Beyond the Hype: A Pragmatic Approach Towards AI Adoption

OECD Global Forum on VAT
Mr Dennis Lui | Deputy Commissioner
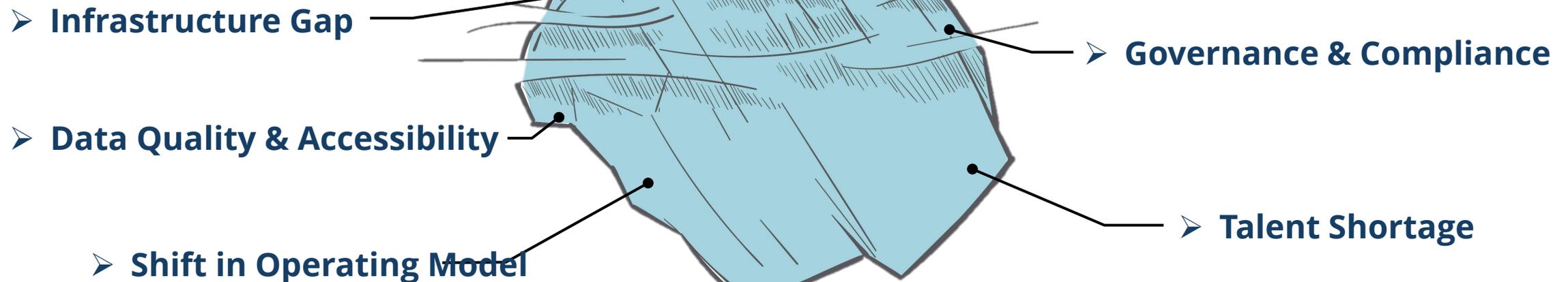Inland Revenue Authority of Singapore

AI IS NOW MAINSTREAM BUT ADOPTION REMAINS A CHALLENGE

ChatGPT reaches 900 Million Weekly Active Users

Tesla has registered more than 1,000 new vehicles for its 'Robotaxi' fleet in California in just a few months

Google launches Gemini 3 Flash — and says it is as fast as traditional search

Palantir Reports 60% Revenue Growth in 2025, Driven by Strong AI Demand

➢ **Infrastructure Gap**

➢ **Governance & Compliance**

➢ **Data Quality & Accessibility**

➢ **Shift in Operating Model**

➢ **Talent Shortage**

#1: FOCUS ON VALUE AND START SMALL

CHOOSE AI PROJECTS STRATEGICALLY

Data Availability

Is the data available and sufficient for implanting the solution?

Platform Readiness

Is the necessary platform available to support the AI solution?

Impact and Value

Potential qualitative and quantitative benefits, such as time savings, productivity gains, or tax recovery

Timeliness of Implementation

Is now the right time to process, any upcoming changes in system or business process?

Alternative Solutions

Are there existing solutions that could partially or fully meet the objective?

Technical Feasibility

Can the use case be effectively addressed? Any new technique can be explored?

START SMALL AND SCALE SMART

Validate
Start with small-scale pilots using **prototypes** e.g. minimum viable products (MVPs) to **test concepts** in real-world conditions and gather feedback.

Scale Up
After the MVPs are able to **demonstrate their value**, scale up the solutions to **cover more complex use cases** and broader operations.

Formalise
As the AI solutions deliver consistent value, they can be **integrated into core workflows** and **become formal tax operational processes**.

#2: LEVERAGE AI TO AMPLIFY OUR CAPABILITIES

AI AUGMENTS HUMAN CAPABILITIES, NOT REPLACES THEM

Boost Efficiency 24/7
Automates routine tasks, enabling faster and more consistent processing.

Improve Accuracy
Ensures consistent application of rules and reduces manual errors.

Support Better Decisions
Analyse large volumes of data to surface insights for timely, informed decision-making.

Strategic Judgment
Interpret complex cases, apply context, exercise critical thinking to make balanced decisions.
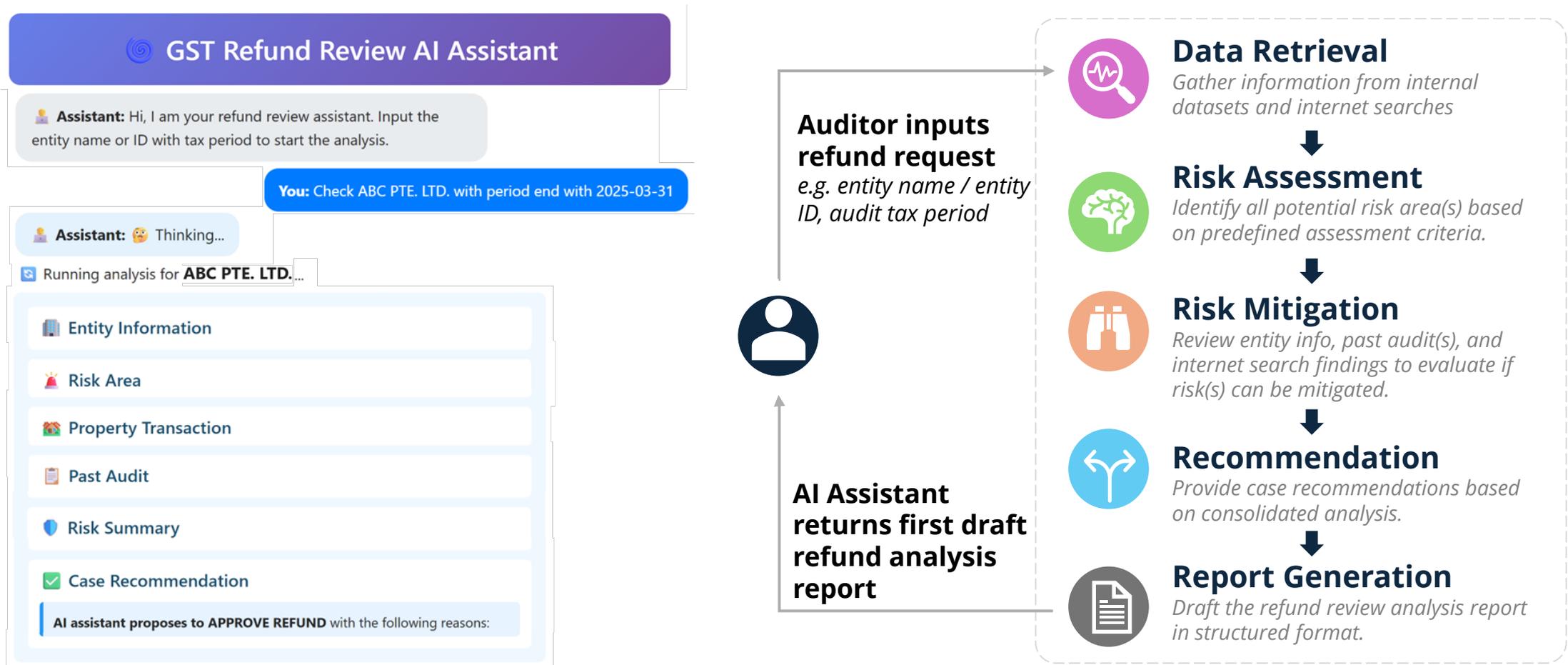
Demonstrate Empathy & Human Touch
Understand taxpayers' needs, engage taxpayers and build trust in the delivery of our tax services

Accountability & Ethics
Make final decisions and ensure governance, fairness, and compliance.

Used properly, AI is a powerful tool that can act as a force multiplier for human work

A REAL-WORLD CASE STUDY

GST Refund Review AI Assistant

👤 **Assistant:** Hi, I am your refund review assistant. Input the entity name or ID with tax period to start the analysis.

You: Check ABC PTE. LTD. with period end with 2025-03-31

👤 **Assistant:** 🤔 Thinking...

🔄 Running analysis for **ABC PTE. LTD.**...

🏢 Entity Information

🚨 Risk Area

🏘️ Property Transaction

📋 Past Audit

🛡️ Risk Summary

✅ Case Recommendation

AI assistant proposes to **APPROVE REFUND** with the following reasons:

Auditor inputs refund request
e.g. entity name / entity ID, audit tax period

AI Assistant returns first draft refund analysis report

Data Retrieval
Gather information from internal datasets and internet searches

Risk Assessment
Identify all potential risk area(s) based on predefined assessment criteria.

Risk Mitigation
Review entity info, past audit(s), and internet search findings to evaluate if risk(s) can be mitigated.

Recommendation
Provide case recommendations based on consolidated analysis.

Report Generation
Draft the refund review analysis report in structured format.

This project has been deployed to a group of GST refund auditors since Oct 2025 as part of the Beta Testing Phase.

ADAPTING TO AI IS ESSENTIAL

Learn By Practising
Engage actively with AI tools in real-world applications to gain hands-on experience and foster continuous improvement.

Adopting a Growth Mindset
As AI evolves, we must continuously enhance our AI skills and grow our ability to effectively harness AI tools.

"Artificial intelligence, deep learning, machine learning — whatever you're doing if you don't understand it — learn it. Because otherwise, you're going to be a dinosaur within three years." — Mark Cuban

AI WILL TAKE OUR JOBS ....

TO THE NEXT LEVEL

Start using AI today.
Begin with pilots and build on proven value.

THANK YOU !