

FIGHT INEQUALITY ALLIANCE ZIMBABWE

FORM OF PETITION

**TO THE HONOURABLE SPEAKER AND MEMBERS OF
PARLIAMENT, IN PARLIAMENT ASSEMBLED**

FOURTH SESSION – NINTH PARLIAMENT

PRESENTED TO PARLIAMENT ON 10 FEBRUARY 2022

The Petition of the Undersigned:

Fight Inequality Alliance-Zimbabwe (FIA-Zimbabwe), a network of like-minded organisations committed to addressing and ultimately reversing the negative impacts of the over-concentration of wealth, convened by the Zimbabwe Coalition on Debt and Development (ZIMCODD) of No. 9 Bargate Road, Mt. Pleasant, Harare whose members are listed at the end.

And whose contact person is Janet Zhou (Spokesperson-Fight Inequality Alliance Zimbabwe), Contact Telephone: +263 242776830/1 or cell: 0775415685 email: janet@zimcodd.co.zw. Your petitioners, having consulted citizens spread across the country through consultative meetings, citizen focused information cafés held in Harare, Bulawayo, Mutare, Gweru and Hwange, as well as, virtual processes including the Festival of the Poor Rally, carry the voices and concerns of more than 10 000 people who constitute a representative cross-section of those most affected by extreme poverty and inequality.

Humbly show that your Petitioners:

- i. Being citizens of Zimbabwe; and
- ii. Whose funding methods are subscriptions from members and donor funding from various development partners and well-wishers;

RESPECTFULLY, show that extreme poverty and inequality in Zimbabwe negatively affects the wellbeing of millions of Zimbabweans especially women, young people and historically marginalised groups such as people with disabilities, the elderly and the working poor.

RECOGNISING, the Parliament of Zimbabwe's mandate to protect the Constitution, promote democratic governance in Zimbabwe and to ensure that the provisions of the Constitution are upheld. Also recognizing citizens' expectations for Parliament to ensure that the State and all institutions and agencies of government at every level act constitutionally and in the national interest.

NOTING, that all institutions and agencies of the State and government at every level are accountable to Parliament

COGNISANT that the Constitution of Zimbabwe is supreme and that any law, practice, custom or conduct inconsistent with it is invalid to the extent of the inconsistency, (Section 2(1)) and that the founding provisions in Section 2 (2) of the Constitution of Zimbabwe states that; "The obligations imposed by this Constitution are binding on every person, natural or juristic, including the State and all executive, legislative and judicial institutions and agencies of government at every level, and must be fulfilled by them."

MINDFUL that Section 3 of the Constitution of Zimbabwe recognizes the inherent dignity, worth and equality of all human beings and that Section 298 (1)(b)(i) stipulates that the burden of taxation must be shared fairly.

CONCERNED that extreme poverty and inequality have worsened since the onset of the COVID-19 pandemic. Currently an estimated 7.9 million Zimbabweans are considered to be extremely poor, being unable to meet the food poverty line of US\$29.80 for each person a month.

WORRIED by the gradual consolidation of wealth and economic power in the hands of a few economic and political elites through the massive transfer of public wealth and economic opportunities into private hands at the expense of the majority of citizens.

ANXIOUS about the proliferation of illicit financial flows, massive tax evasion and avoidance, obscene corruption, market monopoly domination and unaccountable tax incentives that are widening the gap between the very rich and the poor in Zimbabwe.

OBSERVING that there have been peace-meal approaches by the government to address tax induced inequalities in their various forms and manifestations as reflected by the Finance Act No 7 of 2021 which operationalizes tax policies and positions that further widen the gap between the rich and poor Zimbabweans.

DESIROUS of a dignified, just, and peaceful life for all Zimbabweans anchored on tax justice as per the constitutional promise.

NOW THEREFORE your petitioners beseech the Parliament of Zimbabwe to exercise its constitutionally guaranteed representative and legislative role in considering the following to urgently reduce the rising poverty levels and growing tax induced inequalities in Zimbabwe.

PETITIONER'S PLEA AND PRAYERS

1. **Consider reforming the current regressive tax regime** and move towards a more progressive, fair and just tax system capable of facilitating shared growth and wealth redistribution for the equitable benefit of all Zimbabweans.
2. **Enact a law that provides for a redistributive Wealth Tax.** A wealth tax is a morally just measure and an important vehicle towards the attainment of tax justice in Zimbabwe by ensuring that each individual pays according to his or her capacity to pay. There is an urgent need to redistribute concentrated wealth and economic power to ensure decent living standards of the majority poor.
3. **Cause the government to consider levying a once off COVID-19 Windfall Tax.** Ever since the COVID-19 pandemic struck, big corporates particularly those in the mining, fuel and telecommunications sectors have made huge profits for shareholders and executives. This is happening at a time when social vulnerabilities are worsening amidst rising levels of poverty and inequality. There is room for such corporates to share the burden of addressing the COVID-19 impacts on vulnerable groups.
4. **Implore the Treasury to review downwards Withholding Tax.** In our view, the increase of Withholding Tax from 10% to 30% announced in the 2022 National Budget and assented in the Finance Act No 7 of 2021 is regressive in that it has increased the tax burden on the already repressed incomes of the poor. A robust tax administration system ensures collection of the right amount of tax at the right time, at a minimal cost to the government, while imposing the least burden on taxpayers. In as far as the Minister of Finance and Economic Development purports that the increase is meant to enforce compliance, the move will do

more harm than good on ordinary citizens as goods and services providers will simply shift the burden of taxation to the poor consumers through price increases.

5. **Scrap or at least peg the 2% tax above the poverty datum line.** The Parliament must implore the Minister of Finance and Economic Development to scrap or at least peg the 2% tax above the poverty datum line which, according to ZimStats, is currently sitting at ZWL48 054 for a family of six as at December 2021. This must be complimented by pushing the Minister of Finance and Economic Development to regularly review tax free thresholds cognizant of currency instability, inflation and market volatility and align the thresholds to poverty datum line.
6. **Expedite the finalisation of the Mines and Minerals Bill before the end of 2022.** The amendment of the Mines and Minerals Act is of essence for the mining host communities and the nation at large to meaningfully benefit from mineral resource extraction.
7. **Democratise the issuance of incentives to foreign investors to enable Parliamentary oversight.** The awarding of tax incentives to multinational corporations must be an outcome of a stakeholder consultative process and must undergo parliamentary scrutiny. It must be done in line with Section 327 (2) of the Constitution which states that, "An international treaty which has been which has been concluded or executed by the President or under the President's authority-
 - (a) Does not bind Zimbabwe until it has been approved by Parliament; and
 - (b) Does not form part of the law of Zimbabwe unless it has been incorporated into the law through an Act of Parliament.

Currently, the Mines and Minerals Act gives discretionary powers to the Minister of Mines and Mining Development and President to grant tax exemptions to mining corporations whenever they deem necessary. This can be easily abused in a political and economic context where contract disclosure is lacking and where political actors may hold economic interests or intend to benefit from the tax exemptions. Furthermore, unsanctioned tax incentives to multinational corporations prejudice the Consolidated Revenue Fund of the much-needed resources to finance public services and goods. Such an establishment is regrettably further entrenching tax injustice with ordinary Zimbabweans being key targets of domestic revenue mobilisation through individual taxes.

8. Your petitioners, stand prepared to appear before the relevant Portfolio Committee/s to share our concerns with regards to tax induced inequalities in Zimbabwe.

WHEREFORE, your petitioners pray that the Honorable House will be pleased to take their case into favourable consideration and grant such relief as prayed for, or as it may deem fit. Your petitioners, stand prepared to appear before the relevant Portfolio Committee to share concerns and recommendations towards addressing and ultimately reversing extreme poverty and inequality.

AND your petitioners, as in duty bound, will ever pray.

Dated at HARARE, this 10th day of February 2022


Signatures:



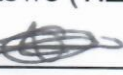
Zimbabwe Coalition on Debt and Development (ZIMCODD)

Tafara Chiremba 


Zimbabwe Environmental Lawyers Association (ZELA)

Stephen Chidhaya 

Transparency International Zimbabwe (TIZ)

Samuel Madziva 

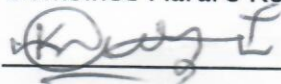
Vendors Initiative for Social and Economic Transformation (VISET)

MASIMBA KUCHERA 


Centre for Disability and Development

Mable Muenbwa 


Combined Harare Residents Association (CHRA)



National Association of Non-Governmental Organisations (NANGO)


Nyasha Nyatondo 

Poverty Reduction Forum Trust (PRFT)

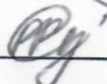
GIFT SIMANI 

Women in Law Southern Africa (WILSA)

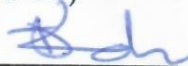
Youth Empowerment and Transformation Trust (YETT)

Rosemary Katende 

Zimbabwe Council of Churches (ZCC)

PRITCHARD T PARADZAYI 

Zimbabwe National Students Union (ZINASU)

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Manicaland Youth Assembly Trust (MAYA)

~~SA~~ LLOYD SESEMANI
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MALVEN DAKA

Vostile Creatives

Ruwimbo Chivere

Sprout Women Empowerment Trust (SPROUT)

This Ability Hub Zimbabwe

Henry Kame

Section 7

Ngobizitha Mlambo

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Matabeleland Institute for Human Rights (MIHR)

Sukoluhle Mhlango

Bulawayo Vendors and Traders Association (BVTA)

LORDMORE MUKWADA

Bocha Diamond Community Trust (BDCT)

Charles KAWIARE

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Masvingo Center for Research and Development (MACRAD)

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MASHU LUNGILE MASIKU
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ZIMBABWE DIAMONDS & ALLIED WORKERS UNION (ZIDAWU)