

Name loc.tax
 Website loc.tax
 Year Launched 2020
 Area Tax Management



loc.tax is the first-ever tool that empowers collaboration on global tax projects and helps achieve higher levels of compliance, efficiency, and corporate social responsibility. They do that by building a platform powered by new technology that allows for version-controlled data to be easily collected, visualised and managed.

loc.tax is focused on the sub-goal 16.4 by ensuring full visibility and allowing tax managers and other stakeholders to understand why, how, and when decisions were made.

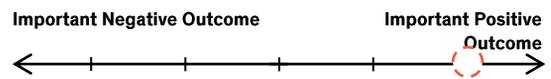
loc.tax facilitates improved tax management and transparency of Multinational Entities (MNEs) through a project management tool that creates Single Source of Truth (SSoT) relating to Legal-Org-Charts (LOCs), enabling a project-based collaboration amongst both internal and external stakeholders.

loc.tax also contributes to the sub-goal 16.6. by seeking to improve MNE tax disclosure and transparency, with this transparency a fundamental element of a functioning democracy and essential for national welfare systems.

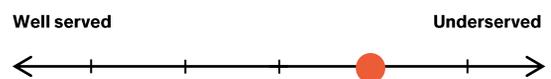


IMP Analysis

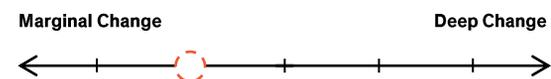
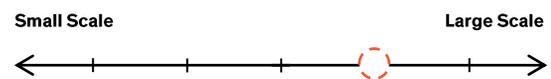
What: The outcome proposed by loc.tax is the improvement of income tax disclosure and transparency of MNEs through their Software-as-a-Service (SaaS) tool.



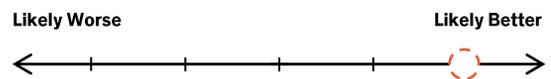
Who: According to [UNPRI](https://www.unpri.org/), the levels of corporate income tax disclosure amongst MNEs headquartered in the US and Europe is less than 10%. The beneficiaries of loc.tax are government authorities and society at large that benefit from higher level of transparency among MNEs.



How Much: The impact of loc.tax is focused on scale and is represented by the number of MNEs onboarded. Depth is measured by product penetration within these MNEs, including tax events and projects registered in the platform, as these metrics are proxies for a commitment to tax transparency.



Contribution: Despite existing competing legal entity management software solutions, MNE needs remain unmet by software solutions that provide a real-time update framework of LOCs. Whilst the impact may be marginal in the early years, at scale, the company can systemically influence tax transparency at the EU level.



Impact Risk: loc.tax faces an Alignment Risk, in case MNEs use loc.tax to optimise for tax evasion, rather than tax transparency. However, this is to some extent mitigated, as the product in and of itself ensures transparency in LOCs, and, therefore, it is unlikely MNEs looking to optimise for tax evasion would be users of the product.



● Today ○ Projected

Conclusion

According to the [IMP Framework](#), the impact classification of loc.tax is a “B” (Benefiting Stakeholders) by improving tax disclosure and transparency of Multinational Entities (MNEs), which is essential for a functioning democracy and national welfare systems.