

SUMMARY

Tax policy is one way that governments can support adult investment in learning, reflecting the social as well as individual benefits that such investment brings. Although tax policy is in practice used in many ways to support lifelong learning, this is often done accidentally and unevenly, rather than as part of a consistent strategy.

Tax concessions may apply to revenues earned from selling learning services, or to expenditure on learning by individuals or companies. In both cases they can potentially distort investment in human capital. People and organisations may benefit unevenly according to their income level and their marginal rate of tax. The actual effect of current policies is unknown. Educational and financial authorities need to collaborate more closely to take stock of current policy and its impact, and to consider the need for more consistent approaches.