

Article

The path to digital transformation in Argentina



Gabriel Alejandro Vadell

Argentinian. Public Accountant (UBA). Postgraduate in Capital Markets (UBA). Diploma in Tax Administration (CIAT). Technical Coordinator of the Center for Studies in Tax Administration – CEAT – of the Faculty of Economic Sciences of the University of Buenos Aires. Director and co-author of the books: *The Taxation of Cryptocurrencies and the Digital Economy*, Editorial Edicon, (Buenos Aires, 2020). *Taxation in the Digital Era*, Editorial Edicon (Buenos Aires, 2023) – Co-author of the Manual on tax planning, Section 3.19 “Risks of tax compliance by companies that operate in the digital Economy”, CIAT 2022. Errepar and La Ley Editorials. Lecturer and exhibitor at Tax Congresses and Seminars. Postgraduate professor at the University of Belgrano and the Argentine Business University (UADE). At the international level, he has been a speaker at the International Workshop “Compliance Risk Management as an instrument to improve the performance of Revenue Administrations: Advances and Experiences (Asunción, 2018) and has provided Technical Assistance on Management and Development of Fiscal Intelligence to the ONAT of the Republic of Cuba, within the framework of the Expert Program promoted by the European Union. (Havana, 2016). Since 1990 he has worked as an AFIP official, having held, among others, the position of Director of Metropolitan and Interior Regions. He is currently a Technical Advisor in the Northern Regional Directorate

Received 08 February 2023, Accepted 07 April 2023

KEYWORDS:

TAX ADMINISTRATION;
TAXES; DIGITAL
TRANSFORMATION;
COMMUNICATION
TECHNOLOGY; DIGITAL
MATURITY

ABSTRACT:

This paper describes and analyzes those factors that show the degree of progress in the digitization process of the tax administration in Argentina, taking into account two perspectives derived from its own functional essence: on the one hand, the need to adapt to new digital business models (front office), and on the other hand, based on internal capacity (back office) to receive, process, and utilize an increasing amount of data that lead to fulfilling the primary organizational mission.

After reviewing the main actions carried out on the path to transformation and those planned for implementation in the short and medium term, the characteristics that are evident in the components measuring their maturity are described: Environment, resources, inputs, and outputs.

PALABRAS CLAVES:

Administración
Tributaria; Impuestos;
Transformación digital;
Tecnología de las
comunicaciones;
madurez digital

RESUMEN:

El artículo describe y analiza aquellos factores que muestran el grado de avance en el proceso de digitalización de la administración tributaria en Argentina, teniendo en cuenta dos perspectivas derivadas de la propia sustancia funcional: por un lado, la necesidad de adaptarse ante los nuevos modelos de negocio digital (front office) y por otro, en función de la capacidad interna (back office) para recibir, procesar y utilizar una creciente cantidad de datos que lleven a cumplir la misión primaria organizacional.

Luego de un repaso de las principales acciones llevadas a cabo en el camino hacia la transformación y de las que se tiene previsto implementar en el corto y mediano plazo, se describen las características que se evidencian en los componentes que miden su madurez : Entorno, recursos, entradas y salidas.

MOTS CLES :

Administration fiscale;
Impôts; Transformation
numérique;
Technologie des
communications
maturité numérique

RESUME :

L'article décrit et analyse les facteurs qui montrent le degré d'avancement dans le processus de numérisation de l'administration fiscale en Argentine, en tenant compte de deux perspectives dérivées de la propre substance fonctionnelle : d'une part, la nécessité de s'adapter aux nouveaux modèles de commerce numérique (front office) et d'autre part, en fonction de la capacité interne (back office) à recevoir, traiter et utiliser une quantité croissante de données qui conduisent à accomplir la mission primaire organisationnelle. Après un examen des principales actions entreprises sur la voie de la transformation et de celles prévues à mettre en œuvre à court et moyen terme, sont décrites les caractéristiques qui se manifestent dans les composants mesurant leur maturité: Environnement, ressources, entrées et sorties.

CREATIVE COMMONS LICENSE

This work
is licensed
under a Creative
Commons Attribution 4.0
International License.

Contents:

1 Introduction; 2 Main factors driving the modernisation process; 3 The digitalisation process in the argentine tax administration; 4 Analysis of the main actions carried out in the digital transformation process; 5 Main projects recently implemented; 6 Main projects that are planned to implement; 7 It technology projects ; 8 Some considerations about digital ;maturity; 9 Brief description of the components of digital transformation in Argentina; 10 Conclusions; 11 Bibliography;12 Acknolegments

1 INTRODUCTION

The digital transformation of the Tax Administrations (TTAA or TAs) is a process in constant evolution, and

The amazing advances in technology and digital tools offer governments and their TAs new opportunities and scenarios to address changing needs, thus allowing them to offer more and better services aimed at optimising voluntary compliance and, at the same time, have better and more efficient controller resources.

In this work, we will describe those factors that illustrate the degree of progress in the digitalisation process of the tax administration in Argentina, taking into account two perspectives derived from the functional substance itself: on the one hand, the need to adapt fiscally in the face of new digital business models (front office) and on the other, depending on the internal operations (back office) to receive, process and use a growing amount of data that leads to fulfilling the primary organisational mission.

Regarding the first, we will describe the exponential growth that the digital economy has experienced thanks to the massification of the Internet, ICT, and global electronic commerce, which has left global tax systems obsolete, essentially in those cases in which they intervene—two or more tax jurisdictions in the process.

Regarding the internal approach, we will analyse the organisation's resources, the importance of the quality of the input data and the products prepared from the information built with them, either through control or services that facilitate compliance.

After a review of the main actions carried out in the process and those that are planned to be implemented in the short and medium term, we will describe the most outstanding characteristics regarding the four components that measure the maturity index in the process of digital transformation: Environment, resources, inputs and outputs.

2 MAIN FACTORS DRIVING THE MODERNISATION PROCESS

2.1 THE DIGITAL ECONOMY AND TAX SYSTEMS

The digital economy, associated with new or renovated information and telecommunications technologies, some of them of a disruptive nature and which together have given rise to a new era called the 4th Industrial Revolution (4.0 Technologies), has as distinctive characteristics the astonishing speed of change and generation of new companies and businesses based on digital platforms that do not require a physical presence to generate income in the different tax jurisdictions.

This is because the development of Information and Communications Technology (ICT) currently allows sales and delivery channels to be built easily in jurisdictions in different parts of the globe without having commercial, administrative, industrial or own logistics.

Unlike a company in the traditional economy, this characteristic makes it easier for it to establish its businesses in more convenient tax jurisdictions, which produces greater complexity for the different jurisdictions to evaluate risks regarding abuses of existence or non-existence of permanent establishments, the improper use of profits, and the creation of controlled foreign companies (CFC) with intangibles in jurisdictions with low or no taxation, among other risks described in the CIAT Manual on Tax Planning Control (2022),

This situation has occupied international organisations searching for an international consensus, given that most treaties between countries do not contemplate situations of non-presence and unilateral actions have further aggravated the problem of benefit transfers and the erosion of bases.

Tax systems currently face the challenge of adapting their means, methods and processes to this new form of income generation, considering the applicability of the arm's length principle, eventual multilateral tax cooperation, and finally, avoiding adopting aggressive unilateral measures.

2.2 THE RELEVANCE OF DATA IN TAX ADMINISTRATION

Tax Administration processes require sequential data flows for proper functioning. Starting from the identification and registration of taxpayers, their transactions and income, collection, audits, sanctions, coercive collection, and services provided for facilitation, among others, require reliable, accurate and timely data to produce the necessary information in the back office.

According to the OECD (2020) report Tax Administration 3.0, increased digitalisation and the development of new analytical tools have significantly increased the efficiency and effectiveness of tax administration and have helped reduce burdens to a greater or lesser extent for different segments of tax administration. Taxpayers.

Developments include:

- improved detection of potential breaches through better risk assessment models, using increasing amounts of digital data and advanced analytical techniques;
- the introduction of more verified information through third parties
- Improvements to taxpayer services include e-filing, e-payment, online self-service tools, and targeted help such as live online chats.

Now, the exponential growth of data held by the Administration poses challenges regarding the privacy and ownership of the data and the security and transparency in its use.

In short, these developments are making it easier for taxpayers to understand and comply with their obligations, although the relevance of their responsible use for the entire society should not be ignored.

3 THE DIGITALISATION PROCESS IN THE ARGENTINE TAX ADMINISTRATION

3.1 PUBLIC REVENUE ADMINISTRATION

The Federal Administration of Public Revenues (AFIP) is the body in charge of executing the tax, customs and collection policy of social security resources of the Argentine Nation.

In the Argentine Republic, the Federal Public Revenue Administration has a functional model with geographical departmentalisation, taking into consideration the volume and scale size that affects the scope of control, within a structure that brings together, through three (3) General Directorates, Internal Taxes, Customs and Social Security obligations.

In the model chosen by Argentina, the AFIP has autonomy in the following aspects:

- Capital budget management
- Current budget management
- Internal structure design
- Management of human resources

The organisational structure approach is by function or processes, with a strong geographical component. However, it also reflects in its structure an orientation towards the segmentation of taxpayers, having a General Subdirectorate specifically focused on Large

Taxpayers and assigned to the General Directorate of Social Security Resources the systemic control and supervision of small taxpayers included in the Simplified or Monotax Regime.

4 ANALYSIS OF THE MAIN ACTIONS CARRIED OUT IN THE DIGITAL TRANSFORMATION PROCESS

The 2021-2025 Strategic Plan mentions and describes the digital developments carried out and scheduled for the medium term. For the present purposes, we will segregate such developments into three stages: recently implemented projects, planned projects, and IT technology projects.

5 MAIN PROJECTS RECENTLY IMPLEMENTED

5.1 REGISTERED ONLINE WORK

It is a tool designed to supervise the registration of all dependent personnel by taxpayers and responsible persons in the employer regime.

The employer's data and each worker performing tasks at the verified establishment are identified. The agents give the interested party a "QR code" to capture and download the record. The document is communicated to the Electronic Tax Address of the taxpayer or responsible party, and the non-compliance is made available in electronic files in the service with the "e-TRL" tax code.

5.2 DIGITAL SALARY BOOK

It is a new computer tool that allows employers to fulfil different obligations in a single procedure to generate the salary and wages book and the monthly Affidavit.

The new "Digital Salary Book" system makes the taxpayer's salary settlement system compatible in order to use it as a carrier of the entry data, together with the information available in the 'Registration Simplification' and 'Registration System' services, since From this, it prepares the salary and wages book and the monthly Affidavit (F.931).

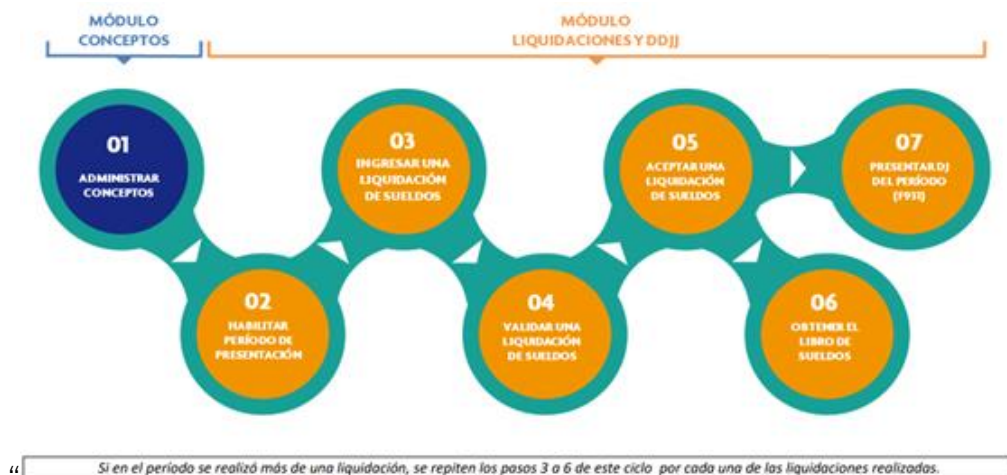


Figure 1: Digital salary book. Source: AFIP

5.3 AUTOMATIC PROCESSING OF JUDICIAL OFFICES

It is a service with a fiscal code, enabled only so that lawyers can process the requested documents before the Judge who hears the pertinent case, obtaining, through the same platform, the response of this Federal Administration automatically.



5.4 MY AFIP (NEW VERSION)

It allows access to the main services to be simple and integrated and comply with the tax obligations from a smartphone. From this application, users can perform various actions such as requesting or recovering the tax code, entering the electronic tax address, issuing electronic invoices, making complaints with tax content, and validating identity using facial recognition technology.

5.5 PARAGUAY-PARANÁ WATERWAY – SINTIA SYSTEM

SINTIA is a community system at the Mercosur level that allows the States Parties to monitor the transit of goods that circulate through their territories, in which the data of the operations resides in the systems of each country and is made available to the other state parties through computer tools

5.6 IMPORT SYSTEM OF THE ARGENTINE REPUBLIC – SIRA

The Import System of the Argentine Republic (SIRA) is an instrument that facilitates the exchange of information with external organisations that participate in the customs clearance of goods and adhere to the “Single Window for Argentine Foreign Trade” (VUCEA).

Through this system, the AFIP makes the information the customs users provide available to the other organisations involved. These organisations request an approval period that is never longer than 60 days from the SIRA registration.

5.7 IMPORT SYSTEM OF THE ARGENTINE REPUBLIC AND PAYMENTS FOR SERVICES ABROAD – SIRASE

The System of Imports of the Argentine Republic and Payments for Services Abroad (SIRASE) is a tool designed to analyse tax compliance and taxpayers’ financial-economic capacity for contracted services abroad.

The SIRASE applies to individuals, undivided estates and legal entities, whatever form they take, that must make payments abroad on their account or behalf of third parties or act as payers to cancel their own or third-party obligations.

5.8 SINGLE FOREIGN TRADE CURRENT ACCOUNT (CUCCE)

The current account for foreign trade is a system for consulting and registering exchange operations in which entities authorised to operate in the Free Exchange Market by the Central Bank of the Argentine Republic must consult and record the amount in pesos of the total certain exchange operations.

6 MAIN PROJECTS THAT ARE PLANNED TO IMPLEMENT

6.1 UNIVERSALISATION OF ELECTRONIC PAYMENT

During the years 2020 and 2021, agreements have been signed with various electronic payment providers, and it is expected that in the coming years, a presence will be achieved in all payment services for use and availability to citizens.

6.2 PRE-DRAWN AFFIDAVITS

In recent years, the institution has made gradual progress in the use of available information to simplify and facilitate the preparation of sworn statements, such as:

- “Our part” and “WEB Affidavits” services provide information that facilitates the preparation of various tax returns.
- Digital Salary Book
- The Online information for preparing sworn declarations determining contributions and social security contributions.
- The “Digital Presentations” service allows you to carry out procedures without going to a department.
- The Information System for Self-Employed and Monotributory Taxpayers (SICAM) displays the citizen’s situation in their history of activities and the record of compliance with their pension contributions.
- The Registry Simplification service to report registrations, cancellations and modifications of data related to labour relations.
- The Computer System for Customs Procedures (SITA) allows foreign trade operators to conduct procedures remotely.
- Electronic tax address to receive official communications.

7 IT TECHNOLOGY PROJECTS

The strategic plan mentions, among others, the following:

7.1 GROWTH OF AFIP’S PRIVATE CLOUD PLATFORM

The Agency’s systems operate on virtual machines that must be sized according to pre-established load parameters. Alternatively, the cloud platform provides greater scalability by allowing resources to be assigned or removed from the systems dynamically and without impacting the operation.

7.2 IMPLEMENTATION OF AN ALTERNATIVE DATA CENTER

Within this framework of ideas, the AFIP signed an agreement with the Empresa Argentina de Soluciones Satelitales SA (ARSAT) that creates a contingency scheme for data centres. This will allow the operation to continue and preserve the information in emergencies.

7.3 COMPREHENSIVE INFORMATION SECURITY PROGRAM

The project seeks to consolidate the Agency’s information security management system by implementing technical, regulatory and organisational mechanisms that promote greater operational capacity, increasing information security.

8 SOME CONSIDERATIONS ABOUT DIGITAL MATURITY

The transformation, which began with the digitisation of paper-based processes by digital data processing applications, is today producing transcendental changes that involve internal processes and structures due to changes in how taxpayers interact and do business with each other.

In particular, as described in the publication Tax Administration 3.0 (AT 3.0) (OECD, 2020), this transformation tends towards the growing migration of tax procedures towards the natural systems of taxpayers, that is, the systems that they use. in their daily lives and/or in their businesses.

Next, we will carry out a brief analysis of the essential components that frame the digital transformation in Argentina and its degree of progress, without implying following the procedures that are reserved for the AATT itself in the digital maturity measurement models,

given It is the objective of this document to make a description without rigorous technical precision, starting from concepts that are publicly known.

8.1 DIGITAL MATURITY INDEX - IDB MODEL

The Inter-American Development Bank, with the support of other international organisations such as the OECD, IOTA and CIAT, has developed a matrix of criteria to model the level of maturity with a comparative approach: the Digital Maturity Index. (IDB, 2021)

For this, four specific components are considered:

- I. **Digital environment.** (*context*) The external conditions the TA faces in its TD process are analysed, such as the country's digital policy, the degree of connectivity, the legal framework for digital identity and the validity of electronic procedures.
- II. **Resources for TD.** In this dimension, the enablers for TD are analysed, such as human resources, financing and strategic planning.
- III. **Reception of data in digital media** (*entries*). Data is the fundamental input of the TA, and therefore, how it is collected is analysed to evaluate the progress made in the reception of data in digital media from its origin.
- IV. **Digital products and services** (*outputs*). The information processes generate products and services that serve taxpayers and allow the TA to carry out the control actions necessary to fulfil its objective.

From there, it is considered that best practices are based on the following principles:

1. Data **enters the system only once** (data- only -once).
2. Data is managed and processed centrally **for** various products and services (single source of truth).
3. Data travels and is stored on digital media (**paperless**).
4. Information is received and processed in **real-time**.

Under these principles and best practice experiences, the index builds a scale with four levels of maturity: initial, intermediate, advanced and best practices.

This allows the progress of a given TA to be characterised in a series of dimensions that group together the most critical aspects related to data and information services for tax collection.

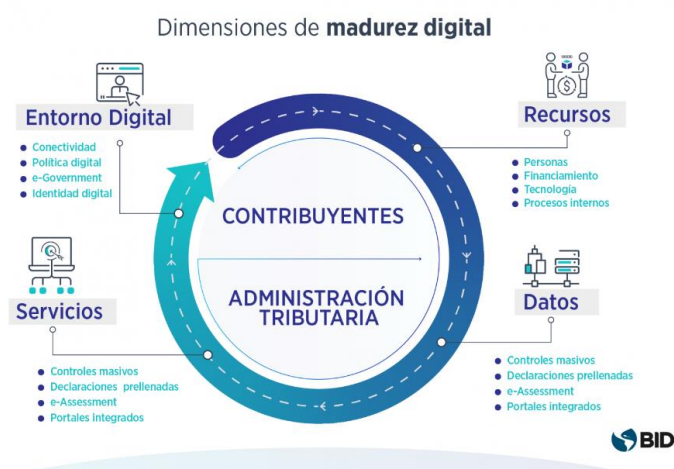


Figure 2: Dimensions of Digital Maturity. Source: IDB

9 BRIEF DESCRIPTION OF THE COMPONENTS OF DIGITAL TRANSFORMATION IN ARGENTINA

The four components mentioned above are described below, based on public information collected from different official sources.

9.1 DIGITAL ENVIRONMENT

Internet penetration: According to official figures from the National Institute of Statistics and Censuses (INDEC, 2023), at the end of 2021, approximately 88% of the population had access to the Internet, whether fixed or mobile. This rate is among the highest in Latin America and is constantly growing year-on-year.

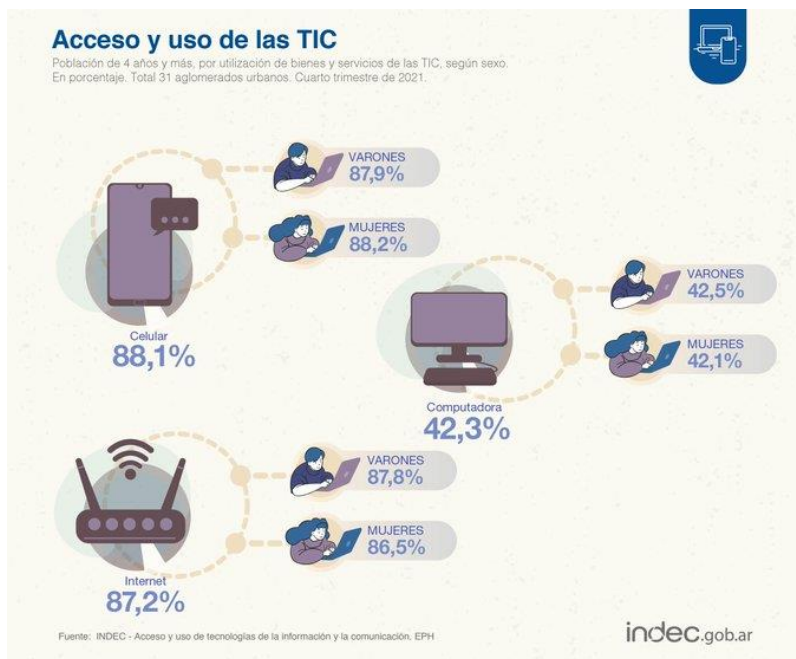


Figure 3: Access and use of ICT. Source: INDEC

At the national level, government policies have been setting the goal of increasing the use of Information and Communication Technologies (ICTs) to enhance citizens' digital, creative and productive capabilities, with the main purpose of reducing the digital divide and promoting connectivity for a greater number of citizens. This is why there is currently free WIFI access in buildings, transport and public spaces, as well as in deprived neighbourhoods, pedestrian areas, emblematic streets and avenues. Also, the connection is sought through satellite antennas in places far from urban centres.

Identity and Digital Government: Significant progress has been made in the concept of a “single window”, seeking to unify the channels and criteria for communicating procedures, services and citizen service.

Through the “My Argentina” application, the identity of human persons is digitally validated, offering the possibility of accessing the National Identity Document, the National Driver's License, the green/blue ID of a vehicle, automobile insurance, requesting appointments in different government agencies, carry out procedures, obtain proof of CUIL (Unique Labor Identification Code), vaccination certification, among other services

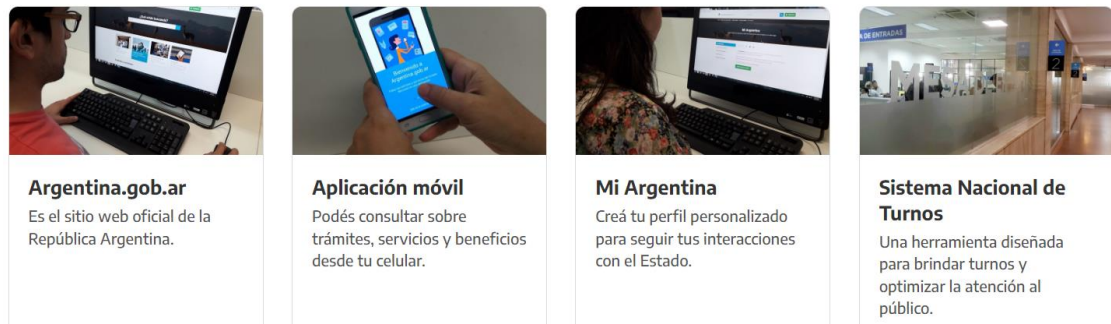


Figure 4. Mi Argentina application

Mi Argentina has more than 2,910,000 registered users, of which 70% access the service from the application. This represents approximately 6% of the country's total and 13% of the economically active population.

At the tax level, digital identity is characterised by using the CUIT (Unique Tax Identification Code) associated with a tax code granted through registering biometric data from its platform, which includes an application called “MI AFIP”.

Finally, the “Federal Network of Tax Administrations” initiative aims to develop and strengthen the service that contains the Federal Register, the Unified Monotributo, collection through the Osiris network, authentication through the Fiscal Code, centralisation of the Electronic Tax Address, as well as the consolidated sworn declaration and the identification with the CUIT of the provincial real estate cadastres.

The Federal Register is a single tax registry (RUT) administered by AFIP, and together with the 18 jurisdictions adhered to the present. It allows provincial gross income tax taxpayers under the Multilateral Agreement to manage their taxes and carry out procedures in a single channel. This mechanism simplifies the updating of data, avoids the multiplied load of information and unifies registrations and records for tax administrations at different levels of government.

The RUT uses blockchain technology that allows data to be transferred between the AFIP, the COMARB and the adhering jurisdictions through a very sophisticated coding system and in a completely secure manner, safeguarding taxpayers' rights.

9.2 RESOURCES

The digital transformation process requires organisations to make a long-term commitment from the highest level of Administration to ensure the material, financial and human conditions to face this process's exhaustive and changing challenges.

Regarding investment in information and communications technology, according to what is expressed in its 2021-2025 Strategic Plan, AFIP registers one of the lowest figures on a comparative level.

It indicates that this concept represents less than half of the average expenditure of lower-middle-income countries and approximately a third of high-income countries to which it belongs. It is also lower than in low-income countries.

Unlike the rest compared, where the operating expenses of AATT with average income are similar to those of investment, in the Argentine case, operating expenses represent 93% of the expenditure.

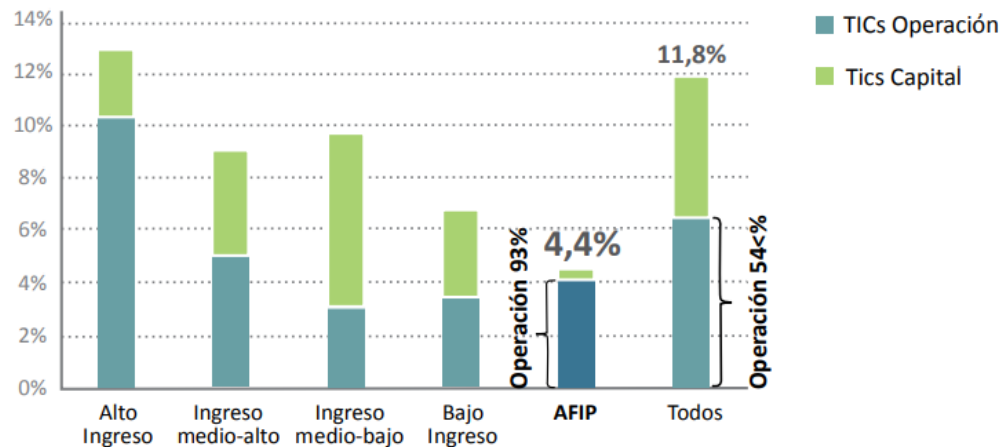


Figure 5: Technology Spending. Source AFIP

Regarding the impact of specific human resources, the plan also indicates that although the Systems and Telecommunications area has a significant number of employees, in relative terms, the percentage of human resources dedicated to information technology Information and communications on AFIP's total plant is below the average of all countries and is among the lowest in the region.

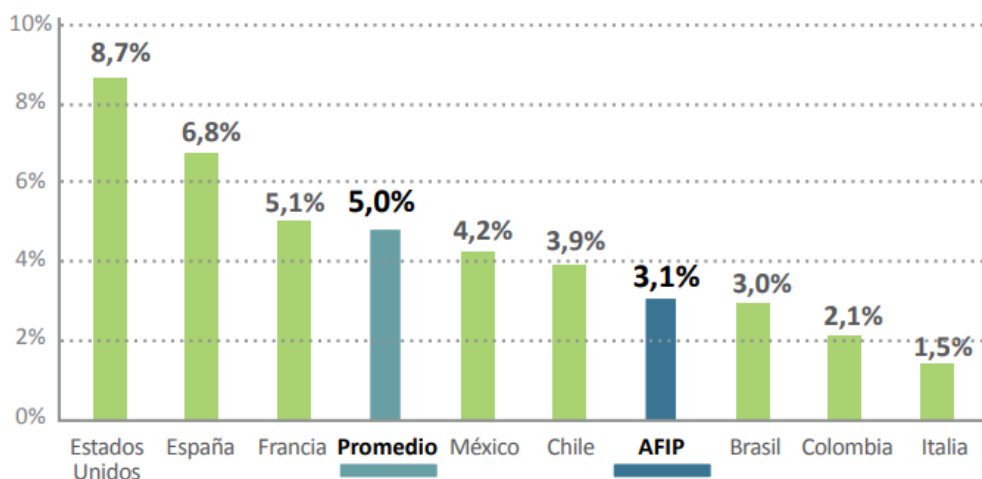


Figure 6: ICT personnel concerning total staff. Fountain; AFIP

On a financial level, AFIP is an autonomous entity that operates with relative autonomy under the general superintendence and legality control of the Ministry of Economy. It has a budget equivalent to 1.57% of the collection managed by the organisation.

9.3 RECEIPT OF DATA IN DIGITAL MEDIA (ENTRIES)

Given the value of data for any modern AATT, they undoubtedly represent the fundamental input for the functional process chain. Next, how they are collected will be described and analysed to evaluate the degree of progress achieved in this matter.

Electronic payment: In the first years of the 21st century, AFIP incorporated electronic payment early through the VEP (Electronic Payment Flyer), facilitating voluntary compliance with tax obligations.

In November 2018, AFIP created the “AFIP Electronic Wallet” computer tool to be used optionally by taxpayers and/or responsible parties to cancel tax obligations and social security resources.

AFIP became a leader in the region in the digital tax payment process due to its early adoption and insertion into the population. This is how more than 97% of the collection comes in this way and is used by most taxpayers.

Within the strategic operations proposed, progress will be made to universalise access to payment by offering accessible, electronic and widespread collection. Agreements will be signed with various financial institutions and online payment service providers to expand the current payment network. This will mean incorporating new mobile payment platforms, such as the payment button, electronic wallet or QR payment, which facilitate the immediate electronic payment (IEP) modality for online compliance registration.

Data from DDJJ: AFIP manages a universe made up of approximately 6.5 million taxpayers registered in the main taxes of the General Tax Directorate, some 60,000 customs users within the scope of the General Directorate of Customs and some 550,000 employers managed by the Directorate General of Social Security Resources.

The immense flow of input data that this universe produces, added to the current information regimes, are stored and used by the different systems that support the macro-processes of collection, collection, services and inspection to a greater extent.

The following table illustrates the magnitude operated during the year 2020, where the restrictions of the COVID-19 pandemic have produced an unexpected boost to digitalisation:

Claves fiscales tramitadas 2.905.581	Altas de CUIT 445.148	Domicilios Fiscales Electrónicos registrados 7.615.358
Consultas web respondidas 460.309	Trámites ingresados 1.704.713 53% digitales	Reclamos gestionados 48.144
Declaraciones juradas presentadas 47.449.986	Despachos de importación 660.472	Permisos de exportación 452.110

Table 1: Statistics of the managed universe. Source: AFIP Strategic Plan

Electronic bills: Argentina is among the first Latin American countries to gradually implement electronic invoices, which have been mandatory for all economic activities since 2019. They can be issued through the Web service, cell phone, or the “My AFIP” app. This last modality is the one that has experienced the most growth since 2020.

AFIP records show that 2,947,700,000 electronic receipts were issued in all of 2021. In 2022, the figure totals 4,028,000,000, that is, an increase of 36% year-on-year

The total receipts issued and received are made available to the taxpayer through the “Our Party” service through access to the tax code. The billing issued can be consulted in detail and exported for use in database management programs.

Information exchanges: Argentina participates in the exchange of financial account information carried out based on the OECD Convention on Mutual Administrative Assistance in Tax Matters - signed by the Argentine Republic on 11/03/2011 and ratified on 11/13/2012;

and the Agreement signed on 10/29/2014 - for the exchange of financial account information of national residents between jurisdictions, following the rules established by the Common Reporting Standards (CRS), prepared by the Organization for the Economic Cooperation and Development (OECD). Argentina has participated in the Convention and the Agreement from the beginning.

The table below illustrates the number of countries issuing information, the number of accounts of Argentine residents abroad and the amounts involved from 2016 to 2020:

Período fiscal	Recepción		
	Socios emisores	Total de cuentas	Montos informados (\$)
2016	38	52.847	119.373,10
2017	76	256.822	808.712,79
2018	86	599.477	3.535.598,76
2019	83	643.380	6.331.698,43
2020	90	655.998	7.784.183,16

Table 2: Automatic Information Exchange. Source: AFIP – Strategic Plan 2021-2025

Recently, Argentina signed an agreement to exchange financial information with the United States of America - FATCA, which will come into force as of January 1, 2023.

The countries assumed obligations to obtain and exchange information to reportable accounts: each party must obtain the indicated information for all reportable accounts and exchange it annually automatically.

The universality of electronic payment: 97% of collections are entered digitally. However, the Agency warns in its Strategic Plan that the electronic payment process presents technological limitations related to the protocol and access that affect both tax compliance on the part of those liable and the availability of information from the treasury to carry out effective collection. Therefore, it is planned to continuously improve the payment system, accompanying the evolution of new technologies and the solutions they provide.

In the medium term, it is expected to develop a single federal payment portal that allows citizens in the same place to pay national and subnational taxes with any authorised means. In this sense, a first experience will be carried out with subnational taxes that can be sent to entities and payment platforms for subsequent cancellation.

Electronic procedures: The process of digitisation and automation of procedures was accelerated by the measures derived from the pandemic caused by COVID-19. In this context, the offer of digital procedures was expanded, going from 12 in 2020 to 127 by 2021, representing 76% of all procedures and making it possible to ensure tax compliance in a scenario of uncertainty. In said period, more than 2,000,000 submissions were received through this medium.

The adoption of electronic services entails the challenge of managing cultural change both among taxpayers and within the organisation, where the process begins. Given that a user-centred omnichannel care model is adopted, the regulations that govern the different procedures will be required to be reviewed and updated; the training of personnel dedicated to the tasks, the development of new computer tools, the incorporation of new spaces for dialogue; the centralisation of information on interactions with each patient in a single file, and the adaptation of face-to-face care services.

Complaints with fiscal content: The functionality of complaints from a digital medium was recently implemented, the Mi AFIP app, where any citizen can alert about the lack of issuance of receipts, the presence of undeclared personnel and illegal work, only with their CUIT/CUIL/CDI number and a contact email, seeking to speed up and simplify the process through digitalisation.

9.4 PRODUCTS AND SERVICES (OUTPUTS)

Currently, more than 300 services have access by tax code, which in 2022 will have had approximately 32 million accesses. Among the main services, we can highlight the following:

- The Electronic Tax Address to receive official communications.
- The “Digital Presentations” service allows you to carry out non-face-to-face procedures.
- The Information System for Self-Employed and Monotributary Taxpayers (SICAM) displays the citizens’ situation in their history of activities and the record of compliance with their pension contributions.
- The Registry Simplification service to report registrations, cancellations and modifications of data related to labour relations.
- The Computer System for Customs Procedures (SITA) that allows foreign trade operators to carry out procedures remotely
- The Nuestra Parte and Web Affidavits service informs the taxpayer of essential data to prepare tax returns on income and assets.
- The Digital Salary Book
- Online information for preparing sworn declarations determining contributions and social security contributions.

Other government agencies also use the platform with access to a tax code through more than 300 services. In 2022, there will be 54 million people entering these external services.

10 CONCLUSIONS

Digital transformation is a dynamic process that is constantly evolving. Maturity models allow obtaining a “photo” of the state of the situation at a given moment so that the organisation can carry out a self-assessment based on the opinion of the functional managers involved.

The description of the four dimensions above (Environment, Resources, Inputs and Outputs) is not intended to be considered a measurement index since that is the responsibility of the Administration itself. It has been carried out from publicly known concepts, allowing us to approach the general conditions of the path that leads to digital transformation at the time of the information considered and cited herein.

There, you can see a **digital environment** with good Internet penetration at the regional level, significant advances achieved in national and tax digital identity and the use of blockchain technology to optimise the data in the federal registry by integrating the subnational TAs.

Regarding the affected **resources**, it is observed that a considerable investment in equipment and software is necessary to support the efficient and timely management of an overwhelming amount of input data, a necessary input for all the macro-processes of the organisation.

Regarding the **reception of input data**, the absolute digitisation of sworn statements stands out, the massiveness and functionality of electronic invoicing, the international information exchanges incorporated into the control processes, and the high degree of digitisation of the Payments.

Finally, in terms of **products and services**, there is abundant.

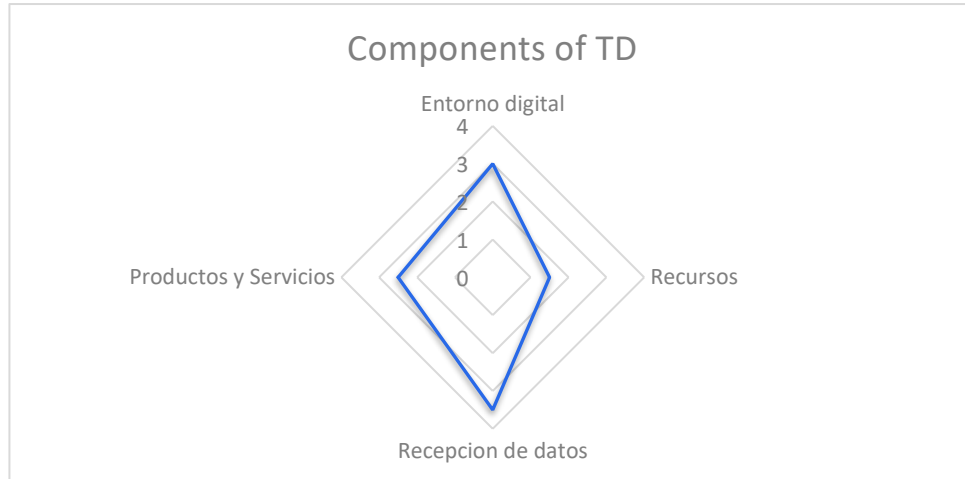


Figure 7: Degree of advancement of TD. Source: Own elaboration according to an estimated rating of 1 to 4

On this path towards digital transformation or Tax Administration 3.0, greater technology is required, such as blockchain, IoT, cloud computing or AI. It will be necessary to continue adapting the organisational design models and their processes so that they act as true identifiers and drivers of the innovation needs and opportunities that the organisation will address in fulfilment of its mission, and must cover both aspects related to back office functions . as well as those linked to the *front office* concerning the different external actors, especially in focus on the needs of taxpayers.

11 BIBLIOGRAPHY

[Pendiente de adaptación a APA7](#)

12 ACKNOGLEMENTS

The invaluable collaboration of C.P. Alejandro Aued for collecting data and preparing this document is appreciated.