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Advance your view:

Leading Tax when signals converge

Where tax leadership drives enterprise value

Tax leadership today has enterprise-level implications. Advancing your view means enabling consistent, defensible decisions at pace, even as complexity persists. The strongest leaders are not those who respond to every development, but those who set direction through decision principles, credible scenarios, and governance that stakeholders trust. They help the enterprise move forward with confidence as conditions continue to change. What distinguishes high-performing organizations is the confidence they have in their decisions.

Senior tax leaders and CFOs operate in an environment saturated with multiple signals. Regulatory change is accelerating, tax authorities are digitizing, and AI is raising expectations for speed and insight. Tax is more than a downstream reporting function; it is a strategic control point. Across the enterprise, stakeholders increasingly look to the tax function not only for compliance, but for judgment: protecting value, informing investment choices, and helping the organization act with confidence amid continual change.

Rather than simply more change, the challenge is change arriving from multiple directions at once, often with interdependencies that only become visible when they collide. Global tax reform can reshape data models and legal entity structures; e-invoicing mandates can expose weaknesses in source data, ERP architecture, and process ownership; AI can promise productivity, but also raise questions about governance, controls, and workforce design. The environment is increasingly nonlinear, with issues overlapping rather than arriving sequentially. Clarity here does not mean certainty; it means the ability to make defensible decisions even when uncertainty is unavoidable.

Expertise remains essential, but it is no longer sufficient on its own. Leaders need clear decision principles: what requires immediate action, what should be monitored, and how the tax function helps the enterprise make better decisions. Clarity enables leaders to distinguish signal from noise, allocate resources deliberately, and communicate with conviction to boards, auditors, regulators, business unit leaders, and investors.

Effective tax leaders do not wait for perfect certainty. By using a small number of plausible scenarios, tax functions help executives move forward deliberately, with a clear view of risk.

That need for disciplined decision-making becomes most visible where disruption is most concentrated: in geopolitics and regulation, in technology and data, and in the operating model that must bring these elements together coherently.



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1 Geopolitics, policy, and regulation: From monitoring change to leading through it

Tax is increasingly a board-level risk and value issue. The rules that matter most are shaped not only by technical policy design, but by politics, industrial strategy, fiscal pressure, trade tension, and public expectations around transparency and accountability. For senior leaders, the key questions are what is changing, what those changes mean for their organization, and how confident leadership is in the responses. Rather than predicting outcomes precisely, tax leaders need decision-ready views of exposure, options, and confidence.

Pillar Two illustrates this shift clearly. For many organizations, the implications are operational, financial, and reputational. The policy shift to tackle tax competition has resulted in a complex reporting requirement, often outweighing the potential rise in taxes due. Tax leaders will need to deal with the datasets and reporting burden; CFOs will focus on earnings and cash impacts; audit committees will focus on controls and confidence in the underlying inputs; and investors will look for predictability and consistency in disclosures and messaging.

Organizations can respond by establishing a single enterprise-level view of tax exposure and readiness, owned by the tax function but designed for executive oversight. This brings scenarios, data and calculation readiness, control confidence, and key areas of judgment into one decision-ready view that is refreshed regularly for boards and senior leaders.

At a practical level, confidence depends on fundamentals that are often assumed rather than assured: transparent traceability from source data to reported outcomes, clarity over legal entity and

ownership structures, consistent application of key choices, and governance that withstands audit scrutiny. When leaders can explain where numbers originate, where judgment is applied, and what areas remain uncertain, they create confidence even before every detail is finalized.

The same pattern applies across broader international tax reform, trade and tariff volatility, and expanding transparency requirements. While local responses remain important, a global tax leader must reconcile them into a coherent enterprise response aligned to business strategy. Sustainability-related developments add another dimension, drawing tax leaders into questions around incentives, transparency, substance, and the tax implications of investment decisions linked to environmental objectives. Waiting for perfect certainty is rarely viable. The leadership task is to establish decision principles early, knowing the underlying rules and expectations may continue to evolve.

With explicit decision principles, organizations reduce fragmentation: local teams can optimize filing requirements aligned with global goals, finance modeling can show cross-business impacts, and executives can receive consistent messages. This is more efficient, but more importantly, it reduces risk. A governed enterprise narrative, tailored appropriately for different stakeholders, keeps board oversight, audit expectations, regulator engagement, and internal decision-making aligned.



2 Technology disruption: Outcome-led transformation

Organizations making real progress on tax transformation start by defining the outcomes the function must deliver, rather than the tools they plan to deploy. These outcomes typically include reliable compliance, confidence in data lineage and controls, early risk detection, and defensible audit positions. This outcome-led approach helps leaders build a coherent capability base that strengthens control, consistency, and credibility over time.

Technology disruption, particularly AI, is forcing tax functions to transform while still meeting ongoing compliance and reporting obligations. Tax authorities continue to digitalize through real-time reporting, e-invoicing mandates, and structured data submissions. At the same time, organizations expect stronger controls and better insight from tax data. As a result, tax is steadily moving from periodic, retrospective reporting toward more continuous compliance and monitoring. The pressure to modernize is real, and leading organizations are responding by building coherent, connected capabilities rather than isolated solutions.

E-invoicing highlights the difference between a narrow compliance response and capability building. Rather than treating e-invoicing and real-time reporting mandates as narrow compliance exercises, some organizations are using them as a forcing function for broader data reform. By standardizing data definitions, clarifying ownership, and embedding controls earlier in transaction flows, they reduce downstream rework and manual intervention. This creates a stronger data foundation for current mandates and future reporting, transparency, and analytics requirements.

AI presents a similar choice. Many tax functions are exploring pilots that deliver incremental benefits. The larger opportunity lies in redesigning end-to-end processes, such as anomaly detection in indirect tax data, provision support, dispute readiness, and insight from large document sets. These benefits only materialize at scale when data is reliable, workflows are consistent, and controls are defined. With those foundations in place, organizations can use AI to improve consistency, strengthen controls, and deliver more reliable outcomes across the tax function.

Data management is partly a tax technology matter, but it is also a finance transformation issue with direct implications for control, cost management, and decision quality. If data ownership, standards, and reconciliation responsibilities are unclear, no AI or reporting tool will solve the underlying problem. A deliberate approach means embedding AI into the operating model in ways that improve reliability, auditability, and insight, not simply adopting it quickly.

Introducing AI into tax processes gives organizations an opportunity to strengthen governance for audit and regulatory scrutiny. Leaders will need to distinguish clearly between assistive use cases, which inform judgment, and determinative uses, which directly influence calculations or reporting. Expectations around evidence, review, documentation, and escalation are set in advance. By designing auditability and accountability into AI-enabled processes from the outset, tax leaders accelerate adoption while maintaining confidence with auditors and regulators.

3 Operational disruption: An opportunity for transformation

Operational disruption—talent, capabilities, supply chain change, cross-border complexity, and business models—is often underestimated because it feels familiar. But the scale and simultaneity of demands today are different. Together, they raise a more fundamental question about whether the tax operating model is still fit for purpose.

For example, a supply chain redesign driven by geopolitical pressure or tariff considerations may appear primarily commercial, but it can quickly become a cross-functional tax challenge. Leading organizations are responding by bringing Tax, Finance, and Operations together early, translating these changes into a coordinated view of customs, transfer pricing,

indirect tax, and legal entity impacts. This allows Tax to provide integrated, decision-ready guidance at the pace the business requires, rather than reacting after changes are already in motion.

Talent strategies are also becoming more selective. In addition to deep technical expertise, organizations are investing in roles that translate between tax policy, systems, and business decisions. At the same time, external or managed services are being used more deliberately to absorb volume-driven work, freeing internal teams to focus on higher judgment activities such as risk assessment, stakeholder engagement, and strategic advice. This capability-led approach helps address capacity constraints without compromising decision quality.

Weaknesses in the tax operating model often surface elsewhere, such as through late close issues, compliance failures, audit friction, disputes, trapped cash, or reduced confidence in forecasts. High-performing tax functions make an explicit distinction between stabilizing delivery and redesigning the operating model. In the near term, this means safeguarding core obligations such as filings, close support, and major reform compliance. In parallel, leaders reassess how work is structured: what can be centralized, automated, or industrialized, and what requires sustained judgment and proximity to the business. Making these choices deliberately protects credibility today while building transformational resilience for the future.

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