

The 10 Cs of an efficient tax system

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An efficient taxation system has nine attributes with one over-riding characteristic to which they all contribute.

An efficient tax system is:

- 1: Comprehensive — in other words, it is broad based;
- 2: Complete — with as few loopholes as reasonably possible;
- 3: Compassionate — it is as certain as is reasonably possible;
- 4: Compassionate — it takes into account the capacity to pay;
- 5: Compliant with human rights;
- 6: Compensatory — it is perceived as fair and redistributes income and wealth as necessary to achieve this aim;
- 7: Complementary to social objectives;
- 8: Computable — the liability can be calculated with reasonable accuracy;

All of which facilitate the chance that it will be:

- 10. Competently managed.

In combination these are key attributes of a good tax system.