

ECONOMIC
AND
SOCIAL COUNCILCONSEIL
ECONOMIQUE
ET SOCIAL

RESTRICTED

E/AC.6/W.3
22 July 1947

ORIGINAL: ENGLISH

REPORT OF THE FIRST SESSION OF THE
FISCAL COMMISSION

(Note: The following draft resolution has been prepared by the Secretariat in pursuance of the decision adopted by the Economic Committee of the Council on 21 July 1947)

THE ECONOMIC AND SOCIAL COUNCIL:

1. TAKES NOTE of the Report of the Fiscal Commission concerning the work of its First Session (E/440).
2. REQUESTS the Secretary-General to take, within the limits of financial resources, the following action:

- (a) Take appropriate measures to build up a fiscal information service, for the purpose of providing authoritative information on fiscal problems which may be referred to the Commission by Member Governments, the Economic and Social Council, other commissions, and organs of the United Nations, the specialized agencies and non-governmental agencies of Category A;
- (b) Make appropriate arrangements so as to be equipped to give, on request, technical advice, information and assistance on fiscal matters coming within the terms of reference of the Fiscal Commission, to the Economic and Social Council, other commissions and organs of the United Nations, the specialized agencies and Member Governments. Apart from other important advantages this advice on fiscal matters would be particularly useful to economically less advanced countries as a means of facilitating their development and raising their standards of living in harmony with resolution No. 51 (IV) of the Council of 28 March 1947.
- (c) Report promptly to the Fiscal Commission any and all cases where, in his opinion, the programmes, recommendations or projects considered or approved by the Economic and Social Council or any other commission contain important fiscal provisions or implications which may touch on matters coming within the purview of the Fiscal Commission;
- (d) Request Member Governments to co-operate with the United Nations by submitting to the Secretariat for the use of the Fiscal Commission as soon as practicable after release, copies of such publications as they issue relating to budgets, government revenue and other receipts, /appropriations and

- appropriations and expenditure, public debt, special studies of taxation problems and information on the most significant facts and trends relative to public finance in the course of each year;
- (e) Arrange for the compilation and publication of a Public Finance Survey 1937-1947 in continuation of the series "Public Finance" formerly published by the League of Nations regarding government revenue and other receipts, classified as to sources, expenditure, classified according to principal categories, and public debt, classified according to dates of maturity, domicile, and rates of interest; and, if practicable, make preparations for the periodic publication in the future of the above outlined information;
- (f) Arrange for the publication of the volume Public Debt 1914-1947 which was begun by the League of Nations and is about ready for printing.
- (g) Ascertain from other commissions, whether any special studies of a technical nature should be made by the Fiscal Commission in order properly to advise such organs on the fiscal aspects of their inquiries (e.g. fiscal methods for anti-depression policies);
- (h) Subject to the policies of the General Assembly and the Economic and Social Council, invite Non-Member Governments to co-operate in supplying the information listed in the preceding paragraphs.
- (i) Make a review and revision of the work which has already been accomplished by the League of Nations in the field of international tax problems with particular reference to further action to be taken for the solution of such problems;
- (j) Collect, publish and distribute the text of treaties for the prevention of double taxation, and for mutual assistance in the collection of taxes and the exchange of information;
- (k) Obtain from Member-Governments and compile information on administrative practices in Member countries, so that countries negotiating treaties may know what techniques are available for securing and exchanging information and for co-operating in the collection of taxes;
- (l) Collect information on tax systems (including statutes, regulations and administrative practices) particularly those aspects of such systems which:
- (1) in effect impose more burdensome taxes on foreigners than on nationals or on international transactions than on domestic, as for example: impose higher rates on foreigners; tax capital transfers in or out of the country; refuse
- /foreigners the

foreigners the privilege accorded nationals of deducting expenses attributable to income from the taxing country; provide for presumptive or empirical tax assessments on foreigners;

- (ii) in effect, make special concessions to foreigners, or to international transactions;
 - (iii) give taxes extra-territorial applications;
 - (iv) tax international travel, transport and communications;
 - (v) make special tax provisions for foreign held public debt.
- (m) Collect detailed documentary material on internal tax legislation in every country to the extent to which such legislation covers foreign nationals or resources;
- (n) Collect from Member Governments their comments on the model bilateral tax conventions prepared at the Regional Tax Conference held in Mexico City in 1943 under the auspices of the Fiscal Committee of the League of Nations and at the final session of the Fiscal Committee held in London in 1946. The comments should cover the three types of treaties: double taxation of income; double taxation of estates and successions; reciprocal administrative assistance. These comments should be circulated to the members of the Fiscal Commission well in advance of the next session;
- (o) Study these problems from the point of view of their effects on international trade and investment;
- (p) Invite, through questionnaires or other appropriate means, Member Governments to report on fiscal problems which, in their opinion, should be given consideration by the Fiscal Commission. In the light of the information thus procured and of such information as may be available, the Secretary-General would furnish to the members of the Commission, in due time before the next session of the Commission, a list of the problems thus raised with, if appropriate, his comments thereon.

It is understood that Member Governments will furnish to the Secretary-General only such official information as is generally accessible in accordance with the applicable internal regulations.

3. REQUESTS Member Governments to assist the Secretary-General in the action he may take in compliance with the above-mentioned recommendations.