

The Future of Taxation in Latin America and the Caribbean

A project of the Latin American & Caribbean Research Network

Strengthening fiscal revenue mobilization has been the overriding objective of tax policies and tax policy reforms in Latin America and the Caribbean. Though this objective is important, especially in countries where fiscal revenues are still too low to meet the most basic needs in the social and infrastructure areas, it should not overshadow other objectives of tax policies such as contributing to macroeconomic stability, improving the allocation of productive resources and contributing to the reduction of inequality.

The IDB flagship publication *Development in the Americas* of 2013 will be devoted to assessing *The Future of Taxation in Latin America and the Caribbean*. It will focus on the challenges of taxation systems in meeting all of their various objectives, not just revenue mobilization. The topics selected for this project are central to reaching one or more of the objectives mentioned above, and they stand out as having been largely neglected by both academics and policymakers in the region.

The Inter-American Development Bank (IDB) is inviting research proposals for studies on selected issues in taxation in Latin America and the Caribbean. Section I of this call for proposals provides a brief motivation for the project. Section II provides information on each of the sub-projects in the four issues of interest: (1) Understanding the Cyclical Behavior of Fiscal Revenues, (2) Fiscal Revenues and Efficiency in LAC Natural Resource Sectors, (3) Potential and Challenges of Property and Land Taxation, and (4) Environmental Taxes. Section III discusses selection criteria, and Sections IV through VI provide details on administrative arrangements for the project. Section VII contains the bibliographies for the respective sub-projects in this call for proposals.

Advisory Committee:

- Eduardo Lora, IDB
- Vicente Fretes, IDB
- Teresa Ter-Minassian, IDB
- Mario Marcel, OECD

IDB Technical Coordinators:

- **Understanding the Cyclical Behavior of Fiscal Revenues**
Ana Corbacho & Gustavo García
- **Fiscal Revenues and Efficiency in LAC Non-Renewable Natural Resource Sectors**
Andrew Powell & Osmel Manzano
- **Potential and Challenges of the Property and Land Tax in LAC**
Jaime Bonet & Rafael de la Cruz
- **Environmental Taxes in LAC**
Sebastián Miller