



BRIEF PROFILE – MUZAMMIL HEMANI

- M. Muzammil Hemani is a practitioner, researcher, and author of matters pertaining to local and international taxation.
- He is presently serving as the Partner Tax & Legal Services at Hemani Basrawala & Co. & Executive Director at AccuVerse Consulting LLC USA, a global BPO firm to service overseas clients.
- He has served as member sub-committee for **Reforms** and **Resource Mobilization Commission of Pakistan**.
- He was also nominated as Director of RAILCOP (Pakistan Railways) by Federal Government of Pakistan.
- He has been serving as Member of the ICAP Committees on Fiscal Laws, Economic Advisory Committee and Practicing Members Committee for the past many years.





BRIEF PROFILE -MUZAMMIL **HEMANI**

- He is also serving as a **board member** of different professional organizations.
- Moreover, he is also associated as a member of the Karachi Tax Bar Association.
- Besides this, he had led the Local & **International Taxation Function of** Mondelez International as regional head of tax.
- He had also worked with **KPMG** at Karachi and Jeddah offices respectively.

BRIEF PROFILE – MUZAMMIL HEMANI

- Academically, he is a member of ICAP and has also completed his Advanced Diploma in International Taxation & Transfer Pricing from the Chartered Institute of Taxation, United Kingdom.
- In addition, he is also a **lawyer**.
- As an author on taxation related topics, his publications have been published in various local and international print media and tax journals.



BRIEF PROFILE – MUZAMMIL HEMANI

- As a Professional Corporate Trainer and guest speaker he has successfully conducted workshops and training on various taxation topics in Pakistan, Dubai, and Singapore.
- He has remained associated with various forums for conducting tax awareness sessions including ICAP, ICMAP, IBA, PIPFA, IFA(UK), PIM, IFMP etc.
- He is also the Founder and Director of ICAP's most popular taxation course named as "Tax MasterClass".
- Being the faculty member of Taxation and Law subjects at renowned institutes of CA Pakistan, Muzammil has successfully taught over 5,000+ CA students.



OBJECTIVES

1

Understand the **fundamentals** of Generative AI

2

Identify practical applications of Generative AI in tax practice

3

Explore real-time use-cases with tax-relevant prompts

4

Evaluate commonly used **GenAl tools** in the tax domain

5

Discuss ethical, legal, and accuracy considerations

6

Envision the future of tax teams working alongside Al

THE MINDSET SHIFT

Al is not coming for our jobs; it's coming to remove the grunt work.

80% of a tax
professional's time is
in drafting,
summarizing,
reviewing, responding.

Al won't replace experts. It replaces inefficiency.

Enhance what tax professionals and organizations are capable of doing

How it can complement or enhance our work, **not compete** with it

THE MINDSET SHIFT

- Your client doesn't pay you to type they pay you to think. Al frees up your time for high-value thinking
- Bill Gates, the founder of Microsoft and someone not often prone to hyperbole, has commented that ChatGPT (and artificial intelligence more generally) is as "...fundamental as the creation of the microprocessor, the personal computer, the internet and the mobile phone."

A BRIEF HISTORY OF COMPUTING



Initially efforts on performing lengthy calculations



The focus **evolved to include** storing knowledge, making predictions, bringing together disparate knowledge and connecting people



Mimic some of the thoughts, ideas and language of humans



The **DIKW pyramid** seeks to represent the structural relationships between data (D), which lies at the base of the pyramid, then information (I), knowledge or insights (K) and finally, wisdom (W) **at the apex**.

THE RISE OF SEARCH ENGINES



Focused on accessing data and information without much focus or sophistication on knowledge, insights or wisdom



An inflection point for their efforts and represented a **fundamental shift** in the ability to access data and information



Up until the late 1990s, **painstakingly search** through libraries, law textbooks and legislation to try to access the most current tax related data and information



Became mechanisms for locating and accessing data and information, they also generated a **growing demand for the creation of content itself**.

WHAT IS GENERATIVE AI?

- Definition: All that creates text, summaries, code, images, etc.
- Examples: ChatGPT, Claude, Gemini, Sora, Copilot
- **Core idea:** Learns from vast data to generate human-like responses.
- It generates new content based on huge data.
- **Tax-specific content** is possible with right prompt engineering.



HOW IT TRANSFORMS TAX WORK

Before Al	With AI
2 hrs for memo	10 min with edits
Manual summary	Instant summary of a judgment
Poor translation	Fluent Urdu-English output
Weak drafts	Structurally sound, professional drafts

THE ADVENT OF GENERATIVE AI



Moving from data and information **up to** knowledge and insights.



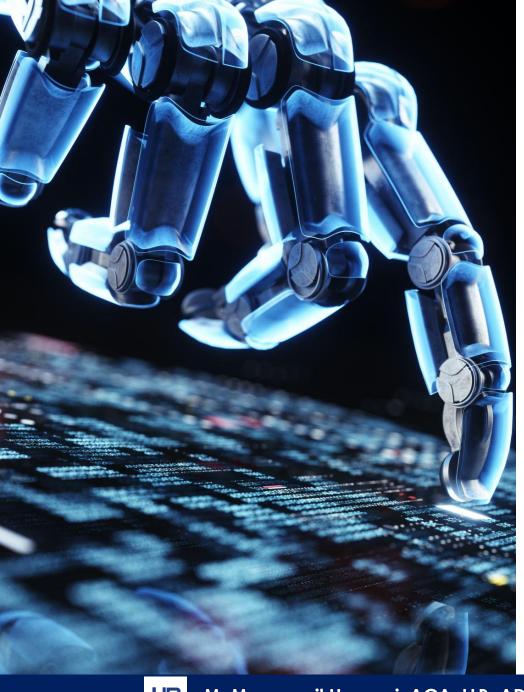
Generative Al's ability to draw logical, rational conclusions from data, information, and patterns therein, allows models such as ChatGPT to build on the vast universe of data created activities put in motion by predecessors.



As these technologies get closer to the apex, they start to demonstrate **capabilities which many professionals identify as similar to their own**.

TOP TOOLS TO EXPLORE

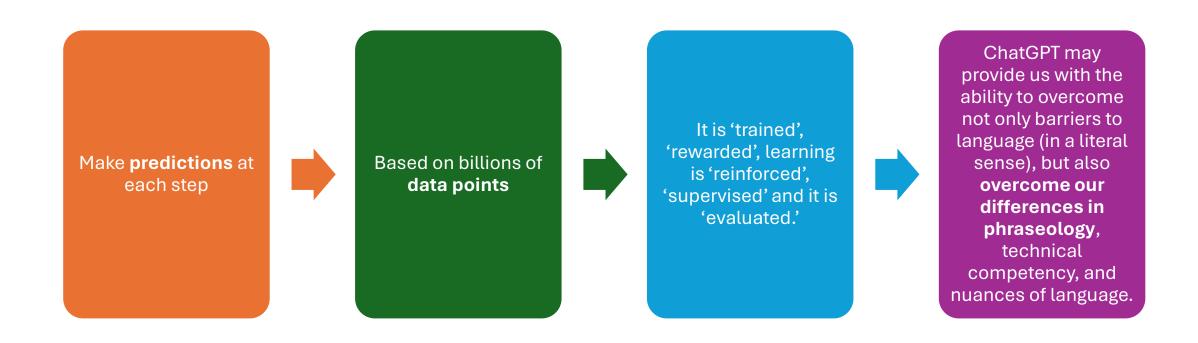
Tool	What It Does
ChatGPT (Pro)	Text generation, summaries, research
Claude	PDF ingestion, legal analysis
Microsoft Copilot	Excel formulas, report automation
Scribbr / Notta	Meeting transcription
DeepL / Google Translate	Multilingual tax docs



WHAT FUELS CHATGPT AND OTHER GENERATIVE AI TECHNOLOGIES?

- ChatGPT is an artificial intelligence chatbot launched in November 2022 by OpenAI
- Deep learning techniques which are pre-trained on massive data sets
- Present information in a human-like manner
- GPT-4 can understand data and information found in image and text inputs.
- **GPT-3**, was trained on 175 billion parameters, including 300 billion words or 570GB of data from books, web texts, and other internet data sources.
- Example: Parent child, husband wife.

WHAT FUELS CHATGPT AND OTHER GENERATIVE AI TECHNOLOGIES?





ChatGPT is a large language model that uses deep learning techniques to **generate human-like text**.

CHATGPT AS PER CHATGPT?



It is based on the **GPT (Generative Pre-trained Transformer)** architecture, which uses a transformer neural network to process and generate text.



The model is pre-trained on a **massive dataset of text**, such as books, articles, and websites, so it can understand the patterns and sturcture of natural language.



When given a prompt or a starting point, the model uses this pretrained knowledge to generate text that continues the **given input in a coherent and natural way**.



GENERATIVE AI IN THE TAX PROFESSION



<u>Tax Compliance</u>, where tax professionals prepare compliance returns for filing with a tax authority

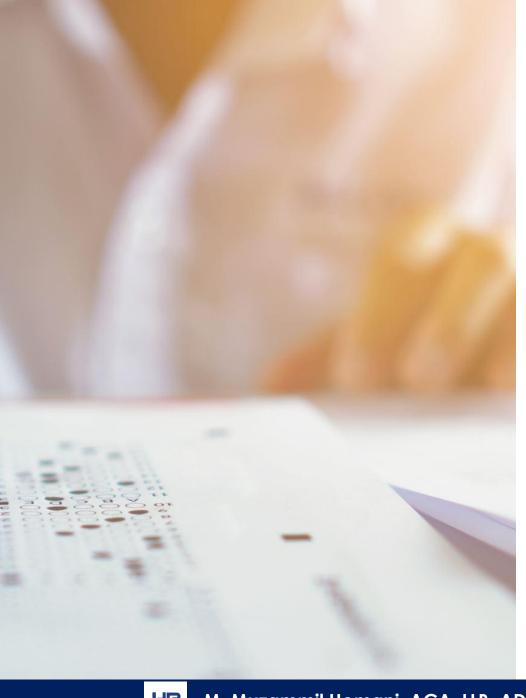
Tax Controversy, where tax professionals may represent a taxpayer subject to an inquiry, an audit, objection, or tribunal or court process

GENERATIVE AI IN THE TAX PROFESSION

<u>Tax Advisory</u>, where tax professionals may advise, consult, or perform planning activities in relation to specific fact patterns Transactional Activities, where tax professionals may carry out tax services related to transactions or reorganizations, such as an M&A deal

Knowledge Management, where tax functions may be able to more effectively and systematically collect, organize, store, and share tax and non-tax related information, expertise, and resources

Business Integration, where tax functions may be empowered to extend their capabilities to work cross-functionally to drive strategic decision-making and overall business integration in collaboration with other departments and organizational business leaders.



TAX COMPLIANCE

Nearly all types of tax compliance activities **involve a process by which**

- (a) data (often from multiple sources) is captured or ingested;
- (b) data is computed and/or reconciled; and
- (c) an output is produced (usually) in the form of a tax return or other compliance filing.

Enable the **necessary automation**, but it also can support the human analysis



TAX CONTROVERSY

- Much of the pain commonly experienced in controversy matters can be alleviated by proactively anticipating challenges in advance of formal controversy activities and through effective communications during such proceedings
- Used to **identify and cite relevant** legislation, case law, or rulings in preparing those submissions.
- Used to anticipate the possible areas of inquiry and questions from the tax authority and suggest possible responses given the data and information that is available

TAX CONTROVERSY

It is important to recognize that tax authorities may also seek to deploy generative AI tools, firstly, in identifying risk factors which warrant further investigation through audit, and secondly, in carrying out the audit itself.



Indeed, the power of generative Al could, at least in theory, allow tax authorities to move away from self-assessment and back to the era of review and evaluation of every return being filed.

TAX CONTROVERSY

More specifically, generative AI tools may allow for:

More consistent communications with tax authorities across tax types and jurisdictions, with data and issues shared from one area and leveraged into another

A **higher level of awareness** of possible issues before they surface, and the ability to anticipate queries and investigations and risks before they occur

The ability to bring the most **current and effective arguments** in the handling of any controversy matters

An ability to **communicate with a tax auditor or public or judicial official** on their terms, using language and approaches that will likely resonate most effectively with the audience



TAX ADVISORY

key areas where AI can make a significant impact:

- Tax planning and structuring
- **Business decisions**
- Manage Risk
- Operational guiding principles
- Stakeholder communications
- Cross-functional teaming

TAX ADVISORY



key areas where AI can make a significant impact:



Tax planning and structuring: the ability to analyze complex tax scenarios, optimize tax structures, and provide valuable insights for effective tax planning;



Business decisions: Quickly access and analyze data. Evaluate the tax implications of various business decisions, helping to ensure that tax considerations are factored into the decision-making process;



Manage Risk: These cutting edge technologies can provide instant access to aggregated knowledge and insights, enabling tax functions to more effectively manage risk, including in a consistent 'whole of organization' way



Operational guiding principles: establish a set of guiding principles for the other subfunctions of tax that are aligned with the overall tax function strategy. Operational updates and actions guided by function-wide principles rather than historical practices;



Stakeholder communications: Create audience tailored communications for different stakeholders within the organization, such as the C-suite, managers, or teams from tax and finance departments.



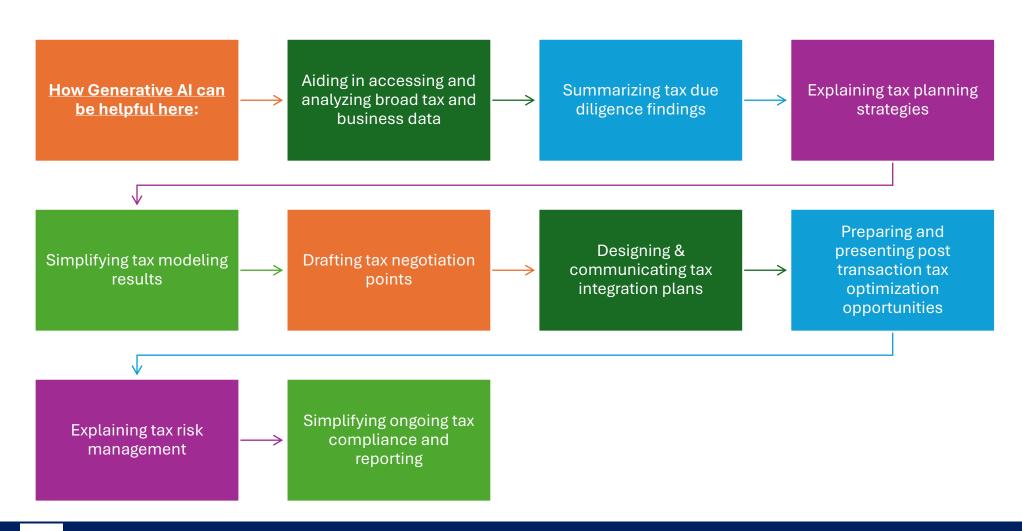
Cross-functional teaming: Create broader awareness of business activities and help anticipate the needs, questions and values of leadership and colleagues across tax and the rest of the organization.

TRANSACTIONAL ACTIVITIES

The primary objectives of tax professionals and tax advisors in transaction work generally is to minimize tax risks, ensure tax efficiency, and optimize the resulting tax structure.

Transaction work can involve a range of activities, from **due diligence** and planning to compliance and ongoing risk management.

TRANSACTIONAL ACTIVITIES



KNOWLEDGE MANAGEMENT



Knowledge of the relevant industry, business models and activities, commercial objectives, policies and strategy all factor into the impact a tax professional can make.



The core focus of knowledge management for tax is to bring the **most current, complete and accurate information** available to all business problems or ideas.



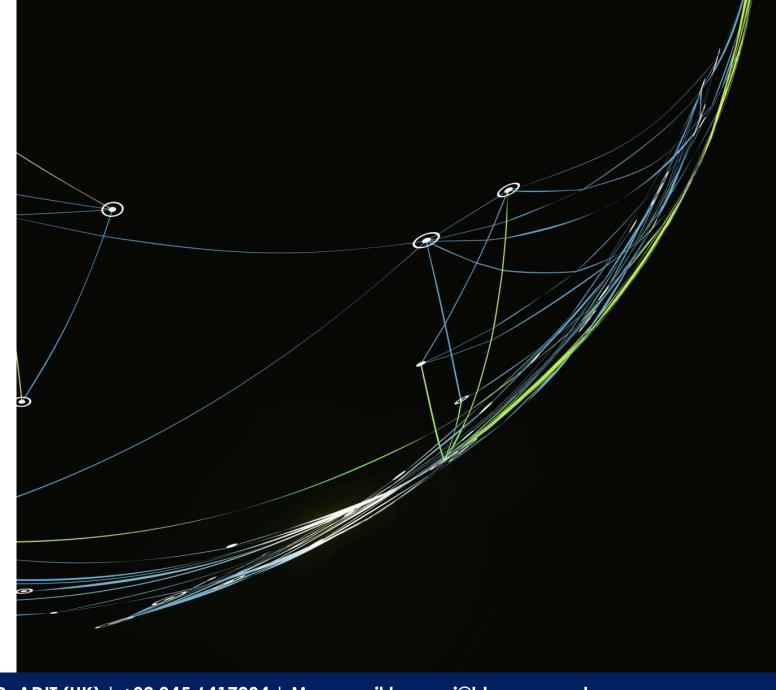
It involves the long elusive idea of **capturing and converting the knowledge and experience** of the individuals employed or engaged by a company **into an asset** that is available to all.



Changes in laws, administrative procedures, business activities, market conditions, leadership edicts, resource models, staffing gaps and on and on, all make the knowledge management problem even more challenging.

KNOWLEDGE MANAGEMENT

- Generative AI can not only assist with the accumulation of this knowledge, but also in more effectively drawing insights or conclusions from it.
- And in a world in which changes in rules, regulations and business models evolve at lightning speed, tax professionals may finally feel like they can keep up.
- Generative AI tools provide the opportunity for new entrants to the tax profession to rapidly upskill their knowledge and to efficiently generate insights and learnings from others in areas they may have been unfamiliar with.



BUSINESS INTEGRATION

The objective of becoming more business aligned, **value creating** and strategic have long been the focus for many tax functions.

Revenue, costs, profit, risk management, regulatory compliance and even public perception are all areas in which the tax function could make a material impact.

Several obstacles have inhibited progress to date: complex and disaggregated data, limited real time insights & analytics, complex and changing laws and regulations, functional and cultural business siloes, and limited strategically focused resources within tax.

BUSINESS INTEGRATION

Generative AI **tools can help** advance business integration in several ways:

- Enabling tax professionals to have greater awareness of contemplated and recent business activities that might be impacted by tax or might impact the tax function
- Providing data analysis and insights closer to real-time, enabling tax professionals to make informed businessoriented decisions and contribute to strategic planning
- Generating simplified analyses and narratives for complex tax concepts and regulations, making them more accessible for non-tax professionals to understand
- Producing tax impact analysis and executive summaries in close to real time in the language of the of the C-Suite and non-tax business leaders



KEY USE CASES IN TAX PRACTICE

Area	How AI Helps
Drafting	Show cause replies, memos, client emails
Summarizing	Case laws, Finance Acts, SROs
Explaining	Simplify tax concepts for clients
Translation	Urdu orders → English
Planning	Tax saving scenarios, client proposals

BENEFITS OF USING AI IN TAX

Analyse data faster

Remove redundant tasks

Spot trends

Make more informed decisions

Improves work

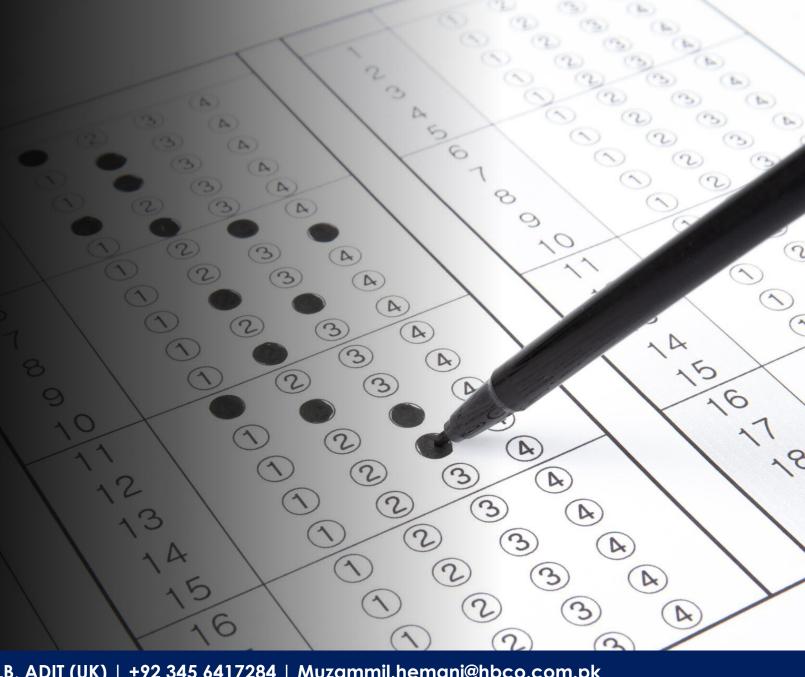
Ensures delivering an exceptional client service

Competitive advantage

Failing to act on AI is a serious business risk.

VIDEO ON "AI & TAX FOR TAX LEADERS"

GENERATIVE **AITAX SURVEY 2025**



TOP FINDINGS

Tax practitioners are eager for greater tech adoption

48% of tax experts said their **organisation is slow or very slow** at implementing new technology.

Without a tech investment, **people** will leave

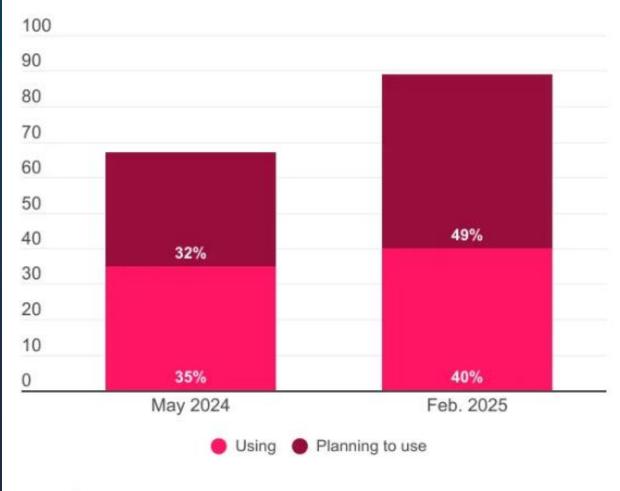
20% would **consider leaving** if their
organisation didn't
adequately invest in
Al.

More **Al training** will increase adoption

Nearly two-thirds (60%) of tax experts would use AI more if they had training.

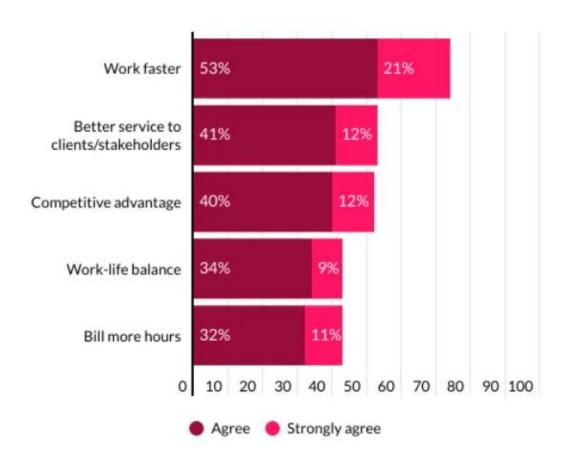
Tax leaders unsure how to measure Al impact Half of tax experts said their organisation isn't measuring AI against any of the obvious success metrics

Tax professionals using generative AI (Sept. 2024 - Feb 2025)



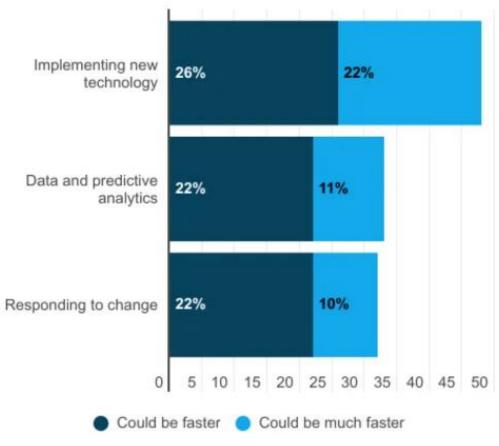
Source: Generative AI tax survey 2025





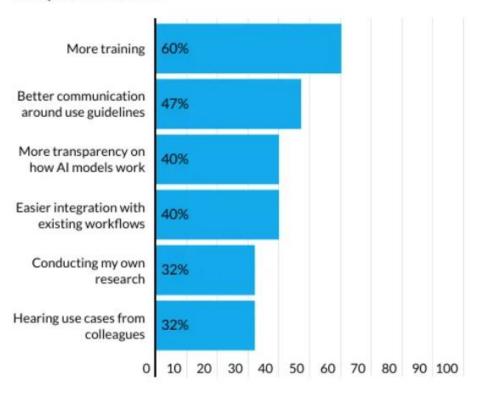
Source: Generative Al Tax Survey 2025

Slowest moving areas of the business in your practice or department



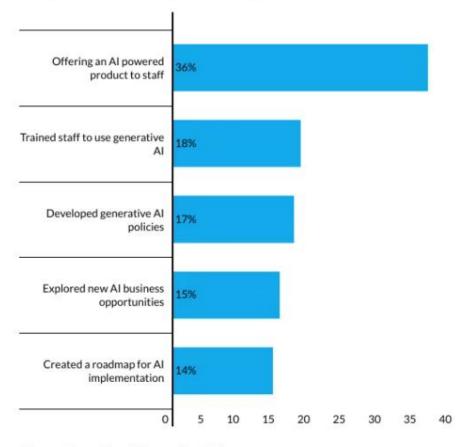
Source: Generative Al Survey Tax Survey 2025

Steps that would encourage AI adoption amongst tax professionals



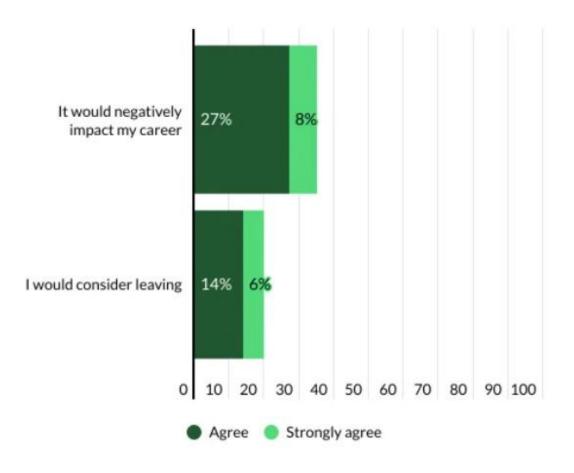
Source: Generative Al Tax Survey 2025





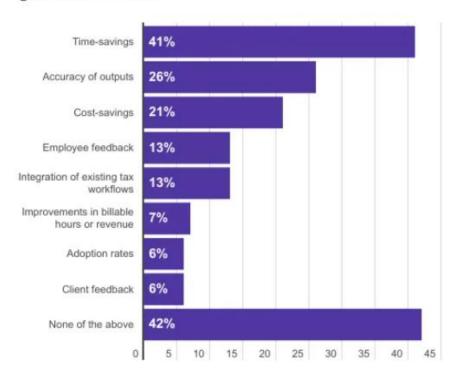
Source: Generative Al Survey Tax 2025

If my organisation failed to fully embrace Al...



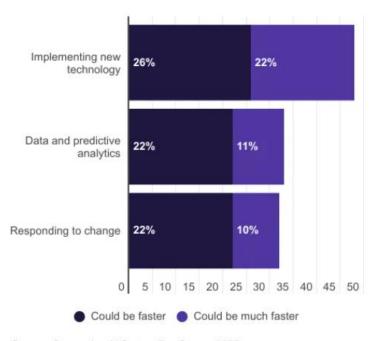
Source: Generative Al Tax Survey 2025

How are you currently measuring the success of generative AI tools



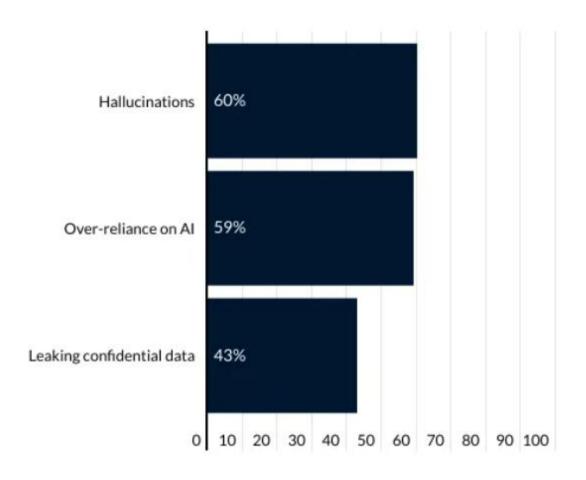
Source: Generative Al Survey Tax 2025

Slowest moving areas of the business in your practice or department



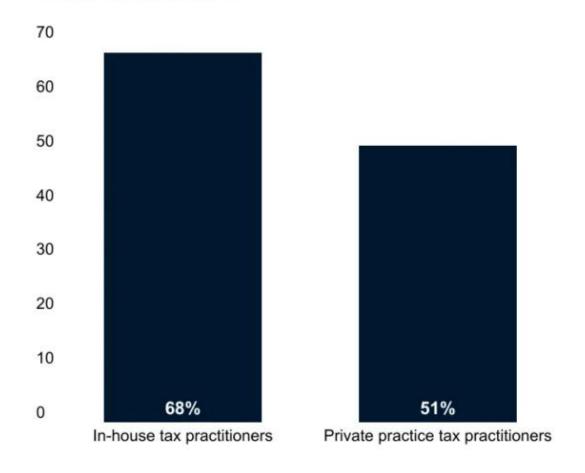
Source: Generative Al Survey Tax Survey 2025

Top concerns when using generative AI for tax work



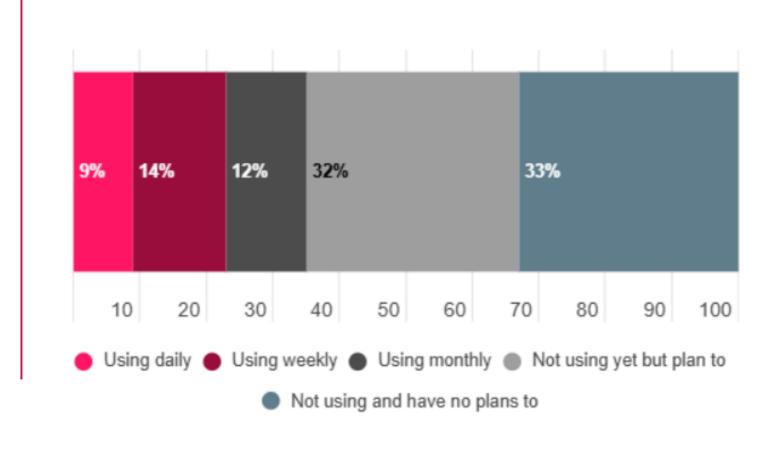
Source: Generative Al Tax Survey 2025

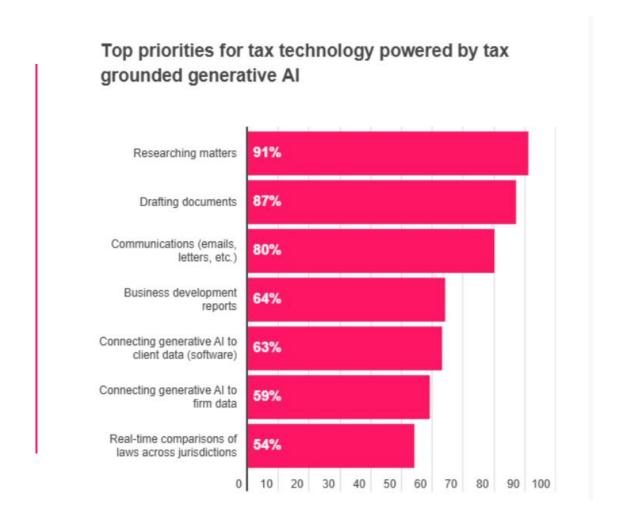
I think tax practitioners should reveal when generative AI is used on client work



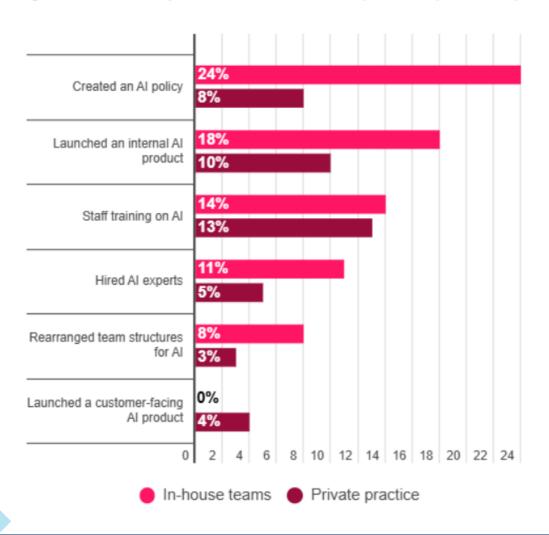


Frequency of use of generative Al tools with tax professionals

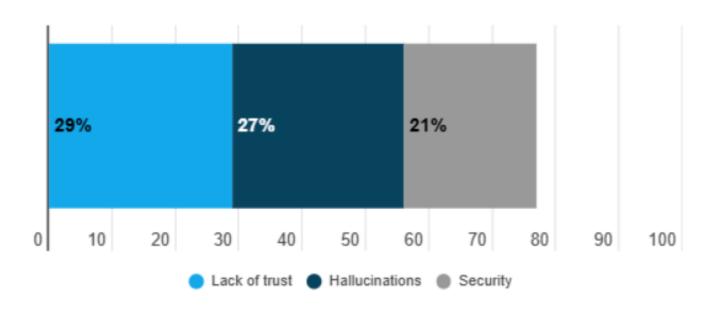


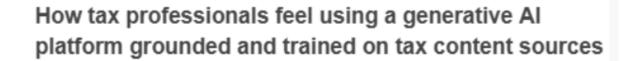


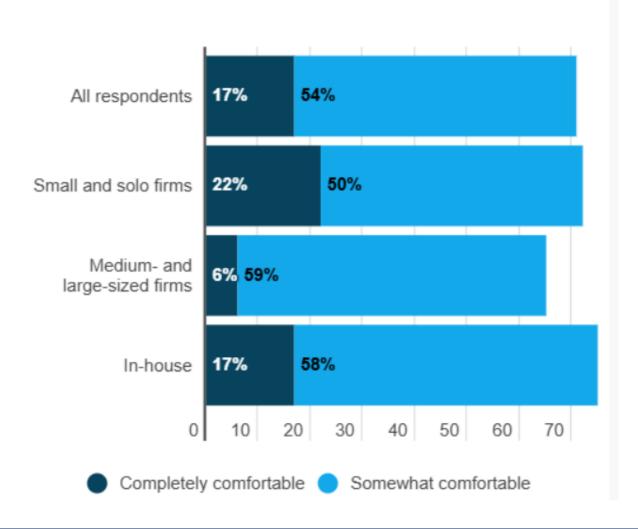
Steps taken in the last 12 months to implement generative AI (in-house teams vs. private practice)



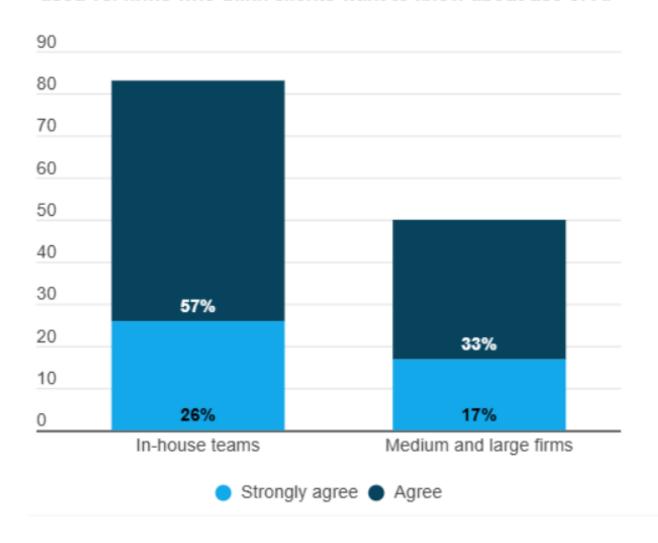
Tax practitioners with concerns about the reliability and security of public access generative Al tools

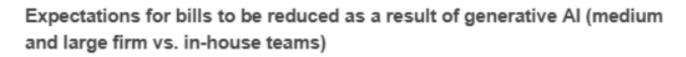


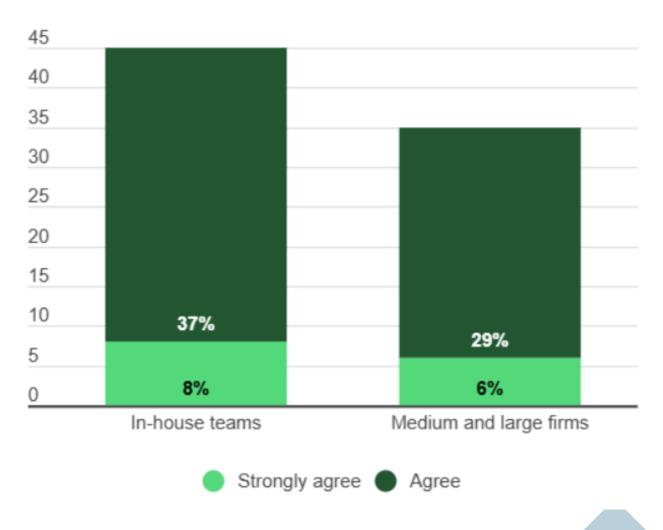




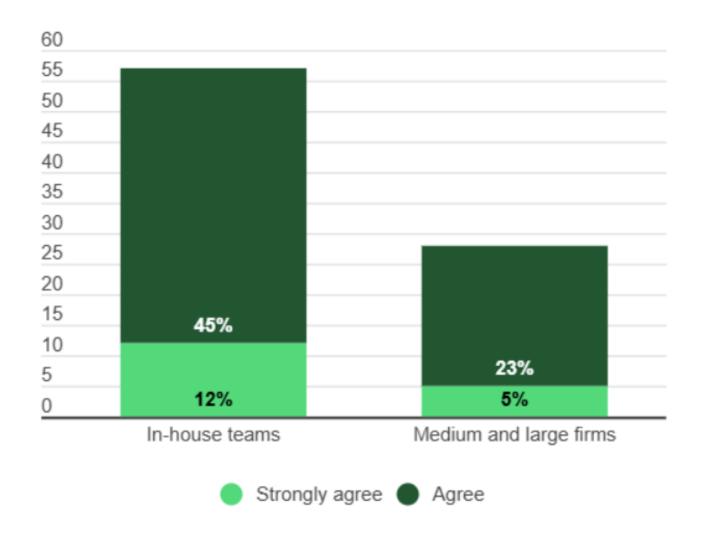
In-house tax professionals that expect to be told if Al has been used vs. firms who think clients want to know about use of Al







Expectations for billing practices to change as a result of generative Al (medium and large tax firm vs. in-house teams)





TAX LEADERSHIP ABOUT AI

66

Deloitte.

We are only at the foothills of what GenAI can do and how much of the tax professional's compliance and advisory work it can consume."



Hayley McKelvey
Tax and Legal - Digital Innovation Leader, Deloitte



Gone are the times where you have to spend hours, days, or even months reviewing thousands of technical documents."



Chief Technology Officer & Head of Alliances for Tax,

Legal and People business

PwC United Kingdom









There's a huge fear of providing the wrong advice to clients, which is particularly heightened by issues with public access generative AI."



Jonathan Scriven
Director of Tax Markets, LexisNexis



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Generative AI can spot patterns that humans cannot – this helps us create new business insights for our clients."



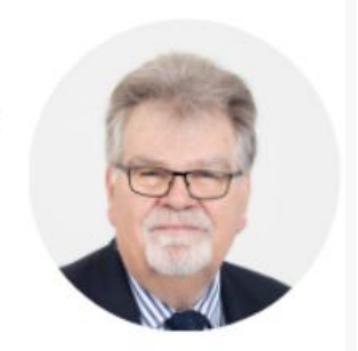
Adrian Henderson

Director, Technology & Transformation Services at Evelyn Partners



66

The tax function must be fit for purpose and embrace the inexorable advance of digital by retraining, recruiting and maintaining an agile stance for their businesses."



Ian Hayes

President of CFE Tax Advisers Europe







The quality of information isn't currently reliable enough, which can lead to ludicrous or inconsistent results if you don't already know what answer you are expecting."

Jane MacKay Partner, Corporate Tax





"The lack of transparency around how AI systems operate can leave tax practitioners and their clients in the dark."

Helen Whiteman
CEO, Chartered Institute of Taxation







Training your advisors to ask the right questions is critical, as is ensuring appropriate review procedures are in place to omit hallucinations."



Becky Shields

Partner and Head of Transformation at Moore Kingston Smith (MKS)



Digital technologies, when implemented well, can yield significant productivity benefits, most notably by making non-billable activities more efficient."

Professor Stephen Roper
Director of Enterprise Research Centre
Warwick Business School









Many were worried when Excel and Lotus-123 replaced the original paper spreadsheets, and the profession adapted and survived. It will do so again but perhaps the role of the tax advisor will move closer to a tax law-led data scientist."



Adrian Hextall

Director, Technology and Transformation Services, Evelyn Partners



DEMO USING CHATGPT Draft

Draft a response for notice received under section 161.

Share

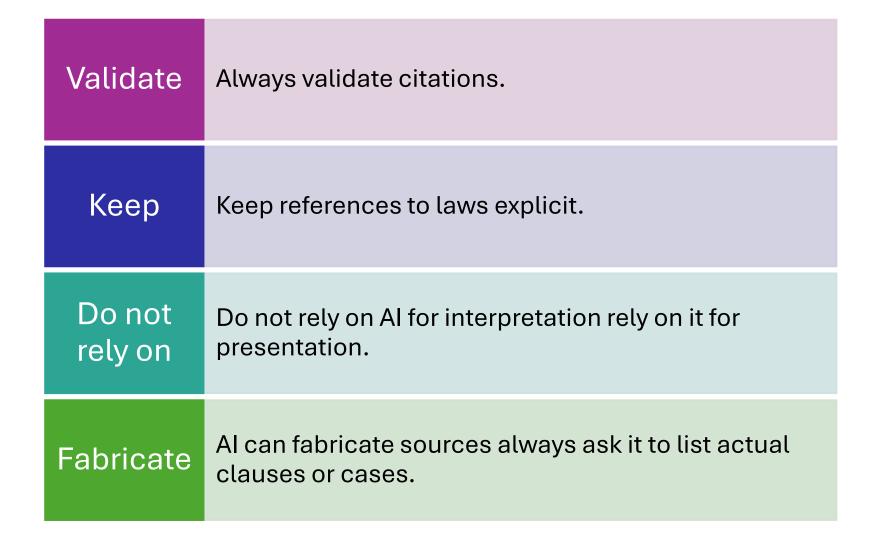
Share the summary of Finance Act 2025.

Draft

Draft a professional response to notice under section 122(9).



ACCURACY & SUPERVISION



ETHICAL USE OF AI Avoid Avoid uploading confidential client data. Avoid copying full judgments unless Avoid necessary.

Send

Never send AI output without reviewing it as a professional.



CORE PRINCIPLES

Al as an Aid Only: "Al must not, and must never become, a substitute for judicial decision-making"

Human Values Above Algorithms: Justice Shah emphasizes that "fairness, compassion, mercy, human dignity" and other moral sensitivities, such as due process and equity are irreducible elements of justice that Al cannot replicate

Rule of Law Over Rule of Data: The Court warns against algorithmic governance, stating that justice must preserve institutional independence, moral context, and constitutional values. Al cannot override human conscience

RECOMMENDED USES OF AI

Judicial Research: Al can rapidly analyze statutes, case law, and academic commentary, offering smarter, more informed insights

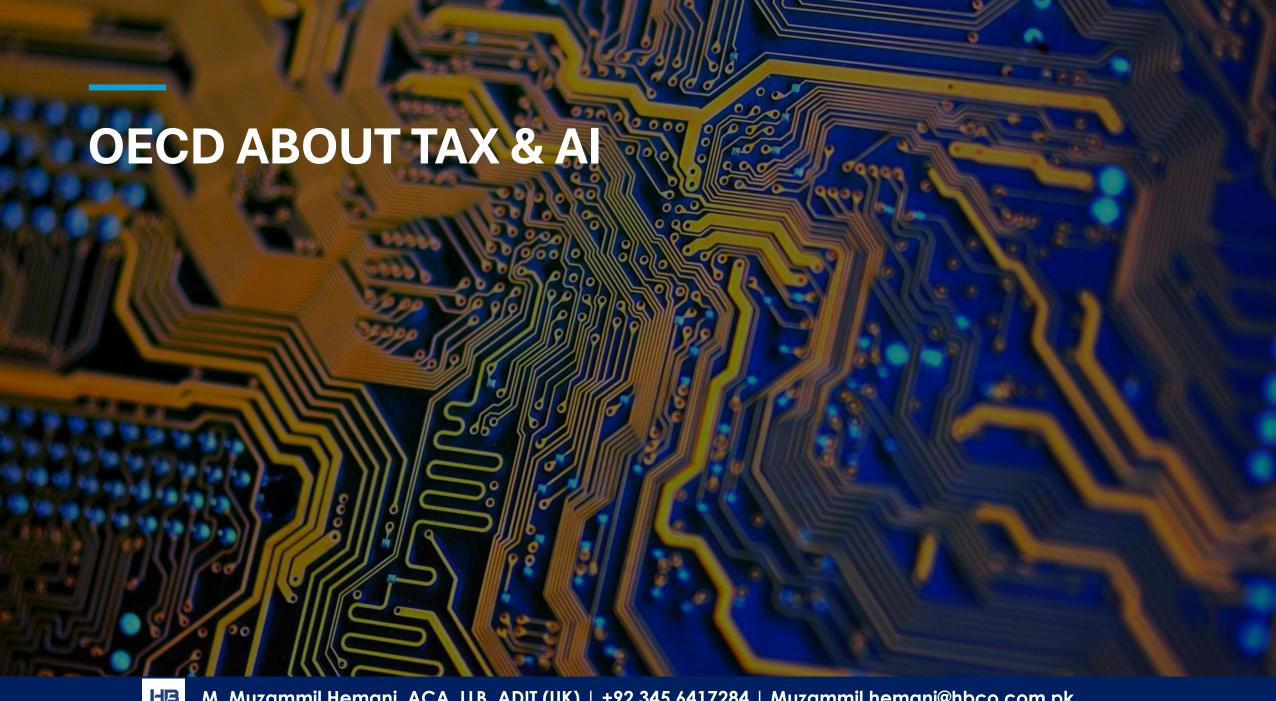
Drafting & Language Refinement: Tools like ChatGPT, DeepSeek, and Pakistan's own "Judge-GPT" (adopted by 1,500 district-court judges) can aid in drafting orders, improving clarity and precision

Administrative Efficiency: Al may help in case allocation, backlog management, triaging petitions, and identifying repetitive patterns, all while respecting constitutional Article 10A and 37(d) on timely justice.



RISKS & SAFEGUARDS

- **Bias & Discrimination**: Historical data may perpetuate systemic bias; systems must embed fairness to prevent replicating inequity
- Hallucinations & Inaccuracies: All outputs must not be treated as authoritative; judges have a duty to verify facts and references
- Automation Bias: The Court cautions against overreliance: "A courtroom is not a site for algorithmic governance but a space for reasoned, principled deliberation"



OECD ABOUT GENERATIVE AI & TAX

According to the OECD's Forum on Tax Administration, **70% of 54 countries** use Al tools in tax audits and risk assessment; **80%** have a digital transformation strategy



The **OECD** is actively promoting AI (including generative AI) in tax strategies and enforcement.



Many tax authorities globally are already integrating Al into audits and operations.



Generative AI plays a growing role in **complex tax planning**, Pillar Two, and BEPS frameworks.



Risks persist, fairness, privacy, and transparency must be baked into Al systems.

MATERIAL SOURCES







CONTACT US

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