

day/date

Is Taxation a Good Remedy Against Economic Crisis?

I. Introduction:

Taxation cannot always be a good remedy against economic crisis. It can give results that are completely opposite of taxation's basic principles, that is, revenue generation and redistribution of wealth.

II. Relation between Taxation and Economy

III. Taxation is not a Good Remedy Against Economic Crisis

1. Higher taxation leads towards economic slowdown

- US Great Depression 1930

2. Taxation policies can result in political instability

- Zimbabwe in 2000's

3. Brain drain can be a phenomenon as a result of higher taxes

- UK in 1970

4. Higher taxation societies are more likely to have societal tensions

Phrase it properly

5. Snowballing taxation results in shifting of business

- UK in 1970

6. People will try to evade taxes

7. Taxation hinders mining of resources in developing countries

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- Mining tax in Australia; \$16.7 billion in royalties

8. Erodes public trust upon state
9. Limited tax base due to informal economy
10. Reduced investment and economic inequality due to higher taxation

IV. Alternative Measures to be Adopted in case of Economic Crisis

1. Provision of tax incentives in growth oriented sectors
2. Collaborative Public-Private partnership to finance, design and implement projects
3. Accountability for tax evaders
4. Financial aid to struggling industries to increase development

V. Conclusion

Thesis statement should be more specific