Determinants of the timeliness of income tax administrative case proceedings of large Brazilian banks in the country's Administrative Council of Tax Appeals

Determinantes da temporalidade dos processos administrativos de imposto de renda de grandes bancos brasileiros no CARF

Determinantes de la temporalidad de los procedimientos administrativos del impuesto sobre la renta de los grandes bancos brasileños en el CARF

Antonio Lopo Martinez*
Doutor em Contabilidade FEA (USP),
Doutor em Direito Universidade de Coimbra e
Universidade de Salamanca
Professor na Faculdade de Direito da
Universidade de Coimbra, Coimbra, Portugal
almartinez@fd.uc.pt
https://orcid.org/0000-0001-9624-7646

Emmanuel Marques Silva
Doutorando em Ciências Contábeis (UFES)
Professor do Instituto Federal de Educação, Ciência e
Tecnologia do Espírito Santo (IFES), Vitória/ES, Brasil
emmanuel.silva@edu.ufes.br
https://orcid.org/0000-0001-8267-2692

Maurílio Arruda de Araújo
Doutorando em Ciências Contábeis (UFES)
Professor na Faculdade de Ciências Contábeis
(UNIFESSPA), Rondon do Pará/PA, Brasil
maurilioarruda@hotmail.com
https://orcid.org/0000-0003-0175-6072

Alfredo Sarlo Neto
Doutor em Contabilidade FEA (USP)
Professor da Universidade Federal do Espirito Santo (UFES),
Vitória/ES, Brasil
alfredo.sarlo@ufes.br
https://orcid.org/0000-0002-6722-7192

Primary contact address for correspondence*
Faculdade de Direito da Universidade de Coimbra, Pátio da Universidade, CP 3004-528, Coimbra, Portugal

Abstract
This research analyzes the determinants of the timeliness of administrative case proceedings within Brazil's Administrative Council of Tax Appeals (CARF) involving the six major Brazilian banks. The study specifically focus on cases related to profit taxation and withheld income tax, emphasizing the role of accounting. Grounded in the need to optimize public administration and ensure tax justice, this analytical study examines cases concluded between January 2000 and December 2021. Methodologically, we analyze the final decisions and the use of ordinary legal appeals. The results confirm the significant impact of these elements on the duration of the cases. These findings suggest a need to simplify tax procedures to expedite resolutions, thus leading to a more efficient tax administration, with a substantial contribution from the field of accounting.
Keywords: Profit Taxation; Procedural Timeliness; Tax Administrative Case; Banks; Administrative Council for Tax Appeals; CARF

Resumo
O objetivo desta pesquisa é analisar os fatores que influenciam a temporalidade dos processos tributários no CARF relacionados à tributação do lucro e à retenção na fonte dos seis principais bancos brasileiros, focando na influência da contabilidade. Fundamentada na necessidade de aperfeiçoar a administração pública e garantir a justiça tributária, a pesquisa é um estudo analítico que examina casos finalizados administrativamente de janeiro de 2000 a dezembro de 2021. Metodologicamente, a análise incidiu sobre elementos como o voto final do recurso e o uso de recursos jurídicos ordinários. Os resultados confirmam que tais aspectos têm impacto significativo na duração dos processos. Estes achados sugerem uma necessidade de simplificação dos procedimentos tributários para agilizar as resoluções, permitindo que a administração tributária seja mais eficiente, com uma contribuição significativa da contabilidade.
Palavras-chave: Tributação do lucro; Temporalidade processual; Processo administrativo tributário; Bancos; Conselho Administrativo de Recursos Fiscais; CARF

Resumen

El objetivo de esta investigación es analizar los factores que influyen en la temporalidad de los procesos tributarios en el CARF relacionados con la tributación de las ganancias y la retención en la fuente de los seis principales bancos brasileños, enfocándose en la influencia de la contabilidad. Fundamentada en la necesidad de optimizar la administración pública y garantizar la justicia fiscal, la investigación es un estudio analítico que examina casos que se finalizaron administrativamente desde enero de 2000 hasta diciembre de 2021. Metodológicamente, el análisis se centró en elementos como el voto final del recurso y el uso de recursos jurídicos ordinarios. Los resultados confirman que tales aspectos tienen un impacto significativo en la duración de los procesos. Estos hallazgos sugieren la necesidad de simplificar los procedimientos tributarios para agilizar las resoluciones, permitiendo que la administración tributaria sea más eficiente, con una contribución significativa de la contabilidad.

Palabras clave: Tributación de las ganancias; Temporalidad procesual; Proceso administrativo tributario; Bancos; Consejo Administrativo de Recursos Fiscales; CARF

1 Introduction

The Brazilian tax system is complex and often characterized by ambiguous and extensive legislation. Consequently, it is not surprising that taxpayers frequently turn to litigation to address tax-related issues (Silvério et al., 2022). This situation likely contributes to the country's high number of tax administrative cases (TACs). In Brazil, taxpayers have the option to initiate proceedings with the TAC as the initial venue for resolving tax disputes. If necessary, they can then escalate the matter to the legal system. The choice to commence with a TAC is often driven by an expectation of the public administration's efficiency in resolving such disputes, which, in practice, is not always confirmed (Ribas & Ribeiro, 2019).

Consequently, the complexity of the Brazilian tax system increases the likelihood of litigation while simultaneously placing an additional burden on public administration to efficiently and fairly address these cases. Recent studies have indicated that this process takes longer than anticipated. Data released by the Brazilian National Council of Justice (CNJ) reveals that the average resolution time for a dispute is estimated to be 11 years, exceeding legal expectations (Bassan & Trovão, 2020). On average, resolving a dispute at the administrative level takes two to seven years, while at the judicial level, it takes three to eight years (Silvério et al., 2022). The typical time required to resolve cases at the Superior Chamber of Tax Appeals (CSRF) is approximately 9.06 years (Silveira, 2019).

In this context, procedural delays are one of the most significant challenges faced by the judiciary and administrative courts (Bassan & Trovão, 2020). They lead to various economic and societal disruptions, including increased costs and legal uncertainty (Ribas & Ribeiro, 2019). Furthermore, the prolonged resolution of disputes creates incentives for economic agents to engage in contentious tax planning, deferring tax payments through legal action (Quintino & Macei, 2016).

Criticism directed at the Brazilian judiciary's performance in resolving tax-related disputes has sparked significant advancements in the field of empirical legal studies within tax law in recent years (Gliksberg, 2014). These advancements have yielded valuable insights into the functioning of the judicial tax system. Studies on administrative tax litigation have also gained prominence, primarily due to the substantial financial stakes associated with administrative disputes (Nunes, 2014).

Previous research in tax litigation has explored various topics, including the impact of legal reforms on litigation success rates (Gliksberg, 2014), issues related to biased legal trials (Huang et al., 2014), procedural timeliness (Silveira, 2019; Bassan & Trovão, 2020; Silvério et al., 2022), and the effectiveness of the Brazilian legal system (ABJ, 2022; CNJ, 2022).

Despite this extensive research, there has been limited exploration of how the different defense mechanisms and appeals available to litigants within the Brazilian administrative tax litigation system can influence procedural timeliness. This is a critical aspect to consider, given that case delays can have significant implications for both taxpayers and the national treasury. As a result, there is a compelling need to understand how these variables interact in the Brazilian context, which serves as the primary objective of this study.

In this context, the article aims to address the research question: "What factors impact the timeliness of tax proceedings in Brazil?" With this question in mind, the study's specific objective is to assess the tax administration's performance in administrative proceedings initiated by the Administrative Council of Tax Appeals (CARF). The primary focus is on cases related to tax disputes concerning profit taxation (IRPJ) and withheld income tax (IRRF) within the six largest Brazilian banks. The ultimate goal of this study is to enhance tax administration efficiency and, consequently, promote greater fiscal equity in Brazil.

Three factors justify our focus on financial institutions, specifically the six largest Brazilian banks. First, these banks operate throughout the country, hold a substantial market share, and maintain robust international operations. Notably, the banking sector accounts for the highest volume of administrative tax disputes in Brazil, representing 21.86% of all litigations. Second, the banking industry plays a pivotal role in the Brazilian financial sector, contributing significantly to both market participation and overall wealth

generation. In 2020, the five largest Brazilian banks collectively held assets totaling BRL 7.9 trillion, reflecting a 17.1% increase compared to 2019. Despite the challenges posed by the COVID-19 pandemic, they managed to achieve a profit of BRL 79.3 billion (DIEESE, 2020). Third, the Brazilian Central Bank classifies the banks selected for this study – Banco do Brasil, Bradesco, BTG Pactual, Caixa Econômica Federal, Banco Itaú, and Santander – within the category of banks representing greater than or equal to 10% of Brazil's GDP and maintaining substantial international operations (Banco Central do Brasil, 2021).

This research holds particular significance for four key reasons. Firstly, it evaluates the performance of governmental organizations, with a focus on CARF, which constitutes a fundamental aspect of public administration (Boyne, 2004). Secondly, it addresses a timely and contemporary issue, as Brazilian public authorities are currently reevaluating tax administrative procedures. Thirdly, comprehending the factors influencing procedural timeliness is paramount in addressing the root causes of delays and achieving tax justice for taxpayers and society. Lastly, identifying attributes that can impact the performance of tax courts offers valuable evidence for enhancing court management and formulating more effective policies (Sousa & Guimarães, 2018).

As a significant contribution of this study, the examination of the effectiveness of Brazilian tax litigation not only enhances our comprehension of this specific legal domain but also presents tangible opportunities for streamlining the resolution of tax disputes. This research has the potential to align legal practice with the constitutional principles of expeditiousness, reasonable case duration, due process, and the right to a comprehensive defense, as delineated by the National Council of Justice in 2022 (CNJ). In essence, this study's pivotal aspect lies in providing a practical roadmap for legislative and policy reforms that have the potential to significantly enhance the efficiency and equity of the Brazilian tax system.

The section below will present the study's theoretical foundation, including an overview of tax administrative proceedings and the hypotheses under consideration. Subsequently, we will outline the research steps and methodological procedures, encompassing data collection and processing, as well as the statistical tools employed. Then, we will describe and analyze the results, followed by a section that discusses the research findings within the context of existing literature. Finally, we will present the conclusions, emphasizing the primary implications of the study for the field of accounting.

2 Theoretical Foundation

The ongoing emergence of tax controversies, including corporate income tax matters, is an inevitable aspect of the business landscape. With time, companies and business groups have turned to tax planning to minimize tax liabilities in their operations (Quintino & Macei, 2016). The issue of aggressive tax planning in Brazil is multifaceted and requires a nuanced approach to avoid broad generalizations. According to Martinez (2017), there is evidence that a segment of Brazilian taxpayers has adopted tax planning strategies that fall within the bounds of the law to reduce the tax burden. This is especially relevant when the pressure to cut costs and increase profits is persistent. However, it is crucial to acknowledge that these practices are not universally adopted, and many companies and individuals dutifully comply with their tax obligations as stipulated by the law. The significance of this phenomenon for public finances and the integrity of the tax system justifies a thorough examination, enabling us to comprehend the extent and boundaries of these tax planning strategies.

In response to the emergence of such tax planning strategies, the state has initiated an examination of these organizations' formal and substantive aspects through tax authorities. This has led to the dissemination of various conclusions, theories, and opinions on the subject (Quintino & Macei, 2016). In this context, as part of their duty to ensure compliance with tax obligations, the Tax Authorities calculate taxes and enforce administrative-fiscal penalties. This occurs within a highly intricate regulatory framework per the existing Brazilian tax legal system (Ribas & Ribeiro, 2019).

The purpose of the infraction notice is to establish the debeatur (if owed) and the quantum debeatur (the amount due), allowing for the subsequent collection process. However, tax litigation is initiated when the taxpayer objects to this assessment (Rêgo, 2020). This situation has resulted in a persistent and growing problem of contentious interpretations and the application of tax regulations, leading to legal disputes in the judiciary (Ribas & Ribeiro, 2019). While tax controversies may inevitably arise, managing them significantly determines whether our self-assessment system is ultimately reaffirmed and strengthened or challenged and weakened (Uretz, 1966).

In practical terms, Brazilian tax litigation comprises two distinct stages: administrative and legal/judicial. The administrative stage commences when the tax authority (primarily the Federal Revenue of Brazil) issues an infraction notice or tax notification. In some cases, it may involve the submission of requests for potential credit, reimbursement, or compensation by taxpayers. Following the administrative phase, in the judicial domain, the defense of the federal government's interests becomes the responsibility of the Attorney General of the National Treasury, known as PGFN (Silveira, 2019). It is essential to note that participation in administrative litigation is optional and non-binding for taxpayers. This means that they have the choice to initiate their complaint at the administrative level or directly challenge it in court if they receive an unfavorable decision (Ribas & Ribeiro, 2019)

It is generally assumed that litigation in the administrative sphere is simpler, faster, and less costly, as the case structure is less complex and does not require the presentation of a guarantee during the proceedings (Whitehead, 2017). However, evidence indicates that Tax Infraction Notices (ATFs) take longer to resolve than anticipated (Silveira, 2019; Bassan & Trovão, 2020; Silvério et al., 2022). This situation creates legal uncertainty for taxpayers and, in essence, delays in tax collection, which can be detrimental to the public interest.

Given the escalating monetary value associated with administrative actions, the study of administrative tax litigation appears to be gaining increasing prominence. An expanding body of research is dedicated to exploring the factors influencing procedural timeliness and their impact on decision outcomes.

Prior studies have delved into various aspects of tax litigation, such as decision outcomes in the Special Civil Court (Curatola et al., 1987), the influence of judges' profiles on federal tax decisions (Schneider, 2005), the role of the judiciary in shaping federal tax legislation (Lederman, 2012), potential bias in tax litigation judgments (Huang et al., 2014), the impact of legal reforms on win rates (Gliksberg, 2014), the determinants of administrative litigation under authoritarian regimes (Cui, 2017), procedural timeliness (Silveira, 2019; Bassan & Trovão, 2020; Silvério et al., 2022), and the effectiveness of Brazilian Judicial Tax Litigation (ABJ, 2022; CNJ, 2022). However, none of these studies have attempted to explain timeliness through rigorous statistical analysis while controlling for specific factors, which is the core focus of this research.

2.1 Public interest regarding tax and celerity in administrative cases

The state's primary objective is to generate the essential resources required to sustain its infrastructure and deliver public goods and services to society. Regardless of the adopted state model – whether it is a police state, welfare state, or liberal state – it is imperative to recognize the inherent connection between the state's involvement in people's lives and the collection of taxes, which serves as a means to fund its operations (Rocha, 2018). Taxes play a pivotal role in financing public expenditure and in the equitable redistribution of income and wealth (Alink & Krommer, 2011).

Taxes are intrinsically linked to the concept of the "public interest." However, the very notion of "public interest" contrasts with the interests of individuals, whether considered in isolation or as part of private collectives when identifiable as a distinct group. "Public interest" is often defined as the collective aspirations and common welfare of an entire society (Back & Diniz, 2013).

While there is a persistent dilemma in precisely defining the term "public interest," the delay in tax collection within the administrative case can lead to adverse consequences for both the State and the taxpayer. The state may experience delayed revenue collection due to the suspension of tax liability during the administrative case. This inability to employ coercive methods for collecting outstanding dues makes it impractical to promptly allocate these resources for the implementation of public policies (Caldas & Neto, 2017).

Protracted delays also have additional consequences, enabling various corporate maneuvers that involve transferring economic activity, income, and assets to interposed entities or other forms of simulation and fraud that render the collection of owed taxes unattainable. Furthermore, there are cases where the company ceases to exist, and its partners cannot be located (Silveira, 2019).
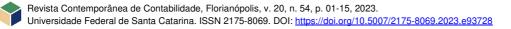
The delay in tax collection reduces the state's resources to finance public services (Silveira, 2019). On the other hand, the effects of this delay are also profoundly detrimental to taxpayers. The lack of expeditious administrative decisions on the legitimacy of tax collection complicates or even renders tax planning unfeasible, diminishing financial resources and the attractiveness of investments (Caldas & Neto, 2017).

Conversely, governmental organizations have faced calls for enhanced efficiency by reducing budgets, elevating expectations regarding the quality of services delivered, and implementing performance-based management methodologies. In this context, the significance of procedural expeditiousness in serving the public interest becomes evident. In this context, speed serves as a performance metric, primarily determined by the processing time of judicial or administrative proceedings (Gomes & Guimarães, 2013).

2.2 Tax Administrative Case

When exercising their mandate to verify compliance with tax obligations, tax authorities facilitate the settlement of taxes and enforce administrative-fiscal sanctions (Ribas & Ribeiro, 2019). However, due to the complexity and various possible interpretations of the rules, taxpayers may dispute the legitimacy of the tax amount assessed by the tax authority, leading to a tax dispute stemming from a potential discrepancy.

An administrative tax dispute typically commences when the taxpayer files an objection against a tax assessment or an administrative decision denying a request for a refund or compensation of overpaid taxes. The administrative procedure system is well-regulated, particularly by the federal and state governments, allowing taxpayers to submit initial objections, appeals, counter-reasons, and, in some cases, a singular or

extraordinary appeal. The latter typically depends on a precedent conflicting with the appealed decision (Martinez & Oliveira, 2019).

Following the Brazilian Federal Constitution, the tax administrative case must adhere to the public administration principle of efficiency. In the context of taxes, this principle encompasses the observance of procedural expeditiousness or the timely resolution of matters within a reasonable period. Consequently, procedural timeliness forms the core aspect that tax disputes must be swiftly and effectively resolved to align with the objectives of public administration (Carrazza & Melo, 2020)

The Administrative Council for Tax Appeals (CARF) is a Brazilian federal agency entrusted with the responsibility of handling appeals at the second and special instances against decisions made by the judging departments of the Special Secretariat of the Federal Revenue of Brazil (RFB) (Rêgo, 2020). CARF's mission centers around ensuring impartiality and expeditious resolution of tax disputes (CARF, 2022). Hence, its performance is intertwined with its dual jurisdiction, enabling the attainment of a final decision within the realm of administrative adjudication (Rezende, 2016). Moreover, as a part of the public administration, CARF's actions are driven by the principles aimed at upholding constitutional guarantees. These actions are subject to the impacts resulting from procedural formalities and the diverse means of defense and administrative appeals guaranteed by the Constitution. The utilization of these means can have implications for procedural timeliness (Martins, 2010).

Comprehending the impact of these legal instruments on Infraction and Fine Imposition Notices (AIIM) can serve three primary purposes: i) facilitating the identification of factors influencing procedural timeliness, ii) mitigating potential adverse effects, and iii) offering insights to enhance the adjudication process, thereby ensuring alignment with constitutional principles.

2.3 Research hypotheses

Procedural delay is a persistent issue in tax litigation (Bassan & Trovão, 2020). In administrative tax litigation, it is customary for litigants to employ various means of defense and administrative appeals in pursuit of their objectives. These mechanisms tend to augment the volume of procedural assessments and, as a result, increase the workload of administrative bodies. Although such instruments impact procedural timeliness, there is limited knowledge regarding the influence of each of them separately.

Brazilian financial companies and banks represent around 1/5 of national administrative tax litigation cases (Silveira, 2019). This might elucidate why large Brazilian banks tend to favor maintaining extensive in-house legal teams rather than outsourcing legal work, with some boasting legal departments larger in size than the country's most prominent law firms (CONJUR, 2009).

Banks make significant investments in their legal departments. It can be inferred that the bank's decision-making plays a pivotal role in selecting its representatives in legal proceedings depending on whether the bank is a state-owned organization, exerting a notable influence on procedural timeliness. Therefore, the first hypothesis to be tested is:

> **H_1: The type of bank management (governmental or private) has a significant positive influence on procedural timeliness.**

This hypothesis aims to verify whether the type of the bank's management influences the timeliness of cases at CARF. Thus, knowing whether the control over decision-making is that of a state-owned organization or private, and consequently, the agility in choosing legal representatives (employees or outsourced), would impact the speed of the cases' analysis.

On the other hand, the vast complexity of tax legislation, encompassing both federal and local norms, influences the smoothness of procedural analysis for certain types of taxes (Silvério et al., 2022). Take, for example, corporate income tax (IRPJ), which is examined in this study within the context of profit taxation. It exhibits a distinct level of complexity when compared to individual income tax, thereby generating different effects on procedural timeliness. Consequently, the second hypothesis is:

> **H_2: The type of taxation — whether profit taxation (IRPJ) or withheld income tax (IRRF) — has a significant positive influence on procedural timeliness.**

H_2 seeks to ascertain whether tax type influences timeliness, whether due to the complexity or ease of adjudicating a specific issue. Furthermore, prior studies on appeals adjudicated by administrative courts, filed by both individuals and legal entities, have indicated a bias favoring the tax authorities. This bias aligns with the premises of the government advantage theory (Huang et al., 2014) and is particularly pronounced when the disputed amount exceeds the threshold of BRL300,000 (Silveira, 2019).

Additionally, the "judge's" profile influences the type of decision rendered (majority, agreement, or dissent) and the outcome, determining who benefits in cases concerning federal taxes – whether it is the government or the taxpayer (Schneider, 2005). Various contextual factors also play a role in the judgment process, including the voting result and the calculated tax credit value (Martinez & Oliveira, 2019). These

factors may prompt taxpayers to seek protection from unfavorable decisions and lead to an increase in the number and types of appeals. Therefore, the third hypothesis is:

H_3: The trial decision has a significant positive influence on procedural timeliness.

H_3 aims to verify whether the final and unappealable result would condition the procedural timeliness. It is worth mentioning that the result of an administrative judgment can be a voluntary appeal (i) granted (favoring the taxpayer), (ii) denied (against the taxpayer), and (iii) partially granted.

The multitude of appeal opportunities provided by CARF's regulations can influence the pace of tax administrative cases. Defining the true essence of the term "reasonable duration of the case" is a challenging and intricate task, considering that its meaning must adhere to the principles of efficiency, morality, reasonableness, proportionality, and legal certainty. The term encompasses a relatively open concept marked by significant subjectivity (Carrazza & Melo, 2020).

Regarding legal defenses and appeals, previous studies indicate that the national treasury tends to have a higher success rate in appeals when compared to taxpayers. Taxpayers' appeals are more likely to be reversed, while government appeals are more likely to be affirmed (Schneider, 2005).

Considering the extensive array of defense mechanisms and appeals provided to litigants in administrative tax litigation under Brazilian Complementary Law 222/2013, it is hypothesized that the various types of guaranteed appeals may have distinct impacts on procedural timeliness. As such, the last three hypotheses to be tested, associated with the regulatory procedure, are as follows:

H_4: Special appeals filed during the case have a significant positive influence on procedural timeliness.

H_5: Due diligence requests made during the case have a significant positive influence on procedural timeliness.

H_6: Motions for clarification filed during a case have a significant positive influence on procedural timeliness.

Hypotheses H4, H5, and H6 aim to identify the magnitude of each type of legal instrument, considering their distinct characteristics and their application according to the opportune moment of each occasion.

Special appeals can be filed by the taxpayer or the national treasury and sent to the Superior Chamber of Tax Appeals (CSRF) when a divergence of opinion on a particular issue in the CARF Chambers is evident.

Diligence is requested when there is uncertainty regarding the evidence presented in a specific case. It involves returning the case to the tax authority to collect the requested additional evidence, such as reports and additional data. It is essential to note that, upon completing the investigations, the tax authority must inform the taxpayer of the facts introduced into the case to avoid potential claims of nullity due to a restriction of the right to defense.

Finally, motions for clarification are appeals against a judgment that is issued due to omissions, contradictions, or obscurities in addressing the issues raised in the voluntary appeal (Marins, 2019).
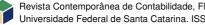
3 Methodology

This study is both quantitative and descriptive in nature. The data analysis methodology was grounded in quantitative research techniques, as outlined in relevant works on research methodology (Severino, 2016).

The population of interest for this study includes all banks operating in Brazil and under the jurisdiction of the Administrative Council of Tax Appeals (CARF). CARF is the federal public administration agency responsible for the second and third instances of administrative judgment in disputes between taxpayers and the national treasury (Silveira, 2019). The sample was strategically defined to include six banks, two state-owned organizations, and the others publicly traded corporations.

Data collection was carried out through consultations on the CARF online portal. It was restricted to administrative cases concluded between January 2000 and February 2020, covering 21 years and two months. This period was chosen for two reasons: first, to exclude the impact of the COVID-19 pandemic, which could have influenced the volume of decisions due to the suspension of services in public agencies; and second, due to a change in tie-breaking vote procedures, which affected the pace and results of trials. It is worth mentioning that, in 2022, CARF activities were almost entirely suspended due to a strike by councilors.

The analysis focuses on disputes around profit taxation or corporate income tax (IRPJ) and withheld income tax (IRRF). Examining the various types of procedural appeals available within CARF and the

institution's diverse decisions is of paramount importance. This aspect is critical as it establishes the procedural framework in which tax disputes are settled, enabling an understanding of how different appeals and decisions can impact the outcomes for both taxpayers and tax authorities.

The most common procedural appeals in CARF include the voluntary appeal, often utilized by taxpayers to challenge first-instance decisions, and the sua sponte appeal, initiated by the competent authority when there is a disagreement with a favorable decision. Additionally, special appeals from the national treasury aim to appeal against decisions unfavorable to either the tax authorities or the taxpayer. These mechanisms enable both parties to seek a review of decisions, enhancing the system's equity.

The types of judgments range from unanimous decisions, where all councilors vote similarly, to majority decisions and the use of the casting vote in cases of ties. These different forms of judgment reveal how counselors interpret and apply the law, which can have significant implications for the consistency and fairness of CARF decisions.

Comprehending these nuances is fundamental for conducting a thorough analysis of CARF. Therefore, this section is entirely justified within the methodological framework of this study. It enhances the comprehension of the formal procedures that govern tax disputes and serves as the foundation for evaluating how these mechanisms contribute to the overall effectiveness, efficiency, and fairness of the system.

The data were organized in an electronic spreadsheet and classified as follows: Institution Name; Case Number; Type of Appeal (e.g., sua sponte and/or voluntary); Date the Case was Submitted to CARF; Tax Type (IRPJ or IRRF); Date of Sentence Publication; Case Location Status; Date of the Last Stage of the Case; Total Duration of the Case in CARF; Judgment Decision (Voluntary Appeal); Voting Score; Due Diligence; Sua Sponte Appeal; and Embargo. Tables and formulas were utilized to structure the data presentation.

Descriptive statistics, including the mean and variance, were used. Student's t-test was applied to summarize the dataset to achieve the study's objective. The OLS estimator was employed to obtain the regression results using the RStudio software, which incorporates the R programming language.

The variables selected for the model were based on the research problem, which investigated the effect of certain explanatory variables on the procedural timeliness. The following econometric model was estimated to analyze the relationship between the duration of the case analysis and the six (6) proposed control variables:

$$TY = \beta_0 + \beta_1 . TypeControl + \beta_2 . TypeTax + \beta_3 . TypeDecision + \beta_4 . SpeAppeal + \beta_5 . DDilig + \beta_6 . Motions + \varepsilon$$

The dependent variable "TY" represents the time, in years, that a case remains in process at CARF. Table 1 outlines the variables of interest.

Table 1
Variables of interests used in the regression model

Variables	Hypotheses	Description/Objective
TypeControl	H$_1$	Check whether the type of control exercised over the bank (state-controlled or non-state-controlled institution) influences the time to analyze the case. The groups are divided into "state-controlled banks (CEF)," using dummy = 0; and "non-state-controlled banks (other banks in the sample)," using dummy = 1.
TypeTax	H$_2$	Check whether the type of tax influences the case analysis time. In this category, the groups are divided into "cases involving IRRF," using dummy = 0; and "cases involving IRPJ," using dummy = 1.
TypeDecision	H$_3$	Check whether the type of decision (favorable or unfavorable to the taxpayer) influences the tie to analyze the cases. The groups are divided into unfavorable decision to the taxpayer, dummy = 0; and the favorable decision to the taxpayer, using dummy = 1.
SpecAppeal	H$_4$	Check whether the impact of the existence of special appeals throughout the cases influences their analysis time. The groups are divided into "there were no special appeals," using dummy = 0; and "there were special appeals," using dummy = 1.
DDilig	H$_5$	Check whether the impact of the existence of due diligence throughout the cases influences the time it takes to analyze them. The groups are divided into "there was no due diligence," using dummy = 0; and "there was due diligence," using dummy = 1.
Motions	H$_6$	Check whether the impact of the existence of motions for clarifications throughout the cases influences the time it takes to analyze them. The groups are divided into "no motions for clarification," using dummy = 0; "motions for clarification," using dummy = 1.

Source: Elaborated by the authors (2022)

The processing time at CARF was selected as the timeliness proxy to assess procedural speed, serving as the primary category of research interest (dependent variable). This dimension is widely employed in studies on judicial performance (Gomes & Guimarães, 2013).

The variables of interest chosen for the model were based on the means of defense and appeals provided to litigants in administrative tax litigation, in accordance with Complementary Law 222/2013, including (i) opposition, (ii) motions for clarification, (iii) voluntary special appeal, (iv) sua sponte appeal, (v) special appeal and (vi) request for review of the admissibility of the special appeal. In addition, the control variable "due diligence" was inserted, commonly found in decisions made in the cases analyzed. The type of appeal (voluntary or sua sponte) was not controlled.

The control variables of the instruments (means of defense and appeals) were condensed into three groups (special appeals, due diligence, and motions). The other control variables used in the model refer to characteristics that distinguish (i) the taxpayer (type of bank – of state-owned), (ii) the matters analyzed in court (type of tax), and (iii) the type of decision approved (decision unanimous or not), which is believed to alter the time taken to complete the analysis of cases.

Other variables can influence timeliness, such as (i) quantity, heterogeneity, turnover, and level of experience of counselors; (ii) changes in technology, legislation, and administrative procedures; (iii) changes in the economic and political scenario; (iv) different levels (instances) of case analysis; and (v) number of appeals per case. However, these variables were not included in the model for several reasons.

The first challenge (i), due to the variables quantity, heterogeneity, turnover, and level of experience, presents a high degree of subjectivity or measurement difficulty. The second challenge (ii) arises from the difficulty in controlling changes in technology variables, legislation, and administrative procedures, which can occur several times during the case and impact procedural rites. The third challenge (iii) is related to changes in the economic and political scenario that can create tensions in the body and impact a certain case in different ways. The fourth challenge (iv) is that each case can go through several instances, which is why this work chose to analyze only the cases that reached a final decision, and it is no longer possible to appeal the decision through administrative means (in this case, according to the taxpayer's interest, only the legal path is available). The last challenge (v) refers to the difficulties in accessing the exact values of the analyzed materials.

4 Results Analysis

This section is divided into two parts: the first presents and discusses the results obtained through descriptive statistics of the sample collected regarding procedural deadlines. The second part presents the results of the linear regression model estimation proposed to identify the determinants of the delay in the cases involving the six largest Brazilian banks.

4.1 Descriptive statistics of cases processed and concluded

The search carried out on the CARF online portal in the field "procedural monitoring" using the parameters "month/year of the Protocol = 01/2000 to 02/2020" returned 1,108 cases. Of these, 399 cases dealt with "IRPJ" and "IRRF," of which 233 (58.4%) were analyzed by CARF (by February 2020). These cases were selected to compose the sample for this study. Table 2 shows the sample's descriptive statistics.

Table 2
Number of cases that reached final decision by CARF from January 2000 to February 2020

Bank	Number of cases	Relative%
Banco do Brasil S. A.	26	11.2%
Banco Bradesco S. A.	43	18.5%
Banco BTG Pactual S.A.	18	7.7%
Caixa Econômica Federal	31	13.3%
Itaú Unibanco S. A.	40	17.2%
Banco Santander (Brasil) S. A.	75	32.2%
Total	**233**	**100%**

Source: Elaborated by the authors based on data from CARF (2022).

As shown in Table 2, of the cases analyzed and completed by CARF in the period studied, 11.2% refer to Banco do Brasil; 18.5% Banco Bradesco; 7.7% Banco BTG Pactual; 13.3% Caixa Econômica Federal; 17.2% Itaú Unibanco, and 32.2% Banco Santander, showing that the latter had greater representation compared to the others. Furthermore, the results indicate a greater concentration of processes in non-state-controlled banks (75.5% of the cases).

4.2 Procedure timeliness of the six major Brazilian banks

Table 3 presents the results for "timeliness," calculated based on the average time in years it took CARF to analyze a case.

Table 3
Time to conclude the analysis of cases

Bank	Average time in years	Standard deviation
Banco do Brasil S. A.	3.31	2.81
Banco Bradesco S. A.	3.14	3.01
Banco BTG Pactual S.A.	3.23	2.30
Caixa Econômica Federal	4.24	3.20
Itaú Unibanco S. A.	5.66	3.70
Banco Santander (Brasil) S. A.	4.15	3.20
All the six institutions	**4.07**	**3.16**

Source: Elaborated by the authors based on data from CARF (2022).

As shown in Table 3, the average time to analyze a case is 4.07 years. The results indicate a considerably high average time, taking into account that the analysis considered six relevant taxpayers.

CARF's delay in analyzing cases (the time assessed here refers only to the period the case remained at CARF, excluding the processes in other instances such as regional court stations or DRJs) is evidently disproportionate in relation to the constitutional principles of efficiency and morality in public administration. Furthermore, the results of the F-test suggest that the variances between the average time for each bank and that of the entire sample are similar.

4.3 Test of differences between timeliness means

Table 4 shows the results of the Student's t-test to verify whether the time averages found for each Bank differ from the global average (95% confidence level).

Table 4
Test comparing the global average time of analysis and the average per bank

Bank	t-Statistics	Result Student t-test
Banco do Brasil	0.2386	There is no difference between averages (95% confidence level).
Banco Bradesco	0.0696	There is no difference between averages (95% confidence level).
Banco BTG Pactual	0.2705	There is no difference between averages (95% confidence level).
Caixa Econ. Federal	0.7786	There is no difference between averages (95% confidence level).
Itaú Unibanco	0.0046	There is a difference between averages (95% confidence level).
Banco Santander	0.8443	There is no difference between averages (95% confidence level).

Source: Elaborated by the authors based on data from CARF (2022).

The results shown in Table 4 demonstrate, with 95% confidence level, that there is no significant difference between the global average time to analyze the cases and the average per bank, except for Banco Itaú Unibanco.

Therefore, the time to analyze cases involving Banco do Brasil, Banco Bradesco, Banco BTG Pactual, Caixa Econômica Federal, and Banco Santander is similar concerning the comparison with the average time CARF takes to analyze cases. As for Banco Itaú Unibanco, the time taken to analyze its cases is 1.61 years longer than the global average (4.07 years), with 95% confidence level. The descriptive analysis of the other controlled attributes, such as type of tax, type of decision, voting score, and type of control, can be seen in Table 5.

Table 5
Average time to conclude the analysis of cases by CARF

Variables considered	Control Variables	Number of observations	Relative (%)	Average time	Standard deviation
Type of tax	IRRF	152	65%	3.79	3.13
	IRPJ	81	35%	4.60	3.18
Type of decision	Unfavorable to the taxpayer	89	38%	3.60	3.16
	Favorable to the taxpayer	144	62%	4.36	3.14
Voting score	Not unanimous	47	20%	4.50	2.96
	Unanimous	186	80%	3.96	3.21
Type of control	State-controlled bank	31	13%	4.24	3.20
	Non-state-controlled bank	202	87%	4.04	3.16

Source: Elaborated by the authors based on data from CARF (2022).

The results of the F test suggest that the variations between the intervals for all control variables indicate that the differences between type of tax, type of decision, voting score, and type of control are similar.

Table 6 shows the results of the Student's t-test to verify the average time between the analyses of IRRF versus IRPJ, the analysis of cases with decisions favoring or not favoring the taxpayer, the analysis of cases with unanimous decision versus non-unanimous decision, and the analysis time between state-controlled and non-state controlled bank.

Table 6
Test comparing the average time, per control variable

Variable	t Statistics	Student's t-test
Type of tax	0.0637	There is no difference between averages (95% confidence level) for cases involving IRPJ versus those involving IRRF.
Type of decision	0.0724	There is no difference between the averages (95% confidence level) for decisions favorable versus unfavorable to the taxpayer.
Voting score	0.3000	There is no difference between the averages (95% confidence level) for cases reaching unanimous versus non-unanimous decisions.
Type of control	0.7481	There is no difference between the averages (95% confidence level) for cases involving state-controlled versus non-state-controlled banks.

Source: Elaborated by the authors based on data from CARF (2022).

The results presented in Table 6 indicate the following: (i) there is no significant difference in the average time to analyze cases when considering the type of tax (IRRF or IRPJ); (ii) there is no significant difference in the average time to analyze cases when considering the type of decision (favorable or unfavorable to the taxpayer; (iii) there is no significant difference in the average time to analyze cases when considering the voting score obtained in the decision (whether unanimous or non-unanimous); and (iv) there is no significant difference in the average time to analyze cases when considering whether the institution is a state-controlled or non-state-controlled bank. All results hold at a 95% confidence level.

4.4 Regression analysis

Table 7 presents the estimation results of the linear regression model proposed, including the coefficients of each model variable, the significance level of each variable, standard deviation, t-statistic, and p-value.

Table 7
Results of the regression model

Bank	Model 01		Model 02	
	Coefficient	p-value	Coefficient	p-value
Intercept	3.3391	2.19e-07 ***	3.3397	1.84e-12 ***
TypeControl	0.0009	0.9989		
TypeTax	-0.9683	0.0333 *	-0.9681	0.019882 *
TypeDecisionPN	0.7073	0.0812 .	0.7073	0.079515 .
SpeAppealSN	1.0396	0.0121 *	1.0396	0.011879 *
DDiligSN	2.4938	0.0005 ***	2.4939	0.000413 ***
MotionsSN	1.6598	0.0022 **	1.6599	0.002171 **
Notes:	'***' 0.001 '**' 0.01 '*' 0.05		'.' 0.1 ' ' 1	
	R-Squared: 0.1622 Adjusted R-Squared: 0.14 F Statistics: 7.292 in 6 and 226 GL, p-value: 3.899e-07		R-Squared: 0.1622 Adjusted R-Squared: 0.14 F Statistics: 7.789 in 5 and 226 GL, p-value: 1.221 e-07	

Source: Elaborated by the authors (2022).

The results obtained through the linear regression model estimation, shown in Table 7, indicate that the average time for analyzing a process by CARF is 3.34 years, with a confidence level of 99%, regardless of other variables.

- Hypothesis H_1: Influence of the type of control in the time to analyze the cases

The type of control variable did not significantly influence the time required to analyze the cases. Therefore, **H_1 was not supported**, concluding that being a state-controlled or a non-state-controlled bank does not affect the procedural timeliness.

- Hypothesis H_2: Influence of the type of tax on the time to analyze the cases

With 95% confidence, the variable type of tax showed that cases involving profit taxation (IRPJ) are resolved more quickly than cases involving withheld income tax (IRRF). The model coefficient indicated a decrease of 0,97 years in the average time to complete the procedures. Therefore, **H_2 was supported**.

- Hypothesis H_3: Time to analyze cases based on the type of decision (favorable or unfavorable to the taxpayer)

With a confidence level of 90%, the variable "TypeDecisionPN" showed that decisions favorable to the taxpayer take, on average, 0.71 years longer to be completed than unfavorable ones. Hypothesis **H_3 was supported**.

- Hypothesis H_4: Influence of special appeals in the time to analyze cases

The variable "SpeAppealSN" revealed, with 95% confidence, that the existence of special appeals during the processing of the cases increases the analysis time by 1.04 years, on average. Thus, **H_4 was supported**.

- Hypothesis H_6: Influence of motions for clarifications on the time to analyze the cases

With 99% confidence, the variable "MotionsSN" showed that the existence of motions for clarification increases the average analysis time by 1.66 years. Therefore, **H_6 was supported**.

- Hypothesis H_5: Influence of due diligence on the time to analyze the cases

The "DDiligSN" variable had the greatest impact on analysis time, increasing it on average by 2.5 years, with a confidence level of 99%. Thus, **H_5 was supported.**

Thus, hypothesis H_1 was not supported, while hypotheses H_2, H_3, H_4, H_5, and H_6 were supported.

5 Results Discussion

Administrative tax processes, particularly those related to banks and income tax, often suffer from significant processing delays. Studies, such as Bassan & Trovão (2020), have confirmed this phenomenon. This sluggishness seems to arise from a combination of factors, including the intricacies of tax laws and the multitude of available procedural resources. Silveira (2019) also observed that these processes tend to drag on, creating an atmosphere of uncertainty and impatience, demanding patience and persistence from the involved parties.

Our linear regression analysis revealed that the type of control, whether the institution is a state-controlled or non-state-controlled bank, does not significantly impact the procedural timeliness. This suggests that the delay is more systemic, not confined to a particular form of institutional governance. However, an interesting finding is that cases related to profit taxation or corporate income tax (IRPJ) are resolved more expeditiously than those associated with withheld income tax (IRRF). This distinction could stem from factors like greater familiarity of administrative agencies with IRPJ legislation or, perhaps, heightened procedural efficiency in these cases. This finding aligns with the insights shared by Silvério et al. (2022), who propose that processes involving IRRF may take longer due to the complexity of the material and the necessity to cross-reference information from various sources.

Regarding the type of decisions, it was observed that resolutions favoring the taxpayer tend to take, on average, 0.71 years longer than unfavorable ones. This suggests that taxpayers file appeals more frequently when seeking favorable decisions, potentially overburdening the Administrative Council of Tax Appeals (CARF). As highlighted by Ribas & Ribeiro (2019), favorable decisions may require a more comprehensive analysis of arguments and evidence, naturally extending the required time. Additionally, Rêgo (2020) has cautioned that decision delays might signify a system overload, underscoring the need for reforms to enhance efficiency.

Moreover, the results indicate that special appeals, motions for clarification, and due diligence requests significantly increase the average time. Specifically, motions for clarification extend the period by approximately 1.66 years, while due diligence adds around 2.5 years. This underscores the necessity to reconsider the utilization of these appeals due to their impact on prolonging deadlines.

By gaining a better understanding of how these variables affect the duration of tax administrative cases, legislators, tax authorities, and practitioners in the field will have a more solid foundation to collaboratively enhance the system, an objective also highlighted by the study conducted by the Brazilian Association of Jurists (ABJ) in 2022.

6 Conclusions and Implications for Accounting

This study aimed to investigate the factors influencing the timeliness of tax administrative cases in Brazil, specifically those deliberated at the Administrative Council of Tax Appeals (CARF). The research focused particularly on cases related to tax disputes concerning corporate profit (IRPJ) and withheld income tax (IRRF) of the six largest Brazilian banks. The results underscore a significant delay in processing these cases by CARF, with average timeframes exceeding four years. This indicates substantial shortcomings in tax administration, especially considering that these banks, as major taxpayers, should be prioritized for efficient case analysis and judgment.

This finding suggests that the duration of case analysis can be even longer for the average taxpayer, emphasizing the need for reforms to enhance the efficiency of tax administration and, consequently, promote greater fiscal equity in the country. This study contributes to the literature on the analysis of tax litigation in Brazil by employing statistical tools and controlling for specific factors to explain the timeliness of these

cases. The results offer valuable insights into the field of tax and administrative case analysis, aiding in identifying the factors that influence the cases' efficiency and expediency. Furthermore, these results directly impact accounting, as professionals in the sector must consider the potential delay in resolving tax cases when making financial and managerial decisions.

Identifying these factors and their influence on procedural timeliness can facilitate better resource allocation, including hiring qualified personnel and implementing efficient systems and technologies that streamline the analysis and resolution of tax cases. This also has implications for accounting, as optimizing tax cases can lead to improved financial management and tax compliance for companies.

This study is innovative in that it applies rigorous statistical tools and controls for specific factors to explain procedural timeliness in CARF. It contributes to the literature on the analysis of tax litigation and has direct implications for the field of accounting, where professionals need to consider the delay in resolving tax cases in their decision-making.

The findings of this study have the potential to stimulate meaningful discussions and increase awareness of the need for efficiency and transparency in tax administrative cases. This understanding can lead to a more equitable and well-regulated business environment where taxpayers can experience greater legal certainty and predictability in their interactions with tax authorities. Such an environment would also favor tax planning and accounting, allowing professionals in the sector to address tax issues in a more agile and precise manner.

One limitation of this study is that the model did not account for the influence of variables such as the quantity, heterogeneity, turnover, and level of experience of counselors; changes in technology, legislation, and administrative procedures; or shifts in the economic and political landscape. For future research, assessing other taxes not covered in this study and investigating how the disputed value affects the timeliness of cases at CARF is recommended.

Excessive delays in case analysis incur costs and create legal uncertainty for taxpayers. This sluggishness also hampers tax collection and harms the public interest. This situation directly impacts accounting: uncertainty in resolving tax cases complicates financial planning and decision-making for companies and accounting professionals.

In light of the urgency, there is a need to overhaul the CARF Regulations. Simplifying standards and establishing conditions for expeditious judgments is imperative. The inclusion of more judging panels, specialized advisors, and time-monitoring mechanisms can ensure the necessary transparency. These tax procedure improvements would positively affect accounting, offering greater clarity in the application of tax laws and enabling more effective control of tax risks.

It is equally crucial to review legislation related to profit taxation and withheld income tax. Eliminating vague and contentious concepts would facilitate accountants' interpretation and application of tax rules. Furthermore, introducing mediation and conciliation mechanisms in the tax context would help expedite the resolution of tax disputes, thus enhancing accounting management and tax compliance for companies.

For future research, it would be relevant to expand the scope to include small and medium-sized companies and evaluate the impact of reforms to the CARF Regulations and tax legislation. It is also suggested to investigate how the qualifications of CARF counselors affect the duration of cases and explore the use of technologies such as Artificial Intelligence to improve the efficiency of tax cases. These studies would provide valuable insights to optimize companies' tax systems and financial management.

Efficiency in tax procedures is essential for both effective public administration and tax justice. This efficiency also benefits accounting, as delays in case resolution can be seen as not only an absence of justice but a clear form of injustice. Inefficiency in tax cases can lead to additional costs and negatively impact companies' financial management, potentially compromising their sustainability and competitiveness in the market.

References

ABJ. (2022). *Diagnóstico do Contencioso Tributário Administrativo* (p. 337). Associação Brasileira de Jurimetria.

Alink, M., & Krommer, V. V. (2011). *Manual de Administração Tributária*. Internacional Bureau of Fiscal Documentation – IBFD/Centro Interamericano de Administrações Tributárias – CIAT. https://alcantara.pro.br/portal/2016/07/19/livro-manual-de-administracao-tributaria/

Back, A., & Diniz, T. A. N. (2013). *O Interesse Público Tributário. Superando a ideia da arrecadação fiscal.* Recuperado em 27 fevereiro, 2022, de http://www.publicadireito.com.br/publicacao/uninove/livro.php?gt=71

Banco Central do Brasil. (2021). *Regulação Prudencial*. Regulação prudencial. https://www.bcb.gov.br/estabilidadefinanceira/regprudencialsegmentacao

Bassan, R., & Trovão, L. C. de S. (2020). Gestão e eficiência na recuperação do crédito tributário no âmbito da execução fiscal municipal através do uso da automação e da inteligência artificial. *Revista de Direitos Fundamentais e Tributação*, *1*(3), 165–187. https://doi.org/10.47319/rdft.v1i3.19

Boyne, G. A. (2004). Explicando o desempenho do serviço público: A gestão é importante? *Public Policy and Administration*, *19*(4), 100–117. https://doi.org/10.1177/095207670401900406

Caldas, R. C. da S. G., & Neto, F. L. (2017). *A razoável duração do processo administrativo-tributário e sua eficiência: Morosidade x decadência, prescrição intercorrente ou perempção*. http://dx.doi.org/10.26668/revistajur.2316-753X.v1i46.2006

CARF. (2022). *Página sobre perguntas frequentes—Conselho Administrativo de Recursos Fiscais*. http://idg.carf.fazenda.gov.br/perguntas-frequentes/pagina-sobre-perguntas-frequentes

Carrazza, E. N., & Melo, F. S. de. (2020). Razoável duração do processo contencioso administrativo tributário. Considerações relevantes. *Revista de Direito Brasileira*, *26*(10), 263–276. https://doi.org/10.26668/IndexLawJournals/2358-1352/2020.v26i10.6813

CNJ. (2022). *Diagnóstico do Contencioso Judicial Tributário Brasileiro: Relatório final de pesquisa* (p. 314). Conselho Nacional de Justiça. https://www.cnj.jus.br/wp-content/uploads/2022/02/relatorio-contencioso-tributario-final-v10-2.pdf

CONJUR. (2009). *Bancos preferem grandes equipes de advogados a terceirizar ações*. https://www.conjur.com.br/2009-nov-23/bancos-preferem-grandes-equipes-advogados-terceirizar-acoes

Cui, W. (2017). Does Judicial Independence Matter? A Study of the Determinants of Administrative Litigation in an Authoritarian Regime. *University of Pennsylvania Journal of International Law*, *38*(3), 941–998.

Curatola, A. P., Fields, K. T., Ringuest, J. L., & Samson, W. D. (1987). The Tax Litigation Decision: An Analysis of the Small Claims Division of the U.s. Tax Court*. *Decision Sciences*, *18*(1), 116–130. https://doi.org/10.1111/j.1540-5915.1987.tb01507.x

DIEESE. (2020). *Desempenho dos Bancos em 2020* (p. 22). DIEESE. https://www.dieese.org.br/desempenhodosbancos/2021/desempenhoDosBancos2021.pdf

Gliksberg, D. (2014). Does the Law Matter? Win Rates and Law Reforms. *Journal of Empirical Legal Studies*, *11*(2), 378–407. Scopus. https://doi.org/10.1111/jels.12044

Gomes, A. de O., & Guimarães, T. de A. (2013). Desempenho no Judiciário: Conceituação, estado da arte e agenda de pesquisa. *Revista de Administração Pública*, *47*, 379–401. https://doi.org/10.1590/S0034-76122013000200005

Huang, S.-C., Chien, Y.-Y., & Lin, S. (2014). Do judgments on tax litigations show partiality for the government as a litigant? - Preliminary evidence on tax case adjudicated decisions. *NTU Management Review*, *25*(1), 185–214. Scopus. https://doi.org/10.6226/NTURM2014.JAN.R11038

Lederman, L. (2012). What do courts have to do with it?: The judiciary's role in making federal tax law. *National Tax Journal*, *65*(4), 899–916. Scopus. https://doi.org/10.17310/ntj.2012.4.09

Marins, J. (2019). *Direito Processual Tributário Brasileiro. Administrativo e Judicial* (Nova Edição). Revista dos Tribunais.

Martinez, A. L. (2017). Agressividade Tributária: Um Survey da Literatura. R*evista De Educação E Pesquisa Em Contabilidade* (REPeC), 11. https://doi.org/10.17524/repec.v11i0.1724

Martinez, A. L., & Oliveira, J. P. E. G. (2019). Novo CARF e planejamento tributário com operações societárias. *Revista Pensamento Contemporâneo em Administração*, *13*(2), 166–181.

Martins, A. L. (2010). *Conselho Administrativo de Recursos Fiscais: 85 anos de imparcialidade na solução dos litígios fiscais—Conselho Administrativo de Recursos Fiscais*. Capivara. http://carf.economia.gov.br/publicacoes/arquivos-e-imagens-pasta/livro-85-anos-carf.pdf/view

Nunes, F. (2014). *Contencioso Administrativo cresce em valores.* IBET - Instituto Brasileiro de EstudosTributários. http://www.ibet.com.br/contencioso-administrativo-cresce-em-valores

Quintino, J. P., & Macei, D. N. (2016). O propósito negocial no planejamento tributário sob a ótica do CARF. *Revista Jurídica da Presidência*, *17*(113), 579–604. https://doi.org/10.20499/2236-3645.RJP2016v17e113-1173

Rêgo, A. G. (2020). *Em que medida um tribunal administrativo tributário federal contribui para a defesa de interesses da sociedade brasileira*. https://repositorio.esg.br/handle/123456789/1124

Rezende, T. D. H. de. (2016). *Da Legitimidade Democrática à Efetividade Social: Análise do Conselho Administrativo de Recursos Fiscais - CARF*.

Ribas, L. M. L. R., & Ribeiro, M. de F. (2019). Segurança Jurídica: O Processo Administrativo Tributário e a Proteção da Confiança. *Revista Argumentum - Argumentum Journal of Law*, *13*(0), 205–224.

Rocha, S. A. (2018). *Processo administrativo fiscal: Controle administrativo do lançamento tributário*. Almedina. https://biblioteca.tc.df.gov.br/?mbdb_book=processo-administrativa-fiscal-controle-administrativo-do-lancamento-tributario

Schneider, D. M. (2005). *Using the Social Background Model to Explain Who Wins Federal Appellate Tax Decisions: Do Less Traditional Judges Favor the Taxpayer?* (SSRN Scholarly Paper N° 843464). Social Science Research Network. https://papers.ssrn.com/abstract=843464

Severino, A. J. (2016). *Metodologia do trabalho científico* (24a edição revista e atualizada). Cortez Editora.

Silveira, R. F. (2019). *Muito além da Zelotes! As disputas do contencioso fiscal e os interesses das corporações empresariais no Conselho Administrativo de Recursos Fiscais (CARF) entre 2013 e 2017*. https://ijf.org.br/3d-flip-book/muito-alem-da-zelotes-as-disputas-do-contencioso-fiscal-e-os-interesses-das-corporacoes-empresariais-no-conselho-administrativo-de-recursos-fiscais-carf-entre-2013-e-2017/

Silvério, A. G., Armelin, D. V., Lessa, F. C., & Silva, M. T. (2022). *The Tax Disputes and Litigation Review: Brazil. In: The Tax Disputes and Litigation Review—The Law Reviews: Londres, 2022.* https://thelawreviews.co.uk/title/the-tax-disputes-and-litigation-review/brazil

Sousa, M. de M., & Guimaraes, T. A. (2018). Resources, innovation and performance in labor courts in Brazil. *Revista de Administração Pública*, *52*(3), 486–506. https://doi.org/10.1590/0034-761220170045

Uretz, L. R. (1966). Settlement of Tax Controversies. *Taxes - The Tax Magazine*, *44*, 794.

Whitehead, S. (2017). *The tax disputes and litigation review*. Law Business Research Ltd. https://thelawreviews.co.uk/title/the-tax-disputes-and-litigation-review

* A preprint version of the article was presented at the XLVI ANPAD Meeting – EnANPAD, 2022

NOTES

DATASET
The entire dataset supporting the results of this study was published in the paper itself.

Antonio Lopo Martinez, Emmanuel Marques Silva, Maurílio Arruda de Araújo, Alfredo Sarlo Neto

FINANCING
Does not apply.
CONSENT TO USE IMAGE
Does not apply.

APPROVAL OF THE RESEARCH ETHICS COMMITTEE
Does not apply.

CONFLICT OF INTERESTS
Does not apply.