



OXFAM

# EXAMPLES OF TAX AND GENDER WORK

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## Campaigning for VAT on sanitary products

It is not uncommon for sanitary products to be subject both to VAT and to import taxes, which can add significantly to the costs of what are often already expensive items for most girls and women. Pushing up the price of these products has a detrimental effect on girls and women who already earn less and are poorer than men. When girls and women cannot afford the sanitary products they need, it makes period days more of a struggle and can affect school attendance of adolescent girls living in poverty. Putting VAT on sanitary products also suggests that menstruating or at least using sanitary products to manage menstruation, is a choice or even a luxury.

As a response to public pressure, some countries have removed consumption taxes (exempting them or zero rating them) on sanitary products, with Kenya leading the way in 2004.<sup>1</sup> Canada and some states of the USA have also effectively removed their 'tampon' taxes. In other countries, taxes have been cut. India has now also decided to join the countries with no 'tampon tax'.<sup>2</sup> Other campaigns to remove or reduce taxes are also in progress. One of these is #MenstruAcción launched in Argentina on 8 March 2017. The call to action quickly reached congress and also started the movement Economía Femini(s)ta under the motto 'stop stigmatizing menstruation'.<sup>3</sup>

In Colombia, an initiative 'Menstruación libre de impuestos' (tax-free menstruation) was put together under the banner of Justicia Tributaria, the national tax justice platform that unites activists, academics, workers and others. The campaign launched in 2016 and focused on VAT that was to be levied on sanitary products as part of a broader set of tax reforms.

The government had proposed to increase standard VAT levels to 19%, applying this also to sanitary products. The campaign responded by calling for a reduction of what was described as a regressive and discriminatory tax on products essential for women who make up the majority of the population. The group calculated that the annual VAT paid by menstruating women would amount to \$131m (\$407bn pesos) in a context of a 20% pay gap, thus further deepening women's economic inequality. Challenging the tax reforms in the constitutional court, the group argued that taxes on sanitary products violated the Constitution in several principles such as equality and progressivity, and went against international agreements that Colombia is party to.

As a result of effective campaigning, the government reduced the tax from 16% to 5%; a big win for the campaign. However, despite the campaign win, consumers have apparently not benefited from a reduction in the price that they have to pay for the products.<sup>4</sup> This clearly demonstrates the importance of looking beyond tax policy reforms to their implementation, and to the extent to which prices and consumers themselves are affected in the end.

<sup>1</sup> <http://www.newsweek.com/2016/04/29/womens-periods-menstruation-tampons-pads-449833.html>

<sup>2</sup> <https://edition.cnn.com/2018/07/22/health/india-tampon-tax-intl/index.html>

<sup>3</sup> <https://www.eldefinido.cl/actualidad/mundo/8534/Toallas-higienicas-y-tampones-sin-impuestos-estos-paises-ya-lo-estan-haciendo/>

<sup>4</sup> Ibid.

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