

Corporate Tax Haven Index (CTHI)



**TAX JUSTICE
NETWORK
AFRICA**

Maïmouna Diakité

Francophone African Hub Researcher

maimouna@taxjustice.net

Tax Justice Network

Summary

- Context
- Definitions
- Methodology (Data, Sources and Formulas)
- Results
- African Countries' CTHI Performance



Questions

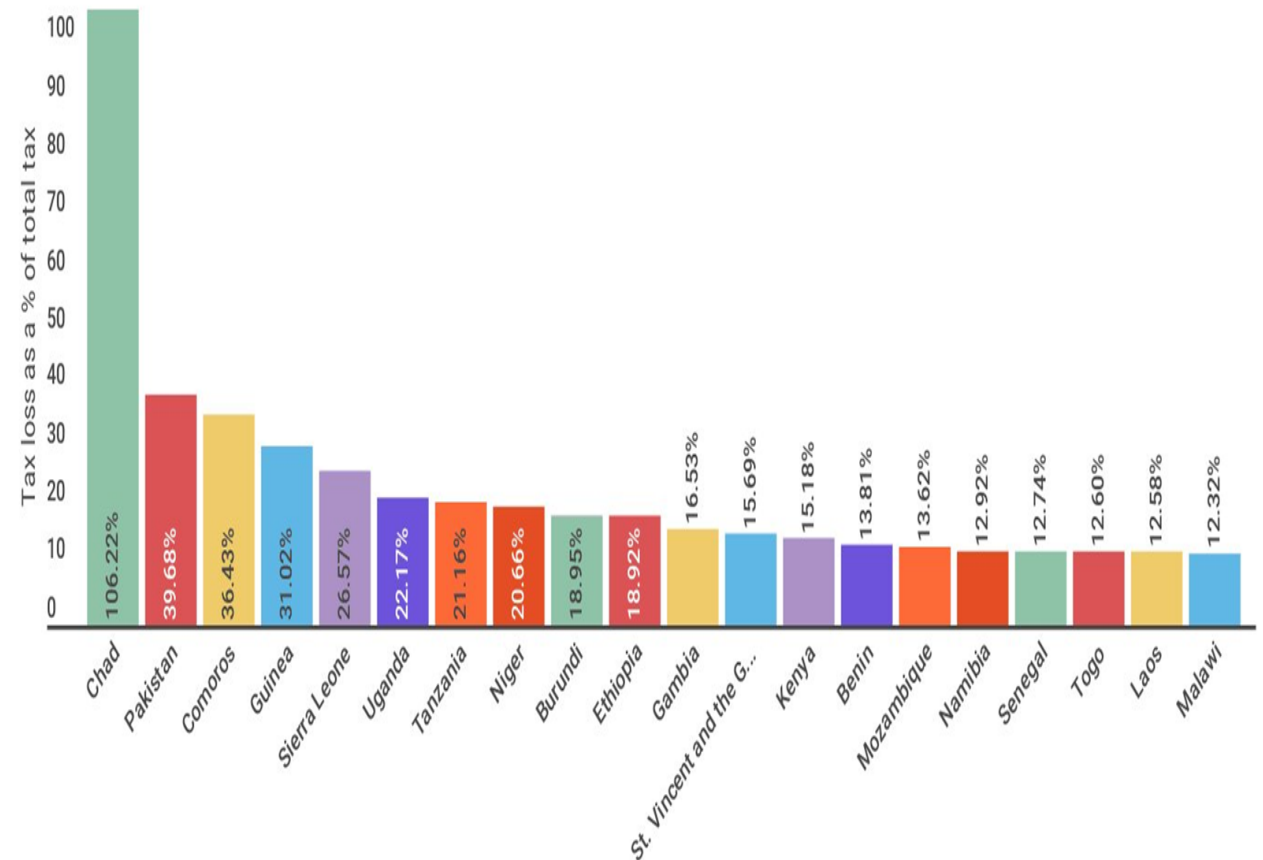
- Which Jurisdictions are the Corporate Tax Havens ?
- How many billions of dollars in corporate tax are dodged each year globally by multinational corporations ?
 - ✓ \$500 billion
 - ✓ \$400 billion
 - ✓ \$300 billion
- Can you rank these companies according to the level of taxation ?
 - Investment companies
 - Bakeries and Groceries
 - Banks



Context

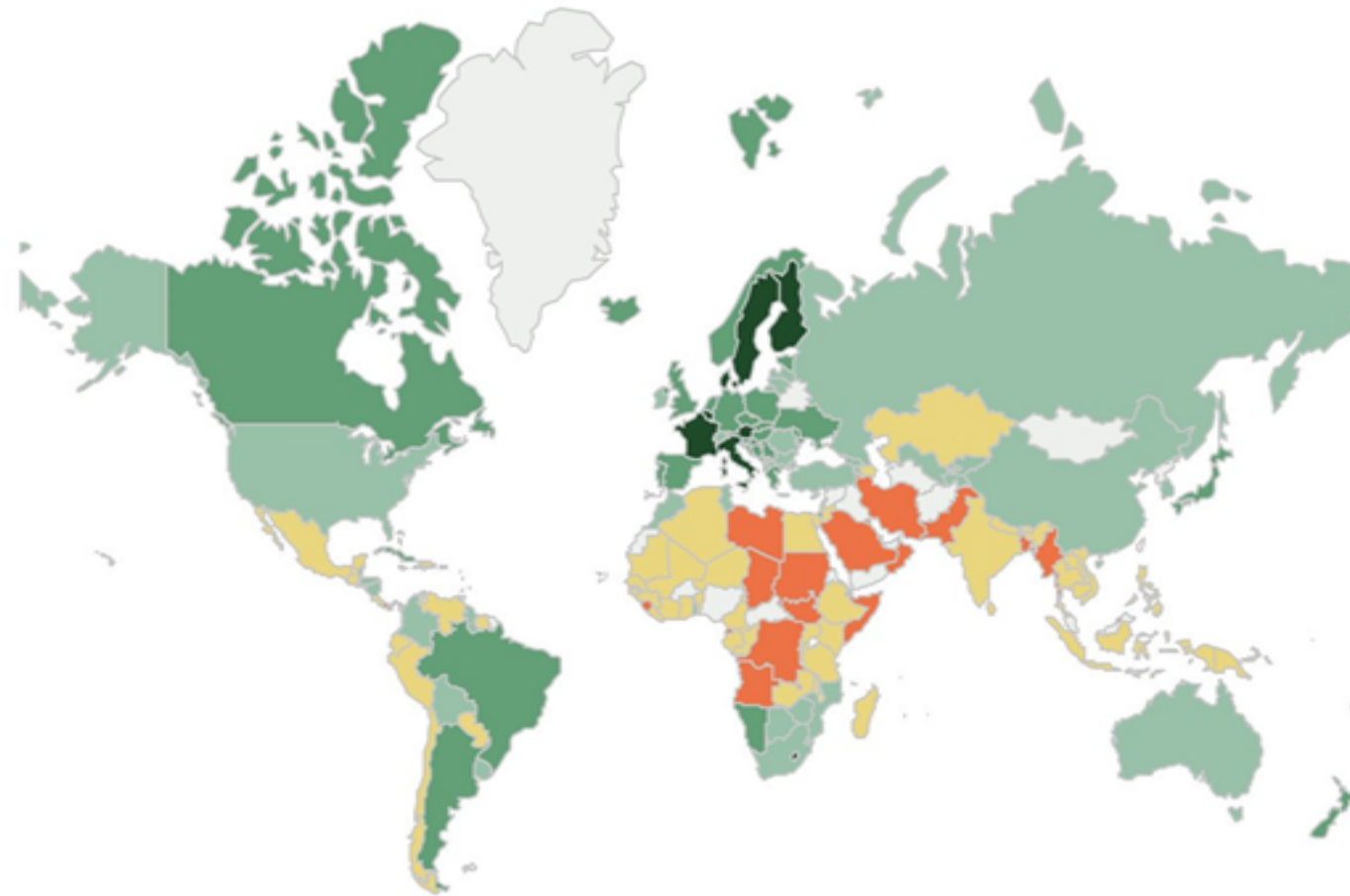
- ❖ An estimated \$500 billion in corporate tax is dodged each year globally by multinational corporations.
- ❖ In 86 per cent of EU countries, investment companies are taxed less than bakeries and groceries.
- ❖ In 49 per cent of EU countries, banks are taxed less than bakeries and groceries.
- ❖ Since 1980, average withholding tax rates have fallen by 30% for most types of income, while the average rates on qualifying dividends has fallen by almost 50% (IMF, 2014).

Estimated Tax Loss (percent Total Tax)



Source:
Cobham and Janský (2013)

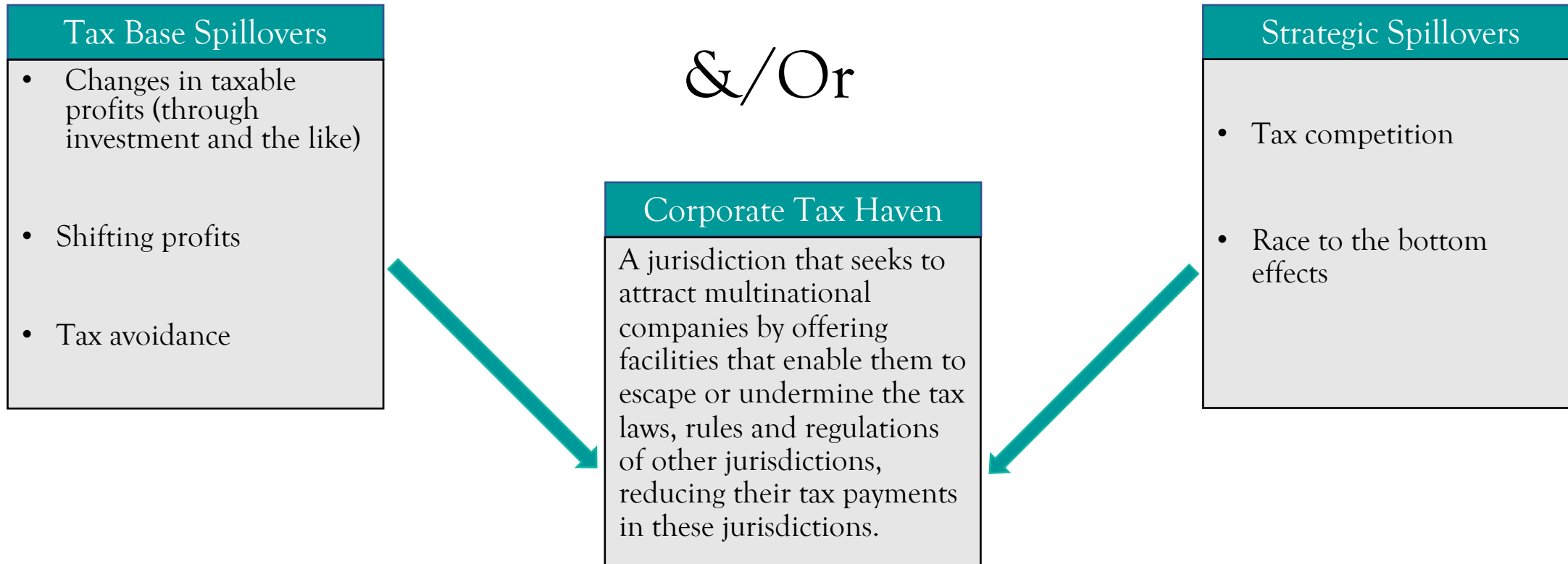
Tax/GDP Ratio



● 10% or less ● 10-20% ● 20-30% ● 30-40% ● 40%+ ● No data

Source: ICTD, 2018, Government Revenue Dataset, available for download here: <https://www.wider.unu.edu/project/government-revenue-dataset>

Definitions



The CTHI scores each country's tax system based on the degree to which it enables corporate tax avoidance

Corporate Tax Haven Index

- **64 Jurisdictions** → Selection criteria: EU membership or dependency, major misalignment jurisdictions, FASTA Project
- **9 African Countries** → Botswana, Gambia, Ghana, Kenya, Liberia, Mauritius, Tanzania, the Seychelles and South Africa
- **2 Components** → the Haven Score (HS) and the Global Scale Weight (GSW)
- The Index **focuses only** on the corporate income tax rules and practices applicable to (large) multinational enterprises' profits (including capital gains).
- **Data Sources** → IBFD, OECD, Big 4 (KPMG, PwC, Deloitte, E&Y), IMF, Global Forum peer reviews, Lowtax.net, Odra.com, Open Company Data Index, NRGI, Government designated websites (of the Ministries of Finance, the Tax Authorities and Investment Agencies)...



The CTHI Components: HS & GSW

Qualitative Component: Haven Score

Haven Indicator or #	Haven Indicator Short Code	Haven Indicator	OECD BEPS	OECD AP 5	IMF Spillover	EU / State Aid
1	LACIT	Lowest Available Corporate Income Tax			X	X
2	Loopholes and gaps	Foreign Investment Income Treatment			X	
3		Loss Utilisation				
4		Capital Gains Taxation			X	
5		Sectoral Exemptions	X	X		
6		Tax Holidays and Economic Zones	X	X		
7		Patent Boxes	X	X		
8		Fictional Interest Deduction				
9		Transparency	Public Company Accounts			
10	Country by Country Reporting					X
11	Local Filing of Country by Country Reporting		X			
12	Tax Rulings and Extractive Contracts		X	X		X
13	Reporting of Tax Avoidance Schemes					X
14	Tax Court Secrecy					
15	Anti-avoidance	Deduction Limitation for Interest	X		X	X
16		Deduction Limitation for Royalties				
17		Deduction Limitation for Service Payments			X	
18		Dividend Withholding Taxes				
19		Controlled Foreign Company Rules	X		X	X
20	Double Tax Treaty Aggressiveness	Double Tax Treaty Aggressiveness			X	

Quantitative Component: Global Scale Weight

Bilateral Data
on FDI from
IMF Coordinated Direct Investment Survey
(CDIS)

<http://data.imf.org/CDIS>



Formulas

Haven Score (HS): $0 \leq HS \leq 100$

For each country i (with $k \in HI(1, \dots, 20)$):

$$LACIT = HI_{1i}$$

$$\text{Loopholes and gaps [LG]} = \frac{1}{7} \sum_{k=2}^8 HI_{(k,i)}$$

$$\text{Transparency [T]} = \frac{1}{6} \sum_{k=9}^{14} HI_{(k,i)}$$

$$\text{Anti-avoidance [AA]} = \frac{1}{5} \sum_{k=15}^{19} HI_{(k,i)}$$

$$\text{Double Tax Treaty Aggressiveness [DTTA]} = HI_{20i}$$

$$HS_i = [LACIT_i] * [LG_i] * [T_i] * [AA_i] * [DTTA_i]$$

Global Scale Weight (GSW)

For each country i and partner jurisdiction j :

$$\text{Inward FDI position}_{ij} = \max(\text{reported inward FDI}_{ij}, \text{derived inward FDI}_{ij}, 0)$$

$$\text{Outward FDI position}_{ij} = \max(\text{reported outward FDI}_{ij}, \text{derived outward FDI}_{ij}, 0)$$

$$\text{inward FDI position}_i = \sum_{j=1}^N \text{inward FDI position}_{ij}$$

$$\text{outward FDI position}_i = \sum_{j=1}^N \text{outward FDI position}_{ij}$$

N = Number of j for country i

$$\text{inward FDI position}_i = \sum_{j=1}^N \text{inward FDI position}_{ij}$$

$$\text{outward FDI position}_i = \sum_{j=1}^N \text{outward FDI position}_{ij}$$

$$\text{average FDI position}_i = \frac{\text{inward FDI position}_i + \text{outward FDI position}_i}{2}$$

$$CTHI_i = (HS_i^3 * \sqrt[3]{GSW_i}) / 100$$

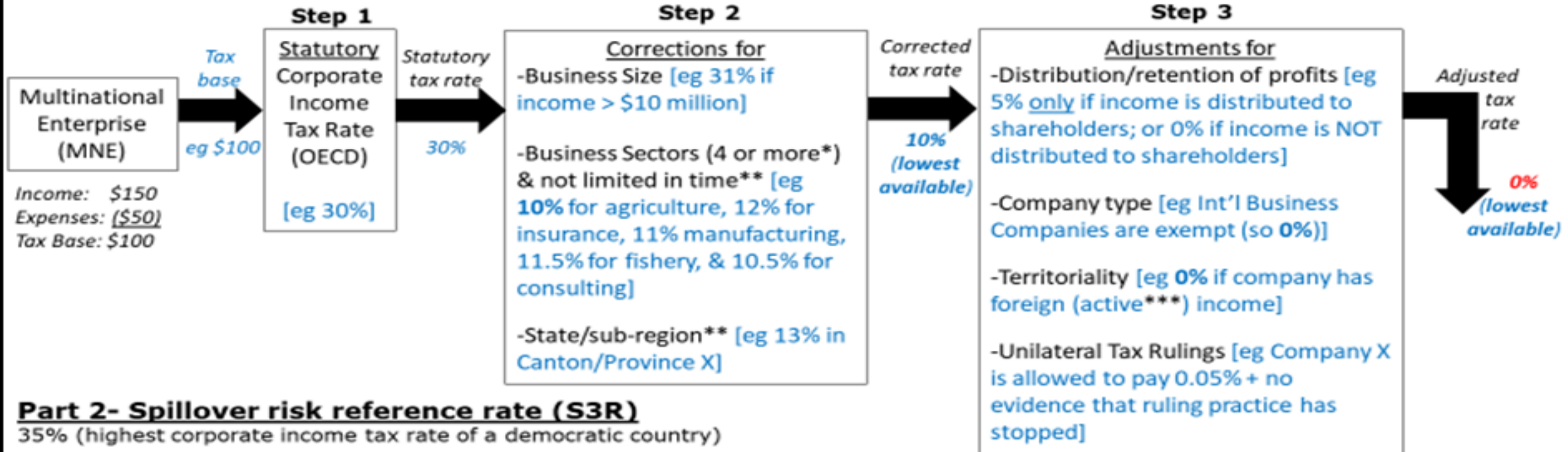
$$GSW_i = \frac{\text{average FDI position}_i}{\sum_{i=1}^M \text{average FDI position}_i}$$

and M = Number of jurisdictions for which data is available.

HI1-Lowest Available Corporate Income Tax (LACIT)

WHAT'S THE LOWEST AVAILABLE CORPORATE INCOME TAX RATE (LACIT) FOR A MULTINATIONAL COMPANY?

Part 1- Assessing the jurisdiction's LACIT



Part 2- Spillover risk reference rate (S3R)

35% (highest corporate income tax rate of a democratic country)

Part 3- Calculating the Haven Score

= Spillover Risk Reference Rate - LACIT
= 35% - 0% (eg above)
= 35% [Jurisdiction's spillover risk rate or SRR]

Standardization of jurisdiction's SRR (values for all Haven Indicators: 0 to 100)

Juris' spillover risk rate = 35% (LACIT = 0%) -> HI 1 = 100 (tax avoidance risk!)

Other Examples of HI values depending on different LACIT values:

[Pro-rata: eg. Juris' SRR = 25% (LACIT = 10%) -> HI 1 = 71]

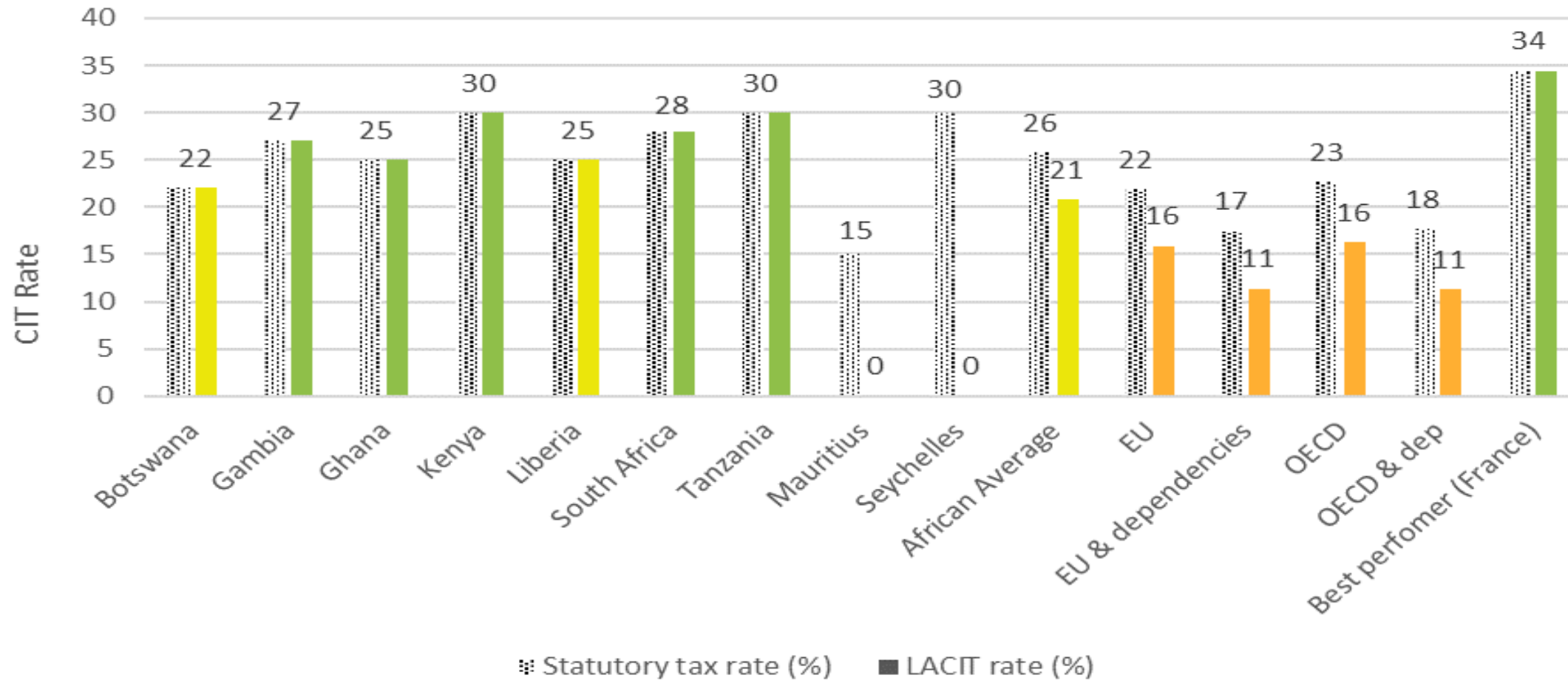
Juris' SRR = 0% (LACIT = 35%) -> HI 1 = 0 (no tax avoidance risk)

* Otherwise, lower rates applicable to specific sectors are assessed in HI 5 (no correction is made in HI 1 for less than four fully exempt active business sectors).

** Lower rates applicable for up to 10 years, or applicable only in economic zones, are assessed in HI 6 (no correction is made in HI 1).

*** Passive income (eg interest, dividends, royalties) is assessed in HI 2 and 20 (no adjustment is made in HI 1).

LACIT: Results



Maximum Risk LACIT 0%	LACIT Rate between 0 and 8.8%	LACIT Rate between 8.9 and 17.4%	LACIT Rate between 17.5 and 26.2%	LACIT Rate between 26.3 and 34.9%	Minimum Risk LACIT Rate 35%
--------------------------	-------------------------------------	--	--	---	-----------------------------------



HI6 - Tax Holidays and Economic Zones

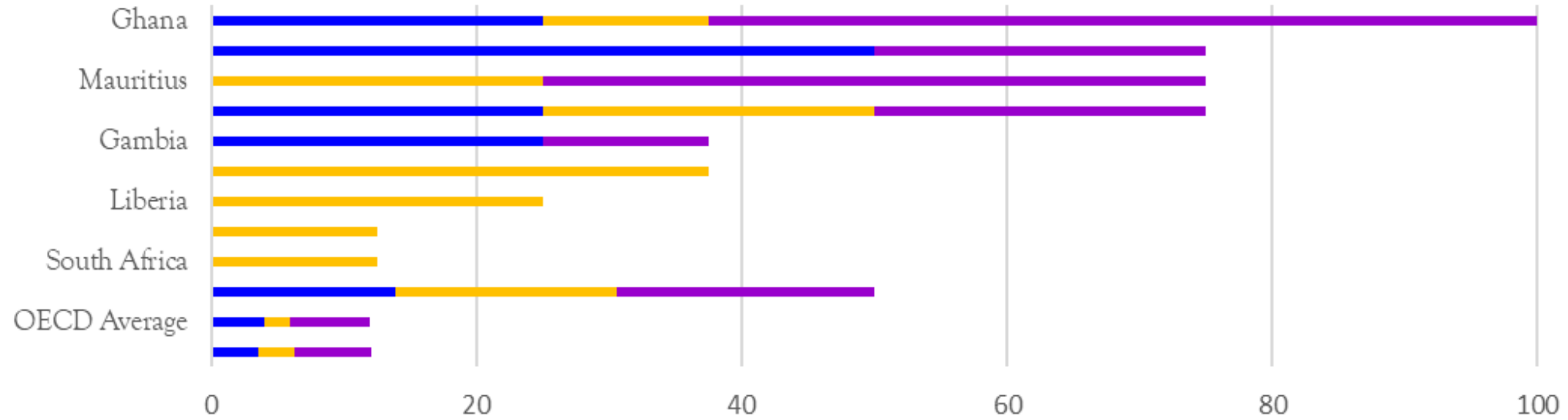
Negative Effects	Positive Effects
<ul style="list-style-type: none"> • Distortion of the economy; • Encouraging round tripping; • Increase of tax abuse; • Increase of the risk in terms of redundancy; • harmful to public finance, spending, development and human rights outcomes while increasing the rent of MNEs; • Increase of the administrative costs; • Favourising readily mobile ('footloose') activities. 	<ul style="list-style-type: none"> • Potential Increase of FDIs, Employment, Government Revenue... <p>In the practice: "overall tax incentives encouraged an additional investment of 2.1 billion rand each year between 2006 and 2012. [...] The revenue foregone as a result of the lower tax as a result of the tax incentives is about 4.5 billion rand each year over the seven year period. [...] In terms of jobs, the tax incentives have resulted in 34,000 additional jobs. However it has not come cheap costing an average of about 116,000 rand of revenue foregone for each job in South Africa." (World Bank Group, 2016)</p>

Table : Scoring Matrix Haven Indicator 6

Regulation [Each jurisdiction's score starts at 0, and for each profits-based exemption found, a specific credit is added (either 25 or 12.5) according to the type of exemption applicable, up to a maximum of 100.]		Haven Score [100 = maximum risk; 0 = minimum risk]	
		Type of Exemption	
		Full	Partial
Temporary	Non-Economic Zone Income is exempt from CIT and/or CGT for a specific period, usually some years, but is not restricted to a particular geographical location.	+ 25	+ 12.5
	Economic Zone (EZ) Income generated by companies established in a specific geographical area is exempt from CIT and/or CGT for a limited number of years (up to 10).	+ 25	+ 12.5
Permanent	Economic Zone (EZ) Income generated by companies established in a specific geographical area is from CIT and/or CGT, and this exemption is either permanent, or applicable for more than 10 years.	+ 25	+ 12.5

HI6: Results

Tax Holidays and Economic Zones - Subcomponents



	EU Average	OECD Average	African Average	South Africa	Botswana	Liberia	Seychelles	Gambia	Tanzania	Mauritius	Kenya	Ghana
■ Temporary Exemptions Economic Zones	4	4	14	0	0	0	0	25	25	0	50	25
■ Permanent Exemptions Economic Zones	3	2	17	12.5	12.5	25	37.5	0	25	25	0	12.5
■ Temporary Exemptions Non-Economic Zones	6	6	19	0	0	0	0	12.5	25	50	25	62.5

■ Temporary Exemptions Economic Zones

■ Permanent Exemptions Economic Zones

■ Temporary Exemptions Non-Economic Zones

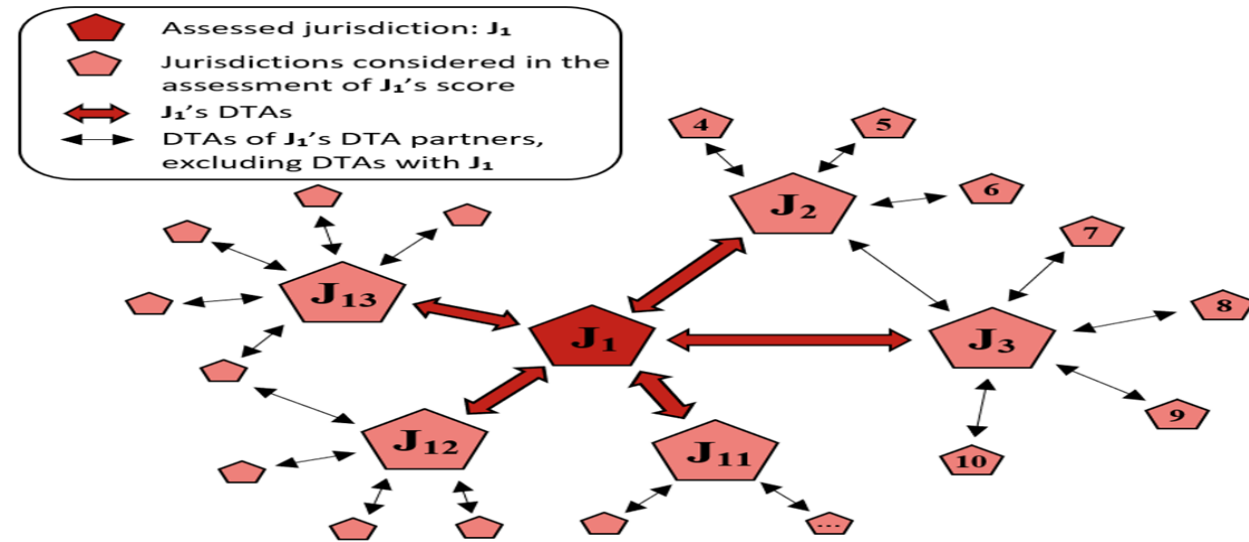
HI20-Double Tax Treaty Aggressiveness

Race to the bottom \longrightarrow Treaty Shopping

Table 1: Evolution of Average Withholding Rates

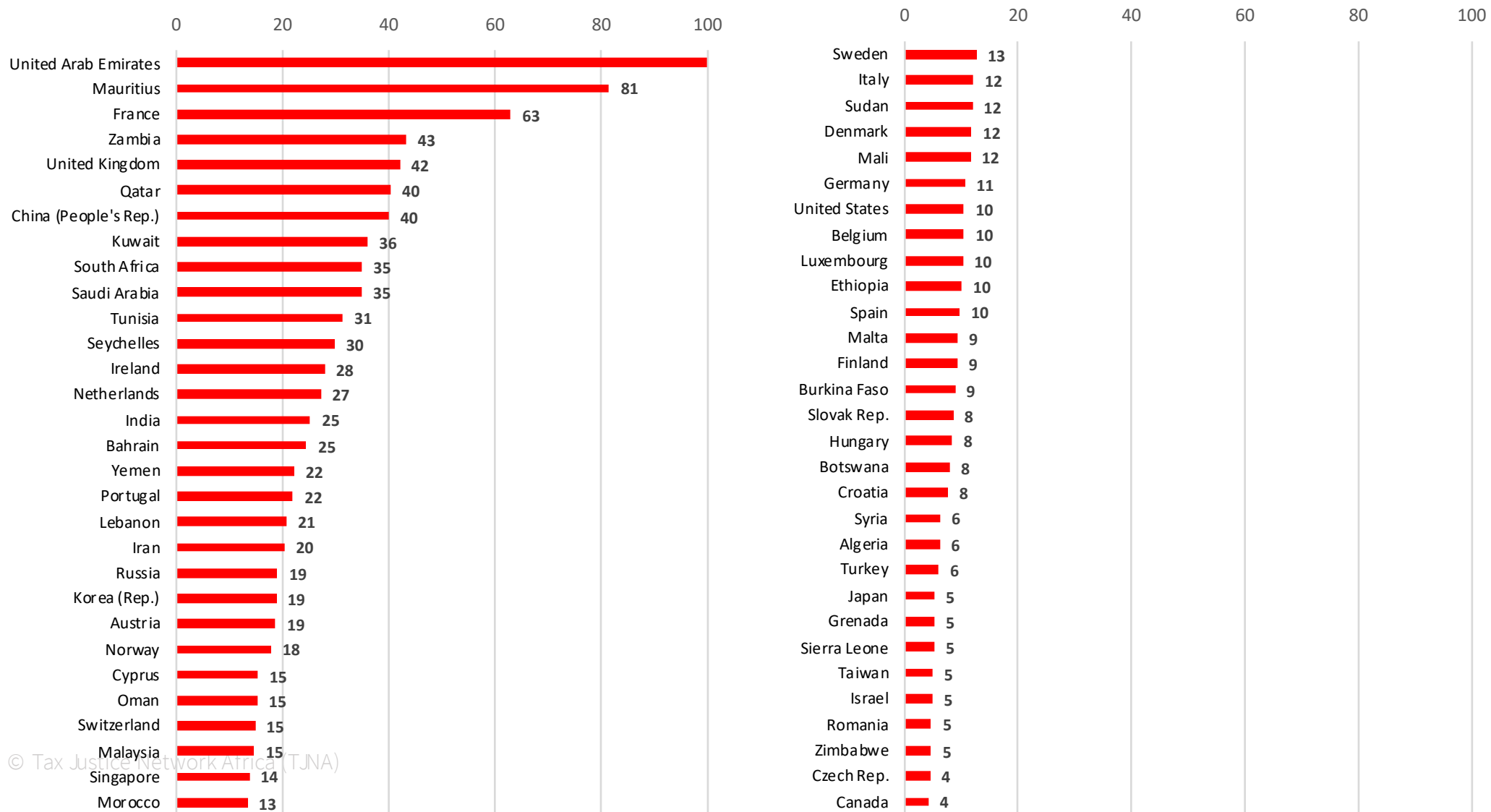
Time Period	Participating				No. Countries
	Dividend	Dividend	Interest	Royalty	
Year	Average Domestic Law WHT Rates				
2000	15.2	14.1	15.1	17.2	107
2013	13.1	10.7	14.0	15.7	179
Treaty Age	Average Treaty WHT Rates				No. Treaties
0-5 years	10.1	5.6	7.9	8	533
5-10 years	11.7	6.9	9.1	9.3	635
10-20 years	12.4	8.1	9.6	9.8	1554
20-30 years	14.2	11.2	10.8	11.5	529
>30 years	14.6	11.1	11.7	11.3	328

Source: International Bureau of Fiscal Documentation database, 2011.

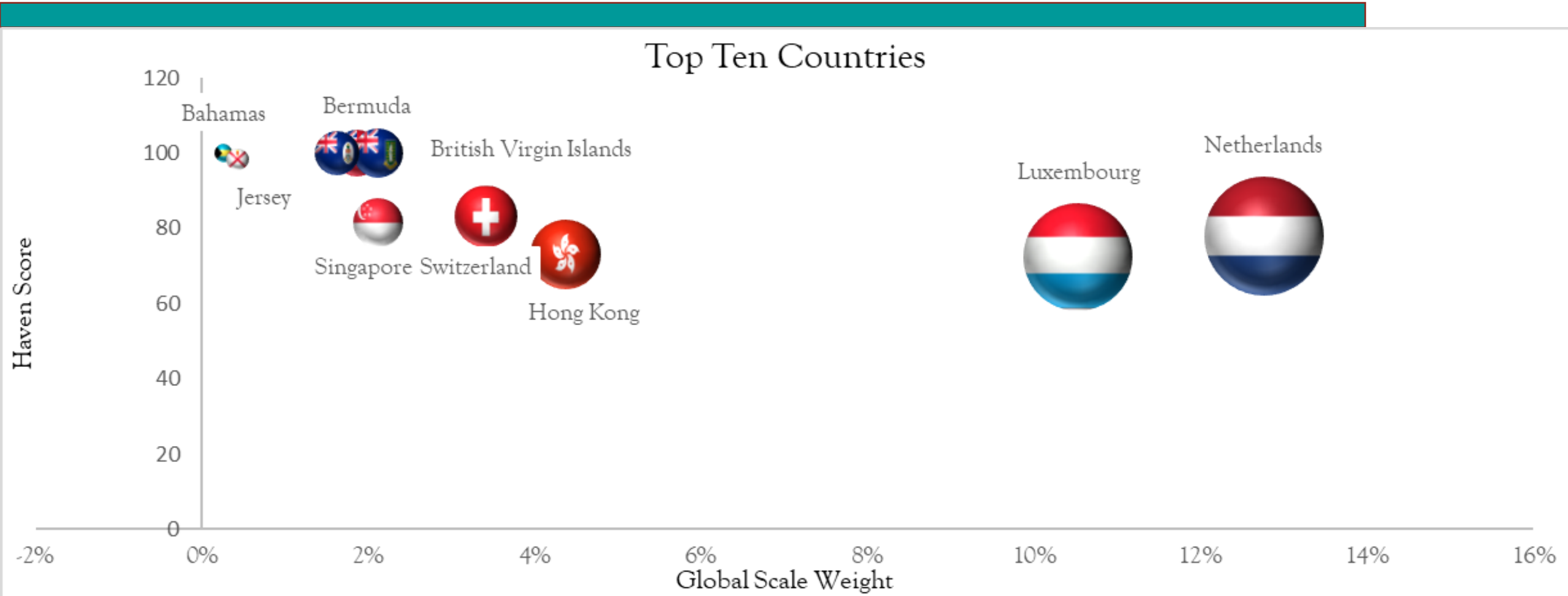


	Dividend	Interest	Royalty
Average rate Assessed Jurisdiction	$A_{(Div; J_a, J_p)} = R_{(Div; J_a, J_p)} \quad (1)$	$A_{(Int; J_a, J_p)} = R_{(Int; J_a, J_p)} \quad (2)$	$A_{(Roy; J_a, J_p)} = R_{(Roy; J_a, J_p)} \quad (3)$
Average rate Other Jurisdictions	$P_{(Div; J_p, J_o)} = \frac{\sum_{i=1}^l R_{(Div; J_p, J_o(i))}}{l} \quad (4)$	$P_{(Int; J_p, J_o)} = \frac{\sum_{i=1}^l R_{(Int; J_p, J_o(i))}}{l} \quad (5)$	$P_{(Roy; J_p, J_o)} = \frac{\sum_{i=1}^l R_{(Roy; J_p, J_o(i))}}{l} \quad (6)$
Differentials	$Df_{(Div; J_a, J_p)} = A_{(Div; J_a, J_p)} - P_{(Div; J_p, J_o)} \quad (7)$	$Df_{(Int; J_a, J_p)} = A_{(Int; J_a, J_p)} - P_{(Int; J_p, J_o)} \quad (8)$	$Df_{(Roy; J_a, J_p)} = A_{(Roy; J_a, J_p)} - P_{(Roy; J_p, J_o)} \quad (9)$
Sum of Differentials	$Df_{(Div; J_a)} = \sum_{\forall p \in D_a} Df_{(Div; J_a, J_p)} \quad (10)$	$Df_{(Int; J_a)} = \sum_{\forall p \in I_a} Df_{(Int; J_a, J_p)} \quad (11)$	$Df_{(Roy; J_a)} = \sum_{\forall p \in R_a} Df_{(Roy; J_a, J_p)} \quad (12)$
Final Formulas	$Df_{(J_a)} = Df_{(Div; J_a)} + Df_{(Int; J_a)} + Df_{(Roy; J_a)} \quad (13)$		$HI20_{(J_a)} = \frac{Df_{(J_a)}}{Df_{(J_m)}} \times 100 \quad (14)$

DTTA: Normalised scores of aggressiveness towards African



CTHI Results



Jurisdiction	Bahamas	Bermuda	British Virgin Islands	Cayman Islands	Hong Kong	Jersey	Luxembourg	Netherlands	Singapore	Switzerland
CTHI Value	1377.819	2653.001	2769.108	2534.057	1372.375	1541.485	1794.922	2390.935	1489.249	1875.281

African Countries' CTHI Performance

Africa Rank	CTHI Rank	Jurisdiction	CTHI Value	CTHI Share	Haven Score	Global Scale Weight
1	14	Mauritius	950	2.50%	80	0.65%
2	42	South Africa	184	0.48%	47	0.54%
3	44	Seychelles	163	0.43%	68	0.01%
4	56	Botswana	74	0.20%	55	0.01%
5	57	Liberia	71	0.19%	49	0.02%
6	58	Kenya	60	0.16%	51	0.01%
7	60	Ghana	56	0.15%	49	0.01%
8	62	Tanzania	40	0.11%	46	0.01%
9	63	Gambia	9	0.02%	48	0.00%



Territories marked in light blue are British Commonwealth territories which are not OTs or CDs but whose final court of appeal is the Judicial Committee of the Privy Council in London (see here for more details: http://www.taxjustice.net/cms/upload/pdf/Privy_Council_and_Secrecy_Scores.pdf).

What does the CTHI offer?

Rank	Jurisdiction	CTHI	CTHI	Score	Global Corporate Tax
1	Comoros	0.00%	0.00%	100	0.00%
2	Dominica	0.00%	0.00%	100	0.00%
3	Guatemala	0.00%	0.00%	100	0.00%
4	Netherlands	0.20%	0.20%	79	12.70%
5	Guernsey	0.25%	0.25%	69	3.41%
6	Luxembourg	1.25%	4.72%	32	10.23%
7	Maldives	0.00%	0.00%	100	0.00%
8	Singapore	1.80%	3.02%	81	2.11%
9	Switzerland	1.20%	1.20%	100	0.00%
10	Hong Kong	1.37%	3.01%	73	4.37%
11	Trinidad	1.20%	2.20%	76	1.12%
12	United Arab Emirates	1.20%	3.27%	68	0.23%
13	United Kingdom	2.00%	2.00%	100	0.00%
14	Marshall	0.00%	0.00%	100	0.00%
15	Malawi	0.00%	0.00%	100	0.00%
16	Belgium	0.20%	0.20%	69	1.87%
17	Vanuatu	0.00%	0.00%	100	0.00%
18	Cyprus	0.00%	1.77%	71	0.73%
19	Costa Rica	0.00%	1.77%	69	0.21%
20	Hungary	0.00%	1.47%	69	0.49%
21	Cuba	0.00%	1.47%	73	0.20%
22	France	0.00%	1.40%	69	2.81%
23	Spain	0.00%	1.40%	73	0.22%
24	Germany	0.00%	1.40%	69	3.20%
25	Italy	0.00%	1.40%	73	0.22%
26	Poland	0.00%	1.40%	69	1.13%
27	Portugal	0.00%	1.40%	69	0.23%
28	Romania	0.00%	1.40%	69	0.23%
29	Slovenia	0.00%	1.40%	69	0.23%
30	Sweden	0.00%	1.40%	69	0.23%
31	Czech Republic	0.00%	1.40%	69	0.23%
32	Latvia	0.00%	1.40%	69	0.23%
33	Lithuania	0.00%	1.40%	69	0.23%
34	Estonia	0.00%	1.40%	69	0.23%
35	Finland	0.00%	1.40%	69	0.23%
36	Denmark	0.00%	0.00%	100	0.00%
37	Liechtenstein	0.00%	0.00%	100	0.00%
38	Lebanon	0.00%	0.00%	100	0.00%
39	Cape Verde	0.00%	0.00%	100	0.00%
40	Morocco	0.00%	0.00%	100	0.00%
41	Senegal	0.00%	0.00%	100	0.00%
42	Ghana	0.00%	0.00%	100	0.00%
43	Guinea	0.00%	0.00%	100	0.00%
44	Sierra Leone	0.00%	0.00%	100	0.00%
45	Equatorial Guinea	0.00%	0.00%	100	0.00%
46	Equatorial Guinea	0.00%	0.00%	100	0.00%
47	Sierra Leone	0.00%	0.00%	100	0.00%
48	Guinea	0.00%	0.00%	100	0.00%
49	Sierra Leone	0.00%	0.00%	100	0.00%
50	Sierra Leone	0.00%	0.00%	100	0.00%
51	Sierra Leone	0.00%	0.00%	100	0.00%
52	Sierra Leone	0.00%	0.00%	100	0.00%
53	Sierra Leone	0.00%	0.00%	100	0.00%
54	Sierra Leone	0.00%	0.00%	100	0.00%
55	Sierra Leone	0.00%	0.00%	100	0.00%
56	Sierra Leone	0.00%	0.00%	100	0.00%
57	Sierra Leone	0.00%	0.00%	100	0.00%
58	Sierra Leone	0.00%	0.00%	100	0.00%
59	Sierra Leone	0.00%	0.00%	100	0.00%
60	Sierra Leone	0.00%	0.00%	100	0.00%
61	Sierra Leone	0.00%	0.00%	100	0.00%
62	Sierra Leone	0.00%	0.00%	100	0.00%
63	Sierra Leone	0.00%	0.00%	100	0.00%



This database report contains all the data used in the Corporate Tax Haven Index for the selected country. Information is provided on a maximum of 73 questions for each jurisdiction, including full references and sources. You can view the references and sources by clicking on 'Notes' next to each answer or by scrolling down.

All the questions in the database are sequentially numbered for ease of reading. The numbers in [square brackets] are unique identifiers for each question and are used for calculating the haven secrecy score. The full methodology is available at: <https://www.corporatetaxhavenindex.org/DP/CTHI-Methodology.pdf>

The Corporate Tax Haven Index was published on 29 May 2019.

Andorra

Lowest Available Corporate Income Tax

1. [LACIT] **1. LACIT** **10%** [Detailed]
 Statutory-CIT-Rate: What is the statutory CIT rate imposed by the OECD or alternatively by IFRS or IASB?
 CIT-Rate-Correction-Gain: What is the deviating CIT rate, if any, applicable to the largest companies in the jurisdiction?
 2. [LACIT] **2. LACIT** **2%** [Detailed]
 CIT-Rate-Correction-Sector: What is the lowest deviating CIT rate, if any, applicable to companies in jurisdictions exempting a local range of activities (at least four full and/or partly exempted activities)?
 4. [LACIT] **4. LACIT** **Not applicable** [Detailed]
 CIT-Rate-Correction-Region: What is the lowest deviating CIT rate, if any, applicable to the active business income from foreign sources?
 5. [LACIT] **5. LACIT** **Not applicable** [Detailed]
 CIT-Rate-Admission-Benefit: What is the lowest deviating CIT rate, if any, derived from documented state-aided undertakings (as judged based on the substance in the jurisdiction)?
 6. [LACIT] **6. LACIT** **Not applicable** [Detailed]
 CIT-Rate-Admission-Type: What is the lowest deviating CIT rate, if any, applicable to specific types of companies?
 7. [LACIT] **7. LACIT** **Not applicable** [Detailed]
 CIT-Rate-Admission-Partnership: What is the lowest deviating CIT rate, if any, applicable to active business income from foreign sources?
 8. [LACIT] **8. LACIT** **Not applicable** [Detailed]
 CIT-Rate-Admission-Benefit: What is the lowest deviating CIT rate, if any, derived from documented state-aided undertakings (as judged based on the substance in the jurisdiction)?

Loopholes and Gaps

9. [Foreign Investment Income] **9. Foreign Investment Income** **100** [Detailed]
 10. [LPI] **10. Legal Person, Resident, Based Party: Dividends** **Exemption** [Detailed]
 11. [LPI] **11. Legal Person, Resident: Royalties** **Exemption** [Detailed]
 12. [LPI] **12. Legal Person, Resident: Interest** **Exemption** [Detailed]
 13. [LPI] **13. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]
 14. [LPI] **14. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]
 15. [LPI] **15. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]
 16. [LPI] **16. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]
 17. [LPI] **17. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]
 18. [LPI] **18. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]
 19. [LPI] **19. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]
 20. [LPI] **20. Legal Person, Resident: Independent Party: Dividends** **Exemption** [Detailed]

Info_ID	Info_NurGroup	Category	Question	Country	Country	Data	Data_Te	Data_De	Data_Ty	Notes, Supplement and Sources
572	LACIT	1-LACIT	1	AD	Andorra	0				text
506	LACIT	1-LACIT	Statutory	AD	Andorra	10	2018			NumPC *SRC: D *WWW: https://oecd.org/index
506	LACIT	1-LACIT	CIT-Rate	AD	Andorra	Not applicable				NumPC
507	LACIT	1-LACIT	CIT-Rate	AD	Andorra	2	2019			NumPC *NTE: C *NTE: TI *SRC: D *WWW: *SRC: C
541	LACIT	1-LACIT	CIT-Rate	AD	Andorra	Not applicable				NumPC
542	LACIT	1-LACIT	CIT-Rate	AD	Andorra	Not applicable				NumPC
543	LACIT	1-LACIT	CIT-Rate	AD	Andorra	Not appl	2019			NumPC *NTE: W *WWW: *SRC: IBFD 2018e
544	LACIT	1-LACIT	CIT-Rate	AD	Andorra	Not applicable				NumPC
545	LACIT	1-LACIT	CIT-Rate	AD	Andorra	Not applicable				NumPC
554	LACIT	2-Foreign Legal Pe	1	AD	Andorra	3	Exempt	2018		Lkup *NTE: AI *SRC: IE *WWW: https://www.world
553	LACIT	2-Foreign Legal Pe	2	AD	Andorra	2	Credit	2018		Lkup *NTE: AI *SRC: IE *SRC: Deloitte 2018e
552	LACIT	2-Foreign Legal Pe	3	AD	Andorra	2	Credit	2018		Lkup *NTE: AI *SRC: IE *SRC: IBFD 2018e
509	LACIT	3-Loss L/Loss Car	1	AD	Andorra	0	No	2018		YN *NTE: In *SRC: IBFD 2018e
510	LACIT	3-Loss L/Loss Car	2	AD	Andorra	1	Yes, loss	2018		Lkup *NTE: In *SRC: IBFD 2018e
513	LACIT	4-Capital Domestic	1	AD	Andorra	0		2018		NumPC *NTE: C *WWW: *WWW: https://ar
514	LACIT	4-Capital Foreign	1	AD	Andorra	0		2018		NumPC *NTE: TI *WWW: *WWW: https://ar
524	LACIT	5-Broad Real Est	1	AD	Andorra	-2	Unknown	2019		Lkup *NTE: In *WWW: *SRC: IBFD 2018e
525	LACIT	5-Broad Other Inv	1	AD	Andorra	2	Full	Yes	2019	Lkup *NTE: In *WWW: *SRC: IBFD 2018e
526	LACIT	5-Broad Extracrit	1	AD	Andorra	0	None	N	2019	Lkup *WWW: *SRC: IBFD 2018e
527	LACIT	5-Broad Agricultr	1	AD	Andorra	0	None	N	2019	Lkup *WWW: *SRC: IBFD 2018e
528	LACIT	5-Broad Manufac	1	AD	Andorra	0	None	N	2019	Lkup *WWW: *SRC: IBFD 2018e
529	LACIT	5-Broad Construc	1	AD	Andorra	0	None	N	2019	Lkup *WWW: *SRC: IBFD 2018e

Ranking

Summary Reports

Technical Reports

Open Data



<https://corporatetaxhavenindex.org/introduction/cthi-2019-results>

<https://corporatetaxhavenindex.org/explore/countryreports>

<https://corporatetaxhavenindex.org/database/Andorra.xml>

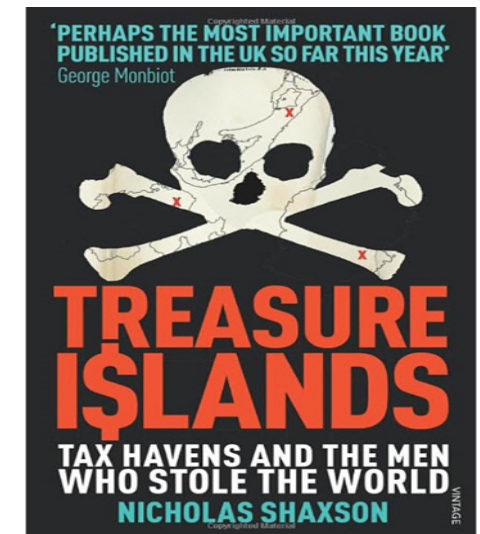
<https://www.financialsecrecyindex.com/explore/excel>

La Toile d'araignée: le second empire britannique



TJNA

Podcasts Francophones: Impôts et Justice Sociale



Conclusion

Tax Justice Network is calling on governments to use the Corporate Tax Haven Index to evaluate their vulnerabilities to corporate tax avoidance risk, both internal and from other countries, and immediately identify opportunities for minimizing their exposure.

- ❑ The Top 10 CTHI's jurisdictions alone are responsible for over half (52 per cent) of the world's corporate tax avoidance risks.
- ❑ Over 2/5 of global FDI is booked in these top 10 countries.
- ❑ The biggest receivers of tax incentives across the world are the banking and financial sectors.

Concerning Africa, in particular :

- ❑ Africa nations are on average more exposed to tax avoidance risks than responsible for creating these risks compared to higher income regions.
- ❑ The United Arab Emirates and Mauritius are the most aggressive towards African countries.
- ❑ African nations on average offer three profit-based tax incentives for every one cost-based tax incentive while European nations on average offer a near one-to-one ratio of tax incentive types.

TJN's proposal to stop the epidemic of corporate tax avoidance → **The Unitary Tax Approach**



Further information :

maimouna@taxjustice.net

<https://www.corporatetaxhavenindex.org/>

<https://www.financialsecrecyindex.com/>

<https://www.taxjustice.net/>

THANKS FOR YOUR
ATTENTION !!!



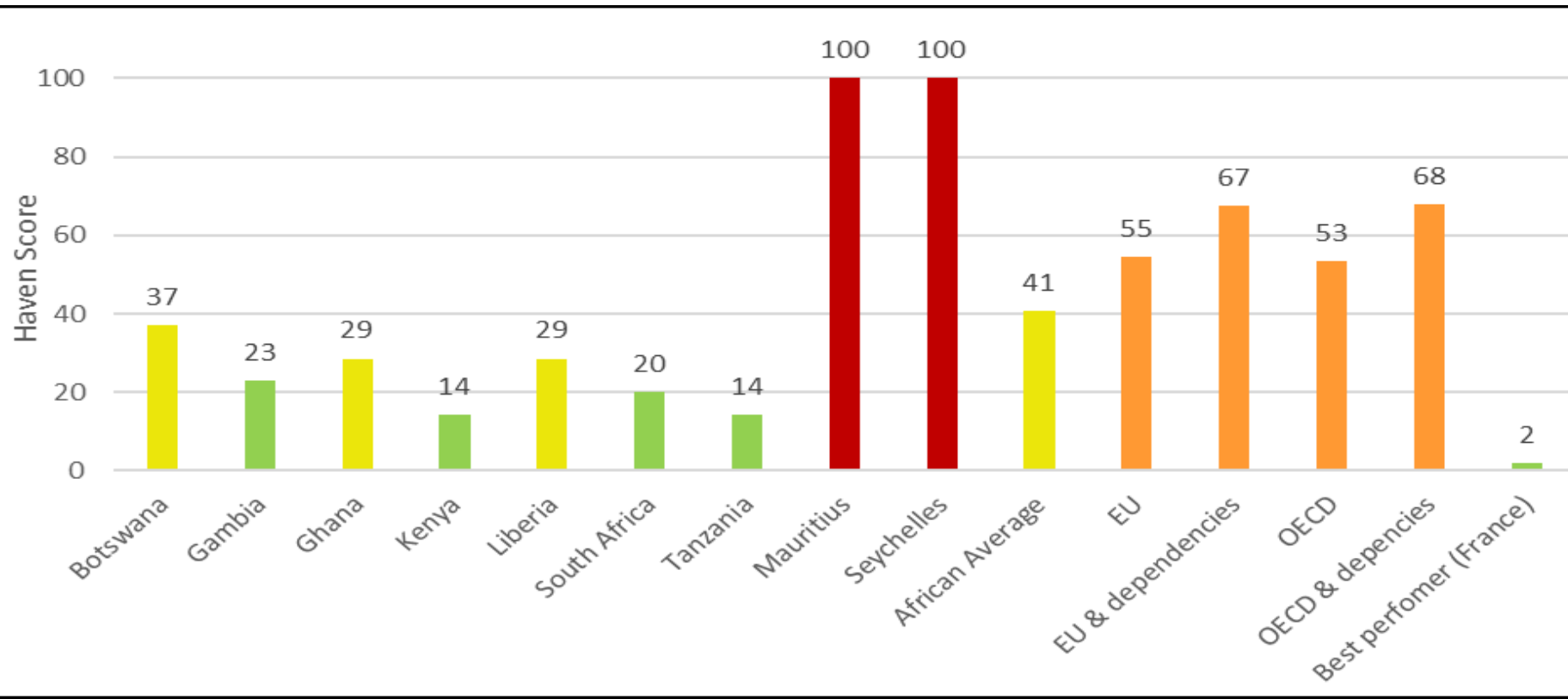
Analysis of the Results by Category of Indicators (Focus on Africa)



Lowest Available Corporate Income Tax (LACIT)

The indicator measures the lowest available corporate income tax rate (LACIT) for any large for-profit company that is tax resident in the political subdivision or subnational authority with the lowest Corporate Income Tax (CIT) rate, and which can be a subsidiary of a multinational corporation.

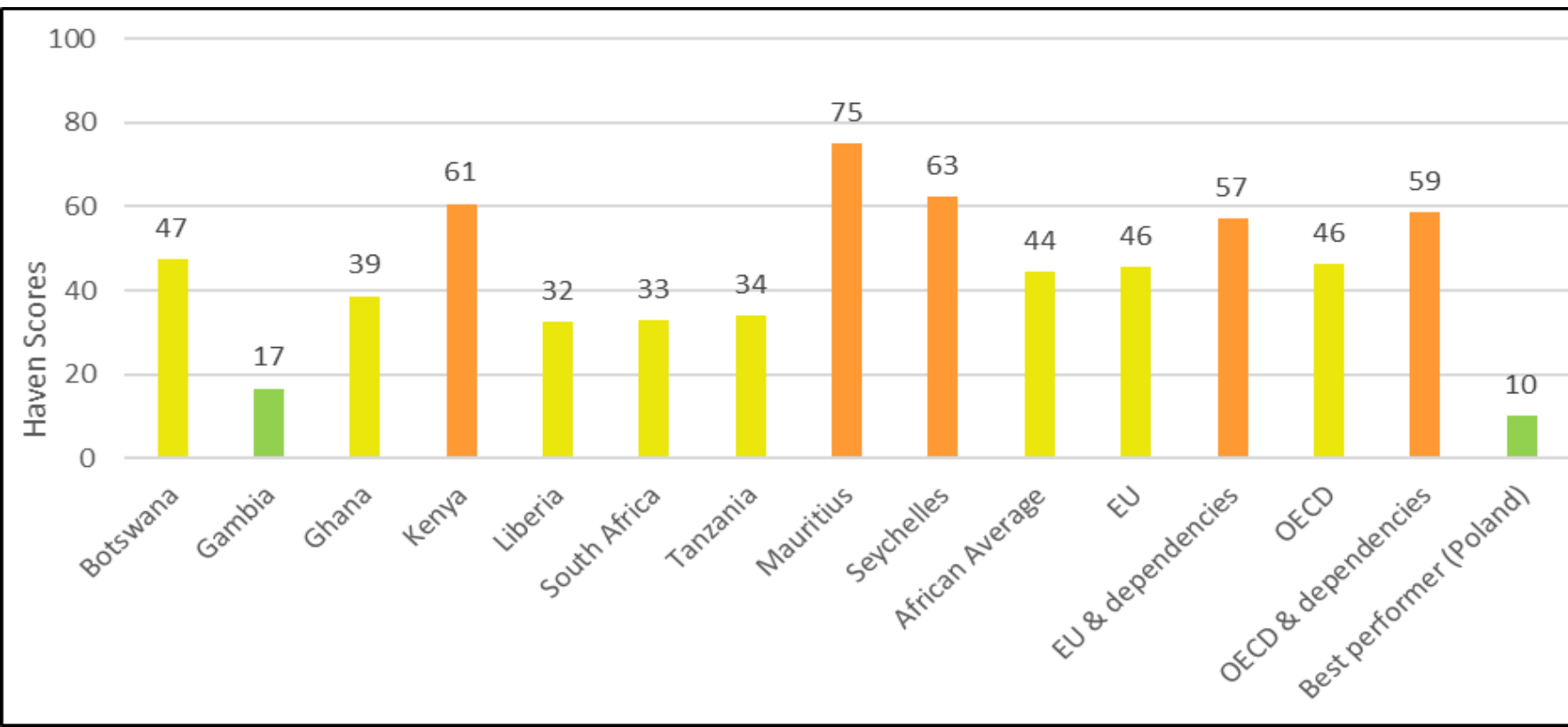
Results



Loopholes and Gaps

This category of indicators analyses whether preferential tax regimes are available, or if there are important carve outs of the CIT base or rate concessions, including for specific sectors, or through tax holidays or economic zones.

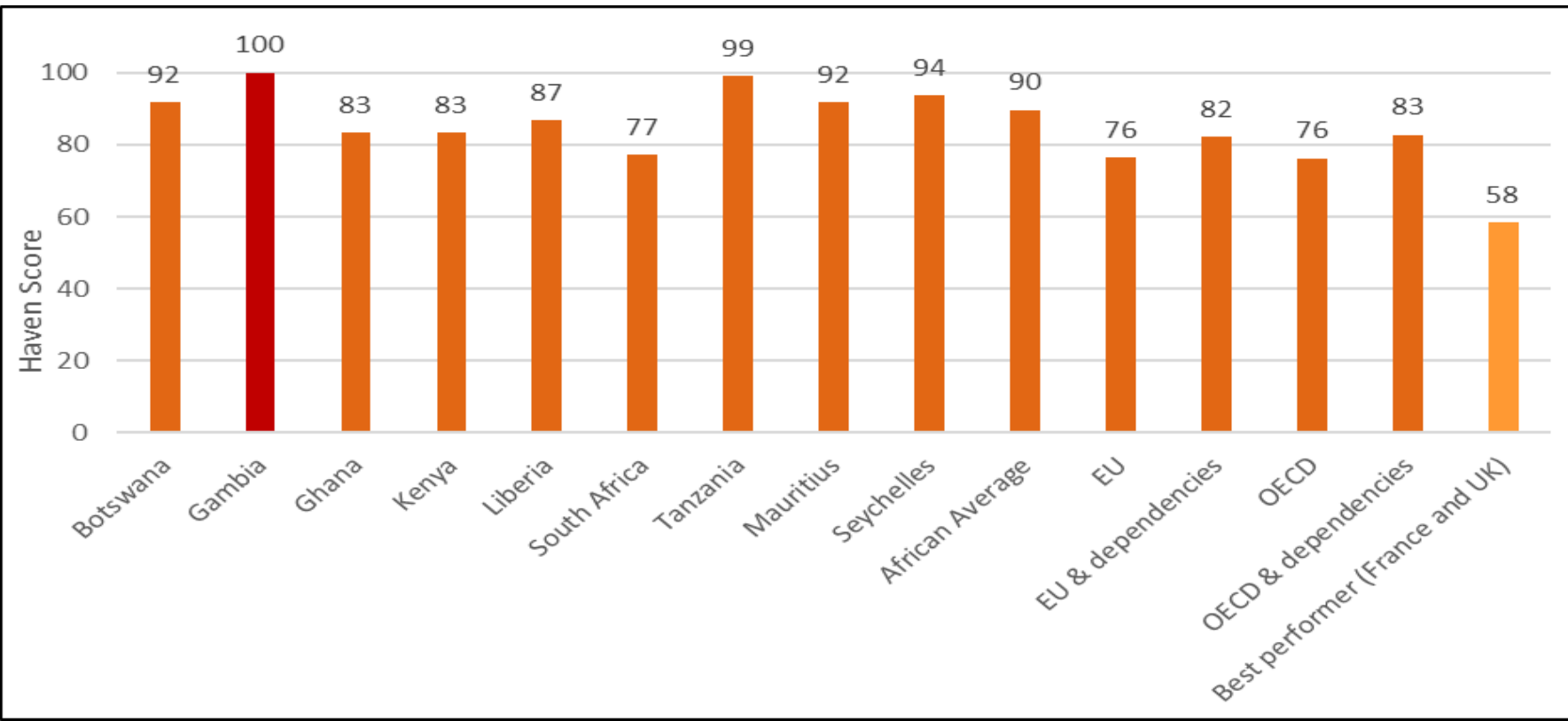
Results



Transparency

This category of indicators considers if the jurisdiction implements robust transparency mechanisms to allow not only for public accountability of multinational companies' financial and tax affairs, but also of tax administrations and tax courts.

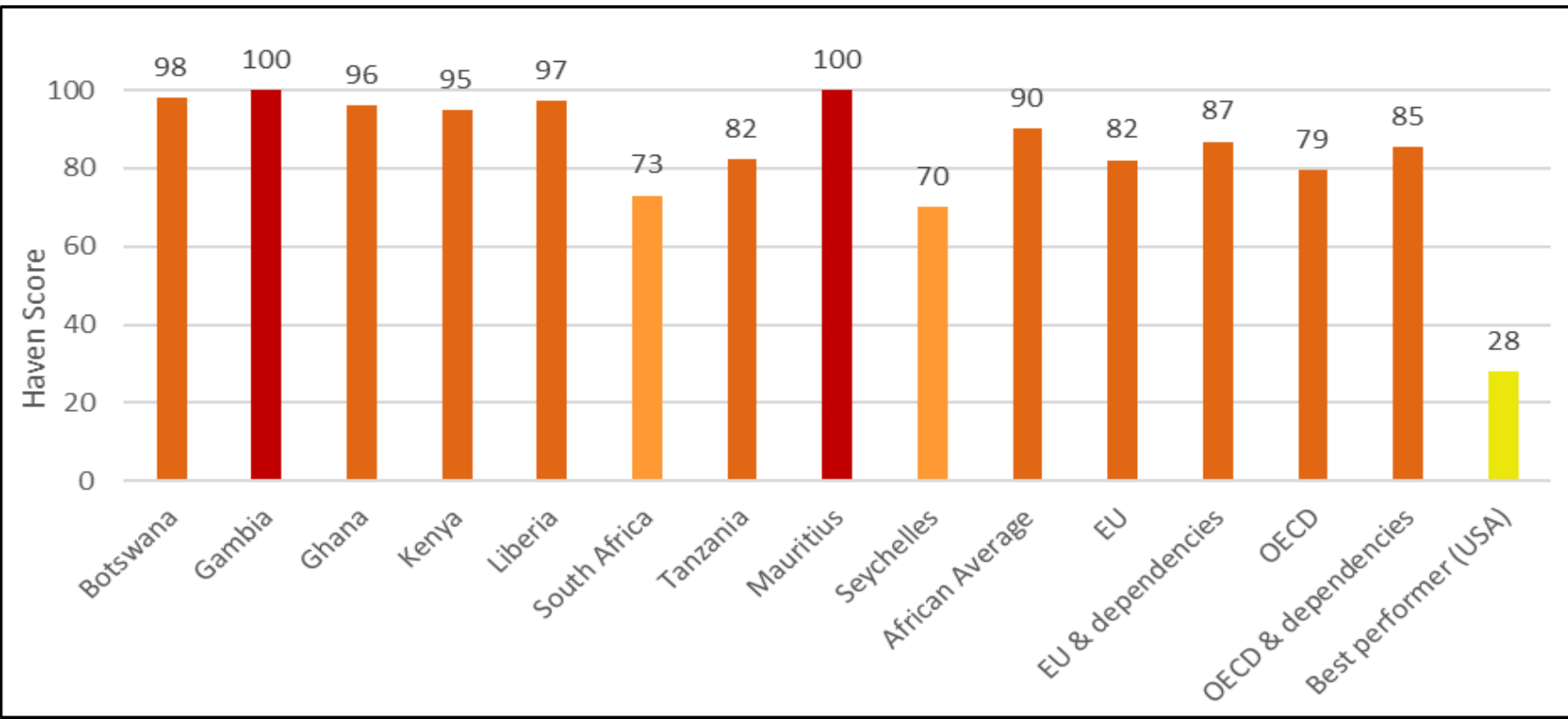
Results



Anti-Avoidance

This category of indicators analyses the extent to which jurisdictions enact robust rules constraining tax avoidance and profit shifting, e.g. by CFC rules or constraining the deductibility of intra-group outward payments (royalties, interest, certain service payments).

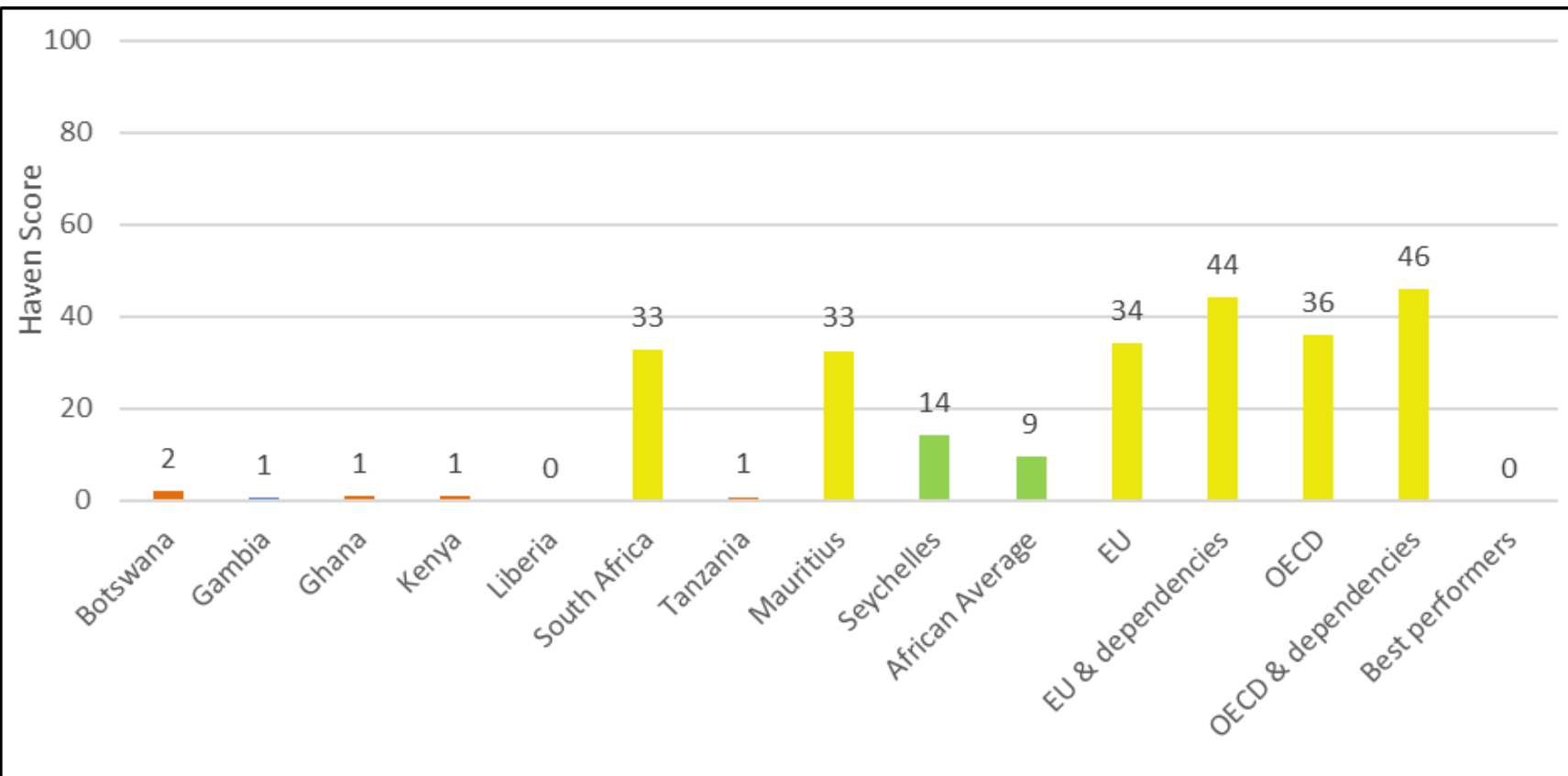
Results

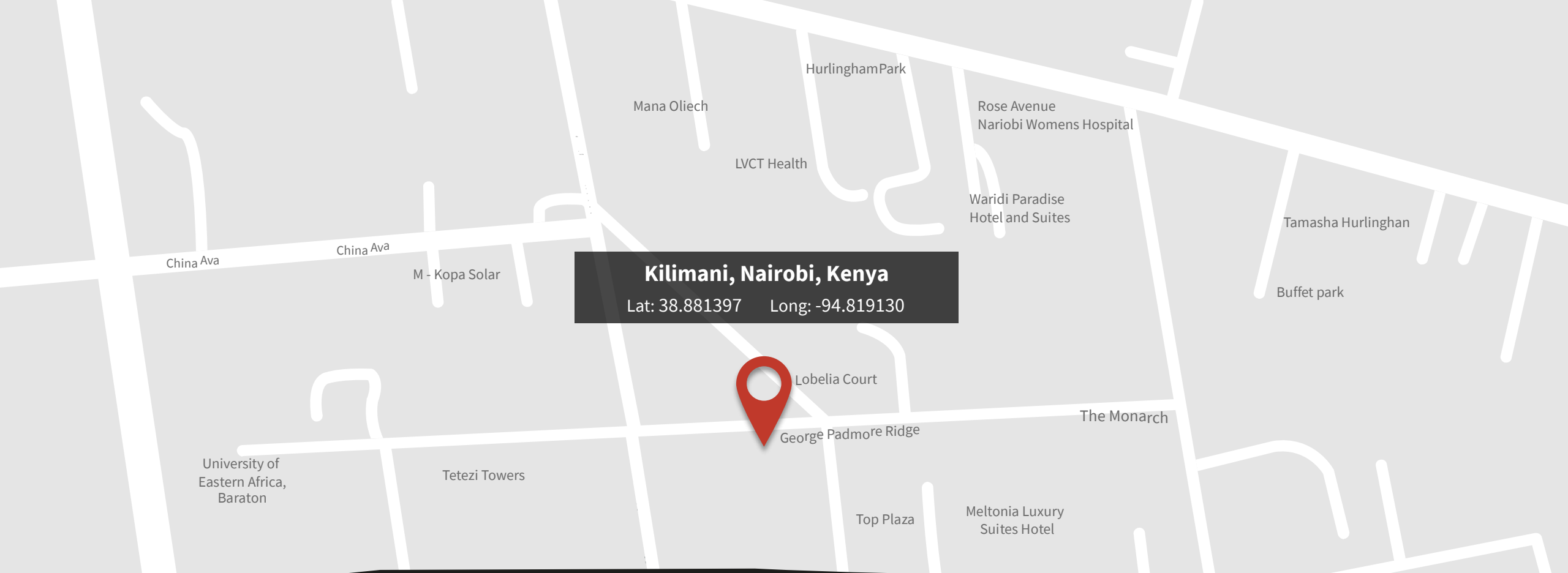


Double Tax Treaty Aggressiveness

This indicator analyses the aggressiveness of a jurisdiction in their double tax agreements with other countries, as revealed by the withholding tax rates that apply to the payment of dividends, interests or royalties.

Results





Kilimani, Nairobi, Kenya
Lat: 38.881397 Long: -94.819130



George Padmore Ridge, 2nd Floor, Wing 'B' - George Padmore Lane, Kilimani
P.O. Box 25112 – 0100 GPO, Nairobi, Kenya - Telephone: (+254) 20 24 73373, (+254) 728 279 368