CHAPTER 1 - TAX & CITIZENSHIP: Tax Education Project

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Introduction

Education is a basic human right, recognized, for instance, in article 26 of the Universal Declaration of Human Rights, article 2 of the First Additional Protocol to the European Convention of Human Rights and article 14 of the Charter of Fundamental Rights of the European Union. However, Tax Education is often an unknown concept and therefore one could question why it is even important.

Therefore, it is of essence to clarify that tax education can be a State policy that has as main goal to promote an active citizen participation, in which taxpayers are aware of their rights and obligations (Lopes, 2011, p. 25). Additionally, another goal is to provide tax knowledge, which "(…) *includes a range of aspects, from the practicalities of how to file a tax return, through to an understanding of the links between tax and public spending. It also includes knowledge of different tax types, how they are collected, taxpayers' rights, and how to navigate any appeal system*" (Mascagni, no date). Finally, it is also worth noting that tax education does not occur only in the educational system context: it can (and should) occur in the daily communication and relations between citizens and tax administrations and also in the context of public and private initiatives in physical and virtual means (OECD, 2021, p. 14).

Consequently, this is the context through which this paper intends to develop the theoretical framework for the Tax Education project that Nova Tax Research Lab is currently developing[1], having in mind the promotion of tax citizenship (and, consequently, tax compliance, can be defined as the "*Degree to which a taxpayer complies (or fails to comply) with the tax rules of his country, for example by declaring income, filing a return, and paying the tax due in a timely manner*."(OECD, no date)).

For that purpose, our paper starts by analyzing how tax education improves tax morale, tax ethics and citizenship, by raising awareness of everyone's social responsibility to reach common goals, by the improvement of voluntary compliance and tax knowledge. Subsequently, we explore the individual motivations for tax (non-)compliance and how tax education diminishes the weight of psychological compliance costs. Furthermore, we develop the role of States in building confidence in the administrative machine and improvement of cooperative compliance, namely by promoting such tax education in the relationship between the tax administration and taxpayers. Finally, the first chapter elucidates how tax fraud, tax evasion, aggressive tax planning can be minimized through tax education and ethic improvement.

Afterwards, our second chapter explains how tax education should be a way towards the increase of awareness of taxpayers' rights. This balance in tax education is commonly disregarded, but it is extremely important to explain rights and make them part of active citizenship (not only duties and obligations) since a balanced view of the tax relationship improves voluntary compliance. We explain how tax authorities should also have an active role in tax education of the citizen due to the principles of cooperation, transparency, good administration, public service and information, including on taxpayers' rights. Additionally, the Tax Education promoted by NGO, academics, and civil society is also put in this context.

Finally, we explain how Tax Education has a significant contribution to democracy, due to the connection between an active exercise of the right to vote and the fundamental duty to pay taxes, as a result of the social contract. Therefore, it is also shown that tax education is essential to the fulfilment of the principle of no taxation without representation. Lastly, we explore the link between the exercise of the right to vote and tax compliance.

1. Tax Education as a tool for Tax Morale, Tax Ethics and Citizenship: improving Voluntary Compliance understanding Taxes

1.1. What motivates individuals to pay – or to not pay – their legally due tax liabilities?

The motivations that lead a taxpayer to comply or not comply with his/her tax obligations may be difficult to determine. However, the consequences of generalized non-compliance are not so uncertain: less state revenue for countries (namely to develop their policies and economy) leads to a lack of improvement in population welfare.

Thus, the answer to why is necessary a strong tax education for taxpayers becomes easy to foresee: more tax compliance means more resources are available to develop a country. The debate is no longer whether we should pay taxes, but how are our taxes being used. In these terms, with tax education, taxpayers understand where their taxes go and why should they pay, and consequently compliance rates will be higher, as well as the contributions to the overall wellbeing of a community (OECD, 2021).

It is often said that the only things certain in life are death and taxes (Franklin, 1817, p. 266). Notwithstanding, while the first is impossible to escape, individuals tend to create mechanisms to pay the lowest (or none!) possible amount of taxes. But after all, why do individuals have such an attitude? Why are certain individuals' tax compliant while others are more careless and try to not comply with their tax liabilities?

The answer to these questions is not simple, as each individual is different from the others. Still, there are certain indicators and studies that help to understand the motivations for the (non) compliance of their tax liabilities. In fact, compliance or non-compliance may vary with an individual's age, gender, level of tax knowledge, economic status, religion or even culture. Similarly, an individual's motivation to comply may result from their moral standards, such as guilt and shame, as well as from a perception that the tax system is balanced and fair (Louro, 2014, p. 6).

An attitude of tax compliance depends fundamentally on the individuals' predisposition to pay their own taxes, as well as their knowledge regarding their tax obligations and how to comply with them (Lopes, 2013, p. 13826). Thus, non-compliance can be of two types: (i) voluntary non-tax compliance and; (ii) involuntary non-tax compliance. Although the concepts are different from a theoretical standpoint, the consequences are the same from a practical one: reduction of the amount of tax due that is effectively paid.

Even so, the literature is unanimous in stating that individuals increase their tax compliance when they know how their taxes are directly allocated, as well as when they are in favor of the respective public sector spending programs, in which they voted. In contrast, non-compliance is higher when individuals have no control over the use of their or when it is used for public goods that they not approved or voted (Alm, 1993, pp. 287-288).

On the other hand, the tax administration itself creates mechanisms to increase compliance, namely with programs and reward systems for taxpayers who comply with their tax obligations[2].

Nevertheless, sometimes non-compliance does not arise from individuals' malice, but only from the complexity of tax legislation, which often makes them not even aware of their tax obligations or simply lose interest in understanding the tax system because they believe that it is not within the scope of their understanding (Lopes, 2013, p. 13830). This example is even more evident at the time of submitting tax returns when individuals often do not know how to fill them correctly. But even in these circumstances, their incorrect filling does not necessarily lead individuals to pay less tax, as they are often not aware of the applicable mechanisms that will be more favorable.

From another standpoint, it will be easy to conclude that individuals pay their taxes because are afraid of being caught and fined for their incorrect compliance with their tax liabilities (Alm, 2019, p. 5).

Even so, taking into account that in most legal systems the penalties for convictions for tax infractions are small, as well as the tax audits carried out are few, we could be led to think that most individuals would be reckless at the time of compliance. However, although this could be a "*chronicle of the announced tax* *evasion*" this will not be the practical reality, since the number of people who comply with their tax obligations is clearly higher than those who do not comply (Posner, 2000, p. 1782).

Thus, there is no way to conclude why individuals comply with their obligations or not. For some, what should be compliance based on a purely on what is correct, for others, non-compliance will be justifiable as a demonstration of disagreement with a particular tax policy. The *Homo economicus* is like a boat without a sail: it never knows which direction the wind will take it.

In this sense, increasing taxpayers' tax literacy is crucial if they are to shape their behavior so that they comply and want to comply with their tax obligations.

Thus, tax education will lead taxpayers, to learn how to comply so that their tax obligations in order to pay their taxes as low as possible, as well as how to avoid submitting late returns and avoid any necessary fines. By knowing more about their tax obligations, they will be encouraged to comply more often and in the most correct way possible. In short, taxpayers who have a good tax education, not only will comply with their obligations but also will participate more actively in the community, and pass their tax knowledge and become an agent for the dissemination of tax knowledge (OECD, 2021).

1.2. The weight of psychological compliance costs

Psychological costs can play in the analysis of the determinants and factors associated with compliance costs and the level of tax compliance. These costs relate to the anxiety, worry and nervousness incurred by taxpayers in the tax compliance process. Much of this psychological effect arises because taxpayers do not know how to properly complete their tax returns or how to pay their taxes, creating a sense of unfairness. In this sense, the taxpayers who incur psychological costs, in particular, the elderly, retired and widowed, whose as they are the ones who usually have a lower tax education (Lopes, 2013, p. 13831-13832).

Taxpayers may have their emotions upset when it comes to complying with their tax obligations. In fact, they may feel anxious, worried or nervous about feeling that they do not know their tax obligations or how to comply with them and that this lack of knowledge leads to paying more than is supposed to. These feelings are most evident at the time of filing tax returns when feelings of frustration due to the complexity of tax procedures lead to concerns about possible tax inspections (Carmo, 2021, p. 289).

Added to this, feelings of injustice and dissatisfaction with the existing tax system may lead to the temptation for taxpayers to commit tax fraud or tax evasion.

Thus, it cannot be ignored that taxpayers have intrinsic motivations that drive them to comply with their tax obligations, and that exists a weight of psychological costs at the time of the decision to comply or to not comply.

As a consequence, tax education can also increase long-term tax compliance by boosting tax morale (and reducing anxiety) because it decreases the time people spend preparing tax returns and makes them less threatening (OECD, 2021). In fact, tax morale can be defined as the taxpayers "*intrinsic motivation to pay taxes*" (OECD, 2019), *i. e.*, it is a collective attitude towards tax compliance and the respective motivations (Carmo, 2021, p. 291).

One way to combat these psychological costs is through new technologies in tax compliance, because in addition to allowing the taxpayer to comply more quickly and instinctively, it increases the efficiency of the administrative machinery itself (Carmo, 2021, p. 289).

Just bear in mind that the creation of mechanisms and software that allow taxpayers to automate and simulate some effects of the application of the laws, based on the information in their possession and the creation of more practical mechanisms for tax payment (Carmo, 2021, p. 296), helps to reduce taxpayers' stress as it becomes easier to understand how to pay and how much tax they owe.

In these terms, there is a major digital development in the tax field. The pre-filing of tax returns is a digital innovation, which is often accepted without question as a way to significantly reduce transaction costs when paying taxes, but it has the psychological effect of shifting errors from the taxpayer to the tax administration. Tax administrations are also encouraging online submission of tax returns. Pre-filling tax returns are very advantageous because it reduces taxpayers' compliance costs as well as tend to reduce errors and omissions. The most positive outcome from a revenue service point of view is that the taxpayer simply corrects the pre-filled information (Costa, 2018, pp. 16-20).

These are initiatives that, taking advantage of the development of new information technologies and confidence in the fiscal machine, improve compliance with the tax law and improve efficiency by affecting the ratio of costs and tax revenues, reducing the psychological costs for taxpayers.

1.3. The role of States

1.3.1. Confidence in the State and the administrative machine

The best way for States to promote taxpayer compliance is to generate a sense that the tax administration is in "good shape". This perception is only achieved when the taxpayers themselves demonstrate an attitude of trust towards the tax authorities, which is only achieved when States themselves invest in the tax education of their taxpayers. The State, by promoting a fair and transparent system, expects taxpayers to be more inclined to tax compliance, thus fostering tax morale.

To improve tax morale and thereby to increase confidence in their administrative machine, states can take a number of steps, namely engaging with taxpayers. In fact, states can engage with taxpayers through outreach and education programs, as well as through cooperative compliance initiatives that encourage collaboration and mutual trust between tax authorities and taxpayers. In addition, a simple legislative framework should be combined with accessible procedures that guarantee taxpayers better and faster compliance with their tax obligations. For there to be trust in the administrative machine, it is necessary to pursue the public interest, with respect for the legally protected rights and interests of citizens, in compliance with the principles of equality, proportionality, justice, impartiality and good faith[3]. Thus, in the exercise of the administrative activity and in all its forms and phases, the Public Administration and the individuals shall act and relate according to the rules of good faith.

In addition to others, the Tax Administration will also have to respect the general principles of law, including the principle of good faith, by means of which the administrative body or agent is prevented from acting with deceit or any other means in order to mislead the private individual. The duty to act in harmony with the principle of legality is not merely formal subordination to the rules which specifically provide for the action of the administration, but also includes the duty of the administration to take into account the practical consequences of the administrative activity it carries out. Therefore, the tax administration must refrain from implementing legal provisions when, in the light of the particularities of the case, there are no reasons of public interest which justify its action or when a manifestly unfair result is produced, and must, in any case, when restricting individual rights, limit itself to what is strictly necessary to ensure the purposes it pursues, not treating the persons subject to tax in a discriminatory manner or frustrating the expectations that its action has generated in them[4].

In the same way, a good relationship between taxpayers and the administrative machine contributes to greater voluntary tax compliance. It is crucial that the tax administration is close to the taxpayer and that the latter does not feel that the administrative machine is distant and inaccessible.

In this way, the creation of an "oiled machine" in which taxpayers feel that the taxes will be applied in a manner that they themselves approve, as well as the simplification and clarity of the taxation mechanisms, will make taxpayers more likely to comply with their tax liabilities.

For a cooperative relationship between tax administration and taxpayers, it is essential to promote tax procedures, whose interpretations are clear, allied to simplified inspection mechanisms, which help to balance tax administration interests with the taxpayers' guarantees. The taxpayer should feel close to the administrative machine, verifying that the tax administration easily ensures the availability of necessary and adequate information to comply with their tax obligations, as well as, when in doubt, the taxpayer feels the existence of adequate assistance to comply with their obligations (Pires, 2013, pp. 258-259).

Therefore, it is fundamental that the taxpayer, when faced with a specific case, has the possibility to submit his/her doubts to the tax administration and obtain an answer, which is binding in that specific case. This constitutes a guarantee that the taxpayer has instruments at his/her disposal that allow him/her to prevent conflicts.

On the one hand, an electronic tax administration presents itself as a benefit for the direct relationship with taxpayers. In fact, a fully globalized tax administration, available 24/7, giving the taxpayer, without relevant costs, the possibility to comply with their obligations at any time, at any place, will be a relevant way to promote tax compliance.

In addition, the creation of mechanisms such as instalment plans, or the possibility of settling unavoidable conflicts with the tax administration through extra-judicial means, such as arbitration courts, will incentive taxpayers to comply with tax obligations (Pires, 2013, p. 262).

1.3.2. Cooperative compliance: relationship between the tax administration and taxpayers

Traditionally, the relationship between tax authorities and taxpayers is seen as one of conflict, in which both parties fight and distrust each other. In fact, the relationships between them are crucial for the proper functioning of a tax system in a country. These relationships depend not only on tax legislation and legal procedures but also on cultural, sociological as well as historical elements (Bronżewska, 2016, p. 5). It is in this situation that a relationship and cooperation should exist so that the fulfilment of tax obligations is done quickly, correctly and without distrust.

Thus, cooperative compliance may be described as the creation and development of a relationship between the taxpayer and the tax authority or tax administration based on trust and co-operation from both parties in order to achieve the highest level of voluntary tax compliance and certainty (Iris Tax and Customs, 2023, p. 4). In fact, such concept represents as a voluntarily enhanced based upon mutual increased transparency, cooperation and collaboration.

This principle is a practical development of the principle of collaboration, and therefore of good administration of the tax machine.

Revenue bodies should know that to be in control of tax situations, they should control the consequences of all processes and transactions and not only of tax processes. Therefore, there should be a "Tax Control Framework" (TCF) on the part of taxpayers that allows for internal control of all these variants by the administrative authorities. Thus, taxpayers that are transparent with these plans and comply with the requirements of the TCF can be identified as taxpayers with a lower risk of non-compliance (OECD, 2013, p. 59).

In this regard, tax education helps taxpayers to know and understand his/her tax obligations, and the best way to comply with the law. The best way to promote such education may include, *inter alia*, online resources, and guidance from tax authorities, or simply the guidebooks drawn up by the tax authorities themselves.

Access to a clear and accessible information about their tax obligations, tax education can help to promote voluntary compliance and reduce errors or intentional non-compliance. In addition, tax education can also help ensure that taxpayers have the necessary expertise to engage in cooperative compliance activities, such as risk analysis and early engagement. By empowering taxpayers to participate in these activities, tax education can help to encourage a better collaborative relationship between tax authorities and taxpayers.

Thus, faced with an increasingly competitive tax environment at international level, each state is seen as providing a package of services that may or may not be attractive to a particular taxpayer, which leads them to settle in the state that best suits their tax needs. This competition between states has brought new international cooperation standards in tax matters, especially focused on transparency and exchange of information. The rapid development of these parameters has already established the automatic exchange of tax information, including financial transactions to be reported between jurisdictions. The taxpayer will have to answer for the fight against tax evasion and loss of revenues jointly by several tax authorities (Almeida, 217, pp. 59-62).

The ultimate goals of this cooperation are therefore to raise more revenue for public investment by the administrative machine; and to obtain a greater profit or a lower amount of tax to be paid by taxpayers.

1.4. Tax fraud, tax evasion, aggressive tax planning and ethics

Everyone is free to organize his/her tax situation so that pais his/her taxes as low as possible, always within the legal framework. No one is obliged to pay more, just because that would represent greater revenue for the Public Treasury. For instance, a close look over the tax benefits shows that sometimes the own administrative machine intends to model behaviors, attributing, in principle, a lower tax burden without this being illegal or even immoral.

However, the nature of tax rules and their complexity allows that sometimes taxpayers' behaviour to be outside the scope of the tax rules. Thus, although in most of the cases a particular tax minimization opportunity complies with the law, more aggressive attempts to reduce taxes involving the abuse of the law itself, or the creation of artificial mechanisms to achieve these goals, may (and must be!) challenged by tax authorities[5].

Thus, we are faced with a situation of tax evasion when existing loopholes in tax legislation are exploited with the aim of reducing the burden on the taxpayer to a minimum, although this is not necessarily illegal (Sá, 2013, p. 25). Acting within the perimeter of tax evasion allows taxpayers to reduce the risk of being sanctioned and provides a sense of legal compliance.

On other hand, we faced a situation of tax fraud where we are dealing with behavior that directly results in a violation of the law and results in an illegal reduction of the amount of tax payable. In this behavior, the main concern on the part of the taxable person is that their acts are identified by the tax administration. The detection of this behavior by the competent authorities implies the application of a sanction of an administrative or criminal nature, in addition to the obligation to deliver the tax that should have been paid.

In short, we can say that both practices result in the reduction of the amount of tax paid by taxpayers and the non-compliance with the principle of equality and tax justice. Tax evasion may be perceived as being legal and moral, associated with the intention of reducing the payment of taxes and, thus, understood as an intelligent idea on the part of taxpayers. Tax fraud is understood as being illegal and immoral and is related to the concepts of criminal activity and risk.

Tax education can also play an important role in reducing tax fraud, tax evasion, and aggressive tax planning by increasing taxpayers' awareness and understanding of their tax obligations and the consequences of non-compliance. For instance, tax education can raise awareness about the importance of compliance and the potential consequences of non-compliance, such as penalties and legal action. This can deter taxpayers from engaging in fraudulent or evasive behavior.

On other example, tax education can promote voluntary compliance by helping taxpayers understand their obligations and how to comply with the law. When taxpayers have the knowledge and skills to comply voluntarily, they are less likely to engage in fraudulent or evasive behavior.

Overall, tax education can help to reduce tax fraud, tax evasion, and aggressive tax planning by promoting voluntary compliance, encouraging early engagement, building trust, and supporting cooperative compliance. By providing taxpayers with clear and accessible information about their tax obligations, tax education can help to foster a more compliant and effective tax system.

2. Tax Education in the perspective of taxpayers' rights: raise awareness of citizens' rights and obligations

2.1. Tax Authorities and their role in tax education of the citizen: the principles of cooperation, transparency, good administration, public service and information.

Cooperation in this context can be defined as the collaborative behaviour of public administration in its relationship with the citizen. It is frequently a statutory and constitutional duty of administrative entities in several states.[6] Here we should recall that cooperation is of essence in the context of taxpayer compliance (v. *supra* 1.1.3.2), improving the relationship between Tax Authority and Taxpayers[7].

A Tax Authority that fulfils its duties of cooperation and good administration should provide public, regular, and systematic information not only on taxpayers' obligations but also on their rights. This implies delivering the necessary assistance to the fulfilment of any obligations and also the duty to inform the taxpayer regarding their rights during such fulfilment. In this way, the degree of effective cooperation makes it possible to foresee the symbiosis between the taxpayers' rights and the respective degree of tax compliance (Carmo, 2021, p. 291). Indeed, taxpayer education also includes practical assistance provided by tax authorities, in their role of supporting taxpayers directly in their compliance obligations[8].

Since tax education should promote awareness of citizens' obligations, a Tax Authority acting in good faith tries to increase such awareness instead of just controlling taxpayer compliance. The behaviour in good faith increases the confidence in the State.

In addition, the average taxpayer does not know neither understands her/his rights and obligations[9], while the main focus of attention of tax legislators, authorities and international organizations has been the fight against aggressive tax planning, tax fraud and tax evasion (increasing the risk of States and international actors of overlooking their duty to protect fundamental rights). In fact, the current tax environment has led to a mutual distrust feeling[10]. Notwithstanding, if the Tax Authorities try to raise awareness also of the citizens' rights, it will also increase the confidence in the State because the citizens will trust that such authority is acting in a transparently and actually providing them with a public service, guided by the legality principle.

Actually, one way for the Tax Administration to act transparently, fully supporting and respecting taxpayers' rights, is to declare them in formal documents, such as administrative taxpayer charters or even in the legislation of the countries. In practice, some of those charters may also reflect a Tax Administration's view of service delivery (e.g. services are comprehensive, accessible, fair and timely) and its view of performance standards in general (Alink and Kommer, 2016, p. 224)[11].

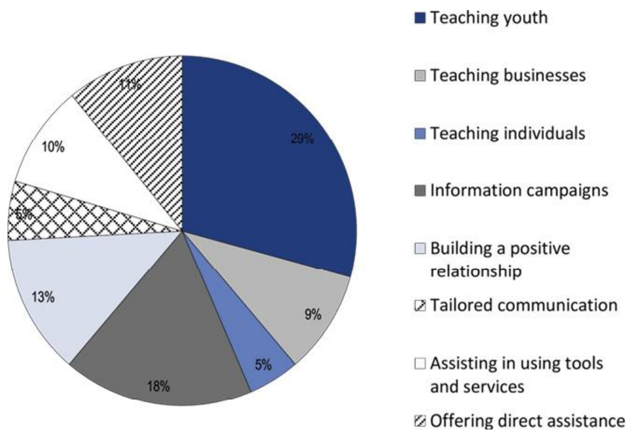
Furthermore, one cannot forget that tax education can be accomplished in different manners, i.e., not only through workshops and formations *stricto sensu*, but also through the publication of schedules, leaflets and newsletters, manuals, guides, newsletters, models for compliance with ancillary obligations, forms and minutes, or other types of rights and obligations etc.

Finally, by Tax Authorities we should take for these purposes a broad view, including other public initiatives of tax education, such as TAXEDU and other examples. One initiative is "TAXEDU", from the European Parliament, the European Commission and National Tax Authorities, to promote the tax citizen and education available at https://europa.eu/taxedu/home_en (accessed 15 November 2022).

There are also similar national initiatives. An example of a national initiative is the one from the Portuguese Tax Authorities, which has a tab dedicated to tax citizen and education on its website, with materials aimed at children and young people (books, leaflets, videos, games, etc.). They also work with other public entities on tax education projects and in other civil society initiatives to promote tax citizenship. Lastly, it also has materials for adult taxpayers, with a virtual exhibition on tax education and a book with essential notions about taxes (which also includes a chapter on taxpayers' rights and guarantees) (Carmo, 2021, p. 294).

Although many governmental programs are undocumented or had impact evaluation, there are many tax authorities engaged in tax education initiatives, from school initiatives, information in rural areas, radio programmes, songs, social media videos and even tax-themed soap operas, in Argentina, Brazil, Chile, Colombia, Colombia, Estonia, Guatemala, Israel, Italy, Ivory Coast, Jamaica, Japan, Malaysia Mauritius, Mexico, Morocco, Peru, Romania, South Africa, Spain, Turkey, USA and Zambia, among several others[12]. Additionally, it is worth to note that with Covid-19 pandemic, there was in general an increase of online presence, namely online channels and social media campaigns, but also TV and newspapers and other traditional media[13].

It is worth to note the OECD classification of tax education initiatives from tax authorities and the distribution of the same, concluding that the most frequently used types of initiatives per category are teaching youth to share knowledge about taxes and tax systems, information campaigns to communicate on tax, and offering direct assistance to make taxpayers' life easier, as the following figure shows[14]:



2.2. Tax Education promoted by NGO, academics, and civil society.

Tax Education can be promoted not only by the State but also by other entities, such as NGO, academics and civil society in general.

The role of other entities is essential because they may act as a translator, making tax knowledge accessible from the point of view of the language itself but also on the availability of such information, by adapting it to different target audiences. In the same manner, it is a form of training and enabling such tax literacy[15]. Civil society organizations will, in principle, have taxpayer education objectives different from the tax administrations' goals. Even if they aim to improve voluntary compliance, they will probably have as their main goal to allow ordinary citizens to know tax issues well enough to allow them to ask the right questions about the functioning of the tax system in order to hold the State accountable or to properly exercise their rights, as an important part of the social contract. However, this should not only include NGOs and academia, or civil society in general but also companies and business associations themselves, who can play a valuable role in educating taxpayers, especially for small and medium-sized enterprises, who often do not have access to tax information or because they belong to specific niches[16].

An example of an NGO that promotes Tax Education is Tax Foundation, a North-American think tank created in 1937, that develops research on federal, state, and global taxation. On its website, one can found "TaxEDU"[17], a section dedicated to promoting tax literacy across the American society, by providing several educational resources like classroom materials to be used by teachers, a glossary, crash courses (including to lawmakers), videos and podcasts. Even private entities can and should promote tax education. An interesting example of that is Kidzania (a private chain of indoor family entertainment centers, where children perform tasks of several professions and activities) in some countries, in which children can pretend to work at the national tax authority and learn the importance of taxes for the society (Alink and Kommer, 2016, p. 536)[18].

This is the context in which the Nova Tax Research Lab is developing its Tax Education project[19], in which this knowledge centre established in the Center for Research & Development on Law and Society (CEDIS) of NOVA School of Law tries to fulfil with its obligation to civil society[20]. Targeting young audiences, through an Instagram account, the project tries to clarify the importance of taxes and how they work, in a simple, clear and fun way in the Portuguese context. In this manner, the NOVA Tax Research Lab intends to contribute to a change of culture based on the equitable distribution of the tax effort and on the achievement of tax justice, as well as to mitigate, through education, aggressive planning, and fraudulent tax practices. The aim is also to stimulate the effective participation of young citizens in the public decision-making process in the tax area, contributing to the full exercise of citizenship, fighting back the supposed youth detachment from democracy and its superior values.

2.3. Tax Education as a tool to raise awareness of taxpayers' obligations but also taxpayers' rights[21] – balanced view of the tax relationship

2.3.1. The balance and the improvement voluntary compliance

Fiscal citizenship confers legitimacy to taxation, by the consolidation of taxpayers' rights to control public expenditure as a form of State accountability, as well as the knowledge of the obligations and responsibilities of each citizen (a bidirectional relationship), promoting the satisfaction of the fundamental duty to pay taxes. However, the exercise of such tax citizenship (in a democratic context) requires the creation of political and administrative conditions, so without tax education it will not be possible to improve citizens' tax awareness, allowing them to make more rational decisions (Santos, 2018, pp. 15–16).

Therefore, it is extremely important to note that taxpayers' obligations taxpayers' obligations and means available to Tax Authorities should be taught to the society in general. However, it is frequent that tax education is only focused on taxpayers' obligations while taxpayers' rights are completely disregarded. Indeed, there is a common effort in several State to improve tax education, but the focus has been on the financial importance of taxes and encouraging voluntary compliance. In most projects, one can find none or few references to taxpayers' rights (or, in some cases, the rights mentioned are the citizens' right to participate in the democratic process – not the taxpayer's rights in the specific tax relationship with the administrative authorities). A notable exception is the already mentioned EU project "TaxEdu", in which there is an emphasis on the need to raise awareness of taxpayers' rights, including improving tax compliance (TaxEdu Editorial Team, 2022)[22].

Furthermore, such balance is of essence to diminish the already mentioned psychological costs (v. *supra* 1.1.2): indeed, for a taxpayer to fulfil her/his duties, she/he has to know them. On the other hand, a taxpayer who is aware of her/his rights[23] will have much lower psychological costs, as she/he will be more confident and safe about adequacy and correction of her/his tax behaviour. Therefore, it also promotes the predictability and legal certainty for taxpayers. In addition, the protection of taxpayers' rights favours tax morality by conferring greater moral legitimacy on tax legislation and administration (Carmo, 2021, p. 292). In short, a context that truly promotes voluntary compliance undeniably must take into account the guarantees perspective, i.e., the safeguards of taxpayers' rights and freedoms, as this is the only way we will have a "friendly tax environment" (Pires, 2013, p. 258).

Educating the taxpayers about their rights and obligations is even more important in the current context, in which tax complexity is constantly increasing. Indeed, taxpayers' responsibilities have increased with more complex tax systems, anti-avoidance rules of greater scope, more disclosure obligations, and a constant change in tax legislation. Unfortunately, "*Those responsible for drafting tax legislation have not often seen a benefit to recognising additional rights of taxpayers. Quite the reverse seems to be true*"[24].

Taxpayer education benefits taxpayers themselves at the scale of society, but also more directly. Tax literacy can help people save money through knowledge of the tax system and the substantive and procedural rights that are provided by such system. They can learn, for instance, through which tax provisions that may legitimately reduce their tax assessments or how to comply correctly and timely. However, this knowledge makes obligations financially, temporally, and psychologically lighter in the long term, increasing tax morale, because tax literacy reduces costs, time and fear that tax compliance implies[25].

2.3.2. Taxpayers' rights as fundamental rights of citizens in democratic societies

A taxpayer will only have her/his status of citizen completely respected if she/he has awareness of the obligations resulting from such status, but also if her/his fundamental rights as taxpayer are completely respected. Indeed, If citizenship is the free exercise of a citizen's civil, political and social rights and duties, to exercise citizenship it is necessary to be aware of one's rights and obligations (Pereira, 2014, p. 5).

Naturally, the promotion of tax education allows for greater tax awareness, and the connection between tax civility and citizenship must be made, with the inherent consequence of greater compliance. However, as António Carlos dos Santos puts into evidence, "*(…) Tax Law itself does not recognize citizens, but taxpayers or (curious language that evokes a Freudian lapse) taxpayers. He is more interested in being a resident (or non-resident) than being a national or citizen of a certain State. At the supranational level, European law recognizes overlapping partial citizenship, but it does not recognize the European taxpayer. The notion of tax citizenship does not therefore belong to the lexicon of Tax Law or Public Economy*" (Santos, 2013, p. 13)[26]. The author goes on to note that fiscal citizenship is only evoked in the political lexicon to legitimize compliance with the fundamental duty to pay taxes.

A democratic society that follows the rule of law and the principle of human dignity cannot see taxpayers as simple subjects with fundamental duty to pay taxes (along with any other duties and obligations as taxpayer): taxpayers should also be entitled to fundamental rights, and such rights should be fully respected by the State. In fact, the dignity of the human person is an essential principle for guaranteeing the rights of citizens, including their role as taxpayers.

Consequently, in the context of a relationship of typical conflict such as the tax relationship it will be possible to prevent fiscal authoritarianism, in which the supremacy of the public interest and tax power favour a distorted objective of taxation at any cost, concerned exclusively with collecting revenue and tax compliance. The improvement of this relationship in a democratic context, with a focus on the bilateral flows of the same (i.e., not only the fundamental duty to pay taxes but also the taxpayers' fundamental rights) and the social contract will promote greater respect for transparency and fiscal citizenship, in addition to greater legal certainty (Neto, Gassen and Arabi, 2017)[27]. In fact, the principle of no taxation without representation is one of the main example of how taxpayers' rights are connected with democracy and, notably, the social contract.

A limited tax knowledge and awareness is problematic since it has a strong negative impact on taxpayers' perceptions of the fairness of tax systems, which leads to hesitant citizens, who do not take part in advocacy, fearing the economic, political, or social repercussions of such engagement (Boogaard, no date). In a democratic rule of law, guided by the principles of equality and human dignity, tax laws cannot be addressed only to a privileged group of people, able to understand them: every taxpayer has, or should have, the right to understand what is required of him without the need for an intermediary to decode the hidden meanings in tax laws, as this is the only way he can be a citizen who is fully aware of his tax rights and obligations[28].

On the other hand, an increase in tax education, including on taxpayers' rights, makes tax relationships more transparent and therefore enables active citizens to demand more fairness, equity, good faith, and accountability from the State[29]. Indeed, an appealing, simple, efficient, effective, and equitable tax system from a formal perspective will only be so in a democratic context if the taxpayer and the Tax Authority act within a tax ethics framework, promoted by tax education, as an essential step towards the humanization of taxes.

3. Tax Education and its contribution to Democracy: the interlink between an active exercise of the right to vote and the fundamental duty to pay taxes

Being already established the link between Citizenship and Taxation, it is clear that to think of tax citizenship is to think about the rights and duties that come with it. To be a citizen is to be a person who lives in a societal structure funded by public expenditure. In turn, this public expenditure is funded by taxes.

The right to vote and the duty to pay taxes are both important civic responsibilities in a democratic society. The right to vote is an active exercise of democratic citizenship, allowing individuals to have a voice in the direction of their government and the policies that affect their lives. On the other hand, paying taxes is a fundamental duty that helps to finance the government and its programs, including those that provide basic services and protections to citizens. Both the right to vote and the duty to pay taxes are essential components of a functioning democracy and are necessary for a healthy and stable society.

It is often said that taxpayers have a fundamental duty to pay taxes[30]. To comply with this duty is often voluntary. Could there be a link between the active right to vote and voluntary compliance with the duty to pay taxes? How can we expect taxpayers to voluntarily comply with tax laws if they don't have a proper understanding of taxation in the first place?

3.1. Taxation without representation

When discussing this matter, the slogan "no taxation without representation" comes to mind. Throughout history it became one of the principles of taxation. At the time that it emerged it was linked with property rights, in the early beginning of what we know today as the United States. Those who had property were stakeholders in Democracy. Why? Because taxation affects, first and foremost the right to property.

As mentioned by Vanistendael (2017, p. 444), taxation has played a significant role in historic democratic events, namely the Magna Carta, the Boston Tea Party and the French revolution. Indeed, the effects of taxation in democracy was an important matter for French revolutionists to the point of including the following tax principles in the Declaration of the Rights of Man and of the Citizen (1789) : "*(1) taxes, including the determination of the rules concerning the rates, base, collection procedures and duration, can only be introduced with the direct consent of the citizens or their representatives; and (2) tax burdens must be distributed equally among citizens in accordance with their ability to pay*".

Currently, those same principles remain pillars of taxation. However, it has been clear that taxation has no longer been seen as a pillar of Democracy, but instead as a burden on those who cannot evade it. Tax evasion has become a central topic of discussion of taxation in a globalized economy.

Nowadays those with adequate resources and movable sources of income can choose where to invest, create a business, or simply collect passive income, often, taking advantage of a beneficial tax regime. Notwithstanding current efforts to change this scenario and to ensure the taxation of residents for their worldwide income, states have turned to those who cannot shift their income to other jurisdictions. Local businesses, and workers tend to support the majority of the tax burden through income tax.

Allingham and Sandmo (1972, p. 324) and Srinivasan (1973, p. 345) assumed that the decision to evade taxes results from a rational choice of taxpayers by evaluating the costs and advantages of compliance with the anticipated utility of evasion. This is a choice performed under uncertainty. The act of avoiding taxes is not directly punishable, i.e. there isn´t a direct consequence between not paying the taxes due and being punished. The latter will depend on the direct intervention of tax authorities. Essentially, the decision to comply with the tax obligations by taxpayers could be narrowed down, in most part, to 4 factors: (i) the level of actual income, (ii) tax rates, (iii) audit probabilities and the (iv) magnitude of fines.

Throughout the decades that followed these landmark papers, many have tested and reviewed these factors. Notably, Kircheer, Muehlbacher, Kastlunger and Wahl (2007, p. 20) summarized the various studies published throughout the years and explained the deviations from the initial model.

However, it became clear, that an economical approach would not suffice to understand tax evasion, since there were several empirical contradictions between the studies analyzed. The authors concluded that "*the problem of tax compliance seems too much complex to be explained by a pure economic approach*". We agree.

As such, the purpose of our research is to analyze one of the factors which has been neglected by scholars when discussing motivations for tax compliance on a non-economic approach: the right to vote, and on a broader perspective, the link between political rights and tax education. Could it be sustained that more informed citizens, demonstrate more active participation in democracy, though, namely, the right to vote?

3.2. The link between tax education and tax compliance

Several tax compliance studies have been conducted throughout the years, and although several factors that impact tax compliance have been identified, many questions have not been answered. For example, why do countries with similar tax systems and reinforcement measures have varying levels of tax compliance?

Alm, McClelland and Schulze (1999, p. 143) introduce the notion of a social norm of tax compliance. Essentially, the decision of an individual whether to comply could rest on a final level, if the individual thinks that compliance (or non-compliance) is the social norm.

This notion of social norm is especially important when discussing policies to increase tax compliance. The idea of the authors is that this social norm is not stagnating and that, in order to increase tax compliance, fiscal policies should focus on ways to change the social norm. In the paper, it is argued that one of the ways to change this social norm is to vote on different aspects of the fiscal system.

Thus, the authors conducted a study, mimicking the main characteristics of tax systems worldwide, and giving the agents the choice to vote on different characteristics of the tax system in a group setting. It was observed that the compliance behavior at the individual level after the vote of the group is different from the tax compliance behavior before the vote.

Furthermore, the authors also observed that the social norm of tax compliance may be affected by communication within the group. It was noted that when the agents entered into "cheap talk" before the voting, it was more likely for them to vote on a higher level of enforcement. Moreover, it was also observed that after the vote, full compliance was reached. This was not the case when the vote on a greater level of enforcement was conducted without prior conversations. In this case, tax compliance was almost null.

At the individual level, it was observed that individuals typically vote in their interest, maximizing their payoffs, independently of the possible social consequences of their decisions.

Wahl, Muehlbacher and Kirchler (2010, p. 8) analyzed the impact of voting on tax payments. On an initial level, their conclusions follow closely the arguments presented above, that higher tax compliance can be obtained when taxpayers have the opportunity to vote, which could explain why higher tax compliance levels are registered in countries with direct and participative democracy.

Furthermore, it was also observed trust in the tax system impacts significantly tax compliance. This trust likely results from the perceived fairness of the tax system. Thus, in order to increase tax compliance, the states should adopt policies that enhance the procedural fairness of the tax system, namely with policies that increase the participation of taxpayers but also by making the decisions on tax matters more transparent.

Transparency in tax matters refers to making tax decisions and information about those decisions publicly available and easily accessible. This helps to ensure accountability and prevent corruption. There are various measures that can be taken to increase transparency in tax matters, such as publishing tax laws, regulations, and guidelines, providing taxpayers with clear explanations of their rights and obligations, and making tax administrative decisions publicly available. Additionally, ensuring independent and impartial tax tribunals, providing opportunities for public input in tax policymaking, and conducting regular audits and investigations can also contribute to greater transparency in tax matters.

Several of these measures have been implemented by tax jurisdictions and international jurisdictions[31]. For the specific analysis proposed under this section, special attention should be given to the TAXEDU portal, with the aim of providing information on tax education and training activities for tax professionals, policy makers, and the wider public in EU. The portal aims to support the development of tax education and training activities across the EU and provide a platform for sharing best practices, resources, and information on tax-related education initiatives.

As detailed in the portal the objectives of the TAXEDU web-portal are to (i) “contribute to the fiscal education of young European citizens”, (ii) “reduce tax evasion and fraud across Europe, through better information and education in this area” and (iii) “provide European citizens with information on the services and facilities that are made possible through tax (education, healthcare, etc.)”.

It is our opinion that programs such as the ones described above, focused on tax education, are essential for the active exercise of the tax citizenship of the taxpayer. Through education and training, taxpayers can gain a deeper understanding of their tax obligations and rights, which can help to promote a more informed and positive approach to tax compliance.

Bornman and Ramutumbu (2019, p. 828) develop a conceptual framework of tax knowledge in order to assess tax knowledge as a factor influencing tax compliance. The authors explore the role of tax knowledge in the tax compliance decision, departing from established papers on the matters, and validating concepts such as that “*there is a significant relationship between tax knowledge and a positive attitude towards tax (…)*” which “*can therefore change people’s behavior towards being compliant with tax laws*” [Niemirowski, P., Baldwin, S. and Wearing, A. (2002), as cited by Bornman and Ramutumbu (2019, p. 826)].

Through the empirical analysis conducted, the authors differentiate between general tax knowledge, legal tax knowledge and procedural tax knowledge.

General tax knowledge refers to a broad understanding of the tax system and its underlying principles, as well as an awareness of the types of taxes that exist and the tax obligations of individuals and businesses. This includes an understanding of the tax legislation, regulations, and policies that apply in a given jurisdiction.

Legal tax knowledge refers to a specialized understanding of the tax laws, regulations, and policies that govern the tax system. This includes a deep understanding of the legal principles, tax codes, and case law that apply to various aspects of the tax system.

Procedural tax knowledge refers to the understanding of the processes, procedures, and rules that govern the administration of the tax system. This includes an understanding of how to file tax returns, pay taxes, and resolve tax disputes.

In summary, while general tax knowledge provides a broad understanding of the tax system, legal tax knowledge focuses on the legal principles that govern the tax system, and procedural tax knowledge focuses on the processes and procedures that are involved in tax administration.

It seems that when discussing a more proactive approach towards tax compliance, one should not limit the reach of tax education to a more general perspective of the tax system, but instead, specialized programs should emerge that further develop the procedural and legal tax knowledge elements.

3.3. Drawing a bridge between the exercise of the right to vote and tax compliance

Having established that tax knowledge leads to a more positive and proactive behavior towards tax compliance, it is important to now assess how tax education can directly engage taxpayers. The purpose of our study is to draw a bridge between tax education, the right to vote and tax compliance. In essence, is a taxpayer who has been educated on tax matters, and who actively participates in democracy, more compliant?

This question is especially important in a country such as Portugal which has high electoral abstention rates [32].

The link between electoral abstention and non-tax compliance is complex and it is not possible to conclusively state that there is a direct correlation between the two issues. However, electoral abstention can be seen as an indicator of citizens' disengagement from politics and institutions, which may be related to tax evasion. In fact, a more disengaged and unbelieving society may be more likely to default on its tax obligations. Furthermore, the lack of trust in institutions can lead to a perception that public money is not well spent, which can reinforce the idea that there is no need to pay taxes. In summary, voter abstention may be a contributing factor to tax evasion, but more studies are needed to fully understand the relationship between the two phenomena.

However, it is important to note that the act of voting is not the only expression of a democratized tax system.

As Figueiras (2017, p. 6) suggests that the active participation of taxpayers in democracy, as a reflection of their role within the tax system, can be understood through other mechanisms rather than voting, namely (i) popular legislative initiative in tax matters, (ii) intensification of the participation in the legislative process in tax matters, and (iii) referendum on tax matters.

The first measure would allow taxpayers to present legislative proposals on tax matters. This popular initiative is already foreseen in Portugal's Constitution, although it was later specified that popular legislative initiative is not accepted when concerning tax or financial matters. The author suggests that this limitation should be removed and that it is not coherent to allow for different limitations on legislative proposals by elected representatives or taxpayers.

Furthermore, the author defends that when elaborating legislative proposals on tax matters, there should be intense participation in public discussion to assure that possible conflicts of interests can be settled before a law is passed. This would allow grant transparency to tax legislative matters, which would then, lead to a higher trust of the taxpayers in the tax system and thus, possible increasing tax compliance. This proposal follows similarly the conclusions of Wahl, Muehlbacher and Kirchler (2019) mentioned above.

At last, a referendum on tax matters is proposed. It should be noted that according to the Portuguese Constitution, referendums on tax matters are prohibited[33]. This matter has been discussed in the doctrine thoroughly, with contrary arguments, mainly related, on one side, to the possible use of the referendum as a demagogic tool, and on the other side, the possible positive psychological effect of acceptance of the tax system (since the taxpayer contributed directly to its composition). The author presents a convergent opinion that, yes, the referendum should not be on a decision whether or not to tax, but instead, it could be decided on matters of tax compliance (i.e. deadlines to submit tax declarations) or, further down the line, the allocation of public revenues.

Furthermore, not to lose sight of our purpose with this paper, the mechanisms mentioned above will only obtain the desired results if the taxpayers are engaged, i.e., if there is a collective interest in the tax system, which from our analysis, may stem, mostly, from a cohesive tax education effort.

Conclusions

Tax education can be a powerful tool for promoting tax morale, tax ethics, and citizenship in several ways. In fact, with tax education, taxpayers will reduce the likelihood of unintentional non-compliance and increase voluntary compliance, thereby boosting tax morale. On other view tax education can also promote ethical behavior by highlighting the importance of paying taxes as a civic duty. In the same way, it can also help reduce tax evasion by raising awareness of the penalties and consequences of non-compliance. This can prevent taxpayers from engaging in illegal tax activities and it promotes a culture of compliance. Overall, tax education is an essential tool for promoting tax morale, tax, by increasing understanding, promoting ethical behavior, fostering a sense of citizenship, and reducing tax evasion, tax education can contribute to a more fair and effective tax system that benefits everyone.

It remains to be seen, however, whether the state itself and its administrative machinery are willing to encourage this fiscal moral and to be ever closer to the taxpayers, in order to lead to greater tax compliance.

Still, tax education is of essence to raise citizens' awareness of their rights and obligations, from a bilateral perspective. The tax authorities in a context of cooperative relationship and search for good administration of tax issues should provide an active, public, regular ad systematic manner such tax education to taxpayers. It can be achieved not only through workshops and formations *stricto sensu*, but also through a multitude of publications on rights, obligations, and compliance. Such behavior will also increase confidence in the State and consequently improve the desired cooperative compliance. Additionally, tax education can by promoted by NGO, academics, and civil society, often adapting the language and vehicle of information to different target audiences.

Furthermore, tax education must be more than just about tax literacy, realizing the destiny of tax revenue or the importance of tax compliance: it needs also to promote the knowledge of fundamental rights. Without such two-sided perspective, there is no chance to improve voluntary compliance because taxpayers will not feel secure nor rely on tax legal system. Finally, a democratic society, guided by the rule of law, fairness, and human dignity, demands taxpayers to be treated as citizens with fundamental rights.

The "translation" and dissemination of tax values and knowledge, including the balanced view of the tax relationship in a democratic state is the main goal of the Tax Education project that Nova Tax Research Lab is developing. Therefore, it could be interesting to analyze whether the audience of this project (i.e., social media followers) has changed their perspective on taxation or, in a more general way, how Portuguese taxpayers have perceived the tax legal system evolution.

Additionally, the link between exercising one's right to vote actively and the essential obligation to pay taxes in a democratic society is one that may be supported by tax education. People are better equipped to hold their government responsible for its tax policies and actions when they are informed about the role that taxes play in funding public goods and services. A more informed electorate may arise from this understanding, and a more informed electorate may produce policies that are more successful and make better use of available resources.

By making citizens more aware of the significance of paying taxes as a fundamental obligation to further the common good, tax education can also aid in the promotion of a culture of voluntary tax compliance.

Ultimately, tax education can help to strengthen the connection between the exercise of democratic rights and the fulfilment of fundamental duties, promoting a more just and equitable society. Notwithstanding, further empirical research should be conducted on these matters, namely, for example, the importance of tax education for marginalized groups, as a tool for equality.

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1. Information available at https://taxlab.novalaw.unl.pt/?page_id=1872.
2. In Portugal, the program "Fatura da sorte" ("*lucky invoice*") was created to reward the Portuguese taxpayers that request invoices for the purchase of goods or services. The prizes are Treasury Certificates, from the value of EUR 35,000 up to 50,000. This tax lottery was created to encourage taxpayers to request invoices with their tax numbers, as it allows the State to better control the financial flows: to know who pays to whom; how much they pay and; for what product or service. This control seeks to help combat tax evasion and the parallel economy – Cf. Decree-Law no. 26-A/2014, of 17 February and Ordinance no. 44-A/2014, of 20 February.
3. Cf. article 266.° of the Portuguese Constitution.
4. Ruling of the Portuguese Supreme Administrative Court of 26-10-1994, Case no. 17626.
5. By applying the anti-avoidance provisions, tax authorities may exercise their power to qualify legal acts and subsequently correct the tax base. These provisions also represent a way of putting into practice the principle of the prevalence of the economic substance over the form of legal acts or transactions.
6. In the Portuguese case, the so-called principle of collaboration with the citizens is established in article 11 of the Administrative Procedure Code and article 59 of General Tax Law, resulting from the good faith and confidence principles required by article 266(2) of the Portuguese Constitution.

Additionally, one should note that the Right to good administration is even a fundamental right established in article 41 of the Charter of the Fundamental Rights of the European Union, applying in the relation with the institutions and bodies of the Union. It includes, among other, the general principles of duty of care, fairness, legal certainty, legitimate expectations, participatory democracy and transparency. The principles included in such article have been derived by the Court of Justice from 'constitutional traditions common to the Member States', as acknowledged in Article 6 (3) TEU as well as in the Preamble and Article 52 (4) Charter. V. on this regard https://www.europarl.europa.eu/RegData/etudes/IDAN/2015/519224/IPOL_IDA%282015%29519224_EN.pdf (accessed 31 January 2023).
7. In this spirit, in 2016 the European Commission approved the Guidelines for a model of a European Taxpayers' Code (a non-binding instrument compiling a set of essential guiding principles for the balance of rights and obligations of taxpayers and tax administrations), focused on voluntary compliance, the fight against tax evasion, fraud and avoidance, and the consequent increase in tax revenues, and in which cooperative compliance is encouraged. This document is available at https://ec.europa.eu/taxation_customs/sites/taxation/files/guidelines_for_a_model_for_a_european_taxpayers_code_en.pdf (accessed 2 December 2022).

The European Commission continues to launch initiatives to protect and raise awareness of taxpayers' rights, having recently published the EU Taxpayers' Rights in the Single Market (Communication) (available at https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12626-EU-taxpayers-rights-in-the-single-market-Communication-(accessed 5 December 2022)), seeking, among other objectives, to help taxpayers meet their tax obligations, and also on the Rights of EU taxpayers – simplified procedures to improve compliance with tax obligations (recommendation) (available at https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12627-EU-taxpayers-rights-simplified-procedures-for-better-tax-compliance-Recommendation- (accessed 12 November 2022)).
8. OECD (2021), Building Tax Culture, Compliance and Citizenship: A Global Source Book on Taxpayer Education, Second Edition, OECD Publishing, Paris, https://doi.org/10.1787/18585eb1-en, (accessed 12 December 2022), p. 15.
9. In the same sense, stating that "*Taxpayers are often unaware of their rights and obligations*" - (OECD, 2021).

The International Centre for Tax and Development (ICTD) concluded that "the majority of citizens in Africa do not know what taxes they owe to the government or what tax payments are for" (Mascagni, no date)
10. About the need to change the current and traditional paradigm to a cooperative one, v. ALMEIDA, Carlos Otávio Ferreira de. "Compliance Cooperativo: Uma Nova Realidade Entre Administração Tributária e Contribuintes", in *Revista Direito Tributário Internacional Atual*, 2, 2017, págs. 58–82..
11. An example of administrative taxpayer charter is the Taxpayer Bill of Rights approved by the Canada Revenue Agency, available at https://www.canada.ca/content/dam/cra-arc/formspubs/pub/rc17/rc17-22e.pdf (accessed 10 January 2023).

An example of charter approved by legislation is the US Taxpayers Bill of Rights, stablished in the Internal Revenue Code § 7803(a)(3), available at https://www.law.cornell.edu/uscode/text/26/7803 (accessed 10 January 2023).

An example of a charter for the tax administration service delivery is the one issued by the South African Revenue Service, available at https://www.sars.gov.za/wp-content/uploads/Docs/ServiceCharter/Service-Charter-2022-Updated-23052022.pdf (accessed 10 January 2023).

12. V. e.g. https://www.ictd.ac/blog/taxpayer-education-research/ and OECD (2021), Building Tax Culture, Compliance and Citizenship: A Global Source Book on Taxpayer Education, Second Edition, OECD Publishing, Paris, https://doi.org/10.1787/18585eb1-en, pp. 42 and fl..

13. (Mascagni, no date) and OECD (2021), Building Tax Culture, Compliance and Citizenship: A Global Source Book on Taxpayer Education, Second Edition, OECD Publishing, Paris, https://doi.org/10.1787/18585eb1-en, pp. 112 and fl.

14. OECD (2021), Building Tax Culture, Compliance and Citizenship: A Global Source Book on Taxpayer Education, Second Edition, OECD Publishing, Paris, https://doi.org/10.1787/18585eb1-en, (accessed 12 December 2022), figure 2.3.

15. In this sense, v. e.g. (Boogaard, no date).

16. v. e.g. OECD (2021), Building Tax Culture, Compliance and Citizenship: A Global Source Book on Taxpayer Education, Second Edition, OECD Publishing, Paris, https://doi.org/10.1787/18585eb1-en, pp. 108 and fl.

17. Information available at https://taxfoundation.org/taxedu (accessed 05 January 2023).

18. See e.g. https://www.youtube.com/watch?v=FWKg3oHl6pg
https://guadalajara.kidzania.com/en-mx/pages/establecimientos-oficina-de-servicios-de-impuestos
https://www.nippon.com/en/news/yjj2020111100513/ (accessed 05 January 2023).

19. Information available at https://taxlab.novalaw.unl.pt/?page_id=1872.

20. Available at https://taxlab.novalaw.unl.pt/ (accessed 05 January 2023).

21. it should be noted that "taxpayers' rights" is the expression for rights as a taxpayer, i.e., in the juridical tax relationship, and not, more broadly, as a citizen in the relationship with the State. Thus, it is important to distinguish "taxpayers' rights" from "citizens' rights", even though the former are also essential for the democratic legitimacy of the Tax State, under penalty of violating essential principles of the democratic rule of law of which many taxpayers' rights are a corollary.

22. It also mentions the Commission plans' for a recommendation on taxpayers rights in the single market.

23. Such as rights of administrative or judicial appeal against tax assessment or other administrative acts issued by the tax authority, or simply daily rights, such as the right to obtain information regarding her/his rights and obligations, as well as her/his tax situation, that her/his data is protected by tax secrecy or that she/he may be assisted by a legally qualified professional.

24. (Cadesky, Hayes and Russell, 2016, p. 3).

25. OECD (2021), Building Tax Culture, Compliance and Citizenship: A Global Source Book on Taxpayer Education, Second Edition, OECD Publishing, Paris, https://doi.org/10.1787/18585eb1-en, pp. 20 and fl.

26. (free translation from Portuguese).

27. As Clotilde Celorico Palma states, "*Without Education there is no Citizenship, and there is no Citizenship or Education without Morals. These are transversal dimensions that take on a particular meaning in the tax area. Underlying these concepts is, inevitably, a "contractual relationship" established between the State and the taxpayer, based on a social contract, on the construction of a life in society and on the fundamental duty to pay taxes.*" (Palma, 2020, p. 2) (free translation from Portuguese)

28. In a similar manner, (Valente, 2017, p. 812).

29. V. e.g. (Boogaard, no date).

30. On this, v. (Casalta Nabais, 2004).

31. v. 1.2.1. and 1.2.2. for further examples of tax education initiatives, at a Portuguese and international level.

32. In the last presidential elections, the abstention rate was 42%. Portugal: Taxa de abstenção nas eleições para a Assembleia da República: total, residentes em Portugal e residentes no estrangeiro | Pordata (acessed on 1 November 2022)

33. Article 115 nº 4 of the Portuguese Constitution: "*the approval of laws relating to fiscal, budgetary, pardon and amnesty matters cannot be the subject of a referendum*" *(free translation)*