



BACKGROUND NOTE

IOTA Webinar “Financial Payment Providers and the Challenges for Tax Recovery”

24 April 2025 at 11:00 (CEST)
Webinar via Microsoft Teams

BACKGROUND

The financial landscape is evolving rapidly, with digital financial services, such as neobanks and e-money institutions, increasingly reshaping how individuals and businesses manage their financial transactions. These digital-first financial institutions offer numerous advantages over traditional banks, and as a result, they have become a support for many businesses and individuals, offering tools to improve financial inclusion and economic participation.

The rise of digital financial institutions is undeniable. Their ability to cater to a broader range of financial needs, especially as businesses diversify their banking relationships. These institutions, which provide services such as prepaid cards, digital wallets, and mobile payment systems, have become essential players in today's digital economy. In this new environment, individuals are no longer reliant on traditional domestic bank accounts to carry out domestic and international electronic transactions. While this shift has led to increased convenience, it has also created significant challenges for tax authorities.

The widespread use of digital payment services, both domestic and cross-border, has the potential to undermine the effectiveness of traditional tax collection methods. Tax administrations typically rely on their ability to seize funds from domestic bank accounts to collect taxes, but this is complicated when individuals and businesses utilize digital services that transcend national borders. This growing reliance on digital financial services creates new complexities for tax debt recovery, as tax authorities may find themselves with limited jurisdiction over transactions conducted through international or non-bank digital platforms.

The challenges posed by digital financial services are significant and demand a strategic, coordinated response. There is a critical need for tax authorities to understand and assess whether the existing legislative and administrative framework at both domestic and international levels enables them to recover established debts directly from debtors' accounts held in digital financial institutions. Another important consideration for tax administrations is to proactively engage in meaningful dialogue with financial service providers to address the risks and potential gaps in tax collection systems.



This IOTA Webinar will provide an essential platform for tax administrations to explore and discuss these **emerging challenges that digital financial services present to tax collection and debt recovery**. By delving into the complexities of digital payment systems and their implications for tax debt recovery, this webinar will offer tax authorities valuable insights into how they can enhance their capabilities in ensuring efficient tax collection and enforcement in the face of evolving financial technologies.

OBJECTIVES

The objectives of this webinar are to:

- Gain a deeper understanding of the challenges posed by Financial Payment Providers for tax recovery
- Explore how tax administrations can collaborate with e-money institutions to enhance debt recovery processes.
- Discuss strategies to mitigate risks related to the misuse of digital financial services for tax evasion or asset concealment.

EXPECTED OUTCOMES

The expected outcomes of this webinar are:

- A better understanding of the challenges posed by Financial Payment Providers for tax recovery and their potential impact on tax collection;
- Learn strategies to prevent e-money institutions from being exploited to evade tax obligations or hide assets;
- Learn best practices for tax authorities to monitor and address the risks associated with the use of digital wallets, prepaid cards, and mobile payment systems in the context of debt recovery.

METHODOLOGIES

The Webinar will be conducted via the Microsoft Teams meeting platform **on 24 April 2025 at 11:00 (Central European Summer Time)**.

The Webinar is expected to last **90 minutes** and will be delivered through a combination of **presentations, a panel debate and a Q & A session**. The **presentations** will cover approaches by administrations to overcome the challenges that digital financial services present to tax collection and debt recovery. The attendees will have the opportunity to raise questions and explore the topic further during the **Q&A session**.

There is **no limit** to the number of participants who can attend the IOTA Webinar.

Joining instructions will be provided on how to join and participate in the IOTA Webinar using the Microsoft Teams platform. There will be an opportunity for delegates to test their connection 30 minutes prior to the start of the Webinar.

The IOTA Webinar will be recorded and made available on the IOTA website (only for registered users) to watch on-demand after the event.

TARGET AUDIENCE

The target audience is officials from IOTA member tax administrations who are involved in the fields of tax debt collection and recovery.

REQUIRED INPUT

Please note that IOTA expects that all participants will have **sufficient language skills for active participation in English**.

REGISTRATION

The registration deadline for this Webinar is 22 April 2025.

To register for the Webinar, participants must have an account on the IOTA website and be invited to register by their country's IOTA Principal Contact Person. Once an invitation has been issued, the online registration form must be completed.

To fill in the registration form, log into your IOTA account on the IOTA website, go to "**My Dashboard**", and choose "**My event invitations**" on the left side of the menu. On that page, find the event titled "Webinar on Financial Payment Providers and the Challenges for Tax Recovery" and click on "**Event Details**". You will be taken to the dedicated [webpage](#) for the event, where you can find all the information about the event and access the online registration form by pressing the button "**Register for the event**".

The link to join the Webinar will be sent to all registered participants one day before the event.
