



UNTC 31st Session

Stakeholder Input Template



Help inform the Committee's deliberations on their work programme for 2025-2029 by sharing your perspectives on challenges in tax policy and administration facing developing countries, emerging issues that need attention, and where there is a need for more or different guidance. Submissions should be made in one of the six (6) UN languages. All valid submissions will be published on the UN Tax Committee website in the language submitted.

Submission details: Deadline: **1 September 2025**, Email to: taxcommittee@un.org

Subject: Input for UN Tax Committee Work Programme (2025-2029)

INFORMATION

Contact Person: Elena DE LAS MORENAS

Email: fiscalidad.internacional@tributos.hacienda.gob.es

Type: Government

Organization (unless submission is in personal capacity): Government of Spain

BACKGROUND (Maximum of 200 words) – Please respond on page 2.

Please provide a brief summary of your organization's mandate and areas of work unless this submission is in personal capacity, how they relate to international tax cooperation, domestic resource mobilization, sustainable development, or any other field. This will help us map and better contextualize your perspective and input.

WORK PROGRAMME PRIORITIES (Maximum of 2000 words inclusive of any footnotes) – Please respond on page 3.

What should be the Committee's priority issues for 2025-2029? Consider, in light of the Committee's mandate, both the provisional agenda topics and any additional areas you believe are important.

For each priority you recommend, please explain:

- a) Why is this issue important for developing countries?
- b) What specific guidance or tools should the Committee produce?
- c) How would this output be practical and valuable for countries?

SUPPORTING REFERENCES Please list any hyperlinks to relevant reports, studies, or other materials that support your recommendations. Do not attach files. – Please respond on page 4.

BACKGROUND *(Maximum of 200 words)*

Please provide a brief summary of your organization's mandate and areas of work unless this submission is in personal capacity, how they relate to international tax cooperation, domestic resource mobilization, sustainable development, or any other field. This will help us map and better contextualize your perspective and input.

Spain would like to propose the following key priorities for consideration during the upcoming mandate of the UN Committee of Experts on International Cooperation in Tax Matters. These priorities are grounded in the principles of fairness, equity, and development, particularly for developing countries. We believe that focusing on these areas will contribute significantly to the promotion of global tax justice and the sustainable development of countries in need.

WORK PROGRAMME PRIORITIES *(Maximum of 2000 words inclusive of any footnotes)*

What should be the Committee's priority issues for 2025-2029? Consider, in light of the Committee's mandate, both the provisional agenda topics and any additional areas you believe are important.

For each priority you recommend, please explain:

- a) Why is this issue important for developing countries?*
- b) What specific guidance or tools should the Committee produce?*
- c) How would this output be practical and valuable for countries?*

1. Progressive Taxation for the Ultra-Wealthy: Fair Taxation Based on Income and Wealth

Priority: Establishing a progressive taxation system for the high-net-worth individuals (HNWI) that ensures a fair distribution of tax burdens, considering all their sources of income and wealth.

Rationale for Developing Countries: Progressive taxation is a fundamental tool for reducing income inequality. In many developing countries, the (HNWI) often benefit from lower effective tax rates due to loopholes, lack of enforcement, or insufficient tax policy design. A fair and progressive taxation system ensures that the wealthiest individuals contribute their fair share to public finances, which can then be reinvested into essential services like education, health, and infrastructure, particularly benefiting the most vulnerable populations. By advancing this priority, we hope to promote fiscal policies that are both just and effective in redistributing wealth.

Guidance to Be Provided: The Committee could work on guidelines that assist countries in developing and implementing progressive taxation systems targeting the HNWI, while taking into account the complexity of global income and wealth. Special focus should be placed on methods of taxation that are transparent, enforceable, and capable of addressing cross-border tax avoidance strategies. This would be aligned with the goals outlined during the IV International Conference on Financing for Development in Seville, where progressive taxation emerged as a key area for reform.

2. Transparency: Establishing Standards for Beneficial Ownership and Asset Registers

Priority: Advancing efforts on transparency, particularly in establishing international standards for identifying the beneficial owners of assets, with a particular focus on real estate.

Rationale for Developing Countries: Lack of transparency, particularly in the ownership of real estate and other valuable assets, is a significant issue that allows illicit financial flows and tax avoidance to thrive. Many developing countries face challenges in tracking ownership structures, especially where these assets are held offshore or through complex corporate arrangements. Establishing robust and transparent registries of beneficial owners would empower tax authorities to enforce laws effectively, prevent corruption, and ensure that taxes are paid in a fair manner.

This would contribute to improving governance, reducing the impact of illicit financial flows, and enhancing overall tax compliance.

Guidance to Be Provided: The Committee could provide technical support in designing and implementing beneficial ownership registries and standards for real estate and other high-value assets. This would involve recommending practical steps for ensuring the public availability of beneficial ownership data while considering the challenges faced by developing countries in terms of capacity and infrastructure.

3. Fiscal Incentives for Development: Balancing Tax Benefits and Public Finance Sustainability

Priority: Analysing and providing guidance on how to design tax incentives for developing countries that are effective, without causing long-term harm to public finances.

Rationale for Developing Countries: Fiscal incentives such as tax exemptions, credits, or preferential rates can be effective tools for encouraging investment and promoting economic development. However, poorly designed tax incentives can lead to significant revenue losses, which undermine the ability of governments to fund essential services. Developing countries, in particular, may face challenges in designing incentives that strike the right balance between attracting investment and maintaining fiscal stability. It is crucial to ensure that fiscal incentives are targeted, transparent, and linked to development goals, so that they do not result in a race to the bottom in terms of tax rates or cause significant revenue erosion.

Guidance to Be Provided: The Committee could assist countries by developing a framework for assessing the effectiveness of fiscal incentives, helping to design them in a way that maximizes development outcomes without jeopardizing public finances. This could include recommendations on the optimal use of incentives, ensuring they are aligned with broader sustainable development goals, and introducing mechanisms for monitoring and assessing their impact on public finance and inequality.

Conclusion

Spain strongly believes that these priorities will support the achievement of a fairer and more sustainable global tax system. By focusing on progressive taxation for the ultra-wealthy, enhancing transparency in asset ownership, and ensuring that fiscal incentives support sustainable development without undermining public finances, the UN Tax Committee can provide critical guidance to countries in their efforts to build more resilient economies.

We look forward to working with the Committee and all member states to advance these priorities.

SUPPORTING REFERENCES *Please list any hyperlinks to relevant reports, studies, or other materials that support your recommendations. Do not attach files.*

-