FACTA UNIVERSITATIS
Series: **Law and Politics** Vol. 13, N° 2, 2015, pp. 201 - 211

Review Paper

THE ROLE OF CURRENCY TRANSACTION TAXES IN REDUCING FINANCIAL INSTABILITY

UDC 336.221

Marko Dimitrijević

University of Niš, Faculty of Law, Republic of Serbia

Abstract. *The subject of analysis in this article is the legal and fiscal role of currency transaction taxes in reducing the financial instability of the market. In that context, the introduction of these taxes is considered to be essential, particularly in terms of tax forms, tax object, tax base, tax rate and tax incentives. The author discusses the requirements for the implementation of currency transaction taxes, benefits and shortcomings in their implementation, and makes some concrete proposals for improving their economic efficiency in the fiscal system.*

Key words: *currency transaction, taxes, fiscal policy, tax fairness, tax yield, financial instability, economic efficiency.*

1. INTRODUCTION

At the Millennium Summit in September 2000, the United Nations set out a vision of a global partnership for development, direction and achievement of certain global goals. Specifically, 189 member states adopted the UN Millennium Declaration on the "*Millennium Development Goals*".[1] The specific objectives set forth in this Declaration pertain to reducing the number of poor people who are living in extreme poverty and ensuring sufficient quantities of clean drinkable water. The specific goals set forth in this document, which should be achieved by mid-2015, refer to increasing the level of education of the world population, upholding equality and preventing AIDS and other infectious diseases, and especially providing assistance to children with AIDS. The above Declaration is a great challenge. First of all, it represents the political will of the rich countries to provide the necessary flow of funds but it also includes the developing countries which have already used these funds in an efficient manner. Moreover, the implementation of the Declaration

Received November 1st, 2015 / Accepted December 18th, 2015
Corresponding author: Marko Dimitrijević, LL.B.
University of Niš, Faculty of Law, Trg kralja Aleksandra 11, 18000 Niš, Republic of Serbia
E-mail: markod1985@prafak.ni.ac.rs

[1] United Nations, Millennium Development Report, New York: UN, 2005.

represents a major intellectual effort of lawyers, economists and other scientists to understand the essence of the processes and global economic trends, which are used to achieve these goals. The intellectual challenge has multiple dimensions and significance, which gives rise to the question: whether the goals underlying these taxes be accomplished by means of national fiscal instruments, or whether there is a need to introduce new global taxes (Atkinson, 2009: 556-562).

Since the adoption of the Millennium Declaration, many attempts have been made to investigate and determine financial arrangements that are necessary for its implementation. Thus, for example, at the global level, various reports specify that a conservative annual amount of 50 billion dollars is considered sufficient to achieve these objectives.[2] The implantation costs were 66 billion dollars during 2006, with a tendency to be increased up to 83 billion dollars in 2010; thus, it was realized that the proposed funds were insufficient.[3] For this reason, the alternative ways of funding have been considered, some of which are taxes. There has been an growing emphasis on the importance of global environmental taxes, especially those aimed at taxing fuels (that contain carbon and that are directly or indirectly used in air travel) as well as taxes on international capital flows aimed at taxing foreign currency transactions, including a wide range of transactions such as spots, barter, derivatives and others (Landau, 2004: 110-111).

When introducing new forms of taxation in domestic tax systems, we must always take into account the existing tax burden and the taxpayers' feeling of already being overtaxed, in order not to break the boundaries of absolute tax limit. The phenomenon of "*double dividend effect*" which exists in environmental taxes is characteristic for taxes on foreign currency transactions. Given the political difficulties of introducing supranational taxes, the arising question is who will be subject to global public finance, viewed as the "*nasciturus*". For example, if the Euro-zone has introduced taxes on foreign exchange transactions, what would that mean for the euro-dollar ratios? With the introduction of global taxes, the "*free user*" problem would become more serious and the diffusion of tax would have a wider scope. When it comes to currency transaction taxes, the effect would depend on the availability of relocation financial activities (conditional on the scope of propagation of domestic tax jurisdiction). The larger volume of tax jurisdictions and higher revenues could be expected; yet, it should be noted that it is not necessary that all states participate in the incorporation of those taxes. Therefore, research on currency transaction tax should involve the introduction of tax on foreign exchange transactions in the euro area at a moderate tax rate, without considerate costs related to the degree of competitiveness.

2. CURRENCY TRANSACTION TAXES: A BRIEF HISTORY

Currency transaction taxes are based on the idea proposed by the famous economist John Maynard Keynes, who suggested introducing a small tax that would be applied to transactions in the London stock market (Keynes, 1936). The proposed tax would prevent the collapse of the London stock exchange and preclude the crisis similar to the one experienced in New York City during the Great Depression (1929-1933). Keynes makes a

[2] United Nations, Report of the high-level panel on financing for Development (chair Ernesto Zadillo), New York: 2001.
[3] World Bank, Global Monitoring Report, Washington D.C.

clear distinction between the speculative and the normal business operations, considering that the former involved "gambling-like" transactions aimed at increasing one's own wealth by taking advantage of special benefits, whereas the latter specifically involved financial transactions that serve the specific economic purpose.

Currency transaction taxes are proportionally imposed in the course of exchanging local currency into foreign currency. Their introduction was proposed by a famous American economist James Tobin, as a specific way of "*putting sand in the wheels of international finance*", for the purpose of slowing down its dynamics and reducing volatility in the market (Tobin, 1996: 112-128). The tax base would include the conversion of local currency into foreign currency, whereby the taxpayers are reported as participants in the foreign exchange market and taxes would be paid as additional costs on foreign currency transactions.[4] Tobin justified his proposal to introduce this new tax by the existence of speculative transactions in the foreign exchange market, which is considered to be "*a major cause of common frequency with the exchange rate crisis in the world*" (Tobin, 1994: 215-267). Namely, besides a series of comparative advantages, the high mobility of capital in the financial market entails serious disadvantages, which are reflected in the frequent changes of exchange rate regime. Those changes are often untimely and call into question the independence of monetary policy. In its original form, Tobin's tax is essentially a permanent, uniform, *ad valorem* tax on international capital flows. The basic *ratio* of the Tobin tax is to expand and strengthen the autonomy of domestic monetary policy, whose successful implementation does not depend on combating financial instability. Its implementation is conditioned by the acts of the world's leading banks and the structure of tax jurisdictions. Hypothetically speaking, the "introduction" of this tax system could take place as follows: "*First of all, you should keep one important world conference, something like a mini-Breton Woods to get an agreement about his legal beings. Administrator surely would be the International Monetary Fund, Bank for International Settlements, or some new agency authorized by the signatory countries of the contract. Their jurisdiction would be to determine the tax rate de lege artis and ensure uniform application of tax by all the signatory countries. Also they will determine the tax exemption, which should be justified by valid reasons. The International Monetary Fund would be deprived of some of its central authority established by the Breton Woods monetary system and replaced by the European regional regime, but should nevertheless welcome their new responsibilities resulting in introduction of taxes"* (Tobin, 1996: 493-496).

Tobin argued that this tax should be applied in a progressive method of distribution of revenue collected, which would enable small and underdeveloped countries to hold most of the tax revenue collected in their territory. The explanation of this dedicated disposal income is in the fact that such a mechanism can ensure global tax system and stop a possible decision not to participate in the "reinforcement" of the Tobin tax. As the load imposed by this tax is inversely proportional to the duration of a transaction, it follows that the shorter the duration of the transaction, the greater the tax burden. For example, the Tobin tax in the amount of 0.25% generates a two-day annual turnover of capital income tax of 365 cents; in the opposite case, turnover generated by transactions that are conducted twice a year

[4] Tobin argued that the beauty of international currency transactions tax is in its simplicity, which is reflected in the automatic withdrawal of short-term speculative transactions but with insignificant impact on investment decisions for long-term capital.

yields revenue of only one cent (Bird, 1999: 230-233). The Tobin tax need not be introduced in the tax systems of all countries of the world; it is enough to apply it to those countries that are considered to be the largest tax centers. Thus, for example, in 1998, more than half of all transactions relating to capital movements were performed in the UK and USA. In order to prevent tax planning by taxpayers, it is necessary to broaden the tax base from the original spot of the proposed transaction onto all derivative products, such as futures contracts, options contracts, forward contracts. It is necessary to carry out further research to determine the optimal tax rate; although there is a general consensus that it should be determined by reducing the likelihood of tax evasion, it is proposed to be determined in the range between 0.1 and 0.25%. Even though the basic function of transaction tax is not fiscal, but is reflected in the reduction of the degree of financial instability, the revenues generated by transaction tax are by no means negligible. In particular, this issue may not be disregarded in the course of debating whether the IMF is able to provide sufficient resources to cope with the current financial crisis. Therefore, in those countries that have no high income per capita and where the volume of foreign exchange transactions is not high, Tobin's tax could generate significant revenue in the budget to compensate for the existing deficit. Taxes on international financial transactions have a long and sometimes mutually different intellectual and factual history.

3. Economic Efficiency of Currency Transaction Taxes

The focus of debate in a number of academic critical commentaries on the introduction of the Tobin tax is the implementation of tax and legal operations around its distortions effects on private decision-making (Korkut, 2010). Some authors believe that such a tax may not be considered as an optimal fiscal instrument (Lowell, Eatwell, 2000) and point out to many more effective ways to reduce volatilities problems in the market. The American theorist Davidson examines the Keynes theory in this light, specifying that transaction costs are amortized by financial instability (Davidson, 1998: 639-662). In his opinion, these costs deepen the instability rather than reduce it. In his criticism, he highlights that the main function of a financial market is to provide liquidity; the markets in which there are no way-out barriers are more stable than others; thus, the reduction of the number of foreign exchange transactions is not the solution to financial instability because it increases transaction costs. Although Davidson is partially right, it seems that he has not taken into account the potential of the Tobin tax, which affects the speed at which market participants adjust prices (Davidson, 2009: 671-686). Let's leave aside the question whether such a tax is *per se* sufficient to reduce the opportunities for speculative transactions or whether it is accompanied by other fiscal instruments in this endeavour. Note that the partial implementation of the Tobin tax (only by some countries in the world) would not be sufficient to achieve the desired goals because it would yield too much space for lawful exercise of illegitimate tax evasion. Political consensus is a prerequisite for the introduction of tax, but it would be difficult for some states to give up their status of "*tax havens"*. Even if the Tobin tax were introduced on a global scale, it would be extremely difficult to charge and collect tax assets which could be used for reducing the market instability. The American economist Friedman argued that speculators actually try to stabilize the market through rational pricing arbitrage and thus contribute to the liquidity of the capital. When prices are below their equilibrium level (*fair value*), speculators will make a decision about their purchase in order to raise the level of market equilibrium; on the other hand, when prices are above the equilibrium level, they make the decision to sell to their descent to the level of equilibrium (Friedman, 1953).

Critics also point out that the restricted funds of tax revenues are contrary to the principle of generality, which further raises the question who would control such restricted funds. Experience with partially introduced transactional taxes is contradictory. The introduction of this tax in Sweden only contributed to increasing the capital market volatility while the use of transaction tax on securities reduced the market volatility, having in mind the adverse effect of reducing the number of transactions (Umlauf, 1993: 227-240). The greatest opponents of introducing the Tobin tax were members of the US Senate. By enacting the 1996 Prohibition on the United Nations Taxation Act, the US Senate endeavored to prevent the officers of UN agencies in concretizing the Tobin Tax and all other taxes on international financial transactions (Korkut, 2006: 71). For members of the Senate, this tax was not acceptable due to its potential to strengthen the national economies and evenly distribute the tax burden among countries in the world. It was felt that "this tax was against the current tide underlying the liberalization of financial flows, globalization and the reduction of fiscal burdens to achieve general social welfare" (Raffer, 1998: 529-538). It is interesting that this unilateral ban on the UN Tax Act was very effective. Thus, in the process of deciding on the introduction of these taxes, the senators left their copies of James Tobin's book unopened; namely, after the adoption of the ban imposed by the U.S. Senate, packages of previously ordered books were still untouched.

The misunderstanding of the purpose of imposing transaction taxes by the US tax_system administration does not come as a surprise considering that most of the tax burden is borne by domestic taxpayers. In addition to its core function to reduce financial instability, the Tobin tax contributes to exercising the principle of vertical equity, which implies that taxpayers of greater economic power should shoulder most of the tax burden. Most of the legal and economic facts included in the base of the Tobin tax emerged in the US economic market, which makes the resistance of the US tax administration quite expected. Resistance stems from the understanding that the application of transactional taxes will increased the risk premium; therefore, the higher the risk premium, the higher the potential of financial instability. This is explained by the fact that the financial costs of equipment are significantly decreased in periods of crisis and increased in period of prosperity, which would influence the market participants decision on the purchase or sale of assets (Bernstein, 1998: 15-24) Today, this argument cannot be accepted because it emphasizes that the currency transaction tax can have a negative impact on the overall systemic risk which exists in the stock market regardless of the number and volume of transactions; thus, the impact of the currency transaction tax is reflected in reducing specific risks which also determine the stock price.

4. Modification on Currency Transaction Taxes

Due to the mentioned shortcomings in transaction tax, it has been necessary to make certain modifications. Hence, the English theorist Span modifies the original Tobin tax by proposing the introduction of two-tier tax structure. This means that, in standard market conditions, a minimum (possibly zero) tax fee should be charged on all foreign exchange transactions; however, in the circumstances when the exchange rate exceeds the predetermined amount, the so-called extra tax benefits should be charged, which would reduce the performance of speculative transactions (Spahn, 1996). The proposed two-tier tax structure on foreign exchange transactions is considered ideal for developing countries which may thereby opt for the exchange rate regime in the form of a currency board or dollarization regime (i.e. Europeanization), which implies that the independence of domestic monetary policy is largely restrictive. Hence, we may wonder where the practical effect of the Tobin tax lies. The basic principle would be as follows: as long as the daily fluctuations are low, the *fiscus* should apply a more lenient tax rate. If the daily fluctuations are recovered from the determined value, a more stringent tax rate should be applied (Bruno, 2003: 56). This principle resembles the two-tier tax structure proposed by Span. However, it is believed that the more lenient tax rate ranges from 0.05 to 0.01 %, because banks are the only economic agents that undertake transactions on the foreign exchange market. As the fee that banks charge for interbank transactions in the euro-dollar at the average level of 0.01%, the tax rate should be at the same level, if not lower? (Spahn, 2002: 15-16) It is considered that the tax rate should be higher still (at least 0.1%) because banks charge commission fee on clients such as the powerful transnational companies and different types of funds.

Tax exemptions should be allowed only when bank clients appear as households and small businesses whose transactions do not exceed a predetermined amount. The main function of such a tax would be determined as exclusively fiscal; according to some calculations, the total sum of collected revenue would amount to 16 billion U.S. dollars. Thus, the foreign exchange transactions tax is expected to work as follows: "the increase in national currency exchange rate above the predetermined norm would inspire agents to expect future increases, because they recognize the effect of the Tobin tax on market activities, which would increase the same" (Arestis, Soyer, 1997: 760). Thus, for example, Harcourt believed that the primary role of the Tobin tax is to prevent the domination of any part of the financial market caused by speculative capital flows which are undesirable because they "distort prices"; for this reason, such prices do not fit the picture of economic reality, and the market is doomed to failure (Harcourt, 2003: 15-16) He thought it was necessary to narrowing the circle of taxpayers in the sense that those market participants who engaged in legitimate business transactions that improve market performance should not be taxed. These participants fall into the category of *fair traders*, as compared to the *speculative traders* whose activities do not improve market efficiency. The Tobin tax is viewed as an institutional aspect which reduces market uncertainty by changing the expectations of participants in the transactions. Accordingly, it means that the Tobin tax achieves the same function as the policy of holding prudential reserves by commercial banks (Randall, 2002).

Taxes on foreign currency transactions at home and abroad can be effective only if requirements are cumulatively met and reflected in the business, making it relatively easy and cheap to use the existing infrastructure and market networks, capturing the vast majority of foreign exchange transactions in the global market, and setting tax rates at relatively low level in order to reduce distorts effects and avoid the effect of excessive tax burden (Schmit, 2001: 199-212) The main objection to the two-tier tax on international currency transactions is that the tax rate is too high for normal market activity and too low when it comes to serious speculative attacks. But, what if the tax rate in times of peace is really high? In accordance with the "*principle of leaving the hot potato*" when the dealer receives a certain amount of foreign exchange by the buyer, if the dealer considers that the retention would be too expensive and risky, the endeavor to resell to another buyer or dealer (whereby the reselling chain can include more than five participants) stimulates market fairness. As all transactions are now electronically performed, transaction costs tend to zero. Of course, in the ideal world, the Tobin tax could destroy the market because it would prevent resale. This critique cannot be accepted. First of all, transaction costs were high during the 1970s and 1980s and did not constitute a hindrance when performing transactions. Also, the critique did not take into account the fact that the functioning of foreign exchange market has changed dramatically in terms of reducing interdealer transaction (Dodd, Ibid). This decrease can be explained by a process of consolidation of the banking industry and the advancement of electronic commerce. The opponents of the Tobin tax propose the introduction of capital controls as an alternative and less expensive solution. But, if one's ambitions are limited to those reforms that are easy to achieve, then the scope of one's ambition expands even more because our opponents are less involved in debating about what is politically and economically efficient solution in the neoliberal world.

5. Currency Transaction Taxes Advocates

International foreign exchange transaction taxes were the subject matter of consideration in many conferences held in developed countries. The most notable one is the conference "*New Rules for Global Finances*", held in May 2003 in Washington D.C. The main recommendations of the conference participants concerned the acceptance of the underlying tax as a primary component of the "*financial architecture development, understood in terms of financial system that promotes equity with a stable and sustainable economic progress*" (Grabel, 2003). There has been a proposal for a joint implementation of the Tobin Tax (viewed in the narrow sense as a tax on currency conversion) and securities transaction taxes, due to the attitude taken as to their cohesive effect of easing the financial demands concerning a growing instability in terms of public debt.

In assessing the effectiveness of the Tobin tax, many theorists ask whether speculation actually occur in the market. Although this question seems naive to consider, neither the banks nor large consumers (multinational companies, insurance companies, pension funds) are deemed to carry out speculative transactions. They perceive them as appropriate transactions, for which reason all income should be included without exception in taxable income. Therefore, the fiscal literature considers that, in the performance of speculative activities, vendors provide services to all customers and satisfy their preferences only when other vendors do not want to accept the risk. It is therefore considered that, when large speculative attack intensity causes a devaluation of domestic currency, it is the overall responsibility of the governments of the affected countries to bear the burden, rather than the market participants (Jetin, Ibid). In respect of the aforesaid, we can distinguish between speculations in the foreign exchange market that are considered standard, and speculations that influence the depreciation of the exchange rate and are often associated with financial crises.

Considering the importance of speculation observed at shorter intervals, the foreign exchange market can be best understood on the basis of research conducted in the UK among the authorized dealers of foreign currency (Cheung, Menzie, 2000: 15-21). In that context, the participants are supposed to set aside the most important factor influencing the movement of the exchange rate and the observed over-reaction of customers of foreign currencies in relation to expectations and the so-called "*bandwagon effect*", which means that each participant in the foreign exchange market follows the reactions of other participants, without any particular reason other than the simple fact that the first participant has taken some action. Thus, we come to the conclusion that speculations actually increase the level of equity by 81 percent and improve the efficiency of market structure by 74 percent. In terms of globalization, the Tobin tax could serve as a sort of shield against the risks underlying the free movement of capital. In times of crisis, it can be combined with other capital controls measures.

Although there is no consensus in the world on introducing Tobin′s tax, partial efforts may be observed in the tax legislation of some countries. Thus, in December 2001, the French Parliament adopted a legislative act that favors the tax on capital transactions. The act states that its implementation will start when the other EU member states ratify that act. The modified two-tier structure of the Tobin tax proposal was adopted by Belgium, whose implementation will start upon ratification. In Italy, the introduction of this tax revenue requires approval of at least 30,000 thousand taxpayers. On the other hand, the proponents of the Tobin tax believe that each state could charge tax on the conversion of domestic currency without any constraints and no matter where the transaction is carried out in the world. It is believed that the implementation of this tax has been transparent and cost-effective, considering the use of latest technology in modern transactions. Supporters perceive the progressive effect of transaction tax as an advantage because, otherwise, all market participants should proportionally bear the same tax burden, including the so-called "*noise traders*" engaged in speculative activities (Summers, Summers, 1989: 163-188) The problem associated with the implementation of the Tobin tax can be analyzed as follows: 1) if the Tobin tax imposed by government cannot be enforced, it will not be effective; 2) if the Tobin tax was introduced by the government, which ensured the enforcement, then it will be the desired result. The second objection is directly related to the huge profits gained, for example, by Microsoft and other leading companies which enjoy legal monopoly on the basis of softer patent law due to the political willingness of the local government and guarantees providing full protection of their intellectual property rights. This example shows that, if there is political will for full protection of these rights (which is much harder to achieve than to allow the implementation of the Tobin tax), then it is also possible to successfully charge taxes on capital transaction (Baker, 2003). Yet, critics who suggest that the Tobin tax actually distorts taxpayers’ behavior disregard the fact that taxes on securities trading, which are charged at a much steeper tax rates, have no such effects (Habermeier, Kirilenko, 2003). Arguably, the application of the Tobin tax decreases the transaction costs of *bona fides traders* in the market. After imposing this tax, transaction costs would be lower than they were decades ago. If market designers are able to operate in such conditions, it is logical for them to proceed with their business activities in the circumstances generated by introducing Tobin′s tax (Paley, 2003). Although the initial application of the Tobin tax has increased the amount of transaction costs, eventually the costs would drop to the level prior to imposing Tobin’s tax (if not lower) because this tax would reduce the volatility caused by speculative financial transactions *mala fides*.

6. Conclusion and Recommendations

The ratio of currency transaction taxes is justified in terms of financing increased public expenditures, because these revenues represent an excellent tool for solving tax competition problems, as a characteristic feature of modern finance. Also, in inflation periods, due to the total reduction of collected tax revenues (*Tanzi effect*), the currency transaction taxes perform the function of the inflationary′s tax which is aimed at protecting the living standard of vulnerable social groups because it is collected from taxpayers of greater economic power. The proponents of transaction taxes should not give up their fight and must not sacrifice the public interests to the interest of the market; even though the state is commonly said to be an equal market partner, the state intervention is irreplaceable. As for the collection of these taxes, it is necessary to expand the capacity of the existing tax administration, taking into consideration the time required for training tax officers in accounting and collecting new taxes, and related costs/expenses which are often in conflict with the principle of cost-efficiency and taxpayers' convenience in terms of tax compliance. Therefore, these goals may be achieved through coherent cooperation between the state and taxpayer associations, which have to join their effort to raise taxpayers' awareness of the need and importance of introducing the Tobin tax.

Acknowledgement: *This paper is a result of research conducted within the project "Protection of Human and Minority Rights in the European Legal Area", no. D 179046, funded by the Ministry of Science and Technological Development of the Republic of Serbia.*

References

1. Arestis, P. Sawyer, M. (1997). How Many Cheers for the Tobin Transaction Tax?. *Cambridge Journal of Economics 21*. 760.
2. Atkinson, A. B. (2009). Funding the Millennium Development Goals: A Challenge for Global Public Finance. *European Review. No. 4*. 555-562.
3. Baker, D. (2003). *Tobin Taxes: Are they enforcable?* (paper presented at the Conference "Debating on the Tobin tax", New rules for public finances, Washington DC.
4. Bernstein, P. L. (1998). Stock Market Risk in a Post Keynesian World. *Journal of Post Keynesian Economics 21*. 15-24.
5. Bird, G. (1999). Time for Tobin?. *New Economy IPPR 4* (1999): 230-33.
6. Cheung, Y.W., Menzie D.C. (2000). *Currency Traders and Exchange Rate Dynamics, A Survey of the U.S. Market*. University of California, Department of Economics, Santa Cruz: 2000. 15-21.
7. Davidson, P. J. (1998). Efficiency and Fragile Speculative Financial Markets: Against the Tobin Tax and for a Credible Market Maker. *American Journal of Economics and Sociology*. No. 57. 639-662.
8. Davidson, Peter J. (2009). *Are Gains of Sand in the Wheels of International Finance Sufficient to do the Job when Boulders are often Required?* Economic Journal. No. 107. 671-86.
9. Dodd, R. (2003). *Lessons for Tobin Tax Advocates, the Politics of Policy and Economic Microstructure*. DSC Special Policy Report. Washington, D.C. 2003.
10. Grabel, I. (2003). *Currency Transaction Taxes: A Brief Assessment of Opportunities and limitations.* In: Debating on the Tobin tax, New Rules for public finances, Washington DC, November, 2003.
11. Griesgraber, J. M. (2011). Where Do We Go From Here?. In: Debating on the Tobin Tax. 155.
12. Habermeier, K., Kirilenko, A. (2003). *Securites Transaction Taxes and Financial Markets*. IMF Staff Papers. Special Issue. 50
13. Harcourt, G. (1999). *Keynes, Post-Keynesianism and Political Economy: Essays in honor of Geoff Harcourt*. Ed. by Claudio Sardoni and Peter Kriesler. Vol. 3. London and New York: Rutledge.
14. Helmut, R. (2002). *Tobin Tax: Could It Work?* Observer OECD, March 29, 2002.

15. Jetin, B. (2003). *How can a currency transaction tax stabilize foreign exchange markets?*. In: Debating on the Tobin tax, New Rules for Public Finances, Washington DC.
16. Keynes, J. M. (1936). *The General Theory of Employment, Interests And Money*. London: Macmillan.
17. Korkut, E. (2006). On the Tobin Tax. *Review of Political Economy*. No.1. 71.
18. Landau, J. P. (2004). *Les nouvelles contributions financières internationales: Financement et développement et taxation internationale*. Paris.
19. Lawerence S. H., Summers, W. P. (1989). When financial Market Work Too Well: A Cautious Case for A Securities Transactions Tax. *Journal of Financial Services* 3. 163-88.
20. Palley, T. (2003). *The Economic Case for the Tobin Tax*. (paper presented at the Conference "Debating on the Tobin tax", New rules for public finances, Washington DC, November, 2003).
21. Raffer, K. (1998). *The Tobin Tax: Revising Discussion*. World Development 26. 529-38.
22. Reisen, H. (2002). Tobin Tax: Could It work?. Observer OECD. http://www.oecdobserver.org.
23. Schmidt, R. (2001). Efficient Capital Controls. *Journal of Economic Studies*. *No. 3*. 199-212.
24. Spahn, P. B. (1996). *The Tobin Tax And Exchange Rate Stability*. Finance And Development, IMF, Washington.
25. Spahn, P. B. (2002). *On the Feasibility of a Tax on Foreign Exchange Transactions*. Report to Federal Ministry for Economic Cooperation and Development, Bonn.
26. Tobin, J. (1996). A Currency Transaction Tax, Why and How?. *Open Economic Review*. No.7. 493-499.
27. Tobin, J.(1994). *A Tax International Currency Transactions*. Oxford: Oxford University Press, 1994.
28. Umlauf, S.R. (1993). Transaction Taxes And Behavior of Swedish Stock Market. *Journal of Financial Economics. No. 33*. 227-240.

ULOGA POREZA NA DEVIZNE TRANSAKCIJE U SMANJIVANJU FINANSIJSKE NESTABILNOSTI

Porez na devizne transakcije predstavlja jedini fiskalni instrument koji je u stanju da napravi kompromis između potpuno slobodnog i snažno uređenog međunarodnog finansijskog tržišta, jer se njime nadomeštavaju nedostaci oba sistema uz istovremeno prihvatanje njihovih komparativnih prednosti. Krize na međunarodnom finansijkom tržištu mogu biti prouzrokovane brojnim faktorima kakvi su moralni hazard, negativna selekcija i promena očekivanja. Upravo se strah od nametanja poreza na devizne transakcije može javiti kao jedan od faktora, koji produbljuje već postojeću krizu, te se zato on mora uvoditi u poreski sistem postepeno vodeći računa o ukupnom poreskom opterećenju. Bilo bi naivno posmatrati porez na devizne transakcije kao „čarobni štapić" (panacea) za rešavanje svih finasijskih problema na tržištu, ignorišući pritom njegove nesavršenosti. Zbog neizvesnosti u primeni poreza na devizne transakcije, kao njegove alternative privremeno se nude poreski podsticaji kompanijama u cilju smanjenja potrošnje električne energije, korišćenje specijalnih prava vučenja od strane MMF-a i konstituisanje specijalnih fondova za osiguranje (Reisen). Takve alternative bi trebalo prihvatiti, barem privremeno, dok se ne postigne konsenzus o optimalnom obliku oporezivanja deviznih transakcija i dok on kao takav ne dostigne svoju fiskalnu funkciju. Takođe, za ubiranje ovog poreza neophodno je proširiti kapacitet postojećih poreskih administracija, uzeti u obzir vreme neophodno za osposobljavanje poreskih službenika za obračunavanje i naplatu novog poreza kao i njihove troškove koji su često u suprotnosti sa načelom jeftinoće i ugodnosti plaćanja poreza od strane poreskih obveznika. Konačno, treba imati u vidu da svaki novi porez sa sobom nosi i latentnu opasnost produbljivanja kontrole građana od strane državnih organa usled podnošenja potrebnih poreskih informacija. Zbog svega napred spomenutog postoji realna i logična potreba da se kroz koherentnu saradnju države i udruženja poreskih obveznika radi na podizanju svesti poreskih obveznika o nužnosti i značaju uvođenja poreza na devizne transakcije.

U finansijskoj literaturi postoje suštinske nedoslednosti u shvatanju samog zakonskog bića poreza na devizne transakcije. U tom smilsu se moramo zapitati da li se poreski predmet odnosi isključivo na devizne transakcije ili na sve finansijske transakcije; da li je u određivanju visine poreske stope uzeta u obzir kontrolna uloga centralnih banaka i da li implementacija poreza znači sužavanje obima

finansijskog tržišta; šta se dešava nakon što se umanji finansijska nestabilnost svetskog tržišta i da li se porezom na devizne transakcije nepovratno menja struktura dospeća javnog duga (Gresgraber). Razgraničenje u odgovorima na postavljena pitanja zahteva seriozno angažovanje stručnjaka iz oblasti fiskalne politike, ekonomskog i monetranog prava, jer su upravo ti odgovori conditio sine qua non optimalnog uvođenja i primene poreza na devizne transakcije.

Ključne reči: *porezi, devizne transakcije, finansijska nestabilnost,fiskalna izdašnost, fiskalna politika, poreska pravičnost.*