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Media Release

**EquityBD salutes the TJN Report launching ‘Ten Reasons to Defend the Corporation Tax’**

**A Nation Hardly Develops by Taxing Poor but Leaving Corporate Tax Free**

Tax Justice Network, a UK based worldwide alliance is going to publish today (18 March 2015) a Landmark Report titled “**Ten Reasons to Defend the Corporate Tax**”. This report is going to be published at the right moment when the governments of the LDC and Developing Countries are grossly pushed to waive the corporate taxes but to impose regressive taxes on the poor people of the country.

EquityBD, since its birth, have been opposing this kind of policies that increase inequality. Big Multinational Corporations (MNCs) across the world make profits beyond an imagination of common people in developing countries. These corporations hold the authority to control the governments and the rules across the world. Only to ensure more and more profit they are riding over the small governments and setting an environment to force them to let big corporations go untaxed. And other IFI agencies like World Bank and IMF, in favour of the MNCs, are prescribing the low income nations to increase the rate of VAT, to squeeze more the poor until they survive in order to keep the national revenue alive.

One of the ten points concerns revenue. Corporate income taxes have added up to almost US$ 7.5 trillion since the global financial crisis erupted in 2008 in the OECD countries alone. This is almost half of all OECD public health spending and around double of public tertiary education.

The rest nine reasons include: the corporate income tax curbs inequality and protects democracy; it enhances national welfare; a tax cut in one place may suck capital from others; it is particularly more important for developing and poor countries than the rich ones; it curbs rent-seeking, that tends to be more profitable than genuine productive activities; it doesn’t stop at zero but turns negative and finally the corporate taxes spur transparency and more accountable government.

Mr. John Christensen, the director of Tax Justice Network said in this regard, “The corporate income tax is one of the best and most direct ways of taxing capital. On current trends the tax will soon disappear, ushering in an era of unaccountable, untaxed plutocracy and towering inequality in all countries.”

A former US Supreme Court Justice, Mr. Louis Brandeis said, “We can either have democracy in this country or we can have great wealth concentrated in the hands of few. But we can’t have both.”

Mr. Rezaul Karim Chowdhury, the Chief Moderator of EquityBD said, “When we, the CSO across the world, are urging for a Redistributive Justice for a post 2015 world based on the unsatisfactory achievement of MDG, we can’t afford the MNCs go untaxed as it only creates inequality.”

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