

Dear Revenue Commissioners,

I had a quick scan through the paper from the Revenue Commissioners and had a few suggestions that I think you should seriously consider.

If you want to collect a lot more tax, you should make the following concepts a national policy.

It is based on a principle that people like to pay tax provided it is easy to do, costs nothing to do it and can be done by anyone with reasonably simple affairs in under an hour a year or less. Here are the principles.

1. No tax is chargeable unless it can be exactly worked out by hand.  
This means paper and pencil only. Calculators optional.

2. All taxes should be calculable by anyone with Junior Certificate education.

Extra points : Make this an annual competition held in different parts of the country to see (a) if it's possible and (b) which kid can do their calculations the fastest. It's a great way to test how simplified your tax system really is as nobody really uses much more than they learned in junior school. It's a great way to generate public interest.

A tiny slice of what you take in in extra tax from simplification goes to pay for the prizes for 1st, 2nd and 3rd place entrants. I suggest a really awesome laptop etc.

3. The algorithm for calculating any tax, PAYE, NI, Employer's NI, VAT, Land Taxes, Business rates, or any tax the state charges MUST be published by the Revenue Commissioners, no matter how simple.

Bonus points : Make the algorithm 100% open source license, so anyone including commercial companies may use or remix the algorithm with acknowledgement. Within a month, the algorithm will be re-written in every programming language under the sun for free and sent back to you for publication.

QA and then publish those extra code snippets and work with developers everywhere. An example of what your published algorithm code might look like is here. This is written in Python.

<http://pastebin.com/8gWes9Mw>

Also allow developer comments on the code too. Here's some great examples of developer contribution for functions (algorithms, effectively) for the PHP language.

<http://php.net/manual/en/function.floor.php>

And for the database server, MySQL too, for example..

<http://dev.mysql.com/doc/refman/5.7/en/mathematical-functions.html>

4. The calculation process for any tax must be made available in a downloadable flowchart.

Bonus points : The flowchart has all the appropriate thresholds and tax rates for the calculation so I can sit on the 46A with a biro and start my tax return at Donnybrook Church and have it finished by the time I get into town.

Double Bonus : No flowchart is longer than one page long.

5. All language used on the Revenue Commissioners website in relation to Tax calculation MUST be written in simplified English, so a vocabulary of 3,000 words or fewer.

Bonus Points : Develop your own vocabulary and make it the ISO standard for tax when dealing with the public. Release the vocabulary to the public under open source. A few weeks later, watch the translations roll in. Free. Publish. That means anyone can translate your work to other formats. It's a low cost solution for translation for languages you are not legally obliged to cover.

6. Publish a crystal clear rule on rounding for EVERY tax calculation, e.g. "No matter what the calculation, ALWAYS round down to the nearest euro."

7. All tax calculations must show as many worked examples as there are situations. E.G. PAYE earner paying under minimum threshold, PAYE earner paying over minimum threshold but under next tax bracket, etc.

Bonus Points : Accept commentary from the public (moderated) and work with the public to produce accurate typical benchmark examples.

TL;DR : Publish calculation algorithms for every tax the state charges.  
Simplify language. Engage the open source community for free super-high-quality code.

Criticisms : it is possible people might say "Well you'll just put software developers/accountants out of work etc". That is where software development and accountants do the value-added work.

Nobody wants to do PAYE and NI calculations for 300 staff, so payroll software is a must. The publication of algorithms means all software companies know their calculations are accurate for any number, so even though you might initially think they lose, they actually win.

The publication of algorithms also allows random users to develop apps for mobile that, unless malicious, can be guaranteed to calculate taxes correctly. These become widely used, but you are not responsible for them and do not carry the cost of supporting them. Not your problem.

Anyway, that's a few thoughts based on coding up an algorithm to calculate PAYE in the UK. The process is not written down so it denies the consumer the access required to calculate their own tax. That's so wrong on every level. One shouldn't have to call a priest or some travelling shaman to work out how much you have to pay in tax.

All the best,

Have a great weekend.

Morgan

P.S. Though an Irish citizen, I have not lived there since 1990, so apologies if some of the references are dated / do not apply.