

Tax Policy

Djibouti

Establishing a new tax policy unit

A joint METAC – HQ remote mission assisted the Djiboutian Ministry of Budget during 17-30 September in establishing a new tax policy unit (TPU). The mission discussed the responsibilities of the planned TPU, international best practices, and the appropriate institutional framework to enable the TPU to conduct a reliable and independent tax policy analysis and formulate reform proposals. The mission tailored its recommendations to Djibouti's institutional arrangements and called for formalizing the creation of the TPU through legislation to ensure transparency, accountability, and a meaningful mandate of the TPU.

Tax Expenditures Reporting

An in-person mission from February 17 to March 7 followed up on previous CD work on preparing tax expenditures reports and delivered a targeted training seminar. The mission provided recommendations to improve the process of updating necessary information for preparing tax expenditures reports and how to increase the accuracy of the estimates.

Lebanon

Review of the draft income tax law

Continuing the ongoing engagement to assist Lebanon in developing a new income tax law, a joint METAC – HQ mission during 14-18 October conducted a review of the draft income tax law and suggested legal drafting and tax policy options.

Income Tax Law Draft

During 5-7 December, an IMF-METAC team met with the Lebanese authorities to discuss a new income tax law draft, building on ongoing CD to improve taxation in Lebanon. High-level key issues included modernizing the tax law structure, revisiting the income tax architecture, protecting the tax base with the appropriate up-to-date anti-tax avoidance rules; and revisiting the design of tax incentives to improve their efficiency and effectiveness.

Yemen

Improving income and consumption tax policy

In response to a request from the Yemeni tax authorities, a joint METAC – HQ virtual capacity development mission during 18-31 August reviewed and assessed the tax system and provided recommendations for revenue mobilizing measures and tax reforms. The mission held discussions with the authorities about ongoing policy reforms and related difficulties, the mission's recommendations, and the way forward.