THE FIRST INDUSTRIAL REVOLUTION OF AI IN TAX

Online Webinar

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Speakers

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February 20, 2025

AI's Role in Tax Strategy & Planning

TP/ESG engine ⟶ Production Flow

TP, ESG, DOC

AI enabled tools

Tax Bright AI Assistant

Certified users of prompts

Promps

Source (AI enhanced)

Knowledge Flow

Tax Bright other agents

+

other Research tools

Talent Flow

Nextgen	**Talents** Project Leads	**Blockchain** Smarter controls, digital transactions

GOVERNANCE (workflow management)

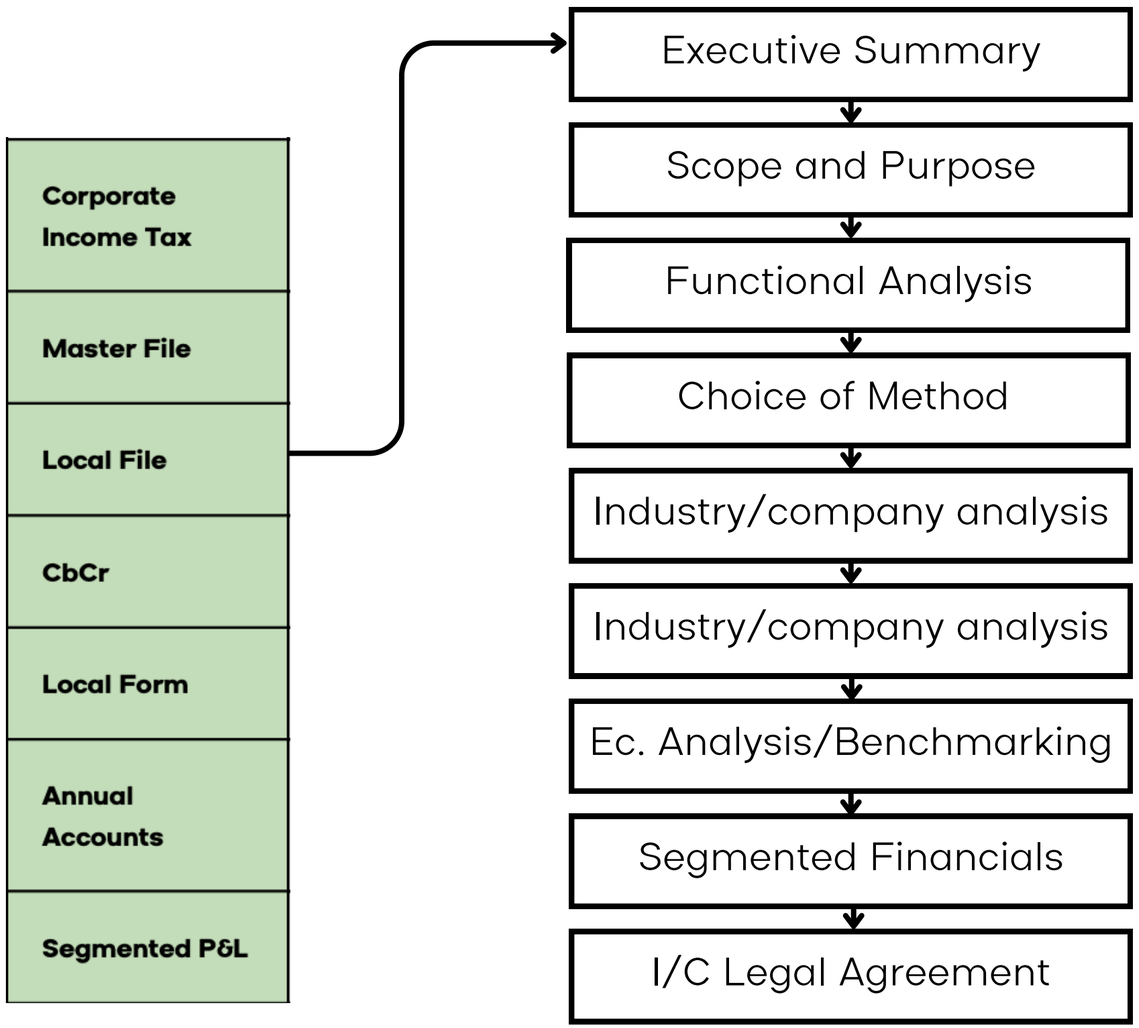
VAT Engine

Corporate Income Tax Engine

TP/ESG Engine

Sub Agents

How to produce the chapters of a local file with AI



Source: e-Bright

For each of these points where does the info come from? How do you check it?

Different routes can be used to get the answers. Different tools and prompts are needed, but how do you put this all together?

If you have to create a report, how does it work?

AI in Tax Research & Legal Analysis:

How would you conduct a legal analysis if you had 10000 cases?

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1) Define purpose: Identify the goal (e.g., predicting case outcomes, evaluating firm performance, analyzing judge behavior).

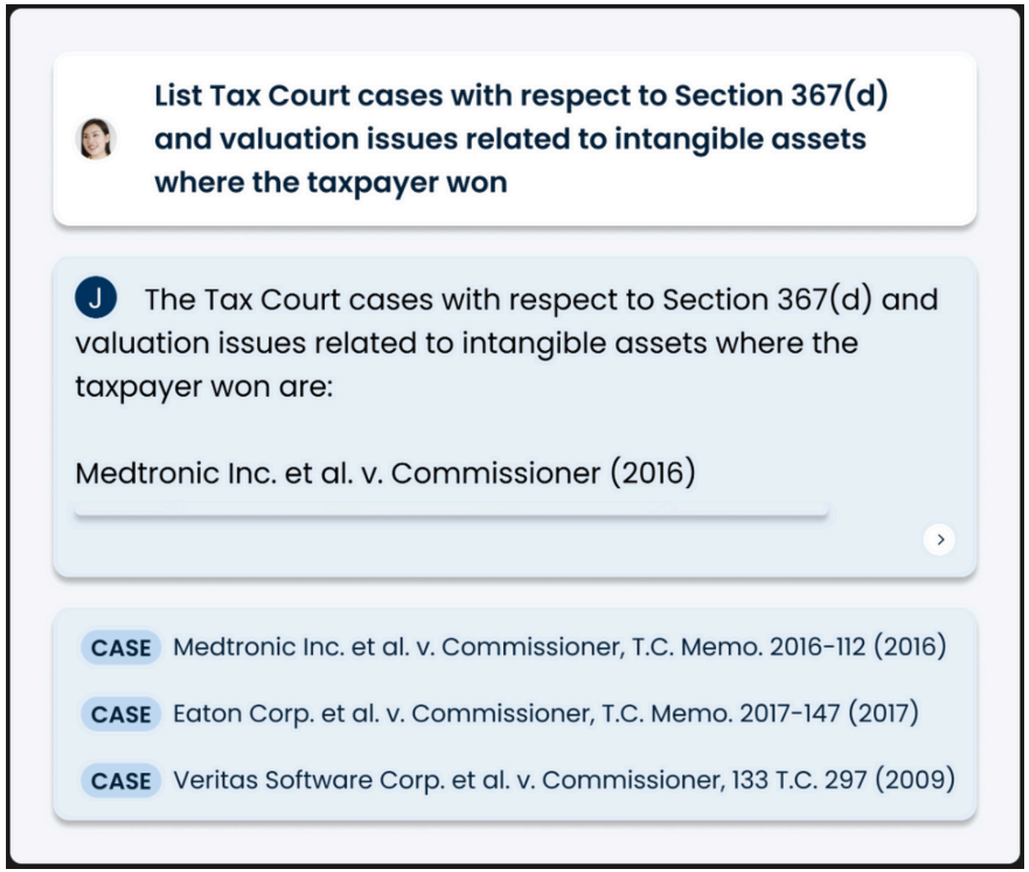
2) Select Key Data Points: Focus on relevant factors like ruling patterns, trends, and legal contexts.

3) Use Data Analysis Methods:

4) Leverage AI & Machine Learning:

- Automate case research & pattern recognition.
- Enhance efficiency in compliance and legal decision-making.
- Utilize NLP & deep learning for advanced analysis.

Blue J - Creating Knowledge from Court Cases in the Country



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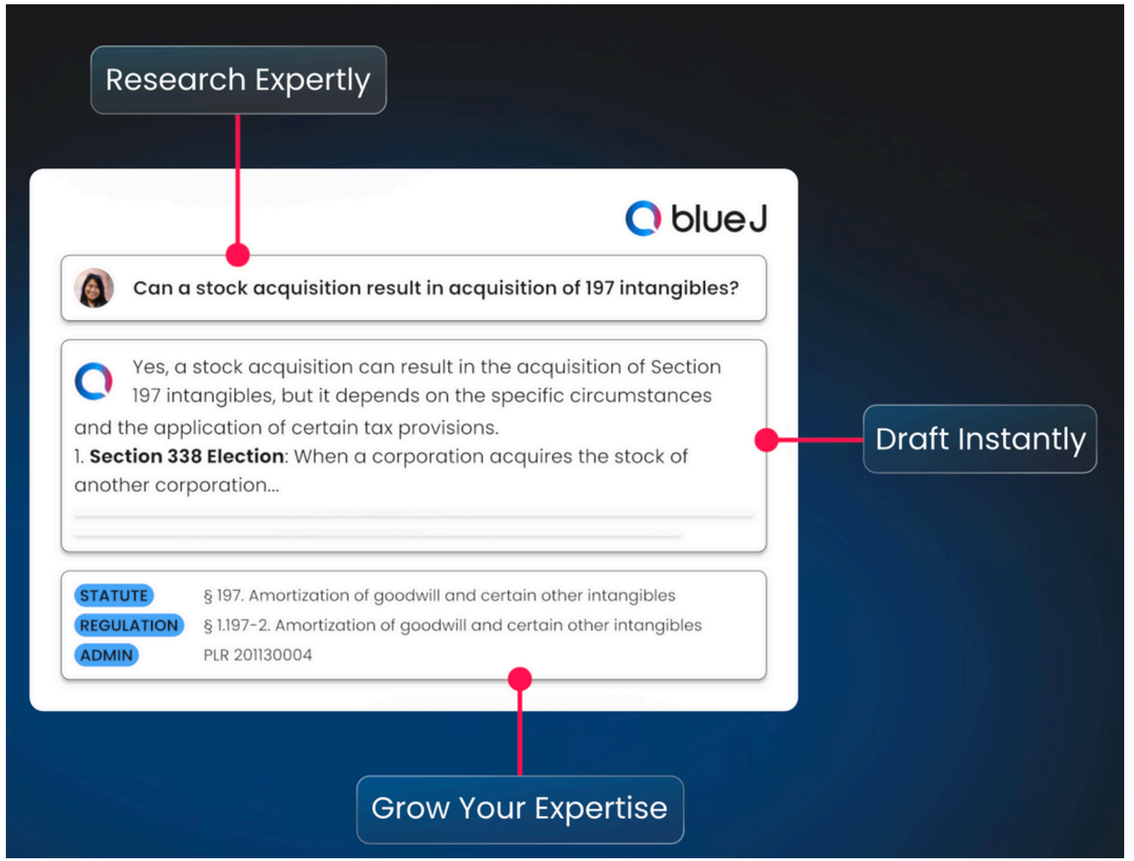

Source: Blue J website

How Tax Authorities Use AI Tools to Challenge the Data Received from Tax Payers

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Enhancing the Trustworthy Use of AI in Tax Administration

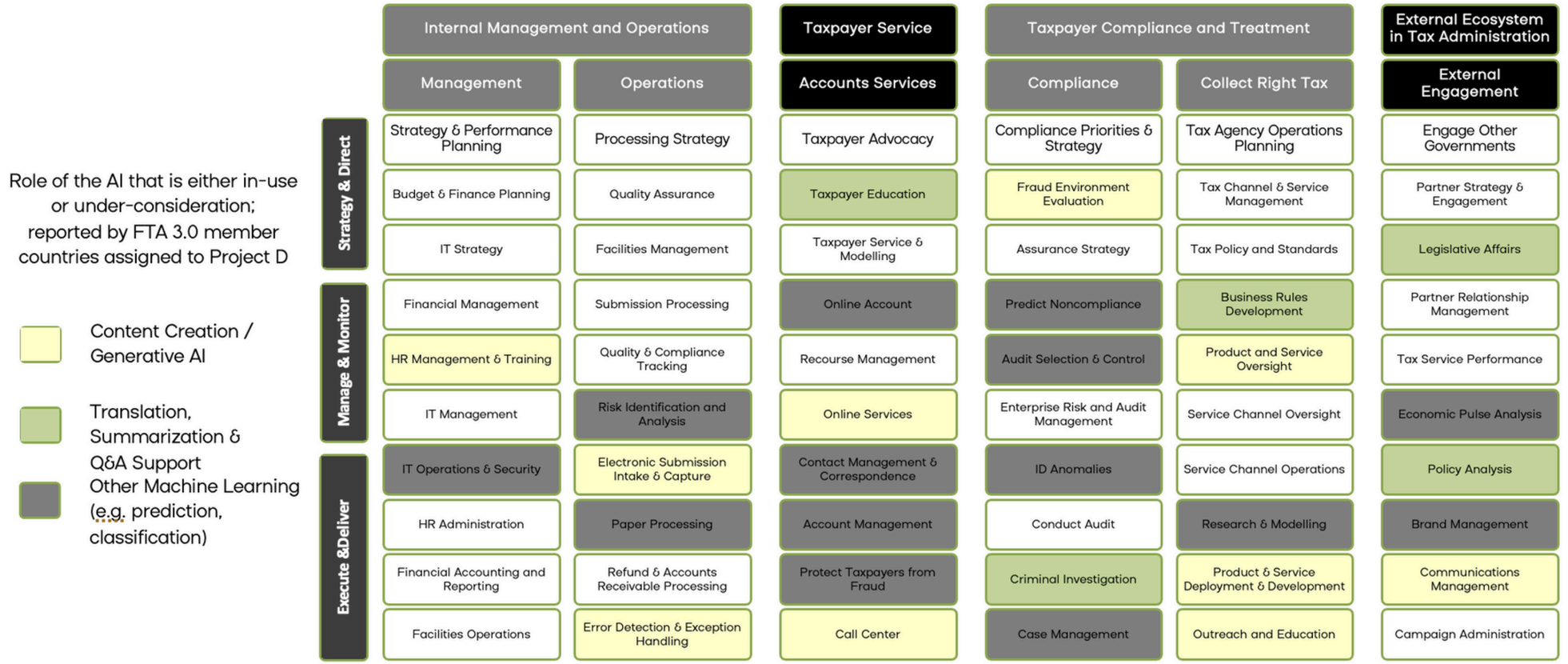
Internal Management and Operations Sector	Customer Service Sector	Taxpayer Compliance and Treatment Sector	External Tax Ecosystem Sector
Applying AI for: • Automating logic for routine tasks such as low-risk HR actions • Recognising named entities to highlight key word categories • Predicting customer demand • Navigating knowledge repositories with Q&A • Creating interactive visual training • Categorising organisational data to enable efficient use	Applying AI for: • Translating languages in customer facing tools • Helping taxpayers establish payment plans • Evaluating and assigning taxpayer situations for efficient processing • Clustering customer service issues. • Protecting taxpayer accounts from theft or abuse	Applying AI for: • Predicting non-compliance in a consistent manner • Identifying statistical anomalies and potential tax issues for further human review • Protecting taxpayers from rare instances of preparer or tax professional fraud • Evaluating unstructured data for risk-identification purposes	Applying AI for: • Translating tax code into a standardised format among several jurisdictions • Offering tax compliance pre-check via third-party provided digital services • Generating numerous mock tax scenarios to assist with external tool self-certification • Early identification of unexpected issues with industry AI tax solutions through automation

Although AI use cases are prevalent in each of the above sectors, each use case has a specific AI method and risk profile.

Source: e-Bright

Diagram of AI Use Cases Relative to Tax Administration Function and Functional Domain

(Already in Production or Under Consideration by Member Countries Across the Tax Enterprise)



Source: e-Bright

Future Trends in AI & Taxation - What should you prepare for?

- Should you learn the game of prompting?
- Should you be an expert in process mining?
- What will be the balance between coding tax solutions vs low coding tax solutions.
- Who will be leading the tax department?

Appendix 1: Reasoning Vs Non-Reasoning Models

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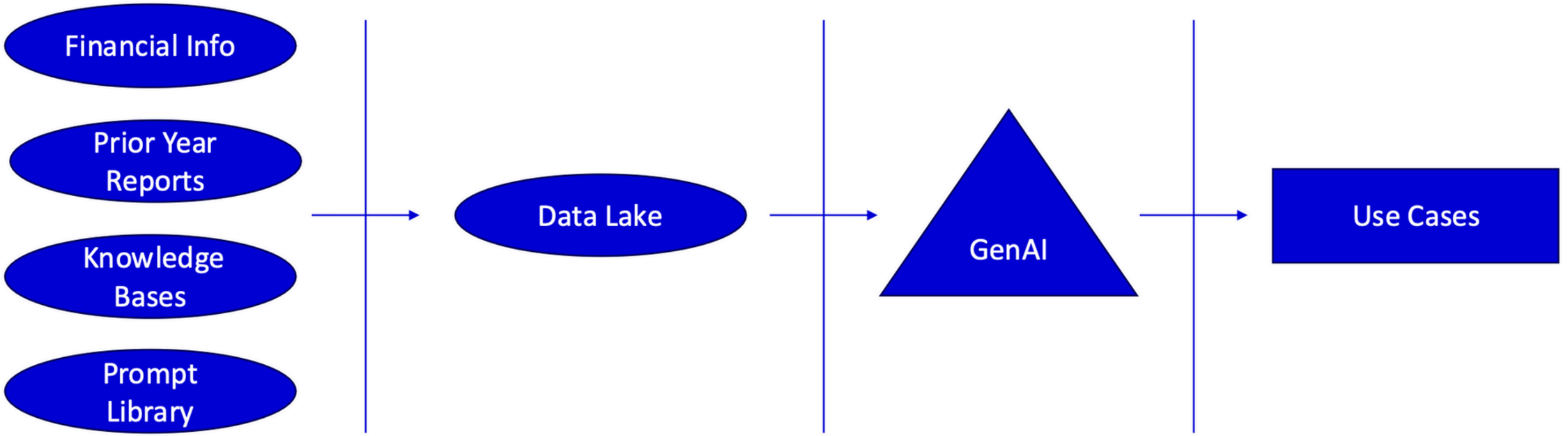
- **Non-Reasoning Models:**
  - These models rely on **pattern recognition and statistical correlations** rather than logical inference.
  - They predict outputs based on learned associations without explicit reasoning.

- **Reasoning Models:**
  - These models **analyze**, **infer**, and **generate** conclusions based on **logical steps**.
  - They often require structured rules, knowledge bases, or step-by-step deduction.

Feature	Reasoning Models	Non-Reasoning Models
Approach	Logical, structured reasoning	Pattern-based recognition
Interpretability	High (clear reasoning process)	Low (black-box nature)
Limitations	Computationally expensive, requires structured data	Can be unpredictable, lacks logical steps
Use Cases	Explainable AI, Medical Diagnosis, Legal AI	Image Recognition, Speech Processing

Appendix 1: BPMN Table



THANK YOU

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