intersection of automation and artificial intelligence will continue to impact tax compliance, how economic and market factors will affect growth across global business segments, and more.

Isaac M. O'Bannon • Jan. 09, 2024

What will 2024 bring when it comes to managing tax and reporting processes? Several of the experts at Avalara, Inc., have shared their top tax and technology predictions, and explore how the intersection of automation and artificial intelligence will continue to impact tax compliance, how economic and market factors will affect growth across global business segments, and more.

Avalara is a provider of cloud-based tax compliance automation for businesses of all sizes. Its expert staff represent a variety of industries and backgrounds, including

limited to accounting, engineering, government, manufacturing, retail, tax, and

consumers."

In 2024, AI's impact on the accounting industry will be profound.

- Sona Akmakjian, Avalara Senior Director of Global Accounting Strategic Partnerships, says, "As digital transformation initiatives unlock vast amounts of data, accountants are expected to increasingly harness the power of AI and data analytics. This shift will not only drive more informed decision-making but also significantly enhance the efficiency of accounting processes. Due to prevailing economic conditions, in 2024, the accounting industry will increasingly embrace AI-infused technology and data analytics, while also exploring cost-effective measures like outsourcing and offshoring."

2024 will be the year of audits.

- Scott Peterson, Avalara VP of U.S. Tax Policy and Government Relations, says, "As state budgets aren't experiencing the same windfalls as in the immediate impacts of the pandemic, legislatures will encourage an increase in audits to make up for any lost revenue. Businesses and consumers should all prepare for an uptick in audits in 2024."

Tax compliance and business processes will converge together into a single process with e-invoicing.

- Alex Baulf, Avalara VP of E-Invoicing, says, "While the trend remains that tax authorities are giving more time for businesses to get prepared, we'll continue to see e-invoicing spread globally. As it does, the electronic invoicing document businesses share with the government will be the same that they share with their customers, resulting in one simplified business process."

Social commerce will emerge as an even bigger piece of retail.

- George Trantas, Avalara Senior Director of Global Marketplaces, says, "In 2024,

Rescue Plan Act of 2021 called for (down from $20,000) to $5,000. In 2024, expect an announcement that this floor will drop further, likely to the $600 level, as originally intended, as early as the 2025 filing season."

To read more 2024 predictions from Avalara, visit their blog.

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