Research on the Impact of Digitalization of Tax Collection and Administration on Enterprise Financial Management Behaviors

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Abstract： The rapid development of new-generation information technologies (such as cloud computing, big data, artificial intelligence, etc.) has profoundly promoted the digital transformation of national management, social development, and enterprise operations. Enterprise digital transformation is centered around data, prompting changes in organizational models, governance models, management processes, business models, etc., to achieve improvements in innovation, efficiency, quality, and cost. This paper aims to explore the impact of digitalization of tax collection and administration on enterprise financial management behaviors and propose strategies for enterprises to respond.

Keywords： Digitalization of tax collection and administration; Enterprise financial management behaviors; Digital transformation

Introduction

In recent years, the rapid development of new-generation information technologies such as cloud computing, big data, artificial intelligence, the Internet of Things, virtual reality and blockchain has had a profound impact on modern society. It not only promotes the digital transformation of national management and social development, but also drives the digital and intelligent transformation of enterprises, becoming the main driving force for social transformation (Kraus, 2021)[1]. Enterprise digital transformation takes data as a key element, prompting changes in various aspects such as organizational model, governance model, management process, business model, operation model, business model, corporate culture and corporate leadership, and achieving improvements in innovation, efficiency, quality and cost (Cennamo, 2020; Hanelt, 2020)[2][3]. Digital technology enables enterprises to improve their customer relationships by learning from accumulated data and effectively generating "data network effects" aimed at continuously enhancing customer value, innovate customer service models, and create greater value (Gregory, 2020; Fadwa Zaoui, 2020)[4][5]. Data, as the fifth type of new

production factor in addition to land, labor, capital and technology, has integrated into various links such as production, distribution, circulation and consumption, and the "non-competitive commodity" characteristic enables data elements to be reused by enterprises at a marginal cost close to zero, enhancing the data-driven decision-making ability of enterprises (Alaimo, 2022)[6].Digital elements have also empowered national governance and government governance. Digital transformation is reshaping the administrative structure and strategy of public sectors (Di Giulio, M., & Vecchi, G, 2023)[7].Leveraging the strong data grassroots foundation to carry out digital transformation based on the advantages of massive data resources can significantly improve the quality and governance efficiency of national public management (Patrucco, 2020)[8]. and reduce corruption (Androniceanu, 2022)[9].

Tax governance digitalization is an important component of national and government governance digitalization. The effectiveness of national governance digital transformation is also reflected in tax management. From the perspective of the taxing country, as the main source of national fiscal revenue, its digital transformation is conducive to improving the efficiency of tax management (Shubailat, 2024)[6], can significantly improve the compliance of enterprises' tax payment behavior through intermediate influencing factors (Sevendy, 2023)[7], enhance the tax compliance of enterprises and reduce the level of tax avoidance, and help improve the fairness of the tax environment. The application of information technology means in enterprise information disclosure and withholding tax mechanisms has significantly improved the efficiency and compliance of tax collection (Brockmeyer & Hernandez, 2016)[8]. From the perspective of enterprises, taxation is the compulsory and gratuitous collection of taxpayers by the state based on public power and in accordance with the standards and procedures stipulated by law. Essentially, it is a transfer of taxpayers' private property. The impact of tax governance digitalization on the financial management behavior of enterprises is a place worth studying.

1 The Impact of Digitalization in Tax Collection and Administration on Enterprise Financial Management Behaviors

With the comprehensive promotion of the "Golden Tax Phase IV" and electronic invoices, as well as the advancement of digital reform in tax collection and administration such as cross-data verification and cross， enterprise financial management is undergoing a systemic transformation. This transformation not only manifests at the technical level but also profoundly influences the strategic decision-making logic of enterprises. This article will conduct an analysis from three dimensions: financing, investment, and operation, revealing the reshaping mechanism of digital tax collection and administration on enterprise

financial behaviors.

At the financing behavior level, digital tax collection and administration has reduced information asymmetry between enterprises and financial institutions through an information transparency mechanism. On one hand, the standardized processing of tax data enables key information such as historical tax payment records and business stability to be more easily obtained by financial institutions, thereby improving the credit rating of enterprises and expanding financing channels. On the other hand, the "tax collection effect" formed by digital supervision effectively restrains enterprises from conducting unconventional financing through tax avoidance, promoting the standardization of financing behavior. At the same time, the precise push of tax and fee policies by the government through digital platforms further reduces the financing costs of enterprises, forming a "bridging effect" to help enterprises obtain more low-cost funds.

For investment behavior, digital tax collection and administration has produced a significant two-way regulatory effect. It strengthens tax supervision capabilities through cross-data verification of big data, both reducing the space for enterprises to evade taxes and promoting more prudent investment decisions. Research shows that digital tax collection and administration improves the governance structure of enterprises through the "governance effect", inhibiting opportunistic behavior of management, and promoting enterprises to shift from short-term arbitrage-type investment to long-term value-based investment. At the same time, the industry tax burden warnings and investment risk guidance provided by the tax department based on big data analysis help enterprises optimize their investment portfolios and avoid cash flow risks brought about by excessive investment.

In terms of operational behavior optimization, the process reengineering effect brought about by digital tax collection and administration is particularly prominent. On one hand, the popularization of electronic invoices and intelligent declaration have significantly reduced the tax payment costs for enterprises, enabling them to focus more resources on their main business. On the other hand, the tax department's dynamic monitoring of enterprise operational anomalies through the construction of "data portraits" and timely provision of customized tax advice help enterprises prevent operational risks. More importantly, the cross-departmental data sharing promoted by digital tax collection and administration enables enterprises to more accurately grasp market trends, make intelligent decisions in procurement, production, and sales, and comprehensively enhance operational efficiency.

Overall, digitalization of tax collection and administration not only enhances tax collection and administration efficiency through technological empowerment but also reconfigures the underlying logic of enterprise financial management through the circulation of

data elements, promoting the coordinated optimization of financing, investment, and operation within the framework of compliance, and ultimately facilitating the sustainable development of enterprises.

2 Strategies for Enterprises in Response to the Digitalization of Tax Collection and Administration Context

2.1 Strengthening Tax Compliance Management

Enterprises should establish a "trinity" compliance system, including: Firstly, a risk self-assessment and internal control system. Utilize digital tools to establish a risk indicator database, covering high-frequency risk points such as VAT fraud, cost-income matching for corporate income tax, and individual income tax and social security compliance, and achieve automatic early warning through the system. Secondly, a process digital transformation system. Deploy intelligent tax systems to automatically capture business data and generate tax returns, reducing manual intervention; adopt blockchain technology to achieve full lifecycle traceability of invoices, ensuring consistency of the four flows (contract flow, capital flow, invoice flow, and logistics). Thirdly, a compliance culture cultivation system. Incorporate tax compliance into performance assessment, regularly conduct training on the interpretation of "Golden Tax Phase IV" policies, and establish an incentive mechanism for "compliance exemption list".

2.2 Enhancing Financial Management Capabilities

Through digital empowerment to achieve integration of business and finance, the following measures are taken: First, establish a data hub: integrate data from ERP, CRM, and tax systems to construct an "enterprise digital profile" and support real-time financial analysis. Second, apply AI prediction models. Utilize machine learning algorithms to predict cash flow fluctuations and optimize capital allocation; analyze industry tax burden rates through big data to calibrate one's own tax costs. Third, promote automated accounting and introduce RPA robots to automatically handle transactional tasks such as reimbursement and reconciliation, reducing the error rate of manual operations; adopt an electronic accounting archive system to achieve cloud storage and intelligent retrieval of vouchers.

2.3 Optimization of Tax Planning Strategies

Enterprises need to implement precise tax savings within the framework of compliance. Firstly, they should explore policy benefits by using the tax data big data platform to monitor policy dynamics. For instance, they can utilize the additional deduction for research and development and regional tax incentives to adjust investment layouts. Secondly, they should optimize the supply chain by conducting digital modeling analysis to identify the identities of suppliers and taxpayers, and select general taxpayers to obtain input tax deductions. They should also plan the inventory turnover reasonably to avoid the risk of issuing false

invoices. Thirdly, they should design the organizational structure reorganization, adopting the "headquarters - branch" model to coordinate tax burdens for cross-regional operating enterprises; and designing deferred tax equity incentive plans for high-net-worth individual shareholders. Fourthly, they should strengthen data security management. They should build a "cloud + local" protection network. Fifthly, they should implement a hierarchical encryption mechanism. They should encrypt core tax data using national cryptography algorithms and implement "one key per person" management; they should establish a data de-identification rule library to ensure the security of data submitted externally. Sixthly, they should conduct zero-trust access control. They should deploy multi-factor authentication systems and allocate the minimum necessary permissions based on roles; they should monitor abnormal access through behavior analysis engines and block risky operations in real time. Seventhly, they should build a disaster recovery system. They should adopt a "two locations and three centers" architecture to store tax data and conduct regular penetration tests and emergency drills to ensure system resilience.

2.4 Strengthen Communication with Tax Authorities

Enterprises need to establish a two-way interaction mechanism with tax authorities, including participating in the "Spring Rain Nurturing Seedlings" special action of the tax department to obtain customized policy guidance; submitting applications for pre-approval of complex tax-related matters through the tax-invoice interaction platform. For cases of tax inspection disputes, provide digital evidence chains such as electronic ledgers and full-electronic invoices in cooperation; when necessary, introduce tax service firms to issue professional certification reports.

As industry representatives, participate in the "Smart Taxation" pilot program of the tax department, feedback system usage pain points, and promote the optimization of tax administration services. Enterprises should establish a "Tax Digital Transformation Management Office" to coordinate cross-departmental collaboration in terms of compliance, technology, and finance, and transform digital tax administration pressure into the driving force for transformation and upgrading.

3 Conclusion

This paper reveals the profound impact of digitalization in tax collection and administration on the financial management behaviors of enterprises. The research shows that digitalized tax collection not only significantly enhances the efficiency of tax management and strengthens the compliance of enterprises with tax regulations, but also restructures the underlying logic of enterprise financial management. Specifically, tax data has become a core production factor, compliance costs have shifted towards the value-creation end, and financial decisions have moved from being

driven by experience to being driven by algorithms. These changes have prompted enterprises to act more 规范化 and make more prudent decisions in financing, investment, and operation, and have effectively improved operational efficiency. To address the challenges and opportunities brought about by digitalization in tax collection and administration, this paper proposes that enterprises should actively adopt the following strategies: Firstly, strengthen tax compliance management and build a "trinity" compliance system covering regulations, technology, and culture to ensure the legality and accuracy of tax processing; Secondly, enhance financial management capabilities by leveraging digital technologies to achieve deep integration of business and finance, and improve the scientificity and efficiency of financial decision-making; Thirdly, optimize tax planning strategies and implement precise tax savings within the framework of compliance to balance tax costs and business benefits; Finally, strengthen data security management and build a comprehensive protection network of "cloud + local" to ensure the security and privacy of tax data; Lastly, enhance communication and collaboration with tax authorities, establish a two-way interaction mechanism, promptly obtain policy information and technical guidance, and jointly promote the digital transformation of tax collection and administration.

The research in this paper not only enriches the theoretical achievements in the field of digitalization in tax collection and administration, but also provides practical guidance for enterprises to cope with digital transformation. Future research can further explore the specific impacts of digitalized tax collection in different industries and enterprises of different scales, as well as the dynamic interaction between policy environment and technological development, to provide more precise decision support for deepening tax collection and administration reform and optimizing enterprise financial management.

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