



The Taxation and Regulation of the Sharing Economy

The Economic and Social Council,

Alarmed by a PWC report estimation declaring the expected growth of the global sharing economy from \$14 billion USD in 2014 to \$330 billion in 2024

Emphasizing the global aspect of the peer-to-peer economy, also called the collaborative or sharing economy, which makes global cooperation on the matter fundamental

1. *Encourages* member states to construct a fair taxing system for the sharing economy to prevent tax evasion by defining the difference, between freelancing and professional work, with measures such as, but not limited to: subdividing income tax percentages according to the amount of hours worked (per week/month/annum) and according to the respective economic sector.
2. *Recommends* to the member states to facilitate the growth of the digital transactions (e.g. access to the internet) in pursuance of bypassing the black market which offer opportunities for tax evasion by:
 - a. educating, to a certain extent, their citizens on the usage of internet, debit cards and e-banking,
 - b. increasing the access to internet by subsidizing projects which focus on introduction of the internet, ATM's and online banking to rural areas,
 - c. strengthening the cooperation between governments and financial institutions to increase traceability,
 - d. establishing exchange of funds and knowledge between developing countries and developed countries to facilitate this growth (e.g. form an international institution or fund);
3. *Further encourages* to subsidize start-ups in the field of peer-to-peer services with actions such as, but not limited to:
 - a. implementing, to a certain extent, tax reductions,
 - b. creating opportunities for growth by granting subsidies;
4. *Further urges* member states to implement national control over the platforms used by the peer-to-peer service providers by:
 - a. limiting commissions,
 - b. ensuring transparency and traceability of their expenses;
5. *Recommends* taxing the sharing economies by industries or sectors comparable to their traditional counterparts such as but not limited to: accommodation such as housing platforms, transportation such as car sharing platforms and miscellaneous leasing.