6TH INTERNATIONAL CONFERENCE ON TAXPAYER RIGHTS

Automated Government For Vulnerable Citizens: Intermediating Rights

Dr. Luisa Scarcella (co-authored with Prof. Sofia Ranchordas)

How technologies have impacted governments?

Digitization of Government

Digital government does not refer merely to the digitization of documents and systems that were once based on paper trails. Rather, it includes the creation of a collaborative community between public authorities, businesses, and citizens.

Automation of Government

"Automated systems" refers to information technologies designed to assess particular cases or to make an administrative decision in lieu of a civil servant. These systems employ algorithms and optimize tasks that would otherwise require extensive financial or human resources.

Digitization of Tax Administration

The digitalization of tax administrations aimed to reduce costs while meeting taxpayers' expectations for more convenient, seamless, personalized and effective interaction with tax authorities and tackling tax evasion and fraud more efficiently.

Unequal Access to Digital Government

Nowadays, there is not one but multiple digital divides which are caused by the lack of access to fast broadband, limited access to computers, digital illiteracy, and a lack of meaningful opportunities to use and engage with technology

Three different examples

TurboTax: pre-filled tax returns and the role of private tax preparation software

MiDAS: Risk Assessment in the US

Child-Benefit fraud detector: the Dutch recent scandal

Key Values of Administrative Justice in the Digital Sphere

The Price of Simplification

Balancing Values: Fairness vs. Distributive Justice

"Low-Hanging Fruit" Or "Selective" Enforcement

Policy Response started especially after the financial crisis 2008-2009

The more organized and complex fraud is, the more costly it becomes to enforce tax law and build a solid case against it. Therefore, administrative actions are based on the costs of enforcement rather than fully optimizing tax administration.

With automated systems, human bias was substituted with systemic bias. The blind trust of governmental officials in the correctness of the technology used entails the risk of forging a selective enforcement system based on biases without anyone questioning the underlying basis.

Public vs. Private Technology and Procedural Rights

Due Process and Fraud Detector Systems

Tax Preparation Software

Public vs. Private Technology and Procedural Rights

- Can fraud detectors and tax preparation software developed by private companies be seen as conducting "inherently governmental tasks"?
- In fraud detector systems, private actors carrying out functions for which public bodies are generally in charge raise important questions regarding *accountability, transparency, and fairness*
- In the case of tax preparation software, issues arise in terms of:

1. dark patterns
2. accountability & reliance on the system
3. digital divide

Automating Law for Non-Average Citizens

Digital government and its respective automated systems are primarily designed for so-called “average citizens”.
They have access to the Internet, have typical literacy and digital skills, and can thus apply for public services and exercise their rights online without requiring any additional assistance.

However, law is not designed only for “average citizens.”

Average vs. Vulnerable Citizens

In between the categories of “average citizens” and “citizens with special needs,” there are millions of citizens who may commit mistakes due to lack of time, literacy, mental capacity or unwillingness to engage with technology.

Who is the Vulnerable Citizen?

Who is the Vulnerable Citizen?

For many citizens, vulnerability is a permanent feature of their lives that can result from an individual's socioeconomic background, ethnicity, education or income.

Existing scholarship shows that ethnic minorities are discriminated by algorithmic decision-making systems that score them negatively, suggest they will be surveilled more closely than other segments of the population.

This can generate a feeling of government anxiety, mistrust, and unwillingness to embrace digital technology.

How to Account for Vulnerable Citizens

Tax preparation software is developed by tax authorities

The distance between material law and tax enforcement should be equal for every citizen

Taxpayer Rights Impact Statement as suggested by Book, Fogg & Olson (2021)

Leniency measures (e.g. French right to make a mistake)

Public programs of digital assistance

Thank you!

Dr. Luisa Scarcella,
DigiTax Center - University of Antwerp

luisa.scarcella@uantwerpen.be