

СЕКЦІЯ 3 “АКТУАЛІЗАЦІЯ ТЕОРІЇ ТА ПРАКТИКИ ОПОДАТКУВАННЯ: ІНТЕГРАЦІЯ УКРАЇНСЬКОГО І ЗАРУБІЖНОГО ДОСВІДУ”

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ANALYSIS OF TYPES OF EXTERNAL COMMUNICATION BETWEEN TAX ADMINISTRATORS AND TAX PAYERS

The research paper is an analysis of ways of between tax administrator external communication with taxpayers. As technology evolves, more and more of the tax administration procedures are intended to move into the online realm in order to facilitate the availability of tax-related information to taxpayers and reduce the costs for the tax administrators. However, both parties are faced with difficulties and the lack of information, which impedes the external communication and prevents the transition to innovative communication model and the possibilities it offers. So the aim of this article is to find out the ways of tax administrators external communication with taxpayers. The paper identifies the key features of the external way of communication; it also presents advantages and disadvantages of trying to move the tax administration into online realm, as well as the possibilities social networks offer in this area.

Keywords: tax administrator, taxpayer, external communication.

Bielikova, Chelnikova (2015) argue that in order to administer taxes effectively tax institutions and tax payers should communicate. Notably, communication may happen in different ways; however, tax administrator maintains relations with tax payers by using so-called external communication. Some of its ways are more popular than others and, according to Oliveira, Welch (2013), are acceptable and accessible to the majority of tax payers, while others are not so attractive. Gangl, Muehlbacher, De Groot, Goslinga, Hofmann, Kogler, Kirchler (2013) note that currently tax administrators in various countries try to use all possible communication channels that are accessible to the general public.

First of all, social media tools should be mentioned. It should be noted that social media include but are not limited to blogs, wikis (e.g. Wikipedia), social networking sites (e.g. Facebook), micro-blogging services (e.g. Twitter), and multimedia sharing services (e.g. Flickr, YouTube) [2, p. 266]. Other tools that are popular enough should not be forgotten.

Although adoption of social networking sites at tax administrator institutions is currently at its early stage, and only a small part of tax payers has any basic experience in use of such technologies [5, 14-27]. However, according to Azman (2010), such type of communication between tax administrator and tax payers has a lot of advantages. Few disadvantages of this communication type are risks generated by anonymity and also security risks. Although these are potential risks to the effectiveness of use of social networking sites; none of tax administrators that had used social networking sites reported about experienced problems even at the early stages of launching social media technologies. Nevertheless, it should be noted that these types of communication have both advantages and drawbacks (see Fig. 1).

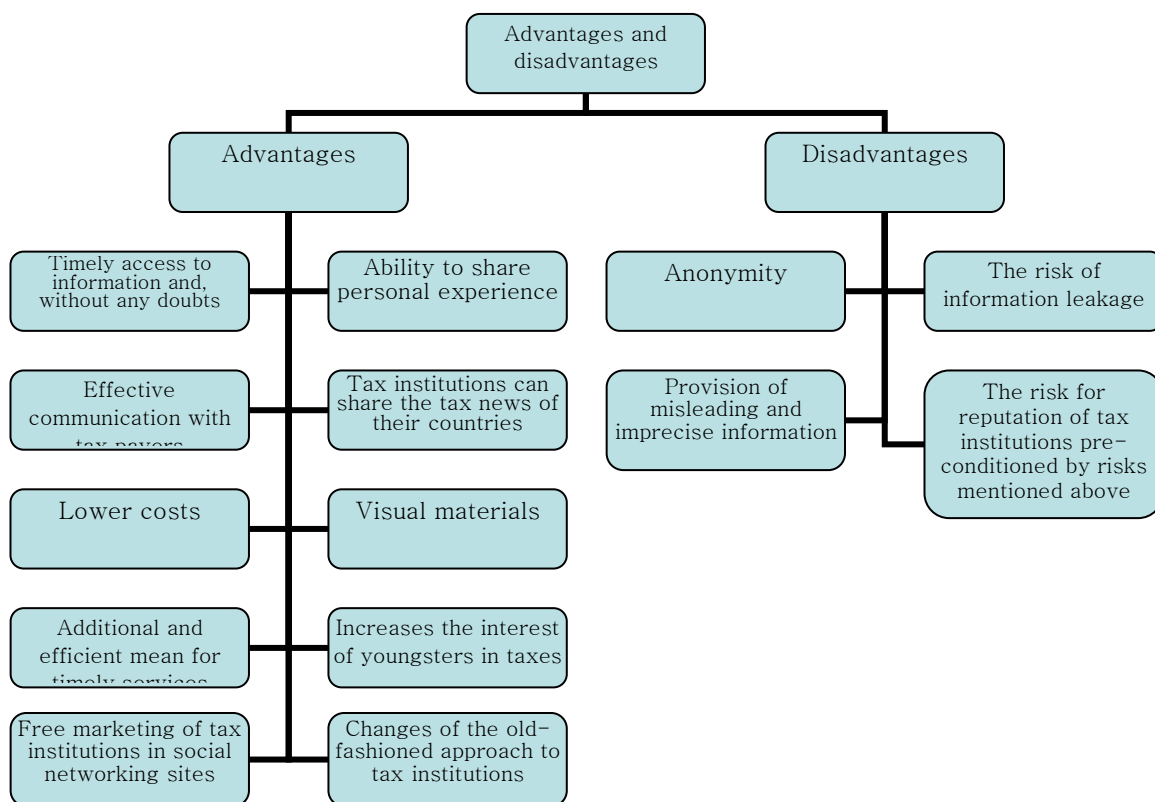


Figure 1. Advantages and disadvantages of different ways of external communication between tax administrators and tax payers

The main reasons for encouraging non-traditional communication between a tax administrator and a tax payer are the need for an interactive model of social network, and the community that uses social networking sites is ready to use more advanced and quicker ways for solving tax and other economical issues. It is important to provide main arguments for encouraging external communication, such as communication in social networking sites, between tax payers and tax administrators. First of all, the number of people who use internet and its services grows each year and the ways of communication discussed above facilitate operative collaboration between a tax administrator and a tax payer. Tax administrator can provide all information on Internet by using social networking sites or websites developed for a specific purpose of communication with tax payers; while tax payer who is willing to save his time can easily fill declarations, pay taxes or get any needed information without leaving his home or paying money. In the second place, it reduces costs and helps tax administrator to efficiently decrease expenditures. And thirdly, according to Vasconcellos, Rua (2005) the most important thing is the ability of a tax payer to get needed information on taxes anytime and almost anywhere (no matter if he/she needs information in midnight or he/she is far away from a tax administration office – information is always available at the tax administrator website or the social networking site profile. Taking into account that WiFi access is available almost anywhere, the tax payers is given an exclusive opportunity to get information by simply using his/her smart phone or computer).

To summarise it should be argued that the tendency of communication between tax administrators and tax payers by means of such channels of external communication as social networking sites will get stronger because its advantages will make tax administration more efficient, clear and easily understood to tax payers. Tax administrators should consider that such and other similar ways of communication are successfully applied in some countries; therefore, it is important not to lag behind and try to implement and develop the use of these technologies. The most important aspect is to choose the right external

communication channel, otherwise, efforts to implement these means will be unsuccessful and damaging.

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G. Giriuniene, L. Giriunas. Analysis of types of external communication between tax administrators and tax payers.

The research paper is an analysis of ways of between tax administrator external communication with taxpayers. As technology evolves, more and more of the tax administration procedures are intended to move into the online realm in order to facilitate the availability of tax-related information to taxpayers and reduce the costs for the tax administrators. However, both parties are faced with difficulties and the lack of information, which impedes the external communication and prevents the transition to innovative communication model and the possibilities it offers. So the aim of this article is to find out the ways of tax administrators external communication with taxpayers. The paper identifies the key features of the external way of communication; it also presents advantages and disadvantages of trying to move the tax administration into online realm, as well as the possibilities social networks offer in this area. The governmental tax authorities have a chance to keep in touch with the residents via social networks or other online services, and this increases the development of information technologies and facilitates both tax administrators' and taxpayers' communication. It seems that this trend will accelerate in the future, because the advantages it offers will make the tax administration more cost-efficient, clearer and easier to understand for taxpayers. Tax administrators should take into account that the means such as social networks of communication are already successfully applied in some countries, therefore it is important to keep up and try to develop and implement these technologies. The most important aspect - the right choice of unconventional communication channel, otherwise attempts to implement these measures will not be successful and only damaging.