Course Description

Technology changed the world of trade, services and transactions. The global digital economy is growing rapidly to constitute a substantial share of the global economy. The intersection of taxation and technology raises fundamental challenges to the international tax regime as well as the national tax systems. In this course, we will explore main and current challenges and responses as well as the potential of technologies for better taxation. We will understand the debate on taxing technology Multinationals such as Facebook, Google and Apple including the recent efforts of the EU to impose digital services tax. We will analyze issues of international taxation of e-commerce and cloud computing. We will learn the Value Added Taxation of e-commerce and cloud computing according to the recent changes in EU Law and the Israeli Law. We will engage in the U.S. discussion of States Sales and Use taxation of online transactions following the recent U.S. Supreme Court landmark decision in South Dakota v. Wayfair. We will dig into taxation aspects of technologies that enabled sharing economy, such as Airbnb and Uber. We will
examine the tax outcomes of selling technologies and intellectual properties including case studies of Israeli exits, such as Mobileye deal and Waze deal. Finally, we will explore the role and prospects of Block chain Technology, Big Data, and Artificial Intelligence in fighting tax avoidance and evasion, and administering tax systems fairly and efficiently.

Course Goals

Students completing this instructional offering are expected to:

1. Demonstrate a proficiency in reading critically the materials assigned for this course.
2. Demonstrate a knowledge of substantive legal doctrine fundamental to this course, e.g. principles of international taxation, income taxation, value added taxation, sales and use taxation.
3. Identify legal issues and apply legal reasoning and analysis to solve problems in a logical and structured manner to issues covered in this course. For example, issues of e-commerce and cloud computing taxation. Issues of sharing economy taxation. Issues of intellectual property taxation.
4. Communicate orally or in writing, or both, the legal reasoning and analysis regarding issues covered in this course.
5. Analyze the pros and cons of different proposals to cope with the challenges of taxation and technology.
6. Develop a vision on future developments and uses of technologies for better taxation.
7. Work with other students and develop collaborative and communication skills.

Grading

- 100% course essay.

Lecturer Office Hours

By appointment

Tutor Office Hours

By appointment
Reading List

I. International Income Taxation of the Digital Economy

- OECD/G20 Inclusive Framework on BEPS: Programme of Work to Develop a Consensus Solution to the Tax Challenges Arising from the Digitalisation of the Economy (May 2019)
- European Commission, Fair Taxation of the Digital Economy
- European Parliament, Interim Digital Services Tax on Revenues from Certain Digital Services

II. VALUE Added Tax (VAT) and the Digital Economy


III. Sales Taxation and the Digital Economy


IV. Taxation of the Shared Economy


V. The Role of Technology in Tax Compliance
VI. Taxation and Technology: Case Studies & Conclusions