

(RIMSHA 64 BATCH)

Justice and Taxation: Why Wealthy Individuals Should Pay Their Fair Share

Outline:

1. Introduction

“Taxation and justice are the price which civilized communities pay for the development opportunity of remaining civilization.”

2. Conceptualization of taxation justice and its philosophical arguments

- a- Fairness and efficiency in taxation- Adam Smith’s The Wealth of Nation
- b- Taxation as the least sacrifice of enjoyment- Jeremy Bentham’s free market approach
- c- Equitable taxation is the essence of GDP per capita development- Capitalistic Model

3. Argumentation on why wealthy individuals should pay their fair share

- a- Serve as a pathway to achieve labour welfare in the local market
- b- Help to stable the Consumer Price Index (CPI) of inflation and poverty
- c- Increase trustworthiness of non-filers on FBR and Inland Revenue Collection
- d- Foster the cohesion between Federal and Provincial tax collection systems
- e- Fair shares render the inclusivity of welfare and citizen-centric model in fiscal policy
- f- Encourage informal and knowledge economy to compliance with taxation system
- g- Enact export led model in manufacturing sector through Public-private partnerships
- h- Ease down the burden of energy and loan crisis thus lead to PSDP development
- i- Reduce the fabric the wider gender wage gap in corporation and multinational companies

4. Opposing stances and their rebuttals on why wealthy individuals shouldn’t pay their fair share

- a- Proponents claim the wealthy individuals are paying their fair share through philanthropy, thus contributing the taxation system
Rebuttal: Paying taxation indirectly discouraging other from the formal route of taxation collection system, thus increasing the tax injustice
Justification: 19.7 Percent wealthy individuals are opting informal taxation routes (International Tax Competitiveness Index- ITCI report 2023)
- b- Opponents argue that over taxation can undermine their profit earning sources, expenditures and logistics operations
Rebuttal: Taxation is the bedrock of global trade system, so compliance with taxation policy can help the wealthy individuals to operate business at minimal cost
Justification: 56 percent rise in offshore assets of wealthy individuals in post COVID19 global debacle (The Economic Outlook 2023 by OECD)

5. Conclusion “The essence of global human resource development lies at the hand of 1% wealthy individuals and an equitable taxation system”

