Managing conflict

PwC's Global Tax Controversy and Dispute Resolution Survey

January 2025

Introduction

Tax authorities worldwide are under pressure. As governments deal with geopolitical and economic challenges – and, in many countries, an exceptionally tough outlook for public finances – they are challenging their tax authorities and regulators to be more demanding on enforcement and to increase the tax yield.

Businesses are naturally in the firing line. Tax functions can expect to see tax authorities become increasingly proactive – and to take a tough line on compliance. Moreover, new tax regulation, increased collaboration between international tax authorities, and the rapid development of new technologies all have the potential to add fuel to the flames.

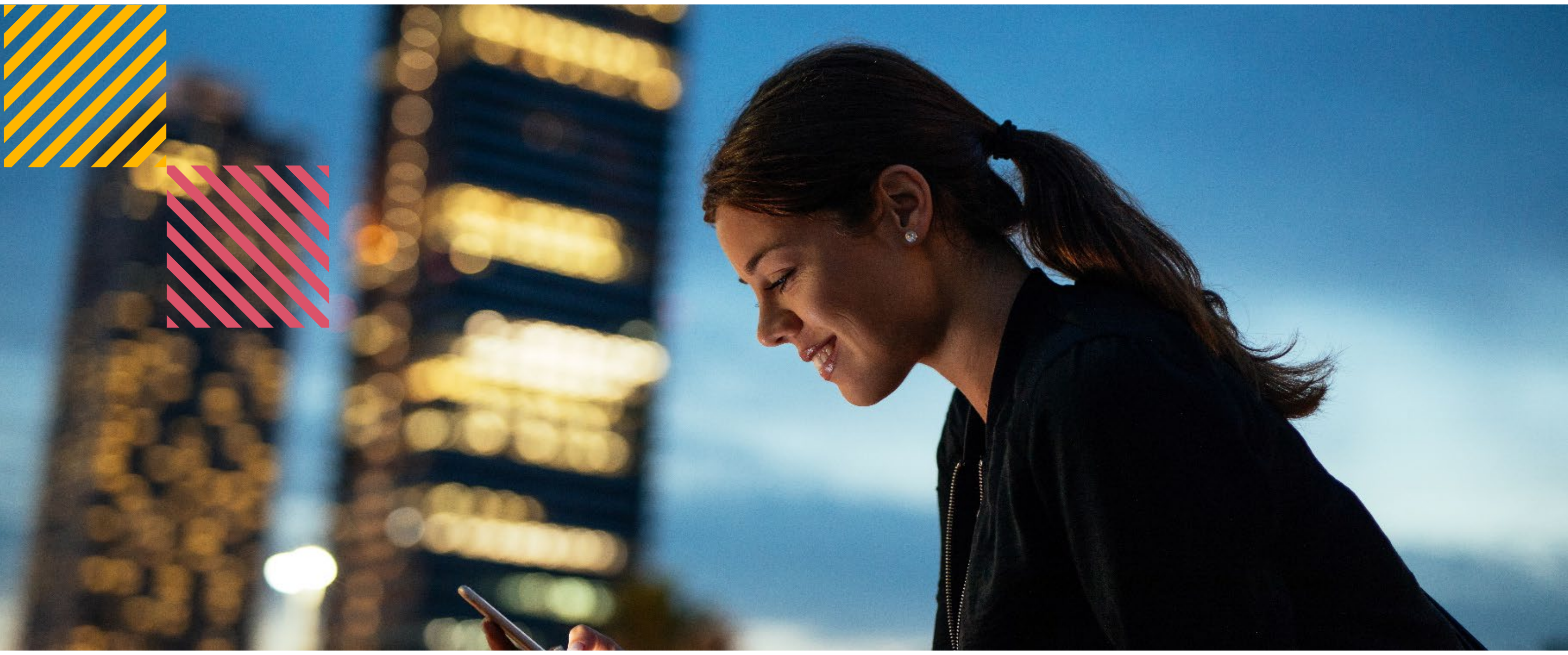
It was against this backdrop that PwC launched new research into the extent of challenge between businesses and their tax authorities. And our findings make concerning reading.

As leaders of PwC's Global Tax Controversy and Dispute Resolution Network, we know that many businesses face disputes with their tax authorities and that the frequency and intensity of these disputes is on the increase. But even we were surprised at the results of our survey: every single business that took part said it had been involved in at least one tax dispute over the last two years.

There will be more to come. Seven in 10 respondents believe that inquiries from tax regulators will increase over the next three to five years. Our data shows that close to half of all inquiries lead to disputes, suggesting that many tax functions face a daunting rise in such cases – many of which endure for years.

It is not all bad news. New technologies provide businesses with means to manage their tax functions' workloads more effectively. Support from professional advisers, including PwC, can help businesses cope. And well-prepared businesses, with defense files that set out the critical facts and evidence in their cases, will be in a stronger position to respond to tax authorities' claims.

Nevertheless, the demands on tax functions in the years to come look daunting – particularly as businesses start to get trips with Pillar Two, the new Global Minimum Tax rules, which have the potential to generate even more tax disputes. There is plenty of work ahead.



Contents

Part 1: Tax inquiries soar

Tax inquiry numbers are growing rapidly worldwide, putting increased pressure on the resources of tax functions

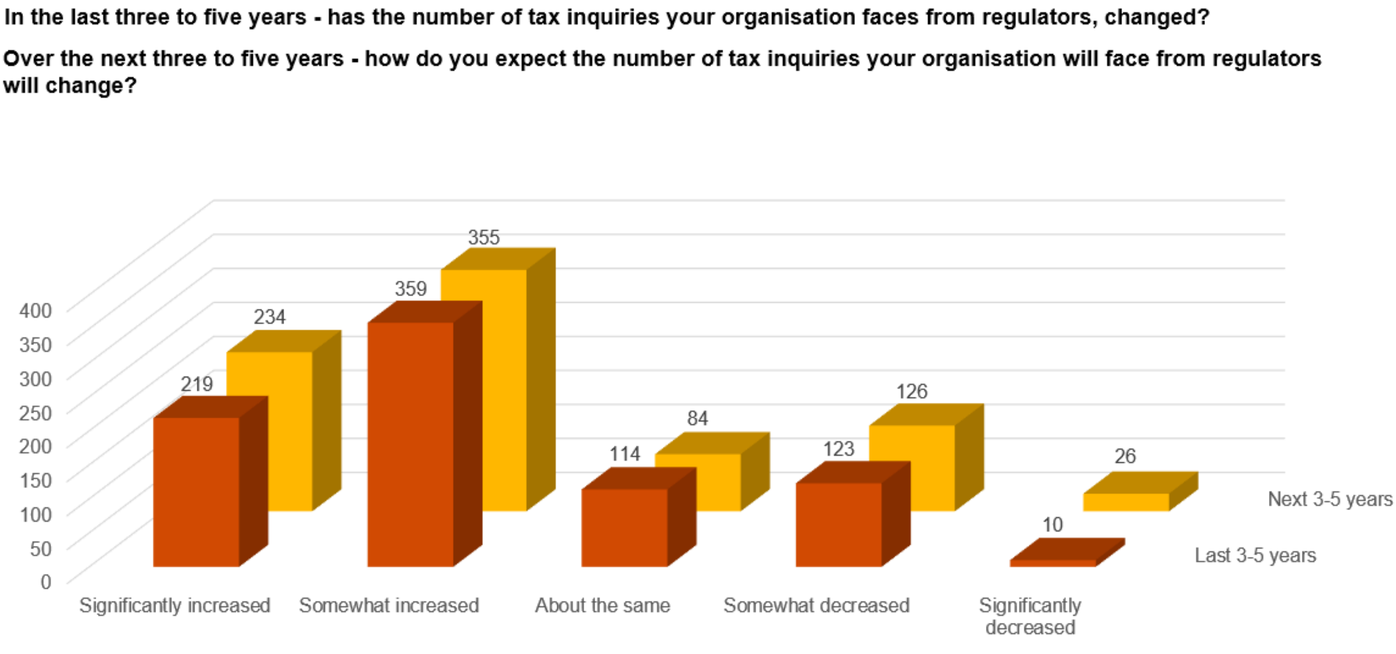
Tax inquiries are on the rise. All around the world, tax authorities have subjected businesses in their jurisdictions to an increasing number of inquiries over the past three to five years, our research reveals, and are expected to continue doing so over the years to come.

Almost three-quarters of the 825 businesses we surveyed (71%) report that they have faced an increase in tax inquiries from regulators over the past three to five years (see Figure 1). The same number expect tax inquiries to increase over the next three to five years. Fewer than one in five businesses has seen a decrease in the volume of inquiries received or expect to see a decrease in the near future.

The findings underline the growing workloads that many businesses' tax functions are now having to deal with, as the burden of dealing with tax inquiries continues to escalate. Businesses face both the immediate pressure of responding to tax inquiries in a timely and thorough manner, and the concern that inquiries may develop into full-blown disputes, putting further pressure on resources – and raising the prospect of unexpected costs and additional uncertainty.

Indeed, many businesses taking part in this research warn that a significant proportion of tax inquiries subsequently evolve into more formal and demanding cases. While the nature of the initial inquiry may vary enormously – ranging from a relatively mundane fact-check to a more wide-ranging set of questions – many inquiries do lead to further investigation and audit work.

Figure 1: Tax inquiries are on the increase



Why are tax inquiries on the increase? As Figure 2 shows, many businesses believe one part of the explanation for the rise is the growing technological sophistication of tax authorities. Data analytics tools, for example, enable tax authorities to identify potential outlier cases in carefully selected cohorts of businesses. Automation tools enable authorities to work through regulatory filings and returns without tying up resources, enabling more exacting examinations of each business's declarations. Such tools can even be used to automate the launch of an inquiry.

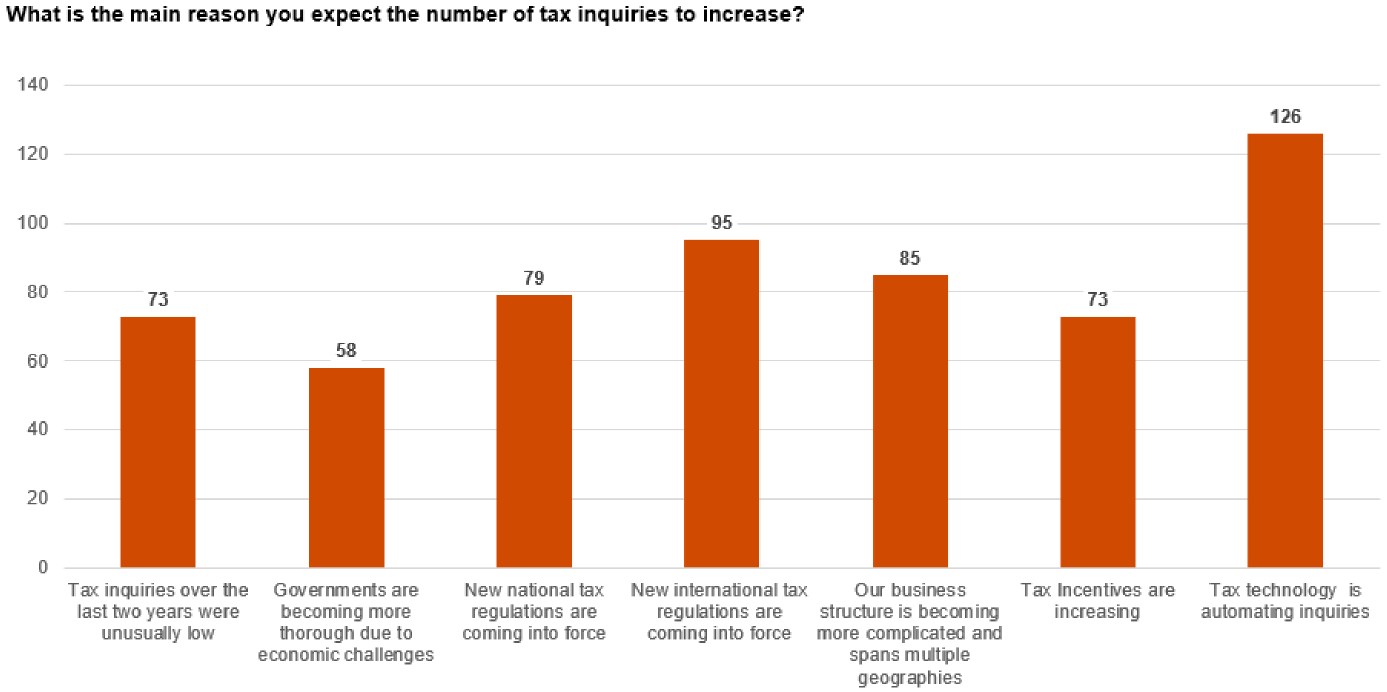
The growing maturity of such technology supports the view of businesses expecting to see further increases in inquiry numbers in years to come. Even tax authorities lacking traditional resources may be able to leverage automation tools and other technologies in order to step up their levels of activity. And where authorities are also investing in new hires – both the UK's HMRC and the US's Inland Revenue Service, for example, are substantially expanding their workforce – the increase may be even more significant.

Moreover, the pressure on tax authorities to launch more inquiries looks set to increase. Many businesses in this research point out that in an era of slower economic growth and pressing public finance challenges in multiple countries, governments are looking to tax authorities to bring in more revenues. Politicians expect regulators to take a much tougher line.

A related factor is the increase in tax regulation – 29% of businesses in this research say they think the growing number of tax inquiries they face relates to additional tax regulation, either at a national or international level. As tax authorities look to enforce new regulation, often prompted by the desire to increase the tax take or to close down perceived loopholes and avoidance opportunities, inquiries are surging.

In fact, the interplay between national and international regulation may be a significant factor driving up inquiries. Individual countries concerned with maintaining – or even growing – their share of corporate tax receipts will naturally be concerned about the prospect of revenues being redirected to other jurisdictions under international tax agreements and regulation. Their propensity to challenge businesses in this regard will therefore be heightened.

Figure 2: Why tax inquiries are increasing



The bottom line is that this worldwide increase in tax inquiries seems unlikely to dissipate any time soon – those businesses anticipating further increases will almost certainly be proved right. With tax authorities under pressure to secure revenues for their governments – and technology available to help them do so – tax functions can expect their workloads to continue to grow.

Indeed, many businesses report an increase in speculative inquiries from tax authorities. Rather than asking specific questions, authorities are asking businesses to review their positions to confirm the stance they have taken. Such inquiries put businesses in a difficult position, putting the onus on them to review their returns – and to decide whether their initial view is likely to prompt further investigation.

Against this backdrop, many corporates will need to commit additional resources to hard-pressed tax functions. And almost all the businesses taking part in this research expect to turn to external support to deal with most or all of the tax inquiries they receive in future.

Part 2: Why global tax inquiries and disputes are increasing

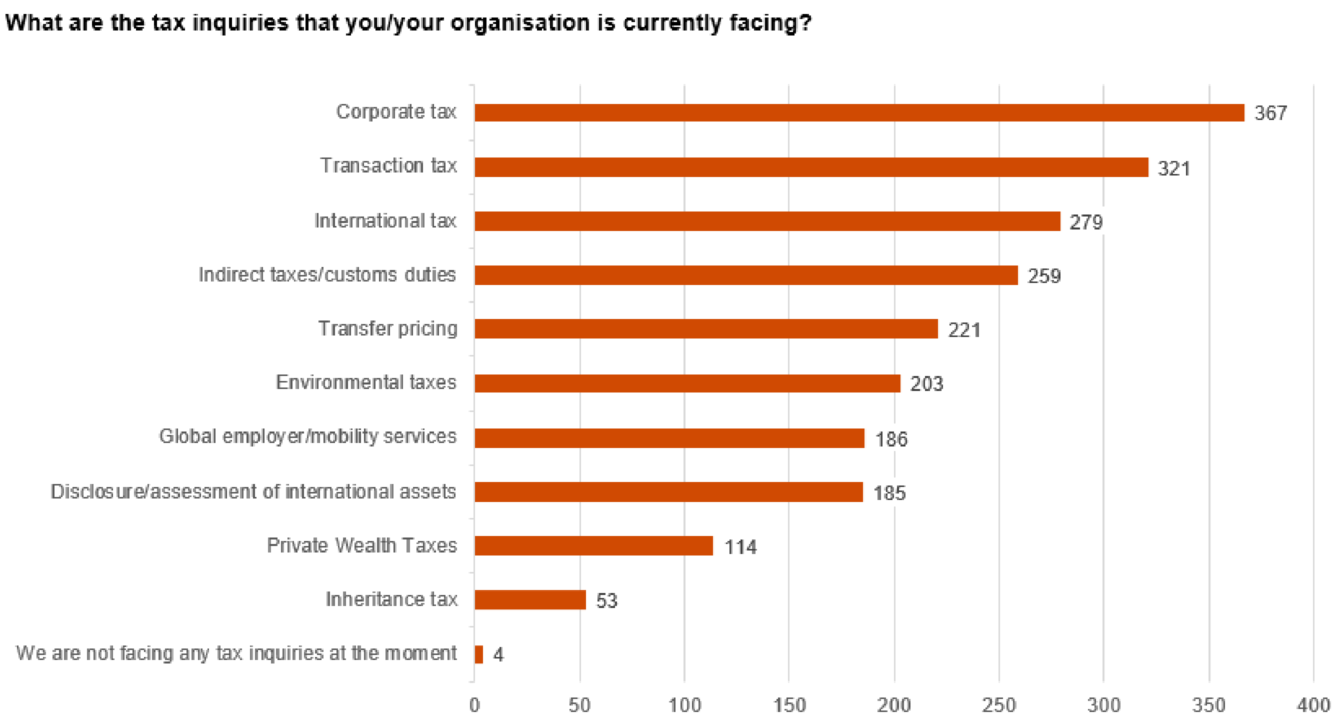
Increases in the numbers of tax inquiries and disputes worldwide reflect the reality that a broad range of issues is giving rise to investigations

The more interventionist and proactive stance of tax authorities in multiple jurisdictions is piling the pressure on to tax functions. And of the more than 2,000 inquiries faced by businesses taking part in this research, some 43% – more than 900 – have subsequently turned into full-blown disputes.

Inevitably, the nature of tax inquiries varies from one territory to another. But as Figure 3 shows, inquiries are spread across a broad range of taxes. While businesses are most likely to report they have received inquiries about their corporate tax affairs, transaction taxes, international taxes and indirect taxes have all given rise to significant numbers of inquiries too.

Tax functions dealing with such a broad spread of inquiries will need access to a wide range of specialist expertise. In addition, the increasingly tense interplay between national and international tax regulation – with individual jurisdictions increasingly competing for their share of the tax take – adds to the difficulty of dealing with tax inquiries.

Figure 3: What gives rise to tax inquiries



Moreover, while tax functions will want to resolve inquiries as quickly as possible, the fact that more than four in 10 cases are evolving into disputes with tax authorities will worry businesses. These disputes will demand further resources and potentially expose businesses to significant expense, as well as the potential for unexpected liabilities to tax.

In practice, no single area of tax appears to be much more likely to generate a dispute. At the top of the list, more than half of businesses (53%) say they have become embroiled in at least one dispute related to tax deductions (see Figure 4). One explanation for this may be the growing numbers of governments worldwide offering tax incentives to encourage businesses to invest in areas such as research and development; tax authorities are then tasked with ensuring that claims for such incentives are accurate and justified. The treatment of debt and debt interest may also be giving rise to disputes.

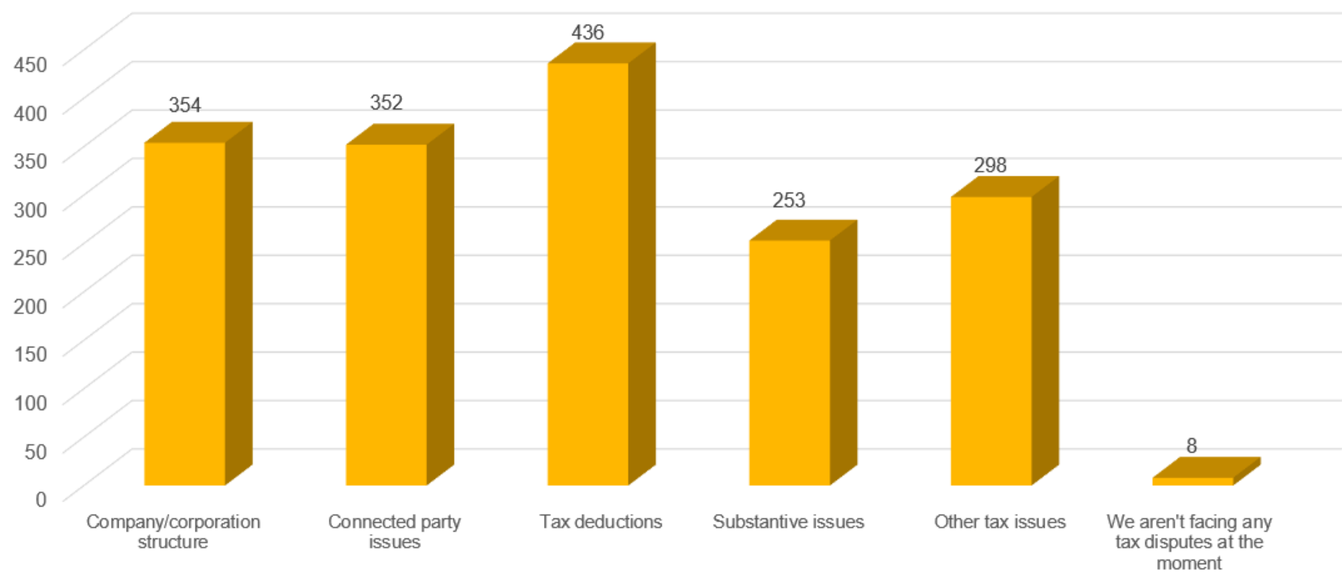
Elsewhere, 43% of businesses say they have suffered a dispute related to connected party issues. Transfer pricing issues, for example, are potentially troublesome, with service payment questions also escalating into disputes. On the former, 86% of businesses involved in a transfer pricing dispute say the issue is around methodology – the methods of calculation used by entities to determine their transfer prices; 41% cite transactional issues, pointing to disagreements about the underlying goods or services involved.

Meanwhile, the same proportion of businesses (43%) say they have been involved in disputes related to corporate structures. These include disputes in areas such as special purpose vehicles, residency, hybrid structures, permanent establishment and beneficial ownership, all of which may prove highly complicated to resolve.

As for other tax issues, PwC professionals point to a growing number of disputes over foreign tax credits; more broadly, increasing numbers of cross-border disputes may also reflect the potential conflict between national and international regulation. Future disputes, moreover, may reflect shifting tax regulation; in the UK, for example, the recent announcement of an increase in employers' national insurance rates is likely to lead to many businesses taking steps to mitigate higher costs, with disputes in some cases likely to follow.

Figure 4: Where tax disputes originate

What types of tax disputes (if any) is your organisation currently facing with regulatory authorities?



Is there a way to head off inquiries and, particularly, disputes? With tax authorities under pressure to increase scrutiny of corporates, this may be difficult. However, businesses do now need to reflect on their appetite for risk – the extent to which an aggressive approach to tax is likely to give rise to a potentially time-consuming and expensive inquiry or dispute.

There is no one-size-fits-all answer to such questions. Specialist advisers with a good understanding of the preoccupations of national and international tax authorities are well-placed to support businesses, offering guidance on where individual regulators ae most likely to take a rough line. This may help businesses identify areas of their tax affairs where caution is most advisable.

Ultimately, however, every organisation needs to take a view for itself on risk. Some businesses will prioritise minimising their liability – and will accept this leaves them more vulnerable to inquiries and disputes; that may require increased resourcing for their tax functions. Others will focus on avoiding such flashpoints to the greatest possible extent.

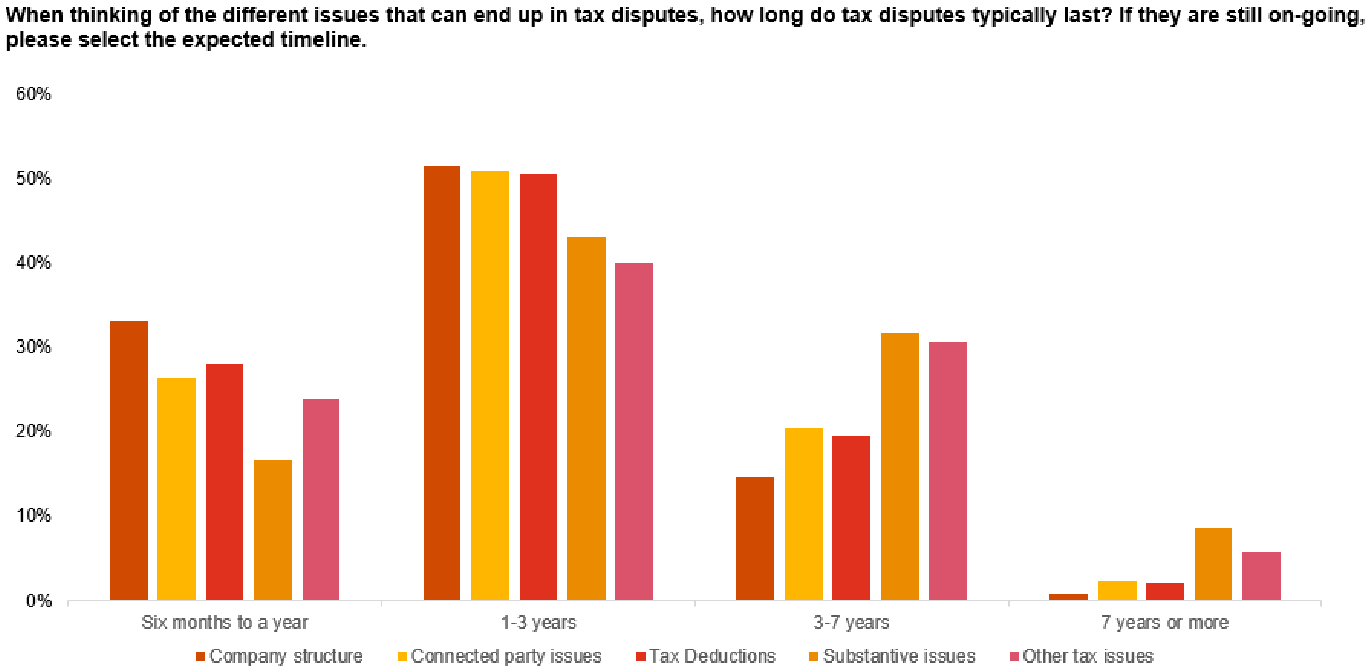
Part 3: Tax disputes take longer to resolve

Businesses engaged in disputes with tax authorities may face years of time-consuming and expensive work before resolving their cases

The growing number of businesses worldwide now stuck in tax disputes face years of arguments with their tax authorities. While most businesses that get into a tax dispute, resolve them within 3 years, our research shows – that there are a significant number of cases, where disputes are taking far longer to resolve.

The research breaks down dispute resolution timelines by both issue (see Figure 5) and geography (Figure 6). By issue, tax disputes related to substantive issues – such as the application of GAAR regimes or the substance over form rules – are most likely to last three years or more, with 41% of these cases taking this long to resolve. Cases related to tax deductions – covering categories such as business expenses, research and development incentives, and employee expenses – are least likely to drag on, with 78% resolved inside three years.

Figure 5: Dispute timelines by tax issue

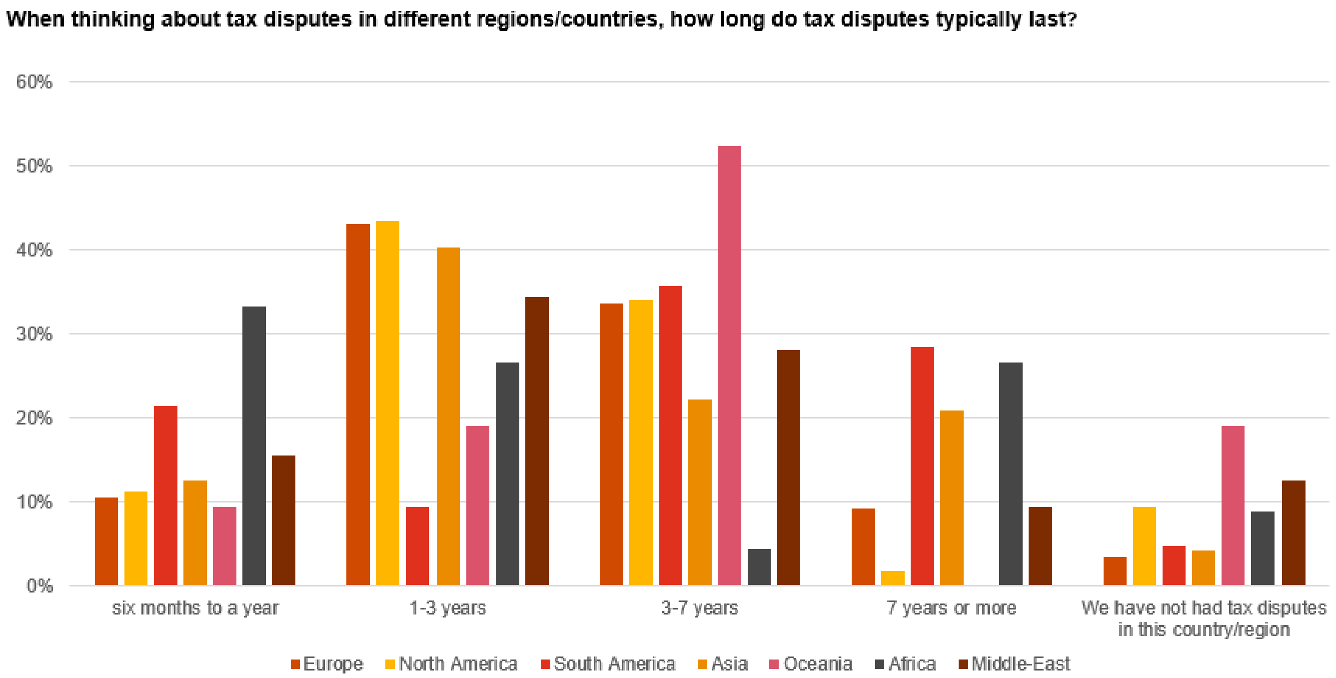


By geography, most businesses say that disputes with their home tax authorities are typically quicker to resolve than those with regulators in other countries. When dealing with overseas authorities, businesses say disputes in Europe and North America last for more than three years in 43% and 36% of cases respectively; the corresponding figure for Asia in also 43%.

In other territories, more businesses are experiencing extended timelines for disputes. In Latin America, for example, businesses say 68% of disputes are taking at least three years to resolve, including 30% that take more than seven years. In Oceania, 65% of disputes take at least three years to resolve, though no business surveyed has seen a dispute go beyond seven years. Tax authorities in Africa and the Middle East perform slightly better in the research.

In practice, every dispute varies – some cases will inevitably take longer to resolve due to their complexity, or because one or both parties have more entrenched views about their position. The broad picture, however, is one of tax functions – and the broader business – finding themselves dealing with potentially time-consuming and expensive disputes for extended periods. Moreover, some PwC professionals warn that disputes are now taking longer than ever to resolve.

Figure 6: Dispute timelines by region



How, then, to mitigate the risk of an extended tax dispute? The traditional advice to corporates looking to avoid disputes, or at least to resolve them in a timely and non-disruptive way, has been to engage collaboratively with tax authorities, ideally as early as possible.

Many businesses are still keen to work in this way. More than nine in 10 businesses taking part in this research (94%) say they sometimes attempt to address potential tax disputes before they arise by taking external advice and engaging with tax authorities before issues arise. That includes 40% who say they always do this.

Equally, however, this research suggests such an approach is far from guaranteed to pay off. Among businesses receiving a tax inquiry in the past three to five years, 43% saw this initial contact evolve into a full-blown dispute, suggesting that engagement with regulators has often failed.

Certainly, there is a widespread desire to avoid tax disputes ending in litigation, which carry significant costs and the potential for reputational damage. Some 95% of businesses in this report say they believe it is “very” or “critically” important to avoid litigation.

However, attitudes may be shifting. With inquiries and disputes on the increase, some businesses may feel that collaboration can now be somewhat one-sided – that tax authorities are happy to engage as long as they’re getting the answers they want, rather than any pushback from businesses.

Indeed, some PwC professionals now report that clients in certain jurisdictions are more willing than in the past to entertain the prospect of litigation. With tax authorities under more pressure from governments to secure additional revenue – and with individual authorities competing for a share of the tax take – some businesses may believe that regulators are over-reaching. Their response may be to accept the risk of taking a tougher line.

The right approach will depend on the merits of the case but will also vary from one jurisdiction to another. In some countries, options such as arbitration may be worth pursuing. And in countries that have invested in systems such as independent tax tribunals, leveraging these facilities can accelerate engagement and settlement discussions.

At the very least, many organisations will need support from advisers who understand how individual tax authorities operate and the stances and attitudes they tend to adopt. Businesses may be willing to engage, but misjudging exchanges with regulators can add to their problems, rather than encouraging speedier resolution.

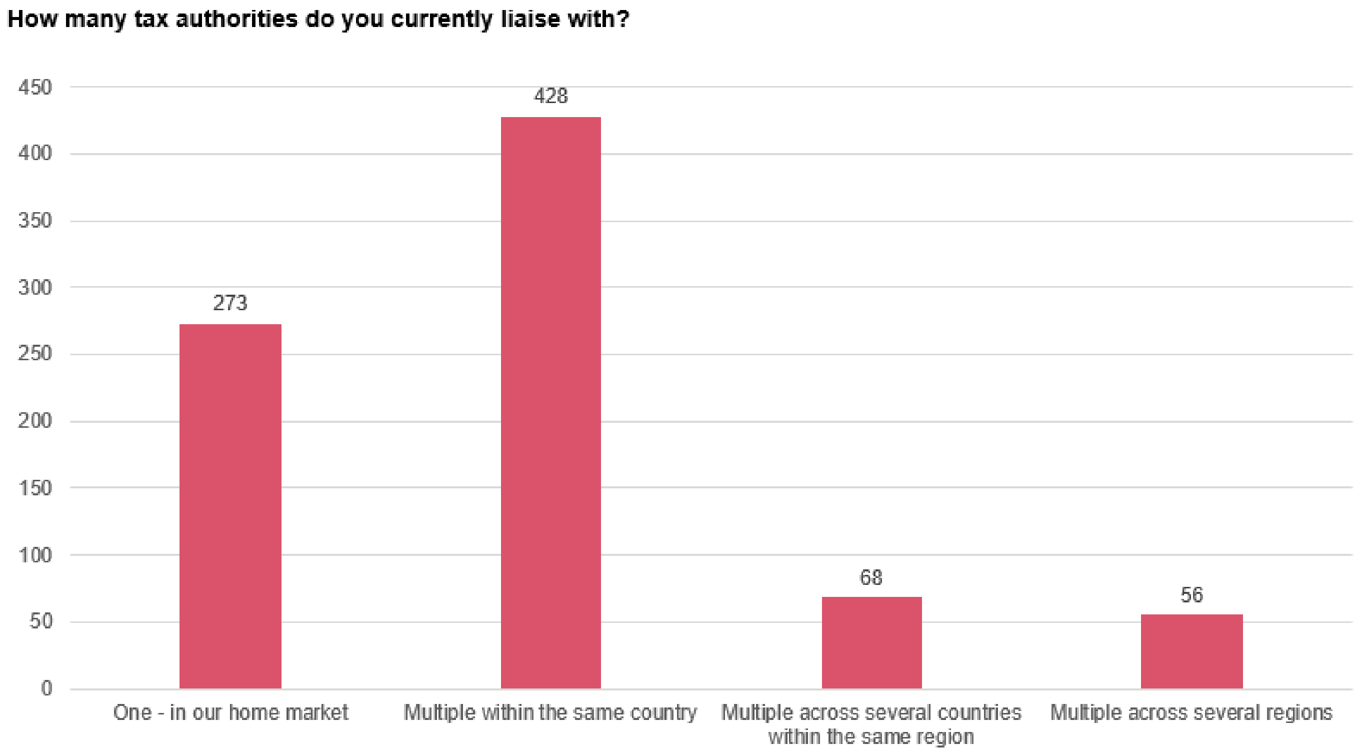
Part 4: Managing international tax complexity

With inquiries and disputes in multiple territories, it is vital that tax functions build nuanced and bespoke relationships with individual tax authorities

Many of the businesses taking part in this research are trying to manage the demands of many different authorities. Just a third (33%) say they are dealing with a single, home-market tax authority (Figure 7). More than half (52%) are liaising with multiple authorities in the same country – perhaps working with both federal and state authorities, for example, or with authorities responsible for different areas of tax. And 15% are managing relationships with authorities across multiple countries.

With every country focused on its own revenues, particularly in an era of international tax regulation that may prompt competition between different jurisdictions for a share of the tax take, this complexity can put businesses in a difficult position. Many tax functions are now dealing with multiple inquiries and disputes across multiple jurisdictions with different rules, different time limits and different penalty regimes applying in each case.

Figure 7: Serving many masters

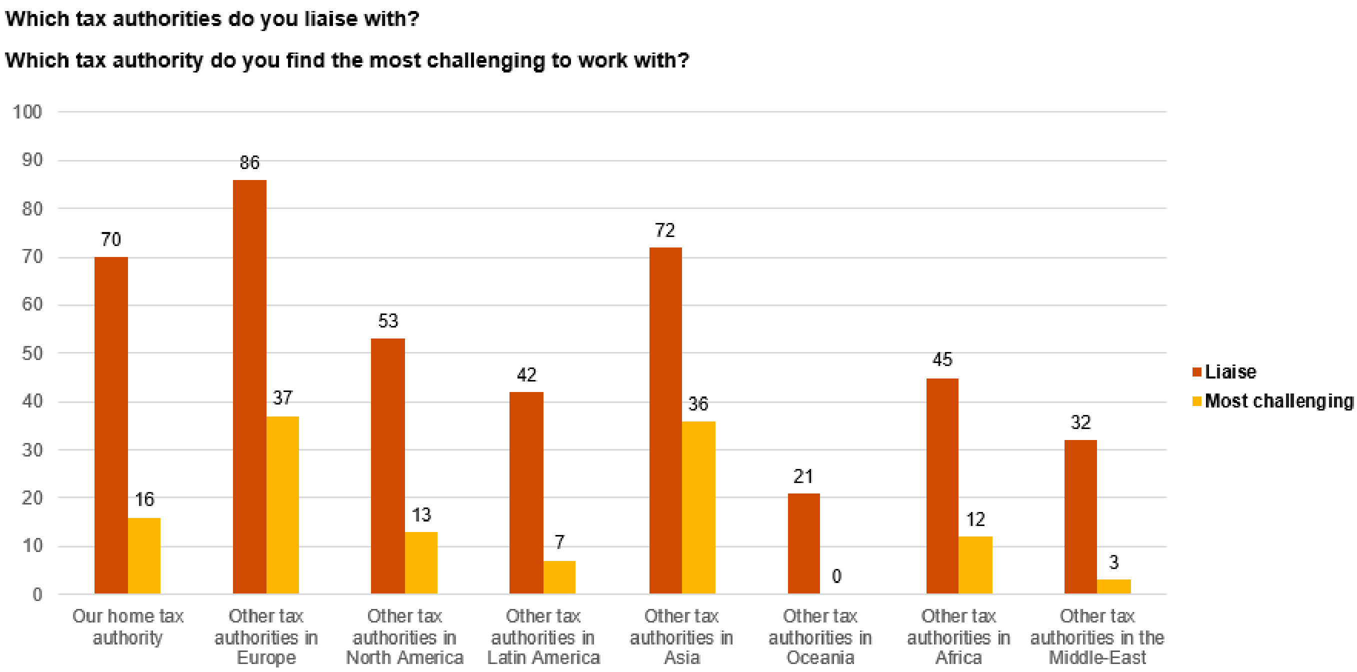


Inevitably, businesses find some tax authorities easier to work with than others. As Figure 8 shows, tax functions dealing with multiple authorities are more likely to describe European and Asian regulators as challenging, with fewer complaining about their counterparts in North America.

However, while individual tax authorities each bring their own challenges, it is important for businesses to recognise that authorities are also working together more regularly. It increasingly makes sense for tax functions to assume that information given to one tax authority will be available – or even actively shared – with many other authorities in different territories.

This can add to the difficulty of working with multiple tax authorities. And while initiatives such as double taxation treaties are intended to protect taxpayers from the possibility of receiving repeated tax demands on the same revenues, the practical realities may prove very different. In some cases, businesses are choosing to accept an element of double taxation to avoid getting sucked into disputes with tax authorities that each believe their territory is the one in which the tax is due.

Figure 8: Where businesses run into problems



Indeed, most businesses are keen to avoid confrontation, which consumes resources, increases costs and poses risks such as reputational damage. Many are already trying to build constructive relationships with tax authorities. In this research, 66% say they are in regular contact with relevant authorities and their representatives – as opposed to 34% who only make contact when it is necessary to do so.

Establishing such relationships with tax authorities has multiple benefits. Not least, it can help businesses and tax functions to come to a better understanding of how different authorities see particular issues – and therefore to tailor their approach accordingly. One common problem for businesses dealing with multiple tax authorities is that individual regulators often take very different views and positions on the same types of matter; a “cookie-cutter” approach to tax that overlooks such nuances can drive inquiries and disputes.

Importantly, this bespoke approach should extend to the nature of the relationship with individual tax authorities – and how businesses work with them – as well as the positions that businesses take on particular tax issues.

Culturally, tax authorities around the world are very different. For example, some authorities may encourage regular informal contact between businesses and their tax function staff; others prefer to keep relationships more rigid and structured. Some may welcome a range of different types of communication; others may be uncomfortable with that. In some cases, businesses may welcome certain inquiries from tax authorities because they provide guidance that enables them to head off future difficulties. An inquiry from another tax authority may be more ominous.

Businesses that are able to navigate these cultural differences stand a better chance of building positive working relationships with all the tax authorities they must deal with – and that may translate into fewer difficult inquiries and disputes. For those that feel daunted by managing relationships with tax authorities in this way, it’s important to work with advisers that have a strong grasp of local nuances in each territory.

There are no guarantees. Businesses will sometimes find themselves in dispute with authorities they work well with. Communications may not always be consistent – informal guidance that a tax position or transaction is acceptable may be countermanded by a more formal view later on. And tax authorities’ personnel change, which can change the relationship too. Still, the bottom line is that no two tax authorities are identical; businesses’ approach to them needs to reflect that.

Part 5: Preparing for Pillar Two

The burden of the new Pillar Two regulation is worrying many businesses, with clear concern that it could drive additional inquiries and disputes with tax authorities

The new Global Minimum Tax rules could lead to further increases in inquiries and disputes for already hard-pressed tax functions, our research warns. Many businesses have a broad range of concerns about the new “Pillar Two” regime.

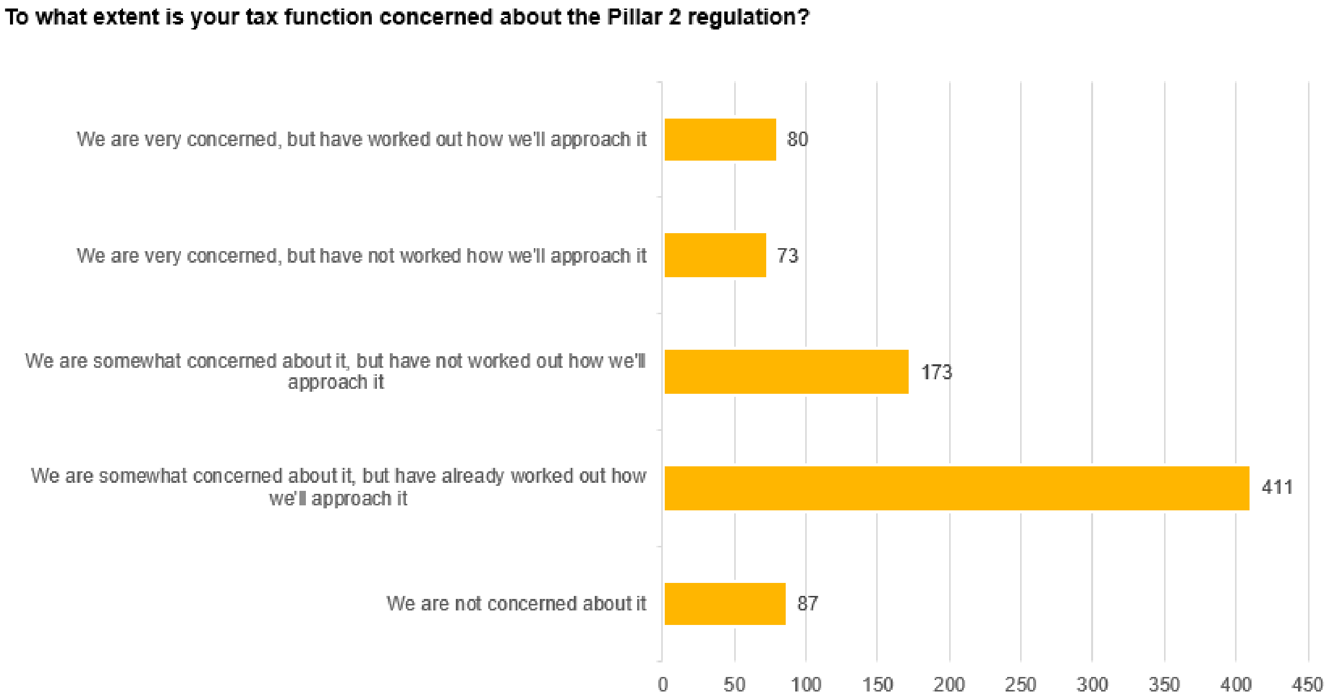
Under the regulation, agreed in October 2021 by around 135 countries, any multi-national groups with consolidated annual revenues of more than €750m must pay a minimum of 15% tax on its profits in each jurisdiction in which it operates.

The regime, known as the Global Base Erosion (GloBE) rules, has the potential to increase some businesses’ tax bills, but will also drive up the compliance burden that tax functions manage. They will be expected to carry out complex calculations in order to assess their position against Pillar Two, requiring access to a wide range of data points they may not currently track.

PwC’s research suggests many businesses are anxious about the impact of the new regulation (see Figure 9). Almost a third of those taking part in the research (30%) say not only that they are concerned about Pillar Two but also that they have yet to work out how they will approach it. In addition, 60% of businesses say they remain concerned despite having done some work to prepare for the new rules.

One problem is that the full scope of work is not yet clear because many jurisdictions have still to set out the detail of how they will put the GloBE rules into practice. Even those businesses that have thought about how they will approach Pillar Two are likely to be faced with additional work and new challenges as the regulation takes effect.

Figure 9: Anxiety over Pillar Two



Today, the most concerning aspects of the Pillar Two reforms for many businesses are the interplay between the new rules and international tax regulation (see Figure 10). In particular, 39% of businesses worry that interactions between Pillar Two and double taxation treaties will drive an increase in disputes with tax authorities, while 35% worry about additional disputes in relation to Pillar Two’s co-existence with transfer pricing regulation. There is also widespread nervousness about the likelihood of disputes in relation to Pillar Two and EU law, and Pillar Two and investment tax treaties.

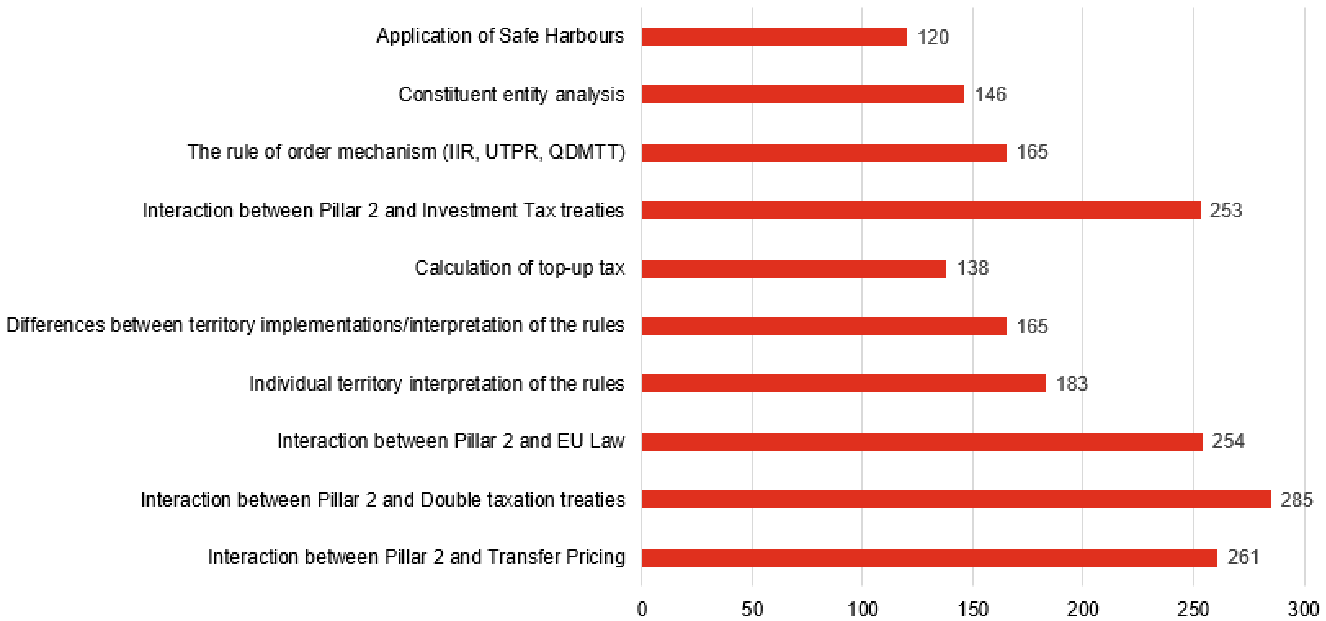
Such concerns make sense, particularly as there is little visibility as yet of how conflicts will be managed. Some tax professionals expect the OECD to develop an alternative dispute resolution mechanism, but there are no new proposals currently on the table. Planning for disputes without that visibility will clearly be challenging.

Equally, however, it's important that businesses do not focus only on the international dimension of the Pillar Two reforms, with other issues also posing potential challenges. For example, in this research, only 16% of businesses say they are worried the safe harbour provisions – enabling businesses to make less complex GloBE calculations in countries where they meet certain conditions – could lead to disputes. But the extent to which businesses will be able to rely on the safe harbour provisions will vary enormously – and the provisions are only intended to be transitional.

Similarly, while only 22% of businesses appear to be worried about disputes arising from the new income inclusion rule (IIR) and the new undertaxed profits rule (UTPR), these are likely to prove to be very sensitive areas. Assessing liabilities under the IIR and the UTPR will require significant work – and there is plenty of scope for disagreement with individual tax authorities.

Figure 10: Where Pillar Two worries are mounting

What area of the Pillar 2 regulations do you expect to give rise to disputes with tax authorities?



It's also worth noting that 41% of businesses taking part in this research expect the Pillar Two rules to be most likely to give rise to tax disputes in Europe – against 34% in Asia and 32% in North America. Just over a quarter of businesses (27%) think Pillar Two is most likely to cause disputes in their home country. The data may to some extent reflect the different amounts of progress individual jurisdictions around the world have made with implementing the Pillar Two provisions. Still, it provides an early snapshot of where businesses are expecting to run into difficulties.

The bottom line is that businesses should be ready to undertake further work as the precise detail of the Pillar Two regulation evolves in each jurisdiction. The administrative burden for tax functions is likely to prove challenging – and there is significant potential for the regulation to drive inquiry rates higher, and to lead to more disputes. Any complacency at this stage would be misplaced.

Part 6: Easing the tax dispute burden with AI

Many businesses now see artificial intelligence as a useful new tool to help them manage their increasing tax inquiry and dispute workloads

Artificial intelligence (AI) could help businesses and their tax function handle increasing workloads more efficiently and effectively. More than nine in 10 businesses are hopeful that AI could have an impact on their tax dispute work.

In this research, 44% of businesses say they want AI to play a big role in improving the speed and quality of their tax dispute work (see Figure 11). A further 49% see a role for AI in particular niches of work – in analyzing big data sets, for example.

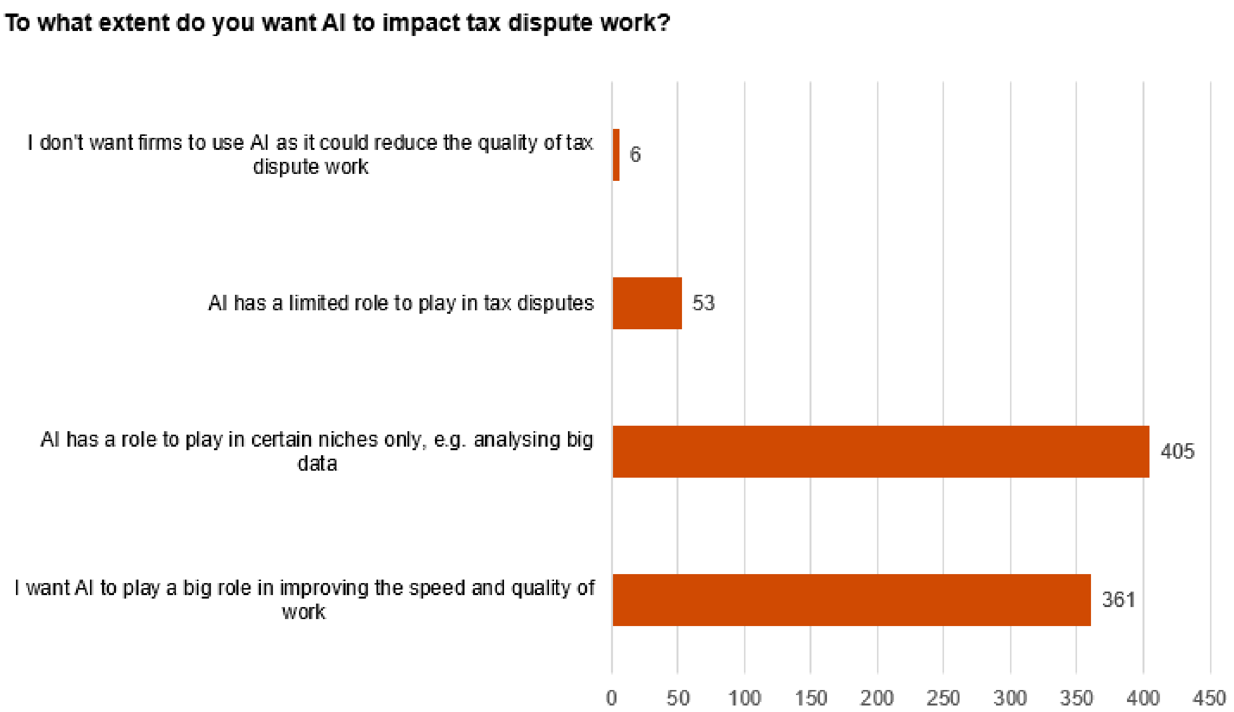
For now, however, many businesses are at a relatively early stage in their deployment of new technologies such as AI in their tax functions. They have become adept, for example, at using new tools to track and manage workloads, but fewer functions have put technology to work to reduce those workloads.

Still, there are good opportunities. Some businesses, for example, are experimenting with tools that automatically generate responses to the thousands of notices they receive from tax authorities; routine notices can be managed with little or no manual input, while more demanding notices are escalated, with the AI capabilities in the tools carrying out this triage process.

Elsewhere, AI could also prove useful as businesses disclose information to tax authorities, particularly in response to requests for large quantities of data – hundreds of thousands of emails, perhaps. Reviewing this data manually, to ensure the business knows exactly what information it is disclosing – and that there are no unexpected surprises – is time-consuming and expensive. AI tools could take on much of that work.

Indeed, AI could also enable businesses to be more proactive about identifying issues before they give rise to a tax inquiry or dispute. Tools that trawl through the company's data to identify hidden problem areas or information gaps, for example, may enable the business to take remedial action at a much earlier stage.

Figure 11: The role of AI



Given these opportunities, why are some tax functions moving only slowly towards greater use of AI?

One challenge is certainly capacity. In many businesses, multiple functions are now competing for the resources required for technology deployment – both the cost of acquiring new tools and the support from the technology function – particularly in the case of AI. Tax professionals may find it difficult to secure those resources; they may also be struggling to decide which areas they should prioritise with technology investment.

A second problem is data quality. AI is more effective when applied to well-managed, accurate and complete datasets. Building those datasets, particularly at large organisations where data may be stuck in silos in multiple subsidiaries, territories and business units, often represents a daunting challenge.

The regulation of AI will also need to be managed carefully. In the European Union, for example, the new AI Act places significant restrictions on organisations in areas such as their use of large language models. Nevertheless, the opportunities of AI are too significant to ignore, particularly as tax dispute work becomes more onerous.

It is also important to recognise that tax authorities themselves are stepping up their use of new technology. A straw poll of authorities undertaken as part of this research found that authorities are using a mix of third-party and in-house AI tools as part of their work, as well as tools such as web crawlers that can analyse information available on the internet.

Some authorities have set out their intent publicly. In October 2024, for example, the US's Internal Revenue Service said it would begin using AI to select large partnerships for audit and that is also piloting the AI tools to select earned income tax credit recipients for audit, though it has given little detail of the models and algorithms it will use.[1]

Other tax authorities are no doubt working on similar initiatives. Indeed, the OECD's recent Forum on Tax Administration, held in Athens in November, focused specifically on the "opportunities and challenges of artificial intelligence". That included discussions of how tax authorities might share knowledge on the use of AI in order to encourage wider adoption.

Against this backdrop, tax functions that are too slow to adopt AI may be at risk of being outgunned by the technologies to which their tax authorities increasingly have access. Not only will they miss out on opportunities to drive faster and better quality tax work, but they could also find themselves under greater scrutiny because of tax authorities' use of AI.

1 https://www.taxnotes.com/featured-news/transparency-oversight-urged-irs-artificial-intelligence/2024/10/21/7m6nv

How PwC can help

This research suggests many businesses will need considerable support in the coming years as tax inquiries and disputes threaten to mount. Our key takeaways from businesses’ responses to the survey are as follows:

- Being prepared for a dispute is paramount. Whatever the transaction, incentive or claim, having a file of documents that explain the process you went through in reaching the filing position is essential. Tax authorities all over the world will be looking for the decision making behind the event to fully understand the transaction.
- Early engagement with your tax authority is generally a positive. Some tax authorities are not prepared to engage in this way. But where they do, discussing an issue – including how you intend to reflect it in your tax return and why you have decided to do so in that way – can help the process and may reduce the risk of an audit although it is worth noting that if you do end up in dispute, the dispute will likely take as long as a dispute that has not seen this early engagement
- Resolution may take years. For some, there may be a benefit to playing the waiting game, whilst others are looking for certainty as soon as possible. Alternative dispute resolution or mediation may well be an option and is often seen as a positive alternative to an on-going audit process or litigation.

Contacts

Giovanni Bracco

Global Tax Controversy and Dispute Resolution Co-Leader, PwC

giovanni.bracco@pwc.com

Giovanni joined PwC in 2001 having spent 14 years working for the Inland Revenue (now HMRC). Having spent the early part of his career focused on supporting clients in managing their disputes with HMRC, Giovanni took over leadership of PwC UK's Tax Disputes business in 2010 and then joined the leadership of PwC's Global Tax Controversy network. Giovanni became co-leader of the network in 2021.

Hayden Scott

Global Tax Controversy and Dispute Resolution Co-Leader, PwC

hayden.scott@au.pwc.com

Hayden has over twenty years of experience in the tax environments of the Big 4, top-tier law firms, and Government (both Treasury and Australian Tax Office). Hayden extensively advises clients in the financial services and infrastructure industries, as well as advising outside those industries on finance tax matters.

Survey methodology and definitions

The PwC Survey was completed by 825 businesses, across 37 jurisdictions throughout April and May 2024.

Respondents reported the ownership of their businesses as 23% publicly listed, 24% privately owned, 36% family owned, 16% private equity-backed and 1% state owned, and with employees of up to 4,999 (10%) 5,000-10,000 (48%) and 10,000+ (42%).

Respondents to the survey were either C-Suite or a direct report 69% or head of department 31%

For the purposes of this analysis the following definitions have been used:

- Inquiry: Any formal written communication or notice including request for information, notice to produce documents, audit, review or request for a meeting or claim.
- Dispute: All areas of non-agreement between a tax-authority and taxpayer or agent over a substantive tax liability.

Thank you