



# United Nations Committee of Experts on International Cooperation in Tax Matters

## Subcommittee on Wealth & Solidarity Taxes *Progress Report*

# Progress Report

The Subcommittee is hereby submitting **for approval** the guidance drafted by the Subcommittee on the policy options available to tax jurisdictions when considering how to adequately tax wealth, with a focus on net wealth taxes.

# Progress Report: Overview Paper

***Chapter 1: Introduction and the Rationale behind Wealth Taxes***

***Chapter 2: Different Types of Taxes Related to Wealth***

***Chapter 3: Key Policy Decisions for Introducing or Updating a Wealth Tax***

***Chapter 4: Practical Guidance for the Implementation of Net Wealth Taxes for Individuals***

***Chapter 5: Practical Guidance for the Implementation of Exceptional Solidarity Wealth Taxes on Individuals***

# Progress Report: Overview Paper (cont'd)

***Chapter 6: Key Considerations for The Effective Administration of Wealth Taxes***

***Appendix A - Methodology for potential net wealth tax revenue estimates***

***Appendix B - Legislative elements for net wealth taxes on individuals .***

***Appendix C - Country experience in the design and administration of wealth taxes***

# Progress Report: Changes vis-à-vis the last version of the guidance

The following changes have been performed:

- **text on the need to consider the economic impact of a net wealth tax such as their effect on investment, business entrepreneurship, and capital formation in light of country socio-economic backgrounds**
- **an additional box containing information on Uganda's experience with a High-Net Worth Individual Tax Unit**
- **an additional box containing insights into the use of technology in the area of valuation**
- **Colombia's experience with net wealth taxes was added to Appendix C**

# Progress Report

The Subcommittee is hereby submitting **for information and comments** the structure of model legislation for a net wealth tax on individuals

# Progress Report: Structure Model Legislation

## Chapter I: Enabling Provisions

Article 1: Aims and Objectives

Article 2: [Title]

Article 3: Extent

Article 4: Commencement

Article 5: Definitions

# Progress Report: Structure Model Legislation (cont'd)

## Chapter II: Imposition of the Net Wealth Tax

Article 6: Taxable event

Article 7: Taxpayers

Article 8: Taxable assets

Article 9: Deductible liabilities

Article 10: Rates

Article 11: Double taxation relief

Article 12: Coordination with other taxes



# Progress Report: Structure Model Legislation (cont'd)

## **Chapter III: Administration of the tax**

Article 13: Wealth Tax Authorities

Article 14: Jurisdiction

Article 15: Valuation of taxable assets

Article 16: Information reporting

Article 17: Assessment and enforcement

Article 18: Dispute resolution

Article 19: Penalty regime

# Progress Report: Structure Model Legislation (cont'd)

## Chapter IV: Special rules

Article 20: General anti-avoidance rule

Article 21: Access to information

Article 22: Trusts and similar arrangements

Article 23: Special ownership regimes

Article 24: Exit taxes

# Way forward

- The Subcommittee looks forward to feedback and input from Committee members and observers on the model tax legislation
- The Subcommittee plans to submit the model tax legislation for first consideration at the 29<sup>th</sup> Session and for approval at the 30<sup>th</sup> Session



# Thank you!