HIGH-LEVEL SUMMARY TECHNICAL ASSISTANCE REPORT

LEBANON

Implementing a Digital Transformation Roadmap for Tax Administration

December 2025

Prepared By
Joshua Aslett

©2025 International Monetary Fund HLS/25/51

High-Level Summary Technical Assistance Report
Fiscal Affairs Department

Lebanon: Implementing a Digital Transformation Roadmap for Tax Administration

Prepared by Joshua Aslett

The *High-Level Summary Technical Assistance Report* series provides high-level summaries of the assistance provided to IMF capacity development recipients, describing the high-level objectives, findings, and recommendations.

ABSTRACT: This summary provides an overview of guidance provided to Lebanon's Ministry of Finance regarding the digital transformation of tax administration. It opens by describing the need to take a holistic approach to digital transformation. In Lebanon, holistic thinking is critically essential and, to be effective, major investments in the further digitalization of tax administration will require addressing long-standing structural challenges. To advance progress, a digital transformation roadmap has been prepared that describes a path forward. The authorities should finalize and implement the roadmap, stabilizing current core IT systems while taking steps to acquire a new Integrated Tax Administration System (ITAS).

JEL Classification Numbers: M1, M10
Keywords: Tax Administration, Digital Transformation

The contents of this document constitute a high-level summary of technical advice provided by the staff of the International Monetary Fund (IMF) to the authorities of a member country or international agency (the "CD recipient") in response to their request for capacity development. Unless the CD recipient specifically objects within 30 business days of its transmittal, the IMF will publish this high-level summary on IMF.org (see Staff Operational Guidance on the Dissemination of Capacity Development Information).

International Monetary Fund, IMF Publications
P.O. Box 92780, Washington, DC 20090, U.S.A.
T. +(1) 202.623.7430 • F. +(1) 202.623.7201
publications@IMF.org
IMF.org/pubs

Background

In response to a request for capacity development (CD) support by H.E. Yassine Jaber, Minister of Finance, an International Monetary Fund Fiscal Affairs Department (FAD) mission visited Beirut during the period September 8 – 23, 2025. The purpose of the mission was to produce a digital transformation roadmap for tax administration in Lebanon in collaboration with the Ministry of Finance (MOF), and with the intent that the roadmap could serve as a plan for reform in the coming years.

Summary of Findings

Adopting a holistic perspective on tax administration is required for designing a productive digital transformation program. In isolation, information technology upgrades supporting dated legislation and ineffective operations may be necessary but are unlikely to substantially improve compliance or revenues. It is the collective reorganization and optimization of tax administration resources – *transformation* – that creates enduring value through digital investments.

In Lebanon, holistic planning requires that long-standing structural challenges be evaluated and addressed. In particular, the administration of taxes via two tax directorates is a direct impediment to improved compliance. With both directorates operating separate and obsolete instances of an antiquated IT system for core operations, any major investments in digitalization must directly contend with a difficult reality: in Lebanon, there are effectively two tax administrations; however, modern tax administration IT systems and digital services are not designed for such a configuration.

Building on emerging momentum, a five-year digital transformation roadmap has been prepared that describes a path forward. The roadmap is organized into six workstreams: (1) government decrees and administrative policy; (2) reform governance and project management; (3) organizational design; (4) human resources; (5) operations – processes and procedures; and (6) information technology and data. Implementation of the work described in the roadmap will lead to a unified, function-based model of tax administration that benefits from a well-developed portfolio of digital services.

Recommendations

Review, adjust, and finalize the roadmap for implementation. In the review process, seek clarification from the IMF and other partners, if needed, to ensure that the roadmap's details are understood.

As part of the roadmap, expedite a project to stabilize core tax administration IT systems. In doing so, consolidate regional database platforms centrally. This will result in an important structural reform to IT operations, allowing for improved administration and service delivery. In parallel, execute a necessary technology upgrade to system software that is now deprecated to a new, vendor-supported version.

Initiate the process to finance and acquire a new Integrated Tax Administration System (ITAS), but only in context of structural reforms. An ITAS is the core IT platform used to manage the full cycle of tax administration processes in a unified and automated way. The goal of an ITAS acquisition is to move away from fragmented or paper-based processes and to bring them into a single, centralized, and digital environment. In Lebanon, benefits from an ITAS would be substantial but require reforms to fully realize.