



# From Insight to Discourse: The Free Syria Foundation's Role in Enriching Syria's Fiscal Reform Path

**To:** Our esteemed partners and supporters

**From:** The Free Syria Foundation

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**Subject:** Analyzing Our Research Contributions Within Syria's New Fiscal Framework

## 1. Introduction: A New Horizon for Fiscal Reform in Syria

The recent announcement and publication of a new Sales Tax Law by the Syrian Ministry of Finance marks a significant milestone toward building a modern, clear, and transparent fiscal system. This reform serves as a critical first step in rebuilding the economy on a foundation of efficiency and trust. For the Free Syria Foundation, this development represents a significant intersection with the intellectual and research groundwork we have shared in the public sphere. This document outlines the relationship between our ongoing research, our advocacy for reform, and the core principles reflected in the new tax code, highlighting the value of academic and field-based contributions in shaping the country's economic future.

## 2. Our Intellectual Blueprint: Foundations for a Free Market

Since our inception, the Free Syria Foundation has championed a vision for a dynamic Syria where economic opportunity and personal freedoms can flourish. We have advanced this vision through research-driven insights and meaningful engagement with stakeholders. Our policy paper, 'A New Tax System for Syria,' served as a detailed framework based on core principles we identified as essential for recovery:

- **Simplicity and Transparency:** Replacing complex, opaque structures with a clear and understandable system.
- **Ease of Doing Business:** Lowering compliance costs to attract and retain investment.
- **Economic Neutrality and Growth:** Utilizing the tax system as a tool to stimulate productive sectors and job creation.
- **Decentralization:** Empowering local governance to better respond to community-specific needs.

### 3. Converging Visions: A Comparative Analysis of the New Code

Reform Area	The New Enacted Sales Tax Law	Free Syria Foundation Research Insights
Tax Structure	Article 6 establishes a 5% general sales tax on domestic and imported goods and services.	Our research advocated for a unified sales tax starting at 5% to ensure a broad base and simplified administration.
Digital Compliance	Articles 18, 22, and 58 mandate electronic linkage, QR codes on invoices, and digital declarations.	We consistently advocated for 'Digitization' as a key tool to enhance transparency and reduce bureaucratic friction.
Incentivizing Production	Article 8 completely exempts exports from sales tax to stimulate growth.	Our proposals highlighted the use of strategic exemptions to boost export-oriented sectors and productive growth.
Decentralized Framework	The law establishes a framework for localized administration and compliance.	The Foundation championed balanced revenue distribution models to support local development and accountability.
Procedural Clarity	Chapters 5 & 6 establish detailed procedures for registration and formal appeals processes.	Our work emphasized the necessity of clear, non-arbitrary procedures to ensure fiscal fairness and combat opacity.

### 4. Our Pathway to Participation: Contributing to the Change

This alignment is the result of a sustained strategy aimed at enriching the national policy discourse through research and engagement:

- **Policy Engagement:** Formally sharing our comprehensive tax analysis with relevant committees to foster a direct dialogue on pro-growth fiscal reform.
- **Shaping Public Discourse:** Our persistent analytical contributions helped create an intellectual climate where market-oriented reform became a central priority.
- **Expert Dialogue:** Our involvement in policy-focused discussions provided critical insights, allowing us to align our research with the evolving needs of the contemporary debate.

## 5. The Work Ahead: Monitoring and Deepening Reform

The passage of this law is an important beginning. The Free Syria Foundation's role is now focused on ensuring this path leads to long-term prosperity:

- **Monitoring Implementation:** Tracking the rollout to identify bottlenecks and proposing solutions that support business growth.
- **Analyzing Economic Impacts:** Conducting rigorous research on the effects of the new tax on pricing, investment, and social welfare.
- **Advocating for Phase 2:** Continuing to provide insights on 'Special Economic Zones' and further 'Income Tax' simplification as detailed in our research models.

## 6. Conclusion: A Partner in Economic Recovery

The new Sales Tax Law reflects the significant impact of ideas and sustained research-based advocacy. The Free Syria Foundation remains dedicated to providing the intellectual frameworks and analytical tools necessary for a prosperous future. Your partnership has been the driving force behind our ability to contribute these insights to the national dialogue, working toward a Syria driven by free markets and economic opportunity.

