

Preface

The LL.M. program in Digitalization & Tax Law at WU (Vienna University of Economics and Business) was launched in 2020. Students not only attend a large number of courses (e.g. in the fields of Business Process management, Data science and Data Governance and Process Mining and Process Automation) for which they prepare papers and case studies, and take numerous exams, but also write their Master's thesis. This thesis is a prerequisite for obtaining the academic degree of Master of Laws (LL.M.). Students can choose the topic on which they want to write their Master's thesis. Most of them have taken the opportunity to work on a problem from their everyday work. As a result, a wide variety of topics in international tax law or technology are covered with corresponding use cases. The selection clearly shows the breadth of the program's approach to the digitalization of tax law.

The volume starts with a contribution about "Digital maturity models for tax functions". At the beginning of the transformation journey, an organization needs to ask itself where it stands and where it wants to go. Both the "current state" and the desired "target state" must be defined to answer the question of whether the organization is "ready" for digital transformation. The thesis examines whether digital maturity models for assessing the maturity of a tax function are described in the literature and, if so, to what extent they are applicable to assessing the maturity of a tax function. It also asks whether the components of digital tax maturity models are relevant and should be considered in the context of the digital transformation journey of tax functions.

Part I of this volume is titled "Tax compliance supported by ERP systems such as SAP S/4HANA" and contains two contributions. The first contribution examines how best to support the transformation of an ERP system methodically. The focus is on business process management and the role of business process (re)documentation in the form of the Business Process Model and Notation (BPMN). The insights gained are applied to a specific use case of an SAP S/4HANA ERP system transformation. The second contribution deals with the question whether the use of SAP's "Custom Fields and Logic" application will lead to an improvement in tax compliance without the need for an increased level of maintenance to implement and maintain this extension. It evaluates whether SAP S/4HANA transformation projects are an appropriate event to implement such an enhancement. The evaluation will be based on several practical examples with regard to different tax requirements.

Part II is titled "Digitalization in different areas of tax law" and contains contributions that deal with the Value Added Taxes and Transfer Pricing. The first contribution identifies the shortcomings in e-commerce faced by businesses and tax administrations as a result of the current VAT rules, which result in a loss of VAT revenue and distortions of competition between EU and third country traders. In

particular, the contribution looks at the rules before and after the implementation of the second phase of the VAT Digital Package, which aims to modernize and simplify cross-border e-commerce between businesses and consumers. The second contribution identifies the main causes of cross-border VAT disputes in Africa, the scope of existing VAT dispute resolution mechanisms and the role of digitalization in dispute resolution. Part II concludes with an analysis of whether the correct interest rates for intra-company loans can be determined by the application of artificial intelligence.

The final part of the volume, Part III, is titled “Digital tax audit/tax disputes”. The author of the first contribution examines how and to what extent process and decision notations based on BPMN and Decision Model and Notation (DMN) as well as Process Mining can be used to create transparency about processes and their execution and how this transparency can be used in the context of tax control frameworks. The second contribution analyses the suitability of the dispute prevention and resolution mechanisms for preventing and resolving upcoming disputes arising from the new rules on the taxation of the digital economy and to provide alternative solutions on dispute prevention and resolution to meet the needs of MNEs and tax administrations, thereby contributing to a better, faster and more transparent resolution of cross-border tax disputes.

Many lecturers not only gave courses in the LL.M. program but also served as supervisors for the LL.M. theses. It was with great commitment that they supported the students who were preparing their theses. Their numerous suggestions helped to improve their quality and, thus the quality of the present volume. We would like to not only thank all for their outstanding commitment and dedication. In addition, we would like to express our sincere gratitude to the Linde publishing house for the opportunity to publish this volume. Having Linde as a partner means great support and the professional cooperation needed to make a project such as the one at hand a success.

Finally, we are extremely grateful to the students who have participated in this LL.M. program. It has given them the opportunity to network and collaborate with academics and professionals from around the world and to gain an incredible amount of knowledge at the intersection of tax law and technology. In addition, the students have been able to hone their problem-solving skills through a well-thought-out process. The Master’s theses that have been produced bear witness to their hard work and commitment. We trust that their results will have an impact on academic debate and be of use to tax practitioners.

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