

Small Business & Informality
Break-out sessions – Designing a Small Business Tax Regime

27 February 2007, 2pm

Outside Plenary Room

GROUP 1

- 1 Raymond Kamara
- 2 Richard Andriamalala
- 3 Tazafy Armand
- 4 Jeanne Ravonintsoa
- 5 Sunday Samuel Obunbesan
- 6 Luke Kirsten
- 7 Kabelo Makwetla
- 8 Babacar Faye
- 9 Berlin Msiska
- 10 Priscilla Banda
- 11 Muyangwa Muyangwa
- 12 Hugh Scott

GOALS:

Help as many SME's to formalize and come into the tax net

- Revenue collection
- Business growth
- Political accountability

MAIN ELEMENTS:

- Simplification i.r.o. policy design and administration
 - for both Revenue Authorities & SBE
 - Single registration
- Benefit to business & Revenue Authorities must be greater than the cost
- Outreach & education, partnerships with trade associations
- Tax holiday at commencement of registration with post registration education
- Dedicated SB units
- New re-defined performance indicators for Revenue Authorities

Giraffe Room (Plenary)

GROUP 2

- 1 Alfred Demby
- 2 Abilio Gune
- 3 Max Everest-Phillips
- 4 Charles Krakoff
- 5 Margaret Olouw
- 6 Charles Jenkins
- 7 Motselisi Tokollo Matsela
- 8 Sarah Kitakule
- 9 Jacqueline Kobusingye
- 10 Christine Shedikele
- 11 Rocky Sombe
- 12 Samuel Bwalya
- 13 Lombe Ng'andwe
- 14 Jonas Shakafuswa

GOALS:

- Economic growth / poverty reduction
- Broaden the tax base :- reduce rates & /OR increase revenue
- Create the social/fiscal contract:
 - Create the level playing field
 - Show the link between tax and the delivery of public goods and services

ELEMENTS:

- Simple procedures :
 - Consolidate payments to the extent possible
- No special deals:
 - Transparency / equity in everything
- Guidance notes in as many languages as necessary
- Presumptive tax at entry level:
 - Graduation criteria to next level – use of pro-forma filing
- Enable SME's to derive benefits that go beyond tax issues (record keeping / control / access to finance)
- Tax advisory services:
 - Walk in centers
 - Go out to communities

Kafue Room - Business Centre

GROUP 3

- 1 John Karimu
- 2 Alain Jousten
- 3 Odd-Helge Fjeldstad
- 4 Alhaji Kabir Muhammad Mashi
- 5 Ifueko Omoigui
- 6 Riel Franzsen
- 7 Wayne Troughton
- 8 Joseline Sikwabu Ogai
- 9 Michael Waweru
- 10 Yusuf Dodia
- 11 Wisdom Mhekairo

GOALS:

- Revenue generation for Govt.
- Broad tax base
- Equity in social contract between state and taxpayer

ELEMENTS:

Re: Simplicity and low cost

- Lump sum tax at low end
- Turnover tax at high end
- Incentive based one page registration
- No hassles to register tax payers
- Simple records for turnover tax
- Payment regime dependant on registration category – choice
- Payments through RA drop in boxes and banks – envelope submission

Zebra Room - Inside

GROUP 4

- 1 Maureen Kidd
- 2 P. Celestin Bumbakare
- 3 Charles Gakwayalwanga
- 4 Kenneth McKenzie
- 5 Adrian Stone
- 6 David Child
- 7 Valentina Baltazar Kiyabo
- 8 Crosby Phiri
- 9 Martin Grote
- 10 Jyoti Mistry
- 11 Maimbo Nyanga

GOALS:

- ‘Social Contract’ (holding Government to account)
- ‘Level playing field’ (equity to formal sector) enhances tax morality
- Increasing revenue

ELEMENTS:

- Segmentation / 3 tiers :
 1. Micro – lump sum
 2. Small – lower rates, tax free personal allowance
 3. VAT threshold
- Lump sum
- X percentage of T/O if keep records up to VAT threshold
- Soft landing as transition into normal tax regime (allowances, lower rates ...)
- Small tax payer units to assist compliance and reduce burden of filing etc.
- Consultation with private sector on design, regular round tables

Zebra Room - Outside

GROUP 5

- 1 Andrei Mikhnev
- 2 Jacqueline Coolidge
- 3 Gloria Iwuji
- 4 Justus Mwafongwe
- 5 Victorinus Vatuva
- 6 Gersham Pasi
- 7 Kobi Daniel
- 8 Allieu Sesay
- 9 Dev Babbar
- 10 Nana Mudenda

GOALS:

- Enhance voluntary tax compliance and reduce informality
- Enhance enterprise growth
- Create a level playing for all small business operators

ELEMENTS:

- Simplification
- Reduction compliance and administrative costs
- Public education with start up and continuing programs
- Establish small tax payers unit within RA
- Conduct random and risk based assessments
- Adopt a lower tax rate (up to 3 yrs) and presumptive tax