

TAX JUSTICE AND THE RIGHT TO EDUCATION

Findings from Tax Justice Network's newest report:
Stolen futures: The impacts of tax injustice on the Right to Education



ISSUE

Despite governments' commitments, education systems worldwide are in a deep funding crisis, with a growing gap between international promises and the reality on the ground. Currently, **97% of education funding comes from domestic sources**, underscoring the need to increase domestic revenue to ensure sustainable financing. **The Transforming Education Summit (2022) has emphasised the need to expand domestic revenue** to create a stable, reliable funding stream and reduce dependence on external aid for essential services like education.

However, **governments lose approximately US\$480 billion annually** to corporate tax abuse, severely undermining their ability to invest in critical public services, including education and healthcare. This loss deprives communities of vital resources and hinders efforts toward equitable and sustainable development. Addressing tax abuse through progressive tax measures is essential to reclaiming lost revenue and ensuring it supports public goods, promotes social equity, and meets the basic needs of communities.

WHAT IF OUR GOVERNMENTS...

- collected the revenue lost yearly to tax abuse and used 20% of it for the right to education?
- implemented a wealth tax, ensuring those with the most pay their fair share of taxes to our communities?
- and raised national tax-to-GDP ratios by five percentage points to increase funding for public services?

WHAT WOULD OUR PUBLIC EDUCATION SYSTEMS LOOK LIKE?

MAIN RECOMMENDATIONS

ACTION ON TAX

→ Establish ambitious and progressive tax reforms

Including:

Automatic Exchange of Information

Beneficial Ownership

Country-by-Country Reporting

Demand transparency and accountability in tax policies and negotiations

Good taxes:

- Advocate for tax policies that are equitable and promote sustainable development, including, but not limited to:
- The implementation of wealth taxes
 - Increased tax-to-GDP ratios by at least five percentage points by 2030.

→ Actively support the UN tax convention negotiation process and ensure that it is shaped democratically and focusing on Human Rights and Equity.

ACTION ON EDUCATION

→ Governments must attain the agreed-upon 20% threshold towards education, or 6% of GDP.

→ Guarantee long-term and sustainable funding through progressive tax measures that expand the total amount of revenue base.

→ IMF to engage in sustained dialogue with the education community globally, ensuring protection against austerity measures that compromise the spending on public education systems.

→ Ensure an intersectoral dialogue between Ministers of education, finance, and foreign affairs, as well as other public sectors, on tax justice and education financing.