TAX REFORM IN CENTRAL AND EASTERN EUROPEAN ECONOMIES

On 22nd–23rd January 1991 the OECD Centre for Co-operation with European Economies in Transition, in association with the International Monetary Fund, will hold a major conference on the tax reforms implemented or under discussion in central and eastern Europe.

Tax reform is one of the key elements in the move towards market economies in these countries. Tax systems need to provide the right signals to households and enterprises, encouraging entrepreneurship and saving, yet at the same time providing sufficient revenue to government and ensuring that the cost of transition is fairly shared across the population.

Policymakers in these countries are discussing a wide range of issues:

-- What should be the relative reliance on direct and indirect taxes and taxes on enterprises and households?

-- How should tax revenues be assigned between different levels of government?

-- What role is there for taxes on personal income and profit and VAT?

-- How should potential conflicts between equity and efficiency criteria be resolved?

-- Should special privileges be given to different sections of the economy and foreign direct investment? Or is it preferable to provide a “level playing field”?

Conference participants will discuss these issues and also the administrative and political constraints on implementing tax reforms.

The meeting will be attended by senior policy makers from OECD and central and eastern European countries, as well as leading public finance experts and businessmen.
• The Conference is not open to the press, but the programme is available from the OECD Press Division, 2, rue André-Pascal, 75775 Paris Cedex 16 (tel: 45 24 81 18 or 80 88 for written press; 45 24 80 97 or 80 98 for radio/tv).

Journalists are invited to a concluding press conference on Wednesday 23rd January 1991 at 2.30 p.m., at the OECD headquarters, 2 rue André Pascal, 75775 Paris cedex 16.