Draft Agenda
Towards Trustworthy AI
From the Perspective of Tax Administrations and Taxpayers
(Part of the Validate AI Roadshow Programme)

Workshop in partnership with the WU Global Tax Policy Center, WU Tax Law Technology Center, University of Leiden

Introduction

As AI becomes more embedded in every aspect of our lives, much of the public debate around it focuses on the question of how we can ensure AI systems are trustworthy.

While there are many different approaches being explored in this context, such as new ethics and regulatory frameworks, standards, impact assessment, testing, validation, and certification methods will all play an important role in providing the assurances users need to trust AI systems. We are still a long way from understanding how effective assurance mechanisms can be operationalized in practice, and for this workshop are concerned with how tax administrations deliver trusted AI with a focus on legal considerations.

AI Assurance and Certification Roadshow

As part of an *AI Assurance and Certification Roadshow.* Validate AI is organising events taking place across the UK and Europe over the next 12 months, we are delighted to announce a workshop on the topic "*Towards Trustworthy AI From the Perspective of Tax Administrations and Taxpayers*" in collaboration with the WU Global Tax Policy Center, WU Tax Law Technology Center, University of Leiden, which will take place on Wednesday, 15th May 2024 from 9:30 am to 6:00 pm in the Foyer of the EA Building, WU Campus.

Event Goals

The event aims to bring together government officials, academics and practitioners to develop solutions for the specific problems tax administrations face in using AI systems if they want to embed AI in their approach to taxpayer service and compliance. Sharing experiences from different disciplines and sectors, workshop participants will try to work towards advancing our understanding of what tax administrations need so that they can use AI in their own operations and services in ways that can be seen as trustworthy by taxpayers. A major objective of the event is to capitalise on the vast multi-disciplinary expertise of the carefully selected invitees to help develop guidance on how we effectively assure AI for the Tax sector applications and particularly considering the legal challenges.
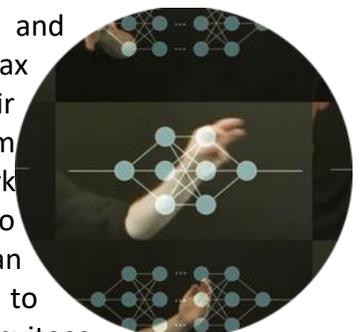
Towards Trustworthy AI From the Perspective of Tax Administrations and Taxpayers

Workshop hosted by WU Global Tax Policy Center and WU Tax Law Technology Center

May 15th 2024, Vienna, Austria

Draft Agenda
09.30-18.00 CET
EA Foyer, WU (Vienna, Austria)

09:30 – 10:00	**Registration**
10:00 – 10:15	**Opening remarks** - Jeffrey Owens, Director WU GTPC - Irma Mosquera Valderrama, Professor Leiden University - Seb Hargreave, Executive Director at the OR Society - Mark Kennedy, Director Validate AI, Director IMPERIAL DSI **Documentation:** The joint WU, University of Leiden and University of Antwerp concept paper
10:15– 10:45	**Session 1: What is AI?** This session is intended to provide a high-level overview of AI and the variation of sophistication in AI programs. *Chair: Jeffrey Owens* *Speakers:* – *Shakeel Khan, CEO Validate AI* – *Peter Fettke, DFKI* **Documentation:** OECD, Recommendation of the Council on Artificial Intelligence, (2023)
10:45-11:30	**Session 2: The emerging global standard for Trusted AI** This session will examine if there an emerging consensus on what constitutes acceptable AI, put another way what can we trust and what should we not trust? The session will look at the standards emerging from international and regional organisations, individual governments and the private sector. *Chair: Jeffrey Owens* *Speakers:* – *Charles Kerrigan, Partner, CMS* – *European Commission** – *OECD ** **Open Discussion**

Documentation:

Validate AI, Our position on tackling AI risks (published on 14 July 2023).

European Commission, Proposal for a Regulation of the European Parliament and of the Council laying down Harmonised Rules on Artificial Intelligence (Artificial Intelligence Act) and amending certain Union Legislative Acts, COM(2021)206 (21 April 2021).

The Bletchley Declaration by Countries Attending the AI Safety Summit, 1-2 November 2023: Policy paper (published on 1 November 2023).

Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence, Executive order 14110 of October 30, 2023, United States (published on 30 October 2023).

OECD, Tax Administration 3.0

HMRC Central Digital and Data Office Generative AI framework for HM Government, (published on 18 January 2024)

United Nations, Interim Report: Governing AI for Humanity, (December 2023)

11:30 -12:30	**Session 3: What are the implications to the tax community?**
	Building upon the discussions in the previous two sessions, the speakers and panelists in this session will examine how the broad policy principles emerging in different fora could be applied in the tax area, based upon the experience of different tax administrations.
	Chair: Jeffrey Owens
	Speaker:
	- *Richard Stern, WU Global Tax Policy Center*
	- *Robert Risse, WU Tax and Technology Center*
	Panel:
	– *Janek Rozov, Deputy Director General for IT, Estonian Tax and Customs Board, Estonia*
	– *Gerardo Reyes-Tagle, Principal Fiscal Economist, IADB*
	– *Representative of a tax administration HMRC (John Lord)*/ the Netherlands / Austria* (*Christian Weinzinger)* / Mexico (Carlos Gerardo Malanche Flores)* / Brazil* / Chile* / Singapore (Suzanne Seah IRAS)**
	Documentation:
	Jeffrey Owens, Anastasiya Piakarskaya, Nathalia Oliveira Costa, and Rhodah Noreen Kwamboka Nyamongo, Generative AI: The Power Behind Large Language Models and Their Use in Tax Administration, in *Tax Notes International*, Vol. 112, Nov. 27, 2023, pp. 1255-1274.
	Abid Habbal, Mohamed Khalif Ali, Mustafa Ali Abuzaraida, Artificial Intelligence Trust, Risk and Security Management (AI TRiSM): Frameworks, applications, challenges and future research directions in *Expert Systems with Applications*, Vol.240, Apr.15, 2024.
	Nico Herwing, Zhongxiao Peng, Pietro Borghesani, Bridging the trust gap: Evaluating feature relevance in neural network-based gear wear mechanism analysis with explainable AI, in *Tribology International,* Vol. 187, Sept. 2023.
	Nessrine Omrani, Giorgia Rivieccio, Ugo Fiore, Francesco Schiavone, Sergio Garcia Agreda, To trust or not to trust? An assessment of trust in AI-based systems: Concerns, ethics and contexts, in *Technological Forecasting and Social Change*, Vol. 181, August 2022.
12:30 – 13:30	Lunch
13:30 – 13:45	**Session 4: Introduction to the breakout session/ Overview of the AI Assurance Pillars and their Application within the Tax Community (Tax Administration, Tax Advisors and Taxpayers)**

13:45 – 14:55 | **Session 5: Breakout Sessions (Parallel)**

These breakout sessions, where participants will be divided into 6 small groups, will examine how the 6 broad principles that have emerged from the Validate AI project could be applied in the tax area and related legal considerations. Each group will have a leader and elect a rapporteur.

Chair: Shakeel Khan

Delegates will breakout into six groups. Each group will discuss one of the six AI assurance pillars undertaking two exercises:

1. To consider and rank key AI assurance checks for their table for a Tax administration (30 min).
2. To brainstorm the key legal obligations aligned to the table (40 min).

This would include the ease of incorporation and the challenges from the perspective of the tax administration, tax advisers and taxpayers.

Table 1:	**Table 3**	**Table 5**
Checklist 1 – Scoping e.g., Customers' Needs, Feasibility, Milestones	Checklist 3 – Algorithmic Development – e.g., Feature inclusion, validation, packages	Checklist 5 – Data Governance - e.g., GDPR, Protected Data, Location
Table 2	**Table 4**	**Table 6**
Checklist 2 – Data Preparation – e.g., Imputed Data, time dependencies, metadata	Checklist 4 –Deployment\ Maintenance – e.g., scoring, integration, evaluation	Checklist 6 – Ethical Considerations – e.g., fairness, harm, accountability, transparency

Documentation:

Validate AI, Our position on tackling AI risks (published on 21 December 2023).

14:55 – 15:25 | **Coffee break**

15:25 – 16:15 | **Session 6: Presentation of findings and recommendations from the breakout sessions on the AI assurance pillars**

This session will provide an opportunity for a reporting back from each breakout group and will come forward with suggestions on how the different check lists could be applied in the tax area both from a policy and administrative perspective.

Chair: Shakeel Khan*

- One rapporteurs from each of the groups

Session 7: Redefining taxpayers rights in a digital environment

16:15 – 17:45 | This session is intended to put together the different ideas that have emerged in earlier sessions by looking at the way that AI may influence taxpayer rights. Will AI change the balance of power between the tax administrations and taxpayers? Will we need to review how we define these rights in a digital age? How will tax administrations reconcile the need to balance confidentiality and privacy concerns with the power of these technologies to collect and analyse unprecedented amounts of data on individuals and entities?

Chair: Irma Mosquera Valderrama

Speakers:

17:45 –18:00 | **Session 8: Next Steps**

Here participants will be invited to suggest how the outcomes from the workshop can feed into the broader political debate on trustworthy AI and, in particular, how can the tax community develop a consensus on how AI should be used in the tax area. We will invite attendees to co-author a white paper to capture key ideas, as we are doing with other workshops in the Validate AI roadshow series.

Speakers:

– *Jeffrey Owens, Director WU GTPC*

– *Shakeel Khan, CEO Validate AI*

– *Irma Mosquera Valderrama, Professor Leiden University*

Desirable Outputs:

– *White Paper co-authored by delegates (estimated completion by September 2024).*

– *Use Case examples adopted in the Tax Administration workplace post event.*

– *Potential learning modules to disseminate key learning to wider audience.*

Register

The workshop will include a panel discussion and breakout group work to focus on specific examples of AI use in taxpayer right context and will provide ample opportunity for attendees to network over coffee and lunch breaks. Outputs from the workshop will be captured in a report all participants will be invited to contribute to if they wish to.

We would be delighted if you were able to attend this workshop and believe you would make a valuable contribution to form outputs from the workshop to inform best practice. If you would like to attend, please register using this .

We are looking forward to your participation in probing the challenges ahead on the 15th May 2024.

With thanks from the Workshop Delivery Team,

Jeffrey Owens, Robert Risse, Shakeel Khan, Irma Mosquera Valderrama