

Declaration of the

SOUTH AFRICAN TAX JUSTICE WORKING GROUP

and allied organisations

We, the undersigned, come together as civil society, trade unions, experts, and activists to establish a common position and agenda for advancing progressive tax reform in South Africa and abroad. We recognise the progressive role that taxation can play in reducing social and gender inequality, funding quality public services and job creation, and providing an alternative to debt-driven developmental and climate finance.

We express our gratitude to the diverse range of participants and organisations who joined us for the International Tax Reform Summit held on 27 May 2025 in Johannesburg, which hosted the discussions leading up to the establishment of this Working Group. We also recognise the role of the Independent Commission for the Reform of International Corporate Taxation, the Institute for Economic Justice, Friedrich Ebert Stiftung South Africa, the Alternative Information & Development Centre, and Oxfam South Africa in hosting the summit.

We note with concern the fact that inequality has been increasing both domestically and internationally. South Africa remains the most unequal country in the world, with the top 10% holding 86% of aggregate wealth and accounting for 40% of household consumption. Recent statistics have confirmed that these inequalities also persist along the racial lines set down by Apartheid.¹ Globally, inequality is also rising. While the number of people living in poverty has changed little since 1990, 204 new billionaires were created in 2024 alone.² The wealth and power of large corporations have similarly increased in the past decade.

We note with concern large-scale ongoing tax losses due to tax evasion by multinational corporations and the ultra-wealthy, estimated at \$492bn each year.³ We recognise the fact that these outflows contribute to worsening austerity measures in South Africa and abroad, while pushing governments to adopt regressive tax measures such as VAT or fuel levy increases instead. These measures have the greatest impact on working-class people. Working-class people, including the unemployed, are both more reliant on public services and more likely to feel the impacts of regressive tax increases, such as a VAT or fuel levy increase. Tax dodging, therefore, not only makes the rich richer but also the poor poorer.

¹ Statistics South Africa, *Income & Expenditure Survey (IES) 2022/2023*, (2025).

² Oxfam, *Takers Not Makers*, (2025).

³ Tax Justice Network, *State of Tax Justice*, (2024).

We recognise that the international tax reform agenda has advanced significantly over the past decade. We also recognise the vital role that progressive policymakers, academics, labour, and civil society have played in this agenda. While acknowledging the unfolding adoption of the OECD's global minimum tax, we welcome the decision to begin intergovernmental negotiations on a United Nations Framework Convention on International Tax Cooperation, as well as two early protocols.

We recall the November 2024 G20 Rio de Janeiro Leaders' Declaration and the Rio de Janeiro G20 Ministerial Declaration on International Tax Cooperation, which outlined commitments to "engage cooperatively to ensure that ultra-high-net-worth individuals are effectively taxed", and potentially "devising anti-avoidance mechanisms, including addressing potentially harmful tax practices".

We note that South Africa holds the G20 presidency in 2025, intending to advance the theme of "solidarity, equality, sustainability". This presents an opportunity for South Africa to champion the progressive tax reform agenda, building on the work initiated by Brazil.

We welcome the support expressed by South Africa for the initiative on "Taxing the Super-Rich", announced on 1 July 2025 at the Seville Platform for Action during the 4th International Conference on Financing for Development (FfD4). Particularly, we welcome the statement from the floor by the representative of the Presidency, that "South Africa, in its G20 presidency, is proud to be continuing the work started during Brazil's Presidency, on this issue."

We call on:

- The South African government to take a leading role in efforts to reform international corporate taxation. Through the United Nations Framework Convention on International Tax Cooperation, the government can push for ambitious protocols which can end the tax race to the bottom and combat profit shifting by multinational corporations that don't pay their fair share.
- The South African government to champion progressive positions on international tax reform in its work as the G20 presidency, including the proposal to work towards a wealth tax on the ultra-rich, as discussed in 2024. South Africa has not only the potential to play a leading role in this, but also stands to benefit due to the reality of unprecedented inequality within this country.
- The National Treasury to take advantage of this international momentum in order to advance a progressive taxation agenda in our domestic policymaking, including working towards a wealth tax and other proposals which do not disproportionately impact working-class South Africans, unlike the Value Added Tax and other regressive measures.

This Declaration is endorsed by:

- African Monitor
- Aid Link Organization-South Sudan
- Alternative Information and Development Centre (AIDC)
- Child's Destiny and Development Organisation (CHIDDO)
- Committee on Fiscal Studies
- COSATU
- Economic Justice Network
- Fight Inequality Alliance (FIA)
- Friedrich Ebert Stiftung South Africa
- Health Taxes Alliance South Africa
- Hope Agency for Relief and Development (HARD)
- Institute for Economic Justice (IEJ)
- International Labour, Research and Information Group (ILRIG)
- Mobilize Foundation
- Oxfam in Africa
- Oxfam South Africa
- SATAWU
- Southern and Eastern Africa Trade Information Negotiations Institute
- The Green Connection