



Make Taxes Work for Women!

Global Days of Action on Tax Justice for Women's Rights 8-22 March 2019

As the world celebrates International Women's Day (IWD) on March 8, 2019, the Tax and Fiscal Justice Asia (TAFJA), a member of the Global Alliance for Tax Justice (GATJ), and the Asian Peoples' Movement on Debt and Development (APMDD), express solidarity with women around the world as they continue to struggle for genuine empowerment and the fulfillment of their rights. We call on governments, civil society organizations (CSOs) and members of the international community, to urgently heed and address women's demands for economic and social justice, including tax and fiscal justice. We call on the United Nations Commission on the Status of Women (UN CSW), which meets for its 63rd session from March 11 to 22, 2019, to continue to work for stronger political will in realizing gender equality and women's empowerment, and to continuously review the implementation of previously agreed conclusions, such as those of UN CSW 61 in 2017 that recognized the need for progressive tax systems and improved tax policies that better serve the interest of women's rights. We join the Global Alliance for Tax Justice in calling for Global Days of Action from March 8 to 22, 2019 to "Make Taxes Work for Women" and renew our commitment to build a movement that upholds gender-just, progressive and transformative tax policies.

ECONOMIC MARGINALIZATION AMID CRISES AND THE NEOLIBERAL PUSH FOR GROWTH

Despite the world's progress in securing stronger global commitments on gender equality and women's empowerment, women continue to experience multiple, intersecting forms of oppression and discrimination based on sex and gender, class and economic position, caste, location and social status, ethnicity and religion.

Women take on a disproportionate share of poverty and the adverse effects of economic crises, climate change, wars and other conflicts. Across the world, women in developing countries have also struggled against the negative impacts of privatization and other neoliberal macro economic policies and structural adjustment programs imposed or peddled by international financial institutions as necessary requirements for rapid economic growth. Amid all these, women and girls also carry a heavier share of unpaid care work and exposure to gender-based violence. Indeed women and girls especially those living in poverty face a complex web of challenges:

- On the one hand, there is increased demand for women to provide cheap labor, especially in the care industry, to meet the demands of the global economy; on the other hand, there is also increased informalization of women's labor as opportunities for decent work become scarce;
- While economic crises, climate change, wars and conflicts and other threats to security have increased women's exposure to violence, including gender-based violence and state-sponsored violence, women are also experiencing diminished access to the essential and critical services they need to survive and live in dignity;
- As women struggle against poverty and increasing economic marginalization, women are also facing increasing demands to shell out a bigger share of their income to pay for indirect taxes such as consumption taxes like value-added taxes (VAT) and goods and services taxes (GST).
- While women have to contend with discriminatory and regressive tax policies – in which the rich are taxed less and the poor are taxed more – multinational corporations (MNCs) get away with tax abuses.
- And while MNCs amass staggering profits by plundering natural resources and exploiting human labor, including women's labor, public finances – precious resources that should be used for social services needed for women to enjoy their human rights and for countries to meet sustainable development goals -- suffer staggering losses from foregone tax revenues and as illicit financial flows, including those that result from MNCs' tax abuses, bleed economies dry.

WHY TAX JUSTICE WORKS FOR WOMEN'S RIGHTS

Like numerous other policies and structures, many tax policies and systems manifest and exacerbate the patriarchal and other discriminatory structures that disadvantage, marginalize and disempower women. For many women – especially those living in poverty – regressive and discriminatory tax policies represent an added burden. Instead of working in the interest of women's rights, such tax policies contribute to inequalities and further marginalization of women.

On the other hand, progressive tax systems and policies, once freed from gender and class biases, could contribute to addressing gender and other inequalities. Tax revenues, if and when collected in a progressive and gender-just manner, could be a sustainable and predictable source of income to publicly finance the global commitments to end poverty, reduce inequality (including gender inequality) and tackle climate change. Tax revenues represent resources that could and should be mobilised to finance public services that help women to realise their human rights and enjoy the benefits of development.

However, rampant tax abuses by multinational corporations and the complicity of the states where they operate have undermined the potential of taxes to serve as a tool to address different forms of economic injustices. To make matters worse, huge multinational corporations and wealthy elites have the power to write and control the tax rules while the poor, especially women, rarely have a voice and representation in deciding on the tax and fiscal policies that affect them directly and adversely. As a result, most tax policies and systems reflect inherent biases against women, while the regressive nature of the systems exacerbates women's poverty and increases their economic burden.

OUR DEMANDS: MAKE TAXES WORK FOR WOMEN!

We join tax justice and women's rights activists from across the world in raising the following demands:

1. Stop tax abuses by multinational corporations and illicit financial flows.

Multinational corporations are systematically avoiding and evading taxes by abusing weaknesses within national tax systems and the international tax architecture. These abuses comprise a large part of illicit financial flows (IFFs), resulting in hundreds of billions of dollars in lost public revenues every year.

These potential public revenues could and should have been used for economic and social services and infrastructures that are urgently needed to address inequalities, including gender inequality. As well as depriving governments of the revenues to tackle inequality, multinational corporations also sometimes misrepresent their profits as an excuse to deny workers' demands for wage increases.

However, instead of improving legislation and regulations, governments are conceding more and more tax giveaways, as well as scaling back regulations with the alleged intention of attracting investment. At the same time, they are introducing austerity measures and increasing the tax burdens on the poor, particularly on women, which is in turn aggravating the precarious social situation of women around the world.

Tax dodging and IFFs involving cross-border activities cannot be combatted effectively by national governments alone. International tax rules and processes are primarily set by northern nations and are heavily influenced by multinational corporations and wealthy elites, resulting in flawed, biased and ineffective rules. **Governments must establish a transparent and democratic intergovernmental tax commission, with sufficient resources under the United Nations, to ensure that all countries can participate on a truly equal footing in the decision-making on global tax rules.** Through this commission, governments must develop a UN convention that delivers effective global solutions to international tax dodging, and enforces the international commitments to achieve gender equality, including through progressive and gender-just tax policies.

2. Reduce unfair tax burdens on women.

Regressive tax policies have become convenient option used by many governments to raise domestic revenues, instead of emphasising and prioritising progressive tax measures. Such policies have hugely negative impacts on poor people, especially on women, as well as on the economies of developing countries. While multinational corporations benefit from special treatment, many governments are increasing indirect taxes which place a disproportionate burden on poor people and low-income families. One example of a regressive indirect tax is value added tax (VAT), which applies the same rate to everyone, regardless of their income, wealth or employment status. The regressive nature of VAT is further compounded by the fact that the poorest people tend to spend a greater share of their income on basic consumption. Since women are more likely to live in poverty than men, VAT has a disproportionately significant impact on women. Women also continue to face a gender pay gap, which further exacerbates the discriminatory impacts of VAT.

3. Remove gender bias and discrimination in tax policies.

While some progress has been made to reduce discrimination against women in laws and policies, many tax systems still manifest bias against women both implicitly and explicitly. One example of this is how income tax policies in many countries are structured in such a way that tax deductions for dependents are more accessible to men, as they are implicitly recognised as the primary breadwinners. In a number of countries, tax policies are founded on highly discriminatory marriage laws, family codes and property laws. Gender bias and discrimination

in tax policies is a violation of governments' commitments to the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

4. Ensure tax and fiscal policies recognise and serve to represent, reduce and redistribute unpaid care work

Unpaid care work is valued at US\$10 trillion a year worldwide and continues to be mostly carried out by women. This is invisible work as far as tax and fiscal policies are concerned, reflecting the way care work is generally unrecognised by society. Tax and fiscal policies should both recognise and serve to represent, reduce and redistribute unpaid care work. In reality, however, tax policies often carry an implicit bias that both relies on and perpetuates unpaid care work, negatively impacting on women and their families. Governments can address this bias through a combination of policies that include tax credits extended to unpaid care workers, allocation of tax revenues for social services, including for socialising care work (e.g. subsidised child care). Unpaid care work is a major concern that has been raised in the UN Sustainable Development Goals (SDGs) and in the UN CSW.

5. Increase allocation of tax revenues for gender responsive social services.

Amid poverty and heightened levels of exposure to violence and insecurity, the majority of women have poor access to food, water and the essential services they need, such as reproductive health services. These basic goods and services are vital for women's survival, as well as empowering them to lead productive and meaningful lives. Loss of potential tax revenues due to corruption, tax avoidance and evasion, and IFFs – as well as austerity measures, prioritisation of debt servicing, privatisation and corporatisation of public services – have all significantly decreased women's access to quality public services. These policy choices impact on women, both directly and indirectly. When governments fail to provide adequate care services, this often results in women stepping in to care for children, older people and their family's health. Governments must fully assume their obligations and increase public spending for quality public services in general, and ensure public funding of services for women, including reproductive health programmes.

A CALL FOR COLLECTIVE ACTION

Only through our collective action can we make our voices heard and push for changes needed in laws, policies, social norms and practices. Let us continue to build our collective power and strengthen our movements to campaign against gender discrimination and tax injustice. Let us show the world there is a constituency of ordinary people who oppose and reject the unfair status quo that promotes tax and gender injustice.

Join us in organising the following activities and actions in the lead up to and during the month of March 2019 through the following activities:

- **Conduct Awareness Raising and Popular Education**
- **Use Social Media and Other Communications Platforms to Amplify Our Voice**
- **Engage Policy Processes and Platforms at Local, National, Regional and Global Levels**
- **Conduct Public Events and Mobilisations**