

REPUBLIC OF NAURU
REVENUE ADMINISTRATION BILL 2014

SECOND READING SPEECH

Honorable David Adeang M.P.

19 August 2014

Mr. Speaker Sir,

I have the pleasure of introducing to the House today a Bill for the *Revenue Administration Act 2014*.

This Bill once passed will signal the formal introduction of taxation reform, which is an historic moment for Nauru. For centuries past, governments worldwide have traditionally relied upon taxation revenues to fund expenditures in providing essential services for their people, by way of health, education, law and order, infrastructure and the like.

Mr Speaker, it is for this reason that Nauru is now embarking on this important initiative.

The maxim of renowned American jurist, author and scholar Oliver Wendell Holmes was;

“Tax is the price you pay for living in a civilised society.”

This long held tenet is as appropriate to Nauru as it is to any other country in the free world today. With the substantial increase in globalisation over past years, involving cross border transactions and profit shifting and the like, it is essential for Nauru’s economic future to have in place a robust taxation regime.

Mr. Speaker, this Bill, once passed, will serve to ensure that the necessary legislative framework is in place to provide the authority for the taxation administration to operate effectively.

The introduction of the *Revenue Administration Act* will align Nauru with neighbouring Pacific Island nations, and indeed with the rest of the world, in terms of “world best practice” tax administration.

Mr Speaker, the explanatory memorandum describes in detail the provisions of the Bill.

I commend the Bill to the House.