Calculation of tax indicators in Iraq for the period (2004 – 2019)

Researcher[1]

Walid Kazem Shamkhi
University of Al-Qadisiyah
College of Administration and Economics
Department of Economics

Researcher

Assistant Professor. Baqer Karji Habib
University of Al-Qadisiyah
College of Administration and Economics
Department of Economics

Abstract:

The study aims from the research to analyze the contribution of tax revenues to public revenues. And by using scientific and technical methods in calculating the tax indicators under study. And standing on the obstacles (challenges) and tax reform proposals that enhance the effectiveness of taxes in financing the public budget.

The results of the study indicated that the contribution of tax revenues to public revenues was very small. Where the results of tax indicators during the study period of tax capacity amounted to (3.23%) and here indicate the presence of untapped capacity, that is, the possibility of adding new taxes. While the total average tax burden amounted to (4.17%) and it is noted that it is lower than the percentage specified for developing countries by the International Monetary Fund. And it recorded the total average income elasticity for taxes (7.73 percent) and indicates an inflexible tax structure. The study showed the necessity of tax reform as well as adopting more effective taxes to increase tax revenue and its reflection on the public budget.

المستخلص:

تهدف الدراسة من البحث الى تحليل مساهمة الايرادات الضريبية الى الايرادات العامة. وباستعمال الاساليب العلمية والفنية في احتساب مؤشرات ضريبية محل الدراسة. والوقوف على المعوقات (التحديات) ومقترحات الاصلاح الضريبي التي تعزز من فاعلية الضرائب في تمويل الموازنة العامة.

ان نتائج الدراسة افضت الى ان مساهمة الايرادات الضريبية الى الايرادات العامة كانت ضئيلة جدا. حيث كانت نتائج مؤشرات الضرائب خلال مدة الدراسة من الطاقة الضريبية بلغت(3.23%) وتشير هنا الى وجود طاقة غير مستغلة اي امكانية اضافة ضرائب جديدة. بينما مجموع متوسط العبء الضريبي بلغ (4.17%) ويلاحظ انخفاضه عن النسبة المحددة للدول النامية من قبل صندوق النقد الدولي. وسجلت مجموع متوسط المرونة الدخلية للضرائب (7.73%) وتشير الى هيكل ضريبي غير مرن. وتبين من خلال الدراسة ضرورة الاصلاح الضريبي فضلا عن تبني ضرائب ذات فاعلية اعلى لزيادة الايراد الضريبي وانعكاسه على الموازنة العامة.

1- The research is extracted from a master's thesis of the first researcher.

Introduction:

Taxes are one of the most important pillars of public finance, which expresses the sovereignty of the state, its entity, its ability to extend its influence and its laws, and the extent of individuals' commitment to them. The financial resources needed to finance the general budget, then used as an appropriate tool to achieve balance and economic stability and reduce economic fluctuations, as well as affecting the volume of savings, investment, prices, and then the volume of national product to raise the level of economic growth and achieve social justice.

Public taxes in Iraq were characterized by marginalization and the absence of their effectiveness as one of the main pillars in financing the general budget, as well as the absence of national responsibility and the lack of definition of its importance and the need to adhere to its performance. The negative contribution of tax revenues to financing the general budget. That is, we must work to activate the role of taxes through carrying out new reforms represented in reconsidering tax laws and legislation and finding an appropriate mixture of taxes within the tax structure, as well as raising the level of tax awareness and openness to the experiences of advanced tax systems and making continuous amendments aimed at simplifying tax texts and reducing rates, facilitating its procedures and improving the level of tax administration performance.

Research importance:

The importance of the research stems from the statement of the possibility of adding tax bases or raising the prices of tax rates depending on the technical and scientific indicators of taxes and their active role in the economic activity of society.

Research problem:

The imposition of tax is a sovereign act that expresses the state's entity and strength, and the state uses it to alleviate its financial burdens, which are constantly increasing. From this point of view, we wonder:

(Are the tax indicators in Iraq within the applicable limits)

Research objective:

The research aims, through the use of scientific and technical indicators of taxation, to:

1- The effectiveness of taxes and their role in Iraqi economic activity

2- Reforming the tax system in terms of legislation and laws and increasing the efficiency of employees

Research Hypothesis:

After the first oil shock in 1973 and the rise in oil prices to high levels, Iraq relied on oil revenues to finance the general budget, and neglected tax revenues until it reached that its contribution to financing the general budget is very low, so the tax indicators in Iraq are below the global average.

Research Methodology:

The descriptive analytical approach was adopted because it is in line with the nature of the study. This approach is characterized by an accurate and detailed description of the problem under study through data and information collection, analysis and interpretation in order to reach desirable results and the extent of the possibility of benefiting from them in activating the role of tax in financing the public budget.

The first topic

Definition of tax and intellectual debate between economic schools around it

preamble

It is noted that the role of the tax is closely related to the development of economic conditions and the different systems of countries, whether these systems are capitalist or socialist, and the general needs that follow for those countries, and how to provide monetary resources to satisfy those needs. The emergence of the guardian state with the free economy that prevailed in the early eighteenth century and its keenness on the state's non-interference in economic life limited the role of the tax to financing public needs that are satisfied by the state such as security and defense. The neutral tax prevailed until the emergence of economic crises and problems, especially the depression of 1929, following the development of economic philosophy to intervene in economic life to address crises, solve the problem of unemployment and redistribute income, as the tax moved from a financial means to an economic tool in the hands of the state. The tax is one of the most effective financial arts in enabling the state to effectively influence economic, social and financial activities, and aims to achieve economic development in all its various aspects. Taxes in various economies perform many tasks, some of which are related to achieving social justice, and others are related to directing the economic surplus towards investment. In addition to the ability of taxation to influence the level of economic activity, and according to Judge (Oliver Wendell Holmes) that taxes are the price we pay for a civilized society, this adage still gives way to debate about whether taxes are too high in relation to the amount of civilization that citizens want or They need it in return, which means that taxes are an inevitable part of living in society. (Holley H,-Ulbrich, 2003 161)

First: the definition of tax

The definition of tax has gone through several forms, as it was defined as “a monetary amount imposed by the state or one of the public bodies forcibly and collected from the taxpayer permanently without return” (Abdulbaset Jeshami 2008, p. 25), and the tax is an effective means to achieve the economic and social goals that the state seeks to reach. The tax also represents a “financial obligation that the state forcibly collects from individuals, whether they are natural or legal, without self-interest.” It was also defined as “a mandatory financial obligation collected from those charged with the force of law that assists the public authorities in providing public services and achieving the set goals that fall within the general plan of the state.”

individuals to do so” (Saud Jayed et al., 2014, 20). As for the economist Seligman, he defined (tax as a compulsory contribution by individuals to the government to meet public expenditures, which brings benefit to the masses of individuals without waiting for a private benefit) (Khadija Al-Asar, 2016, 135).

Second: general tax rules:

After the tax in traditional thought or in the guardian state had a specific task that worked to achieve a balance between public revenues and expenditures, and to assist the state in facilitating the activities that fall upon it, but in contemporary thought it has become a strong and effective influence in economic and social policy and in directing productive investments and achieving The government’s desire to supplement its treasury while taking into account the interests of those charged with paying it, and the importance of the tax, the tax legislator had to take into account the tax law and its rules that formed the traditional basis for the tax set by the English economist Adam Smith in his famous book - The Wealth of Nations and we discuss the content of these rules Something about the detail (Adel Hashish, 1983, 167)

1- The rule of justice or equality:

In light of this rule, it is imperative for all members of society to pay tax in line with their financial ability to bear part of the public financial burdens that fall under the responsibility of the state.

(, p2191998, (Richard A. Musqrave) This is done through the following

A- All persons and funds are subject to tax without distinction between sources of revenue, which constitutes the principle of generality

b- To take into consideration the financial capacity of the taxpayer to achieve justice and equality in bearing the public financial burdens and impose on all taxpayers the same amount and in proportion to the size of the incomes they receive

2 - The rule of certainty:

This basic rule indicates in the process of imposing the tax, that the tax is known, specific and clear in terms of its price, base, payment date and all procedures related to it.

3- The rule of fit:

This rule takes into account the taxpayer in terms of the appropriate time and method when collecting it in terms of his income and circumstances and is in line with the capacity of the taxpayer so that he can bear it and not evade it

4- The base of the economy:

It is recommended within this rule to use the best methods whose expenses are very low and thus provide the treasury with a higher return.

Third - Tax Indicators.

1- tax capacity:

Tax capacity is the maximum limits of revenues that can be collected through taxes, taking into account the size of the structure of the gross national product, the amount of public expenditures and the level of their production, taking into account the ability of individuals to pay taxes and the government's ability to collect them. Clack) established a general tax limit of a maximum of 25% of gross national income, an acceptable limit in times of peace, while Alison Martin (Wather Lewis) has made it clear that governance in developing countries must be able to generate tax revenue ranging from (19% - 19%). 17%).

2- Tax burden:

The tax burden is measured through the ratios of actual tax revenues to the gross domestic product, and through the tax burden, which indicates the extent of the state's interference in economic life, and the extent of the financial authority's ability to dispose of the purchasing power available in the country. Which leads to an increase in the available tax revenues, thus financing infrastructure projects and supporting social security programs, as well as economic policy makers are keen to develop a flexible tax system through which an acceptable and effective tax burden can be imposed to ensure compliance of individuals or companies charged with paying the tax and not evading it, and here requires consideration in three main determinants, (tax reforms in EU Member 2013 p87):

- The first determinant: Consistency of the tax burden with economic and development goals: The process of consistency of the tax burden with the development goals and strategies of the state is among the priorities that governments consider in consideration of the resulting support for growth and development. Despite the losses that the state enjoys as a result of reducing the tax burden, the state can compensate in the future by obtaining additional revenues with the improvement in the pace of growth and development. Policy makers must consider whether the tax burden is in line with economic and development priorities.
- The second determinant is assessing the tax burden periodically: It is important to regularly assess the tax burden on investment and whether it is consistent with the tax revenues of the state, in order to identify the ability of the tax system to achieve its overall objectives.
- The third determinant is taking into account considerations of efficiency, equality and transparency: These considerations should be taken into account when designing the tax burden. Horizontal equality by imposing equal tax burdens according to income or vertical equality through imposing taxes on high incomes, and from the (transparency) side, that is, the transparency and clarity of the legal frameworks for taxation contribute to an increase in tax revenues.

3- Income Flexibility to Taxes.

This indicator shows the extent of tax response to the change in GDP and is extracted by dividing the tax growth rate by the GDP growth rate, and indicates if the elasticity coefficient is greater than the correct one, this indicates the tax flexibility and thus its ability to keep pace with the continuous increases in public expenditures If it is less than one, it indicates that taxes are inflexible.

4- Marginal propensity to tax.

The marginal tax propensity indicator is that part of the gross domestic product that the state can add to its budget. It measures the state's ability to mobilize national savings. The higher it indicates the effectiveness of the tax policy. Total.

5- Tax Effort.

The tax effort can be reached as one of the tax performance indicators to evaluate the role of the tax system in financing the state’s general budget, by dividing the tax burden on the tax capacity, if the value of the tax effort is less than the correct one, this means that tax capacity is idle, but if the value of the effort The tax burden is more than the correct one, and this means that there is a tax burden on the individuals charged with paying the tax, (Mortaza Hussein 2016 p. 85), but in the case of the value of the tax effort closer to the correct one, it indicates a good fiscal policy by the government.

Fourth: The tax and the intellectual debate in economic schools about it

1- Economic thought in the classical school.

Classical economic thought emphasizes tax neutrality based on the principle of economic freedom and the idea of the state’s neutrality and its limiting role in providing internal and external security for the country. Adam Smith is considered one of the most important classical economic thinkers, who is famous for his book The Wealth of Nations.

Adam Smith believes that the natural system is able to achieve a balance between individual interests and public interests, and this is what is known as (the invisible hand), and that the individual seeks to achieve his own interest, which leads to the achievement of public benefits and interests. As for the taxes paid by individuals to the state, Adam Smith sees that they are prices paid By individuals in exchange for the protection of their families and private property. Smith also believes that imposing the tax should be done by the government more wisely, and it is not correct to impose taxes on companies that depend on capital, which is our income and the engine of economic activity, and that the owner of the stock is an international and global citizen and does not necessarily adhere to this or that country. To leave or emigrate if he has been subjected to a disturbing tax assessment or incurred a burdensome tax to another country that allows him to enjoy his wealth as he pleases (Eamonn Butler 2020 p. 59)

The classical school focused on the role of taxes in obtaining revenues to cover public expenditures only, i.e. it is known as (the neutral tax) (Fawzi Atwi 2003, p.

717), which does not affect the relative positions of individuals and does not change the distribution of income and wealth. And a change in the economic structure, and the tax should not exceed the limits of public expenditures and not impose a tax on capital, because its imposition leads to a gradual decrease, and the classic prefers taxes on consumption compared to taxes on savings. It is nothing more than a means of financing the state's public treasury.

2- Keynesian economic thought:

Keynes believes that general equilibrium is achieved regardless of full employment (that is, in the case of underemployment), the level of aggregate demand achieved by market forces may be unable to achieve the level of full employment, and according to the Keynesian theory that the state of economic instability resulting from economic cycles is in a state of inadequacy. Aggregate demand that causes more unemployment and the state of surplus in aggregate demand that causes inflation, and Keynes sees the possibility of using financial tools from taxes and government spending within the general budget to influence aggregate demand in the face of economic instability (unemployment and inflation) where spending affects The government directly affects the level of aggregate demand, as well as taxes lead to a change in the disposable income of consumers and the profitability of businesses. Therefore, the tax policy has an indirect effect on both consumption and investment as components of aggregate demand. In light of the expansionary fiscal policy, the policy of tax reduction was used as a means to stimulate aggregate demand. In the face of depression conditions from the point of view of political decision makers, where they consider individuals to be better than the government in determining the best goods Which can be produced in the event of increased production, meaning that (James Gower Tenney 1987 pg. 300) Reducing income taxes is an important tool in addressing unemployment suffered by an economy and pushing it to achieve full employment of its available resources, as well as reducing income taxes will increase disposable income. For individuals, this increase in disposable income will tempt individuals to raise the level of consumer spending, which leads to an increase in aggregate demand. Keynes shows that economic life requires reducing inequality between individuals through a fair distribution of income, that is, the state works to impose progressive taxes on women with incomes. Usually, its proceeds are distributed in the form of social benefits and educational and health services for the benefit of the poor segments, which represent the overwhelming majority of society, and aiming at raising the marginal propensity for consumption, which leads to an increase in demand (Ali Abdel-Kazim 2012, p. 445).

3- Supply-side economics school - the marginal tax revolution:

The economics of the supply side is closely related to the path of tax reduction, specifically working to reduce high marginal tax rates. The imposition of progressive taxes, in addition to the growing inflation in the sixties and seventies of the last century, led to the transfer of income from one tax bracket to another, which led to the transfer of income earners. From the middle class to higher tax brackets, economist

Bruce Bar-Tlett has argued (with higher tax rates people will save less, consume more, work less, and increase unemployment) and advocates of supply-side economics call for lower marginal tax rates on income, capital gains, and other forms of wealth as an incentive to entrepreneurship The victory of supply-side economics, especially the policy of lowering high marginal tax rates developed by economists, Impact B Laver, Judd Wansky, Paul Craig, and Nobel laureate Robert Mandel To the decline in progressive taxation in the United States and Western economies, the Laffer curve is of standard importance More than the theory, where the Laffer curve for the United Kingdom showed that the effective tax rate for the year 1979 was 33%, while the estimated optimal rate is 57%. (Tarawneh 2007 p. 340)

According to Paul Craig Roberts, an economist who specializes in supply-side economics, high progressive taxes are an obstacle to work, investment, and saving. Proponents of supply-side economics have shown that tax rates directly affected the supply of goods and services. Lower rates mean better incentives to work, save, risk, and invest with a response People get higher rewards after imposing the tax or higher profitability, incomes rise and the tax base expands, which returns some of the lost revenues to the state treasury, as the Laffer effect shows - the inverse relationship between tax revenues and tax rates.

The second topic

Calculation of tax indicators in Iraq for the period (2004-2019)

Scientific and technical standards demonstrate the extent of tax efficiency on an ongoing basis, as well as assess the tax structure and determine the extent of its ability to mobilize the financial resources available in the national economy and the possibility of achieving reliable social goals. Tax power, tax burden, income flexibility of taxes, marginal propensity to tax

First - Calculating the tax capacity

Table (1) shows that the average tax capacity amounted to (0.5237%) for the first period (2004-2008), but the tax capacity started to rise, that is, the growth for the second period reached (0.8480%), and the tax capacity continued to rise in the third period, when the average growth reached (1.8584%, and that the average tax capacity amounted to (3,2301) during the study period from 2004-2019, indicating the existence of untapped tax capacity, but it did not reach the percentage set by (Colin Clark), which indicates the possibility of adding new taxes or increasing rates Taxes, and that the lifting of economic sanctions and an increase in the quantities and prices of exported oil was reflected in the revenues of the general budget, which contributed to raising the level of income and the size of tax containers.

Table (1)
Calculation of tax capacity in Iraq for the period from (2004-2019)
(million dinars)

tax capacity			
Year / details	tax revenue	National income	tax capacity
2004	154881	46923315.7	0.3301
2005	302321	65798566.8	0.4595
2006	467811	85431538.8	0.5476
2007	669881	100100816.6	0.6692
2008	904063	147641254.0	0.6123
average tax capacity			0.5237
2009	1196609	126062778.2	0.9492
2010	1230683	154387775.0	0.7971
2011	1248284	192237070.3	0.6493
2012	2095252	227221851.2	0.9221
2013	2245079	243518658.5	0.9219
average tax capacity			0.8480
2014	1895947	230310052.9	0.8232
2015	2117957	178908402.3	1.1838
*2016	4071798	186397300.0	2.1845
**2017	5776600	220905643.8	2.6150
2018	5537374	245325400.0	2.2572
2019	5492940	263213840.0	2.0869
average tax capacity			1.8584
Total average tax capacity			3.2301

Source
- Ministry of Finance and General Tax Authority, Planning and Follow-up Department.
- Central Bank, Directorate General of Statistics and Research, Annual Bulletin-(2004-2019)

Second - Calculating the tax burden in Iraq

Table (2) shows the average tax burden for the first period, which amounted to (1.5959 percent). It is a low percentage due to the suspension of customs tariff work on some goods that affect indirect taxes, as well as the abbreviation of sales tax on first-class hotels, and in the following years, the average tax burden for the second period decreased to (0.7856), while the average tax burden for the third period It reached (1.7888%), and the average tax burden for the period (2004-2019) during the study period amounted to (4.1703%). However, studies by the International Monetary Fund have set the developing countries at 18%)), and it is noted that the tax burden rate decreased during the study period, indicating the possibility of expanding the introduction of new items into the tax system or increasing the tax rate, as indicated by the low economic level.

Table (2)

Calculating the tax burden in Iraq for the period (2004-2019)

(million dinars)

tax burden			
Year / details	tax revenue	GDP at current prices	tax burden
2004	154881	53235358.7	0.2909
2005	302321	73533598.6	0.4111
2006	467811	95587954.8	0.4894
2007	669881	10782801.4	6.2125
2008	904063	157026061.6	0.5757
average tax burden			1.5959
2009	1196609	130643200.4	0.9492
2010	1230683	158521511.5	0.7971
2011	1248284	211309950.6	0.6493
2012	2095252	254225490.7	0.9221
2013	2245079	273587529.2	0.9219
average tax burden			0.7856
2014	1895947	258900633.1	0.7323
2015	2117957	191715791.8	1.1047
*2016	4071798	196924141.7	2.0677
**2017	5776600	225722375.5	2.5592
2018	5537374	251064479.9	2.2056
2019	5492940	266190571.3	2.0635
average tax burden			1.7888
Total average tax burden			4.1703

Source:

- Ministry of Finance and the General Tax Authority, Planning and Follow-up Department
- Central Bank, Directorate General of Statistics and Research Annual Bulletin- (2004-2019)
- Column (3) of the researcher's effort

Third - Calculating Income Elasticity for Taxes.

Table (3) shows that the highest average income elasticity for taxes was (2.497%) for the year 2005, while the elasticity decreased to its lowest level, reaching (-0.487%) in 2007 within the first period of the study period, in which the average income elasticity for taxes was (%). 0.772), as for the second period, the average growth rate reached (0.506%) and was the highest in 2012, reaching (3.31%) and the lowest was (1.926%) in 2009. As for the third period, the average income flexibility for taxes reached (6.461%). For the period from 2014-2019, while the average income flexibility for taxes was recorded (7.739%) during the study period from (2004-2019), and here it indicates an inflexible tax structure.

Table (3)

Calculating the income elasticity for taxes in Iraq for the period (2004-2019) (million dinars)

Year / details	Tax Revenue growth rate	GDP growth rate	Income elasticity taxes
2004	-	-	-
2005	95.196	38.129	2.497
2006	54.740	29.992	1.825
2007	43.195	-88.719	-0.487
2008	34.959	1356.264	0.026
Average Income tax elasticity			0.772
2009	32.359	-16.802	-1.926
2010	2.848	21.339	0.133
2011	1.430	33.300	0.043
2012	67.851	20.309	3.341
2013	7.151	7.616	0.939
Average Income tax elasticity			0.506
2014	-15.551	-5.368	2.897
2015	11.710	-25.950	-0.451
*2016	92.251	2.717	33.957
**2017	41.869	14.624	2.863
2018	-4.141	11.227	-0.369
2019	-0.802	6.025	-0.133
Average Income tax elasticity			6.461
Total Average Income tax elasticity			7.739

Source:

- Ministry of Finance and the General Tax Authority, Planning and Follow-up Department
- Central Bank, Directorate General of Statistics and Research Annual Bulletin-(2004-2019)
- Column (3) of the researcher's effort

Fourth - Calculation of the marginal propensity for taxation in Iraq

Looking at Table (4), we note that the average marginal tax propensity for the period from 2004-2008 amounted to (0.003) and the lowest marginal tax rate was recorded (-0.002). The negative sign here indicates that there is no natural (direct) relationship between taxes and GDP. The total, while the second period recorded the average marginal propensity for taxes by (0.004), while the third sub-period recorded the average marginal propensity for taxes, which amounted to (0.074%), and during the study period it recorded the average marginal propensity for taxes amounted to (0.080%), and here it indicates weak effectiveness tax system.

Table (4)

Calculating the marginal propensity of taxes in Iraq for the period (2004-2019) (million dinars)

Year / details	Absolute change in tax revenue	Absolute change in GDP	marginal propensity to tax
2004	-	-	-
2005	147440	20298239.9	0.01
2006	165490	22054356.2	0.008
2007	202070	-84805153.4	-0.002
2008	234182	146243260.2	0.002
Average marginal propensity to tax			0.003
2009	-26382861.2	292546	-0.011
2010	27878311.1	34074	0.001
2011	52788439.1	17601	0.000
2012	42915540.1	846968	0.020
2013	19362038.5	149827	0.008
Average marginal propensity to tax			0.004
2014	-349132	-14686896.1	0.024
2015	222010	-67184841.3	-0.003
*2016	1953841	5208349.9	0.375
**2017	1704802	28798233.8	0.059
2018	-239226	25342104.4	-0.009
2019	-44434	15126091.4	-0.003
Average marginal propensity to tax			0.074
Total Average marginal propensity to tax			0.080

Source:

- Ministry of Finance and the General Tax Authority, Planning and Follow-up Department
- Central Bank, Directorate General of Statistics and Research Annual Bulletin-(2004-2019)
- Column (3) of the researcher's effort.

The third topic
Conclusions and Recommendations

First : conclusions.

1- Low tax rates and rates that can be raised, taking into account the objectives of economic, social and environmental development, such as real estate tax or sales, hotels and restaurants, and not including other classifications.

2- The indicators of tax calculation in Iraq show the weakness of the tax proceeds due to the economic variables. Where the average tax energy for the study period was (3,230), and this percentage is low compared to the percentage set by Colin Clark (25%) of the national income in the peace period. It is also considered a low percentage compared to the percentage set by Alison Martin and Arthur Lewis, which ranges between 19-17% in developing countries. Indicates that there is a power outage. The tax burden was (4.1703%). Here, it indicates a low economic level. While the internal elasticity was (7.739%). It indicates an inflexible tax structure. Whereas, the marginal propensity for taxes was 0.080%. Here, it indicates the weak ability of the tax system to mobilize resources.

3- Not allowing enough time for tax laws and legislation and its negative impact on financing the general budget, such as the Iraq Reconstruction Tax Law.

Second: Recommendations.

1. Work to raise the level of sense of national responsibility. The voluntary obligation of taxpayers.

2. Examine the tax system, diagnose weaknesses, and identify its problems. What helps us in the tax reform process and choose the best among the available alternatives. The current tax system also requires strong and solid changes with high technical foundations in line with the fluctuating economic and financial situation, i.e. (with high flexibility).
3. We recommend a comprehensive study and survey of all goods and services to uncover new tax bases and expand the tax base and its reflection in tax revenues.

Sources :

1- Eamonn Butler, Adam Smith book 2007, translated by Ali Haris, review by Iman Abdul Ghani Najm, issued by Al-Hindawi Foundation 2020.
2- Khadija Al-Aasar, General Financial Economics, 2016, Cairo
3- Saud Jayed Mashkour, and others, tax accounting and its legal frameworks and practical applications in Iraq 2014
4- Adel Hashish, The Origins of Public Finance, Dar Al-Nahda Al-Arabiya for Printing and Publishing, Beirut, 1992
5- Mortada Hussein Alwan Al-Tamimi, a comparative study of tax legislation in Iraq and Iran to evaluate the role of the tax system in financing the public budget, Master’s thesis, Accounting Department, University of Karbala, 2016
6- Fawzi Atiwi, Public Finance and Tax Systems, Al-Halabi Human Rights Publications, 2003
7- James Jawar Tenney, Rhaegar Dustron, Macroeconomics, translated by Abdel Fattah Abdel Rahman and others, Dar Al Marrekh, Riyadh, 1987.
8- Ali Abdul-Kazim Al-Mamouri, History of Economic Ideas, 2012
9- Saeed Muhammad Tarawneh, Laver Curve Estimation of Profit Tax for a Sample of Jordanian Companies, Journal of Administrative Sciences, No. 2, 2007
10- Ministry of Finance, General Authority for Taxes, Follow-up and Planning Section, submitted statement of tax revenues (2003-2019)
11- Central Bank, Directorate General of Statistics and Research, Annual Bulletins (2004-2019)
12- Abdul Basit Ali Jassim Al-Jashami. Income tax exemptions. first edition. Oman. Dar Al-Hamid for Publishing and Distribution 2008.