



UNIVERSIDADE
NOVA
DE LISBOA

MARIE SKŁODOWSKA-CURIE INDIVIDUAL FELLOWSHIPS 2019
EXPRESSION OF INTEREST FOR HOSTING MARIE CURIE FELLOWS

HOST INSTITUTION

NOVA School of Law | CEDIS – Research Center on Law and Society

RESEARCH GROUP AND URL

iLab
<http://ilab.cedis.fd.unl.pt>

SUPERVISOR (NAME AND E-MAIL)

Rita Calçada Pires
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SHORT CV OF THE SUPERVISOR

PhD - November 2009. Faculdade de Direito da Universidade Nova de Lisboa. Degree achieved in Public Law, specifically in International Tax Law. Approved by unanimity, with *summa cum laude*. Thesis: *International taxation of entrepreneurial income derived from electronic commerce. Dismantling myths and constructing realities*.

PRESENT

Professor at NOVA School of Law - (Faculdade de Direito da Universidade Nova de Lisboa) (September 2013 - ...) Teaching: *Public Finances; Tax Law; International Tax Law; Corporate Tax Law; Social Law – Public Social Policies, Social Security and Social Economy*.

Tax Referee at CAAD - Center for Administrative Arbitration, Tax Arbitration(Centro de Arbitragem Administrativa, Arbitragem Tributária).

Law Firm Consultant (*Off Counsel*)

National Expert for the MoveS Project under Social Security matters

The consortium led by EFTHEIA and including DELOITTE Consulting & Advisory, supported by the law faculties of the Universities of Ljubljana (SI) and Poitiers (FR), was awarded the EU project 'Network of experts on intra EU-mobility - Free movement of workers and social security coordination - Lot 1: Provision of legal expertise in the field of free movement of workers and social security coordination and dissemination of knowledge in this field with reference number 'VT/2017/012'.

PAST

Member of Group d' Experts de la Commission sur l' Entreprise Social (since the beginning of the group) by appointment of the Solidarity, Employment and Social Security Minister (2012-2018)

Deputy to the Secretary of State for Solidarity and Social Security (July 2011- July 2013)

During the functions stands out the experience gained as:

- Member of the Working Group that studied the possibility of merger between collection units from

Social Security and Tax Administration;

- Member of *Group d' Experts de la Commission sur l' Entreprise Social* (since the beginning of the group) by appointment of the Solidarity, Employment and Social Security Minister (2012 -...);
- Participant on the *Capacity Building Seminar: Financing business start-up by under-represented groups* – OECD and European Commission (Trento, June 2012);
- Scientific organization of the *1st International Congress – Social Economy - Challenges of XXI Century* (29 June 2013, Estoril), having designed the Portuguese Charter for the Social Economy, approved by the National Council for the Social Economy;
- Active intervention on structural legislative processes, such as, modifications to the Code of Social Security Contributions (Código dos Regimes Contributivos do Sistema Previdencial de Segurança Social), Legal Framework of Social Economy and on the predominant legislative actions of social security system.

5 SELECTED PUBLICATIONS

- *International Tax Law Manual - Manual de Direito Internacional Fiscal*. Coimbra: Almedina, 2018;
- *Orçamento, Economia e Democracia. Proposta de Arquitectura Institucional*. Abel Mateus, André Azevedo Alves, Catarina Leão, Francesco Franco, José Tavares e Rita Calçada Pires. Lisboa: Fundação Francisco Manuel dos Santos, Outubro de 2018; (<https://www.ffms.pt/publicacoes/detalhe/2783/orcamento-economia-e-democracia#page-authorship-2783>)
- *Pe And Direct Taxation Of Electronic Commerce On Digital Economy: An Unilateral Love Letter Called Beps* in *Nueva Fiscalidad: Estudios en Homenajem a Jacques Malherbe*, Coordenação: Catalina Hoyos Jiménez, César García Novoa, Julio A. Fernández C., Instituto Colombiano de Derecho Tributario, 2017, pág. 903 – 913;
- *Uncovering A Brave New World On Taxation: Income From Digital Economy* in *International Taxation: New Challenges*, Braga: University of Minho - School of Law, 2017, pág. 43 – 60

PROJECT TITLE AND SHORT DESCRIPTION

Taxation and Happiness

Tax history shows that taxes can be seen as a burden. Tax evasion, tax avoidance and aggressive tax planning thrive nowadays. One of the core actions that national governments and international bodies have to develop as their strategy is fighting these behaviours. Recent *OECD Base Erosion and Profit Shifting (BEPS)* reports document that. But maintenance of harmful tax competition supports those options affecting tax systems fairness and subsequently tax perception. Because public revenue is still needed to assure public action, non-mobile tax bases are more taxed, when comparing to mobile-tax bases. And that unbalance tax relations between Tax Administrations and citizens and between citizens.

But another part of the problem is complex societal challenges. Generated as a result of demographic changes and globalization (e.g. unemployment, especially youth unemployment, new forms of poverty, migration, Welfare State crisis), they evolve permanently, as social sciences research. They represent pressure to public policies, defying public action. And it must be taken into account that on developed countries, media coverage makes those social problems more visible to **citizens that start putting into question why they pay high level of taxes and still social problems are not efficiently answered.**

Under these framework, **taxation's primarily objective is collecting means to manage public action.** Financial and economic crisis stressed it. The need to decrease public debt and budget deficit enforced tax collection as a main concern for Tax Authorities. Building public finances equilibrium is a major worry if a State wants to keep international ratings at good levels and access to financial markets as a possibility. Portuguese and Greek bailout (2011) exemplify this.

But **taxes can have other objectives.** And good one's. Extra-revenue taxes exemplify that. For example, *fat tax* and *tobacco tax* aiming at health protection; *green taxes* and environment sustainability; *investment-friendly tax benefits* and economic growth, all are proof. So why not target happiness as a tax goal?

A new paradigm can be considered. We must understand if there is proof that taxation and happiness can go hand-in-hand. OECD has a Better Life Index. Bhutan has a Happiness Index instead of GDP. One can find a Happy Planet Index. These are only examples of how traditional methods are being complemented. If it can be demonstrated that happiness comes as persistent goal of individuals, if the State is created for the common good, if indexes evaluate collective achievement and even happiness, tax law should be aware of that and absorbed it. The concept of happiness within law research is not common. Happiness is mainly studied from economic, sociological and psychological perspectives. Some legal researchers discuss if public policies should aim at happiness, and subsequently if law can help achieve it (e.g. *What Kinds Of Public Policies Promote Human Happiness?*, Patrick Flavin, Baylor University, and Benjamin Radcliff; *Happiness in Public Policy*, Laura Musikansk). But taxation has not respond to this. Presently, tax research on happiness address the problem in a specific way. It focus on a certain detail in tax system (e.g. type of tax rates, progressive or proportional - *Progressive Taxation And Happiness*, Thomas D. Griffith), and discuss the topic taking into account a micro perspective. But when we talk about tax perception and happiness it becomes clear that a **macro perspective analysis of taxation has to be made.**

The aim of the project is divided into four aspects:

(I) Understanding tax perception and creating a concept of happiness implicate methodological boundaries, based on a multidisciplinary approach:

- (1) Mustn't the focus be collective happiness?
- (2) Is individual happiness relevant to taxation?

(II) Establishing link between happiness and taxation involves answering important questions:

- (1) Is the connection between happiness and taxation a desirable, utopian or feasible one?
- (2) Can history of taxation help identify the major links between taxation and tax perception?
- (3) Are the reasons to pay taxes one of the links between tax and happiness?
- (4) Do public budget constraints affect the link between taxes and happiness?
- (5) Can tax compliance create happiness?

(III) If the link between happiness and taxation is found, testing the link impose an analysis of multi variables that produce impact on how tax perception is formed. E.g. type of tax system, level of income, wealth and expenses, level of taxation, level and guarantee of social protection, social background, political background, level of state action, quality of public good and services. After analysing all those variables it must be studied whether it is possible to **create a Happy Tax index.**

(IV) In every hypothesis of links between happiness and taxation – desirable, utopian or feasible - identifying and shaping effective mechanisms that change tax perception is important. It will lead the research towards new ways of understanding taxation, based on a holistic perspective. Some triggers must be analysed:



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- Does tax perception depend on the way tax revenue is applied?
- Are responsible public spending and tax accountability important to tax perception?
- Does successful fight against tax evasion, tax avoidance and aggressive tax planning modify tax perception?
- Do extra-revenue taxes influence tax perception?
- Do tax education affect tax perception?
- Does legal tax language influence tax perception?

The **plan to deliver results is organized on multi-platforms.**

The kick-start is assessing tax perception. **A survey of how Portuguese citizens look at taxes and how they relate to them** is an important step. To complement the obtained results is necessary to **identify, by multidisciplinary papers, what collective happiness is and what elements should tax law take into account.** Then a **workshop based on a position paper that aims initiating the debate on whether that connection is desirable, utopian or feasible will be held.** A **debate with multi-stakeholders from multi-fields to assure that multidisciplinary continues to be integrated.**

When **targeting a link between happiness and taxation peer-reviewed papers** must be written by all the different perspectives so it can be established the existence of that link. But a macroeconomic perspective is necessary in order to work on variables that impact on tax perception. So an **econometric model is going to be developed** in order to measure that inter relation.

When **identifying and shaping effective mechanisms that change tax perception,** in order to develop **new ways of understanding taxation,** a conference will be held, as a way of obtaining most inputs as possible. Then a **book will be presented** after a group reflexion on all the elements gathered through the process.

After using Portugal as the case study, a European approach will be made. For that a scientific network will be created in order to perform similar approaches at specific European Union territories. E.g., Spain, Italy and Greece (south models, connecting with the Portuguese mind-set) and Denmark and Sweden (countries that are seen by international data as having the higher scores on happiness, even paying a high level of taxes).

Key Words: Taxation; Innovation; Contemporary State; Public Finances; Budget Law; Economic; Well-Being

SCIENTIFIC AREA WHERE THE PROJECT FITS BEST

Social Sciences and Humanities (SOC)