Fun Tax Facts

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Available at: https://scholarworks.sjsu.edu/sjumstjournal/vol9/iss1/7

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By: Rachana Khandelwal, MST

The Tax Collector’s Dog

It’s a universal fact that no one likes the tax man. In order to protect himself from the hostility of the people, Karl Louis Dobermann,¹ a tax collector in Germany came up with an idea to breed an aggressive guard dog with bare teeth who would assist him in his tax collection duty. Thus, the breed Doberman Pinscher a.k.a “The Tax Collector’s Dog” was born.

Donald Duck Convinces People to Pay Tax

In 1941, the U.S. Treasury Department contracted Disney to make a short film. The film was released in 1942 called The New Spirit.

In the film, a radio bulletin reminds Donald Duck of his duty as a citizen and encourages him to pay his taxes to support the war effort. The film was a huge success and was viewed by 32 million Americans. A Gallup poll found that this film positively influenced 37% of the polled population, leading to their tax contributions.² In 1943, Disney made another short film named The Spirit of ’43 to encourage people to set aside money to pay taxes.³

The Netherlands Frontage Tax

Older Dutch houses built alongside the canal are extremely narrow owing to the tax based on the width of their frontage. In the 17th century, frontage tax was assessed based on the width of the street facing side. In order to minimize paying the tax liability, people constructed tall, deep and narrow houses.⁴

¹ Doberman Pinscher, American Kennel Club; available at https://www.akc.org/dog-breeds/doberman-pinscher/.
³ Walt Disney Productions, 8thManDVD.com Cartoon Channel available at https://www.youtube.com/watch?v=XNMrMFuk-bo.
Time Moves Differently Among Countries in the World of Tax

According to a World Bank 2019 report,⁵ it takes 1,501 hours in Brazil to prepare and pay taxes making it the most time-consuming country for tax compliance. In comparison, it takes only 22.5 hours in Bahrain and 175 hours in the United States. The below table highlights the ranking of a few countries out of 201 countries.

<table>
<thead>
<tr>
<th>Country</th>
<th>No. of Hours</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>22.5</td>
<td>1</td>
</tr>
<tr>
<td>Ireland</td>
<td>81.5</td>
<td>18</td>
</tr>
<tr>
<td>Japan</td>
<td>128.5</td>
<td>41</td>
</tr>
<tr>
<td>USA</td>
<td>175</td>
<td>84</td>
</tr>
<tr>
<td>Germany</td>
<td>218</td>
<td>119</td>
</tr>
<tr>
<td>Brazil</td>
<td>1501</td>
<td>201</td>
</tr>
</tbody>
</table>

Note: Time to prepare and pay taxes is the time in hours per year it takes to prepare, file, and pay (or withhold) three major types of taxes: corporate income tax, value added or sales tax, and labor taxes, including payroll taxes and social security contributions.