



Introduction of the BRITACEG Curriculum System

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The Belt and Road Initiative Tax Administration Capacity Enhancement Group (hereinafter referred to as “BRITACEG”) is an indispensable platform under the auspices of the Belt and Road Initiative Tax Administration Cooperation Mechanism (hereinafter referred to as “BRITACOM”). With an aim to enhance capacity of member tax administrations and to build a growth-friendly tax environment, the BRITACEG works with the Belt and Road Initiative Tax Academy•Yangzhou (hereinafter abbreviated as “BRITA Yangzhou”) to develop a curriculum system which is based upon the principle of science, professionalism and practicality, with valuable inputs from experts of BRITACOM members (hereinafter referred to as “BRI jurisdictions”) and participating parties.



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General Overview

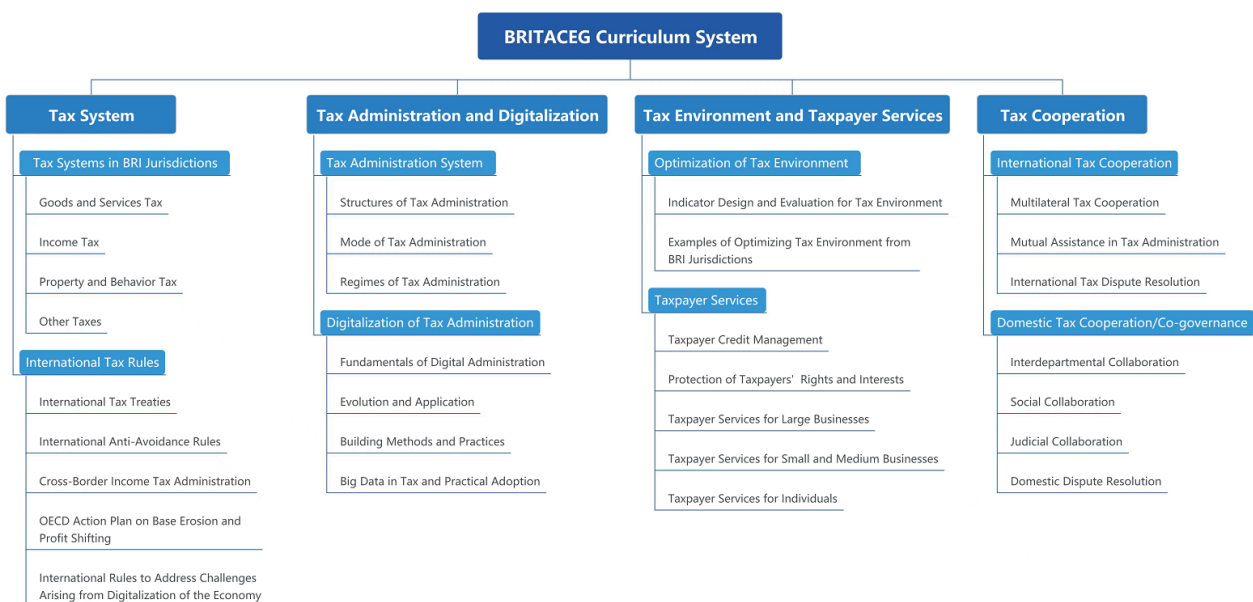
1. Objectives and Philosophy of Curriculum Design

The BRITACEG adheres to the Silk Road Spirit of peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit. Focusing on improving the tax administration capacity and building a pro-growth tax environment, it tries to strike a balance between the academic and operational requirements. Considerations are also given to the general principle of education and best practices from international organisations. The curriculum system has four themes, namely Tax system, Tax Administration and Digitalization, Tax Environment and Taxpayer Services, Tax Cooperation.

The BRITACEG will closely monitor the latest policy and administration developments in the BRI jurisdictions as well as in the world, and will make its curriculum keep abreast of these new changes.

2. Framework of the Curriculum System

The structure of the BRITACEG’s curriculum system is shown in the following figure:



2.1 Systematic

Compact and well-balanced structure. The curriculum focuses on the core functions of tax authorities and tax officials. The four themes cover the main work of tax authorities, and each theme is composed of different topics. The topics and courses are subject to dynamic adjustments which are based on latest developments and feedback from participants.

Phased difficulty. Taking into account of the inherent logic of the courses and the participants' needs, the curriculum evolves with phased difficulty from elementary, intermediate to advanced level.

2.2 Open

International perspective. The curriculum system is established on the practical needs of the BRI jurisdictions. With the support of the BRITACOM, the curriculum system takes into consideration not only international tax frontiers but also features of taxation in developing countries, mirroring the characteristics of the BRI jurisdictions, so as to form a standard, flexible and open curriculum model.

Diversified training targets. The courses target at tax officials of different levels from the BRI jurisdictions. The elementary courses target at tax officials with limited working experience or expertise in taxation. The intermediate courses focus on tax officials who have moderate practical experience and a medium level of theoretical attainments. The advanced courses are geared toward tax officials of higher ranks with advanced theoretical background in their tax administrations.

2.3 Professional

A professional team of trainers. The selection of BRITACEG trainers adheres to the principle of inclusiveness, openness and professionalism. Internationally renowned experts are invited. In the near future, each BRITA will explore the possibility to build its own team of trainers.

Pragmatic teaching methods. Considering the dynamics of the COVID-19 pandemic and actual conditions of the BRI jurisdictions, both online and onsite methods are offered for training. The elementary and intermediate courses are mainly conducted online, whereas the advanced courses will be mainly conducted onsite to ensure the overall quality and effectiveness.

3. Training Targets

The elementary, intermediate and advanced courses are targeted at different groups:

The elementary courses are for tax officials working for less than 5 years, who have limited work experience, or are switching to a new field (for example, those who have engaged in tax administration are going to work in tax dispute resolution). The objective of elementary courses is to help participants to forge a solid

professional foundation, to have a better understanding of the knowledge framework of taxation, basic rules of international taxation, and practices of relevant jurisdictions.

The intermediate courses are for tax officials who have certain experience. The objective is to help them improve their professional skills, master theories and methodologies in relevant professional fields, gain an in-depth understanding of the best practices in relevant jurisdictions, and enhance their practical abilities through case studies.

The advanced courses are for tax officials with rich work experience and theoretical knowledge. The objective is to help them strengthen the comprehensive application skills, master the frontiers of relevant fields, grasp innovative practices of relevant jurisdictions, and improve the overall administrative and professional capabilities.

Tax System

There are two topics in this chapter, the tax systems in the BRI jurisdictions and the current international tax rules. This theme seeks to help tax officials understand the fundamentals of various tax types and international taxation, as well as jurisdiction-specific practices and the latest international developments, which in turn will help them to build capacity in tax legislation and enforcement.

1. Tax Systems in the BRI Jurisdictions

This topic is split by tax types into 4 subtopics including goods and services tax, income tax, property and behavior tax, and other taxes. For each subtopic, tax officials from the BRI jurisdictions are invited to introduce their domestic tax regimes, with the contents covering but not limited to: basic concepts and rationales of those taxes; major elements of the tax system such as taxpayers, targets of taxation, tax base, tax rates, tax payable and tax incentives; major tax reforms and best practices, as well as trends and topical issues regarding tax systems. The comprehensive introduction will expose tax officials to relevant expertise and build their capacity in tax legislation and enforcement.

2. International Taxation Rules

The international tax rules have developed in a quickened pace in recent years along the advances of economic globalization and digitalization. The launch of the BEPS Action Plan in 2013 set the direction of reforms in international taxation rules: preventing cross-border tax avoidance and evasion, and eliminating double non-taxation. In recent years, how to address the challenges arising from the digitalization of the economy has been the focus of international taxation, calling for drastic reforms. This topic includes five subtopics, including international tax treaties, international anti-avoidance rules, cross-border tax administration, the BEPS Action Plan and international rules to address challenges arising from the digitalization of the economy, aiming to help tax officials to master the latest international taxation rules, and to improve cross-border tax administration and service.

2.1 International Tax Treaties

With brief introduction to the history, legal status and validity of tax treaties, and the status quo of tax treaties among the BRI jurisdictions, this subtopic focuses on the two most influential model tax conventions: OECD

Model Tax Convention on Income and on Capital (hereinafter referred to as the “OECD Model”) and United Nations Model Double Taxation Convention between Developed and Developing Countries (hereinafter referred to as the “UN Model”). By summarizing the contents and differences between the two models and underscoring the main revisions of the 2017 OECD Model by the BEPS Action Plan, this subtopic helps participants master the rationales, mechanism and operation of tax treaties so as to improve the ability of the tax authorities to interpret and implement tax treaties.

2.2 International Anti-Avoidance Rules

This subtopic covers rules concerning transfer pricing, advance pricing arrangements, cost-sharing agreements, controlled foreign companies, thin capitalization and general anti-avoidance rules, aiming to help participants to grasp international anti-avoidance rules and to combat international tax avoidance and evasion through tax co-operation.

2.3 Cross-Border Income Tax Administration

Designed to help participants from the BRI jurisdictions master relevant knowledge and build their capacity in cross-border income tax administration, this subtopic introduces different types of cross-border transactions, categorization of international tax jurisdictions, concepts and criteria of tax residency, determination of income source, elimination of international double taxation as well as cross-border income tax administration.

2.4 OECD Action Plan on Base Erosion and Profit Shifting

In 2013, the OECD published the BEPS Action Plan under the G20/OECD BEPS project, which includes 15 actions such as the digital economy, hybrid mismatches, the rules of controlled foreign companies, and so on, aiming to prevent multinationals from using aggressive planning to shift profits to tax havens, subsequently eroding the tax base of other jurisdictions.

With a systematic introduction to the contents, recommendations and outcomes of the BEPS Action Plan, this subtopic seeks to help participants understand the minimum standards, best practices and common approaches set out in the BEPS Action Plan so as to better cope with BEPS-related issues.

2.5 International Rules to Address Challenges Arising from Digitalization of the Economy

In 2021, 137 member jurisdictions of the OECD/G20 Inclusive Framework reached consensus on a multilateral solution to taxation on digital economy: the Two-Pillar Solution to address the tax challenges arising from the digitalization of the economy. In the same year, a new article on income from automated digital services was added into the UN Model, as a bilateral solution to taxation on digital economy. This

subtopic will elaborate the above developments to help participants keep up with the latest international taxation reforms, enabling them to better cope with challenges arising from the digitalization of the economy.

Tax Administration and Digitalization

The subject of **Tax Administration and Digitalization** will be discussed in this chapter, aiming to help the BRI jurisdictions promote digitalization of tax administration and improve taxpayer service. There are two topics, namely the tax administration system and the digitalization of tax administration.

1. Tax Administration System

The tax administration system is an integral system forged by the interconnection and interaction of all elements of tax administration activities. Its robustness is an important indicator of the tax administration capacity of a jurisdiction. The structure, mode and regime of tax administration are the main elements of a jurisdiction's tax administration system. This topic will discuss these three elements and share administration experiences of the BRI jurisdictions.

1.1 Structures of Tax Administration

The subtopic introduces tax administration from a macro perspective, with topics including revenue distribution, allocation of tax legislation authority, organizational structure and functions of tax authorities.

1.2 Mode of Tax Administration

The subtopic introduces mode and histories of tax administration in selected jurisdictions through theoretical presentation and experience sharing, aiming to help participants understand pros and cons of different modes.

1.3 Regimes of Tax Administration

The subtopic introduces fundamentals and general procedures of a tax administration regime, including taxpayer identification, document management, information submission, tax declaration, tax liability confirmation, tax debt collection, tax audit and legal assistance. Participants are expected to learn more about practical specifics in tax administration, preparing themselves for day-to-day administration.

2. Digitalization of Tax Administration

Promoting the digital upgrade and intelligent transformation of tax administration is an answer to the

challenges arising from digital economy. It has huge potential to reduce compliance costs, improve taxpayer service, and foster the development of market players. This topic will cover four parts, namely, the fundamentals of digital administration, its evolution and application, its building methods and practices, big data in tax and practical adoption. Cases of digital administration will be discussed thoroughly to give participants practical guidance to this topic.

2.1 Fundamentals of Digital Administration

This subtopic presents participants an overview, origin, relevant theories, objectives, principles, implementation steps and international common practices of digital administration, laying the ground for further study in the area.

2.2 Evolution and Application

With a brief introduction to the digitalization journey in selected jurisdictions, this subtopic introduces the development status across the globe, sorts out the common practices and niche innovations, aiming to help participants understand the digitalization and digital transformation process comprehensively, gain a primary understanding of the basic operation and application of the process.

2.3 Building Methods and Practices

This subtopic explores the specific application and practices of digitalization in different scenarios. It breaks down the process into identification of demand, validation research, path design and construction. Introduction of emerging technologies will also be discussed.

2.4 Big Data in Tax and Practical Adoption

This subtopic introduces the concept and technology of big data, the current adoption and future potential of big data in taxation, aiming to help participants realize the indispensable role big data plays in future administration and to expose them to fundamentals of big data technology.

Tax Environment and Taxpayer Services

Tax is an important element of a country's doing-business environment, which is duly manifested in the World Bank's Doing Business report series. In September 2021, the World Bank Group (WBG) made adjustment in the indicators of evaluating the doing-business environment. For the sake of easy narrative, the tax element of doing-business environment is called the tax environment hereinafter. With an aim to help the BRI jurisdictions improve tax environment, this chapter will discuss two topics -- optimization of tax environment and taxpayer services.

1. Optimization of Tax Environment

A pro-business tax environment will help attract investment. Bearing this in mind, this topic deals with two subtopics: indicator design and evaluation for tax environment , best practices from member jurisdictions.

1.1 Indicator Design and Evaluation for Tax Environment

This subtopic elaborates on how the indicators of tax environment are designed and how to use these indicators. The World Bank Group adopts four indicators in its paying-tax indicator of business environment: time and frequency of tax payment, total tax revenue and contribution rate, post-filing processes. In a broad sense, these indicators can also be interpreted from the perspectives of tax system design, tax burden, tax administration and co-governance capacity. Through introduction to the above-mentioned elements, this subtopic seeks to enhance participants' understanding of tax environment indicators in the BRI jurisdictions, to encourage participants to make creative efforts in building an evaluation matrix for tax environment in their own jurisdictions that is both adapted to national conditions and international norm.

1.2 Examples of Optimizing Tax Environment from the BRI Jurisdictions

This subtopic discusses case studies of optimizing tax environment from the BRI jurisdictions.

2. Taxpayer Services

2.1 Taxpayer Credit Management

This subtopic discusses the concept, significance and approach of taxpayer credit evaluation, the connotation and construction of a taxpayer credit system, as well as the application of the evaluation results. Different credit systems and the latest developments among the BRI jurisdictions will be discussed.

2.2 Protection of Taxpayers' Rights and Interests

Protection of taxpayers' rights and interests is very important for confidence building between tax authorities and taxpayers. It involves the protection of both substantive rights and procedural rights, in particular the rights of confidentiality, privacy, advice, extension of tax declaration and tax payment, tax amount confirmation and so on. By elaborating major elements of a regime for protecting taxpayers' rights and interests, this subtopic tries to build awareness and know-how among its participants.

2.3 Taxpayer Services for Large Businesses

This subtopic introduces the international and BRI practices of taxpayer services for large businesses, who is the most contributing taxpayer groups in almost every jurisdiction and requires special consideration for administration and service. Service philosophy and service products for large businesses will be discussed. Experiences are shared from four perspectives, including the communication between tax authorities and enterprises, policy counseling, nudge for risks and featured services.

2.4 Taxpayer Services for Small and Medium Businesses

This subtopic introduces international and BRI practices of taxpayer services for small and micro businesses (SMEs), including the classification standards, characteristics, preferential policies and management for SMEs. Some measures unique to SMEs will be discussed in more details.

2.5 Taxpayer Services for Individuals

This subtopic introduces the international and BRI practices of taxpayer services for individuals, including overview of taxpayer service, taxpayer service system, as well as managerial services such as tax registration, tax filing and dispute resolution.

Tax Cooperation

Tax authorities need to cooperate with international and domestic partners to conduct tax administration. This chapter discusses international tax cooperation and domestic tax cooperation/co-governance.

1. International Tax Cooperation

Simply speaking, international tax cooperation refers to cooperation in tax collection and administration carried out by tax authorities in order to fight international tax avoidance and evasion. This topic covers three subtopics, multilateral tax cooperation, mutual assistance in tax administration and international tax dispute resolution.

1.1 Multilateral Tax Cooperation

Multilateral tax cooperation refers to the cooperation among national tax authorities via international organizations (e.g. UN, OECD) or regional tax organizations (e.g. APTH, ATAF) in rules making, position coordination, experience sharing and capacity building. In recent years, the development of the digital economy has brought along great challenges for tax policy and administration, which calls for closer international cooperation. This subtopic presents an overview, operation and role of the major multilateral platforms.

1.2 Mutual Assistance in Tax Administration

Based on the Multilateral Convention on Mutual Administrative Assistance in Tax Matters (“Convention”), this subtopic presents the overview and development of current international mutual assistance in tax administration which entails subjects and taxes covered by the Convention, terms, specific forms of tax administration assistance, rights and obligations of the signatories, the protection of taxpayers’ rights, and the legal procedures to ensure smooth implementation. Special focuses are given to the theory and practices of exchange of information for tax purposes.

1.3 International Tax Dispute Resolution

Why there are international tax disputes and how to address them, these are some of the questions dealt with

in this subtopic. In-depth introduction is given to the topics of prevention and resolution procedures of cross-border tax disputes, aiming to help participants master the basic skills to solve these disputes.

2. Domestic Tax Cooperation/Co-governance

A tax administration needs to cooperate with other players in a society to fulfill its function, these players include other government bodies, banks, law and tax firms etc. This cooperation is also called tax co-governance. This topic contains four parts: interdepartmental collaboration, social collaboration, judicial collaboration and domestic tax dispute resolution.

2.1 Interdepartmental/Social/Judicial Collaboration

These three subtopics introduce connotation and significance of tax co-governance. Case studies will be discussed to help understand how this collaboration works in some jurisdictions, including a case study from China where tax and customs authorities collaborate to decide the import price of goods from offshore related party, reducing tax burden and compliance cost for the taxpayer.

2.2 Domestic Dispute Resolution

This subtopic discusses the legal framework of some BRI jurisdictions for domestic dispute resolution, including both administrative review and litigation. Case studies will be offered to help participants walk through the proceedings of these remedies.

