

NON-INFLATIONARY TAXES: FINANCIAL & E-TRANSACTIONS TAX: By Jonathan Hore

A couple of weeks ago, I analysed the effects of the proposed increase in the VAT rate from 12% to 14%. One thing that came out clearly from that analogy was that increasing the VAT rate would be inflationary, hurting both the economy and the poor. I also stated that increasing taxes such as VAT is an easy but not very creative way of solving the problem of dwindling revenues. When the VAT rate was last increased in 2010, inflation shot up and this negatively affected the economy and hurt the poor. It should not surprise you that I am once again going against a VAT-rate increase and suggesting other methods of raising tax revenue. That is the reason why I have chosen to expand on the financial & e-transactions tax. In this article, words importing the masculine shall be deemed to include the feminine.

WHAT ARE FINANCIAL & E-TRANSACTIONS?

Financial transactions are very many and it takes a lot of time to name them. My suggestion regarding taxing financial transactions is confined to the following financial & e-transactions:

Financial transactions

Every day, businesses and individuals write cheques, make deposits into bank accounts, withdraw money from bank accounts,

Well folks, I hope that was insightful. As Yours Truly says goodbye, remember to pay to Caesar what belongs to him. If you want to join our Tax Whatsapp group, send me a text on the cell number below.