

Revenue Impact of COVID-19 Pandemic in Africa:

A Preliminary Assessment by
Economic Sectors and Tax Types

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ABOUT ATAF

The African Tax Administration Forum is an organisation which was established by African revenue authorities in 2009, in order to improve the performance of tax administrations in Africa.

The tax administrations of 40 countries in Africa are members of ATAF, ie 74 percent of tax administrations on the continent, making it the premier body on tax matters on the continent. Two countries, Mali and Somalia, were the latest to join the organisation in 2020.

ATAF believes that better tax administration will enhance economic growth, increase accountability of the state to its citizens, and more effectively mobilise domestic resources.

Now in its 11th year of existence, ATAF has positioned itself as Africa's homegrown solution to improving revenue collection, advancing the role of taxation in governance and state-building and providing a voice for the continent on international tax issues.

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LIST OF ABBREVIATIONS

ATAF	African Tax Administration Forum
ATO	African Tax Outlook
CIT	Corporate Income Tax
GDP	Gross Domestic Product
ICT	Information and Communication Technology
LRP	Late Returns Penalty
PAYE	Pay As You Earn
PIT	Personal Income Tax
PPE	Personal Protective Equipment
TCC	Tax Clearance Certificate

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The publication was prepared by Michael Masiya, using data collected from Togo, Rwanda, Eswatini, Nigeria, Zimbabwe, Madagascar, and Kenya. The seven countries presented their respective findings on the impact of COVID-19 during the 2nd ATAF Research Webinar of 2021 that ATAF held on 22 April 2021 (See Appendix).

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The support of members and development partners also plays a crucial role in the success of ATAF as an influential platform for Africa on tax matters, with continued technical and financial support since its inception in 2009.

INTRODUCTION



On 22 April 2021, the African Tax Administration Forum (ATAF) held a 2nd Research Webinar for the year 2021 entitled “Revenue Impact of COVID-19 Pandemic: Winners and Losers” which attracted participation from the Heads of research in tax administrations, Heads of tax/revenue policy units of the Ministries of Finance, and their respective staff. The objectives of the webinar were threefold. First, to assess the revenue impact of COVID-19 in 2020 across countries in Africa, by tax types and critical sectors and to identify the underlying drivers. Second, to examine the vulnerability and/or resilience to exogenous shocks of the major tax types and key sectors in African tax jurisdictions. Third, to identify the key measures that have been implemented so far to cope with the COVID-19 pandemic and understand their specific effects on the tax administration’s performance. The webinar attracted presentations from the following countries: Eswatini, Kenya, Nigeria, Rwanda, Togo, Madagascar, and Zimbabwe. This policy brief uses the data that was collected from countries prior to the webinar, summarises the countries’ findings, and proposes recommendations.

