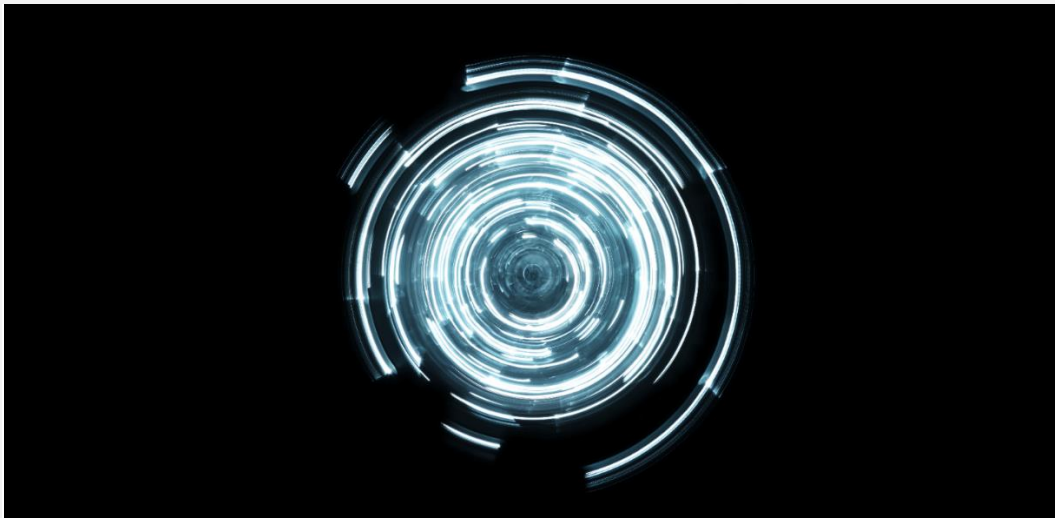


Malaysia | Tax | 1 April 2022



## Tax Espresso – Special Alert

### A transparent world - Driving tax technology transformation

Greetings from Deloitte Malaysia Tax Services.

We are pleased to share [Technology in Focus](#), the third report in our [Tax Transformation Trends series](#). The report taps into the insights of 300+ tax and finance leaders globally and examines how technology has ushered in an entirely new age of transparency for the tax function.

The study shows that business leaders are expecting these dynamics to intensify with the OECD's Pillar 1 and Pillar 2 agreements, and revenue authorities' accelerated shift towards digital tax administrations. In this survey, **70% of the surveyed tax and finance leaders predict revenue authorities will**

**have more direct access to their systems within three years.** Businesses will increasingly feel like they are operating in glass houses.

The study explores how tax leaders use technology to prepare for greater scrutiny and how they can best provide transparency by:

1. Focusing on **data quality, automating processes, and rethinking operating models.**
2. **Leveraging** the momentum of **NextGen ERP and finance transformation projects** to provide the means necessary to address data quality issues and ultimately allow for transparency.
3. **Using the OECD's Pillar 1 and Pillar 2** and the move towards digital tax administration **to create the business case for investment in the tax department.**

In addition to the survey, the report drew insights from a series of interviews conducted with tax leaders at companies including Anglo American, Arxada, ASML, DSM, Enpro, ING, Macquarie, and Suncor.

Further key findings from respondents with opportunities for Tax:

- **86% are implementing a next-generation cloud-based ERP system** such as S/4 Hana or Oracle Cloud.
- **Tax leaders rank strengthening operational transfer pricing (48%),** improving tax data management and governance (46%), and preparing for future digital tax administration requirements for direct tax (45%) as three of the biggest drivers of tax technology investment over the medium term.
- **80% say their function is evolving toward blended operating models** which combine outsourcing, in-sourcing, and co-sourcing tax operations, with the precise contours determined by the specific process and geographic location.

Dive deeper into these findings in the [full report](#).

For any queries, please reach out to your usual Deloitte contact or our team focused on Tax Automation and Tax Technology:

Name	Designation	Email
Senthuran Elalingam	Tax Management Consulting Leader	<a href="mailto:selalingam@deloitte.com">selalingam@deloitte.com</a>
Cheong Mun Loong	Tax Management Consulting Director	<a href="mailto:mucheong@deloitte.com">mucheong@deloitte.com</a>



### Dbriefs

A series of live, on-demand and interactive webcasts focusing on topical tax issues for business executives.



### Power of With

Focus on the power humans have with machines.



### Tax@hand

Latest global and regional tax news, information, and resources.

Get in touch



Deloitte Tax Services Sdn Bhd  
Level 16, Menara LGB  
1, Jalan Wan Kadir  
Taman Tun Dr Ismail  
60000 Kuala Lumpur  
Malaysia

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

#### About Deloitte Malaysia

In Malaysia, services are provided by Deloitte Tax Services Sdn Bhd and its affiliates.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organisation”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable

or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2022 Deloitte Tax Services Sdn Bhd

To no longer receive emails about this topic please send a return email to the sender with the word "Unsubscribe" in the subject line.