
**INHERITANCE TAX (IHT) IMPACT ON REVENUE ONCE
INTRODUCED IN THE REPUBLIC OF SOUTH SUDAN**

James Wani Igga (PhD)

University of Juba, School of Management Sciences,

Tel. +211955551110/+211922059222.

Abstract

The main problem of South Sudan is whether or not to introduce Inheritance Tax (IHT) to widen the tax base. The purpose of this work is to reveal impact of any introduction of IHT on the economic growth. The method used was quantitative, using primary and secondary data and a random sample of 80 respondents. The principal findings included that it was wise to introduce IHT with intensified building of capacity and training. It is recommended that peace, reconciliation and stability have to be reached immediately. Further investigation was recommended.

Keywords: share jurisdictions, descendant, Inheritance tax, rudimentary institution, disinheritance, and regulations of bequeathing.

1. Introduction

1.1 Background

Loftspring (2007) argued that the rudimentary institution of inheritance goes to the period prior to the Roman Empire. Once a personal possession substituted family ownership, cutting the family's rights and obligations to asset where, regulations of bequeathing became mandatory. In the medieval Ages, all of a parent's land inevitably passed to the oldest son. Nowadays inheritance does exist in some kind in all legal systems. The right of inheritance is straight forwardly connected with the duty to backing one's living spouse and children upon one's demise. As certain countries put stress on children, in the United States, spouses receive the greatest protection against disinheritance. Loftspring (2007) asserted that the present-day view of marriage in U.S. validity law is that of an economic partnership in which each partner enjoys half the fruits of the marriage. The policies behind the partnership philosophy target to encourage spousal cooperation, allow for benefits within gender roles, advance equality, and cater for greater backing of children and the elderly. To disinherit a spouse is to default on the partnership negotiation, and this is legally forbidden. To guarantee that a spouse is provided for, some jurisdictions offer a remedy, granting the living spouse a prerogative of compensation for non-monetary contributions for the marriage. In other prerogatives, there is a compulsory share. In such obligatory share jurisdictions, the surviving husband or wife has an undisputed right. The person who takes over the widow is normally, the eldest son, brother or a close male relative of the late husband. Melville (2014) stated that The U.K. IHT was initiated in 1986 to substitute capital transfer tax, the Inheritance Tax Act 1984, modified by subsequent Finance Acts.

Nightingale (1997) further stressed that following the end of the Second World War, the revenue began to fall unabatedly in spite of the estate rate being high. As time went, IHT was substituted with the capital transfer tax in 1974 resulting in merely 2.4% of revenue. This resultant low revenue was because the Inheritance Tax (IHT) could be avoided with ease by establishing trusts and durable gifts. Consequently, it ended as a voluntary tax. According to Paper F6, Taxation (UK), FA 2012, IHT is basically a levy charged on wealth left on death, it includes gifts within seven years of death. In addition, it is applicable to certain lifetime transfer of wealth. This type of tax distinguishes itself from income tax, with the fundamental query as to how much the taxpayer has made it. The value transferred by the taxpayer is the one taxed.

1.2 Statement of the Problem

Inheritance Tax is not enshrined in any of South Sudan's Taxation laws and hence, neither enforced nor collected. This is explicitly shown by the taxation budget revenues generated for the years 2013, 2014, 2015, 2016 and 2017. Naturally, such omissions of a number of taxes strongly contributed to narrowing the needed tax base instead of broadening it. This explains why the entire revenue of this country is almost wholly from non-tax revenue sources, which represents 98% (according to the aforementioned budgets). The difficulty now then is how to introduce more classes and types of taxes to ameliorate the future revenue in order to match the requirements of the national budget. However, the question to be investigated is whether or not it would be prudent and feasible to introduce the Inheritance Tax without too many additional hurdles.

1.3 Objectives

The main objective of this study is to discover the impact that introduction of Inheritance Tax would bring to revenue, raising the capacity of the South Sudan economy.

Sub-objectives are: i) How convenient and easy such a tax would be if introduced. ii) Find out the kind of Inheritance Tax policy that could lead to promoting economic growth. iii) Achieve a stable revenue growth.

iv) Investigate the significance of Inheritance Tax policy in South Sudan. And, iv) Expose any shortcomings or difficulties that would emerge as a consequence of introducing Inheritance Tax (IHT).

2. Review of Related Literature

2.1 Definition

Bannock and Baxter (2011) defined the IHT as tax which is payable on the transmission of wealth on death or on gifts for lifetime. The IHT of U.K. is a levy imposed on one's estate at

death. An estate is more or less anything you possess, encompassing one's premises and all assets in it.

For an object to qualify as a gift there ought to be a complimentary intention that a person intended to offer a gift. Relinquishing dividends and remuneration are generally not considered as gifts; as long as a certain prerequisite prevails. Venter et. al. (2012) argued that gifts and inheritances are incidental receipts unrelated to business transactions and thus are of capital nature. Nevertheless, it does not signify that whenever the donee or heir sells the asset, the earnings pertain to capital nature.

2.2 History

Bannock and Baxter (2011) narrated that nearly all developed countries impose levy on wealth transfers as a result of death and gifts made during lifetime. Countries like France and a number of Cantons in Switzerland tax net wealth on yearly basis. Nonetheless nations like Spain and Germany cancelled any wealth tax of late. IHT on death is levied on the beneficiary though with numerous reliefs and exemptions. The United Kingdom does impose this type of tax. The two writers in this paragraph continue to emphasize that all transfers to spouses resident in U.K. are exempted. Business' asset enjoys up to the exemption of 50%. In the USA, estate taxes are taxed on both federal and state levels. IHT should be differentiated from gift tax imposed on property donated to others.

Guide for UK domicile investors (April 2017) stipulated that IHT was introduced in UK in 1796 as a replacement of validation of duty (tax). The greater the relationship the high the rate of tax, highlighting the fact that redistribution was disregarded during that century. Real property continued untaxed until 1853 when succession duty was introduced, calculated on the value of inheritance and levied on all assets not included in the Legacy duty. The present IHT is not realistic to the conditions of beneficiaries. It is really a donation tax based, Kath Nightinggale (1997). Loftspring (2007) stressed that historically, wife inheritance was a means by which to provide for the descendant's household and children. Normally, it is arranged such that the family would judiciously select somebody to cater for the widow. Nowadays, because of elements like property there is a 'U' turn from the communal agrarian society system to a more monetized commercial economy, coupled with the subsequent fragmentation of clan leaders' ability to follow up inheritor's actions. Wife inheritance is seriously declining and vanishing. The process of wife inheritance traditionally demanded that the widow exercised intercourse with the man who would inherit her as his wife. In most cases this tradition was badly abused to the extent that the widow is first compelled to have intercourse with multiple men from her husband's clan. Once inherited, a widow is expected to carry out the whole obligations as wife for her new husband, including sexual intercourse, bearing kids and tilling the land. Loftspring (2007) asserted that once a person passes away he traditionally leaves a 'will'. The persons gaining from this 'will' are referred to as the heirs. Heirs collect the 'inheritance'. In line with the Inheritance and Estate Tax Branch New Jersey Division of Taxation, New Jersey first legislated an Estate Tax in 1934. Its aim was to assure that New Jersey gets the entire amount of the credit for State Death Taxes as permitted against the Federal Estate Tax. Melville (2014) argued that the word

property includes all types of asset, legally along enforceable rights and interests of any description. All assets are considered chargeable except when excluded from what is due for calculation.

2.3 Tax Rates

The House of Commons Library (2015) elaborated that IHT is imposed on the value of a person's estate at the time of their death. The tax is charged at 40% above the tax-free threshold. Largely, this tax is charged at death, although there are cases where gifts by individuals to discretionary trusts or to companies are immediately chargeable to this tax at 20%. Donations and gifts are treated differently from inheritances. For individuals, donations are subject to a gift of 20%, with an annual exemption after deducting a fixed amount of the value of the whole donation made during the tax year.

The Kenya Fiscal Guide 2015/2016 indicated that The Tax Procedures Act has been introduced to rationalize and simplify the administration of tax laws in Kenya. Certain the amendments that the Act has introduced entail a deduction from the current late payment interest rate of 2% per month to 1% per month (simple interest) on the amount of tax remaining outstanding.

In line with Kath Nightingale (1997), IHT is commonly levied at a rate of 40% on all the possessions above the nil-rate group. The nil-rate group is the value of one's property, not included in the UK IHT. Such sums are established by the Tax authority and is presently fixed at £325,000 and suspended up to 2021.

Leach (2011) argued that Inheritance Tax (IHT) is generally charged at 40% of anything inherited, once another person is dead while 20% imposed on lifetime transfers into a trust. The tax rate refers to have never been altered since it came to surface in 1984. From 2012, a new rate of 36% was devised so that a minimum of 10% is donated to benevolent organizations.

The Inheritance and Estate Tax Branch New Jersey Division of Taxation, elaborated that New Jersey has had an Inheritance Tax since 1892 when a 5% tax was levied on assets transferred from the dead individual, known as "decedent", to a beneficiary. Presently, the IHT Act levies a graduated IHT from the gamut of 11% to 16% on the transfer of real and personal asset with an average value of \$500 or more to some recipients.

2.4 Challenges

Leach (2011) cited Brian Milligan Personal Finance reporter, 11 April 2016. The IHT collects relatively tiny income because extremely few taxpayers abide with its payment. Even in UK, David Cameron was put on political spotlight upon receipt of the gifts from his deceased mother. Merely, nearly 8% of the estates paid IHT in the budget of 2016/17.

2.5 Sources of Income

In terms of how IHT operates, a person transfers anything of monetary value to his/her heirs (descendants), provided that the value surpasses £325,000 in 2016/17.

2.6 Exemption

Bannock and Baxter (2011) narrated that in USA charitable denotations are exempted from

such kind of tax as well as transfers between spouses. Certain gifts are exempt from tax irrespective of their size, and irrespective of whether they are made during one's life, or made under the terms of one's will. These are:

i) Donations made to one's spouse or civil partner. ii) Gifts provided for charities. And iii) Gifts given to political parties.

In line with Guide for UK domicile investors only April 2017, real property continued untaxed until 1853 when succession duty was introduced, calculated on the value of inheritance and levied on all assets not included in the Legacy duty. The Inheritance tax was introduced in UK in 1796 as a replacement of probate duty (tax). The greater remote the relationship the high the rate of tax highlighting the fact that redistribution was disregarded during that century. The present IHT is not realistic to the conditions of those beneficiaries. As Nightinggale (1997) commented, it is real donor tax based. Many inheritance tax computations are very simple. Multiple IHT calculations are overly easy. Nevertheless, there exist a variable that confound the inheritance Tax.

An Act exists where any gift during seven years prior to death that increases the value of an estate. But if done three years before death, there is an allowance for relief. Many a times, these donations are lump together. When a person possesses an item and later donates it to somebody, yet he or she persists to harvest any gain, instead that person could be subjected to reimburse income tax.

Garber (2016) outlined that only six states in the US collect the IHT, but the rest of the states do exempt the living husband or wife from paying IHT. However, Nebraska and Pennsylvania do gather IHT on property transferred to children and grandchildren.

Generally, IHT is reimbursed prior to receiving cheque for the rationale that the amount going to the beneficiary will already been decreased by the taxes accruing to the government. Melville (2013) elaborated that transfers are entirely excluded from IHT. In certain instances, reliefs may decrease the amount to be transferred to IHT. The principal reliefs entail the below:

- a. Business and agricultural property reliefs;
- b. Exemptions for transfer made to certain transferees; and
- c. Exemptions available to the transferor.

The exceptions for gifts do not expand to cover income gotten from the asset. A case in point is, the value of bonds inherited or received as a nontaxable property. However, subsequent interest received on the bond by the transferee is chargeable unless exemptions were explicitly done.

Paper F6, Taxation (UK), FA 2012 states that in multiple instances reduction in the value of the estate will be equal to the increase in the value of the donee estate. In this category is cash gift or gift of building. There are multiple occasions where both will not be equal, like in circumstances where unquoted shares are donated. The quantity of the transfer of IHT is always the loss to the donor, and never the value profited by the donee.

2.7 Assessment of IHT Taxable Value

Nightingale (1997) continued that at computing the taxable value of a person's estate, transfers carried out of someone's estate within seven years of their death are embodied. A number of times, gifts raised by an individual within the last seven years of one's life never entice any tax. According to Inheritance and Estate Tax Branch New Jersey Division of

Taxation, Transfer Inheritance Tax (IHT) is a “beneficiary” tax, founded on a particular recipient of the death person’s property and of certain value. The Estate Tax is built on the magnitude of the whole estate, without details of distribution of the properties inherited. States also generate revenues charging two additional taxes: a tax on ownership of vehicles and an IHT and donations tax. An inheritance tax is calculated on the value of the property bequeathed frequently at the rate of 4%.

2.8 Refund of IHT

Section 2181 (d) of the 1995 of the Pennsylvania (PA) Inheritance and Estate Tax Act for statutory alternatives, stipulates that any application about refund ought to be signed by the party who reimbursed the IHT or his/her representative. It is compulsory that such a claim document be deposited at the PA Department of Revenue during three years following the reimbursement, or the conclusive calculation of the tax within a period of three years. Any appeal may be filed for refund may be filed with the Board of Appeals indicating that all taxes assessed were wholly reimbursed. Section 2181 (d) of the 1995 of the Pennsylvania Inheritance and Estate Tax Act made it clear that inheritance taxes (IHT) are very unpopular among the people. These levies are collected during transfers of wealth. The fact that this applies to the wealthiest estates, make people resent about them. Some members of the public are denouncing the cancelation of IHT due to the fact that they fear the government may increase the taxes being paid to substitute the abolished IHT. True, the majority of the people prefer cancelation of IHT in all countries. IHT in the G7 economies never generated even 1% of the GDP for the last 40 years. Globally, governments are conducting survey looking for other modalities that are agreeable in order to finance their projects. Most of the people view IHT as ideal in solving matters like long-term care. A big portion of the public are antagonistic to IHT based on self-interest particularly those who feel disturbed that their offspring may be subjected to this form of tax. Section 2181 (d) of the 1995 of the Pennsylvania Inheritance and Estate Tax Act cited (Rowlingson and McKay 2005), that most of these opposition lack of poor information about IHT. Again Mirrlees, et al.(2010) hypothesized that IHT is in favor of the rich and that is why the poor who are the majority are resisting it. It has always been difficult to persuade this large category of the poor amongst the people. Mirrlees emphasized that proper conception of the public option on IHT can only be achieved on condition that IHT be made part of the wider system. James and Nobes (2012) elaborated that IHT is actually a version of capital transfer tax, which is based on how much the donor leaves on death rather than the actual sum left to the beneficiary. The value of the estate of the deceased is levied as an addition cumulative transfer in the seven years before death. Liability emerges in the wake of taxable transfers is surpassing the threshold for tax (sterling pounds 325,000 beginning in April 2009).

3. Methodology

This study used the quantitative approach. The design of this project was the survey/descriptive one. The primary and secondary sources of data were utilized. A random sample of 80 participants divided into 60% taxation officials and 40% from other taxpayers were selected and limited only to Juba town. A questionnaire was disseminated to the interviewees to fill using a group of trained interviewers.

4. Presentation and Analysis of Data

The method of data analysis selected for this investigation was the chi-square (λ^2) test using SPSS version 20.0. Chi-square test is based distribution and as a non-parametric test is used for comparing a sample variance to a theoretical population variance (C. R. Kothari, 2011). Chi-square test is also a measure of association between variables to test hypotheses and whether distributions came from the same population. Tables and graphs were employed to primarily present the analysis and findings of the research.

Table 4.1: Demographic Characteristics of Respondents

Variable	Options	Frequency	Percent
Age	Below 25	7	8.8
	25-30	15	18.8
	31-35	16	20.0
	36-40	15	18.8
	41-45	11	13.8
	46-50	7	8.8
	51-60	7	8.8
	Above 60	2	2.5
	Total	80	100.0
Sex	Male	71	88.8
	Female	9	11.3
	Total	80	100.0
Marital Status	Not married	16	20.0
	Married	61	76.3
	Divorced/Widowed	3	3.8
	Total	80	100.0
Educational status	Primary education	-	-

	Secondary education	12	15.0
	Diploma	10	12.5
	BSc/BA	49	61.3
	MSc/MA	9	11.3
	Total	80	100.0
Years of experience	Below 1 Year	5	6.3
	2 to 5 Years	26	32.5
	Above 5 Years	49	61.3
	Total	80	100.0

Source: Own data.

The above table 4.1 on demographic characteristics of respondents shows that the majority (20%) of the participants lay between the ages of 31 to 35 years. Those above 60 years were the least (2.5%) category. For gender, the majority (88.8%) were male and female were the smallest (11.3%) group. About marital status, the largest (76.3%) set were those married and smallest (3.8%) group were those divorced/ widowed. On Educational status, those participants holding bachelor degrees were the biggest (61.3%) but there were no respondents from primary level. On years of experience, those above five years were the largest (61.3%) while those below five years were the fewest (6.3%).

Table 4.2: Job Related Experience

Variable	Options	Frequency	Percent
Job position	Junior/ non-technical or support staff	30	37.5
	Supervisor	15	18.8
	Manager	19	23.8
	Director	9	11.3
	Senior director	1	1.3
	Director General	3	3.8

	Others	3	3.8
	Total	80	100.0
Organization/ entity's period of operation	Below 1 Year	5	6.3
	2 to 5 Years	21	26.3
	6 to 10 Years	36	45.0
	11 to 15 Years	4	5.0
	16 to 20 Years	4	5.0
	Above 20 Years	9	11.3
	Missing	1	1.3
	Total	80	100.0
Organization Size	Less than 50	20	25.0
	50-100	20	25.0
	101-250	9	11.3
	251-500	7	8.8
	501-1000	8	10.0
	Above 1000	16	20.0
	Total	80	100.0

Source: Own data.

Table 4.2 above illustrates “Job Related Experience”, in which junior or non-technical support staff were the largest (37.5%) class but the smallest (1.3%) category were senior directors. In terms of organization’s period of operation, the largest (45.0%) set were between 6 to 10 years, those below 1 year, were the least 6.3%. On the organization size, the largest (25.0%) group, were below 50 employees and the smallest (8.8%) group were those between 251 to 500 employees.

Table 4.3: Knowledge and Clarity of Inheritance Tax and other Issues

Variable	Options; Frequency (%)					
	Yes	No	Total			
Do you have any knowledge about Inheritance Tax policy, law and Administration?	56 (70.0)	24 (30.0)	80 (100.0)	Chi-square= 12.80, df=1, p<0.01		
	Very high	High	Medium	Low	Very low	Total
Level of Knowledge on Inheritance Tax	4 (7.3)	12 (21.8)	30 (54.5)	8 (14.5)	1 (1.8)	55 (100.0)
	Chi-square= 47.273, df=4, p<0.01					
	Very High Exemption	High Exemption	Moderate Exemption	Low Exemption	No Exemption	Total
What approaches should the Government adopt in introducing Inheritance Tax?	5 (6.4)	7 (9.0)	31 (39.7)	16 (20.5)	19 (24.4)	78 (100.0)
	Yes	No	I do not know	Total		
Is it wise to introduce Inheritance Tax in Our Republic now despite the socio-economic realities on the ground?	51 (63.8)	19 (23.8)	10 (12.5)	80 (100.0)		
Is it wise to introduce Inheritance Tax in Our Republic now because many other countries have already introduced such tax?	46 (59.7)	17 (22.1)	14 (18.2)	77 (100.0)		
Do you think that time is due for the introduction of Inheritance Tax in South Sudan?	37 (48.1)	27 (35.1)	13 (16.9)	77 (100.0)		

Source: Own data.

Table 4.3 above on Knowledge and Clarity of IHT, has shown that as far as having knowledge on IHT policy, law and administration is concerned, the majority (70.0%) confirmed

that they do possess. On level of knowledge on IHT those who said they have medium knowledge were the largest group. While those who say they have very low knowledge were the tinniest group 1.8%. On what approaches the government should adopt in introducing IHT, the majority (39.7%) argued of “moderate exemption”. On whether it was wise to introduce IHT in South Sudan despite the socio-economic reality on the ground, the majority (63.8%) replied “yes”, while those who commented that they did not know were the fewest (12.5%). On whether it is wise or not to introduce IHT in our Republic now because other countries have already introduced it, the largest (59.7%) group said “yes”, while only 18.2% replied that they did not know. On whether one thinks that time is due for the introduction of IHT in South Sudan, the majority (63.8%), while the smallest (12.5%) group said they did not know.

Table 4.4: Administration of Inheritance Tax

Variable	Options; Frequency (%)					
	Very high	High	Medium	Low	Very low	Total
How do you think that the introduction of Inheritance Tax will raise substantial revenues for the Government?	9 (11.3)	22 (27.5)	29 (36.3)	13 (16.3)	7 (8.8)	80 (100)
	High for the poor	Low for the rich	Neutral for all	Total		
Should Inheritance Tax rate be	6 (7.5)	3 (3.8)	71 (88.8)	80 (100.0)		
	The rich	The poor	All consumers / importers	I do not know	Total	
Do you think the introduction of Inheritance Tax will favor	28 (35.4)	9 (11.4)	31 (39.2)	11 (13.9)	79 (100.0)	
	Extremely Valuable	Very valuable	Moderately valuable	Least valuable	Not valuable	Total
How do you value the introduction of	8 (10.1)	24 (30.4)	24 (30.4)	16 (20.3)	7 (8.9)	79 (100)

Inheritance Tax in our Republic?						
	Realizable or workable	Cheap administration cost	Fair and just	Easy to implement		Total
The Inheritance Tax Policy of South Sudan must be(<i>Multiple responses are allowed</i>)	50.0%	37.5%	63.8%	33.8%		79 (100)
	Very easy	Easy	Moderately easy	Difficult	Very difficult	Total
How do you rate the simplicity in administering the introduction of Inheritance Tax in our Republic by the Tax officials?	5 (6.3)	16 (20.0)	19 (23.8)	24 (30.0)	16 (20.0)	80 (100)
	Capacity Building	Availing resources	Formulating realistic laws	Transparent tax administration	Integrity	Ethical Business Community
What needs to be done to facilitate the effective and efficient introduction of Inheritance Tax in our Country? (Multiple Response)	70.0%	21.3%	71.3%	63.8%	31.3%	10.1%
	Yes	No	I do not know	Total		
Do you think that the Tax Authority has the necessary tools to	11 (13.8)	49 (61.3)	20 (25.0)	80 (100)	Chi-square= 29.575, df=2, p<0.01	

implement modern Inheritance Tax law?					
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Source: Own data.

Table 4.4 above on administration of IHT, in answering the question “how do you think that the introduction of IHT will raise substantial revenue for the government”, the majority (36.3%) said it will generate medium revenue while those “very low” were the tiniest group (8.8%). On whether the IHT rate should be high or low, the neutral were the biggest (88.8%) group, and the smallest group was 3.8% who agreed that the rate would be “low for the rich”. On whether the introduction of IHT will favor the rich or the poor, the majority (39.2%) answered that it will favor all consumers/ importers, while the smallest (11.4%) said it will favor the poor. On how to value the introduction of IHT in our republic, the majority (30.4%) were the group that responded “very valuable” as well as “moderately valuable” were equal (30.4%) but those who said “not valuable” were the smallest (8.9%) set. On whether the IHT policy of South Sudan must “realizable” or “easy to implement” the largest (63.8%) group were those for fair and just, while the smallest (33.8%) group argued that it was easy to implement. On how do you rate the simplicity in administering the introduction of Inheritance Tax in our Republic by the Tax officials? The majority (30%) of the respondents admitted that administration of IHT would be difficult. On what is to be done to facilitate the efficient and effective introduction IHT, the majority (71.3%) argued that formulating realistic laws is the way out. On whether the tax authority has the necessary tools to implement modern IHT law, the majority (61.3%) said “no” the tax authorities do not have.

Table 4.5: Challenges in Administering Inheritance Tax.

Variable	Options; Frequency (%)					
	Lack of good Governance & Administration	Lack of good tax law	Lack of good tax experts	Others		
	Lack of peace and stability	Lack of good economic development	Lack of modernization of the Personal Income tax system	Others		
	Corruption	Tax evasion	Lack of capacity and training	Others		
	Most Relevant	Relevant	Moderately	Fairly	Not	Total

			relevant	relevant	Relevant	
How relevant is peace and reconciliation in the implementation of Inheritance Tax for Development?	47 (58.8)	13 (16.3)	10 (12.5)	3 (3.8)	7 (8.8)	80 (100)

Source: Own data.

Table 4.5 above illustrates challenges in administering IHT. On how relevant peace and reconciliation are in the implementation of IHT for development, the majority (58.8%) stressed that peace and reconciliation were “most relevant”, while the smallest group (3.8%) responded that these two were “fairly relevant”.

Tax Reforms

Table 4.6: Tax Reforms and Administration

Variable	Options; Frequency (%)						
	Yes	No	I do not know	Total			
Do you think the amount raised from Inheritance Tax will be well spent to the benefit of the people of South Sudan?	21 (28.0)	35 (46.7)	19 (25.7)	75 (100.0)			
Should Inheritance Tax be collected at both Federal and State levels?	44 (55.0)	25 (31.3)	11 (13.7)	80 (100.0)			

Source: Own data.

Table 4.6 above demonstrates tax reforms and administration. On whether the amount generated from the IHT will be spent to the benefit of the people of South Sudan, the majority (46.7%) said “no”, but only 28.0% admitted “yes”. On whether the IHT should be collected both at federal and state levels, the largest (55.0%) group argued “yes” it should be collected at other levels, but the minority (13.7%) category replied that they “do not know”.

5. Findings, Conclusions and Recommendations

5.1 Findings

It was found out that the majority of the respondents were male. About marital status, the largest sets were those married and smallest group were those divorced/ widowed. Those participants holding bachelor degrees were the biggest. It was uncovered that those above five years of experience were the largest while those below five years were the fewest. On the organization size, it was revealed that the largest group was below 50 employees and the smallest group was that between 251 to 500 employees. It was discovered that on whether it was wise or not to introduce IHT in South Sudan the majority of the respondents said it was wise to introduce IHT in South Sudan, despite the socio-economic reality on the ground. On knowledge and clarity of IHT, has shown that as far as having knowledge on IHT policy, law and administration is concerned, the majority confirmed that they do possess. On whether the IHT rate should be high or low, the “neutral” were the biggest group. The majority of the respondents admitted that administration of IHT would be difficult. The majority of the participants answered that formulation of realistic laws can lead to efficiency and effectiveness in introducing IHT. The participants strongly exposed that peace and reconciliation are most relevant in the implementation of IHT if introduced.

5.2 Conclusions

This investigation was about the need to discover the impact any introduction of Inheritance Tax (IHT) would bring to bear on the economy of South Sudan. The methodology used is quantitative. Both primary and secondary data were collected from a random sample of 80 participants to whom a questionnaire was distributed for filling. The analysis employed SPSS version 20.0. The prominent findings were that the majority of the people interviewed were male and married. Small companies employing below 50 personnel was the biggest category. Most interviewees affirm that they have knowledge in clarity of IHT, but the majority, were neutral about the rate to be applied.

5.3 Recommendations

It is recommended that stakeholders in South Sudan bring about peace, reconciliation and stability for smooth running of the taxation system. Female education needs to be promoted and encouraged. The government of South Sudan has to create mechanism to attract and incentivize big corporations, which will boost development of the country. It is recommended that Inheritance Tax (IHT) be introduced in South Sudan. Thorough education on IHT needs to be carried out in order to create necessary awareness. More capacity building and training on IHT needs to be carried out to improve knowledge on this tax. For efficiency and effectiveness of IHT if introduced, formulation of realistic laws needs to be conducted. More efforts need to be exerted to large businesses. Further research on IHT in South Sudan should be explored.

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