

# Tax meets tech to meet tomorrow

## With change all around, tax transformation steps forward

As we move through 2024, familiar issues remain in place, with significant uncertainty across all spheres of business: geopolitical, economic, legislative, regulatory, technological, and operational. Also unchanged is the vital need for tax functions that are strategic, collaborative, agile, resilient and data driven.

The 2024 KPMG Chief Tax Officer Outlook Study spotlights the transformations underway in the current tax department and the need for tax functions that are strategic, collaborative, agile, and resilient to navigate

the current wave of disruption—and the one that will undoubtedly come next.

Technology enablement is high on the agenda. Advanced tools for digesting data, making calculations, generating intelligence, and automating compliance are essential for tax to deal with a compliance and reporting burden that continues to escalate, driven by multiple factors including new global tax rules, a push toward greater tax transparency, and evolving geopolitical and macroeconomic risks.



## Energy and Natural Resources key findings

Leveraging innovation and technology is a top priority for CTOs.

### Tax technology transformation

Steps tax functions are taking to leverage technology and automation:

Deploying or exploring the use of Generative AI in tax

55%



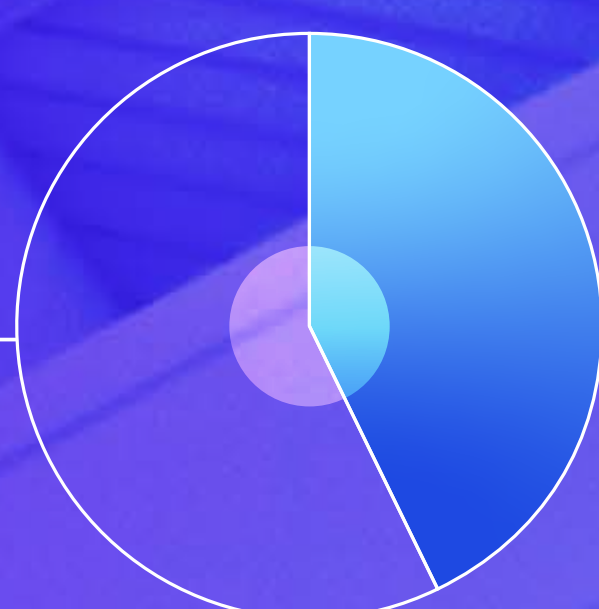
Automating tax compliance processes

45%



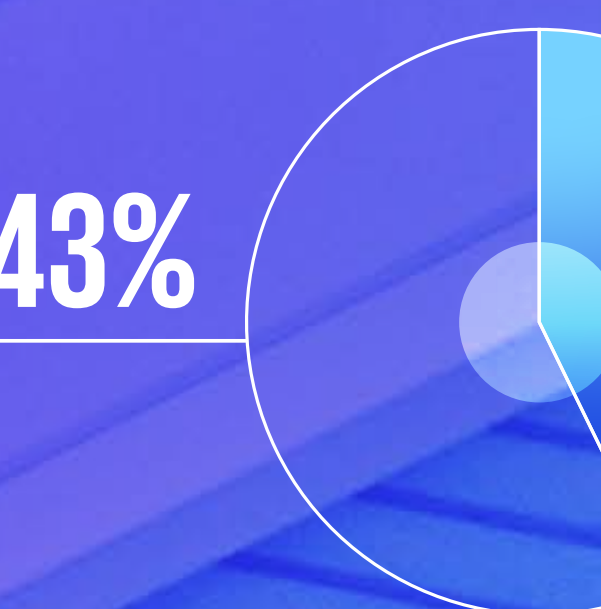
Integrating or leveraging enterprise financial systems

43%



Evaluating current processes and identifying areas for automation

43%



Tax functions that use technology to free up tax professionals for strategic activities

2024

40%

2023

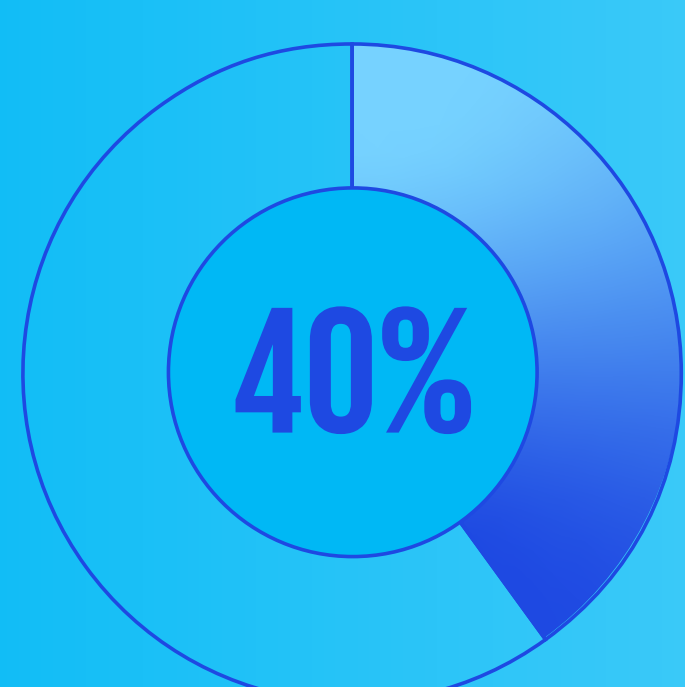
22%



## What's on the mind of Energy and Natural Resources CTOs?

### Tax operations and talent

**Greater scalability** is the top benefit CTOs expect to obtain from **shifting to greater outsourcing or co-sourcing**.



Top ways tax functions will **respond to the evolving tax landscape** over the next three years.

45%

43%

41%

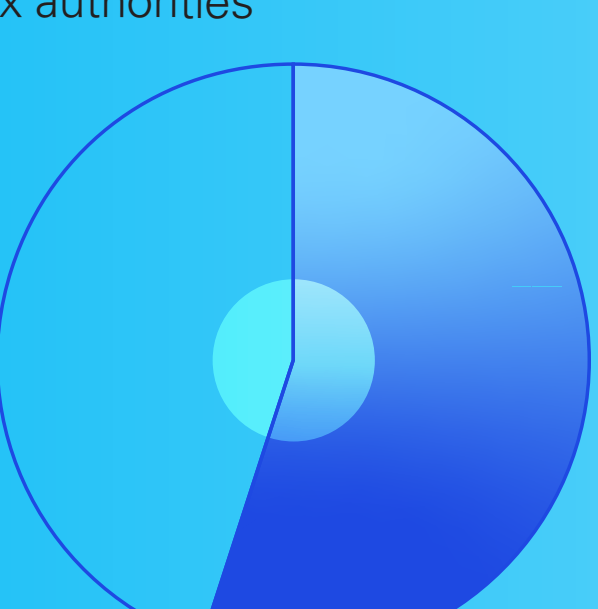
- Implementing flexible/remote work
- Adopting new technology/software
- Redesigning job roles

### Tax legislation, regulation, and administration

Significant challenges tax functions face in the current U.S. and international tax landscape:

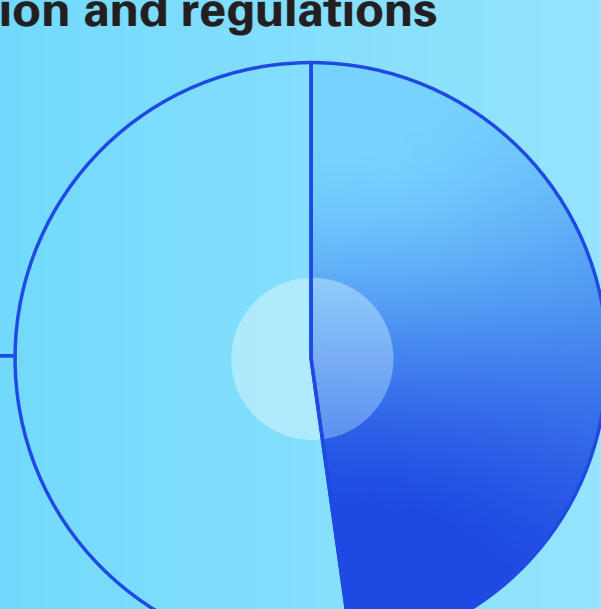
Dealing with **increased scrutiny and enforcement** by tax authorities

55%



Keeping up with **complex and evolving domestic legislation and regulations**

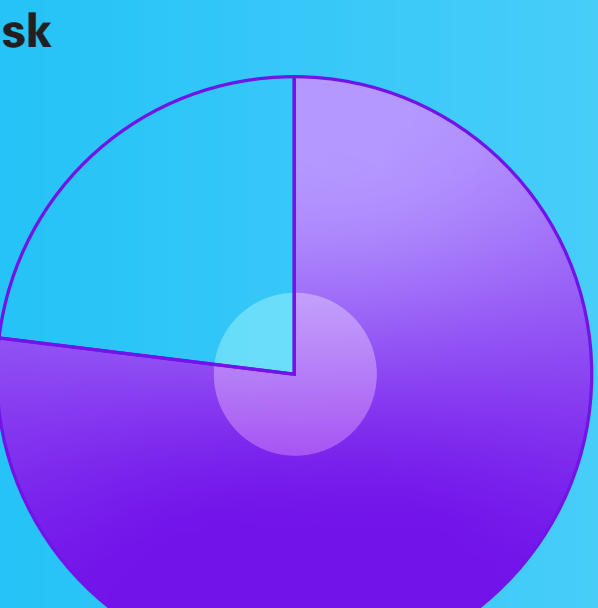
48%



Business risks that pose the **most significant challenges** to the tax function.

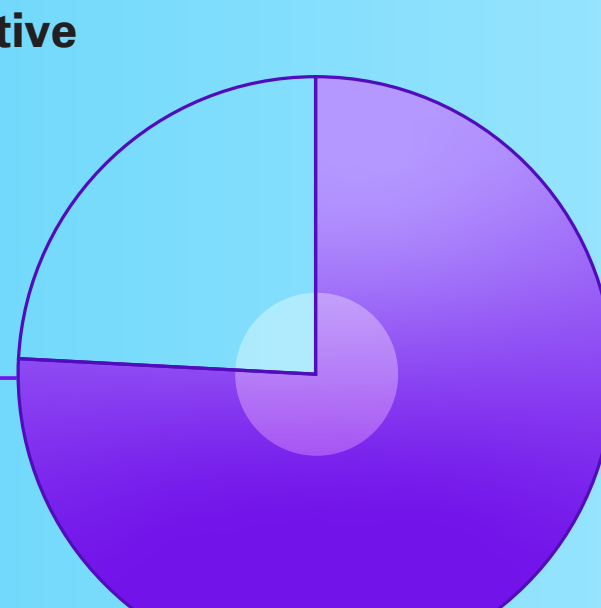
**Macroeconomic risk**

77%



**Emerging/disruptive technology risk**

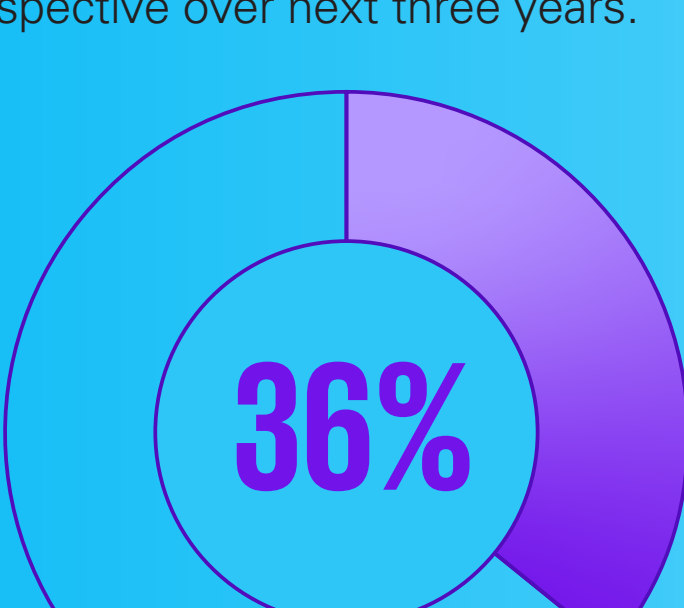
76%



### Enterprise issues and growth

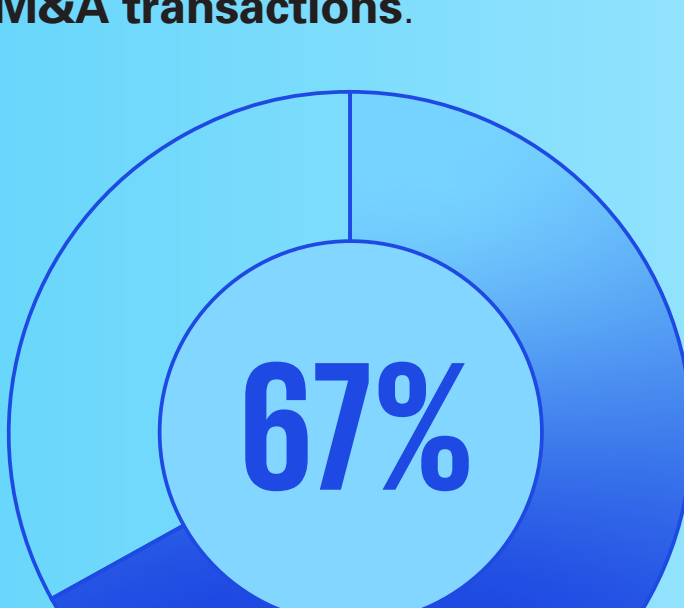
**ESG risk and Macroeconomic risk** (36%) are the **greatest threats to organizational growth** from a tax perspective over next three years.

36%



67% of tax functions **work to limit existing tax exposures** and **identify new tax strategies to speed up M&A transactions**.

67%



## Survey methodology

In Fall 2023, KPMG surveyed 300 Chief Tax Officers (CTOs) at large public and private U.S. companies across 22 industries about how they are leading their organizations' tax revenue through a period of vast change. Ninety percent of CTOs came from companies with revenue of \$2 billion or more. 58 CTOs from the Energy and Natural Resources industry participated.



Click [here](#) to view the full 2024 KPMG Chief Tax Officer Outlook Study.



Visit [kpmg.us/tax](https://kpmg.us/tax) to learn how KPMG Tax helps tax leaders embrace disruption, seize new opportunities, and drive greater value.



Visit [CTO Insights](#) for ways tax executives are addressing opportunities and challenges.