**Data-driven progress**

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Tuesday, Apr 30, 2024

To drive economic and tax growth in Pakistan, emphasis should be placed on utilizing data-driven techniques to a significant extent. The country has invested in data collection and analysis to find ways that can help in sustainable development.

The main objective of this data-driven approach is to promote tax compliance and revenue mobilization. Through high-level data analytics tools, authorities can countercheck taxpayer information to see any case of tax evasion. This strategy is meant to ensure transparency and accountability. The tax ecosystem will be transparent, and all stakeholders will be well-informed.

Data-driven techniques are also geared towards equal resource allocation in infrastructure, social amenities, health, industry, finance, agriculture, export, and all other sectors of the economy. Through the collected data and predictive analytics, policymakers will be able to scrutinize and make informed decisions on which investment options should be prioritized.

Additionally, there will not be any conflict on which infrastructural developments or social economic programmes should be done first. The data provided will do the magic.

However, for the economic growth and increased tax revenue vision to be realized, Pakistan must undertake reforms to utilize this data effectively. Centralized data systems in tax administration can help ensure compliance and transparency to prevent anyone from evading tax except for the marginalized groups allowed by the governance.

By integrating taxpayer information into a unified system, the tax authority can easily know their various modes of income such as rent – if they own apartments – businesses, employment, passive modes of income, and much more. The authority will detect any kind of discrepancies. Also, the centralized controls of property ownership and travel patterns of individuals will promote accountability and facilitate tax enforcement. It will be easier to know the properties owned by a certain individual, the income they get from it, and what is their worth. It will be easier to know their sources of income also.

Furthermore, a centralized system for utility bills can help provide valuable insights into resource usage. This is in terms of water transmission, electricity transmission, and other services to be provided to citizens.

Various countries have succeeded in data-driven economic and tax growth strategies. For instance, in the US, the Internal Revenue Service (IRS) uses data analytics to identify tax evasion and fraud. Using algorithms specialized for the work, they can analyze taxpayer data, detect anomalies, and target audits effectively. The IRS has already collected over $482 million in an ongoing effort to get taxes owned by 1600 millionaires and other sectors.

The UK, through the HMRC (Her Majesty’s Revenue and Customs in the UK), employs data analytics to improve compliance and tax evasion reduction. This is through the use of data matching techniques from different documents such as income statements, bank transactions, and property records. Therefore, it becomes easier to identify tax evasions. For instance, in 2019-2020, the HMRC prevented GBP10.6 billion from being lost through fraudulent repayment claims.

The Australian Taxation Office also leverages data analytics to combat tax evasion and improve compliance. This is through the use of advanced data matching techniques to check unreported income, suspicious transactions, and high-risk taxpayers for audits. For instance, the tax gap for FY2020 was $9 billion of which $2.1 billion was attributed to unreported income.

The Canada Revenue Agency utilizes data analytics to enhance tax compliance and enforcement efforts. In Canada, officials use data mining and predictive modelling to know the patterns for tax evasion, detect fraudulent activities, and do audits.

There is also the Inland Revenue Authority of Singapore that utilizes data analytics to streamline tax administration processes to improve compliance. They use data analytics for tax assessment automation risk identification and provide targeted compliance information for the taxpayer. Case in point: between July 2020 and June 2023, $70 million was recovered in taxes and penalties from companies.

The Indian Revenue Service, which is responsible for collecting and administering direct and indirect taxes, also helps ensure proper revenue collection in the country. It provides data on the revenue collected and the deficit based on different months.

Data collection will play a huge role in ensuring economic growth and development for Pakistan. All the discussed reforms will help in boosting the country to make it more economical and collect more taxes from its citizens.

The number of evaders will also reduce, and there will be enough infrastructural development and social amenities available to citizens. The correct use of data will ensure more transparency, innovation, and accountability. Therefore, Pakistan should also leverage the benefits of data analytics.

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