



# **Philippine Experience in Digital Tax Administration and the Role of Artificial Intelligence**

**14th IMF Japan High Level Tax Conference  
For Asian Countries in Tokyo  
24-25 September 2025**

# PH Digital Tax Administration Journey

1

## Global Shift

Digitalization is a global trend, moving tax administrations from paper-based systems to digital platforms.

2

## Digitalization Roadmap

The Bureau of Internal Revenue is undergoing a multi-year digital transformation roadmap (2022-2028)

3

## Early Digitalization Initiatives

The BIR has long utilized systems like the Electronic Filing and Payment System (eFPS) to allow for online tax filing and payments.

4

## Development of Systems through Partnerships

5

## Key Initiatives:

- a. Internal Revenue Integrated System (IRIS)
- b. Online Registration and Update System (ORUS)
- c. VAT on Digital Services Portal (VDS Portal)
- d. e-Services Expansion
- e. Data Analytics Office



BAGONG PILIPINAS



# Digitalization: Achievements

1

## Increased Efficiency & Convenience

Period	Number of ePayers	Total Number of Payers	% Share of Number of ePayers to Total Number of Payers
2016 (July - December)	91,847	1,381,844	7%
2017	346,852	2,894,265	12%
2018	224,972	3,053,122	7%
2019	231,293	2,940,704	8%
2020	447,188	2,637,875	17%
2021	726,700	3,168,960	23%
2022	931,736	3,281,899	28%
2023	1,190,037	4,239,760	28%
2024	853,195	3,093,227	28%
2025 (January - July)	973,977	2,693,832	36%

2

## Increased Collection

Period	Collection in Billions USD		% Share of e-Payment Collection to Total BIR Collection
	e-Payment	Total BIR	
2016	22.898	24.477	83%
2017	22.398	31.147	72%
2018	28.697	34.307	84%
2019	32.022	38.322	84%
2020	29.047	34.123	85%
2021	30.624	36.399	84%
2022	34.123	40.95	83%
2023	37.1	41.125	90%
2024	42.529	50.229	85%
2025 Jan to July	23.104	27.305	85%



# Digitalization: Challenges

1

## **Data Integrity and Governance**

The vast amount of data collected requires a strong data governance framework.

2

## **ICT Infrastructure and Expenditure**

Upgrading the systems and investing in new ICT infrastructure is a significant and costly undertaking.

3

## **Cybersecurity and Information Security**

Digital systems are vulnerable to threats, requiring continuous investment in robust security measures.

4

## **Navigating Competing Priorities**

The Government must balance its modernization efforts with its core mandate of tax collection and enforcement.



# New Opportunities: Role of Artificial Intelligence

1

## Fraud Detection & Risk Assessment

AI analyzed vast datasets to detect anomalies & patterns of non-compliance under the Run Against Fake Transactions Program

Period	Accomplishment	Estimated Tax Liabilities
as of April 2025	The tax fraud detection model is currently being enhanced	\$ 99.7 Million

2

## Improved Taxpayer Services

AI chatbots & virtual assistants provide 24/7 guidance & support.



# Emerging Implications of AI in PH

1

## Automation to Intelligence

Transition from simple automation (e.g., e-filing) to more intelligent, AI-powered systems is the next phase of the Philippines' digital journey.

2

## Ethics and Explainability

In order to counter the problematic 'black box' nature of some AI systems in legal and administrative decision-making, it is crucial to implement transparent, explainable AI models paired with continuous human oversight."

3

## Human-Machine Collaboration

AI should be positioned as a tool to empower revenue officers, freeing them from routine tasks to focus on complex, high-value work

4

## Interoperability

Integrating new AI systems with existing core systems

# Future of PH Digital Tax Administration

1

Digitalization is a **continuous journey for the DOF and the BIR** with significant progress made in improving efficiency and taxpayer experience.

2

AI is not just a tool but a **strategic enabler** that can address the most pressing challenges of tax administration, from fraud detection to improving service quality.

3

The Philippines is taking important first steps with initiatives like the "Revie" chatbot and the Data Analytics Office. The future will **involve a deeper integration of AI** for more sophisticated, data-driven applications.

4

The goal is a more **efficient, fair, and transparent tax ecosystem** for both the government and the taxpayer.





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