



Democracy and Tax Administration

The [Circle U Tax Forum](#) brings together academics and researchers interested in tax law and policy around interdisciplinary topics. The tax forum is one of the projects initiated with the assistance of the Circle U Seed Funding Scheme.

The Circle U Tax Forum will host an interdisciplinary 1-day workshop on the theme **'Democracy and Tax Administration'** on Friday 8 September at King's College London. A full call for papers is outlined below.

Please submit your abstracts (up to 300 words) to Stephen Daly (stephen.daly@kcl.ac.uk) by 12pm (noon) UK time on 30 June 2023. We hope to have a programme finalised by mid-July. Accepted participants are expected to provide a 3,000 word paper in advance of the workshop.

We particularly welcome abstracts from academics based at Circle U universities, namely Aarhus University, University of Belgrade, Humboldt-Universität zu Berlin, King's College London, Université catholique de Louvain, University of Oslo, Université Paris Cité, University of Pisa and University of Vienna.

Call for papers

Democratic tax principles (such as the rule of law and principles of equality, legal certainty, legality, and good administration) inform, overlay and constrain how tax authorities may act vis-à-vis taxpayers. Advancements in digitalisation meanwhile have and will continue to have a significant bearing on how these tax principles govern the relationship between taxpayers and tax authorities.

The objective of this workshop is to explore the relationship between tax administration and these democratic tax principles, including how digitalisation impacts this relationship. We welcome papers from all relevant disciplines (such as accounting, economics, history, law, political economy and philosophy) considering this relationship. This is a very broad research area, but we suggest that papers should consider the following topics:

1. The meaning of tax principles to taxpayers

Tax principles insist that taxpayers for instance are granted legal certainty and treated equally, but is this in fact what occurs? Separately, is this how taxpayers perceive their treatment?

Within this topic, the following questions might be addressed:

- Are taxpayers in fact, or do they perceive to be, treated equally or granted legal certainty?
- Do they perceive the laws as being legitimate?
- Are there mismatches between the objective of the principle and how it applies (or is felt) in practice?

2. How tax principles can be embodied in discretionary tax authority practices

Tax authorities have considerable discretion as to how they perform their functions, most notably with respect to their auditing and sanctioning powers that are exercised for the purpose of collecting



taxes due. Within these discretionary practices, tax principles ought to be embedded. With respect to auditing decisions, risk frameworks should be geared around the principle of equality. From this several questions follow, which could be explored within this topic:

- What if the risk framework is biased and produces arbitrary or even racist outcomes?
- Is there consistency in the application of the risk framework?
- Is the framework transparent?
- Do tax authorities apply the same guidance to everybody?

With respect to sanctioning decisions (whether civil or criminal sanctions), there may be variation in the application of sanctions by tax authorities and across tax authorities. From this, several questions follow:

- How do tax authorities decide on the quantum of penalty due by a taxpayer?
- Is there variation across tax authorities, for instance in the cases of VAT fraud and VAT penalties?
- Do tax authorities apply the same sanctions across all taxpayers?
- If there is inconsistency of treatment across taxpayers, what are the causes and what are the resulting consequences?

3. How tax principles can operate in taxpayers interests'

Laudable as the various tax principles are, they will be of little help to taxpayers if practical obstacles prevent the taxpayers from successfully invoking them. To that end, this topic seeks answers to questions such as the following:

- Does a gap exist between the treatment of taxpayers and the protection provided by tax principles?
- If so, could any changes ameliorate the situation?

4. Reconciling tax principles

The various tax principles do not always sit easily with each other and make the same demands. Can the tax principles be reconciled with each other in controversial cases and if not, does that tell us something more fundamental about the relationship between democracy and tax administration?

5. The role of the courts

Whilst different jurisdictions have differently constituted systems for resolving tax disputes, all will be faced with the problem of ensuring consistency of treatment. To that end, questions must be asked such as:

- Do different tribunals (at the same level) apply the rules in the same way?
- Is consistency of treatment a desirable goal?