

ENDING EXPLOITATIVE TAXATION (Making the Economy fair and Lasting)

Every society that works has taxes at its heart. It is the main way that governments get money to pay for things like education, healthcare, infrastructure and public welfare. In its best form, taxes are a way to make things fair by moving money around and making sure that everybody pays their fair share for the good of the community. However when taxes are unbalanced, burdening the less affluent while favoring the wealthy, they shift from promoting fairness to enabling oppression. Ending unfair taxes is not only good for the economy, but it is also a moral and social duty to bring back fairness and trust in the modern state.

➤ WHAT EXPLOITATIVE TAXATION IS?

Exploitative taxation happens when tax system disproportionately affect those with lower incomes. This can be due to many indirect taxes like consumption taxes hitting everyone the same. These taxes are harder on low-income groups than on wealthy ones because they spend a bigger part of their income on basic needs. When big businesses and rich people use legal loopholes or offshore accounts to avoid paying taxes, regular people have to pay more and more of the country's taxes. In this kind of system, taxes stop being a way to make things fair and start being a way to take advantage of people.

The appearance of fairness is frequently used to conceal exploitative taxation . Although governments may assert that all citizens pay the same rate , wealthy and impoverished households actually experience quite different effect from the rates . A small sales tax may not be noticed by a wealthy individual , but for a poor family it may mean choosing between medicine and food . For this reason , indirect taxes like those on food , clothing and gasoline are frequently viewed as regressive . The impoverished has less money to invest or save because they receive a larger portion of their income . As the wealthy continue to amass wealth , this initially diminishes social mobility and keeps low income groups in poverty .

➤ HISTORICAL AND GLOBAL VIEWS

Tax systems that exploit people have sparked protests and reforms throughout history. Unjust taxation has commonly caused public backlash and led to reforms, from medieval peasant revolts in Europe to the 'No taxation without representation' cry in the American Revolution. This issue continues to appear in modern forms. Many developing countries have a tax paradox: regular people pay a lot of taxes, but multinational corporations often get special exemptions. This inequality makes the gap between rich and poor bigger and makes it harder for development to be long-lasting.

Furthermore, history demonstrates that whenever taxes are used as means of injustice, people eventually call for reform. For instance, the nobility and clergy were mostly exempt from taxes in pre-revolutionary France, while the lower classes bore nearly all of the burden. One of the primary reasons for the French revolution was this unjust system. Similar to this, high taxes on necessities like land and salt in colonial India sparked popular opposition and sparked reform moments headed by leaders like Mahatma Gandhi. The same fight for justice has reflected in international demonstrations against corporate tax evasion and tax inequality in more recent decades.

➤ **THE ECONOMIC AND SOCIAL CONSEQUENCES**

Exploitative taxation weakens economies directly and indirectly. Economically it discourages productivity, reduces disposable income, and diminishes the desire to create businesses. Tax compliance suffers when the public perceives the tax system as unjust, and there is always a chance of tax evasion and corruption. On social terms, Exploitative taxation breeds resentment and increases the difference between social classes. It erodes trust in institutions and undermines the social contract between the Government and its citizens; a tax system that is considered unjust cannot deny civic cooperation and responsibility; it can only produce dissent and inequity.

People become less inclined to work morally or to abide by the law they think that the tax system only helps the wealthy. Because entrepreneurship and innovation rely on justice and trust, this impedes economic growth. When large corporations enjoy tax breaks or avoid tax entirely, small business owners, in particular, suffer. As a result economic power is concentrated in the hands of a selected few and inequality increases. Over time, this disparity restricts the opportunities available to regular people and lowers social mobility, making it harder for people to raise their standard of living, no matter how hard they work.

From a social concern, exploitative taxation has a lasting impact on people's sense of national cohesion. When people see tax payer's money being wasted, or taxes being collected in an

arbitrary and exploitative manner , the public faith in the legitimacy of government taxation goes away . From there one can see potential for the unrest and protests that can even degenerate into a breakdown of democracy . High level of inequality , on the other hand disturb class relations whereby some people are insulated from economic shocks and disruptions , while other (in this case the poor) must figure out how to respond to declining living conditions , and limited or no access to essentials of life and public services . Perceptions of fairness and unfairness engenders anger and resentment towards the leading elite and leads to hostility and mistrust , all at least in part fueled by feelings of hopelessness . In the long – term horizon , no society can sustain strong economic growth as long as a significant number of citizens feel the system exists to make an enemy of them . A legitimate and fair taxation system builds trust , increases legitimacy , contribute to collective cooperation , and provides a basis for sustainable economic and social stability .

➤ **AN AGENDA FOR REFORMS**

Eradicating exploitative taxes demands reform both structurally and ethically. First tax system must be progressive taxes, where individual who have higher income pay a fairer portion relative to their wealth. In more progressive tax systems, direct taxes (income taxes, property taxes etc) should comprise a larger percentage of taxes than indirect taxes.

Second Government need to eliminate loopholes and enforce laws that prevent tax evasion among certain powerful corporations and individuals. Transparency in tax policy and public spending is also very important; the citizenry must have the understanding of where taxes flow and how each taxpayer orthos benefit in society. lastly, reform must adhere to the creed of justice: taxation should not more be used as an instrument of oppression, but instead be seen as a mode of civil uplift.

Government must endeavor to establish a system that treats all tax payers equally , irrespective of their status or income , in order to accomplish these goals . Large corporations and affluent individual should be subject to the same regulations that apply to small business owners and salaried employees . Any just a system should be built on equality before the Law and Taxation should be no different . A society cannot develop peacefully or steadily if the rich pay less and the poor pay more . Therefore just as crucial as equitable tax rate is fair and consistent enforcement .

Government should also spend money on cutting- edge Tax administration system that leverage technology to increase efficiency and transparency . By reducing direct contact between tax payers and officials , digital platforms can facilitate tax collection and lesson

corruption . Participation of public in financial decision making is another important reform . In addition to paying taxes , citizens ought to be able to influence how the money is spent . The prudent use of tax payer funds can be guaranteed by open budget system , public reforms and frequent audits .

➤ **CONCLUSION AND FUTURE OUTLOOK**

Eliminating exploitative taxes is a moral and financial challenge . Every country must make sure that taxes benefits people rather than harm them in order to create equitable and sustainable economies. Government must have the guts to close legal loopholes, updated antiquated systems , and ensures that all citizens are treated fairly under the law .

Democracy is strengthened , inequality is decreased and trust is increased under a just tax system. It enables societies to develop in terms of justice , unity , and wealth . Transparency , accountability and moral responsibility are the key components of tax system's future .

Countries can genuinely attain equality and advancement when each individual pays their fair share and every company is held responsible . Honesty , equity and conviction that fair taxes equate to fair society are first steps in the fight to eradicate exploitative taxation .

In addition of being a policy objective , a fair tax future is a shared vision of justice, equality and hope for all citizens . Nations become stronger , citizens feels appreciated , and societies progress collectively toward peace , prosperity and enduring social harmony when fairness governs taxation .

