Over the past two decades government transparency has gained increased recognition throughout the world. Transparency in public administration is internationally recognized as the foundation for a properly functioning democracy. Transparency in public administration in relation to information is commonly associated with the right to request and receive information held by public bodies. This thesis deals with transparency in terms of legislative rules on tax confidentiality on the possibilities open to the public to obtain information held by tax authorities. Such information contains not only details on how a particular tax administration operates and on its policies and opportunities for public participation in its work, but may furthermore reveal intimate details on an individual taxpayer (such as income, spending and savings, employment status, personal belongings, disability status, associations and club memberships, and mortgage costs). A rule prescribing transparency of such information through disclosure of, for instance, tax administration decisions inevitably affords insight into how a particular tax administration applies tax laws. At the same time it may reveal intimate details on an individual taxpayer. Disclosure of such information has consequences in different spheres, the most obvious being taxpayer privacy.

As the title indicates this thesis comprises both a comparative study and an impact assessment. Taxpayer privacy is one of the three components (or benchmarks) of the framework for the impact assessment. The other two are, first, tax compliance and second, costs induced on the tax administration when applying rules on tax confidentiality. This entails the study of how the different rules, providing different levels of confidentiality, stand against the benchmarks, thus identifying the impacts of the rules within the framework of interests encompassed by such benchmarks. The overall research question is: What are the costs and what are the benefits of having a high level of tax transparency versus a high level of tax confidentiality? The study results in a proposed preferred option, based on a consideration of the costs and benefits found in the study.