

Providing access to digital services
for non-resident taxpayers

Feedback from the Group Discussion Sessions





IOTA Digital Workshop

Providing access to digital services for non-resident taxpayers

Digital Workshop 10-11
September 2025

Feedback from Group Discussion

Questions DAY 1

1. Which digital services are currently available — or planned — for non-resident taxpayers in your administration?
2. What are the main challenges your administration faces in delivering these services effectively to non-residents?
3. Looking ahead, what future solutions or innovations could make digital services for non-residents simpler, more accessible, and user-friendly?

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Scope of Digital Services

Most countries currently provide digital services primarily for residents, with only a limited range of services available for non-residents.

Key Challenges

The main difficulty lies in the **identification and verification of non-residents**. Countries face several obstacles, including:

- Lack of standardized solutions for verifying non-residents.

- Complexities around countries that do not issue tax numbers but rely on other identifiers.

- Issues with **name transcription and consistency** across systems.

- Difficulties verifying legal representatives of companies, especially across borders.

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Methods in Use

Different approaches are being tested or implemented, such as:

- Physical offices where credentials can be issued.

- Web portals allowing submission of documents (passport, contracts, certificates of residence, etc.).

- Use of electronic ID cards and foreigner cards (e.g., in Belgium, both EU and non-EU residents can use chip-enabled cards to log in and register).

- Video calls for identity verification, though this requires significant resources.

- Tools such as Docum–Feclus (company solution), Microsoft identification, and national portals.

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Feedback from the GROUP 2

In one member tax administration, non-residents can register using only an email address, considering the maximum stay period of six months. The standard tax rate is 25%.

In another member tax administration, there is an online service (“e-counter”) where non-residents can request information about registration. If they do not have an ID number, the service provides guidance on how to proceed. If they already have an ID number, different channels exist for tax registration (e.g., for income tax purposes). By law, an issued ID number cannot be cancelled, even if the individual no longer has any ties with the country.

It has been observed that people increasingly turn to AI tools for guidance on tax registration or problem-solving. This competes with the official information provided by tax administrations (e.g., websites). It is important to consider when individuals search for such information and what type of response they should receive.

In another member tax administration, specific identification numbers are used exclusively for companies. If individuals do not have these numbers, they can be issued by the tax administration.

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Feedback from the GROUP 2

One member tax administration faces challenges because some non-residents do not have an ID number. At the same time, they cannot open a bank account, which complicates cooperation between tax administrations and banks.

To apply for an ID number, non-residents must meet certain requirements (e.g., minimum stay in the territory), which are often not fulfilled. Another challenge is the requirement for physical presence in the country in order to register. For example, a visiting professor staying only a few days may find it impractical to register for transactions such as paying for accommodation or transport.

In another member tax administration, participants shared experiences from two services requiring non-residents to register: In the first service, registration was handled through a Microsoft tool (Active Directory). Users were able to declare the amount of tax (e.g., VAT) they were prepared to pay.

In the second service, related to refund claims, the same logging mechanism was used. Users logged in and were identified based on documentation submitted during the refund process.

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Feedback from the GROUP 2

Participants expressed hope that, in the future, digitally signed documents could be used, eliminating the need for manual inspection.

One member tax administration suggested that a digital wallet might help in identifying companies applying for refunds, as well as non-residents. This could be especially relevant for citizens arriving from within the EU.

For non-EU citizens, alternatives such as a digital passport could be considered. Enhanced biometric features in passports could support tax administrations in identifying individuals working internationally while visiting a country.

Any future solution should be straightforward and easy to use.

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Questions DAY 2

1. Which methods or systems does your administration currently use to identify non-resident taxpayers, and what has been your experience so far in implementing them?
2. How does your administration handle the recognition and validation of foreign electronic tax certificates, and what challenges or collaborations have arisen?
3. What new approaches or technologies are being considered to improve these processes in the future?

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One participant noted that the issue has both a business and an individual dimension.

For individuals, the police play a role in identification, but they also serve a tax-related function to identify non-residents.

Cooperation exists between the police and the tax administration, with consulates also involved in providing personal IDs for both companies and individuals.

Individuals can identify themselves using documents, with different levels of electronic identification available.

In one member tax administration, tax ID numbers are issued by the tax authority in coordination with the police. The process depends on the type of tax certificate and the required security level. A few years ago, the procedure was changed to require a physical visit, and the system must already have a number before proceeding.

In another member tax administration, the process is similar: foreign citizens must request a tax ID number if they need to interact with the tax office.

Registration can also take place at the immigration office. If the individual has a national ID, they can access the government portal and interact with the tax office digitally.

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Most tax administrations have advanced rapidly in providing electronic tax certificates.

Some administrations provide both paper and electronic versions, and most also offer digital signatures for electronic verification.

A question was raised about incorporating electronic recognition of withholding or residency certificates into internal processes across member administrations. In one member tax administration, electronic certificates are not yet issued. A newly created government agency is responsible for this, but further steps are needed.

Outstanding issues include compliance with data protection rules (e.g., GDPR). These challenges currently prevent the identification and use of electronic certificates and represent one of the biggest obstacles at present.

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From a tax administration perspective, dealing with non-residents has always posed challenges (e.g., foreign workers, temporary workers, pensioners, individuals living abroad, or those with secondary residences). The eIDAS framework is seen as a positive step forward, but some gaps remain. For example, there is no ID number attached, raising the question of how to connect the certificate with an identity.

In-person identification is typically required before issuing credentials. In some cases, consulates handle this, though currently the number of cases is limited — but this may change in the future. It was noted that having two systems of identification within the same jurisdiction can create problems. At first, digital identity may not provide a higher level of trust than physical identity. Digital wallets could help if they store transferable information that can be used when travelling across borders.

For double taxation certificates, requests can be made either through an electronically signed document or via a paper form. The potential use of AI in digital verification of documents was also discussed. While promising, its application should be approached with caution.

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The countries are aiming for a fully electronic approach in the identification and verification process. However, access to complete verification remains a challenge. Different situations, conditions, languages, and employer types add to the complexity. Where individuals stay only a few hours or months, the process should be simple, incentive-based, and shaped by risk. For residents, tax administrations have time to build an identity, while for non-residents, there is little prior information available.

One example is online registration via video with a tax official, who verifies identity using border crossing databases. Non-residents receive an official tax number (different from resident numbers) and must report passport changes. In practice, compliance is more likely when individuals require services.

In Sweden, coordination numbers become inactive after five years of non-use. Some administrations also provide online access to non-resident information and certificate verification.

For legal entities, in-person registration is still required. Strengthening cooperation and exchange of information between EU countries remains important, with the closest collaboration currently among the Nordic countries.