



# INTERNATIONAL MONETARY FUND

Middle East Regional Technical Assistance Center

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## **Webinar on Improving Tax Compliance in Tax Administration through Enhanced Data Acquisition, Management, and Utilization**

**(December 6-9, 2021)**

The Middle East and Technical Assistance Center (METAC) organized a regional webinar during December 6-9, 2021. The primary objective of this webinar was to provide guidance on how tax administrations in METAC countries can better utilize the data they hold to deliver improved services to taxpayers, enhance compliance management, and drive better revenue outcomes. The daily on-line webinar sessions were attended by up to 46 participants from 9 METAC countries in addition to one participant from METAC development partners – Germany.

Discussions were informed by the results of a questionnaire completed in advance by the participating administrations. Those questionnaires showed how data is currently sourced, managed, and used in their administrations, and what challenges they face. The most common challenges or barriers to the effective collection, management or use of data and analytics within the tax administrations being: (1) data quality issues (low levels of taxpayer-provided information, poor quality taxpayer data, lack of access to data from other government agencies, poor quality of data obtained from other tax agencies); (2) technology issues (no or only partial core taxpayer systems, lack of budget to invest in Analytics Technology); (3) human capital issues (no professional data and analytics staff, low levels of data literacy among traditional tax occupations).

Characteristics of an effective tax administration data and analytics capability were shared with participants, including, (i) legal and regulatory framework underpinning sound data collection; ii) organizational structure; (iii) human resources; (iv) basic analysis of taxpayer data across core tax processes (Register, File, On-Time Payment, Correct Reporting etc.).

The participants learned also how to develop a data driven compliance improvement strategy (CIS) based on a specific risk (identification of unregistered e-commerce sellers).

METAC recognizes that whilst some agencies have started their analytics journey already, others will require more support and METAC will stand ready to provide additional capacity development when required.