

POLICY & MODERNIZATION FOCUS (FOR WORLD BANK / ADB / OECD-TYPE EVENTS)

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<https://doi.org/10.5281/zenodo.17470587>

Abstract. Digital transformation has become a cornerstone of modern fiscal governance, reshaping how governments collect, manage, and monitor public revenues in ways that affect efficiency, equity, and trust. This study investigates how the digitalization of fiscal administration influences tax compliance, administrative costs, and transparency in emerging economies, using a comparative analysis of Uzbekistan, Kazakhstan, and Indonesia (2018-2024). We integrate descriptive statistics with a policy/process review of flagship platforms - E-Nalog and MyTax (Uzbekistan), E-Salyk (Kazakhstan), and DJP Online (Indonesia) - to quantify behavioral and institutional change. Results indicate that comprehensive E-tax adoption is associated with sizable compliance gains (≈ 17 -22 percentage points), reductions in operational costs of up to $\sim 40\%$, and measurable improvements in taxpayer satisfaction and perceived fairness, consistent with a “service + deterrence” model of compliance (simplified filing, real-time validation, analytics-driven audits). These effects are strongest when portals are interoperable with customs, banking, and social funds, enabling pre-filled returns, faster refunds, and risk-based case selection. At the same time, we document persistent constraints - uneven digital literacy among SMEs, rural connectivity gaps, and heightened cybersecurity exposure - that can limit uptake and threaten resilience if not systematically addressed. The paper contributes a practical framework for sequencing reforms (legal enablement - data standards/APIs - assisted channels for SMEs - analytics-driven enforcement) and for institutionalizing performance management via transparent KPIs (on-time filing rate, cost per return, audit yield per staff hour, refund cycle time). Policy implications emphasize complementing technology with capacity building, privacy-by-design governance, last-mile inclusion (mobile/USSD/kiosk options), and staged mandates for E-invoicing and digital bookkeeping. Evidence from Uzbekistan’s Digital Uzbekistan - 2030 program illustrates how coordinated legal, organizational, and educational measures can convert digital platforms into engines of transparency, compliance, and fiscal stability, offering a scalable template for peer economies pursuing sustainable development through fiscal modernization.

Keywords: digital transformation; fiscal governance; tax compliance; E-government; public finance; emerging economies; Uzbekistan.