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SUMMARY OF DOCTORAL DISSERTATION IN ECONOMICS

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INTRODUCTION

1. URGENCY OF THE RESEARCH TOPIC

Taxes are the primary financial instrument of every nation, playing a pivotal role in mobilizing resources for the state budget, regulating the macroeconomy, and ensuring social equity. For the Lao People's Democratic Republic (Laos), a developing country, taxes are of vital importance. Although the tax system has undergone significant transformations, tax administration (TA) at the local level, particularly at the provincial level, still faces numerous challenges. Theoretically, in-depth studies on TA at the provincial level in mountainous, border areas with specific socio-economic conditions remain limited. The application of modern TA models to the specific context of a mountainous province has not been clearly elucidated.

Houaphanh Province is a northern mountainous province of Laos, sharing a long border with Vietnam, with complex terrain and an economy primarily based on agriculture, forestry, fisheries, and mineral extraction. The taxpayer structure is mainly comprised of households, individual businesses, and small and medium enterprises (SMEs), with limited financial capacity, low levels of legal tax literacy, and limited access to information technology. The border location also generates border gate economic activities and cross-border trade, increasing the complexity of TA.

In that context, TA in Houaphanh reveals many shortcomings: cumbersome management processes, complex procedures, limited capacity of the apparatus and application of information technology, and low tax compliance awareness among some taxpayers, leading to tax evasion, tax arrears, and revenue leakage. This situation necessitates a comprehensive and systematic study to accurately assess the current situation and propose synchronized and feasible solutions. Therefore, conducting a doctoral

dissertation research on ***"Tax Administration in Houaphanh Province, Lao People's Democratic Republic"*** holds high theoretical and practical significance.

2. RESEARCH OBJECTIVES

General objective: To propose solutions for improving TA in Houaphanh Province towards 2030, with a vision to 2035.

Specific objectives:

First, to systematize, develop, and complete the theoretical issues of TA to serve as a basis for assessing the current TA situation in Houaphanh. To analyze the TA experiences of some provinces in other countries in the region and in Laos, thereby drawing lessons for TA in Houaphanh Province.

Second, to analyze and evaluate the current state of TA in Houaphanh Province in recent years; to clarify the achievements, limitations, and their causes.

Third, to propose orientations and solutions for TA in Houaphanh Province in the coming period.

3. RESEARCH SUBJECT AND SCOPE

Research subject: Theoretical and practical issues concerning TA at the provincial tax authority, including professional tax administration activities for major taxpayer groups in Houaphanh Province (enterprises, business households, and individuals).

Research scope:

In terms of content: The dissertation focuses on studying domestic TA activities under the functions and duties of the Houaphanh Provincial Tax Department, including: tax registration; tax declaration and payment; tax refunds; taxpayer propaganda and support; tax debt management; and tax inspection and audit. The dissertation does not include customs administration activities and does not study tax policy formulation at the macro level.

In terms of space: Houaphanh Province, Lao People's

Democratic Republic.

In terms of time: Current data are collected and analyzed for the period 2020 - 2025. Proposed solutions are oriented towards 2030, with a vision to 2035.

4. RESEARCH QUESTIONS

What is tax administration? What are the basic components of TA at a provincial tax authority, and by what system of criteria should it be evaluated?

Which TA model and content are suitable for the specific socio-economic conditions of a mountainous, border province like Houaphanh? What lessons can the Houaphanh Provincial Tax Department learn from similar localities in the region?

What is the current state of TA at the Houaphanh Provincial Tax Department during the 2020-2025 period? What are the achievements, limitations, and causes of these limitations?

Given the specific socio-economic context of Houaphanh Province in the coming years, what solutions and recommendations are needed to improve TA, aiming for modernization and enhanced management efficiency by 2030, with a vision to 2035?

5. RESEARCH METHODOLOGY

The dissertation employs a mixed-methods research approach, combining qualitative and quantitative research.

Qualitative research methods: Synthesis, analysis, and systematization of documents; comparative and contrast methods; generalization, induction, and deduction methods to build the theoretical framework and synthesize experiences.

Quantitative research methods: Statistics, description, and analysis of secondary data from the Houaphanh Provincial Tax Department, the Provincial Statistics Bureau, and the Lao Ministry of Finance for the 2020-2025 period. Survey questionnaire with two groups: 30 tax officials and 120 taxpayers (enterprises, business households), using a 5-level Likert scale;

data processed using SPSS 26.0 and Microsoft Excel.

6. NEW CONTRIBUTIONS OF THE DISSERTATION

Theoretical contributions: Systematizing and clarifying fundamental theoretical issues of TA at the provincial tax authority in the context of a mountainous, border province; developing a comprehensive system of criteria (qualitative and quantitative) for evaluating TA effectiveness; synthesizing and analyzing TA experiences of some localities in the region, drawing lessons for Houaphanh.

Practical contributions: Providing a comprehensive picture of the TA situation in Houaphanh Province during 2020-2025, combining statistical data and sociological survey data; proposing a synchronized system of solutions with a specific roadmap to improve TA in the province by 2030, with a vision to 2035.

7. STRUCTURE OF THE DISSERTATION

In addition to the introduction, conclusion, list of references, and appendices, the dissertation consists of four chapters:

Chapter 1: Literature Review Related to the Dissertation Topic.

Chapter 2: Theoretical Framework and Experiences in Tax Administration.

Chapter 3: Current Situation of Tax Administration in Houaphanh Province, Lao People's Democratic Republic.

Chapter 4: Solutions for Improving Tax Administration in Houaphanh Province, Lao People's Democratic Republic.

CHAPTER 1: LITERATURE REVIEW RELATED TO THE DISSERTATION TOPIC

1.1. OVERVIEW OF RESEARCH WORKS

1.1.1. General Studies on Tax Administration

Nguyen Dinh Chien et al. (2014) in the topic *"Improving the effectiveness of tax administration in Vietnam"* provided a concept of TA effectiveness and proposed

improvements to the organizational structure. The European Commission (2015) addressed the reform of tax authority organizational structure when applying the self-assessment and self-payment mechanism. John Brondolo and Zhiyong Zhang (2016) analyzed China's TA reform, emphasizing functional specialization and developing a modernization strategy. Nguyen Thanh Trung (2017) systematized the theory of TA and reform with four components: mechanisms, apparatus, procedures, and technical methods.

1.1.2. Studies on Specific Aspects of Tax Administration

Nguyen Xuan Thanh (2013) studied tax audits from the perspectives of economic, state management, and social efficiency. Nilgün Serim et al. (2014) studied factors affecting tax compliance, emphasizing the importance of taxpayer satisfaction with tax services. Tran Huy Truong (2015) clarified the scientific and practical basis for risk management in tax audits. Leng Hoang Minh (2017) studied enhancing taxpayer tax compliance. Vongphachanh Vongpadith (2018) systematized the theory and proposed solutions to improve the organizational model and content of TA in Laos.

1.1.3. Studies on Tax Administration at Provincial Tax Authorities

Vu Thi Bich Quynh (2019) analyzed personal income tax (PIT) administration in Ho Chi Minh City. Bui Thi Thu Thao (2020) studied TA to promote corporate tax compliance. Hoang Thi Ngoc Nghiem (2022) studied improving the effectiveness of personal income tax administration in Ho Chi Minh City. Tran Ngoc Linh (2022) studied TA for FDI enterprises. Ha Minh Hai (2022) studied TA for private sector enterprises in Hanoi.

1.2. GENERAL REMARKS AND RESEARCH GAPS

1.2.1. Issues Already Addressed

The studies have clarified the concept, nature, and functions of taxes and TA; reached a consensus on basic TA principles;

analyzed TA organizational models; analyzed key professional functions, factors affecting compliance, and ICT application.

1.2.2. Research Gaps

Theoretical gaps: Lack of a specific theoretical framework for provincial TA in mountainous, border areas; lack of a suitable system of effectiveness evaluation criteria; unclear identification of key influencing factors; no study on organizational models suitable for local conditions.

Practical gaps: No comprehensive assessment study of TA in Houaphanh for 2020-2025; no study using primary data from surveys; no study proposing synchronized, roadmap-based solutions.

1.2.3. Research Orientation of the Dissertation

Theoretical orientation: Systematize and clarify the theory of TA at the provincial tax authority; develop a system of evaluation criteria; identify influencing factors; synthesize experiences.

Practical orientation: Analyze and evaluate the current TA situation at the Houaphanh Provincial Tax Department for the 2020-2025 period.

Solution orientation: Propose synchronized solutions to improve TA towards 2030, with a vision to 2035.

CHAPTER 2: THEORETICAL FRAMEWORK AND EXPERIENCES IN TAX ADMINISTRATION

2.1. GENERAL OVERVIEW OF TAXATION

According to the *Taxation Textbook* (Academy of Finance, 2020): *"Tax is a compulsory monetary contribution by organizations and individuals to the State as prescribed by law, without direct reimbursement, for public purposes."* Taxes have three characteristics: compulsory nature, non-direct-reimbursement nature, and legal nature. According to the Lao Tax Administration Law No.

35/2020/QH9, tax is a special legal relationship between the State and socio-economic entities, compulsorily mobilizing a portion of income into the state budget.

Taxes have three basic functions: (1) Mobilizing financial resources for the state budget; (2) Regulating the macroeconomy; (3) Redistributing income and achieving social equity.

2.2. THEORETICAL FRAMEWORK FOR TAX ADMINISTRATION BY PROVINCIAL TAX AUTHORITIES

2.2.1. Concept and Principles

According to the *Tax Administration Textbook* (Academy of Finance, 2023): *"Tax administration is the organized, planned activity of the State through the tax administration system, utilizing tools, methods, and resources to organize the implementation of tax laws, ensuring that revenues are fully and timely mobilized into the state budget, while promoting taxpayer compliance."* In a narrow sense, TA is the process through which the tax authority interacts with taxpayers by exercising management functions and providing public services.

Basic principles of tax administration:(1) Compliance with the law; (2) Efficiency; (3) Promotion of voluntary compliance; (4) Transparency and openness; (5) Conformity with international standards.

2.2.2. Contents of Tax Administration

Management Tools: Legal system; organizational structure; revenue plans; ICT application and digital transformation; other supporting tools.

Organizational Models: (1) By tax type; (2) By taxpayer group; (3) By function; (4) Hybrid model (function-object). The hybrid model is widely adopted in developed countries.

Specific Management Activities: (1) Taxpayer propaganda and support; (2) Tax registration management; (3)

Tax declaration and payment management; (4) Tax refund management; (5) Tax debt and enforcement management; (6) Tax audit and inspection.

TA Process: Tax Registration → Tax Declaration → Tax Payment → Data Processing → Audit and Inspection → Debt and Enforcement Management; with propaganda and support activities running throughout.

2.3. CRITERIA FOR EVALUATING TAX ADMINISTRATION EFFECTIVENESS

TA effectiveness is evaluated across three dimensions: economic, social, and managerial. The indicator system includes:

Qualitative Indicators: Degree of achievement of socio-economic objectives; level of voluntary compliance; taxpayer satisfaction; capacity and ethics of officials; transparency.

Quantitative Indicators: (1) On-time registration rate; (2) Online registration rate; (3) On-time return filing rate; (4) Rate of electronic tax transactions; (5) On-time processing rate for refund applications; (6) Tax debt ratio to total revenue; (7) Debt recovery rate; (8) Average additional tax assessed per audit; (9) Audit plan completion rate; (10) Rate of taxpayers accessing support services; (11) Number of taxpayers per official; (12) Rate of qualified officials; (13) Revenue estimate completion rate.

2.4. FACTORS AFFECTING TAX ADMINISTRATION EFFECTIVENESS

Objective Factors: (1) Legal system and institutional framework; (2) Socio-economic conditions and macroeconomic context; (3) Education level and taxpayer compliance awareness; (4) Administrative procedures; (5) Equipment and taxpayers' ICT access capabilities.

Subjective Factors: (1) TA apparatus and personnel; (2) TA procedures; (3) Infrastructure and ICT application; (4) Staff qualifications and capacity; (5) Inter-agency coordination; (6)

Human resource training and development.

2.5. TAX ADMINISTRATION EXPERIENCES FROM SELECTED PROVINCES AND LESSONS FOR HOUAPHANH

2.5.1. Experiences from Regional Provinces

Son La Provincial Tax Department (Vietnam): Focus on diverse propaganda and direct dialogue at the grassroots level; actively guiding electronic declaration and payment; implementing the "self-declaration, self-payment" mechanism.

Thaket Provincial Tax Department (Thailand): Application of IVR and AI Chatbots for 24/7 support; integrating tax obligation education into schools; lean and professional organizational structure.

Yunnan Provincial Tax Department (China): Application of targeted tax incentives; integration with electronic payment platforms and banks; industry-cluster-based management; close inter-agency coordination through digitalization.

2.5.2. Lessons for the Houaphanh Provincial Tax Department

(1) Modernize and professionalize organizational structure reform.
(2) Strengthen and diversify taxpayer propaganda and support.
(3) Promote ICT application and comprehensive digital transformation.
(4) Improve audit and inspection efficiency based on risk management.
(5) Improve proactive and resolute debt and enforcement management.
(6) Develop high-quality, honest human resources.
(7) Strengthen inter-agency coordination.
(8) Build a culture of voluntary tax compliance.

CHAPTER 3: CURRENT SITUATION OF TAX ADMINISTRATION IN HOUAPHANH PROVINCE, LAO PEOPLE'S DEMOCRATIC REPUBLIC

3.1. OVERVIEW OF THE SOCIO-ECONOMIC SITUATION OF HOUAPHANH PROVINCE

Houaphanh Province is a mountainous province in northern Laos, with an area of approximately 16,500 km² and a population of about 330,000 people, sharing a long border with Vietnam. The economy is primarily based on agriculture, forestry, fisheries, and mineral extraction.

Table 3.1: Economic Performance Indicators of Houaphanh Province (2020–2025)

No.	Indicator	Unit	2020	2021	2022	2023	2024	2025
1	Gross Regional Domestic Product (GRDP)	Billion Kip	5,928.9	6,425.9	7,087.9	7,739.9	8,056.1	8,895.0
	GRDP Growth Rate	%	7.51	7.23	9.07	9.16	9.61	10.41
	GRDP per capita	Million Kip	13.41	14.43	15.87	16.81	17.21	18.12
2	Share of Economic Sectors	%	100	100	100	100	100	100
	Agriculture, Forestry, Fisheries	%	37.43	35.74	34.92	32.93	32.50	31.05
	Industry and Construction	%	31.31	32.36	32.71	33.50	37.28	39.10
	Services	%	31.26	31.90	32.37	33.57	30.21	29.85

(Source: Houaphanh Provincial Statistics Bureau)

GRDP increased from 5,928.98 billion Kip (2020) to 8,895.00 billion Kip (2025), with an average growth rate of 8.5%/year. The economic structure has shifted positively:

agriculture-forestry-fisheries decreased from 37.43% to 31.05%; industry-construction increased from 31.31% to 39.10%.

3.1.2. Characteristics of Taxpayers

Table 3.2: Structure of Taxpayer Types in Houaphanh Province (2020–2025)

Year	Total Taxpayers	Enterprises	%	Business Households	%	Individuals	%
2020	8,615	1,200	13.9	6,500	75.5	915	10.6
2021	9,521	1,350	14.2	7,200	75.6	971	10.2
2022	10,626	1,550	14.6	7,950	74.8	1,126	10.6
2023	11,051	1,720	15.6	8,200	74.2	1,131	10.2
2024	13,371	2,100	15.7	9,900	74.0	1,371	10.3
2025	14,850	2,370	16.0	11,000	74.1	1,480	9.9

(Source: Houaphanh Provincial Tax Department)

By 2025, the total number of taxpayers reached 14,850 entities. Business households accounted for the largest share (74.1%), enterprises accounted for 16.0%, and individuals accounted for 9.9%. Main business sectors: agriculture-forestry (46.3%), trade-services (33.7%), industry-construction (13.5%). Enterprises with capital under 1 billion Kip accounted for 66.7%, reflecting the characteristic of a developing mountainous province.

3.2. CURRENT STATE OF TAX ADMINISTRATION AT THE HOUAPHANH PROVINCIAL TAX DEPARTMENT

3.2.1. Overview of the Houaphanh Provincial Tax Department

Legal basis: Tax Administration Law No. 35/2020/QH9 and implementing guidelines. ***Organizational structure:*** Director, 02 Deputy Directors, 11 functional divisions, and 6 district tax offices. ***Personnel:*** 63 officials, of whom 39 (61.9%) hold a university degree or higher.

3.2.2. Current Status of Tax Administration Activities

3.2.2.1. Tax Registration Management

Table 3.6: Total Enterprises and Tax Registration Status at Houaphanh Tax Department (2020–2025)

No.	Indicator	Unit	2020	2021	2022	2023	2024	2025
1	Total units, enterprises,	Unit	8,615	9,521	10,626	11,051	13,371	14,850
2	Tax registrations	Unit	1,663	1,799	4,017	5,316	6,859	9,500
	Percentage	%	19.3	18.9	37.8	48.1	51.3	64.0
3	On-time registrations	Unit	4,523	4,551	6,641	7,371	10,550	11,730
	Percentage	%	52.5	47.8	62.5	66.7	78.9	79.0

(Source: Houaphanh Provincial Tax Department)

The number of taxpayers registered on TaxRIS increased from 1,663 (19.3%) to 9,500 (64.0%); on-time registration increased from 52.5% to 79.0%. However, the online registration rate remains low compared to the national average, especially among small retail business households (only 30-40%). Survey results from 120 taxpayers show that 75% rated the current registration procedures as "simple" or "very simple."

3.2.2.2. Tax Declaration and Payment Management

Table 3.7: Tax Declaration at Houaphanh Tax Department (2020–2025)

Indicator	Unit	2020	2021	2022	2023	2024	2025
Total units required to declare	Unit	8,615	9,521	10,626	11,051	13,371	14,850
Units that have declared	Unit	8,536	9,432	10,543	10,986	13,216	14,650
Units declared	Unit	7,938	9,055	9,594	9,887	12,687	13,900
Units filing online	Unit	5,548	6,697	8,118	8,569	10,969	13,000

Indicator	Unit	2020	2021	2022	2023	2024	2025
Online declaration rate / declared	%	64.9	71.0	77.0	78.0	83.0	88.7
On-time filing rate / required	%	56.5	58.9	55.8	76.8	88.7	90.0

(Source: Houaphanh Provincial Tax Department)

The online declaration rate increased from 64.9% to 88.7%; the on-time payment rate increased from 56.5% to 90.0%. However, the online declaration rate as a percentage of total units required to declare only reached 46.0% (in 2025), much lower than comparable localities. Survey results show that 72% of taxpayers rated declaration and payment procedures as "convenient."

Table 3.8: Tax Collection Results in Houaphanh Province (2020–2025)

Indicator	Unit	2020	2021	2022	2023	2024	2025
Total tax revenue plan	Billion Kip	78,000.0	88,018.7	89,396.2	103,332.0	108,452.9	125,000.0
YoY Change	%	-	11.4	1.5	13.5	4.7	15.3
Actual collection	Billion Kip	96,057.0	91,482.5	98,586.0	119,468.9	193,371.2	210,000.0
YoY Change	%	-	-5.0	7.2	17.5	38.2	8.6
Ratio of actual to plan	%	123.2	103.9	110.3	115.6	178.3	168.0

(Source: Houaphanh Provincial Tax Department)

Actual tax collection increased from 96,057.0 billion Kip to 210,000.0 billion Kip. The plan completion rate consistently

exceeded 100% but fluctuated significantly (178.3% in 2024), indicating that revenue estimation work is not yet closely aligned with reality. Survey results from 30 officials show that 65% believe the revenue planning work is "unscientific."

3.2.2.3. Tax Refund Management

Table 3.9: Tax Refunds in Houaphanh Province (2020–2025)

Indicator	Unit	2020	2021	2022	2023	2024	2025
Total refund applications received			652	589	738	872	950
Eligible applications		481	576	489	603	748	810
Ratio to applications submitted	%	82.8	88.4	83.1	81.7	85.8	85.3
Ineligible applications		100	76	100	135	124	140
Percentage	%	17.2	11.6	16.9	18.3	14.2	14.7
Total refund amount	Billion Kip	1,067	11,965	9,795	10,873	9,571	11,200

(Source: Houaphanh Provincial Tax Department)

The rate of eligible refund applications remained above 80%. The number of ineligible applications ranged from 11.6%-18.3%, higher than the national average (8-10%). The refund amount surged dramatically in 2021 (11.2 times higher) due to COVID-19 support policies. Survey results show that 35% of taxpayers consider refund procedures "complicated."

3.2.2.4. Taxpayer Propaganda and Support

Table 3.10: Taxpayer Propaganda and Support Activities in Houaphanh Province (2020–2025)

Propaganda and Support Activities	Unit	2020	2021	2022	2023	2024	2025
Provision of legal documents to taxpayers	Person-visits	341	314	355	427	449	480

Propaganda and Support Activities	Unit	2020	2021	2022	2023	2024	2025
Provision of flyers	Flyers	583	626	757	901	1,084	1,200
Radio/TV broadcasts	Broadcasts	26	60	74	95	109	120
Direct dialogue with taxpayers	Person-visits	579	615	583	657	631	700
Zalo/Facebook Q&A	Interactions	3,000	3,028	2,710	3,095	3,134	3,500
One-stop-shop application processing	Applications	681	696	703	756	791	850
New tax policy training sessions	Sessions	65	67	78	84	88	100

(Source: Houaphanh Provincial Tax Department)

Propaganda and support activities have increased in both quantity and diversity. Q&A via Zalo/Facebook increased from 3,000 to 3,500 interactions; direct dialogue sessions increased from 579 to 700 person-visits. However, only 50% of taxpayers regularly receive information through official channels; 55% of small enterprises and business households "rarely" participate in training. Survey results show that 68% of taxpayers rated propaganda work as "good."

3.2.2.5. Tax Debt and Enforcement Management

Tax debt increased from 5,200 million Kip (2020) to 8,100 million Kip (2025), with sharp increases of 83% in 2021 and 53% in 2023. Tax debt is mainly concentrated in non-state enterprises (80%), in the construction, material extraction, and agricultural trading sectors. Debt recovery effectiveness remains low: 55% of delinquent taxpayers said they "did not receive timely debt reminders"; 70% of tax officials admitted that enforcement measures have not been applied resolutely.

3.2.2.6. Tax Audit and Inspection

Audit and inspection work consistently met or exceeded targets (108% in 2023, 106% in 2024). The number of on-site audits/inspections at enterprises increased from 185 (2020) to 235 (2025); additional tax assessed and penalties increased from 4,850 million Kip to 8,000 million Kip. Through desk audits at the tax authority, the violation detection rate increased from 31% to 50.1%. However, 80% of officials believe that the selection of audit subjects "lacks scientific basis".

3.3. EVALUATION OF THE CURRENT TAX ADMINISTRATION SITUATION IN HOUAPHANH PROVINCE

3.3.1. Achievements

Legal framework: The 2020 Tax Administration Law provides a solid legal framework; 68% of officials rated the Law as "appropriate."

Organizational structure: Strengthened with 11 functional divisions; officials with university degrees or higher increased from 34 to 39.

ICT application: 98.5% of enterprises participated in TaxRIS.

Tax registration: TaxRIS registration rate increased from 19.3% to 64.0%; on-time registration from 52.5% to 79.0%.

Declaration and payment: Online declaration rate increased from 64.9% to 88.7%; on-time payment rate from 56.5% to 90.0%; total collection increased from 96,057.0 billion Kip to 210,000.0 billion Kip.

Tax refunds: Eligible application rate exceeded 80%; processing time shortened.

Propaganda and support: Diversified forms; social media Q&A increased significantly.

Audit and inspection: Consistently met and exceeded targets; violation detection rate through desk audits increased to 50.1%.

3.3.2. Limitations and Causes

Limitations:

(1) The online registration rate (64.0%) and online declaration rate as a percentage of total required (46.0%) remain low.

(2) The excessively high plan completion rate (178.3% in 2024) shows that revenue estimates are not aligned with reality.

(3) The rate of ineligible refund applications (11.6%-18.3%) remains high compared to the national average.

(4) Tax debt surged by 83% (2021) and 53% (2023); debt recovery effectiveness remains low.

(5) Organizational structure remains overlapping (75% of officials rated responsibility division as "unclear").

(6) Infrastructure and ICT facilities are inadequate (85% of officials reported system slowness and errors).

(7) Staff quality is uneven (only 40% feel confident in data analysis skills).

(8) Inter-agency coordination remains superficial (80% of officials rated it "ineffective").

Objective Causes:

(1) The legal system is not yet synchronized, lacking specific guidance for mountainous provinces. (2) Unfavorable socio-economic conditions (COVID-19, exchange rate volatility, inflation). (3) Limited education levels and compliance awareness among taxpayers (40% lack understanding of new regulations). (4) Complex administrative procedures with multiple steps. (5) Limited equipment and ICT access capabilities of taxpayers.

Subjective Causes:

(1) Organizational structure is not yet rational, with overlapping responsibilities. (2) Human resource quality does not meet requirements; lacks ICT and data analysis skills. (3) TA procedures remain manual and unscientific. (4) Infrastructure and ICT application are inadequate. (5) Training and human resource development are not systematic.

CHAPTER 4: SOLUTIONS FOR IMPROVING TAX ADMINISTRATION IN HOUAPHANH PROVINCE, LAO PEOPLE'S DEMOCRATIC REPUBLIC

4.1. FORECAST OF ECONOMIC CONTEXT IMPACTS

4.1.1. International Economic Context

According to the IMF (2025), global economic growth is forecast at 3.2%; the Southeast Asian region is expected to grow at 4.6% (ADB, 2025). Risks from geopolitical tensions and trade wars could disrupt supply chains, affecting developing countries like Laos. For Houaphanh, as a border province with cross-border trade activities with Vietnam, this requires strengthening TA capacity for cross-border transactions and transfer pricing prevention.

4.1.2. Domestic Economic Context

The World Bank (2025) forecasts Laos's GDP growth at 4.2%; inflation is projected to decline from 31.2% (2023) to 8.5% (2025). Laos is expected to graduate from LDC status by the end of 2026, requiring robust tax and public financial management reforms. The IMF (2025) emphasizes that VAT reform is an urgent requirement to increase domestic revenue and reduce public debt pressure.

4.1.3. Economic Context of Houaphanh Province

GRDP is expected to grow at 7-9%/year thanks to major infrastructure projects and investment attraction. The economic structure will continue to shift toward industrialization. The gateway position with Vietnam will be leveraged through border gate economic zones.

4.2. ORIENTATIONS, PERSPECTIVES, AND OBJECTIVES

4.2.1. Improvement Orientations

Mechanisms and procedures: Review and simplify administrative procedures; strengthen inter-agency coordination; improve quality of taxpayer support services.

Organizational structure and human

resources: Restructure the apparatus according to a hybrid model; develop high-quality human resources; modernize infrastructure.

TA content: Comprehensive digitalization; transition to risk-based audit model; strengthen debt management effectiveness.

4.2.2. General Perspectives

(1) Ensure sustainable state budget revenue growth; (2) Ensure TA effectiveness and efficiency; (3) Promote ICT application and digital transformation; (4) Take a taxpayer-centered approach, improving support service quality; (5) Ensure consistency, unity, and international integration.

4.2.3. Objectives

General objective: Improve TA towards modernization, effectiveness, efficiency, transparency, fairness, taxpayer-centricity, and adaptability to digital transformation and international integration.

Specific objectives by 2030: Taxpayer satisfaction rate above 80%; 90% of taxpayers supported through digital technologies; 95% of tax files processed through digital services; tax debt ratio below 7%; 95% of officials meeting competency standards; online registration and declaration rates above 90%. By 2035: complete comprehensive digitalization and build a voluntary compliance culture.

4.3. SOLUTIONS FOR IMPROVING TAX ADMINISTRATION

4.3.1. Solutions for Improving Institutional Framework and Inter-Agency Coordination Mechanisms

Solution 1: Review, simplify, and standardize tax administrative procedures and processes

Basis: 65% of taxpayers rate registration procedures as "complex"; 72% of small enterprises face difficulties with electronic declaration. *Objective:* Complete simplification of 100% of procedures by 2027. *Measures:* Establish a task force

to review all procedures; apply the "one-stop-shop" principle; ensure transparency; issue a manual in Lao and ethnic minority languages. *Roadmap:* 2025-2026 review; 2026-2027 implementation; 2028-2030 refinement.

Solution 2: Establish and operate an inter-agency coordination mechanism and integrated information portal

Basis: 80% of officials rate inter-agency coordination as "ineffective." *Objective:* Establish an official coordination mechanism by 2027, connecting data with 100% of relevant agencies. *Measures:* Issue coordination regulations; build a shared integrated information portal; organize regular meetings. *Roadmap:* 2025-2026 develop project; 2026-2027 pilot operation; 2028-2030 official operation.

Solution 3: Diversify and specialize taxpayer propaganda and support activities

Basis: Only 50% of taxpayers regularly receive information; 55% of small enterprises rarely participate in training. *Objective:* By 2030, taxpayer access to support services reaches above 80%; satisfaction level above 90%. *Measures:* Develop a multi-channel communication strategy; design content for each group. *Roadmap:* 2025-2026 develop strategy; 2026-2028 implement models; 2029-2030 stabilize and enhance.

4.3.2. Solutions for Improving Organizational Structure and Human Resources

Solution 4: Restructure the organizational apparatus according to a hybrid (Function-Object) model

Basis: 75% of officials rate responsibility division as "unclear"; 68% have to handle tasks outside their expertise. *Objective:* Complete restructuring by 2027. *Measures:* Establish functional divisions: Taxpayer Support, Declaration and Tax Accounting, Risk Analysis and Data Processing, Audit and Inspection. *Roadmap:* 2025-2026 develop project; 2026-

2027 pilot implementation; 2027-2028 official application.

Solution 5: Develop and implement a comprehensive project for training, development.

Basis: Only 55% of officials have university degrees or higher; 40% feel confident in data analysis skills. *Objective:* By 2030, qualified official rate above 90%; 100% of officials trained at least once per year. *Measures:* Focus on 4 skill groups (professional, ICT, communication, public ethics); diversify training formats; develop evaluation criteria linked to rewards and discipline; prioritize training for district tax offices in remote areas. *Roadmap:* 2025-2026 develop project; 2026-2028 implement in-depth training; 2029-2030 evaluate and refine.

Solution 6: Invest in synchronous upgrading of information technology infrastructure

Basis: 85% of officials report system slowness and errors; 58% of taxpayers complain about portal overload. *Objective:* Complete synchronous infrastructure upgrade at the Tax Department and 100% of district offices by 2028. *Measures:* Upgrade servers, network bandwidth, workstations, centralized TA software, and security systems; prioritize investment in the online public service portal. *Roadmap:* 2025-2026 project formulation; 2026-2028 installation and deployment; 2029-2030 evaluation and maintenance.

4.3.3. Solutions for Improving Functional Tax Administration Activities

Solution 7: Build and operate an integrated "One-Stop Electronic" system for tax registration, declaration, and payment

Basis: Online registration rate 64.0%; online declaration rate as percentage of total required 46.0%. *Objective:* By 2030, online registration rate above 90%; online declaration rate above 80%; electronic payment rate above 90%. *Measures:* Integrate business and tax

registration. *Roadmap:* 2025-2026 development and testing; 2026-2028 full operation; 2029-2030 optimization.

Solution 8: Apply digital technology to build and operate a tax compliance risk management system

Basis: 80% of officials believe audit selection "lacks scientific basis"; 60% of taxpayers dissatisfied with transparency. *Objective:* By 2030, build and operate a risk management system; average additional tax assessed per audit increases by 30%. *Measures:* Build multi-dimensional risk assessment criteria; automated scoring and ranking system; risk-based audit planning; train officials in data analysis. *Roadmap:* 2025-2026 develop criteria; 2026-2028 pilot operation; 2028-2030 official application.

Solution 9: Implement a proactive tax debt management mechanism supported by digital technology

Basis: Tax debt increased 83% (2021), 53% (2023); 55% of taxpayers did not receive timely reminders. *Objective:* By 2030, debt recovery rate above 80%; debt/total revenue ratio below 7%. *Measures:* Automate debt reminders via email, SMS; classify debts. *Roadmap:* 2025-2026 complete reminder system; 2026-2028 handle old debts; 2028-2030 stabilize mechanism.

4.4. RECOMMENDATIONS

4.4.1. Recommendations to the Lao State

(1) Issue special mechanisms for TA in mountainous, border provinces (tax incentives for deep agricultural processing, ecotourism, projects employing many local workers). (2) Amend and supplement tax administrative procedure regulations towards simplification, reducing paperwork, especially for business households and SMEs.

4.4.2. Recommendations to the Ministry of Finance

(1) Issue detailed guidelines on TA for specialized economic sectors of Houaphanh (agriculture-forestry,

community tourism, border trade economy). (2) Allow the Houaphanh Provincial People's Committee to apply special tax mechanisms and policies suitable to local conditions. (3) Direct the development and operation of a centralized, unified ICT system for the entire sector. (4) Develop a key human resource training program, prioritizing training of core officials for disadvantaged provinces.

4.4.3. Recommendations to the Houaphanh Provincial People's Committee

(1) Issue regulations on inter-agency coordination for TA within the province. (2) Allocate counterpart local funds to invest in modernizing infrastructure and ICT for the Tax Department. (3) Direct departments and agencies to strengthen support for disseminating tax laws to the public, especially ethnic minorities. (4) Develop special support policies for ethnic minorities and small retail business households in fulfilling tax obligations. (5) Direct the Department of Finance to strengthen support for SMEs through tax policy training programs.

4.4.4. Recommendations to the Tax Department

(1) Develop and issue a comprehensive roadmap for reforming the organizational structure of the tax sector according to a modern model. (2) Support the Houaphanh Tax Department in large-scale communication campaigns, especially for ethnic minorities and small retail business households. (3) Establish a mechanism for periodic evaluation, monitoring, and experience sharing among provincial tax departments.

CONCLUSION

The dissertation has achieved its research objectives, producing theoretically and practically significant results.

Theoretical contributions: The dissertation systematized the theory of TA at the provincial level in mountainous, border areas: concepts, principles, content, organizational models, evaluation indicators, and influencing factors. It synthesized experiences from Son La (Vietnam), Thaket (Thailand), and Yunnan (China), drawing 8 lessons for Houaphanh.

Practical contributions: During 2020-2025, the Houaphanh Tax Department achieved positive results: online declaration rate increased from 64.9% to 88.7%; on-time payment from 56.5% to 90.0%; tax collection increased from 96,057 to 210,000 billion Kip; 98.5% of enterprises participated in TaxRIS. However, online registration (64.0%) and online declaration rates remain low; tax debt surged; organizational structure overlaps; ICT infrastructure is weak; inter-agency coordination is superficial. Causes include unsynchronized institutions, limited staff capacity, low taxpayer awareness, and complex procedures.

Solution contributions: Proposed 9 solutions across 3 groups: (1) Improving institutions and inter-agency coordination; (2) Restructuring the apparatus and developing human resources; (3) Improving TA professional operations (digitalization, risk management, debt management). Recommendations were made to the Lao State, the Ministry of Finance, the Provincial People's Committee, and the Tax Department.

The research results serve as a reference for policy formulation, enhancing TA effectiveness, and ensuring sustainable revenue for Houaphanh Province and Laos towards 2030, with a vision to 2035.

LIST OF PUBLISHED SCIENTIFIC ARTICLES

1. **Tingkham Vilayphon**; Vuong Thi Thu Hien (2026). Tax administration experiences at tax departments of some provinces in the region and lessons for Houaphanh Province, Lao People's Democratic Republic. *Journal of Economics and Finance. Issue 103, January 2026 (Online)*

2. **Tingkham Vilayphon**; Vuong Thi Thu Hien (2026). Improving tax administration in Houaphanh Province, Lao People's Democratic Republic. *Journal of Economics and Finance. Issue 104, January 2026 (Online)*

3. **Tingkham Vilayphon**; Vuong Thi Thu Hien (2026). Digital transformation in tax administration in mountainous provinces: A case study of Houaphanh Province, Laos. *Journal of Economics and Finance. Issue 301, March 2026 (Online)*