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UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

AFRICAN TAX INSTITUTE

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Information about the ATI

Vision and Mission

The vision of the African Tax Institute (“the Institute”) is to be a world-class academic institution focused on building capacity in the areas of tax policy and tax administration on the African continent.

Focusing on African countries, the mission of the Institute is to –

- Build tax policy and tax administration capacity within the public sector
- Offer appropriate postgraduate programs in tax policy and tax administration
- Offer specialised contact and distance learning short courses on current tax issues to officials at national, regional and local government level
- Facilitate, undertake and disseminate tax-related research on African tax issues

The Institute strives for excellence in all its undertakings.

ATI Executive Committee

- **Riël Franzsen**, School of Economics, University of Pretoria (Director)
- **Nara Monkam**, School of Economics, University of Pretoria (Deputy Director)
- **Niek Schoeman**, School of Economics, University of Pretoria (Director: Finance)
- **Sharon Smulders**, School of Taxation, University of Pretoria
- **Eric Zolt**, School of Law, University of California, Los Angeles, United States

ATI Advisory Board

- **Sijbren Cnossen**, University of Maastricht, The Netherlands
- **Riël Franzsen**, School of Economics, University of Pretoria (Director), South Africa
- **Gregory Ingram**, Lincoln Institute of Land Policy, Massachusetts, United States
- **Steve Koch**, Head: School of Economics, University of Pretoria, South Africa (ex officio)
- **Jan van Heerden**, Acting Dean: Economic & Management Sciences, University of Pretoria, South Africa (Ex officio Chairperson)
- **Nara Monkam**, School of Economics, University of Pretoria (Deputy Director), Cameroon
- **Seth Macheli**, Lesotho Revenue Authority (ex officio as chair of the SADC Sub-committee on Taxation), Lesotho
- **Niek Schoeman**, School of Economics, University of Pretoria (Director: Finance), South Africa
- **Eric Zolt**, School of Law, University of California, Los Angeles, United States

Contact Details

For further information regarding the ATI, please contact:

ATI
Department of Economics
University of Pretoria
Pretoria 0002
South Africa

Tel: +27 12 420 4553 or
+27 12 420 5538
Fax: +27 12 420 4508
Email: ati@up.ac.za
Web address: <http://www.ati.up.ac.za>

1 Introduction

Message from the Director



Riël Franzsen
Director: ATI

As is evident from this Annual Report, 2012 was a successful year for the ATI.

The ATI commenced with its PhD Programme in Tax Policy, enrolling three students, and in the Masters Programme in Taxation we welcomed our fourth intake (the first was in 2009) of seventeen students from ten African countries. We also celebrated the graduation of ten students from the Classes of 2009 and 2010.

In 2012 the ATI received the excellent news that the 2011 proposal to host a South African Research Chair in Tax Policy and governance, as part of the South African Research Chair Initiative (SARChI), was successful. From April to August 2012 the second-round proposal on how the chair would function in its first five-year period was prepared and again submitted for a stringent peer-review process. The outcome of this process was expected in November 2012, but was only communicated to the University in early February 2013.

A total of seven short courses were offered through the Continuing Education at University of Pretoria Trust (CE at UP) during July 2012. Especially International Taxation & Tax Treaties and Fiscal Regime for Petroleum and Mining courses were well-attended. The attendance numbers for the ATI short courses in 2012 were much better than in the previous two years (2010 and 2011), but still well below numbers for 2008. The primary reason is the shift in the ATI's focus towards formal post-graduate academic programmes. The ATI Master's Programme in Taxation is now well-established and the ATI is looking forward to strengthen and build out its PhD Programme in Tax Policy.

In 2012 Maureen Fischer very ably assisted the ATI on a temporary basis as Programme Manager. We express our gratitude to her for a job well done.

May 2013

2 ATi Capacity-Development Programmes in 2012

2.1 Introduction

ATI post-graduate modules and short courses are designed to benefit and enhance the skills of mid-level and senior public officials from national, regional or local treasuries as well as tax administrators from national, regional or local level government in African countries. Although the focus is on public officials, lecturers from African universities and interested individuals from the private sector are also welcome to register for ATI capacity-development programmes.

2.2 Short-course Programmes in Taxation

2.2.1 Courses

2012 ATI Short Courses

The ATI offered the following courses in 2012:

Winter Programme in Taxation

Value-added Taxation

16 – 20 July 2012

Value-added has been introduced recently in several countries in Africa and will be introduced in the near future in several others. An examination of fundamental issues in designing and implementing a VAT system is therefore appropriate and timely. This course dealt with the economic, legal, administrative and inter-jurisdictional aspects of VAT. The application of VAT to financial transaction, e-commerce, insurance and real property transaction were also covered.

Venue: Leadership Centre, University of Pretoria

Instructors: Dr Pierre-Pascal Gendron (Humber College, Toronto, Canada)

Excise Taxation

16 - 20 July 2012

This course covered theoretical and practical aspects of excise duties in the context of developing countries in Africa.

Venue: Leadership Centre, University of Pretoria

Instructors: Prof Sijbren Cnossen (Extraordinary Professor, University of Pretoria, South Africa) and Mr Riaan de Lange (South African Revenue Service)

International Taxation and Tax Treaties

16 – 20 July 2012

This course covered theoretical and practical aspects of international taxation for participants who have had little exposure to international taxation. The course furthermore examined alternative regimes for taxing residents on foreign source income and taxing foreign investors on domestic source income. Basic aspects of transfer pricing, e-commerce, tax competition, tax harmonisation and international tax treaties were discussed.

Venue: Leadership Centre, University of Pretoria

Instructors: Prof Annet Oguttu (University of South Africa), Dr Thabo Legwaila (Citibank, South Africa) and Mr Ron van der Merwe (South African Revenue Service)

Fiscal Decentralization & Local Taxation Programme

23 to 27 July 2012

Venue: Leadership Centre, University of Pretoria

This one-week programme covered the following issues in an African context:

- The policy and practical issues to be considered in the context of fiscal decentralization
- Expenditure and revenue assignment
- Intergovernmental transfers
- Capital financing, borrowing and debt
- Appropriate sources of revenue for sub-national government
- Policy and administrative issues regarding property tax as a source of revenue
- Property tax base options
- Valuation and assessment for property taxes
- Tax rates and tax relief
- Local tax administration
- Local revenue enhancement

Instructors: Prof Riël Franzsen and Dr Nara Monkam (University of Pretoria, South Africa), Prof Roy Bahl (Extraordinary Professor, University of Pretoria, South Africa) and Dr William McCluskey (University of Ulster, United Kingdom).

Tax Analysis & Revenue Forecasting Programme

23 July to 03 August 2012

In order to ensure that participants are equipped with the necessary mathematical and computer skills required to master revenue forecasting techniques, a specific programme was designed to accommodate the need for additional contact time and computer laboratory practise. The Tax Analysis & Revenue Forecasting Programme consists of two courses offered over a two-week period.

Introduction: Revenue Forecasting and Tax Analysis

23 - 27 July 2012

This course focused on equipping participants with the necessary mathematical and computer skills required to master revenue forecasting techniques.

Instructors: Prof Niek Schoeman and Samuel Jibao (University of Pretoria, South Africa)

Venue: Informatorium, University of Pretoria

Advanced Revenue Forecasting and Tax Analysis

30 July - 03 August 2012

This course focused on the macro foundations of revenue forecasting, tax elasticity, GDP-based estimating models, as well as statistical analysis and micro-simulation techniques for revenue forecasting. Specific models for different types of tax (i.e. personal income tax, company tax, VAT, excise taxes and trade taxes) were also discussed and evaluated.

Instructor: Dr Selcuk Caner, IMF

Venue: Informatorium, University of Pretoria

Fiscal Regime for Petroleum and Mining

30 July – 03 August 2012

This course covered theoretical and practical aspects of taxing the exploitation of natural resources in the context of developing countries in Africa – especially focussing on petroleum taxes and mineral severance taxes.

Venue: Leadership Centre, University of Pretoria

Instructors: Dr Emil Sunley (formerly IMF) and Dr Charles McPherson (formerly World Bank/IMF)

2.2.2 Participants

A total of 99 participants from twelve countries attended one or more of the one-week short courses were offered in July 2012. This compares favourably with the number of participants (96) in 2011. For the first time participants from Indonesia participated in an ATI short course.



Indonesian participants with Proff McCluskey and Bahl.



Participants in the Leadership Centre.

2.2.3 Instructors

A total of fourteen instructors were used in 2012 – as indicated in the Table below:

Instructor	Country	Institution
Bahl, Roy	United States	Georgia State University
Caner, Selcuk	Turkey	Yeditepe University, Istanbul
Cnossen, Sijbren	The Netherlands	University of Maastricht
De Lange, Riaan	South Africa	University of Pretoria, SARS
Franzsen, Riël	South Africa	University of Pretoria
Gendron, Pierre-Pascal	Canada	Humber College, Toronto
Jibao, Samuel	Sierra Leone	University of Pretoria
Legwaila, Thabo	South Africa	Citibank
McCluskey, William	United Kingdom	University of Ulster
McPherson, Charles	United Kingdom	Consultant, formerly IMF and World Bank
Monkam, Nara	Cameroon	University of Pretoria
Schoeman, Niek	South Africa	University of Pretoria
Sunley, Emil	United States	Consultant, formerly IMF
Van der Merwe, Ron	South Africa	South African Revenue Service

2.3 Masters Programme in Taxation (MPhil: Taxation)

2.3.1 Introduction

The MPhil: Taxation (Code: 07255140) is a multidisciplinary postgraduate programme in taxation designed to prepare especially public sector officials from African countries for senior government positions in the areas of tax policy or tax administration.

2.3.2 Class of 2009

This programme commenced in 2009 with nine students from seven African countries. The first three students from the Class of 2009 graduated in 2011, with a further two graduating in September 2012, namely Diana Bunting (Zambia) and Moses Rasodi (South Africa). A further two of the 2009 students have made progress with their research and will likely graduate in 2013.

2.3.3 Class of 2010

The following students from the Class of 2010 graduated in April 2012: John Chakasikwa (Zimbabwe), Rose Ngwira (Malawi), Victor Ngobeni (South Africa), Roux Raath (South Africa) and Bernd Schlenther (South Africa). Mr Chakasikwa and Mr Raath graduated with distinction. A further three students from this class graduated in September 2012, namely Anita Beukes (Namibia), Steve Elisa (Malawi) and Edward Shamo (Ghana).



April Graduation: Dr Monkam, Mr Ngobeni, Mr Raath, Ngwira, Mr Schlenther, Mr Chakasikwa, Prof Franzsen.



September Graduation: Mr Rasodi, Mr Elisa, Ms Ms Beukes, Ms Bunting, Mr Shamo.

2.3.4 Class of 2011

The twelve students of the Class of 2011 were on campus in early March 2012 for a one-week research colloquium. They presented and refined their research proposals for their mini-dissertations. Five of the students submitted their mini-dissertation before the end of 2012. All five passed and will graduate in April 2013. They are Felicy Bapela (South Africa), Innocent Chikuni (Zimbabwe), Ibrahim Saidu Gabari (Nigeria), Uchenna Obiakor (Nigeria) and Edward Siaffa (Sierra Leone). A further number of students made significant progress with their research and are likely to graduate in September 2013 or 2014.

2.3.5 Class of 2012

2.3.5.1 Students

Seventeen students were admitted to the 2012 Masters Programme in Taxation. Seventeen students from ten African countries formally commenced with this programme in February 2012.

Student	Country	Institution
Alfred Akibo Betts	Sierra Leone	National Revenue Authority
Edward Appiah	Ghana	Ghana Revenue Authority
Francis Adu Amankwa-Poku	Ghana	Ghana Revenue Authority
Benedict Chiile	Zambia	Zambia Revenue Authority
Garikai Chinyemba	Zambia	Zambia Revenue Authority
Motshabi Gobuamang	Botswana	Botswana Inland Revenue Service
Vandy James	Sierra Leone	National Revenue Authority
Tendai Jawa	Zimbabwe	Zimbabwe Revenue Authority
Ezera Madzivanyika	Zimbabwe	Zimbabwe Revenue Authority
Cephas Makunika	Zimbabwe	Zimbabwe Revenue Authority
Vussumuzi Manqele	South Africa	South African Revenue Service
Abel Mboweni	South Africa	South African Revenue Service
Nokuthula Mogiba	South Africa	South African Revenue Service
Justus Mwafongwe	Namibia	Ministry of Finance
Moses Nkandu	Zambia	Zambia Revenue Authority
Ncamiso Ntsalintshali	Swaziland	Swaziland Revenue Authority
Daniel Nuer	Ghana	Ministry of Finance



MPhil: Taxation 2012



From Left to Right
 FIRST ROW : Ms Motshabi Gobuamang, Prof Estian Calitz (Lecturer), Dr Nara Monkam (ATI Deputy Director), Prof Riel Franzsen (ATI Director), Prof Sally Wallace (Lecturer), Mr Samuel Jibao (Lecturer), Ms Nokuthula Mogiba
 SECOND ROW : Mr Vussumuzi Manqele, Mr Francis Amankwa-Poku, Mr Ezera Madzivanyika, Mr Tendai Jawa, Mr Ncamiso Ntsalintshali, Mr Moses Nkandu.
 THIRD ROW : Mr Vandy Richard James, Mr Daniel Nuer, Mr Justus Mwafongwe, Mr Edward Kwaku Appiah, Mr Garikai Chinyemba.
 FOURTH ROW : Mr Benedict Chiile, Mr Cephas Makunika, Mr Alfred Akibo-Betts, Mr Abel Mboweni.
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Class Photo of the Class of 2012.

The following seven modules were offered to the Class of 2012:

First Semester:

- EKN 833 Public Finance and Economics of Taxation
- EKN 834 Law and Taxation
- EKN 835 Comparative Tax Policy and Administration
- EKN 836 Business Taxation

Second Semester:

- EKN 837 Value-added Taxation
- EKN 838 Sub-national Taxation
- EKN 839 Current Issues in Taxation

Tuition commenced in February 2012 and continued throughout the academic year. However, face-to-face tuition was only conducted during two separate block-week sessions in February/March 2012 and July 2012 respectively.

Exams were written in June/July and November 2012 respectively.

2.3.5.2 Instructors and External Examiners

A total number of 16 instructors, as listed in the table below, were used in 2012:

Instructor	Country	Institution	Module
Bahl, Roy	United States	Georgia State University	EKN 838
Bekink, Bernard	South Africa	University of Pretoria	EKN 834
Botha, Christo	South Africa	University of Pretoria	EKN 834
Brooks, Neil	Canada	York University	EKN 836
Calitz, Estian	South Africa	University of Stellenbosch	EKN 835
Cnossen, Sijbren	Netherlands	University of Maastricht	EKN 837, EKN 839
De Lange, Riaan	South Africa	SARS	EKN 839
Franzsen, Riël	South Africa	University of Pretoria	EKN 834, EKN 838, EKN 839
Gendron, Pierre-Pascal	Canada	Humber College	EKN 837
Legwaila, Thabo	South Africa	National Treasury	EKN 839
McCluskey, William	United Kingdom	University of Ulster	EKN 838
Monkam, Nara	Cameroon	University of Pretoria	EKN 833
Muller, Elzette	South Africa	University of Pretoria	EKN 839
Ogutuu, Annet	South Africa	University of South Africa	EKN 839
Van der Merwe, Ron	South Africa	SARS	EKN 839
Wallace, Sally	United States	Georgia State University	EKN 835

The following persons acted as external examiners for the seven modules:

External Examiner	Country	Institution	Module
Prof Sijbren Cnossen	Netherlands	Maastricht University	EKN 833
Prof Sijbren Cnossen	Netherlands	Maastricht University	EKN 834
Prof Tjaart Steenekamp	South Africa	University of South Africa	EKN 835
Dr Thabo Legwaila	South Africa	Citi Bank	EKN 836
Prof Rick Krever	Australia	Monash University	EKN 837
Dr Enid Slack	Canada	University of Toronto	EKN 838
Dr Elzette Muller	South Africa	Pretoria Bar	EKN 839

2.3.6 Class of 2013

In September 2012 the selection process of prospective students for the 2013 academic year commenced. More than 20 applications were received and although some of these

students were admitted on the basis of their proven academic record, some of the prospective candidates wrote an entrance exam, graded by two international examiners, Professor Roy Bahl (Georgia State University) and Professor Sijbren Cnossen (University of Maastricht). In November 2012 14 prospective students from six African countries were admitted to the 2013 Masters Programme in Taxation.

2.4 PHD in Tax Policy

The introduction of a PhD in Tax Policy was approved by the Faculty Board and Senate in 2011. This PhD will be offered over a three-year period, with students attending a research colloquium on campus annually. Students must also submit a publishable article annually over the three year period – apart from completing a thesis.

A total of seven applications were received after the PhD Programme was marketed on the ATI web page from July to September 2012.

In October 2011 three students were selected on the basis of preliminary research proposals for the ATI's new PhD Tax Policy Programme. They commenced their PhD studies in February 2012. They are:

- Mr Pedro de Carvalho Junior (Brazil) – he is researching property taxation in metropolitan cities in Brazil and South Africa
- Mr Abdullah Ali-Nakyea (Ghana) – he is researching natural resource taxation policies and practices in Ghana
- Ms Cleopatra Mtisi (Zimbabwe) - she abandoned her studies towards the end of 2012



Prof Franzsen (Programme Manager), Ms Mtisi, Dr Monkam, Mr Ali-Nakyea, Mr Carvalho Junior

In October 2012 only one student was selected for the 2013-2015 PhD Programme in Tax Policy, namely Mr John Chakasikwa from Zimbabwe. Mr Chakasikwa obtained his MPhil: Taxation with distinction at a graduation ceremony in April 2012.

3 Research Initiatives

ATI staff and associates have been active on the research front in 2012.

3.1 Lincoln Institute of Land Policy/ATI Research Fellowships

On the research front the ATI is still involved in an extensive research initiative negotiated with the Lincoln Institute of Land in 2006/2007. This programme is a joint venture between the Lincoln Institute of Land Policy (based in Cambridge, Massachusetts, United States) and the ATI, and is managed by the ATI's director, Professor Franzsen. It aims to extend the existing and limited research coverage pertaining to property-related taxation in Africa – by collecting and collating data, and reporting and critically reflecting on the property taxes levied in all of the countries in Africa.

The first phase of this project (2007-2012) was directed at the collection of data on existing legislation and practices on all property-related taxes to develop a comprehensive template that will allow analysis of policy and practices regarding property taxes in these countries in a comparable manner. To accomplish this objective the ATI and the Lincoln Institute awarded research fellowships to three fellows in 2007, a further six fellows in 2008, four fellows in 2009 and one new fellow in 2010. Grants were also awarded to two former fellows to visit further countries in 2012. One new fellow, Shahenaz Hassan from Sudan, was selected in 2012 to research property taxation in Sudan and South Sudan. So far more than 30 country reports have been published on the Lincoln Institute's web page.

The second phase of this project (2012-2013) is directed at the publication of a book on the Current Status and Future Prospects for Property Taxation in Africa. Initial conceptualisation for this book was done during a visit by Professor Franzsen to the Lincoln Institute in Cambridge, Massachusetts, US in July 2011.

3.2 Courses, Conference and Workshops

3.2.1 Prof Riël Franzsen

Professor Franzsen was a co-instructor for the following international course in 2012:

- One-week course on property taxation in transition countries on behalf of the Lincoln Institute of Land Policy and Centre for Excellence in Finance (Ministry of Finance), Ljubljana, Slovenia, 26-30 March 2012

Professor Franzsen participated in the following conferences as presenter in 2012:

- Franzsen RCD "The valuation and rating of sectional title property in terms of the Municipal Property Rates Act", Faculty of Law, University of Stellenbosch, 19 April 2012.
- Franzsen RCD "Trends regarding Property Taxation (Bases, Valuation and Rates) in Developing Countries", International Property Tax Institute conference on *Valuation, Administration and Management of Commercial Property: Perspectives from the Public and Private Sector*, Montego Bay, Jamaica, 3-4 May 2012.

- Franzsen RCD “Valuation Training in Africa: Status and Challenges”, *7th Mass Appraisal Valuation Symposium, International Property Tax Institute*, University of Technology Malaysia, Kuala Lumpur, Malaysia, 11-12 July 2012.
- Franzsen RCD “A Comparative Review of Property Taxation in Metropolitan Cities in Developing Countries”, *15th Annual Conference of the International Property Tax Institute*, São Paulo, Brazil, 22-23 August 2012.
- Franzsen RCD “Comparative Property Tax Law”, *Potential for the Property Tax for Local Revenue Mobilization*, International Property Tax Institute Workshop, São Paulo, Brazil, 24 August 2012.
- Franzsen RCD “Encouraging Tax Compliance for Improved Revenue Mobilization”, Chartered Institute of Taxation Ghana annual conference on *Taxation and National Development: Challenges and Perspectives*, Accra, Ghana, 29-30 August 2012.
- Franzsen RCD “Commentary: Making the Property Tax Work”, commentary on a paper by Roy Kelly at the conference *Taxation and Development: The Weakest Link (Essays in Honor of Roy Bahl)*, Andrew Young School of Policy Studies, Georgia State University, Georgia, US, 13-15 September 2012.



Montego Bay, Jamaica.



Sao Paulo, Brazil.

3.2.2 Dr Nara Monkam

- Facilitated a Learning Event organized by GIZ-Support to Local Governance Processes (SULGO) in Tanzania entitled How to Improve and Manage Local Revenues in Tanzania, Dar es Salaam, Tanzania (February 2012)
- West Africa Tax Forum, Accra, Ghana (May 2012)
- 68th Congress of the International Institute of Public Finance (IIPF): Public Finance, Public Debt and Global Recovery, Dresden, Germany (August 2012)
- 2nd Meeting of the African Tax Administration Forum (ATAF) General Assembly; Theme: “Tax Sovereignty, Competition and Cooperation: The Benefits and Risks of Tax Incentives and Exemptions for Economic Development in Africa”, Dakar, Senegal (September 2012)

3.2.2 Prof Niek Schoeman

- Schoeman NJ and Jordaan Y. 2012. The Deadweight Cost of Personal Income Tax in South Africa Using a Micro-simulation model, ERSA Workshop, Polokwane

- Schoeman NJ and Jibao S. 2012. An Empirical Investigation into the Macroeconomic effects of Fiscal Policy Structure in South Africa, ERSA Workshop, Polokwane

3.3 Publications 2012

- Buzu O, McCluskey WJ and **Franzsen RCD**. 2012. “Real Property Assessment and Taxation in the Republic of Moldova”, *Journal of Property Tax Assessment & Administration* (Vol. 9, No. 4) 5-23
- Smulders S, Stiglingh M, **Franzsen R** and Fletcher L. 2012. “Tax compliance costs for the small business sector in South Africa – establishing a baseline” *eJournal of Tax Research* (Australia)
- **Monkam N**. 2012. International Donor Agencies’ Incentive Structures and Foreign Aid Effectiveness, *Journal of Institutional Economics*, Volume 8, Issue 3, pp. 399–427 (July 2012)
- Jibao S, **Schoeman, NJ** and Naraidoo R. 2012. Fiscal regime changes and the sustainability of fiscal imbalance in South Africa: a smooth transition error-correction approach. *SAJEMS* vol. 15 no. 2.

3.4 Professional Consulting

In 2012 Prof Franzsen was contracted as external expert for the Fiscal Affairs Division of the International Monetary Fund for two missions to Croatia and Liberia respectively:

- *A new property tax dispensation for Croatia, Zagreb, Croatia* (4-16 June 2012)
- *Enhancing revenues through property taxation in Liberia, Monrovia, Liberia* (30 November - 7 December 2012)



Dubrovnik, Croatia.



Down-town Monrovia, Liberia.

4 Other ATI Activities in 2012

4.1 Institutions and Persons Visited

In 2012 Professor Franzsen visited the following institutions in an official capacity on behalf of the ATI:

- Centre for Excellence in Finance, Ljubljana, Slovenia (March 2012)
- African Tax Administration Forum (ATAF), Pretoria, South Africa (September 2012)
- Lincoln Institute of Land Policy Board Meeting, Phoenix, Arizona, United States (November 2012)

4.2 Visitors Received at the ATI

A significant number of visiting local and international faculty participated in the ATI's Masters Programme in Taxation and ATI short courses. The following individuals visited the ATI in 2012:

Individual	Country	Institution
Prof Roy Bahl	United States	Georgia State University
Prof Neil Brooks	Canada	York University
Prof Estian Calitz	South Africa	University of Stellenbosch
Prof Sijbren Cnossen	Netherlands	University of Maastricht
Mr Riaan de Lange	South Africa	University of Pretoria, SARS
Dr Pierre-Pascal Gendron	Canada	Humber College
Dr Thabo Legwaila	South Africa	National Treasury
Dr William McCluskey	United Kingdom	University of Ulster
Dr Charles McPheson	United Kingdom	Consultant (formerly IMF)
Prof Annet Ogguttu	South Africa/Uganda	University of South Africa
Dr Emil Sunley	United States	Consultant (formerly IMF)
Ron van der Merwe	South Africa	SARS
Prof Sally Wallace	United States	Georgia State University

4.3 Research Chair

In August 2011 the ATI submitted a Phase I proposal for a Research Chair in Tax Policy and Governance to the Vice Principal: Research of the University of Pretoria, Professor Stephanie Burton. This proposal was then forwarded by the University of Pretoria as one of a number of other proposals for chairs in various subject fields to the National Research foundation (NRF). These proposals were then peer-reviewed and evaluated as part of the process of awarding research chairs in terms of the NRF's South African Research Chair Initiative (SARChI). The ATI's proposal was the only one from the Faculty of Economic & Management Sciences.

The successful outcome of this process was announced in February 2012. A Phase II proposal on how the SARChI Chair in Tax Policy and Governance envision to function from 2013 to 2017 was prepared and submitted in August for a second round of peer review. The successful outcome of this process was only announced in February 2013. The Chair commenced in March 2013.

5 Programmes and Initiatives planned for 2013

5.1 Capacity-development Programmes

The ATI plans to offer (through CE at UP) the following short courses in 2013:

Winter Programme in Taxation

Excise Taxation

01 - 05 July 2013

This short course will cover theoretical and practical aspects of excise duties in the context of developing countries in Africa.

Venue: Leadership Centre, University of Pretoria

Instructors: Prof Sijbren Cnossen (Extraordinary Professor, University of Pretoria, South Africa) and Mr Riaan de Lange (South African Revenue Service)

Fee: US\$ 1,900.00 per participant per short course

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or administration of VAT, customs duties or excise duties.

Value-Added Taxation

01 – 05 July 2013

Value-added has recently been introduced in several countries in Africa and will be introduced in the near future in several others. An examination of fundamental issues in designing and implementing a VAT system is therefore appropriate and timely. This short course will deal with the economic, legal, administrative and inter-jurisdictional aspects of VAT. The application of VAT to financial transaction, e-commerce, insurance and real property transaction will also be covered.

Venue: Leadership Centre, University of Pretoria

Instructors: Dr Pierre-Pascal Gendron, Humber Business School, Toronto, Canada

Fee: US\$ 1,900.00 per participant per short course

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or tax administration.

International Taxation and Tax Treaties

15 – 19 July 2013

This short course will cover theoretical and practical aspects of international taxation for participants who have had little exposure to international taxation. It will also examine alternative regimes for taxing residents on foreign source income and taxing foreign investors on domestic source income. Basic aspects of transfer pricing, e-commerce, tax harmonisation, tax competition and international tax treaties will be discussed.

Venue: Leadership Centre, University of Pretoria

Instructors: Prof Annet Oguttu (University of South Africa), Dr Thabo Legwaila (Citibank, South Africa) and Mr Ron van der Merwe (South African Revenue Service)

Fee: **US\$ 1,900.00 per participant per short course**

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or tax administration.

Fiscal Regimes for Petroleum and Mining

29 July – 02 August 2013

This short course will cover –

- Special characteristics as well as opportunities and challenges presented by the resource sector
- Fiscal objectives and introduction to relevant fiscal instruments
- Production sharing
- Royalties
- Income taxation
- International tax issues
- An additional progressive tax
- Value-added taxation and customs duties
- Fiscal stability
- State participation
- Evaluation of fiscal regimes
- Tax administration and revenue management
- Transparency and accountability

Venue: Leadership Centre, University of Pretoria

Instructors: Dr Emil Sunley and Dr Charles McPherson

Fee: **US\$ 1,900.00 per participant per short course**

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or tax administration.

Fiscal Decentralization & Local Taxation Programme

22 to 26 July 2013

Venue: **Leadership Centre**, University of Pretoria

Fee: **US\$ 1,000.00 per participant**

(This short course is largely sponsored by the **Lincoln Institute of Land Policy** based in Cambridge, Massachusetts, United States.)

Language of Instruction: **English only**

This one-week programme covers the following issues in an African context:

- The policy and practical issues to be considered in the context of fiscal decentralization
- Expenditure and revenue assignment
- Intergovernmental transfers
- Capital financing, borrowing and debt
- Appropriate sources of revenue for sub-national government
- Policy and administrative issues regarding property tax as a source of revenue
- Property tax base options
- Valuation and assessment for property taxes
- Tax rates and tax relief
- Local tax administration
- Local revenue enhancement

Instructors: Prof Riël Franzsen and Dr Nara Monkam (University of Pretoria, South Africa), Prof Roy Bahl (Extraordinary Professor, University of Pretoria, South Africa) and Dr William McCluskey (University of Ulster, United Kingdom).

Minimum requirements: Participants must have at least an undergraduate degree or post-school diploma and some practical experience in the areas of tax policy or tax administration.

Tax Analysis & Revenue Forecasting Programme

22 July to 02 August 2013

In order to ensure that participants are equipped with the necessary mathematical and computer skills required to master revenue forecasting techniques, a specific programme was designed to accommodate the need for additional contact time and computer laboratory practise. The Tax Analysis & Revenue Forecasting Programme consists of two short courses offered over a two-week period:

- **Introduction: Revenue Forecasting and Tax Analysis**
- **Advanced Revenue Forecasting and Tax Analysis**

Venue: **Informatorium**, University of Pretoria

Fees: **US\$ 1,900.00 per participant per short course**

Language of Instruction: **English only**

Introduction: Revenue Forecasting and Tax Analysis Workshop

22 - 26 July 2013

This short course will focus on equipping participants with the necessary mathematical and computer skills required to master revenue forecasting techniques.

Instructors: Mr Samuel Jibao (University of Pretoria, South Africa)

Advanced Revenue Forecasting and Tax Analysis Workshop

29 July - 02 August 2013

This short course focuses on the macro foundations of revenue forecasting, tax elasticity, GDP-based estimating models, as well as statistical analysis and micro-simulation techniques for revenue forecasting. Specific models for different types of tax (i.e. personal income tax, company tax, VAT, excise taxes and trade taxes) will also be discussed and evaluated.

Instructor: Dr Selcuk Caner, International Monetary Fund

5.2 2013 Masters Programme in Taxation

Sixteen students were selected in October 2012 and will commence their studies in January 2013.

5.3 2013 PhD Programme in Tax Policy

One student was selected and will commence with the PhD Programme in Tax Policy in March 2013.

5.4 Research Initiatives

5.4.1 *Lincoln Institute of Land Policy/ATI Research*

In 2012 the Board of the Lincoln Institute of Land Policy again provided funding for the continuation of the joint venture with the ATI in 2013. Prof Franzsen was invited to address the Lincoln Institute of Land Policy's Board Meeting, held in Phoenix, Arizona in November 2012 on the joint venture and the outcomes thereof.



6 Financial Statements: 2012



Niek Schoeman
ATI Director: Finance

The formal financial statements for the 2012 financial year (1 January – 31 December 2012) are available on request.

It is evident from the ATI's financial statements that the financial position of the ATI as at 31 December 2012 was healthy.

7 Brief Overview of Activities: 2002-2012

7.1 Summary of Programmes: 2002-2012

Table 7-1: Summary of Short-course Programmes in 2002-2012: Participants per Year

Programmes	South Africans	Non-SA	Total
2002 Winter Programme in Taxation	24	48	72
2003 Winter Programme in Taxation	22	49	71
2003 Property Tax Module	8	24	32
2004 Winter Programme in Taxation	37	74	111
2004 Local Government Finances Programme	20	14	34
2005 Winter Programme in Taxation	32	60	92
2006 Winter Programme in Taxation	31	61	92
2007 Winter Programme in Taxation	8	60	68
2007 Local Government Finances Programme	2	32	34
2007 Tax Senior Management Development	0	8	8
2007 Tariff, Trade Remedy & Import and Export Permit Applications	60	0	60
2008 DRC Fiscal Decentralization Programme (French)	0	30	30
2008 Winter Programme in Taxation	29	120	149
2008 Fiscal Decentralization & Local Government Finance Programme	12	18	30
2008 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Tax Policy & Tax Administration Programme	2	65	67
2009 VAT, Customs and Excise Programme	0	35	35
2009 Tax Analysis & Revenue Forecasting Programme	4	24	28
2009 Fiscal Decentralization & Local Government Finance Programme	4	18	22
2009 Francophone Programme	0	8	8
2010 Summer Programme in Taxation	2	10	12
2010 Winter Programme in Taxation	8	6	14
2010 Tax Analysis & Revenue Forecasting Programme	2	10	12
2010 Fiscal Decentralization & Sub-National Government Finance Programme	3	3	6
2010 Francophone Programme	0	6	6
2011 Short-course Programme	11	95	106
2012 Short-course Programme	6	89	95
Total	327	1007	1334

Table 7-2: Participants per Country: 2002-2012

Country	Individuals	Country	Individuals
Angola	4	Namibia	13
Azerbaijan	1	Niger	1
Botswana	9	Nigeria	29
Cameroon	2	Rwanda	68
Chad	1	Seychelles	1
DRC	76	Sierra Leone	67
Ethiopia	14	South Africa	236
Ghana	65	Sudan	9
Indonesia	2	Swaziland	18
Kenya	20	Tanzania	76
Lesotho	97	Uganda	52
Malawi	120	Zambia	29
Mauritius	1	Zimbabwe	93
Mozambique	3		
		Total	1 107

Table 7-3: Summary of Short-course Programmes in 2002-2012: Number of Module Registrations

Programmes	South Africans	Non-SA	Total
2002 Winter Programme in Taxation	41	86	127
2003 Winter Programme in Taxation	30	120	150
2003 Property Tax Module	8	24	32
2004 Winter Programme in Taxation	55	107	162
2004 Local Government Finances Programme	20	14	34
2005 Winter Programme in Taxation	36	125	161
2006 Winter Programme in Taxation	51	107	158
2007 Winter Programme in Taxation	15	126	141
2007 Local Government Finances Programme	2	32	34
2007 Tax Senior Management Development	0	7	7
2007 Tariff, Trade Remedy & Import and Export Permit Applications	60	0	60
2008 DRC Fiscal Decentralization Programme (French)	0	30	30
2008 Winter Programme in Taxation	31	247	278
2008 Fiscal Decentralization & Local Government Finance Programme	12	18	30
2008 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Tax Policy & Tax Administration Programme	2	65	67
2009 VAT, Customs and Excise Programme	0	35	35
2009 Tax Analysis & Revenue Forecasting Programme	4	24	28
2009 Fiscal Decentralization & Local Government Finance Programme	4	18	22
2009 Francophone Programme	0	8	8
2010 Summer Programme in Taxation	2	10	12
2010 Winter Programme in Taxation	8	6	14
2010 Tax Analysis & Revenue Forecasting Programme	4	20	24
2010 Fiscal Decentralization & Sub-National Government Finance Programme	3	3	6
2010 Francophone Programme	0	6	6
2011 Short-course Programme	16	90	106
2012 Short-course Programme	7	92	99
Total	411	1 466	1 877

7.2 Summary of Conferences and Workshops: 2002-2012

Table 7-4: Conference on the Valuation and Rating of Public Service Infrastructure held on 2 and 3 June 2005

Workshop on Valuation and Rating	Countries represented	Speakers	Participants
Total	4	11	156

Table 7-5: Workshop on Tax Policy and Tax Administration held from 18-20 June 2006

Workshop on Tax Policy & Administration	Countries represented	Presenters	Participants
Total	15	6	15

Table 7-6: VAT in Africa Conference held on 15 June 2007

VAT in Africa Conference	Countries Represented	Speakers	Participants
Total	14	8	44

Table 7-7: Municipal Property Rates Act: Critical Issues Conference held on 12 September 2007

Municipal Property Rates Act: Critical Issues Conference	Countries Represented	Speakers	Participants
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Total	9	13	112
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Table 7-8: 4th Mass Appraisal Valuation Symposium held on 25-26 March 2009

4th Mass Appraisal Valuation Symposium	Countries Represented	Speakers	Participants
Total	14	29	142

Table 7-9: Property Taxation in Africa Workshop held from 3-5 December 2010

Property Taxation in Africa	Countries Represented	Speakers/Chairs	Participants
Total	15	23	24

7.3 ATI Instructors for Past SATI and ATI Programmes: 2002-2012

Table 7-10: Instructors per Country

Country	Number	Country	Number
Australia	2	Sierra Leone	1
Belgium	1	South Africa	32
Botswana	1	Switzerland	1
Canada	6	Turkey	1
DRC	1	Uganda	2
France	1	United Kingdom	5
Ghana	1	United States	15
Kenya	4	Zambia	1
The Netherlands	3	Zimbabwe	2
Norway	1	Total	81

Table 7-11: Instructors

	Instructor	Country	Institution	Years
1	Arnold, Brian	Canada	University of Western Ontario	2002-2003, 2005-2008, 2011
2	Aryee, Jacob	Ghana	Sierra Leone Parliament	2008
3	Ault, Hugh	United States	OECD	2004
4	Bahl, Roy	United States	Georgia State University	2009-2012
5	Bekink, Bernard	South Africa	University of Pretoria	2012
6	Bird, Richard	Canada	University of Toronto	2003, 2006
7	Botha, Christo	South Africa	University of Pretoria	2011-2012
8	Brooks, Neil	Canada	York University	2006-2012
9	Calitz, Estian	South Africa	University of Stellenbosch	2005, 2009-2012
10	Caner, Selcuk	Turkey	Bilkent University	2002-2012
11	Child, David	United Kingdom	Consultant	2003-2012
12	Cnossen, Sijbren	The Netherlands	Maastricht University	2002-2011
13	Dafflon, Bernard	Switzerland	Fribourg University	2008
14	De Lange, Riaan	South Africa	University of Pretoria, SARS	2007-2012
15	Ebel, Bob	United States	World Bank Institute	2004
16	Engel, Keith	South Africa	National Treasury – South Africa	2003-2005
17	Fjeldstad, Odd-Helge	Norway	Chr. Mickelsen Institute	2006
18	Franck, Peter	South Africa	South African Revenue Service	2002-2005
19	Franzen, Riël	South Africa	University of Pretoria	2003-2012
20	Gendron, Pierre-Pascal	Canada	Humber College	2010-2012
21	Gericke, Carl	South Africa	South African Revenue Service	2003
22	Govender, Rodney	South Africa	South African Revenue Service	2007
23	Groenendijk, Nico	The Netherlands	Twente University	2002
24	Grote, Martin	South Africa	National Treasury – South Africa	2002-2008
25	Hansungule, Michelo	Zambia	University of Pretoria	2006
26	Harris, Peter	United Kingdom	Cambridge University	2005
27	Jibao, Samuel	Sierra Leone	National Revenue Authority	2008-2012

28	Jousten, Alain	Belgium	IMF, University of Liege	2008
29	Karingi, Stephen	Kenya	KIPPRA, UNECA	2002, 2003
30	Keanley, Aidan	South Africa	South African Revenue Service	2004-2008
31	Kebonang, Zane	Botswana	University of Botswana	2002
32	Kelly, Roy	United States	Duke University	2003-2004, 2007-2008
33	Kibambe, Jacques	DRC	University of Pretoria	2008
34	Kitunzi, Anka	Uganda	SDU, Uganda	2003-2007
35	Krever, Rick	Australia	Monash University	2002-2007
36	Laycock, Ian	United Kingdom	International Monetary Fund	2002
37	Legwaila, Thabo	South Africa	National Treasury	2003, 2007-2012
38	Leigland, Jim	United States	Municipal Infrastructure Unit (SA)	2004
39	Malherbe, Rassie	South Africa	University of Johannesburg	2004-2006, 2008-2009
40	Margalioth, Yoram	United States	Harvard University	2002
41	May, Cyril	South Africa	University of the Witwatersrand	2002
42	Mazorodze, IV	Zimbabwe	SARS	2007-2009
43	McCluskey, Billy	United Kingdom	University of Ulster	2003-2004, 2006-2012
44	McPherson, Charles	United Kingdom	Formerly World Bank and IMF	2011-2012
45	Melck, Antony	South Africa	University of Pretoria	2002
46	Meyer, Anton	South Africa	ABSA Bank	2004
47	Millar, Rebecca	Australia	University of Sydney	2007
48	Mohne, Guy	Zimbabwe	University of the Witwatersrand	2004
49	Monteiro, Carla	South Africa	University of the Witwatersrand	2002
50	Muller, Elzette	South Africa	University of Pretoria	2009-2012
51	Nyamongo, Esman	Kenya	University of Pretoria	2007
52	Nyiri, Roxanna	South Africa	South African Revenue Service	2003-2004
53	O'Connell-Xego, Lesley	South Africa	South African Revenue Service	2006-2010
54	Oguttu, Annet	Uganda	University of South Africa	2012
55	Oldman, Oliver	United States	Harvard University	2002
56	Olima, Washington	Kenya	University of Nairobi	2003-2004
57	Olivier, Lynette	South Africa	University of Johannesburg	2002-2007, 2009
58	Pillay, Pundy	South Africa	Consultant (formerly FFC)	2005
59	Ramphal, Prenesh	South Africa	South African Revenue Service	2011-2012
61	Rock, Joseph	South Africa	South African Revenue Service	2006-2008
62	Rosenbloom, David	United States	Caplin & Drysdale	2002
63	Rosengard, Jay	United States	Harvard University	2002-2006
64	Sasseville, Jacques	Canada	OECD	2003, 2007
65	Schenk, Alan	United States	Wayne State University	2007-2009
66	Schoeman, Niek	South Africa	University of Pretoria	2002-2012
67	Scholtz, Dirk	South Africa	University of Pretoria	2003-2010
68	Seymore, Reyno	South Africa	University of Pretoria	2007
69	Sichei, Moses	Kenya	University of Pretoria, KIPPRA	2004-2006
70	Solomon, David	South Africa	University of the Witwatersrand	2002-2010
71	Sunley, Emil	United States	Formerly from the IMF	2011-2012
72	Thompson, Kirsten	South Africa	University of Pretoria	2007-2008
73	Thompson, Samuel	United States	University of Florida	2002
74	Thuronyi, Victor	United States	International Monetary Fund	2002-2010
75	Vaillancourt, François	Canada	University of Montreal	2008
76	Van Heerden, Jan	South Africa	University of Pretoria	2002-2003, 2010
77	Van der Merwe, Ron	South Africa	South African Revenue Service	2002-2012
78	Van der Merwe, Trix	South Africa	University of South Africa	2002, 2004
79	Waerzeggers, Christophe	The Netherlands	Utrecht University	2006-2007
80	Wallace, Sally	United States	Georgia State University	2010-2012
81	Zolt, Eric	United States	University California Los Angeles	2002-2007, 2009

Note: 81 instructors from 18 countries; 45 African instructors from 9 African countries.