



The Case for Applying a Gender Lens to Tax Policies and Administration

MARCH 30, 2023

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GENDER EQUALITY AND TAXATION

**BREAKING THE GENDER TAX BIAS: LESSONS FOR LATIN AMERICA
AND THE CARIBBEAN**

The Case for Applying a Gender Lens to Tax Policies and Administration

Outline:

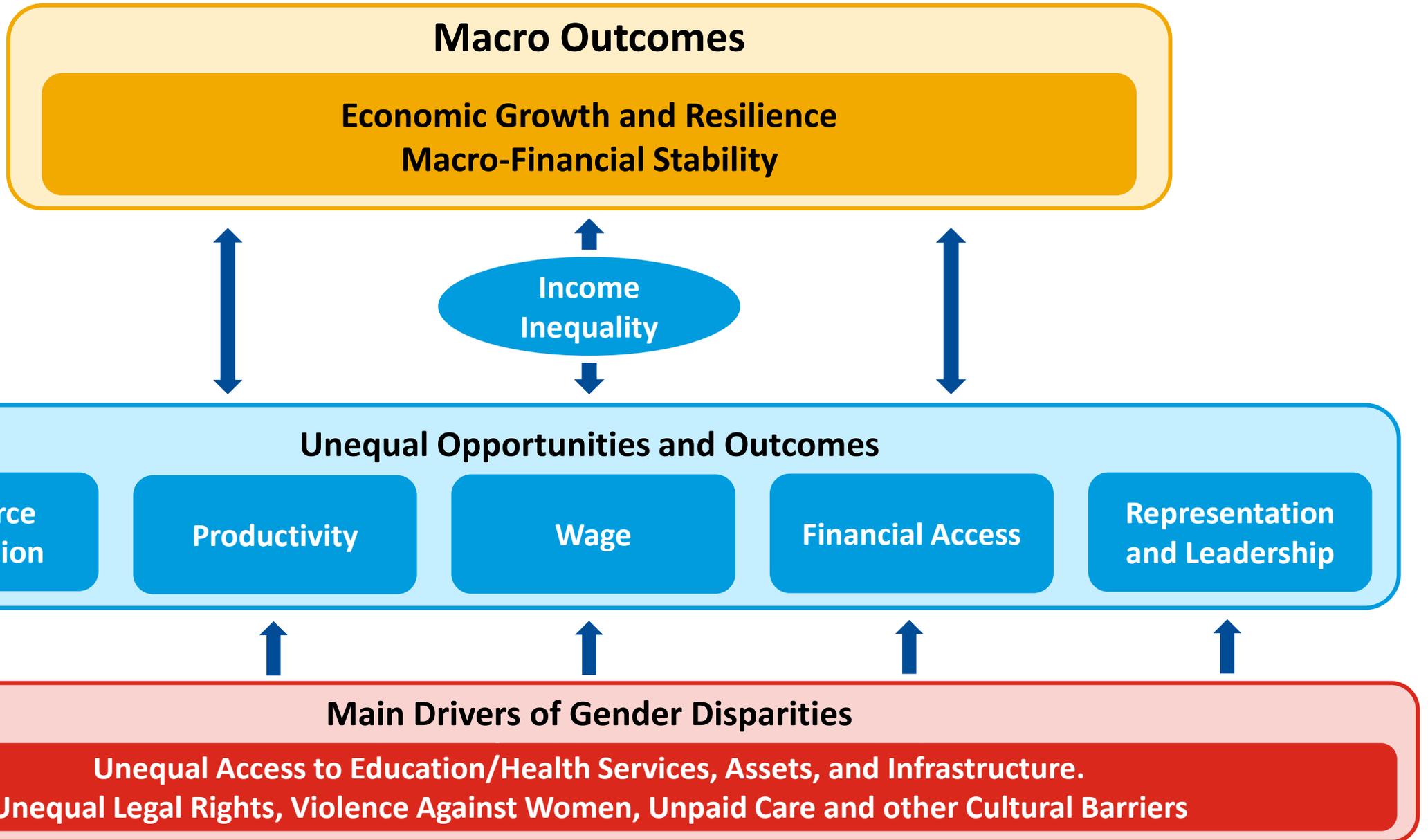
- 1. Gender gaps are macro-critical**
- 2. Policy and gender equality**
- 3. Revenue administration and gender equality**

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Gender Gaps are Macrocritical



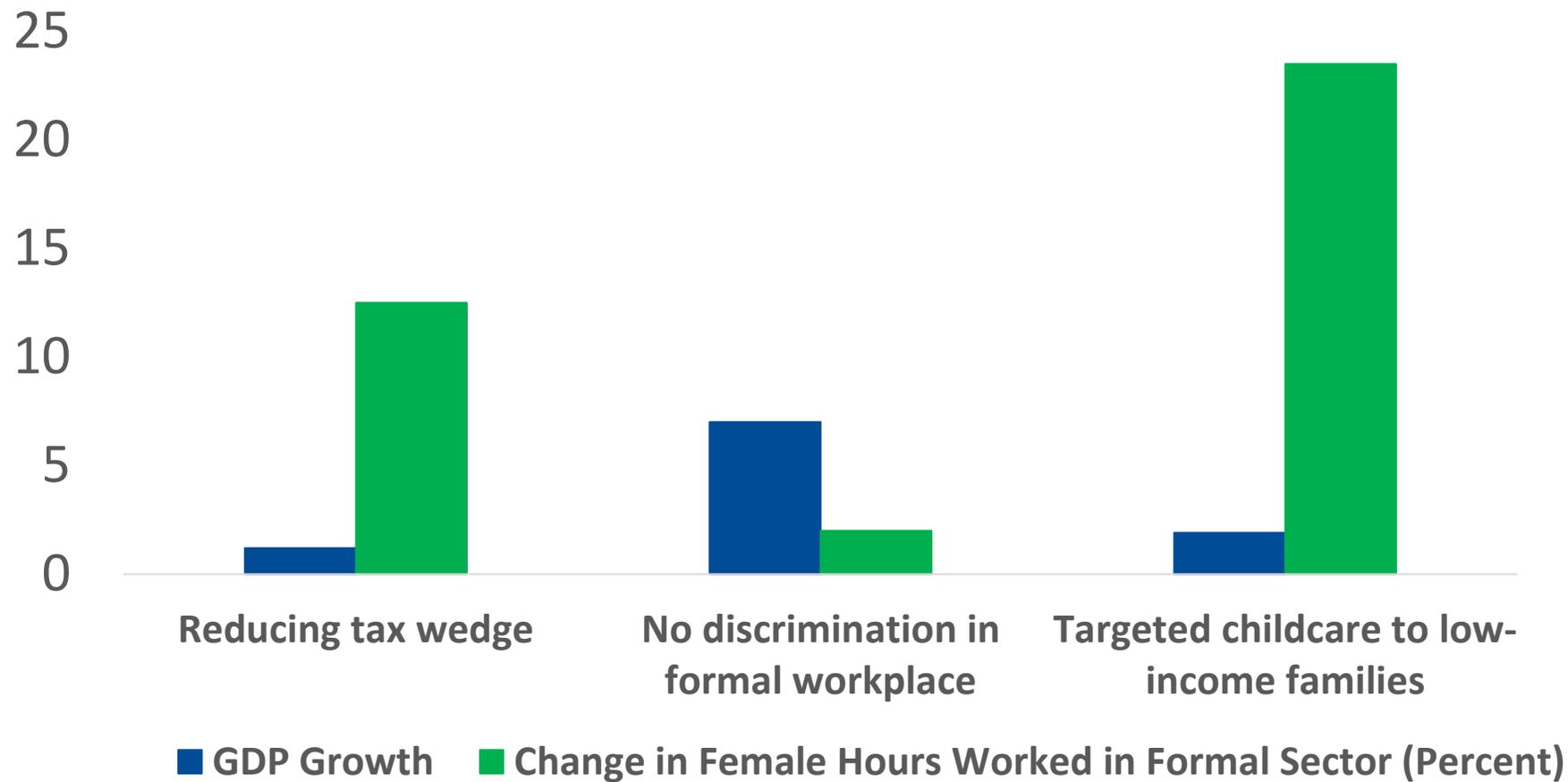
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Case Study: Argentina

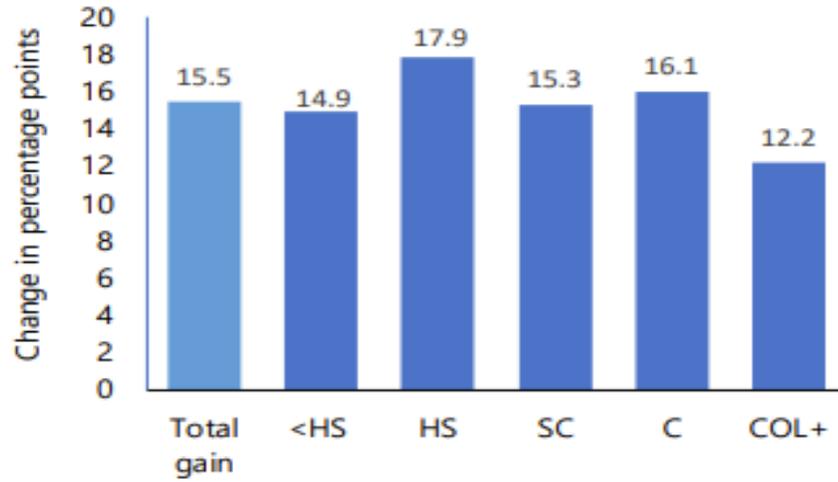
Policies to Address Gender Gaps in Female Labor Force Participation



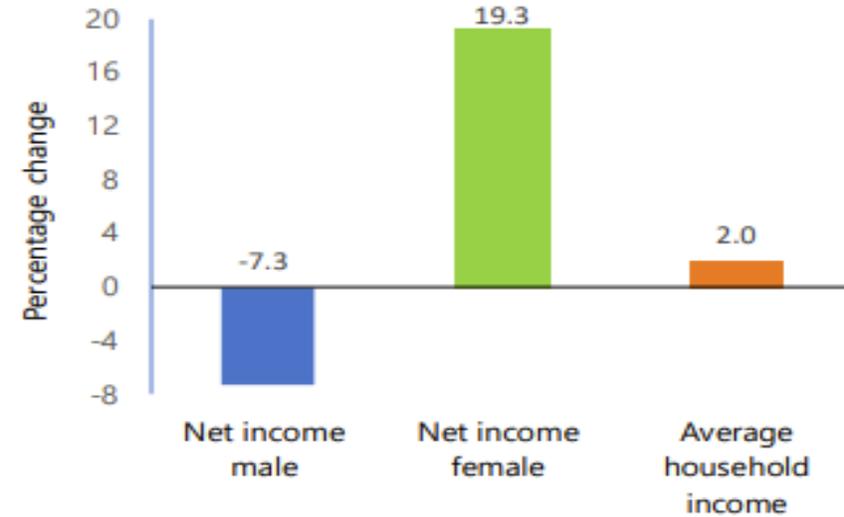
Source: [Argentina 2017](#) Selected Issues Paper

Case Study: United States

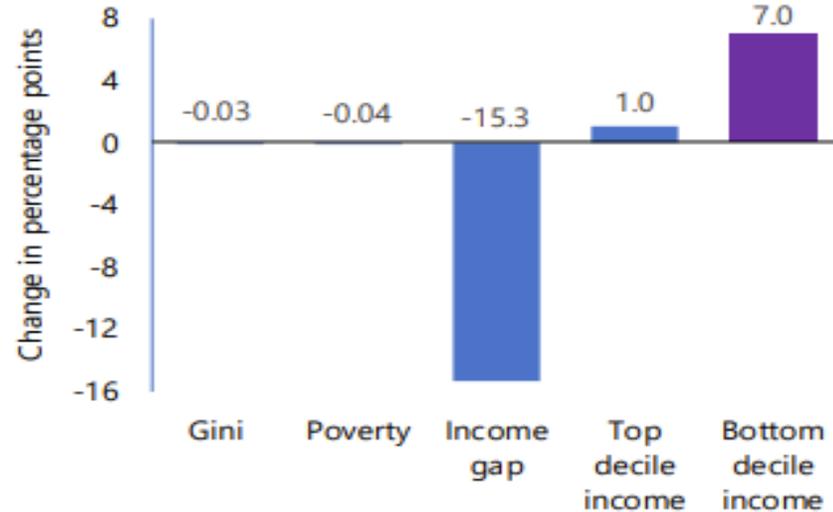
A. Change in Female Labor Force Participation by Education Level¹



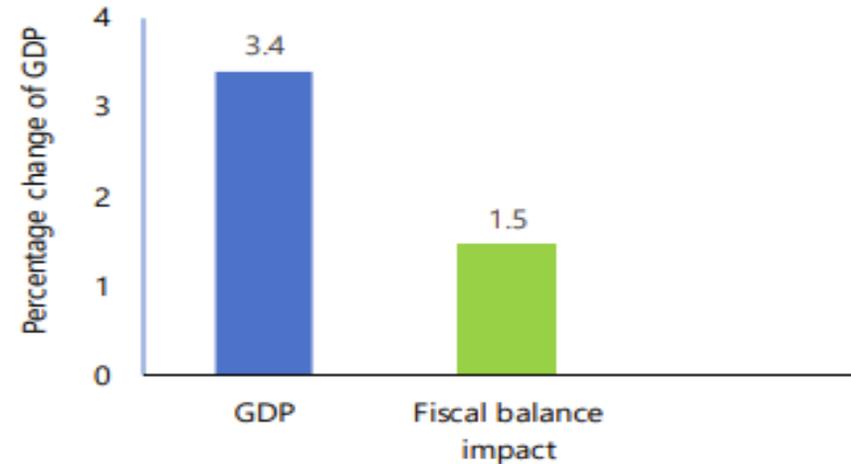
B. Household Income



C. Income Gaps, Inequality, and Poverty³



D. GDP and Government Accounts²



Source: [Women in the Labor Force: The Role of Fiscal Policies](#)

Country Applications: Gender

Policy	Country
Closing gender gaps in education	Niger , Nigeria , Senegal , Sierra Leone
Cash transfers to poor working women	Argentina , Senegal
Eliminating gender bias in the workplace	Iran , Lao P.D.R. , Nigeria
Introducing paid maternity leave	United States
Spending on infrastructure	Senegal
Tax policies	Argentina , United States
Subsidized childcare	United States

Policies for Women's Economic Empowerment



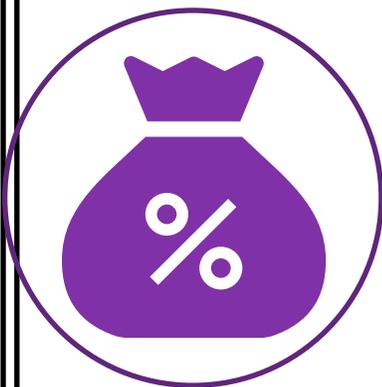
Legal reforms

- ❖ Constitutional law and civil rights
- ❖ Family law
- ❖ Property law
- ❖ Labor law
- ❖ Tax law



Fiscal policies

- ❖ Gender-responsive budgeting
- ❖ Spending on education, health, infrastructure and well-targeted social assistance
- ❖ Direct/indirect taxation and its administration
- ❖ Public sector wage policies



Financial sector policies

- ❖ Proportionate and risk-based supervision
- ❖ Supervisory guidance for FIs to reduce biases
- ❖ Investing in digital and financial literacy
- ❖ Equal access to digital infrastructure (mobile phones, high-speed internet, digital ID)



Labor market policies

- ❖ Removing biases in recruitment, promotion and retention policies
- ❖ Parental leave and child/elderly care
- ❖ Training and skills enhancement
- ❖ Eliminate sexual harassment in the workplace



Social norms and attitudes matter but policies matter more

- ❖ Taxation
- ❖ Family allowances
- ❖ Childcare
- ❖ Parental leave
- ❖ Education

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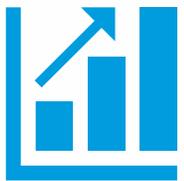
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Revenue Administrations have Important Levers for Contributing to Gender Equality

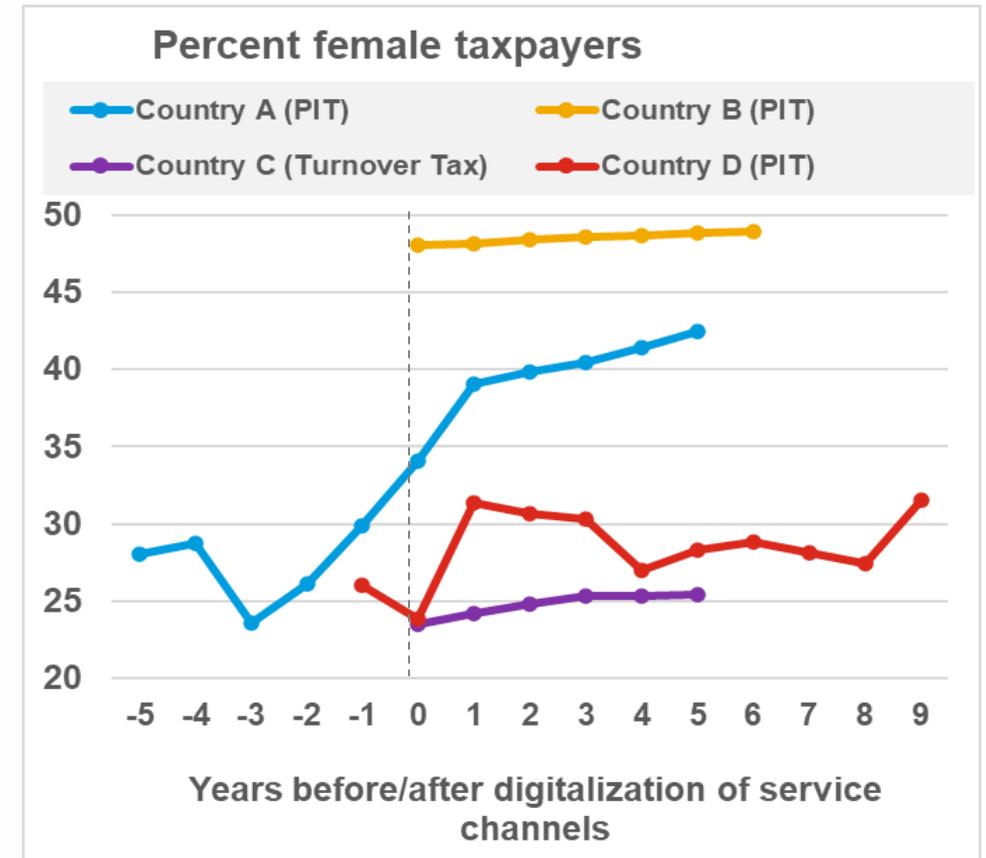


- By **administering gender sensitive tax laws effectively** and **applying a gender lens when administering the tax or trade laws**, to reduce the barriers to women's employment, entrepreneurship, and trade activity
- Through a **gender-balanced workforce**, with policies and procedures that ensure equal employment opportunities within the RA
- By **collecting tax revenue effectively and efficiently**, thus enabling the government to finance public expenditure, including vital social programs that support women and girls



Applying a gender lens to taxpayer services

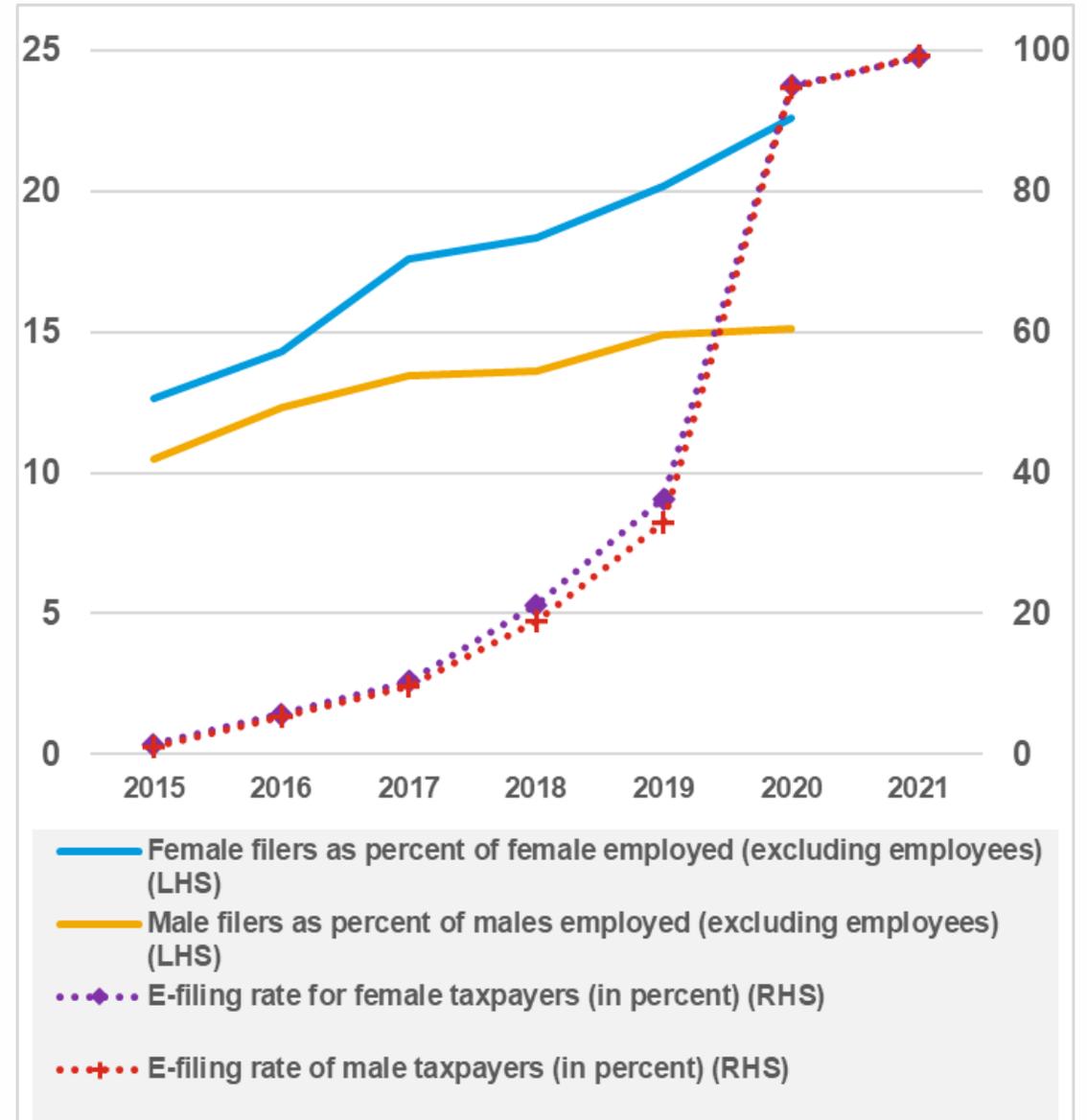
- RAs routinely analyze data to understand the taxpaying population, then devise systems and products to encourage voluntary compliance
 - ▶ *Women may be concentrated in some economic sectors, or in small businesses*
- Existing gender inequalities may impact taxpayer engagement and taxpayer needs, e.g.
 - ▶ Education levels
 - ▶ The gender wage gap
 - ▶ Access to digital technologies – a gender component to the digital divide
 - ▶ Women enter and exit the labor market more frequently
- Applying a gender lens to channels offered for registration, filing and payment offers revenue administrations insights into improving taxpayer compliance
 - ▶ Taxpayer education tailored for specific sectors, focused on tax provisions of particular relevance for women, or on the use of digital technologies, could improve compliance



Source: IMF calculations, using data provided through Gates Foundation-funded project in progress 'Fiscal Institutions, Policies and Gender'

Case Study: Jamaica - Impact of Digitalization

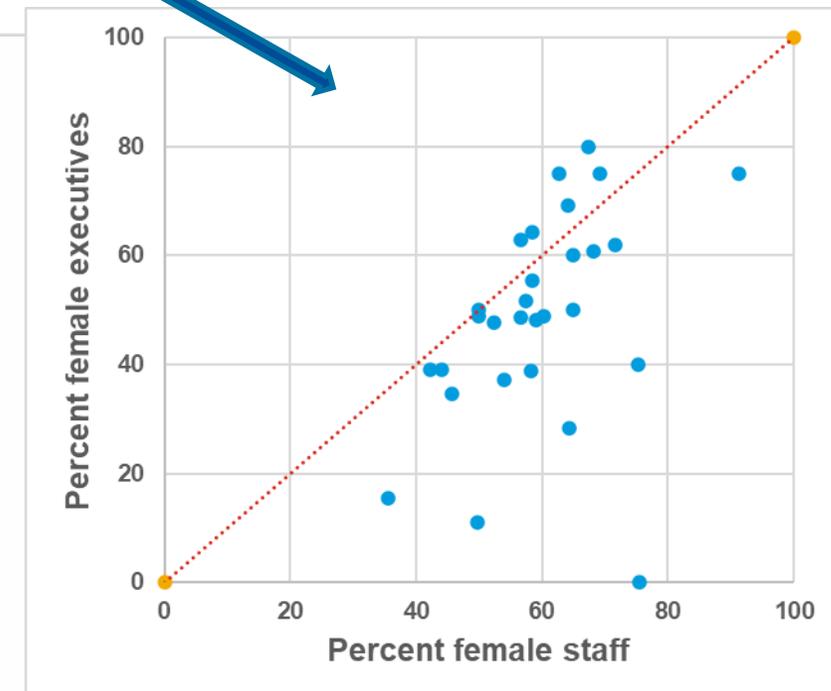
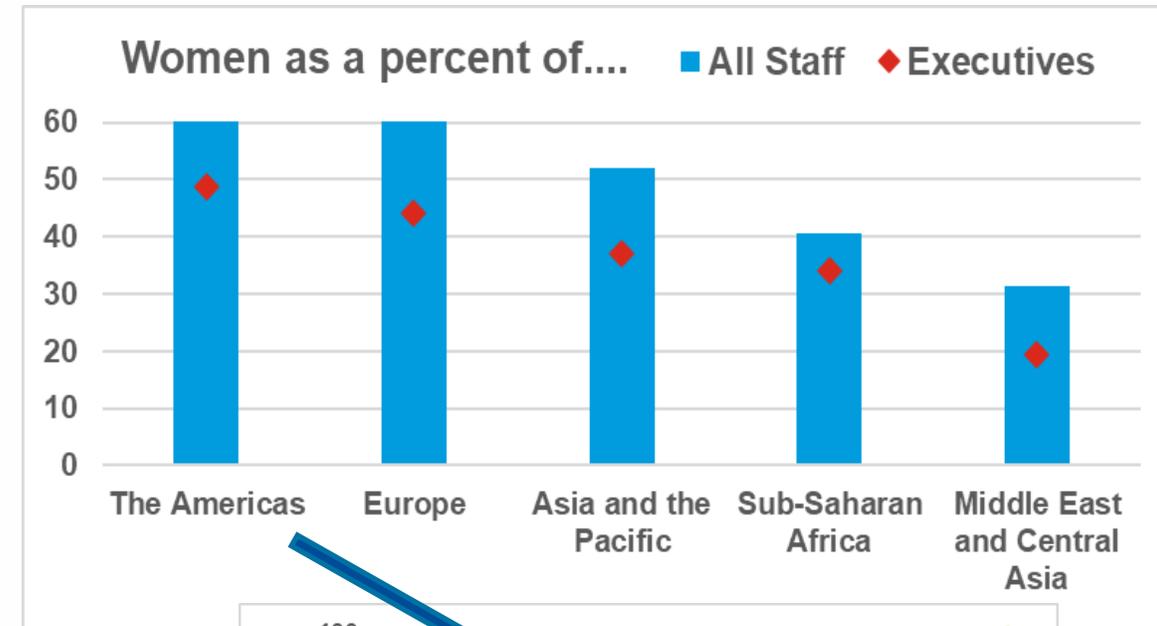
- Jamaica is one of several countries that provided a time series of gender-disaggregated data on taxpayer registration, filing and payment, following the introduction of digital channels for taxpayer engagement with the administration
- *Preliminary observation:*
 - *Digitalization appears to have encouraged growth in the number of taxpayers who are active in the tax system – and more so for women*



Source: IMF calculations based on data from ILO, TAJ and SIJ, under the Gates Foundation funded project 'Gender, Fiscal Institutions and Policies'

Building a Gender-balanced RA Workforce

- As a region, tax administrations in the Americas demonstrate a better gender balance than other regions...
 - ▶ But even in most tax administrations in the Americas, the percentage of women amongst executives is lower than the percentage of female staff
- Gender balance is influenced by a number of external factors, but tax administrations can build a gender-balanced workforce by (amongst others):
 - ▶ Developing gender-balanced leadership
 - ▶ Putting gender-responsive human resource policies in place



Source: IMF calculations based on FY 2020 data from ISORA, <https://data.rafit.org>

Case studies in Central America: The Current State of Gender Equality within Customs Administrations

- A study was undertaken to take stock of the current state of gender equality in customs administrations, by applying a [tool](#) developed by the World Customs Organization (WCO), and with the advice of the Spanish Institute of Fiscal Studies



- The purpose of the study was to **identify gender equality gaps** and **establish baselines in the region**, that will serve as a reference for customs administrations and technical assistance providers in designing reform strategies to improve gender equality
- Seven customs administrations** from Central America, Panama and the Dominican Republic participated in this study

WCO Gender Equality Organizational Assessment Tool



PRINCIPLES

-  1 EMPLOYMENT AND COMPENSATION
-  2 WORK-LIFE BALANCE AND CAREER DEVELOPMENT
-  3 HEALTH, SAFETY, AND FREEDOM FROM VIOLENCE
-  4 GOVERNANCE AND LEADERSHIP
-  5 CUSTOMS ADMINISTRATION AND STAKEHOLDER RELATIONS

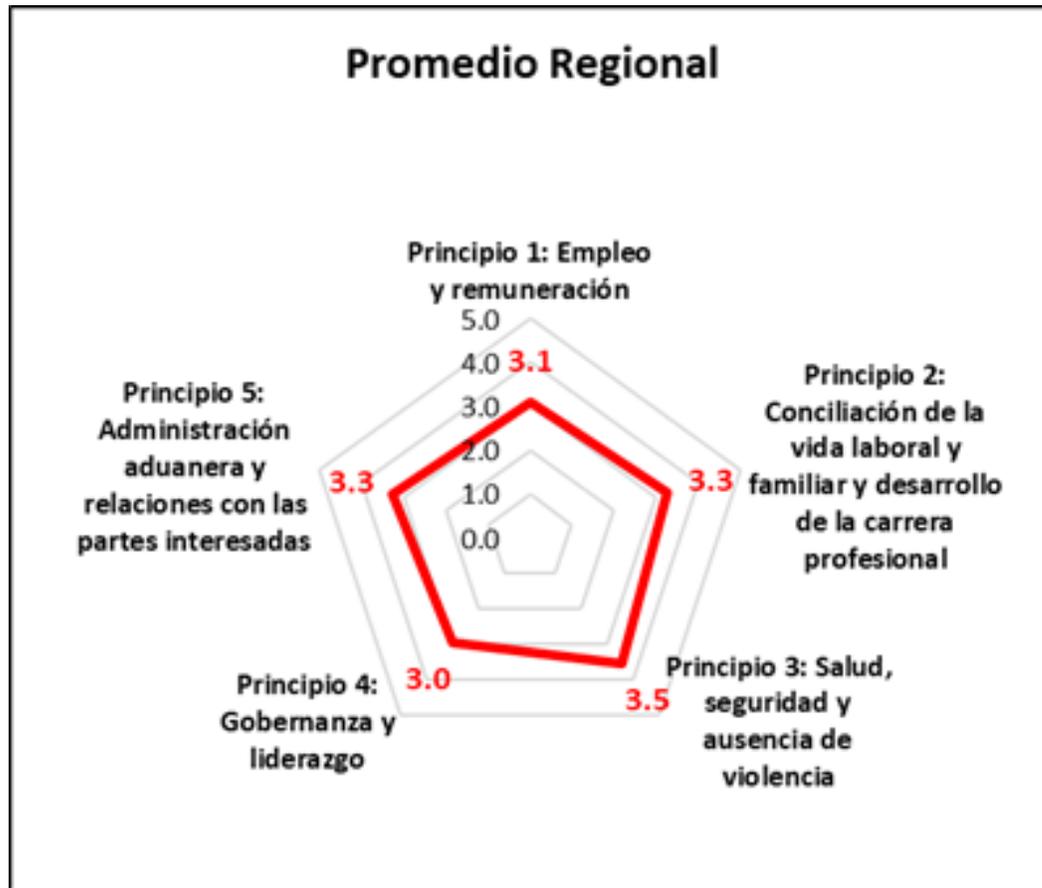
KEY ELEMENTS

- A: WAGES, BENEFITS, AND PAY EQUITY
 - B: MULTIPLE DISCRIMINATION / INTERSECTIONALITY
 - C: RECRUITMENT AND HIRING
- A: FLEXIBILITY POLICIES
 - B: DEPENDENT AND FAMILY CARE
 - C: CAREER ADVANCEMENT
- A: HEALTH BENEFITS
 - B: GENDER BASED VIOLENCE
 - C: HARASSMENT, INCLUDING SEXUAL HARASSMENT
- A: GOVERNANCE AND MANAGEMENT
 - B: LEADERSHIP
- A: CUSTOMS POLICIES AND PROCEDURES
 - B: BORDER OPERATIONS
 - C: STAKEHOLDER RELATIONS

Case studies on Customs Administrations in Central America: Results and Next Steps

Based on the *average scores* of the seven participating administrations:

- The region's relative strength lies in **health, safety, and freedom from violence**
- **Governance and leadership** is the area that requires most attention going forward



Source: Report based on study conducted in Central America

Next steps, using the study results are to:

- Develop a regional action plan
- Develop country action plans, focusing on the most relevant indicators given the context and the legal framework of each country
- Align the action plans with each administration's strategic plans
- Monitor progress and develop policies accordingly
- Seek the support of donors and technical assistance providers who want to support the implementation and monitoring of these plans

Other Materials

Papers, podcasts, data

[Gendered Taxes: The Interaction of Tax Policy with Gender Equality \(imf.org\)](#)

An overview of the relation between tax policy and gender equality, covering labor, capital and wealth, and consumption taxes

<https://www.imf.org/en/Topics/fiscal-policies/Revenue-Portal/Tax-and-Customs-Administration#gender> Content about revenue administration and gender on the IMF's revenue portal

[Gender-and-revenue-administration-podcast-series](#) A series of podcasts showcasing Australia, Ecuador, Jamaica, the Maldives, Romania and Uganda

<https://data.rafit.org/regular.aspx?key=63544699> Staff gender balance in tax administrations from 2018 to 2020, collected through ISORA

Ongoing Work



- The **International Survey on Revenue Administration (ISORA)** to be conducted in 2023 will include gender-related questions, e.g. whether tax administrations collect and analyze statistics on taxpayer service satisfaction and compliance behavior, by gender



- The **Tax Administration Diagnostic Assessment Tool (TADAT)** Secretariat is currently focusing on understanding and gleaning good practices in tax administration that promote gender equality, in order to incorporate gender aspects in TADAT in the future



- Continuing work on a **gendered analysis of the impact of digital service channels in tax administration** using gender-disaggregated data on registration, filing and payment



- **Capacity development** of RAs will include:
 - Conducting webinars to raise awareness of the gender dimension to RA
 - More in-depth discussions with RAs, leading to country-specific action plans
 - Including gender discussions in capacity development missions



Thank you!

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