

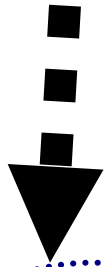
A 3D-rendered scroll of aged parchment is unrolled, showing its texture and shadows. A quill pen, also rendered in a 3D style, lies diagonally across the scroll from the bottom right towards the center. The background is plain white.

# **FPU Initiative**

**On development  
and adoption of the  
ILO Recommendation  
of Fair Taxation of  
Wages**

**Brussels, December 2012**

**WAGES**



**TAX**



**DISPOSABLE  
INCOME**



**Worker's disposable income  
DEPENDS NOT ONLY on wages BUT  
ALSO on the level of TAX  
paid by him/her**


***Decent income is  
impossible  
without  
FAIR TAXATION***

# Fair

# Taxation of Wages:



**ONE OF DECENT WORK PRINCIPLES**



**END TO THE DISCRIMINATION IN  
TAXATION OF WAGES**



**ELIMINATION OF POVERTY AMONG WORKERS**



**REDUCTION IN SOCIAL INEQUALITY OF INCOMES  
OF THE RICH AND THE POOR**



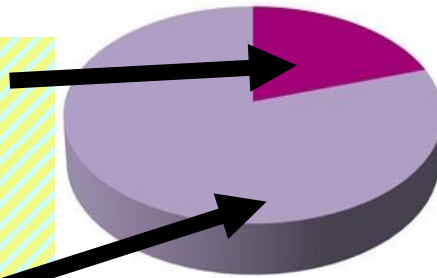
# Goal 1 of 3

## Recommendation on fair taxation of wages

**Tax free minimum =  
equal to reproduction cost  
of a worker**

**Taxable income**

**TAX EXEMPTION OF MINIMUM INCOME  
NEEDED FOR DECENT LIFE OF A WORKER  
AND HIS/HER FAMILY  
(TAX FREE MINIMUM)**



**Tax exemption of  
a part of wage :**



**Increase in purchasing power  
of the population**



**Development of internal markets**



**Increase in tax revenues**



# Goal 2 of 3

## Recommendation on fair taxation of wages



**Tax burden on wages should not be higher than that on other types of income (interests, dividends, etc)**



**Capital and profits SHOULD BE TAXED MORE than labour and revenues invested in for the general interest**

**EPSU TAX JUSTICE CHARTER  
adopted by the Executive  
Committee on 28 May 2010**



# Goal 3 of 3

## Recommendation on fair taxation of wages

**Exemption from taxes of definite expenses needed to ensure professional competitiveness and labour rehabilitation**

**Studying in educational establishments**

**Healthcare**

**Purchase of minimum housing**

***We will be grateful  
for informing  
the Federation of Trade Unions  
of Ukraine of this issue***

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