

UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

AFRICAN TAX INSTITUTE

ANNUAL REPORT

2013



June 2014

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Information about the ATI

Vision and Mission

The vision of the African Tax Institute (“the Institute”) is to be a world-class academic institution focused on building capacity in the areas of tax policy and tax administration on the African continent.

Focusing on African countries, the mission of the Institute is to –

- Build tax policy and tax administration capacity within the public sector
- Offer appropriate postgraduate programs in tax policy and tax administration
- Offer specialised contact and distance learning short courses on current tax issues to officials at national, regional and local government level
- Facilitate, undertake and disseminate tax-related research on African tax issues

The Institute strives for excellence in all its undertakings.

ATI Executive Committee

- **Riël Franzsen**, School of Economics, University of Pretoria (Director)
- **Nara Monkam**, School of Economics, University of Pretoria (Deputy Director)
- **Niek Schoeman**, School of Economics, University of Pretoria (Director: Finance)
- **Eric Zolt**, School of Law, University of California, Los Angeles, United States

ATI Advisory Board

- **Sijbren Cnossen**, University of Maastricht
- **Riël Franzsen**, School of Economics, University of Pretoria (Director)
- **Gregory Ingram**, Lincoln Institute of Land Policy, Massachusetts, United States
- **Steve Koch**, Head: School of Economics, University of Pretoria (ex officio)
- **Elsabé Loots**, Dean: Economic & Management Sciences, University of Pretoria (Ex officio Chairperson)
- **Nara Monkam**, School of Economics, University of Pretoria (Deputy Director)
- **Niek Schoeman**, Deputy Dean: Economic & Management Sciences, University of Pretoria
- **Eric Zolt**, School of Law, University of California, Los Angeles

Contact Details

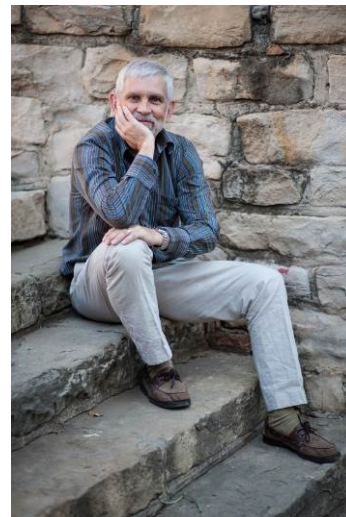
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1 Introduction

1.1 Message from the Director



Riël Franzsen
Director: ATI

2013 was yet another successful year for the ATI.

After receiving the news in February 2012 that the South African Research Chair in Tax Policy and Governance was provisionally granted to the University of Pretoria, final confirmation was communicated to the University in February 2013. The Chair became operative on 1 March and was formally launched in July 2013.

The ATI Master's Programme in Taxation is now well-established. In 2013 we welcomed our fifth intake (the first was in 2009) of ten students from six African countries as well as four students under the SARChI Chair. We also celebrated the graduation of nine students from the Classes of 2010 and 2011.

The ATI is also strengthening its PhD Programme in Tax Policy. Joining the two students enrolled in 2012, a further student joined the programme in 2013. Two students were also enrolled under the SARChI Chair.

A total of seven short courses were offered through the Continuing Education at University of Pretoria Trust (CE at UP) during July and August 2013. Especially the International Taxation & Tax Treaties and Fiscal Regime for Petroleum and Mining courses were well-attended.

Claudia Bittencourt, who rejoined the ATI in January 2013, very ably assisted in all the ATI and SARChI initiatives as Programme Manager.

May 2014

1.2 Message from the Dean



Elsabé Loots
Dean: Economic and Management Sciences

Since its inception in 2002, the African Tax Institute (ATI) has made a significant impact in the broader field of Taxation, nationally, on the African continent and beyond. The ATI, under the leadership of Prof Riël Franzsen, is now firmly established as a leading institute in Africa. As Director of the African Tax Institute, Prof Franzsen presents with this 2013 Annual Report his 12th Report on the activities of the Institute.

The past year has again been very successful in attracting an international cohort of master's and PhD students as well as participation in the ATI's wide range of short course offerings. The involvement of a strong group of very influential and knowledgeable national and international instructors is demonstrative in the recognition of the work of the ATI under the leadership of Prof Franzsen over many years. I wish to use this opportunity to thank the instructors and external examiners involved over the past year. The continuous financial support of the Lincoln Institute of Land Policy and the National Research Foundation is hereby also acknowledged.

A highlight of the year was the launch of the South African Research Chair in Tax Policy and Governance, with Prof Franzsen in the Chair. The fact that the work of the ATI is aligned with the focus of the Chair provides the scope for further expansion and capacity building in this particular field.

With the 2013 Report we wish to celebrate the successes of the ATI since its inception in 2002 and wish to use the opportunity to thank all involved in their various capacities for their contributions.

May 2014

2 ATI Capacity-Development Programmes

2.1 Introduction

ATI post-graduate modules and short courses are primarily designed to benefit and enhance the skills of mid-level and senior public officials from national, regional or local treasuries as well as tax administrators from national, regional or local level government in African countries. Although the focus is on public officials, lecturers from African universities and interested individuals from the private sector are also welcome to register for ATI capacity-development programmes.

2.2 Short-course Programmes in Taxation

2.2.1 Courses

2013 ATI Short Courses

The ATI offered the following courses in 2013:

Winter Programme in Taxation

Value-added Taxation

01 – 05 July 2013

Value-added has been introduced recently in several countries in Africa and will be introduced in the near future in several others. An examination of fundamental issues in designing and implementing a VAT system is therefore appropriate and timely. This course dealt with the economic, legal, administrative and inter-jurisdictional aspects of VAT. The application of VAT to financial transaction, e-commerce, insurance and real property transaction were also covered.

Instructor: Dr Pierre-Pascal Gendron (Humber College, Toronto, Canada)

Excise Taxation

01 - 05 July 2013

This course covered theoretical and practical aspects of excise duties in the context of developing countries in Africa.

Instructors: Prof Sijbren Cnossen (Extraordinary Professor, University of Pretoria, South Africa) and Mr Riaan de Lange (European Union)

International Taxation and Tax Treaties

15 – 19 July 2013

This course covered theoretical and practical aspects of international taxation for participants who have had little exposure to international taxation. The course furthermore examined alternative regimes for taxing residents on foreign source income and taxing foreign investors on domestic source income. Basic aspects of transfer pricing, e-commerce, tax competition, tax harmonisation and international tax treaties were discussed.

Instructors: Prof Annet Oguttu (University of South Africa), Dr Thabo Legwaila (Citibank, South Africa) and Mr Ron van der Merwe (South African Revenue Service)

Fiscal Decentralization & Local Taxation Programme

22 to 26 July 2013

This one-week programme covered the following issues in an African context:

- The policy and practical issues to be considered in the context of fiscal decentralization
- Expenditure and revenue assignment
- Intergovernmental transfers
- Capital financing, borrowing and debt
- Appropriate sources of revenue for sub-national government
- Policy and administrative issues regarding property tax as a source of revenue
- Property tax base options
- Valuation and assessment for property taxes
- Tax rates and tax relief
- Local tax administration
- Local revenue enhancement

Instructors: Prof Riël Franzsen (University of Pretoria, South Africa), Prof Roy Bahl (Extraordinary Professor, University of Pretoria, South Africa) and Dr William McCluskey (University of Ulster, United Kingdom).

Tax Analysis & Revenue Forecasting Programme

22 July to 02 August 2013

In order to ensure that participants are equipped with the necessary mathematical and computer skills required to master revenue forecasting techniques, a specific programme was designed to accommodate the need for additional contact time and computer laboratory practise. The Tax Analysis & Revenue Forecasting Programme consists of two courses offered over a two-week period.

Introduction: Revenue Forecasting and Tax Analysis

22 - 26 July 2013

This course focused on equipping participants with the necessary mathematical and computer skills required to master revenue forecasting techniques.

Instructors: Prof Niek Schoeman and Dr Emmanuel Owusu-Sekyere (University of Pretoria, South Africa)

Advanced Revenue Forecasting and Tax Analysis

29 July - 02 August 2013

This course focused on the macro foundations of revenue forecasting, tax elasticity, GDP-based estimating models, as well as statistical analysis and micro-simulation techniques for revenue forecasting. Specific models for different types of tax (i.e. personal income tax, company tax, VAT, excise taxes and trade taxes) were also discussed and evaluated.

Instructor: Dr Selcuk Caner, IMF

Fiscal Regime for Petroleum and Mining

29 July – 02 August 2013

This course covered theoretical and practical aspects of taxing the exploitation of natural resources in the context of developing countries in Africa – especially focussing on petroleum taxes and mineral severance taxes.

Instructors: Mr Martin Grote (IMF) and Dr Charles McPherson (formerly World Bank/IMF)

2.2.2 Participants

A total of 86 participants from twelve countries attended one or more of the one-week short courses were offered in July/August 2013. This compares favourably with the number of participants in 2011 and 2012 respectively.

South Sudan sent its first participant to an ATI short course since this country became independent.

2.2.3 Instructors

A total of thirteen instructors were used in 2013 – as indicated in the Table below:

Instructor	Country	Institution
Bahl, Roy	United States	Georgia State University
Caner, Selcuk	Turkey	International Monetary Fund
Cnossen, Sijbren	The Netherlands	University of Maastricht
De Lange, Riaan	South Africa	European Union, Pretoria
Franzsen, Riël	South Africa	University of Pretoria
Gendron, Pierre-Pascal	Canada	Humber College, Toronto
Grote, Martin	South Africa	International Monetary Fund
Legwaila, Thabo	South Africa	Citibank
McCluskey, William	United Kingdom	University of Ulster
McPherson, Charles	United Kingdom	Consultant, formerly IMF and World Bank
Owusu-Sikyere, Emmanuel	Ghana	University of Pretoria
Schoeman, Niek	South Africa	University of Pretoria
Van der Merwe, Ron	South Africa	South African Revenue Service

2.3 Masters Programme in Taxation (MPhil: Taxation)

2.3.1 Introduction

The MPhil: Taxation (Code: 07255140) is a multidisciplinary postgraduate programme in taxation designed to prepare especially public sector officials from African countries for senior government positions in the areas of tax policy or tax administration.

2.3.2 Classes of 2010 and 2011

The following student from the Class of 2010 graduated in 2013: Rasheed Olu-Ajayi (Nigeria). Two students from the Class of 2010, Henry Moseray (Sierra Leone) and Saro Persaud (South Africa) completed their dissertations in 2013 and will graduate in April 2014.

From the Class of 2011 the following students graduated in 2013: Carmen Abdoll and Felicity Bapela (South Africa); Jane Buzugbe, Saidu Gabari and Uchenna Obiakor (Nigeria); Innocent Chikuni (Zimbabwe); Chabala Kasese (Zambia) and Edward Siaffa (Sierra Leone).



September 2013 Graduation: Rasheed Olu-Ajayi (Nigeria), Chabala Kasese (Zambia), Riël Franszen (ATI Director), Samuel Jibao (Sierra Leone) and Jane Buzugbe (Nigeria).

Dr Samuel Jibao, one of the 2008 ATI research fellows and a part-time lecturer (Department of Economics and ATI) obtained his PhD (Economics) in July 2013 under the supervision of Prof Niek Schoeman and Dr Ruthira Naraidoo and graduated in September 2013.

2.3.3 Class of 2012

The seventeen students of the Class of 2012 were on campus in February 2013 for a one-week research colloquium. They presented and refined their research proposals for their mini-dissertations. Four of the students completed their mini-dissertation before the end of 2013 and graduated in April 2014. They are Vandy James (Sierra Leone), Tendai Jawa (Zimbabwe), Ezera Madzivanyika (Zimbabwe) and Abel Mboweni (South Africa). A further

number of students made significant progress with their research and are likely to graduate in September 2014.

2.3.4 Class of 2013

2.3.4.1 Students

Fourteen students were admitted to the 2013 Master's Programme in Taxation and commenced with this programme in February 2013.

Student	Country	Institution
Aniyie, Azuka	Nigeria	National Revenue Authority
Anyanwu, McMillan	Nigeria	World Bank
De Lange, Riaan	South Africa	European Union
Falana, Beatrice	Sierra Leone	Lagos State Revenue Authority
Fofana, Gbenga	Nigeria	National Revenue Authority
Johannes, Ben	South Africa	University of Pretoria
Lansana, David	Sierra Leone	National Revenue Authority
Mabele, Simpiwe	South Africa	South African Revenue Service
Madongore, Moses	Zimbabwe	Zimbabwe Revenue Authority
Masina, Thabiso	Swaziland	Swaziland Revenue Authority
Mogosoana, Tebogo	South Africa	South African Revenue Service
Mwale, Samuel	South Africa	Malawi Revenue Authority
Raufu, Mufutau	Nigeria	Federal Inland Revenue Service
Scholtz, Dirk	South Africa	University of Pretoria



MPhil: Taxation 2013



From Left to Right

Gordon Harris Photographic Tel 0861 467 366

FIRST ROW : Mr Thabiso Masina, Prof Estian Calitz (Lecturer), Mrs Claudia Bittencourt (ATI), Prof Riel Franzen (ATI: Director), Prof Sally Wallace (Lecturer), Ms Beatrice Fofana, Mr Ifeanyi Chukwa Aniyie.
 SECOND ROW : Mr Moses Madongore, Ms Macmillan Anyanwu, Mr Ben Johannes, Mr Tebogo Mogosoana, Mr Gbenga Falana, Mr Samuel Mwale.
 THIRD ROW : Mr Simpiwe Mabele, Mr Dirk Scholtz, Mr Riaan de Lange, Mr Mufutau Raufu.

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The following six modules were offered to the Class of 2013:

First Semester:

- EKN 840 Introduction to the Tax Environment
- EKN 835 Comparative Tax Policy and Administration
- EKN 836 Business Taxation

Second Semester:

- EKN 837 Value-added Taxation
- EKN 838 Sub-national Taxation
- EKN 839 Current Issues in Taxation

Tuition commenced in February 2013 and continued throughout the academic year. However, face-to-face tuition was only conducted during two separate block-week sessions in February/March 2013 and July 2013 respectively. Exams were written in June/July and November 2013 respectively.

2.3.4.2 Instructors and External Examiners

A total number of 16 instructors, as listed in the table below, were used in 2013:

Instructor	Country	Institution	Module
Bahl, Roy	United States	Georgia State University	EKN 838
Bekink, Bernard	South Africa	University of Pretoria	EKN 840
Botha, Christo	South Africa	University of Pretoria	EKN 840
Brooks, Neil	Canada	York University	EKN 836
Calitz, Estian	South Africa	University of Stellenbosch	EKN 835
Cnossen, Sijbren	Netherlands	University of Maastricht	EKN 837, EKN 839
De Lange, Riaan	South Africa	SARS	EKN 839
Franzsen, Riël	South Africa	University of Pretoria	EKN 840, EKN 838, EKN 839
Gendron, Pierre-Pascal	Canada	Humber College	EKN 837
Legwaila, Thabo	South Africa	National Treasury	EKN 839
McCluskey, William	United Kingdom	University of Ulster	EKN 838
Monkam, Nara	Cameroon	University of Pretoria	EKN 840
Muller, Elzette	South Africa	University of Pretoria	EKN 839
Oguttu, Annet	South Africa	University of South Africa	EKN 839
Van der Merwe, Ron	South Africa	SARS	EKN 839
Wallace, Sally	United States	Georgia State University	EKN 835

The following persons acted as external examiners for the six modules:

External Examiner	Country	Institution	Module
Prof Sijbren Cnossen	Netherlands	Maastricht University	EKN 840
Prof Tjaart Steenekamp	South Africa	University of South Africa	EKN 835
Dr Thabo Legwaila	South Africa	Citi Bank	EKN 836
Prof Jennifer Roeleveld	South Africa	University of Cape Town	EKN 837
Prof Estian Calitz	South Africa	Stellenbosch University	EKN 838
Prof Craig West	South Africa	University of Cape Town	EKN 839

2.3.5 Class of 2014

In August 2013 the selection process of prospective students for the 2014 academic year commenced. More than 30 applications were received and although some of these students were admitted on the basis of their proven academic record, some of the prospective candidates wrote an entrance exam, graded by two international examiners, Professor Roy Bahl (Georgia State University) and Professor Sijbren Cnossen (University of Maastricht). In November 2013 eighteen prospective students from eight African countries were admitted to the 2014 Masters Programme in Taxation.

2.4 PHD in Tax Policy

In October 2012 only one student was selected for the 2013-2015 PhD Programme in Tax Policy, namely Mr John Chakasikwa from Zimbabwe. Mr Chakasikwa obtained his MPhil: Taxation with distinction at a graduation ceremony in April 2012.

Twelve applications were received after the PhD Programme was marketed on the ATI web page from June to August 2013. Only two students were selected (in October 2013) on the basis of their academic records and preliminary research proposals. They commenced their PhD studies in January 2013. They are:

- Mr Adams Tommy (Sierra Leone) – he is researching property taxation in Sierra Leone; and
- Mr Olav Lundstøl (Norway) – he is researching natural resource taxation policies and practices in Africa.

These two students will join John Chakasikwa (Zimbabwe) who commenced his studies in January 2013, and Abdallah Ali-Nakyea (Ghana) and Pedro Carvalho Junior (Brazil) who started in 2012.

3 Research Initiatives

ATI staff and associates have been active on the research front in 2013.

3.1 Lincoln Institute of Land Policy/ATI Research Fellowships

On the research front the ATI is still involved in an extensive research initiative negotiated with the Lincoln Institute of Land in 2006/2007. This programme is a joint venture between the Lincoln Institute of Land Policy (based in Cambridge, Massachusetts, United States) and the ATI, and is managed by the ATI's director, Professor Franzsen. It aims to extend the existing and limited research coverage pertaining to property-related taxation in Africa – by collecting and collating data, and reporting and critically reflecting on the property taxes levied in all of the countries in Africa.

The first phase of this project (2007-2012) was directed at the collection of data on existing legislation and practices on all property-related taxes to develop a comprehensive template that will allow analysis of policy and practices regarding property taxes in these countries in a comparable manner. To accomplish this objective the ATI and the Lincoln Institute awarded research fellowships to three fellows in 2007, a further six fellows in 2008, four fellows in 2009 and one new fellow in 2010. Grants were also awarded to two former fellows to visit further countries in 2012. One new fellow, Shahenaz Hassan from Sudan, was selected in 2012 to research property taxation in Sudan and South Sudan. So far more than 30 country reports have been published on the Lincoln Institute's web page.

The second phase of this project (2012-2014) is directed at the publication of a book on the Current Status and Future Prospects for Property Taxation in Africa. Initial conceptualisation for this book was done during a visit by Professor Franzsen to the Lincoln Institute in Cambridge, Massachusetts, US in July 2011.

3.2 Courses, Conference and Workshops

3.2.1 Prof Riël Franzsen

Riël Franzsen was a co-instructor for the following international courses in 2013:

- One-week course on property taxation in transition countries on behalf of the Lincoln Institute of Land Policy and Centre for Excellence in Finance (Ministry of Finance), Ljubljana, Slovenia, 25-29 March 2013
- One-week course on immovable property taxation on behalf of the International Monetary Fund, Singapore, 2-6 December 2013

Riël Franzsen participated in the following workshops, symposia or conferences as presenter or co-presenter in 2013:

- Franzsen RCD "Main drivers for tax reform: Policy issues", University of Cape Town International Tax Seminar, Belmont Square, Cape Town, 24 April 2013.
- Franzsen RCD "Property Taxation in Developing Countries", 8th Mass Appraisal Valuation Symposium, International Property Tax Institute, Durban, 13-14 June 2013.

- McCluskey WJ and Franzsen RCD “Developments and trends in valuation practices in developing countries over the last 20 years” *8th Mass Appraisal Valuation Symposium, International Property Tax Institute*, Durban, 13-14 June 2013.
- Roeleveld J, West C and Franzsen RCD “Trends and Players in Tax Policy: South Africa” Vienna University of Economics and Business Seminar, Rust, Austria, 4-5 July 2013.
- Franzsen RCD “Property Taxation in Africa: Issues and Trends”, *16th Annual Conference of the International Property Tax Institute*, Crieff, Scotland, UK, 4-6 September 2013. The paper was read by Ruel Williamson.

3.2.2 *Dr Nara Monkam*

- 2013 Executive Training Seminar Series by the Academy of Global Governance on "Multilateralism and the Shift towards Global Tax Governance and Fiscal Transparency", Vienna University of Economics and Business, Austria, on 11-13 December 2013.
- *1st ATAF International Conference on Tax in Africa*; Theme: “African Perspectives and Challenges in the Taxation of Natural Resources and the Extractive Industries”, Victoria Falls, Zimbabwe, September 2013.
- 2013 Chartered Institute of Taxation Ghana Annual Tax Conference, Theme: “Tax Revenue Mobilization in an Oil and Gas Economy”, Accra, Ghana, 21-23 August 2013.
- Learning event on Revenue Management for Local Authorities, Dar es Salaam, Tanzania, April 2013.

3.3 Publications 2013

- Daud DZ, Kamarudin N, **Franzsen RCD** and McCluskey WJ. 2013. “Property Tax in Malaysia and South Africa: A Question of Assessment Capacity and Quality Assurance”, *Journal of Property Tax Assessment & Administration* (Vol. 10, No. 4) 5-18.
- Steyn T, **Franzsen RCD** and Stiglingh M. 2013. “Conceptual Framework for Classifying Government Imposts relating to the Tax Burden of Individual Taxpayers in South Africa”, *International Business & Economics Research Journal* (Vol. 12, No. 2), 239-252.
- **Franzsen RCD**. 2013. “Die funksionaliteit van voëlverwysings in twee verse-inwording uit D.J. Opperman se onvoltooide bundel *Sonklong oor Afrika*”, *Stilet* (XXV:2) 67-82.
- McCluskey WJ and **Franzsen RCD**. 2013. “Property Taxes in Metropolitan Cities”, for Bahl R, Linn J and Wetzel D (eds), *Metropolitan Government Finance in Developing Countries*, Lincoln Institute of Land Policy, 159-181.
- **Franzsen RCD** and McCluskey WJ. 2013. “Value-based Approaches to Property Taxation”, for McCluskey WJ, Cornia GC and Walters LC (eds), *A Primer on Property Tax: Administration and Policy*, Wiley-Blackwell, 41-68.

- McCluskey WJ and **Franzsen RCD**. 2013. "Non-market Value and Hybrid Approaches to Property Taxation", for McCluskey WJ, Cornia GC and Walters LC (eds), *A Primer on Property Tax: Administration and Policy*, Wiley-Blackwell, 287-305.
- **De Carvalho, P.** 2013. Property Tax Performance in Rio de Janeiro", *Journal of Property Tax Assessment & Administration* (Vol. 10, No. 4) 19-32. [Mr De Carvalho Jr

3.4 PhD Students

The following PhD students graduated in 2013 under the supervision or co-supervision of ATI Faculty:

- Samuel Jibao (Sierra Leone) [Supervisor: Prof Niek Schoeman]
- Gerhard Nienaber (South Africa) [Co-supervisor: Prof Riël Franzsen]

Dr Sharon Smulders, who completed her PhD in 2012 under the supervision of Prof Stiglingh with Prof Franzsen as co-supervisor won the first prize in the 2013 Norton Rose Fulbright Tax Thesis competition. It is the third consecutive year that one of Prof Franzsen's students has won this coveted prize and the fourth consecutive year that a student from the University of Pretoria wins it.

3.5 Professional Consulting

In 2012 and also in 2013 Riël Franzsen was contracted as external expert for the Fiscal Affairs Division of the International Monetary Fund for a mission to Liberia (November/December 2012), a mission to Dominica, St Lucia and St Kitts & Nevis (April/May 2013) and a mission to Romania (September 2013) respectively. These missions resulted in three official reports:

- Grote M, Brooks J, Franzsen R and Kitange V *Enhancing Revenues through Real Property Tax, VAT Implementation, and Petroleum Fiscal Instruments*, February 2013.
- Norregaard J, Crivelli E, Franzsen R and Krelove, R. *Tax Incentives and Property Taxation in the ECCU*, May 2013.
- Matheson T, Franzsen R and Swistak A. *Efficient and Progressive Reform of Property and Resource Taxation*, September 2013.

In 2013 Riël Franzsen was also contracted by the World Bank for a project in Kenya to prepare a policy paper as precursor for county revenue legislation for the counties of Nairobi and Mombasa. He visited both cities on two visits in August 2013 and prepared a report.

- Franzsen RCD. *Policy Issues and Options: Taxation Laws for Kenya's County Governments*, October 2013.

4 Other ATI Activities in 2013

4.1 Launch of the South African Research Chair in Tax Policy and Governance

In February 2013 it was formally announced that the South African Research Chair in Tax Policy and Governance with Prof Riël Franzsen as incumbent holder of this SARChI Chair was awarded to the University of Pretoria. The South African Research Chair initiative (SARChI), is a government initiative under the auspices of the Department of Science and Technology and administered by the National Research Foundation (NRF).

The Chair commenced on 1 March 2013, but was only officially launched with a formal function on Thursday 25 July 2013, hosted by the Vice Chancellor and Principal of the University of Pretoria, Professor Cheryl de la Rey.

Apart from representatives of top management and colleagues of the University of Pretoria, the launch was attended by officials from the NRF, National Treasury, South African Revenue Service, other universities (both local and international), as well as family and friends of the chair holder.

4.2 Mass Appraisal Valuation Symposium

On 13-14 June 2013 the ATI, South African Institute of Valuers and Provincial Department of Cooperative Government and Traditional Affairs of KwaZulu-Natal co-hosted the International Property Tax Institute's 8th Annual *Mass Appraisal Valuation Symposium* in Durban, KZN. More than 130 delegates from fourteen countries attended this very successful conference held at the Hilton Hotel.

Prof Riël Franzsen (ATI) and Dr Douw Boshoff (Construction Economics) from the University of Pretoria presented papers. Riël Franzsen was one of the co-organisers of this conference. It is the 4th conference to be co-hosted by the ATI and the International Property Tax Institute.



Delegates in the main conference hall.



The Chinese participants with the president of the International Property Tax Institute, Paul Sanderson (5th from the right).

4.3 Institutions and Persons Visited

In 2013 Riël Franzsen visited the following institutions in an official capacity on behalf of the ATI:

- Faculty of Economics, University of Ljubljana, Ljubljana, Slovenia (March 2013)
- African Tax Administration Forum (ATAF), Pretoria, South Africa (November 2013)
- Provincial Department of Cooperative Government and Traditional Affairs, Pietermaritzburg, KwaZulu-Natal (November 2013)

In 2013 Nara Monkam visited the following institutions on behalf of the ATI:

- Vienna University of Economics and Business, Austria (December 2013)

4.4 Visitors Received at the ATI

A significant number of visiting local and international faculty participated in the ATI's Master's Programme in Taxation and ATI short courses. The following individuals visited the ATI in 2013:

Individual	Country	Institution
Prof Roy Bahl	United States	Georgia State University
Prof Neil Brooks	Canada	York University
Prof Estian Calitz	South Africa	Stellenbosch University
Dr Selcuk Caner	Turkey	International Monetary Fund
Prof Sijbren Cnossen	Netherlands	University of Maastricht
Mr Riaan de Lange	South Africa	University of Pretoria, SARS
Dr Pierre-Pascal Gendron	Canada	Humber College
Mr Martin Grote	South Africa	International Monetary Fund
Dr Samuel Jibao	Sierra Leone	Visiting Fellow
Dr Thabo Legwaila	South Africa	National Treasury
Dr William McCluskey	United Kingdom	University of Ulster
Dr Charles McPheson	United Kingdom	Consultant (formerly IMF)
Prof Annet Ogguttu	South Africa/Uganda	University of South Africa
Ron van der Merwe	South Africa	South African Revenue Service
Prof Sally Wallace	United States	Georgia State University

5 Programmes and Initiatives planned for 2014

5.1 Capacity-development Programmes

The ATI plans to offer (through CE at UP) the following short courses in 2014:

Winter Programme in Taxation

Excise Taxation

30 June - 04 July 2014

This short course will cover theoretical and practical aspects of excise duties in the context of developing countries in Africa.

Venue: Leadership Centre, University of Pretoria

Instructors: Prof Sijbren Cnossen (Extraordinary Professor, University of Pretoria, South Africa) and Mr Riaan Labuschagne (National Treasury)

Fee: US\$ 2,000.00 per participant per short course

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or administration of VAT, customs duties or excise duties.

Value-Added Taxation

30 June – 04 July 2014

Value-added has recently been introduced in several countries in Africa and will be introduced in the near future in several others. An examination of fundamental issues in designing and implementing a VAT system is therefore appropriate and timely. This short course will deal with the economic, legal, administrative and inter-jurisdictional aspects of VAT. The application of VAT to financial transaction, e-commerce, insurance and real property transaction will also be covered.

Venue: Leadership Centre, University of Pretoria

Instructors: Dr Pierre-Pascal Gendron, Humber Business School, Toronto, Canada

Fee: US\$ 2,000.00 per participant per short course

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or tax administration.

International Taxation and Tax Treaties

14 – 18 July 2014

This short course will cover theoretical and practical aspects of international taxation for participants who have had little exposure to international taxation. It will also examine alternative regimes for taxing residents on foreign source income and taxing foreign investors on domestic source income. Basic aspects of transfer pricing, e-commerce, tax harmonisation, tax competition and international tax treaties will be discussed.

Venue: Leadership Centre, University of Pretoria

Instructors: Prof Annet Oguttu (University of South Africa), Prof Tom Balco (Central Asian Tax Research Centre, Almaty, Kazakhstan), Dr Thabo Legwaila (Citibank, South Africa) and Mr Ron van der Merwe (formerly South African Revenue Service)

Fee: **US\$ 2,000.00 per participant per short course**

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or tax administration.

Fiscal Regimes for Petroleum and Mining

28 July – 01 August 2014

This short course will cover –

- Special characteristics as well as opportunities and challenges presented by the resource sector
- Fiscal objectives and introduction to relevant fiscal instruments
- Production sharing
- Royalties
- Income taxation
- International tax issues
- An additional progressive tax
- Value-added taxation and customs duties
- Fiscal stability
- State participation
- Evaluation of fiscal regimes
- Tax administration and revenue management
- Transparency and accountability

Venue: Leadership Centre, University of Pretoria

Instructors: Dr Emil Sunley and Dr Charles McPherson

Fee: **US\$ 2,000.00 per participant per short course**

Language of Instruction: English only

Minimum requirements: Prospective candidates must have at least an undergraduate degree and two years of government experience in the areas of tax policy or tax administration.

Fiscal Decentralization & Local Taxation Programme

21 to 25 July 2014

Venue: **Leadership Centre**, University of Pretoria

Fee: **US\$ 1,200.00 per participant**

(This short course is largely sponsored by the **Lincoln Institute of Land Policy** based in Cambridge, Massachusetts, United States.)

Language of Instruction: **English only**

This one-week programme covers the following issues in an African context:

- The policy and practical issues to be considered in the context of fiscal decentralization
- Expenditure and revenue assignment
- Intergovernmental transfers
- Capital financing, borrowing and debt
- Appropriate sources of revenue for sub-national government
- Policy and administrative issues regarding property tax as a source of revenue
- Property tax base options
- Valuation and assessment for property taxes
- Tax rates and tax relief
- Local tax administration
- Local revenue enhancement

Instructors: Prof Riël Franzsen and Dr Nara Monkam (University of Pretoria, South Africa), Prof Roy Bahl (Extraordinary Professor, University of Pretoria, South Africa) and Dr William McCluskey (University of Ulster, United Kingdom).

Minimum requirements: Participants must have at least an undergraduate degree or post-school diploma and some practical experience in the areas of tax policy or tax administration.

Tax Analysis & Revenue Forecasting Programme

21 July to 01 August 2014

In order to ensure that participants are equipped with the necessary mathematical and computer skills required to master revenue forecasting techniques, a specific programme was designed to accommodate the need for additional contact time and computer laboratory practise. The Tax Analysis & Revenue Forecasting Programme consists of two short courses offered over a two-week period:

- **Introduction: Revenue Forecasting and Tax Analysis**
- **Advanced Revenue Forecasting and Tax Analysis**

Venue: **Informatorium**, University of Pretoria

Fees: **US\$ 2,000.00 per participant per short course**

Language of Instruction: **English only**

Introduction: Revenue Forecasting and Tax Analysis Workshop

21 - 25 July 2014

This short course will focus on equipping participants with the necessary mathematical and computer skills required to master revenue forecasting techniques.

Instructors: Mr Samuel Jibao (University of Pretoria, South Africa)

Advanced Revenue Forecasting and Tax Analysis Workshop

28 July - 01 August 2014

This short course focuses on the macro foundations of revenue forecasting, tax elasticity, GDP-based estimating models, as well as statistical analysis and micro-simulation techniques for revenue forecasting. Specific models for different types of tax (i.e. personal income tax, company tax, VAT, excise taxes and trade taxes) will also be discussed and evaluated.

Instructor: Dr Selcuk Caner, International Monetary Fund

5.2 Master's Programme in Taxation

Eighteen students were selected in October 2013 and commenced with their studies in January 2014.

5.3 PhD Programme in Tax Policy

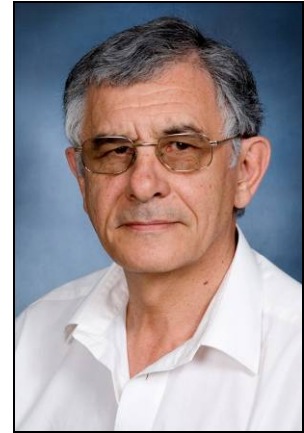
Two students were selected and commenced with the PhD Programme in Tax Policy in January 2014.

5.4 Research Initiatives

5.4.1 *Lincoln Institute of Land Policy/ATI Research*

In 2013 the Lincoln Institute of Land Policy, based in Cambridge, Massachusetts again provided funding for the continuation of the joint venture with the ATI in 2014.

6 Financial Statements: 2013



Niek Schoeman
ATI Director: Finance

It is evident from the ATI's financial statements that the financial position of the ATI as at 31 December 2013 was healthy. The formal financial statements for 1 January – 31 December 2013 are available on request.

7 Brief Overview of Activities: 2002-2013

7.1 Summary of Programmes: 2002-2013

Table 7-1: Summary of Short-course Programmes in 2002-2013: Participants per Year

Programmes	South Africans	Non-SA	Total
2002 Winter Programme in Taxation	24	48	72
2003 Winter Programme in Taxation	22	49	71
2003 Property Tax Module	8	24	32
2004 Winter Programme in Taxation	37	74	111
2004 Local Government Finances Programme	20	14	34
2005 Winter Programme in Taxation	32	60	92
2006 Winter Programme in Taxation	31	61	92
2007 Winter Programme in Taxation	8	60	68
2007 Local Government Finances Programme	2	32	34
2007 Tax Senior Management Development	0	8	8
2007 Tariff, Trade Remedy & Import and Export Permit Applications	60	0	60
2008 DRC Fiscal Decentralization Programme (French)	0	30	30
2008 Winter Programme in Taxation	29	120	149
2008 Fiscal Decentralization & Local Government Finance Programme	12	18	30
2008 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Tax Policy & Tax Administration Programme	2	65	67
2009 VAT, Customs and Excise Programme	0	35	35
2009 Tax Analysis & Revenue Forecasting Programme	4	24	28
2009 Fiscal Decentralization & Local Government Finance Programme	4	18	22
2009 Francophone Programme	0	8	8
2010 Summer Programme in Taxation	2	10	12
2010 Winter Programme in Taxation	8	6	14
2010 Tax Analysis & Revenue Forecasting Programme	2	10	12
2010 Fiscal Decentralization & Sub-National Government Finance Programme	3	3	6
2010 Francophone Programme	0	6	6
2011 Short-course Programme	11	95	106
2012 Short-course Programme	6	89	95
2013 Short-course Programme	9	77	86
Total	338	1 084	1 420

Table 7-2: Module Registrations per Country: 2002-2013

Country	Individuals	Country	Individuals
Angola	4	Namibia	15
Azerbaijan	1	Niger	1
Botswana	9	Nigeria	29
Cameroon	2	Rwanda	71
Chad	1	Seychelles	1
DRC	76	Sierra Leone	67
Ethiopia	14	South Africa	245
Ghana	74	South Sudan	1
Indonesia	2	Sudan	9
Kenya	20	Swaziland	22
Lesotho	97	Tanzania	93
Malawi	135	Uganda	56
Mauritius	1	Zambia	29
Mozambique	3	Zimbabwe	128

Table 7-3: Summary of Short-course Programmes in 2002-2013: Number of Module Registrations

Programmes	South Africans	Non-SA	Total
2002 Winter Programme in Taxation	41	86	127
2003 Winter Programme in Taxation	30	120	150
2003 Property Tax Module	8	24	32
2004 Winter Programme in Taxation	55	107	162
2004 Local Government Finances Programme	20	14	34
2005 Winter Programme in Taxation	36	125	161
2006 Winter Programme in Taxation	51	107	158
2007 Winter Programme in Taxation	15	126	141
2007 Local Government Finances Programme	2	32	34
2007 Tax Senior Management Development	0	7	7
2007 Tariff, Trade Remedy & Import and Export Permit Applications	60	0	60
2008 DRC Fiscal Decentralization Programme (French)	0	30	30
2008 Winter Programme in Taxation	31	247	278
2008 Fiscal Decentralization & Local Government Finance Programme	12	18	30
2008 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Sierra Leone Tax Senior Management Development Programme	0	20	20
2009 Tax Policy & Tax Administration Programme	2	65	67
2009 VAT, Customs and Excise Programme	0	35	35
2009 Tax Analysis & Revenue Forecasting Programme	4	24	28
2009 Fiscal Decentralization & Local Government Finance Programme	4	18	22
2009 Francophone Programme	0	8	8
2010 Summer Programme in Taxation	2	10	12
2010 Winter Programme in Taxation	8	6	14
2010 Tax Analysis & Revenue Forecasting Programme	4	20	24
2010 Fiscal Decentralization & Sub-National Government Finance Programme	3	3	6
2010 Francophone Programme	0	6	6
2011 Short-course Programme	16	90	106
2012 Short-course Programme	7	92	99
2013 Short-course Programme	9	77	86
Total	420	1 543	1 963

7.2 Summary of Conferences and Workshops: 2002-2013

Table 7-4: Conference on the Valuation and Rating of Public Service Infrastructure held on 2 and 3 June 2005

Workshop on Valuation and Rating	Countries represented	Speakers	Participants
Total	4	11	156

Table 7-5: Workshop on Tax Policy and Tax Administration held from 18-20 June 2006

Workshop on Tax Policy & Administration	Countries represented	Presenters	Participants
Total	15	6	15

Table 7-6: VAT in Africa Conference held on 15 June 2007

VAT in Africa Conference	Countries Represented	Speakers	Participants
Total	14	8	44

Table 7-7: Municipal Property Rates Act: Critical Issues Conference held on 12 September 2007

Municipal Property Rates Act:	Countries	Speakers	Participants
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Critical Issues Conference	Represented		
Total	9	13	112

Table 7-8: 4th Mass Appraisal Valuation Symposium held on 25-26 March 2009

4 th Mass Appraisal Valuation Symposium	Countries Represented	Speakers	Participants
Total	14	29	142

Table 7-9: Property Taxation in Africa Workshop held from 3-5 December 2010

Property Taxation in Africa	Countries Represented	Speakers/Chairs	Participants
Total	15	23	24

Table 7-10: 8th Mass Appraisal Valuation Symposium held on 13-14 June 2013

8 th Mass Appraisal Valuation Symposium	Countries Represented	Speakers	Participants
Total	7	24	142

7.3 ATI Instructors for Past SATI and ATI Programmes: 2002-2013

Table 7-11: Instructors per Country

Country	Number	Country	Number
Australia	2	Sierra Leone	1
Belgium	1	South Africa	32
Botswana	1	Switzerland	1
Canada	6	Turkey	1
DRC	1	Uganda	2
France	1	United Kingdom	5
Ghana	3	United States	15
Kenya	4	Zambia	1
The Netherlands	3	Zimbabwe	2
Norway	1	Total	82

Table 7-12: Instructors

	Instructor	Country	Institution	Years
1	Arnold, Brian	Canada	University of Western Ontario	2002-2003, 2005-2008, 2011
2	Aryee, Jacob	Ghana	Sierra Leone Parliament	2008
3	Ault, Hugh	United States	OECD	2004
4	Bahl, Roy	United States	Georgia State University	2009-2013
5	Bekink, Bernard	South Africa	University of Pretoria	2012-2013
6	Bird, Richard	Canada	University of Toronto	2003, 2006
7	Botha, Christo	South Africa	University of Pretoria	2011-2013
8	Brooks, Neil	Canada	York University	2006-2013
9	Calitz, Estian	South Africa	University of Stellenbosch	2005, 2009-2013
10	Caner, Selcuk	Turkey	Bilkent University	2002-2013
11	Child, David	United Kingdom	Consultant	2003-2009, 2012
12	Crossen, Sijbren	The Netherlands	Maastricht University	2002-2013
13	Dafflon, Bernard	Switzerland	Fribourg University	2008
14	De Lange, Riaan	South Africa	University of Pretoria, SARS	2007-2013
15	Ebel, Bob	United States	World Bank Institute	2004
16	Engel, Keith	South Africa	National Treasury – South Africa	2003-2005
17	Fjeldstad, Odd-Helge	Norway	Chr. Mickelsen Institute	2006
18	Franck, Peter	South Africa	South African Revenue Service	2002-2005
19	Franzsen, Riël	South Africa	University of Pretoria	2003-2013
20	Gendron, Pierre-Pascal	Canada	Humber College	2010-2013

21	Gericke, Carl	South Africa	South African Revenue Service	2003
22	Govender, Rodney	South Africa	South African Revenue Service	2007
23	Groenendijk, Nico	The Netherlands	Twente University	2002
24	Grote, Martin	South Africa	National Treasury – South Africa	2002-2008, 2013
25	Hansungule, Michelo	Zambia	University of Pretoria	2006
26	Harris, Peter	United Kingdom	Cambridge University	2005
27	Jibao, Samuel	Sierra Leone	National Revenue Authority	2008-2013
28	Jousten, Alain	Belgium	IMF, University of Liege	2008
29	Karingi, Stephen	Kenya	KIPPRA, UNECA	2002, 2003
30	Keanley, Aidan	South Africa	South African Revenue Service	2004-2008
31	Kebonang, Zane	Botswana	University of Botswana	2002
32	Kelly, Roy	United States	Duke University	2003-2004, 2007-2008
33	Kibambe, Jacques	DRC	University of Pretoria	2008
34	Kitunzi, Anka	Uganda	SDU, Uganda	2003-2007
35	Kreuer, Rick	Australia	Monash University	2002-2007
36	Laycock, Ian	United Kingdom	International Monetary Fund	2002
37	Legwaila, Thabo	South Africa	National Treasury	2003, 2007-2013
38	Leigland, Jim	United States	Municipal Infrastructure Unit (SA)	2004
39	Malherbe, Rassie	South Africa	University of Johannesburg	2004-2006, 2008-2009
40	Margalioth, Yoram	United States	Harvard University	2002
41	May, Cyril	South Africa	University of the Witwatersrand	2002
42	Mazorodze, IV	Zimbabwe	SARS	2007-2009
43	McCluskey, Billy	United Kingdom	University of Ulster	2003-2004, 2006-2013
44	McPherson, Charles	United Kingdom	Formerly World Bank and IMF	2011-2013
45	Melck, Antony	South Africa	University of Pretoria	2002
46	Meyer, Anton	South Africa	ABSA Bank	2004
47	Millar, Rebecca	Australia	University of Sydney	2007
48	Mohne, Guy	Zimbabwe	University of the Witwatersrand	2004
49	Monteiro, Carla	South Africa	University of the Witwatersrand	2002
50	Muller, Elzette	South Africa	University of Pretoria	2009-2013
51	Nyamongo, Esman	Kenya	University of Pretoria	2007
52	Nyiri, Roxanna	South Africa	South African Revenue Service	2003-2004
53	O'Connell-Xego, Lesley	South Africa	South African Revenue Service	2006-2010
54	Oguttu, Annet	Uganda	University of South Africa	2012-2013
55	Oldman, Oliver	United States	Harvard University	2002
56	Olima, Washington	Kenya	University of Nairobi	2003-2004
57	Olivier, Lynette	South Africa	University of Johannesburg	2002-2007, 2009
58	Owusu-Sikyere, Emmanuel	Ghana	University of Pretoria	2013
59	Pillay, Pundy	South Africa	Consultant (formerly FFC)	2005
61	Ramphal, Prenesh	South Africa	South African Revenue Service	2011-2013
62	Rock, Joseph	South Africa	South African Revenue Service	2006-2008
63	Rosenbloom, David	United States	Caplin & Drysdale	2002
64	Rosengard, Jay	United States	Harvard University	2002-2006
65	Sasseville, Jacques	Canada	OECD	2003, 2007
66	Schenk, Alan	United States	Wayne State University	2007-2009
67	Schoeman, Niek	South Africa	University of Pretoria	2002-2013
68	Scholtz, Dirk	South Africa	University of Pretoria	2003-2010
69	Seymore, Reyno	South Africa	University of Pretoria	2007
70	Sichei, Moses	Kenya	University of Pretoria, KIPPRA	2004-2006
71	Solomon, David	South Africa	University of the Witwatersrand	2002-2010
72	Sunley, Emil	United States	Formerly from the IMF	2011-2012
73	Thompson, Kirsten	South Africa	University of Pretoria	2007-2008
74	Thompson, Samuel	United States	University of Florida	2002
75	Thuronyi, Victor	United States	International Monetary Fund	2002-2010
76	Vaillancourt, François	Canada	University of Montreal	2008
77	Van Heerden, Jan	South Africa	University of Pretoria	2002-2003, 2010
78	Van der Merwe, Ron	South Africa	South African Revenue Service	2002-2013
79	Van der Merwe, Trix	South Africa	University of South Africa	2002, 2004
80	Waerzeggers, Christophe	The Netherlands	Utrecht University	2006-2007
81	Wallace, Sally	United States	Georgia State University	2010-2013
82	Zolt, Eric	United States	University California Los Angeles	2002-2007, 2009

Note: 82 instructors from 18 countries; 46 African instructors from 9 African countries.