

# Findings from recent research based on Ugandan administrative tax data

## OPENING

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# These opening remarks

- Introduction to UNU-WIDER – who are we and what do we do
- URA – UNU-WIDER collaboration in the area of tax research
- The agenda today

# UNU-WIDER Background

- Established in 1985 in Helsinki, Finland, as the first ‘research and training centre’ of the United Nations University
- UNU-WIDER: a **global think tank and research institute**, operating within the UN system and providing **economic analysis** and **policy advice** with the aim of promoting **sustainable and equitable development for all**
- The Institute engages a **global network of thousands of researchers and institutions**, many from developing countries, aiming to produce knowledge of real value to policy makers and practitioners in the developing world, across the UN, and to the international community more broadly
- ***Global Public Good approach to research – all work of the Institute is freely available on our website.***

# 2019-23 work programme

- Builds on the past activities, looks at the future
- Organized around Flagship projects, including
  - Inequality, especially social mobility
  - Formal vs informal sector jobs, especially women's work
  - Structural transformation
  - Data provision, WIID and GRD
  - And **tax analysis**
- Conducted jointly with resident researchers and the global WIDER network

# Our work on tax

- Revenue authorities, over the course of administering tax, collect a huge amount of data about the taxpayers
- These can be used for research purposes especially if they are in digital format
- Research questions include
  - What works for improving compliance and formalization
  - How tax reforms influence reported incomes
  - But also
    - Inequality analysis
    - Determinants of firm performance
- Modelling work: tax-benefit microsimulation ([SOUTHMOD](#))

# URA – UNU-WIDER Collaboration

- Ongoing for more than two years
- URA offers access to anonymized data, stored on secure terminals within RPD at the URA
- International and URA researchers work together on research topics which were identified as important for URA
- Undertaken also training and other capacity building activities
- More [info here](#)

# Existing research work

- A paper on the impacts of compliance-enhancing interventions related to small enterprises
- Studying the impacts of the 2012/13 income tax reform
- Examining the possible scope of international tax avoidance by large, multinational, companies
- Building UGAMOD, a tax-benefit microsimulation model for Uganda, and conducting research using it

# UGAMOD

- Microsimulation
  - Coding of existing tax and benefit legislation
  - Representative micro data
  - Used for simulating the impacts of policy reforms on revenues and income distribution
- Underpinned by Uganda National Household Survey 2016/17
- Model developed by URA, Makerere University, SASPRI, and UNU-WIDER
- Was launched in April 2019, next training course mid September 2020
- Freely available on the UNU-WIDER [web page](#)

# Next steps

- Finishing up all ongoing work
- Working on new topic
  - Such as income distribution analyses
- Work towards opening data access
  - Data description
  - System in place for researchers' visits

# Today's agenda

- Three presentations
  - Maria Jouste and Ronald Waiswa: What explains the increased number of presumptive tax payers
  - Joseph Okello and Jukka Pirttilä: Impacts of the new top marginal tax rate on reported earnings
  - Susan Kavuma and Nicholas Musoke: UGAMOD and results from excise duty simulations
- And discussion and feedback!