

HOW TO AUTOMATE THE TAX COMPLAINT SUBMISSION?

WHAT ARE TAX DISPUTES AND WHERE ARE THEY HANDLED?

The Tax Dispute Commission under the Government of the Republic of Lithuania is an administrative authority that deals with tax disputes between taxpayers and the central tax administrator. Currently, taxpayers to dispute the tax-related decisions by the central tax administrator (State Tax Inspectorate and Customs Department) can contact the Commission in writing or by e-mail. Because of the lack of legal knowledge or lack of relevant qualifications, taxpayers are often forced to turn to lawyers even for small disputes, therefore it is often not financially justifiable for them to appeal against an unfavourable decision of the tax administrator to the Tax Disputes Commission.

The taxpayer - a person who is obliged to pay tax in accordance with the tax law. The person who deducts the tax is also considered a taxpayer. For customs purposes, a person liable for payment of a customs debt (the debtor) is a taxpayer. A taxpayer is any person – an individual or a legal entity. Any foreign state organization recognized as a legal entity under the laws of the Republic of Lithuania or a foreign state is also considered a legal entity. The tax administrator independently selects the taxpayers to be inspected, determines the scope and time of the inspection.

About 250-300 taxpayers appeal via the Tax Disputes Commission with complaints during a calendar year.

THE CHALLENGE

The challenge is to make it easier for the taxpayer to submit a complaint via the Tax Disputes Commission by themselves to dispute an unfavourable decision of the tax administrator, i.e., to facilitate the submission of a complaint with a help of artificial intelligence or algorithms. For example, a draft complaint with the possibility for the taxpayer to supplement it by entering additional data, circumstances, etc. is proposed to the taxpayer using a QR code (or other tools) generated in the decision. This would ease the situation of taxpayers, allow them to save time and financial resources, and increase confidence in state institutions.

THE PROBLEM

Tax law professionals are among the most expensive, therefore, often unaffordable to the taxpayers that want to dispute relatively small amounts. They lack accessible tools for easy submission of a complaint with State Tax Inspectorate and other tax administrators for the taxes charged to them.

WHAT IS THE SCOPE OF THE PROBLEM

We all pay taxes, so this issue concerns each of us when we think we have our taxes calculated incorrectly.



SOLUTION

Breakthrough in the field of e-Justice in Lithuania (and possibly in the EU), increased and accessible justice for people with fewer legal skills, persons unable to hire lawyers or expensive attorneys, but seeking justice for the taxes they pay. The desired result – an increased number of complaints.

MAIN FUNCTIONS OF THE SOLUTION

- the tool must be easy to use for the users;
- taxpayer identification through e-banking;
- interface with tax administrator decision bases;
- generation of individual questions for the taxpayers according to the decision of the tax administrator;
- filing a complaint and following the progress online, the possibility for the taxpayer to record a video appeal to the Tax Disputes Commission;
- the opportunity to see all stages of the complaint process, the opportunity to ask additional questions, etc., the expected date of the decision, information about the decision.

Filing a complaint with the Tax Disputes Commission and monitoring the complaint process must be clear and simple. Much like ordering food through the food delivery app and tracking when it will arrive.

WHAT WE WILL OFFER TO THE SOLUTION DEVELOPERS

If the created product meets the needs of the Tax Disputes Commission and its price is rational, we will initiate procurement procedures.

FUTURE OPPORTUNITIES

If the proposed solution is appropriate, we intend to implement it and will offer it to similar institutions, integrate it into pre-trial dispute resolution institutions. If the product is successful, we will launch an extensive communication campaign.

