



Debate club: Tax principles

Residency vs. Source-based taxation:
what's the right approach?

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Residency versus source-based taxation: what's the right approach?

A change from residency-based to sourced-based taxation could represent one of the most significant changes to international tax rules and cooperation ever considered. What could an alternate approach mean for individuals, companies, and global mobility?

Residency based taxation

The current state, providing stability and predictability for both taxpayers and tax authorities.

But do modern work models require a re-think?

Sourced based taxation

A possible alternative, ensuring that income is taxed where it is generating, thereby promoting fairness.

But does the change come at a cost?

Today's debaters



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Polling question 1

Q: Traditional residence-based taxation systems are no longer fit for purpose in this new era of hybrid/flexible work arrangements.

A

Agree.

Modern work models require a more dynamic and fair approach to taxation that reflects where economic activities actually occur.

B

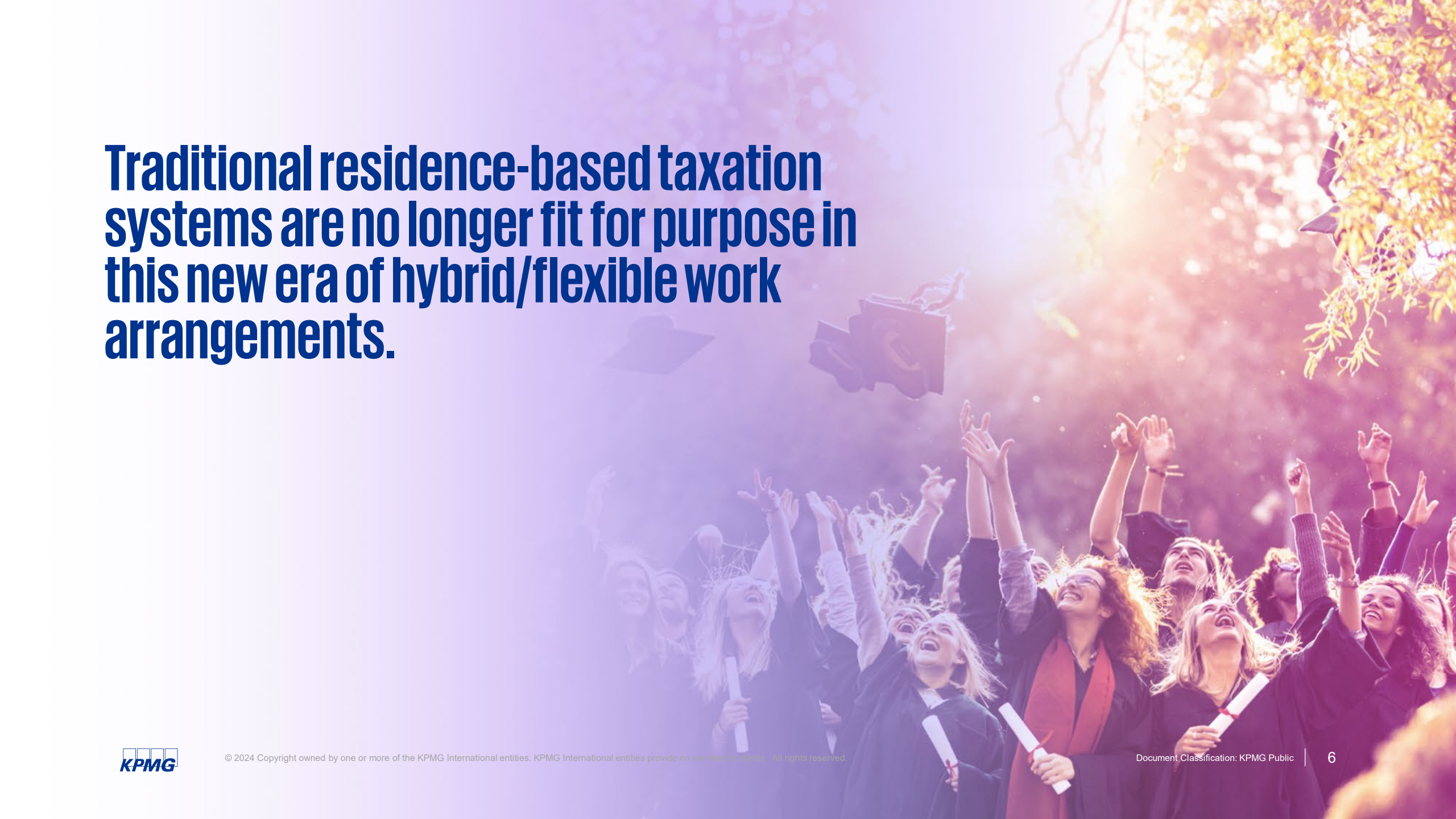
Disagree.

Residency-based taxation provides stability and predictability for both taxpayers and tax authorities.

C

Undecided.

I am hedging my bets until I hear more from your debaters!



Traditional residence-based taxation systems are no longer fit for purpose in this new era of hybrid/flexible work arrangements.

Polling question 1 revisited

Q: Traditional residence-based taxation systems are no longer fit for purpose in this new era of hybrid/flexible work arrangements.

A

Agree.

Modern work models require a more dynamic and fair approach to taxation that reflects where economic activities actually occur.

B

Disagree.

Residency-based taxation provides stability and predictability for both taxpayers and tax authorities.

C

Undecided.

I still don't know!!

Polling question 2

Q: As an alternative to residency, source-based taxation would improve tax equity and efficiency and reflect the realities of a globalized economy.

A

Agree.

Source-based systems can adapt better to the digital economy and cross-border work arrangements.

B

Disagree.

A hybrid model allows for flexibility in dealing with complex modern work arrangements and digital nomadism.

C

Undecided.

I am still hedging my bets until I hear more from your debaters!

As an alternative to residency, source-based taxation would improve tax equity and efficiency and reflect the realities of a globalized economy.

Polling question 2 revisited

Q: As an alternative to residency, source-based taxation would improve tax equity and efficiency and reflect the realities of a globalized economy.

A

Agree.

Source-based systems can adapt better to the digital economy and cross-border work arrangements.

B

Disagree.

A hybrid model allows for flexibility in dealing with complex modern work arrangements and digital nomadism.

C

Undecided.

Yep – still unsure!!

Polling question 3

Q:

To align with the OECD BEPS project, a global minimum tax on individuals would ensure that high-income earners are subject to a minimum level of taxation regardless of their country of residence, thereby reducing tax avoidance, promoting global tax equity, and enhancing international cooperation.

A

Agree.

It promotes global tax equity.

B

Disagree.

There could be unintended consequences, such as discouraging investment and economic activity in certain jurisdictions.

C

Undecided.

I am hedging my bets until I hear more from your debaters!

A global minimum tax on individuals would ensure that high-income earners are subject to a minimum level of tax regardless of their country of residence, reducing tax avoidance, promoting global tax equity, & enhancing international cooperation.

Polling question 3 revisited

Q:

To align with the OECD BEPS project, a global minimum tax on individuals would ensure that high-income earners are subject to a minimum level of taxation regardless of their country of residence, thereby reducing tax avoidance, promoting global tax equity, and enhancing international cooperation.

A

Agree.

It promotes global tax equity.

B

Disagree.

There could be unintended consequences, such as discouraging investment and economic activity in certain jurisdictions.

C

Undecided.

I'm too exhausted from the debate to decide.

Final polling question to wrap up

Q: Enter the ONE word that best describes this debate

Word cloud

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