Artificial Intelligent Tax Simulator to Minimize Tax Liability for Multinational Corporations

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Abstract : The purpose of this research is to use Global-Regulation.com database of the world laws, focusing on tax treaties between countries, in order to create an AI-driven tax simulator that will run an AI agent through potential tax scenarios across countries. The AI agent goal is to identify the scenario that will result in minimum tax liability based on tax treaties between countries. The results will be visualized by a three dimensional matrix. This will be an online web application. Multinational corporations are running their business through multiple countries. These countries, in turn, have a tax treaty with many other countries to regulate the payment of taxes on income that is transferred between these countries. As a result, planning the best tax scenario across multiple countries and numerous tax treaties is almost impossible. This research propose to use Global-Regulation.com database of word laws in English (machine translated by Google and Microsoft API's) in order to create a simulator that will include the information in the tax treaties. Once ready, an AI agent will be sent through the simulator to identify the scenario that will result in minimum tax liability. Identifying the best tax scenario across countries may save multinational corporations, like Google, billions of dollars annually. Given the nature of the raw data and the domain of taxes (i.e., numbers), this is a promising ground to employ artificial intelligence towards a practical and beneficial purpose.