UNTC 31st Session
Stakeholder Input Template

UN Tax Committee

Help inform the Committee's deliberations on their work programme for 2025-2029 by sharing your perspectives on challenges in tax policy and administration facing developing countries, emerging issues that need attention, and where there is a need for more or different guidance. Submissions should be made in one of the six (6) UN languages. All valid submissions will be published on the UN Tax Committee website in the language submitted.

Submission details: Deadline: **1 September 2025**, Email to: **taxcommittee@un.org**

Subject: Input for UN Tax Committee Work Programme (2025-2029)

INFORMATION

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BACKGROUND (Maximum of 200 words) – Please respond on page 2.

Please provide a brief summary of your organization's mandate and areas of work unless this submission is in personal capacity, how they relate to international tax cooperation, domestic resource mobilization, sustainable development, or any other field. This will help us map and better contextualize your perspective and input.

WORK PROGRAMME PRIORITIES (Maximum of 2000 words inclusive of any footnotes) – Please respond on page 3.

What should be the Committee's priority issues for 2025-2029? Consider, in light of the Committee's mandate, both the provisional agenda topics and any additional areas you believe are important.

For each priority you recommend, please explain:

a) Why is this issue important for developing countries?
b) What specific guidance or tools should the Committee produce?
c) How would this output be practical and valuable for countries?

SUPPORTING REFERENCES Please list any hyperlinks to relevant reports, studies, or other materials that support your recommendations. Do not attach files. – Please respond on page 4.

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Gatti Pavesi Bianchi Ludovici (GPBL) is a leading Italian full-service law and tax firm influencing the Italian legal and tax markets in the last decades thanks to its innovative approach.

The firm advises and assists national and international clients with high-level expertise in all areas of civil, commercial and corporate law, and in national and international taxation. Our Tax department supports companies, corporate groups and also non-profit organizations and foundations with ongoing tax advisory services concerning direct and indirect taxation. GPBL also supports in proceedings brought before Italian and international courts, as well as in arbitration proceedings. Our professionals have an extensive background in international taxation, they have gained valuable experience in different roles, including working closely with OECD institutions, participating in negotiations, and being involved in the implementation of European tax policies in Italy.

Gatti Pavesi Bianchi Ludovici actively joins the public tax debate at the OECD, UN and European level for example, participating in public consultations as part of the legislative/soft law process directly or through professional associations.

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A. Searching for a new nexus (without a physical presence)

Following the setback of Pillar One – Amount A (designed to ensure the taxation of non-resident enterprises which, despite lacking a physical presence in a jurisdiction, nevertheless derived revenues through transactions with resident entities) and the uncertain viability of the Digital Services Taxes introduced predominantly in Europe, a reconsideration of the traditional concept of nexus under the Model Convention on Double Taxation— and, consequently, of the definition of permanent establishment — remains necessary.

a) It is essential to reach a globally shared concept, so that it may contribute to open new perspectives for the reallocation of taxing rights in developing countries by securing a fairer share of tax revenues derived from economic activities taking place within their markets, despite the absence of a traditional physical presence;

b) The Committee should put forward a proposal for an amendment to the relevant articles of the Model Convention on Double Taxation;

c) The proposal would foster a coherent and globally accepted framework for the taxation of non-resident enterprises, thereby reducing disputes and uncertainties in the allocation of taxing rights. The adoption of a harmonized approach through amendments to the Model Convention on Double Taxation would enhance tax certainty and limit the proliferation of unilateral measures.

B. Current and future implications of Artificial Intelligence on Taxation

Given the central role of technology in the management of taxation and the impact of Artificial Intelligence (AI) developments across all areas of business and public organizations' activities, a reflection on the use of AI by tax administrations and its implications for taxpayers is required.

a) The spread of AI may give rise to new inequalities, both in terms of access to technology and in terms of inclusion and accessibility for all categories of taxpayers. This may exacerbate existing disparities between developed and developing countries.

b) The Committee’s work could be expressed in the form of guidance and policy recommendations addressed to tax administrations.

c) This proposal could at the same time support the modernization of tax administrations, particularly in countries with limited technical capacities, and help reconcile innovation with inclusion, thereby avoiding disparities between developed and developing economies.

SUPPORTING REFERENCES *Please list any hyperlinks to relevant reports, studies, or other materials that support your recommendations. Do not attach files.*

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