

EDITORIAL NOTE

We are pleased to present the second issue of the Journal of Tax Administration for 2019. As with previous issues, this contains a geographically dispersed and diverse set of papers. We are grateful to all contributors to this issue, both authors and reviewers.

In this issue, we present four research articles. The first, by Jelte Verberne and Rex Arendsen, provides us with a more nuanced understanding of the informal sector in Uganda, with particular reference to tax morale, and using socio-legal, qualitative, research techniques. The research entails studying small businesses in their daily practices, without undue concern with formal definitions, such as formal/informal or registered/unregistered, and paying close attention to the context. In the second article, Daisy Ogembo takes us to Kenya, where she describes her research into a specific group of hard-to-tax professionals. The author studies dentists and lawyers in Kenya using qualitative interviews and considers the potential for the application of presumptive taxation to this group, given that professional income is usually excluded from presumptive tax regimes. The findings suggest that professionals fail to comply as a result of peer influence, low financial and tax literacy, and damaged political legitimacy of the tax authority. The author recommends that policymakers focus on increasing simplicity and reducing compliance costs, rather than trying to achieve maximum levels of equity.

The third research article in this issue is by Darius Fatemi and John Hasseldine, and deals with framing effects and whether the framing of individual aspects of a tax system influences overall sentiment towards that system. In particular, the authors study taxpayers' preferences in respect of the income tax system, and how these affect voting intentions in relation to a political candidate wanting to maintain the status quo. The findings have relevance to research on behavioural nudges and the research opens the way for additional studies of taxpayers' perceptions of the income tax system, which has been shown to be related to tax compliance. The final research article in this issue is by Abera Aynekulu Abate and reports on a survey conducted among small business taxpayers in Ethiopia's Bahir Dah city district in respect of presumptive tax. This paper adds to the growing number of survey-based papers published by African researchers, who draw on prior studies in both developing and developed countries to try to understand the determinants of, and attitudes towards, tax compliance. Ethiopia uses presumptive taxation as a mechanism for micro-businesses to transition to the standard regime, but dissatisfaction with the administration has led to businesses closing in protest.

The 'Commentaries' section in this issue contains three contributions, each of which provides a rich account of developments in a different jurisdiction. The first, by Iqtiauddin Md. Mamun, looks at VAT in Bangladesh, particularly long-awaited changes designed to reduce the presumptive elements within the tax system, the legislation for which was passed in 2012, but was not implemented until 2019. The author argues that these changes reduce the opportunities for, and incidence of, tax evasion in respect of VAT, and bring the Bangladeshi system closer to its modern counterparts. The second, by Khaled Senator, reminds us of the possible ways in which tax authority operations can be organised, and reflects on recent developments in the structure of the tax administration in Algeria, evaluating them against recognised best practice. The shift from the old way of organising responsibilities between different parts of the administration to new, more modern, practices threw up several problems, the most serious of which was the dilution of the previously clear separation between the functions of assessment and collection. The third comment paper, by Abdinasir Abdullahi Mohamud and Najibullah Nor Isak, describes recent efforts to build revenue-raising capacity in Somalia. The authors

describe the background challenges faced by the Federal Government of Somalia and the measures taken to improve tax collection.

The issue of presumptive taxation looms large in four of these contributions, and it is refreshing to see systems in practice being probed to assess their efficacy and suggestions for policy reform being made.

In addition, this issue of the journal includes a review of some recently published academic literature, which has been compiled by members of the Tax Administration Research Centre (TARC) at the University of Exeter, as well as John D'Attoma's review of 'Tax and Trust: Institutions, Interactions and Instruments', a book edited by Sjoerd Goslinga, Lisette van der Hel-van Dijk, Peter Mascini and Albert van Steenbergen.

We hope you find the contributions interesting and inspiring.

Lynne Oats & Nigar Hashimzade (Managing Editors)