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The role of fiscal reforms and measures in enhancing tax revenue in Algeria

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Abstract---This study aims to highlight the importance of fiscal reforms and measures and their contributions to enhancing and developing tax revenue in Algeria. It does so by presenting the key actions and measures implemented by the government in recent years, particularly in 2023 and 2024, and examining the impact of these reforms on national tax revenue. The study concludes that the Algerian tax system has undergone several modern reforms since 2021, which collectively aim to preserve taxpayers' purchasing power, improve the business climate, and stimulate investment. These reforms have had a positive impact on national tax revenue, which has seen significant and considerable growth.

Keywords---Tax system, taxes, tax administration, fiscal measures, tax collection.

Introduction

Given the state's need for financial resources to ensure the proper functioning of its facilities and to provide society with various necessary resources (educational institutions, healthcare, social welfare, public works, etc.), tax resources are among the most important sources of funding for public expenditures. To this end, a set of laws has been established to regulate the process of tax collection from taxpayers while considering the social, economic, and political orientations of the state.

All countries, whether developed or developing, strive to shape their tax policies according to the fluctuations of their economic systems. Taxation is thus a branch of public finance, which studies the theory of taxes, fees, and other deductions in terms of their definitions, components, characteristics, classifications, and regulatory frameworks. All of this has been summarized in a law known as the "Tax Code."

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The tax code in Algeria has undergone several reforms and measures aimed at improving tax collection on one hand and protecting taxpayers' purchasing power on the other. In this study, we will highlight the most important reforms and measures implemented by Algeria in recent years and examine their impact on national tax collection. Based on the above, the main research question can be posed as follows:

What is the role of fiscal reforms and measures in enhancing tax collection in Algeria?

This main question can be divided into the following sub-questions:

- What are the main pillars of the Algerian tax system?
- What are the most significant tax reforms in Algeria?
- What are the key fiscal measures included in the Algerian Finance Law for 2023 and 2024?
- What are the effects of tax reforms on national tax collection?

Significance of the Study:

This study is significant as it sheds light on a highly important topic in the national economy, namely tax reform and its impact on national tax collection. This, in turn, positively reflects on the national economy, especially with the national statistics on tax collection in recent years covered by this study. Additionally, tax reform provides flexibility in collection, encourages digitalization, and simplifies procedures for taxpayers.

Objectives of the Study:

The study aims to achieve several objectives, summarized as follows:

- Clarify the pillars of the Algerian tax system;
- Highlight the reality of tax reforms in Algeria;
- Identify the key fiscal measures in the Algerian Finance Law for 2023 and 2024;
- Present official statistics on national tax collection for the years 2019-2023.

Methodology of the Study:

The study relies on a descriptive approach to present its theoretical content, supported by official statistics issued by the General Directorate of Taxes regarding tax collection in Algeria for the years 2019-2023. It also employs a comparative approach to track the evolution of tax collection over the years covered by the study.

1. The Content of the Algerian Tax Code

The Algerian Tax Code encompasses the prevailing tax system in the country, which includes taxes, fees, and various mandatory deductions defined and selected for application within a compatible environment. This is achieved through various laws aimed at fulfilling the objectives of tax policy. Tax policy is defined as: "The set of integrated programs planned and implemented by the state using all its actual and potential tax resources to achieve desired economic,

social, and political effects, while avoiding undesirable effects, to contribute to the realization of societal goals." (Othman & Al-Ashmary, 2002, p. 11)

Therefore, the tax system is considered a part of the economic system, requiring coordination between tax policy and various forms of economic policies (monetary, exchange, wage policies, etc.). Thus, the tax system is a function of two main variables: the type of current economic and social system (whether capitalist or socialist) and its operational mechanism (whether market-based or centrally planned). Taxation is part of a complex fiscal mix, necessitating an administrative organization responsible for declaration, assessment, and collection. The size of this organization increases as the tax entity becomes more complex. The tax system also relies on comparing a set of economic variables and coordinating them according to the goals the economic system seeks to achieve. (Hayoula & Abdat, 2023, p. 6)

The tax system includes both ordinary and petroleum-based taxation. The former comprises all mandatory deductions imposed by the state, including taxes, fees, and other levies. The latter represents a primary resource in the state's budget, derived from oil revenues, which remain a top priority for any country, whether or not it possesses this vital natural resource. In Algeria, tax resources constitute a significant portion of the state's and local communities' revenues. They include various types of taxes and fees, such as: (Algerian Tax Laws, 2024)

- Value Added Tax,
- Gross Income Tax,
- Corporate Profit Tax,
- Professional Activity Tax,
- Sanitation Tax,
- Property Tax,
- Residence Tax,
- Construction Permit Tax,
- Advertising Tax,
- Entertainment Tax,
- Wealth Tax,
- Slaughter Tax,
- Grazing Fee,
- Vehicle Tax Stamp,
- And other taxes, fees, and levies.

Thus, taxation represents the set of tools used by the state to generate the necessary revenues to cover expenditures. Consequently, the concept of taxation is broader than that of taxes, as the latter is only a part of taxation, which includes four types of deductions: taxes, fees, quasi-tax resources, royalties, and customs duties. The elements of taxation can be summarized as follows:

1.1. Taxes and Fees

Scholars have approached the study of taxes differently. Some have viewed them from a purely economic perspective, while others have focused on their legal nature. Still, others have considered taxes as a financial phenomenon with economic, technical, and legal dimensions, shaped by and influencing the social,

political, and economic environment. This comprehensive view is widely accepted, as it encompasses all practical and theoretical aspects of taxation, considering it both a science and an art. Many researchers argue that taxes represent the financial expression of the relationship between the state and the individual, and their evolution is linked to the evolution of the state.

A tax is defined as: "A mandatory financial obligation imposed on taxpayers to be paid to the state for the purpose of achieving public benefit. It involves transferring a portion of wealth from private to public use, regardless of the direct benefit to the taxpayer." (Al-Babili, 2009, p. 105)

From this definition, the key characteristics of taxes can be summarized as follows:

- Taxes are monetary deductions;
- Taxes are mandatory;
- Taxes cover the state's public expenditures.

As for fees, they are generally defined as: "A sum of money compulsorily paid by an individual to the state or one of its affiliated entities in exchange for a specific service that has a dual benefit (both private and public)."

From this definition, it is clear that fees and taxes share the element of compulsion. However, the main difference lies in the fact that fees are imposed in exchange for a specific service requested by the individual, providing a direct private benefit in addition to the public benefit that accrues to society as a whole. (Mahrazi, 2012, p. 141)

1.2. Quasi-Tax Resources

These are mandatory deductions with a compulsory nature, allocated for specific economic, professional, or social uses, or for the benefit of entities other than the state and local communities. They are used to finance the budgets of institutions or legal entities that impose and collect them. They resemble taxes in that both are compulsory monetary deductions authorized by laws and regulations.

1.3. Royalties

Royalties are financial contributions paid by property or wealth owners due to an increase in the value of their assets resulting from state-led public projects. For example, road construction or the establishment of a water dam may increase the value of adjacent lands, requiring beneficiaries to contribute a share of the expenses borne by the state. This is known as a royalty.

1.4. Customs Duties

These are all deductions related to the movement of people, goods, or merchandise into and out of the country. Their rates and amounts vary depending on the type, size, and value of the goods.

Through these types of resources, the state aims to fulfill its role of public expenditure for the common good. To this end, it seeks to secure the necessary financial resources from various sources by activating the economic system in general and the tax system in particular, especially in light of current developments. Like other countries, Algeria has moved in this direction, with its tax system undergoing significant reorganization to keep pace with economic and social developments. This includes studying the conditions of economic and financial operators, especially following Algeria's accession to the World Trade

Organization and its partnership with the European Union. (Hayoula & Abdat, 2023)

2. Tax Reforms in Algeria

Algeria has moved towards joining the World Trade Organization (WTO) as part of its adoption of a market economy and globalization. These reforms have also encompassed both ordinary and petroleum taxes. Among these measures is the reorganization of the tax system, which was introduced in the 1992 Finance Law, marking the beginning of tax reforms in the Algerian tax system. These reforms continue to this day. In order to keep pace with the changes in the economic system, Algeria seeks to implement reforms that lead to optimal tax performance, reflecting the efficiency of its tax system and its desire to achieve the desired goals of using taxes as a tool for wealth redistribution, economic regulation, and a mechanism for various resource collection methods. (Hayoula & Abdat, 2023, p. 02)

Tax reform is defined as the state's introduction of a series of changes to the tax system aimed at improving financial efficiency and covering public expenditures. This can be achieved either by introducing new taxes or by eliminating existing taxes that are incompatible with economic conditions or have low yields. (Mohamed Tayfour, 2024, p. 145)

The Algerian government has undertaken significant reforms in its tax system, particularly in recent years, through digitization and the introduction of online transactions for taxpayers, notably through the applications "Djibaitek" and "Mousahamatik." These efforts are led by the Ministry of Finance, particularly the General Directorate of Taxes, which oversees the implementation of tax laws and regulations and contributes to tax planning.

Tax planning is not a magical solution to avoid paying taxes, nor does it significantly reduce the amount of taxes paid. It is not only available to the wealthy or high-income earners. Rather, good tax planning improves the financial life of the taxpayer by making changes (usually small to medium) to save on taxes. It is accessible to anyone, regardless of income, through easily accessible tax planning strategies. (Daniel, 2024, p. 01)

The tax system generally revolves around incentives to encourage desired behavior and activity. Therefore, the government offers many tax benefits (allowed deductions). Even when a taxpayer is honest, serious, well-intentioned, and law-abiding, they may not fully understand the tax system. This ignorance harms their personal finances because they end up paying more taxes than necessary. (Tyson & Margaret, 2024, p. 09)

The central administration of the General Directorate of Taxes in Algeria consists of three main divisions: legislation, collection, and control. This structure ensures the effective execution of its duties. In the area of collection, there is the division of tax management and collection, and the modernization of professional systems, which is primarily responsible for the following: (Mohamed Tayfour, 2024, p. 148)

- Defining and facilitating tax rules related to tax base management and collection;
- Ensuring active oversight of the administration's activities regarding the taxation of individuals, companies, and real estate;
- Ensuring the practical management of petroleum taxes and those related to mining activities;
- Developing a strategy for modernizing the professional systems and procedures of the General Directorate of Taxes to facilitate their digital integration.

In the context of discussions on the need to restructure the national tax system and modernize the operational model of the Algerian tax administration, the General Directorate of Taxes, under the auspices of the Minister of Finance, organized sessions on tax reform over three days, from July 20 to 22, 2020. These sessions included participation from all public institutions and administrations, as well as representatives from various bodies and associations active in the economic and social fields. The goal of these sessions was to diagnose the shortcomings and imbalances in the Algerian tax system and gather participants' opinions on the central role of taxes, as well as proposals to ensure a fair distribution of tax burdens and form a pillar in the policy aimed at reviving the economy. These sessions, organized as workshops, led to recommendations focused on the following strategic axes: (General Directorate of Taxes, 2023, p. 1)

- Improving the performance of the national tax system by expanding the tax base;
- Enhancing tax fairness by revising the distribution of the tax burden between citizens and economic institutions;
- Simplifying tax procedures and providing legal security to improve the business climate and encourage investment that creates wealth and jobs;
- Modernizing tax administration management by launching the digitization of services responsible for various tax functions.

In its commitment to implementing these recommendations, the General Directorate of Taxes has embarked on a project to gradually revise tax legislation through the Finance Laws for the years 2021–2024. Priority has been given, in accordance with the directives of the President of the Republic, to measures related to reducing the tax burden on low-income families and wages, encouraging investment, and reviving the economy. On the other hand, the General Directorate of Taxes has paid special attention to simplifying procedures through digitization by offering online services for users and accelerating the modernization of its services, both in terms of facilities and the digitization of tax management. (General Directorate of Taxes, 2023, p. 1)

To align with organizational and managerial transformation in line with economic and social development, as well as international openness and the development of new digital technologies, the tax administration has established a new organizational structure at the central administration level. This approach, adopted during the design of this new structure, involves the creation of new divisions and directorates, focusing on the appropriate specialization of the various professions within the General Directorate of Taxes, information exchange, leadership, and support in the digital transformation.

3. Tax Measures in the Algerian Finance Law for 2023 and 2024

The provisions included in the Algerian Finance Law for 2023 and 2024 respond to social and economic objectives, primarily aimed at preserving citizens' purchasing power, improving the business climate, and encouraging productive savings and investment. These provisions revolve around the following points: (Ministry of Finance, 2024)

- Supporting investment and the national economy;
- Preserving citizens' purchasing power;
- Mobilizing tax resources;
- Tax compliance and combating tax fraud and evasion;
- Tax facilitation, simplification, and harmonization of procedures;
- Digitization of procedures;
- Other measures.

Below, we present the most important measures included in the 2023 Finance Law in the following table:

Table 01: Key Tax Measures in the Algerian Finance Law for 2023

Objective of Tax Measures	Nature of Tax Measures	Finance Law Articles	Details
Supporting Investment and the National Economy	Raising the ceilings for deductible expenses	Finance Law 2023	Improving the investment climate.
	Eligibility of self-employed activities to benefit from the single lump-sum tax system, subject to a 5% tax rate	Finance Law 2023	Encouraging entrepreneurship in Algeria.
Preserving Taxpayers' Purchasing Power	Easing conditions for deducting VAT on invoices paid in cash	Article 23 of Finance Law 2023	Increasing the ceiling for VAT deduction on cash-paid invoices from 100,000 DZD to 1,000,000 DZD. Allowing deductions for invoices paid via bank transfer, postal payment, or other accepted payment methods.
	Extending the debt restructuring procedures by increasing the maximum payment schedule from 36 to 60 months	Finance Law 2023	Maintaining the same measures introduced in the 2021 Finance Law.
Mobilizing Tax Resources	Raising the upper limit for stamp duty fees	Article 18 of Finance Law 2023	Increased from 2,500 DZD to 10,000 DZD.
	Mobilizing tax revenues for local communities	Finance Law 2023	Revising methods for determining rental values to calculate property taxes. Increasing fees for

			household waste collection and residence taxes.
Tax Compliance and Combating Fraud and Evasion	Reinforcing measures from previous finance laws	Finance Law 2023	Maintaining provisions related to combating tax fraud and evasion.
Tax Facilitation and Simplification of Procedures	Easing conditions for benefiting from legal payment deferrals by reducing the required share for pre-appeal deferrals	Article 45 of Finance Law 2023	Reducing the percentage from 30% to 20%.
	Simplifying the reinvestment of tax benefits granted under investment support programs	Article 09 of Finance Law 2023	Facilitating tax procedures.
Digitization of Procedures	Launching electronic payment of taxes and fees via deduction, transfer, interbank card (CIB), or gold card.	Finance Law 2023	Encouraging electronic payment as a priority for modernizing tax administration.
	Allowing deductions for expenses paid via bank transfer, postal payment, or other accepted payment methods.	Finance Law 2023	Introducing incentives to encourage electronic payments.
Other Measures	Harmonizing the tax system applied to traditional banking products with that of Islamic banking.	Article 78 of Finance Law 2023	Moving towards Islamic banking as a necessary option.
	Encouraging economic operators to invest in clean fuel marketing to enhance environmental taxation.	Article 89 of Finance Law 2023	Maintaining the 75% deduction on professional activity tax for investments in clean fuel marketing.

Source: Prepared by the researcher based on: (Finance Law, 2023).

The table above illustrates the various measures adopted by the government in the 2023 Finance Law, which collectively aim to preserve taxpayers' purchasing power, improve the business climate, encourage investment, and implement other measures as part of the strategy for tax reforms and the modernization of the Algerian tax system. These were followed by another set of measures in 2024, summarized below:

Table 02: Key Tax Measures in the Algerian Finance Law for 2024

The objective of Tax Measures	Nature of Tax Measures	Finance Law Articles	Details
Supporting Investment and the National Economy	Abolition of the Professional Activity Tax	(Articles 14 and 24 of the 2024 Finance Law)	This measure has an impact on improving the business climate by reducing the tax burden on companies, and for optimal financial and fiscal inclusion.
	Reduction of the flat tax rate applied to eligible activities under the self-entrepreneur legal regime from 5% to 0.5%	(Article 18 of the 2024 Finance Law)	Encouraging self-entrepreneurship in Algeria
	Application of the reduced VAT rate of 9% on inputs directed to aquaculture	(Article 90 of the 2024 Finance Law)	Encouraging investment in aquaculture
Preserving Citizens' Purchasing Power	Temporary exemption from VAT on some widely consumed goods	(Article 65 of the 2024 Finance Law)	Exemptions include: • Import and sale operations of legumes and rice for human consumption; • Sales operations related to fresh fruits and vegetables, table eggs, broiler chickens, and turkeys produced locally.
	Reduction of stamp duties applied to 48-page passports	(Article 32 of the 2024 Finance Law)	Aimed at alleviating citizens' burden, stamp duties on passports issued in Algeria or for the benefit of the Algerian diaspora residing abroad were reduced.
Mobilizing Fiscal Resources	Revision of the additional tax on profits of tobacco manufacturing companies	(Article 10 of the 2024 Finance Law)	The 2024 Finance Law increased the rate of the additional tax on profits of tobacco manufacturing companies, considering the integration rate in the tobacco manufacturing process, as follows: 16% when the integration rate is equal to or exceeds 40%;

			20% when the integration rate is less than 40%.
	Increase in the solidarity contribution rate on imports of raw materials and inputs used in the manufacture of tobacco products	(Article 87 of the 2024 Finance Law)	To increase the revenues of the National Retirement Fund, the 2024 Finance Law raised the solidarity contribution rate to 5% instead of 2% on imports of raw materials and inputs used in the manufacture of tobacco products.
Tax Compliance and Combating Fraud and Tax Evasion	Imposing penalties for failure to file payroll declarations	(Article 13 of the 2024 Finance Law)	A fine of 5% is imposed on the annual wage mass for natural or legal persons who fail to file payroll declarations within the legal deadline.
	Obligation for VAT-registered persons to declare exempt turnover	(Article 40 of the 2024 Finance Law)	To enable monitoring of VAT-exempt operations and evaluate fiscal expenditures, the 2024 Finance Law mandates the declaration of exempt turnover in the monthly VAT return.
Fiscal Facilitation and Simplification and Harmonization of Procedures	Harmonization of tax procedures related to tax audits	(Articles 44 and 45 of the 2024 Finance Law)	The Finance Law harmonized the formal conditions for initiating a comprehensive tax audit with those related to accounting and targeted audits.
	Relaxation of conditions for granting payment plans	(Article 57 of the 2024 Finance Law)	The 2024 Finance Law relaxed the conditions for granting payment plans by reducing the initial payment share from 10% to 5%.
Digitization of Procedures	Remote declaration of customer lists for taxpayers under the Large Enterprises Directorate	(Article 12 of the 2024 Finance Law)	The 2024 Finance Law mandates the remote declaration of customer lists for taxpayers under the Large Enterprises Directorate.
	Inclusion of the National Identification Number on tax identification requests	(Article 62 of the 2024 Finance Law)	The 2024 Finance Law established the requirement to include the National Identification Number on tax identification requests for concerned persons, as well as the inclusion of partners' and managers' identification numbers for legal entities,

			whether the request is submitted through the electronic tax identification portal or deposited with tax authorities.
Other Measures	Subjecting the preparation of concession contracts related to state-owned private lands to the payment of registration fees and real estate advertising tax	(Article 78 of the 2024 Finance Law)	The 2024 Finance Law subjected concession contracts related to state-owned private lands, intended for real estate development projects of a commercial nature, to the payment of registration fees at a rate of 2% and real estate advertising tax at a rate of 0.5%.
	Exemptions from the bank domiciliation tax for international cooperation and solidarity projects	(Article 89 of the 2024 Finance Law)	The 2024 Finance Law granted exemptions from the bank domiciliation tax for resident institutions in Algeria on imports of equipment, goods, and services intended for projects carried out in another country within the framework of international cooperation and solidarity, executed by the "National Agency for International Cooperation for Solidarity and Development."

Source: Prepared by the researcher based on: (Finance Law, 2024).

The table above resulted in significant fiscal measures included in the 2024 Finance Law, covering various investment and social aspects, supporting fiscal digitization, and balancing the preservation of purchasing power on one hand and increasing fiscal revenue on the other. These measures did not overlook deterring tax evaders, while also offering them new fiscal facilitations. These measures are an extension of the fiscal reforms undertaken by the government, which have become a continuous trend over several years. No fiscal law is introduced without including new measures compared to its predecessor, serving both the public interest and the interests of taxpayers.

4. The Impact of Fiscal Reforms on National Tax Collection

To assess the effectiveness of fiscal reforms in enhancing national tax revenue, it is necessary to track this revenue over several years and observe the rates of increase or decrease. Based on the sources available to the researcher, the national tax revenue for 2024 has not yet been announced. Therefore, the

researcher limited the presentation to the national tax revenue for the first eight months of the years 2019–2023, as summarized in the following table:

Table No. 03: National Tax Revenues Across the Country for the Years 2019–2023

Unit: Million Dinars

	Tax Revenues	Collection as of 31/08/2023	Collection as of 31/08/2022	Collection as of 31/08/2021	Collection as of 31/08/2020	Collection as of 31/08/2019
01	Direct Taxes	1,223,713	953,532	972,801	977,265	1,056,007
02	Registration and Stamp Duties	86,415	66,340	60,540	49,899	63,629
03	Value-Added Tax	392,970	340,676	299,271	275,611	298,236
04	Internal Consumption Tax	53,256	47,731	45,310	44,726	42,941
05	Tax on Petroleum Products	124,056	123,157	122,100	80,228	82,498
06	Indirect Taxes	40,827	37,251	27,698	22,448	14,160
07	Miscellaneous Budget Revenues	22,656	20,275	20,768	19,641	13,619
08	Other Turnover Tax Revenues	26,450	22,016	12,448	13,151	3,145
09	Tax on Energy Efficiency, Consumption, and Sales of Energy Products	4,675	2,860	3,138	2,096	/
10	Other Revenues Benefiting Local Authorities and Special Accounts	29,502	27,576	27,568	15,166	26,423
1-10	Total Ordinary Tax Revenues (DGI)	2,004,529	1,641,413	1,591,637	1,500,231	1,600,658
/	Total Ordinary Tax Revenues (DGI) (Excluding Wage Income Tax)	1,418,719	1,171,572	1,060,594	982,983	1,083,411
/	Crude Oil Taxation	3,985,691	3,344,201	1,696,443	1,394,013	1,796,326
/	Grand Total	5,990,220	4,985,614	3,288,079	2,894,244	3,396,985

Source: (Directorate General of Taxes, 2023, p. 11)

The table above shows the continuous growth of national tax revenues over the study years, with fluctuations in 2020 and 2021 due to the COVID-19 pandemic and its economic repercussions, which affected tax collections. Tax revenues reached 5,990.22 billion dinars in 2023, the highest recorded revenue, while 2020 saw the lowest value of 2,894.244 billion dinars due to the pandemic, as previously mentioned. The effects of the pandemic extended into 2021, after which recovery in revenue began.

For further clarification, the growth rates for the study years compared to 2023 are presented in the following table:

Table No. 04: Growth Rates of National Tax Revenues Compared to 2023
Unit: Million Dinars

	Tax Revenues	Growth Rate 2023-2022	Growth Rate 2023-2021	Growth Rate 2023-2020	Growth Rate 2023-2019
01	Direct Taxes	28.3%	25.8%	25.2%	15.9%
02	Registration and Stamp Duties	30.3%	42.7%	73.2%	35.8%
03	Value-Added Tax (VAT)	15.4%	31.3%	42.6%	31.8%
04	Internal Consumption Tax	11.6%	17.5%	19.1%	24.0%
05	Tax on Petroleum Products	0.7%	1.6%	54.6%	50.4%
06	Indirect Taxes	9.6%	47.4%	81.9%	188.3%
07	Miscellaneous Budget Revenues	11.7%	9.1%	15.3%	66.4%
08	Other Turnover Tax Revenues	20.1%	112.5%	101.1%	741.0%
09	Tax on Energy Efficiency, Consumption, and Sales of Energy Products	63.5%	49.0%	123.1%	/
10	Other Revenues Benefiting Local Authorities and Special Accounts	7.0%	7.0%	94.5%	11.6%
1-10	Total Ordinary Tax Revenues (DGI)	22.1%	25.9%	33.6%	25.2%
/	Total Ordinary Tax Revenues (DGI) (Excluding Wage Income Tax)	21%	34%	44%	31%
/	Crude Oil Taxation	19.2%	134.9%	185.9%	121.9%
/	Grand Total	20.2%	82.2%	107.0%	76.3%

Source: Prepared by the researcher based on: (Directorate General of Taxes, 2023)

By analyzing the growth rates of national tax revenues during the first eight months of 2023, a positive increase of 22.1% was observed compared to the same period in 2022, reaching 2,004.5 billion Algerian dinars, representing 71% of the total ordinary tax revenues. When comparing the ordinary tax revenues collected during the first eight months of 2023 with those collected in 2019 (pre-COVID-19), an increase of 25.2% was noted. On the other hand, it is worth noting that the ordinary tax revenues collected by the Directorate General of Taxes, excluding the gross wage income tax, increased by 21% during the first eight months of 2023 compared to the same period in 2022, and by 31% compared to 2019 (pre-pandemic).

Additionally, the total tax revenues, including petroleum taxation, reached 5,990.22 billion dinars during the first eight months of 2023, representing an

increase of 20.2% compared to the same period in 2022 and 76.3% compared to the same period in 2019. The rise in ordinary tax collection is attributed, on one hand, to the implementation of government decisions to stimulate economic activity, and on the other hand, to the execution of legislative measures introduced by the finance laws from 2021 to 2023, as well as the simplification of tax procedures and the improvement of services provided to taxpayers.

Thus, based on the statistics presented, the role and importance of fiscal reforms in enhancing and developing tax collection are evident. The significant growth rates reflect the efforts made by the government through the Directorate General of Taxes and various stakeholders in the Algerian tax system. Reports also indicate that 2024 was a year of substantial tax collections, awaiting the release of official figures.

Conclusion

The study addressed the role of fiscal reforms and measures in enhancing tax revenue in Algeria. Adopting a tax system based on fairness has always been a central focus of any tax reform project. This primarily revolves around expanding the tax base and ensuring a fair distribution of contributions from taxpayers and national wealth. Algeria has implemented a series of measures approved under the finance laws for the years 2021-2024, aiming for organizational and managerial transformation aligned with economic and social development, as well as international openness and the advancement of new digital technologies.

The General Directorate of Taxes has undertaken significant reforms in the Algerian tax system, particularly in recent years, through digitization and the introduction of online transactions for taxpayers, notably via the applications "DjezzyTax" and "Your Contribution." These reforms align with global trends toward digital transformation and artificial intelligence, enabling remote monitoring of the implementation of tax laws and regulations, as well as contributing to tax planning.

These fiscal reforms have contributed to increasing tax collection in Algeria, as confirmed by the statistics included in the study, which showed significant growth in tax resources in recent years, except during the COVID-19 pandemic, which saw a temporary decline that was quickly overcome as the pandemic's effects subsided. Based on the above, the following conclusions can be drawn:

- The tax system is an integral part of the economic system, requiring coordination between tax policy and various forms of economic policies;
- Through fiscal reforms, the state aims to bring about a series of changes to the tax system to improve financial efficiency and cover public expenditures;
- The General Directorate of Taxes has undertaken a gradual review of tax legislation through the finance laws for the years 2021-2024;
- The years 2023 and 2024, in particular, witnessed several fiscal measures approved by the government in the finance law, aimed at preserving taxpayers' purchasing power, improving the business climate, and stimulating investment;
- In line with global trends toward digital transformation and artificial intelligence, several tax transactions in Algeria have been digitized, and

online platforms for taxpayers, such as "Djibayatek" and "Mousahametek" have been launched;

- National tax collections reached 5,990.22 billion dinars, the highest revenue achieved in the first eight months of 2023, while 2020 saw the lowest collection of 2,894.244 billion dinars due to the effects of the COVID-19 pandemic;
- The first eight months of 2023 saw a positive increase of 22.1% compared to the same period in 2022 and a 25.2% increase compared to 2019, the year before the COVID-19 pandemic;
- The fiscal reforms implemented in recent years have contributed to increasing tax collection in Algeria, as confirmed by the statistics included in the study, which showed significant growth in tax resources during those years.

Finally, the following recommendations can be made:

- Activating tax vigilance within the tax administration to ensure the full implementation of fiscal reforms and measures;
- Continuing fiscal reforms in line with the requirements of the state and taxpayers;
- Focusing on digitization and leveraging artificial intelligence tools in various tax procedures;
- Seeking to double tax collection by combating tax evasion and fraud to ensure sufficient tax revenue for local and national development;
- Issuing legislation to exempt institutions that pay Zakat from taxes or at least benefit from reduced tax rates.

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