



Investing in People for Social and Economic Justice

ZIMCODD's Reaction on the Government reversal of the 10% tax on farmers

On the 30th March 2017, the Government announced its decision to levy 10 percent on gross sales of tobacco farmers who do not have Tax Clearance Certificates. This raft measure came as a blow to most farmers who felt they were not consulted and this was akin to squeezing water from a stone. The tax, according to farmers was going to further burden them as they currently face high input, labour and finance costs, afforestation levy, stop order fees and auction commissions while at the same time obliged to pay \$100 registration fee to TIMB.

The Government has since reversed this retrogressive move on the tax system and the Zimbabwe Coalition on Debt and Development (ZIMCODD) applauds this initiative. Over the years, ZIMCODD has learnt that farmers (especially those in the small scale sector) and traders have failed to realise maximum profits from their hard labour due to lack of capacity to negotiate for fair contracts and prices for their produce.

The organisation thus calls upon the government to support a progressive tax system by ensuring that more tax comes from other forms of taxation other than VAT and PAYE, which only target the majority poor. Multinational Companies should contribute more and the government must be careful when according tax holidays to avoid allowing companies to wind-up operations without paying any tax.

ZIMCODD, a social and economic justice coalition asserts that in future there has to be adequate consultation and;

- The government must formulate and implement sound policies that can birth an increase in productivity to help strengthen the capacity of marginalised livelihood groups for fair and just production, trade justice and marketing alternatives for sustainable livelihoods;
- ZIMCODD asserts that fair taxation and domestic resources mobilization will be achieved when active citizens contribute to the design and monitoring of fair tax systems and hold governments to account for implementation; and
- Broadly, African tax systems are biased towards consumption and wage taxes which impose a higher tax burden on poorer households. To make the system fair, tax reform is necessary to shift the tax burden to wealthier households and (multi)national companies. Improvements could be achieved by enhanced tax regulations on trade and tackling tax evasion.

About ZIMCODD

The Zimbabwe Coalition on Debt and Development (ZIMCODD) is a social and economic justice coalition established in February 2000 to facilitate citizens` involvement in making pro people public policy. ZIMCODD views indebtedness, the unfair global trade regime and lack of democratic people -centered economic governance as root causes of the socio – economic crises in Zimbabwe and the world at large. Drawing from community based livelihood experiences of its membership, ZIMCODD implements programmes aimed at delivering the following objectives;

- To raise the level of economic literacy among ZIMCODD members to include views and participation of grassroots and marginalised communities
- To facilitate research, lobbying and advocacy in order to influence and promote policy change
- To formulate credible and sustainable economic and social policy alternatives
- To develop a national coalition and facilitate the building of a vibrant movement for social and economic justice.

Our vision

Sustainable socio-economic justice in Zimbabwe through a vibrant people based movement.

Mission

To take action in redressing the Debt burden, Social and Economic Injustices through formulation and promotion of alternative policies to the neo-liberal agenda.

For more information, please contact:

*Mr. Liberty Bhebhe: National Chairperson: +263 774 208436 ,
Email: liberty_bhebhe@yahoo.com*
*Ms. Patricia Kasiamhuru: Executive Director: +263773213770, Email:
patriciak@zimcodd.co.zw*

Contact ZIMCODD Head Office:
226 Samora Machel Avenue, Eastlea, Harare Tel: +263-4-776830
Website: www.zimcodd.org
Facebook Page: Zimbabwe Coalition on Debt and Development,
Profile: Zimcodd Zimcodd
Twitter: @zimcodd1