



Economic and Social impact of Taxation on Humanity in post COVID time

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Abstract

Members of the Government argue that taxes are a necessary evil - the price of a civilized society'. Irrespective of whether you agree with the sentiment or not, it can not be denied that this price is usually very high. Tax systems vary from country to country. In fact, they may be very different local taxes within one country. The tax system is the sum of all possible tax forms of a country. Tax forms include all taxes, fees, grants, subsidies and compensations that the state receives or gives. The tax system should be terminologically composed as a coherent relationship between the elements, but practice shows that taxation in many countries takes place through different tax instruments, each with its own objectives and methods. Depending on the method of taxation, we can discover certain indirect goals of the tax system, which may have their roots in economic, political, historical and social relations.

Taxes can be divided into two categories: direct and indirect. The direct taxes are income tax, profit tax and property tax. The indirect taxes are sales taxes, taxes on alcohol and cigarettes, and customs duties. These are less obvious than direct taxes but they can be still heavy financial burden, especially to the poor. Taxes are also elements of "social engineering" - tools encouraged towards certain behavior to ones but others are discouraged. Whenever a new tax is proposed, legislators try to fill any loopholes in the tax law. Most people will reluctantly acknowledge the benefits that taxes bring to their community. Nevertheless, many people find the way to avoid paying certain taxes. For many of us, paying taxes are stressful and burdensome.

Keywords: Taxes, Humanity, Social Engineering, Collecting of Taxes, Tax System