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The principle I want to follow in my profession, as a future tax professional, is to ensure the security and transparency of information. AI in the tax sector has numerous uses that improve the efficiency of the professionals preparing and reviewing tax forms for corporations and other entities. RPA is common for automating repetitive processes like pulling invoices and extracting key data. Algorithms can help with OCR and identify anomalies to prevent tax evasion or identify potential tax deductions and help organizations forecast their tax burdens in the future. The issue is that these algorithms and processes are often implemented throughout the entire organization and can cause issues in keeping data, especially personal data, secure while simultaneously providing transparency can pose an ethical challenge at times.

Algorithms for tax often sift through spreadsheets and documents that can have essential data for tax purposes but likely also have secure data that are not necessary for tax as well. This data can be proprietary to the organization and can be very personal to the employees who work there that could be detrimental to either party if that information gets into the wrong hands or is leaked. The reality is, the more people who have access to those documents the less secure that information is. To help ensure that the data of clients and their employees remains secure I want to make sure the spreadsheets and documents are looked over by someone before and after running the algorithm to certify that the information the algorithm went through is only important and necessary to the project and protects private information. If information that is copied that is outside the scope of the data collection, then it should be deleted completely and safely to ensure that privacy. I will not allow unnecessary information to be shared nor will I have an algorithm that was little to no scope that could allow for such data to be collected in the first place.

In tax of course there needs to be transparency for multiple parties and at times AI can blur that level of transparency. The government wants transparency because they want to collect as many tax dollars as possible and avoid organizations committing fraud and tax evasion. Organizations desire transparency to help make better decisions using that taxable information for the future and get to truly understand how their operations have impacted those liabilities. The issue with algorithms is that they can be complex and that complexity can make it difficult to trace back what it found and where it found it. Because of this issue, I want to ensure that the algorithms I work with have detailed records on the actions it performed to provide that traceability. The scope of the algorithm is important too to keep the record relatively condensed and easy to follow through. I will also prevent dependency on AI for doing all of the work, from data collection to forecasting since that can certainly lead to a lack of transparency and errors too. The purpose of making effective decisions, like the principle of command in Schulz’s videos, can certainly be hindered if the transparency is not there because management of that organization cannot understand what happened and what different actions moving forward will affect their future tax liability.

The benefits versus drawbacks are what should be questioned when trying to offer privacy and transparency. Not only is it important to protect the information of individuals and secrets within the organization but to offer that level of understanding to the necessary parties too. AI can be incredibly beneficial in terms of reducing time and providing accurate information in the tax profession but it certainly can cause issues in privacy and transparency especially with personal information and utilizing it for future outlook. I want to ensure that there is a good balance of privacy and transparency to ensure that AI is used in an ethical manner that also provides benefits to the organization.