



## Gender and the Formal and Informal Systems of Local Public Finance in Sierra Leone

Summary of Working Paper 87 by Vanessa van den Boogaard

In recent years, activists and policy-oriented researchers have begun to explore how tax policy and administration reform may serve to reinforce or address gender inequities. The majority of research in this area has focused on taxation in high-income countries; it is thus unsurprising that policy-oriented work has tended to think about tax and gender through a narrow, Westernised lens, which predominately focuses on formal taxes, administration, and institutions.

This leads us to overlook the ways in which women interact with tax systems in low-income countries in practice. It assumes that women do not pay significant amounts of tax and ignores the more complex dynamics of local public finance that affect citizens in low-income countries. In response, this paper considers how men and women in eastern and northern Sierra Leone interact differently with formal and informal systems of public finance. It fundamentally argues that the literature on tax and gender equity needs to be expanded in low-income countries to pay greater attention to the ways that citizens pay for public services in practice, including by incorporating user fees and informal taxes into analyses of local public finance.

### Methods and data

This paper makes use of three main sources of data collected in nine chiefdom case studies in eastern and northern Sierra Leone.

- First, two unique household surveys conducted in 2013 and 2017 capture the entire range of tax and tax-like payments made to finance local public goods, as well as taxpayer perceptions of and modes of engagement with the state.
- Second, focus group discussions and interviews conducted in 2016 and 2017 complement survey data.
- Third, local government fiscal data helps to contextualize the findings.

### Incidence and burden of tax payment by sex

Using this data, the paper first shows that formal taxation affects a very small proportion of the population, and especially of the female population, though highlighting some gendered biases of formal taxes.

- Female-headed households pay fewer central government taxes, though female-

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headed and female-dominant households pay a larger proportion of tax relative to household income relative to male-headed and male-dominant households.

- Despite women owning less land, female-headed and female-dominant households are more likely to pay property tax and to pay a greater proportion of their income in property tax than male-headed and male-dominant households.
- Taxpayers hold gendered perspectives of the duty to pay the local (poll) tax, with men commonly paying on behalf of female spouses and family members. This sense of different taxpaying responsibilities amongst men and women is rooted in colonial institutions of taxpaying as well as entrenched gender norms and gender-based economic inequities.

While overall incidence of formal tax payment is low, women are more likely to pay for services at the local level through informal revenue contributions. User fees and informal taxes are not typically considered within analyses of public finance, though they may have particularly significant implications for gender equity.

- While male-headed households are more likely to pay formal user fees, they pay a smaller amount in relation to their income.
- Female-headed households are more likely to pay more informal taxes to access public goods and services, while also paying a greater amount in relation to their income. At the same time, women play a critical role in communal-level forms of self-help and public service provision that involve levying informal user fees, including with respect to water well management.

## Implications of gendered tax incidence and burdens

The paper then considers possible implications of these gendered differences in tax incidences and burdens for intra-household divisions of power, representation within chiefdom institutions, and taxpayer engagement with the state.

- First, while women pay fewer taxes than men, women bear the brunt of payments to access public goods, even in male-headed households, suggesting important gender-based differences in **intra-household divisions of money and power**.
- Second, considering the linkages between **tax payment and political representation**, the paper explores whether women miss out on forms of political representation as a result of paying fewer formal taxes than men. Representation within the chieftaincy is predicated on payment of the local (poll) tax and associated indirect forms of representation are often underappreciated. Nevertheless, it is clear that if women paid the local tax themselves, their representation would be unlikely to improve as a result of embedded gendered discrimination within chiefdom administrations and politics and weak pressure for direct representation from chiefdom officials.
- Finally, the paper explores how the gendered experience of taxation may affect opportunities for **taxpayer engagement with the state**. Women have less contact and engagement with government and chiefdom officials at all levels, though the reasons for this are multifaceted and not exclusively related to taxation. At the same time, women are highly engaged in informal relations and interactions that are often important experiences of citizenship and accountability.

Overall, this research has implications for how we analyse tax systems and their impacts on gender equity. Gender inequities are embedded within social, political, and economic structures; understanding these inequities thus requires looking at the full range of these structures, both formal and informal. In Sierra Leone, this requires a deeper look at the non-tax and informal ways that taxpayers contribute to public service provision at the local level.

## Further reading

van den Boogaard, V (2018) *'Gender and the Formal and Informal Systems of Local Public Finance in Sierra Leone'*, ICTD Working Paper 87, Brighton, IDS: November

## Credits

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