Community Campaigner Action Briefing

An end to tax dodging?
In 2013, following huge public outcry over tax dodging and lots of brilliant campaigning by people like you, the G8 group of world leaders committed to reform the international tax system. As a result the OECD (a club of rich countries) set in motion a process to look at how to tackle tax dodging.

This process – known as BEPS (which stands for Base Erosion & Profit-Shifting, and is basically a fancy way of saying tax avoidance) – is coming to an end on 5th Oct when their proposal on how to end tax dodging will be released.

Don’t believe the hype
The fact that world leaders now recognise that tax dodging is a problem is a huge victory for campaigners. However, the BEPS proposals do not go far enough and will not solve tax dodging. This said the OECD club of rich countries will be doing their best to promote their proposal as the solution to tax dodging. We need to work to make sure people don’t believe the hype so that real solutions can be found.

Why the BEPS proposal is not the answer
There are many ways in which the BEPS proposals fall short, but these three problems run throughout:

- **Poorer countries were not properly consulted** – decisions which will affect them were made without them. This means the proposals only reflect the concerns of rich countries and do not work for poor countries.

- **The proposals will not solve the tax dodging that affects poor countries** – currently developing countries are losing $200 billion annually to tax dodging. This money is desperately needed to finance their development.

- **It doesn’t even attempt to solve ‘tax competition’** – the global race to the bottom in which countries compete to have the lowest corporate tax rate, leading to ever lower global tax revenue for public services. The proposals are just a sticking plaster over a broken system.

What you can do
Despite these fundamental flaws, the OECD rich country club will be touting their proposal as the way to end tax dodging, which it simply won’t do. **So we need you to challenge this narrative wherever you see it in the media.** There are press conferences scheduled for Oct 5th, Oct 8th and early November and we predict that this will result in lots of articles commending the BEPS process.
If we don’t challenge this narrative BEPS will be seen as the solution to tax dodging even though it isn’t. It is essential that there is space for true global solutions to be found.

There are two key ways you can act:

1) **Post comments online on media articles that are touting BEPS as the solution to tax dodging.**

Most online news articles now have a function in which you can post a comment. You can use the information above to post comments on the articles you see. This way, even if journalists don’t include the criticisms of BEPS in their story, people will still be able to get the full story.

2) **Write letters to the editors of newspapers that publish articles touting BEPS as the solution to tax dodging.**

Most newspapers have a letters page and they can be a simple and effective way of getting campaign messages across. If you see an article touting the virtues of BEPS why not use the information above to send a letter to the editor to highlight its flaws. Here is an example:

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Dear Editor,

I was interested to read the article entitled [insert title] on [insert date]. However, I was surprised that the OECD’s BEPS proposal was described as the solution to tax dodging when it contains many fundamental flaws.

In particular the recommendations were designed by rich countries, do not address the needs of poor countries and don’t deal with fundamental problems in the tax system.

IMF figures show that developing countries lose more than $200 billion annually due to tax avoidance. We need a truly global process, giving developing countries a seat at the negotiating table, to reform the global system and make tax truly fair. The BEPs proposal cannot and will not be that solution.

[Insert Name]

ActionAid Community Campaigner
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Most newspapers will have an email address specifically for letters to editors, which you will be able to find by searching on their website. If you can’t find the address to send your letter to just let us know and we can help you.

**Get in touch!**

Tax can be a complicated and confusing issue to campaign on - particularly when unfamiliar acronyms like BEPS and OECD are involved! Please get in touch if you have any questions at all or if you would like more information. And please do let us know if you have commented on articles or sent letters to editors – we would love to hear how you have got on.

**Feel free to email ema.jackson@actionaid.org at any time.**