

Modernizing tax administration in Algeria: The role of legislation in enhancing efficiency and transparency

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Abstract--- This scientific intervention aims to highlight the importance of tax administration as one of the basic elements in achieving financial stability and ensuring the sustainability of government services. This interest coincides with the strenuous efforts made by the State of Algeria to achieve comprehensive modernization in its tax administration structures. This is achieved by shedding light on the modernization of tax administration through reforms initiated by governments to improve their revenues, diversify their resources and collection mechanisms, by following and adopting modern and contemporary methods appropriate to that, such as strengthening legislation to achieve greater effectiveness and increase levels of transparency in tax administration. It was also recommended that modern and emerging legislation can be a basic driver to enable tax administration to keep pace with modern technologies and improve performance. Enhancing interaction with technology, adopting innovative administrative procedures, and encouraging transparency and taxpayer rights can contribute significantly to achieving the desired goals. It is essential to conduct periodic and ongoing evaluations to ensure the effectiveness of the measures taken and to commit to implementing the necessary improvements. Through these efforts, Algeria can advance its tax system to a high degree of modernity and technology, contributing to enhancing economic development and achieving a better financial balance. Innovation in taxation is a vital part of the evolution of public administration, and its impact transcends national borders to affect the paths of economic development and sustainability.

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Introduction

In light of the tremendous economic and technological transformations taking place in science today, and in light of the acceleration of technology and changes in the global economy, the spotlight is turning to the importance of tax administration as one of the essential elements in achieving financial stability and ensuring the sustainability of government services. This interest coincides with the strenuous efforts made by the State of Algeria to achieve comprehensive modernization in its tax administration structures, with the aim of enhancing transparency and effectiveness in tax collection and administration.

Algeria, like other countries, faces economic challenges. It poses a major challenge in modernizing its tax structures. Such challenges include tax evasion, insufficient transparency in tax collection processes, and the need to enhance the business environment to achieve sustainable economic growth. In this context, legislation plays a key role in achieving this important transformation.

Understanding the contemporary challenges facing the modernization of tax administration in Algeria requires a comprehensive analysis of the variables in the economic and social context. This is evident in the increasing pressure on governments to achieve financial balance in light of increasing needs and expectations, which imposes exceptional pressures on tax systems.

The impact of technological transformations and innovations dominating the scene is also significant, as are attempts to govern public finances and rational policy in implementing the state's general budgets for various sectors. It opens the door to new opportunities to improve the effectiveness of tax administration, which plays the most important role in controlling the state's financial resources.

In this context, challenges related to transparency stand as a major factor for legislation in Algeria. To modernize tax administration, without prejudice to the rights of taxpayers and common interests, and for this transparency to be effective and with governance controls to manage state revenues.

From the above, it is necessary to understand how to achieve a delicate balance between the need to collect revenues and the basic rights of taxpayers, while establishing tax structures that contribute to building tax systems that are more transparent and adaptable to the requirements of the modern era. Therefore, the question that arises is: What structural reforms has Algeria undertaken to modernize tax administration? **gesticulate What is the role of legislation in enhancing financial transparency and procedural effectiveness?**

There are additional questions :

1. How can tax legislation improve the effectiveness of tax collection in Algeria?
2. What role does technology play in enhancing tax administration processes and achieving transparency?
3. Are there concrete improvements that can be made to the legislation to enhance the culture of compliance among taxpayers?

To answer the previous problems, we put forward the following hypotheses:

- Issuing a set of laws, decrees, and decisions that work to enhance the modernization of tax administration to achieve financial transparency along with greater efficiency.
- Examine current legislation related to tax administration and compare it with international best practices.

- Analyzing the role of legislation in modernizing tax administration in Algeria

To analyze and study the hypotheses, the descriptive and analytical approach was followed to cover the legal and technical aspects of the laws related to tax reforms. To analyze the new data that has been provided, which will be studied through four axes:

- Explaining and detailing modernization, effectiveness, and transparency and their position in governance.
- Reasons and conditions for modernizing tax administration in Algeria.
- Legislation initiated by Algeria to modernize tax administration.
- The role of legislation in enhancing transparency of public finances through restructuring and modernizing tax administration.

I. The first axis: Reasons and conditions for modernizing tax administration in Algeria

1. Definition of modernization :

The term "modernization" is used to denote major transformations and developments in various fields and sectors, characterized by technology and innovation. In a general context, the term modernization is understood as a period of time marked by significant changes and progress in various aspects of life, economics, and society.

Modernization of management means the process of adapting to transformations by adopting modern management methods and means, and a new organizational culture pattern based on knowledge, introducing technologies, and transforming knowledge into service through the application of electronic management and improving service to citizens.(Fartas, 2016).

2. Modernization in the general context:

- **Technology** Technological development is a radical change in the way we live and work, represented by the development of computing, artificial intelligence, and information and communications technology.
- **Economy:** Modernization is characterized by economic transformations, with a shift from traditional economies to knowledge and innovation economies. Digital transformation plays a major role in this context.
- **Society and Culture:** Modernization includes changes in values, customs, and social trends. Digital communication and social media affect the shape and thinking of societies and the evolution of their requirements.

3. Modernization in the administrative context:

In the context of management, the concept of modernization is pivotal, and includes:

- **Technology in Management:** Using technology to improve administrative processes and facilitate communication and information exchange.
- **Transparency and communication:** Improving transparency in decision-making and enhancing communication between different parties within institutions.
- **Flexibility and innovation:** Encouraging flexibility in corporate structures and fostering a culture of innovation to keep pace with rapid transformations.
- **Skills development:** Updating skills and continuous training to achieve better adaptation to the requirements of the era.

In sum, modernization represents an ongoing challenge that requires societies and institutions to respond effectively to the aspirations and needs of the present time.

4. Modernization goals :

The goals of modernization vary depending on the context in which they are discussed, whether economic, technological, or social. Here are some goals that may be part of modernization processes in various fields.:

- Digital transformation: Improving operations and services through the use of digital technology, to improve efficiency, reduce costs, and provide better services to consumers.
- Improve transparency Increase transparency in decision-making and resource management, to achieve higher levels of trust among stakeholders, and stimulate positive interaction.
- Flexibility and adaptability: Enhancing resilience to adapt to rapid changes, i.e. the ability to adapt to economic, social and technological transformations quickly and effectively.
- Promoting a culture of innovation Encourage creative thinking and the development of new solutions, by motivating employees to provide new ideas and implement continuous improvements.
- Improving user experience: Making the user experience smooth and efficient, designing and delivering products and services that meet users' expectations and needs.
- Skills development and continuous learning Continuously improve and develop workers' skills by providing effective training and development programs to ensure that workers keep pace with changes.
- Economic and environmental sustainability: Achieving a balance between economic and professional development and environmental protection, creating an integrated concept of sustainability in all aspects of business and investment.
- Enhancing cooperation and communication Enhancing interaction between individuals and institutions, using modern means of communication to facilitate communication and exchange of information.

Achieving these goals enhances the ability of institutions and societies to adapt to ongoing transformations and supports sustainable development in various fields.

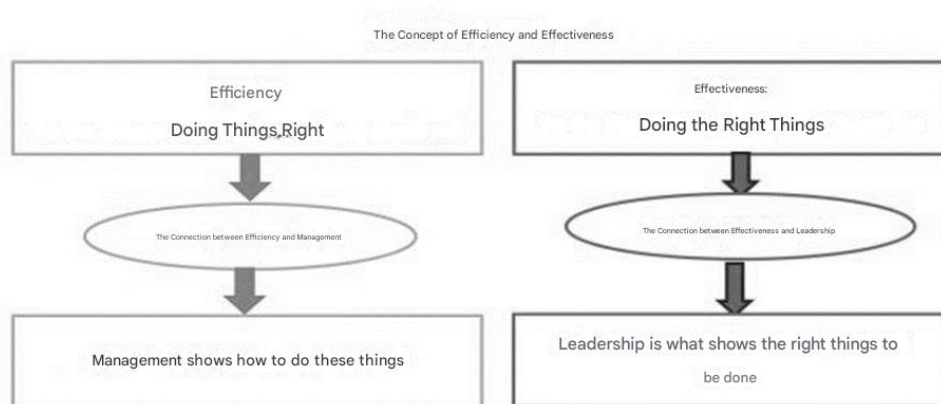
5. Effectiveness and Transparency Definition and Details

5.1 Effectiveness:

The concept of organizational effectiveness varies from intellectual perspectives, in terms of the precise and comprehensive meaning. Barnard defined effectiveness as: the degree to which the organization can reach and achieve its goals. (Alvar) stated that effectiveness means: the extent of the organization's ability to survive, grow, and adapt, without regard to the goals it seeks to achieve, as the organization deals within the framework of reaching its goals in unstable environmental environments, as it makes creating a moving balance with environmental adaptation one of the requirements for its existence. The concept of effectiveness gives a broader, more comprehensive dimension than achieving goals, as this concept derives its logic of acceptance from the reality of the organization, considering it an open system that deals with a changing environment that includes a number of uncertain and changing aspects. **(Al-Halaika, 2016)**.

In another definition, effectiveness has several definitions, including that it is the ability to perform the correct actions, i.e. determining the correct actions so that the institution can perform them. Effectiveness may be defined as production, meaning that the effectiveness of any individual is determined by the amount of production that he can achieve. However, some believe that this is not an accurate definition of effectiveness. Some researchers believe that effectiveness is the ability to produce the largest amount using the least resources, or that it is the extent of achievement that can be achieved from the goals set for any institution. **(Rabhi, 2016)**.

5.2 Figure showing the relationship between efficiency and effectiveness:



Prepared by: Ghada Al-Halayqa, Mawdoo3 Magazine Dubai 2016

Effectiveness is a concept related to the ability of a system or process to achieve the desired goals in the best possible way, or with the least amount of effort and resources. In the context of management and business, effectiveness relates to successfully achieving stated goals, while improving processes and achieving the desired results. The characteristics of effectiveness include:

1. **Achieving goals:** Effectiveness is the ability to achieve set objectives effectively. Processes and activities must be directed towards achieving the desired results.
2. **Use resources effectively:** Efficiency requires optimizing the use of available resources, so that maximum results are achieved using the least possible amount of resources.
3. **Improve operations:** This includes analyzing and improving internal processes to ensure they are effective and goal-oriented.
4. **Performance measurement:** Achieving effectiveness involves regularly measuring the performance of processes and projects to verify their progress toward goals and identify any areas for improvement.

5.3 Transparency:

Transparency means clarity and clarity in actions and decisions, such that the system or institution is able to provide information clearly and openly to the concerned individuals. Transparency is an essential part of effective management and achieving trust between the various parties. It depends on :

- **Dissemination of information:** Transparency requires the effective dissemination of relevant and important information to the public, including information about decisions and policies.
- **Providing public access:** This includes providing access to information to the general public directly or through the media and other means of communication.
- **Transparency in decision-making:** This is about showing how decisions were made and the principles that contributed to them, so that individuals have a full understanding of the context.
- **Stimulating participation and communication:** Transparency encourages active participation and constructive communication among concerned members.

Overall, the combination of effectiveness and transparency is the basis for successful management and for building strong relationships with employees, customers, and the community.

6. Effectiveness and transparency in the context of governance:

6.1 Effectiveness:

The role of effectiveness in governance Effectiveness plays a crucial role in governance, as institutions and organizations must be effective in achieving their goals in a sustainable manner. Ensuring effectiveness includes improving internal processes and using resources efficiently. Effective governance requires effective oversight and sound management. Effectiveness enhances the ability to make tactical and strategy that reflects the achievement of organizational goals.

Performance monitoring also includes the concept of effectiveness, developing systems to monitor performance and evaluate results to ensure that goals are achieved in a tangible manner.

6.2 Transparency:

Transparency and corporate governance fit: Transparency is an essential part of corporate governance. Organizations are expected to be transparent in their decisions and actions to ensure operational integrity and accountability, while providing information in a clear and understandable manner to internal and external stakeholders. This information can include aspects such as policies, decisions, and financial performance. In addition to building trust, transparency contributes to building trust between different parties. When an organization is transparent, it becomes easier for individuals and society to trust its leadership and management.

6.3 Effectiveness and transparency and their place in governance:

- Integration of effectiveness and transparency: Effectiveness and transparency complement each other to ensure strong governance. When processes are efficient and information is provided transparently, there can be balance and harmony in decision-making and the achievement of objectives.
- Accountability and transparency: Transparency is part of accountability, where individuals and the public can monitor processes and assess whether they meet standards of effectiveness and desired objectives.

The impact of transparency on decisions: Transparency impacts how decisions are made in governance. When decisions are clear, stakeholders are better able to understand and accept them.

II. Reasons and conditions for modernizing tax administration in Algeria

Modernizing the administrative system plays an important role in the changes undertaken by the government, implementing the dimensions of the modern tax administration system through programs and activities within the framework of implementing tax administration reform, which include modernizing the organizational structure, modernizing organizational procedures, modernizing the organizational culture, and modernizing the organizational strategy, each of which works to modernize tax administration.(Pratiw & Mirna Maryani, 2020, p. 2744).

Algeria is experiencing a significant transformation in the field of tax administration to adapt to modern challenges and the requirements of our current era. This transformation comes as a result of a set of reasons and circumstances that call for improving and modernizing the tax administration system in the country. We will take a quick look at some of these reasons and circumstances:

- technological development: The world lives in an era characterized by rapid technological development, and information technology plays a vital role in improving the efficiency of tax administration. Algeria recognizes the importance of using technology to improve tax collection and simplify tax procedures.
- Improve transparency with the growing demand for transparency and the fight against corruption, Algeria seeks to enhance transparency in the tax system. This includes making tax information more widely available and easier to access.
- Combating tax evasion Tax evasion poses a major challenge to the national economy. Therefore, improving tax management comes within the context of combating evasion and enhancing tax

compliance.

- Moving towards the digital economy Developments in the digital economy are encouraging a rethinking of how tax collection is managed, with reliance on electronic means becoming an essential part of tax collection processes.
- The need to improve services Transformations in the global economy and the development of tax systems require improving the services provided to taxpayers, which calls for restructuring the tax administration to be more effective and responsive.
- Commitment to international standards Algeria is committed to international tax standards. This requires improving tax administration to meet international expectations and enhancing international cooperation.
- financial pressures Algeria faces financial challenges due to fluctuations in oil prices and the global economy, making improving tax collection strategically important to boost revenues.
- Promoting effective management, the shift towards modern tax administration reflects the effort to enhance the effectiveness of public administration and improve government performance.
- Responding to community aspirations These steps come within the framework of the desire to meet community expectations and improve government services provided to citizens.
- Transition to a knowledge economy: The shift towards a knowledge economy is an incentive for the need to develop tax collection and administration methods to keep pace with innovation and modern technologies.

These factors reflect the significant transformations in the field of tax administration in Algeria, which respond to the requirements of the modern era and enhance the effectiveness of the tax system. There are several other reasons, including :

1. Reasons for modernizing tax administration:

1.1 High cost of tax collection (Harash, page 113):

The operating cost criterion is used as one of the most important indicators to measure the effectiveness of tax administration. Therefore, it has become necessary to know how much operating expenses the tax administration requires to collect 100 DZD, for example. In this regard, the General Directorate of Taxes has established in the year 2003 Study of the cost of collection.

100 DZD for all its provincial directorates for the year 2002. It was found that the net collection cost was estimated at 3.94%, meaning 3.94 DZD for every 100 DZD collected. While in some tax administrations it ranges between 0.5% and 2.5%, and the tax administration in the United States of America and Sweden is considered among the most effective administrations, as the collection cost is estimated at 0.5%, while in Spain and Canada it is estimated at 0.89%, respectively. and 1.05%, and this is mainly due to the growth of tax awareness among taxpayers, as well as the availability of the necessary material and human capabilities and means to carry out the work of these departments.

2.1 The expansion of administrative structures and the deterioration of their status: (Yadir and Mustafa, page 110)

The tax administration in Algeria suffers from an inflated number of administrative structures and the similarity of their tasks, which contradicts the desired goal of achieving a less costly administration. In this regard, the modernization program aims to reduce the number of administrative structures, meaning the implementation of (the administrative reform strategy based on structural and organizational aspects), by grouping similar administrations. In one department, according to the nature of the taxpayers' activity and their achieved business figures.

The condition of the majority of the headquarters ranges from average to dilapidated, and some of them are not owned by the General Directorate of Taxes, but are rather rented by private individuals, municipalities, or real estate management offices. This gives a negative image of the tax administration. This necessitated the modernization of tax administration to keep pace with

developments in various fields, with the aim of improving tax services, responding to the aspirations of taxpayers, and attracting them.

3.1 The spread of fraud and tax evasion and the expansion of the parallel economy:

Tax fraud is defined as illegal activities or the manipulation of information to reduce the amount of taxes owed, while tax evasion involves bypassing the obligation to file tax returns correctly or concealing income to reduce tax amounts. The effects of both phenomena range from reducing government revenue to burdening honest individuals and businesses with an excessive tax burden.

The informal economy includes economic activities outside the formal system, where these activities may not be subject to government taxes or regulation. This contributes to increased economic inequality and complicates economic and tax policy planning. It also causes difficulties in monitoring economic activities and determining the scope of government intervention. These are illegal practices that undermine the economy and harm the national economy.

It is necessary to modernize tax administration by creating new, specialized and distinct structures in the field of tax evasion and fraud, as well as combating the parallel market.

III. Legislation initiated by Algeria to modernize tax administration:

Algeria has taken the initiative to reform the tax administration by enacting several laws and regulatory decrees to restructure the central and external departments of the tax administration, which were previously a large and complex administrative group, including inspectorates and tax collectors according to the provinces and districts, and provincial directorates as well as regional directorates within an inconsistent regional jurisdiction.

As part of the reform framework, which consists of restructuring and restructuring the tax administrative system, in coordination with external tax authorities and experts, tax services are improved and tax administration is modernized, in line with the modernization of public finances. The authorities have initiated reforms through the following:

- With The reconsideration of the organization of the central administration also responds to the requirements of accompanying the reforms initiated by the Ministry of Finance within the framework of its action plan to reform public finances. This is through the text of Executive Decree No. 21/252 dated June 6, 2022, which includes the organization of the central administration of the Ministry of Finance. Article 5 thereof stipulates the General Directorate of Taxes.

1. General Directorate of Taxes :

According to Text of Executive Decree No. 21/252 of June 6, 2022, which includes the organization of the central administration of the Ministry of Finance, The General Directorate of Taxes is responsible for the following:

- Overseeing the study, proposal and preparation of legislative and regulatory texts.
- Ensuring the necessary measures to prepare the container, liquidate and collect taxes, duties and taxes, as well as collect fees, quasi-tax fees and other resources.
- Defining and simplifying tax procedures related to tax base management, control, collection, and tax disputes.
- Implementing strategic modernization programs and ensuring their implementation.
- Develop and deploy the information system and create interfaces and communication tools.
- Ensure control of reference projects in the field of information and communication technology.
- Supervising the preparation and negotiation of international tax agreements and international agreements that include tax provisions.
- Implementing the necessary measures to combat tax fraud and evasion.
- Ensuring the handling of administrative and judicial disputes related to various types of taxes,

rights and fees.

- Developing tools for analysis and management control of the efficiency and effectiveness of tax services.
- Ensuring the improvement of relations between tax authorities and taxpayers.

It consists of: Three sections.

- Tax Legislation, Regulation and Legal Affairs Department.
- Department of Management, Tax Collection and Modernization of Professional Systems.
- Tax Control and Investigations Department.

2. External interests of the tax administration

According to the text of Article 02 of Executive Decree 06-327 of September 18, 2006, relating to the organization of the external services of the tax administration and its powers, the external services of the tax administration consist of:

- Directorate of Major Entreprises.
- Regional Tax Directorates.
- Regional research and review interests.
- Regional centers for information and documentation.
- State directorates.
- Tax centers.
- Neighborhood tax centers.

3. Directorate of Major Entreprises

The Directorate of Large Enterprises, established pursuant to Article 32 of the 2002 Finance Law, falls within the framework of the comprehensive program to modernize tax administration, both from an organizational and operational perspective.

The restructuring of tax services is expected to contribute to the completion of the reform of the tax law, which began in early 1992, a year marked in particular by the establishment of taxes of an international nature (corporate profit tax, gross income tax and value added tax), the unification of tax services and files, and the simplification and unification of procedures related to the declaration and payment of taxes and fees (the establishment of the tax declaration, Article 50).

The Directorate of Large Enterprises, which opened to the public on January 2, 2006, primarily manages tax files related to companies subject to Algerian law and subject to corporate income tax, with a turnover exceeding 100 million Algerian dinars, petroleum companies, and foreign companies that do not have a professional residence in Algeria. This directorate is responsible for :

- Strengthening guarantees for taxpayers with recognized taxes - expanding appeal avenues.
- Updating and simplifying procedures, establishing an integrated tax information management system - Improving the quality of services provided to businesses through a single tax portal.

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4. Regional Tax Directorate: (06/327)

The regional tax directorates ensure the representation of the General Tax Directorate at the regional level, and they also oversee the implementation of programmes and the application of instructions and decisions issued by the central administration.

It also ensures the functional relationship between the central administration and the provincial tax directorates, and is responsible for activating the work of the provincial directorates within its regional scope by monitoring and coordinating between them and the central administration. She is responsible for :

- Ensuring compliance with the tools, methods, standards and procedures of intervention by regional tax authorities.
- Periodically prepare reports and summaries of the work of tax authorities.
- Submit any proposal to adapt tax legislation.

- Studying requests for employee transfers between states.
- Participate in training staff, improving their level and updating their knowledge.
- Assessing the needs of regional tax authorities in terms of human, material, technical and financial resources, and EA regular report on the conditions of operation and use of these means is prepared.
- Organizing the work of the Appeals Committee at the decision-making bodies established at the regional level.
- Approval of taxpayers benefiting from the exemption purchase system, in accordance with the conditions stipulated in the applicable legislation.

There are 9 regional tax directorates identified as follows:

Table of regional tax directorates and their territorial boundaries:

Regional Tax Directorate	State directorates within its scope
Shelf	Shelf, Mostaganem, Ain Defla, Tiaret, Tissemsilt, Glizan
Bashar	Urine Eggs. Ostrich. Bashar. Tindouf
Blida	Blida. The city. Tipaza. Tizi Ouzou. Boumerdes. Djelfa
Algeria	Central Algeria. Murad Rais well. Sharaka. Mr. Mohamed The harrach. Rouiba
Setif	Bejaia Setif. Bou Arredj Tower. Bouira. M'Sila
Annaba	Mother of the rest. Skikda. Guelma. Souk Ahras. Tebessa Annaba. El Taref
Constantine	Batna. Jijel. Khenchela. Biskra. Constantine. Mila
Ouargla	Laghouat. Ouargla. The valley. Tamanrasset. Ghardaia
Oran	Tlemcen. Sidi Bel Abbes. Oran East. Ain Temouchent. Happy camp. Oran West

Prepared by the researchers in accordance with the text of Article 2 of the decision dated May 24, 2007 defining the regional jurisdiction of the regional tax directorates.

– Regional Research and Review Services:

It is charged according to Article 10 of Executive Decree No.06-327 dated September 18, 2006 regulating the external services of the tax administration and their powers by:

- Implementing investigation and research programs, monitoring activities and revenues controlled by the Research and Review Directorate, and preparing statistics related to them.
- Ensuring the management of tax investigation teams' intervention tools.
- Implementing research, investigation, follow-up and monitoring programmes for related works and evaluating them periodically.
- Implementing every investigation ordered by the Minister of Finance, the Director General of Taxes, and all competent authorities in contact with the relevant institutions and agencies.
- The right to access files falls within the jurisdiction of two or more state tax directorates.

The Regional Research and Review Service consists of three (03) departments:

- Media Section - Supervision Assistance Section-Monitoring, Statistics and Evaluation Department

Regional research and review offices are located in: Algeria, Oran and Constantine.

Table of regional interests for research and reviews and their territorial boundaries

Regional Tax Directorate	State directorates within its scope
Algeria	Central Algeria. Murad Rais well. Sharaka. Mr. Mohamed The harrach. Rouiba. Laghout. Ouargla. The valley. Tamanrasset. Ghardaia. Elyzi Bouira Bordj Bou Arreridj
Oran	Tlemcen. Sidi Bel Abbes. Oran East. Ain Temouchent. Happy camp. Oran West. ADirar Eggs. Ostrich. Bashar. Tindouf. Chlef. Mostaganem. Ain Defla. Tiaret. Tissemsilt. Glizan
Constantine	Bejaia Setif. M'Sila. Umm al-Bouaghi. Skikda. Guelma. Souk Ahras. Tebessa Annaba. El Tarf. Batna. Jijel. Khenchela. Biskra. Constantine. Mila

Prepared by the researchers in accordance with the text of Article 3 of the decision dated May 24, 2007 defining the regional jurisdiction of the regional research and review services.

– Regional Centers for Information and Documentation

It is charged according to Article 13 of Executive Decree No.06-327 dated September 18, 2006 regulating the external services of the tax administration and their powers by:

- Coordinates research programmes and collects and processes local economic and financial information.
- Exploitation of original records and publication of general tables of real estate tax, purification tax, gross income tax, and corporate profits tax, and publication of corresponding warnings and preliminary records for the following fiscal year.
- Submission of results sheets that provide, for the general tables of an entire municipality and state, a summary of the number of taxpayers subject to the tax, the bases of the taxable elements, the total result of each tax or fee, and the share due to each public group and the chambers of commerce.
- Issuing general tax schedule revenue bonds to which the state tax directorates give an executive character.
- Preparing the attached statements related to “missing” taxpayers, large shares, and negative balances.
- Providing all other statistical documents that allow the Information and Documentation Directorate to measure the impact of the new tax provisions.
- Presentation of environmental indicators resulting from the processing of local economic and social references within the framework of the management by objectives effort (diagnosis/action plan).

The Regional Center for Information and Documentation consists of three (03) sub-directorates:

- Sub-Directorate for Information Research and Collection
- Sub-Directorate of Information Processing and Analysis
- Sub-Directorate for Media Department Management and Organization

Regional information and documentation centers are located in: Algiers, Oran, Constantine, and Ouargla:

Table of regional interests for research and reviews and their territorial boundaries

Regional Tax Directorate	State directorates within its scope
Algeria	Central Algeria. Murad Rais well. Sharaka. Mr. Mohamed The harrach. Rouiba. Bouira
Oran	Tlemcen. Sidi Bel Abbes. Oran East. Ain Temouchent. Happy camp. Oran West. ADIrar Eggs. Ostrich. Bashar. Tindouf. Chlef. Mostaganem. Ain Defla. Tiaret. Tissemsilt. Glizan
Constantine	Bejaia Setif. M'Sila. Umm al-Bouaghi. Skikda. Guelma. marketACruses. Tebessa Annaba. El Tarf. Bou Arreridj Tower, Batna. Jijel. Khenchela. Biskra. Constantine. Mila
Ouargla	theADivers Ouargla. The valley. Tamanrasset. Ghardaia. Elyzi

Prepared by the researchers in accordance with the text of Article 3 of the decision dated May 24, 2007 defining the regional jurisdiction of the regional research and review services.

– **State tax directorates :**

It is charged according to Article 17 of Executive Decree No.06-327 dated September 18, 2006 regulating the external services of the tax administration and their powers and is responsible for:

- Ensuring that the state tax directorates exercise the peaceful authority of tax centers and neighborhood tax centers
- Ensuring compliance with tax regulations and legislation, monitoring and controlling the activities of the departments and achieving their set objectives.
- Organizing the collection of elements necessary to prepare tax estimates.
- Issue, inspect, and approve tables, product lists, and cancellation or reduction certificates, evaluate the results, and prepare the periodic report.
- Periodically analyze and evaluate the work of the departments under its jurisdiction, prepare a summary thereof, and propose any measure that would improve their work.
- Tables and receipts of revenues and collection of taxes and fees. Monitoring of sponsorship and liquidation Which are carried out by each collection office and follow-up of the settlement thereof.
- Monitoring the development of lawsuits filed before the judiciary in the field of collection disputes.
- Ensuring prior control and settling accounts of the receivers' management.
- Organizing the collection and exploitation of tax information.
- Preparing intervention programs for taxpayers, monitoring their implementation, and evaluating their results.
- Establish the required control over values and prices and authorize an increase if necessary.
- Studying petitions, organizing the work of appeal committees, following up on disputes, and maintaining related files on a regular basis.
- Follow up on the development of cases brought before the judiciary in the field of tax base.
- Assessing the directorate's needs for human, material, technical and financial resources and preparing corresponding budget estimates.
- Ensuring the management of users and credits allocated to these services.
- Recruiting and appointing employees for whom you have not decided on another method for hiring.
- Organizing and implementing training and improvement activities initiated by the General Directorate of Taxes.
- Establishing and managing a documentary record for the provincial directorate and ensuring its distribution and dissemination.

- Ensuring the maintenance of real estate and movable property inventory files, as well as ensuring the maintenance and preservation of these properties.
- Organizing the reception and notification of taxpayers.
- Disseminating information and opinions for the benefit of taxpayers.

It consists of five sub-directorates:

- Sub-Directorate of Tax Operations.
- Sub-Directorate of Collection.
- Sub-Directorate of Disputes.
- Sub-Directorate of Tax Control.
- Sub-Directorate of Media.

- **Tax centers:**

The Tax Centre is a new operational department within the General Tax Directorate, exclusively responsible for managing tax files and collecting taxes due from medium-sized taxpayers.

The Tax Center, established to provide quality services, aspires to develop a new partnership with taxpayers based primarily on being present, listening, responding, and promptly processing all requests submitted by taxpayers. For taxpayers, the Tax Center represents the sole tax interlocutor responsible for the cross-sectional management of their tax file.

He is responsible for :

- Managing tax files for companies subject to the real tax system that is not subject to the jurisdiction of the *Directorate of Large Businesses, in addition to all liberal professions.
- Maintaining and managing the tax file of companies and other legal persons for income subject to corporate profits tax.
- Maintaining and managing tax files for taxpayers subject to the real tax system for industrial and commercial profit returns.
- Issuing, examining and approving schedules, collection lists and cancellation or reduction certificates.
- Tables and receipts of revenues and collection of taxes, fees and duties.
- Implementing physical operations for payment, collection, and cash withdrawal.
- Control writing and centralize value delivery.
- Searching for, collecting and exploiting tax information and monitoring declarations;
- Preparing and implementing intervention and monitoring programs for taxpayers and evaluating their results.
- Investigates and processes complaints.
- Follow up on administrative and judicial disputes.
- Fee-offset loans.
- The task of receiving and informing taxpayers is included.
- It handles administrative procedures related to the container, especially those related to establishing institutions and amending their regulations. Basic.
- Organize and manage appointments.
- Disseminates information and opinions for the benefit of taxpayers under the jurisdiction of tax centers.

The Tax Center consists of three (03) main departments, a collection office, and two departments:

- Main interest of management.
- Main interest of monitoring and research.
- Main interest of disputes.
- Holding.

- Reception and Information Service.
- Information Technology and Media Department.

– **Neighborhood tax centers:**

The launch of the Neighborhood Tax Center marks the completion of a program to modernize tax administration structures and management procedures. This program was launched in 2006 with the opening of the Directorate of Large Enterprises and the subsequent implementation of tax centers. The Neighborhood Tax Center is a new operational department of the General Tax Directorate, dedicated exclusively to managing tax files and collecting taxes due from a broad category, primarily taxpayers subject to the single lump sum tax system.

The establishment of the Local Tax Centre, which replaces existing structures (inspectorates and tax offices), aims to ensure the provision of the highest quality service to taxpayers by simplifying, coordinating and modernizing procedures.

Similar to the newly established structures, such as the Directorate of Large Enterprises and the Tax Center, the Neighborhood Tax Center, distinguished by its similar organizational and operational features, represents the sole tax hub for taxpayers, placing at their disposal a single, specialized structure that undertakes all tax duties performed by tax offices and tax collectors, enabling them to fulfill all their tax obligations.

He is responsible for :

- Management of individual establishments subject to the lump-sum system.
- Management of agricultural investments.
- Management of natural persons with regard to the tax imposed on the total income or on the financial liability, as well as the taxes imposed on their built and unbuilt real estate properties.
- Management of public institutions of an administrative nature, associations or any other organization, subject to taxes or fees imposed on wages and salaries paid, or any other part of their activity subject to the tax.
- Management of establishments affiliated with the Directorate of Large Establishments or Tax Centers, for taxes or duties not covered by the tax structures to which they are subject.
- Maintaining and managing tax files for taxpayers within its jurisdiction.
- Issues, inspects and approves schedules, collection lists and cancellation or reduction certificates.
- It is responsible for the schedules, revenue bonds, and the collection of taxes, rights, fees, and royalties.
- Performs physical operations for payment, collection and withdrawal of cash.
- Controls writing and centralizes value delivery.
- Search for, collect and exploit tax information.
- Monitor statements and regulate interventions.
- Investigates and processes complaints.
- Follow up on administrative and judicial disputes.
- Administrative reduction requests are being studied.
- The task of receiving and informing taxpayers is included.
- It handles the administrative procedures related to the container, especially those related to the establishment of institutions or the authorization of any modification.
- Organize and manage appointments.
- Disseminates information and opinions for the benefit of taxpayers within the jurisdiction of the neighborhood centers.

It consists of :

- Main interest of management.
- Main interest of monitoring and research.
- Main interest of disputes.
- Holding.
- Reception and Information Service.
- Information Technology and Media Department.

IV. The role of legislation in enhancing transparency in public finances through restructuring and modernizing tax administration:

The legislation regulating tax administration works to modernize it and keep pace with economic and technological transformations, as well as with the requirements of the knowledge economy and economic intelligence. The reforms also create a highly transparent and open tax system using scientific methods and modern technologies through the digital economy and the principles of governance.

Therefore, legislation is the major incubator for financial transparency processes, and the latter enhances the effectiveness of acquiring more resources for the state through its tax administration.

There are several points, including :

- Boosting economic confidence Legislation plays a vital role in building trust between the public and tax authorities. When regulations and laws are clear and fair, economic participants can expect a fair and rule-based tax system.
- Stimulating investment Transparency in the handling of public funds enhances investment attractiveness. Investors prefer transparent and stable tax systems because they can better assess financial risks.
- Improving the quality of government spending Thanks to strict financial regulations, the quality of government spending can be improved. This allows the government to prioritize and use funds efficiently to maximize economic benefits.
- Enhancing tax efficiency Legislation can point to ways to improve efficiency in tax collection and tax service delivery. This reduces tax evasion and increases government revenue flows.
- Improving spending direction with clear laws on spending direction, the government can achieve a better balance between different sectors and promote economic development:
- Enhancing financial transparency, the legislation contributes to enhancing transparency by imposing disclosure requirements and periodic reporting, enabling citizens and businesses to understand how public funds are used.
- Improving financial risk management with financial controls and legislation, the government can improve financial risk management and effectively address economic challenges.

The role of legislation in enhancing tax transparency in Algeria's comparison with some countries

Algeria	Important information	Comparative countries	Comparative information
Legislation stipulating principles of transparency	Transparency has been improved by issuing laws that encourage the publication of collection information and compliance with laws..	France	France has a highly transparent system that includes the publication of corporate tax information..
Verification and audit procedures	Measures have been tightened to combat tax evasion and ensure compliance with tax legislation..	US	The United States uses advanced technology to verify compliance with tax laws..
Tax evasion prosecution and litigation system	Algeria has seen improvements in its court system to ensure efficient prosecution of tax cases..	Germany	Germany has an efficient judicial system for quickly trying tax cases..
Collection techniques and mechanisms	Modern collection methods have been developed using technology to facilitate tax collection..	Singapore	Singapore relies heavily on technology in tax collection and settlement..
Tax design and definition of bases and areas	The tax design has been revised to make it fairer and more incentive-based..	Sweden	Sweden relies on advanced taxes aimed at achieving economic balance. and social.
International cooperation and judicial commissions	Encouraging international cooperation to combat tax evasion and exchange of information.	Switzerland	Switzerland is committed to international cooperation in combating tax evasion and exchanging information.

Prepared by the researchers based on previous information

It is clear that the role of legislation is not limited to being merely a legal framework, but rather represents a fundamental pillar in building an effective and transparent public financial system. Legislation on the collection and management of public funds reflects the government's commitment to transparency and accountability toward its citizens and economic participants. By establishing precise and comprehensive laws and regulations, legislation can contribute to enhancing confidence in the financial system and stimulating economic growth. Clearly defining procedures and responsibilities helps prevent corruption and ensure the efficient use of public funds.

Therefore, it can be said that legislation is not just words on paper, but rather a powerful tool for achieving sustainable development and improving quality of life. By enhancing transparency and effectiveness, legislation can pave the way to a stronger and more stable economic and financial future.

In conclusion, this presentation on the modernization of tax administration in Algeria emphasizes the important role of legislation in enhancing efficiency and transparency in this vital context. The following recommendations represent practical steps that can be taken to ensure the development of a modern and advanced tax system that meets the challenges of the digital age:

Recommendations :

- Promoting digital transformation Directing investments towards modernizing the technological infrastructure of tax administration, including the implementation of electronic systems to facilitate tax collection and data analysis.
- Training and qualification development Launching ongoing training programs for tax administration employees to enhance their technology skills and improve professional performance.
- Promoting transparency Issuing laws and regulations that encourage the publication of more transparent tax information, which enhances trust between the tax administration and taxpayers.
- Improving the taxpayer experience: Simplifying tax procedures and providing easy-to-access electronic services to improve the taxpayer experience and reduce bureaucracy.
- Encouraging community participation: Holding events and open dialogue sessions with civil society and companies to encourage participation in decision-making and understand the needs of taxpayers.
- Strengthening international cooperation. Strengthening cooperation with international bodies and regional organizations to exchange expertise and develop best practices in the field of tax administration:
- Combating corruption Strengthening anti-corruption measures within the tax administration by enhancing oversight and promoting transparency.
- Enhancing cybersecurity Developing strategies to enhance cybersecurity to protect tax data and ensure it is not compromised.
- Benefit from tax analysis: Enhancing tax analysis capabilities to predict economic trends and improve tax policy management.
- Enhancing communication with the public Develop tax awareness campaigns to explain legal changes and help understand transformations in tax administration.

Despite the achievements made in developing tax administration in Algeria, there are always opportunities for improvement. Modern and emerging legislation can be a key driver for enabling tax administration to keep pace with new technologies and improve performance. Enhancing engagement with technology, adopting innovative administrative procedures, and promoting transparency and taxpayer rights can significantly contribute to achieving desired goals. Given the changing global challenges, attention to modernizing tax administration becomes essential to ensuring the sustainability of financial systems and enhancing integrity and transparency.

We strongly emphasize the need to conduct periodic and ongoing evaluations to ensure the effectiveness of the measures taken and to commit to implementing the necessary improvements. Through these efforts, Algeria can advance its tax system to a highly modern and technologically advanced level, contributing to enhanced economic development and a better fiscal balance. Ultimately, innovation in taxation is a vital part of the evolution of public administration, and its impact transcends national borders to affect the paths of economic development and sustainability.

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