

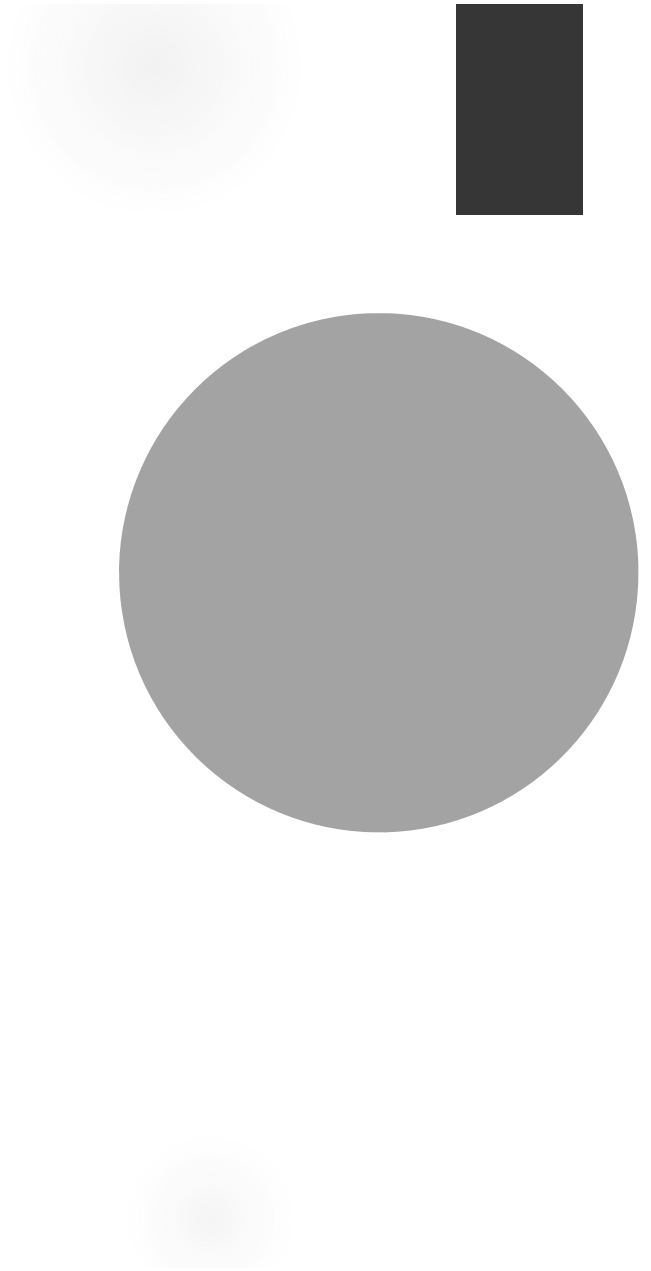


Tax, Corruption, Public Services and Workers.

Daniel Bertossa
Assistant General Secretary
Public Services International

Key themes

- ▶ Secrecy
- ▶ Myths
- ▶ Power



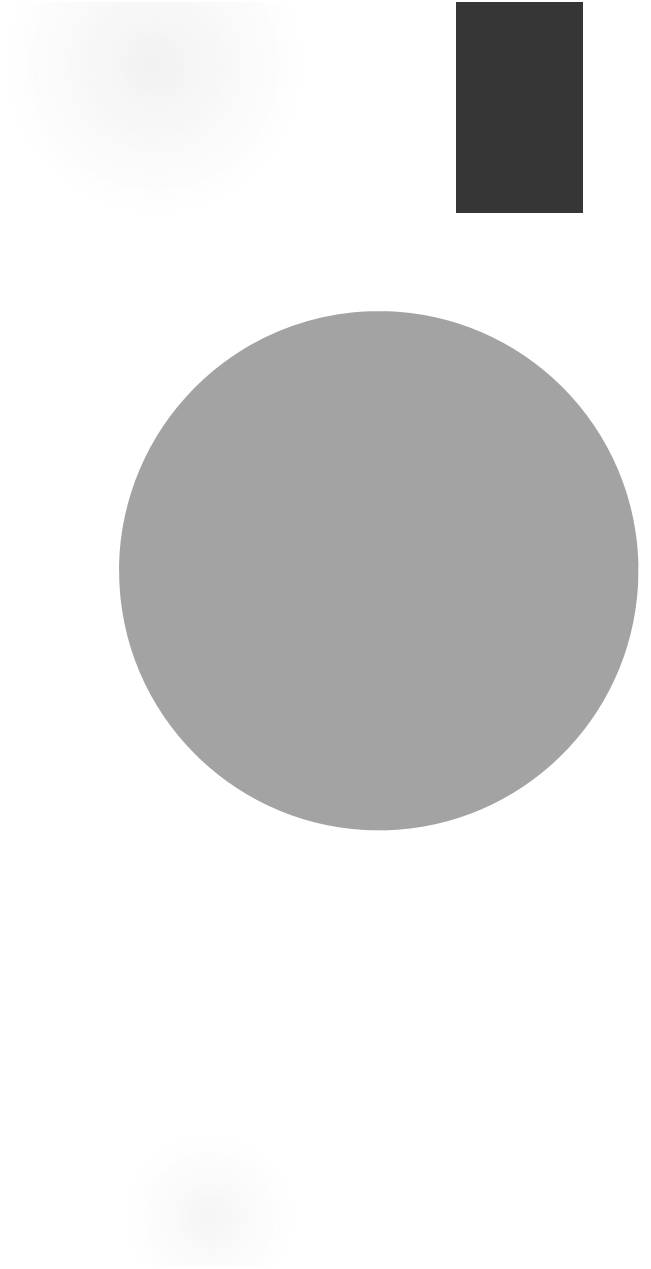
Who pays tax?

Corporations

Wealthy – Assets

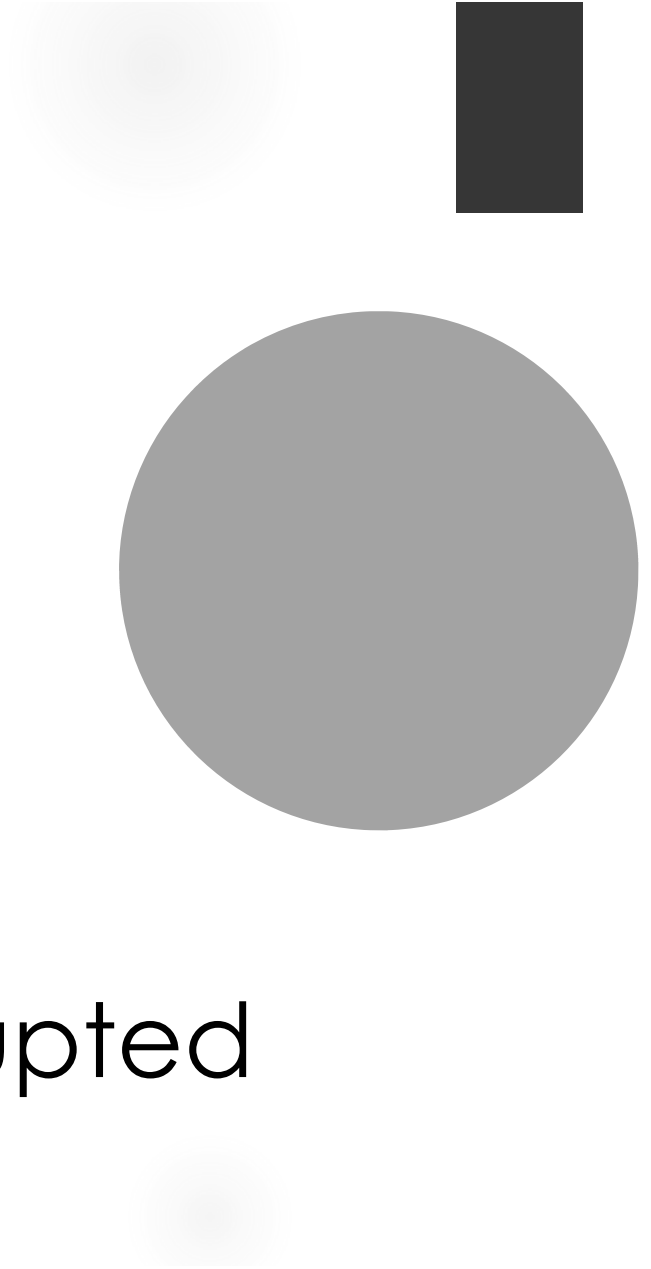
Workers

Consumers



Effects of this shift

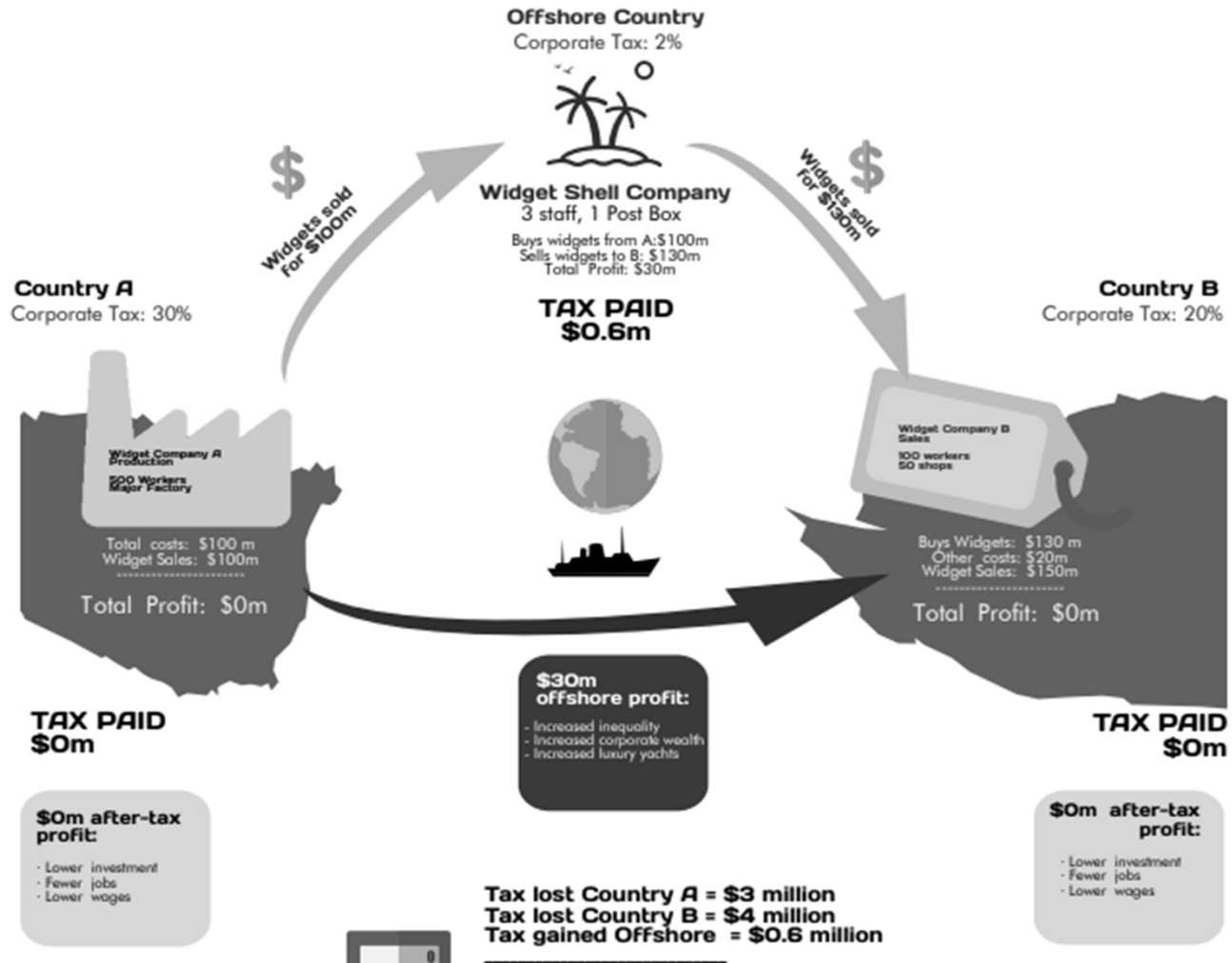
- ▶ Wages driven down
- ▶ Public Services starved
- ▶ Inequality grows
- ▶ Development stunted
- ▶ Political processes corrupted



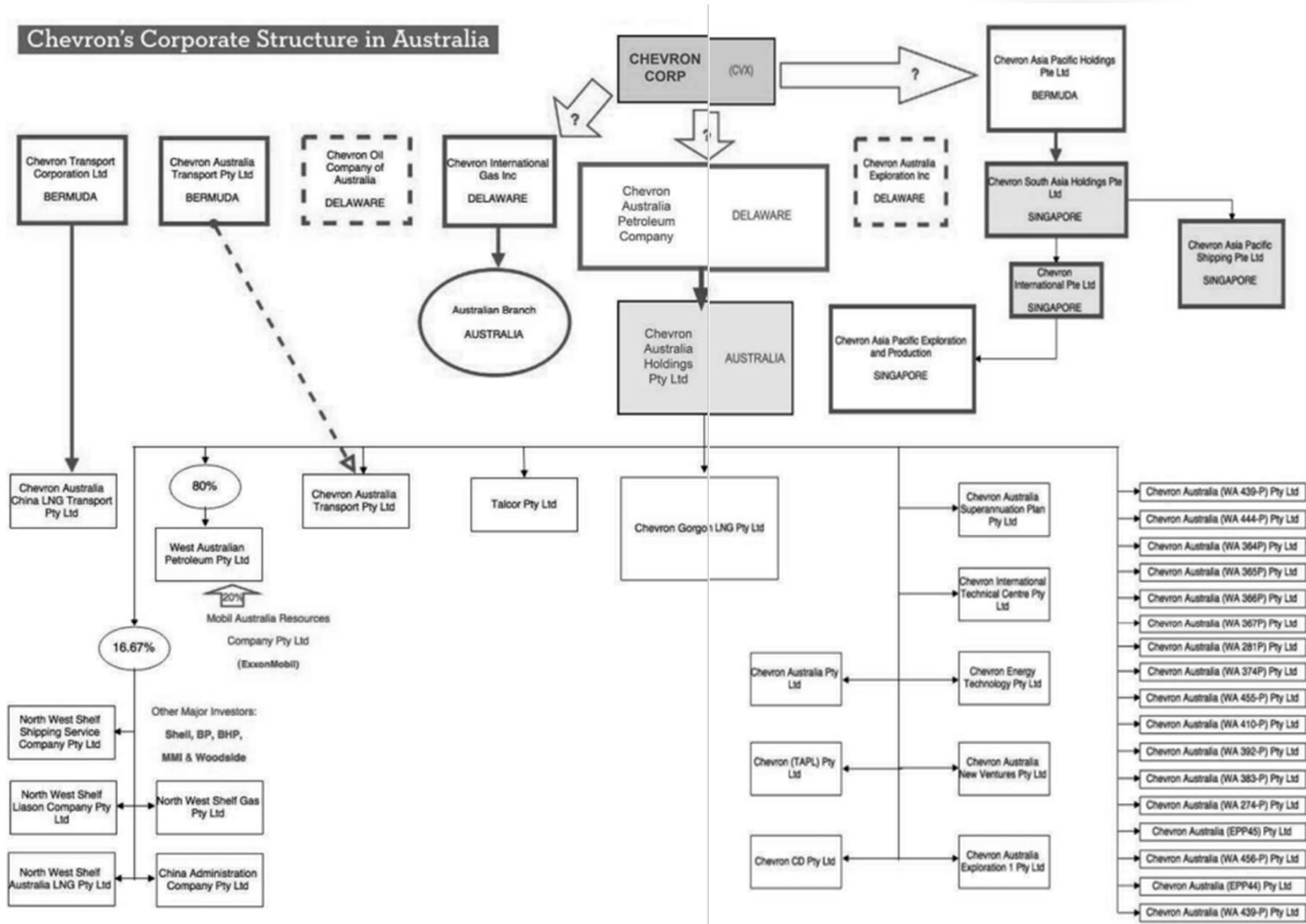


Bananas

Indian investment



Chevron's Corporate Structure in Australia



The State of Tax Justice 2021

November 2021

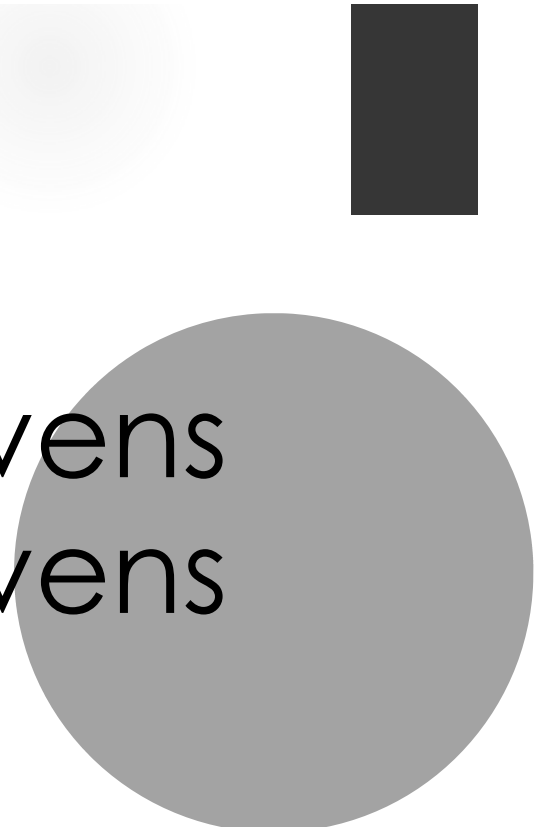


GLOBAL
ALLIANCE
FOR TAX
JUSTICE



TAX JUSTICE
NETWORK

- ▶ 483 Billion USD
- ▶ Most from global North
- ▶ Vaccinate world for COVID 3 times over
- ▶ Employ a nurse every second

- 
- ▶ US\$ 30 Trillion in tax havens
 - ▶ US\$ 10 Trillion in tax havens from poor countries

 - ▶ Top 1% own 46% of global assets

Revenue lost to government from corporate tax avoidance

- Zimbabwe 31%
- Cameroon 17%
- Philippines 30%
- Malaysia 15%
- Costa Rica 22%
- Mali 25%



Loss of
sovereignty

85% of illicit financial flows in Africa: Mbeki Report

OECD/ G20 Plan

▶ Pillar 1 – Digital tax

- ▶ Companies above 20 billion Euros turnover
- ▶ More than 10% global profit
- ▶ Countries need economic activity (US\$ 1 million or 250,000)
- ▶ Can tax 25% of profit above 10% (to sales country)

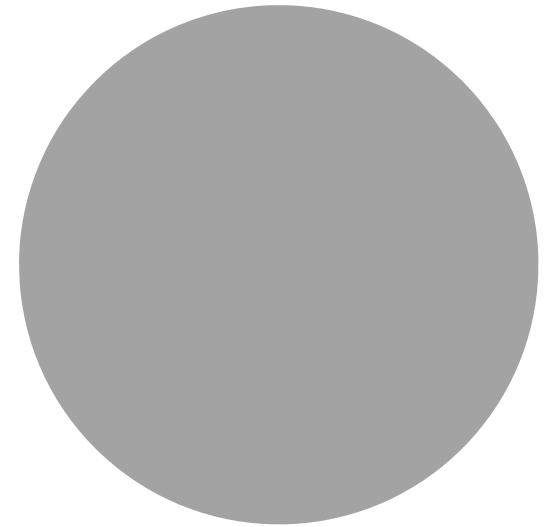
- ▶ Must give up other forms of digital tax
- ▶ Very low revenue (TOTAL = US\$ 5-12 billion) and future losses

OECD/ G20 Plan

▶ Pillar 2 – Global Minimum Tax

- ▶ Companies above 750 million Euro turnover
- ▶ Shipping, pension and investment funds excluded
- ▶ Able to top up tax to 15%
- ▶ Resident country gets first rights

- ▶ About 100 Billion raised – most to Europe and USA
- ▶ Developing countries get very little – many get nothing



PSI Position on OECD/ G20 deal



- ▶ Acceptance of Global minimum tax
- ▶ Rejection of tax competition
- ▶ Acceptance of unitary/ formula on digital

- ▶ Too little
- ▶ Too complicated
- ▶ Unfair
- ▶ Not agreed yet

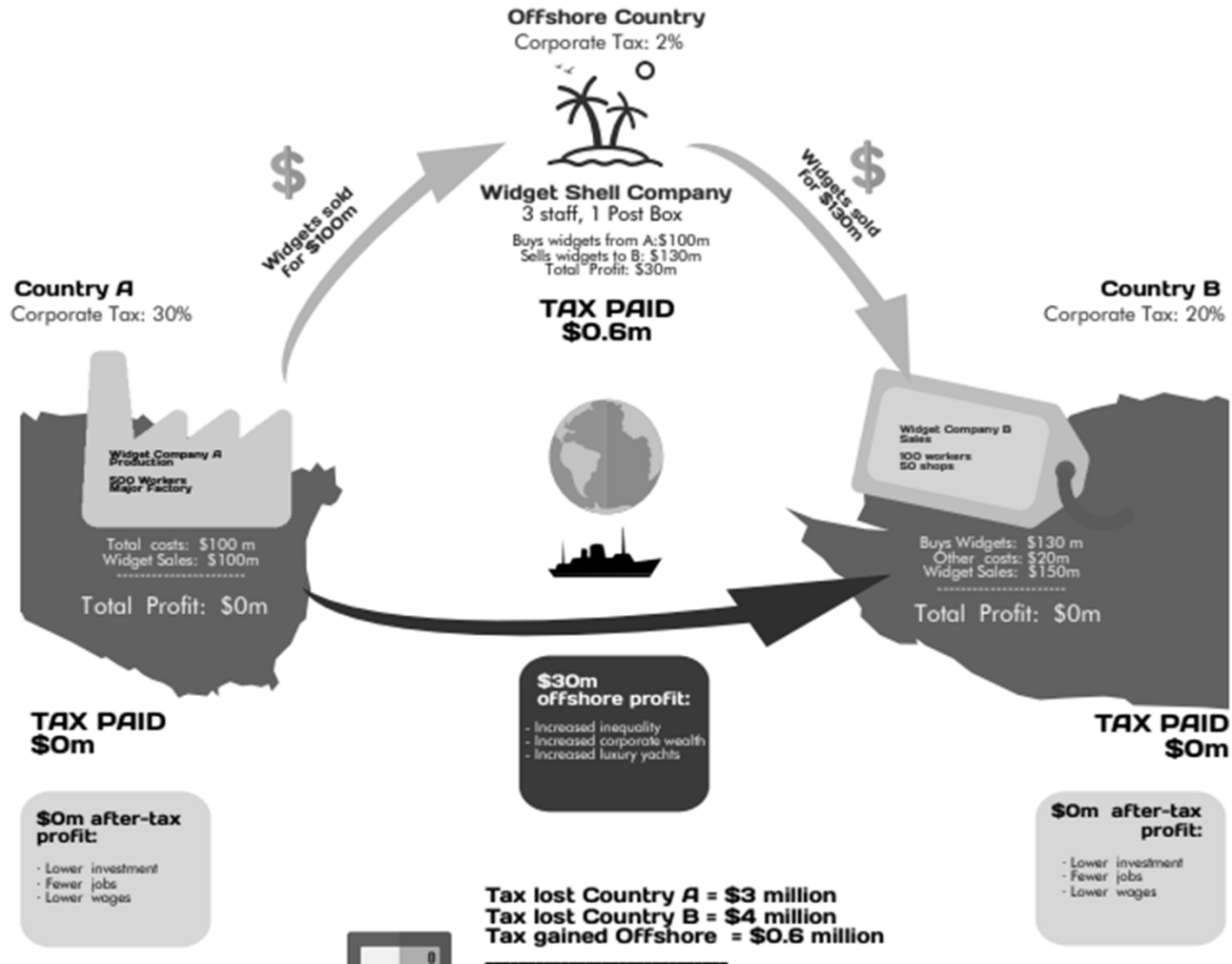
- ▶ Europe's role

PSI Strategy for OECD/ G20 deal

- ▶ Wont fix problem
- ▶ Reforms must continue
- ▶ Countries should assess before accepting/
rejecting

PSI Demands

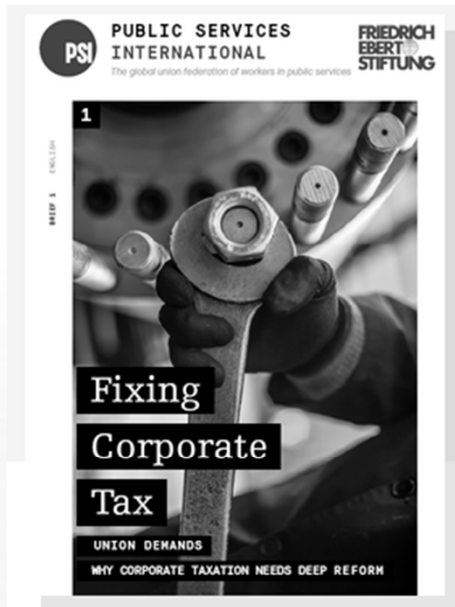
- ▶ Transparency - Public Country by Country reporting
- ▶ Minimum tax of 25% (550 Billion)
- ▶ Unitary taxation
- ▶ Allocation of taxing rights by a formulae (Labour, Capital, Sales)
- ▶ Tax Wealth - Global assets register
- ▶ UN Tax body



What we need to do

- ▶ Build political will to change
- ▶ Debate problem - exposes
- ▶ Link to unfairness, inequality and public services
- ▶ Create international solidarity
- ▶ Explain why northern workers are losing
- ▶ Expose Europe's role in blocking progress

Tax briefs for workers – 8 briefs



TAGS (4)

Tax Brief 1 - Why Corporate Taxation Needs Deep Reform

OCT 21, 2020 EN FR ES IND
TAM KO HIN



TAGS (5)

Tax Brief 2 - Taxing Multinationals as Single Global Firms

OCT 21, 2020 EN FR ES IND
TAM KO HIN JA



TAGS (3)

Tax Brief 3 - Curbing Tax Competition

OCT 21, 2020 EN FR ES IND
TAM KO HIN



**PUBLIC SERVICES
INTERNATIONAL**

The global union federation of workers in public services

ENGLISH



**G20 Agreement on
International
Corporate Taxation**

UPDATE OF THE FINAL DEAL AND NEXT STEPS

PSI Brief to affiliates on final G20 deal and next steps

ICRICT

Independent Commission for the Reform
of International Corporate Taxation



Edmund Fitzgerald



Eva Joly



Gabriel Zucman



Jayati Ghosh



José Antonio Ocampo | Chair



Joseph E. Stiglitz



Hon. Irene Ovonji-Odida



Kim S. Jacinto Henares



Léonce Ndikumana



Magdalena Sepúlveda Carmona



Rev. Suzanne Matala



Ricardo Martner



Thomas Piketty



Wayne Swan

- ▶ Credible alternative tax policy solutions
- ▶ Credible advocates



Centre for
International
Corporate Tax
Accountability
and Research

**CARING FOR PEOPLE OR PROFIT?
THE FINANCIAL ENGINEERING & REAL
ESTATE INVESTMENT OF GROUPE ORPEA**

A JOINT REPORT BY CICTAR, FÉDÉRATION SANTÉ ACTION
SOCIALE CGT AND FÉDÉRATION CFDT SANTÉ-SOCIAUX

FEBRUARY 2022

Centre for International Corporate Tax Accountability and Research
CGT
Cfdt Santé Sociale

Centre for
International
Corporate Tax
Accountability
and Research

EXPOSING CORPORATE WEBS

TAX PRACTICES OF OUTSOURCED SERVICE
AND LABOUR HIRE CORPORATIONS IN THE
AUSTRALIAN TAXATION OFFICE

A CICTAR REPORT
DECEMBER 2018

JASON WARD
PRINCIPAL ANALYST, CICTAR

HOW UBER EVADES PROFIT TAX

Uber operates worldwide, and has expanded significantly in recent years. In 2019, gross bookings, the total amount customers worldwide paid Uber for its services, amounted to \$65 billion, all while Uber employs hardly any staff. Drivers and meal deliverers are self-employed, and in many countries lawsuits have been filed against this bogus self-employment scheme. However, despite earning billions in revenue, Uber has shown a loss on paper for a number of years. This has been done by cleverly circulating money around the world and claiming many disputable cost items, with the sole purpose of minimising profits and paying as little tax as possible. This activity may be legally permissible but it is morally wrong. In this document, we focus on Uber Tax cash flows, which account for 76% of all gross bookings.

Uber establishes a network of over 190 private limited companies (BVs) and subsidiaries, with \$49.7 billion in gross bookings.

Uber NL Holdings B.V. pays 75% of the net bookings to drivers, and a 25% fee to subsidiaries.

- Drivers: \$32.1 billion
- Subsidiaries: \$10.7 billion
- Toll and other costs: \$6.9 billion

All ride payments go to Uber NL Holdings B.V. 5.25 billion rides a year = 166 rides per second

To be allowed to use Uber's name and app, subsidiaries pay a **royalty fee and administration costs** to Uber NL Holdings B.V. This amounts to about 75% of their royalty revenue, which came down to \$5.8 billion in 2019.

Uber