

# Tax Justice Reflection-Action

# Toolkit

24 participatory tools to learn and act on tax injustice





Cartoon on the revenue lost to mining companies. ©MDOGO. ACTIONAID

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Nigerian activists lobby African Finance ministers meeting. CREDIT: ACTIONAID NIGERIA

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# Introduction to the toolkit

**These tools** are tailored for community groups and their local facilitators. Most of the tools cover issues that relate to the role of governments in tax justice, while a few tools relate to the role of companies. Section 1 looks at local tax issues while Section 2 looks at the impact of international and national tax on local public services. Section 3 expands on national and international tax issues. Section 4 helps assess the impact of tax justice actions.

**The tools explore the following key ideas:**

- taxes pay for public services
- most of us are taxpayers
- the richer should pay relatively more tax, the poorer less
- foreign companies often do not pay their fair share of tax.

You can try all the tools with your group. Each tool can be completed in about 1.5 hours on average. You may want to do these tools in the order presented here, as they go from easier to more complicated. Section 3 covers the most difficult tools, which require some preparation and abstraction (new ideas not coming from lived experience).



*“We never ever thought before about taxes, but thanks to this project about tax and indirect tax, we understand well and know we will get our rights”*

**ACTIONAID PAKISTAN  
PARTICIPANT**

**Some tools are tailored for special groups, such as:**

Groups	Tools
Students and teachers	The ideal school
Farmers	The market mountain
Vendors	The market mountain
Women	The teacher, the vendor and the farmer; The shopping list; The tax body map
Young people	The 'tax pays for' photo; The ideal school
Local Rights Programme (LRP) staff	Local tax indicators

For these and more reflection-action tools and stories of change, please visit: [www.reflectionaction.org](http://www.reflectionaction.org)

# Awareness raising on tax and gender-responsive public services in Pakistan

The story of how ActionAid Pakistan, together with local partner Asthan Latif Welfare Society, raised awareness on the subject of tax is also a story of how change begins at local level. This project led to the mobilisation of local people claiming something in return for their tax payments – namely, education.

## What happened

ActionAid Pakistan held community meetings in ten villages in the Thatta district to raise awareness of the right to education and tax justice. The meetings focused on the link between those two issues, highlighting that education is a right and is funded through the collection of taxes. Through these meetings, ActionAid Pakistan reached over 300 community members. Furthermore, ten school appraisal meetings were held in order to assess the quality of education facilities in Thatta. Issues raised included overcrowded classrooms, a lack of safe drinking water and damaged school buildings. The school appraisal meetings were attended by 185 school management committee members and community members. These meetings were followed by support for the development of school improvement plans in 20 schools. By training no less than 200 school management committee members on how to develop effective improvement plans, the sustainability of the project was ensured, as well as community ownership and empowerment.

## The change made

The project activities raised awareness on tax and the link to public services among community members. Those who received training went back to their communities, spread their knowledge and mobilised men and women around the issue of tax.

One participant at the training was able to make community members understand how much they paid in tax and how little they got in return. When several participants told him that they do not pay any tax due to low income, he showed them a cigarette pack and pointed out the sales tax written on it. He explained that there is a 25% sales tax on every tobacco product and a slightly lower rate on most other products. On this basis they started calculating the amount of tax paid and found that the community, consisting of 680 families, pays around US\$300,000 in indirect taxes each year.

This motivated the community to go to a local politician and claim their right to education in a safe environment. The local school had needed repairing for some time and students had been injured due to the unsafe construction. In the end, the local government approved US\$16,244 for repairing the school so that children could be educated in a safe building.

Because local people are aware of the tax they pay and the link to public services, they are now better equipped to claim their rights.

## Facts about the project:

*The work on 'Tax, Privatisation and the Right to Education: influencing education financing policy' was initiated in 2016 by ActionAid Pakistan and Asthan Latif Welfare Society with funding from private donors, as part of the multi-country project 'Tax, Privatisation and the Right to Education: influencing education financing policy' (in Ghana, Kenya, Pakistan and Uganda).*

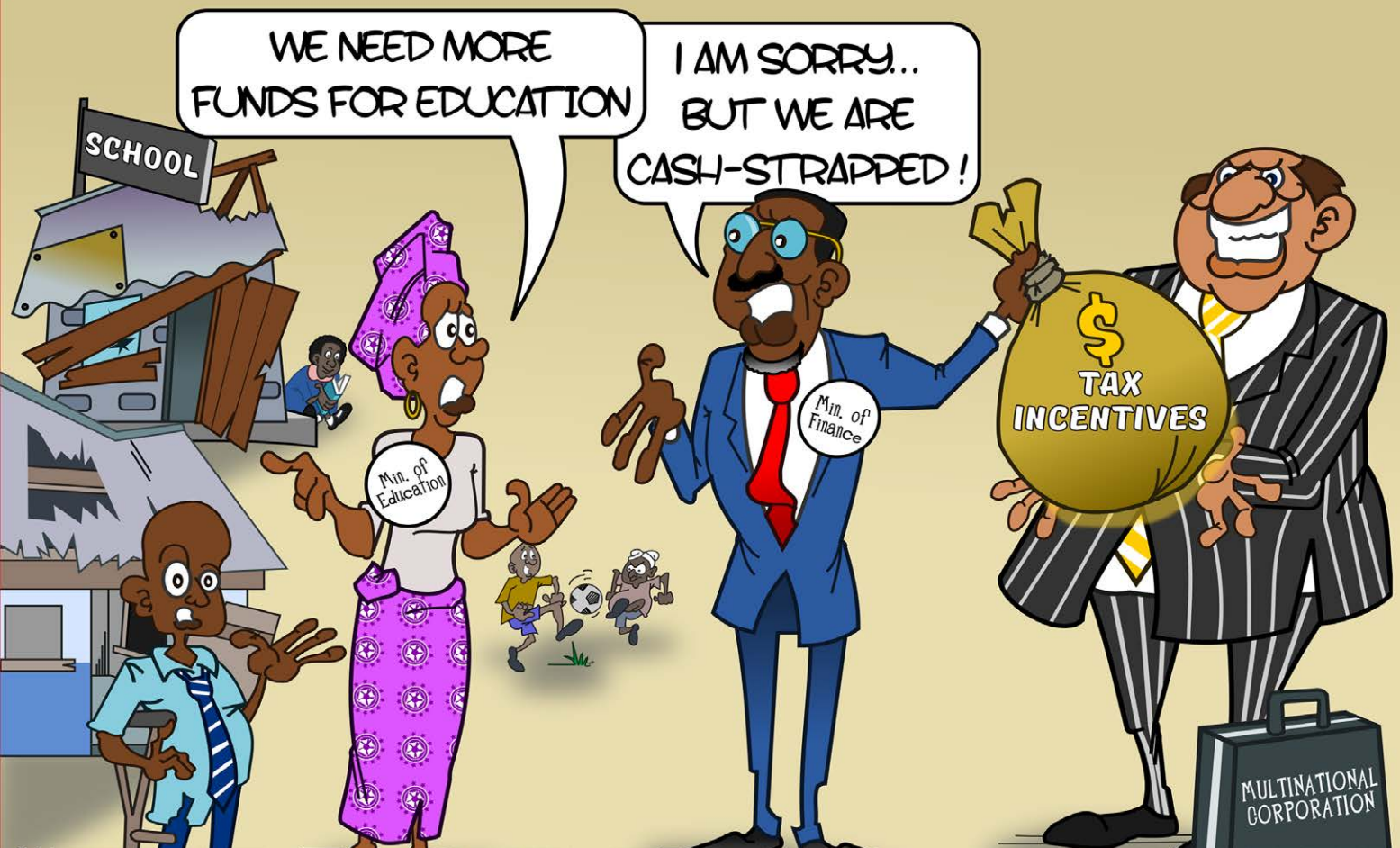
Link to video: <https://www.youtube.com/watch?v=XyHKndQQAc0>

# Glossary

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<b>Consumption tax (e.g. VAT, GST)</b>	Tax levied based on spending on goods and services. Consumption taxes are indirect taxes. Common examples of consumption taxes include Value Added Tax (VAT), Goods and Services Tax (GST), Sales Tax and Excise Taxes.
<b>Direct tax</b>	Taxes levied directly on an individual's wealth, profits and/or income. These include Personal Income Tax, Corporate Income Tax and Property Taxes, among others.
<b>Indirect tax</b>	Taxes that are collected through intermediaries and later transferred to the tax authority. An example of indirect taxes is consumption tax, where the tax is added to the price of the product or service and collected by the vendor/provider.
<b>Multiple taxation</b>	A situation in which multiple taxes are levied on the same income of a person or business. This can happen when the same income is subject to taxation by both local and central government.
<b>Progressive taxation</b>	A tax in which the tax rate rises as the taxable amount increases, and is based on the ability-to-pay principle. A good example is the graduated Pay As You Earn (PAYE) rate of tax.
<b>Regressive taxation</b>	A tax imposed in such a manner that the tax rate goes down as the amount subject to taxation goes up, which is a complete opposite of progressive taxation. Some flat-rated taxes, such as the VAT, might be regressive in practice when they are applied uniformly and effectively charge a larger percentage of income from low-income earners than from high-income earners.
<b>Tax</b>	A compulsory contribution to state revenue levied on different economic agents (such as businesses and individuals) by the government, for example on their income or added to the cost of some goods, services and transactions. While fees and/or levies usually refer to a situation where they are paid in direct exchange for a service, taxes are typically paid to the general state or local budget.
<b>Tax incentive</b>	An aspect of a country's tax code designed to encourage a particular economic activity by reducing tax for an economic agent in the country. Tax incentives come in various forms, including but not limited to reductions in rates for specific tax types, or tax holidays whereby a business can operate for a defined period of time without paying the specified tax. Tax incentives can have both positive and negative impacts on an economy.

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Cartoon on the revenue lost to tax incentives that could have been used for education. © MODOGO, ACTIONAID

# Section 1:

## Local problems on tax

### Key ideas:

- Tax is a compulsory contribution of money paid by individuals or businesses to government when, for example, they earn money or buy products and is used to pay for local or national common services such as schools, health clinics, roads and government salaries. Almost everyone pays tax.
- Tax is fair when it helps reduce poverty and fulfil human rights, that is, when tax takes little from the poor, more from the rich and when taxes are used to pay for public services. This means that consumption taxes are low, that there are tax exemptions for basic products that help poor people, that tax is not charged many times on the same thing, and that no huge tax increases are imposed on poor people year on year.
- We all must contribute by paying taxes, but we must ensure it is fair taxation.
- Taxes paid locally by people living in poverty

may be a small amount of the national budget when compared to taxes people with higher incomes pay monthly on their salary or the taxes paid by big companies. However, high local or consumption taxes or a sharp increase in them can really hurt poor people on a daily basis, because those taxes might be a large portion of the money they have.

### Tools in this section:

Tool 1: Tax role play	30m
Tool 2: Tax questions and answers	30m
Tool 3: Tax stones	1hr
Tool 4: Teacher-Vendor-Farmer	30m
Tool 5: Tax stories	30m
Tool 6: The shopping list	30m
Tool 7: The VAT excursion	30m
Tool 8: The market mountain	30m
Tool 9: Tax river	30m



## Session 1: INDIRECT TAXES

This session consists of Tools 1 and 2. The use of either of them would achieve the session objectives and learning outcomes set out below.

### **Session objectives**

1. Participants understand the concept of tax and indirect tax
2. Participants understand how tax affects them
3. Participants identify and understand why they pay and must pay tax

### **Learning outcomes**

- VAT, GST or other consumption taxes are indirect taxes
- Taxes can affect the price of goods
- A high tax on basic goods and services can further impoverish people living in poverty

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## Tool 1: Tax role play

### **Description:**

The idea of tax is explored through a role play that can be designed to be relevant to the local context which the circle facilitator can choose. The focus of the role play should be: the prices of basic goods (e.g. food items) have gone up as a result of the government's removal of a consumer tax exemption or introduction of a tax on basic goods.

### **Steps:**

- A 3-minute role play is performed. See Appendix 1: A storyline for the role play for the case of introduction of tax on basic goods.
- In the plenary, the facilitator asks participants to:
  - share key issues picked from the role play
  - say whether something similar happens in their area
  - explain why everyone must pay tax.
- The facilitator recaps the definition of tax, indirect tax and the effects of tax on basic consumer goods and how such taxes might further impoverish people living in poverty.

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## Tool 2: Tax questions and answers

### **Description:**

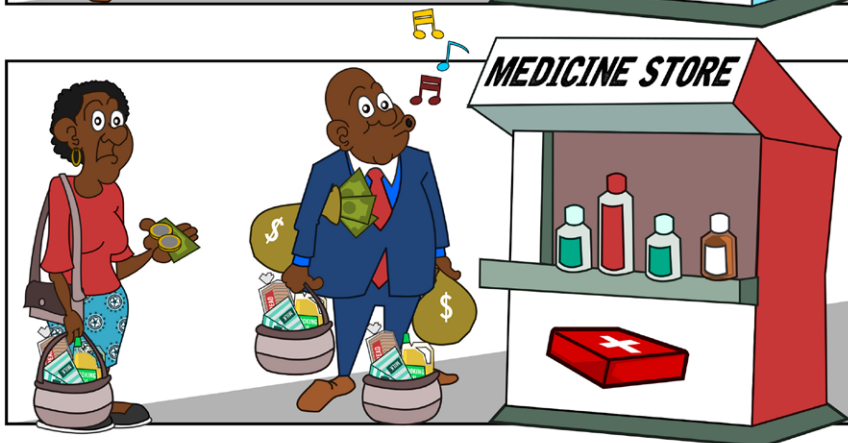
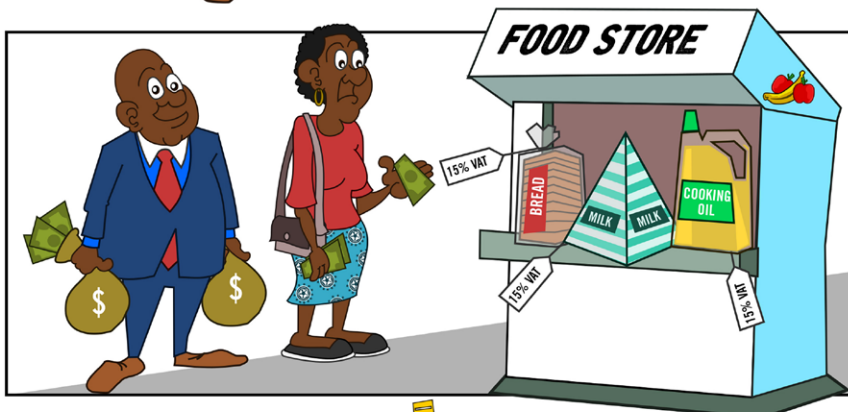
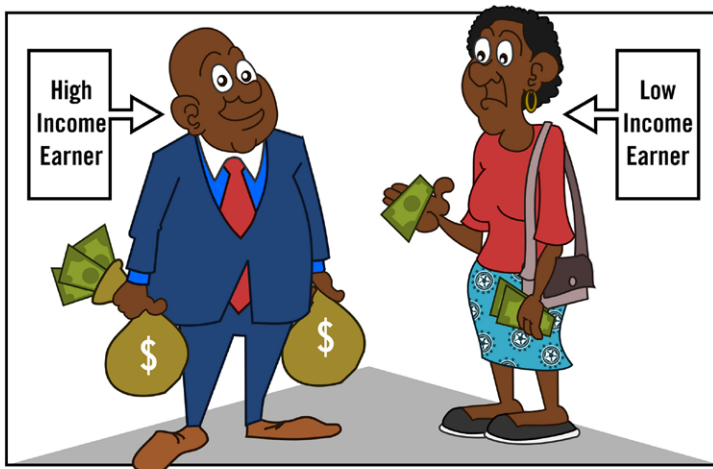
The facilitator sets up a plenary session where participants have an interactive learning encounter with a resource person (e.g. a government revenue officer or an expert in taxation). The interaction takes the form of questions and answers, with the government revenue officer or tax expert answering questions about tax from the participants. The session requires advance identification of the resource person and agreement on the date, time and venue of the interaction.

### **Steps:**

- In the plenary session, the facilitator asks participants to present questions on taxation they will want answers for.



- The facilitator ensures that at least the following questions are asked:
  - What is tax?
  - What is indirect tax?
  - Why must everyone pay tax?
  - How does indirect tax affect prices of goods, especially basic goods?
- The facilitator writes the questions on small pieces of paper and places them in a small box in the middle of the room.
- The facilitator invites the tax expert to join the plenary and conducts introductions to allow for free and easy interactions between all participants.
- The facilitator then draws questions from the box for the tax expert to answer.
- The facilitator ends the session with further clarification on how a tax on basic goods further impoverishes people living in poverty.



Cartoon on standard rate taxes. ©MDOGO. ACTIONAID

## **Session 2: DIRECT TAXES**

This session consists of Tool 3. The use of the tool aims at achieving the session objectives and learning outcomes set out below:

### **Session objectives**

1. Participants understand the concept of a direct and progressive tax
2. Participants understand the concept of regressive taxes and their impact on people living in poverty
3. Participants identify what constitutes fair and unfair taxation.

### **Learning outcomes**

- The difference between direct tax (as in Tool 3) and indirect tax (as in Tools 1 and 2)
- Equal tax paid by all, no matter their income, is unfair
- Everyone pays tax either directly or indirectly, or both

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## **Tool 3: Tax stones**

### **Description:**

The idea of fair taxation is explored through a game with stones in which a tax collector gets stones (as tax money) from different categories of people in the local community. The game is meant to prompt and facilitate group sharing of personal experiences relative to regressive taxation and how regressive taxation is unfair to people living in poverty.

### **Steps:**

- Before the session the facilitator identifies four volunteers as follows: a farmer, a teacher, a local businessperson and a chief executive officer (CEO) of a big manufacturing company, and gives them 3, 5, 6 and 10 stones respectively as their income for the month. Each volunteer could be tagged with identifiable symbols.
- The facilitator also identifies another volunteer to serve as a tax collector.
- With the volunteers separately seated, each in a loud voice shares their monthly earnings according to the number of stones given.
- The facilitator asks participants to identify the poorest and the richest among the group.
- The tax collector approaches the volunteers to pay their taxes. Openly and visibly he or she takes two stones from each of the volunteers.
- The facilitator asks participants if the tax payment regime is satisfactory and fair, given that the earnings were not the same.
- The facilitator adds that the tax regime is unfair, as it takes the same number of stones from both the rich and the poor (like indirect taxes discussed in Tool 1).
- The facilitator explains to participants that they will now discuss a direct tax (e.g. personal income tax).
- The facilitator asks the group to decide on the ideal tax distribution they would like to have so that it is fair for the poorest person. How much should the richer person be taxed – more or the same?
- The facilitator asks the volunteer tax collector to collect the new amount suggested by the group.
- The facilitator asks the 'richer' volunteer how s/he feels in the changed scenario? And the 'poorer' one? How many stones does the rich person still have as compared to the poor one now?
- The facilitator asks the participants how they would describe the tax regime in the new scenario. If necessary, explain that in the new scenario the rich pay relatively more than the poor and therefore the tax system is progressive.
- To conclude, the facilitator asks participants to describe what a fair tax system means to them.

**[FOR THE FACILITATOR] Additional support for the tax stone game:**

Tax justice	Collecting tax money	Distributing tax money	Spending tax money
Fair for everyone in the society, including poor people	Collecting relatively more from the rich and less from the poor (progressive)	Giving tax money to public services like education and health	Being transparent and getting the money where it is due (e.g. school)
Makes things worse for poor people	Collecting less from the rich or collecting the same from all (regressive or flat)	Giving tax money to other budget areas that do not benefit all	Being corrupt and inefficient

**When is a tax system ‘fair’? A tax system in a country is fair when:**

- taxes raise money to pay for public services essential for human rights, like schools, hospitals and roads
- taxes redistribute and reduce the gap between rich and poor by ensuring that those who can afford to contribute more do so
- taxes encourage the government to rely more on its own money and less on foreign aid, becoming more independent from donors and more responsible to its own citizens.



Training as part of women's rights programme, Nepal. © ACTIONAID NEPAL

## **Session 3: TYPES OF TAXES**

This session consists of Tools 4 and 5. The use of either of them would achieve the session objectives and learning outcomes set out below.

### **Session objectives**

1. Participants understand different types of taxes paid by different categories of people in a country
2. Participants identify the contexts in which tax payment is made

### **Learning outcomes**

- Everyone pays tax either when earning money or buying products
- The differences in types and forms of taxes, such as VAT, personal income tax, property tax, etc

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## **Tool 4: Teacher – Vendor – Farmer**

### **Description:**

The facilitator uses a series of questions to three taxpayers (a teacher, a market vendor and a farmer) to introduce the idea of different tax payments.

### **Steps:**

- The facilitator asks for three volunteers (if possible, participants who know real examples to play the role of a teacher, a market vendor and a farmer).
- The facilitator now asks each of the volunteers 'Do you pay tax?'
- If yes, ask them which tax they pay and write that on the flip chart (PAYE, import/export fees, market fees, VAT, etc)
- The facilitator asks if there is anyone who does not pay tax. If any, ask him/her/them if they buy products in the local shop and introduce the idea of VAT/GST.
- In the plenary, the facilitator leads a discussion on the key issues, emphasising the following:
  - types of tax as written on the flip chart
  - the two main types of tax: ones you pay on money earned from your work and the ones you pay when you buy a product
  - the many other fees and payments that might be taxes collected by the government or the local authority, or fees collected by private actors (which are not formal taxes).

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## **Tool 5: Tax stories**

### **Description:**

Here the facilitator poses a series of questions on tax payment to different syndicate groups to bring out a context and experiential discussion on tax. The syndicate groups are formed, with membership based on the similarities or commonalities of individual members. This allows for the aggregation and sharing within a group of common experiences in the matter of tax payment.

### Steps:

- The facilitator writes the following questions on a flip chart:
  - Do you pay tax?
  - Under what circumstance(s) do you pay the tax?
  - Do you pay tax when buying products or services?
- The facilitator puts participants into small syndicate groups based on participants' characteristics, for example farmers, women petty traders, vendors, teachers, etc.
- The facilitator invites each group to have a discussion to develop their 'tax story' that answers the questions written on the flip chart.
- In the plenary, each group selects three representatives to tell their 'tax story' and the facilitator notes emerging issues on the flip chart, especially types of tax.
- The facilitator makes inputs by clarifying:
  - types of tax as shown on the flip chart
  - the two main types of tax: ones you pay on money earned from your work and the ones you pay when you buy a product
  - the many other fees and payments that might be taxes collected by the government or the local authority, or fees collected by private actors (which are not formal taxes).
- The facilitator concludes the session by asking if participants want to suggest any action points based on this tool? If so, write down the action point(s) on a flip chart.



Cartoon on free-rider rich corporation. ©KATOFM. ACTIONAID

## **Session 4: VAT/GST EXEMPTIONS**

This session consists of Tools 6 and 7. The use of either of them would achieve the session objectives and learning outcomes set out below.

### **Session objectives**

1. Participants understand the concept of VAT and VAT exemptions
2. Participants identify how VAT can affect the prices of goods and services

### **Learning outcomes**

- VAT is often an unfair tax, as it makes both rich and poor pay same, and sometimes further impoverishes people living in poverty
- There is a need for reduced rates or exemptions for basic goods and services

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## **Tool 6: The shopping list**

### **Description:**

Participants discuss what 'VAT' and 'VAT exemptions' are by bringing in (or naming) products they recently bought in a shop.

Before working through this tool the facilitator needs to review:

- whether the country uses VAT or GST (Goods and Services Tax, similar to VAT), or another type of a consumption tax
- the VAT/GST rate in the country
- the VAT/GST exemptions on goods and services, especially those related to basic family care products.

If the government does not impose VAT, but rather GST or another type of a consumption tax, the facilitator adjusts instructions and explanations accordingly.

### **Steps:**

- The facilitator asks participants to bring in (or name) products they recently bought in a shop. Put all the products together on the floor in front of the group (or write a list of the products).
- The facilitator asks participants to select 3-5 products for discussion. S/he asks how much money each of these products costs and writes down the prices.
- [Optional] The group can calculate the VAT of each product according to the VAT rate of their country (e.g. if the standard VAT rate is 15%).
- The facilitator asks who they give the money to when they buy these products. After hearing the participants' responses (probably the seller) the facilitator explains that the price of a product does not only cover the money for the seller, but that some money also goes to the government. This is called VAT (Value Added Tax) or consumption tax. VAT is a type of tax. It is the bit of money the government gets every time we buy something.
- The facilitator asks participants to name which of the products are essential for basic family care.
- The facilitator explains that essential products such as the food we most often eat (like maize or rice) or items that particularly help poor or vulnerable people (like fertilizer or schoolbooks) can sometimes be free from tax. Products can be made free of tax if they are exempt from VAT or if they are zero rated (the VAT rate applied to them is zero). That helps to keep food prices low, as the seller is not required to add

VAT. Yet, sometimes, governments eliminate VAT exemptions and food and essential goods prices go up, making it harder for poor people.

- The facilitator can explain the situation of VAT exemptions and zero rating or reduced rating for basic products in her/his country.
  - Discuss with the group whether or not the current situation is fair.
  - [Optional]: The facilitator may want to ask: Who buys basic products needed for the household, men or women? Who do you think is more affected by the lack of VAT exemption, high VAT or price increases?
  - The facilitator can conclude by sharing the following ideas:
    - VAT is often seen as an unfair tax, because both rich and poor people pay the same VAT even if they do not earn the same income.
    - Poorer people spend most of their income on basic goods and services. This means they pay a larger part of their overall income on VAT than rich people who have more money and are able to save some of it.
    - VAT can be more fair for poor people when: (1) the general VAT rate is low and (2) VAT exemptions or a zero rating are given to basic products.
  - The facilitator asks the group if there is an action point they may want to pursue based on this tool?
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## Tool 7: The VAT excursion

### Description:

This tool takes the form of an interactive learning visit to a few VAT-registered shops. The learners pose questions related to VAT payments to the shop operators with the aim of soliciting responses that will create insights into the ramifications of VAT on prices, VAT exemptions and the implications of VAT on the well-being of people living in poverty.

The facilitator needs to identify a number (according to the size of the participant group) of VAT-registered shops and make advance arrangements for the learning visit to the shops.

### Steps:

- The facilitator divides participants into small groups of at least four people and at most seven.
- The facilitator asks each group to visit a pre-identified and arranged VAT-registered shop.
- On arrival at the shop, participants interact with shop operators seeking answers to questions:
  - Why is the shop VAT registered and what does it mean in practice?
  - What is the VAT rate and how is VAT calculated?
  - Who pays the VAT?
  - Does everyone pay same amount as VAT when buying a product?
  - Are some goods in the shop VAT exempt?
- Back in the plenary, the facilitator asks for group presentations.
- After all the presentations, the facilitator asks if basic goods are VAT exempt. If they are not (or not all of them), the facilitator asks which group of people spends most of their income on basic and essential commodities?
- The facilitator asks participants if they think that basic goods should be exempt and if so, which goods.
- The facilitator concludes the session by reiterating the following points:
  - Define VAT and differentiate between VAT zero rating and VAT exemption;
  - VAT is an unfair tax, as the rich pay the same rate as people living in poverty
  - People living in poverty pay more VAT than rich people compared to their income, as most of their income is spent (as opposed to the rich who can save).
- The facilitator asks participants if there is any action they will want to take.

## **Session 5: MARKET TAXATION**

This session consists of Tools 8 and 9. The use of either of them would achieve the session objective and learning outcomes set out below.

### **Session objectives**

1. Participants understand tax-related problems at the marketplace, including the often large number of taxes, fees and levies

### **Learning outcomes**

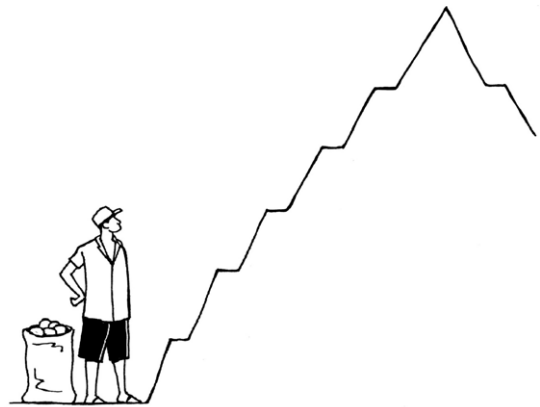
- There are several marketplace tax-related challenges
- Market traders are often subject to a large number of taxes, fees and levies

## **Tool 8: The market mountain**

### **Description:**

Participants explore tax problems at the marketplace by collectively interviewing a vendor/market farmer.

This tool works best for market vendors and farmers selling at the market.



### **Steps:**

- The facilitator invites a market seller as a resource person to come to speak to the group. If a participant in the group is a market seller, s/he can be the person interviewed. There could be two or three.
- The facilitator draws a line on the floor rising upwards, representing a mountain, as in the image.
- The facilitator asks the market seller/resource person:
  - How many taxes and fees do you pay to local or national government from the moment you leave home to sell a product to the moment you are back home after the market? Is this a problem? If it is, go one step up the mountain.
  - How often do you pay the taxes and fees? Is this a problem? If it is, go one step up the mountain.
  - Have you seen sharp increases over time in the amount you have to pay? Is this a problem? If it is, go one step up the mountain.
  - How much of your daily earnings do you pay in tax (%)? Is this a problem? If it is, go one step up the mountain.
  - Do you get harassed when tax is collected from you? If so, go one step up.
  - Is there corruption during tax collection, for example tax collectors, fake collectors, etc? If so, go one step up.
  - Have you seen improvements in your area as a result of paying tax? Do you know what these taxes are for? If not, go one step up the mountain.
- The facilitator now introduces the idea of ‘multiple taxation’, which is when a person must pay the tax on the same income to various levels of government (local, national, etc). Local and national governments must work together to ensure that small businesses and farmers are not making a tax contribution several times. Additionally, there are often other tax-like fees and levies that market traders are subject to, for example market fees.
- The facilitator now asks the resource person/s:
  - Is there ‘multiple taxation’ in your market? If yes, go one step up the mountain.



- Now look back at the mountain image and see how high you are. The higher you are, the more problems the vendor has had and the greater efforts they had to make regarding tax.
- The facilitator asks participants what they see, then asks the following questions for action point(s):
  - What is the main tax problem of all those mentioned?
  - How would you like to change it?
  - What can you (or your association/union) do to solve the problem?
  - What would you like the government to use the taxes for?

*Tip to the facilitator:* If participants suggest no tax should be contributed at all, remind them that tax is a contribution to pay for common services like schools and health clinics, and that tax justice is when the richest pay a higher portion of their income than the poorest to help spread the wealth around the country.

## Tool 9: Tax river

### Description:

Here a river with crocodiles and cataracts in the river is used to represent the way to and from a market. Because travellers on a river dread the presence of crocodiles and cataracts, they symbolise tax-related challenges, such as multiple taxes and fees, corruption, harassment, high taxes, etc faced by market traders on their way to and from market.

### Steps:

- The facilitator sketches a river with cataracts and crocodiles in not less than six places in the full course of the river.
- The facilitator displays the river and asks participants what challenges a person will face travelling along the river.
- The facilitator tells participants the river represents the way to and from the market, and the crocodiles and cataracts represent tax-related challenges or problems in the market.
- The facilitator and participants 'take a journey' on the river. As and when they reach a cataract or a crocodile, they identify and discuss a real tax-related challenge, write it on small piece of paper and tag the cataract or crocodile with the paper.
- After tagging, the facilitator asks participants if they will want to take any action to address any of the tax-related challenges.



*Tip to facilitator:* The expected tax-related challenges to be mentioned include: multiple taxes that a farmer has to pay; frequent collection of the taxes; high rates of taxes that end up taking a large share of income; corruption and/or harassment in tax collection; lack of visible results from taxes paid, etc.



Ugandan school girls. The Tax Power campaign, a demand for an increase in Education financing. © ACTIONAID UGANDA

## Section 2:

# Local problems with public services

### Key ideas:

- Tax revenue should, at least in part, support public services. This is what taxes are for. It is part of the social contract where citizens pay taxes and the government provides public services.
- Public services, such as public education, are not a gift from the government, but a right and something we all have paid for through tax. Such services are a right for all, even for those who currently pay little or no tax because of their economic situation.
- The lack of adequate public services has negative effects on people's lives, especially on women, and on social and economic development.

### Tools in this section:

Tool 10: The 'tax-pays-for' photo	1hr
Tool 11: The public service map	1hr
Tool 12: The tax body map	1hr
Tool 13: The effects matrix	1hr
Tool 14: The ideal school	2hr
Tool 15: Head of best	2hr

## Session 6: TAX AND PUBLIC SERVICES

This session consists of Tools 10 and 11. The use of either of them would achieve the session objectives and learning outcomes set out below.

### Session objectives

1. Explore the link between taxation and public service provision
2. Assess the situation of local public services

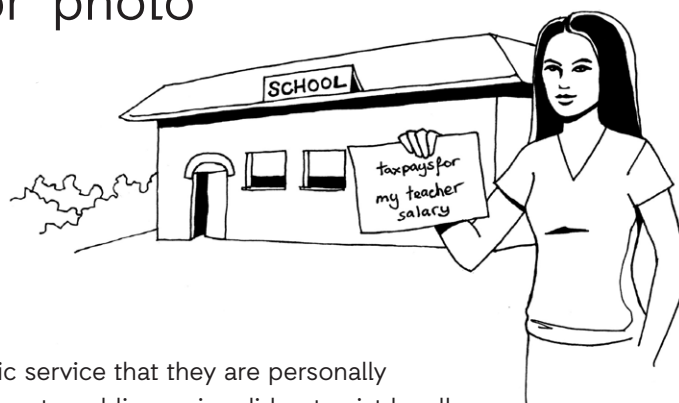
### Learning outcomes

- The need to pay their taxes
- What taxes have provided for them in their communities
- Identify unavailable public services in their communities

## Tool 10: The 'tax-pays-for' photo

### Description:

The relation between tax and public services is explored through a photo action. This tool needs at least one camera or mobile phone that can take photos.



### Steps:

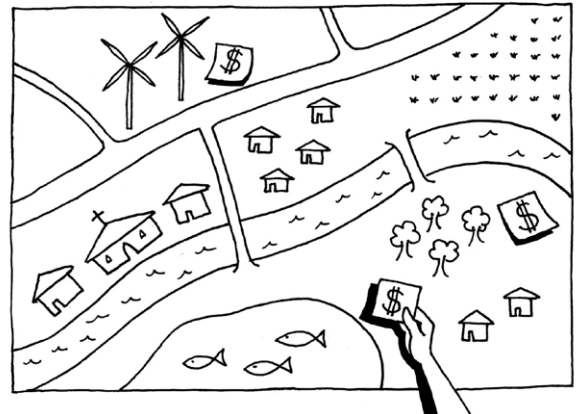
- The facilitator asks the group to think of a public service that they are personally grateful for in their area, or a time when an adequate public service did not exist locally and they wish it had. The more personal it is, the better, for example: "The time my wife got help to give birth safely" or "A good road for me to take my goods to market."
- The facilitator distributes sheets of paper and ask participants to write the words 'tax pays for' followed by just one public service that they have named as most important to them, for example "Tax pays for a good road for me to take my goods to market."
- The facilitator groups people and makes sure they have enough camera phones. Groups leave for outside the venue where there might be a public road, street lighting, health clinic, school, transport, agricultural produce, etc that symbolises what they have written on their sheets. Photos should be taken of the sheets (see image) and the background of the public service chosen. Photos can be individual or group photos.
- If the photos are meant to be used in further communication and advocacy, the facilitator should collect signed consent forms from the participants taking and being portrayed in the photos. On returning from the activity, the facilitator organises a sharing session with participants, asking them:
  - Are you satisfied with the level of service provision in your area? And why/why not?
  - Which services are missing in your area?
  - Which services in your area are public and which private?
  - What would you do about the missing public services?
- The facilitator helps note down action points.

*Tip to facilitator:* This exercise must be agreeable to the participants. Care should be taken to minimise risk and danger to the participants. Above all, the public action activity must be within the confines of the rules and laws of the jurisdiction where the action takes place.

## Tool 11: Public service map

### Description:

This is a map of social services available in a geographical area. Participants use the map to analyse and assess public services available in the area and also to determine the critical public service missing in their area.



### Steps:

- The facilitator asks participants to sketch or draw the territorial boundary of their community.
- With the support of all, a participant places cards with the most critical public services in the community on the map.
- When the map is complete, the facilitator asks participants to discuss:
  - Which public services are they most satisfied with? And why?
  - Which public services are they least satisfied with? And why?
  - Which critical public services are not available in their area?
  - What would you do about the missing public services?
  - What actions points would they consider to improve the available services and secure the critical but missing public services?



Community based child protection committees training in Zimbabwe. © TAKAITEI BOTE

## **Session 7: PUBLIC SERVICES AND GENDER**

This session consists of Tools 12 and 13. The use of either of them would achieve the session objectives and learning outcomes set out below.

### **Session objectives**

1. Discuss the effects of the absence or poor quality of a public service
2. Explore how men and women might experience these problems differently

### **Learning outcomes**

- That women and girls are affected more than men and boys when public services are unavailable or inadequate
- There is a need to act in support of women and girls to mitigate the challenges

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## **Tool 12: Tax body map**

### **Description:**

The sketch of the human body is used as a guide to solicit responses from participants about the effects of a phenomenon on different groups, including by gender. Here the body map is used to look at the effects of not having a public service on people's rights, especially those of women and girls.

### **Steps:**

- Find a safe space to do the body map exercise in small groups, for example divided by gender or age.
- Draw the outline of a person on the ground or on a large sheet of paper. You may ask one of the participants to volunteer to lie down on the floor and draw around them. You could also draw the body freehand.
- You may want to review the public service map tool with participants. Now ask them: "How does the lack of public services affect you, your body and your health?"
- Give participants cards/post-its to stick on the part of the body where the effect is felt.
- During the discussion, the facilitator can relate the lack of public services to unpaid care work and how that often disproportionately affects women's time and bodies. For instance, if local people are unable to pay for water services or do not have a functioning water point, this may generally mean that women and girls have to walk far to fetch water, thus burdening their bodies and time, as well as mobility options for their right to do paid work. Another example could be proximity of a free primary school and the quality of sanitary facilities there to encourage girls' enrolment and attendance.
- Now discuss: how does the lack of public services affect gender-based violence? Show it in the map again with cards/post-its. You may want to use another colour. You can use the 'how' question technique to encourage participants to think about how public institutions could help to reduce violence against women and girls, such as more effective and sympathetic police officers and judges, better lighting, or safer transport.
- Discuss: who is in charge of buying the basic products at home such as soap, food, baby needs and water? How does a high VAT tax on them affect women? Show it in the map again with cards/post-its. You may want to use another colour.
- Finally, draw an action plan [see Appendix 3]: how would you improve the situation of women in your locality through tax and public services?

## Tool 13: Effects matrix

### Description:

This is a matrix with two columns used to note the effects of a lack of a particular social service in a community. It provides immediate and visual contrast of the gendered effects. The contrast is expected to ignite and drive action to address unequal gender-based differences.

### Steps:

- The facilitator draws the matrix on a large flip chart, leaving out the bottom row.
- The facilitator displays the matrix and tells participants they are about to play a women-vs-men game.
- The facilitator divides the participants into two groups: women and men.
- The facilitator gives each group some time to discuss and identify as many effects as possible (health, economic, social, emotional and physical) of the lack of a particular social service (e.g. water, market centre, electricity, school, etc) on them as men or women.
- Back in the plenary, the facilitator places the matrix between the groups to play the game.
- The facilitator gets each group to alternately present, point by point, the identified effects. A group can challenge another's point if it is found not to be credible or true. The group appoints someone to act as a judge who overrules or upholds the objection based on the arguments.
- At the end of the game, the group with the highest accepted points 'wins' the game.
- The facilitator asks participants if they will want to take action to mitigate the effects on the 'winning' group. If yes, discuss and document action points.



The Five million signature campaign against MPs Tax exemptions. © ACTIONAID UGANDA

## Session 8: PUBLIC SERVICES PROVISION

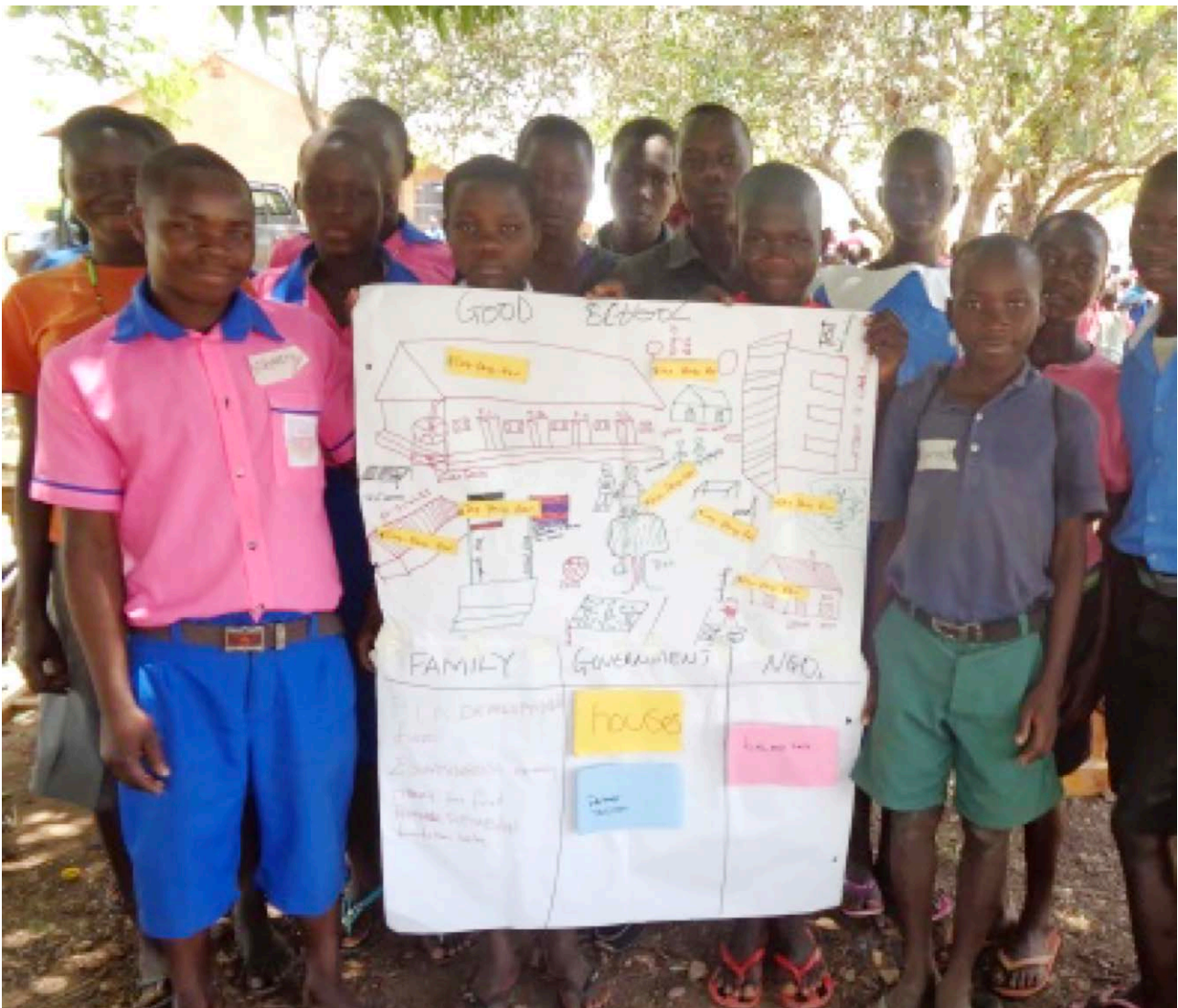
This session consists of Tools 14 and 15. The use of either of them would achieve the session objectives and learning outcomes set out below.

### Session objectives

1. To explore links between paying taxes and public services
2. To discuss the practice of community contribution for public services provision upon payment of tax

### Learning outcomes

- That a public service is not a government gift but something we all have helped to pay for through tax
- Government is responsible for the provision of key public services using the public revenues, and services that are meant to be free, like primary education, should not require any further payments from citizens.



Children showing the ideal school exercise. © ACTIONAID UGANDA

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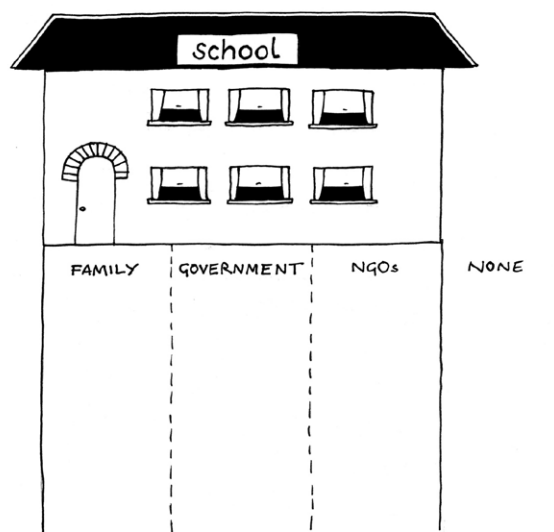
## Tool 14: The ideal school

### Description:

This is a sketch of an ideal school used to explore the contributions of education stakeholders, particularly parents, to the provision of school logistics, resources and needs. The aim is to bring to the fore a discussion of the government's failure to adequately provide public services such as education.

### Steps:

- The facilitator prepares a flip chart. Ask a volunteer to draw a school.
- The facilitator asks participants to draw/write the elements that a nice school needs – for instance teachers, water, toilets, etc. Use one post-it (or card) per element and put it on the flip chart.
- The facilitator now draws three columns or spaces below the school drawing, with the titles 'family', 'government' and 'NGOs' (non-governmental organisations). A column for 'none/does not exist' can be added if needed. Ask participants to find a symbol for each title, then add those to the drawing.
- Now the facilitator takes one of the post-its/cards, for instance 'teachers', and asks who pays for teachers in their school. Is it the families? The government? If teachers are not paid or there are no teachers, move the card to 'none'. Do the same with the rest of the cards.
- The facilitator explains that families help the government provide and maintain schools through a payment called tax. However, the government sometimes does not use that money for schools, leaving them in poor condition. Families must pay twice for a service they have already paid for by supporting public schools with fees and other payments, and/or by paying for private schools.



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## Tool 15: The best school

### Description:

This takes the form of a presentation by an appropriately identified resource person, for example the head of the best performing school in the area or community. The resource person must be identified weeks ahead of the workshop and given notice in advance of the specific questions to be answered. The questions are: What resources/facilities in your school do you think make the school the best? How were each of them provided and/or who provided them?

### Steps:

- The facilitator prepares participants and conducts the presentation of the resource person.
- The facilitator leads a discussion of the provision of the school facilities and resources, and identifies the key players (e.g. government, NGOs, parents/communities, etc).
- Then, for each resource/facility presented lead a discussion of who ought to have provided it as against who did provide it. The facilitator should emphasise that most school needs must be adequately funded by the government, linking it to fair and effective taxation.
- The facilitator explains that when parents or communities make extra payments for public school facilities, it can be seen as paying for education twice, as they will already have paid taxes to the government for key public service provision, including primary education in most countries.





Training as part of women's rights programme, Nepal. © JO-ANN WARD

## Section 3: National and international roots of local problems

### Key ideas:

- Some problems are just local. Yet in many cases, national and international factors have effects on poverty at local level.
- Tax is collected from people and businesses, distributed through the Ministry of Finance budget, and spent by the state on civil servant salaries, public infrastructure and other government functions and services.
- Yet, corruption, misallocation and inefficiency often prevent this system from functioning well. Corruption of public funds is stealing from taxpayers.
- A common problem in governments is the lack of funds to pay for public services.
- Big foreign companies make their profits from using resources in our country. They should pay tax where business is done and profits are made.
- Big foreign companies provide jobs and sometimes build schools or roads where they operate. But this is very little compared to the big profits they make and to what they deprive the public budget of if they do not pay their fair share of tax.

### Tools in this section:

Tool 16: The national cow	30m
Tool 17: The leaky pot	30m
Tool 18: The tax scale	30m
Tool 19: The tax stairs	30m
Tool 20: The tax biscuit	30m
Tool 21: The chapatti diagram	1hr
Tool 22: Force field diagram	1hr

## Session 9: PUBLIC REVENUE LOSSES

This session consists of Tools 16 and 17. The use of either of them would achieve the session objectives and learning outcomes set out below.

### Session objectives

1. Discuss the key sources of government revenue and its inadequacy for effective and efficient public service provision
2. Discuss the factors underlying insufficient tax revenue for government to provide public services
3. The effects of corruption and tax avoidance are explored

### Learning outcomes

- Awareness of government's sources of revenue
- Realisation that corruption, tax evasion and avoidance can result in insufficient government funds for public service provision

## Tool 16: The national cow

### Description:

The image of a cow here represents the national revenue augmented by taxes, loans, and grants to provide public services such as education, healthcare, support to agriculture, etc. The cat and the spilled milk depict leaks in the state's finances that render it incapable of meeting annual budget requirements, particularly in providing public services.



### Steps:

- The facilitator prints or draws the picture on a large sheet of flip chart paper.
- The facilitator displays the picture (or projects it on to a screen).
- The facilitator asks participants to describe what they have seen on the picture and then leads a brainstorm on what constitutes the total national resources (taxes, grants, loans, etc).
- The facilitator asks participants what the buckets stand for and guides the discussion towards public services (such as education, health, security, support to agriculture).
- The facilitator asks participants if their national government can provide all the needed public services? If not, why?
- Ask participants what they think the 'cat' and the 'fallen bucket' represent?
- Put participants into small groups to discuss and identify some cases in their country that reflect the cat and fallen-bucket scenario.
- Conduct a plenary presentation of the group work.
- The facilitator asks participants to explain the terms 'tax evasion', 'tax avoidance' and 'corruption', and completes explanations if necessary. The facilitator can add that those are the very reasons why many governments cannot meet their annual budget requirements, which leads to poor public service provision.
- Ask participants what action points they will consider to address the cases identified during the group work.

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## Tool 17: The leaky pot

### Description:

A leaky pot demonstrates effects of corruption, tax avoidance and tax evasion on the availability of national revenue for adequate public service provision. The leaks in the pot allow for the loss of huge amounts of tax money through corruption and tax avoidance.



### Steps:

- Print or display the picture so that all participants have a clear view of it.
- Put participants into small groups to discuss the following questions relative to the picture:
  - What key things have you seen in the picture?
  - What key information can you deduce from the picture?
  - What in your country would you relate to the information in the picture?
- Facilitate the group presentations.
- The facilitator explains the terms 'tax evasion', 'tax avoidance' and 'corruption', and adds that they are the very reasons why many governments cannot meet their annual budget requirements, which leads to poor public service provision.
- Ask participants what action points they will consider to address the issues identified during the group work.

*Tip for facilitator:* Once the ideas of corruption, misallocation and inefficiency have been discussed, the facilitator introduces the idea of tax avoidance, which is when companies make use of legal tricks to not pay their full amount of corporate tax. 'Corporate tax' is the tax that companies, both national and foreign, pay based on their profits. Tax avoidance by foreign companies can result in more money lost than is lost through corruption.



Building Better Futures program, Liberia. © YVONNE KONINGEN



## Session 10: TAX INCENTIVES

This session consists of Tools 18 and 19. The use of either of them would achieve the session objective and learning outcomes set out below.

### *Session objectives*

1. To discuss the concept of 'tax holidays' and other tax benefits for big foreign companies in relation to many taxes paid by local people and businesses

### *Learning outcomes*

- Be aware that some multinational companies are often offered various tax breaks, while smaller businesses and individuals must pay in full
- Tax holidays can be seen as an unfair tax practice

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## Tool 18: The tax scale

### **Description:**

The scale is used to demonstrate the inequality in tax payment. Big companies often benefit from various tax breaks, including 'tax holidays' (exemption from income taxes for a number of years), while small businesses and individuals have to pay their taxes in full. This tool works best with a scale.

### **Steps:**

- The facilitator asks if there is any local vendor/businessperson, teacher or farmer in the group. If there is none, find a volunteer to play one of these roles. You could identify symbols that represent them (for instance, a leaf for a farmer).
- The facilitator asks 'Do you pay tax?' A list is done as in the tool 'the teacher, the vendor and the farmer'. (The facilitator can also recap on the 'shopping list' or 'market mountain' tools.) Ask participants what they remember from the shopping list/market mountain tools.
- The facilitator gives the volunteer as many markers as the number of taxes he/she pays.
- The facilitator brings back the role of the big businessperson (see 'tax stones' tool). Ask for a volunteer and give her/him a symbol (for instance, soap, soda, mobile phone, beer, sugar, or anything that represents a big company in your area). Put this person close to the other volunteers.
- The facilitator also asks him or her 'Do you pay tax?' A list is made, and the facilitator gives him/her as many markers as the number of taxes paid.
- Then the facilitator places a scale before the participants and ask the volunteers to place their taxes (markers) separately on the plates of the scale. If no scale is available, make two piles.
- Ask participants who pays more taxes?
- The facilitator can support the discussion by explaining that big businesses often benefit from tax breaks, such as tax holidays, which allow them to pay less tax relative to their income than small businesses (even if sometimes it might look like more in nominal terms).
- Ask participants if the situation is fair? If not, what will they want done to ensure fairness? What actions will they take to achieve fairness on this issue?

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## Tool 19: The tax stairs

### Description:

This tool is a 2-Stairs diagram (same-but-opposite) used to depict the contrast in payment of different taxes by a local business and an international business entity. Its use highlights and demonstrates the many types of taxes paid by local businesses, and at the same time exposes the limited number of taxes paid by international businesses.

### Steps:

- The facilitator draws the image (tax-stairs) on a big sheet of paper.
- The facilitator asks for two volunteers: one to be the local businessperson and the other to be the representative of a large company. The facilitator guides the volunteers to stand at the opposite ends of the tax stairs.
- The facilitator leads a recap of taxes paid by the local businessperson and for each tax mentioned, the local business volunteer climbs a step higher.
- The facilitator now leads a discussion of taxes paid by the big foreign company (e.g. corporate tax and VAT on locally purchased materials) by asking what taxes the big company pays. Again, for each tax mentioned, the representative climbs one step up the stairs.
- Ask participants who is higher than the other and what does that mean?
- Now the facilitator discusses tax holidays and asks if the foreign company enjoys tax holidays. If yes, get the company representative to climb down one step.
- The facilitator explain tax holidays as given to large foreign companies.
- Ask participants if the situation is fair? If not, what will they want done to ensure fairness? What actions will they take to achieve fairness on this issue?

*Tip for facilitator:* Explain that because large companies often make large profits, the amount of tax that they declare might seem like a lot of money. However, it is important to compare the amount of tax paid to the profits made – then it might seem like much less, particularly in comparison to what small local businesses are paying in tax in relation to their profits.



Civil Society Organisation training on the African Charter on Democracy Elections and Governance, Zimbabwe. © SHAMISO SABURI



## Session 11: TAX CONTRIBUTIONS OF BIG COMPANIES

This session consists of Tool 20, the use of which is to achieve the session objective and learning outcomes set out below:

### *Session objectives*

1. To discuss the contributions developing countries make to the operations of big foreign companies compared the gains they make from such companies

### *Learning outcomes*

- Realise that foreign companies often benefit more than they provide for countries in which they operate
- Know that most of the resources and amenities utilised by foreign companies are provided by and paid for with taxes

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## Tool 20: Who is eating all the biscuit?

### **Description:**

The fact that big foreign companies are taking more from poor countries than they are giving is explored through the image of a biscuit shared unequally between a foreign company and its partner state.

### **Steps:**

- Before the session starts, the facilitator prepares a few participants to understand and to later share what resources a state and its people contribute to the productivity of a foreign company operating on its soil.
- Tip to the facilitator: These are: people to buy products (market), workers, land, security (police) and courts and judges to enforce law, electricity, roads, precious minerals, etc.
- The facilitator gets a participant volunteer to act as the CEO of a known foreign company operating in the country. In advance, the facilitator supports him/her to know what resources a foreign company invests in its operations in the country: money, technology/skills, machinery, etc.
- The facilitator also nominates one participant to be the Minister of Finance (MoF).
- The facilitator gets the volunteer CEO to address the room (participants acting as citizens of a country) as follows:
- "It is a great moment for me to address you after a year of business in your country. All too soon we have come to the end of the year and I must confess, it has been a year of successful business. You as a country contributed a lot to the success of my business. Didn't you?"
- A participant interrupts by saying 'of course we gave you land'. Another says 'and security', another says 'and labour', and others mention electricity, roads, raw materials, minerals, etc.
- The CEO now will say those are great contributions to the money the company made for the year and that he/she is here to share the benefits with your nation. Then he/she brings out a biscuit and asks the Minister of Finance to come and get the nation's share. Then he breaks off a very small portion of the biscuit and gives it to the MoF.
- The facilitator now asks participants if the benefit was shared fairly.
- The facilitator reviews the tax leaks and tax scale tools, where we saw how big foreign companies were not paying their fair share of tax through mechanisms such as tax avoidance and tax holidays. The facilitator asks the participants: "Should your country ask for more taxes from foreign companies, given that the biscuit was created with ingredients found nationally and paid for with people's taxes?"
- The facilitator leads a discussion on how this situation could be changed so that tax benefits people living in poverty and notes down any action points.



## Session 12: POWER IN TAX COLLECTION AND SPENDING

This session consists of Tools 21 and 22. The use of either will achieve the session objectives and learning outcomes set out below:

### Session objectives

1. To discuss and identify key stakeholders in tax collection and utilisation
2. To analyse the relative power and influence of the tax collection and utilisation stakeholders

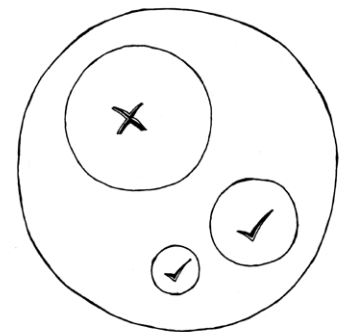
### Learning outcomes

- Know all stakeholders in tax collection and their respective power and the direction of their influence in tax action
- Be able to determine appropriate actions in dealing with tax stakeholders, be they allies or opponents

## Tool 21: Chapatti diagram

### Description:

A chapatti diagram is used to explore the relative importance, influence or power of people, organisations or groups on collecting tax and spending tax, locally and nationally.



### Steps:

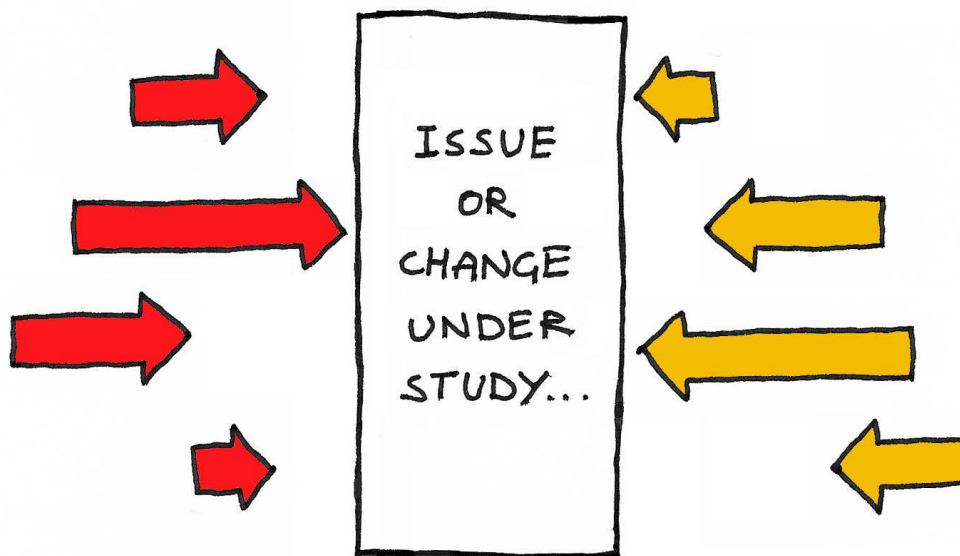
- Prepare different cards of different size circles.
- In the group, make a list of all the people, groups or organisations that have an influence on tax collection, including making the rules on tax (setting the types of taxes and rates).
- Decide if the people, groups or organisations in the list have a little, medium or strong influence/power over tax collection. Choose an appropriately sized circle (small = little influence, medium = medium influence and big = strong influence) and write the people, groups or organisations on the relevant circle.
- Participants then discuss their perception of the relative importance or influence of the people, groups or organisations on themselves and their community, family or organisation. The circles are then placed at different distances from each other to show the nature of relations between them.
- The group discusses the diagram that has been constructed, the relationships, the effects on the community, etc.
- Once the diagram is finished each circle is classified as 'ally', 'neutral' or 'threat' (using visual symbols placed on the circles or marking them with green and red respectively).
- The facilitators leads a discussion on how to engage various stakeholders to make tax rules and collection fairer.
- The visualisation can be extended by developing 'ideal' versions and exploring how to get there.
- Do the same exercise, but for tax spending.

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## Tool 21: Tax force field

### Description:

Force field diagram is a tool usually used to depict the relative influence or power of identified stakeholders on a chosen issue. Stakeholders with positive and negative influence are placed to the left and right respectively by way of arrows. In placing the arrows relative to the middle bar (issue at stake), the closer to the bar, the more influential the stakeholder and vice versa. The size of the arrow depends on the power of the stakeholder it represents. Here the tool is used to analyse the relative influence and power of institutions, individuals and agencies involved in tax collection and tax spending.



### Steps:

- Prepare arrows of two colours and of different sizes.
- In the plenary facilitate a brainstorming session to identify all stakeholders involved in and affected by tax collection, including setting tax rules.
- Lead a discussion to divide the stakeholders into two categories: those with positive and reinforcing influence, and those with negative influence.
- Lead a discussion to determine the respective power of the stakeholders and place them on the arrows appropriately.
- Facilitate the placement of the arrows relative to the middle bar in accordance with the stakeholder's relative influence (the more its influence, the closer it will be to the bar).
- After all stakeholders (arrows) are placed, ask participants to interpret what the diagram shows.
- Ask participants to identify action points in response to the information.





Cartoon on transparency and accountability. © MDOGO. ACTIONAID

## Section 4:

# How good has our local tax work been?

### Key ideas:

- Local action gains on tax are valuable on their own, but also within an international programme.
- Local work on tax can influence national and international campaigning.
- At the same time, international and national themes can influence local tax action.
- What is achieved at local level and how it links

with national and international work is important. The following indicators might be useful to consider:

### Tools in this section:

Tool 23: Local tax indicators (for LRP staff)	30m
Tool 24: The tax seeds	30m



## Session 13: EVALUATION OF LOCAL ACTION ON TAX JUSTICE

This session consists of Tools 23 and 24. The use of either will achieve the session objectives and learning outcomes set out below.

### Session objectives

1. To list local gains on tax in a closed, comparable manner among LRPs and countries
2. To capture a story of change and success on tax at local level
3. To evaluate how we reached success, celebrate it and learn how we can repeat it in future

### Learning outcomes

- Have knowledge of participatory tools for monitoring progress on tax work
- Know the key performance indicators in tax work

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## Tool 23: Local tax indicators

### Description:

This tool helps staff at local level to recap activities on tax justice at local level and assess their gains. This can be shared with members of the community.

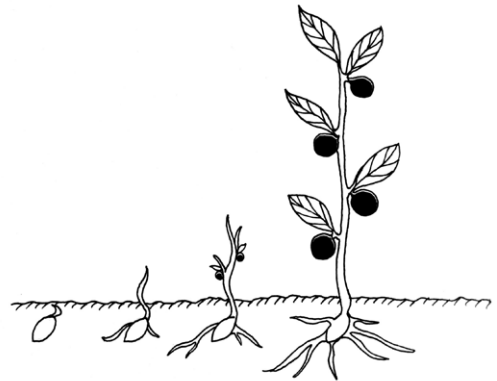
### Steps:

- Have a look at the following list and check the ones that you think your local area has achieved victories on:
  - Local community members know more about tax justice now, although no action has taken place yet
  - There was tax harassment during tax collection, and we helped reduce/eliminate it
  - There was tax corruption during tax collection, and we helped reduce/eliminate it
  - There was a sudden sharp increase in tax, and we helped reduce/eliminate it
  - There was multiple taxation and we helped reduce/eliminate it
  - There was an attempt to increase VAT and we helped prevent it
  - There was an excessive general rate of VAT and we helped to bring it down
  - There were no VAT exemptions or zero ratings on essential products, and we helped introduce them
  - There was a threat to reduce VAT exemptions on essential products and we helped to keep them
  - We helped advocate fair tax to improve a public service for women's rights
  - We helped advocate fair tax to improve public education
  - We lobbied decision makers, influencers or media at district, national and international levels to highlight the impact of unfair tax on poor people's lives
  - We helped put pressure on a large company to pay its fair share of tax
  - We participated in creating or reviewing ActionAid's strategy for the national or global programme on fair tax
  - Another gain (explain):
- You may want to briefly describe the gain above:  
*For example:* The government was legislating to introduce VAT on agricultural products like fertilizers and hoes, but we got together, collected signatures and prevented the passing of the law.

## Tool 24: The tax seeds

### Description:

This learning tool uses the image of a seed that has grown into a fruit tree to look at what has been achieved on local tax and/or public services supported through taxation.



### Steps:

- Display the image of seeds that have grown into a tree with fruits.
- Go to the image of the tree and ask the group to think of a victory that your area has achieved regarding tax. Important: the facilitator needs to highlight that the gain has to be related to tax (although the group may also want to use this tool for other topics). Victories can be related to: preventing a high increase in a type of tax affecting local people, for example VAT; fighting for VAT exemptions or zero ratings for basic products; eliminating some of the payments contributing to multiple taxation; fighting tax harassment in markets and other places; improving public services through ensuring more tax money is directed to them, etc.
- Now explain that victory. Describe how it happened one step after another, like a flower that slowly starts to blossom. The facilitator may use these guiding questions:
  - What was the problem regarding tax in your area?
  - What action was taken?
  - What was finally achieved/what changed?
- Go back to the image of the seeds. The facilitator can now ask:
  - What was needed for this to happen?
  - Which different seeds, and which abilities, resources or support were needed?
  - Why did you decide to get involved? What motivated you?
- Important: One seed must surely be a group acting together. Find other seeds needed to reach the change. Seeds might include self-esteem, confidence, reading and writing, group mobilisation, strong leadership, knowledge of rights, help from an organisation, etc.



Tax justice week of action, Ghana. © ACTIONAID GHANA

## APPENDIX 1: TAX ROLE PLAY

As preparation, select five volunteers to play the roles of:

- father
- mother
- child
- seller
- teacher (the teacher should be a person with key knowledge of tax).

Ask the volunteers to familiarise themselves with this role-play scenario:

- Family sits at a table to have a breakfast.
  - Mother will be last one to arrive at the table and will hold a newspaper.
  - Father will ask mother “Why are you late? We were waiting for you for breakfast.”
  - Mother says: “I was busy reading the statement of the Finance minister published in the newspaper. The ministry says they are struggling to meet this year’s budget and therefore they are widening the tax scope, imposing tax on certain basic products to raise more revenue.”
  - The family eats their breakfast. After breakfast the family discusses the fact that they have run out of essential groceries and products such as soap, etc and one of the family members volunteers to go to the market.
  - At the market, the family member who is shopping notes that prices are very high and asks the seller why the prices are so high compared to last week.
  - The seller says: “The government has introduced tax for these commodities.”
  - When the family member gets back home, he/she tells the family about the rise in the price. The family discusses the issue and decides to go to the teacher in the village for more information.
  - The teacher will explain:
    - what tax is
    - why tax affects the price of the goods
    - who pays the tax: the seller or the buyer
    - why it is necessary to pay tax.
  - The family thanks the teacher and the drama ends.
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## APPENDIX 2: COMMUNITY ACTION IN PRACTICE: CASE STUDY FROM UGANDA

When the budget speech was read by the Ugandan Finance Minister in 2014, civil society tracking the budget at national level noticed that the Ugandan government proposed to remove a tax exemption from some essential farming goods, such as hoes and fertilizer. They knew this could have a big impact on the wellbeing of millions of smallholder Ugandan farmers, especially women.

These women farmers provide a great deal of food for the nation to help it be food secure. Without inexpensive essential farming tools, farmers’ livelihoods would be affected and their workloads would increase if forced to do their work without these tools.

ActionAid worked with the partners in the Budget Advocacy coalition to inform farming groups about the problem, and they started a petition that eventually gathered one million signatures against the proposal. The

petition also demanded that if the government wanted to raise more tax money, it could do so by removing harmful tax exemptions given to largescale agricultural companies. ActionAid worked through our Local Rights Programmes to support women farmers and young people to protest against the proposal.

Following lobbying at local and national levels by the farmers and civil society allies, many members of parliament and the Ministry of Agriculture joined the call for the Ministry of Finance to drop the regressive tax proposal. There was a good feeling when the proposal was then dropped by government.

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## APPENDIX 3: ACTION PLAN TEMPLATE

There are many possible approaches to action planning. You can find ideas for methods at [www.reflectionaction.org](http://www.reflectionaction.org). Below is one example:

The image of a bridge over a river is used to show the steps taken from the past to the current or future situation. The image helps to assess both the steps needed to achieve the change (the bridge) and the change itself (the difference between the old and new situations).

### Steps in the process:

- On a large piece of flip chart draw a river with a bridge over it. The left hand bank of the river represents the 'before' situation, the planks of the bridge represent the 'action plan' or steps taken, and the right hand side of the river represents the 'after' situation.
- Ask participants to draw/write about the current situation (the left bank of the river).
- Ask participants to draw/write about the change they want to achieve (the right bank of the river).
- Lead a discussion:
  - What needs to be done to achieve the change?
  - What steps need to be taken?
- Then ask the participants to draw/write down about the steps they want to take (on action on one plank of the bridge).

**ActionAid** is a global movement of people working together to achieve greater human rights for all and defeat poverty. We believe people in poverty have the power within them to create change for themselves, their families and communities. ActionAid is a catalyst for that change.

<http://actionforglobaljustice.actionaid.org>

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