



IADB-RG-T4968

Tax Systems and Artificial Intelligence in Latin America and the
Caribbean



Quick Facts

Financial Institutions	Inter-American Development Bank (IADB)
Status	Active
Bank Risk Rating	U
Voting Date	2026-07-06
Investment Type(s)	Advisory Services
Investment Amount (USD)	\$ 0.23 million
Project Cost (USD)	\$ 0.23 million



Project Description

The general objective of this TC is to analyze how artificial intelligence will affect tax systems in Latin America and the Caribbean, including their revenue capacity, efficiency, relative burdens, and redistributive impact, and to identify policy responses for the region. The specific objectives are: (i) to diagnose how current tax structures interact with AI adoption and can create a wedge that accelerates automation; (ii) to identify tax-policy responses that maintain revenue, equity, and efficiency and are robust across different AI-impact scenarios; (iii) to identify tax-policy and incentive measures that steer AI adoption toward complementarity with labor rather than displacement; and (iv) to assess the opportunities and risks of AI adoption in tax administration. The result expected from this TC is an evidence base and a set of actionable policy options that fiscal authorities in the region can draw on to adapt tax policy and tax administration to AI-driven change. The qualitative outcome sought by project end is that tax authorities and fiscal policymakers in Latin America and the Caribbean take the TC's findings into account in their planning and reform discussions.



Investment Description

- Inter-American Development Bank (IADB)



Contact Information

ACCOUNTABILITY MECHANISM OF IADB

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Bank Documents

- [Procurement Plan_50174](#)
- [Project Document - Disclosure_40121](#)
- [Results Matrix_63732](#)
- [RG-T4968 - Proposal](#)
- [Terms of Reference_92191](#)