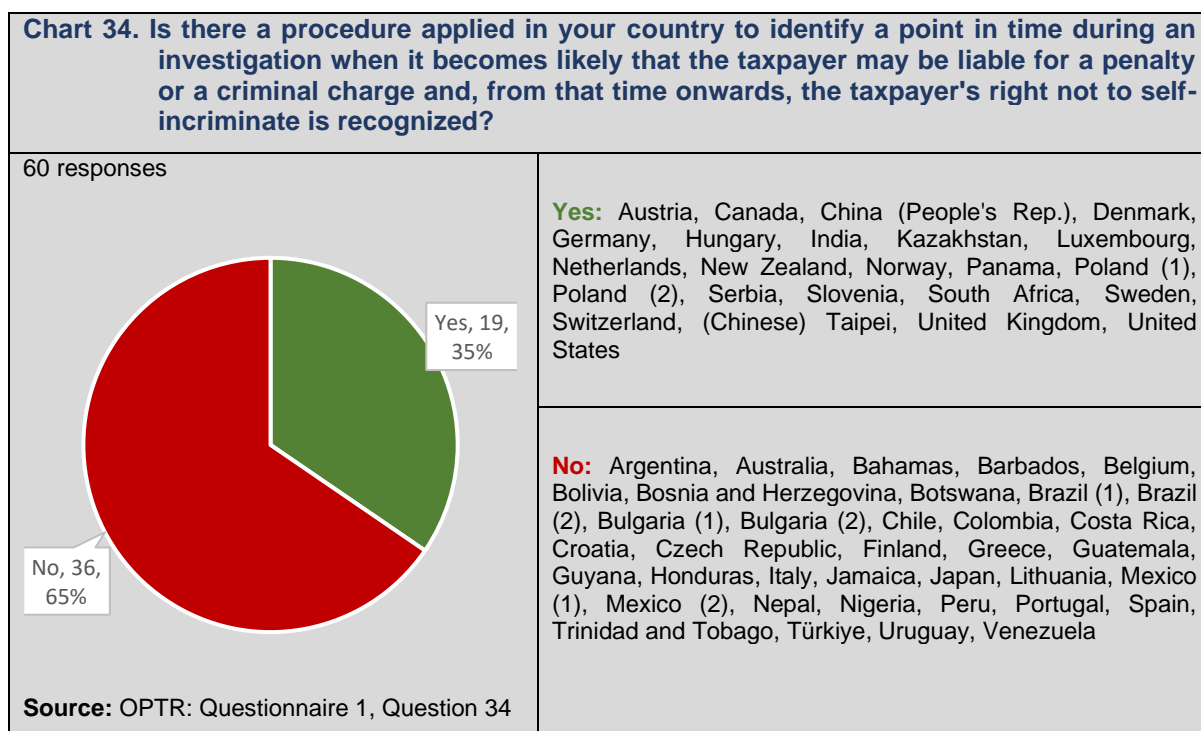
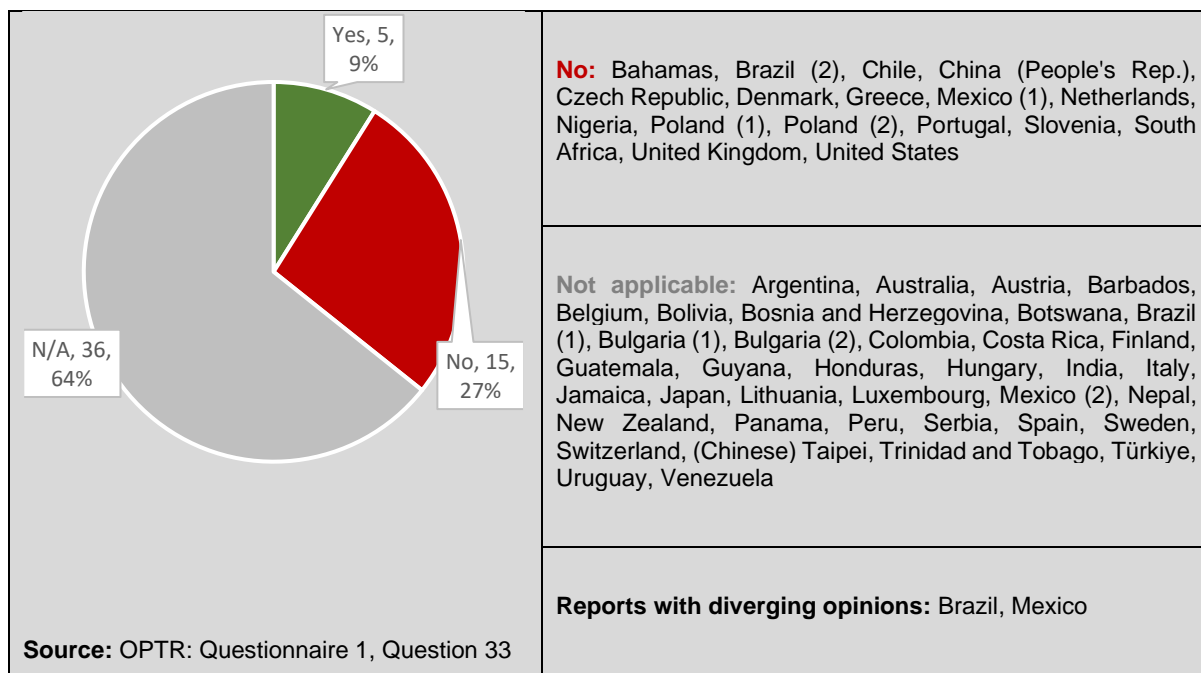
Guatemala

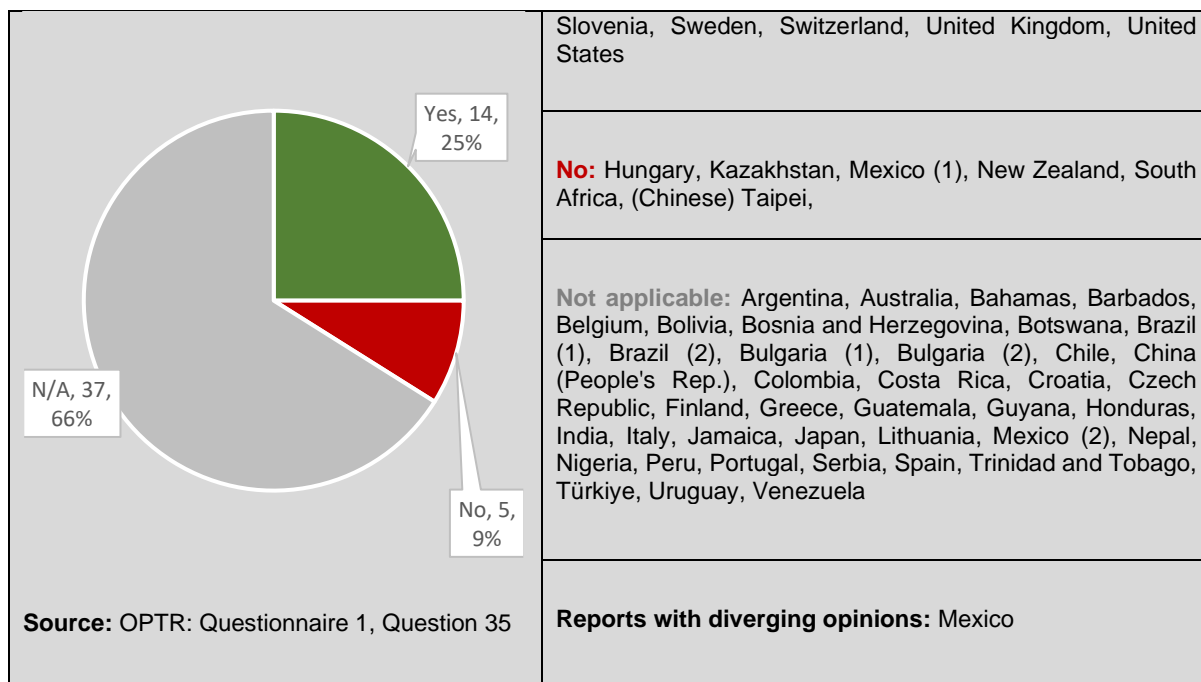
Anecdotal evidence suggests that a shift away from the minimum standard could be observed in **Guatemala** in the course of 2024 as in some instances there have been media publications regarding criminal tax cases before the notification to the taxpayers took place. This is consistent with an ongoing practice where the tax administration usually decides that a case would be criminalized before they inform the taxpayers.

Chart 31. Is the principle <i>nemo tenetur</i> applied in tax investigations (i.e. the principle against self-incrimination)?	
60 responses	<b>Yes:</b> Bolivia, Brazil (2), Canada, China (People's Rep.), Croatia, Czech Republic, Denmark, Germany, Greece, Japan, Kazakhstan, Netherlands, Nigeria, Norway, Poland (1), Poland (2), Portugal, South Africa, United Kingdom, United States
	<b>No:</b> Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Botswana, Brazil (1), Bulgaria (1), Bulgaria (2), Chile, Colombia, Costa Rica, Finland, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, New Zealand, Panama, Peru, Serbia, Slovenia, Spain, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, Uruguay, Venezuela









### 5.3. Court authorization or notification

**Minimum standard:** Entering premises should be authorised by the judiciary. Judicial supervision of the search should be available at all times

**Shifted towards/improved the minimum standard:**

Spain

**Shifted away from the minimum standard:**

None

In **Spain**, progressive case law development in connection with the concerned minimum standard could be observed in light of the Judgment of the Supreme Court of 1 March 2024,<sup>274</sup> where the Supreme Court held that evidence obtained by the tax inspectors in a search carried out prior to the notification of the start of an inspection procedure is not considered valid.

It should likewise be recalled that in **Belgium** in 2023 a case law development was observed according to which, when the taxpayer opposes the investigation, the consultation of the books and documents cannot take place without an explicit authorization by the judiciary.<sup>275</sup> These case law developments do not appear to have been overturned in the course of 2024.

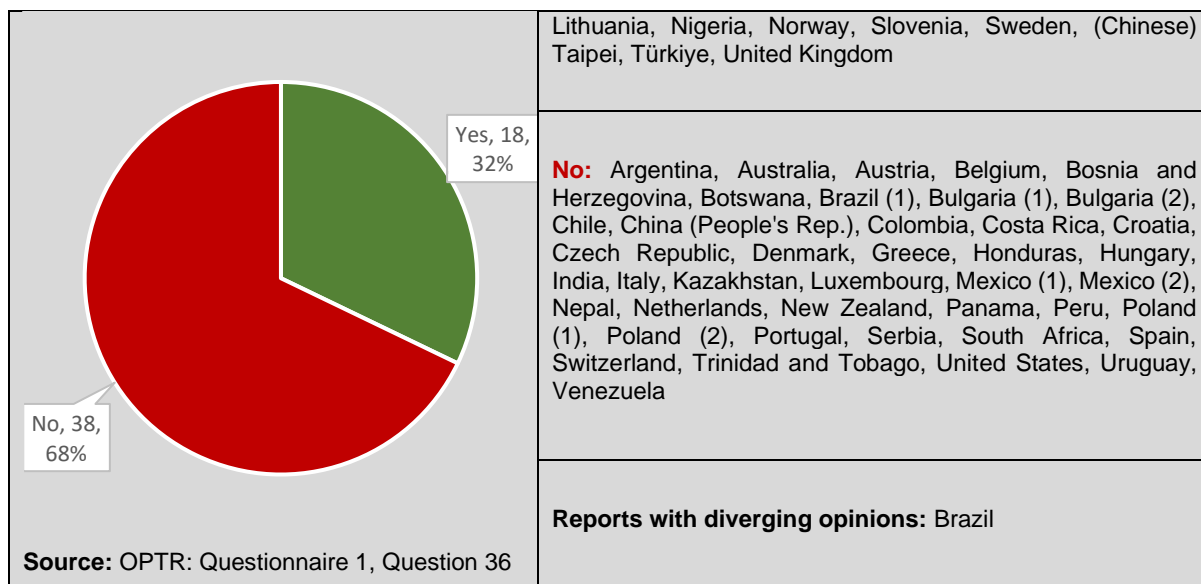
#### Chart 36. Is authorization by a court always needed before the tax authority may enter and search premises?

60 responses

**Yes:** Bahamas, Barbados, Bolivia, Brazil (2), Canada, Finland, Germany, Guatemala, Guyana, Jamaica, Japan,

<sup>274</sup> The summary of the judgment is available at <https://vlex.es/vid/1025199860> (accessed 3 Mar. 2025).

<sup>275</sup> BE: Cass., 6 Oct. 2023, F.22.0082.F, available at [https://expert.taxwin.be/nl/tw\\_juri/document/cass20231026-f-22-0124-n-nl](https://expert.taxwin.be/nl/tw_juri/document/cass20231026-f-22-0124-n-nl) (accessed 20 Feb. 2025).



**Minimum standard:** Authorization within the revenue authorities should only be granted in urgent cases and should be subsequently reported to the judiciary for ex post ratification

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

**Best practice:** Evidence obtained as a result of a search that was not authorized by the judiciary should not be admissible

**Shifted towards/matched the best practice:**

Spain

**Shifted away from the best practice:**

None

Again in **Spain**, a progressive case law development was observed in connection with the concerned best practice as, according to the Judgment of the Supreme Court of 2 July 2024,<sup>276</sup> the interrogation of directors and employees of a company without prior notice, when the court order did not authorize such actions, violates article 24 of the Constitution (the right to defence).

<sup>276</sup> The summary of the judgment is available at <https://vlex.es/vid/1043260466> (accessed 3 Mar. 2025).

**Minimum standard:** Inspection of the taxpayer's home should require authorization by the judiciary and should only be given in exceptional cases

Shifted towards/improved the minimum standard:

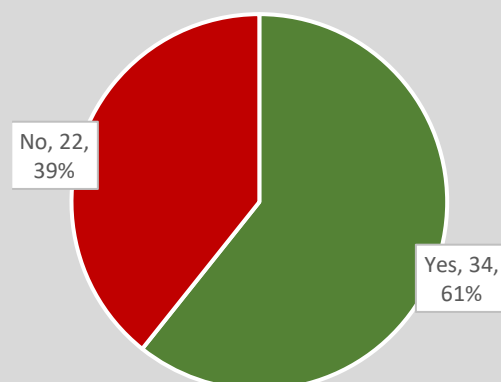
None

Shifted away from the minimum standard:

None

**Chart 37. May the tax authority enter and search the dwelling places of individuals?**

60 responses



Source: OPTR: Questionnaire 1, Question 37

**Yes:** Australia, Austria, Bahamas, Barbados, Belgium, Botswana, Brazil (2), Canada, Denmark, Germany, Greece, Guatemala, Guyana, Hungary, India, Italy, Jamaica, Japan, Luxembourg, Nepal, New Zealand, Nigeria, Poland (1), Poland (2), Serbia, Slovenia, South Africa, Spain, Sweden, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay

**No:** Argentina, Bolivia, Bosnia and Herzegovina, Brazil (1), Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Finland, Honduras, Kazakhstan, Lithuania, Mexico (1), Mexico (2), Netherlands, Norway, Panama, Peru, Portugal, Switzerland, Venezuela

Reports with diverging opinions: Brazil

**Best practice:**

When tax authorities intend to search a taxpayer's premises, the taxpayer should be informed and have an opportunity to appear before the judicial authority, unless there is evident danger of documents being removed or destroyed

Shifted towards/matched the best practice:

Belgium

Shifted away from the best practice:

None

A progressive case law development with regard to the concerned best practice was observed in **Belgium** as, in its judgment of 3 October 2024, the Belgian Court of Cassation decided that the measure of unannounced control provided for in article 319 of the Income Tax Code and article 63 of the VAT Code, which requires officials to be equipped with their appointment letter, must be distinguished from the obligation of the taxpayer to present all books and documents, as stipulated by the other aforementioned provisions, upon request of the tax administration. The Court clarified that the taxpayer's consent to present their books and documents does not imply granting access to their professional premises. This judicial trend

seems to corroborate a progressive trend in this area, as expressed by earlier decisions in 2023.<sup>277</sup>

**Best practice:** Access to bank information for tax purposes (including automatically supplied information) should require judicial authorization

Shifted towards/matched the best practice:

Shifted away from the best practice:

Brazil, Chile

A shift away from the best practice was observed in **Brazil** in light of recent case law developments as, following its case law regarding the access to bank information to federal tax authorities, the Supreme Court extended this faculty to state tax authorities.<sup>278</sup> Moreover, the Brazilian Federal Revenue Service extended to credit card administrators and payment institutions the obligation to automatically disclose information about financial transactions of individuals and legal entities above a determined threshold.<sup>279</sup> Before that, only banks were required to do so.

Likewise, a shift away from the best practice was observed in **Chile**, as an additional procedure for the delivery of bank information was introduced in 2024 that does not require judicial authorization in the first instance.<sup>280</sup> This procedure is part of an audit process and, after summons to which the taxpayer is subjected by the tax administration, it can directly require the taxpayer to deliver their bank information within the deadlines established in the law, choosing the taxpayer to deliver their information or authorize the bank to send their information directly to the tax authorities. In the event that the taxpayer does not rule on the request or refuses to provide the information voluntarily, the tax authorities may access the information only through the submission of a request for judicial authorization.

**Minimum standard:** Authorization by the judiciary should be necessary for the interception of telephone communications and monitoring of internet access

Shifted towards/improved the minimum standard:

Shifted away from the minimum standard:

<sup>277</sup> Consider in particular the 2023 decision by the *Cour de Cassation* according to which, in order for tax officials to enter a home or occupied premises, there must be not only an authorization by a police judge but also explicit consent by the taxpayer, who must be present for the entire duration of the inspection. See further BE: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 43.

<sup>278</sup> Constitutional complaint No. 7276: "The challenged norms in ICMS Agreement No. 134/2016, from Confaz, do not violate the right to intimacy, privacy and the confidentiality of personal data. Access to confidential data provided by financial and payment institutions to tax authorities for the purposes of tax collection and auditing does not constitute a breach of banking secrecy. Precedents".

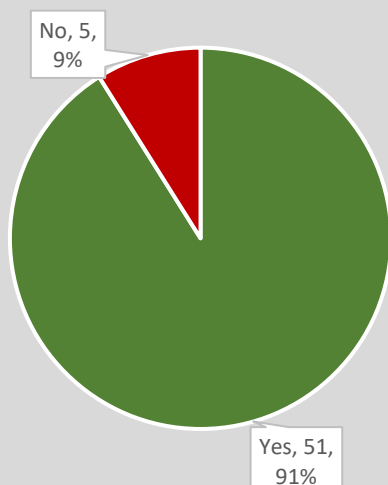
<sup>279</sup> RFB Normative Instruction No. 2219/2024.

<sup>280</sup> CL: Questionnaire 2, additional information in national report, Question No. 137. 57.

No specific developments were observed in connection with this best practice in the course of 2024.

**Chart 38. Is a court order required before the tax authority can use interception of communications (e.g. telephone tapping or access to electronic communications)?**

60 responses



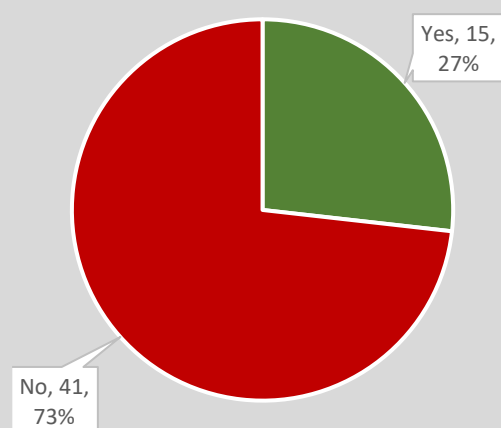
Source: OPTR: Questionnaire 1, Question 38

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Costa Rica, Croatia, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**No:** Belgium, China (People's Rep.), Czech Republic, Hungary, Switzerland

**Chart 38A. Does access to bank information for tax purposes require prior judicial authorization?**

60 responses



Source: OPTR: Questionnaire 1, Question 38A

**Yes:** Austria, Bahamas, Barbados, Brazil (2), Bulgaria (1), Bulgaria (2), Chile, Costa Rica, Germany, Guatemala, Guyana, Jamaica, Mexico (2), Nepal, Norway, Trinidad and Tobago, Uruguay

**No:** Argentina, Australia, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Canada, China (People's Rep.), Colombia, Croatia, Czech Republic, Denmark, Finland, Greece, Honduras, Hungary, India, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Netherlands, New Zealand, Nigeria, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Türkiye, United Kingdom, United States, Venezuela

**Reports with diverging opinions:** Brazil, Mexico

**Best practice:** Specialized offices within the judiciary should be established to supervise the interception of telephone communications and monitoring of internet access

Shifted towards/matched the best practice:

Shifted away from the best practice:

No specific developments were observed in this area in the course of 2024.

Nonetheless, it seems interesting to report on the apparent consolidation, given that the 2023 court decision was not overturned, of the positive case law developments observed in 2023 in Mexico, where the shift away reported in 2022 was reversed by a 2023 Supreme Court decision that found unconstitutional a section of the law that had allowed requesting access to banking information without prior judicial authorization.<sup>281</sup>

**Minimum standard:** Seizure of documents or data held on computer drives should be subject to a requirement to give reasons why the seizure is indispensable and to fix the time when the documents and data will be returned; the seizure should be limited in time

Shifted towards/improved the minimum standard:

Spain

Shifted away from the minimum standard:

A progressive case law development concerned this minimum standard in **Spain** as, according to the Judgment of the Supreme Court of 25 June 2024: “Access to information contained in computer equipment located in a taxpayer’s home requires that the judicial order justifies the access to that information, in order to safeguard the fundamental rights of Art. 18 of the Constitution. For these purposes, the need and proportionality of access to such data must be motivated,<sup>282</sup> and information provided on its nature, the impact on the business or professional activity, as well as the rights of its owner, whether it is a natural or legal person.” Another notable development was reported in ECtHR case law (see the table below).

Case	Application No. <a href="#">67101/17</a> , Case of <i>N.B. V. Latvia</i> <sup>283</sup>
Date	24 October 2024
ECHR Articles	Articles 8 and 10

<sup>281</sup> The 2023 decision is available at <https://sjf2.scjn.gob.mx/detalle/tesis/2027468> (accessed 20 Feb. 2025).

<sup>282</sup> The summary of the decision is available at <https://www.poderjudicial.es/search/AN/openDocument/f9014d5a74eb0264a0a8778d75e36f0d/20240712> (last accessed 3 Mar. 2025).

<sup>283</sup> See LV: ECtHR, No. 67101/17, N.B. v. Latvia, available at: <https://hudoc.echr.coe.int/eng#%7B%22appno%22:%5B%2267101/17%22%5D%7D> (accessed 01-05-2025).



Facts	Decision
<p>The application concerns the search at the applicant's home, which premises she also used for providing legal and accounting services, and the seizure of her computer in connection with criminal proceedings against her clients concerning tax evasion. The applicant is a witness in those proceedings. The search of the applicant's home was authorised based on a search warrant of 12 December 2016 issued by an investigating judge. On 13 February 2017 police officers of the Finance Police Department of the State Revenue Service arrived at her home and seized her computer. The applicant lodged complaints regarding the search warrant and actions taken by the police officers during the search. On 10 March 2017 an appellate court judge upheld the lawfulness of the search warrant. On 25 May 2017 a superior prosecutor dismissed the applicant's request to return her computer. Upon repeated requests by the applicant, on 29 May 2018 the computer was returned to her. There is no information about the current stage of proceedings in relation to the criminal investigation.</p>	<p>There has been a violation of Article 10 of the Convention.</p> <p>To substantiate the conclusion to the disproportionate nature of the seizure, the Court concluded that the 15-month retention of the applicant's computer was disproportionate, as the Government failed to justify the prolonged seizure, periods of inactivity, and delays in ordering forensic examinations, despite knowing the data was impractical to decrypt within a reasonable time.</p>

#### 5.4. Treatment of privileged information

**Best practice:** If data are held on a computer hard drive, then a backup should be made in the presence of the taxpayer's advisers and the original left with the taxpayer

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

No specific developments were observed in connection with this best practice in the course of 2024.

**Best practice:** If digital data is copied or removed, it should be done in a way that does not prevent or affect the normal operations of the electronic information system

Shifted towards/matched the best practice:

None

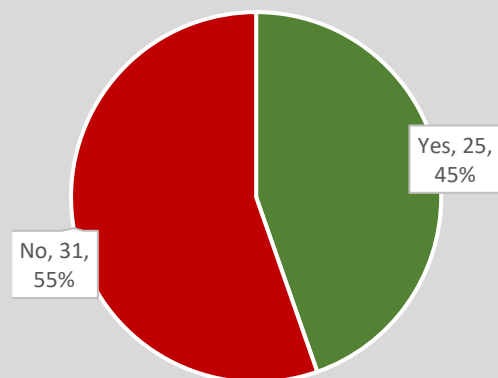
Shifted away from the best practice:

None

No specific developments were observed in connection with this best practice in the course of 2024.

**Chart 39. Is there a procedure in place to ensure that legally privileged material is not taken in the course of a search?**

60 responses



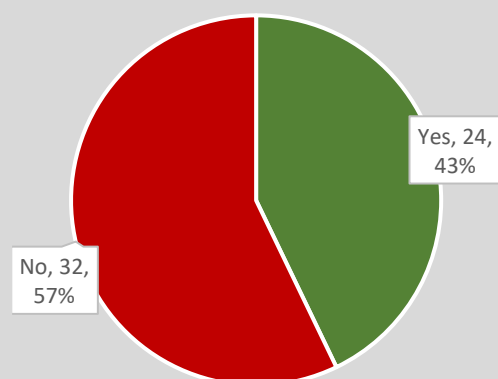
**Source:** OPTR: Questionnaire 1, Question 39

**Yes:** Australia, Austria, Canada, Costa Rica, Czech Republic, Denmark, Hungary, India, Italy, Jamaica, Kazakhstan, Netherlands, New Zealand, Norway, Panama, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Türkiye, United States

**No:** Argentina, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Colombia, Croatia, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Japan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Nigeria, Peru, (Chinese) Taipei, Trinidad and Tobago, United Kingdom, Uruguay, Venezuela

**Chart 39A. If evidence is collected as a result of a search that was not authorized by the judiciary is that evidence admissible?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 39A

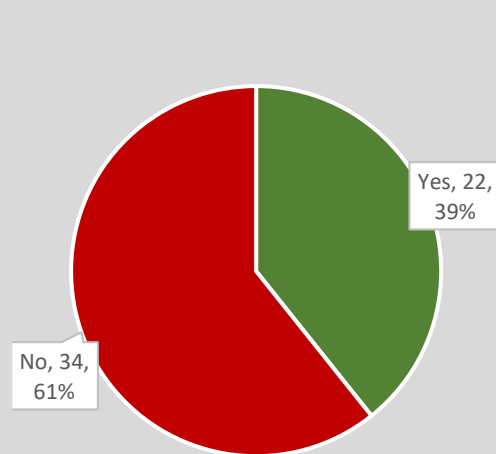
**Yes:** Australia, Austria, Belgium, Brazil (1), Chile, Croatia, Czech Republic, Denmark, Finland, Greece, Hungary, Italy, Lithuania, Mexico (1), Nepal, Netherlands, New Zealand, Nigeria, Norway, South Africa, Sweden, (Chinese) Taipei, United Kingdom, United States, Venezuela

**No:** Argentina, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (2), Bulgaria (1), Bulgaria (2), Canada, China (People's Rep.), Colombia, Costa Rica, Germany, Guatemala, Guyana, Honduras, India, Jamaica, Japan, Kazakhstan, Luxembourg, Mexico (2), Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, Spain, Switzerland, Trinidad and Tobago, Türkiye, Uruguay

**Reports with diverging opinions:** Brazil, Mexico

**Chart 39B. If digital data is copied or removed, are there provisions to ensure that this does not affect the normal operation of the electronic information system?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 39B

**Yes:** Austria, Chile, China (People's Rep.), Czech Republic, Denmark, Germany, Greece, Honduras, Hungary, Japan, Kazakhstan, Lithuania, New Zealand, Norway, Peru, Poland (1), Slovenia, South Africa, Spain, Sweden, (Chinese) Taipei, Türkiye, United States

**No:** Argentina, Australia, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Colombia, Costa Rica, Croatia, Finland, Guatemala, Guyana, India, Italy, Jamaica, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, Nigeria, Panama, Poland (2), Portugal, Serbia, Switzerland, Trinidad and Tobago, United Kingdom, Uruguay, Venezuela

**Reports with diverging opinions:** Poland

**Minimum standard:** When invasive techniques are applied, they should be limited in time to avoid a disproportionate impact on taxpayers

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

No specific developments were observed in connection with this minimum standard in the course of 2024.

## 6. Reviews and Appeals

### 6.1. The remedies and their functions

**Best practice:** There should be e-filing of requests for internal review to ensure the effective and speedy handling of the review process

**Shifted towards/matched the best practice:**

Botswana, Honduras, Hungary, United States

**Shifted away from the best practice:**

None

The COVID-19 pandemic provided an impetus across various regions for the e-filing of not only tax returns (see section 2.) but also reviews and appeals, a trend that persisted throughout 2024. In **Honduras**, Agreement No. SAR-236-2024, issued on 20 May 2024, established the Virtual Office of the Honduran Tax Administration Service (SAR). This digital platform was designed to streamline tax procedures, improve efficiency and modernize tax administration, including the electronic filing of appeals for reconsideration (see *a/so* section 2.).<sup>284</sup>

Positive shifts were also reported in **Botswana**<sup>285</sup>, **Hungary**<sup>286</sup> and the **United States**, aligning with the goals outlined in the IRS Strategic Operating Plan (referenced in section 2.), which identified key opportunities for implementing transformative changes that benefit taxpayers. A central focus of these objectives involves the expansion of electronic filing and document processing to streamline issue identification and resolution more efficiently. As part of this digital transformation, the IRS has committed to facilitating seamless digital communication with taxpayers, aiming to simplify the process and ensure convenient interaction regarding their cases.<sup>287</sup> Key initiatives include: the Document Upload Tool, which allows taxpayers to respond to all IRS notices electronically;<sup>288</sup> increased electronic transmission of appeals from various IRS functions to the Office of Appeals and expanded authorization for encrypted

<sup>284</sup> See HN: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Administration, Academia), Questionnaire 2, Question 63. For further information, see <https://portalmiempresa.com/documento/comunicado-sar-024-2024-eximente-de-responsabilidad-en-el-marco-de-la-implementacion-de-la-nueva-oficina-virtual/> (accessed 3 Mar. 2025) and <https://www.sar.gob.hn/download/acuerdo-no-sar-236-2024-no-36538-de-fecha-20-de-mayo-2024-se-crea-la-oficina-virtual-del-servicio-de-administracion-de-rentas-sar-como-la-herramienta-que-facilita-a-los-obligados-tributarios-el/> (accessed 3 Mar. 2025).

<sup>285</sup> See BW: OPTR Report (2024) (Academia), Questionnaire 2, Question 63, and additional materials attached to the national report.

<sup>286</sup> See HU: OPTR Report (2024) (Academia), Questionnaire 2, Question 63, and additional materials attached to the national report..

<sup>287</sup> See IRS News Release IR-2023-233 (8 Dec. 2023), *IRS Independent Office of Appeals releases fiscal year 2024 priorities; focus on improving taxpayer service*, available at <https://www.irs.gov/newsroom/irs-independent-office-of-appeals-releases-fiscal-year-2024-priorities-focus-on-improving-taxpayer-service> (accessed 21 Feb. 2025).

<sup>288</sup> See IRS Fact Sheet FS-2023-25 (Nov. 2023), *IRS achieves key Paperless Processing Initiative goal, outlines improvements for filing season 2024*, available at <https://www.irs.gov/newsroom/irs-achieves-key-paperless-processing-initiative-goal-outlines-improvements-for-filing-season-2024> (accessed 21 Feb. 2025).

communications with the Appeals division (such as the use of digital signatures, as well as the secure exchange of documents via email and other approved methods).<sup>289</sup>

Further strengthening this digital shift, in 2024, the IRS Independent Office of Appeals launched a pilot programme (from 30 September 2024 to 31 March 2025) introducing Corporate Group Mailboxes.<sup>290</sup> This initiative enhances secure messaging for large business taxpayers with multiple representatives, offering streamlined communication, secure record-sharing and faster case resolution.

In conclusion, it should also be recalled that 2023 was a milestone year for e-filing in several countries. **Costa Rica** introduced fully digitalized requests for internal review and judicial appeals.<sup>291</sup> **Greece**, as of 1 January 2023, mandated that all appeals (as well as related requests for suspension of tax payments) before the Dispute Resolution Directorate of the Greek tax administration must be filed electronically (Governor's Decision A.1165/2002, OJ B' 6009/15-11-2022).<sup>292</sup> **Italy** fully digitalized appeals through Decree No. 220/2023, which amended article 16-bis of the Italian Tax Procedural Code (Decree No. 546/1992), effectively eliminating any possibility of deviating from electronic methods for filing and depositing judicial appeals.<sup>293</sup>

**Chart 40. Is there a procedure for an internal review of an assessment/decision before the taxpayer appeals to the judiciary?**

60 responses

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Norway, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, United Kingdom, United States, Uruguay, Venezuela

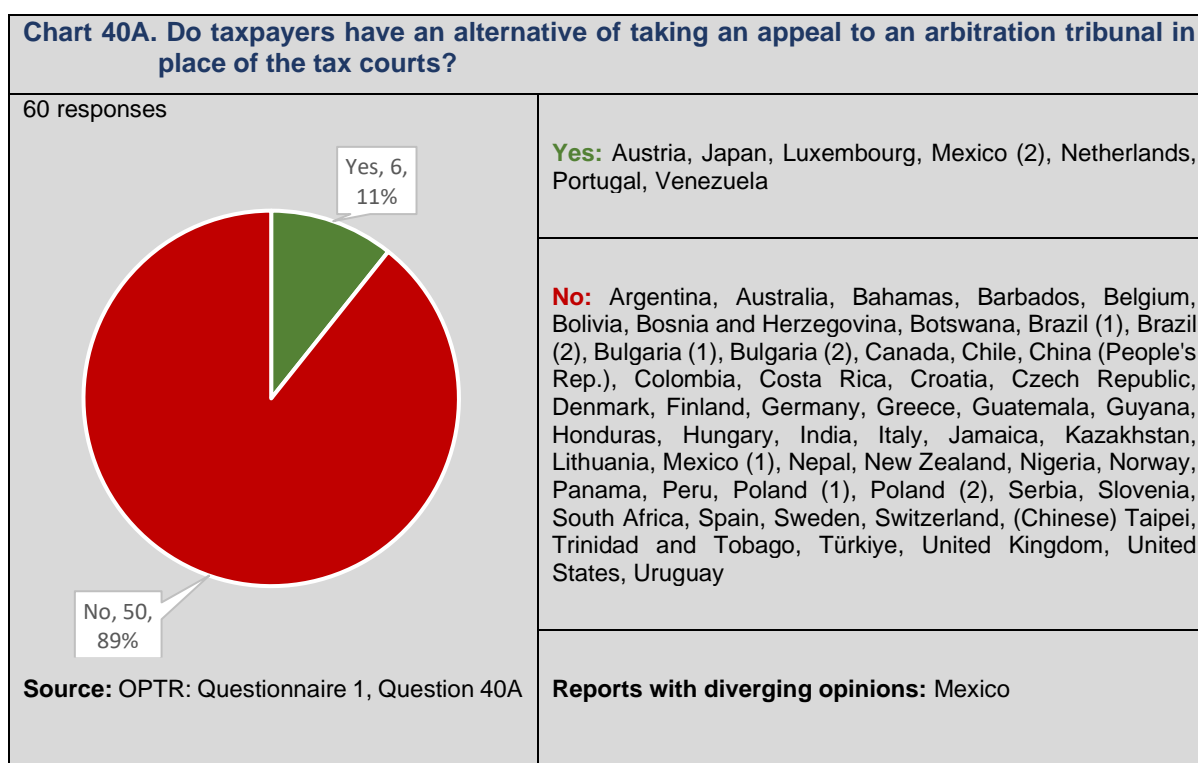
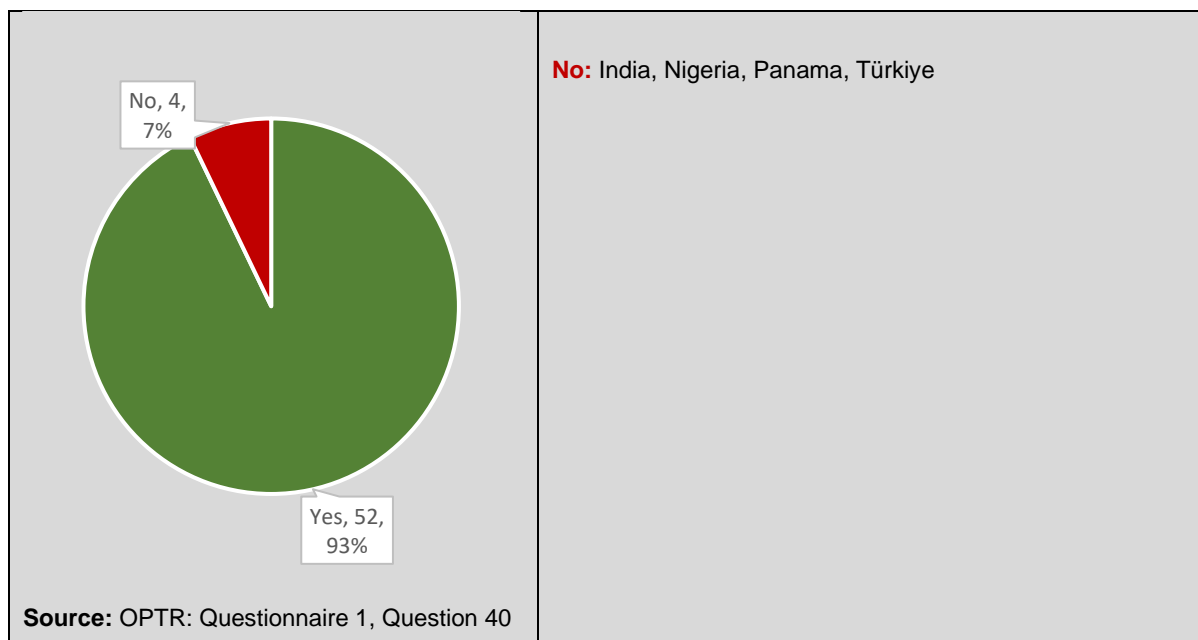
<sup>289</sup> See IRS News Release IR-2023-199, *IRS extends popular flexibilities set to expire; electronic signatures and encrypted email enhance the taxpayer experience* (30 Oct. 2023).

<sup>290</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 63. See also IRS News Release IR-2024-247 (30 Sept. 2024), *Independent Office of Appeals Secure Messaging Program Office launches "Corporate Group Mailbox" pilot for large business taxpayers with multiple representatives*, available at <https://www.irs.gov/newsroom/independent-office-of-appeals-secure-messaging-program-office-launches-corporate-group-mailbox-pilot-for-large-business-taxpayers-with-multiple-representatives> (accessed 3 Mar. 2025).

<sup>291</sup> See Resolution MH-DGT-RES-0010-2023, available at [http://www.pgrweb.go.cr/scij/Busqueda/Normativa/Normas/nrm\\_texto\\_completo.aspx?param1=NRTC&nValor1=1&nValor2=99781&nValor3=136622&strTipM=TC](http://www.pgrweb.go.cr/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&nValor1=1&nValor2=99781&nValor3=136622&strTipM=TC) (accessed 20 Feb. 2024).

<sup>292</sup> See GR: OPTR Report (2023) (Tax Administration), Questionnaire 2, Question 49.

<sup>293</sup> The amended text is available at <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legge:2018-10-23:119-art16-com4> (accessed 20 Feb. 2025).



**Minimum standard:** The right to appeal should not depend upon prior exhaustion of administrative reviews

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

In a large number of jurisdictions, access to justice in tax matters requires the prior exhaustion of “administrative review procedures”. These procedures normally have (one or more of) the following characteristics:<sup>294</sup> (i) they are triggered by taxpayers; (ii) they may end either with the annulment or the confirmation of a tax measure (prohibition of *reformatio in pejus*); (iii) they ensure that administrative measures issued by tax authorities comply with the rule of law and thus, that they aim to protect the interest of the community rather than the rights of individual persons; (iv) they may entail the replacement of an administrative measure with a new one; (v) they are conducted by the same branch of the state government that issued the measure under the review; (vi) they should operate as a “filter” that reduces the number of tax disputes to be addressed at the judicial level; and (vii) they do not automatically suspend the tax collection during the review process, nor the time limits for the appeal of the measure under review.

The need for prior exhaustion of administrative review adds at least one layer of revision to those that are necessary for securing taxpayers’ effective protection, thus increasing the risk of undermining the right to justice within a reasonable period.<sup>295</sup> At the same time, it allows for some uncomplicated cases to be swiftly resolved.

The minimum standard regarding administrative review remains unchanged across most jurisdictions. However, 2023 marked some important developments that are worth mentioning.

**Spain**<sup>296</sup> has seen a significant shift towards the minimum standard. For historical reasons, Spain (like many other EU Member States) maintains specific administrative bodies and procedures for the review of tax measures, but there are diverging views in the literature as to whether such mandatory reviews should be maintained, eliminated or kept on an optional basis.<sup>297</sup> In this context, the Spanish Supreme Court (*Tribunal Supremo. Sala de lo Contencioso*) articulated that administrative reviews are not obligatory under two circumstances: (i) when seeking access to the special process for the protection of fundamental rights (*procedimiento especial de protección de los derechos fundamentales*);<sup>298</sup> and (ii) when the tax administration is solicited for something beyond its capacity to fulfil, such as declaring a law unconstitutional.<sup>299</sup>

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<sup>294</sup> See P. Pistone, *General Report*, in *Tax Procedures* pp. 69-73 (P. Pistone ed., IBFD 2020), Books IBFD.

<sup>295</sup> See C.P. Taboada, *Is the Previous Exhaustion of Administrative Procedures a Necessary Condition to Access Judicial Procedures?*, in *Tax Procedures* pp. 177-196 (P. Pistone ed., IBFD 2020), Books IBFD.

<sup>296</sup> See ES: OPTR Report (Taxpayers/Tax Practitioners, Ombudsperson, Academia), Questionnaire 2, Question 50.

<sup>297</sup> See V.A. García Moreno et al, *Spain*, in *Tax Procedures* pp. 912-914 (P. Pistone ed., IBFD 2020), Books IBFD.

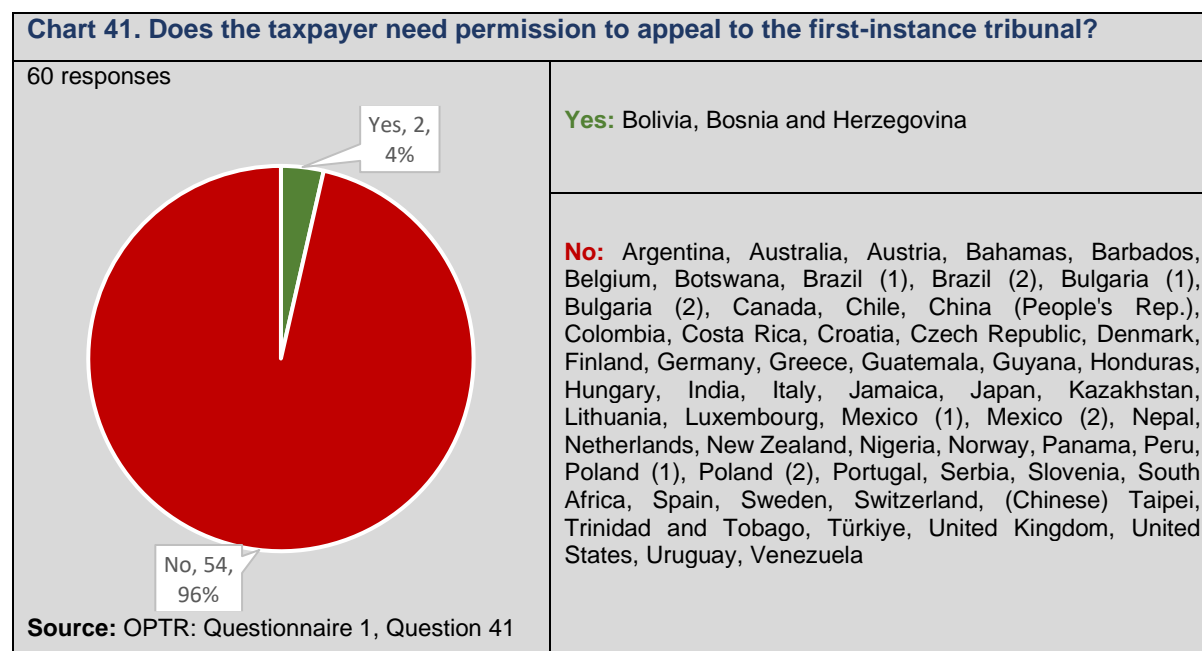
<sup>298</sup> See ES: Supreme Court, 22 Dec. 2021, judgment 1580/2021, available at <https://www.poderjudicial.es/search/documento/AN/9944313/Personal%20interino/20220506> (accessed 21 Feb. 2025).

<sup>299</sup> See ES: Supreme Court, 20 July 2023, judgment 10832/2023, available at <https://www.poderjudicial.es/search/documento/AN/9944313/Personal%20interino/20220506> (accessed 21 Feb. 2025).



In contrast to Spain's more flexible approach, **Belgium** enforced stricter formal requirements. Specifically, the Court of Appeal of Mons<sup>300</sup> ruled that a request for administrative review was invalid because it only expressed disagreement with taxation without providing factual or legal arguments. As a result, the judicial appeal was deemed inadmissible, reinforcing the principle that a valid administrative appeal is a prerequisite for court access. In previous years, negative developments were also reported in **Botswana**<sup>301</sup> and **Chinese Taipei**, as according to the Taiwan Tax Collection Act, access to the judiciary still depends upon prior exhaustion of administrative reviews.<sup>302</sup>

Finally, it is noteworthy that **Italy**, up until 2023, mandated – in accordance with article 17-bis of Decree No. 546/1992 – that the right to appeal hinged on prior exhaustion of administrative reviews for cases valued below EUR 50,000. However, with the enactment of Decree n. 220/2023 (applicable to appeals filed after 4 January 2024), this requirement was repealed. As a result, appeals no longer necessitate the exhaustion of administrative reviews, marking Italy's full compliance with the minimum standard.



<sup>300</sup> See BE: *Hof van Beroep/Cour d'Appel* (Court of Appeals) Mons, 8 Mar. 2023, 2021/RG/734. See also BE: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 50.

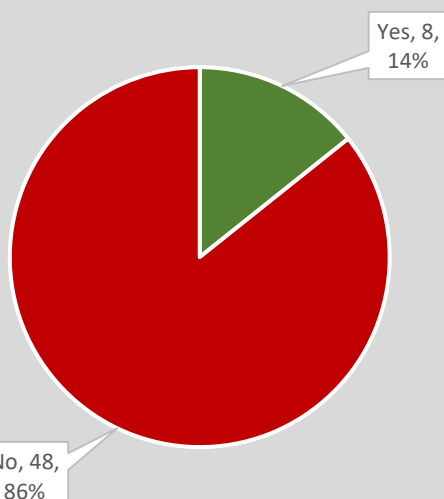
<sup>301</sup> See BW: OPTR Report (Academia), Questionnaire 2, Question 50.

<sup>302</sup> See TW: OPTR Report (Academia), Questionnaire 2, Question 50.



**Chart 42. Does the taxpayer need permission to appeal to the second or higher instance tribunals?**

60 responses



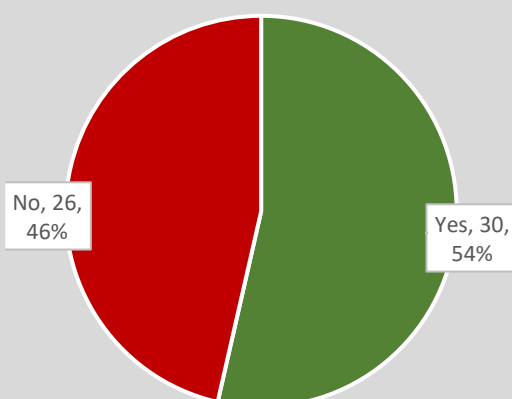
Source: OPTR: Questionnaire 1, Question 42

**Yes:** Bolivia, Bosnia and Herzegovina, Denmark, Finland, Germany, Sweden, (Chinese) Taipei, United Kingdom

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Switzerland, Trinidad and Tobago, Türkiye, United States, Uruguay, Venezuela

**Chart 43. Is it necessary for the taxpayer to bring his case first before an administrative court to quash the assessment/decision before the case can proceed to a judicial hearing?**

60 responses



Source: OPTR: Questionnaire 1, Question 43

**Yes:** Austria, Bolivia, Bosnia and Herzegovina, Botswana, Bulgaria (1), Bulgaria (2), China (People's Rep.), Croatia, Czech Republic, Finland, Germany, Greece, Guatemala, Honduras, India, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (2), Nepal, Panama, Peru, Poland (1), Poland (2), Serbia, Slovenia, Spain, Switzerland, (Chinese) Taipei, Türkiye, Uruguay

**No:** Argentina, Australia, Bahamas, Barbados, Belgium, Brazil (1), Brazil (2), Canada, Chile, Colombia, Costa Rica, Denmark, Guyana, Hungary, Italy, Jamaica, Mexico (1), Netherlands, New Zealand, Nigeria, Norway, Portugal, South Africa, Sweden, Trinidad and Tobago, United Kingdom, United States, Venezuela

**Reports with diverging opinions:** Mexico

## 6.2. Length of the procedure

**Minimum standard:** Taxpayers should have a remedy to accelerate or terminate (including through reference to mediation or ADR) reviews and appeals in cases of excessive delay

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

Italy

Ensuring taxpayers have an effective remedy to accelerate or terminate tax reviews and appeals in cases of excessive delay is a fundamental aspect of a fair and efficient tax dispute resolution system. Delays in resolving tax disputes can undermine legal certainty, increase compliance costs, and erode trust in tax administrations. Moreover, the reasonable duration of proceedings is a core element of the right to a fair trial. Despite the recognized importance of this standard, all national reports under review indicate a “no change” situation, suggesting that no significant reforms or policy shifts have been implemented to enhance the ability of taxpayers to expedite or conclude prolonged administrative reviews or appeals.

The ECtHR dealt with the case of remedies under a statute of limitations in an Italian case, whereby it found that the rights of the taxpayers were breached due to the length of the proceedings.

### 2024 Relevant Decisions – European Court of Human Rights

Case	<i>Episcopo &amp; Bassani v. Italy (Applications nos. 47284/16 and 84604/17)</i> <sup>303</sup>	
Date	19 December 2024	
ECHR Articles	Article 6(1) and (2)	
Facts		Decision
The applicants in this case were charged with the issuing of false tax statements (invoices for non-existent operations). Under the relevant Italian criminal laws, assets of the applicants were considered the direct proceeds of crime and therefore confiscated. The domestic case, however, ran out of the statute of limitations and the criminal proceedings were discontinued. The question before the Court was if this was done lawfully, now that the statute of limitations made that the case was discontinued.		The applicants complained under Article 7 of the Convention, however, having regard to all the relevant factors, the Court concludes that the confiscation orders issued against the applicants did not amount to penalties within the meaning of Article 7 of the Convention. The right to a fair trial, more specifically, a hearing, has also not been breached (Art. 6 (1) of the Convention), however, the Court found that the practice was in breach of the presumption of innocence as contained in paragraph 2 of Article 6 (in the case of the first applicant). For the second applicant, his rights under Article 1 Protocol 1 to the Convention have been breached. The reason to do so, was because the Court did not deem the law sufficiently foreseeable for the second applicant at the time that the confiscation occurred, and the applicant

<sup>303</sup> See IT: ECtHR, nos. 47284/16 and 84604/17, *Episcopo & Bassani v. Italy*, available at: <https://hudoc.echr.coe.int/eng#%7B%22itemid%22%3A%22001-238564%22%7D> (accessed 01-05-2025).

Facts	Decision
	could not have known that this was the potential legal consequence of his actions.

### Best practice:      Reviews and appeals should not exceed 2 years

#### Shifted towards/matched the best practice:

Italy

#### Shifted away from the best practice:

Bolivia

Following a swinging trend in 2021 and 2022, national reports for 2023 indicated developments only in **China (People's Rep.)**<sup>304</sup>.

For this year, reports show an overall “no change” situation, with one notable negative trend in **Bolivia**, where judicial reviews and appeals are experiencing significant delays due to an excessive caseload and a limited number of judges. The national report shows that the backlog is particularly severe in the District of Santa Cruz, where the first stage of a tax lawsuit can take more than 10 years to be resolved.

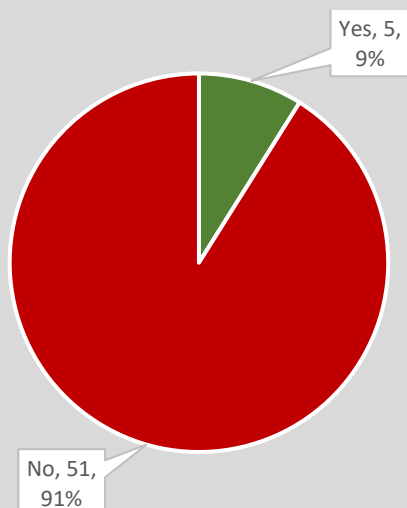
Furthermore, it is worth highlighting that **Italy**, for the third year in a row, appears to be slowly moving towards this best practice. In June 2024, the Italian Ministry of Finance released a report on tax litigation, revealing that the average duration of tax disputes in 2023 was 968 days before second-tier tax courts, marking a 10.5% decrease from 2021, when the average was 1,080 days (in 2022 the average was 973 days). Similarly, disputes before first-tier tax courts averaged 429 days, reflecting a 34.2% reduction from the 652 days reported in 2021 (in 2022 the average was 571 days).<sup>305</sup>

<sup>304</sup> See CN: OPTR China (People's Rep.) 2 (2023) (Tax Administration), Questionnaire 2, Question 51. Both in regards to administrative reviews and judicial proceedings, it has been reported that the legislative framework ensures strict timelines for the completion of the proceedings. In particular, as to the former, the newly revised “Administrative Reconsideration Law” of China (People's Rep.) (effective on 1 Jan. 2024) states that (i) applications for administrative reviews must be submitted within 60 days upon the date of knowledge of a specific administrative act (art. 9); and (ii) the administrative review organ shall, as a general rule, make a decision within 60 days from the date of accepting the application (art. 31). Furthermore, as to judicial proceedings, art. 88 Administrative Procedure Law of the People's Republic of China states that a People's Court hearing an appeal shall, as a rule, render a final judgment within three months from the date of receipt of the appeal on the contrary, CN: OPTR China (People's Rep.) 2 (2023) (Academia), Questionnaire 2, Question 51, highlighted a “no change” situation. See further OPTR, *The IBFD Yearbook on Taxpayers' Rights 2023* (IBFD 2024), Books IBFD, sec. 6.

<sup>305</sup> See the Report MEF, *Relazione sul monitoraggio dello stato del contenzioso tributario e sull'attività delle Corti di Giustizia Tributaria. Anno 2023* p. 10 (June 2024), available at <https://www.dgt.mef.gov.it/gt/it/web/guest/relazione-annuale-sullo-stato-del-contenzioso-tributario> (accessed 3 Mar. 2025).

**Chart 44. Are there time limits applicable for a tax case to complete the judicial appeal process?**

60 responses



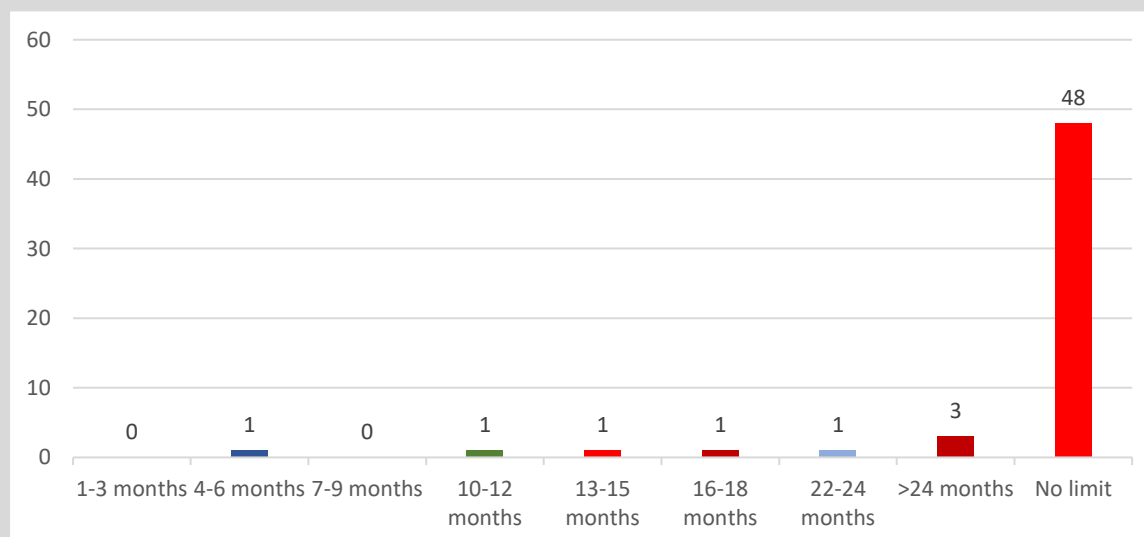
**Yes:** Bolivia, China (People's Rep.), Czech Republic, Honduras, Kazakhstan

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Costa Rica, Croatia, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Hungary, India, Italy, Jamaica, Japan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**Source:** OPTR: Questionnaire 1, Question 44

**Chart 45. If yes, what is the normal time it takes for a tax case to be concluded on appeal?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 45.

**1-3 months:**

none

**4-6 months:**

China (People's Rep.)

**7-9 months:**

none

**10-12 months:**

Kazakhstan

**13-15 months:**

Mexico (1)

**16-18 months:**

Bosnia and Herzegovina

**22-24 months:**

Honduras

**>24 months:**

Bolivia, Czech Republic, Nepal

**No limit:**

Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Costa Rica, Croatia, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Hungary, India, Italy, Jamaica, Japan, Lithuania, Luxembourg, Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela

**Reports with diverging opinions:** Mexico

### 6.3. Alternative dispute resolution

**Best practice:**

Taxpayers may have an alternative of taking an appeal to an arbitration tribunal in place of the tax courts

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

Portugal

The system of judicial tax procedures is typically established by law, with national tax courts holding compulsory jurisdiction over tax disputes to ensure compliance with due process requirements. However, some countries – such as Portugal (following a constitutional amendment), the Netherlands (in relation to the valuation of immovable property<sup>306</sup>) and the

<sup>306</sup> While Portuguese arbitration courts are well-known in the ECJ's case law (see ECJ, 12 June 2014, Case C-377/13, *Ascendi Beiras Litoral e Alta, Auto Estradas das Beiras Litoral e Alta*), in the Netherlands arbitration is

United States<sup>307</sup> – have integrated arbitration or similar procedures into their judicial systems.<sup>308</sup>

In this area, there are no major developments. Jurisdictions that reported in 2022 and 2023 as not having arrangements for ADR (e.g. mediation or arbitration) have maintained the same stance for 2024.

However, **Portugal**, one of the countries with established arbitration tax courts, has reported a negative trend. Specifically, the judgment of 16 May 2024 by the Central Administrative Court - South Bench (Case No. 553/07.2BESNT)<sup>309</sup> ruled that Decree-Law No. 81/2018 of 15 October, which permits taxpayers to transfer cases pending in judicial courts to arbitration tribunals, violates the Constitution. This decision is highly unusual, as in hundreds of previous cases, courts have allowed such transfers without objection. The potential impact of this ruling remains uncertain. Additionally, a first-instance court in Oporto issued a decision in an unidentified pending case, stating that once a court has already heard witnesses, the transfer to an arbitration tribunal is no longer possible<sup>310</sup>.

**Chart 46. Are there any arrangements for alternative dispute resolution (e.g. mediation or arbitration) before a tax case proceeds to the judiciary?**

60 responses

**Yes:** Australia, Belgium, Brazil (2), – (People's Rep.), Colombia, Hungary, Lithuania, Mexico (1), Mexico (2), Netherlands, Nigeria, Norway, Poland (1), Poland (2), South Africa, United Kingdom, United States

**No:** Argentina, Austria, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Bulgaria (1), Bulgaria (2), Canada, Chile, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, India, Italy, Jamaica, Japan, Kazakhstan, Luxembourg, Nepal, New Zealand, Panama, Peru, Portugal, Serbia, Slovenia, Spain, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, Uruguay, Venezuela

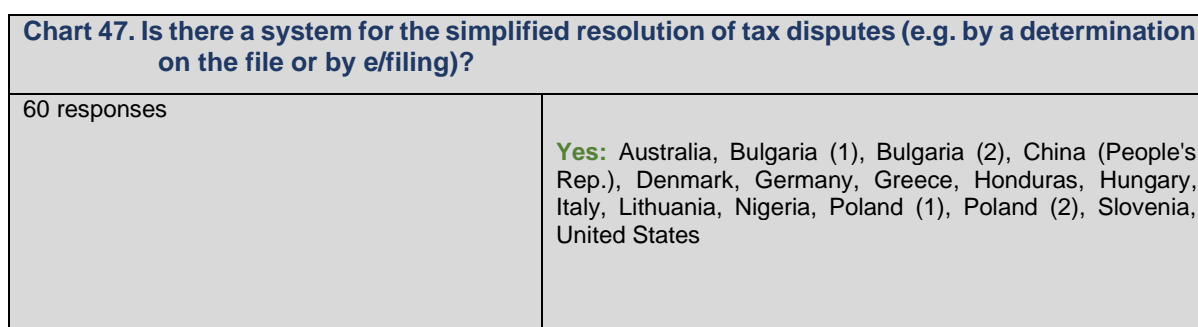
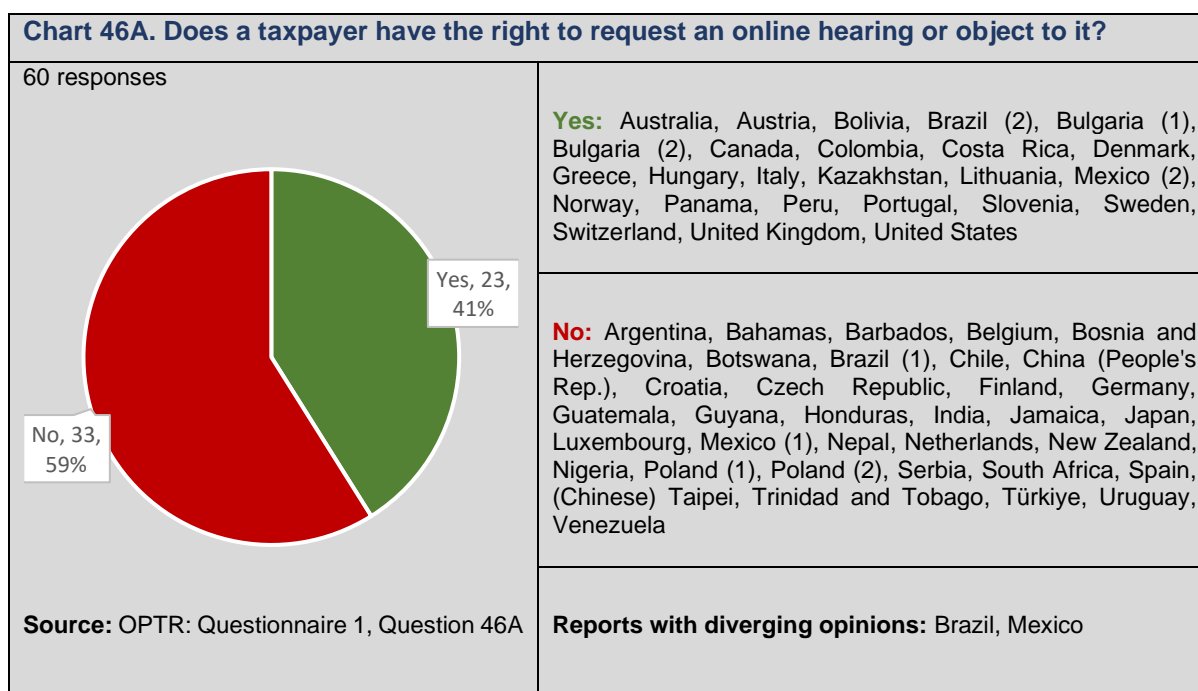
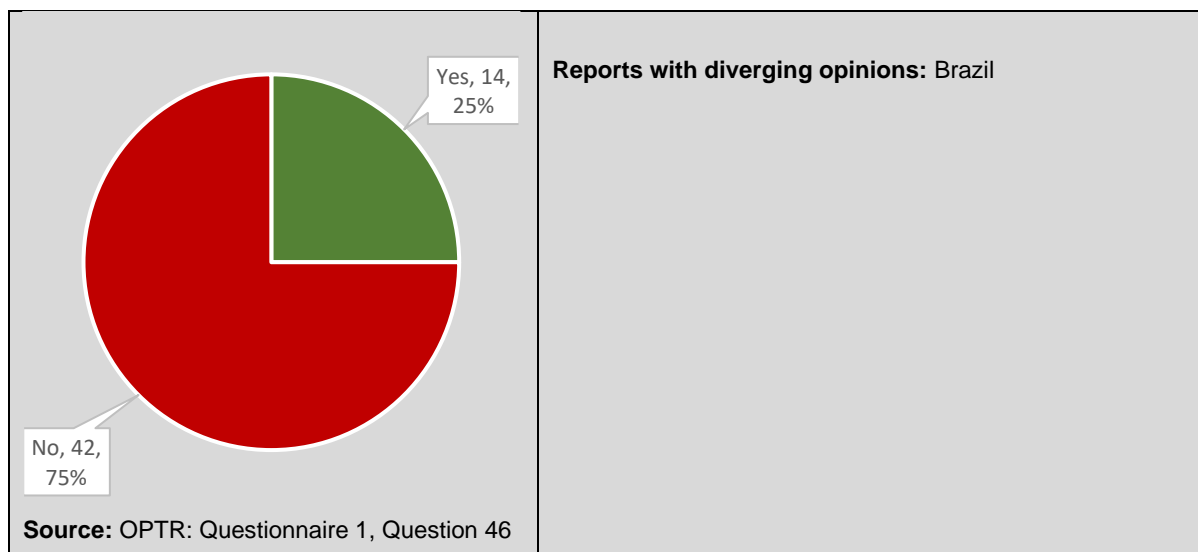
usually not used in tax cases. However, in valuation cases – particularly concerning real estate – the tax administration and the taxpayer may jointly appoint an assessor, who will then designate a final assessor to determine the value. This procedure is typically carried out in accordance with article 7:900 of the Dutch Civil Code. See D. Van Hout, *Netherlands*, in *Tax Procedures* p. 737 (P. Pistone ed., IBFD 2020), Books IBFD.

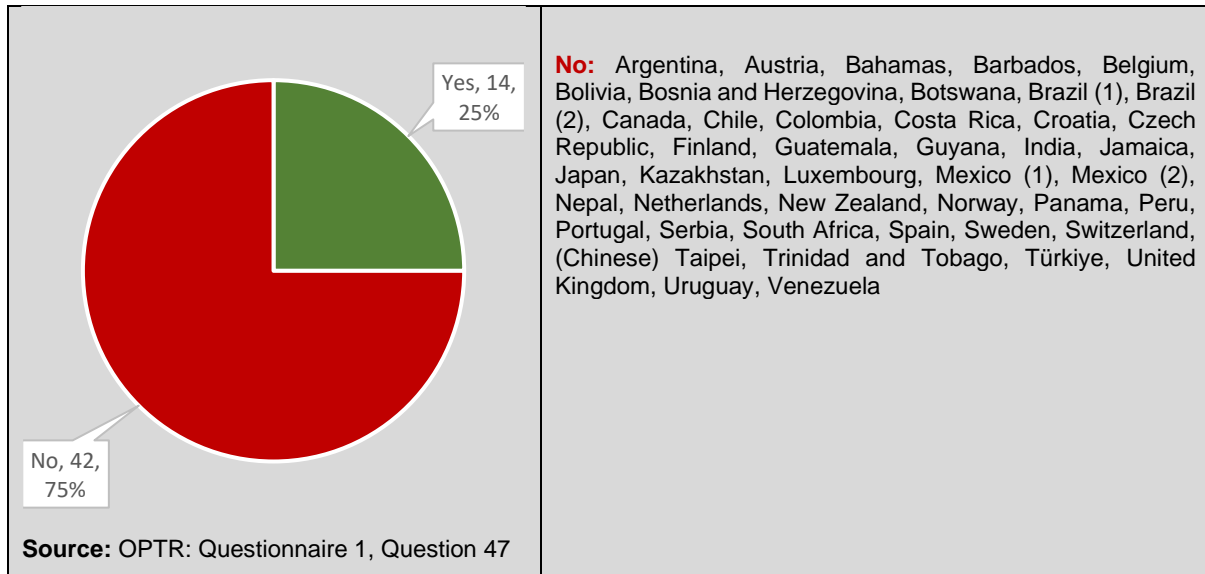
<sup>307</sup> See US: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 64(S): “The parties to a U.S. Tax Court case can agree to binding arbitration”, referencing “Rule 124 of the Tax Court Rules of Practice and Procedure”, available at <https://ustaxcourt.gov/rules.html> (accessed 31 Mar. 2025), and IRS, Internal Revenue Manual, 35.5.5., “Arbitration and Mediation”, available at [https://www.irs.gov/irm/part35/irm\\_35-005-005](https://www.irs.gov/irm/part35/irm_35-005-005) (accessed 31 Mar. 2025).

<sup>308</sup> See P. Pistone, *General Report*, in *Tax Procedures* p. 75 (P. Pistone ed., IBFD 2020), Books IBFD.

<sup>309</sup> The judgment is available at <https://www.dgsi.pt/jtca.nsf/170589492546a7fb802575c3004c6d7d/5c1034746ac82bbf80258b20004c32a9?OpenDocument> (accessed 4 Mar. 2025).

<sup>310</sup> See PT: OPTR Report (2024) (Taxpayers/Tax Practitioners), Questionnaire 2, Question 64(S).





#### 6.4. Audi alteram partem and the right to a fair trial

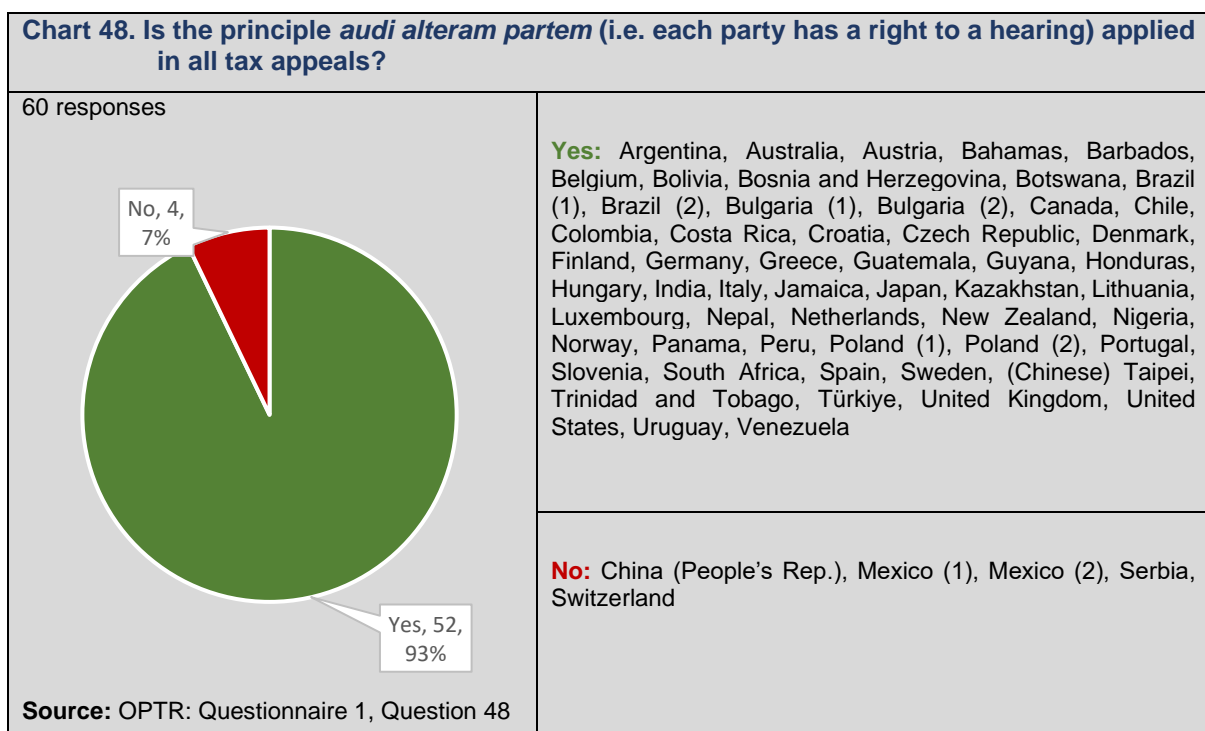
**Minimum standard:** *Audi alteram partem* should apply in administrative reviews and judicial appeals

**Shifted towards/improved the minimum standard:**

Italy

**Shifted away from the minimum standard:**

Guatemala





## 2024 Relevant Inadmissibility Decisions – European Court of Human Rights

Case	<i>FIN FER S.P.A. v. Italy</i> No. 57718/15 <sup>311</sup>	
Date	5 September 2024	
ECHR Articles	Article 6(1) and (3)	
Facts		Decision
<p>A tax assessment against a company was largely based on the oral statements of witnesses, issued outside the judicial proceedings but positively assessed by the judicial authorities.</p> <p>However, pursuant to article 7(4) of Decree no. 546/1992 (Italian Tax Procedural Code), which established (<i>ratione temporis</i>) a legal prohibition of witness evidence in judicial proceedings before tax courts, the applicant could not counter-examine before the competent courts the witnesses that had made statements against it. Therefore, in the applicant's view, it was precluded from assessing the credibility and reliability of the witnesses and to ask them to clarify the statements issued to the tax authority and recorded by the latter.</p>		<p>The Court concludes that the present application is manifestly ill-founded and must be dismissed in accordance with article 35(3) and (4) of the Convention.</p>

### Best practice:

The review or appeal of tax decisions should not place an excessive or impossible burden of evidence on the taxpayer. This should apply, in particular, where the burden is on the taxpayer to prove a negative (e.g. to prove the absence of motive) or to prove facts that occurred significantly in the past (e.g. more than 10 years previously)

### Shifted towards/matched the best practice:

Italy

### Shifted away from the best practice:

Guatemala

With regard to both the minimum standard and the best practice, national reports indicate a status quo, with only few exceptions.

In **Guatemala**, concerning the minimum standard, the national report highlights a negative trend, as courts in some judicial proceedings have adopted the arguments of the tax administration without duly considering the evidence presented by taxpayers. Similarly, regarding the best practice, the same report notes a negative development, as the Guatemalan tax administration has, in some appeals, altered the original reasoning behind tax adjustments, thereby imposing an additional burden on taxpayers.<sup>312</sup>

<sup>311</sup> See IT: ECtHR, no. 57718/15, *FIN FER S.P.A. v. Italy*, available at <https://hudoc.echr.coe.int/eng#%7B%22itemid%22:%5B%22001-237284%22%5D%7D> (accessed 4 Mar. 2025).

<sup>312</sup> A similar situation was observed in **Belgium** (see sec. 6.2.) where a recent ruling by the Supreme Court, issued on 15 Jan. 2024 (F.20.0168.F), determined that a tax official reviewing a complaint about an

**Italy**, in contrast, demonstrates significant improvements with respect to both the minimum standard and the best practice.

Regarding the minimum standard, section 2. has already highlighted that a major amendment to Law No. 212 of 27 July 2000 (the Italian Taxpayer's Bill of Rights) introduced the "right to be heard" under article 6-bis.<sup>313</sup> Under this provision, actions taken by the Italian Revenue Agency (except for certain cases such as "automatic" notices of assessment<sup>314</sup>) must be preceded by a preliminary dialogue with the taxpayer. During this phase, the agency provides the taxpayer with a draft notice of assessment, granting 60 days to submit observations and comments. If, despite these submissions, the tax authorities proceed with issuing the notice of assessment, they must explicitly state the reasons for rejecting the taxpayer's observations. Failure to engage in this preliminary phase renders the notice of assessment null and void, subject to review by the Tax Court.<sup>315</sup>

Regarding the best practice, amendments to the Taxpayer's Bill of Rights have also strengthened safeguards by preventing the Italian Revenue Agency from modifying the reasoning behind tax assessments during judicial tax proceedings. Specifically, the revised article 7 of Law No. 212/2000, which took effect on 18 January 2024, establishes that: (i) tax assessments must clearly indicate the assumptions, the means of proof, and the legal grounds on which the decision is based; (ii) the facts and means of proof forming the basis of the assessment cannot be subsequently modified, supplemented or replaced, except through the issuance of a new act, provided that the necessary conditions exist and that limitation periods have not expired.<sup>316</sup>

Moreover, both of these new provisions (articles 6-bis and 7 of the Italian Taxpayers' Bill of Rights) reinforce the fundamental principle that, in Italian judicial tax proceedings (except in reimbursement cases), the burden of proof always lies with the tax administration (article 7, comma 5-bis, of Decree No. 546/1992, commonly known as the Italian Tax Procedural Code). Indeed, the tax authority not only has the obligation to substantiate the alleged violations in

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assessment could uphold the decision while modifying the reasoning related to the applicable assessment period. The judgment is available at <https://juportal.be/content/ECLI:BE:CASS:2024:ARR.20240115.3F.6> (accessed 1 Mar. 2025). In the case addressed by the court it was decided that the tax official deciding on the complaint of a taxpayer regarding his tax assessment can maintain the tax assessment but correct the motivation of the tax official with regard to the tax assessment period. See BE: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 13.

<sup>313</sup> The provision is available at <https://www.normattiva.it/atto/caricaDettaglioAtto?atto.dataPubblicazioneGazzetta=2000-07-31&atto.codiceRedazionale=000G0265&atto.articolo.numero=0&atto.articolo.sottoArticolo=1&atto.articolo.sottoArticolo1=0&qld=ba617726-23fe-4e4e-8e0e-b6421ac316c5&tabID=0.14778980133922914&title=lbl.dettaglioAtto> (accessed 22 Feb. 2025).

<sup>314</sup> For such exclusions, see the Ministerial Decree of 24 Apr. 2024, available at <https://def.finanze.it/DocTribFrontend/getAttoNormativoDetail.do?ACTION=getSommario&id=%7BA078B00C-0EE5-45D3-9373-0A97DED8A08F%7D> (accessed on 1 Mar. 2025). For further exclusions, see also art. 7-bis, comma 1, Law Decree n. 39/2024, available at <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legge:2024-03-29:39> (accessed on 1 Mar. 2025).

<sup>315</sup> See IT: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 66(S).

<sup>316</sup> Moreover, both the "new" provisions mentioned above (arts. 6-bis and 7 of the Italian Taxpayers' Bill of Rights) further reinforce the principle that, in Italian judicial tax proceedings (except in reimbursement cases), the burden of proof always rests with the tax administration (art. 7, comma 5-bis, Decree No. 546/1992, commonly known as the Italian Tax Procedural Code). All evidence must be fully disclosed to the taxpayer within the tax assessment and prior to the initiation of judicial proceedings. Consequently, any new evidence introduced by the tax authority during litigation to substantiate the tax claim should be considered inadmissible.

court by providing supporting evidence for the challenged act, but it must also fully disclose such evidence to the taxpayer at the tax assessment stage, before the initiation of judicial proceedings. Consequently, any new evidence introduced by the tax authority during litigation to substantiate the tax claim should be considered inadmissible.

## 6.5. Solve et repete

**Minimum standard:** When tax must be paid in whole or in part before an appeal, there must be an effective mechanism for providing the interim suspension of payment

Shifted towards/improved the minimum standard:  
Croatia

Shifted away from the minimum standard:  
None

The European Court of Human Rights, in a case concerning Croatia, determined that the system for deferring tax payments was functioning correctly, however, despite that, it found that the tax that was charged was not to be charged on the taxpayer (or, in this case, customs payer).

## 2024 Relevant Decisions – European Court of Human Rights

Case	<i>Biagini v. Croatia</i> No. 25308/18 <sup>317</sup>	
Date	11 June 2024	
ECHR Articles	Article 1 of Protocol No. 1 to the Convention	
Facts	Decision	
Mr. Biagini, a professional skipper, was moving a yacht from the docking station back to the marina, on behalf of the owner of the vessel (who was abroad at the time). When doing so, the skipper was charged by the local customs authorities with a fine and seen as the importer of the boat for customs purposes, requiring him to pay a sum close to 60.000 EUR. There are rules for temporary admission which make sure that brief stints in Croatia do not lead to importation of vessels, however, as Mr. Biagini was a national, he could not apply for that exemption. There was another exemption possible, but in that case the owner of the vessel would need to have been present in Croatia at the time Mr. Biagini commanded the ship on behalf of the owner (which was not the case this time). Mr. Biagini defended himself by pleading he was not importing the yacht, neither was he the owner of the vessel.	he Court reiterates that customs duties or charges for imported goods must be regarded as falling within the realm of taxation. The Court found that the decision ordering the applicant to pay the customs debt interfered with his right to the peaceful enjoyment of his possessions. Contrary to the applicant's argument, the applied provisions of domestic law were clear and foreseeable. The interference in question was therefore provided for by law and aimed to secure the payment of taxes. Nevertheless, when assessing the proportionality and burden placed on the applicant by this measure, the Court found that ordering the applicant to pay the customs debt for the importation of the yacht imposed an unreasonable burden on him and fundamentally undermined his financial situation. The domestic authorities have thereby exceeded their wide margin of appreciation in tax matters and failed to strike a fair balance between the competing interests.	

<sup>317</sup> See CR: ECtHR, no. 25308/18, *Biagini v. Croatia*, available at: [https://www.stradalex.eu/en/se\\_src\\_publ\\_jur\\_eur\\_cedh/document/echr\\_25308-18](https://www.stradalex.eu/en/se_src_publ_jur_eur_cedh/document/echr_25308-18) (accessed 01-05-2025).

## 2024 Relevant Inadmissibility Decisions – European Court of Human Rights

Case	<b>BOURIKAS AVEE v. Greece No. 78572/17</b> <sup>318</sup>	
Date	19 November 2024	
ECHR Articles	Article 6(1)	
Facts	Decision	Comments
<p>The applicant was subjected to a tax assessment by the Greek tax authorities, resulting in the imposition of taxes and fines.</p> <p>The company sought to appeal this assessment before the Administrative Court of Appeal.</p> <p>Under Greek law, an appeal against a tax assessment is admissible only if the taxpayer has paid at least 50% of the disputed tax or fine.</p> <p>Due to financial difficulties, the applicant company was unable to meet this precondition. Consequently, the Administrative Court of Appeal declared the appeal inadmissible.</p> <p>The company did not pursue further legal remedies, arguing that an appeal on points of law would have been ineffective and bound to fail, given the established case law of the Supreme Administrative Court on similar issues and the admissibility requirements for such appeals.</p>	<p>The application was rejected under article 35 of the Convention for non-exhaustion of domestic remedies.</p>	<p>The Court addressed a similar case in <i>Dimitris Konstantellos and Grafodianomiki Dimitrios Konstantellos Monoprosopi EPE v. Greece</i> (Application No. 6405/18)<sup>319</sup>.</p> <p>This case was also deemed inadmissible.</p>

### **Best practice:** An appeal should not require prior payment of tax in all cases

#### Shifted towards/matched the best practice:

Nigeria

#### Shifted away from the best practice:

None

With respect to this best practice, 2024 marks a positive trend in **Nigeria**.

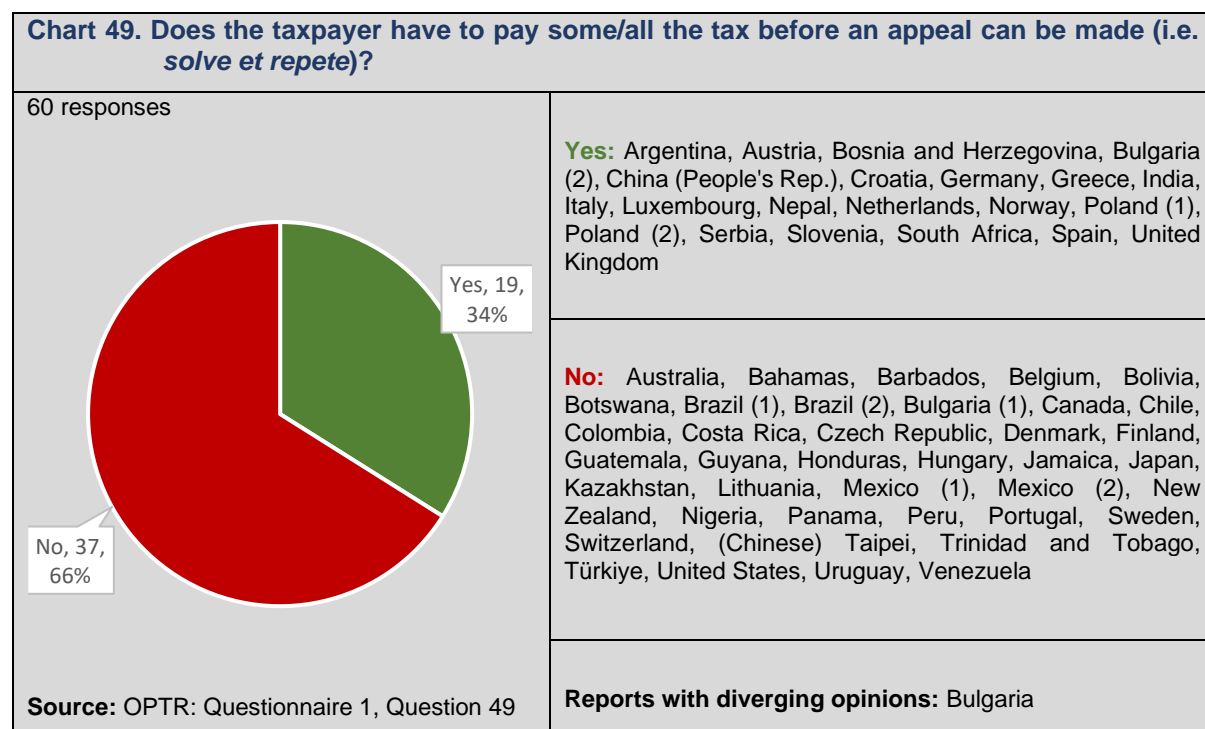
In November 2023, the Federal High Court<sup>320</sup> struck down as unconstitutional certain provisions of (i) Order 3 Rule 6(a) of the Tax Appeal Tribunal (Procedure) Rules 2021; (ii)

<sup>318</sup> See GR: ECtHR, no. 78572/17, *BOURIKAS AVEE v. Greece*, available at <https://hudoc.echr.coe.int/eng#%7B%22itemid%22:%5B%22001-238761%22%5D%7D> (accessed 4 Mar. 2025).

<sup>319</sup> See GR: ECtHR, no. 6405/18, *Dimitris KONSTANTELLOS and GRAFODIANOMIKI DIMITRIOS KONSTANTELLOS MONOPROSOPHI EPE v. Greece*, available at <https://hudoc.echr.coe.int/eng#%7B%22itemid%22:%5B%22001-238762%22%5D%7D> (accessed 4 Mar. 2025).

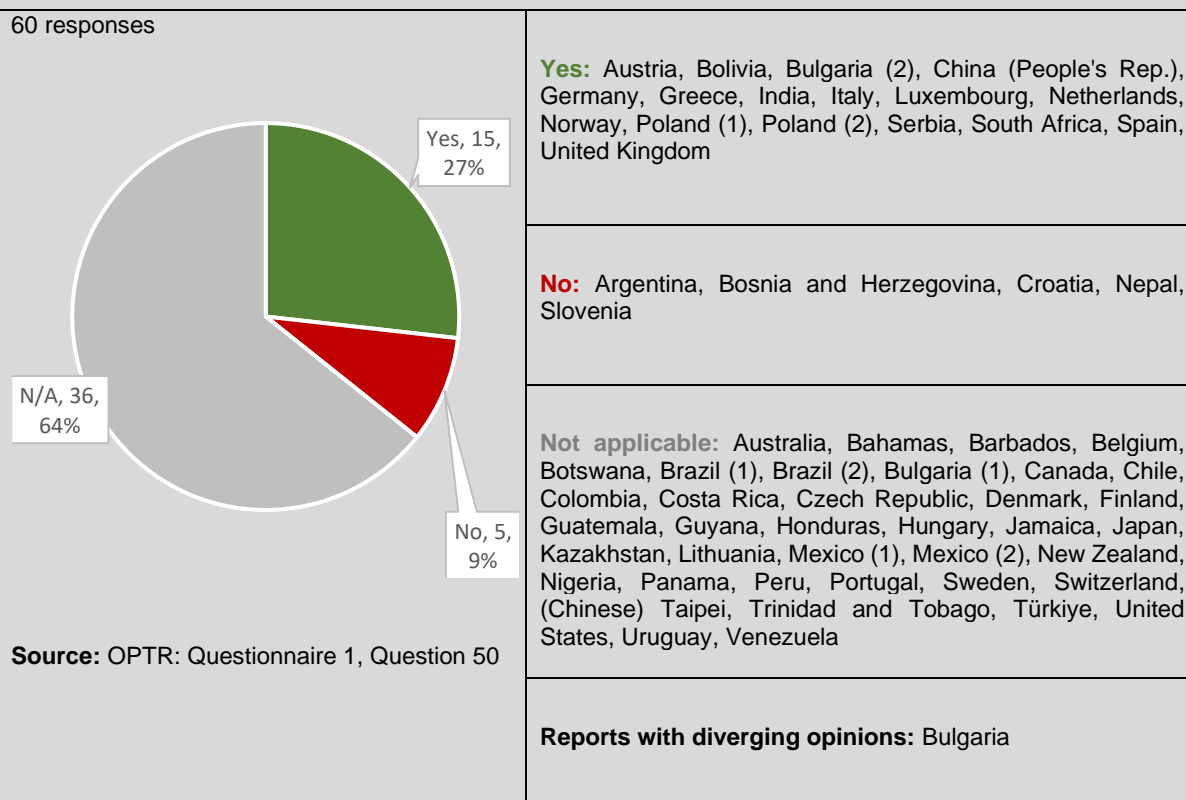
<sup>320</sup> See *Judgment Daudu SAN v. Minister for Finance*, Suit no: FHC/ABJ/CS/12/2022, November 2023 and NG: OPTR Report (2024) (Taxpayers/Tax Practitioners) Questionnaire 2, Question 67 (S).

Order V Rule of the Federal High Court of Nigeria (Federal Inland Revenue Service) Practice Directions 2021; and (iii) Order V Rule 1 of the Federal High Court (Tax Appeal) Rules 2022. These provisions required taxpayers (in cases of (i) and (ii)) to pay 50% of the tax assessed as a condition to lodge an appeal at the Tribunal and (in case of (iii)) 100% of the tax due as a condition to lodge an appeal against a decision of the Tribunal. The Court held that these requirements violated taxpayers' right to appeal and the right to a fair hearing. This ruling represents a positive shift, breaking the pattern of fluctuating trends observed in previous years, particularly in 2023.<sup>321</sup>



<sup>321</sup> See further OPTR, *The IBFD Yearbook on Taxpayers' Rights 2023* sec. 6 (IBFD 2024), Books IBFD.

**Chart 50. If yes, are there exceptions recognized where the taxpayer does not need to pay before appealing (i.e. can obtain an interim suspension of the tax debt)?**



## 6.6. Costs of proceedings

**Best practice:** The state should bear some or all of the costs of an appeal, whatever the outcome

**Shifted towards/matched the best practice:**

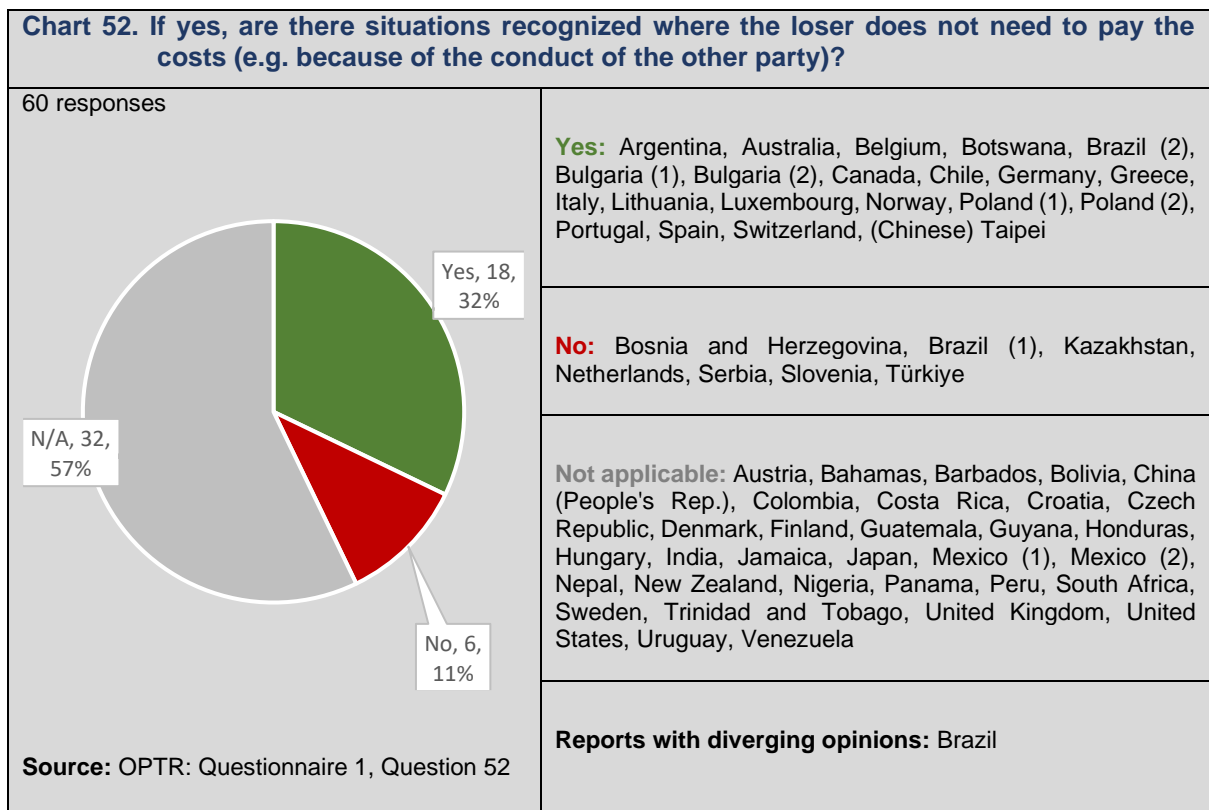
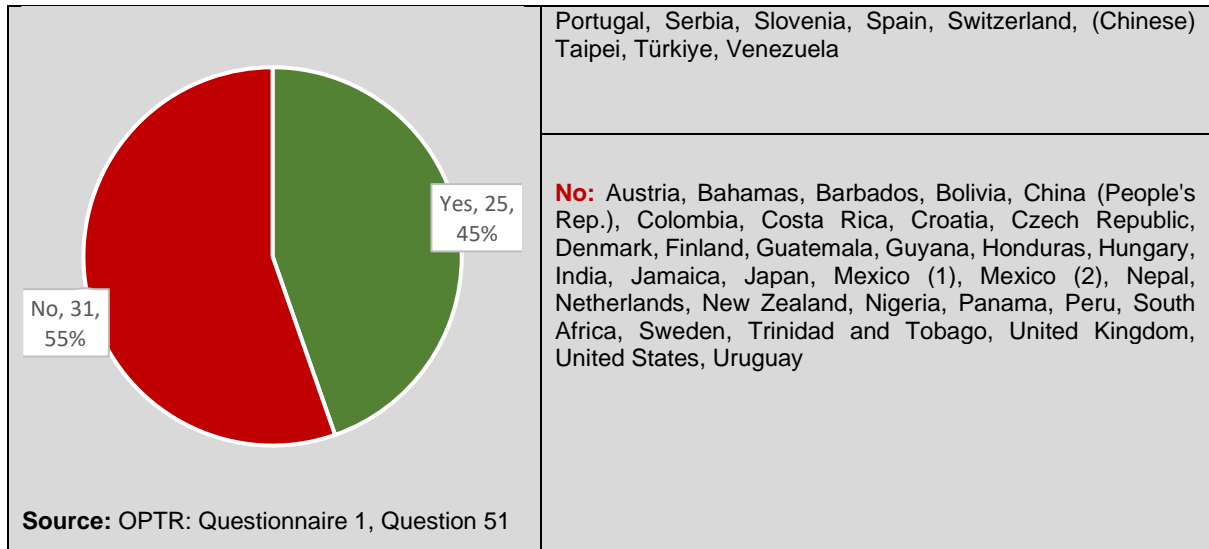
The Netherlands

**Shifted away from the best practice:**

While in previous years national reports tended to show no positive development with respect to this best practice, 2024 reports show a positive shift in the **Netherlands**, where the Supreme Court ruled on 12 July 2024 that the regulation for calculating the cost reimbursement for handling objections in tax matters must be (partially) set aside and that a fixed fee per procedural action should be applied, which is approximately half the amount of the fee applicable in other (non-tax) administrative law cases.

**Chart 51. Does the loser have to pay the costs in a tax appeal?**





**Best practice:**

**Legal assistance should be provided to those taxpayers who cannot afford it**

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

No shifts have been reported with regard to the best practice in 2024.



## 6.7. Public hearings

**Minimum standard:** Taxpayers should have the right to request the exclusion of the public from a tax appeal hearing

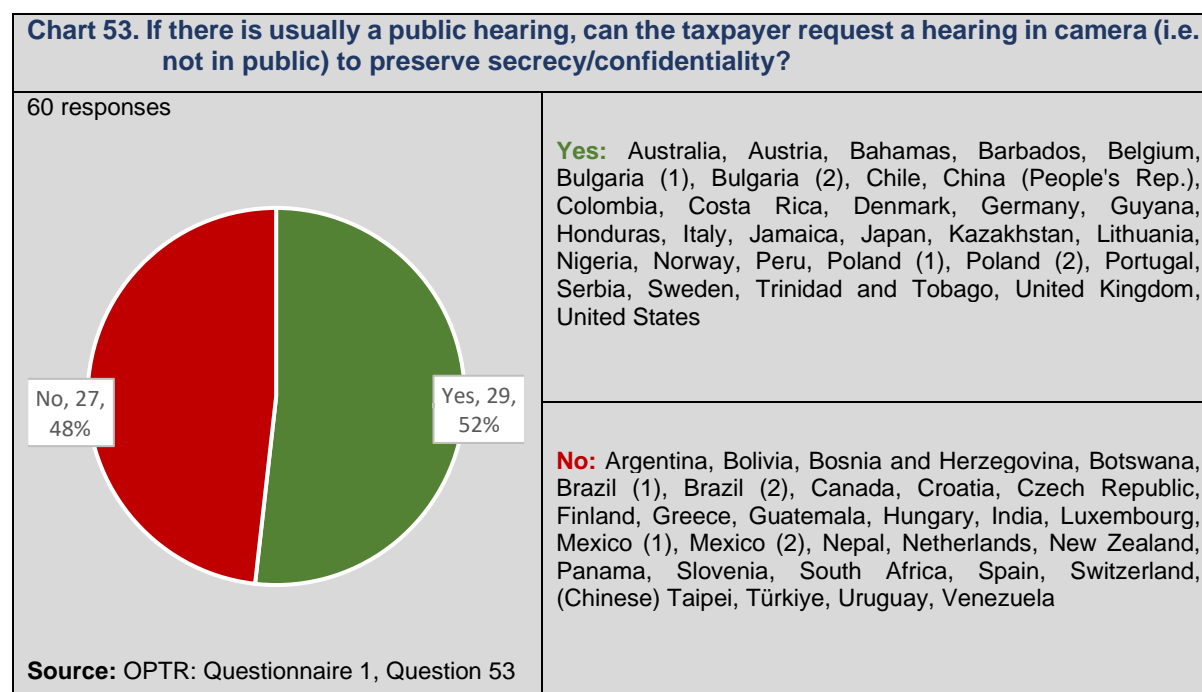
Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

The transparency resulting from the publicity of hearings is recognized as a pivotal element in ensuring a fair trial.<sup>322</sup> This transparency encompasses the entire legal process, including proceedings and the final judgment, serving as a safeguard against the risk of “secret justice” beyond public scrutiny.



Public hearings, more precisely, serve a dual purpose: they provide immediate visibility, allowing every adult citizen to actively engage with the legal process and witness the administration of justice firsthand. Additionally, they ensure a mediated form of publicity that reaches a broad audience, significantly contributing to the public's right to information about legal proceedings and the actions of public authorities.

From this perspective, the role of procedural publicity in shaping a democratic society is undeniable. It fosters openness in the legal system and keeps the public informed about judicial developments and the functioning of governmental bodies.

<sup>322</sup> See, for a general overview, J. Kokott & P. Pistone, *Taxpayers in International Law: International Minimum Standards for the Protection of Taxpayers' Rights* pp. 206-310 (Hart Publishing 2022).



However, the obligation to hold public hearings should not be absolute but carefully balanced. In taxation matters, for instance, tax administrations often examine facts and circumstances that may involve sensitive taxpayer information.<sup>323</sup> If not handled appropriately, such discussions could infringe on taxpayers' right to privacy by disclosing, inter alia, confidential data or industrial secrets (see section 3.). Therefore, taxpayers should have the right to request that a tax judicial hearing is held in private if the relevant circumstances warrant it.

In this respect, national reports for 2024 show no relevant developments. However, there is a point worthy of attention in the **United Kingdom**. Indeed, the Upper Tribunal's (UT) recent decision in the *HMRC v. Detorr*<sup>324</sup> case overruled the First-tier Tribunal's (FTT) decision that granted the taxpayer's application for private proceedings and anonymity. The UT reiterated the principle of open justice and held that there were no justifications, on the facts of this case, for the grant for privacy and anonymity.<sup>325</sup>

**Minimum standard:** Taxpayers should have the right to request an online hearing or to object to an online hearing

**Shifted towards/improved the minimum standard:**

Greece

**Shifted away from the minimum standard:**

None

The COVID-19 pandemic transformed the dispute resolution landscape, and various jurisdictions are increasingly permitting virtual hearings. This adjustment to some degree not only aids in upholding the confidentiality and secrecy of proceedings when necessary, but also contributes to safeguarding economic and procedural efficiency requirements by speeding up the process.

While this shift offers certain advantages, it also raises concerns.

One key issue is the potential erosion of procedural rights. A fair trial is not just about access but also about full participation. Physical presence is often essential for interpreting non-verbal cues and ensuring equal footing for all parties, aspects that virtual hearings may weaken. Additionally, technical failures or digital accessibility gaps could undermine trust in the process. Finally, some disputes, particularly those involving complex evidence or extensive witness examination, require in-person proceedings to ensure a fair and thorough outcome. For these reasons, taxpayers should have the right to refuse an online hearing if it could hinder their ability to present their case effectively. The option to choose between virtual and in-person hearings is essential for preserving fairness, accessibility and procedural integrity.

<sup>323</sup> Id.

<sup>324</sup> Judgment [2024] UKUT 00012 (TCC); Case Number: UT/2022/000070.

<sup>325</sup> See UK: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 71(S), available at <https://www.bailii.org/uk/cases/UKUT/TCC/2024/12.pdf> (accessed 3 Mar. 2025).

In this respect, the 2024 national reports show a (positive) development only in **Greece**, where the Ministry of Justice has begun implementing online hearings for administrative law cases, including tax cases.<sup>326</sup>

## 6.8. Publication of judgments and privacy

### Minimum standard: Tax judgments should be published

Shifted towards/improved the minimum standard:

Italy

Shifted away from the minimum standard:

None

As mentioned earlier, for transparency and certainty, awareness of how the tax rules are interpreted and applied in practice is pivotal.<sup>327</sup> As part of this, the publication of tax judgments plays a vital role in achieving this goal, providing clarity for taxpayers and reducing disputes with tax administrations.

In this respect, the only development reported for 2024 relates to **Italy**, where the Ministry of Finance has put online an important database that publishes a great number (but not all) tax judgements, which is freely accessible to the public.<sup>328</sup>

#### Chart 54. Are judgments of tax tribunals published?

60 responses

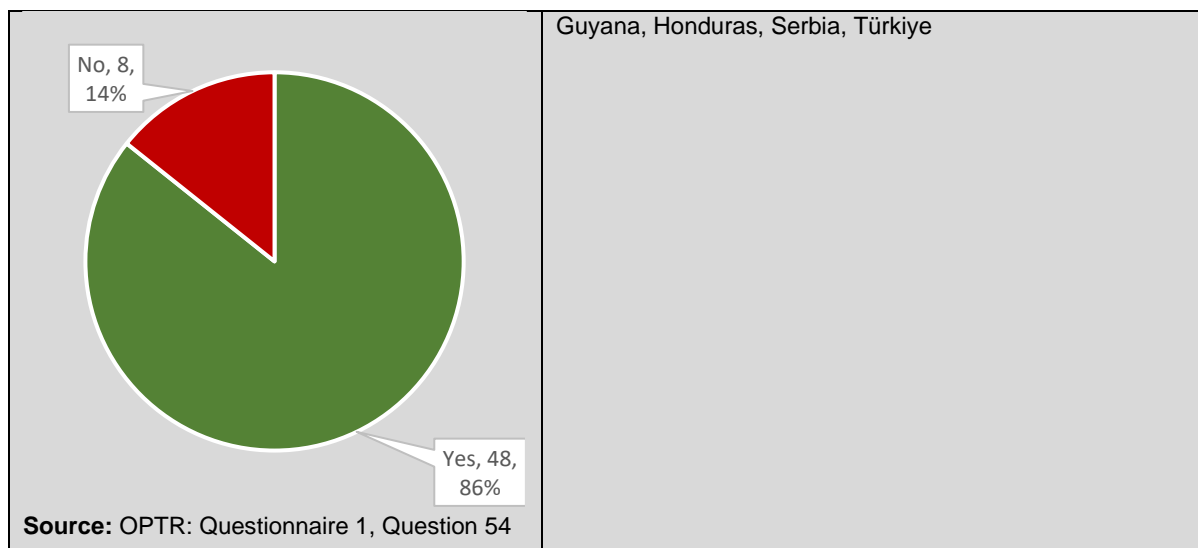
**Yes:** Argentina, Australia, Austria, Bahamas, Belgium, Bolivia, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, United Kingdom, United States, Uruguay, Venezuela

**No:** Barbados, Bosnia and Herzegovina, Botswana, Croatia,

<sup>326</sup> See GR: OPTR Report (2024) (Tax Administration, Academia), Questionnaire 2, Question 71(S), clarifying that Articles from 1 to 20 of law 5028/2023 has amended the code of administrative courts procedure (κώδικας διοικητικής διαδικασίας) in order to allow for remote-online court hearings. The text of the law is available at <https://www.taxheaven.gr/law/5028/2023> (accessed 3 Mar. 2025). The first online hearings were organized in Dec. 2024.

<sup>327</sup> In general, on the notion of transparency and its different declinations, see A. Turina, "Visible though not Visible in Itself". *Transparency at the Crossroads of International Financial Regulation and International Taxation*, 8 World Tax Journal 3, p. 384 ss. (2016).

<sup>328</sup> The database is available at <https://bancadatiigiurisprudenza.giustizi tributaria.gov.it/ricerca> (accessed 3 Mar. 2025). See also IT: OPTR Report (2024) (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 71(S).



**Best practice:** If tax judgments are published, the taxpayer should be able to ensure anonymity (or at least the removal of confidential information)

**Shifted towards/matched the best practice:**

None

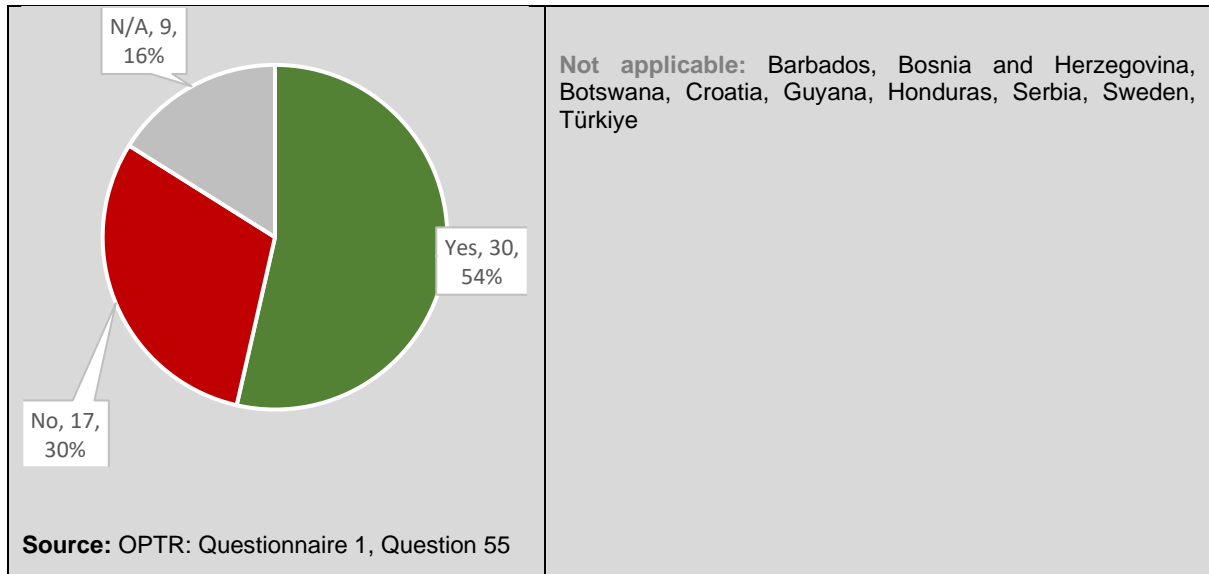
**Shifted away from the best practice:**

None

While disclosure serves the public interest, it must be balanced against the taxpayer's right to privacy. Tax judgments often contain sensitive information and making such details public without safeguards could expose taxpayers to risks, including competitive disadvantages or breaches of confidentiality. To address this, taxpayers should have the right to ensure their anonymity or, at the very least, request the redaction of confidential details before judgments are published.

In this respect there have been no reported instances of improvement or deterioration.

Chart 55. If yes, can the taxpayer preserve its anonymity in the judgment?	
60 responses	<p><b>Yes:</b> Australia, Austria, Bahamas, Bulgaria (1), Bulgaria (2), Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Italy, Jamaica, Japan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Peru, Poland (1), Poland (2), Portugal, Slovenia, South Africa, Spain, Switzerland, Trinidad and Tobago, United Kingdom</p> <p><b>No:</b> Argentina, Belgium, Bolivia, Brazil (1), Brazil (2), Canada, Chile, China (People's Rep.), Colombia, Guatemala, India, Kazakhstan, Nepal, Panama, (Chinese) Taipei, United States, Uruguay, Venezuela</p>



## 7. Criminal and Administrative Sanctions

### 7.1. The general framework

**Minimum standard:** Proportionality and *ne bis in idem* should apply to tax penalties

**Shifted towards/improved the minimum standard:**

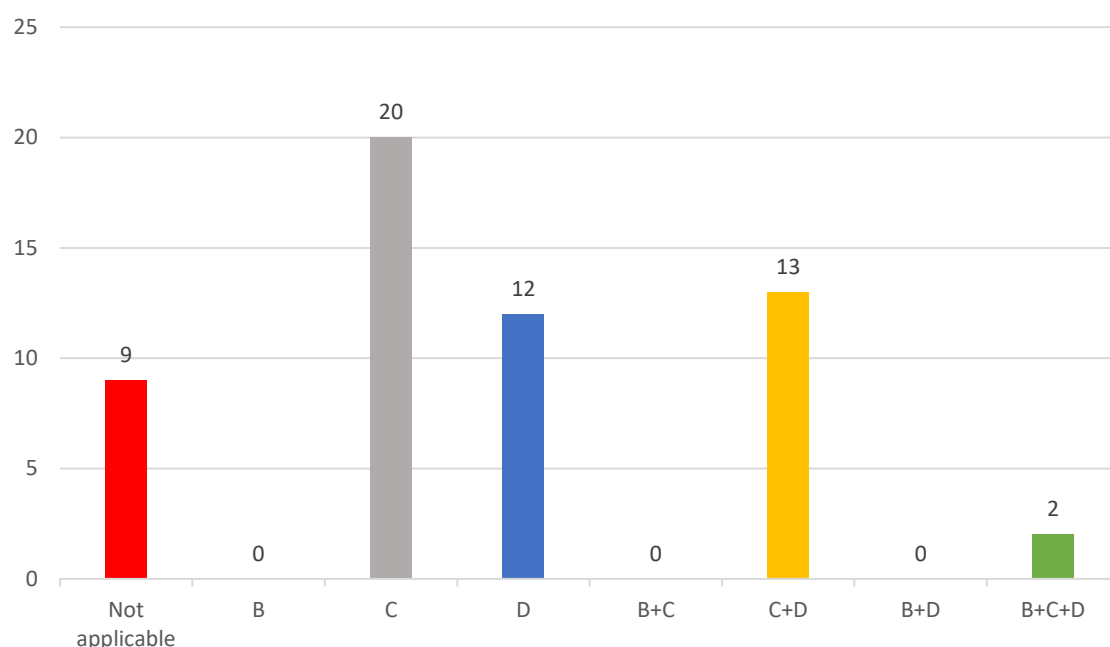
Italy, Spain, United States

**Shifted away from the minimum standard:**

Belgium

**Chart 56. Does the principle *ne bis in idem* apply in your country to prevent either: (a) the imposition of a tax penalty and tax liability; (b) the imposition of more than one penalty for the same conduct; or (c) the imposition of a tax penalty and criminal liability**

60 responses



**Source:** OPTR: Questionnaire 1, Question 56

**The principle does not apply (Not applicable):**

Denmark, Germany, Hungary, India, Japan, South Africa, Türkiye, United States, Uruguay

**The imposition of a tax penalty and the tax liability (B):**

none

**The imposition of more than one tax penalty for the same conduct (C):**

Austria, Barbados, Bolivia, Botswana, Brazil (1), Brazil (2), Bulgaria (2), Colombia, Croatia, Czech Republic, Italy, Lithuania, Mexico (1), Mexico (2), Nepal, Netherlands, Nigeria, Peru, Portugal, Switzerland,

**The imposition of a tax penalty and the tax liability; The imposition of more than one tax penalty for the same conduct (B + C):**

none

**The imposition of more than one tax penalty for the same conduct; The imposition of a tax penalty and criminal liability (C + D):**

Belgium, Bulgaria (1), China (People's Rep.), Costa Rica, Guyana, Jamaica, Kazakhstan, Luxembourg, Norway, Poland (1), Poland (2), Serbia, Spain, (Chinese) Taipei, Trinidad and Tobago

**The imposition of a tax penalty and the tax liability; The imposition of a tax penalty and criminal liability (B + D):**

United Kingdom, Venezuela  <b>The imposition of a tax penalty and criminal liability (D):</b>  Argentina, Australia, Bahamas, Bosnia and Herzegovina, Canada, Finland, Greece, Guatemala, New Zealand, Panama, Slovenia, Sweden	none  <b>The imposition of a tax penalty and tax liability; The imposition of more than one tax penalty for the same conduct; The imposition of a tax penalty and criminal liability (B+C+D):</b>  Chile, Honduras
	<b>Reports with diverging opinions:</b> Bulgaria

**Best practice:**      **The cumulative effect of penalties, interest and surcharges should not exceed the amount of tax due (and should only reach this amount in cases of the most serious violations)**

**Shifted towards/matched the best practice:**

Chinese Taipei

**Shifted away from the best practice:**

None

**Best practice:**      **Where administrative and criminal sanctions may both apply, only one procedure and one sanction should be applied**

**Shifted towards/matched the best practice:**

Italy, Panama

**Shifted away from the best practice:**

None

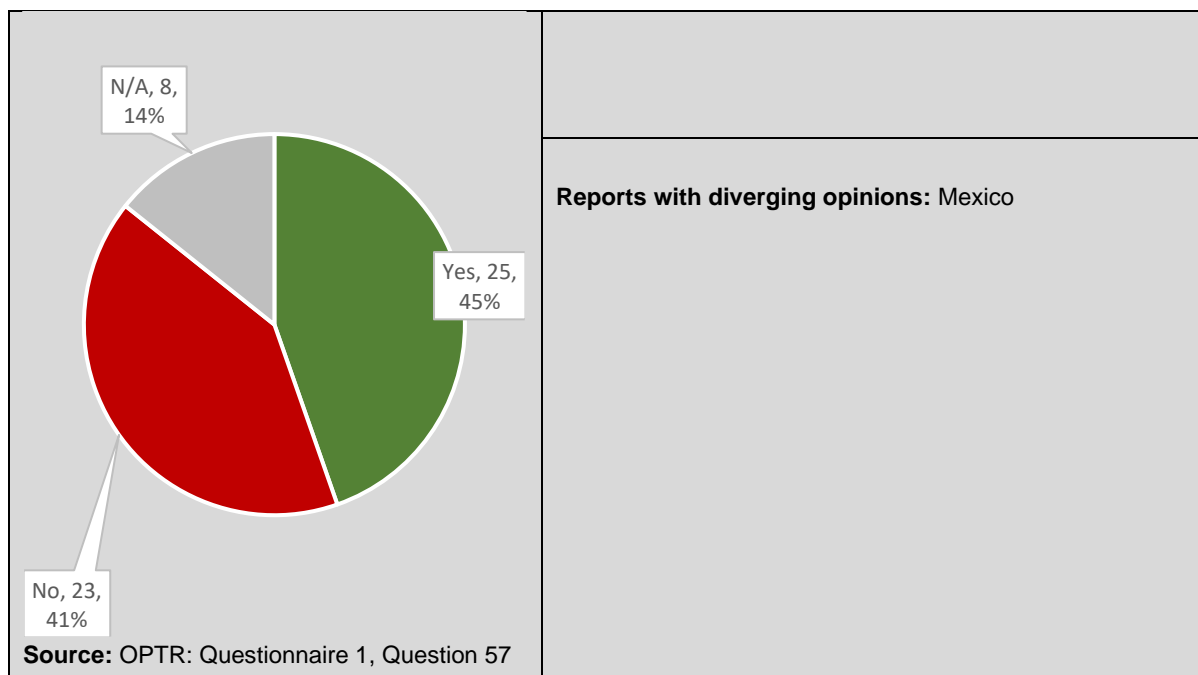
**Chart 57. If *ne bis in idem* is recognized, does this prevent two parallel sets of court proceedings arising from the same factual circumstances (e.g. a tax court and a criminal court)?**

60 responses

**Yes:** Bahamas, Bolivia, Bosnia and Herzegovina, Botswana, China (People's Rep.), Costa Rica, Finland, Greece, Guatemala, Honduras, Jamaica, Kazakhstan, Lithuania, Mexico (1), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Spain, Sweden, (Chinese) Taipei, United Kingdom

**No:** Argentina, Australia, Austria, Barbados, Belgium, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Croatia, Czech Republic, Guyana, Hungary, Italy, Luxembourg, Mexico (2), Poland (1), Poland (2), Portugal, Serbia, Slovenia, Switzerland, Trinidad and Tobago, Venezuela

**Not applicable:** Denmark, Germany, India, Japan, South Africa, Türkiye, United States, Uruguay



In line with 2022 and 2023, the drift towards the expansion of punitive tax law continued to slow significantly in 2024. There was a notable trend among several countries – **Spain, Italy** and the **United States** in particular – towards the strengthening of the principle of proportionality in relation to tax penalties.

In **Italy**, for example, the strengthening of the principle of proportionality has been reinforced with legislative amendments that aim to ensure that penalties are applied in a manner consistent with the principle of proportionality. The relevance of the legal changes that the Italian legislator brought forward is significant, as amendments to Italian punitive tax law encompass both regimes of administrative tax penalties and criminal tax penalties. Among the most significant developments, the following are noteworthy: (i) the lowering of the amount of many administrative sanctions (by reducing the proportional rate and/or by capping at a lower level the fixed amount of the fine); and (ii) the extensive reference to the principle of proportionality as the guiding interpretative parameter for the tax authorities in imposing fines.<sup>329</sup>

In line with the trend towards the strengthening of the principle of proportionality in **Spain**, courts have taken an approach which increases the relevance of the principle of proportionality. In particular, a demonstration of the aforementioned jurisprudential trend is represented by the judgment of Spain's Supreme Court on 31 October 2024. This stated that a court may annul, without raising a question of unconstitutionality, a sanction imposed for the commission of the infraction provided for in a VAT legislative statutory rule, based on the violation of the principle of proportionality, since this provision quantifies the sanction in a fixed percentage of the unpaid tax without the possibility to modulate the sanction due to lack of

<sup>329</sup> See IT: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 72. See also IT: Legislative Decree n. 219, 30 Dec 2023, available at <https://def.finanze.it/DocTribFrontend/getAttoNormativoDetail.do?ACTION=getSommario&id=%7B2AD89417-4F8C-4D1C-9C94-99AEE78E7736%7D> (accessed 5 Mar. 2025).

economic damage. The principle underlined by the Spanish court is interesting insofar as it clarifies that courts have the autonomous power to scrutinize domestic tax provisions and, on a case-by-case basis, verify whether the sanction provided by law complies with the principle of proportionality. Should the statutory rule not be in compliance with the principle of proportionality, courts are empowered, after having considered all relevant facts of the matter, to modulate the sanction in a way they deem proper to ensure full compliance with the proportionality principle.<sup>330</sup>

A further demonstration of the relevance of the principle of proportionality in tax-punitive matters can be witnessed from the experience of the **United States**. In the case of the United States, the drift towards increased protection attributed to the principle of proportionality derives from the guidance of the Internal Revenue Service (IRS). In particular, the IRS has taken the view that (i) reasonable cause statements submitted by taxpayers should be evaluated before it can proceed with issuing a penalty; and (ii) it is not lawful to automatically assess penalties for late reporting of certain foreign gifts and bequests without previous evaluation of the taxpayer's conduct.<sup>331</sup>

Finally, **Panama's** amendments to punitive laws also increase the importance of the principle of proportionality. The goal of the amendments is to reinforce the relevance of a mitigated treatment of unlawful conduct that results in a minor prejudice, which shall then be punished exclusively through administrative fines and not with criminal measures.<sup>332</sup>

In **Belgium**, on the other hand, the strengthening of the principle of proportionality has been put into question within the VAT domain in judgments of the Belgian Constitutional Court. In particular, the Belgian VAT legislation allows the tax administration to impose a fine when a taxpayer fails to register as a VAT taxpayer and does not file periodic returns. In this regard, the accumulation of fines was questioned in court litigation, with specific reference to the fact that the Belgian tax legislation excludes a cumulation of sanctions when an infringement of the obligation to comply coincides with an infringement of the invoicing obligation or the obligation to prepare an import document, while such an exclusion of cumulation does not exist for a taxpayer who fails to register and fails to file periodic returns. In connection thereto, the Belgian Constitutional Court decided, however, in its decision of 18 July 2024, that Belgian law is compatible with the constitutional principle of equality insofar as the law is interpreted such that the judge is allowed to exercise full jurisdictional control over the decision to impose fiscal penalties, and is thus allowed to verify whether the administration's decision is legally

<sup>330</sup> See ES: OPTR Report (Taxpayers/Tax Practitioners, (Tax) Ombudsperson, Academia), Questionnaire 2, Question 72. See also ES: *Tribunal Supremo* [Supreme Court], 31 Oct. 2023, available at [STS, a 31 de octubre de 2024 - ROJ: STS 5364/2024](#) (accessed 5 Mar. 2025).

<sup>331</sup> See US: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 72. See also US: IRS National Taxpayer Advocate's 2025 Purple Book of 31 Dec. 2024, available at [https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2024/12/ARC24\\_PurpleBook.pdf](https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2024/12/ARC24_PurpleBook.pdf) (accessed 5 Mar. 2025).

<sup>332</sup> See PA: OPTR Report (Taxpayers/Tax Practitioners, (Tax) Ombudsperson, Academia), Questionnaire 2, Question 73. See also PA: Tax Procedure Code of Panama, art. 262; and PA: Criminal Code of Panama, art. 288-G.



and factually justified and whether the general principles, including the principle of proportionality, have been respected.<sup>333</sup>

A shift toward proportionality of sanctions in tax matters is nonetheless notable within the *supranational jurisprudence*. This can be witnessed both in the case law of the **ECtHR** and in the case law of the **ECJ** in recent years.

Indeed, there has been an expansion in the powers of tax authorities to impose criminal and administrative tax sanctions at EU level. However, until recently, this trend has not been accompanied by a commensurate strengthening of sanction-related rights. In response, the ECJ and the ECtHR have increasingly been called upon to clarify the scope of EU and ECHR principles regarding punitive sanctions. In this respect, recent case law highlights a growing recognition of the principle of proportionality in matters relating to punitive tax sanctions.

As such, in 2022 and particularly in 2023, a trend could be seen – especially in the ECtHR jurisprudence – highlighting the growing recognition of the punitive character of punitive sanctions.

In 2024 this drift towards proportionality of sanctions is less pronounced, as it can be inferred from the fact that no ECtHR case had dealt specifically with the issue of proportionality of fines in light of article 7 of the ECHR.

Still, issues pertaining to applying punitive tax measures while respecting fundamental rights continue to be raised in supranational courts.

In particular, the concurrence of criminal and administrative sanctions regarding substantially identical facts remains debatable. It is recognized that the *ne bis in idem* rules are being loosened, and it is now settled that the concurrence of administrative and criminal proceedings over the same facts, through their “close connection in space and time”, as well as the presence of so-called indirect penalties, do not run counter to the *ne bis in idem* principle. In practical terms, this trend does not seem to prevent the carrying out of two parallel sets of proceedings arising from the same factual circumstances and the imposition, eventually, of two sets of sanctions. This has been strengthened through jurisprudential interpretations that ratify that the only remedy to *ne bis in idem* seems to be the proportionality of the concurrently applicable sanctions.<sup>334</sup>

This is confirmed in particular from the analysis of the jurisprudence of the **ECJ**, which has continued to render decisions that deal with the respect of domestic punitive tax measures with taxpayers’ fundamental rights. In particular it is noteworthy to highlight the judgment handed down by the **ECJ** in the case *Dranken Van Eetvelde NV* on 12 December 2024, in which the question referred to the **ECJ** dealt with the interpretation of article 50 of the EU

<sup>333</sup> See BE: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 72. See also BE: Belgian Constitutional Court, judgment No. 86/2024, 18 Jul 2024, available at <https://www.const-court.be/public/n/2024/2024-086n.pdf> (accessed 5 Mar. 2025).

<sup>334</sup> See C.E. Wefte, *Taxpayers’ Rights in the Expanding Universe of Criminal and Administrative Sanctions: A Fundamental Rights Approach to Punitive Tax Law Following the OECD/G20 Base Erosion and Profit Shifting Project*, 74 Bull. Intl. Taxn. 2 (2020), Journal Articles & Opinion Pieces IBFD. See also A. Del Sole, *Liquidity crisis, criminal sanctions and non-payment of VAT according to the Court of Justice of the European Union*, 177 Crónica Tributaria 4, pp. 39-68 (2020), available at <https://www.ief.es/vdocs/publicaciones/1/177/2.pdf> (accessed 5 Mar. 2025).

Charter with respect to the combination of criminal penalties and administrative penalties of a criminal nature in a situation in which offences – which were of the same nature – occurred over consecutive tax years, and were the subject of administrative proceedings of a criminal nature for 1 tax year and criminal proceedings for another tax year.<sup>335</sup>

In that case, the **ECJ** held that the condition of “idem” is not met where the criminal proceedings and the administrative proceedings concern different tax periods. This decision has two implications. Firstly, it highlights the conclusion that applying the *ne bis in idem* principle is of strict interpretation, namely that it could be invoked only if all the requirements are met. Thus, as the ECJ held in the case at hand, if the same type of offence is committed in a different tax year the conditions to invoke the principle of *ne bis in idem* are not met. Secondly, the judgment reinforces, in line with the *Menci* case law, the view that the permissibility of concurrent tax sanctions under the *ne bis in idem* principle depends fundamentally on a proportionality assessment which aims to ensure that sanctions of an identical nature shall be combined together in order to ensure that the punitive sanction imposed on the wrongdoer is in line with the principle of proportionality. Put simply, if there is a mechanism in place whereby cumulative punitive sanctions are aggregated and evaluated based on the criterion of proportionality, the simultaneous imposition of punitive measures through parallel proceedings is considered irrelevant from a fundamental rights perspective.

Analyses of practice in many countries also reveal complexities in the application of the *ne bis in idem* principle.

For example, in **Chinese Taipei**, a recurring aspect concerns the application of the *ne bis in idem* principle in cases in which the wrongdoer is acquitted if evidence is lacking and unlawful conduct cannot be positively proved. In such cases, if the violation is investigated but not penalized due to insufficient evidence, the tax authorities may reinvestigate the matter and retain the authority to impose penalties on the taxpayer. In addition, broader issues remain in general in the application of the principle of proportionality, considering that the cumulative effect of penalties, interest and surcharges often exceeds the original tax amount, as tax penalties are calculated as multiples (1-2, 1-5 or even 1-10 times) of the underpaid tax. Nonetheless, also in **Chinese Taipei**, a drift towards proportionality can be seen, given the fact that in September 2024, a minor reform of stringent penalty provisions granted tax officers greater discretion to impose milder and more proportionate penalties aligned with the severity of each violation.<sup>336</sup>

**Italy** is another country in which recent reforms aim to ensure a more balanced approach to applying the *ne bis in idem* principle. In particular, as previously underlined, among the aspects of the legislative reform on tax sanctions, it is noteworthy to highlight the fact that the legislator has introduced statutory rules that aim to increase the relevance attributed to acquittal judgments rendered in criminal tax cases. The goal of this reform is to reduce the likelihood that administrative tax proceedings result in an outcome that differs from the relevant criminal tax case, in line with the strengthening of the *ne bis in idem* principle.<sup>337</sup>

<sup>335</sup> See NE: ECJ, 12 Dec. 2024, Case C-331/23, *Dranken Van Eetvelde NV*, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:62023CJ0331> (accessed 5 Mar. 2025).

<sup>336</sup> See TPE: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 72.

<sup>337</sup> See IT: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 73. See also IT: Legislative Decree n. 87, 14 June 2024, available at

## 7.2. Voluntary disclosure

**Best practice:** Voluntary disclosure should lead to a reduction of penalties

**Shifted towards/matched the best practice:**

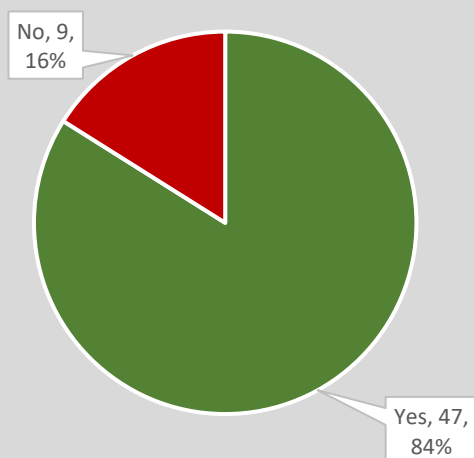
Greece, Argentina

**Shifted away from the best practice:**

United States

**Chart 58. If the taxpayer makes a voluntary disclosure of a tax liability, can this result in a reduced or a zero penalty?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 58

**Yes:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Italy, Jamaica, Japan, Kazakhstan, Mexico (1), Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Türkiye, United Kingdom, United States

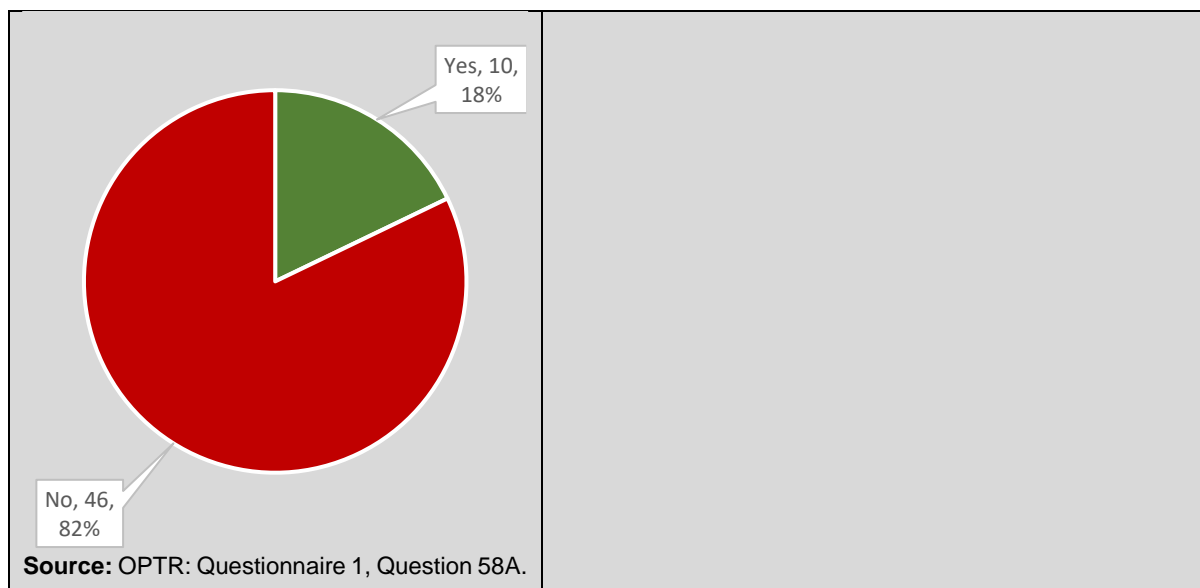
**No:** Botswana, Hungary, India, Lithuania, Luxembourg, Nepal, Trinidad and Tobago, Uruguay, Venezuela

**Chart 58A. Is there a legislative cap to prevent interest, penalties and surcharges to exceed the amount of tax due?**

60 responses

**Yes:** Austria, Botswana, Greece, Guatemala, Honduras, Hungary, India, Japan, Mexico (1), Mexico (2), (Chinese) Taipei

**No:** Argentina, Australia, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Guyana, Italy, Jamaica, Kazakhstan, Lithuania, Luxembourg, Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay, Venezuela



**Minimum standard:** Sanctions should not be increased simply to encourage taxpayers to make voluntary disclosures

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

As a counterbalance to the relevance of criminal and administrative sanctions – as can be inferred in section 7.1. – that, in a way, seem to go against the minimum standard (according to which sanctions should not be increased to encourage taxpayers to make voluntary disclosures), voluntary disclosure regimes have flourished in the past, especially in the wake of the extended effects of the COVID-19 pandemic. It could also be argued that the dire global economic situation and the need for countries to raise revenue contributed to this trend. However, as the situation slowly improved, it appears that fewer voluntary disclosure regimes were introduced worldwide in 2024.

Some states have even decided to wind down existing voluntary disclosure schemes. For example, in the **United States**, the National Taxpayer Advocate reports that changes made to the Criminal Investigations voluntary disclosure application form in June 2024 have chilled participation in the programme. In addition, as reported in other sections of the OPTR Yearbook (Q1, Q58), even if accuracy penalties can be avoided through disclosure in case of filing an amended tax return, other penalties connected to the filing of an original incorrect tax return cannot be avoided (for example, the voluntary disclosure of criminal investigations is not available if the IRS already has third-party information regarding the noncompliance before the voluntary disclosure)<sup>338</sup>.

<sup>338</sup> See US: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 74. See also US: IRS Criminal Investigation Voluntary Disclosure Practice, available at <https://www.irs.gov/compliance/criminal-investigation/irs-criminal-investigation-voluntary-disclosure-practice> (accessed 5 Mar. 2025).

Nonetheless, other countries have decided to strengthen voluntary disclosure regimes that lead to a reduction of tax penalties.

In particular, in **Argentina**, a new legislative enactment was introduced on 8 July 2024, pursuant to which a regime was created that provides for the regularization of previous tax conducts through the voluntary payment of unpaid and undeclared taxes, and exempts the taxpayer from the application of sanctions and interests.<sup>339</sup>

Also, in **Greece**, a new voluntary disclosure scheme has been introduced that aims to improve cooperation between taxpayers and tax authorities within the audit and assessment procedural phases. In particular, it allows taxpayers who have acknowledged the findings of the tax audit to achieve a reduction of penalties, which are calculated in connection to the length of the procedure so as to award a higher reduction of penalties if the taxpayer accepts the findings of the tax audit at an early stage.<sup>340</sup>

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<sup>339</sup> See AR: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 74. See also AR: Law n. 27743 of 8 July 2024, available at <https://servicios.infoleg.gob.ar/infolegInternet/verNorma.do?id=401268> (accessed 5 Mar. 2025).

<sup>340</sup> See GR: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 74. See also GR: Law 5104 of 2024 under art. 75, available at <https://www.taxheaven.gr/law/5104/2024> (accessed 5 Mar. 2025).

## 8. Enforcement of Taxes

**Minimum standard:** Collection of taxes should never deprive taxpayers of their minimum necessary for living

**Shifted towards/improved the minimum standard:**

Lithuania

**Shifted away from the minimum standard:**

None

To provide the necessary financial foundation for a society, efficient tax enforcement is crucial, entailing both an efficient collection of taxes and a balanced protection of taxpayers. Enforcement entails greater powers for the tax administration in the collection of taxes due,<sup>341</sup> and the greater the tax administration's powers, the greater the risks for practices that can potentially be harmful to taxpayers. Balancing against this power of tax collection for the state is the taxpayer's human dignity, which limits the state's power as it ensures the taxpayer the right to a dignified existence (*minimum vitale*), defined as the minimum necessary for living. Consequently, this is an area in need of strong safeguards.<sup>342</sup>

Coming out of a global pandemic and economic crisis, funds have been scarce for most states over the last 5 years. To mitigate the negative economic consequences of this scarcity, many countries have introduced postponements on collecting taxes and reduced interest rates for late payment of taxes, as well as extending due dates for compliance.

Several countries have continued to keep in place such measures in 2024, also in light of the complex economic situation caused by the war in **Ukraine** and the consequent spiralling of energy and commodity prices worldwide. However, a downward trend can also be witnessed, with the overall number of measures enacted in 2024 much lower than in previous years.

In particular, **Lithuania** enacted a measure to ensure that, considering the rising cost of living, tax collection does not deprive taxpayers of the minimum necessary for living. In this regard, rules were introduced according to which the procedure for calculating personal income tax will change due to the increase in the minimum monthly wage. As a result of these changes, employees receiving salaries lower than EUR 2,387.29 will pay

<sup>341</sup> The ECJ decision in Case C-95-19, *Agenzia delle Dogane v. Silcompa SpA* is a very interesting development in this regard. It prevents the possibility of multiple tax recovery procedures within the European Union for the same excise taxes due. As stated by the decision, "[i]n the light of the foregoing considerations, the answer to the question referred is that Article 12(3) of Directive 76/308, read in conjunction with Article 20 of Directive 92/12, must be interpreted as meaning that, in the context of an action disputing enforcement measures taken in the Member State in which the requested authority is situated, the competent body of that Member State may refuse to grant the request to recover excise duties submitted by the competent authority of another Member State in respect of goods which irregularly departed from a suspension arrangement, for the purposes of Article 6(1) of Directive 92/12, where that request is based on the facts relating to the same export transactions which are already subject to excise duty recovery in the Member State in which the requested authority is situated". ES: ECJ (Fifth Chamber), 24 Feb. 2021, Case C-95-19, *Agenzia delle Dogane v. Silcompa SpA*, available at <https://www.courthousenews.com/wp-content/uploads/2021/02/silcompa-ECJ.pdf> (accessed 5 Mar. 2025).

<sup>342</sup> P. Baker & P. Pistone, *General Report*, in *The Practical Protection of Taxpayers' Fundamental Rights*, sec. 4.1. (IFA Cahiers vol. 100B, 2015), Books IBFD, at sec. 5.1.

less personal income tax, and their income will increase by EUR 11-13 per month.<sup>343</sup>

**Best practice:** Authorization by the judiciary should be required before seizing assets or banking accounts

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

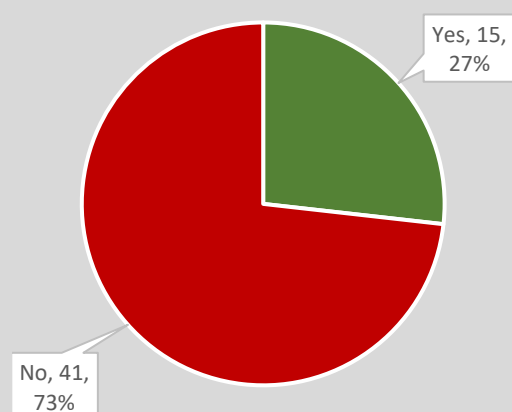
Lithuania

Whereas in previous years, no surveyed jurisdiction reported measures impacting judicial authorities' powers of review of decisions made by tax administrations to seize assets or bank account deposits, in 2024 there were some developments in this area.

In particular, a case in point is **Lithuania**, as the legislator has also increased the powers of the State Tax Inspectorate within the debt collection procedures limiting the power of control of the judiciary in authorizing collection activities by the administrative tax authorities. In particular, in order to increase the efficiency of debt collection to the state and reduce the administrative and financial burden on both the debtor and the state, newly enacted legislation has attributed to the State Tax Inspectorate, among others, the right to perform the function of collecting fines for administrative offenses, economic monetary sanctions, fines for criminal acts, procedural fines and amounts awarded by courts from the funds in debtors' accounts (currently this function is performed only by bailiffs).<sup>344</sup>

**Chart 59. Is a court order always necessary before the tax authorities can access a taxpayer's bank account or other assets?**

60 responses



**Yes:** Austria, Bahamas, Barbados, Brazil (1), Chile, Costa Rica, Guatemala, Guyana, Jamaica, Luxembourg, Nigeria, Norway, Trinidad and Tobago, United Kingdom, Uruguay, Venezuela

**No:** Argentina, Australia, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (2), Bulgaria (1), Bulgaria (2), Canada, China (People's Rep.), Colombia, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Honduras, Hungary, India, Italy, Japan, Kazakhstan, Lithuania, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Türkiye, United States

**Source:** OPTR: Questionnaire 1, Question 59

**Reports with diverging opinions:** Brazil

<sup>343</sup> LT: OPTR Report (Taxpayers/Tax Practitioners, Law Firm), Questionnaire 2, Question 76.

<sup>344</sup> LT: OPTR Report (Taxpayers/Tax Practitioners, Law Firm), Questionnaire 2, Question 77.



### Minimum standard: Taxpayers should have the right to request delayed payment of arrears

#### Shifted towards/improved the minimum standard:

Lithuania, China (People's Rep.)

#### Shifted away from the minimum standard:

None

As described at the beginning of this section, means have been scarce for several taxpayers for the years 2020-2022 due to the pandemic and the economic crisis resulting from it. The energy crisis and the war in Ukraine have worsened the situation. Consequently, several countries introduced, on top of existing COVID-specific measures, measures to aid taxpayers in 2020-2022, including extensions of payment of taxes and of deadlines for reporting obligations.

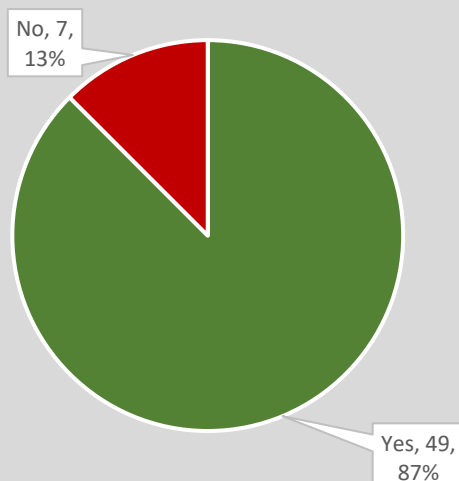
Unlike previous years, however, only two surveyed jurisdictions reported measures impacting the right of taxpayers to request delayed payment of arrears in 2024.

In particular, **Lithuania** introduced maximum terms for deferring and spreading the payment of tax arrears for no more than 5 years, in line with EU guidance on state aid law.<sup>345</sup>

Also, in **China (People's Rep.)** the legislator has introduced measures aimed at regulating the right of taxpayers to request delayed payment of areas. In particular, a law was enacted that specifies that taxpayers are entitled to apply for delaying tax payment under certain conditions: (i) taxpayers have special difficulties that justify the application for the delay of tax payment; (ii) taxpayers should apply before the expiry of the tax period set by law or the decision of tax authority; and (iii) it is up to the provincial level of the tax authorities to decide whether to allow the deferral of payments of taxes.<sup>346</sup>

**Chart 60. Does the taxpayer have the right to request a deferred payment of taxes or a payment in instalments (perhaps with a guarantee)?**

60 responses



Source: OPTR: Questionnaire 1, Question 60

**Yes:** Australia, Austria, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Türkiye, United Kingdom, United States, Venezuela

**No:** Argentina, Bahamas, Barbados, Jamaica, Nepal, Trinidad and Tobago, Uruguay

<sup>345</sup> LT: OPTR Report (Taxpayers/Tax Practitioners, Law Firm), Questionnaire 2, Question 78.

<sup>346</sup> See PRC: OPTR Report (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 78.



### **Best practice:** Bankruptcy of taxpayers should be avoided by partial remission of the debt or structured plans for deferred payment

#### Shifted towards/matched the best practice:

Netherlands

#### Shifted away from the best practice:

Switzerland

To prevent taxpayer bankruptcy during the hardship of the pandemic, several countries have introduced specific measures in line with the best practice. Ideally, these interim measures could provide inspiration for how to further prevent taxpayer bankruptcy and insolvency.

Few surveyed jurisdictions however reported measures impacting the position of taxpayers in connection to this in 2024. A notable exception is the **Netherlands**, where it is reported that a measure was introduced with the aim of ensuring that the cancellation of debts which are the result of agreements between debtors and creditors (including tax authorities) does not constitute taxable income in the hands of the debtor. The aim of the legislation is thus to facilitate agreements between debtors and creditors within insolvency procedures by removing existing tax spillover effects which discourage the process.<sup>347</sup>

**Switzerland**, on the other side, has moved in the opposite direction. In particular, it is reported that, starting from 1 January 2025, unpaid taxes open the way to a bankruptcy procedure if the taxpayer is registered in the commercial registry (a compulsory registry in which all legal persons and individuals and partnerships with a commercial activity are enlisted). This determines a deterioration of the taxpayer's rights since the bankruptcy procedure could ultimately lead to the liquidation of the company.<sup>348</sup>

### **Minimum standard:** Temporary suspension of tax enforcement should follow natural disasters

#### Shifted towards/improved the minimum standard:

Brazil

#### Shifted away from the minimum standard:

None

Natural disasters are extraordinary situations calling for greater protection of citizens, including flexibility in tax payments. The COVID-19 pandemic has been a truly unique situation because all countries have suffered from it, and whether or not this is defined as a "natural disaster" in the respective jurisdictions, it is clear that the situation has prompted states to promptly relieve their citizens of their tax and reporting obligations.

Though the effect of the pandemic emergency waned in 2024, some countries continued their policy of extending deadlines for filing tax returns and providing information, as happened from 2020 to 2023. This was, for instance, the case in **Brazil**. In particular, after severe floods in the state of Rio Grande do Sul, the state government introduced many tax relief measures,

<sup>347</sup> See NE: OPTR Report (Taxpayer/Tax Practitioners), Questionnaire 2, Question 79.

<sup>348</sup> See CH: OPTR Report (Academia), Questionnaire 2, Question 79. See also CH: Law 281.1 of 11 Apr. 1989, as amended, available at <https://www.estv.admin.ch/estv/fr/accueil/afc/encaissement/poursuite-par-voie-de-faillite.html> (accessed 5 Mar. 2025).

such as an exemption from indirect taxes on the purchase of fixed assets, no reversal of indirect taxation credits for damaged or lost goods due to the floods, and a refund of indirect taxes on the purchase of household appliances.<sup>349</sup>

## 9. Cross-Border Situations

Cross-border procedures are becoming increasingly common. As a result of this development, taxpayers' rights are weakened in practice, as they are generally not involved in the cross-border procedures carried out between states. This situation entails the risk of taxpayers not effectively exercising and protecting their rights in the procedures, as demonstrated in previous Yearbook reports, where barely any changes occurred. Where legislative or practical shifts occurred, they have mainly been to shift away from a minimum standard or a best practice. Nevertheless, positive developments have also occurred in the systems to ensure taxpayers' legal standing in terms of access to mutual agreement procedures in article 16(1) of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI)<sup>350</sup> and mandatory arbitration in article 19(1).

In the same vein, rules on the mandatory disclosure of tax minimization arrangements were introduced broadly to grant the tax authorities early access to "timely, comprehensive and relevant information on aggressive tax planning strategies" so that they may "quickly respond to tax risks through informed risk assessments, audits, or changes to legislation or regulations".<sup>351</sup> Essentially, this measure served an objective similar to other forms of information gathering and exchange, namely to enable the tax administrations to use the information as an early warning system to highlight the issues they want to address. However, the analysis and legal prequalification applied to the facts collected by the tax administration included an inherent risk that the indicia of a potential tax offence could be derived, providing the information with a probative value.<sup>352</sup> If the disclosed information may give rise to liability for the taxpayer or the advisers under punitive law, this also raises the question about the right not to self-incriminate (*nemo tenetur se detegere*),<sup>353</sup> as described in section 5.2.

### 9.1. Exchange of information

The surveyed jurisdictions only reported a few developments in 2024 regarding the exchange of information benchmarks monitored by the OPTR. The findings mostly relate to the overall trends. Within the **European Union**, 2024 was the year of completion of the transposition of the Council Directive 2021/514 of the European Union on 22 March 2021 (DAC7).<sup>354</sup> By the

<sup>349</sup> See BR: OPTR Report (Academia), Questionnaire 2, Question 80. See also BR: Governo do Estado Rio Grande Do Sul, Medidas Tributárias - Enchentes 2024, available at <https://fazenda.rs.gov.br/conteudo/19812/medidas-tributarias---enchentes-2024> (accessed 5 Mar. 2025).

<sup>350</sup> [\*Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting\*](#) (24 Nov. 2016), Treaties & Models IBFD.

<sup>351</sup> [\*OECD/G20, Mandatory Disclosure Rules – Action 12: Final Report\*](#) (OECD 2015), Primary Sources IBFD.

<sup>352</sup> C.E. Weffe H., [\*Mandatory Disclosure Rules and Taxpayers' Rights: Where Do We Stand?\*](#), 4 Intl. Tax Stud. 1, p. 3 (2021), Journal Articles & Opinion Pieces IBFD.

<sup>353</sup> Id.

<sup>354</sup> Council Directive (EU) 2021/514 amending Directive 2011/16/EU on administrative cooperation in taxation, Primary Sources IBFD.

end of 2024, all Member States had transposed the Directive into national law. This means that the transition period for adopting DAC6 and DAC7 has been completed.<sup>355</sup>

Regarding DAC7, the most important novelty for 2024 is the adoption of the equivalence mechanisms foreseen in article 8ac(7) of the Directive, which sets out the process to partially or fully relieve the reporting obligation for foreign (non-EU) platforms when their internal legislation and the Directive are equivalent. Establishing equivalence aims to ensure that “information equivalent to the information required under DAC7 is exchanged between a non-Union jurisdiction and EU countries”.<sup>356</sup> So far, this equivalence applies to the **United Kingdom**,<sup>357</sup> **New Zealand**<sup>358</sup> and **Canada**.<sup>359</sup>

Another legal novelty is the advancement in regulating crypto assets in the European Union. By the end of 2022, the proposal of the seventh amendment to the Directive on Administrative Cooperation (2011/16) was approved by the Council of the European Union on 8 December

<sup>355</sup> See *Austria - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Belgium - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Bulgaria - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Croatia - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Cyprus - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Czech Republic - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Denmark - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Estonia - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Finland - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *France - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Germany - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Greece - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Hungary - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Ireland - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Italy - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Lithuania - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Latvia - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Luxembourg - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Malta - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Latvia - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Netherlands - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Poland - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Portugal - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Romania - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Slovakia - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Slovenia - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Spain - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025); *Sweden - DAC6/DAC7 Compliance Table*, Tables IBFD (accessed 18 Feb. 2025). Check points A to see the implementation status of DAC 6 and point F to see the main guidelines to help taxpayers interpret the legislation when having to report an obligation, and point I to see the implementation status of DAC 7 and point K to see the main guidelines to help taxpayers interpret the legislation when having to report an obligation.

<sup>356</sup> See Taxation and Customs Union, DAC 7, [https://taxation-customs.ec.europa.eu/taxation/tax-transparency-cooperation/administrative-co-operation-and-mutual-assistance/dac7\\_en](https://taxation-customs.ec.europa.eu/taxation/tax-transparency-cooperation/administrative-co-operation-and-mutual-assistance/dac7_en) (accessed 17 Feb. 2025).

<sup>357</sup> See [Commission Implementing Regulation \(EU\) 2023/2389](#) of 29 Sept. 2023 determining that the information to be automatically exchanged pursuant to the agreement to be concluded between the competent authorities of Finland and the United Kingdom is equivalent to the information specified in certain provisions of Council Directive 2011/16/EU (accessed 17 Feb. 2025).

<sup>358</sup> See [Commission Implementing Regulation \(EU\) 2023/2693](#) of 30 Nov. 2023 determining that the information to be automatically exchanged pursuant to the agreement signed by the competent authorities of New Zealand and certain Member States is equivalent to the information specified in certain provisions of Council Directive 2011/16/EU (accessed 17 Feb. 2025).

<sup>359</sup> See [Commission Implementing Regulation \(EU\) 2024/432](#) of 2 Feb. 2024 determining that the information to be automatically exchanged pursuant to the agreement signed by the competent authorities of Canada and certain Member States is equivalent to the information specified in certain provisions of Council Directive 2011/16/EU (accessed 17 Feb. 2025).

2022 (DAC8).<sup>360</sup> DAC8 aims to expand the automatic exchange of information and reporting obligations to cover the gains and profits made from crypto transactions by EU users.<sup>361</sup> In 2023, the European Council, following consultations with the European Parliament and the European Economic and Social Committee, formally adopted the proposal on 17 October 2023.<sup>362</sup> The proposal was approved under Council Directive (EU) 2023/2226 of 17 October 2023, amending Directive 2011/16/EU on administrative cooperation in the field of taxation.<sup>363</sup> In that sense, Member States started transposing the Directive into their internal legislations, having time until 31 December 2025, so as to start the first reporting in 2026. However, the state of the art is that in 2024 there are only draft Bill propositions, but so far no transposition in force.<sup>364</sup>

On a global scale, it is important to state that following the G20 Leaders' September 2023 declaration, the Global Forum formed the Crypto-Asset Reporting Framework (CARF) Group.<sup>365</sup> As of July 2024, after the meeting of G20 Finance Ministers and Central Bank Governors, 58 Global Forum members (and growing) joined the CARF Group, adhering to the Joint Statement to commence exchanges under CARF in 2027.<sup>366</sup> This means that the automatic exchange of information on crypto assets will combat tax evasion and avoidance globally.

### 9.1.1. Exchange of information on request: The right of the taxpayer to be informed and to challenge exchange of information

**Minimum standard:** The requesting state should notify the taxpayer of cross-border requests for information, unless it has specific grounds for considering that this would prejudice the process of investigation. The requested state should inform the taxpayer, unless it has a reasoned request from the requesting

<sup>360</sup> Proposal for a Council Directive COM (2022)707 amending Directive 2011/16/EU on administrative cooperation in the field of taxation.

<sup>361</sup> See C. Valério, [European Commission Adopts DAC8 to Cover Cryptoassets, Feedback Period Open](#) (8 Dec. 2022), News IBFD.

<sup>362</sup> Council of the EU, *Council adopts Directive to boost cooperation between national taxation authorities (DAC8)*, 17 Oct. 2023, available at <https://www.consilium.europa.eu/en/press/press-releases/2023/10/17/council-adopts-directive-to-boost-cooperation-between-national-taxation-authorities-dac8/> (accessed 17 Feb. 2025).

<sup>363</sup> Council Directive (EU) 2023/2226 of 17 Oct. 2023 amending Directive 2011/16/EU on administrative cooperation in the field of taxation, OJEU L 1-38, 24.10.2023, available at [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L\\_202302226](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302226) (accessed 16 Feb. 2025).

<sup>364</sup> See for instance among other countries Deloitte, [Government publishes first draft of DAC 8 implementation law](#), German Tax and Legal News (14 Nov. 2024); Moncloa, [Referencia del Consejo de Ministros](#), (17 Sept. 2024); Grant Thornton, Société D'Avocats, [French draft Finance Bill for 2025 at a glimpse](#) (18 Oct. 2024); KPMG, [Lithuania: Proposed tax changes concerning double taxation, DAC8, submission of tax information, and solidarity contribution](#), (Tax News Flash, 19 Nov. 2024); Overheid.nl, [Wet implementatie EU-richtlijn gegevensuitwisseling cryptoactiva](#).

<sup>365</sup> See Joint Statement on the Implementation of the Crypto-Asset Reporting Framework <https://web.archive.org/tax/transparency/documents/CARF-signatories-joint-statement.pdf> (accessed 17 Feb. 2025).

<sup>366</sup> See OECD, *Bringing Tax Transparency to Crypto-Assets – An Update: Global Forum Report to G20 Finance Ministers and Central Bank Governors* p. 20 (OECD Publishing 2024), available at <https://doi.org/10.1787/b33c9aa1-en> (accessed 17 Feb. 2025).

state that the taxpayer should not be informed on the grounds that it would prejudice the investigation

Shifted towards/improved the minimum standard:

None.

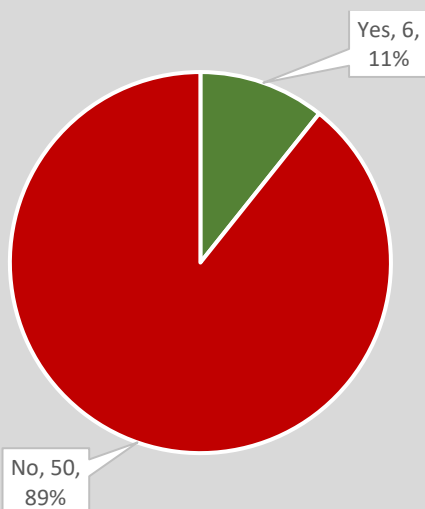
Shifted away from the minimum standard:

None.

No developments have been reported in 2024 with regard to this minimum standard. It is worth reminding that in 2022, due to the open conflict with Russia, **Ukraine**<sup>367</sup> temporarily withdrew the application of the minimum standard to those taxpayers whose tax address/place of residence is located in the territory of Ukraine temporarily occupied by the Russian Federation or in the territory where active hostilities are taking place or areas of possible hostilities.<sup>368</sup> The controlling authorities temporarily stopped applying measures to collect the tax debt incurred by those taxpayers before 24 February 2022. Nonetheless, once the war is over, the intention is to restore the previous legislation that applies this minimum standard and correct other tax-related malpractices.<sup>369</sup> No further changes have been reported in this regard.

**Chart 61. Does the taxpayer have the right to be informed before information relating to him is exchanged in response to a specific request?**

60 responses



Source: OPTR: Questionnaire 1, Question 61

**Yes:** Chile, China (People's Rep.), Germany, Slovenia, Switzerland, Venezuela

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, South Africa, Spain, Sweden, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay

<sup>367</sup> UA: OPTR Yearbook (2023), sec. 9.1.1., p. 164.

<sup>368</sup> UA: The legal instrument that habilitated this temporal shift away is the Law of Ukraine of 30 Jun. 2023, No. 3219-IX, "On Amendments to the Tax Code of Ukraine and other laws of Ukraine regarding the specifics of taxation during martial law". Particularly, cl. 69 of subsec. 10 of ch. XX, "Transitional Provisions" of the Tax Code of Ukraine (the Code), is supplemented by cl. 69.40, according to which it is established that, temporarily, from 1 Aug. 2023, the control bodies shall not carry out the measures provided for in arts. 59-60, 87-101 the Code. Law of Ukraine No. 3219 is available at <https://zakon.rada.gov.ua/laws/show/3219-IX#Text> (accessed 17 Feb. 2025).

<sup>369</sup> See Interview with a former head of the Tax Service, Yevgena Oleynikov, 28 Oct. 2021, <https://www.epravda.com.ua/publications/2021/10/28/679162/>; and V. Novak & M.P. Berenson, *Law Compliance by Taxpayers and Economic Recovery of Ukraine*, 2023 Ukrainian Parliamentary Institute, available at: <https://www.kcl.ac.uk/kri/assets/taxpayer-compliance-and-ukraines-recovery-ukrainian-2023.06.01.pdf> (accessed 17 Feb. 2025).



**Best practice:** The taxpayer should be informed that a cross-border request for information is to be made

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

No changes have been reported in 2024, even though some countries considered it important to clarify certain aspects of this minimum standard and its best practice. On the one hand, **Lithuania**<sup>370</sup> considered it necessary to point out a new legal requirement which might be helpful for tax administrations to collect information in cross-border matters. This new legal requirement from 2024 onwards obliges providers of payment services in the Republic of Lithuania to collect and store the records of international payment transactions carried out through them and submit them to the tax authorities. Nonetheless, there is an exception to this new legal requirement whenever there is an international transaction, if one of the payment service providers is located in another Member State or the payment service provider is exclusively located in another Member State.<sup>371</sup>

Another interesting highlight corresponds to **Chinese Taipei**,<sup>372</sup> which indicated that such a minimum standard/best practice of informing the taxpayer about a request for information exchange is not applicable to them since taxpayers' rights are not mentioned in their internal regulations about cross-border information exchange procedures. It also clearly states that, in any case, taxpayers are not considered a party involved in such procedures.

This position of Chinese Taipei fits within the negative tendency already mentioned in the last editions of this Yearbook regarding progressive but constant distancing from the minimum standard to notify the taxpayer of cross-border requests for information and, particularly, its best practice to inform the taxpayer of a cross-border request of information. In that sense, In the previous edition of this Yearbook, **Botswana**,<sup>373</sup> **Honduras**,<sup>374</sup> **Lithuania**<sup>375</sup> and the

<sup>370</sup> LT: OPTR Report (Taxpayers/Tax Practitioners), Questionnaire 2 (Development Survey), Question 81.

<sup>371</sup> See LT: *Dėl VMI prie FM viršininko 2023 m. gegužės 31 d. įsakymo Nr. VA-42 „Dėl duomenų apie tarptautines mokėjimo operacijas kaupimo, saugojimo ir teikimo taisyklių patvirtinimo“* (accessed 17 Feb. 2025).

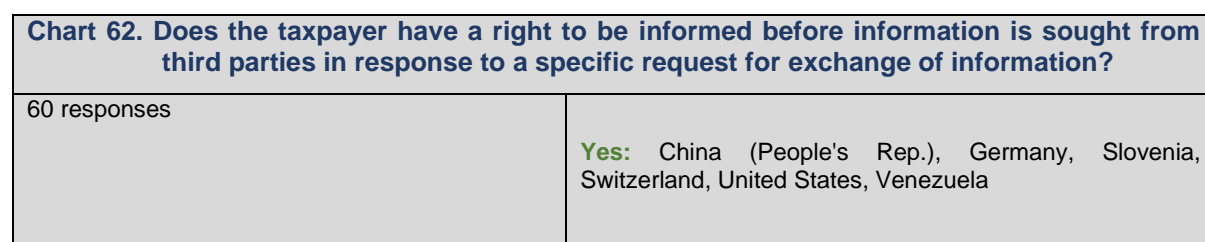
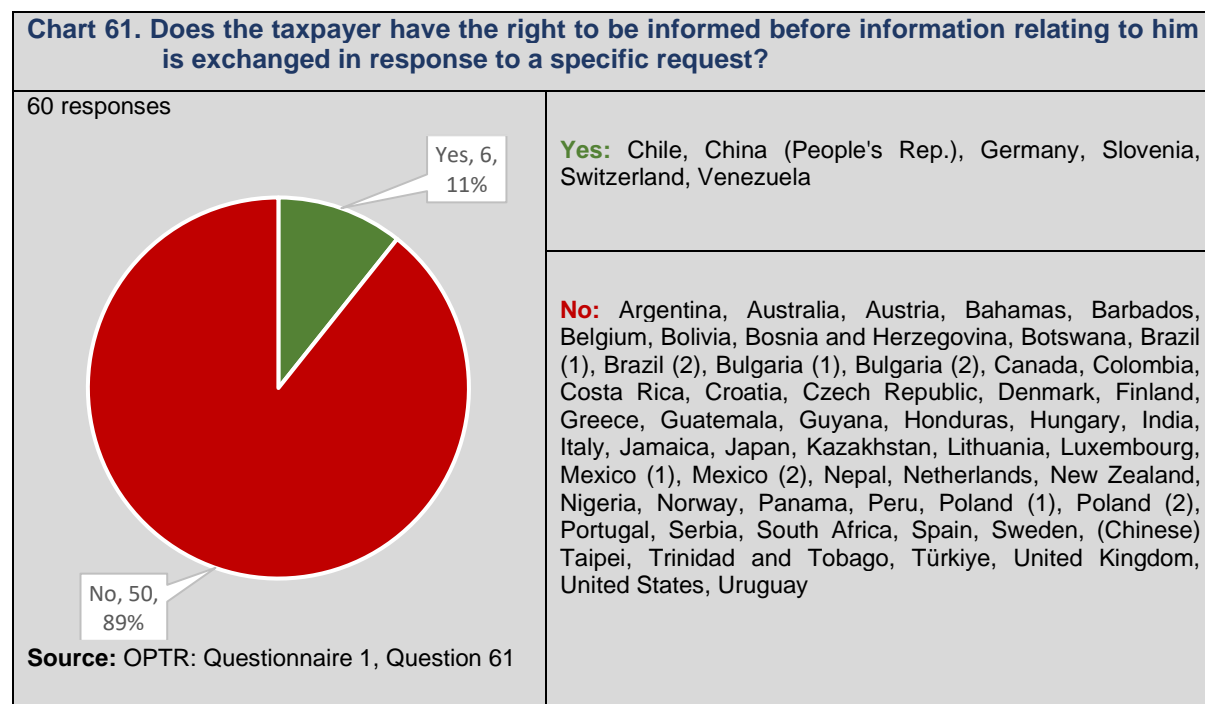
<sup>372</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2 (Development Survey), Question 81.

<sup>373</sup> BW: OPTR Yearbook (2023), sec. 9.1.1, pp. 165-166. See BW: Income Tax Act (Cap 52:01), available at [https://www.burs.org.bw/phocadownload/Revenue\\_laws/CAP%2052-01%20Income%20Tax%20Act.pdf](https://www.burs.org.bw/phocadownload/Revenue_laws/CAP%2052-01%20Income%20Tax%20Act.pdf) (accessed 17 Feb. 2025). See also OECD, *Global Forum on Transparency and Exchange of Information for Tax Purposes: Botswana 2023 (Second Round, Supplementary Report): Peer Review Report on the Exchange of Information on Request, Global Forum on Transparency and Exchange of Information for Tax Purposes* p. 86 (OECD 2023).

<sup>374</sup> See HN: OECD, *Implementación del Estándar de intercambio de información Previa Petición en Honduras*, p. 5 (11 Sept. 2023), available at <https://www.slideshare.net/AlexanderAlvarez658267/implementacindelestndardeintercambiodeinformacinpreviapdf> (accessed 15 Feb. 2025).

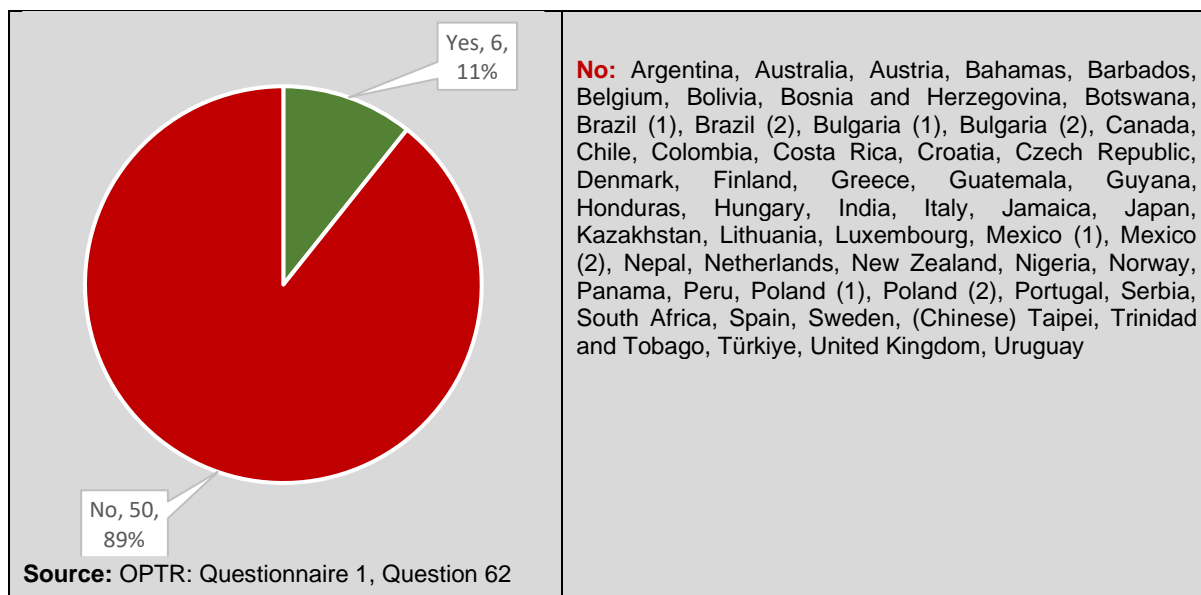
<sup>375</sup> See LT: Amendment of Articles 2, 3, 12, 13, 25, 26, 32, 33, 38, 39, 40-1, 87, 88, 99, 104-2, 126, 139 and Annex, Addition of Article 63-1 to the Tax Administration Law of the Republic of Lithuania No. IX-2112, date of adoption 13 Dec. 2022 (TAR, 2022-12-22, Nr. 2022-26362), available at: <https://e->

**Netherlands**<sup>376</sup> indicated a shift away that has not been amended so far.



[seimas.lrs.lt/portal/legalAct/lt/TAD/9477dac27d2811edbdcebd68a7a0df7e?jfwid=-pcl9fel15](https://seimas.lrs.lt/portal/legalAct/lt/TAD/9477dac27d2811edbdcebd68a7a0df7e?jfwid=-pcl9fel15) (accessed 16 Feb. 2025).

<sup>376</sup> NL: OPTR Yearbook (2023), sec. 9.1.1, pp. 165-166. CJEU, 6 Oct. 2020, C-245/19 and C-246/19, ECLI: EU:C:2020:795. See M.L.A. van Rij, *Onderzoek rechtsbescherming in de WIB*, 8 Feb. 2023, available at <https://open.overheid.nl/documenten/ronl-7bacc3f3ca2c6121d1eef0e91a1bda1e776eac13/pdf> (accessed 16 Feb. 2025). Staatssecretaris Van Rij, *Rechtsbescherming in de WIB*, p. 8, available at: <https://www.rijksoverheid.nl/documenten/kamerstukken/2023/02/08/rechtsbescherming-in-de-wib> (accessed 16 Feb. 2025).



**Best practice:**

**Where a cross-border request for information is made, the requested state should also be asked to supply information that assists the taxpayer**

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

No changes have been reported in this edition. In 2023, **Slovenia**<sup>377</sup> amended the Tax Procedure Act<sup>378</sup> to be in line with the General Data Protection Regulation (GDPR).<sup>379</sup> Such an update was considered a shift towards the minimum standard, as data protection guarantees are expanded to new categories of data covered by the Directive on Administrative Cooperation.<sup>380</sup> The amendment intended to grant more protection to taxpayers' data when processing personal data within a cross-border exchange of information procedure. During 2024, Slovenia continued to engage in such practice. On the negative side, **Botswana**<sup>381</sup> indicated a shift away from the minimum standard; the country still does not grant any particular assistance to taxpayers during the EOI procedures since no rules or guarantees are foreseen in the Income Tax Act.<sup>382</sup>

<sup>377</sup> SI: OPTR Yearbook (2023), sec. 9.1.1., pp. 167-168.

<sup>378</sup> SI: [Tax Procedure Act](#) (Official Gazette of the Republic of Slovenia, No. 163/2022, ZDavP-2N).

<sup>379</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 Apr. 2016 on the protection of natural persons about the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

<sup>380</sup> Council Directive 2011/16/EU of 15 Feb. 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC.

<sup>381</sup> BW: OPTR Yearbook (2023), sec. 9.1.1., p.168.

<sup>382</sup> See BW: Income Tax Act (Cap 52:01), available at [https://www.burs.org.bw/phocadownload/Revenue\\_laws/CAP%2052-01%20Income%20Tax%20Act.pdf](https://www.burs.org.bw/phocadownload/Revenue_laws/CAP%2052-01%20Income%20Tax%20Act.pdf) (accessed 16 Feb. 2025); and OECD, [Global Forum on Transparency and Exchange of Information for Tax Purposes: Botswana 2023 \(Second Round, Supplementary Report\): Peer Review Report on the Exchange of Information on Request, Global Forum on Transparency and Exchange of Information for Tax Purposes](#) p. 86 (OECD 2023).



**Minimum standard:** The taxpayer should have a right to bring a legal challenge to test the legality of the request for exchange of information

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

This year, no changes occurred. Even though **Chinese Taipei**<sup>383</sup> makes the same clarification as in the directly preceding section, indicating that this minimum standard and its best practices do not apply to them. Another clarification comes from the **United States**<sup>384</sup> indicating that on a general basis, the taxpayers are not entitled to challenge the legality of the request to exchange information. Yet when the IRS, the US tax authorities, issues a summons at the request of a foreign government, then the taxpayer is allowed to challenge the summons in US court.<sup>385</sup>

**Best practice:** Where a cross-border request for information is made, the requested state should also be asked to supply information that assists the taxpayer

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

No changes have occurred in relation to this best practice in 2024.

**Best practice:** Provisions should be included in tax treaties setting specific conditions for exchange of information

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

No significant changes are reported in 2024, following the tendency as in the 2023 edition. The only country commenting in this section is **Colombia**,<sup>386</sup> which confirmed the lack of such best practices. In **Chinese Taipei**,<sup>387</sup> the most updated version of the double tax treaty between Chinese Taipei and Korea includes article 26, which contains particular conditions

<sup>383</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2 (Development Survey), Question 82.

<sup>384</sup> US: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2 (Development Survey), Question 82.

<sup>385</sup> See e.g. US: *Samuel Barnaby Dyer Coriat et al. v. United States*, 11th Cir No. 23-11648 (order issued 12 Apr. 2023).

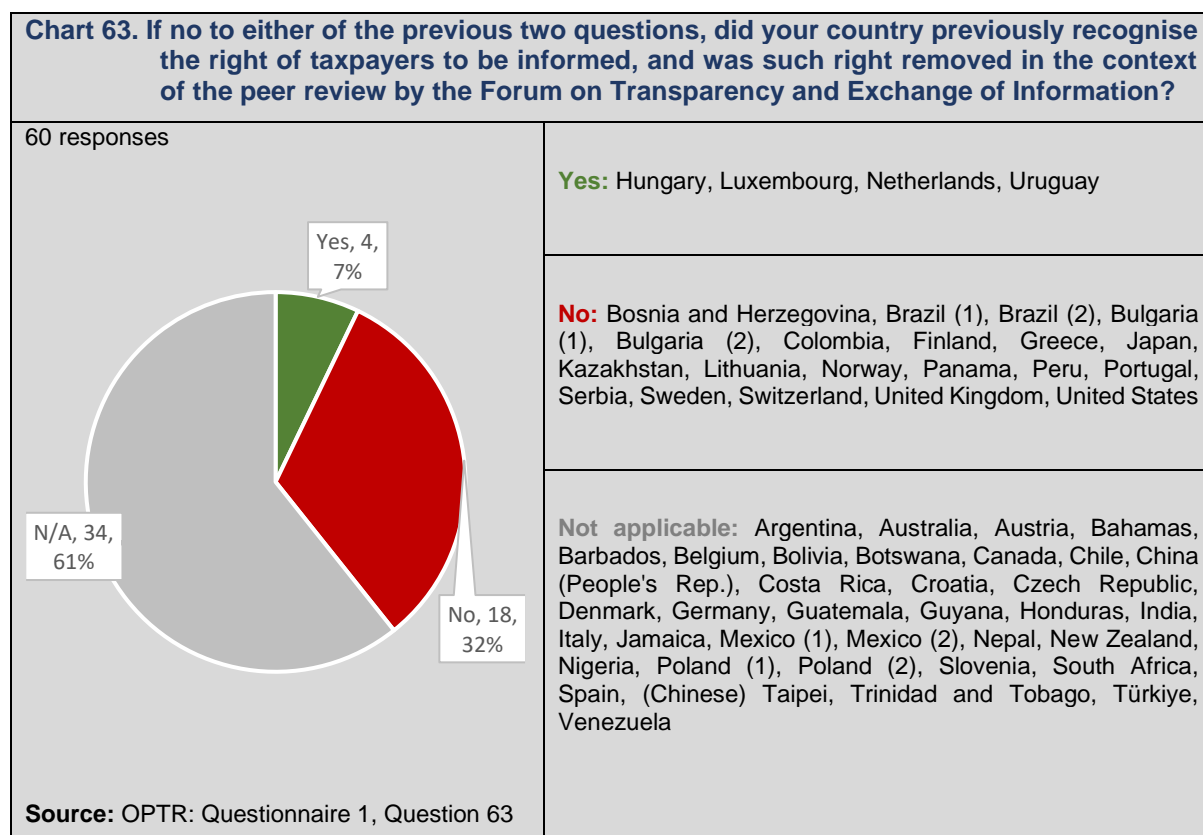
<sup>386</sup> CL: OPTR Report (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 83.

<sup>387</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/ Academia), Questionnaire 2, Question 83.

regarding how information for tax purposes must be exchanged. This tax treaty does not include article 26.2 final paragraph of the OECD Model, which contains a relevant provision that allows the receiving contracting state to use the received information for other purposes whenever such information can be used for other purposes under the laws of both contracting states. As this provision is missing from the treaty with Korea,<sup>388</sup> it indicates that either one or both states do not allow the usage of information relevant for tax purposes for any other purpose, which is a safeguard for the taxpayer.

### 9.1.2. A disturbing development: The removal of the right of the taxpayer to be notified in certain states under international pressure

Since the OECD Forum on Transparency and Exchange of Information pressured countries to repeal taxpayers' right to be informed prior to exchanging information in 2015, numerous countries have unfortunately removed this right. In 2024, as mentioned in section 9.1.1.,<sup>389</sup> several countries experienced a shift away from the minimum standard and best practices surrounding the taxpayers' right to be notified or informed that a request for information has been made. Such a path has not been amended, which might indicate a consolidation of the negative perception of informing taxpayers about the exchange of information procedures upon request.



<sup>388</sup> See the English version of the DTT between the Chinese Taipei and the Republic of Korea:  
<https://www.mof.gov.tw/download/d1f7663ee1cf4074bd307a87e852d389> (accessed 17 Feb. 2025).

<sup>389</sup> See sec. 9.1.1.

### 9.1.3. Additional safeguards in connection with exchange of information on request

**Minimum standard:** If information is sought from third parties, judicial authorization should be necessary and the third party should have a right to bring a legal challenge to test the legality of the request for the exchange of information (on the same grounds as the taxpayer)

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

Lithuania

On the negative side, **Lithuania**<sup>390</sup> has taken a distance from this minimum standard and no longer allows judicial authorization to share the information collected for tax purposes with a third party. Moreover, **Chinese Taipei**<sup>391</sup> also nuanced that this minimum standard is not applicable for the same reasons stated in the previous sections. In another light, the **United States**<sup>392</sup> also made an interesting clarification, indicating that normally, taxpayers have the right to be informed when third parties are interested in obtaining their data, following the Internal Revenue Code.<sup>393</sup> However, there are certain limitations to this right to be informed: i.e. a taxpayer is not entitled to notice of third-party summons issued to aid in the collection of assessed taxes.<sup>394</sup> Those records custodians or witnesses summoned do not have the right to challenge the summons; meanwhile, a person whose records are summoned from the custody of a third party generally has a right to challenge the summons.<sup>395</sup> Furthermore, the IRS is authorized to make “John Doe summons”, which are requests for information about an unidentified taxpayer regarding domestic and foreign accounts<sup>396</sup> – if the taxpayer is unidentified, it cannot be previously informed.

**Minimum standard:** In the case of exchange of information on request, the taxpayer should be given access to information received by the requesting state (unless there are good justifications for not doing so)

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

Guatemala

<sup>390</sup> LT: OPTR Report (Taxpayers/Tax Practitioners), Questionnaire 2, Question 84.

<sup>391</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 84.

<sup>392</sup> US: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 84.

<sup>393</sup> See US: IRC 7602(c), 7609(a).

<sup>394</sup> See US: IRC 7609(c)(2)(D)(i); See US: Supreme Court, *Poliselli et al. v. IRS*, 598 U. S. \_\_\_\_ (2023), No. 21–1599, available at <https://supreme.justia.com/cases/federal/us/598/21-1599/> (accessed 17 Feb. 2025).

<sup>395</sup> See US: IRC 7609(b); see also United States Court of Appeals, *Harper v. Werfel*, 118 F.4th 100 (1st Cir. 2024), No. 23-1565, available at <https://law.justia.com/cases/federal/appellate-courts/ca1/23-1565/23-1565-2024-09-24.html> (accessed 17 Feb. 2025).

<sup>396</sup> See for an example of a John Doe summon, Office of Public Affairs – US Department of Justice, *Federal Courts Authorize IRS “John Doe” Summonses to Trident Trust Entities*, available at <https://www.justice.gov/opa/pr/federal-courts-authorize-irs-john-doe-summonses-trident-trust-entities> (accessed 17 Feb. 2025)

**Guatemala**<sup>397</sup> has indicated a shift away from this minimum standard. There is an important clarification for the country since, as indicated, the Guatemalan tax administration has requested information for the first time from the Netherlands about the activity of Airbnb in Guatemala. However, on the negative side, the taxpayer cannot access the information received. Also, **Chinese Taipei**<sup>398</sup> continued indicating that such minimum standard does not apply to their internal legislation and the **United States** reporter<sup>399</sup> wanted to nuance the fact that the tax authorities could not disclose information obtained under an exchange of information procedure foreseen in a tax treaty due to the exemptions foreseen in the Freedom of Information Act (FOIA). The FOIA provides the public with the right to access federal agency records. However, agencies can deny such disclosure and withhold certain types of information when they believe that disclosing it would harm a protected interest. In the case of the exchange of information upon request, there can be two exemptions that the IRS can claim. On the one hand, “information that is prohibited from disclosure by another federal law”,<sup>400</sup> as section Internal Revenue Code openly indicates that tax convention information shall not be disclosed unless it is the information specifically allowed to be disclosed.<sup>401</sup> On the other hand, “information compiled for law enforcement purposes that could reasonably be expected to interfere with enforcement proceedings”.<sup>402</sup>

**Best practice:** Information should not be supplied in response to a request where the originating cause was the acquisition of stolen or illegally obtained information

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

Even though no developments have been reported in this regard in 2024, **Chinese Taipei**<sup>403</sup> wanted to clarify that this best practice is not applicable because this limitation does not exist in related regulations governing cross-border information exchange. In this regard, it is good to recall that in 2023, **Chinese Taipei** wanted to clarify that according to the Taxpayer Rights Protection Act, the evidence obtained as a result of the illegal investigation carried out by the tax authorities or the personnel appointed by the taxation administration cannot be used as the basis to start a tax assessment, except when the obtention of evidence is a minor illegality and the ignoring that evidence might harm the public interest.<sup>404</sup> This practice continues to apply in 2024.

**Best practice:** A requesting state should provide confirmation of confidentiality to the requested state

<sup>397</sup> GT: OPTR Report (Taxpayers/Tax Practitioners), Questionnaire 2, Question 85.

<sup>398</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 85.

<sup>399</sup> US: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 85.

<sup>400</sup> See US: FOIA exemption 3, available at <https://www.foia.gov/faq.html> (accessed 17 Feb. 2025)

<sup>401</sup> See US: IRC 6105(a) and (b).

<sup>402</sup> See US: FOIA exemption 7(A), available at <https://www.foia.gov/faq.html> (accessed 17 Feb. 2025).

<sup>403</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/ Academia), Questionnaire 2, Question 86.

<sup>404</sup> TW: OPTR Report 2023 (Academia), Questionnaire 2, Question 72.

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

No developments have been reported in this regard in 2024. In this regard, **Chinese Taipei**<sup>405</sup> confirmed so when clarifying that confidentiality is provided in most of their tax treaties.

**Minimum standard:** A state should not be entitled to receive information if it is unable to provide independent, verifiable evidence that it observes high standards of data protection

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

No developments have been reported in this regard in 2024. In the 2023 edition, **Botswana**<sup>406</sup> indicated that its Data Protection Act<sup>407</sup> guarantees that data processors shall inform the data subjects about the purposes of the data process or, in some cases, if the data are being transferred to a third party. According to article 49, sending personal data to a third country may only occur if the third country ensures adequate protection. Even though the Data Protection Act is quite general and does not explicitly mention that the tax administration verifies evidence of data protection, this particular clause should be enough to grant this minimum standard of data protection to taxpayers' personal data.<sup>408</sup> The country continues to engage with such practices.

**Minimum standard:** In the event of a leak of confidential information or data held by the tax authority of a requesting state, all exchange of information with that state should be suspended until verifiable evidence has been provided that the cause of the leak has been permanently rectified

**Shifted towards/improved the minimum standard:**

None

**Shifted away from the minimum standard:**

None

No developments have been reported in this regard in 2024. However, **Chinese Taipei**<sup>409</sup> wanted to clarify that this minimum standard is still not applicable because there are no regulations equivalent to this standard. Also, the **United States**<sup>410</sup> has indicated that under

<sup>405</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/ Academia), Questionnaire 2, Question 87.

<sup>406</sup> BW: OPTR Yearbook (2023), sec. 9.1.3., p. 173.

<sup>407</sup> See BW: [Data Protection Act](#), arts. 28-30, N° 32/2018 of 10/8/2018.

<sup>408</sup> Id., at art. 49.1-49.4, to check the safeguards required by Botswana from third countries.

<sup>409</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/ Academia), Questionnaire 2, Question 89.

<sup>410</sup> US: OPTR Report (Taxpayers/Tax Practitioners/ Academia), Questionnaire 2, Question 89.

the US Model Income Tax Convention, article 26 clearly states the requirement of treating as secret the information exchanged.<sup>411</sup> What is more, the country may suspend exchange of information procedures if a jurisdiction is not compliant with confidentiality requirements; however, the action involving this minimum standard of providing verifiable evidence that the cause of the leak has been permanently rectified is not required.<sup>412</sup>

#### **Minimum standard: Data protection safeguards should apply to all exchanges of information**

##### **Shifted towards/improved the minimum standard:**

None

##### **Shifted away from the minimum standard:**

Botswana

**Botswana**<sup>413</sup> has a shift away from this minimum standard. The proposal of Bill 19 of 2024 presented to the National Assembly wanted to repeal and to re-enact with amendments to the Data Protection Act in force<sup>414</sup>. Although such, the new Data Protection Act does not contain specific provisions regarding the safeguards applicable to exchanges of information for tax purposes. However, it explicitly contemplates restricting certain fundamental rights and freedoms with the aim of safeguarding particular general interests, including monetary, budgetary and taxation matters,<sup>415</sup> which intrinsically means that data related to taxation matters, including data part of the exchange of information procedures, might not be protected by the Bill's data protection safeguards.

Furthermore, **Chinese Taipei**<sup>416</sup> provided an interesting clarification, indicating that data obtained under exchange of information procedures is granted the same level of protection as government information.

<sup>411</sup> See US: United States Model Income Tax Convention 2016 [https://home.treasury.gov/system/files/131/Treaty-US-Model-2016\\_1.pdf](https://home.treasury.gov/system/files/131/Treaty-US-Model-2016_1.pdf) (accessed 17 Feb. 2025).

<sup>412</sup> See US: IRS, Reporting unauthorized disclosure or use of tax information exchanged under an international agreement <https://www.irs.gov/businesses/corporations/reporting-unauthorized-disclosure-or-misuse-of-tax-information-exchanged-under-an-international-agreement> (accessed 17 Feb. 2025).

<sup>413</sup> BW: OPTR Report (Academia), Questionnaire 2, Question 90.

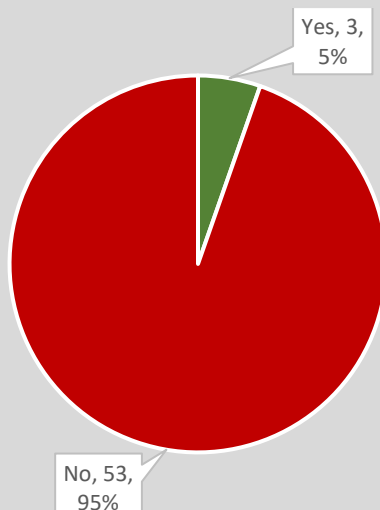
<sup>414</sup> See BW: Data Protection Bill 2024, Bill No. 19 of 2024, 26 Jul. 2024.

<sup>415</sup> See BW: 50(2)(e)(ii) Data Protection Bill 2024, Bill No. 19 of 2024, 26 Jul. 2024.

<sup>416</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 90.

**Chart 64. Does the taxpayer have the right to be heard by the tax authority before the exchange of information relating to him with another country?**

60 responses



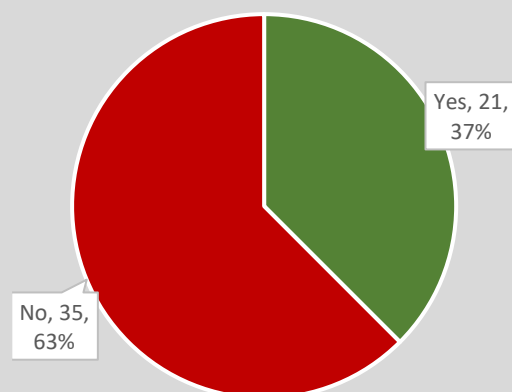
Source: OPTR: Questionnaire 1, Question 64

**Yes:** Germany, Switzerland, Venezuela

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, United States, Uruguay

**Chart 65. Does the taxpayer have the right to challenge before the judiciary the exchange of information relating to him with another country?**

60 responses



Source: OPTR: Questionnaire 1, Question 65

**Yes:** Belgium, Bolivia, Botswana, Brazil (1), Brazil (2), Canada, Denmark, Germany, Jamaica, Kazakhstan, Lithuania, New Zealand, Nigeria, Portugal, Serbia, Slovenia, South Africa, Switzerland, Trinidad and Tobago, United Kingdom, Uruguay, Venezuela

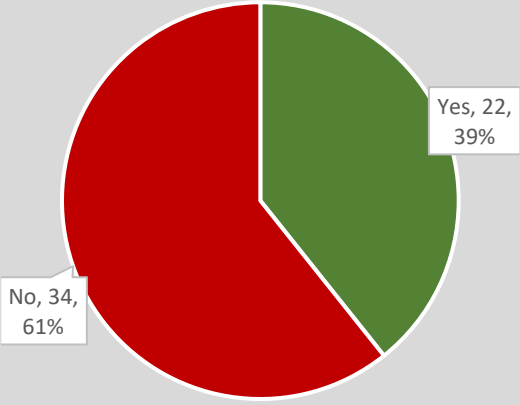
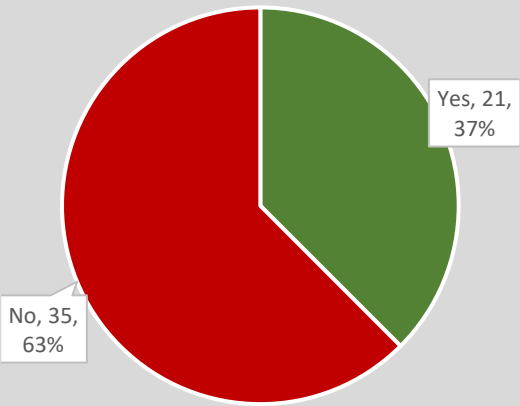
**No:** Argentina, Australia, Austria, Bahamas, Barbados, Bosnia and Herzegovina, Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Finland, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Japan, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, Norway, Panama, Peru, Poland (1), Poland (2), Spain, Sweden, (Chinese) Taipei, Türkiye, United States

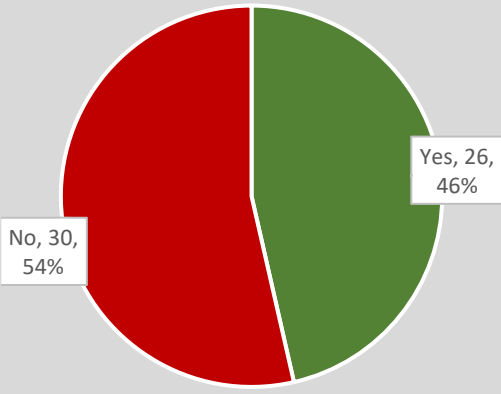
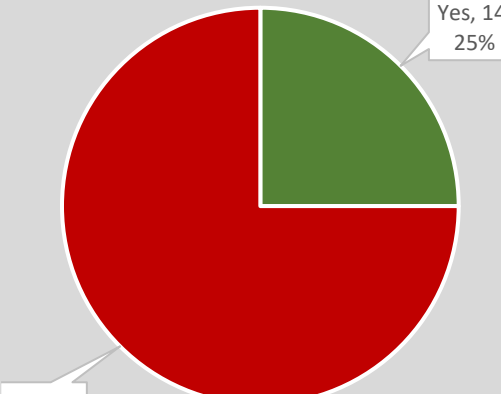
**Chart 65A. If information is sought from a third party, does that third party have the right to challenge the legality of the request before the judiciary?**

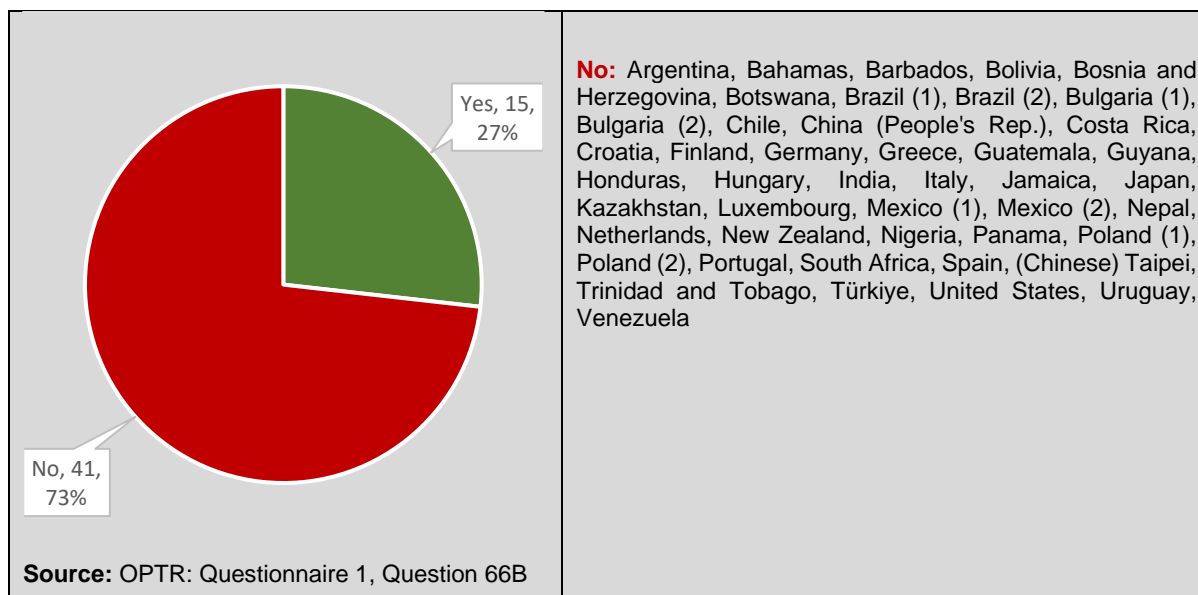
60 responses

**Yes:** Austria, Belgium, Bolivia, Brazil (1), Brazil (2), Canada, Denmark, Germany, India, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Netherlands, New Zealand, Nigeria, Norway, Panama, Portugal, Serbia, South Africa, Sweden, Trinidad and Tobago, Venezuela



 <p>Yes, 22, 39%</p> <p>No, 34, 61%</p> <p><b>Source:</b> OPTR: Questionnaire 1, Question 65A</p>	<p><b>No:</b> Argentina, Australia, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Finland, Greece, Guatemala, Guyana, Honduras, Hungary, Italy, Jamaica, Japan, Mexico (2), Nepal, Peru, Poland (1), Poland (2), Slovenia, Spain, Switzerland, (Chinese) Taipei, Türkiye, United Kingdom, United States, Uruguay</p> <p><b>Reports with diverging opinions:</b> Mexico</p>
<p><b>Chart 65B. Is exchange of information prohibited with any state if it is foreseeable that the data would be used in a way that is repressive or that it would undermine the protection of fundamental rights?</b></p>	
<p>60 responses</p>  <p>Yes, 21, 37%</p> <p>No, 35, 63%</p> <p><b>Source:</b> OPTR: Questionnaire 1, Question 65B</p>	<p><b>Yes:</b> Argentina, Australia, Austria, Bolivia, Brazil (2), Canada, Croatia, Czech Republic, Germany, Japan, Lithuania, Netherlands, Nigeria, Norway, Poland (2), Serbia, South Africa, Spain, Sweden, Switzerland, United Kingdom, Venezuela</p> <p><b>No:</b> Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Botswana, Brazil (1), Bulgaria (1), Bulgaria (2), Chile, China (People's Rep.), Colombia, Costa Rica, Denmark, Finland, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Kazakhstan, Luxembourg, Mexico (1), Mexico (2), Nepal, New Zealand, Panama, Peru, Poland (1), Portugal, Slovenia, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United States, Uruguay</p> <p><b>Reports with diverging opinions:</b> Brazil, Poland</p>
<p><b>Chart 66. Does the taxpayer have the right to see any information received from another country that relates to him?</b></p>	
<p>60 responses</p>	<p><b>Yes:</b> Argentina, Belgium, Bolivia, Brazil (1), Bulgaria (2), Canada, Colombia, Costa Rica, Czech Republic, Denmark, Germany, Hungary, India, Lithuania, Netherlands, Norway, Peru, Poland (1), Poland (2), Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Uruguay, Venezuela</p>

 <p>No, 30, 54%</p> <p>Yes, 26, 46%</p> <p>Source: OPTR: Questionnaire 1, Question 66</p>	<p><b>No:</b> Australia, Austria, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Brazil (2), Bulgaria (1), Chile, China (People's Rep.), Croatia, Finland, Greece, Guatemala, Guyana, Honduras, Italy, Jamaica, Japan, Kazakhstan, Luxembourg, Mexico (1), Mexico (2), Nepal, New Zealand, Nigeria, Panama, Portugal, Trinidad and Tobago, Türkiye, United Kingdom, United States</p> <p><b>Reports with diverging opinions:</b> Brazil, Bulgaria</p>
<p><b>Chart 66A. In the event of a leak of confidential information, is exchange of information with that state suspended?</b></p>	
<p>60 responses</p>  <p>Yes, 14, 25%</p> <p>No, 42, 75%</p> <p>Source: OPTR: Questionnaire 1, Question 65A</p>	<p><b>Yes:</b> Australia, Colombia, Czech Republic, Greece, Japan, Netherlands, New Zealand, Nigeria, Norway, Poland (2), Serbia, Slovenia, Spain, United Kingdom, Venezuela</p> <p><b>No:</b> Argentina, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Costa Rica, Croatia, Denmark, Finland, Germany, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Panama, Peru, Poland (1), Portugal, South Africa, Sweden, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United States, Uruguay</p> <p><b>Reports with diverging opinions:</b> Poland</p>
<p><b>Chart 66B. Are there time-limits after which data that has been exchanged are to be destroyed or anonymously archived?</b></p>	
<p>60 responses</p>	<p><b>Yes:</b> Australia, Austria, Belgium, Canada, Colombia, Czech Republic, Denmark, Lithuania, Norway, Peru, Serbia, Slovenia, Sweden, Switzerland, United Kingdom</p>



#### 9.1.4. Automatic exchange of financial information: The different issues of taxpayer protection

**Best practice:** For automatic exchange of financial information, the taxpayer should be notified of the proposed exchange in sufficient time to exercise data protection rights

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

No developments have been reported in this regard in 2024. In the previous edition of the Yearbook, **Slovenia**<sup>417</sup> informed about a shift away from this minimum standard. It was indicated that the new Tax Procedure Act expanded the automatic exchange of information to platform operators, adopting DAC7.<sup>418</sup> So, platform operators are now obliged to report the data on each vendor's business activities through digital platforms, which will automatically transmit the data. However, if the platform operator deals with financial information, nothing is foreseen in the new Tax Procedure Act about informing the affected taxpayers<sup>419</sup> to exercise their data protection rights before the proposed exchange occurs. No changes have been indicated or updated about this matter.

Also last year, **Botswana**<sup>420</sup>, stated a shift away that has not been amended. Despite the Data Protection Act providing a minimum standard of data protection, it does not contemplate that

<sup>417</sup> SI: OPTR Yearbook (2023), sec. 9.1.4., p. 174.

<sup>418</sup> See Council Directive (EU) 2021/514 of 22 Mar. 2021 amending Directive 2011/16/EU on administrative cooperation in the field of taxation, OJ L 104, (2021), pp. 1-26.

<sup>419</sup> See arts. 248.č and 255.z-255.ar SI: [Tax Procedure Act](#) (Official Gazette of the Republic of Slovenia, No. 163/2022, ZDavP-2N).

<sup>420</sup> BW: OPTR Yearbook (2023), sec. 9.1.4., p. 175.

taxpayers should be notified with enough time to exercise their data protection rights whenever an automatic exchange of financial information occurs. Therefore, the country continues to engage in such practice.

**Minimum standard:** The taxpayer should be notified of an exchange of information and given sufficient time to exercise data protection rights (including the right to correct inaccurate data)

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

Bolivia

The reporter for **Bolivia**<sup>421</sup> has criticized the way the tax administration has dealt with certain recent cases. The recent practice implies not notifying taxpayers when they are subjects of an exchange of information procedure.

**Minimum standard:** Time limits should apply to the retention of data that is exchanged (and the data should be destroyed or anonymously archived within this time limit)

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

No changes have been reported for this year. **Colombia**<sup>422</sup> has deliberately mentioned that this minimum standard applies in domestic legislation. On the negative side, **Chinese Taipei**<sup>423</sup> has indicated that time limits for data retention are not applicable since there is a lack of regulation.

**Minimum standard:** No exchange of information should be permitted with respect to any state if it is reasonably foreseeable that the recipient state will use the data in a way that is repressive or that would undermine the protection of fundamental rights

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

No changes have been reported with regard to this minimum standard in 2024.

**Best practice:** No exchange of information should be permitted with respect to any state

<sup>421</sup> BL: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 91.

<sup>422</sup> CL: OPTR Report (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 92.

<sup>423</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 92.

if that state does not guarantee adequate data protection in its law and in practice

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

None

No changes have been reported for this year, neither for the minimum standard nor for the best practice. However, **Colombia**<sup>424</sup> and **Chinese Taipei**<sup>425</sup> have stated that neither this minimum standard nor its best practice are regulated or applied in their respective countries.

## 9.2. Mutual agreement procedure

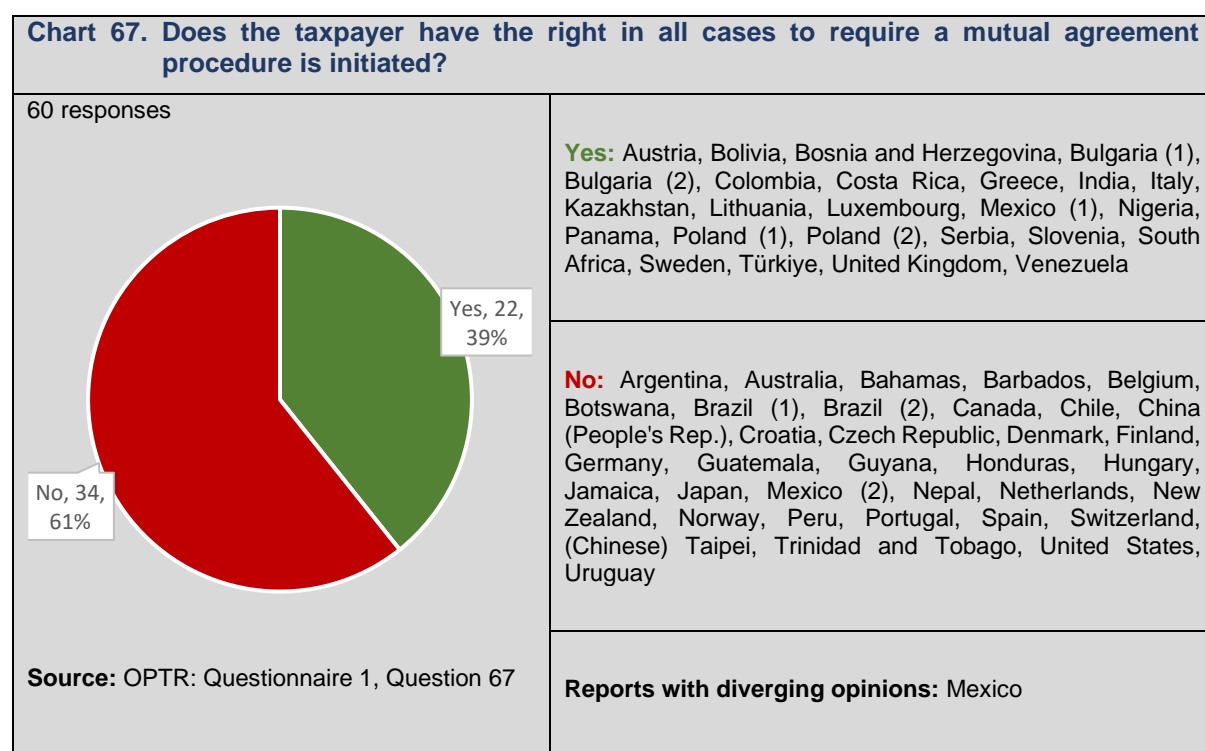
**Minimum standard:** Taxpayers should have a right to request initiation of mutual agreement procedure

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

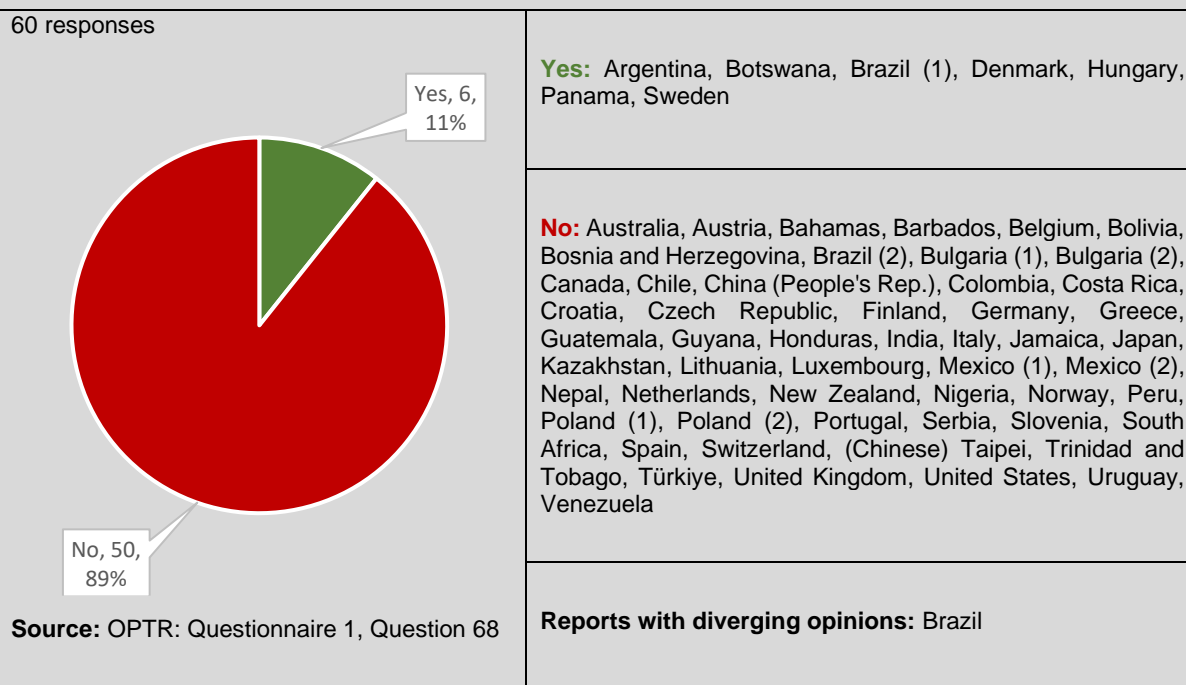
None



<sup>424</sup> CL: OPTR Report (Tax Administration, (Tax) Ombudsperson), Questionnaire 2, Question 93.

<sup>425</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 93.

**Chart 68. Does the taxpayer have a right to see the communications exchanged in the context of a mutual agreement procedure?**



**Best practice:** Where mutual agreement procedure (or arbitration following mutual agreement procedure) reaches a solution or fails to reach a solution, the taxpayer should be given a statement of reasons how that solution was reached (or why no solution was reached)

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

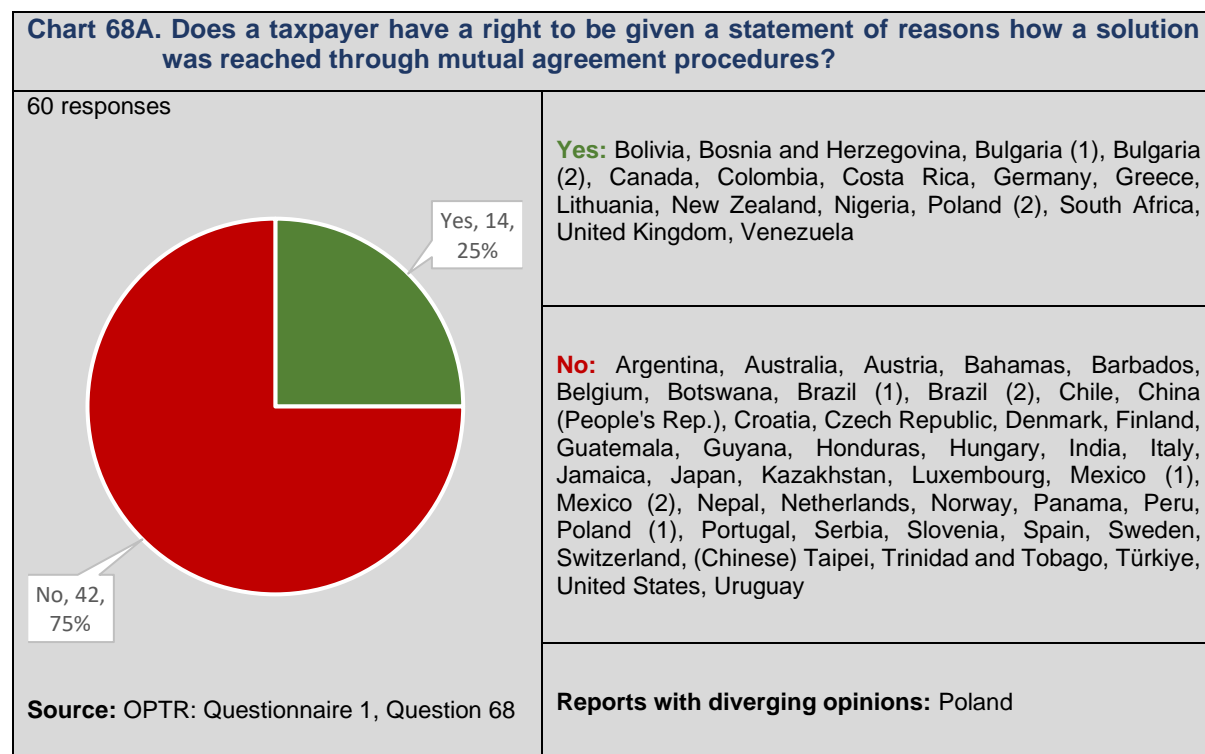
No changes have been mentioned in this regard for 2024. **Chinese Taipei**<sup>426</sup> wanted to highlight that the right to request the initiation of a mutual agreement procedure is regulated by a particular set of rules.<sup>427</sup> Furthermore, regarding the best practice, the **United States**<sup>428</sup> wanted to specify that tax authorities must present a tentative resolution for taxpayer

<sup>426</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 94.

<sup>427</sup> See TW: "Directions Governing Application of Mutual Agreement Procedures of Agreements for the Avoidance of Double Taxation with Respect to Taxes on Income" (Chinese version: <https://law-out.mof.gov.tw/LawContent.aspx?id=GL010455#lawmenu> (accessed 17 Feb. 2025)); see also Ministry of Finance, R.O.C., Mutual Agreement Procedure (MAP) <https://www.mof.gov.tw/eng/singlehtml/264?cntId=81240> (accessed 17 Feb. 2025) to see the complete set of rules on the matter.

<sup>428</sup> US: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 94.

consideration. What is more, taxpayers are entitled to ask questions to the competent authorities about that tentative resolution.<sup>429</sup>



**Best practice:** Taxpayers should have a right to participate in a mutual agreement procedure by being heard and being informed as to progress of the procedure

**Shifted towards/matched the best practice:**

None

**Shifted away from the best practice:**

None

Regarding this best practice, no changes have been reported for 2024. In the previous edition, the report from **Chinese Taipei**<sup>430</sup> also discussed the lack of taxpayers' rights in the MAP. In this year's edition,<sup>431</sup> the country has nuanced such lack of taxpayers' rights regarding a MAP, particularly indicating that participation in such procedure by being heard (hearing) is not regulated in the set of rules governing it.<sup>432</sup> Following the same clarifying intention, the **United States**<sup>433</sup> reporter informed in the same line as the previous edition of this Yearbook<sup>434</sup>,

<sup>429</sup> See US: sec. 9, "Procedures for Requesting Competent Authority Assistance under Tax Treaties 26 CFR 601.201: Rulings and determination letters", Rev. Proc. 2015-40, available at <https://www.irs.gov/pub/irs-drop/rp-15-40.pdf> (accessed 17 Feb. 2025).

<sup>430</sup> TW: OPTR Yearbook (2023), sec. 9.2., p. 175.

<sup>431</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/Academia), Questionnaire 2, Question 95.

<sup>432</sup> See note 63, sec. 9.2.

<sup>433</sup> US: OPTR Report (Taxpayers/Tax Practitioners, Academia), Questionnaire 2, Question 95.

<sup>434</sup> US: OPTR Yearbook (2023), sec. 9.2., p. 175.



indicating that even though no changes were developed in this matter, US residents can request assistance from the US competent authorities if they think double taxation is possible within the framework of double tax treaties signed by the United States.<sup>435</sup> However, the US competent authorities can decide whether to accept or reject the request and also require prefilling procedures in some instances.<sup>436</sup>

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<sup>435</sup> See IRS Rev. Proc. 2015-40, 2015-35 IRB 236, available at <https://www.irs.gov/pub/irs-irbs/irb15-35.pdf> and <https://www.irs.gov/pub/irs-drop/rp-15-40.pdf> (accessed 17 Feb. 2025).

<sup>436</sup> See IRS Rev. Proc. 2015-40, secs. 3 and 7, available at <https://www.irs.gov/pub/irs-drop/rp-15-40.pdf> (accessed 17 Feb. 2025).

## 10. Legislation

### 10.1. The general framework

In a democratic state, taxes must be based on a legal source, which results from the will of the people expressed through its political representation in the legislature. It is not sufficient for tax law to formally comply with the issuing state's legal order to safeguard taxpayers' rights; rather, taxes must be the outcome of the citizens' consent.

Ideally, taxpayers should be involved in shaping the legislation via public consultation that is adequate in communication, accessibility and duration for the deadline to reply. Besides, tax legislation should regulate taxable events *ex nunc* (from the moment of its enactment).

In practice, a fair amount of tax legislation will be enacted to prevent certain taxpayers' behaviours, for example to close loopholes in the legislation. To do so without providing taxpayers opportunities to rearrange their affairs, legislators sometimes deem it necessary to enact the amendments – to a certain extent – retroactively. However, this should be the last resort and done only exceptionally under circumstances explicitly stated, narrowly drafted and interpreted. Nonetheless, this is not always the case for different reasons, which will be analysed further below.

Perhaps because of the “hardening” of soft law and the progressive intervention of multilateral bodies in the legislative processes in tax matters, and probably in response to doubts about the democratic legitimacy of the rule-making processes carried out by such bodies, 2024 continued to be the scene of a growing trend towards public consultation. This process is described in more detail in section [10.3](#).

On a final general note, the amendments to the Italian Taxpayers Bill of Rights have been well-documented last year and in this edition of the Yearbook. However, one important aspect should still be stressed. The Bill now implements an interpretative rule (in article 1, paragraph 1) that demands interpretation of its provisions in line with principles of EU law, international law and constitutional law. It is highly interesting to observe future convergence of norms on the basis of this new rule.

### 10.2. Constitutional limits on tax legislation: Retroactive legislation

**Minimum standard:** Retrospective tax legislation should only be permitted in limited circumstances, which are spelt out in detail

Shifted towards/improved the minimum standard:

Italy, Türkiye

Shifted away from the minimum standard:

None

**Best practice:** Retrospective tax legislation should ideally be banned completely

Shifted towards/matched the best practice:

None

Shifted away from the best practice:

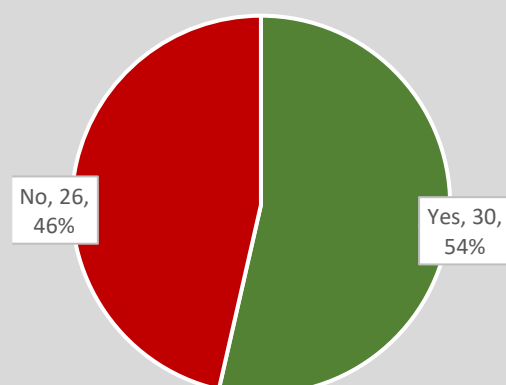
Türkiye

In **Italy**, article 3 of Law 212 of 27 July 2000, also known as the “Taxpayer’s Bill of Rights”, was modified by Legislative Decree No. 219 of 30 December 2023 and came into effect on 18 January 2024. This amendment, which previously included a general prohibition of retrospective tax legislation in paragraph 1 (excluding interpretative rules aimed at clarifying existing rules), has been further enhanced. It now states that “Legal presumptions do not apply retrospectively. For taxes due, determined, or paid periodically, the introduced legislative changes apply only from the tax period following the one occurring on the date of their entry into force”.<sup>437</sup>

At the same time, there have been developments in **Türkiye** regarding the additional corporate income tax retrospectively applied to exempt income in 2023, following the earthquakes on 6 February 2023. The Constitutional Court (E.23/169, K.24/82, 14.03.2024, Official Gazette of 19.04.2024) found this tax to be constitutional. According to the Court, in the case of extraordinary events such as natural disasters that have a negative impact on the economy, retrospective tax legislation may be justified, provided that the imposition is proportional.<sup>438</sup>

**Chart 69. Is there a prohibition on retrospective tax legislation in your country?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 69

**Yes:** Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), China (People's Rep.), Colombia, Costa Rica, Croatia, Czech Republic, Guatemala, Honduras, Hungary, Italy, Japan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Serbia, Slovenia, Sweden, Switzerland, (Chinese) Taipei, United Kingdom, Uruguay, Venezuela

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bulgaria (1), Bulgaria (2), Canada, Chile, Denmark, Finland, Germany, Greece, Guyana, India, Jamaica, Kazakhstan, Nepal, Netherlands, New Zealand, Portugal, South Africa, Spain, Trinidad and Tobago, Türkiye, United States

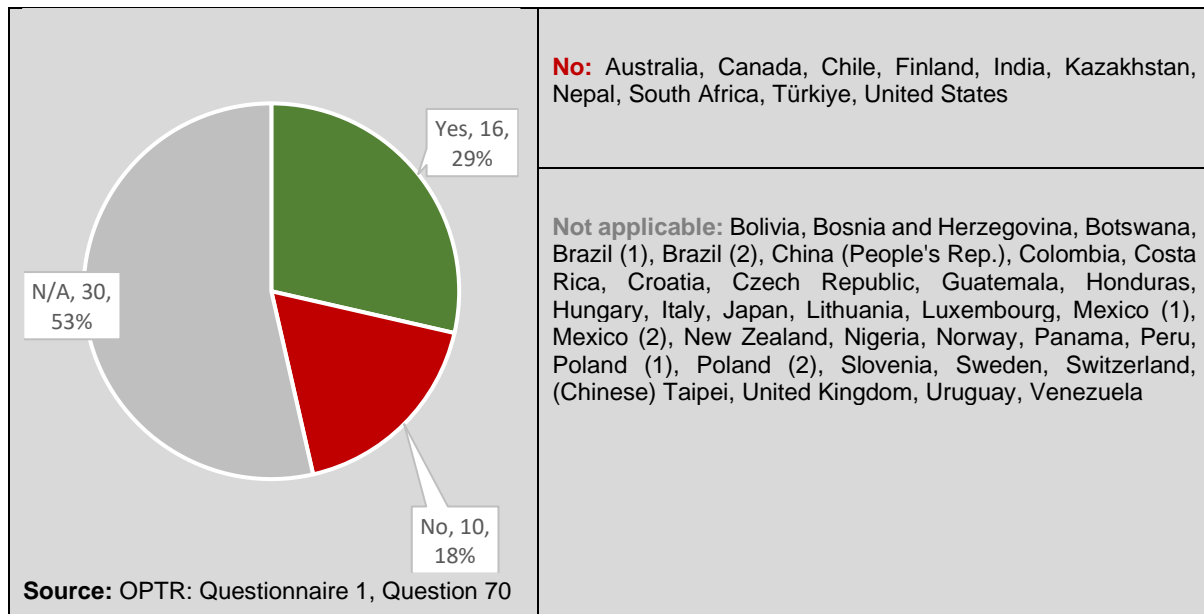
**Chart 70. If no, are there restrictions on the adoption of retrospective tax legislation in your country?**

60 responses

**Yes:** Argentina, Austria, Bahamas, Barbados, Belgium, Bulgaria (1), Bulgaria (2), Denmark, Germany, Greece, Guyana, Jamaica, Netherlands (The), Portugal, Serbia, Spain, Trinidad and Tobago

<sup>437</sup> See IT: OPTR Report (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 96.

<sup>438</sup> See TR: OPTR Report (Academia), Questionnaire 2, Question 96.



### 10.3. Public consultation and involvement in the making of tax policy and tax law

**Best practice:** Public consultation should precede the making of tax policy and tax law

**Shifted towards/matched the best practice:**

Brazil, New Zealand, Poland

**Shifted away from the best practice:**

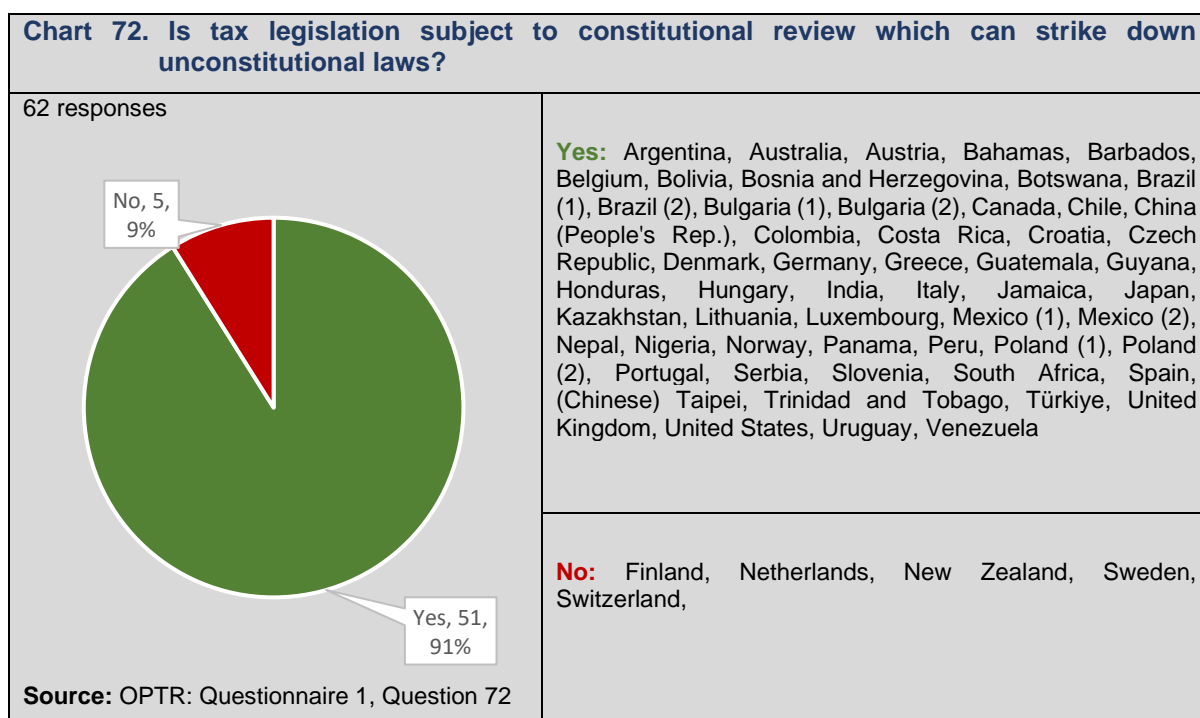
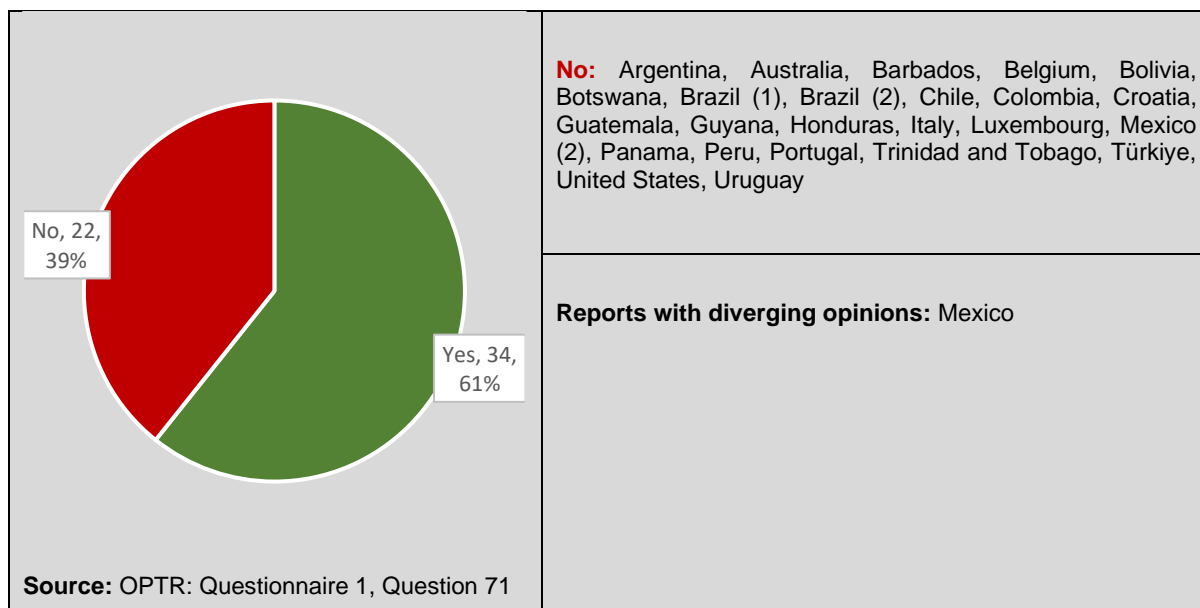
Bolivia

An effective legislative protection of taxpayers' rights requires an effective public participation in the legislative process to ensure the *no-taxation-without-representation* principle, as introduced in section 10.1. It also involves the constitution's integrity as tax codes may be ruled to contradict general codes and violate taxpayers' rights.

Most surveyed jurisdictions provide public consultation (61%), as shown by Chart 71.

The vast majority (91%) also stated that judicial review is part of their constitutional systems, as Chart 72 shows.

Chart 71. Is there a procedure in your country for public consultation before the adopting of all (or most) tax legislation?	
60 responses	<p><b>Yes:</b> Austria, Bahamas, Bosnia and Herzegovina, Bulgaria (1), Bulgaria (2), Canada, China (People's Rep.), Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, India, Jamaica, Japan, Kazakhstan, Lithuania, Mexico (1), Nepal, Netherlands, New Zealand, Nigeria, Norway, Poland (1), Poland (2), Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, United Kingdom, Venezuela</p>



Overall, 2024 continued to witness significant growth in public consultation on tax matters, with numerous countries engaging in discussions on a wide range of regulatory reforms. **Brazil** stands out as a good example, with the Federal Revenue Service continuing to conduct public consultations before enacting regulations. Additionally, Congress has adopted a similar

approach for laws related to the reform of VAT taxation in Brazil, despite this not being the standard practice for most tax modifications.<sup>439</sup>

Furthermore, in **New Zealand**, there has been clear evidence of a return to the use of the generic tax policy process (GTPP) by the government in 2024. This is demonstrated by the issuance of a new Tax and Social Policy Work Program in November and the publication of consultation documents on proposed policy changes preceding the draft legislation.<sup>440</sup>

In **Poland**, following an election and a change of government at the end of 2023, public consultation has once again become a standard part of the tax legislation process. Previously, there were cases where tax drafts were submitted by a group of parliamentarians, circumventing the need for public consultation before the adoption of tax legislation. This practice has now been discontinued.<sup>441</sup>

Despite the extensive consultation activity, in **Bolivia**, tax laws and regulations are not typically subject to prior public consultation in practice. A recent example of a law approved without the minimum level of consultation is the 2025 Financial Budget, which was not approved by Congress but rather enacted directly by the President.<sup>442</sup>

**Minimum standard:** All tax legislation should be reviewed on a regular basis to ensure that it supports the gradual realization of the rights set out in the International Covenant on Economic Social and Cultural rights

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

**Minimum standard:** All tax legislation should be reviewed on a regular basis to ensure that it is consistent with the realization of the UN Sustainable Development Goals

Shifted towards/improved the minimum standard:

None

Shifted away from the minimum standard:

None

<sup>439</sup> See CCJ fará quatro debates sobre a reforma tributária esta semana, available at <https://www12.senado.leg.br/noticias/materias/2024/11/11/ccj-fara-quatro-debates-sobre-a-reforma-tributaria-esta-semana> (accessed 20 Feb. 2025). See BR: OPTR Report (Taxpayers / Tax Practitioners, Judiciary, Academia), Questionnaire 2, Question 97.

<sup>440</sup> See NZ: OPTR Report (Taxpayers / Tax Practitioners), Questionnaire 2, Question 97.

<sup>441</sup> See PO: OPTR Report (Taxpayers / Tax Practitioners), Questionnaire 2, Question 97.

<sup>442</sup> See Tras inasistencia, Gobierno vuelve a convocar a sectores para dialogar sobre disposición confiscatoria, available at <https://brujuladigital.net/economia/2025/01/28/tras-inasistencia-gobierno-vuelve-a-convocar-a-sectores-para-dialogar-sobre-disposicion-confiscatoria-42525> (accessed 20 Feb. 2025). See BO: OPTR Report (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 97.

## 11. Revenue Practice and Guidance

### 11.1. The general framework

Transparency is usually associated with taxation, including ending bank secrecy and tax evasion.<sup>443</sup> However, transparency has become a keyword for contemporary governance and accountability, which implies accessing public information.<sup>444</sup> The more information there is, the more certainty citizens have regarding their governments' compliance. This same approach applies to taxpayers and their tax obligations. The more legal material taxpayers can access, the better they will comprehend the object of tax law. Therefore, the awareness of legal material improves legal certainty and, thus, increases the protection of taxpayers' rights. For this reason, accessing tax authorities' binding guidance regarding the interpretation of legal material boosts legal certainty<sup>445</sup> and becomes a sign of good governance.<sup>446</sup>

In this edition, several countries reported changes favouring several minimum standards and best practices related to the availability of relevant materials, guidelines and regulations for taxpayers, as well as the respect for the bindingness of tax rulings by tax authorities and for published guidance, improving taxpayers' trust and enhancing fundamental procedural rights.

### 11.2. The publication of all relevant materials

**Minimum standard:** Taxpayers should be entitled to access all relevant legal material, comprising legislation, administrative regulations, rulings, manuals and other guidance

**Shifted towards/improved the minimum standard:**

Colombia, Hungary, Italy

**Shifted away from the minimum standard:**

None

The general tendency towards compliance with this minimum standard, underpinned by the digitalization of tax administrations, continued in 2024. Countries are still broadening taxpayers' access to relevant legal materials. This is the case in **Hungary**<sup>447</sup> or **Colombia**<sup>448</sup>. Colombia already mentioned this positive shift towards granting more access to relevant materials for taxpayers in the previous edition,<sup>449</sup> widening during 2024. The country continued

<sup>443</sup> OECD/G20, *Tax Transparency*, available at <https://www.oecd.org/tax/beps/tax-transparency/> (accessed 17 Feb. 2025).

<sup>444</sup> T. Erkkilä, *Transparency in Public Administration*, in *Oxford Research Encyclopaedia of Politics*, available at <https://oxfordre.com/politics/view/10.1093/acrefore/9780190228637.001.0001/acrefore-9780190228637-e-1404> (accessed 17 Feb. 2025).

<sup>445</sup> See P. Baker & P. Pistone, *General Report*, in *The Practical Protection of Taxpayers' Fundamental Rights*, p. 68 (IFA Cahiers vol. 100B, 2015), Books IBFD.

<sup>446</sup> See A. Pham et al., *Tax Literacy: A Canadian Perspective*, 64 *Canadian Tax Journal/Revue fiscale canadienne* 4, pp. 987-1007 (2020), available at <https://ssrn.com/abstract=3766406> (accessed 17 Feb. 2025).

<sup>447</sup> HU: OPTR Report (Academia), Questionnaire 2 (Development Survey), Question 100.

<sup>448</sup> CO: OPTR Report (Tax Administration, (Tax) Ombudsperson), Questionnaire 2 (Development Survey), Question 100.

<sup>449</sup> See CL: *OPTR Yearbook* (2023), sec. 11.2, pp. 185-186.



developing general tax rulings and updating them when the legislation subject to interpretation has been modified, such as electronic invoicing, income tax for individuals, and corporate income tax. Additionally, other types of guides are regularly published, which, for example, provide a summary of the recently issued tax rulings or explain how to register virtually in the Single Tax Registry.<sup>450</sup>

**Italy**<sup>451</sup> has also indicated a development favouring this minimum standard. The country underwent a profound reform in 2023<sup>452</sup> that amended the old Law 212 of 27 Jul. 2000,<sup>453</sup> modifying the governing principles of all levels of tax administrations (i.e. state, regional and local), particularly the right of *audi alteram partem* (the right to be heard) and the right to access tax administrative documentation. Nevertheless, in 2024, there has been a consolidation of the right to be heard by including in the Taxpayers' Bill of Rights the new article 6-bis.<sup>454</sup> The objective of the new article 6-bis is to elevate the right to be heard to the rank of general principle that embodies the procedure of exchange of information, governing the protection of taxpayers' rights when participating in such administrative procedures. This way, the right to be heard becomes an inherent part of the exchange of information procedures.

Moreover, even though no changes have been reported in this regard, **Chinese Taipei**<sup>455</sup> wanted to clarify that, from a theoretical perspective, taxpayers are entitled to access all relevant materials necessary to defend themselves within administrative procedures in most cases. However, specific tax rulings are not disclosed for privacy and administrative reasons.

**Chart 73. Does the tax authority in your country publish guidance (e.g. revenue manuals, circulars) as to how it applies your tax law?**

60 responses

**Yes:** Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Sweden, Switzerland, (Chinese) Taipei, Türkiye, United Kingdom, United States, Uruguay, Venezuela

<sup>450</sup> See the webpage of the Colombian tax authorities to access all types of materials, rulings and guidelines DIAN, *Transparencia y acceso a la información pública*, <https://www.dian.gov.co/atencionciudadano/Paginas/Transparencia.aspx> (accessed 17 Feb. 2025).

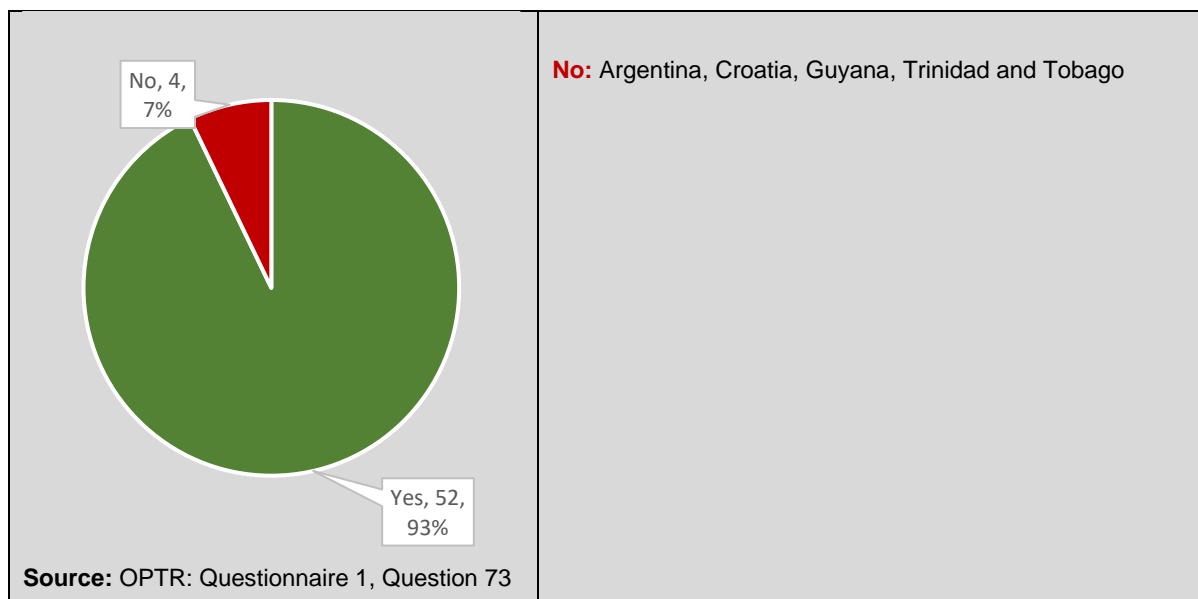
<sup>451</sup> IT: OPTR Report (Taxpayers / Tax Practitioners, Academia), Questionnaire 2 (Development Survey), Question 100.

<sup>452</sup> See IT: *OPTR Yearbook* (2023), sec. 11.2, p. 186.

<sup>453</sup> See Decreto Legislativo 30 dicembre 2023, n. 219, Gazzeta Ufficiale della repubblica Italiana, serie generale n.2, 3 gennaio 2024. Available at: <https://www.gazzettaufficiale.it/eli/gu/2024/01/03/2/sg/pdf>. (accessed 17 Feb. 2024).

<sup>454</sup> Ministero dell'Economia e delle Finanze, Nuovo articolo 6-bis dello Statuto dei diritti del contribuente - Atto di indirizzo, 29.02.2024, <https://www.finanze.gov.it/inevidenza/Nuovo-articolo-6-bis-dello-Statuto-dei-diritti-del-contribuente-Atto-di-indirizzo/> (accessed 17 Feb. 2025).

<sup>455</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/ Academia), Questionnaire 2, Question 100.



**Minimum standard:** Where legal material is available primarily on the Internet, arrangements should be made to provide it to those who do not have access to the Internet

**Shifted towards/improved the minimum standard:**

Hungary

**Shifted away from the minimum standard:**

None

**Hungary**<sup>456</sup> has indicated a positive evolution towards making arrangements for those taxpayers who cannot access materials primarily available on the Internet. Hungary followed the trend of **Spain**,<sup>457</sup> where, in 2023, the Supreme Court with its Decision 953/2023 of 11 July 2023, declared the nullity of the provisions obliging taxpayers to interact electronically with the tax administration for the declaration of the personal income tax return,<sup>458</sup> due to a regulatory insufficiency for establishing electronic means as the only channel for submitting personal income tax returns. However, after the sentence, the tax administration did not take an immediate corrective measure and, instead, announced<sup>459</sup> to study measures and proposals together with different forums and associations of tax professionals to assess the sufficiency of the assistance in completing the tax return. Afterwards, the study results would be indicated to the Taxpayers' Ombudsmen (*Consejo para la Defensa del Contribuyente*) to elaborate a report to evaluate the measures to take in the subsequent income tax revenue campaign. So far, no materials have been disclosed to the public in this regard. However, the last ministerial order that approves models to declare the personal income tax returns, foresees the possibility

<sup>456</sup> HU: OPTR Report (Academia), Questionnaire 2 (Development Survey), Question 101.

<sup>457</sup> See ES: *OPTR Yearbook* (2023), sec. 11.2, pp. 187-188.

<sup>458</sup> See Decision of the Spanish Supreme Court 953/2023, of 11 July 2023, available at <https://www.poderjudicial.es/search/AN/openDocument/a6a7f09cdc1155bda0a8778d75e36f0d/20230728> (accessed 17 Feb. 2025).

<sup>459</sup> See BOE, Additional Disposition 6, *BOE* 310, 28 Dec. 2023, pp. 172748, available at <https://www.boe.es/boe/dias/2023/12/28/pdfs/BOE-A-2023-26452.pdf> (accessed 17 Feb. 2025).

to declare and present the tax return at the premises of the tax authorities,<sup>460</sup> “creating a double alternative for those taxpayers less accustomed to new technologies who require personalized assistance, with or without going to a physical office”.<sup>461</sup>

### 11.3. Binding rulings

**Minimum standard:** Where a state has a system of advance rulings, they should be binding on the tax authorities (unless based on an incorrect presentation of the relevant circumstances)

**Shifted towards/improved the minimum standard:**

Panama, Spain

**Shifted away from the minimum standard:**

None

There have been positive updates for taxpayers regarding the bindingness of advance rulings. First of all, in **Panama**,<sup>462</sup> the new Tax Procedure Code has come into force. The Tax Procedure Code was enacted in 2019<sup>463</sup> and its full validity was scheduled for 2020; however, it was postponed until it finally came into force on 1 June 2024.<sup>464</sup> According to the new Tax Procedure Code, rulings can be binding but are not always so. Rulings are binding to a taxpayer only in case the conclusions of the ruling are beneficial for that taxpayer.<sup>465</sup>

**Spain's**<sup>466</sup> Supreme Court with its Decision 429/2024 of 25 January 2024<sup>467</sup> reinforced the binding nature of advance rulings. The Court established that the criteria expressed by a binding ruling must be applied to specific cases where the facts and circumstances of the taxpayer match those included in the ruling. In order to ensure that respect, if the case reaches the judicial level, the sentence indicates that judges must determine whether or not the tax administration deviated from administrative doctrine after examining compliance with the requirements outlined in article 89.1 of the General Tax Code.<sup>468</sup> The judges must determine

<sup>460</sup> See arts. 6 & 7 Orden HAC/265/204, de 18 de marzo [https://www.boe.es/diario\\_boe/txt.php?id=BOE-A-2024-5721](https://www.boe.es/diario_boe/txt.php?id=BOE-A-2024-5721) (accessed 19 Feb. 2025).

<sup>461</sup> Prologue of Orden HAC/265/204, de 18 de marzo [https://www.boe.es/diario\\_boe/txt.php?id=BOE-A-2024-5721](https://www.boe.es/diario_boe/txt.php?id=BOE-A-2024-5721) (accessed 19 Feb. 2025).

<sup>462</sup> PN: OPTR Report (Taxpayers / Tax Practitioners), Questionnaire 2 (Development Survey), Question 102.

<sup>463</sup> See Ley n.º76 de 13 de febrero de 2019. Que aprueba el Código de Procedimiento Tributario de la República de Panamá. [https://tat.gob.pa/back/media/marco-normativo/leyes-y-decretos/Codigo\\_de\\_Procedimiento\\_Tributario\\_2.pdf](https://tat.gob.pa/back/media/marco-normativo/leyes-y-decretos/Codigo_de_Procedimiento_Tributario_2.pdf) (accessed 17 Feb. 2025).

<sup>464</sup> See Tribunal Administrativo Tributario. República de Panamá, Resolución de No Admisión n.º TAT-ADM-163 de 27 de diciembre de 2024, Expediente 153-2024 <https://tat.gob.pa/back/media/uploads/publicaciones/resoluciones/2025/02/04/Exp-153-2024.pdf> (accessed 17 Feb. 2025).

<sup>465</sup> See arts. 127 to 129 Tax Procedure Code of Panama.

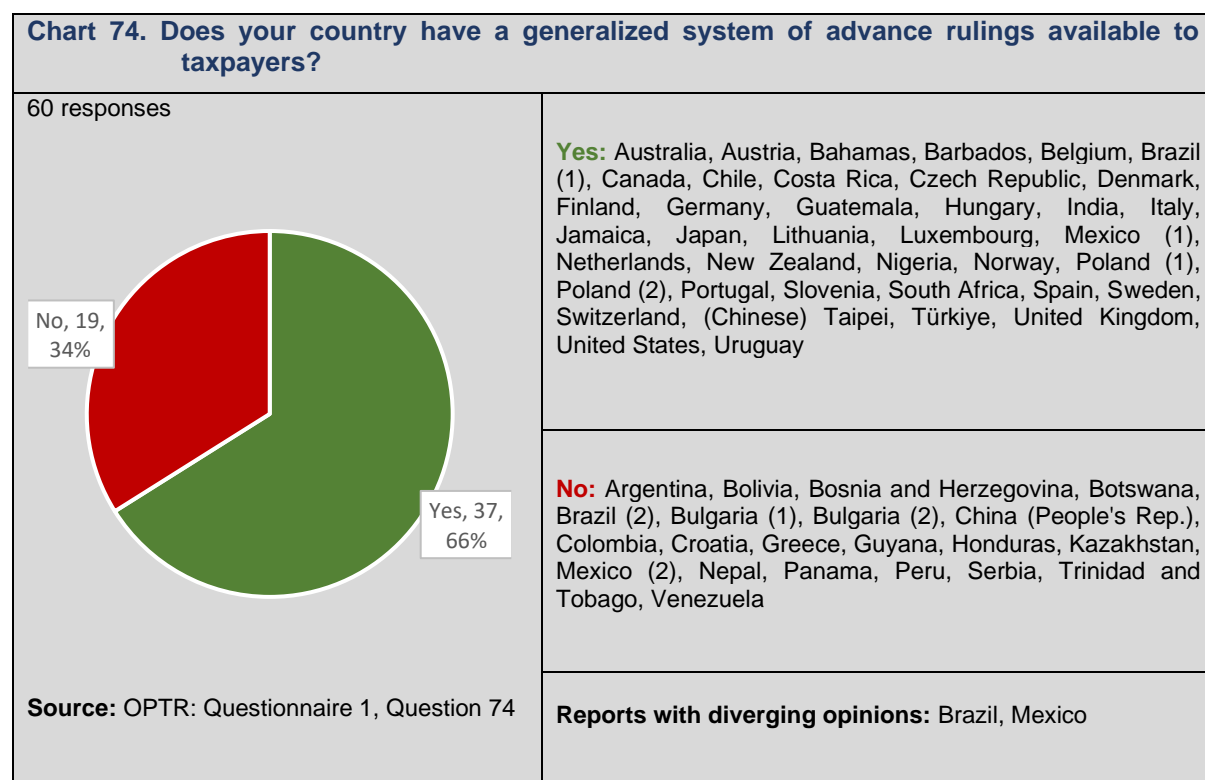
<sup>466</sup> ES: OPTR Report (Taxpayers / Tax Practitioners, (Tax) Ombudsperson, Academia, Former Judiciary), Questionnaire 2 (Development Survey), Question 102.

<sup>467</sup> See Decision of the Spanish Supreme Court 429/2024, of 25 January 2024, available at <https://www.poderjudicial.es/search/AN/openDocument/a6c70c474ebc17c6a0a8778d75e36f0d/20240209> (accessed 17 Feb. 2025).

<sup>468</sup> See art. 89 Ley 58/2033, de 17 de diciembre, General Tributaria, <https://www.boe.es/buscar/act.php?id=BOE-A-2003-23186> (accessed 17 Feb. 2025).

such deviation by analysing whether there is a correlation between the facts and circumstances of the obligated party and those included in the consultation made to the tax authorities. However, they can deny the link when such a correlation is lacking and when the legislation or jurisprudence applicable to the case has been modified.<sup>469</sup>

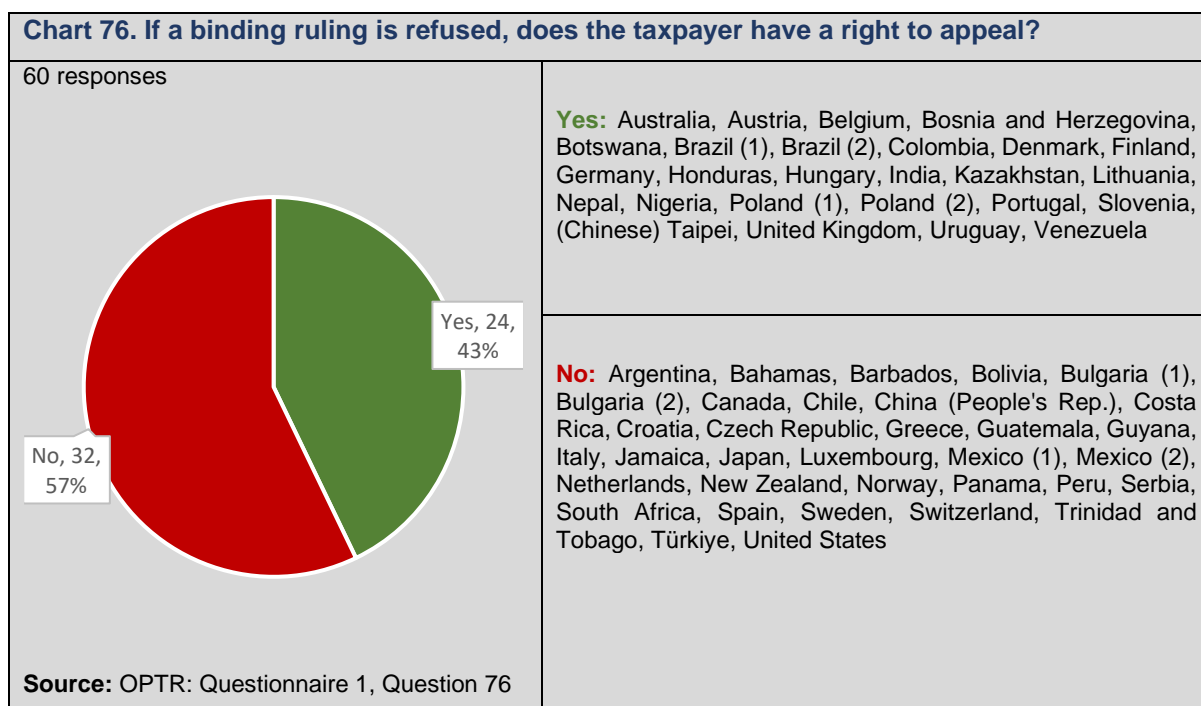
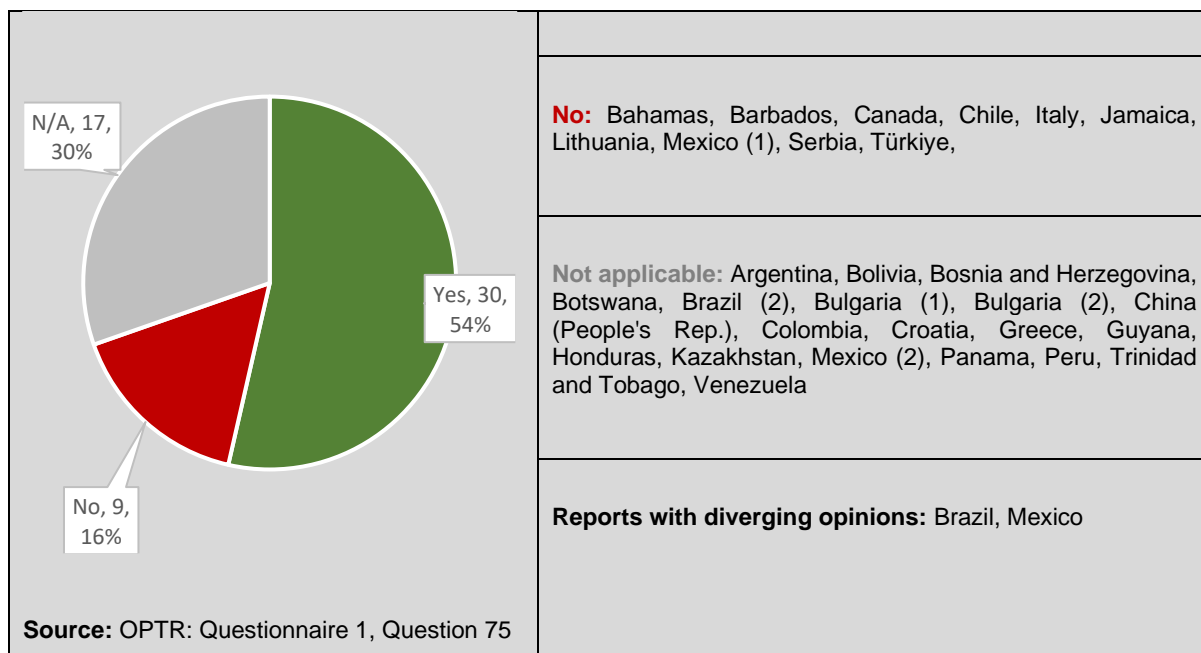
Besides these new advancements towards granting that binding rulings are indeed binding for the tax authorities, **Chinese Taipei**<sup>470</sup> has not reported any change in its legislation but has wanted to clarify that their APA regulations have included a clause regulating that binding rulings are indeed binding on its tax authorities.<sup>471</sup>



<sup>469</sup> See Fundamento Jurídico 3º Sentence of the Spanish Supreme Court 429/2024, of 25 Jan. 2024, available at <https://www.poderjudicial.es/search/AN/openDocument/a6c70c474ebc17c6a0a8778d75e36f0d/20240209> (accessed 17 Feb. 2025).

<sup>470</sup> TW: OPTR Report (Taxpayers/Tax Practitioners/ Academia), Questionnaire 2, Question 102.

<sup>471</sup> See the reference law in Chinese provided by the Chinese Taipei reporters in <https://law-out.mof.gov.tw/LawContent.aspx?id=GL000700> (accessed 17 Feb. 2025).



## 11.4. Non-binding guidance

**Minimum standard:** Where a taxpayer relies on published guidance of a revenue authority that subsequently proves to be inaccurate, changes should apply only prospectively

Shifted towards / improved the minimum standard: Shifted away from the minimum standard:

Brazil (2)

None

Regarding non-binding guidance, **Brazil**<sup>472</sup> has reported progress in that sense, providing an example of a case of the Brazilian Supreme Court,<sup>473</sup> regarding the ICMS (a state tax on the circulation of merchandise, electric power, rendering of interstate and intermunicipal transportation services, and communications) on subsidies from the Energy Development Fund. There was a repeated practice where the tax administration did not charge the tax. In that sense, the Court unanimously decided that changing the collection of a tax that was not being collected because of an administrative decision determines that such a repeated practice would allow the tax to be levied only on taxable events that occurred after modifying the administrative modification, but not before changing such practice.<sup>474</sup>

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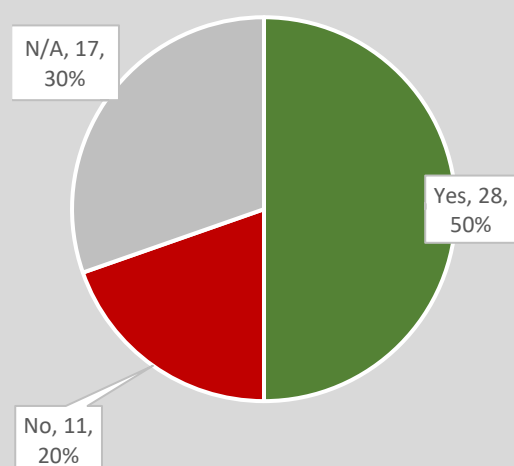
<sup>472</sup> BR: OPTR Report (Academia), Questionnaire 2 (Development Survey), Question 103. It shall be disclosed that there is a discrepancy on this matter between the representatives of Brazil 1 (Taxpayers / Tax Practitioners, Judiciary, Academia) and Brazil 2 (Academia).

<sup>473</sup> BR: Superior Tribunal de Justiça, *AREsp 1.688.160/RS, Agravo em Recurso Especial 2020/0081469-0*, 17/10/2024 available at <https://scon.stj.jus.br/SCON/pesquisar.jsp?b=ACOR&livre=%28ARESP.clas.+e+%40num%3D%221688160%22%29+ou+%28ARESP+adj+%221688160%22%29.suce.&O=JT> (accessed 17 Feb. 2025).

<sup>474</sup> BR: See points IV and V of Superior Tribunal de Justiça, *AREsp 1.688.160/RS, Agravo em Recurso Especial 2020/0081469-0*, 17/10/2024 available at <https://scon.stj.jus.br/SCON/pesquisar.jsp?b=ACOR&livre=%28ARESP.clas.+e+%40num%3D%221688160%22%29+ou+%28ARESP+adj+%221688160%22%29.suce.&O=JT> (accessed 17 Feb. 2025).

**Chart 77. If your country publishes guidance as to how it applies your tax law, can taxpayers acting in good faith rely on that published guidance (i.e. protection of legitimate expectations)?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 77

**Yes:** Australia, Austria, Botswana, Brazil (1), Brazil (2), Chile, China (People's Rep.), Colombia, Costa Rica, Denmark, Finland, Germany, Greece, Honduras, India, Japan, Kazakhstan, Lithuania, Nepal, Netherlands, Nigeria, Norway, Poland (1), Poland (2), Portugal, Slovenia, (Chinese) Taipei, United Kingdom, Uruguay, Venezuela

**No:** Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Canada, Hungary, Luxembourg, Mexico (1), Peru, Sweden, Switzerland, United States

**Not applicable:** Argentina, Bahamas, Bulgaria (1), Bulgaria (2), Croatia, Czech Republic, Guatemala, Guyana, Italy, Jamaica, Mexico (2), New Zealand, Panama, Serbia, South Africa, Spain, Trinidad and Tobago, Türkiye

**Reports with diverging opinions:** Mexico



## 12. Institutional Framework for Protecting Taxpayers' Rights

### 12.1. The general framework

In practice, an institutional framework is needed when states impose their powers towards taxpayers. In doing so, states must adhere to legality, meaning that they must enact their powers and, at the same time, meet their obligations. The necessary framework can be shaped in different ways to ensure the adequate protection of taxpayers' rights.

### 12.2. Statements of taxpayers' rights: Charters, service charters and taxpayers' bills of rights

**Minimum standard:** Adoption of a charter or statement of taxpayers' rights should be a minimum standard

Shifted towards/improved the minimum standard:

Poland

Shifted away from the minimum standard:

None

**Best practice:** A separate statement of taxpayers' rights under audit should be provided to taxpayers who are audited

Shifted towards/matched the best practice:

None

Shifted away from the minimum standard:

None

Enacting a set of norms identifying taxpayers' rights can take various forms, such as a taxpayers' bill of rights or taxpayers' charters. They may also have different normative statuses (e.g. constitutional and statutory levels). These different types of norms provide an institutional framework of certainty regarding the scope of taxpayers' rights and the tax authorities' powers and obligations, which can also be defined through service charters.

As illustrated by Chart 78, 50% of the surveyed jurisdictions have taxpayers' charters or bills of rights.

However, 20% of them have reported that these provisions are not legally effective, as illustrated by Chart 79, which is an improvement compared to the 31% reported in 2022 and the 24% reported in 2023.

In **Poland**, although a charter of taxpayers' rights is not currently in effect, the Ministry of Finance has been actively involved in drafting this document since 2024. The draft is currently undergoing public consultations, and the government aims to adopt the charter during the current parliamentary term.<sup>475</sup>

**Best practice:** A charter or statement of taxpayers' rights should be legally enforceable

<sup>475</sup> See PO: OPTR Report (Taxpayers / Tax Practitioners), Questionnaire 2, Question 104.

Shifted towards/matched the best practice:

None

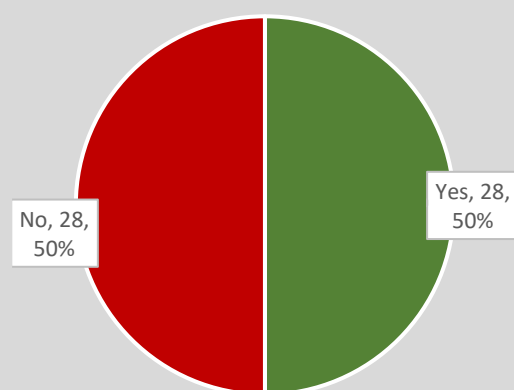
Shifted away from the best practice:

None

No change occurred with regard to this best practice in 2024.

**Chart 78. Is there a taxpayers' charter or taxpayers' bill of rights in your country?**

60 responses



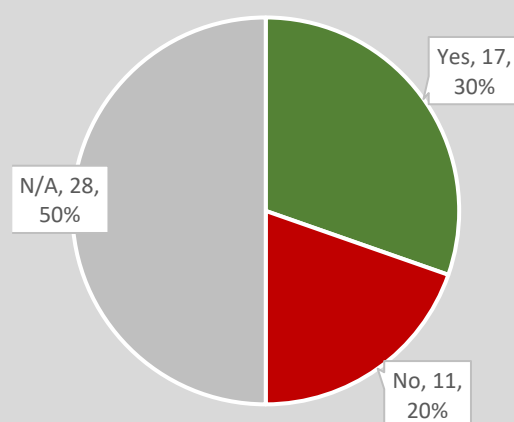
Source: OPTR: Questionnaire 1, Question 78

**Yes:** Australia, Austria, Belgium, Bolivia, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Guatemala, Honduras, India, Italy, Mexico (1), Mexico (2), New Zealand, Norway, Panama, Peru, South Africa, Spain, (Chinese) Taipei, Türkiye, United Kingdom, United States, Venezuela

**No:** Argentina, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Czech Republic, Denmark, Finland, Germany, Greece, Guyana, Hungary, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Nepal, Netherlands, Nigeria, Poland (1), Poland (2), Portugal, Serbia, Slovenia, Sweden, Switzerland, Trinidad and Tobago, Uruguay

**Chart 79. If yes, are its provisions legally effective?**

60 responses



Source: OPTR: Questionnaire 1, Question 79

**Yes:** Belgium, Bolivia, Brazil (1), Brazil (2), Chile, China (People's Rep.), Colombia, Costa Rica, Guatemala, Honduras, Italy, Mexico (1), Mexico (2), Norway, Panama, Peru, Spain, (Chinese) Taipei, United States

**No:** Australia, Austria, Bulgaria (1), Bulgaria (2), Canada, Croatia, India, New Zealand, South Africa, Türkiye, United Kingdom, Venezuela

**Not applicable:** Argentina, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Czech Republic, Denmark, Finland, Germany, Greece, Guyana, Hungary, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Nepal, Netherlands, Nigeria, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Sweden, Switzerland, Trinidad and Tobago, Uruguay

### 12.3. Organizational structure for protecting taxpayers' rights

**Best practice:** A taxpayer advocate or ombudsman should be established to scrutinize the operations of the tax authority, handle specific complaints and intervene in appropriate cases. Best practice is the establishment of a separate office within the tax authority but independent of the normal operations of that authority

Shifted towards/matched the best practice:

Italy

Shifted away from the minimum standard:

None

**Best practice:** The organizational structure for the protection of taxpayers' rights should operate at a local level as well as nationally

Shifted towards/matched the best practice:

None

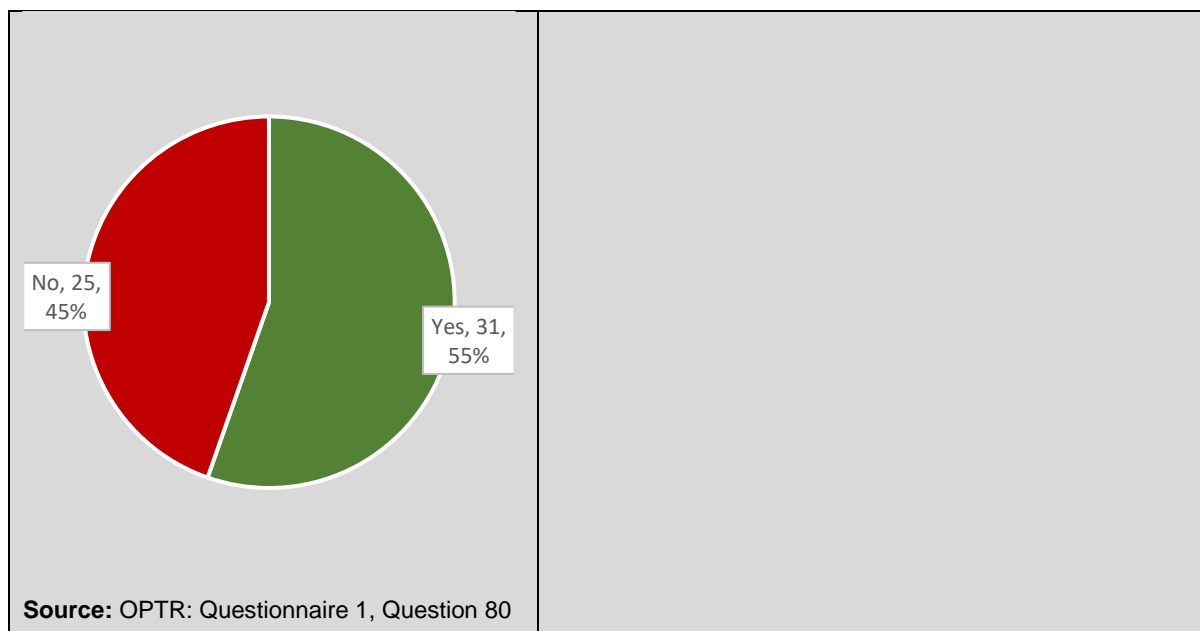
Shifted away from the minimum standard:

None

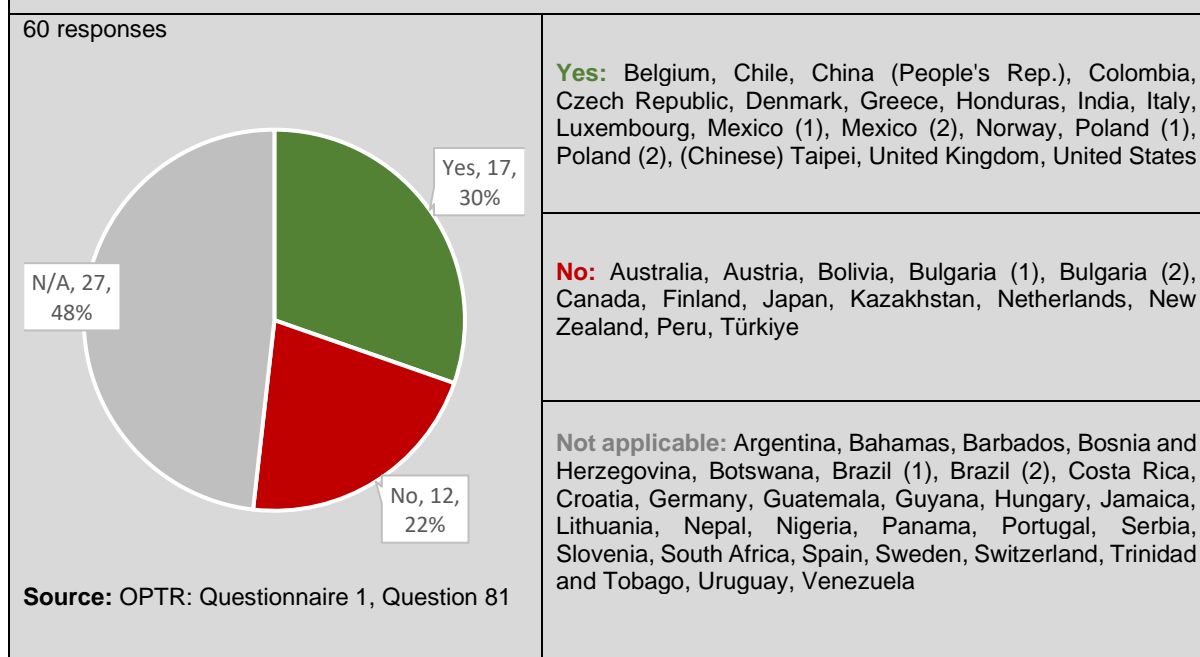
One way for the state to further fulfil its obligations to protect taxpayers' rights is through a specialized body, preferably independent from the tax authorities. The idea is to have an institution with the power to ensure the conditions for the highest protection of taxpayers. This idea is also the rationale behind a taxpayer advocate or tax ombudsman.

As illustrated by Chart 80, 55% of the surveyed jurisdictions have such an institution. As depicted by Chart 81, 30% of these are empowered to intervene in ongoing disputes between tax authorities and taxpayers. Moreover, as illustrated by Chart 82, 41% of the ombudspersons are independent.

Chart 80. Is there a (tax) ombudsman/taxpayers' advocate/equivalent position in your country?	
60 responses	<b>Yes:</b> Australia, Austria, Belgium, Bolivia, Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Czech Republic, Denmark, Finland, Greece, Honduras, India, Italy, Japan, Kazakhstan, Luxembourg, Mexico (1), Mexico (2), Netherlands, New Zealand, Norway, Peru, Poland (1), Poland (2), South Africa, Spain, (Chinese) Taipei, Türkiye, United Kingdom, United States
	<b>No:</b> Argentina, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Costa Rica, Croatia, Germany, Guatemala, Guyana, Hungary, Jamaica, Lithuania, Nepal, Nigeria, Panama, Portugal, Serbia, Slovenia, Sweden, Switzerland, Trinidad and Tobago, Uruguay, Venezuela

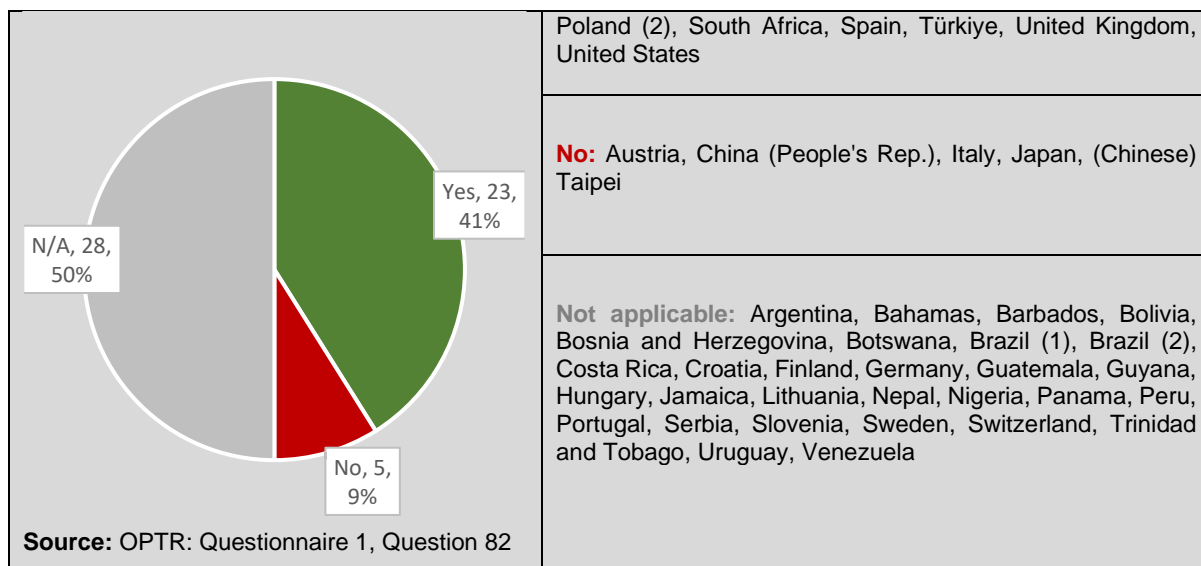


**Chart 81. If yes, can the ombudsman intervene in an on-going dispute between the taxpayer and the tax authority (before it goes to court)?**



**Chart 82. If yes to a (tax) ombudsman, are they independent from the tax authority?**





## 2024 Relevant Case Law – Inter-American Court of Human Rights

Case	<i>IHR Court. Case González Méndez and others v. México. Serie C No. 532</i> <sup>476</sup>	
Date	22 August 2024	
ACHR Articles	Article 2 (Domestic Legal Effects) Article 6 (Freedom from Slavery) Article 21 (Right to Property) Article 24 (Right to Equal Protection)	
Facts	Decision	Comments
Mr Antonio González Méndez was murdered in January 1999 amidst a period of violence in the northern region of the Mexican state of Chiapas, an area with a significant indigenous population. Various paramilitary groups, including the “Peace and Justice” group, were active in Chiapas, opposing armed rebel groups. These paramilitary groups operated with the support, tolerance and acquiescence of the Mexican National State, carrying out violent acts such as executions and the forced disappearance of civilians.  At the national level, the official actions taken by the public bodies of the Republic of Mexico did not involve an “active and serious search” for the missing person, nor an investigation into the	Judgment (Preliminary Objection, Merits, Reparations, and Costs) holds the state of Mexico responsible for the death and disappearance of Mr Antonio Gonzalez Mendez and for violating the rights of his family members.	This case pertains to the death and forced disappearance of a man, orchestrated by organized paramilitary groups that are funded and backed by the state.  While this aspect is not directly related to taxation, it reflects the grim reality in many Latin American countries, where the government neglects its duties in certain regions, allowing public authority to be wielded by criminal or paramilitary organizations with political agendas.  In these regions, the state does not wield the authority to impose taxes, instead delegating this power to criminal or politically motivated paramilitary organizations, as is evident in this instance.

<sup>476</sup> See MX: ICHR, *IHR Court. Case González Méndez and others v. México. Serie C No. 532*, [https://www.corteidh.or.cr/docs/casos/articulos/seriec\\_532\\_esp.pdf](https://www.corteidh.or.cr/docs/casos/articulos/seriec_532_esp.pdf) (accessed 20 Feb. 2024).

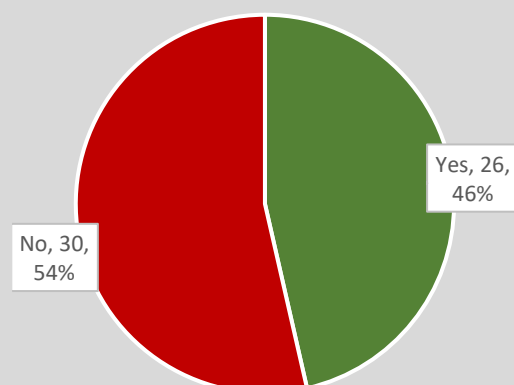
Case	<i>IHR Court. Case González Méndez and others v. México. Serie C No. 532</i> <sup>476</sup>	
Date	22 August 2024	
ACHR Articles	Article 2 (Domestic Legal Effects) Article 6 (Freedom from Slavery) Article 21 (Right to Property) Article 24 (Right to Equal Protection)	
Facts	Decision	Comments
<p>events, nor the determination of legal responsibilities.</p> <p>In response to the actions of rebel guerrillas in the Chiapas area, the state of Mexico not only deployed the National Army (regular soldiers) but also organized a paramilitary force comprising civilians.</p> <p>The Mexican National State subsequently organized paramilitary groups composed of civilian citizens, providing them with training, financing, weapons and political protection. These groups were permitted to exercise territorial control, collect taxes or tributes, and were responsible for numerous human rights violations against the civilian population in the Chiapas region (judgments sections No. 77 to No. 84). These violations included murders, forced disappearances and various other abuses.</p> <p>One of the paramilitary groups that emerged in this context was “Paz y Justicia”, specifically in the northern region of Chiapas, to whom the authorship of these events is attributed.</p>		<p>Specifically in this case, the state fails to fulfill its duty to enforce tax laws (i.e., it does not collect taxes), opting to entrust these responsibilities to irregular or paramilitary groups that the state has itself organized, with the aim of securing funding for the paramilitary forces.</p> <p>In these instances, the national tax laws do not apply in these regions; instead, a tax system established by the authorities of the irregular or paramilitary forces, who have set up a financial framework for this specific purpose, is in place.</p> <p>In this context, which has been brought about by the state itself through the actions of the paramilitary forces and clearly contradicting the constitution and the law, human rights such as the right to property are violated.</p> <p>The right to equal protection before the law is also infringed, as citizens in the affected regions are subjected to an unlawful tax system. This situation could also be deemed a form of slavery, as individuals are coerced to work for armed groups under the threat of death.</p>

In **Italy**, article 13 of Law 212 of 27 July 2000, known as the “Taxpayers’ Bill of Rights”, was amended by Legislative Decree 219 of 30 December 2023 and came into effect on 18 January 2024. This amendment introduced the “National Taxpayer Ombudsman”, replacing the previous system of having a public official in each region. This development may be seen as a positive shift, as it establishes a single official with national jurisdiction. Centralizing this function may enhance the overall prestige of the National Taxpayer Ombudsman and promote the adoption of unified best practices at the national level, rather than fragmented practices across different regions. From a qualitative perspective, the law sets high standards for the competence of the National Taxpayer Ombudsman, who is described as “a monocratic body based in Rome operating autonomously and appointed by the Minister of Economy and Finance for a four-year term, renewable once, based on professionalism, productivity, and performance”. The pool of candidates for this role includes judges, university professors

specializing in legal and economic matters, notaries, lawyers and certified accountants with proven experience. However, the reform does not address two critical issues that the previous Regional Taxpayer Ombudsmen faced: (i) dependence on the Ministry of Economy and Finance, which compromises impartiality and independence (both in action and salary); and (ii) the lack of authority to impose sanctions or disciplinary measures on tax inspectors who have violated tax laws in their administrative activities to the detriment of taxpayers.<sup>477</sup>

**Chart 83. Is there a taxpayers' charter or taxpayers' bill of rights in your country?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 83.

**Yes:** Australia, Belgium, Bolivia, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, China (People's Rep.), Colombia, Costa Rica, Croatia, Guatemala, Honduras, India, Italy, Mexico (1), Mexico (2), Norway, Panama, Peru, South Africa, Spain, (Chinese) Taipei, Türkiye, United Kingdom, United States, Venezuela

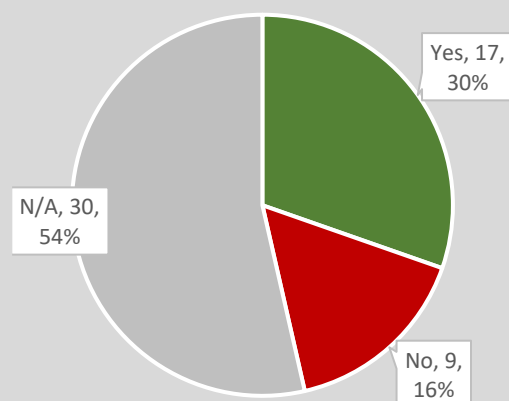
**No:** Argentina, Austria, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Czech Republic, Denmark, Finland, Germany, Greece, Guyana, Hungary, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Nepal, Netherlands, New Zealand, Nigeria, Poland (1), Poland (2), Portugal, Serbia, Slovenia, Sweden, Switzerland, Trinidad and Tobago, Uruguay

<sup>477</sup> See IT: OPTR Report (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 106.



**Chart 84. If yes, are its provisions legally effective?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 84.

**Yes:** Belgium, Bolivia, Brazil (1), Brazil (2), Chile, China (People's Rep.), Colombia, Costa Rica, Guatemala, Honduras, Italy, Mexico (1), Mexico (2), Norway, Panama, Peru, Spain, (Chinese) Taipei, United States

**No:** Australia, Bulgaria (1), Bulgaria (2), Canada, Croatia, India, South Africa, Türkiye, United Kingdom, Venezuela

**Not applicable:** Argentina, Austria, Bahamas, Barbados, Bosnia and Herzegovina, Botswana, Czech Republic, Denmark, Finland, Germany, Greece, Guyana, Hungary, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Nepal, Netherlands, New Zealand, Nigeria, Poland (1), Poland (2), Portugal, Serbia, Slovenia, Sweden, Switzerland, Trinidad and Tobago, Uruguay

## 13. Artificial Intelligence/Automated Analytical Systems

### 13.1. The general framework

Artificial intelligence (AI) and automated analytical systems are revolutionizing both the private and the public sectors, including tax administrations across the globe. These technologies offer significant potential to enhance efficiency, accuracy and transparency in tax compliance procedures. By leveraging AI, tax authorities can streamline processes, reduce human error and provide better services to taxpayers. However, the implementation of these systems also raises important questions about transparency, accountability and the protection of taxpayer rights. It is crucial to ensure that appropriate safeguards and clear communication accompany the use of AI in tax administrations to maintain trust and fairness in the system.

Different countries have adopted varying approaches to integrating AI in tax administrations. Currently, the approaches diverge significantly across jurisdictions, resulting in a lack of homogeneous protection of taxpayers' fundamental rights. In some instances, even within the same jurisdiction, the standard is not entirely clear.

For example, in the **United Kingdom**, taxpayers are notified in writing about the use of such systems and are given a 30-day period to request a reconsideration or a new decision that is not solely based on automated processing. However, a recent case held that an automated notice issued by HMRC is as valid as if issued by an officer, allowing HMRC to rely on automated processes without proving human interaction.

**Denmark** treats automated decision-making similarly to decisions made by human tax officials, adhering to general administrative laws and data protection regulations. Taxpayers may not be explicitly informed about the use of AI, but established principles of general administrative law continue to govern these processes. Besides, while the code or the algorithm is not disclosed, the taxpayer can have access to a description of the dataset used by the algorithm.

### 13.2. Transparency

**Minimum standard:** All taxpayers who are subject to a tax compliance procedure that involves artificial intelligence or automated analytical systems should be informed that such procedures will be applied

**Shifted towards/improved the minimum standard:**

Japan, Türkiye, United Kingdom

**Shifted away from the minimum standard:**

Brazil, Guatemala

**Japan** has been transparent about its intent to use AI for tax audit selection purposes.<sup>478</sup> Similarly, **Türkiye** has released public information concerning a project on the use of AI in VAT audits but without providing anything specific about whether a given taxpayer shall be

<sup>478</sup> See JP: OPTR Report (Academia), Questionnaire 2, Question 108.

informed about the AI usage when they are audited.<sup>479</sup>

The **United Kingdom** provides more elaborate safeguards ensuring that every time a taxpayer is subject to an automated decision-making process, they would be notified in writing and provided with a 30-day period to request a reconsideration or a new decision that is not solely based on automated processing.<sup>480</sup>

**Denmark** uses AI and other automated methods within its tax system, treating automated decision-making in a similar way to decisions made by human tax officials. Taxpayers may not be explicitly informed about the use of artificial intelligence or automated analytical systems in these procedures. Such procedures are treated similarly to traditional methods and must adhere to general administrative laws and data protection regulations. Therefore, the incorporation of artificial intelligence or automated analytical systems does not alter the fundamental tax procedures or taxpayer rights. Established principles of general administrative law, such as necessity, proportionality and relevance, continue to govern these processes. Additionally, personal data must be handled in compliance with the GDPR.<sup>481</sup>

The Danish Customs and Tax Administration collects and processes personal data to determine tax liability, based on their official authority per article 6(1)(e) of the GDPR. This is governed by the Tax Control Act<sup>482</sup> and the Tax Reporting Act.<sup>483</sup> Notification under articles 13 and 14 of the GDPR is often not separately provided.<sup>484</sup>

The Brazilian Federal Revenue Service is introducing artificial intelligence aiming to improve operational performance and the quality of services provided to taxpayers. However, to date, the extent of application of such tools and whether the taxpayer would be informed about them remain unclear.<sup>485</sup> Similarly, in **Guatemala**, the tax authorities have not shared details regarding the extent to which AI is being utilized.<sup>486</sup>

<sup>479</sup> See TK: OPTR Report (Academia), Questionnaire 2, Question 108.

<sup>480</sup> HMRC Privacy Notice, updated 9 October 2024, available at <https://www.gov.uk/government/publications/data-protection-act-dpa-information-hm-revenue-and-customs-hold-about-you/data-protection-act-dpa-information-hm-revenue-and-customs-hold-about-you> (accessed 30 Apr. 2025).

<sup>481</sup> See DK: OPTR Report (Taxpayers / Tax Practitioners, Tax Administration), Questionnaire 2, Question 108.

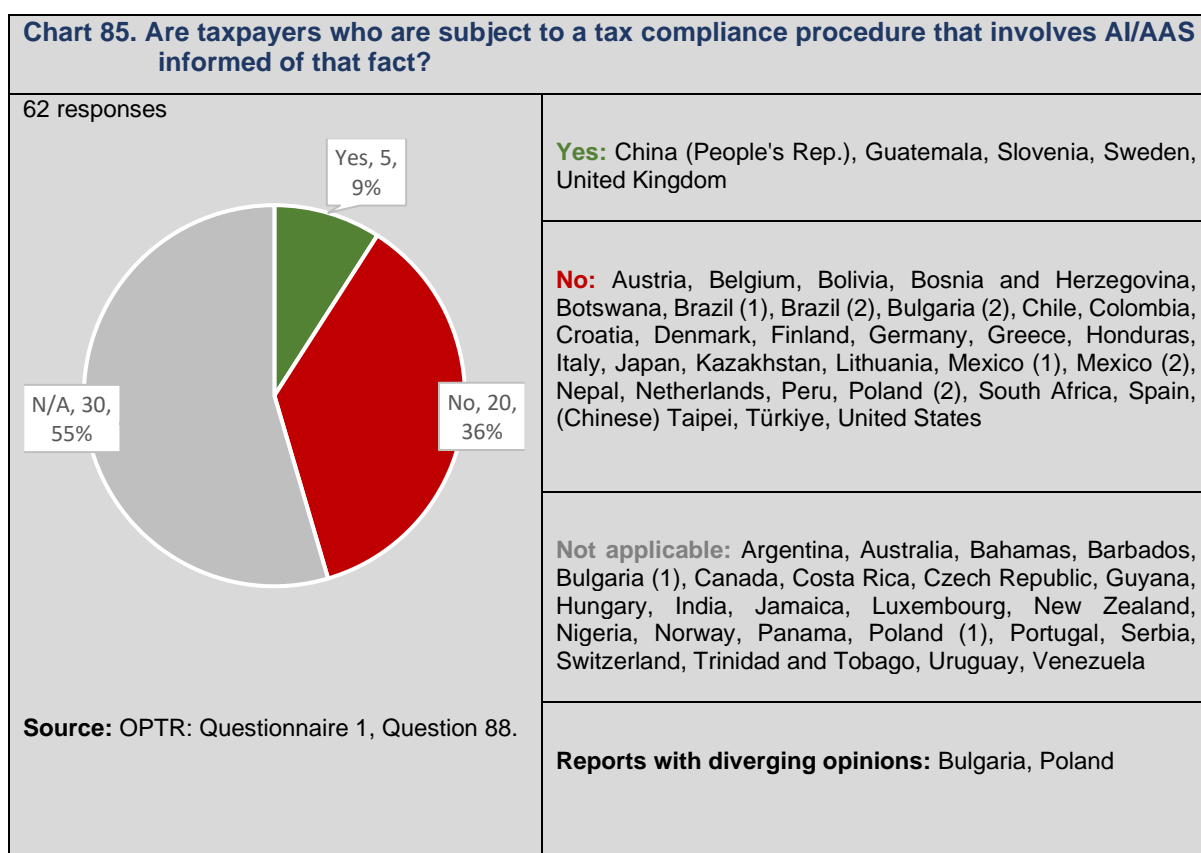
<sup>482</sup> Available here <https://www.retsinformation.dk/eli/lta/2024/12> (accessed 30 Apr. 2025).

<sup>483</sup> Available here <https://www.retsinformation.dk/eli/lta/2024/15> (accessed 30 Apr. 2025).

<sup>484</sup> See DK: OPTR Report (Taxpayers / Tax Practitioners, Tax Administration), Questionnaire 2, Question 108. For more information on the conditions under which notifying the taxpayer can take place, see <https://skat.dk/sikkerhed/privatlivspolitik-og-cookies/personoplysninger/generelt-om-skattestyrelsens-behandling-af-personoplysninger>. (accessed 30 Apr. 2025).

<sup>485</sup> See BR: OPTR Report (Academia), Questionnaire 2, Question 108.

<sup>486</sup> See GT: OPTR Report (Taxpayers / Tax Practitioners), Questionnaire 2, Question 108.



**Minimum standard:** All communications between a tax authority and a taxpayer that employ artificial intelligence or automated analytical systems (e.g. via “chatbots” or automated correspondence) should state whether the tax authority is represented only by a machine or whether there is (or has been) human intervention

**Shifted towards/improved the minimum standard:**

Brazil, Honduras, Japan, United Kingdom

**Shifted away from the minimum standard:**

None

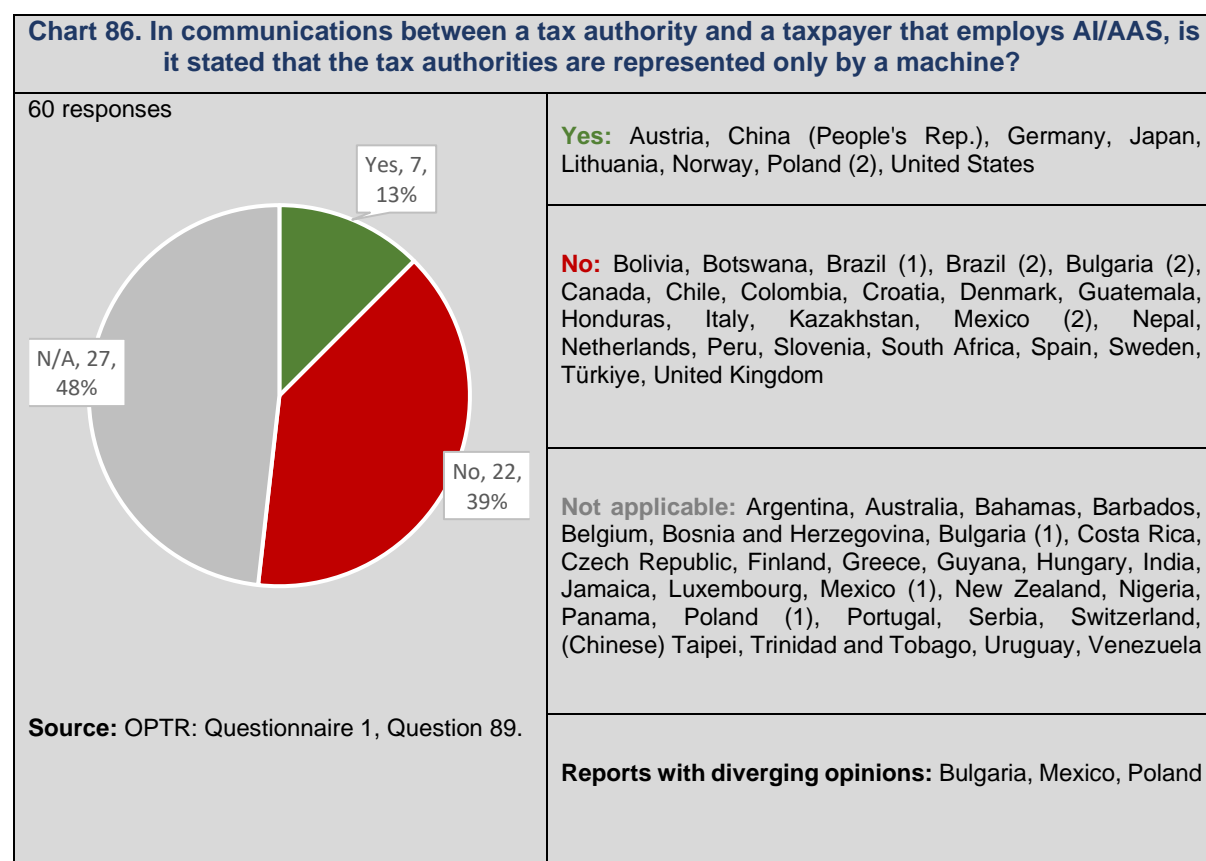
All jurisdictions that have reported regarding this minimum standard point out their adherence to it. Both in **Brazil**<sup>487</sup> and in **Japan**<sup>488</sup> chatbots have been employed in a way that makes it explicitly clear to the taxpayer that they are interacting with a machine and not a human.

The **United States** provides a slightly more nuanced picture. While chatbots have an explicit disclosure, voicebots do not. However, the voice sounds automated, and a taxpayer is unlikely

<sup>487</sup> See BR: OPTR Report (Academia), Questionnaire 2, Question 109.

<sup>488</sup> See JP: OPTR Report (Academia), Questionnaire 2, Question 109.

to believe they are interacting with a human.<sup>489</sup> That being said, one cannot exclude that with the rapid speed of technological development AI-generated voices would become indistinguishable from human ones, which would require the introduction of an explicit disclosure for the purposes of meeting this minimum standard.



**Minimum standard:** Where any decision relating to tax administration has been taken in respect of a taxpayer by the use of artificial intelligence or automated analytical systems, the taxpayer should be informed of that fact together with basic details of the procedure that has been applied

**Shifted towards/improved the minimum standard:**

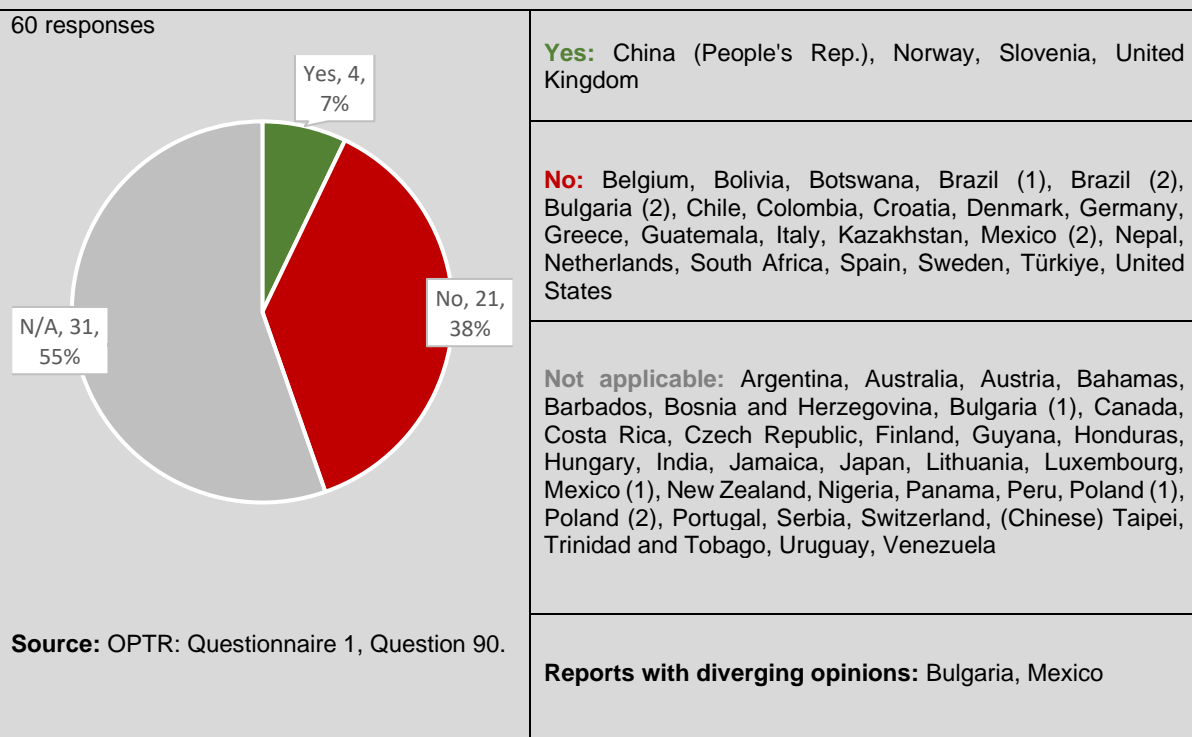
United Kingdom

**Shifted away from the minimum standard:**

Brazil, Guatemala

<sup>489</sup> See US: OPTR Report (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 109.

**Chart 87. If a decision relating to tax administration has been taken by the use of AI/AAS, is the taxpayer provided with basic details of the procedure applied?**



**Best practice:**

Where any decision relating to tax administration has been taken in respect of a taxpayer by the use of artificial intelligence or automated analytical systems, the taxpayer should be given full details of the criteria and algorithms that were used to reach that decision

**Shifted towards/matched the best practice:**

United Kingdom

**Shifted away from the best practice:**

Brazil, Guatemala

In **China (People's Rep.)**, when the tax authorities make relevant decisions using automation, the system shows the taxpayer the procedure and the relevant facts for making the decision but does not disclose all its criteria or algorithms.<sup>490</sup> Similarly, in **Denmark**, the code or algorithm are not disclosed to the taxpayer, the taxpayer receives a statement of the legal claim and the relevant factual circumstances on which a decision is based.<sup>491</sup> In this sense, the taxpayer would receive the same information as if the decision were made by a human. Besides, the taxpayer would have a right under section 12(1) of the Access to Public Administration Files Act to receive information describing the data that has been used by the algorithm.<sup>492</sup>

<sup>490</sup> See CN: OPTR Report (Academia), Questionnaire 2, Question 110.

<sup>491</sup> See DK: OPTR Report (Taxpayers / Tax Practitioners, Tax Administration), Questionnaire 2, Question 110.

<sup>492</sup> <https://www.retsinformation.dk/eli/ta/2020/145> (accessed 30 Apr. 2025).

**Best practice:** Tax authorities should publish details of the types of artificial intelligence or automated analytical systems employed by the revenue authority with specific details about the purposes for which the artificial intelligence or automated analytical systems are being used

**Shifted towards/matched the best practice:**

United Kingdom, United States

**Shifted away from the best practice:**

Brazil, Guatemala

The **United States** is an example of a jurisdiction that requires its agencies, including the IRS, to keep an inventory of AI use cases and report the information, as well as make the inventory public.<sup>493</sup>

While **Brazil** does not adhere to the best practice, the Federal Revenue Service recognizes that “[i]t is necessary to maintain records of the operations and decisions made by AI systems and report significant incidents to the competent authorities, implementing an automated system for recording and reporting that ensures the integrity and traceability of all AI operations and decisions, facilitating auditing and incident investigation”.<sup>494</sup>

The **Danish** Tax and Customs Administration provides information on certain automated analytical systems. For instance, the system for property valuation is detailed.<sup>495</sup> This information includes the types of data collected, such as basic details about the property, planning regulations, proximity to water and railroads, among other factors. Additionally, it offers a basic explanation of the statistical elements and how these factors influence the valuation. However, specifics on other digital solutions using artificial intelligence or automated analytical systems, especially those used internally by the tax administration for screening, risk assessment and selecting taxpayers for audits, are not disclosed publicly.<sup>496</sup>

**Chart 88. Do the tax authorities publish details of the type of AI/AAS employed with specific information about the purpose for which they are used?**

60 responses

**Yes:** Canada, China (People's Rep.), Norway, Slovenia, South Africa, Sweden

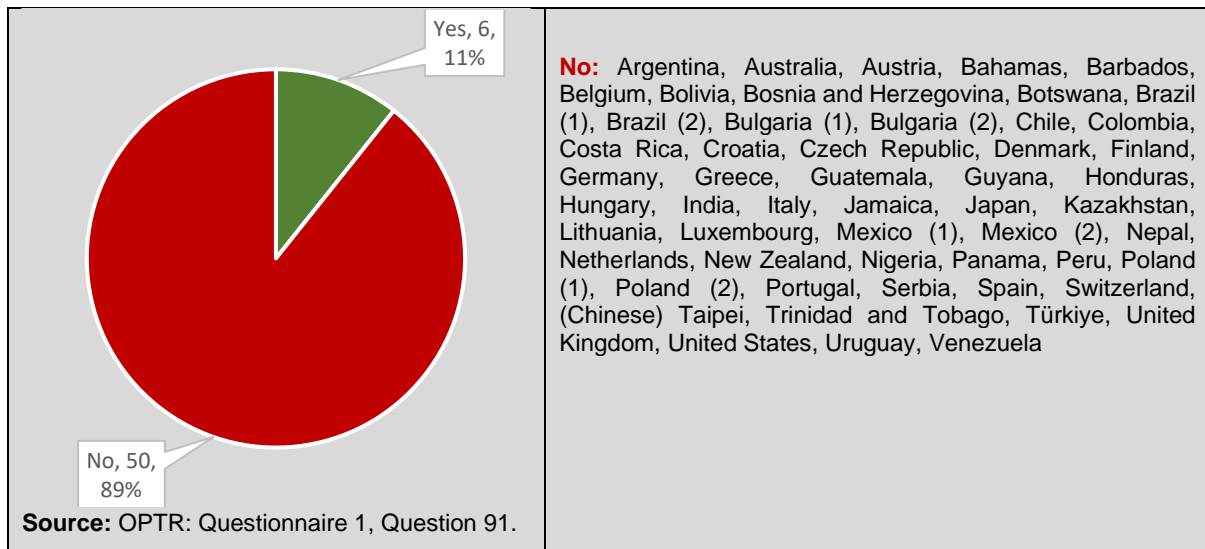
<sup>493</sup> US: OPTR Report (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 111.

<sup>494</sup> CTSI/RFB Resolution No. 2/2024.

<sup>495</sup> <https://www.vurderingsportalen.dk/ejebolig/vurdering/> (accessed 30 Apr. 2025).

<sup>496</sup> DK: OPTR Report (Taxpayers / Tax Practitioners, Tax Administration), Questionnaire 2, Question 111.





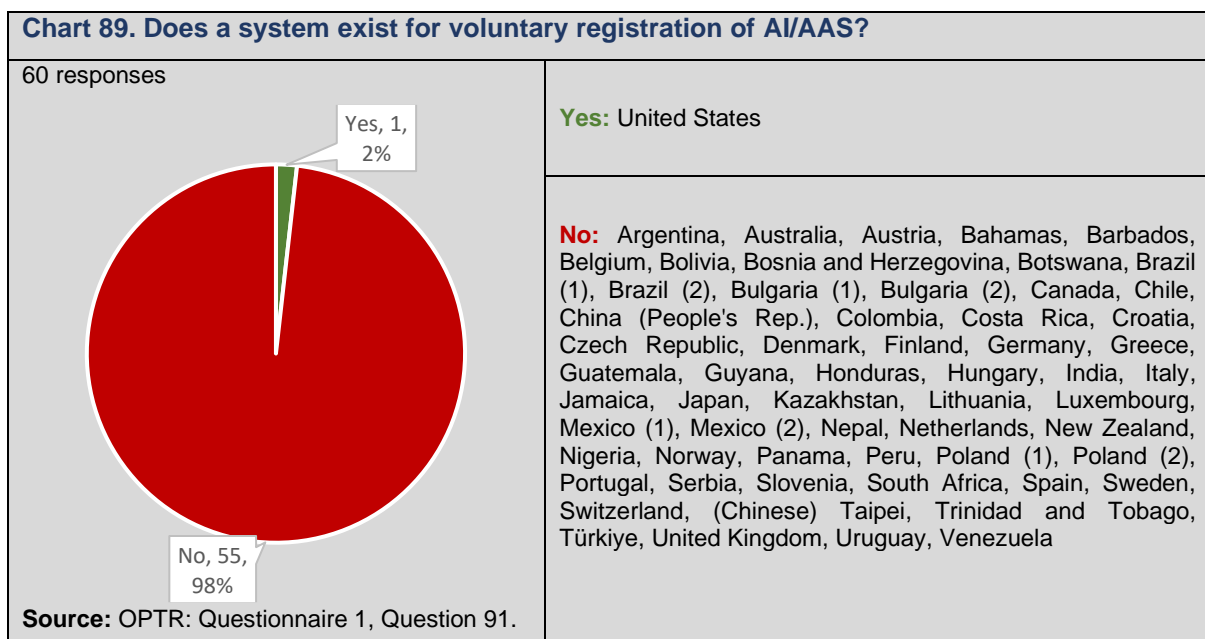
**Best practice:**

**Where a system exists for voluntary registration of artificial intelligence or automated analytical systems tools or algorithms, the tax authority should register all such tools and algorithms it employs**

**Shifted towards/matched the best practice:**

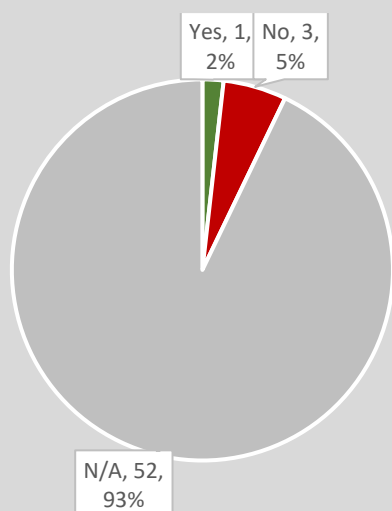
United States

**Shifted away from the best practice:**



**Chart 90. If yes to 89, does the tax authority register all AI/AAS tools or algorithms with that system?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 93.

**Yes:** United States

**No:** Bolivia, China (People's Rep.), Mexico (2), Sweden

**Not applicable:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bosnia and Herzegovina, Botswana, Brazil (1), Brazil (2), Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Slovenia, South Africa, Spain, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, Uruguay, Venezuela

**Reports with diverging opinions:** Mexico

### 13.3. Human oversight and safeguards

**Minimum standard:** No decisions that may have a significant impact on a taxpayer may be taken exclusively by artificial intelligence or automated analytical systems. All decisions affecting a taxpayer should be overseen by a suitably qualified individual before the decision is notified. This applies both to decisions by the tax authorities and by judicial authorities

**Shifted towards/improved the minimum standard:**

Brazil, Spain, United States

**Shifted away from the minimum standard:**

United Kingdom

**Best practice:** No decisions impacting a taxpayer should be taken exclusively by artificial intelligence or automated analytical systems. All decisions affecting a taxpayer should be overseen by a suitably qualified individual before the decision is notified. This applies both to decisions by the tax authorities (in connection with audits and reviews) and by judicial authorities

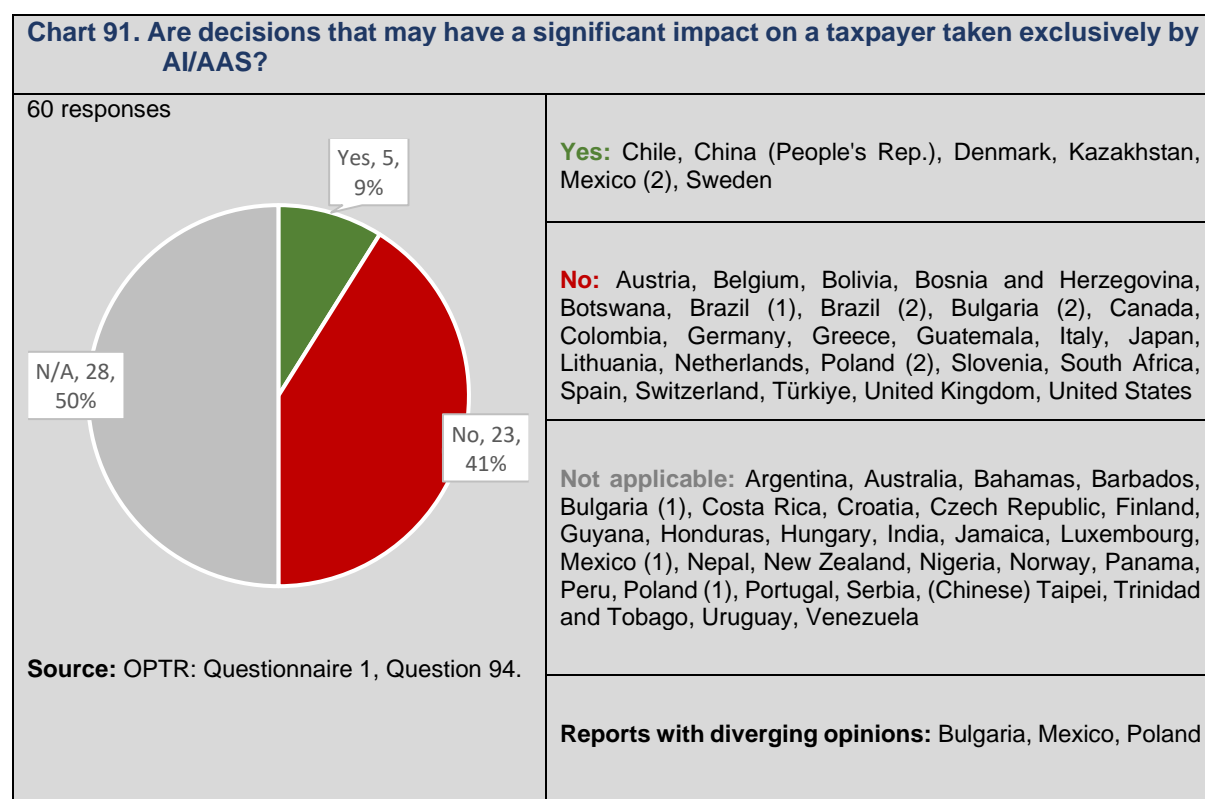
**Shifted towards/matched the best practice:**

**Shifted away from the best practice:**

Brazil, Spain, United States

The Supreme Court of **Brazil** has developed an AI system to assist judicial authorities with the preparation of abstracts and the initial analysis of certain simpler cases. However, this system requires human supervision to function.<sup>497</sup> **Spain** has implemented a human-centric approach to AI, requiring human intervention in all instances.<sup>498</sup> A person must oversee the proposed decisions, validating or modifying them as necessary.

The **United Kingdom** provides a contrary interesting example, where a recent case - *Peter Marano v. HMRC* [2023] UKUT 00113 (TCC) - held that an automated notice issued by HMRC is as valid as if issued by an officer of HMRC. Therefore, it is no longer required or necessary for HMRC to prove that one of its officers authorized the use of an automated computer to send such automated notices, for example, notices to file or penalty assessments to taxpayers. It follows from this decision that HMRC could rely on automated processes, for example, the determination of liability and issuance of a penalty assessment without the need to show or prove that human interaction was involved.<sup>499</sup>



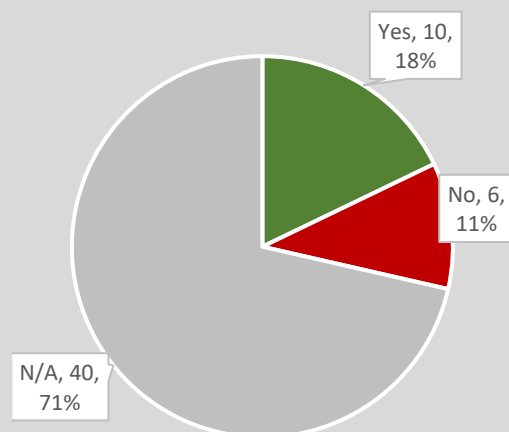
<sup>497</sup> See BR: OPTR Report (Academia), Questionnaire 2, Question 113.

<sup>498</sup> See ES: OPTR Report (Taxpayers / Tax Practitioners, (Tax) Ombudsperson, Academia, Former Judiciary), Questionnaire 2, Question 109

<sup>499</sup> See BR: OPTR Report (Taxpayers / Tax Practitioners), Questionnaire 2, Question 113.

**Chart 92. If decisions impacting a taxpayer are taken by AI/AAS, are they overseen by a suitably qualified individual before the decision is notified?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 95.

**Yes:** Belgium, Brazil (2), China (People's Rep.), Greece, Mexico (2), Netherlands, Slovenia, Spain, Sweden, United Kingdom, United States

**No:** Chile, Denmark, Guatemala, Kazakhstan, South Africa, Türkiye

**Not applicable:** Argentina, Australia, Austria, Bahamas, Barbados, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Bulgaria (1), Bulgaria (2), Canada, Colombia, Costa Rica, Croatia, Czech Republic, Finland, Germany, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Lithuania, Luxembourg, Mexico (1), Nepal, New Zealand, Nigeria, Norway, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Uruguay, Venezuela

**Reports with diverging opinions:** Brazil, Mexico

**Minimum standard:** When an audit (or a more intensive audit) employs any material generated by artificial intelligence or automated analytical systems, the material generated should be made available to taxpayers and their advisers, together with an explanation of how the material was derived by artificial intelligence or automated analytical systems. The taxpayer's legal remedies should be effective against unlawful or inaccurate use of artificial intelligence or automated analytical systems

**Shifted towards/improved the minimum standard:**

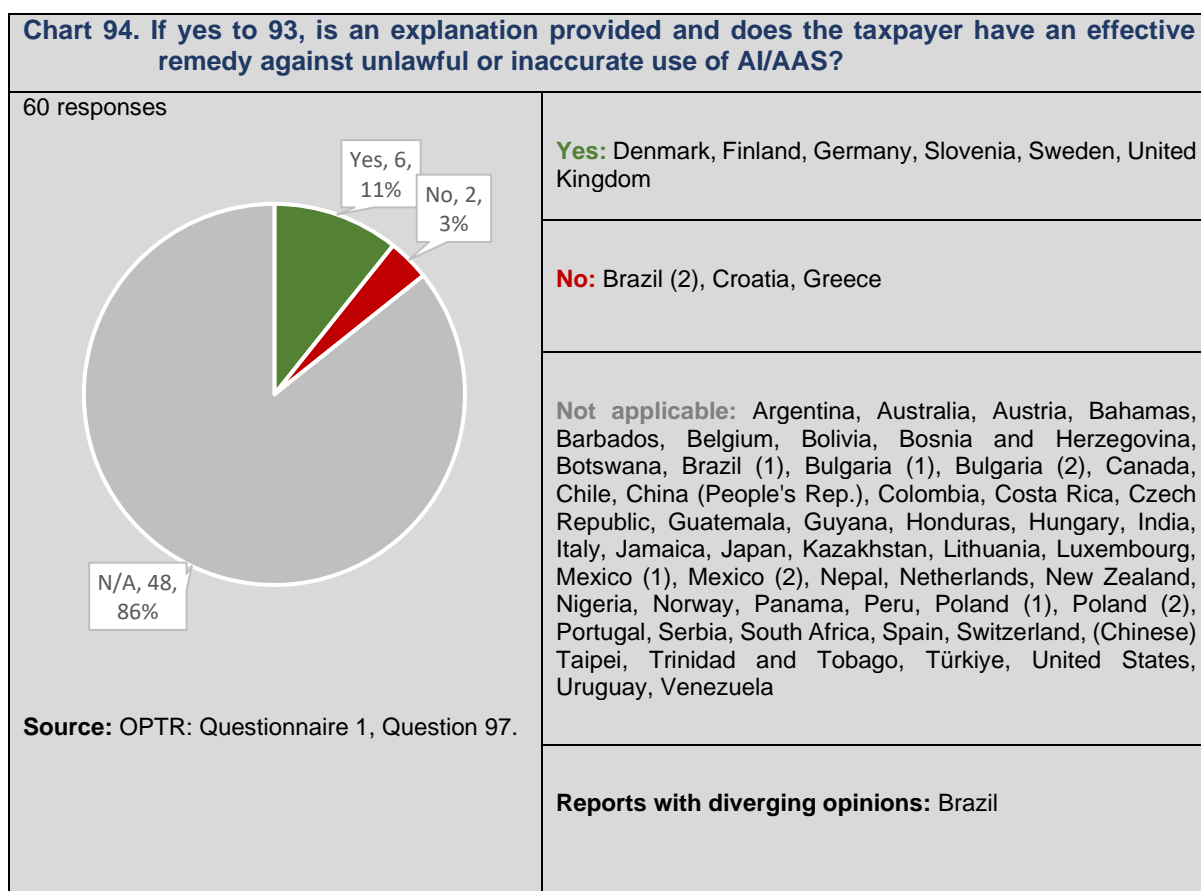
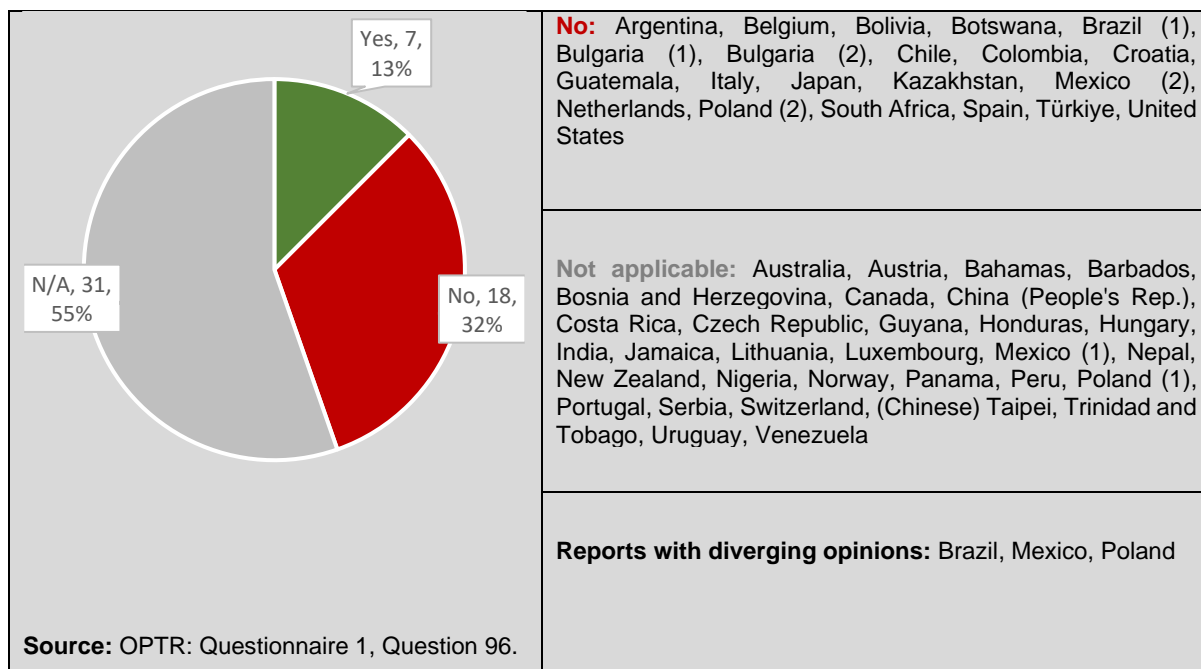
**Shifted away from the minimum standard:**

Brazil, Guatemala

**Chart 93. If an audit employs material generated by AI/AAS, is that material available to taxpayers and their advisers?**

62 responses

**Yes:** Brazil (2), Denmark, Finland, Germany, Greece, Slovenia, Sweden, United Kingdom



**Best practice:** Where artificial intelligence or automated analytical systems are to be employed by a tax authority (e.g. to identify under-declarations or evasion of tax), any taxpayers who may be impacted (which may include all taxpayers) should be given prior warning of the proposed action and given an opportunity to make voluntary disclosure (without any additional potential penalty)

**Shifted towards/matched the best practice:**

United Kingdom

**Shifted away from the best practice:**

Brazil, Guatemala

### 13.4. Guidelines and fundamental rights

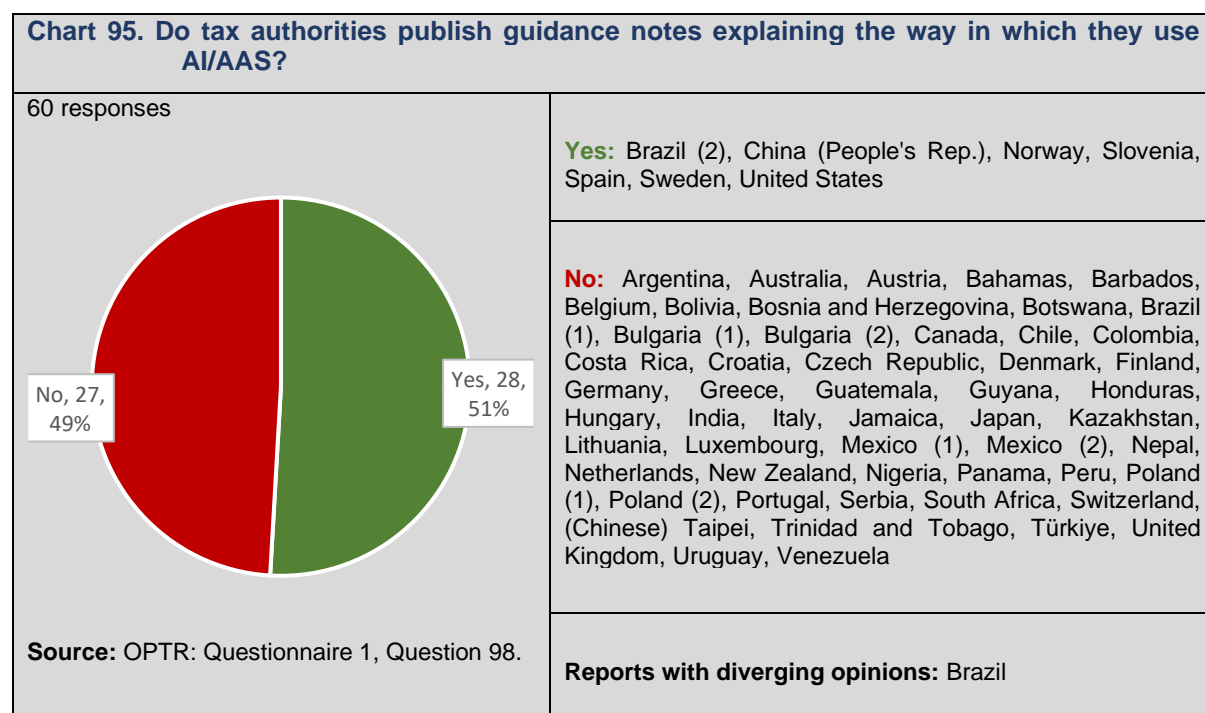
**Minimum standard:** All revenue authorities should publish guidance notes explaining the ways in which they use artificial intelligence or automated analytical systems in connection with tax compliance and administration, together with guidelines for the use of those procedures and points of contact for taxpayers who have questions or concerns about those procedures

**Shifted towards/improved the minimum standard:**

United States

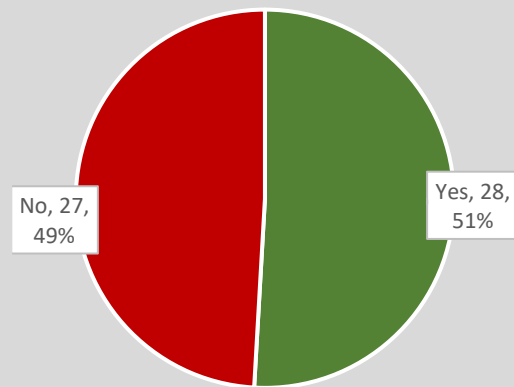
**Shifted away from the minimum standard:**

Brazil, Guatemala



**Chart 95. Do tax authorities publish guidance notes explaining the way in which they use AI/AAS?**

60 responses



**Source:** OPTR: Questionnaire 1, Question 98.

**Yes:** Brazil (2), China (People's Rep.), Norway, Slovenia, Spain, Sweden, United States

**No:** Argentina, Australia, Austria, Bahamas, Barbados, Belgium, Bolivia, Bosnia and Herzegovina, Botswana, Brazil (1), Bulgaria (1), Bulgaria (2), Canada, Chile, Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Finland, Germany, Greece, Guatemala, Guyana, Honduras, Hungary, India, Italy, Jamaica, Japan, Kazakhstan, Lithuania, Luxembourg, Mexico (1), Mexico (2), Nepal, Netherlands, New Zealand, Nigeria, Panama, Peru, Poland (1), Poland (2), Portugal, Serbia, South Africa, Switzerland, (Chinese) Taipei, Trinidad and Tobago, Türkiye, United Kingdom, Uruguay, Venezuela

**Reports with diverging opinions:** Brazil

**Minimum standard:** Algorithms used by tax authorities should not use criteria that are foreseeably likely to have a discriminatory or distortive or disproportionate effect on the decisions taken as a consequence of the use of those algorithms

**Shifted towards/improved the minimum standard:**

United States, Brazil

**Shifted away from the minimum standard:**

The Brazilian Federal Revenue Service stated that “[it] should not develop AI systems considered to be of unacceptable risk, such as those that manipulate human behavior in a subliminal way, social scoring systems, or the use of AI for indiscriminate mass surveillance”.<sup>500</sup>

**Minimum standard:** Where the use of artificial intelligence or automated analytical systems by a tax authority risks infringing any fundamental rights (e.g. the right to privacy) additional safeguards for those should be required

**Shifted towards/improved the minimum standard:**

United States

**Shifted away from the minimum standard:**

Brazil

<sup>500</sup>

CTSI/RFB

Resolution

No.

2/2024,

see <https://normasinternet2.receita.fazenda.gov.br/#/consulta/externa/138693> (Accessed 30 Apr. 2025).



**Minimum standard:** All tax administrations should appoint a senior official with overriding responsibility for the use of artificial intelligence or automated analytical systems in tax administration by that tax authority

**Shifted towards/improved the minimum standard:**

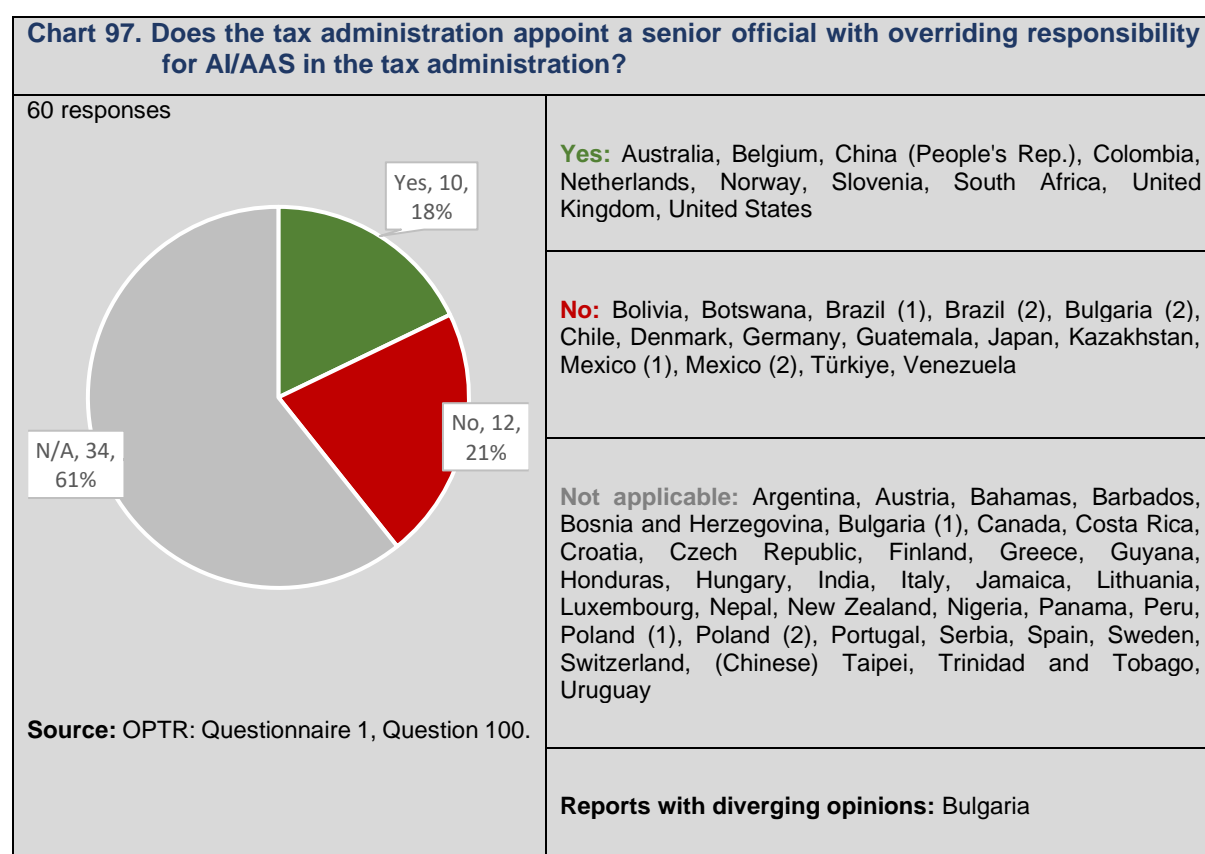
United States

**Shifted away from the minimum standard:**

Brazil

Both the **United States** and **Columbia** are meeting the minimum standard as they have appointed a senior official with overriding responsibilities for the use of AI or other automated analytical systems, namely the Chief Data and Analytics Officer in the United States and the Director of Innovation and Technology Management in Columbia.<sup>501</sup>

In **Brazil**, while AI tools have been subjected to a periodical oversight, this oversight is not necessarily assigned to a senior official.<sup>502</sup>



<sup>501</sup> US: OPTR Report (Taxpayers / Tax Practitioners, Academia), Questionnaire 2, Question 118; CO: OPTR Report (Tax Administration, (Tax) Ombudsperson, Sonia Osorio (Tax - Ombudsperson) - Leonardo Bautista (Ombudsperson Delegate) - Carolina Flórez (Official of the Tax Ombudsperson Office) - Daniela Garzón (Tax Administration)), Questionnaire 2, Question 118;

<sup>502</sup> See BR: OPTR Report (Taxpayers / Tax Practitioners), Questionnaire 2, Question 118.

## Appendix A: 2024 topical highlights

The following is a summary of the contents explained in detail in the main text of the 2024 IBFD Yearbook on Taxpayers' Rights. Accordingly, it is not advisable to interpret the content expressed in this table separately from the explanations contained in the main text of this document.

Taxpayers' right	Shift towards	Shift away from
<b>1. Identifying taxpayers, issuing tax returns and communicating with taxpayers</b>		
Identification of taxpayers	<ul style="list-style-type: none"> <li>• <b>Brazil:</b> Starting in 2024, the systems of public agencies and entities should have adapted to using the CPF for the unique identification numbers of citizens.</li> <li>• <b>Colombia:</b> The online registration tool for the RUT makes it more efficient and secure.</li> <li>• <b>Honduras:</b> The tax administration has commenced using new certificates with QR codes and taxpayers can access services through an advanced electronic signature.</li> <li>• <b>United Kingdom:</b> Taxpayers will be able to access several services using a single login.</li> </ul>	
Information supplied by third parties and withholding obligations	<ul style="list-style-type: none"> <li>• <b>Italy:</b> Italy has strengthened taxpayer confidentiality by enhancing data protection rules.</li> <li>• <b>Luxembourg:</b> The CJEU ruled that Luxembourg's tax law provision unduly restricts legal professional privilege in tax matters, violating article 7 of the EU Charter, as its broad exclusion undermines the right to confidentiality.</li> <li>• <b>Spain:</b> The Supreme Court ruled that taxpayers cannot be denied the right to deduct withheld taxes solely because a third party failed to withhold them, reinforcing the principle that taxpayers should not bear the consequences of a withholding agent's non-compliance.</li> </ul>	
The right to access (and correct) information held by tax authorities	<ul style="list-style-type: none"> <li>• <b>Honduras:</b> Honduras has improved taxpayer access to information through the new SIISAR virtual office platform, supported by an institutional awareness campaign.</li> <li>• <b>Italy:</b> Italy has strengthened</li> </ul>	

Taxpayers' right	Shift towards	Shift away from
	procedural safeguards in its Taxpayer's Bill of Rights by reinforcing tax fairness principles and granting taxpayers the right to access tax authority documents before a formal assessment.	
Communication with taxpayers	<ul style="list-style-type: none"> <li>• <b>Honduras:</b> Honduras has introduced a new electronic signature authorization process to enhance security and prevent risks like impersonation and data interception.</li> <li>• <b>United Kingdom:</b> The UK's HMRC has announced plans to improve taxpayer access to account information and fraud detection.</li> </ul>	
Cooperative compliance	<ul style="list-style-type: none"> <li>• <b>Brazil:</b> Brazil has expanded its cooperative compliance program (CONFIA), allowing companies to voluntarily join its pilot phase.</li> <li>• <b>Colombia:</b> Colombia has introduced an automatic refund system for resident individuals, streamlining the process for small tax refunds by enabling faster electronic disbursements within 15 days.</li> <li>• <b>Italy:</b> Expansion of the cooperative compliance framework by gradually lowering the turnover threshold for eligibility and introducing a tax risk management framework for smaller taxpayers.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guatemala:</b> Concerns over transparency and selective enforcement as the tax administration engages in unclear taxpayer negotiations without publicly available criteria.</li> </ul>
Assistance with compliance obligations	<ul style="list-style-type: none"> <li>• <b>Brazil:</b> Extension of the Individual Income Tax Return deadline by 5 months for taxpayers in flood-affected areas of Rio Grande do Sul to provide relief and compliance flexibility.</li> <li>• <b>Chinese Taipei:</b> Amendment to the withholding tax scheme relieving tax representatives of liability in cases of non-compliance to enhance system efficiency and protect withholding agents' rights.</li> <li>• <b>Colombia:</b> Introduction of taxpayer assistance initiatives, including an online filing obligation checker, educational sessions for indigenous communities, an electronic invoice review tool, and a simplified tax return process with tailored filing options.</li> <li>• <b>Germany:</b> Introduction of pre-filled income tax returns for certain taxpayers, allowing automatic submission if no corrections are made</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Canada:</b> Lack of tax relief measures for taxpayers affected by the 2024 postal strike, creating compliance challenges amid political constraints.</li> <li>• <b>Netherlands:</b> Increase in tax compliance costs due to expanded reporting obligations under Pillar 2, DAC6, and other international requirements, affecting taxpayer compliance procedures.</li> </ul>

Taxpayers' right	Shift towards	Shift away from
	<p>to simplify the filing process.</p> <ul style="list-style-type: none"> <li>• <b>Greece:</b> Introduction of special simplified tax regimes for agricultural businesses to ease compliance, reduce administrative burdens, and promote formalization.</li> <li>• <b>Guatemala:</b> Mandatory shift to electronic filing and payment has streamlined compliance but raised concerns about inclusivity due to a lack of support for taxpayers facing digital accessibility barriers.</li> <li>• <b>Honduras:</b> Launch of the Tax Guidance Unit to support MSMEs in tax compliance, offering fiscal, accounting, and administrative assistance, as well as training and digital platform support.</li> <li>• <b>New Zealand:</b> Proposed Taxation Bill aims to enhance Inland Revenue's ability to provide swift tax relief during emergencies by incorporating pre-approved measures into legislation.</li> <li>• <b>Spain:</b> Royal Decree-Law 6/2024 introduced tax relief measures, including deadline extensions and payment deferrals, to support individuals and businesses affected by the DANA weather event.</li> <li>• <b>United States:</b> Expanded taxpayer assistance efforts in 2024, including increased funding for tax clinics, improved IRS service levels, reopening of the ITIN assistance program, and the pilot launch of the Direct File program for free electronic tax filing.</li> </ul>	

Taxpayers' right	Shift towards	Shift away from
<b>2. The issuance of a tax assessment</b>		
Establish a constructive dialogue between taxpayers and revenue authorities to ensure a fair assessment of taxes based on	<ul style="list-style-type: none"> <li>• <b>Italy:</b> A substantial amendment to Law no. 212 of 27 July 2000, known as the "Taxpayer's Bill of Rights," was introduced through Legislative Decree no. 219 of 30 December 2023. This amendment incorporated the "right to be heard" under article 6-bis of the Taxpayer's Bill of Rights (entered into force on 18 January 2024).</li> <li>• <b>South Africa:</b> The Revenue Service (SARS) has begun, on 12 December 2024, the implementation of a new</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Belgium:</b> The Belgian Court of Cassation, in its judgment of 15 January 2024 (F.20.0168.F) determined that a tax official reviewing a taxpayer's complaint regarding a tax assessment may uphold the assessment while adjusting the reasoning related to the applicable assessment period.</li> <li>• <b>Bolivia:</b> Tax practitioners have noted that, in response to the country's fiscal deficit, the tax administration</li> </ul>

Taxpayers' right	Shift towards	Shift away from
the equality of arms	<p>Artificial Intelligence (AI) conversational platform ("AI Assistant"), which provides responses in real time to questions from taxpayers, traders, and travellers based on published information, user guides, and other SARS systems which are publicly available on the website.<sup>503</sup></p>	<p>has intensified its scrutiny of formal taxpayers through increasingly aggressive audits.</p> <ul style="list-style-type: none"> <li>• <b>Honduras:</b> There have been ongoing heated discussions involving the government, legislators, and the private sector concerning the proposed Tax Justice Law.</li> <li>• <b>United States:</b> The U.S. tax system faced several challenges, including delays in processing ERC claims. The lack of clear communication from the IRS has made it difficult for taxpayers to challenge rejections, further complicated by the deviation from standard audit procedures, leading to erroneous denials and additional delays. Moreover, strict procedural restrictions make in-person examinations impractical, causing further delays even when approved.</li> </ul>
Use e-filing to speed up assessments and the correction of errors	<ul style="list-style-type: none"> <li>• <b>Botswana:</b> Botswana enhanced efforts and campaigns to promote the use of e-services, including publication initiatives and ensuring e-filing is directed towards specific taxpayer groups.</li> <li>• <b>Honduras:</b> Introduction of the <i>Virtual Office</i> through the <i>Servicio de Administración de Rentas (SAR)</i>, a digital platform for taxpayers to fulfil their tax obligations online. This system streamlines tax declaration management by digitizing and centralizing processes, enhancing efficiency, minimizing errors, and promoting compliance.</li> <li>• <b>Luxembourg:</b> As from 1 January 2025, Law No. 8388 of 11 December 2024 has extended mandatory e-filing for directors' fees withholding tax returns.</li> <li>• <b>Spain:</b> Law No. 13/2023 amended article 120.3 of the General Tax Law, allowing taxpayers to submit a corrective self-assessment if their initial filing negatively affects their interests. This change removes the need for a formal rectification</li> </ul>	None

<sup>503</sup> Information is available at <https://www.sars.gov.za/whats-new-at-sars/6/> (accessed 30-04-2025). See ZA: OPTR Report (2024) (Taxpayers/Tax Practitioners, Tax Ombudsperson, Academia), Questionnaire 2, Question 13.

Taxpayers' right	Shift towards	Shift away from
	<p>procedure, offering greater flexibility and efficiency in addressing unintended errors. Building on this reform, Royal Decree No. 117/2024, enacted in 2024, updated the regulations for personal income tax, corporate tax, VAT, excise duties, and the Tax on Fluorinated Greenhouse Gases, fully integrating corrective self-assessments into the tax system.</p> <ul style="list-style-type: none"> <li>• <b>(Chinese) Taipei:</b> National reporters have highlighted the growing adoption of e-filing across various tax procedures, progressively reducing reliance on traditional paper-based communication.</li> <li>• <b>United Kingdom:</b> The United Kingdom has opened volunteer participation in the <i>Making Tax Digital for Income Tax</i> programme, which introduces a new system for reporting income and expenses for traders and landlords.</li> <li>• <b>United States:</b> In a new Strategic Operating Plan, the IRS has set goals to expand electronic filing and processing of documents. Throughout 2023 and 2024, the agency made some progress: (i) the IRS opened an online portal allowing businesses to file "Forms 1099" for free; (ii) taxpayers filing electronically "Form 1040-X, Amended U.S Individual Income Tax Return" were enabled to direct deposit and enter their banking or financial institution information for quicker delivery of refunds; (iii) the agency gradually implemented the use of scanning technology to digitize and process certain tax returns, which has been expanded in 2024; (iv) the IRS announced that e-filing will be possible in 2025 for returns claiming a duplicate dependent, if the primary taxpayer has an Identity Protection PIN.</li> </ul>	
Where a tax assessment indicates a repayment is due, that repayment should be made without undue delay or unnecessary formalities	<ul style="list-style-type: none"> <li>• <b>South Africa:</b> The South African Revenue Service (SARS) announced on 15 July 2024 improvements in refund processing, enhancing both efficiency and security.</li> </ul>	None

Taxpayers' right	Shift towards	Shift away from
<b>3. Confidentiality</b>		
Guarantees of privacy in the law		
Encryption – Control of access	<ul style="list-style-type: none"> <li>• <b>Botswana:</b> The Data Protection Act 2024 introduces limitations on tax-related information.</li> <li>• <b>Brazil:</b> Brazil: The Federal Revenue Service published a strategy document prioritizing data security in tax administration, emphasizing cybersecurity measures like encryption, authentication and continuous monitoring.</li> <li>• <b>Costa Rica:</b> Unauthorized access and modification of taxpayer information by tax officials was identified.</li> <li>• <b>Honduras:</b> Amendments to the SAR Career Regime introduce new prohibitions under article 70 to enhance the legal framework for protecting taxpayer confidentiality.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Luxembourg:</b> Amendment of the tax code to regulate IT outsourcing by the Direct Tax Administration.</li> </ul>
Administrative measures to ensure confidentiality	<ul style="list-style-type: none"> <li>• <b>Brazil:</b> New regulations for telework at the tax authorities mandate the use of provided devices to ensure secure and timely transmission of sensitive tax information.</li> <li>• <b>Canada:</b> Reduction in remote work for tax administration staff in 2024 strengthens confidentiality and data security by increasing control over access to sensitive taxpayer information.</li> <li>• <b>Colombia:</b> Implementation of data governance and security measures, including a Data Governance Manual, security training for tax officials and a mandatory email classification system to enhance information protection.</li> <li>• <b>Honduras:</b> Recent reforms to the Career Regime introduce stricter disciplinary measures under article 76 for violations related to professional conduct, confidentiality and compliance with tax administration policies.</li> <li>• <b>Peru:</b> A Data Protection Officer was appointed to enhance data protection and compliance with privacy</li> </ul>	



Taxpayers' right	Shift towards	Shift away from
Exceptions to confidentiality	<p>regulations.</p> <ul style="list-style-type: none"> <li>• <b>Bulgaria:</b> Introduction of the Whistleblower Protection Act, ensuring confidentiality and protections for individuals reporting misconduct to prevent retaliation.</li> <li>• <b>Peru:</b> Introduction of compliance monitoring systems to identify tax non-compliance and suspicious activities, enhancing risk assessment without disclosing personal taxpayer information.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Costa Rica:</b> Tax administration publicly disclosed taxpayers with outstanding debts, including sensitive information, raising concerns about data privacy and confidentiality.</li> <li>• <b>Guatemala:</b> Public sharing of personal details in tax fraud cases by the tax administration and prosecution raises concerns about data privacy and taxpayer information protection.</li> </ul>
The interplay between taxpayer confidentiality and freedom-of-information legislation	<ul style="list-style-type: none"> <li>• <b>Netherlands:</b> Taxpayers gain the right to appeal if tax authorities deny access to their personal tax file, strengthening procedural safeguards.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guatemala:</b> New decree mandates automatic data sharing between governmental offices and the tax administration.</li> </ul>
Anonymized judgments and rulings		
Legal professional privilege		<ul style="list-style-type: none"> <li>• <b>Guatemala:</b> Potential pursuit of tax advisors in tax adjustments raises concerns about weakening legal professional privilege and client confidentiality, though no official policy has been published.</li> </ul>
4. Normal audits		
Audits follow all four principles	<ul style="list-style-type: none"> <li>• <b>Italy:</b> A legal development entered into force in 2024 has implemented the concept of proportionality in tax proceedings. This principle applies to all stages of the process, including fact-finding, tax assessment, imposition of penalties, and forced collection. The law also specifies that tax authorities should not exceed what is strictly necessary to ensure accurate tax payment and should not compress taxpayers' rights beyond what is strictly necessary.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guatemala:</b> A ruling by the Constitutional Court stated that it is not possible to object to or discuss the requirement of information that initiates the audit, this can affect the proportionality principles.</li> </ul>
<i>Ne bis in idem</i>	<ul style="list-style-type: none"> <li>• <b>Italy:</b> Legislative amendments entered into force in 2024 allow taxpayers to have the tax authorities conduct the assessment action related to each tax only once per tax period, unless specific rules state otherwise. While this rule specifically applies to the receipt of notices of assessment and not tax audits, it is worth mentioning this development and hoping for an expansion of the prohibition on <i>bis in idem</i> to include tax audits in the future.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guatemala:</b> There have been cases in which the tax administration uses the information gathered in one audit to formalize a tax adjustment for other taxable periods. There is however no public guidance regarding this matter.</li> </ul>



Taxpayers' right	Shift towards	Shift away from
	<ul style="list-style-type: none"> <li><b>Greece:</b> In the course of 2024, article 27 of the TPC (Tax Procedure Code) was amended to reflect the restriction of no duplication of audits.</li> </ul>	
Principle of proportionality		<ul style="list-style-type: none"> <li><b>Guatemala:</b> Based on a position informally expressed by the Tax Administration, there are effectively no limits regarding the information that the tax administration can request. In some cases if the taxpayer objects, the tax administration has mentioned the possibility of initiating criminal prosecution.</li> </ul>
<i>Audi alteram partem</i> (right to be heard)	<ul style="list-style-type: none"> <li><b>Italy:</b> A new provision entered into force in 2024 requiring the principle of <i>audi alteram partem</i> to be followed. This means that all acts issued by the tax authorities, except for "automatic" notices of assessment based solely on mistakes and miscalculations found in the annual tax return, will be served only after a preliminary discussion with the taxpayer. During this initial phase, the tax authorities will provide the taxpayer with a draft of the notice of assessment, and the taxpayer will have 60 days to provide feedback and comments. If the tax authorities decide to issue the notice of assessment despite the taxpayer's observations, they must provide a reason for not accepting them. Failure to follow this preliminary phase will result in the notice of assessment being declared void by the tax court.</li> </ul>	
<i>Nemo tenetur se detegere</i> (right to remain silent)		<p><b>Canada:</b> The Revenue Agency, by means of an amendment to the Income Tax Act, was granted greater powers to compel taxpayers to answer questions in a civil tax audit and rely on the answers to base tax assessments. It should be noted that here is no right to remain silent during civil audits. This also fits into a broader context where oral interviews are becoming more prevalent in tax audits.</p> <p><b>Guatemala:</b> The earlier mentioned ruling by the Constitutional Court stated that it is not possible to object to or discuss the requirement of information that initiates the audit; this can affect the proportionality principles</p>
The structure and content of tax	<ul style="list-style-type: none"> <li><b>Panama:</b> Adoption of New Tax Procedure Code (<i>Código de Procedimiento Tributario</i>) laying down guidelines for the conduct of audits.</li> </ul>	<p><b>Guatemala (MS, BP):</b> The Tax Administration has implemented a system that allows it to audit and make decisions regarding potential tax adjustments, without the knowledge of</p>

Taxpayers' right	Shift towards	Shift away from
audits	<ul style="list-style-type: none"> <li>• <b>Spain (BP):</b> The General Directorate of the Tax Administration approved the general guidance of the 2024 Annual Audit Plan for Taxes and Customs.</li> <li>• <b>Spain (MS):</b> The Judgments of the Supreme Court of 4 and 9 December 2024 confirmed that the Tax Administration must motivate various items in the first communication at the beginning of the procedure, among which: the way in which the procedure begins, the means of verification used and the reasons that justify it.</li> </ul>	the taxpayers.
Time limits for tax audits	<ul style="list-style-type: none"> <li>• <b>Panama (MS):</b> Implementation of the Tax Procedure Code (<i>Código de Procedimiento Tributario</i>) laying down guidelines for the conduct of audits including timelines</li> <li>• <b>Spain (MS):</b> Judgment of Supreme Court of 30 September 2024 holding that the resolution of an audit procedure is null and void if the tax authorities decide to extend the proceedings simultaneously or after the opening of the allegations period. Such an extension would only be possible, with due justification, if it is carried out prior to the opening of such a period.</li> <li>• <b>Greece (MS and BP):</b> Articles 27 and 28 of the Tax Procedure Code were amended introducing greater certainty in general, and in particular article 28 envisages time limits for the audits.</li> </ul>	
Technical Assistance		<ul style="list-style-type: none"> <li>• <b>Guatemala:</b> In some cases the tax administration has expressed its disapproval of tax advisors attending certain meetings with the tax administration.</li> </ul>
Tax audit report	<ul style="list-style-type: none"> <li>• <b>Panama (MS and BP):</b> The Tax Procedure Code implemented in 2024 grants to the taxpayer the report drafted at the conclusion of the audit report, with the possibility for the taxpayer to express views.</li> <li>• <b>Slovenia (MS):</b> Under the amended article 140 of the Tax Procedure Act, the deadline for the taxpayer to give comments on the prepared minutes by the tax authorities was extended from</li> </ul>	

Taxpayers' right	Shift towards	Shift away from
	<p>20 days to 30 days.</p> <ul style="list-style-type: none"> <li><b>Belgium (MS):</b> The Belgian Court de Cassation decided in its judgment of 6 June 2024 that, because taxes are of public order, the judge must decide on the existence of the tax liability, both in fact and in law, when invited to do so by the claims made by the parties. In this context, the judge is not bound by the legal grounds upon which the administration based its tax assessment and must rule on the other grounds presented by the administration to justify the levy.</li> <li><b>Greece (MS and BP):</b> The new article 33(3) of the Tax Procedure Code provides that the taxpayer is notified in writing of the findings of the audit that did not result in any additional assessment. The tax authority may reopen the case if it becomes known that the previous assessment was the result of corruption (article 27(5) of the TPC).</li> </ul>	

Taxpayers' right	Shift towards	Shift away from
<b>5. More intensive audits</b>		
The implication of the <i>nemo tenetur</i> principle		<b>Guatemala:</b> There have been media publications regarding criminal tax cases before the notification to the taxpayers took place. This is consistent with an ongoing practice whereby the tax administration usually decides that a case would be criminalized before they inform the taxpayers.
Court authorization or notification	<p><b>Spain (MS):</b> In the Judgment of 1 March 2024, the Supreme Court held that evidence obtained by the Tax Inspectors in a search carried out prior to the notification of the start of an inspection procedure is not considered valid.</p> <p><b>Spain (BP):</b> In the Judgment of 2 July 2024, the Supreme Court held that the interrogation of directors and employees of a company without prior notice, when the court order did not authorize such actions, violates article 24 of the Constitution (right to defence).</p> <p><b>Belgium (BP):</b> In its judgment of 3 October 2024, the Belgian Court de</p>	<p><b>Brazil:</b> In a case decided in 2024, the Supreme Court extended this faculty to state tax authorities. Moreover, the Brazilian Federal Revenue Service extended to credit card administrators and payment institutions the obligation to disclose automatically information about financial transactions of individuals and legal entities above a determined threshold. Before that, only banks were required to do so.</p> <p><b>Chile:</b> An additional procedure for the delivery of bank information was introduced in 2024 that does not require judicial authorization in the first instance.</p>

Taxpayers' right	Shift towards	Shift away from
	Cassation decided that the measure of unannounced control provided for in article 319 of the Income Tax Code and article 63 of the VAT Code, which requires officials to be equipped with their appointment letter, must be distinguished from the obligation of the taxpayer to present all books and documents, as stipulated by the other aforementioned provisions, upon request of the tax administration.	

Taxpayers' right	Shift towards	Shift away from
6. Reviews and appeals		
The remedies and their function	<ul style="list-style-type: none"> <li>• <b>Botswana (BP):</b> See extra materials in the national report</li> <li>• <b>Honduras (BP):</b> Agreement No. SAR-236-2024, issued on 20 May 2024, established the Virtual Office of the Honduran Tax Administration Service (SAR). This digital platform was designed to streamline tax procedures, improve efficiency, and modernize tax administration, including the electronic filing of appeals for reconsideration.</li> <li>• <b>Hungary (BP):</b> See extra materials in the national report</li> <li>• <b>United States (BP):</b> The IRS has committed to facilitating seamless digital communication for taxpayers, aiming to simplify the process and ensure convenient interaction regarding their cases. Further strengthening this digital shift, in 2024, the IRS Independent Office of Appeals launched a pilot programme (30 September 2024 – 31 March 2025) introducing Corporate Group Mailboxes. This initiative enhances secure messaging for large business taxpayers with multiple representatives, offering streamlined communication, secure record-sharing and quicker case resolution.</li> </ul>	None
Length of the procedure	<ul style="list-style-type: none"> <li>• <b>Italy (BP):</b> In June 2024, the Italian Ministry of Finance released a report on tax litigation, revealing that the average duration of tax disputes in 2023 was 968 days before second-tier tax courts, marking a 10.5% decrease from 2021, when the average was 1,080 days (in 2022 the average was 973 days).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Bolivia:</b> The national report shows that judicial reviews and appeals are experiencing significant delays due to an excessive caseload and a limited number of judges.</li> </ul>

Taxpayers' right	Shift towards	Shift away from
	Similarly, disputes before first-tier tax courts averaged 429 days, reflecting a 34.2% reduction from the 652 days reported in 2021 (in 2022 the average was 571 days).	
Alternative dispute resolution	None	<ul style="list-style-type: none"> <li>• <b>Portugal:</b> Judgment of 16 May 2024 by the Central Administrative Court - South Bench (Case No. 553/07.2BESNT) ruled that Decree-Law No. 81/2018 of 15 October, which permits taxpayers to transfer cases pending in judicial courts to arbitration tribunals, violates the Constitution.</li> </ul>
<i>Audi alteram partem</i> and the right to a fair trial	<ul style="list-style-type: none"> <li>• <b>Italy (MS):</b> A substantial amendment to Law no. 212 of 27 July 2000, known as the "Taxpayer's Bill of Rights", was introduced through Legislative Decree no. 219 of 30 December 2023. This amendment incorporated the "right to be heard" under article 6-bis of the Taxpayer's Bill of Rights (entered into force on 18 January 2024).</li> <li>• <b>Italy (BP):</b> Amendments to the <i>Taxpayer's Bill of Rights</i> have also strengthened safeguards by preventing the Italian Revenue Agency from modifying the reasoning behind tax assessments during judicial tax proceedings. Specifically, the revised article 7 of Law No. 212/2000, which took effect on 18 January 2024, establishes that: (1) tax assessments must clearly indicate the assumptions, the means of proof, and the legal grounds on which the decision is based; (2) the facts and means of proof forming the basis of the assessment cannot be subsequently modified, supplemented, or replaced, except through the issuance of a new act, provided that the necessary conditions exist and that limitation periods have not expired. This provision reinforces the fundamental principle that, in Italian judicial tax proceedings (except in reimbursement cases), the burden of proof always lies with the Tax Administration.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guatemala (MS):</b> Courts in some judicial proceedings have adopted the arguments of the tax administration without duly considering the evidence presented by taxpayers.</li> <li>• <b>Guatemala (BP):</b> The Guatemalan tax administration has, in some appeals, altered the original reasoning behind tax adjustments, thereby imposing an additional burden on taxpayers.</li> </ul>
<i>Solve et repete</i>	<ul style="list-style-type: none"> <li>• <b>Nigeria (BP):</b> In November 2023, the Federal High Court<sup>504</sup> struck down as unconstitutional certain provisions of (i) Order 3 Rule 6(a) of the Tax Appeal Tribunal (Procedure) Rules 2021, (ii) Order V Rule of the Federal High Court</li> </ul>	None

<sup>504</sup> See Judgment Daudu SAN v Minister for Finance and NG: OPTR Report (2024) (Taxpayers/Tax Practitioners) Questionnaire 2, Question 67 (S).

Taxpayers' right	Shift towards	Shift away from
	of Nigeria (Federal Inland Revenue Service) Practice Directions 2021 and (iii) Order V Rule 1 of the Federal High Court (Tax Appeal) Rules 2022. These provisions required taxpayers (in cases of (i) and (ii)) to pay 50% of the tax assessed as a condition to lodge an appeal at the Tribunal and (in case of (iii)) 100% of the tax due as a condition to lodge an appeal against a decision of the Tribunal. The Court held that these requirements violated taxpayers' right to appeal and the right to a fair hearing.	
Cost proceedings of	<ul style="list-style-type: none"> <li>• <b>Netherlands (BP2):</b> The Supreme Court ruled on 12 July 2024 that the regulation for calculating the cost reimbursement for handling objections in tax matters must be (partially) set aside and that a fixed fee per procedural action should be applied.</li> </ul>	None
Public hearing	<ul style="list-style-type: none"> <li>• <b>Greece (MS2):</b> The Ministry of Justice has begun implementing online hearings for administrative law cases, including tax cases.</li> </ul>	None
Publication judgments and privacy of	<ul style="list-style-type: none"> <li>• <b>Italy (MS):</b> The Ministry of Finance has put online an important database that publishes many (but not all) tax judgements, which is freely accessible to the public.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>China (People's Rep.):</b> Despite the requirement, since 1 October 2016, to publish judicial decisions on the Chinese Judicial Decision Website (excluding those involving commercial secrets or cases deemed unsuitable for publication), there has been a significant decrease in the number of published decisions from 2022 into 2023. To address this, the People's Republic of China announced in December 2023 the initiation of constructing the National Court Judicial Decision Database, set to become operational in January 2024 and accessible to the public. However, concerns have been raised by national reporters from Academia regarding the potentially limited scope of judicial decisions to be published through this system.</li> </ul>

Taxpayers' right	Shift towards	Shift away from
<b>7. Criminal and administrative sanctions</b>		
The general framework	<b>Italy:</b> The relevance of the principle of proportionality and of the principle of ne bis in idem was recognized in legislative enactments.	<b>Belgium:</b> The framework is somehow blurred. Legislative provisions, especially in VAT, downplay the relevance of the proportionality principle.

Taxpayers' right	Shift towards	Shift away from
	<p><b>Spain:</b> New decisions of the Spanish courts have reinforced the principle of proportionality in tax punitive matters.</p> <p><b>United States:</b> A trend is reported that shows a more lenient approach by the IRS in imposing sanctions and evaluating positively the conduct of the taxpayer</p> <p><b>Panama:</b> The relevance of the principle of proportionality was recognized in legislative enactments.</p> <p><b>(Chinese) Taipei:</b> Minor reforms have reinforced the importance of the principle of proportionality.</p>	<p>Court decisions, on the other side, highlight the importance of a case-by-case analysis to ensure that a review of proportionality is carried out in light of all relevant facts of the case.</p>
Voluntary disclosure	<p><b>United States:</b> New voluntary disclosure regimes have been put into place with a view to fostering tax compliance.</p> <p><b>Argentina:</b> A new voluntary disclosure regime has been put into place to allow regularization of unpaid and undeclared taxes, without application of sanctions and interests.</p> <p><b>Greece:</b> A new voluntary disclosure regime has been put into place with a view to fostering tax compliance and increasing the efficiency of audit procedures.</p>	

Taxpayers' right	Shift towards	Shift away from
<b>8. Enforcement of taxes</b>		
Collection of taxes should never deprive taxpayers of their minimum necessary for living.	<p><b>Lithuania:</b> New rules increase the amount of minimum income that is subject to mitigated taxation.</p>	
Authorization by the judiciary should be required before seizing assets or bank accounts		<p><b>Lithuania:</b> New rules increase the powers of the tax authorities to carry out collection measures without previous authorization from the judiciary</p>
Taxpayers should have the right to request delayed payment of arrears	<p><b>Lithuania:</b> New rules increase the maximum terms for deferring payment of tax arrears.</p> <p><b>China (People's Rep.):</b> Rules have been put into place to regulate the right of the taxpayer to request delayed</p>	



Taxpayers' right	Shift towards	Shift away from
	payment of arrears.	
Bankruptcy of taxpayers should be avoided, by partial remission of the debt or structured plans for deferred payment.	<b>Netherlands:</b> Tax measures put into place to incentivize debtors in reaching agreement with their creditors in an insolvency procedure.	<b>Switzerland:</b> Legislative measures have been introduced that ease the opening of bankruptcy procedures if the taxpayer is registered in the commercial registry.
Temporary suspension of tax enforcement should follow natural disasters	<b>Brazil:</b> Due to a severe flooding crisis in the State of Rio Grande do Sul, certain measures were enacted with a view to temporarily suspending the enforcement of taxes.	

Taxpayers' right	Shift towards	Shift away from
<b>9. Cross-border procedures</b>		
Additional safeguards in connection with EoIR		<p><b>Botswana:</b> The new Data Protection Bill, Bill 19 of 2024, of 26 July 2024 does not contain provisions about safeguards applicable to exchanges of information for tax purposes. Specifically, article 50(2)(e)(ii) explicitly contemplates restricting certain fundamental rights and freedoms with the aim of safeguarding particular general interests, including monetary, budgetary and taxation matters.</p> <p><b>Guatemala:</b> There has not been a specific legislative change. However, even though the Guatemalan Tax Administration requested information for the first time from the Netherlands, the information request is not accessible by the taxpayer. It is not disclosed to the interested parties.</p> <p><b>Lithuania:</b> Order No. VA-42 of 31 May 2023 "On the Approval of the Rules for the Collection, Storage and Submission of Data on International Payment Transactions", approved by the Director of the State Tax Inspectorate together with the amendment of new article 614 of the Law on Tax Administration of the Republic of Lithuania, which entered into force on 1 January 2024 established an obligation for payment service providers to collect and store</p>



		records – and submit to the tax authorities – of international payment transactions carried out through them. Plus, there has not been a specific legislative switch about stopping informing taxpayers whenever information about them is required by third parties. There has been common practice that taxpayers are simply not informed and neither is there judicial authorization to request such information, whenever there is an open tax investigation.
Automatic exchange of financial information: The different issues of taxpayer protection		<b>Bolivia:</b> There has not been a particular change in the law, but the recent practice of ongoing cases shows that it has become more common to not notify taxpayers when made subject of an exchange of information procedure.
Mutual agreement procedure	N/A	N/A

Taxpayers' right	Shift towards	Shift away from
10. Legislation		
Constitutional limits to tax legislation: retrospective laws	<p><b>Italy:</b> The "Taxpayer's Bill of Rights" (article 3 of Law No. 212 of 27 July 2000) was amended by Legislative Decree No. 219 of 30 December 2023, effective from 18 January 2024. The amendment strengthens the prohibition of retrospective tax legislation and specifies that legal presumptions do not apply retrospectively. Additionally, for taxes due, determined, or paid periodically, the legislative changes only apply from the tax period following the date of their entry into force.</p> <p><b>Türkiye:</b> The additional corporate income tax retrospectively applied to exempt income in 2023 following the earthquakes on 6 February 2023. The Constitutional Court (E.23/169, K.24/82, 14.03.2024, Official Gazette of 19.04.2024) found this tax to be constitutional. The Court stated that in the case of extraordinary events such as natural disasters negatively impacting the economy, retrospective tax legislation may be justified if the imposition is proportional.</p>	<p><b>Türkiye:</b> The additional corporate income tax retrospectively applied to exempt income in 2023 following the earthquakes on 6 February 2023. The Constitutional Court (E.23/169, K.24/82, 14.03.2024, Official Gazette of 19.04.2024) found this tax to be constitutional. The Court stated that in the case of extraordinary events such as natural disasters negatively impacting the economy, retrospective tax legislation may be justified if the imposition is proportional.</p>

Taxpayers' right	Shift towards	Shift away from
Public consultation and involvement in the making of tax policy and law	<p><b>Brazil:</b> The Federal Revenue Service conducts public consultations before enacting regulations, setting an example of transparency. Moreover, Congress has also followed this approach for laws related to VAT taxation reform, deviating from the usual practice for tax modifications.</p> <p><b>New Zealand:</b> The government has reverted to using the generic tax policy process (GTPP) in 2024, as evidenced by the release of a new Tax and Social Policy Work Program in November and the publication of consultation documents on proposed policy changes before the draft legislation.</p> <p><b>Poland:</b> Public consultation has been reinstated as a standard part of the tax legislation process following an election and change of government at the end of 2023. Previously, there were instances where tax drafts were submitted by a group of parliamentarians without public consultation, but this practice has been discontinued.</p>	<p><b>Bolivia:</b> Tax laws and regulations are generally not subject to prior public consultation in practice. An example of this is the 2025 Financial Budget, which was enacted directly by the President without approval from Congress and without the minimum level of consultation.</p>

Taxpayers' right	Shift towards	Shift away from
11. Revenue practice and guidance		
Access all relevant legal material	<p><b>Colombia:</b> No particular legislative measure has been implemented to make legal material more accessible. Nevertheless, the country experienced a tendency of regularly publishing interpretative guidelines and rulings whenever any tax provision is amended.</p> <p><b>Hungary:</b> No particular legislative measures have been implemented. Yet, there has been a common practice from the tax authorities to keep publishing more guidelines and materials.</p> <p><b>Italy:</b> In 2024 the Taxpayer's Bill of Rights (Decreto Legislativo 30 dicembre 2023, n. 219) was amended to include a new article 6-bis to elevate the right to be heard to the rank of general principle that embodies the procedure of exchange of information.</p>	

Binding Rulings	<p><b>Panama:</b> The Tax Procedure Code enacted by the Law n. 76 of 13 February 2019 came into force via Resolution n TAT-ADM-163 (file 153-2024), of 27 December 2024, of the <i>Tribunal Administrativo Tributario</i>. Articles 127 to 129 of the new Tax Procedure Code establishes that tax rulings can be binding on a taxpayer only when their conclusions are beneficial for that taxpayer.</p> <p><b>Spain:</b> Sentence of the Spanish Supreme Court 429/2024 of 25 Jan. 2024 reinforced the binding nature of advance rulings, establishing that the criteria expressed by a binding ruling must be applied to specific cases where the facts and circumstances of the taxpayer match those included in the ruling.</p>	
Non-Binding Rulings	<p><b>Brazil:</b> The Sentence of the Brazilian Supreme Court, AREsp 1.688.160/RS, <i>Agravo em Recurso Especial</i> 2020/0081469-0, 17/10/2024, entails that any change to tax collection derived from an administrative decision that affects a common practice can affect taxpayers only after the modification of such administrative practice. However, changes to rulings and interpretative administrative guidelines cannot have the outcome of instituting a tax that was not levied for several years.</p>	

Taxpayers' right	Shift towards	Shift away from
<b>12. Institutional framework for protecting taxpayers' rights</b>		
Statement of taxpayers' rights: Charters, service charters and taxpayers' bills of rights	<p><b>Poland:</b> The Ministry of Finance has been actively involved in drafting a charter of taxpayers' rights since 2024. The draft is currently undergoing public consultation, and the government aims to adopt the charter during the current parliamentary term.</p>	
Organizational structures for protecting taxpayers' rights	<p><b>Italy:</b> Legislative Decree No. 219 of 30 December 2023 amended article 13 of Law No. 212 of 27 July 2000, establishing the "National Taxpayer Ombudsman" with national jurisdiction, replacing the previous regional system. This change aims to centralize the function and elevate the prestige of the Ombudsman, promoting unified best practices at the national level. The law sets high standards for the Ombudsman's competence and</p>	

Taxpayers' right	Shift towards	Shift away from
	qualifications. However, it does not address the issues of dependence on the Ministry of Economy and Finance, compromising impartiality, and the lack of authority to impose sanctions on tax inspectors who violate tax laws.	

Taxpayers' right	Shift towards	Shift away from
13. Artificial intelligence / Automated analytical systems		
Transparency	<p><b>Brazil:</b> In 2024, the Federal Revenue Service introduced an automated chatbot named "Leo" to assist individual taxpayers with Income Tax Return queries. Launched in 2021, Leo uses artificial intelligence to answer questions on various topics, including international shipments and customs systems. The chatbot presents options for topics it can address and asks yes/no questions to clarify filing obligations, ensuring taxpayers understand whether they are interacting with a chatbot or a human.</p> <p><b>Japan:</b> In May 2023, the National Tax Agency of Japan (NTA) issued a document titled "Digital Transformation of Tax Administration." The NTA has introduced a chatbot for tax consultations on its website and plans to use AI for selecting tax audit targets. In 2023, the chatbot received over 8 million questions from taxpayers.</p> <p><b>Türkiye:</b> On 8 April 2024, the Ministry of Finance announced the completion of a project on AI use in VAT audits. However, there has been no legislative background or initiative to inform specific taxpayers about the AI usage in audits.</p> <p><b>United Kingdom:</b> In HMRC's Privacy Notice dated 9 October 2024, it is stated that if a taxpayer is subject to an automated decision, appropriate measures are in place to safeguard their rights. They will be notified in writing, including the reasons for the decision and any associated consequences. The taxpayer has 30 days to request a reconsideration or a new decision not based solely on automated processing. If an automated decision involves sensitive personal information, explicit written consent or justification in the public interest is required, along with measures to safeguard taxpayers' rights.</p>	<p><b>Brazil:</b> The Brazilian Federal Revenue Service is introducing artificial intelligence to improve operational performance and service quality for citizens, with a commitment to continuous innovation. However, the extent of AI application and transparency regarding taxpayer information is unclear. Tax authorities emphasize the need to maintain records of AI operations and decisions, report significant incidents to competent authorities, and ensure integrity and traceability for auditing and incident investigation.</p> <p><b>Guatemala:</b> The tax administration has been using an AI system to audit taxpayers without their knowledge and has not disclosed details about its use.</p>

Taxpayers' right	Shift towards	Shift away from
	<p><b>Honduras:</b> On the tax authorities' website, users can access a chatbot feature, which informs them that they will be connected with an agent from the contact centre.</p> <p><b>United States:</b> The US Office of Management and Budget (OMB) issued guidance on March 28, 2024, requiring agencies to inventory AI use cases, report them to OMB, and make the inventory public. While the Treasury Department has not publicly published the inventory, the IRS has developed AI inventories and a submission process.</p>	
Human Oversight and Safeguards	<p><b>Brazil:</b> The Supreme Court has developed an AI system to assist judicial authorities in preparing abstracts and conducting initial analyses of simpler cases. However, the system requires human supervision to function effectively.</p> <p><b>Spain:</b> The AEAT Strategic Plan 2024-2027 emphasizes a human-centric approach to AI, requiring human intervention in all cases. A person must supervise, validate, or modify proposed decisions, and the plan also establishes the principle of responsibility in AI.</p>	<p><b>UK:</b> In <i>Peter Marano v. HMRC</i> UKUT 00113 (TCC), the court held that an automated notice issued by HMRC is as valid as if issued by an officer of HMRC, based on section 103 of the Finance Act 2020. This means HMRC no longer needs to prove that an officer authorized the use of an automated computer to send notices or penalty assessments to taxpayers. The concern is that HMRC could rely on automated processes for determining liability and issuing penalty assessments without showing human interaction was involved.</p>
Guidelines and Fundamental Rights		<p><b>Brazil:</b> The Brazilian Federal Revenue Service has stated that it will not develop AI systems that pose unacceptable risks, such as those that manipulate human behaviour subliminally, social scoring systems, or the use of AI for indiscriminate mass surveillance.</p>

## Appendix B: The Protection of Taxpayers' Rights per Country (2024)

The following are the answers provided in all national reports to the questions regarding the effective implementation in domestic law of legal procedures, safeguards and guarantees associated with taxpayers' rights in the specific situations monitored in the OPTR and as identified in Questionnaire 1 and explained in detail in the main text of this Yearbook. Accordingly, it is not advisable to interpret the content expressed in these charts separately from the explanations in the text above.

### B.1. Argentina-Chile

#	Question	Argentina	Australia	Austria	Bahamas	Barbados	Belgium	Bolivia	Bosnia and Herzegovina	Botswana	Brazil (1)	Brazil (2)	Bulgaria (1)	Bulgaria (2)	Canada	Chile
<b>1. Identifying taxpayers, issuing tax returns and communicating with taxpayers</b>																
1	Do taxpayers have the right to see the information held about them by the tax authority?	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	If yes, can they request the correction of errors in the information?	Yes	Yes	Yes	N/A	N/A	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No
3	Is it possible in your country for taxpayers to communicate electronically with the tax authority?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	If yes, are there systems in place to prevent unauthorized access to the channel of communication?	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	In your country, is there a system of "cooperative compliance"/"enhanced relationship" which applies to some taxpayers only?	No	Yes	Yes	No	No	Yes	No	No	No	Yes	Yes	No	No	Yes	Yes
5 A	If yes, are there rules or procedures in	N/A	Yes	Yes	N/A	N/A	No	N/A	N/A	N/A	Yes	Yes	N/A	N/A	No	Yes

#	Question	Argentina	Australia	Austria	Bahamas	Barbados	Belgium	Bolivia	Bosnia and Herzegovina	Botswana	Brazil (1)	Brazil (2)	Bulgaria (1)	Bulgaria (2)	Canada	Chile
	place to ensure this system is available to all eligible taxpayers on a non-preferential/non-discriminatory/no arbitrary basis?															
6	Are compliance obligations imposed on third parties subject to limits that ensure they are necessary and proportionate?	Yes	Yes	Yes	No	No	No	No	No	Yes	No	Yes	Yes	No	Yes	No
7	Are there special arrangements for individuals who face particular difficulties (e.g. the disabled, the elderly, other special cases) to receive assistance in complying with their tax obligations?	No	Yes	Yes	No	No	Yes	No	No	Yes	No	No	No	No	Yes	No
7 A	Are there special arrangements in circumstances of force majeure?	No	Yes	No	No	No	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes
7 B	If yes to 7A, do said arrangements operate automatically?	N/A	No	N/A	N/A	N/A	No	No	N/A	N/A	N/A	No	No	No	No	No
<b>2. The issue of a tax assessment</b>																
8	Does a dialogue take place in your country between the taxpayer and the tax authority before the issuing of an assessment in order to reach an agreed	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No	No	No	Yes	Yes



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	assessment?															
9	If yes, can the taxpayer request a meeting with the tax officer?	N/A	N/A	Yes	Yes	Yes	Yes	Yes	N/A	No	N/A	N/A	N/A	N/A	Yes	Yes
10	If a systematic error in the assessment of tax comes to light (e.g. the tax authority loses a tax case and it is clear that tax has been collected on a wrong basis), does the tax authority act ex officio to notify all affected taxpayers and arrange repayments to them?	No	Yes	Yes	No	No	No	No	No	No	No	No	No	No	No	No
<b>3. Confidentiality</b>																
11	Is information held by your tax authority automatically encrypted?	Yes	No	Yes	No	No	No	No	No	Yes	Yes	Yes	No	No	No	Yes
11 A	Do data protection rights apply to all information held by tax authorities?	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
11 B	If yes to 11A, does it include the right to access data and correct inaccuracies?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	No	No	Yes	Yes
11 C	If yes to 11A, is all data (at some point) destroyed once its purpose has been fulfilled?	Yes	Yes	Yes	Yes	Yes	Yes	No	N/A	N/A	No	No	No	No	Yes	No
12	Is access to information held by the tax authority about a specific taxpayer	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes

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	accessible only to the tax official(s) dealing with that taxpayer's affairs?															
13	If yes, must the tax official identify himself/herself before accessing information held about a specific taxpayer?	Yes	N/A	Yes	N/A	N/A	Yes	No	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes
14	Is access to information held about a taxpayer audited internally to check if there has been any unauthorized access to that information?	Yes	Yes	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes
14 A	If yes to 14, are victims of an unauthorized disclosure entitled to be informed and paid compensation?	No	No	No	No	N/A	Yes	N/A	N/A	No	N/A	Yes	Yes	Yes	No	No
15	Are there examples of tax officials who have been criminally prosecuted in the last decade for unauthorized access to taxpayers' data?	Yes	Yes	Yes	No	No	No	No	No	No	No	Yes	No	No	No	Yes
15 A	Are tax officials entitled to work remotely?	Yes	Yes	Yes	No	No	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
15 B	If yes to 15A, are equivalent measures taken to ensure confidentiality and data protection to the ones that apply	No	Yes	Yes	N/A	N/A	No	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes

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	when the official is working from a tax office?															
15 C	If yes to 15B, are those measures audited?	N/A	Yes	Yes	N/A	N/A	No	N/A	N/A	N/A	No	Yes	Yes	Yes	Yes	Yes
16	Is information about the tax liability of specific taxpayers publicly available in your country?	No	Yes	No	No	No	No	No	Yes	No	No	Yes	Yes	Yes	No	No
16 A	If yes to 16, is access limited only to those who have a legitimate interest?	N/A	No	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	No	No	No	N/A	N/A
16 B	Can information held by tax authorities be supplied to other authorities?	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
16 C	If yes to 16 B, is the supply to other public authorities permitted only when authorized by law and with appropriate safeguards?	Yes	Yes	Yes	N/A	N/A	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
17	Is "naming and shaming" of non-compliant taxpayers practised in your country?	No	Yes	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No
17 A	If yes to 17, is personal data that places the individual at risk not disclosable?	N/A	Yes	N/A	N/A	N/A	N/A	Yes	No	N/A	Yes	Yes	Yes	Yes	N/A	N/A
18	Is there a system in your country by which the courts may authorize the public disclosure of information held by the tax	No	No	No	No	No	No	Yes	Yes	No	Yes	Yes	No	No	No	No

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	authority about specific taxpayers (e.g. <i>habeas data</i> or freedom of information)?															
18 A	Is there legislation that protects whistleblowers that disclose confidential information held by revenue authorities (or third parties holding data for tax purposes)?	No	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	No	Yes
19	Is there a system of protection of legally privileged communications between the taxpayer and its advisers?	No	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No
20	If yes, does this extend to advisors other than those who are legally qualified (e.g. accountants or tax advisors)?	N/A	No	N/A	No	N/A	Yes	No	N/A	N/A	No	No	Yes	No	No	N/A
20 A	Are there mandatory disclosure requirements (e.g. mandatory disclosure of tax planning arrangements)?	No	No	Yes	No	No	Yes	No	No	No	No	No	Yes	Yes	Yes	No
20 B	If yes to 20A, are those mandatory disclosure obligations so drafted as not to affect the relations with professional advisers?	N/A	N/A	Yes	N/A	N/A	No	N/A	N/A	N/A	N/A	N/A	Yes	Yes	No	N/A
<b>4. Normal audits</b>																

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21	Does the principle <i>ne bis in idem</i> apply to tax audits (i.e. that the taxpayer can only receive one audit in respect of the same taxable period)?	Yes	No	Yes	No	No	No	Yes	No	No	No	No	Yes	Yes	No	Yes
22	If yes, does this mean only one audit per tax per year?	Yes	N/A	Yes	N/A	N/A	N/A	Yes	N/A	N/A	N/A	No	No	No	N/A	Yes
23	Does the principle <i>audi alteram partem</i> apply in the tax audit process (i.e. does the taxpayer have to be notified of all decisions taken in the process and have the right to object and be heard before the decision is finalized)?	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes
23 A	If yes to 23, does this principle also apply to online meetings?	No	N/A	Yes	N/A	No	N/A	Yes	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes
24	Does the taxpayer have the right to request an audit (e.g. if the taxpayer wishes to get finality of taxation for a particular year)?	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No	No
25	Are there time limits applicable to the conduct of a normal audit in your country (e.g. the audit must be concluded within so many months)?	No	No	No	No	No	No	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes

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26	If yes, what is the normal limit in months?	No Li mit	No Li mit	No Li mit	No Li mit	No Li mit	No Li mit	10 - 12	No Li mit	> 24	No Li mit	No Li mit	4- 6	4- 6	> 24	10 - 12
27	Does the taxpayer have the right to be represented by a person of its choice in the audit process?	Ye s	Ye s	Ye s	Ye s	Ye s	Ye s	Y es	Ye s	Y es	Ye s	Ye s	Y es	Y es	Y es	Y es
28	May the opinion of independent experts be used in the audit process?	Ye s	Ye s	Ye s	Ye s	Ye s	Ye s	Y es	No	N o	Ye s	Ye s	Y es	Y es	N o	Y es
29	Does the taxpayer have the right to receive a full report on the conclusions of the audit at the end of the process?	Ye s	No	Ye s	No	No	Ye s	Y es	Ye s	Y es	Ye s	Ye s	Y es	Y es	Y es	N o
29 A	Once a tax audit is completed, are there rules that prevent further evidence being collected, further arguments being put forward and no further tax charges being brought?	No	No	Ye s	No	No	No	Y es	No	N o	Ye s	Ye s	Y es	N o	N o	N o
30	Are there limits to the frequency of audits of the same taxpayer (e.g. in respect to different periods or different taxes)?	No	No	No	No	No	No	N o	Ye s	N o	No	No	N o	N o	N o	N o
<b>5. More intensive audits</b>																
31	Is the principle <i>nemo tenetur</i> applied in tax investigations (i.e. the principle against self-incrimination)?	No	No	No	No	No	No	Y es	No	N o	No	Ye s	N o	N o	Y es	N o

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32	If yes, is there a restriction on the use of information supplied by the taxpayer in a subsequent penalty procedure/criminal procedure?	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	N/A	No	N/A	N/A	Yes	N/A
33	If yes to <i>nemo tenetur</i> , can the taxpayer raise this principle to refuse to supply basic accounting information to the tax authority?	N/A	N/A	N/A	No	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	Yes	No
34	Is there a procedure applied in your country to identify a point in time during an investigation when it becomes likely that the taxpayer may be liable for a penalty or a criminal charge, and from that time onwards the taxpayer's right not to self-incriminate is recognized?	No	No	Yes	No	No	No	No	No	No	No	No	No	No	Yes	No
35	If yes, is there a requirement to give the taxpayer a warning that the taxpayer can rely on the right to non-self-incrimination?	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Yes	N/A
36	Is authorization by a court always needed before the tax authority may enter and search premises?	No	No	No	Yes	Yes	No	Yes	No	No	No	Yes	No	No	Yes	No

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37	May the tax authority enter and search the dwelling places of individuals?	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	No	Yes	No
38	Is a court order required before the tax authority can use interception of communications (e.g. telephone tapping or access to electronic communications)?	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
38 A	Does access to bank information for tax purposes require prior judicial authorization?	No	No	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	No	Yes
39	Is there a procedure in place to ensure that legally privileged material is not taken during a search?	No	Yes	Yes	No	No	No	No	No	No	No	No	No	No	Yes	No
39 A	If evidence is collected as a result of a search that was not authorized by the judiciary is that evidence admissible?	No	Yes	Yes	No	No	Yes	No	No	No	Yes	No	No	No	No	Yes
39 B	If digital data is copied or removed, are there provisions to ensure that this does not affect the normal operation of the electronic information system?	No	No	Yes	No	No	No	No	No	No	No	No	No	No	No	Yes
<b>6. Reviews and appeals</b>																



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40	Is there a procedure for an internal review of an assessment/decision before the taxpayer appeals to the judiciary?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
40 A	Do taxpayers have an alternative of taking an appeal to an arbitration tribunal in place of the tax courts?	No	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No
41	Does the taxpayer need permission to appeal to the first instance tribunal?	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	No	No
42	Does the taxpayer need permission to appeal to the second or higher instance tribunals?	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	No	No
43	Is it necessary for the taxpayer to bring his case first before an administrative court to quash the assessment/decision, before the case can proceed to a judicial hearing?	No	No	Yes	No	No	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No
44	Are there time limits applicable for a tax case to complete the judicial appeal process?	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No	No
45	If yes, what is the normal time it takes for a tax case to be concluded on appeal?	No limit	No limit	No limit	No limit	No limit	No limit	> 24	16 - 18	No limit	No limit	No limit	No limit	No limit	No limit	No limit

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46	Are there any arrangements for alternative dispute resolution (e.g. mediation or arbitration) before a tax case proceeds to the judiciary?	No	Yes	No	No	No	Yes	No	No	No	No	Yes	No	No	No	No
46 A	Does a taxpayer have the right to request an online hearing or object to it?	No	Yes	Yes	No	No	No	Yes	No	No	No	Yes	Yes	Yes	Yes	No
47	Is there a system for the simplified resolution of tax disputes (e.g. by a determination on the file, or by e-filing)?	No	Yes	No	No	No	No	No	No	No	No	No	Yes	Yes	No	No
48	Is the principle <i>audi alteram partem</i> (i.e. each party has a right to a hearing) applied in all tax appeals?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
49	Does the taxpayer have to pay some/all the tax before an appeal can be made (i.e. <i>solve et repete</i> )?	Yes	No	Yes	No	No	No	No	Yes	No	No	No	No	Yes	No	No
50	If yes, are there exceptions recognized where the taxpayer does not need to pay before appealing (i.e. can obtain an interim suspension of the tax debt)?	No	N/A	Yes	N/A	N/A	N/A	Yes	No	N/A	N/A	N/A	N/A	Yes	N/A	N/A
51	Does the loser have to pay the costs of a tax appeal?	Yes	Yes	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
52	If yes, are there situations	Yes	Yes	N/A	N/A	N/A	Yes	N/A	No	Yes	No	Yes	Yes	Yes	Yes	Yes

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	recognized where the loser does not need to pay the costs (e.g. because of the conduct of the other party)?															
53	If there is usually a public hearing, can the taxpayer request a hearing in camera (i.e. not in public) to preserve secrecy/confidentiality?	No	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	No	Yes
54	Are judgments of tax tribunals published?	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
55	If yes, can the taxpayer preserve its anonymity in the judgment?	No	Yes	Yes	Yes	N/A	No	No	N/A	N/A	No	No	Yes	Yes	No	No
<b>7. Criminal and administrative sanctions</b>																
56	Does the principle <i>ne bis in idem</i> apply in your country to prevent (A) the imposition of a tax penalty and the tax liability; (B) the imposition of more than one tax penalty for the same conduct; and/or (C) the imposition of a tax penalty and a criminal liability?	D	D	C	D	C	C, D	C	D	C	C	C	C, D	C	D	B, C, D
57	If <i>ne bis in idem</i> is recognized, does this prevent two parallel sets of court proceedings arising from the	No	No	No	Yes	No	No	Yes	Yes	Yes	No	No	No	No	No	No

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	same factual circumstances (e.g. a tax court and a criminal court)?															
58	If the taxpayer makes a voluntary disclosure of a tax liability, can this result in a reduced or a zero penalty?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
58 A	Is there a legislative cap to prevent interest, penalties, and surcharges exceeding the amount of tax due?	No	No	Yes	No	No	No	No	No	Yes	No	No	No	No	No	No
<b>8. Enforcement of taxes</b>																
59	Is a court order always necessary before the tax authorities can access a taxpayer's bank account or other assets?	No	No	Yes	Yes	Yes	No	No	No	No	Yes	No	No	No	No	Yes
60	Does the taxpayer have the right to request a deferred payment of taxes or a payment in instalments (perhaps with a guarantee)?	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>9. Cross-border situations</b>																
61	Does the taxpayer have the right to be informed before information relating to him is exchanged in response to a	No	No	No	No	No	No	No	No	No	No	No	No	No	No	Yes

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	specific request?															
62	Does the taxpayer have the right to be informed before information is sought from third parties in response to a specific request for exchange of information?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
63	If no to either of the previous two questions, did your country previously recognize the right of taxpayers to be informed, and was such right removed in the context of the peer review by the Forum on Transparency and Exchange of Information?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A	No	No	No	No	N/A	N/A
64	Does the taxpayer have the right to be heard by the tax authority before the exchange of information relating to him with another country?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
65	Does the taxpayer have the right to challenge, before the judiciary, the exchange of information relating to him with another country?	No	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	No
65 A	If information is sought from a third party, does that third party	No	No	Yes	No	No	Yes	Yes	No	No	Yes	Yes	No	No	Yes	No

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	have the right to challenge the legality of the request before the judiciary?															
65 B	Is exchange of information prohibited with any state if it is foreseeable that the data would be used in a way that is repressive or that it would undermine the protection of fundamental rights?	Yes	Yes	Yes	No	No	No	Yes	No	No	No	Yes	No	No	Yes	No
66	Does the taxpayer have the right to see any information received from another country that relates to him?	Yes	No	No	No	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No
66 A	In the event of a leak of confidential information, is exchange of information with that state suspended?	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No
66 B	Are there time limits after which data that has been exchanged are to be destroyed or anonymously archived?	No	Yes	Yes	No	No	Yes	No	No	No	No	No	No	No	Yes	No
67	Does the taxpayer have the right in all cases to require a mutual agreement procedure be initiated?	No	No	Yes	No	No	No	Yes	Yes	No	No	No	Yes	Yes	No	No
68	Does the taxpayer have the right to see	Yes	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No

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	the communications exchanged in the context of the mutual agreement procedure?															
68 A	Does a taxpayer have a right to be given a statement of reasons for how a solution was reached through mutual agreement procedures?	No	No	No	No	No	No	Yes	Yes	No	No	No	Yes	Yes	Yes	No
<b>10. Legislation</b>																
69	Is there a prohibition on retrospective tax legislation in your country?	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	No	No	No	No
70	If no, are there restrictions on the adoption of retrospective tax legislation in your country?	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	Yes	Yes	No	No
71	Is there a procedure in your country for public consultation before the adoption of all (or most) tax legislation?	No	No	Yes	Yes	No	No	No	Yes	No	No	No	Yes	Yes	Yes	No
72	Is tax legislation subject to constitutional review which can strike down unconstitutional laws?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>11. Revenue practice and guidance</b>																
73	Does the tax authority in your country publish guidance (e.g. revenue	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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	manuals, circulars, etc.) as to how it applies your tax law?															
74	Does your country have a generalized system of advance rulings available to taxpayers?	No	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	No	No	No	Yes	Yes
75	If yes, is it legally binding?	N/A	Yes	Yes	No	No	Yes	N/A	N/A	N/A	Yes	N/A	N/A	N/A	No	No
76	If a binding ruling is refused, does the taxpayer have a right to appeal?	No	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	No	No	No	No
77	If your country publishes guidance as to how it applies your tax law, can taxpayers acting in good faith rely on that published guidance (i.e. protection of legitimate expectations)?	N/A	Yes	Yes	N/A	No	No	No	No	Yes	Yes	Yes	N/A	N/A	No	Yes
<b>12. Institutional framework for protecting taxpayers' rights</b>																
78	Is there a taxpayers' charter or taxpayers' bill of rights in your country?	No	Yes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
79	If yes, are its provisions legally effective?	N/A	No	No	N/A	N/A	Yes	Yes	N/A	N/A	Yes	Yes	No	No	No	Yes
80	Is there a (tax) ombudsman/taxpayers' advocate/equivalent position in your country?	No	Yes	Yes	No	No	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes
81	If yes, can the ombudsman	N/A	No	No	N/A	N/A	Yes	No	N/A	N/A	N/A	N/A	No	No	No	Yes



#	Question	Argentina	Australia	Austria	Bahamas	Barbados	Belgium	Bolivia	Bosnia and Herzegovina	Botswana	Brazil (1)	Brazil (2)	Bulgaria (1)	Bulgaria (2)	Canada	Chile
	intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?															
82	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	Yes	No	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes
83	Is there a taxpayers' charter or taxpayers' bill of rights in your country?	No	Yes	No	No	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes
84	If yes, are its provisions legally effective?	N/A	No	N/A	N/A	N/A	Yes	Yes	N/A	N/A	Yes	Yes	No	No	No	Yes
85	Is there a (tax) ombudsman / taxpayers' advocate / equivalent position in your country?	No	Yes	Yes	No	No	Yes	No	No	No	No	No	Yes	Yes	Yes	Yes
86	If yes, can the ombudsman intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?	N/A	No	No	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	No	No	No	Yes
87	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	Yes	No	No	N/A	Yes	No	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes
<b>13. Artificial Intelligence (AI)/Automated Analytical Systems (AAS)</b>																
88	Are taxpayers who are subject to a tax compliance	N/A	N/A	No	N/A	N/A	No	No	No	No	No	No	N/A	No	N/A	No

#	Question	Argentina	Australia	Austria	Bahamas	Barbados	Belgium	Bolivia	Bosnia and Herzegovina	Botswana	Brazil (1)	Brazil (2)	Bulgaria (1)	Bulgaria (2)	Canada	Chile
	procedure that involves AI/AAS informed of that fact?															
89	In communications between a tax authority and a taxpayer that employs AI/AAS, is it stated that the tax authorities are represented only by a machine?	N/A	N/A	Yes	N/A	N/A	N/A	No	N/A	No	No	No	N/A	No	No	No
90	If a decision relating to tax administration has been taken by the use of AI/AAS, is the taxpayer provided with basic details of the procedure applied?	N/A	N/A	N/A	N/A	N/A	No	No	N/A	No	No	No	N/A	No	N/A	No
91	Do the tax authorities publish details of the type of AI/AAS employed with specific information about the purpose for which they are used?	No	No	No	No	No	No	No	No	No	No	No	No	No	Yes	No
92	Does a system exist for voluntary registration of AI/AAS?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
93	If yes to 92, does the tax authority register all AI/AAS tools or algorithms with that system?	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
94	Are decisions that may have a significant impact	N/A	N/A	No	N/A	N/A	No	No	No	No	No	No	N/A	No	No	Yes

#	Question	Argentina	Australia	Austria	Bahamas	Barbados	Belgium	Bolivia	Bosnia and Herzegovina	Botswana	Brazil (1)	Brazil (2)	Bulgaria (1)	Bulgaria (2)	Canada	Chile
	on a taxpayer taken exclusively by AI/AAS?															
95	If decisions impacting a taxpayer are taken by AI/AAS, are they overseen by a suitably qualified individual before the decision is notified?	N/A	N/A	N/A	N/A	N/A	Yes	N/A	N/A	N/A	N/A	Yes	N/A	N/A	N/A	No
96	If an audit employs material generated by AI/AAS, is that material available to taxpayers and their advisors?	No	N/A	N/A	N/A	N/A	No	No	N/A	No	No	Yes	No	No	N/A	No
97	If yes to 96, is an explanation provided and does the taxpayer have an effective remedy against unlawful or inaccurate use of AI/AAS?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	N/A	N/A
98	Do tax authorities publish guidance notes explaining the way in which they use AI/AAS?	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No	No
99	If revenue authorities use AI/AAS, do they publish guidelines and points of contact for taxpayers who have questions or concerns about those procedures?	N/A	N/A	N/A	N/A	N/A	No	No	N/A	No	No	No	N/A	No	N/A	No
100	If yes to a (tax) ombudsman, is he/she	N/A	Yes	N/A	N/A	N/A	Yes	No	N/A	No	No	No	N/A	No	N/A	No

#	Question	Argentina	Australia	Austria	Bahamas	Barbados	Belgium	Bolivia	Bosnia and Herzegovina	Botswana	Brazil (1)	Brazil (2)	Bulgaria (1)	Bulgaria (2)	Canada	Chile
	independent from the tax authority?															

## B.2. China (People's Rep.)-Italy

#	Question	China (People's Rep.)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
<b>1. Identifying taxpayers, issuing tax returns and communicating with taxpayers</b>																	
1	Do taxpayers have the right to see the information held about them by the tax authority?	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	No	No	No	No	Yes	Yes
2	If yes, can they request the correction of errors in the information?	N/A	Yes	Yes	Yes	N/A	No	No	No	N/A	No	N/A	N/A	N/A	N/A	Yes	No
3	Is it possible in your country for taxpayers to communicate electronically with the tax authority?	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes
4	If yes, are there systems in place to prevent unauthorized access to the channel of communication?	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes
5	In your country, is there a system of "cooperative compliance"/"enhanced relationship" which applies to some taxpayers only?	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes
5 A	If yes, are there rules or procedures in place to ensure this system is available to all eligible taxpayers on a	Yes	No	N/A	N/A	Yes	No	No	No	No	N/A	N/A	No	N/A	Yes	No	Yes

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	non-preferential/non-discriminatory/nonarbitrary basis?																
6	Are compliance obligations imposed on third parties subject to limits that ensure they are necessary and proportionate?	Yes	Yes	Yes	No	No	No	No	No	Yes	No	Yes	Yes	No	Yes	No	No
7	Are there special arrangements for individuals who face particular difficulties (e.g. the disabled, the elderly, other special cases) to receive assistance in complying with their tax obligations?	No	Yes	Yes	No	No	Yes	No	No	Yes	No	No	No	No	Yes	No	No
7 A	Are there special arrangements in circumstances of force majeure?	No	Yes	No	No	No	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
7 B	If yes to 7A, do said arrangements operate automatically?	N/A	No	N/A	N/A	N/A	No	No	N/A	N/A	N/A	No	No	No	No	No	No
<b>2. The issue of a tax assessment</b>																	
8	Does a dialogue take place in your country between the taxpayer and the tax authority before	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	the issuing of an assessment in order to reach an agreed assessment?																
9	If yes, can the taxpayer request a meeting with the tax officer?	Yes	No	Yes	N/A	N/A	Yes	N/A	No	Yes	Yes	Yes	No	N/A	N/A	Yes	Yes
10	If a systematic error in the assessment of tax comes to light (e.g. the tax authority loses a tax case and it is clear that tax has been collected on a wrong basis), does the tax authority act ex officio to notify all affected taxpayers and arrange repayments to them?	Yes	No	No	No	No	Yes	No	Yes	No	No	No	No	Yes	No	Yes	No
<b>3. Confidentiality</b>																	
11	Is information held by your tax authority automatically encrypted?	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes
11A	Do data protection rights apply to all information held by tax authorities?	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11B	If yes to 11A, does it include the right to access data and correct inaccuracies?	Yes	Yes	N/A	N/A	Yes	Yes	N/A	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
11C	If yes to 11A, is all data (at some point)	Yes	Yes	N/A	N/A	Yes	Yes	N/A	Yes	N/A	No	No	No	Yes	No	No	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	destroyed once its purpose has been fulfilled?																
1 2	Is access to information held by the tax authority about a specific taxpayer accessible only to the tax official(s) dealing with that taxpayer's affairs?	Yes	No	No	No	Yes	No	No	Yes	No	No	No	Yes	No	Yes	No	Yes
1 3	If yes, must the tax official identify himself/herself before accessing information held about a specific taxpayer?	Yes	N/A	N/A	N/A	Yes	N/A	N/A	Yes	N/A	N/A	N/A	Yes	N/A	Yes	N/A	Yes
1 4	Is access to information held about a taxpayer audited internally to check if there has been any unauthorized access to that information?	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	No	Yes
1 4 A	If yes to 14, are victims of an unauthorized disclosure entitled to be informed and paid a compensation?	Yes	N/A	No	N/A	No	Yes	N/A	No	Yes	N/A	N/A	Yes	No	No	N/A	No
1 5	Are there examples of tax officials who have been criminally prosecuted in the last decade for unauthorized	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	No	No	Yes	Yes	No	No	Yes



#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	access to taxpayers' data?																
15A	Are tax officials entitled to work remotely?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes
15B	If yes to 15A, are equivalent measures taken to ensure confidentiality and data protection to the ones that apply when the official is working from a tax office?	Yes	Yes	Yes	N/A	Yes	Yes	No	Yes	Yes	N/A	N/A	No	Yes	N/A	Yes	Yes
15C	If yes to 15B, are those measures audited?	Yes	Yes	Yes	N/A	Yes	No	N/A	Yes	Yes	N/A	N/A	N/A	No	N/A	No	Yes
16	Is information about the tax liability of specific taxpayers publicly available in your country?	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	No
16A	If yes to 16, is access limited only to those who have a legitimate interest?	Yes	No	No	N/A	No	No	No	N/A	No	N/A	N/A	No	N/A	No	No	N/A
16B	Can information held by tax authorities be supplied to other authorities?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
16C	If yes to 16 B, is the supply to other public authorities permitted only when	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	authorized by law and with appropriate safeguards?																
17	Is "naming and shaming" of non-compliant taxpayers practised in your country?	Yes	No	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes	No	No	No
17A	If yes to 17, is personal data that places the individual at risk not disclosable?	Yes	N/A	Yes	Yes	No	N/A	No	N/A	Yes	Yes	N/A	N/A	No	N/A	N/A	N/A
18	Is there a system in your country by which the courts may authorize the public disclosure of information held by the tax authority about specific taxpayers (e.g. <i>habeas data</i> or freedom of information)?	Yes	No	Yes	No	No	Yes	No	No	No	Yes	No	Yes	No	Yes	Yes	No
18A	Is there legislation that protects whistleblowers that disclose confidential information held by revenue authorities (or third parties holding data for tax purposes)?	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No	Yes
19	Is there a system of protection of legally privileged communications between the taxpayer and	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	its advisers?																
20	If yes, does this extend to advisors other than those who are legally qualified (e.g. accountants or tax advisors)?	No	No	Yes	Yes	No	No	N/A	Yes	No	No	No	No	No	N/A	Yes	N/A
20A	Are there mandatory disclosure requirements (e.g. mandatory disclosure of tax planning arrangements)?	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	No	Yes	No
20B	If yes to 20A, are those mandatory disclosure obligations so drafted as not to affect the relations with professional advisers?	Yes	N/A	N/A	Yes	Yes	Yes	No	No	Yes	N/A	N/A	N/A	No	N/A	No	N/A
<b>4. Normal audits</b>																	
21	Does the principle <i>ne bis in idem</i> apply to tax audits (i.e. that the taxpayer can only receive one audit in respect of the same taxable period)?	Yes	No	Yes	No	Yes	No	No	No	Yes	No	No	Yes	Yes	No	No	Yes
22	If yes, does this mean only one audit per tax year?	No	N/A	Yes	N/A	No	N/A	N/A	N/A	Yes	N/A	N/A	No	No	N/A	N/A	Yes
23	Does the principle <i>audi alteram partem</i> apply in the tax audit process	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	(i.e. does the taxpayer have to be notified of all decisions taken in the process and have the right to object and be heard before the decision is finalized)?																
23A	If yes to 23, does this principle also apply to online meetings?	Yes	No	Yes	No	No	Yes	N/A	Yes	Yes	N/A	No	No	Yes	Yes	Yes	Yes
24	Does the taxpayer have the right to request an audit (e.g. if the taxpayer wishes to get finality of taxation for a particular year)?	Yes	No	Yes	No	No	No	No	No	Yes	No	No	Yes	No	Yes	Yes	No
25	Are there time limits applicable to the conduct of a normal audit in your country (e.g. the audit must be concluded within so many months)?	Yes	Yes	No	No	Yes	No	No	Yes	Yes	No	No	Yes	Yes	Yes	No	Yes
26	If yes, what is the normal limit in months?	1-3	> 24	No Limit	No Limit	> 24	No Limit	No Limit	> 24	10-12	No Limit	No Limit	7-9	1-3	19-21	No Limit	10-12
27	Does the taxpayer have the right to be represented by a person of its choice in the audit process?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
28	May the opinion of independent experts be used in the audit process?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
29	Does the taxpayer have the right to receive a full report on the conclusions of the audit at the end of the process?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No
29A	Once a tax audit is completed, are there rules that prevent further evidence being collected, further arguments being put forward and no further tax charges being brought?	No	Yes	Yes	No	Yes	No	No	No	Yes	No	No	Yes	Yes	Yes	No	No
30	Are there limits to the frequency of audits of the same taxpayer (e.g. in respect to different periods or different taxes)?	Yes	No	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No
<b>5. More intensive audits</b>																	
31	Is the principle <i>nemo tenetur</i> applied in tax investigations (i.e. the principle against self-incrimination)?	Yes	No	No	Yes	Yes	Yes	No	Yes	Yes	No	No	No	No	No	No	No
32	If yes, is there a restriction on the use of information	Yes	N/A	N/A	No	Yes	Yes	N/A	No	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	supplied by the taxpayer in a subsequent penalty procedure/criminal procedure?																
33	If yes to <i>nemo tenetur</i> , can the taxpayer raise this principle to refuse to supply basic accounting information to the tax authority?	No	N/A	N/A	Yes	No	No	N/A	Yes	No	N/A	N/A	N/A	N/A	N/A	N/A	No
34	Is there a procedure applied in your country to identify a point in time during an investigation when it becomes likely that the taxpayer may be liable for a penalty or a criminal charge, and from that time onwards the taxpayer's right not to self-incriminate is recognized?	Yes	No	No	No	No	Yes	No	Yes	No	No	No	No	Yes	No	No	No
35	If yes, is there a requirement to give the taxpayer a warning that the taxpayer can rely on the right to non-self-incrimination?	N/A	N/A	N/A	N/A	N/A	Yes	N/A	Yes	N/A	N/A	N/A	N/A	No	N/A	N/A	N/A
36	Is authorization by a court always needed before the tax authority may	No	No	No	No	No	No	Yes	Yes	No	Yes	Yes	No	No	No	No	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	enter and search premises?																
37	May the tax authority enter and search the dwelling places of individuals?	No	No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	No
38	Is a court order required before the tax authority can use interception of communications (e.g. telephone tapping or access to electronic communications)?	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
38A	Does access to bank information for tax purposes require prior judicial authorization?	No	No	Yes	No	No	No	No	Yes	No	Yes	Yes	No	No	No	No	Yes
39	Is there a procedure in place to ensure that legally privileged material is not taken in the course of a search?	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No	Yes	Yes	Yes	No
39A	If evidence is collected as a result of a search that was not authorized by the judiciary is that evidence admissible?	No	No	No	Yes	Yes	Yes	Yes	No	Yes	No	No	No	Yes	No	Yes	Yes
39B	If digital data is copied or removed, are there provisions to ensure that this	Yes	No	No	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	No	No	Yes

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	does not affect the normal operation of the electronic information system?																
<b>6. Reviews and appeals</b>																	
40	Is there a procedure for an internal review of an assessment/decision before the taxpayer appeals to the judiciary?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
40A	Do taxpayers have an alternative of taking an appeal to an arbitration tribunal in place of the tax courts?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
41	Does the taxpayer need permission to appeal to the first instance tribunal?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
42	Does the taxpayer need permission to appeal to the second or higher instance tribunals?	No	No	No	No	No	Yes	Yes	Yes	No	No	No	No	No	No	No	No
43	Is it necessary for the taxpayer to bring his case first before an administrative court to quash the assessment/decision, before the case can proceed to a judicial	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	No



#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	hearing?																
44	Are there time limits applicable for a tax case to complete the judicial appeal process?	Yes	No	No	No	Yes	No	No	No	No	No	No	Yes	No	No	No	No
45	If yes, what is the normal time it takes for a tax case to be concluded on appeal?	4-6	No limit	No limit	No limit	> 24	No limit	No limit	No limit	No limit	No limit	No limit	22-24	No limit	No limit	No limit	No limit
46	Are there any arrangements for alternative dispute resolution (e.g. mediation or arbitration) before a tax case proceeds to the judiciary?	Yes	Yes	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No
46A	Does a taxpayer have the right to request an online hearing or object to it?	No	Yes	Yes	No	No	Yes	No	No	Yes	No	No	No	Yes	No	Yes	No
47	Is there a system for the simplified resolution of tax disputes (e.g. by a determination on the file, or by e-filing)?	Yes	No	No	No	No	Yes	No	Yes	Yes	No	No	Yes	Yes	No	Yes	No
48	Is the principle <i>audi alteram partem</i> (i.e. each party has a right to a hearing) applied in all tax appeals?	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
49	Does the taxpayer have to pay some/all the tax before an appeal can	Yes	No	No	Yes	No	No	No	Yes	Yes	No	No	No	No	Yes	Yes	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	be made (i.e. <i>solve et repete</i> )?																
50	If yes, are there exceptions recognized where the taxpayer does not need to pay before appealing (i.e. can obtain an interim suspension of the tax debt)?	Yes	N/A	N/A	No	N/A	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	Yes	Yes	N/A
51	Does the loser have to pay the costs of a tax appeal?	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	Yes
52	If yes, are there situations recognized where the loser does not need to pay the costs (e.g. because of the conduct of the other party)?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	N/A	Yes	Yes
53	If there is usually a public hearing, can the taxpayer request a hearing in camera (i.e. not in public) to preserve secrecy/confidentiality?	Yes	Yes	Yes	No	No	Yes	No	Yes	No	No	Yes	Yes	No	No	Yes	Yes
54	Are judgments of tax tribunals published?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
55	If yes, can the taxpayer preserve its anonymity in the judgment?	No	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	No	N/A	N/A	Yes	No	Yes	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
<b>7. Criminal and administrative sanctions</b>																	
56	Does the principle <i>ne bis in idem</i> apply in your country to prevent (A) the imposition of a tax penalty and the tax liability; (B) the imposition of more than one tax penalty for the same conduct; and/or (C) the imposition of a tax penalty and a criminal liability?	C, D	C	C, D	C	C	No	D	No	D	D	C, D	B, C, D	No	No	C	B, C, D
57	If <i>ne bis in idem</i> is recognized, does this prevent two parallel sets of court proceedings arising from the same factual circumstances (e.g. a tax court and a criminal court)?	Yes	No	Yes	No	No	N/A	Yes	N/A	Yes	Yes	No	Yes	No	N/A	No	No
58	If the taxpayer makes a voluntary disclosure of a tax liability, can this result in a reduced or a zero penalty?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
58A	Is there a legislative cap to prevent interest, penalties, and surcharges exceeding the amount of tax due?	No	No	No	No	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	No	No
<b>8. Enforcement of taxes</b>																	

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
59	Is a court order always necessary before the tax authorities can access a taxpayer's bank account or other assets?	No	No	Yes	No	No	No	No	No	No	Yes	Yes	No	No	No	No	Yes
60	Does the taxpayer have the right to request a deferred payment of taxes or a payment in instalments (perhaps with a guarantee)?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>9. Cross-border situations</b>																	
61	Does the taxpayer have the right to be informed before information relating to him is exchanged in response to a specific request?	Yes	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No	Yes
62	Does the taxpayer have the right to be informed before information is sought from third parties in response to a specific request for exchange of information?	Yes	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No	No
63	If no to either of the previous two questions, did your country previously recognize the right of taxpayers to be informed, and	N/A	No	N/A	N/A	N/A	N/A	No	N/A	No	N/A	N/A	N/A	Yes	N/A	N/A	N/A

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	was such right removed in the context of the peer review by the Forum on Transparency and Exchange of Information?																
64	Does the taxpayer have the right to be heard by the tax authority before the exchange of information relating to him with another country?	No	No	No	No	No	No	No	Yes	No	No	No	No	No	No	No	No
65	Does the taxpayer have the right to challenge, before the judiciary, the exchange of information relating to him with another country?	No	No	No	No	No	Yes	No	Yes	No	No	No	No	No	No	No	No
65A	If information is sought from a third party, does that third party have the right to challenge the legality of the request before the judiciary?	No	No	No	No	No	Yes	No	Yes	No	No	No	No	No	Yes	No	No
65B	Is exchange of information prohibited with any state if it is foreseeable that the data would be used in a way that is repressive or that it would undermine the protection of fundamental	No	No	No	Yes	Yes	No	No	Yes	No	No	No	No	No	No	No	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	rights?																
66	Does the taxpayer have the right to see any information received from another country that relates to him?	No	Yes	Yes	No	Yes	Yes	No	Yes	No	No	No	No	Yes	Yes	No	No
66A	In the event of a leak of confidential information, is exchange of information with that state suspended?	No	Yes	No	No	Yes	No	No	No	Yes	No	No	No	No	No	No	No
66B	Are there time limits after which data that has been exchanged are to be destroyed or anonymously archived?	No	Yes	No	No	Yes	Yes	No	No	No	No	No	No	No	No	No	No
67	Does the taxpayer have the right in all cases to require a mutual agreement procedure be initiated?	No	Yes	Yes	No	No	No	No	No	Yes	No	No	No	No	Yes	Yes	No
68	Does the taxpayer have the right to see the communications exchanged in the context of the mutual agreement procedure?	No	No	No	No	No	Yes	No	No	No	No	No	No	Yes	No	No	No
68A	Does a taxpayer have a right to be given a statement of	No	Yes	Yes	No	No	No	No	Yes	Yes	No	No	No	No	No	No	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	reasons for how a solution was reached through mutual agreement procedures?																
<b>10. Legislation</b>																	
69	Is there a prohibition on retrospective tax legislation in your country?	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes	No	Yes	Yes	No	Yes	No
70	If no, are there restrictions on the adoption of retrospective tax legislation in your country?	N/A	N/A	N/A	N/A	N/A	Yes	No	Yes	Yes	N/A	Yes	N/A	N/A	No	N/A	No
71	Is there a procedure in your country for public consultation before the adopting of all (or most) tax legislation?	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No	No
72	Is tax legislation subject to constitutional review which can strike down unconstitutional laws?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>11. Revenue practice and guidance</b>																	
73	Does the tax authority in your country publish guidance (e.g. revenue manuals, circulars, etc.) as to how it applies your tax law?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
74	Does your country have a generalized system of advance rulings available to taxpayers?	No	No	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes
75	If yes, is it legally binding?	N/A	N/A	Yes	N/A	Yes	Yes	Yes	Yes	N/A	Yes	N/A	N/A	Yes	Yes	No	No
76	If a binding ruling is refused, does the taxpayer have a right to appeal?	No	Yes	No	No	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	No	No
77	If your country publishes guidance as to how it applies your tax law, can taxpayers acting in good faith rely on that published guidance (i.e. protection of legitimate expectations)?	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	N/A	N/A	Yes	No	Yes	N/A	Yes
<b>12. Institutional framework for protecting taxpayers' rights</b>																	
78	Is there a taxpayers' charter or taxpayers' bill of rights in your country?	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	No	Yes	No	Yes	Yes	Yes
79	If yes, are its provisions legally effective?	Yes	Yes	Yes	No	N/A	N/A	N/A	N/A	N/A	Yes	N/A	Yes	N/A	No	Yes	Yes
80	Is there a (tax) ombudsman/taxpayers' advocate/equivalent position in your country?	Yes	Yes	No	No	Yes	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes



#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
81	If yes, can the ombudsman intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?	Yes	Yes	N/A	N/A	Yes	Yes	No	N/A	Yes	N/A	N/A	Yes	N/A	Yes	Yes	Yes
82	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	No	Yes	N/A	N/A	Yes	Yes	N/A	N/A	Yes	N/A	N/A	Yes	N/A	Yes	No	Yes
83	Is there a taxpayers' charter or taxpayers' bill of rights in your country?	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	No	Yes	No	Yes	Yes	Yes
84	If yes, are its provisions legally effective?	Yes	Yes	Yes	No	N/A	N/A	N/A	N/A	N/A	Yes	N/A	Yes	N/A	No	Yes	Yes
85	Is there a (tax) ombudsman / taxpayers' advocate / equivalent position in your country?	Yes	Yes	No	No	Yes	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes
86	If yes, can the ombudsman intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?	Yes	Yes	N/A	N/A	Yes	Yes	No	N/A	Yes	N/A	N/A	Yes	N/A	No	Yes	Yes
87	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	No	No	N/A	N/A	Yes	Yes	Yes	N/A	Yes	N/A	N/A	Yes	N/A	Yes	No	Yes

#	Question	China (People's Republic of)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	authority?																
<b>Area 13 - Artificial Intelligence (AI)/Automated Analytical Systems (AAS)</b>																	
88	Are taxpayers who are subject to a tax compliance procedure that involves AI/AAS informed of that fact?	Yes	No	N/A	No	N/A	No	No	No	No	Yes	N/A	No	N/A	N/A	No	No
89	In communications between a tax authority and a taxpayer that employs AI/AAS, is it stated that the tax authorities are represented only by a machine?	Yes	No	N/A	No	N/A	No	N/A	Yes	N/A	No	N/A	No	N/A	N/A	No	No
90	If a decision relating to tax administration has been taken by the use of AI/AAS, is the taxpayer provided with basic details of the procedure applied?	Yes	No	N/A	No	N/A	No	N/A	No	No	No	N/A	N/A	N/A	N/A	No	No
91	Do the tax authorities publish details of the type of AI/AAS employed with specific information about the purpose for which they are used?	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
92	Does a system exist for	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No

#	Question	China (People's Republic of)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	voluntary registration of AI/AAS?																
93	If yes to 92, does the tax authority register all AI/AAS tools or algorithms with that system?	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
94	Are decisions that may have a significant impact on a taxpayer taken exclusively by AI/AAS?	Yes	No	N/A	N/A	N/A	Yes	N/A	No	No	No	N/A	N/A	N/A	N/A	No	Yes
95	If decisions impacting a taxpayer are taken by AI/AAS, are they overseen by a suitably qualified individual before the decision is notified?	Yes	N/A	N/A	N/A	N/A	No	N/A	N/A	Yes	No	N/A	N/A	N/A	N/A	N/A	No
96	If an audit employs material generated by AI/AAS, is that material available to taxpayers and their advisors?	N/A	No	N/A	No	N/A	Yes	Yes	Yes	Yes	No	N/A	N/A	N/A	N/A	No	No
97	If yes to 96, is an explanation provided and does the taxpayer have an effective remedy against unlawful or inaccurate use of AI/AAS?	N/A	N/A	N/A	No	N/A	Yes	Yes	Yes	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A
98	Do tax authorities publish	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No

#	Question	China (People's Republic)	Colombia	Costa Rica	Croatia	Czech Republic	Denmark	Finland	Germany	Greece	Guatemala	Guyana	Honduras	Hungary	India	Ireland	Italy
	guidance notes explaining the way in which they use AI/AAS?																
99	If revenue authorities use AI/AAS, do they publish guidelines and points of contact for taxpayers who have questions or concerns about those procedures?	Yes	No	N/A	No	N/A	No	N/A	No	N/A	N/A	N/A	No	N/A	N/A	N/A	No
100	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	Yes	Yes	N/A	N/A	N/A	No	N/A	No	N/A	No	N/A	N/A	N/A	N/A	N/A	No

### B.3. Jamaica- Poland (2)

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
<b>1. Identifying taxpayers, issuing tax returns and communicating with taxpayers</b>																	
1	Do taxpayers have the right to see the information held about them by the tax authority?	No	Yes	Yes	No	Yes	No	No	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes
2	If yes, can they request the correction of errors in the information?	N/A	Yes	Yes	N/A	No	N/A	N/A	No	No	N/A	Yes	N/A	N/A	Yes	No	Yes
3	Is it possible in your country for taxpayers to communicate electronically with the tax authority?	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes
4	If yes, are there systems in place to prevent unauthorized access to the channel of communication?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes
5	In your country, is there a system of "cooperative compliance"/"enhanced relationship" which applies to some taxpayers only?	No	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No
5 A	If yes, are there rules or procedures in place to ensure this system is available to all eligible taxpayers on a non-	N/A	No	No	N/A	No	No	No	N/A	Yes	No	No	N/A	Yes	No	Yes	N/A

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	preferential/non - discriminatory/ nonarbitrary basis?																
6	Are compliance obligations imposed on third parties subject to limits that ensure they are necessary and proportionate?	Yes	Yes	Yes	No	No	No	No	Yes	No	Yes	Yes	No	Yes	No	No	Yes
7	Are there special arrangements for individuals who face particular difficulties (e.g. the disabled, the elderly, other special cases) to receive assistance in complying with their tax obligations?	No	Yes	Yes	No	Yes	No	No	Yes	No	No	No	No	Yes	No	No	No
7 A	Are there special arrangements in circumstances of force majeure?	No	Yes	No	No	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No
7 B	If yes to 7A, do said arrangements operate automatically?	N/A	No	N/A	N/A	No	No	N/A	N/A	N/A	No	No	No	No	No	No	N/A
<b>2. The issue of a tax assessment</b>																	
8	Does a dialogue take place in your country between the taxpayer and the tax	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	No

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	authority before the issuing of an assessment in order to reach an agreed assessment?																
9	If yes, can the taxpayer request a meeting with the tax officer?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	N/A
10	If a systematic error in the assessment of tax comes to light (e.g. the tax authority loses a tax case and it is clear that tax has been collected on a wrong basis), does the tax authority act ex officio to notify all affected taxpayers and arrange repayments to them?	No	Yes	No	No	No	No	No	No	No	No	Yes	No	No	No	No	No
<b>3. Confidentiality</b>																	
11	Is information held by your tax authority automatically encrypted?	Yes	Yes	No	No	No	Yes	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes
11A	Do data protection rights apply to all information held by tax authorities?	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11B	If yes to 11A, does it include the right to access data and correct inaccuracies?	Yes	Yes	N/A	N/A	No	Yes	N/A	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
1 1 C	If yes to 11A, is all data (at some point) destroyed once its purpose has been fulfilled?	No	No	N/A	N/A	No	No	N/A	No	No	Yes	Yes	No	No	Yes	No	No
1 2	Is access to information held by the tax authority about a specific taxpayer accessible only to the tax official(s) dealing with that taxpayer's affairs?	Yes	Yes	No	No	Yes	Yes	No	No	Yes	Yes	No	No	Yes	No	Yes	No
1 3	If yes, must the tax official identify himself/herself before accessing information held about a specific taxpayer?	Yes	Yes	N/A	N/A	Yes	Yes	N/A	N/A	Yes	No	N/A	N/A	Yes	N/A	Yes	N/A
1 4	Is access to information held about a taxpayer audited internally to check if there has been any unauthorized access to that information?	Yes	Yes	No	Yes	Yes	No	No	No	Yes	No	Yes	No	Yes	No	Yes	No
1 4 A	If yes to 14, are victims of an unauthorized disclosure entitled to be informed and paid a compensation?	No	No	N/A	Yes	No	N/A	N/A	N/A	No	N/A	Yes	N/A	No	N/A	No	N/A
1 5	Are there examples of tax officials who have been criminally prosecuted in	No	No	No	Yes	No	No	No	Yes	Yes	No	No	No	No	No	Yes	No



#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	the last decade for unauthorized access to taxpayers' data?																
15 A	Are tax officials entitled to work remotely?	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
15 B	If yes to 15A, are equivalent measures taken to ensure confidentiality and data protection to the ones that apply when the official is working from a tax office?	N/A	Yes	N/A	Yes	Yes	Yes	N/A	Yes	Yes	No	Yes	N/A	Yes	Yes	Yes	Yes
15 C	If yes to 15B, are those measures audited?	N/A	Yes	N/A	Yes	Yes	No	N/A	No	Yes	N/A	Yes	N/A	Yes	Yes	Yes	Yes
16	Is information about the tax liability of specific taxpayers publicly available in your country?	No	No	Yes	No	No	Yes	No	No	No	No	Yes	No	Yes	No	No	No
16 A	If yes to 16, is access limited only to those who have a legitimate interest?	N/A	N/A	No	N/A	No	Yes	N/A	N/A	N/A	N/A	No	N/A	No	N/A	N/A	N/A
16 B	Can information held by tax authorities be supplied to other authorities?	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
16 C	If yes to 16 B, is the supply to other public	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	authorities permitted only when authorized by law and with appropriate safeguards?																
17	Is "naming and shaming" of non-compliant taxpayers practised in your country?	No	No	Yes	No	Yes	Yes	No	No	No	Yes	No	No	Yes	No	No	No
17A	If yes to 17, is personal data that places the individual at risk not disclosable?	N/A	N/A	Yes	N/A	Yes	Yes	N/A	N/A	N/A	No	N/A	N/A	Yes	N/A	N/A	N/A
18	Is there a system in your country by which the courts may authorize the public disclosure of information held by the tax authority about specific taxpayers (e.g. <i>habeas data</i> or freedom of information)?	No	No	Yes	No	No	Yes	No	No	No	Yes	No	No	Yes	No	No	No
18A	Is there legislation that protects whistleblowers that disclose confidential information held by revenue authorities (or third parties holding data for tax purposes)?	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	No	Yes	No	No	Yes	Yes	Yes
19	Is there a system of protection of legally	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	privileged communications between the taxpayer and its advisers?																
20	If yes, does this extend to advisors other than those who are legally qualified (e.g. accountants or tax advisors)?	No	N/A	No	No	Yes	N/A	N/A	Yes	No	No	No	N/A	No	No	N/A	No
20A	Are there mandatory disclosure requirements (e.g. mandatory disclosure of tax planning arrangements)?	No	No	No	Yes	Yes	Yes	No	Yes	No	No	Yes	No	No	Yes	No	Yes
20B	If yes to 20A, are those mandatory disclosure obligations so drafted as not to affect the relations with professional advisers?	N/A	N/A	N/A	No	Yes	Yes	N/A	No	N/A	N/A	Yes	N/A	N/A	No	N/A	No
<b>4. Normal audits</b>																	
21	Does the principle <i>ne bis in idem</i> apply to tax audits (i.e. that the taxpayer can only receive one audit in respect of the same taxable period)?	No	Yes	No	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	No	Yes	No
22	If yes, does this mean only one audit per tax year?	N/A	Yes	N/A	No	Yes	Yes	N/A	N/A	N/A	N/A	N/A	Yes	No	N/A	Yes	N/A
23	Does the principle <i>audi alteram partem</i>	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	apply in the tax audit process (i.e. does the taxpayer have to be notified of all decisions taken in the process and have the right to object and be heard before the decision is finalized)?																
23A	If yes to 23, does this principle also apply to online meetings?	N/A	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
24	Does the taxpayer have the right to request an audit (e.g. if the taxpayer wishes to get finality of taxation for a particular year)?	No	No	Yes	No	No	No	No	No	Yes	Yes	No	Yes	No	No	No	No
25	Are there time limits applicable to the conduct of a normal audit in your country (e.g. the audit must be concluded within so many months)?	No	No	Yes	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	No	Yes	No
26	If yes, what is the normal limit in months?	No Limit	No Limit	10-12	No Limit	10-12	10-12	> 24	No Limit	No Limit	No Limit	> 24	4-6	10-12	No Limit	10-12	No Limit
27	Does the taxpayer have the right to be represented by a person of its choice in the	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	audit process?																
28	May the opinion of independent experts be used in the audit process?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
29	Does the taxpayer have the right to receive a full report on the conclusions of the audit at the end of the process?	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
29A	Once a tax audit is completed, are there rules that prevent further evidence being collected, further arguments being put forward and no further tax charges being brought?	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	No	No	No
30	Are there limits to the frequency of audits of the same taxpayer (e.g. in respect to different periods or different taxes)?	No	No	Yes	Yes	No	No	No	No	No	No	No	Yes	No	No	No	No
<b>5. More intensive audits</b>																	
31	Is the principle <i>nemo tenetur</i> applied in tax investigations (i.e. the principle against self-incrimination)?	No	Yes	Yes	No	No	No	No	Yes	No	Yes	Yes	No	No	Yes	No	Yes
32	If yes, is there a restriction on the use of	N/A	No	Yes	N/A	Yes	N/A	N/A	Yes	N/A	No	No	N/A	N/A	Yes	N/A	No

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	information supplied by the taxpayer in a subsequent penalty procedure/criminal procedure?																
33	If yes to <i>nemo tenetur</i> , can the taxpayer raise this principle to refuse to supply basic accounting information to the tax authority?	N/A	N/A	Yes	N/A	No	N/A	N/A	No	N/A	No	Yes	N/A	N/A	No	No	No
34	Is there a procedure applied in your country to identify a point in time during an investigation when it becomes likely that the taxpayer may be liable for a penalty or a criminal charge, and from that time onwards the taxpayer's right not to self-incriminate is recognised?	No	No	Yes	Yes	No	No	No	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes
35	If yes, is there a requirement to give the taxpayer a warning that the taxpayer can rely on the right to non-self-incrimination?	N/A	N/A	No	Yes	No	N/A	N/A	Yes	No	N/A	Yes	Yes	N/A	Yes	N/A	Yes
36	Is authorization by a court always needed before the tax authority may	Yes	Yes	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	enter and search premises?																
37	May the tax authority enter and search the dwelling places of individuals?	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	No	No	No	Yes	No	Yes
38	Is a court order required before the tax authority can use interception of communications (e.g. telephone tapping or access to electronic communications)?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
38A	Does access to bank information for tax purposes require prior judicial authorization?	Yes	No	No	No	No	Yes	Yes	No	No	No	Yes	No	No	No	Yes	No
39	Is there a procedure in place to ensure that legally privileged material is not taken in the course of a search?	Yes	No	Yes	No	No	No	No	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes
39A	If evidence is collected as a result of a search that was not authorized by the judiciary is that evidence admissible?	No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	No
39B	If digital data is copied or removed, are there provisions to ensure that this	No	Yes	Yes	No	No	No	No	No	Yes	No	Yes	No	Yes	Yes	Yes	No

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	does not affect the normal operation of the electronic information system?																
<b>6. Reviews and appeals</b>																	
40	Is there a procedure for an internal review of an assessment/decision before the taxpayer appeals to the judiciary?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes
40A	Do taxpayers have an alternative of taking an appeal to an arbitration tribunal in place of the tax courts?	No	Yes	No	Yes	No	Yes	No	Yes	No	No	No	No	No	No	No	No
41	Does the taxpayer need permission to appeal to the first instance tribunal?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
42	Does the taxpayer need permission to appeal to the second or higher instance tribunals?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
43	Is it necessary for the taxpayer to bring his case first before an administrative court to quash the assessment/decision, before the case can proceed to a judicial hearing?	No	Yes	Yes	Yes	No	Yes	Yes	No	No	No	No	Yes	Yes	Yes	No	Yes



#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
44	Are there time limits applicable for a tax case to complete the judicial appeal process?	No	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No
45	If yes, what is the normal time it takes for a tax case to be concluded on appeal?	No limit	No limit	10-12	No limit	13-15	No limit	> 24	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit
46	Are there any arrangements for alternative dispute resolution (e.g. mediation or arbitration) before a tax case proceeds to the judiciary?	No	No	No	No	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes	No	Yes
46A	Does a taxpayer have the right to request an online hearing or object to it?	No	No	Yes	No	No	Yes	No	No	No	No	Yes	Yes	Yes	No	No	No
47	Is there a system for the simplified resolution of tax disputes (e.g. by a determination on the file, or by e-filing)?	No	No	No	No	No	No	No	No	No	Yes	No	No	No	Yes	No	Yes
48	Is the principle <i>audi alteram partem</i> (i.e. each party has a right to a hearing) applied in all tax appeals?	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
49	Does the taxpayer have to pay some/all the tax before an appeal can be made (i.e.	No	No	No	Yes	No	No	Yes	Yes	No	No	Yes	No	No	Yes	No	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	<i>solve et repete</i> ?)																
50	If yes, are there exceptions recognized where the taxpayer does not need to pay before appealing (i.e. can obtain an interim suspension of the tax debt)?	N/A	N/A	N/A	Yes	N/A	N/A	No	Yes	N/A	N/A	Yes	N/A	N/A	Yes	N/A	Yes
51	Does the loser have to pay the costs of a tax appeal?	No	No	Yes	Yes	No	No	No	No	No	No	Yes	No	No	Yes	Yes	Yes
52	If yes, are there situations recognized where the loser does not need to pay the costs (e.g. because of the conduct of the other party)?	N/A	N/A	No	Yes	N/A	N/A	N/A	No	N/A	N/A	Yes	N/A	N/A	Yes	Yes	Yes
53	If there is usually a public hearing, can the taxpayer request a hearing in camera (i.e. not in public) to preserve secrecy/confidentiality?	Yes	Yes	Yes	No	No	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes
54	Are judgments of tax tribunals published?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
55	If yes, can the taxpayer preserve its anonymity in the judgment?	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes
<b>7. Criminal and administrative sanctions</b>																	

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
56	Does the principle <i>ne bis in idem</i> apply in your country to prevent (A) the imposition of a tax penalty and the tax liability; (B) the imposition of more than one tax penalty for the same conduct; and/or (C) the imposition of a tax penalty and a criminal liability?	C, D	No	C, D	C, D	C	C	C	C	D	C	C, D	D	C	C, D	B, C, D	C, D
57	If <i>ne bis in idem</i> is recognized, does this prevent two parallel sets of court proceedings arising from the same factual circumstances (e.g. a tax court and a criminal court)?	Yes	N/A	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
58	If the taxpayer makes a voluntary disclosure of a tax liability, can this result in a reduced or a zero penalty?	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
58A	Is there a legislative cap to prevent interest, penalties, and surcharges exceeding the amount of tax due?	No	Yes	No	No	Yes	Yes	No	No	No	No	No	No	No	No	No	No
<b>8. Enforcement of taxes</b>																	

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
59	Is a court order always necessary before the tax authorities can access a taxpayer's bank account or other assets?	Yes	No	No	Yes	No	No	No	No	No	Yes	Yes	No	No	No	Yes	No
60	Does the taxpayer have the right to request a deferred payment of taxes or a payment in instalments (perhaps with a guarantee)?	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>9. Cross-border situations</b>																	
61	Does the taxpayer have the right to be informed before information relating to him is exchanged in response to a specific request?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	Yes	No
62	Does the taxpayer have the right to be informed before information is sought from third parties in response to a specific request for exchange of information?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
63	If no to either of the previous two questions, did your country previously recognize the	N/A	No	No	Yes	N/A	N/A	N/A	Yes	N/A	N/A	No	No	No	N/A	N/A	N/A

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	right of taxpayers to be informed, and was such right removed in the context of the peer review by the Forum on Transparency and Exchange of Information?																
64	Does the taxpayer have the right to be heard by the tax authority before the exchange of information relating to him with another country?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
65	Does the taxpayer have the right to challenge, before the judiciary, the exchange of information relating to him with another country?	Yes	No	Yes	No	No	No	No	No	Yes	Yes	No	No	No	No	No	No
65A	If information is sought from a third party, does that third party have the right to challenge the legality of the request before the judiciary?	No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	No	No	No
65B	Is exchange of information prohibited with any state if it is foreseeable that the data would be used in a way that is repressive or that it would	No	Yes	No	No	No	No	No	Yes	No	Yes	Yes	No	No	No	No	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	undermine the protection of fundamental rights?																
66	Does the taxpayer have the right to see any information received from another country that relates to him?	No	No	No	No	No	No	No	Yes	No	No	Yes	No	Yes	Yes	No	Yes
66A	In the event of a leak of confidential information, is exchange of information with that state suspended?	No	Yes	No	No	No	No	No	Yes	Yes	Yes	Yes	No	No	No	No	Yes
66B	Are there time limits after which data that has been exchanged are to be destroyed or anonymously archived?	No	No	No	No	No	No	No	No	No	No	Yes	No	Yes	No	No	No
67	Does the taxpayer have the right in all cases to require a mutual agreement procedure is initiated?	No	No	Yes	Yes	Yes	No	No	No	No	Yes	No	Yes	No	Yes	No	Yes
68	Does the taxpayer have the right to see the communications exchanged in the context of the mutual agreement procedure?	No	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No	No
68A	Does a taxpayer have a right to be given a statement of	No	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	reasons how a solution was reached through mutual agreement procedures?																
<b>10. Legislation</b>																	
69	Is there a prohibition on retrospective tax legislation in your country?	No	Yes	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes
70	If no, are there restrictions on the adoption of retrospective tax legislation in your country?	Yes	N/A	No	N/A	N/A	N/A	No	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A
71	Is there a procedure in your country for public consultation before the adopting of all (or most) tax legislation?	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes
72	Is tax legislation subject to constitutional review which can strike down unconstitutional laws?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>11. Revenue practice and guidance</b>																	
73	Does the tax authority in your country publish guidance (e.g. revenue manuals, circulars, etc.) as to how it applies your tax law?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
74	Does your country have a generalized system of advance rulings available to taxpayers?	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes
75	If yes, is it legally binding?	No	Yes	N/A	Yes	No	N/A	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	No	Yes
76	If a binding ruling is refused, does the taxpayer have a right to appeal?	No	No	Yes	No	No	No	Yes	No	No	Yes	No	No	No	Yes	No	Yes
77	If your country publishes guidance as to how it applies your tax law, can taxpayers acting in good faith rely on that published guidance (i.e. protection of legitimate expectations)?	N/A	Yes	Yes	No	No	N/A	Yes	Yes	N/A	Yes	Yes	N/A	No	Yes	Yes	Yes
<b>12. Institutional framework for protecting taxpayers' rights</b>																	
78	Is there a taxpayers' charter or taxpayers' bill of rights in your country?	No	No	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	No
79	If yes, are its provisions legally effective?	N/A	N/A	N/A	N/A	Yes	Yes	N/A	N/A	No	N/A	Yes	Yes	Yes	N/A	Yes	N/A
80	Is there a (tax) ombudsman/taxpayers' advocate/equivalent position in your country?	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes



#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
81	If yes, can the ombudsman intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?	N/A	No	No	Yes	Yes	Yes	N/A	No	No	N/A	Yes	N/A	No	Yes	Yes	Yes
82	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	N/A	Yes	N/A	N/A	Yes	Yes	Yes
83	Is there a taxpayers' charter or taxpayers' bill of rights in your country?	No	No	No	No	Yes	Yes	No	No	No	No	Yes	Yes	Yes	No	Yes	No
84	If yes, are its provisions legally effective?	N/A	N/A	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	N/A	Yes	N/A
85	Is there a (tax) ombudsman / taxpayers' advocate / equivalent position in your country?	No	Yes	Yes	Yes	Yes	No	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes
86	If yes, can the ombudsman intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?	N/A	No	No	Yes	Yes	N/A	No	No	N/A	N/A	Yes	N/A	No	Yes	Yes	Yes
87	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	No	Yes	Yes	Yes	N/A	No	Yes	N/A	N/A	Yes	N/A	N/A	Yes	Yes	Yes

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
<b>13. Artificial Intelligence (AI)/Automated Analytical Systems (AAS)</b>																	
88	Are taxpayers who are subject to a tax compliance procedure that involves AI/AAS informed of that fact?	N/A	No	No	N/A	No	No	No	No	N/A	N/A	N/A	N/A	No	N/A	No	No
89	In communications between a tax authority and a taxpayer that employs AI/AAS, is it stated that the tax authorities are represented only by a machine?	N/A	Yes	No	N/A	N/A	No	No	No	N/A	N/A	Yes	N/A	No	N/A	No	Yes
90	If a decision relating to tax administration has been taken by the use of AI/AAS, is the taxpayer provided with basic details of the procedure applied?	N/A	N/A	No	N/A	N/A	No	No	No	N/A	N/A	Yes	N/A	N/A	N/A	No	N/A
91	Do the tax authorities publish details of the type of AI/AAS employed with specific information about the purpose for which they are used?	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No	No	No
92	Does a system exist for	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	voluntary registration of AI/AAS?																
93	If yes to 92, does the tax authority register all AI/AAS tools or algorithms with that system?	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
94	Are decisions that may have a significant impact on a taxpayer taken exclusively by AI/AAS?	N/A	No	Yes	N/A	N/A	Yes	N/A	No	N/A	N/A	N/A	N/A	N/A	N/A	Yes	No
95	If decisions impacting a taxpayer are taken by AI/AAS, are they overseen by a suitably qualified individual before the decision is notified?	N/A	N/A	No	N/A	N/A	Yes	N/A	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A
96	If an audit employs material generated by AI/AAS, is that material available to taxpayers and their advisors?	N/A	No	No	N/A	N/A	No	N/A	No	N/A	N/A	N/A	N/A	N/A	N/A	No	No
97	If yes to 96, is an explanation provided and does the taxpayer have an effective remedy against unlawful or inaccurate use of AI/AAS?	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
98	Do tax authorities publish guidance notes	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No	No	No

#	Question	Jamaica	Japan	Kazakhstan	Lithuania	Luxembourg	Mexico (1)	Mexico (2)	Nepal	Netherlands (The)	New Zealand	Nigeria	Norway	Panama	Peru	Poland (1)	Poland (2)
	explaining the way in which they use AI/AAS?																
99	If revenue authorities use AI/AAS, do they publish guidelines and points of contact for taxpayers who have questions or concerns about those procedures?	N/A	No	No	N/A	No	No	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No	No
100	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	No	No	N/A	No	No	N/A	Yes	N/A	N/A	Yes	N/A	N/A	N/A	No	N/A

#### B.4. Portugal-Venezuela

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
<b>1. Identifying taxpayers, issuing tax returns and communicating with taxpayers</b>															
1	Do taxpayers have the right to see the information held about them by the tax authority?	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	No	No	Yes
2	If yes, can they request the correction of errors in the information?	Yes	N/A	Yes	Yes	Yes	Yes	No	N/A	N/A	N/A	Yes	N/A	No	No
3	Is it possible in your country for taxpayers to communicate electronically with the tax authority?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	No	Yes
4	If yes, are there systems in place to prevent unauthorized access to the channel of communication?	No	Yes	Yes	Yes	No	Yes	No	Yes	No	Yes	Yes	No	No	Yes
5	In your country, is there a system of "cooperative compliance"/"enhanced relationship" which applies to some taxpayers only?	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes
5A	If yes, are there rules or procedures in place to ensure this system is available to all eligible taxpayers on a non-preferential/non-discriminatory/non-arbitrary basis?	No	No	Yes	N/A	No	No	N/A	No	N/A	No	No	N/A	N/A	Yes
6	Are compliance obligations imposed on third parties subject to	Yes	Yes	No	No	No	No	No	Yes	No	Yes	No	Yes	No	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	limits that ensure they are necessary and proportionate?														
7	Are there special arrangements for individuals who face particular difficulties (e.g. the disabled, the elderly, other special cases) to receive assistance in complying with their tax obligations?	Yes	Yes	No	No	Yes	No	No	Yes	No	No	No	Yes	No	No
7A	Are there special arrangements in circumstances of force majeure?	Yes	No	No	No	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes
7B	If yes to 7A, do said arrangements operate automatically?	No	N/A	N/A	N/A	No	No	N/A	N/A	N/A	No	No	No	No	No
<b>2. The issue of a tax assessment</b>															
8	Does a dialogue take place in your country between the taxpayer and the tax authority before the issuing of an assessment in order to reach an agreed assessment?	Yes	No	Yes	No	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
9	If yes, can the taxpayer request a meeting with the tax officer?	Yes	N/A	No	N/A	N/A	N/A	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes
10	If a systematic error in the assessment of tax comes to light (e.g. the tax authority loses a tax case and it is clear that tax has been collected on a wrong basis), does the tax authority act ex	No	No	Yes	No	No	No	Yes	Yes	No	No	No	No	No	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	officio to notify all affected taxpayers and arrange repayments to them?														
<b>3. Confidentiality</b>															
11	Is information held by your tax authority automatically encrypted?	No	Yes	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No	No	Yes
11 A	Do data protection rights apply to all information held by tax authorities?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes
11 B	If yes to 11A, does it include the right to access data and correct inaccuracies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	N/A	Yes
11 C	If yes to 11A, is all data (at some point) destroyed once its purpose has been fulfilled?	No	Yes	Yes	No	No	Yes	Yes	No	No	N/A	Yes	No	N/A	No
12	Is access to information held by the tax authority about a specific taxpayer accessible only to the tax official(s) dealing with that taxpayer's affairs?	No	Yes	No	No	Yes	No	No	No	No	Yes	Yes	No	Yes	Yes
13	If yes, must the tax official identify himself/herself before accessing information held about a specific taxpayer?	N/A	Yes	N/A	N/A	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes
14	Is access to information held about a taxpayer audited internally to check if there has been any unauthorized access to that information?	Yes	Yes	No	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes
14 A	If yes to 14, are victims of an	No	Yes	N/A	N/A	No	Yes	N/A	No	N/A	No	Yes	No	No	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	unauthorized disclosure entitled to be informed and paid a compensation?														
15	Are there examples of tax officials who have been criminally prosecuted in the last decade for unauthorized access to taxpayers' data?	No	No	No	No	No	Yes	No	No	No	No	Yes	No	No	Yes
15 A	Are tax officials entitled to work remotely?	Yes	No	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes	No	No	Yes
15 B	If yes to 15A, are equivalent measures taken to ensure confidentiality and data protection to the ones that apply when the official is working from a tax office?	Yes	N/A	Yes	N/A	Yes	Yes	Yes	N/A	N/A	Yes	Yes	N/A	No	Yes
15 C	If yes to 15B, are those measures audited?	No	N/A	Yes	N/A	Yes	Yes	No	N/A	N/A	Yes	Yes	N/A	N/A	Yes
16	Is information about the tax liability of specific taxpayers publicly available in your country?	Yes	Yes	Yes	No	Yes	Yes	No	No	No	Yes	Yes	No	No	No
16 A	If yes to 16, is access limited only to those who have a legitimate interest?	No	No	No	N/A	N/A	No	N/A	N/A	N/A	No	No	N/A	N/A	N/A
16 B	Can information held by tax authorities be supplied to other authorities?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
16 C	If yes to 16 B, is the supply to other public authorities permitted only	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	N/A	Yes	Yes	Yes	Yes	Yes



#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	when authorized by law and with appropriate safeguards?														
17	Is “naming and shaming” of non-compliant taxpayers practised in your country?	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	No	No	No
17 A	If yes to 17, is personal data that places the individual at risk not disclosable?	Yes	Yes	Yes	Yes	Yes	N/A	N/A	No	N/A	Yes	N/A	N/A	N/A	N/A
18	Is there a system in your country by which the courts may authorize the public disclosure of information held by the tax authority about specific taxpayers (e.g. <i>habeas data</i> or freedom of information)?	No	Yes	Yes	Yes	No	No	No	No	No	No	Yes	No	Yes	No
18 A	Is there legislation that protects whistleblowers that disclose confidential information held by revenue authorities (or third parties holding data for tax purposes)?	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	No	No	No	Yes
19	Is there a system of protection of legally privileged communications between the taxpayer and its advisers?	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	No
20	If yes, does this extend to advisors other than those who are legally qualified (e.g. accountants or tax	No	Yes	No	No	No	No	N/A	N/A	N/A	No	Yes	No	Yes	N/A

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	advisors)?														
20 A	Are there mandatory disclosure requirements (e.g. mandatory disclosure of tax planning arrangements)?	Yes	No	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No
20 B	If yes to 20A, are those mandatory disclosure obligations so drafted as not to affect the relations with professional advisers?	No	N/A	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>4. Normal audits</b>															
21	Does the principle <i>ne bis in idem</i> apply to tax audits (i.e. that the taxpayer can only receive one audit in respect of the same taxable period)?	Yes	Yes	Yes	No	No	No	No	No	No	No	Yes	No	Yes	Yes
22	If yes, does this mean only one audit per tax per year?	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Yes	N/A	No	Yes
23	Does the principle <i>audi alteram partem</i> apply in the tax audit process (i.e. does the taxpayer have to be notified of all decisions taken in the process and have the right to object and be heard before the decision is finalized)?	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
23 A	If yes to 23, does this principle also apply to online meetings?	Yes	N/A	Yes	Yes	Yes	N/A	N/A	No	No	Yes	Yes	Yes	No	Yes

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
24	Does the taxpayer have the right to request an audit (e.g. if the taxpayer wishes to get finality of taxation for a particular year)?	Yes	Yes	No	No	No	No	No	No	No	No	No	No	No	No
25	Are there time limits applicable to the conduct of a normal audit in your country (e.g. the audit must be concluded within so many months)?	Yes	No	Yes	No	Yes	No	No	No	No	Yes	Yes	No	Yes	Yes
26	If yes, what is the normal limit in months?	4-6	No Limit	4-6	No Limit	16-18	No Limit	No Limit	No Limit	No Limit	10-12	> 24	No Limit	4-6	10-12
27	Does the taxpayer have the right to be represented by a person of its choice in the audit process?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
28	May the opinion of independent experts be used in the audit process?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes
29	Does the taxpayer have the right to receive a full report on the conclusions of the audit at the end of the process?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No
29 A	Once a tax audit is completed, are there rules that prevent further evidence being collected, further arguments being put forward and no further tax charges being brought?	No	No	No	No	Yes	No	No	No	No	No	No	No	Yes	No
30	Are there limits to the frequency of audits of the same taxpayer (e.g. in respect to different	No	No	No	No	No	No	No	No	No	No	No	No	No	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	periods or different taxes)?														
<b>5. More intensive audits</b>															
31	Is the principle <i>nemo tenetur</i> applied in tax investigations (i.e. the principle against self-incrimination)?	Yes	No	No	Yes	No	No	No	No	No	No	Yes	No	No	No
32	If yes, is there a restriction on the use of information supplied by the taxpayer in a subsequent penalty procedure/criminal procedure?	Yes	N/A	N/A	No	N/A	N/A	N/A	N/A	N/A	N/A	No	No	N/A	N/A
33	If yes to <i>nemo tenetur</i> , can the taxpayer raise this principle to refuse to supply basic accounting information to the tax authority?	No	N/A	No	No	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	No
34	Is there a procedure applied in your country to identify a point in time during an investigation when it becomes likely that the taxpayer may be liable for a penalty or a criminal charge, and from that time onwards the taxpayer's right not to self-incriminate is recognized?	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	No	No	No
35	If yes, is there a requirement to give the taxpayer a warning that the taxpayer can rely on the right to non-self-incrimination?	N/A	N/A	Yes	No	N/A	Yes	Yes	No	N/A	N/A	Yes	N/A	N/A	N/A

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
36	Is authorization by a court always needed before the tax authority may enter and search premises?	No	No	Yes	No	No	Yes	No	Yes	No	Yes	No	No	No	No
37	May the tax authority enter and search the dwelling places of individuals?	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No
38	Is a court order required before the tax authority can use interception of communications (e.g. telephone tapping or access to electronic communications)?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
38 A	Does access to bank information for tax purposes require prior judicial authorization?	No	No	No	No	No	No	No	No	Yes	No	No	Yes	No	Yes
39	Is there a procedure in place to ensure that legally privileged material is not taken in the course of a search?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	No	No
39 A	If evidence is collected as a result of a search that was not authorized by the judiciary is that evidence admissible?	No	No	No	Yes	No	Yes	No	Yes	No	No	Yes	No	Yes	Yes
39 B	If digital data is copied or removed, are there provisions to ensure that this does not affect the normal operation of the electronic	No	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	No	Yes

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	information system?														
<b>6. Reviews and appeals</b>															
40	Is there a procedure for an internal review of an assessment/decision before the taxpayer appeals to the judiciary?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
40 A	Do taxpayers have an alternative of taking an appeal to an arbitration tribunal in place of the tax courts?	Yes	No	No	No	No	No	No	No	No	No	No	No	Yes	No
41	Does the taxpayer need permission to appeal to the first instance tribunal?	No	No	No	No	No	No	No	No	No	No	No	No	No	No
42	Does the taxpayer need permission to appeal to the second or higher instance tribunals?	No	No	No	No	No	Yes	No	Yes	No	No	No	No	No	No
43	Is it necessary for the taxpayer to bring his case first before an administrative court to quash the assessment/decision, before the case can proceed to a judicial hearing?	No	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	No	Yes	No	No
44	Are there time limits applicable for a tax case to complete the judicial appeal process?	No	No	No	No	No	No	No	No	No	No	No	No	No	No
45	If yes, what is the normal time it takes for a tax case to be concluded on	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit	No limit

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	appeal?														
46	Are there any arrangements for alternative dispute resolution (e.g. mediation or arbitration) before a tax case proceeds to the judiciary?	No	No	No	Yes	No	No	No	No	No	No	Yes	No	No	No
46 A	Does a taxpayer have the right to request an online hearing or object to it?	Yes	No	Yes	No	No	Yes	Yes	No	No	No	Yes	No	No	No
47	Is there a system for the simplified resolution of tax disputes (e.g. by a determination on the file, or by e-filing)?	No	No	Yes	No	No	No	No	No	No	No	Yes	No	No	No
48	Is the principle <i>audi alteram partem</i> (i.e. each party has a right to a hearing) applied in all tax appeals?	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
49	Does the taxpayer have to pay some/all the tax before an appeal can be made (i.e. <i>solve et repete</i> )?	No	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No
50	If yes, are there exceptions recognized where the taxpayer does not need to pay before appealing (i.e. can obtain an interim suspension of the tax debt)?	N/A	Yes	No	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
51	Does the loser have to pay the costs of a tax appeal?	Yes	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	No	No	Yes	Yes
52	If yes, are there situations	Yes	No	No	N/A	Yes	N/A	Yes	Yes	N/A	No	N/A	N/A	N/A	Yes

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	recognized where the loser does not need to pay the costs (e.g. because of the conduct of the other party)?														
53	If there is usually a public hearing, can the taxpayer request a hearing in camera (i.e. not in public) to preserve secrecy/confidentiality?	Yes	Yes	No	No	No	Yes	No	No	Yes	No	Yes	No	No	Yes
54	Are judgments of tax tribunals published?	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
55	If yes, can the taxpayer preserve its anonymity in the judgment?	Yes	N/A	Yes	Yes	Yes	N/A	Yes	No	Yes	N/A	No	No	No	No
<b>7. Criminal and administrative sanctions</b>															
56	Does the principle <i>ne bis in idem</i> apply in your country to prevent (A) the imposition of a tax penalty and the tax liability; (B) the imposition of more than one tax penalty for the same conduct; and/or (C) the imposition of a tax penalty and a criminal liability?	C	C, D	D	No	C, D	D	C	C, D	C, D	No	No	No	C	B, C, D
57	If <i>ne bis in idem</i> is recognized, does this prevent two parallel sets of court proceedings arising from the same factual circumstances (e.g. a tax court	No	No	No	N/A	Yes	Yes	No	Yes	No	N/A	N/A	N/A	No	No



#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	and a criminal court)?														
58	If the taxpayer makes a voluntary disclosure of a tax liability, can this result in a reduced or a zero penalty?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	Yes
58 A	Is there a legislative cap to prevent interest, penalties, and surcharges exceeding the amount of tax due?	No	No	No	No	No	No	No	Yes	No	No	No	No	No	No
<b>8. Enforcement of taxes</b>															
59	Is a court order always necessary before the tax authorities can access a taxpayer's bank account or other assets?	No	No	No	No	No	No	No	No	Yes	No	No	Yes	Yes	Yes
60	Does the taxpayer have the right to request a deferred payment of taxes or a payment in instalments (perhaps with a guarantee)?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes
<b>9. Cross-border situations</b>															
61	Does the taxpayer have the right to be informed before information relating to him is exchanged in response to a specific request?	No	No	Yes	No	No	No	Yes	No	No	No	No	No	Yes	Yes
62	Does the taxpayer have the right to be informed before information is sought from third parties in response to a specific request for exchange of	No	No	Yes	No	No	No	Yes	No	No	No	Yes	No	Yes	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	information?														
63	If no to either of the previous two questions, did your country previously recognize the right of taxpayers to be informed, and was such right removed in the context of the peer review by the Forum on Transparency and Exchange of Information?	No	No	N/A	N/A	N/A	No	No	N/A	N/A	N/A	No	Yes	N/A	N/A
64	Does the taxpayer have the right to be heard by the tax authority before the exchange of information relating to him with another country?	No	No	No	No	No	No	Yes	No	No	No	No	No	Yes	No
65	Does the taxpayer have the right to challenge, before the judiciary, the exchange of information relating to him with another country?	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	No	Yes	Yes	No
65 A	If information is sought from a third party, does that third party have the right to challenge the legality of the request before the judiciary?	Yes	Yes	No	Yes	No	Yes	No	No	Yes	No	No	No	Yes	No
65 B	Is exchange of information prohibited with any state if it is foreseeable that the data would be used in a way that is repressive or	No	Yes	No	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	that it would undermine the protection of fundamental rights?														
66	Does the taxpayer have the right to see any information received from another country that relates to him?	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	No
66 A	In the event of a leak of confidential information, is exchange of information with that state suspended?	No	Yes	Yes	No	Yes	No	No	No	No	No	No	No	Yes	No
66 B	Are there time limits after which data that has been exchanged are to be destroyed or anonymously archived?	No	Yes	Yes	No	No	Yes	Yes	No	No	No	No	No	No	No
67	Does the taxpayer have the right in all cases to require a mutual agreement procedure is initiated?	No	Yes	Yes	Yes	No	Yes	No	No	No	Yes	No	No	Yes	No
68	Does the taxpayer have the right to see the communications exchanged in the context of the mutual agreement procedure?	No	No	No	No	No	Yes	No	No	No	No	No	No	No	No
68 A	Does a taxpayer have a right to be given a statement of reasons how a solution was reached through mutual agreement procedures?	No	No	No	Yes	No	No	No	No	No	No	No	No	Yes	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
<b>10. Legislation</b>															
69	Is there a prohibition on retrospective tax legislation in your country?	No	Yes	Yes	No	No	Yes	Yes	Yes	No	No	No	Yes	Yes	No
70	If no, are there restrictions on the adoption of retrospective tax legislation in your country?	Yes	Yes	N/A	No	Yes	N/A	N/A	N/A	Yes	No	No	N/A	N/A	No
71	Is there a procedure in your country for public consultation before the adopting of all (or most) tax legislation?	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes	No
72	Is tax legislation subject to constitutional review which can strike down unconstitutional laws?	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>11. Revenue practice and guidance</b>															
73	Does the tax authority in your country publish guidance (e.g. revenue manuals, circulars, etc.) as to how it applies your tax law?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
74	Does your country have a generalized system of advance rulings available to taxpayers?	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes
75	If yes, is it legally binding?	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A	No	Yes	Yes	N/A	No
76	If a binding ruling is refused, does the taxpayer have a right to appeal?	Yes	No	Yes	No	No	No	No	Yes	No	No	No	Yes	Yes	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
77	If your country publishes guidance as to how it applies your tax law, can taxpayers acting in good faith rely on that published guidance (i.e. protection of legitimate expectations)?	Yes	N/A	Yes	N/A	N/A	No	No	Yes	N/A	N/A	No	Yes	Yes	Yes
<b>12. Institutional framework for protecting taxpayers' rights</b>															
78	Is there a taxpayers' charter or taxpayers' bill of rights in your country?	No	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	No	Yes	Yes
79	If yes, are its provisions legally effective?	N/A	N/A	N/A	No	Yes	N/A	N/A	Yes	N/A	No	Yes	N/A	No	Yes
80	Is there a (tax) ombudsman/taxpayers' advocate/equivalent position in your country?	No	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	No	No	Yes
81	If yes, can the ombudsman intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?	N/A	N/A	N/A	Yes	Yes	N/A	N/A	Yes	N/A	No	Yes	N/A	N/A	Yes
82	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	N/A	N/A	Yes	Yes	N/A	N/A	No	N/A	Yes	Yes	N/A	N/A	Yes
83	Is there a taxpayers' charter or taxpayers' bill	No	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	No	Yes	Yes

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	of rights in your country?														
84	If yes, are its provisions legally effective?	N/A	N/A	N/A	No	Yes	N/A	N/A	Yes	N/A	No	Yes	N/A	No	Yes
85	Is there a (tax) ombudsman / taxpayers' advocate / equivalent position in your country?	No	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	No	No	Yes
86	If yes, can the ombudsman intervene in an ongoing dispute between the taxpayer and the tax authority (before it goes to court)?	N/A	N/A	N/A	Yes	Yes	N/A	N/A	Yes	N/A	No	Yes	N/A	N/A	Yes
87	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	N/A	N/A	Yes	Yes	N/A	N/A	No	N/A	Yes	Yes	N/A	N/A	Yes
<b>13. Artificial Intelligence (AI)/Automated Analytical Systems (AAS)</b>															
88	Are taxpayers who are subject to a tax compliance procedure that involves AI/AAS informed of that fact?	N/A	N/A	Yes	No	No	Yes	N/A	No	N/A	No	No	N/A	N/A	No
89	In communications between a tax authority and a taxpayer that employs AI/AAS, is it stated that the tax authorities are represented only by a machine?	N/A	N/A	No	No	No	No	N/A	N/A	N/A	No	Yes	N/A	N/A	No
90	If a decision relating to tax administration has	N/A	N/A	Yes	No	No	No	N/A	N/A	N/A	No	No	N/A	N/A	No

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	been taken by the use of AI/AAS, is the taxpayer provided with basic details of the procedure applied?														
91	Do the tax authorities publish details of the type of AI/AAS employed with specific information about the purpose for which they are used?	No	No	Yes	Yes	No	Yes	No	No	No	No	No	No	No	No
92	Does a system exist for voluntary registration of AI/AAS?	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No
93	If yes to 92, does the tax authority register all AI/AAS tools or algorithms with that system?	N/A	N/A	N/A	N/A	N/A	No	N/A	N/A	N/A	N/A	Yes	N/A	N/A	N/A
94	Are decisions that may have a significant impact on a taxpayer taken exclusively by AI/AAS?	N/A	N/A	No	No	No	Yes	No	N/A	N/A	No	No	N/A	N/A	Yes
95	If decisions impacting a taxpayer are taken by AI/AAS, are they overseen by a suitably qualified individual before the decision is notified?	N/A	N/A	Yes	No	Yes	Yes	N/A	N/A	N/A	No	Yes	N/A	N/A	No
96	If an audit employs material generated by AI/AAS, is that material available to taxpayers and their advisors?	N/A	N/A	Yes	No	No	Yes	N/A	N/A	N/A	No	No	N/A	N/A	No
97	If yes to 96, is an explanation provided and does the taxpayer have	N/A	N/A	Yes	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#	Question	Portugal	Serbia	Slovenia	South Africa	Spain	Sweden	Switzerland	(Chinese) Taipei	Trinidad & Tobago	Türkiye	United Kingdom	United States	Uruguay	Venezuela
	an effective remedy against unlawful or inaccurate use of AI/AAS?														
98	Do tax authorities publish guidance notes explaining the way in which they use AI/AAS?	No	No	Yes	No	Yes	Yes	No	No	No	No	Yes	No	No	No
99	If revenue authorities use AI/AAS, do they publish guidelines and points of contact for taxpayers who have questions or concerns about those procedures?	N/A	N/A	Yes	No	No	N/A	N/A	N/A	N/A	No	No	N/A	N/A	No
100	If yes to a (tax) ombudsman, is he/she independent from the tax authority?	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	N/A	No	Yes	N/A	No	No

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