

It takes two to tango; that's so true in business. Every transaction has two parties involved. Every seller must have a buyer, every employee must have an employer and every service provider must have a service recipient. Therefore, for each transaction, there must be an equal and opposite effect. Income to one party must be an expense to another. This basic fact is useful to tax collectors, information from one party is enough to trace the other. Tax systems are so designed that taxpayers involuntarily report one another. We must assume that not all taxpayers have the motivation to evade tax..