

*Conclusions of the facilitated E-Discussion:*

## ***“Gender and Taxation”***

*Democratization, Decentralization and Local Governance Network and Gendernet -  
SDC*

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The international community has increasingly given attention to the importance of taxation to sustainable and equitable development, while recognizing gender equality and women’s empowerment as development goals in their own right. However, gender equality and taxation have rarely been discussed together, despite the reality that tax systems have differential impacts on women and men and can serve to ameliorate, exacerbate or simply reproduce existing gender inequalities. Practitioners and researchers have begun to accumulate a significant body of knowledge and expertise on the effects of fiscal systems on gender equity; however, this body of knowledge remains narrow in its predominant focus on developed countries, while the opportunities for sharing lessons learned are still limited. Precisely as the Finance for Development – Addis Accord 2015 is debated, and countries are increasing their efforts in domestic resource mobilization, an assessment of the gender implications of taxation is warranted.

On 15-16 September 2015, the Gendernet and Democratization, Decentralization and Local Governance Network (DDLGN) convened a stock-taking e-discussion on Gender and Taxation. The exchange focused on two topics: the gendered impacts of (i) tax policy and (ii) tax administration. The potential methods of engagement for development partners was discussed as a cross-cutting topic. Although research and policy work in this area is increasing, there is as of yet no consolidated, robust and commonly accepted body of knowledge and policy advice. As such, this dialogue aimed primarily to better understand the complex dynamics in these areas and to contribute to the information base of network members.

This report summarizes the main conclusions emerging from the E-Discussion, highlighting key issues and challenges, relevant country experiences, possible means of engagement, as well as remaining questions and research gaps. It needs to be emphasized that the below conclusions mirror the insights from practitioners on this topic—the key objective of this E-Discussion. In light of this, participating practitioners confirmed it as a complex and still emerging area of knowledge and practice, and concluded that:

- Tax policy may have differential impacts on women and men in practice through both explicit and implicit gender biases, resulting from gendered social norms and economic structures, including differential patterns of employment and unpaid labour, consumption, asset ownership, and employment in the informal sector. The E-Discussion reconfirmed this fundamental insight.
- The E-Discussion showed convincingly that tax administration processes create an additional layer of complexity to the topic. The participant contributions provide robust arguments to place this topic more emphatically in policy dialogue and reform process in countries. Tax administration mechanisms, ranging from direct interaction with tax officials to the ways in which tax reporting is implemented, may have differential impacts on men and women as a result of, for example: sociocultural norms and practices, the relative vulnerability of women to different forms of gender-based harassment or discrimination, differential capacities between men and women to engage in tax governance forums, different levels of education and knowledge about the tax system between genders, and differential capacities between men and women to manage disputes with (largely male) tax collectors.
- Addressing the given complexity in the topic can best be achieved if the effects of tax policy and tax administration are analysed in an integrated fashion. From the design of the tax-code, to the setting up of tax administration processes, to their application in each locality, gender-relevant impacts of the tax system need to be analysed in a holistic manner. This already existing knowledge and broad consensus in the practice of tax system design can be enriched through three important findings of this E-Discussion: the country-specific social and economic structure needs further recognition to arrive at gender-specific impacts; the warranted integrated approach warrants multi-level coordination encompassing both central and

subnational levels of government; taxes on trade (which are significant particularly in fragile and post-conflict countries) would potentially also require international and cross-border coordination, adding to the complexity at hand.

- The E-Discussion confirmed that tax and gender is a still emerging area of knowledge and practice, and the need to advance on the understanding of the topic as well as to strengthen policy advice can greatly benefit from expanded research and systematization of country-level analysis. The discussion underscored the fundamental role that Development partners can play to support this agenda. Discussion participants focused in particular on the potential value of development partners' technical support in integrating gender perspectives into national tax systems; supporting gender-sensitive capacity building within revenue administrations; supporting education, advocacy and civic awareness campaigns; and promoting research in this increasingly salient area of development policy and practice.

We would like to thank the following DDLGN and Gendernet members and guest contributors for their valuable inputs to this informative e-dialogue:

- Soufiyane Amadou, SDC, Niger
- Jenny Birchall, Gender Convenor, BRIDGE, Institute of Development Studies
- Alyson Brody, Senior Convenor, Gender and Human Development, BRIDGE, Institute of Development Studies
- Chiara Capraro, Gender Policy Adviser, Christian Aid
- Edem Edem, Christian Aid Nigeria
- Jesper Elias Lauridsen, Senior Governance Advisor, HELVETAS Swiss Intercooperation
- Ursula Funk, SDC
- Kailee Jordan, IDS Project Manager, Democratic Republic of the Congo
- Anuradha Joshi, Governance and Cities Cluster Leader, Institute of Development Studies
- Clara Melchior, Program Officer, Employment and Income, SDC, Embassy of Switzerland in Tanzania
- Naomi Muthenge, PhD (Economics) student, University of Cape Town
- Annonciata Ndikumasabo, SDC

- Ernest Okyere, Programme Manager, Christian Aid Ghana
- Michael Onesimo, Group Consulting, Tanzania
- Norbert Pijls, Project Manager, Decentralization and Municipal Support (DEMOS), HELVETAS Swiss Intercooperation Kosovo
- Tirtha Sarathi Sikder, National Coordinator, SHARIQUE (SDC-funded project on Decentralisation and Local Governance in Bangladesh)
- Janet Stotsky, Visiting Scholar, International Monetary Fund
- Serge Camille Tonoukoin, Chargé de Programme Gouvernance, SDC Bénin
- Attiya Waris, Senior Lecturer, University of Nairobi

The team supporting on the E-Discussion were:

- Adrian Banister, IDS
- Jonas Frank, Program Officer, Democratisation, Decentralisation and Local Governance (DDLGN), SDC
- Corinne Huser, Policy Advisor Democratisation, Decentralisation and Local Governance and Focal Point DDLGN, SDC
- Ursula Keller, Gendernet, SDC
- Evelin Stettler, Programme and Gender Manager responsible for the East Asia Division, SDC, Switzerland
- Vanessa van den Boogaard, PhD student, University of Toronto, IDS
- Steven Tovell, IDS

The full set of comments received is being circulated in a separate document.

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### **1. Tax Policy**

Tax policy may have differential effects on women and men in practice through both explicit and implicit gender biases. Explicit gender bias occurs when tax legislation contains specific provisions that treat women and men differently; implicit biases occur because of gendered social norms and economic structures, including, for instance, the higher representation of women within informal sector employment. The E-Discussion shared knowledge and experience of explicit and implicit biases and gendered effects of tax policy as they relate to (a) part-time employment and unpaid labour, (b) indirect taxation, (c) the taxation of property and assets, (d) informal sector taxation, and (e) the overall structure of the tax system.

#### **(a) Part-time employment and unpaid labour**

***Guiding question: In your experience, does tax policy propagate implicit biases against women related to part-time employment and unpaid labour?***

Direct and indirect taxes may impact women differently than men as women are more likely to engage in part-time employment, earn less income, and have more discontinuous work patterns over their lifetime, while gender norms often allocate a greater portion of unpaid labour to women than to men. Discussion participants shared how women are likely to accumulate less income compared to men during their lifetime, meaning that they may pay less income tax but may also be excluded from benefits afforded through the tax systems, such as tax reliefs and allowances for dependants. The tax system may also have impacts on decisions to take up paid employment, for instance, in cases where the income from a second lower-income

earner is taxed at a higher marginal rate on account of joint filing requirements. While these have real impacts on both men and women, Tirtha Sarathi Sikder shared the case of Bangladesh, demonstrating that unpaid and under-paid labour and the discontinuity of employment are often not analysed in conjunction with tax policy design or reform.

### **(b) Indirect taxation**

***Guiding questions: In your experience, does indirect taxation (e.g. value-added taxation) implicitly affect women differently because of gendered expenditure and consumption patterns? For example, are indirect taxes levied on essential consumption goods that are disproportionately consumed by female-headed households? How do excise taxes on different goods affect intra-household power relations and gender inequality? What might be the practical, economic or political ramifications of, for example, providing indirect tax exemptions for the wide variety of goods that are more predominately consumed by women relative to men? What might be the alternatives?***

While the introduction of value-added tax (VAT) is often considered one of the most important tax policy reforms in low-income countries in recent decades as it has helped boost domestic revenue, it's important to consider the potential implications of indirect taxation in practice as a result of different consumption patterns of different population sub-groups. Women and men spend money and take decisions on how to allocate assets and savings differently. Thus, the setting of VAT rates or the allocation of zero-rating and exemptions may have differential impacts on men and women.<sup>1</sup> For instance, Naomi Mathenge shared analysis from Kenya, showing that even though value-added tax was progressive, female-headed households consumed a lower share of tax-exempt goods relative to male-headed households in the lowest expenditure quintile. By contrast, as described by Tirtha Sarathi Sikder, in Bangladesh, some consumption goods targeted for women, including donations for girls' education, are exempt from taxation. However, as he emphasized, the general lessons from the Bangladeshi case is that policy setting with respect to indirect taxes has as of yet not been accompanied by an assessment of the potential gender impacts.

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<sup>1</sup> Zero-rating and exemptions on value-added taxes are similar in that taxes are not charged on outputs, however, they have different effects on the effective rate of taxation. Zero-rated goods have an effective rate of taxation of zero, while the effective rate of exempt goods is somewhere between zero and the general rate of VAT because taxes paid on inputs cannot be reclaimed by the providers of VAT-exempt goods and services.

Indirect taxation may also have implications for intra-household budgeting. For example, excise taxes, such as on tobacco or alcohol, generally place a heavier burden on men; however, in the short term, an increase in excise tax rates can have negative impacts on women in those households where men have more control over household budgets (e.g. if men's consumption of these goods does not decrease with the level of taxation, leaving less money for other aspects of basic household consumption more generally associated with female expenditure). Despite these findings, discussion participants largely agreed that the impact of indirect taxation on gender equity remains complex, with uncertain policy recommendations in different contexts.

### **(c) The taxation of property and assets**

***Guiding question: How does the taxation of property and assets relate to the gender distribution of asset ownership within specific country cases, and what explicit or implicit effects does this have on gender equality?***

Tax systems may have differential impacts on men and women as a result of how they treat income earned from inheritances or jointly-owned assets, or how they relate to the norms or laws of property rights and asset ownership in different contexts. In Kosovo, Norbert Pijls described how tax reliefs have been used to shift land and property ownership towards women in the context of a real estate landscape that is heavily dominated by men. In this case, an exemption or discount on property tax was considered for female property owners; however, to avoid burdensome legislative requirements, a simpler reform was enacted – lowering the registration fee for jointly owned property at the local government. While being quicker to implement, the financial advantage for individuals was more limited than with a property tax rebate, thus requiring sufficient public awareness campaigns to incentivize behaviour change.

### **(d) Informal sector taxation**

***Guiding question: In specific case examples, does the government aim to expand the tax base through informal sector taxation? How does this affect men and women differently?***

A further way that taxation has gendered impacts relates to the informal economy and how it is taxed (or not taxed). Contributions received underscore that gendered impacts are most evident in areas where women are disproportionately employed relative to men, such as in markets across Africa and Asia. These examples highlight that it is necessary to expand gender analysis beyond taxation: namely into the

areas of fees which are levied by the public sector for the provision of services. In contrast to a tax, a fee is paid in return for a service provided. Fees have on purpose not been included in this E-Discussion, however an important conclusion is to consider more strongly the interrelations.

In this vein, the examples mentioned by discussion participants have particularly highlighted the contributions for fees by women market vendors: these are likely to be attractive sources of revenue that are often generated by local governments. These fees are typically paid by economic agents which otherwise pertain to the informal economy as far as taxation is concerned. This raises three important questions, first, about the interaction of formal and informal economies through the setting of fees and taxes; second, the gender impacts of these two revenue-raising activities (for instance, small- scale manufacturing is often dominated by men); and multi-level coordination among central and subnational governments in tax policy and regulations for setting and collection of fees.

As underscored by the contributions received, this particularly applies to many parts of West Africa where market fees are the single largest source of local government revenue. For example, in northern Ghana female market traders in the informal economy are often more visible to tax collectors and hence could potentially be identified more easily for purposes of taxation: given their fixed or semi-fixed location or their presence within market boundaries, collection of taxes and their enforcement would be more straightforward. In this way, taxing more insecure forms of income generating activities may be seen as "low hanging fruit" for tax collection, though with sensible gender and equity implications which require further research

Of further importance to taxation and gender in the informal economy, is the ability of women to mobilize and make demands on the state in exchange for the effective contribution in taxation. This is precisely one of the key advantages of taxation, as it may break the cycle of citizens not being able to demand accountability. Taxation provides them with arguments and a lever to place their demands. Discussion contributions mentioned women's organizations which have been quite successful – for example the Self Employed Women's Association (SEWA) in India – however, these seem to be still exceptions, perhaps because of the multiple demands on women's time as well as social norms in some contexts that discourage women taking on public roles, and general obstacles to overcome collection action problems.

#### ***(e) The overall structure of the tax system***



***Guiding questions: Based on your experience, are there specific country cases where tax policy explicitly treats men and women differently? For example, are allowances, deductions or property-derived income allocated to a particular member of the household? Do tax policies affect different types of households (e.g. dual-earner household, male or female single-earner households) differently? What are the effects on gender equality? Are there examples of how explicitly different treatment of men and women can help to overcome discrimination and improve gender equality?***

Finally, as highlighted by Chiara Capraro, the overall progressivity of the tax system is linked with gender inequality. As she described, this reinforces the need to consider the various elements of the tax system holistically: reforms to personal income tax, rationalization and reduction of tax incentives, land tax reform, and fighting tax evasion are all critical to realizing a progressive tax system that has a bearing on gender equality.

Other biases may occur from the structure of tax reliefs. Tax reliefs are a sensitive area of tax policy given possible moral hazard to expand such reliefs to other parts of taxation and/or tax-payers. Thus they would need to be framed under an enforceable policy. Contributions received have highlighted many examples – which underscores this is quite a widely used policy area. Discussion contributions offered several case specific examples. For instance, in Kenya the amount of tax relief differed based on whether one was married, single or single with children; however, the tax relief for married individuals was given to the man, with the assumption that married women would benefit indirectly. In Morocco, men can automatically claim allowances but women have to be able to legally demonstrate they are head of the household in order to do so. The Swiss Tax and Social Transfer System clearly promotes the family model of a sole wage earner: For example for families of all incomes in Switzerland the financial incentives for the second partner to work becomes negative if they have a second child. At the same time, in order to address gender equality, explicitly differentiated tax policy may be required. For example, in Bangladesh, the national budget has considered a tax-free ceiling that is slightly more favourable for women than for men. In conclusion, exemptions require a systemic approach, detailed and reliable information bases (often weak in many developing countries), and enforceable rules and regulations to limit the risk of proliferation.

## ***2. Tax Administration***

The effects of tax policy are inseparable from how policies are implemented in practice: an integrated perspective is necessary in order to understand how the tax system actually impacts individuals and population sub-groups. Ranging from direct interaction with tax officials to the ways in which tax reporting is implemented, tax administration mechanisms have differential impacts on men and women as a result of socio-cultural norms and practices.

#### **(a) Incidence of harassment**

***Guiding question: In your experience, how might women be particularly vulnerable as taxpayers?***

As tax collectors are often men, there are often differences between how men and women in the informal economy. Anuradha Joshi, drawing on her research experience in this area, described how, in some cases, women experience more harassment, but in others they might be treated with greater leniency. Indeed, the case of northern Ghana demonstrates that, in certain instances, particularly vulnerable segments of the female population may actually receive better treatment and greater leniency from tax collectors on account of the practical norms that shape local moral economies. For instance, tax collectors may offer informal tax exemptions to vulnerable women, including the elderly, pregnant women, women making low incomes relative to other traders, and women with twins (with the idea that being that twins represent an unexpected financial burden).

Several discussion participants noted that female taxpayers may be more likely to face harassment, discrimination, intimidation and extortion within revenue collection processes, citing some existing policy reports undertaken in this area (e.g. Titeca and Kimanuka 2012). For instance, Jenny Birchall offered the example of Liberia, where 37 per cent of female cross-border traders have experienced sexual based violence at border crossings and 15 per cent had been raped or coerced to have sex in exchange for favours (Higgins 2012). An ongoing study in the Democratic Republic of the Congo, led by the Institute of Development Studies and managed in country by Kailee Jordan, has also found gender discrimination with

regard to “informal” tax payments<sup>2</sup>. Similar findings are confirmed by other existing research on the topic<sup>3</sup>.

#### ***(b) Engagement in decision-making mechanisms***

***Guiding questions: In your experience, how are gender-related issues incorporated within the different aspects of tax administration? How might they be incorporated more effectively?***

Women may also be less likely to have their voices heard through governance channels. For example, Ernest Okyere described how in Ghana women participate relatively less than men in tax rate setting and governance more generally; moreover, even where women participate in statutorily mandated participatory consultations, men often dominate the meetings. While reflecting a more general dilemma of local governance, in Ernest’s view this affects women’s ability to engage in decision-making related to local taxation, particularly as tax rates are set and negotiated in community meetings at the local government level in Ghana. As a result of unequal participation, local taxes are often fixed without equal input from women, leaving female taxpayers little room to negotiate or challenge these taxes and serving to reinforce the low participation of women in decision-making spaces. More basically, this example reflects the potential vulnerability of this type of procedure for setting tax rates and policies at the local level.

#### ***(c) Knowledge and transparency of tax systems***

***Guiding question: In your experience, is there a difference in the level of awareness and knowledge of men and women on tax laws and how does this affect their interaction with tax officials?***

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<sup>2</sup> For instance, Kailee described how, when transporting goods on trade routes throughout eastern DRC, men and women are often taxed “informal” payments to move through multiple roadblocks, both by state officials and non-state actors, while women also often face sexual intimidation, sexual extortion, and violence.

<sup>3</sup> Poorly advertised taxes and duties at border posts, along with lower literacy levels and understanding of processes, places female traders in a vulnerable position. Likewise, research conducted by Vanessa van den Boogaard and her colleagues (Wilson Prichard and Samuel Jibao) in Sierra Leone on taxation and informal governance within cross-border trade with Liberia and Guinea found that women are significantly more likely to face different forms of harassment at the hands of tax collectors, including physical, verbal and sexual harassment. In these contexts, female traders are more likely to adopt strategies to avoid direct contact with tax officials (e.g. by using informal clearing agents). Discussion contributors discussed the case of Ghana, where harassment from tax collectors was particularly prevalent for women with low levels of literacy and numeracy, with the fact they were not able to keep proper records was an excuse for bullying and additional demands for payment (Caroll 2011).

Discussion participants highlighted the issue of women tending to have more limited knowledge about the tax system and processes for determining rates, taxes, and levies. This knowledge asymmetry may be rooted in differing levels of education and some of the previously discussed dilemmas of unequal engagement in governance mechanisms at the local level. This places them in a disadvantageous position when it comes to challenging the tax rates, payment mechanisms and even the collection mechanisms. As Ernest Okyere described in the case of Ghana<sup>4</sup>, it may also leave them in a position where they are more likely to view the tax system as lacking in transparency, even where there have been efforts to achieve greater transparency. Likewise, recent research on gender and customs revenue in East and West Africa, highlighted by Jenny Birchall, found that female traders were not able to fully benefit from opportunities and efficiencies arising from border management reforms in their regions, because they weren't informed of the changes.<sup>5</sup>

Participants also noted that improving domestic revenue mobilization and limiting revenue leakages may be an important part of the overall agenda to increase gender-sensitive fiscal contexts. For instance, research from Canada was shared, showing that dependant allowances, which effectively subsidise women's unpaid care, could pay for universal childcare from 0 to 18 years.

#### **(d) Method of reporting income**

***Guiding questions: How do tax collection mechanisms, including their efficiency, ease and timing, affect men and women differently within specific country cases? Are there examples of how tax collection processes may reflect gender inequality in practice due to underlying social, political or economic structures?***

The manner in which tax returns are filed may have implications for gender equality. For instance, Naomi Muthenge shared the case of Kenya, where prior to the mid-1990s, married women's taxes were considered in conjunction with their husbands'

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<sup>4</sup> In Ghana, relative to men women tend to perceive tax rates and administration as a greater burden, to be less confident in dealing with officials and to have lower levels of economic literacy, negatively impacting on their ability to understand, engage with and benefit from revenue systems (Caroll 2011).

<sup>5</sup> For example, in East Africa, female cross-border traders were still not aware of the East African Community Customs Union one year after it had become operational. They continued to use illegal (*panya*) routes to move goods across borders, not realising that there were no taxes on some of their goods (Higgins 2012). Meanwhile, research conducted and shared by Vanessa van den Boogaard and her colleagues from Sierra Leone suggests that women have more negative views of the local tax system, reflecting the reality that women have higher perceptions that the tax system lacks transparency and accountability and are more likely to receive harsher punishment (including forms of harassment) in the case of non-payment.

incomes, despite the fact that labour earnings were tax-deductible at source. Joint filing thus meant that a married women's income could be moved to a higher marginal tax bracket. This policy has since been changed, with individuals now able to file separate returns, with the option of joint filing. In 2014 in Kenya, the filing system was upgraded to a mandatory online system, with support systems set up across the country to assist those without basic computer literacy or access to the internet. While studies have yet to be conducted on this case, Naomi notes that it is possible that the filing system may have gendered implications because of differences between men and women with regard to, for example, computer literacy, levels of education, and levels of poverty.

### **(e) Managing disputes**

Finally, Ernest Okyere notes that, as a result of social norms, lower education levels, and sociocultural standing, women may have unequal capacity to manage disputes with tax collectors. Indeed, Ernest described how in Ghana, while men may challenge collectors in certain cases, women would often close their shops and "run" in order to avoid confrontations with tax authorities. Annonciata Ndikumasabo also highlighted social determinants of tax treatment, noting that in many African contexts men may be better able to negotiate with tax collectors, as they are more readily able to gain familiarity with them in social contexts, while women may be more handicapped by social constructions and norms.

### **3. Role for Development Partners**

Throughout the e-dialogue, some important suggestions were offered with regard to the role of development actors in supporting policy-making and research in the area of gender equality and taxation.

First, in discussing how various actors have engaged on issues of tax and gender to date, discussion participants highlighted several key roles for different actors. For instance, participants noted that *donors* can play a key role in encouraging and supporting a gender perspective in finance reforms, supporting women's ministries and cross-ministry/sector collaboration, that *researchers and think tanks* can help overcome the dearth of data on gender and public finance, either by modifying existing surveys, creating new ones, or conducting research on the gender dimensions of different tax administration systems; and that *civil society organizations* can bring better outreach and dissemination of knowledge, as well as playing key roles in raising public awareness of tax systems and benefits.

Second, in discussing how development partners might engage on this topic from a research or policy perspective, discussion participants focused on five key proposals: (a) building a gender perspective into tax systems, (b) supporting national and local-level capacity building efforts, (c) supporting advocacy and education initiatives, (d) providing state-of-the-art research for policymakers and activists, and (e) supporting efforts to implement gender-sensitive budgeting. These topics are summarized below.

### ***(a) Integrating gender perspectives into tax systems***

Discussion participants agreed that building a gender perspective into tax systems seems like a necessary step to address many of the issues described throughout the e-dialogue. Contributors noted that in some cases gender has been institutionalized into policy agendas, though often little has been done to incorporate gender-sensitive initiatives into tax and public financial management reform.

For example, discussion participants described how in Bangladesh policy reforms have been undertaken only in a piecemeal fashion, limiting their overall impact. As noted by participants with regard to other cases, such as Bénin and Kenya, gender-sensitive approaches are often not incorporated at all into the formation and implementation of tax policy. In this area, OECD country experience has been similarly uneven in its application—this needs to be taken into account when assessing progress and lags at the country level, particularly in those with more disadvantageous starting points<sup>6</sup>.

From the design of the tax code, to the setting up tax administration processes, to their application in each locality, gender-relevant impacts need to be analyzed in an integrated fashion. Unsurprisingly, this requires coordination among national and local authorities, as taxing powers are often distributed across different levels of government. As domestic revenue mobilization gains greater attention with the recent FFD3 process, development partners should ensure that initiatives to increase taxation incorporate gender-sensitive and rights-based approaches. Integrating a gender perspective into tax systems - that is ensuring that they are able to address different gender specific needs and situations of gender inequality

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<sup>6</sup> Much of the recent academic and policy-oriented work in this area has focused on issues of taxation and gender equality within developed countries; accordingly there is still much research that needs to be done to better understand the issues and the possible policy directions (see e.g. Grown and Valodia 2010). While still an emerging field of knowledge and practice, development partners may nevertheless have a role to play in advocating for the inclusion of gender mainstreaming with respect to tax policy and administration and broadening the focus of tax and gender analyses to include developing as well as developed countries

and discrimination - will help make revenue collection systems more equitable and useful for all.

### ***(b) Capacity building***

Capacity building for revenue administrations is an increasingly central area of engagement on the part of international development partners. Contributors discussed how capacity building for revenue officials should focus, for instance, on good customer service, the functioning of revenue systems, public engagement, and gender and other equality issues. There are a number of capacity building initiatives for tax administrations that have now been agreed upon or that are underway, such as the OECD's "Tax inspectors without borders", the Addis Initiative launched at the FFD3 conference, initiatives through the African Tax Administration Forum, and other efforts such as the Tax Administration Diagnostic Assessment Tool. Despite such progress, much still remains to be learned about how the capacity of tax administrations can be strengthened to address gender inequality, mitigate discrimination and harassment, and support the transformation of traditional gender roles in society. Further discussion is required as to how and to what extent these goals can be achieved in countries with different levels of capacity, information bases, and different social norms.

### ***(c) Advocacy and education***

Discussion contributors noted that development partners may play an important role in shifting social norms and practices through education and civic awareness campaigns. Providing space for dialogue on taxation and engaging women and men and their respective organizations can provide the foundations of informed and meaningful participation on issues of gender discrimination associated with tax practices. More equitable engagement may enable balanced analysis and discussion, while also strengthening the knowledge of taxpayer associations as meaningful agents in the process of negotiation and dialogue.

Participants discussed how public education on revenue systems, taxpayer rights, tax rates and changes in revenues rules can bring a sense of gender awareness and constructive engagement between administrators and taxpayers, even if they do not radically transform underlying gender dynamics. Likewise, initiatives to increase transparency and accountability of revenue collection systems can contribute to public awareness and create a positive environment to address gender inequality.

At the same time, information gaps between those who produce knowledge and those that make policy can be important challenge. Evelin Stettler described how in

Switzerland, a relatively simple and accessible solution has been applied in the form of a brochure to bridge information asymmetries. This brochure communicates to decision makers about data and evidence that exist in relation to gender-sensitive information and the tax and social transfer systems. Development partners may thus not only engage in research, but in methods of communicating research findings to policy makers.

#### **(d) Research**

In the area of tax and gender, there are certain research and knowledge gaps that can begin to be addressed by development partners. The topics that merit particular attention are:

- data availability at the household level;
- basic data on the impacts of tax systems on population sub-groups; and
- the effects of both formal and informal taxation.<sup>7</sup>

#### **(e) Gender sensitive budgeting**

Finally, contributors discussed how issues of gender equality and are tied to discussion of revenue and expenditure priorities. In this regard, gender responsive budgeting is a useful approach that can support gendered analyses of tax systems. For instance, in Bangladesh, gender-responsive budgeting is being undertaken, though it does not as of yet include gender-based revenue analysis.

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<sup>7</sup> *A key question is:* if the act of paying some tax confers legitimacy and access to services for businesses, do home-based or informal micro-enterprises run by women lose out on these services?



### ***Annex: Resources shared by participants***

- Action Aid. 2015. *Close the gap! The cost of inequality in women's work*. London, UK: Action Aid.  
[http://www.actionaid.org.uk/sites/default/files/publications/womens\\_rights\\_on-line\\_version\\_2.1.pdf](http://www.actionaid.org.uk/sites/default/files/publications/womens_rights_on-line_version_2.1.pdf)
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