

IMF Policy Paper: Corporate Taxation in the Global Economy

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Context

- BEPS
- US tax reform
- Digital focus
- Unilateral actions – a fracturing system?
- Reallocation of taxing rights – new voices

Contributions

- Assessment / evaluation of different proposals
- Rigorous economic evaluation
- International tax architecture
- Balanced assessment
- Focus on impact on low income countries

Critiques

- No specific recommendation
- Advance the discussion?
- Assumption of harmful effect of tax competition

Larger conversation

- Global inequality
- Balance of power
- Immigration / trade
- Distrust of global businesses
- Corporate tax as a fig-leaf

Political Economy

- Platform for collaboration on tax
 - How will organizations work together?
 - Continued relevance for the UN
- Pressures on multilateral institutions
- Plurilateralism v multilateralism
- The right focus for developing countries?

Looking Ahead

- Quantification / impact of various proposals?
- Consequences of failure
- Consequences of success: spillover effects of big changes
- Compensation for losers?