Guiding Principles of Good Tax Policy:

1. **Equity and Fairness.** Similarly situated taxpayers should be taxed similarly.

2. **Certainty.** Tax rules should clearly specify how the payment amount is determined, when it should occur, and how it should be made.

3. **Convenience of payment.** Facilitating a required tax payment at a time or in a manner that is most likely convenient for the taxpayer is important.

4. **Effective tax administration.** Costs to collect a tax should be kept to a minimum for both the government and taxpayers.

5. **Information security.** Tax administration must protect taxpayer information from unintended and improper disclosure.

6. **Simplicity.** Tax laws should be simple so taxpayers can understand the rules and comply with them correctly and in a cost-efficient manner.

7. **Neutrality.** Minimizing the effect of the tax law on a taxpayer's decisions as to how to carry out a particular transaction or whether to engage in a transaction is important.

8. **Economic growth and efficiency.** The tax system should not unduly impede or reduce the productive capacity of the economy.

9. **Transparency and visibility.** Taxpayers should know that a tax exists and how and when it is imposed upon them and others.

10. **Minimum tax gap.** Structuring tax laws to minimize noncompliance is essential.

11. **Accountability to taxpayers.** Accessibility and visibility of information on tax laws and their development, modification, and purpose, are necessary for taxpayers.

12. **Appropriate government revenues.** Tax systems should have appropriate levels of predictability, stability, and reliability to enable the government to determine the timing and amount of tax collections.