Panel 5: Efficiency, Digitalization, and Taxpayer Rights in the Collection of Tax

Abstract:

The problems with simplification: Digitalisation and presumptive taxation regimes for low-income groups in Bolivia

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In Bolivia, a simplified tax regime for self-employed low-income groups has increasingly been promoted by the country’s tax office in tandem with the digitalisation of tax collection. Based on long-term fieldwork, the case presented discusses some of the effects of the simplified regime and digitalisation. While the tax office and the government noted the efficiency of both regimes, taxpayers found that the simplicity which afforded this efficiency was in fact producing a systemic rigidity that discouraged their fiscal engagement.