ECONOMIC REFORM ACT 2019

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XXVI.V.MMXIX

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National Parliament of the Commonwealth of Essexia

Laid before Parliament: XXVI.V.MMXIX

BE IT ENACTED: The Rt Hon. Lord Jack MP makes the following regulations and reforms in the exercise of the powers conferred by decree of the Constitution Article II Sub-Section IV.

1. **Taxation.**
    a. Ability of Parliament to set Taxation.
        i. The Parliament has the ability, as abiding by Section II, Articles I and II of the Constitution, to debate over:
            1. The rate of taxation.
            2. The purpose of taxation.
            3. The details of taxation.
            4. The application of taxation.
            5. The removal and introduction of taxation.
        ii. Taxation must be, as abiding by Section II, Articles I and II of the Constitution, enacted by the King, or by Parliament on assent from the King.
        iii. Taxation is advised to be set in the form of the percentage of an individual's, organisation's, or other taxable entity's total income.
            1. Taxation is not required to be set in the form of the percentage of an individual's, organisation's, or other taxable entity's total income.
            2. In the scenario of the nation lacking a King, it shall be the duty of the First Minister to act on taxation in the ways described in Section I, Article 1, Statement I of this Act.
    b. Application of Taxation to the Individual Citizen of Essexia.

i. If the King, or Parliament, if abiding by Section II, Articles I and II of the Constitution, in addition to the prerequisites set forth in Article I of this Act, decide to introduce taxation on the individual citizen of Essexia, then the applicable individual citizens of Essexia are required to pay and fulfill the applicable taxes unless otherwise excused by His Majesty the King.

ii. If abiding by the prerequisites set forth in this Act, the King or Parliament may set taxation to only apply to certain individual citizens of Essexia, leaving others exempt from fulfilling the taxation.

    1. Furthermore, the King or Parliament may choose to set regulations on which groups of citizens of Essexia may be targeted or exempt from taxation, for example the King or Parliament may choose to implement regulation to prevent certain ethnic minorities or disabled peoples from being taxed more so than other ethnicities or abled people on the grounds of ethnicity or disability.

iii. If abiding by the prerequisites set forth in this Act, the King or Parliament may choose to introduce or retract certain taxations, as long as this act or ability does not contradict this Act, any other ratified Act, or the Constitution.

c. Application of Taxation to the Organisations of Essexia.

i. If the King, or Parliament, if abiding by Section II, Articles I and II of the Constitution, in addition to the prerequisites set forth in Article I of this Act, decide to introduce taxation on the Organisations of Essexia, then the applicable organisations of Essexia are required to pay and fulfill the applicable taxes unless otherwise excused by His Majesty the King.

ii. If abiding by the prerequisites set forth in this Act, the King or Parliament may set taxation to only apply to certain organisations of Essexia, leaving others exempt from fulfilling the taxation.

    1. Furthermore, the King or Parliament may choose to set regulations on which organisations of Essexia may be targeted or exempt from taxation.

iii. If abiding by the prerequisites set forth in this Act, the King or Parliament may choose to introduce or retract certain taxations, as long as this act or ability does not contradict this Act, any other ratified Act, or the Constitution.

iv. Government-owned organisations of Essexia may or may not be exempt from fulfilling certain taxations, depending on which organisations of Essexia each specific taxation applies to, and whether regulations allow Government-owned organisations of Essexia to be exempt or not from all or specific taxations.

d. Taxation to be put into effect as of the ratification of this Act.

i. Should this Act be ratified, the following taxations are to be put into effect, unless otherwise specified by the King and Parliament (As abiding by this Act, any ratified Acts, and the Constitution):

1. Corporation Tax (LLT) applies to all Limited Liability Businesses operating within Essexia that are no Government-owned, and are not Non-Profit Charities. The LLT requires 10% of an applicable Business's Annual Income to be paid to the Royal Bank of Essexia.
2. Inheritance Tax (IHT) applies to all Individuals of Essexia who wish to give their assets and Finance to another Individual or Organisation after the former's death, with the exception of the Monarchy. All applicable Individuals must give 10% of the total worth of the assets and Finance to the Royal Bank of Essexia.
3. Fossil Fuel Tax (FFT) applies to all Fossil Fuels that are sold or bought in Essexia. Should an Individual or Organisation wish to purchase or sell Coal, Crude Oil, Natural Gas, Petroleum, Diesel, and other Fossil Fuels are required to give the equivalent of ¥100 to the Royal Bank of Essexia, per exchange.
4. Income Tax (INT) applies to all Individual Citizens of Essexia who make a steady Income from legal work, and do not receive Government benefits on a regular basis. The applicable Individuals must give the Royal Bank of Essexia the equivalent of 10% of their annual earnings, which does not included any bonuses or Finance made from sources other than a legal career.
5. Road Tax (RDT) applies to all vehicles that consume any Fossil Fuels as their sole Fuel source, and are driven for more than 3 hours per year. The applicable owners of such vehicles must pay ¥500 per year to the Royal Bank of Essexia.

2. Investment.

a. The Ability of Parliament to set regulations on Investments.

i. The King, or Parliament, if abiding by the prerequisites set forth in this Act, any ratified Act, and the Constitution, may set regulations or limitations on which specific or general Individuals or organisations of Essexia may give or receive investments into other individuals or organisations, whether within Essexia or not.

ii. All individuals or organisations of Essexia must make His Majesty The King, and Parliament, aware of investments into or from individuals or organisations from another MicroNation, State, or such entity other than Essexia, unless His Majesty The King has exempt them from doing so, and the Parliament is aware of such exemption.

3. Use of Finance.

a. The Ability of Parliament to set regulations on Use of Finance.

i. The King, or Parliament, if abiding by the prerequisites set forth in this Act, any ratified Act, and the Constitution, may set regulations or limitations on how specific or general individuals or organisations of Essexia may use, spend, or gain finance.

b. The Ability of Individuals and Organisations to Use Finance.
    i. Individuals and organisations of Essexia may use their own finance, or finance that they are authorised to use, as long as their use of such finance does not contradict this Act, any ratified Act, or the Constitution.
    ii. Individuals and organisations of or within Essexia are prohibited from destroying or creating currency without the consent of His Majesty The King.

4. Businesses.

a. The Ability of Parliament to set regulations on Businesses.
    i. The King, or Parliament, if abiding by the prerequisites set forth in this Act, any ratified Act, and the Constitution, may set regulations or limitations on how specific or general individuals or organisations of Essexia may create, dismantle, or operate a business.
    ii. The King, or Parliament, may regulate whether there are conditions that an individual or organisation of Essexia must meet in order to create, dismantle, or operate a business.

b. The Ability of Individuals and Organisations of Essexia to create, dismantle, or operate a Business.
    i. Individuals and organisations of Essexia may create, dismantle, or operate a business, as long as their doing so does not contradict this Act, any ratified Act, or the Constitution.
    ii. Individuals and organisations of Essexia may, if the King and Parliament permit, create, dismantle, or operate a business under the following categories, as long as the Royal Bank of Essexia permits a license to be granted for a specific category of business:
        1. A Non-Profit Charity (NPC) is not required to pay Corporation Tax (LLT) as long as the NPC receives a minimum of ¥500 per month in the form of donations from the public.
        2. A Private Limited Company (LTD) allows the business owner and the business to have separate assets, meaning should a LTD be dismantled, the business's debts cannot be paid using the owner's assets.
        3. A Public Limited Company (PLC) shares the same benefits of a LTD, but may sell up to 99% of its shares on the Essexian Share Trade Centre (ESTC). A PLC is required to give its shareholders a minimum of ¥5 per month in the form of dividends, or otherwise face Government-mandated dismantling.
        4. A Private Unlimited Company (PUC) is a business that shares its finances and assets with its registered owner. Should the business be dismantled, its debts can be financed using the owner's assets.

5. A Non-Profit Entity (NPE) is an organisation that does not create profit, and licenses for such a category may only be given by His Majesty The King. Unless otherwise specified, all Government-owned organisations should be regarded as NPEs. NPEs do not pay LLT taxation, and may be exempt from other taxations if specified by His Majesty The King. NPEs receive funding from His Majesty The King, generally as advised by the First Lord of the Treasury.

iii. All businesses must receive permission from the Royal Bank of Essexia, receive a license to operate as a certain category of business from the Royal Bank of Essexia, have a name and owner be registered at the Royal Bank of Essexia, and have a minimum of ¥100 within the finances and assets of the owner, and/or the business, depending on which category of business it is registered under and the liability status of such category.

c. The Ability of Individuals and Organisations not of Essexia to create, dismantle, or operate a Business.

i. Individuals and organisations not of Essexia may create, dismantle, or operate a business, as long as their doing so does not contradict this Act, any ratified Act, or the Constitution, and Essexia and the Nation that the individuals or organisations are within have both signed a Treaty of Mutual Cooperation.

ii. All Taxation that would apply to a business, individual, or organisation of Essexia will apply to businesses, individuals and organisations not of Essexia as well, varying between the category and exemptions of the business. Should His Majesty The King declare so, a business, individual, or organisation not of Essexia may be exempt from specific taxation, regulation, or other prerequisites or requirements.

5. Government.

a. The Monarchy.

i. The Monarchy, as abiding by this Act, any ratified Act, and the Constitution, are not required to pay any taxation that has been set forth in this Act, unless specifically required to do so.

ii. The Monarchy isA permitted to create, dismantle, or operate a business, as long as it abides by the prerequisites set forth in this Act.

iii. The Monarchy may invest or use finance as permitted in this Act, unless specifically required to do so in a different way.

b. Parliament.

i. Members of Parliament, excluding the Monarchy, and abiding by this Act, any ratified Act, and the Constitution, are required to pay all taxation that have been set forth in this Act, unless otherwise specified by the King.

ii. Members of Parliament are permitted to create, dismantle, or operate a business, as long as it abides by the prerequisites set forth in this Act.

iii. Members of Parliament may invest or use finance as permitted in this Act, unless specifically required to do so in a different way.
iv. Parliament shall be recognised as a Government-owned, Non-Profit Entity, and one that does not pay any of the taxation that has been set forth in this Act. Parliament's registered owner is by default the King, and their funding is set by His Majesty The King.
v. As described in Section II, Articles I and II of the Constitution, Parliament may advise the King on the matters mentioned in this Act, however the King has final say on policy change, unless in scenarios as described in the Constitution.
vi. The Royal Bank of Essexia is required to keep records of all registered businesses in Essexia, and all tax-paying individuals and organisations of Essexia.
vii. The Royal Bank of Essexia is required to produce an annual statement of:
    1. The number of individuals and organisations that have been taxed in the past year.
    2. The businesses that have paid tax in the past year.
    3. The total value of the tax collected in the past year.
viii. The Royal Bank of Essexia is required to keep the tax collected, and only spend it when instructed by the King to do so.
ix. The total finances of the Royal Bank of Essexia should be considered Essexia's total Government budget.

c. Foreign Governments.
    i. Foreign diplomats in Essexia are not required to fulfill any of the taxation that has been set forth in this Act unless they are a registered citizen of Essexia, or the King decrees otherwise.
    ii. Embassies are also exempt from fulfilling any of the taxation set forth in this Act unless the King decrees otherwise, and shall be registered as NPEs, with their owner being the Head of State of the Embassy's State.

Rt Hon. Lord Jack MP

King Terry I of Essexia