

Taxation trends in the European Union

Data for the EU Member States, Iceland and Norway

2014 edition

Taxation and Customs Union

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Preface

The 2014 edition of *Taxation Trends in the European Union* is the eighth issue of the report in its current form. The objective of the report remains unchanged: to present a complete view of the structure, level and trends of taxation in the Union over a medium- to long-term period.

Taxation is at the heart of citizens' relationship with the State. It is not only government experts and academics, but also many citizens that ask the European Commission questions about tax levels in the EU and on how Member States compare with each other; this report, published annually, is one way of answering them. Much work has gone into making sure that the data it contains are accurate and comparable across countries. The methodology to ensure this was developed jointly by statisticians from Eurostat and economists from the Directorate-General for Taxation and the Customs Union, who have drafted the report. In addition, experts from national Statistical Offices and from the Ministries of Finance of all countries covered have actively contributed by supplying data and comments; we would like to express our thanks for their valuable suggestions and help.

The report provides data and analysis for the European Semester, as the proper functioning of tax systems is a key prerequisite for economic growth. The data on the tax burden in the various Member States can thus be used as an input for the formulation of the Country-Specific Recommendations on tax reforms that are announced at the end of the European Semester.

In addition to the analysis of Europe-wide trends in Part I, the report also includes a Part II with Country Chapters, covering each EU Member State plus Iceland and Norway. The Country Chapters contain a discussion of tax revenue trends, as well as a description of the main characteristics of each country's tax system. Since 2009, the information can be complemented by a full listing of revenue by tax, the National Tax List, at the most disaggregated level available, accessible free of charge from the report's web page (<http://ec.europa.eu/taxtrends> as well as on 'Statistics Explained'). Finally, the 'Taxes in Europe' database (<http://ec.europa.eu/tedb>) contains detailed and updated information on the 650 most important taxes in force in the EU Member States.

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Background information

Taxation trends in the European Union is the result of cooperation between two Directorates-General of the European Commission: the Directorate-General for Taxation and Customs Union (DG TAXUD) and Eurostat, the Statistical Office of the European Union. The National Accounts data collected from the national statistical offices by Eurostat were analysed by DG TAXUD staff.

For some indicators, additional estimates provided by experts from national tax departments, consulted in the context of the Working Group on the Structures of the Taxation Systems run by DG TAXUD, have been used. The Commission staff wishes to thank the Working Group experts for their very helpful oral and written contributions. Nevertheless, the Commission Services bear sole responsibility for this publication and its content. This report does not necessarily reflect the views of the tax departments in the Member States.

Any questions or suggestions relating to the analysis should be addressed to:
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Language and dissemination

Taxation trends in the European Union is available in English only. The publication can be downloaded free of charge from the websites of the Directorate-General for Taxation and Customs Union (<http://ec.europa.eu/taxtrends>) or Eurostat (<http://ec.europa.eu/eurostat>). The paper version can be purchased via the EU bookshop (<http://bookshop.europa.eu>).

Additional information

The National Tax Lists for almost all EU countries, showing tax revenues for all major taxes, has been published online, replacing and augmenting the List of Taxes contained up to the 2008 edition of this report (see NTL at: <http://ec.europa.eu/taxtrends> and on 'Statistics Explained'). Readers interested in taxation may also find detailed information on the legal form and revenue of the taxes currently in force in the EU Member States in the 'Taxes in Europe' database (<http://ec.europa.eu/tedb>).

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Abbreviations

Country abbreviations

BE	Belgium	LU	Luxembourg
BG	Bulgaria	HU	Hungary
CZ	Czech Republic	MT	Malta
DK	Denmark	NL	Netherlands
DE	Germany	AT	Austria
EE	Estonia	PL	Poland
IE	Ireland	PT	Portugal
EL	Greece	RO	Romania
ES	Spain	SI	Slovenia
FR	France	SK	Slovakia
HR	Croatia	FI	Finland
IT	Italy	SE	Sweden
CY	Cyprus	UK	United Kingdom
LV	Latvia	IS	Iceland (EEA member)
LT	Lithuania	NO	Norway (EEA member)

Commonly used acronyms

EU	European Union
EMU	Economic and monetary union
MS	Member State
EU-25	European Union (BE, CZ, DK, DE, EE, IE, EL, ES, FR, IT, CY, LV, LT, LU, HU, MT, NL, AT, PL, PT, SI, SK, FI, SE, UK)
EU-27	European Union (BE, BG, CZ, DK, DE, EE, IE, EL, ES, FR, IT, CY, LV, LT, LU, HU, MT, NL, AT, PL, PT, RO, SI, SK, FI, SE, UK)
EU-28	European Union (BE, BG, CZ, DK, DE, EE, IE, EL, ES, FR, HR, IT, CY, LV, LT, LU, HU, MT, NL, AT, PL, PT, RO, SI, SK, FI, SE, UK)
EU-15	European Union (BE, DK, DE, IE, EL, ES, FR, IT, LU, NL, AT, PT, FI, SE, UK)
EA-17	Euro area (BE, DE, IE, EE, EL, ES, FR, IT, CY, LU, MT, NL, AT, PT, SI, SK, FI)
EA-18	Euro area (BE, DE, IE, EE, EL, ES, FR, IT, CY, LV, LU, MT, NL, AT, PT, SI, SK, FI)
NMS-12	New Member States (BG, CZ, EE, CY, LV, LT, HU, MT, PL, RO, SI, SK)
NMS-10	New Member States (CZ, EE, CY, LV, LT, HU, MT, PL, SI, SK)
ECSC	European Coal and Steel Community
EEA	European Economic Area (European Union members + Iceland, Liechtenstein and Norway)
PIT	Personal Income Tax
CIT	Corporate Income Tax
EATR	Effective Average Tax Rate
ESA79	European System of Accounts 1979
ESA95	European System of Accounts 1995
GDP	Gross Domestic Product
ITR	Implicit Tax Rate
SSC	Social (Security) Contributions
VAT	Value Added Tax
NTL	National Tax List
:	Not available
n.a.	Not applicable
pp	percentage points

Introduction

This publication presents time series of tax revenue data from National Accounts for the twenty-eight Member States, Iceland and Norway. It provides a breakdown of taxes according to different classifications: by type of tax (direct taxes, indirect taxes, social contributions), by level of government (central, state, local, social security funds, EU institutions), and by type of tax base (consumption, labour, capital). It also compiles data for the sub-groups of environmental and property taxes.

The breakdown of tax revenue data in percentage of GDP provides measures of the tax burden and of the structure of taxation in the different Member States, as well as developments over time. As for the tax burden by tax base, besides providing a breakdown, the report computes implicit tax rates (ITR). ITRs provide a measure of the effective average tax burden on different types of economic income or activities; in each case, the ITR expresses aggregate tax revenues as a percentage of the potential tax base.

The data on tax revenues by type of tax and by level of government are obtained by aggregating the tax transactions in National Accounts. These are provided by Member States' National Statistical Institutes to Eurostat and follow the classification prescribed by the European System of Accounts (ESA95) ⁽¹⁾. The economic classification of taxes and the categorisation of energy taxes are computed specifically for this publication, using the National Tax List (National Accounts data) and complementing this with more detailed tax revenue data provided by the Member States. The computation of the ITRs requires additional assumptions and calculations. Ministries of Finance in the Member States have in particular helped to produce the required data. A comprehensive overview of the methodology and data used for this purpose is available in Annex B of the report.

This edition of the publication *Taxation trends in the European Union* covers the 1995–2012 period, with a focus on the 2002–2012 period, corresponding to the years for which detailed National Accounts data are available for all reporting countries in the ESA95 format.

The publication is divided in two parts. Part I reviews the major trends and developments in taxation across the EU. Part II contains 30 country chapters, which review the main trends in the development of the overall tax burden and give an overview of the tax system and of the main recent policy changes. The table of statistics provided for each country contains six blocks of data: A — Structure of revenues in percentage of GDP; B — Structure according to level of government in percentage of total taxation; C/D/E — Structure according to economic function in percentage of GDP, with specific reference to Environmental taxes (D) and Property taxes (E); F — Implicit tax rates.

Annex A presents the same data organised differently: each table presents a single tax category, in percentage of GDP or in percentage of total taxes, or an implicit tax rate, for all years and Member States for which they are available together with arithmetic and weighted EU averages. Annex B gives information about the source of the data used for the calculations presented in the report as well as about any country specific adjustments made during the computations. A detailed methodology can also be found in this annex. It describes in detail the approach followed in calculating the ratios included in Annex A and the methods employed by the Ministries of Finance and the Commission Services to allocate the revenue of the personal income tax to labour, capital or other sources of taxable income together with the lists of all taxes for which revenue data were submitted by the Member States and their respective allocation to the different economic functions and environmental tax categories.

⁽¹⁾ European Commission (1996).

Development of the overall tax revenue in the European Union



Level and long-term trends

The EU remains a high tax area

In 2012, the overall tax ratio, i.e. the sum of taxes and compulsory actual social contributions in the 28 Member States (EU-28) amounted to 39.4 % in the GDP-weighted average, nearly 15 percentage points of GDP over the level recorded for the USA and around 10 percentage points above the level recorded by Japan.

The tax level in the EU is high not only compared to those two countries but also compared to other advanced economies; among the major non-European OECD members for which recent detailed tax data is available, Russia (35.6 % of GDP in 2011) and New Zealand (31.8 % of GDP in 2011) have tax ratios exceeding 30 % of GDP, while tax-to-GDP ratios for Canada, Australia and South Korea (2011 data) remained well below 30 %. As for less developed countries, they are typically characterised by relatively low tax ratios.

Compared to its EFTA neighbours, a mixed picture emerges. While Switzerland had a very low tax ratio at 27.9 % of GDP, Norway's tax-to-GDP ratio stood above the EU average and is coupled with a low expenditure-to-GDP ratio resulting in large budgetary surpluses.

High EU tax levels are not new, dating back essentially to the last third of the 20th century. In those years, the role of the public sector became more extensive, leading to a strong growth of tax ratios in the 1970s, and to a lesser extent also in the 1980s and early 1990s. In the late 1990s, first the Maastricht Treaty and then the Stability and Growth Pact led EU Member States to adopt a series of fiscal

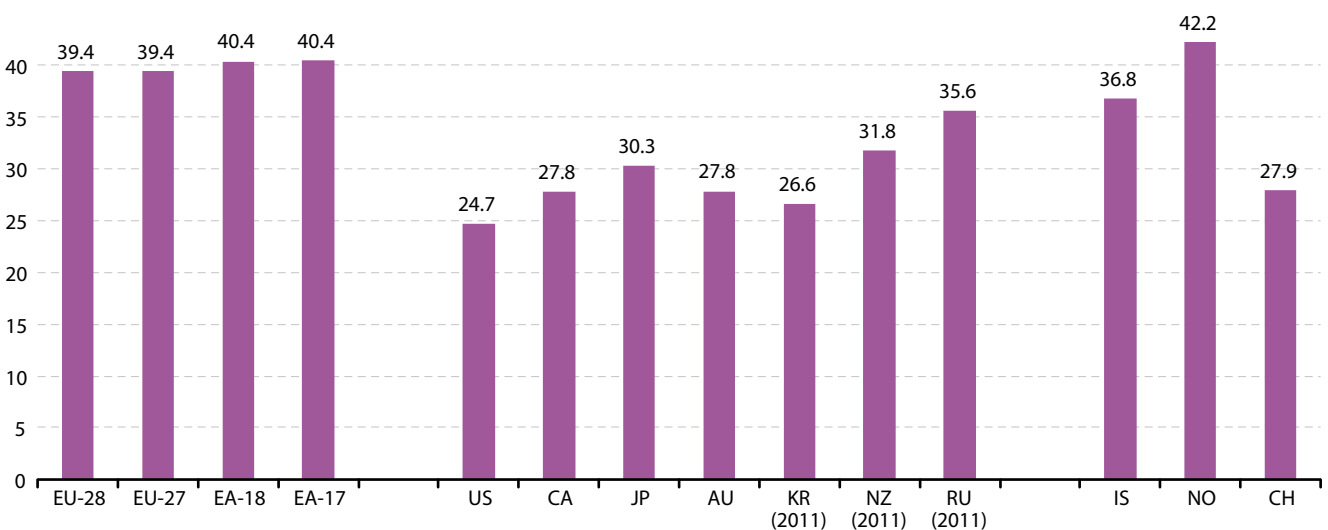
consolidation packages. In some Member States, the consolidation process relied primarily on restricting or scaling back primary public expenditures, in others the focus was rather on increasing taxes (in some cases temporarily). By the end of that decade, however, a number of countries took advantage of buoyant tax revenues to reduce the tax burden, through cuts in the personal and corporate income tax as well as in social contributions.

The tax-to-GDP ratio exceeded pre-crisis levels in 2012 and is set to continue growing in 2013

The overall tax-to-GDP ratio started decreasing from 2000. This trend continued until 2004. The overall tax ratio increased up to 2007 in the euro area and the EU-28. Tax revenues then decreased until 2010 in both the euro area and the EU-28.

The first effects of the global economic crisis were felt on revenues already in 2008 even though in the EU the annual growth turned negative only the following year — growth slowed down substantially during the third quarter of 2008 and turned negative in the last quarter. Tax revenues in the main tax categories displayed a corresponding pattern, with a differing fiscal lag for direct taxes, indirect taxes and social contributions. Mainly measures on the expenditure side were taken by the Member States during the trough of the recession. Those countries that introduced tax cuts directed them at cutting labour taxes and, to a smaller extent, capital taxation. The overall tax ratio reached its lowest value since the beginning of the decade in 2010. Initial consolidation measures and a modest recovery of the economy stabilised

Graph 1: Tax revenue (including social contributions), EU aggregates and selected countries, 2012 (% of GDP)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag) for the EU and EFTA, OECD (SNA08) for other countries

tax revenues in 2010, as expenditure side saw consolidation in almost all countries in 2011 and 2012.

There are many reasons why government tax revenue varies from year to year. In general, the main reasons are changes in economic activity (affecting levels of employment, sales of goods and services, etc.) and in tax legislation (affecting tax rates, the tax base, thresholds, exemptions, etc.) as well as changes in the level of GDP. The crisis — together with measures of fiscal policy adopted in the countries — has a strong impact on the level and composition of tax revenue in 2009–13, although the first effects had already become visible in 2008.

It should be noted, that even when using accrual methods of recording, the effects of changes in legislation or economic activity tend to have a delayed impact on tax revenue.

In 2012, tax revenues in terms of GDP increased substantially for the third year in a row

In 2012, tax revenues in terms of GDP increased substantially for the third year in a row and reached their highest level since 2001.

The tax-to-GDP ratio exceeded pre-crisis levels both in the EU-28 and euro area (EA-18). This reflects pro-active tax measures taken by Member States during the last years

to correct their deficits as well as the on-going economic recovery in most Member States.

Euro area tax revenue as a percentage of GDP remained at a slightly higher level than EU tax revenue (39.4 % of GDP in the EU-28 and 40.4 % of GDP in the EA-18).

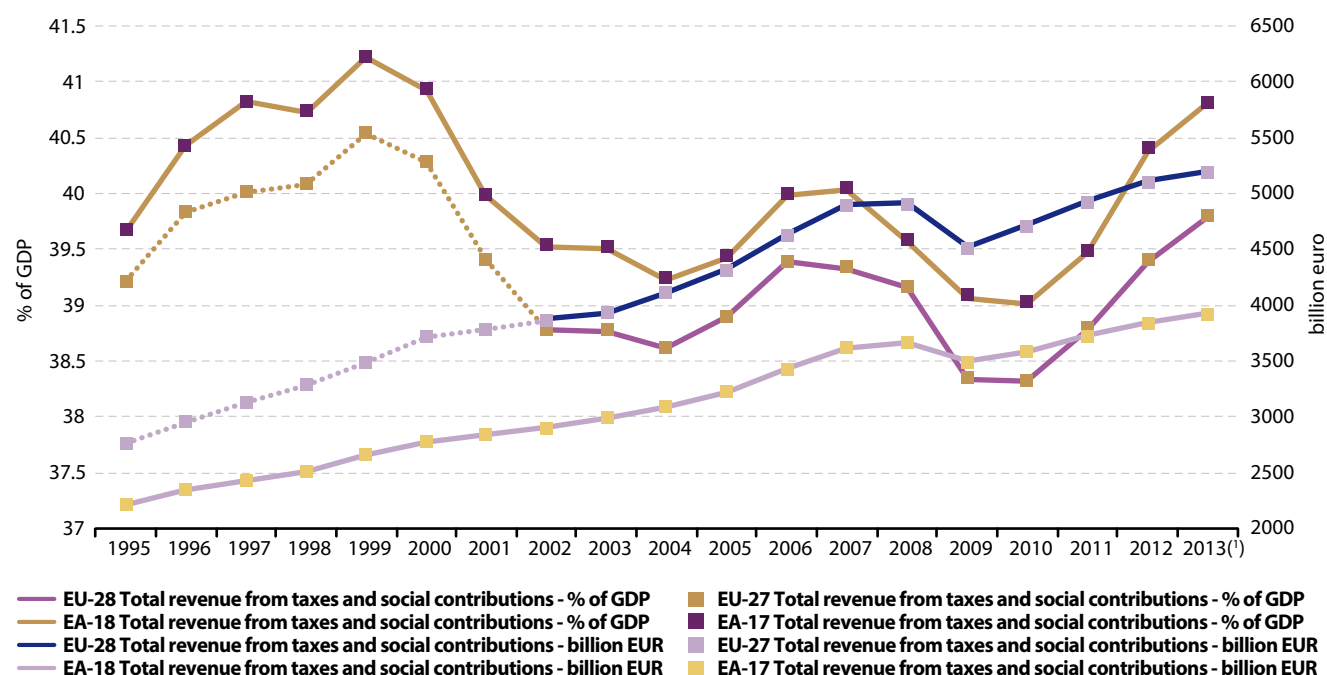
In 2013, estimates from main aggregates of general government and quarterly data show that tax revenues as a percentage of GDP are set to continue rising.

This recovery in tax revenues can at least partly be attributed to active revenue raising measures in some Member States such as increases in the VAT rate and the introduction of new taxes, such as additional taxes on financial institutions (bank levies, surtaxes, payroll taxes) and property taxes.

Even in absolute terms, tax revenue fell in the EU and the euro area between 2008 and 2009 — for the first time in the period from 1995 onwards, before steadily rising again to surpass pre-crisis levels in 2011 in both areas.

As detailed in subsequent sections of this chapter, the developments since 2009 differ significantly by type of tax. Consumption taxes increased from 10.7 % of GDP in 2009 to 11.1 % of GDP in 2010 remained relatively stable to stand at 11.2 % of GDP in 2012. This was mainly due to increases in VAT rates in many Member States resulting in higher VAT revenues as well as resumed domestic demand in most Member States. Consumption taxes are mainly composed of indirect taxes and these are expected to have a shorter lag

Graph 2: Tax revenue (including social contributions), EU-28, EU-27, EA-18 and EA-17, 1995–2013 (% of GDP and billion EUR)



(¹) 2013: Eurostat estimate.

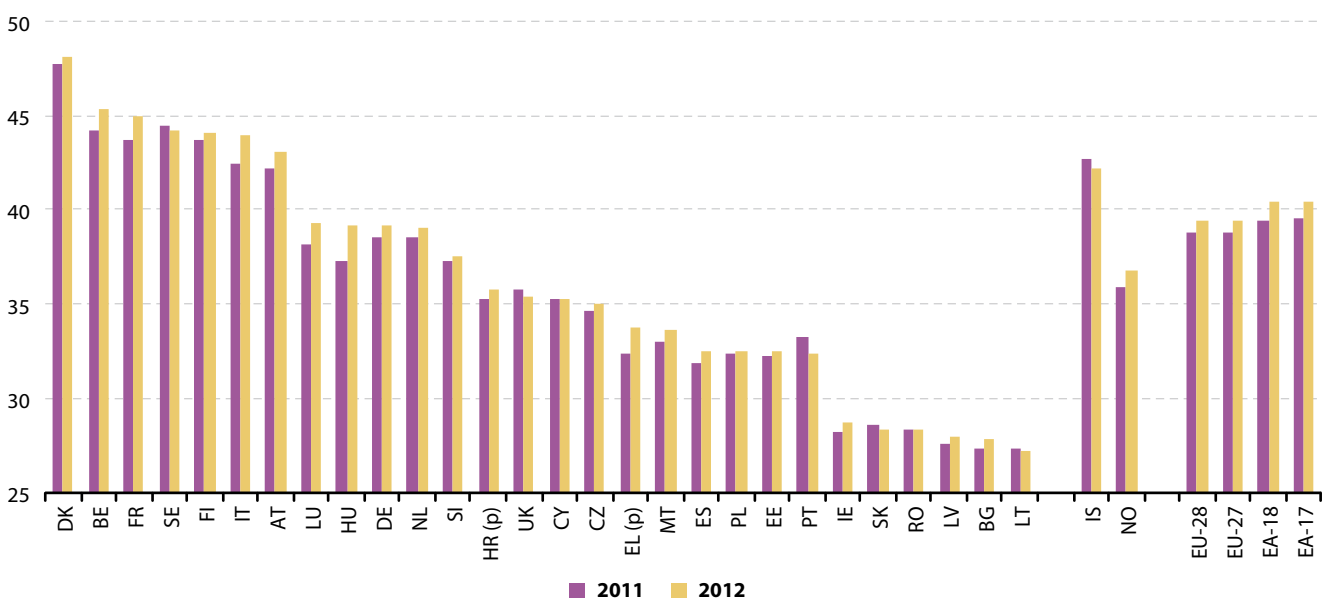
Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag, gov_a_main and gov_q_ggnfa)

in reaction to the renewed growth in output, an assumption supported by the increase from 2009 to 2010.

In contrast to this, taxes on labour declined from 2009 (19.9 % of GDP) to 2010 (19.7 % of GDP) and then increased from 2010 onwards to exceed the 2009 level in 2012 (20.1 % of GDP). Since 2009, a number of Member States raised the top rate in the area of personal income taxation.

Direct taxes decreased strongly from 2008 (13.7 % of GDP) to 2009 (12.7 % of GDP). After a slight further decrease from 2009 to 2010, direct taxes resumed growth. From 2011 to 2012, direct taxes in the EU-28 increased from 12.8 % of GDP to 13.2 % of GDP. This could be primarily due to an increase in taxes on profits of corporations, rather than tax-raising measures — the increase in this component of direct taxes is stronger than the one in income taxes on individual or household income. During 2008 and 2009, the fall in direct taxes was more pronounced than the fall in indirect taxes. Direct taxes have also taken longer to recover. The main components of direct taxes are taxes on the income of individuals and corporations. In the crisis, taxes on the income or profits of corporations experienced a decline in 2008 and further decreased in 2009. Despite their lower relative weight in the tax burden, the decrease in 2009 was stronger than the decrease in taxes on individual or household income (which are affected by unemployment). This reflects the higher sensitivity of corporate profits to the economic climate. The longer lag in recovery could also be partly due to taxation policies in many Member States allowing losses to be carried forward and offset against profits.

Graph 3: Tax revenue (including social contributions), 2011–12
(% of GDP)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Wide disparities in tax levels across Member States

In 2012, EU-28 tax revenue (including social contributions) accounted for nearly 90 % of total government revenue.

As graph 3 shows, the ratio of 2012 tax revenue to GDP was highest in Denmark, Belgium and France (48.1 %, 45.4 % and 45.0 % respectively); the lowest shares were recorded in Lithuania (27.2 % of GDP), Bulgaria (27.9 % of GDP) and Latvia (27.9 % of GDP).

Amongst the countries that joined the EU since 2004, Hungary and Slovenia had the highest tax revenue-to-GDP ratios in 2012, at 39.2 % and 35.7 % of GDP respectively. Even so, tax revenue in both countries remains lower than the EU average. It is interesting to note that the arithmetical average of the 28 EU countries is somewhat lower (at 36.3 %) than the GDP-weighted EU average (39.4 %), due to the relatively low levels of GDP (and therefore low weight) for some of the countries that have low tax revenue.

In 2012, tax revenues as a percentage of GDP increased in 22 Member States

In 2012, tax revenues in percentage of GDP increased in 22 EU Member States as well as Norway, remained stable in Cyprus and decreased in six Member States: Portugal (–0.9 pp. of GDP), Slovakia and the United Kingdom (both –0.3 pp. of GDP), Lithuania and Sweden (–0.2 pp. of GDP) and Romania (–0.1 pp. of GDP) as well as Iceland (–0.5 pp. of GDP).

In percentage points of GDP, the highest increases from 2011 to 2012 were recorded by Hungary (1.9 pp. of GDP), Italy (1.5 pp. of GDP), Greece (1.3 pp. of GDP), France (1.2 pp. of GDP) and Belgium (1.2 pp. of GDP). While Belgium, France and Italy are among the countries with a consistently high tax burden, the tax burdens of Hungary and Greece remain below the EU average.

In Hungary, an increase in both absolute VAT revenue and personal income tax revenue (after a drop in 2011 due to the introduction of a new flat-rate system) were the main reasons for the increase in the tax-to-GDP ratio.

In Greece, absolute tax revenue continued to decrease in 2012. However, the further decrease in GDP in 2012 led to an increase in the tax-to-GDP ratio. While absolute increases are noted for taxes on income and other current taxes, decreases are observed for taxes on production and imports (reflecting the negative growth in output) and actual social contributions. New taxes, for example the tax on real estate introduced in 2011, helped to contain the decline in absolute tax revenue.

Change in net lending/net borrowing

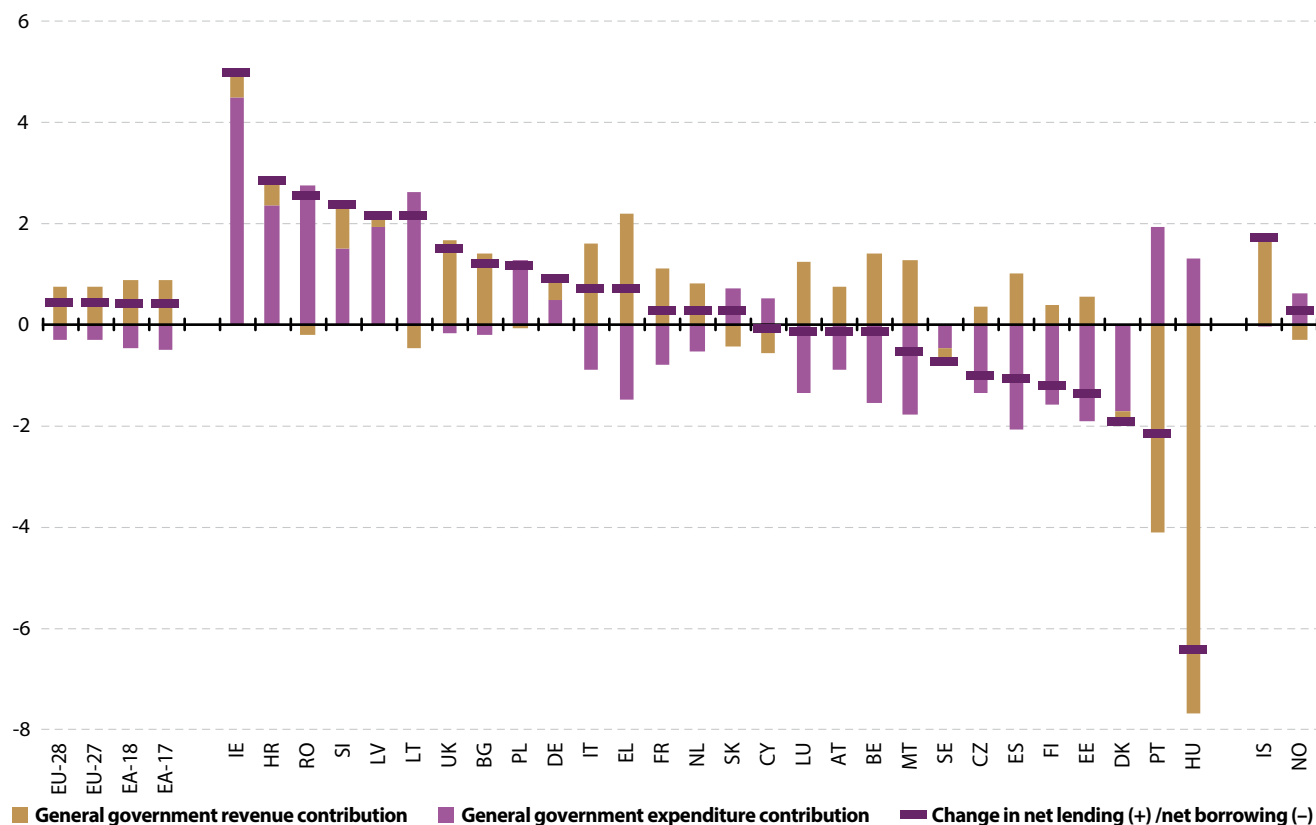
In 2011, the deficit in the EU-28 stood at - 4.4 % of GDP and decreased to - 3.9 % of GDP in 2012, while for 2013 - 3.3 % of GDP was recorded. For the EU-28 the increase in total revenue contributed 0.8 pp. of GDP to the reduction in the deficit, while total expenditure increased by 0.3 pp. of GDP.

In 2012, in fifteen Member States the general government balance, as a percentage of GDP, improved. The largest improvements were noted for Ireland (due to deficit-increasing capital injections in 2011), for Croatia, Romania, Slovenia and Latvia. Among the countries recording a reduction in deficit between 2011 and 2012, this was mainly driven by increases in total revenue in the United Kingdom, Bulgaria, Italy, Greece, France and the Netherlands.

The highest deterioration in budgetary positions from 2011 to 2012 was observed in Hungary and Portugal. For both countries, this was mainly due to a reduction in total revenue. Hungary recorded in 2011 exceptional capital revenue corresponding to the assets of a nationalised pension scheme.

Finally, among the countries which also improved significantly their budgetary positions with respect to the EU-27,

Graph 4: Change in ESA95 net lending (+) / net borrowing (-), 2011-12 (% of GDP)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_main)

there are Latvia and Iceland whose positive performances were mostly driven by a large reduction of expenditure as a percentage of GDP and where the 2010 level of expenditure was exceptional.

Revenue structure by level of government

In 2012, 48.7 % of the aggregate tax revenue in the EU-28 (including social contributions) was claimed by the central or federal government, 32.0 % accrued to the social security funds and 11.0 % to local government. Less than 1 % of the revenue accrued to institutions of the European Union (mainly VAT own resource receipts as well as custom duties and agricultural levies). There are considerable differences in structure from one Member State to another; for instance some Member states are federal or grant regions a very high degree of fiscal autonomy (Belgium, Germany, Austria, Spain). In the United Kingdom and Malta, the social security system is not separate from the central government level from an accounting point of view, whereas in Denmark most social security is financed through general taxation, implying large intra-governmental transfers to the social security funds.

The share of sub-federal revenue (defined as municipalities plus the state level where it exists) varies from less than 1 % to just over one third of the total. Sweden, Spain, Germany and Belgium in particular show high shares of total taxes received by the non-central authorities. At the other end, this share is just below 1 % in Greece, while in Malta local government does not levy taxes and is financed by transfers from central government. As for the share of revenue accruing to social security funds, the highest values in the EU are reported by France (54.0 %) and Slovakia (43.5 %). The amount of the tax revenue recorded in each of the sub-sectors of general government, however, is a very imperfect indicator of fiscal autonomy, as the sub-sectors of general government have (legal) rights to receive 'other current transfers' or other revenue from other sub-sectors amounting to similar fiscal autonomy than receiving directly tax revenue.

In several EU Member States decentralisation has been an important feature for several years already. Accordingly, data show that the share of total revenue accruing to state and local government has gradually increased. An exception of this trend has been registered in 2010, given that revenues were maintained mainly by proceeds from VAT and excise duties which are accrued mostly to the central government level. The share of total revenue accruing to state and local government increased again in 2011 (17.7 % of total tax revenue) and 2012 (18.6 % of total tax revenue).

Revenue structure by type of tax

Taxes are traditionally classified as direct ⁽¹⁾ or indirect ⁽²⁾; generally, the first group allows greater redistribution as it is impractical to introduce progressivity in indirect taxes. Therefore, the recourse to direct taxes, which are more 'visible' to the electorate, tends to be greater in the countries where tax redistribution objectives are more pronounced; this usually results also in higher top personal income tax rates. Social contributions are, as a rule, directly linked with a right to benefits such as old age pensions or unemployment and health insurance; in theory, a strict application of actuarial equivalence would preclude redistribution, but in practice the modalities for calculating contributions and benefits allow considerable leeway in this respect and the situation is quite diversified among Member States.

Weight of direct taxation typically lower in the newer Member States

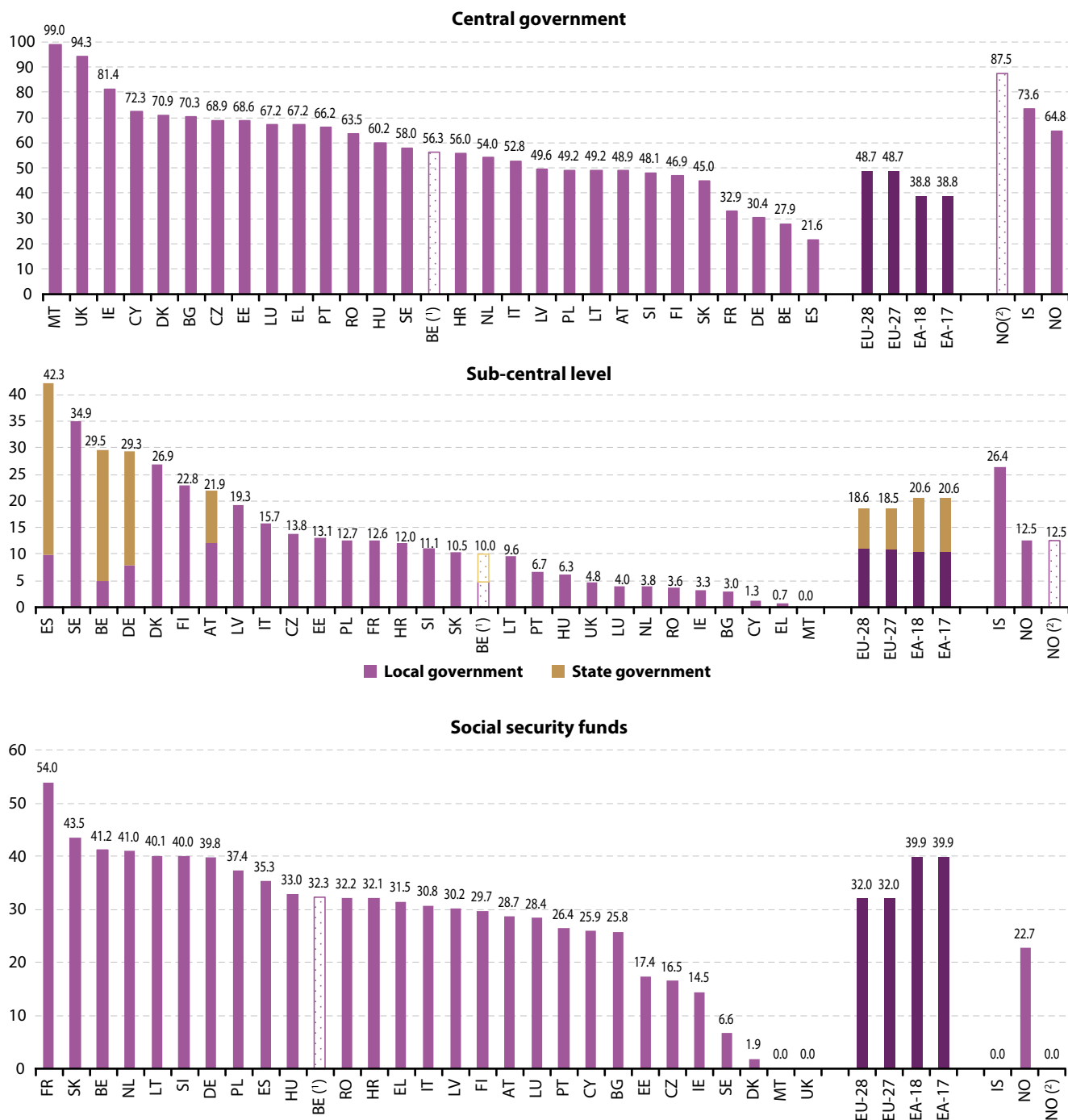
Generally, the Member States, which have joined the European Union from 2004 onwards have a different structure compared with the EU-15; in particular, while most EU-15 Member States raise roughly equal shares of revenues from direct taxes, indirect taxes, and social contributions, the more recent Member States, with the notable exception of Malta (41.3 %), typically display a lower share of direct taxes in the total (see Graph 6). The lowest shares of direct taxes are recorded in Croatia (17.1 % of the total), Lithuania (18.0 %, markedly down from 30.3 % in 2008), Bulgaria (18.8 %), Hungary (19.2 %) and Slovakia (19.7 %). All of these countries have adopted flat rate systems, which typically induce a stronger reduction in direct than indirect tax rates.

Also among the EU-15 Member States there are some noticeable differences. Denmark, Ireland, the United Kingdom and Sweden as well as Norway and Iceland have relatively high shares of direct taxes in total tax revenues. In Denmark and, to a lesser extent, also in Sweden and the United Kingdom the shares of social contributions to total tax revenues are low. There is a specific reason for the extremely low share of social contributions in Denmark: most welfare spending is financed out of general taxation. This requires high direct tax levels and indeed the share of direct taxation to total tax revenues in Denmark is by far the highest in the Union. Among the EU-15 Member States, the Dutch, German and French tax systems represent in this respect the opposite of Denmark's with high shares of social contributions in the total tax revenues, and relatively low shares of direct tax revenues.

⁽¹⁾ Personal income taxes, corporate income taxes and other income and capital taxes.

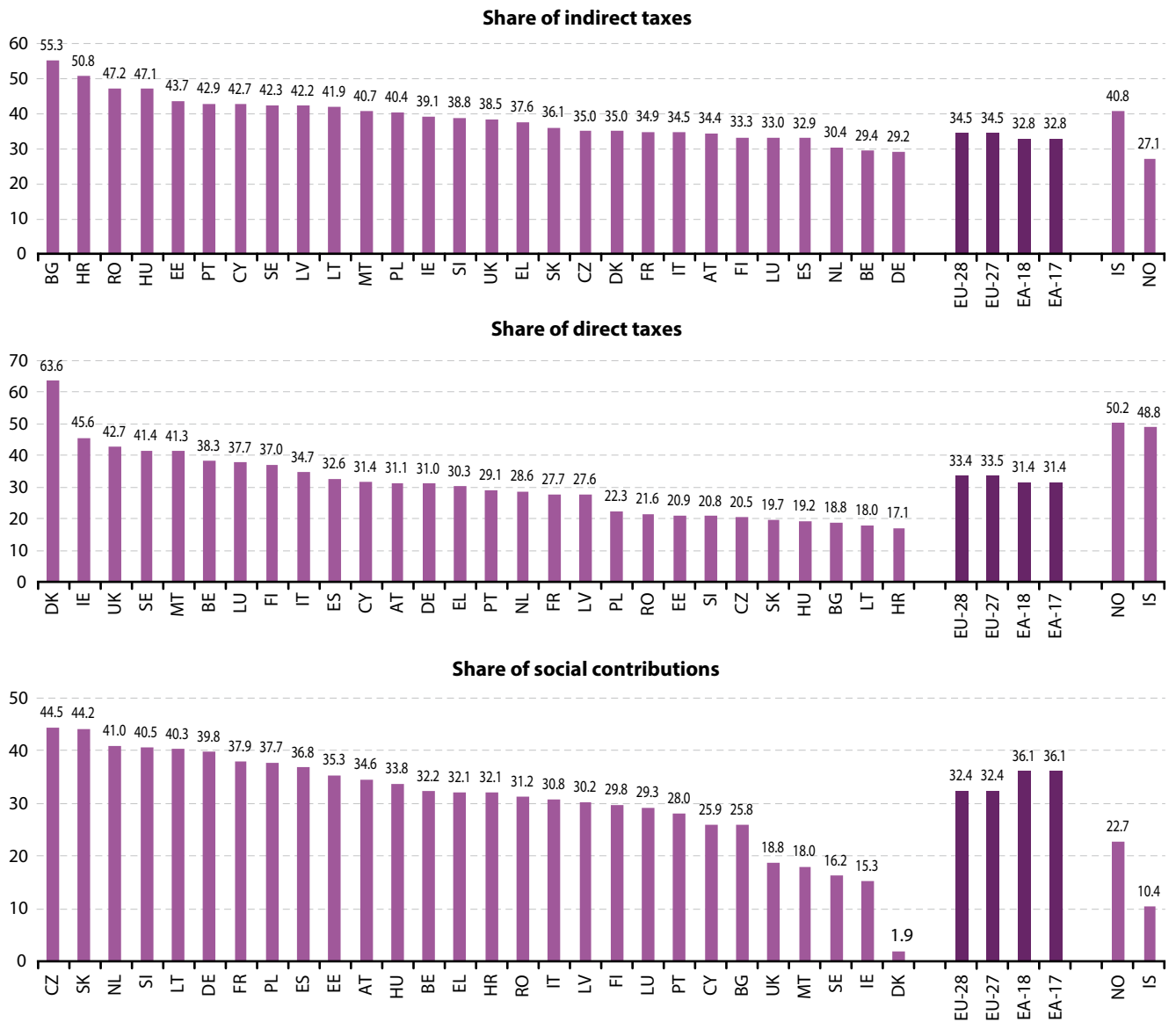
⁽²⁾ VAT, excise duties and consumption taxes, other taxes on products and production.

Graph 5: Revenue structure by level of government, 2012
(% of total tax burden)



(*) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.
 (*) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.
 Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

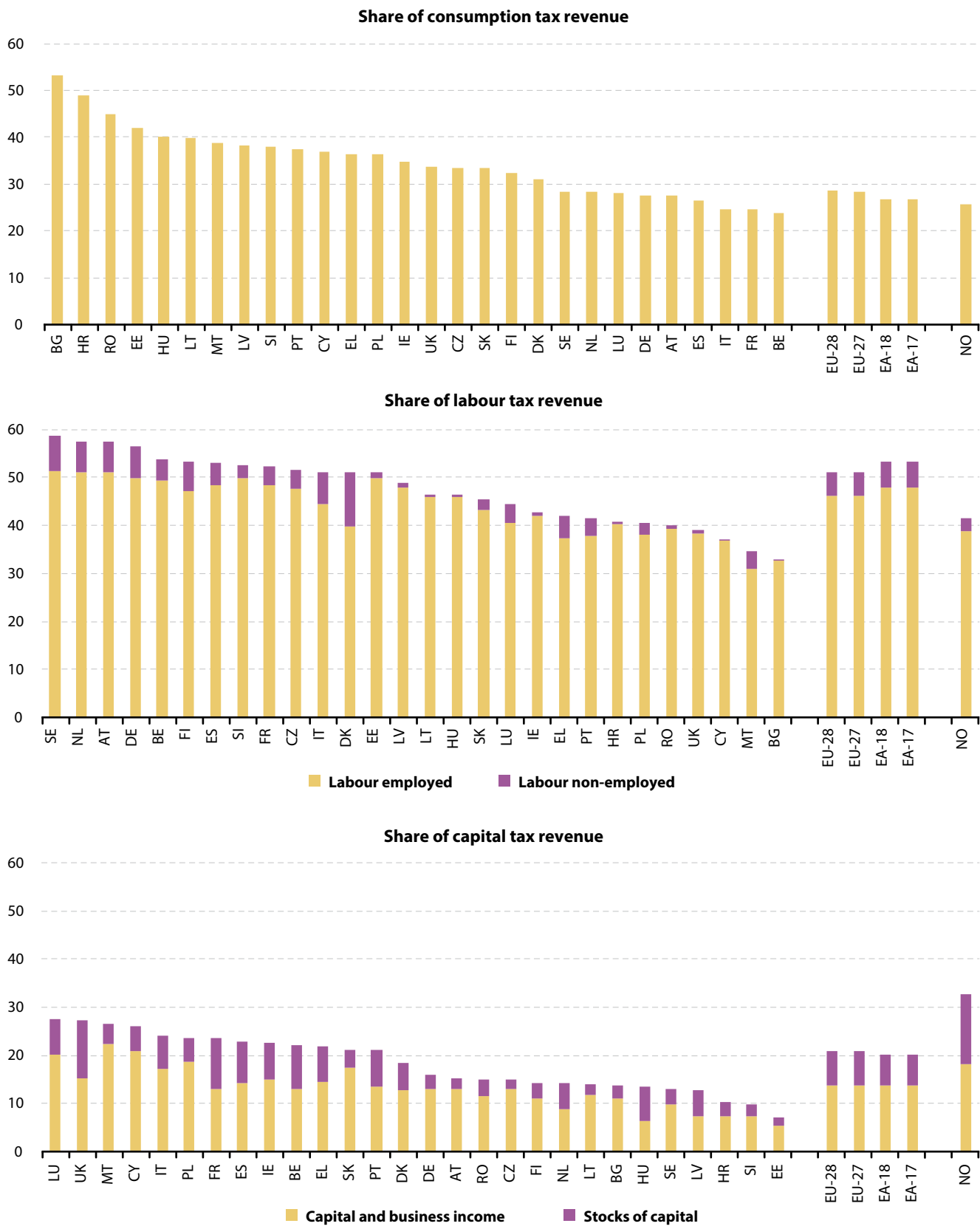
Graph 6: Structure of tax revenues by major type of taxes, 2012
(% of total tax burden) (1)



(1) The shares can exceed 100% due to D.995 capital transfers to the relevant sectors representing amounts assessed but unlikely to be collected.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Graph 7: Distribution of the total tax burden according to type of tax base, 2012
(% of total tax burden)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Distribution of the tax burden by type of tax base

Considerable variation between Member States

Graph 7 shows the distribution of total tax revenue by type of tax base (consumption, labour and capital). Taxes on (employed) labour income are the largest source of revenue, contributing nearly half of all receipts, followed by consumption taxes at roughly one third and then capital taxes at around one fifth.

However, the structure of taxation differs markedly between Member States. The new Member States tend to have a higher proportion of revenue raised from consumption taxes, and a somewhat lower proportion from taxes on labour. Bulgaria and Croatia stand out with around half of all revenues coming from consumption taxes.

Taxes on capital range from more than a quarter of total revenue (Luxembourg, the United Kingdom, Malta and Cyprus) to less than 10 % (Slovenia, Estonia). Taxes on capital and business income are generally more important than those on the stock of capital.

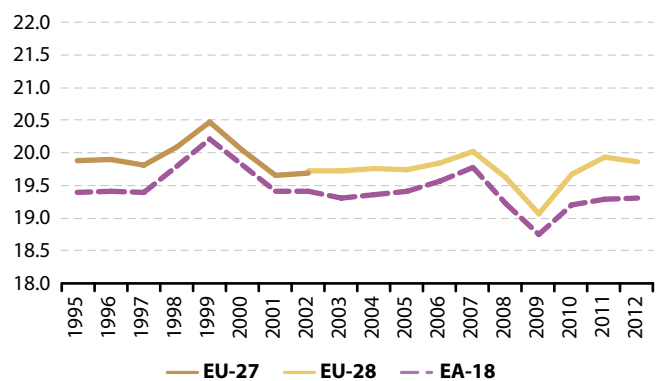
Taxation of consumption

Consumption taxes level off in 2012

In 2012 the implicit tax rate on consumption ⁽³⁾ for EU-28 remained at the same level as the previous year (see Graph 8). Since falling sharply in the two years immediately after the crisis, it has now climbed back to its level of 2007.

The euro area has a lower ITR on consumption than the Union as a whole, but the trend for both aggregates has been broadly similar.

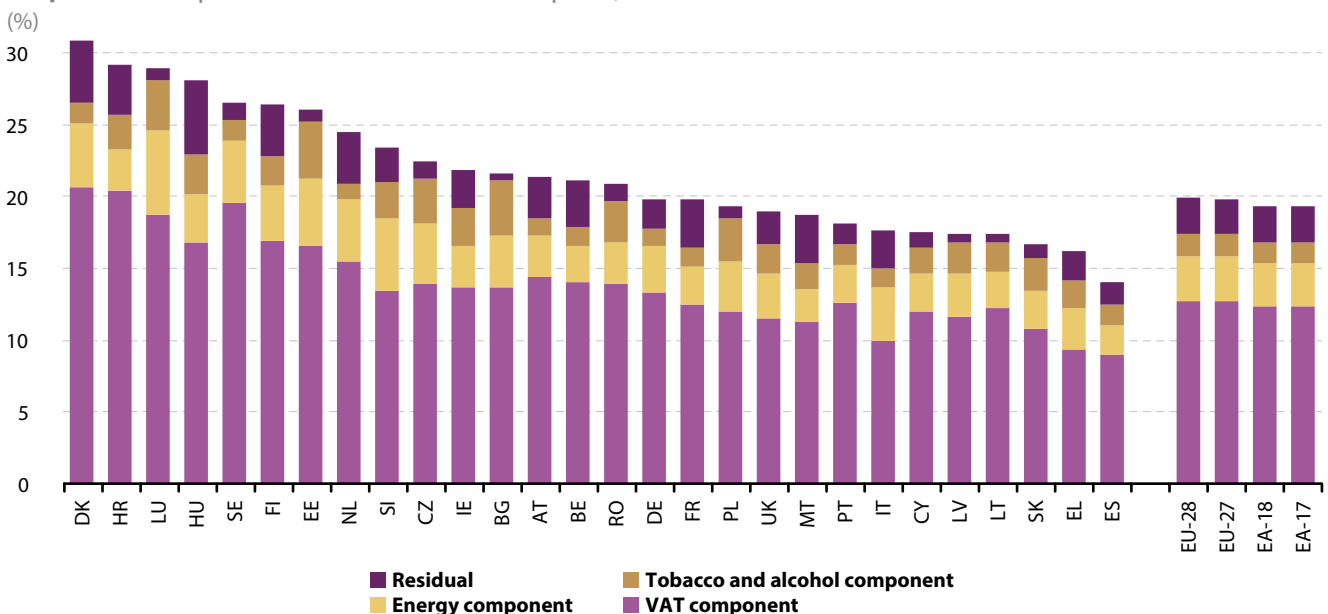
Graph 8: Implicit tax rate on consumption, 1995–2012



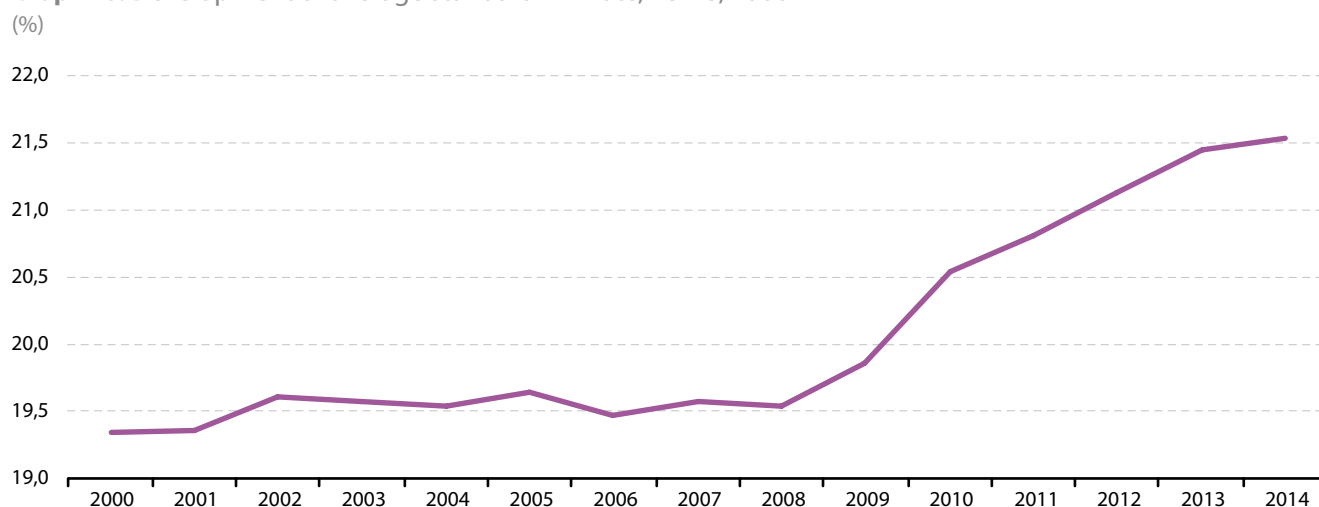
Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

⁽³⁾ Implicit tax rates, in general, measure the effective average tax burden on different types of economic income or activities, i.e. on labour, consumption and capital, as the ratio between revenue from the tax type under consideration and its (maximum possible) base. The ITR on consumption is the ratio between the revenue from all consumption taxes and the final consumption expenditure of households.

Graph 9: Decomposition of the ITR on consumption, 2012



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Graph 10: Development of average standard VAT rate, EU-28, 2000–14

Source: Commission services

While most Member States saw little change or a stabilisation of their ITR on consumption in 2012, some recorded more substantial movements, notably Croatia and Hungary (with increases of 1.3 and 1.2 percentage points respectively) and Slovakia and Poland (with decreases of 1.6 and 1.5 percentage points respectively).

Significant differences in the components of taxation of consumption

VAT typically accounts for between two-thirds and three-quarters of the ITR on consumption (Graph 9). In Sweden, VAT represents 74 % of the ITR (the highest in the EU), compared with 56 % in Italy (the lowest EU value).

However, other non-VAT components are also significant. On average in the EU, energy taxes make up around 16 % of the ITR on consumption. These are mostly composed of excise duties on mineral oils. The next important category is tobacco and alcohol which account for 8 % of the ITR on average across the EU. These taxes are a relatively significant component of the ITR on consumption for Bulgaria and Estonia, but contribute least to the indicator in Sweden and the Netherlands.

VAT rates continue their upward trend

Since 2009, VAT standard rates have been on a rising trend in most Member States ⁽⁴⁾. The EU average VAT standard rate increased by two percentage points — from 19.5 % in

2008 to 21.5 % in 2014 (see Graph 10). Over this period, 20 Member States registered a standard rate rise. In 2014, the VAT standard rate has increased in France, Italy and Cyprus.

The highest VAT standard rate is found in Hungary (27 %), followed by Croatia, Denmark and Sweden (all 25 %). The lowest rates are in Luxembourg (15 %) and Malta (18 %).

The VAT Gap

The VAT Gap is defined as the difference between the theoretical VAT liability and the collections of VAT, in any country and in any year (in absolute or percentage terms). A recent report ⁽⁵⁾ estimates that the total VAT Gap for 26 EU countries (EU-28 excluding Cyprus and Croatia) amounted to approximately Euro 193 billion in 2011, or about 1.5 % of GDP, an increase from the 1.1 % of GDP recorded in 2006. In relation to GDP, the countries with the largest gaps are Romania, Latvia, Greece and Lithuania. The study shows a marked upward trend in the VAT Gap in many Member States since 2008, as a result of the economic crisis. This was especially the case in Spain, Greece, Latvia, Ireland, Portugal and Slovakia. On average across the EU, the VAT Gap increased by 5 percentage points since the start of the economic crisis in 2008.

⁽⁴⁾ Only in three cases was the VAT rate decreased. In the United Kingdom the rate was temporarily cut by two points in 2009 in order to support consumption, in Ireland the rate was decreased by half a point in 2010 after a temporary increase in 2009 (but subsequently increased by two points), and in Latvia the rate was reduced by one point in 2013.

⁽⁵⁾ 'Study to quantify and analyse the VAT Gap in the EU-27 Member States', CASE — Center for Social and Economic Research, CPB Netherlands Bureau for Economic Policy Analysis, Warsaw, July 2013 (http://ec.europa.eu/taxation_customs/resources/documents/common/publications/studies/vat-gap.pdf).

Table 1: VAT rates in the Member States, 2000–14
(%)

	VAT rate	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Belgium	Standard	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21
	Reduced	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12
Bulgaria	Standard	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Reduced	-	-	-	-	-	-	-	7	7	7	7	9	9	9	9
Czech Republic	Standard	22	22	22	22	19	19	19	19	19	19	20	20	20	21	21
	Reduced	5	5	5	5	5	5	5	5	9	9	10	10	14	15	15
Denmark	Standard	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
	Reduced	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Germany	Standard	16	16	16	16	16	16	16	19	19	19	19	19	19	19	19
	Reduced	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Estonia	Standard	18	18	18	18	18	18	18	18	18	20	20	20	20	20	20
	Reduced	5	5	5	5	5	5	5	5	5	9	9	9	9	9	9
Ireland	Standard	21	20	21	21	21	21	21	21	21	21.5	21	21	23	23	23
	Reduced	12.5 (4.2)	12.5 (4.3)	12.5 (4.3)	13.5 (4.3)	13.5 (4.4)	13.5 (4.8)	13.5 (4.8)	13.5 (4.8)	13.5 (4.8)	13.5 (4.8)	13.5 (4.8)	13.5 (4.8)	9/13.5 (4.8)	9/13.5 (4.8)	9/13.5 (4.8)
Greece	Standard	18	18	18	18	18	19	19	19	19	19	23	23	23	23	23
	Reduced	8 (4)	8 (4)	8 (4)	8 (4)	8 (4)	9 (4.5)	9 (4.5)	9 (4.5)	9 (4.5)	9 (4.5)	5.5/11	6.5/13	6.5/13	6.5/13	6.5/13
Spain	Standard	16	16	16	16	16	16	16	16	16	16	18	18	18	21	21
	Reduced	7 (4)	7 (4)	7 (4)	7 (4)	7 (4)	7 (4)	7 (4)	7 (4)	7 (4)	7 (4)	8 (4)	8 (4)	8 (4)	10 (4)	10 (4)
France	Standard	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	20.0
	Reduced	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5 (2.1)	5.5/7 (2.1)	5.5/7 (2.1)	5.5/10 (2.1)
Croatia	Standard	22	22	22	22	22	22	22	22	22	22	23	23	25	25	25
	Reduced	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	5/13
Italy	Standard	20	20	20	20	20	20	20	20	20	20	20	20	21	21	22
	Reduced	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)	10 (4)
Cyprus	Standard	10	10	13	15	15	15	15	15	15	15	15	15	17	18	19
	Reduced	5	5	5	5	5	5	5/8	5/8	5/8	5/8	5/8	5/8	5/8	5/8	5/9
Latvia	Standard	18	18	18	18	18	18	18	18	18	21	21	22	22	21	21
	Reduced	-	-	-	9	5	5	5	5	5	10	10	12	12	12	12
Lithuania	Standard	18	18	18	18	18	18	18	18	18	19	21	21	21	21	21
	Reduced	5	5/9	5/9	5/9	5/9	5/9	5/9	5/9	5/9	5/9	5/9	5/9	5/9	5/9	5/9
Luxembourg	Standard	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
	Reduced	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)	6/12 (3)
Hungary	Standard	25	25	25	25	25	25	20	20	20	25	25	25	27	27	27
	Reduced	12 (0)	12 (0)	12 (0)	12 (0)	5/15	5/15	5/15	5	5	5/18	5/18	5/18	5/18	5/18	5/18
Malta	Standard	15	15	15	15	18	18	18	18	18	18	18	18	18	18	18
	Reduced	5	5	5	5	5	5	5	5	5	5	5	5/7	5/7	5/7	5/7
Netherlands	Standard	17.5	19	19	19	19	19	19	19	19	19.0	19	19	19	21	21
	Reduced	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Austria	Standard	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Reduced	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Poland	Standard	22	22	22	22	22	22	22	22	22	22	22	23	23	23	23
	Reduced	7	7 (3)	7 (3)	7 (3)	7 (3)	7 (3)	7 (3)	7 (3)	7 (3)	7 (3)	7 (3)	5/8	5/8	5/8	5/8

	VAT rate	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Portugal	Standard	17	17	19	19	19	21	21	21	20	20	21	23	23	23	23
	Reduced	5/12	5/12	5/12	5/12	5/12	5/12	5/12	5/12	5/12	5/12	6/13	6/13	6/13	6/13	6/13
Romania	Standard	19	19	19	19	19	19	19	19	19	19	24	24	24	24	24
	Reduced	-	-	-	-	9	9	9	9	9	5/9	5/9	5/9	5/9	5/9	5/9
Slovenia	Standard	19	19	20	20	20	20	20	20	20	20	20	20	20	22	22
	Reduced	8	8	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	9.5	9.5
Slovakia	Standard	23	23	20	20	19	19	19	19	19	19.0	19	20	20	20	20
	Reduced	10	10	10	14	-	-	-	10	10	10	6/10	10	10	10	10
Finland	Standard	22	22	22	22	22	22	22	22	22	22	23	23	23	24	24
	Reduced	8/17	8/17	8/17	8/17	8/17	8/17	8/17	8/17	8/17	8/17	9/13	9/13	9/13	10/14	10/14
Sweden	Standard	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
	Reduced	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12	6/12
United Kingdom	Standard	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	15	17.5	20.0	20.0	20.0	20.0
	Reduced	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Simple averages																
EU-28	Standard	19.3	19.4	19.6	19.6	19.5	19.6	19.5	19.6	19.5	19.9	20.5	20.8	21.1	21.5	21.5
EU-27	Standard	19.2	19.3	19.5	19.5	19.4	19.6	19.4	19.5	19.4	19.8	20.4	20.7	21.0	21.3	21.4
EA-18	Standard	18.1	18.1	18.5	18.5	18.6	18.8	18.8	18.9	18.9	19.2	19.6	19.8	20.1	20.5	20.7
EA-17	Standard	18.1	18.2	18.6	18.5	18.6	18.8	18.8	19.0	18.9	19.1	19.5	19.7	20.0	20.5	20.6

Notes:

Rates given in the table are rates applicable (for more than 6 month in the year considered, or) on the 1st July of that year. When change of rates occurred during the year (not on 1st January) the exact date is available in the notes. Super-reduced rates (below 5 %) are shown in brackets. Note that 'Parking rates' are not included in this table, as they are 'historic rates' below 15 % negotiated by Member States, and an exception to the EU directive (only 5 Member States retain them). Full information on VAT rates is available at [VAT rates - European commission](#) including full information on reduced rates and products to which they are applicable

Czech Rep.: Standard rate decreased to 19 % on 01.05.2004

Bulgaria: Reduced rate increased to 9 % on 01.04.2011

Denmark: In respect of Article 81, Denmark reduces the taxable amount to 20 % to which the 25 % rate is applied, resulting in an effective rate of 5 % for imports of both works of art and antiques, the same applies in respect of supplies by creators.'

Estonia: Standard rate increased to 20 % on 01.07.2009

Greece: All rates were increased on 01.04.2005. A further general increase occurred on 15.03.2010 (to 5/10 % and 21 %), followed the same year by the increase to 5.5/11 and 23 %, which occurred on July 1st. Standard rate increased to 20 % on 01.07.2009

Spain: The 2010 increase (reduced rate to 8 % and standard rate to 18 %) occurred on 1st July. Both rates were further increased on 01.09.2012 (to 10 % and 21 %).

France: Before 01.04.2000, standard rate was equal to 20.6 %.

Croatia: Standard rate increased to 23 % on 01.08.2009. A further increase — to 25 % — took place on 01.03.2012.

Ireland: The (super-) reduced rate was 4 % before 01.03.2000. Standard rate increased to 21 % on 01.03.2002. Standard rate further increased to 21.5 % on 01.12.2008. An additional reduced rate of 9 % was introduced on 01.07.2011.

Italy: Standard rate increased to 21 % on 17.09.2011. A further increase — to 22 % — took place on 01.10.2013.

Cyprus: The reduced rate of 5 % was introduced on 01.07.2000 together with the increase of the standard rate from 8 % to 10 %. Standard rate increased to 13 % on 01.07.2002. The second reduced rate of 8 % was introduced on 01.08.2005. Standard rate increased to 17 % on 01.03.2012, and further increased to 18 % on 14.01.2013. On 13.01.2014 the second reduced rate increased to 9 % and the standard rate increased to 19 %.

Latvia: Reduced rate decreased to 5 % on 01.05.2004. Standard rate decreased to 21 % on 01.07.2012.

Lithuania: Reduced rate (5 %) introduced on 01.05.2000. Standard rate increased to 19 % on 01.01.2009 and further increased to 21 % on 01.09.2009

Hungary: The second reduced rate (15 %) was abolished on 01.09.2006. Reintroduced on 01.07.2009 at 18 % together with the increased of the standard rate to 25 %.

Netherlands: Standard rate increased to 21 % on 01.10.2012

Poland: The (super-)reduced rate of 3 % was introduced on 04.09.2000.

Portugal: Standard rate increased to 19 % on 05.06.2002. Standard rate further increased to 21 % on 01.07.2005. Standard rate decreased to 20 % on 01.07.2008. All rates increased by 1 % on 01.07.2010.

Romania: The second reduced rate (5 %) introduced on 01.12.2008. Standard rate increased to 24 % on 01.07.2013

Slovenia: Reduced rate increased to 9.5 % and standard rate increased to 22 % on 01.07.2013

Slovakia: The second reduced rate (6 %) introduced on 01.05.2010. Abolished on 01.01.2011 together with the standard rate increase to 20 %.

Finland: Second reduced rate decreased to 12 % on 01.10.2009. Second reduced rate subsequently increased to 13 % on 01.07.2010 together with the increase of the first reduced rate to 9 % and the increase of the standard rate to 23 %

United Kingdom: Standard rate increased to 20 % on 04.01.2011

Source: Commission services

Taxation of labour

Continued increase in the tax burden on labour in 2012

Since the economic crisis, arguments in favour of lowering the tax burden on labour have gained traction. However, achieving this aim remains difficult, as can be seen from the continued upward trend in 2012 of the implicit tax rate on labour ⁽⁶⁾. Since falling sharply in 2009 and levelling off in 2010, both the EU-28 and EA-18 averages have climbed back to pre-crisis levels (see Graph 11).

Of the EU-28 countries, 20 registered an increase in the ITR on labour in 2012, the largest rise being in Greece (from 30.9 % in 2011 to 38.0 % in 2012), followed by Cyprus and Poland, each with increases of two percentage points. In Romania, Estonia and the United Kingdom the ITR on labour fell by more than half a percentage point in 2012.

The level of tax burden on labour varies substantially between Member States. The highest ITR on labour is found in Belgium (42.8 % in 2012), Italy (42 %) and Austria (41.5 %), and the lowest in Malta (23.3 %), Bulgaria (24.5 %) and the United Kingdom (25.2 %).

Top PIT rates level off in 2014

In 2014, the top personal income tax (PIT) rate was 39.4 % in the EU (simple average), 1.4 percentage points higher than its level in 2009. While top PIT rates have been increasing since

2010, there was a levelling off of the EU average in 2014 (see Graph 12). From 2010 to 2013 there were six or seven Member States each year raising their top rates. However, in 2014 the pace of change has slackened with only two increasing their rate (Finland and Sweden), and the remaining 26 Member States making no change at all ⁽⁷⁾. Accordingly, the EU-28 median stood at 40.5 % in 2009, and it has increased to 46.6 % in 2014.

The top PIT rate varies very substantially within the Union, ranging from a minimum of 10 % in Bulgaria to more than 55 % in Sweden, Portugal and Denmark (see Table 2). The lowest rates are observed in Bulgaria, Lithuania, Hungary and Romania.

Of course, the picture given by the PIT rates is incomplete. Not only the level and change of the top PIT rate is relevant, but also the income level at which they are applied. Moreover, the progression of PIT rates applied, the structure of allowances and tax credits, and the definition of the tax base play a key role in defining the effective tax burden.

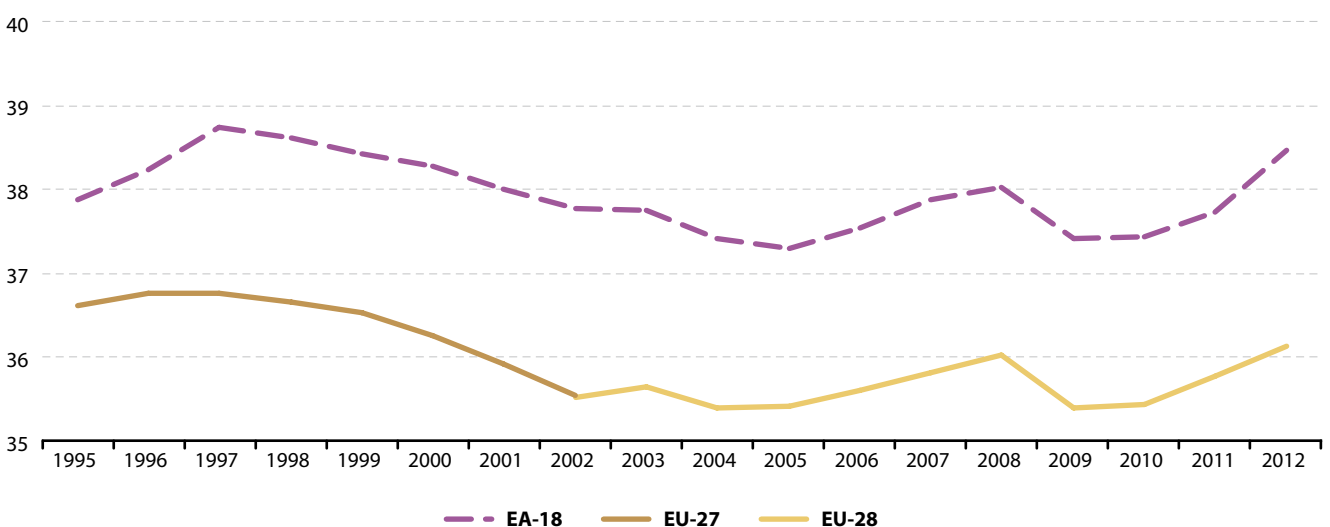
More than two thirds of labour taxes are social contributions and payroll taxes

In most Member States, social contributions account for a much greater share of labour taxes than the personal income tax. On average, about two thirds of the overall ITR on labour consists of non-wage labour costs paid by both employees and employers (see Graph 13). In Denmark, where social contributions are very low as most welfare spending is financed out of general taxation, personal income taxes

⁽⁶⁾ The ITR on labour is calculated as the ratio of taxes and social security contributions on employed labour income to total compensation of employees and payroll taxes.

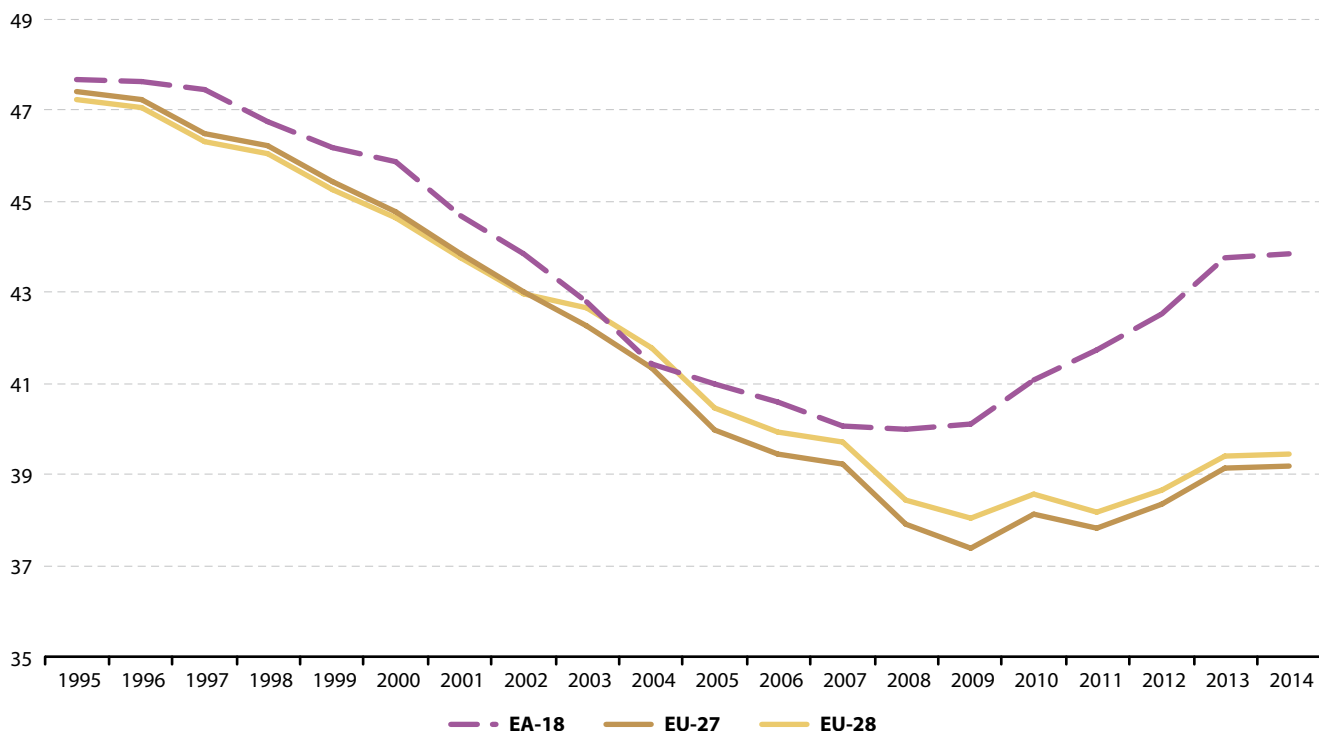
⁽⁷⁾ The Italian top rate reported in the table increased in 2014, reflecting the increase of the regional Latium surcharge.

Graph 11: Implicit tax rate on labour, 1995–2012
(%, GDP-weighted averages — adjusted for missing data)



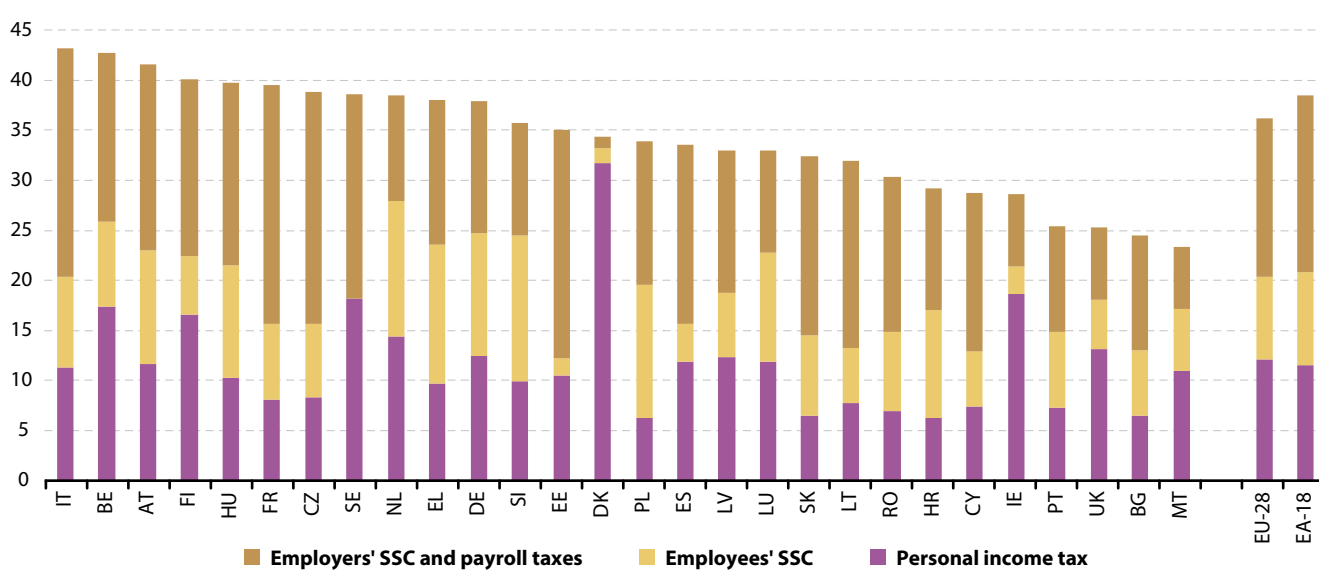
Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Graph 12: Development of top personal income tax rate, 1995–2014 (% , simple averages)



Source: Commission services

Graph 13: Composition of the implicit tax rate on labour, 2012 (%)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

account for 92% of the ITR on labour. In Ireland and the UK, PIT is also a relatively large component of the ITR (65 % and 52 % respectively). In Poland, on the other hand, personal income tax is less than 20 % of the ITR on labour.

Between 2000 and 2012, the components of the ITR on labour changed markedly in several Member States (see Graph 14). For the EU-27 personal income taxation of labour fell, while employers' SSC and payroll taxes and employees' SSC both showed a very slight increase (all as a percentage of total labour costs). For

Graph 14: Evolution of the composition of the implicit tax rate on labour, 2000–12
(differences in percentage points)



Note: Countries are ordered by the change in the ITR on labour; no data available for HR and EU-28 for 2000.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr), own calculations

the euro area over the same period, personal income tax and employers' SSC and payroll taxes were almost unchanged, but employees' SSC were slightly above their 2000 level.

Looking at changes in single Member States, most of the countries reduced their ITR; the change was to a large extent driven by reductions in PIT or employers' SSC.

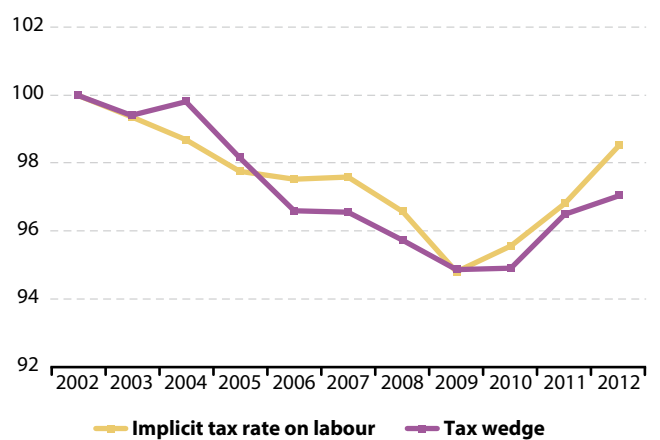
Tax wedge has fallen since 2002, but has crept upwards after 2010

The discussion in the preceding section is based on the ITR on labour, which gives a picture of the average tax burden on labour across all income classes. However, even at an unchanged overall tax level, the burden of taxation may be shifted between high and low-income taxpayers resulting not only in redistribution but notably also in a different impact on employment. In particular, over the last decade policymakers have often resorted to cuts in labour taxes that are targeted to the bottom end of the wage scale in order to boost employability of low-skilled workers. To evaluate progress in this direction, this section looks at the evolution of the tax wedge — i.e. the difference between labour costs to the employer and the corresponding net take-home pay of the employee.

Table 3 and Graph 15 focus on the 'Tax wedge on low wage workers', which is the tax wedge for a single worker without children at two thirds of average earnings and its developments since 2002.

Since 2002 the EU average tax wedge was 37.9 %, falling to 35.9 % in 2009, but rising afterwards to reach 36.8 % in 2013.

Graph 15: Evolution of micro and macro indicators of tax burden on labour, EU-27, 2002–12
(index 2002 = 100)



Source: Commission services and OECD

In 16 Member States the tax wedge was lower in 2013 than in 2002, but the reductions were particularly large in the Netherlands, Sweden, Cyprus and Slovakia. The largest increases during the same period were recorded in Ireland, Luxembourg, Portugal, Italy and France.

Graph 15 compares the trends over time in the tax wedge indicator and the ITR on labour. It should be borne in mind that tax policy changes are immediately integrated in the Taxing Wages model but might be reflected with some time lag only in the ITR on labour. During the period 2002–09, the two series show a downward trend, but both have picked up since then.

Taxation of capital

Top corporate income tax rates have levelled off since the crisis

The EU average top rate of tax on corporate income has remained more or less stable since 2010 (Table 4). This follows a trend of steadily falling rates from 1995 to 2009. The EU-28 average in 2014 is 22.9 %, compared with 35.0 % in 1995.

Although the downward trend has been quite general, corporate tax rates still vary substantially within the Union (see Table 4).

The adjusted statutory tax rate on corporate income varies between a minimum of 10 % in Bulgaria to top statutory rates equal to or above 30 % in Belgium, Germany, Spain, France, Italy, Malta and Portugal, although tax provisions may limit the rate effectively applied. However, since 1995 the distance between the minimum and maximum rates in the Union has decreased from 37.2 to 28 percentage points. Four Member States cut their rates in 2014: the largest reduction was in Finland (from 24.5 % to 20 %), followed by the United Kingdom (23 % to 21 %), Slovakia (23 % to 22 %), and Denmark (25 % to 24.5 %) ⁽⁸⁾.

Capital taxation: revenues edge upwards

Taxes on capital represented 8.2 % of GDP in the EU-28 in 2012, up from 7.9 % in 2011, continuing their upward trend since 2010.

⁽⁸⁾ France's statutory top rate for large companies has been raised in 2014 through the change in the exceptional surcharge (*contribution exceptionnelle*).

The two main components of capital taxes — taxes on the income of corporations and taxes on stocks of capital/wealth have shown a similar upward trend over the same two-year period.

Since the mid-1990s, corporate income tax revenues have shown a rather variable trend (Graph 16) in spite of the steady fall in corporate tax rates. After falling sharply in 2008-9, they have since recovered somewhat. Corporate income tax revenue for EU-28 represented 2.6 % of GDP in 2012, compared with its peak of 3.4 % in 2007.

The ITR on capital ⁽⁹⁾ also showed a generally upward movement in 2012, with 17 out of the 22 Member States for which data are available recording an increase (see Graph 16).

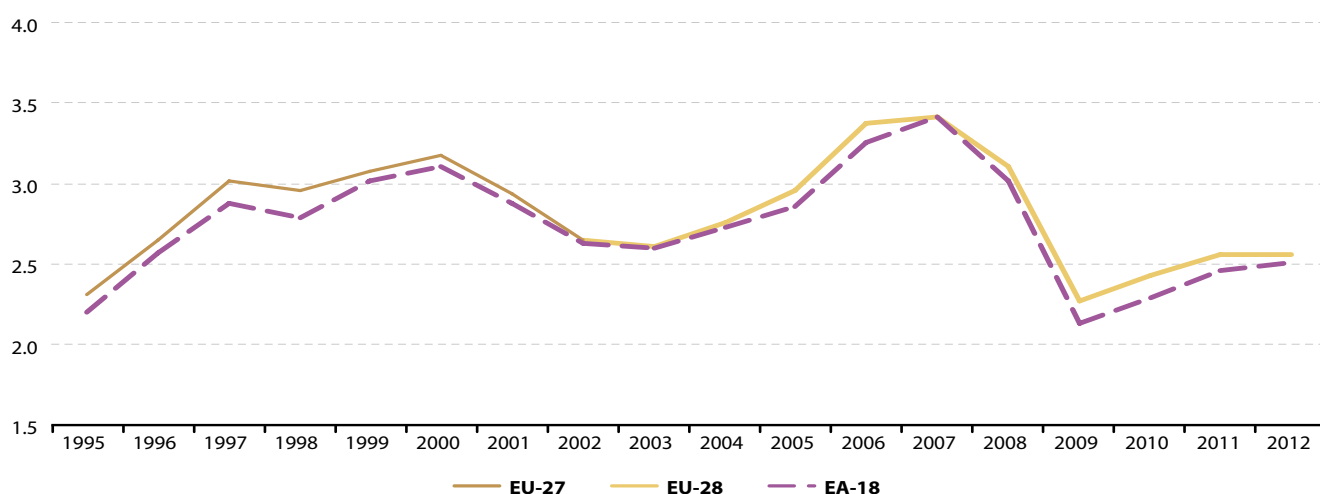
Stabilisation in effective average tax rates

Another indicator of the tax burden on corporations is the effective average tax rate (EATR). This is a micro based indicator computed by applying the basic tax rules to a hypothetical investment, as opposed to the ITRs which are based on real aggregated revenues and tax bases derived from national accounts data. The methodology used for the calculation of EATRs is explained in the ZEW report by Devereux et al. (2008) and follows the methodology set out by Devereux and Griffith (1999, 2003).

EATRs have decreased over the last decade largely in line with the fall in the CIT rate, but the latest data show a stabilisation around the 21 % level for the EU-28 since 2010 (see

⁽⁹⁾ The ITR on capital is the ratio between taxes on capital and aggregate capital and savings income. Specifically it includes taxes levied on the income earned from savings and investments by households and corporations and taxes, related to stocks of capital stemming from savings and investment in previous periods. The denominator of the capital ITR is an approximation of world-wide capital and business income of residents for domestic tax purposes.

Graph 16: Corporate income tax revenues, 1995–2012
(% of GDP, GDP-weighted average)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 2: Top personal income tax rates, 1995–2014 income
(%)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
Belgium	60.6	60.6	60.6	60.6	60.6	60.6	60.1	56.4	53.7	53.7	53.7	53.7	53.7	53.7	53.7	53.7	53.7	53.7	53.7	53.7	53.7	
Bulgaria	50.0	50.0	40.0	40.0	40.0	40.0	38.0	29.0	29.0	29.0	24.0	24.0	24.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Czech Republic	43.0	40.0	40.0	40.0	40.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0	15.0	15.0	15.0	15.0	15.0	15.0	22.0	22.0	22.0
Denmark	65.7	64.7	65.9	64.5	64.2	62.9	62.8	63.0	63.0	62.3	62.3	62.3	62.3	62.3	62.3	55.4	55.4	55.4	55.4	55.6	55.6	55.6
Germany	57.0	57.0	57.0	55.9	55.9	53.8	51.2	51.2	51.2	47.5	44.3	44.3	47.5	47.5	47.5	47.5	47.5	47.5	47.5	47.5	47.5	47.5
Estonia	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	24.0	23.0	22.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Ireland	48.0	48.0	48.0	46.0	46.0	44.0	42.0	42.0	42.0	42.0	42.0	42.0	41.0	41.0	46.0	47.0	48.0	48.0	48.0	48.0	48.0	48.0
Greece	45.0	45.0	45.0	45.0	45.0	45.0	42.5	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	49.0	49.0	49.0	49.0	46.0	46.0	46.0
Spain	56.0	56.0	56.0	56.0	48.0	48.0	48.0	48.0	45.0	45.0	45.0	45.0	43.0	43.0	43.0	43.0	45.0	45.0	45.0	52.0	52.0	52.0
France	59.1	59.6	57.7	59.0	59.0	59.0	58.3	57.8	54.8	53.4	53.5	45.8	45.8	45.8	45.8	45.8	46.7	50.6	50.6	50.3	50.3	50.3
Croatia	42.9	41.3	41.3	41.3	41.3	41.3	41.3	41.3	53.1	53.1	53.1	53.1	53.1	53.1	56.1	50.2	47.2	47.2	47.2	47.2	47.2	47.2
Italy	51.0	51.0	51.0	46.0	46.0	45.9	45.9	46.1	46.1	46.1	44.1	44.1	44.9	44.9	44.9	45.2	47.3	47.3	47.3	47.3	47.3	47.9
Cyprus	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	35.0	35.0	35.0
Latvia	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	23.0	26.0	25.0	25.0	25.0	24.0	24.0	24.0
Lithuania	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	27.0	27.0	24.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Luxembourg	51.3	51.3	51.3	47.2	47.2	47.2	43.1	39.0	39.0	39.0	39.0	39.0	39.0	39.0	39.0	39.0	42.1	41.3	41.3	43.6	43.6	43.6
Hungary	44.0	44.0	44.0	44.0	44.0	44.0	40.0	40.0	40.0	38.0	38.0	36.0	40.0	40.0	40.0	40.6	20.3	20.3	16.0	16.0	16.0	16.0
Malta	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
Netherlands	60.0	60.0	60.0	60.0	60.0	60.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0
Austria	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0
Poland	45.0	45.0	44.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0
Portugal	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	42.0	42.0	42.0	42.0	45.9	50.0	49.0	49.0	56.5	56.5	56.5
Romania	40.0	40.0	40.0	48.0	40.0	40.0	40.0	40.0	40.0	40.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Slovenia	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	41.0	41.0	41.0	41.0	41.0	41.0	41.0	50.0	50.0	50.0
Slovakia	42.0	42.0	42.0	42.0	42.0	42.0	42.0	38.0	38.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	25.0	25.0	25.0
Finland	62.2	61.2	59.5	57.8	55.6	54.0	53.5	52.5	52.2	52.1	51.0	50.9	50.5	50.1	49.1	49.0	49.2	49.0	49.0	51.1	51.5	51.5
Sweden	61.3	61.4	54.4	56.7	53.6	51.5	53.1	55.5	54.7	56.5	56.6	56.6	56.6	56.4	56.5	56.6	56.6	56.6	56.6	56.7	56.9	56.9
United Kingdom	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	50.0	50.0	50.0	50.0	45.0	45.0	45.0
Iceland	46.9	46.9	45.9	44.0	45.3	45.4	45.5	45.8	45.6	43.6	41.7	38.7	35.7	35.7	45.2	46.1	46.2	46.2	46.2	46.2	46.2	46.2
Norway	41.7	41.7	41.7	41.7	41.5	47.5	47.5	47.5	47.5	47.5	43.5	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	39.0	39.0

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Simple averages																					
EU-28	47.2	47.0	46.3	46.0	45.3	44.6	43.7	43.0	42.7	41.8	40.4	39.9	39.7	38.5	38.0	38.6	38.2	38.7	39.4	39.4	39.4
EU-27	47.4	47.2	46.5	46.2	45.4	44.8	43.8	43.0	42.3	41.3	40.0	39.4	39.2	37.9	37.4	38.1	37.8	38.4	39.1	39.1	39.2
EA-18	47.7	47.6	47.4	46.7	46.2	45.9	44.7	43.8	42.8	41.4	41.0	40.6	40.1	40.0	40.1	41.1	41.7	42.5	43.8	43.8	43.8
EA-17	49.0	49.0	48.8	48.0	47.4	47.1	45.9	44.9	43.8	42.4	41.9	41.5	41.0	40.9	41.1	41.9	42.7	43.6	44.9	44.9	45.0

Definition:

- The indicator reported in the table is the 'top statutory personal income tax rate'. The 'top statutory personal income tax rate' indicator does not differentiate by source of income and therefore as well, surcharges and deduction specific to income source are not taken into account. The 'top marginal tax rate from employment income', which is also sometimes used, can differ from the 'top statutory personal income tax rate' with respect to (1) source of income: any personal income vs. earnings income and to (2) statutory vs. marginal tax rate. The marginal tax rate calculation (increase in tax revenue for a unit increase in gross earnings) is only possible for the latter type of indicator. The existence of differences between the two indicators relate directly to the design and complexity of the tax system.
- General surcharges are included even when not part of PIT or not legally a tax (see country notes below).
- Local and regional taxes are normally added (see country notes below). The reader is referred to the 'Taxes in Europe Database' and to Part II of this report for detailed information about the specificities of each country PIT, and in particular for the level of income from which the top statutory income rate applies.

General notes:

- Figures in italics represent flat-rate tax.
- Rates given in the table are (top) rates applicable during the fiscal year considered that is the year when incomes are received.

Country notes:

- Belgium: including crisis tax (1993–2002) and (average) local surcharges.
 Bulgaria: (not included in the table) the net income of sole proprietors is taxed separately (15 % final flat tax).
 Czech Rep.: including a 7 % solidarity surcharge added to the flat tax rate of 15% since 2013. The surcharge applies to the employment business and professional income above four times the average wage.
 Denmark: including labour market contributions and average local taxes, but excl. church tax.
 Germany: including solidarity surcharge of 5.5%.
 Ireland: including the 'universal social charge' of up to 7%.
 Greece: including solidarity contribution for years 2011–14 (rate ranges from 1 % to 4 % with the top 4 % rate applicable on net annual income exceeding EUR 100 000).
 Spain: including a temporary (2012–14) supplementary surcharge. Regional government can use their own tax schedule.
 France: Several contributions are added to PIT; but while the PIT applies to individualised global net personal income, the contributions may vary depending on the income source. The value in the table reflects the top statutory rate for earnings; it includes the top PIT rate (45 %), the general social welfare contribution (CSG, applicable rate: 7.5 % of which 5.1 % are deductible) and the welfare debt repayment levy (CRDS, rate: 0.5 %). For other property income, in addition to CSG (applicable rate: 8.2 % of which 5.1 % are deductible) and CRDS, additional social and solidarity levies (4.5 % + 0.3 % and 2 %) apply, leading to a top all-in rate around 55 %. Note that the figure for 2014 is calculated assuming no legislative change during the course of the year.
 Croatia: including surtax for Zagreb and average crisis tax (2009–11).
 Italy: including regional and municipal surcharge (values given for Rome) and 3 % solidarity contribution (deductible from the tax base).
 Cyprus: not including the special contribution on gross wages (2012–16), of up to 3.5 %.
 Luxembourg: including solidarity surcharge for Unemployment Fund (since 2002) and crisis contribution for 2011.
 Hungary: including solidarity tax (2007–09). In 2010–12 rates include the effect of a base increasing component which was applicable in 2010 and 2011 to total earnings, and in 2012 to the part of monthly earnings above HUF 202 000 (EUR 653), roughly the average wage, leading to a two-rate system: 16 % and 20.3 %. In 2013 the base increasing component was phased out and the 16 % tax rate applies to all income.
 Portugal: including a surcharge of 3.5 % levied on all aggregated categories of income (applicable since 2013), and an additional solidarity surcharge (top rate 5 % since 2013). (not included: the special rate of 60 % applied to unjustified increases' in personal income (above EUR 100 000)).
 Finland: including general government taxes plus (average of) municipality taxes.
 Sweden: including general government taxes plus (average of) municipality taxes.
 United Kingdom: Rates given are rate for the fiscal year starting in April. An additional higher rate of 50 % was introduced for income exceeding GBP 150 000 from fiscal year 2010–11, cut to 45 % as of 2013.
 Iceland: including surcharges when appropriate and (average of) municipality taxes. The lump-sum taxes for elderly fund and radio broadcast services are excluded.
 Norway: including the 12 % surtax.

Source: Commission services

Table 3: Tax wedges for a single worker with 67 % of average earnings, no children, 2002–13
(% of total labour costs)

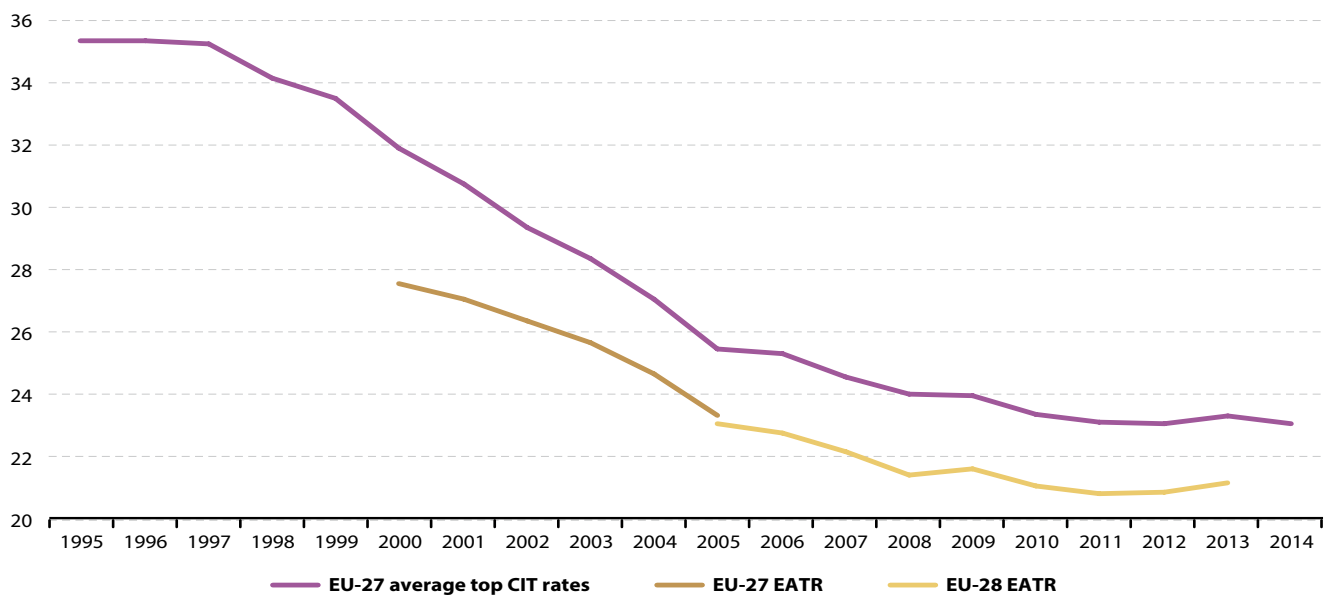
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Difference 2002–2013
Belgium	50.5	49.6	49.0	49.3	49.4	49.6	50.2	49.9	50.3	50.5	50.4	50.1	-0.4
Bulgaria	36.2	36.0	35.8	36.3	31.5	32.3	35.1	33.8	32.5	33.6	33.6	:	-2.6
Czech Republic	41.5	41.7	41.9	42.0	40.0	40.5	40.1	38.7	38.9	39.6	39.4	39.3	-2.2
Denmark	39.5	39.4	38.9	38.9	38.9	38.9	38.5	38.0	36.7	36.8	37.0	36.6	-2.9
Germany	47.1	47.9	46.9	47.3	47.4	46.9	46.5	45.9	44.9	45.5	45.5	45.1	-2.0
Estonia	40.6	40.9	39.6	38.1	37.3	37.6	37.0	37.7	38.7	39.0	39.2	38.7	-1.8
Ireland	16.5	16.5	19.5	16.8	16.1	14.9	15.0	16.2	16.7	19.9	20.0	21.0	4.6
Greece	35.6	35.2	36.1	35.4	36.4	36.4	36.2	36.5	35.7	39.9	39.7	36.9	1.3
Spain	35.8	34.8	35.3	35.7	35.9	35.7	34.0	34.3	36.5	36.7	37.1	37.2	1.4
France	44.0	44.6	46.2	46.4	46.0	46.3	46.5	46.5	46.7	46.9	46.9	45.6	1.6
Croatia	:	:	:	:	:	:	:	:	:	:	:	:	:
Italy	43.1	41.9	42.2	42.5	42.7	42.8	43.2	43.5	44.0	44.4	44.6	44.7	1.6
Cyprus	17.3	18.6	18.6	11.9	11.9	11.9	:	:	:	:	:	:	-5.4
Latvia	42.2	41.4	41.9	41.8	41.8	41.2	39.9	41.5	43.5	43.5	43.6	:	1.4
Lithuania	43.1	40.9	41.6	42.6	40.6	41.2	40.3	38.9	38.8	38.9	39.2	:	-3.9
Luxembourg	27.4	27.8	28.1	28.7	29.1	29.9	28.2	27.4	27.7	29.4	29.0	29.9	2.4
Hungary	48.2	44.5	44.8	43.1	43.3	46.0	46.7	46.2	43.8	45.2	47.9	49.0	0.9
Malta	17.7	17.4	17.6	17.9	18.4	17.9	17.9	17.7	18.1	18.6	18.9	:	1.2
Netherlands	39.2	40.1	40.8	41.6	33.2	33.3	34.0	33.3	33.5	33.4	33.4	32.1	-7.0
Austria	43.1	43.5	44.0	43.3	43.7	44.2	44.5	43.2	43.4	43.8	44.2	44.5	1.4
Poland	36.7	37.0	37.2	37.5	37.8	37.1	33.6	33.1	33.3	33.4	34.7	34.7	-2.0
Portugal	32.9	32.8	32.8	32.1	32.8	32.5	32.1	31.8	32.2	32.2	32.6	34.7	1.8
Romania	44.6	43.4	42.9	42.4	42.2	41.8	40.9	43.1	43.4	43.4	43.4	:	-1.2
Slovenia	43.5	43.5	43.6	41.8	41.3	40.9	40.3	39.7	38.6	38.6	38.5	38.5	-5.1
Slovakia	40.6	40.8	39.2	34.8	35.2	35.5	36.0	34.4	34.7	36.0	36.9	38.4	-2.2
Finland	40.7	39.8	39.1	39.3	38.8	38.6	38.6	37.1	36.7	36.7	36.8	37.6	-3.1
Sweden	46.8	47.0	47.2	46.6	45.9	43.3	42.5	41.3	40.6	40.7	40.7	40.8	-6.0
United Kingdom	28.7	30.3	30.5	30.5	30.6	30.8	29.7	29.1	29.4	28.4	27.9	26.9	-1.8
Iceland	26.2	27.1	27.7	28.2	28.2	27.0	27.6	26.1	28.3	29.4	28.6	28.7	2.4
Norway	35.2	34.9	35.0	34.2	34.3	34.2	34.2	34.0	34.0	34.3	34.2	34.1	-1.1
EU-28	:	:	:	:	:	:	:	:	:	:	:	:	:
EU-27	37.9	37.7	37.8	37.2	36.6	36.6	36.3	35.9	36.0	36.6	36.8	36.8	-1.1
EA-18	36.5	36.5	36.7	35.8	35.4	35.3	35.1	34.9	35.2	35.9	36.1	36.1	-0.5
EA-17	36.2	36.2	36.4	35.4	35.0	35.0	34.8	34.5	34.7	35.5	35.6	35.6	-0.6

Source: Commission services and OECD

Graph 17). The EU-28 average EATR in 2013 was 21.1 %. However, EATR levels vary considerably between Member States (see Table 91 in Annex A). The EATR is the lowest in Bulgaria (9 %) and Latvia (12.1 %), and the highest in France (34.3 %) and Spain (33.7 %).

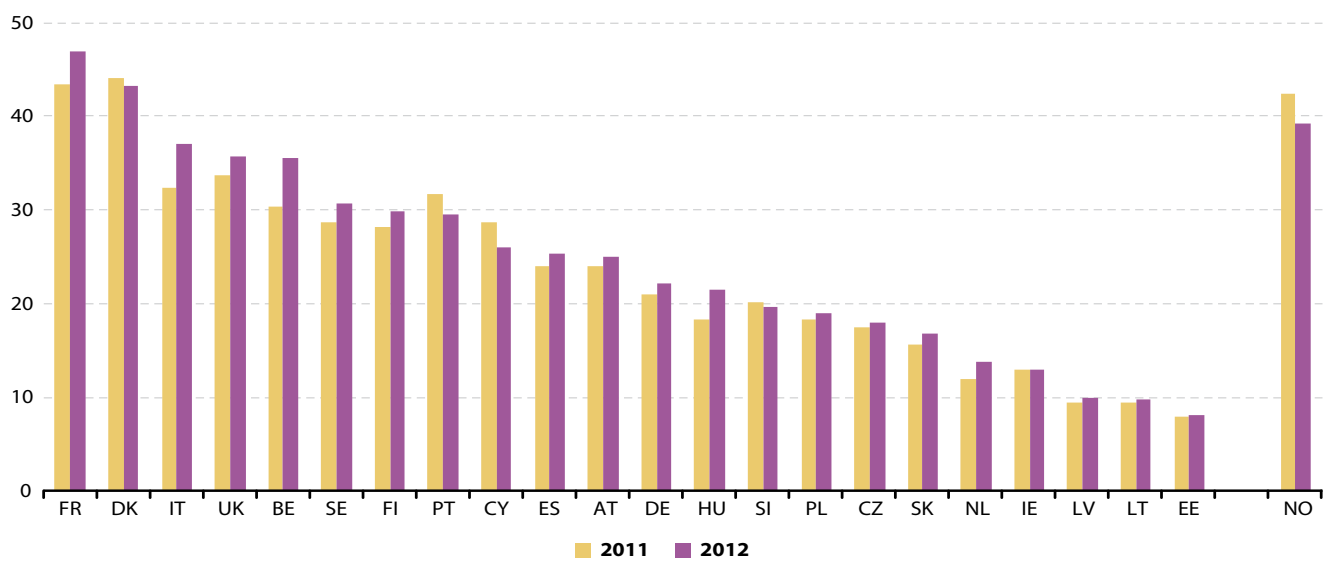
On average the effective tax rates for the new Member States (including Croatia) tend to be significantly lower than those for the rest, although this gap has shrunk since 2005 (from 10.3 percentage points in 2005 to 7.9 percentage points in 2014).

Graph 17: Corporate income tax rates and average effective taxation indicators, 1995–2014
(%)



Source: DG Taxation and Customs Union

Graph 18: Implicit tax rate on capital
(%)



Note: No data for BG, EL, HR, LU, MT, RO and IS; data for DK refers to 2010 and 2011.
Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Table 4: Adjusted top statutory tax rate on corporate income, 1995–2014
(%)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
Belgium	40.2	40.2	40.2	40.2	40.2	40.2	40.2	40.2	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	
Bulgaria	40.0	40.0	40.2	37.0	34.3	32.5	28.0	23.5	23.5	19.5	15.0	15.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	
Czech Republic	41.0	39.0	39.0	35.0	35.0	31.0	31.0	31.0	31.0	28.0	26.0	24.0	24.0	21.0	20.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0
Denmark	34.0	34.0	34.0	34.0	32.0	32.0	30.0	30.0	30.0	30.0	28.0	28.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	24.5
Germany	56.8	56.7	56.7	56.0	51.6	51.6	38.3	38.3	39.6	38.3	38.7	38.7	38.7	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2	30.2
Estonia	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	24.0	23.0	22.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Ireland	40.0	38.0	36.0	32.0	28.0	24.0	20.0	16.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5
Greece	40.0	40.0	40.0	40.0	40.0	40.0	37.5	35.0	35.0	35.0	32.0	29.0	25.0	35.0	35.0	24.0	20.0	20.0	20.0	20.0	20.0	26.0
Spain	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	32.5	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
France	36.7	36.7	41.7	41.7	40.0	37.8	36.4	35.4	35.4	35.4	35.0	34.4	34.4	34.4	34.4	34.4	34.4	34.4	34.4	34.4	34.4	38.0
Croatia	25.0	25.0	35.0	35.0	35.0	35.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Italy	52.2	53.2	53.2	41.3	41.3	41.3	40.3	40.3	38.3	37.3	37.3	37.3	37.3	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4
Cyprus	25.0	25.0	25.0	25.0	25.0	29.0	28.0	28.0	15.0	15.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	12.5
Latvia	25.0	25.0	25.0	25.0	25.0	25.0	25.0	22.0	19.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Lithuania	29.0	29.0	29.0	29.0	29.0	24.0	24.0	15.0	15.0	15.0	15.0	19.0	18.0	15.0	20.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Luxembourg	40.9	40.9	39.3	37.5	37.5	37.5	37.5	30.4	30.4	30.4	30.4	29.6	29.6	29.6	28.6	28.6	28.8	28.8	28.8	28.8	28.8	29.2
Hungary	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	17.6	17.5	17.5	21.3	21.3	21.3	20.6	20.6	20.6	20.6	20.6	20.6	20.6
Malta	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
Netherlands	35.0	35.0	35.0	35.0	35.0	35.0	35.0	34.5	34.5	34.5	31.5	29.6	25.5	25.5	25.5	25.5	25.0	25.0	25.0	25.0	25.0	25.0
Austria	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Poland	40.0	40.0	38.0	36.0	34.0	30.0	28.0	28.0	27.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0
Portugal	39.6	39.6	39.6	37.4	37.4	35.2	35.2	33.0	33.0	27.5	27.5	26.5	26.5	26.5	26.5	29.0	29.0	31.5	31.5	31.5	31.5	31.5
Romania	38.0	38.0	38.0	38.0	38.0	25.0	25.0	25.0	25.0	25.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Slovenia	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	23.0	23.0	22.0	21.0	20.0	20.0	18.0	17.0	17.0	17.0	17.0
Slovakia	40.0	40.0	40.0	40.0	40.0	29.0	29.0	25.0	25.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	22.0
Finland	25.0	28.0	28.0	28.0	28.0	29.0	29.0	29.0	29.0	29.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	24.5	24.5	24.5	24.5	20.0
Sweden	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	26.3	26.3	26.3	26.3	26.3	26.3	26.3	22.0
United Kingdom	33.0	33.0	31.0	31.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	28.0	28.0	26.0	24.0	23.0	23.0	23.0	21.0
Norway	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	27.0
Iceland	33.0	33.0	33.0	33.0	30.0	30.0	30.0	18.0	18.0	18.0	18.0	18.0	18.0	15.0	15.0	18.0	20.0	20.0	20.0	20.0	20.0	20.0

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Simple averages																					
EU-28	35.0	35.0	35.2	34.2	33.5	32.0	30.4	29.0	28.0	26.8	25.3	25.1	24.4	23.8	23.8	23.2	23.0	22.9	23.2	23.2	22.9
EU-27	35.3	35.3	35.2	34.1	33.5	31.9	30.7	29.3	28.3	27.0	25.5	25.3	24.5	24.0	23.9	23.3	23.1	23.0	23.3	23.3	23.1
EA-18	36.2	36.3	36.4	35.2	34.7	33.9	32.6	31.2	29.8	28.8	27.4	27.0	26.2	25.7	25.6	25.0	24.8	24.8	25.5	25.5	25.3
EA-17	36.8	37.0	37.0	35.8	35.2	34.4	33.0	31.8	30.4	29.6	28.1	27.7	26.8	26.3	26.2	25.6	25.4	25.4	26.1	26.1	25.9

Notes:

1. Only the 'basic' (non-targeted) top rate is presented here; some countries apply small profits rates or special rates, e.g., in case the investment is financed through issuing new equity, or alternative rates for different sectors. Such targeted tax rates can be substantially lower than the effective top rate.
2. Existing surcharges and local taxes are included (see country notes below).

Country notes:

Belgium: (a) A 3 % 'crisis' surcharge is applicable since 1993; (b) since 01.01.2006 Belgium applies a system of notional interest deduction (ACE) which reduces the 'effective tax rate' by several percentage points, depending on the difference between the rate of return and the rate of the notional interest deduction.

Cyprus: In 2003 and 2004 the rate includes the additional 5 % surcharge on companies with income exceeding EUR 1.7 million. In 2013, under the macro-financial adjustment programme and prior to the first disbursement of assistance, the corporate income tax rate was increased to 12.5 % (with effect on 01.01.2013).

France: 33.33 %; 34.43 % including 3.3 % additional social surcharge for large companies; 36.1 % (2012–13) and 38.0 % (2014–15) including the temporary surcharge (contribution exceptionnelle) for very large companies (turnover above EUR 250 million). Companies can benefit from a tax credit equal to 6 % (since 2014) of the payroll for (most) employees. The local business tax (contribution économique territoriale) is not included (capped to 3 % of value added).

Germany: The rate includes the solidarity surcharge of 5.5 % and the Berlin rate for the trade tax ('Gewerbesteuer' – 14.35 %; in 2012 average trade tax rate for former federal territory was 13.825 % and 12.985 % for new Länder). From 1995 to 2000 the rates for Germany refer only to retained profits. For distributed profits lower rates applied. Until 2007 the trade tax was an allowable expense for the purpose of calculating the income on which corporation tax is payable. As from 2008 enterprises are subject to an overall tax burden of around 30 %.

Greece: The rate includes a special contribution introduced in 2009 (2008 income) on companies with net income above EUR 5 million. The contribution is levied at progressive rates, with the marginal rate reaching 10 %. In 2010 (2009 income) the contribution applies to income above EUR 100 000, top rate being 10 % (income above EUR 5 million).

Hungary: Including the local business tax of maximum 2 % that applies on the gross operating profit (turnover minus costs) and which is deductible from the CIT. In the typical case of a local tax of 2 %, the total tax paid is $19\% \times (1 - 2\%) + 2 = 20.62\%$. For energy providers and other utilities, a cca. 50 % CIT rate applies. An 'Innovation tax' of 0.3 % is also due on the same base as the local business tax while micro and small enterprises are exempted from paying (not included in the calculation).

Ireland: 25 % for non-trading income, gains and profits from mining petroleum and land dealing activities. Until 2003, Ireland applied a 10 % CIT rate to qualifying manufacturing and services companies.

Italy: As from 1998 the rates for Italy include IRAP (rate 3.90 %), a local tax levied on a tax base broader than corporate income. The rate may vary up to 0.92 percentage point depending on location. 'Robin tax' on financial institutions is not included. From 2012, an ACE is in force, reducing the effective tax rate (see also previous note on Belgium).

Lithuania: A 'social tax' (applied as a surcharge) has been introduced in 2006 and 2007 (at 4 % and 3 % respectively). As from 2010, companies with up to ten employees and taxable income not exceeding LTL 500 000 (approx. EUR 144 810), benefit from a reduced tax rate of 5 %. As from 2012, the threshold has been increased to LTL 1 000 000 (about EUR 289 603).

Luxembourg: Basic local tax (municipal business tax) is 3 % to be multiplied by a municipal factor ranging from 2 to 3.5. The rate in the table is for Luxembourg City.

Malta: The rate shown does not take into account the corporate tax refund system

Portugal: As from 2007 the rate for Portugal includes the maximum 1.5 % rate of a municipal surcharge. As from 01.01.2014 the State tax is 3 % on taxable profits between EUR 1.5 and 7.5 million, 5 % on taxable profits between EUR 7.5 and 35 million and 7 % on profits exceeding EUR 35 million.

Slovakia: the standard CIT rate has been reduced to 22 % on the 01.01.2014, together with the introduction of a minimum (lumpsum) tax, whose value vary with turnover (EUR 480 for not VAT registered companies, EUR 960 if small VAT registered companies and EUR 2 880 if annual turnover above EUR 500 000)

United Kingdom: Rates given are rate for the tax year starting in April. The main rate of corporation tax has been cut from 28 % (2010) to 21 % (2014) and the government has announced a further cut by April 2015.

Source: Commission services

Box 1: Capital tax base

The ITR on capital is the ratio between taxes on capital and aggregate capital and savings income. Specifically it includes taxes levied on the income earned from savings and investments by households and corporations and taxes, related to stocks of capital stemming from savings and investment in previous periods. The denominator of the capital ITR is an approximation of world-wide capital and business income of residents for domestic tax purposes. It comprises of net operating surplus, interests, insurance property income attributed to policy holders, rents on land and dividends for the sectors non-financial and financial corporations, households, self-employed, non-profit organisations, general government and rest of the world (for detailed methodological discussion see methodological annex).

The table below presents the evolution of the denominator of the ITR on capital in percentage of GDP for each Member State. This ratio varies for most Member States between 20 % and 35 % of GDP.

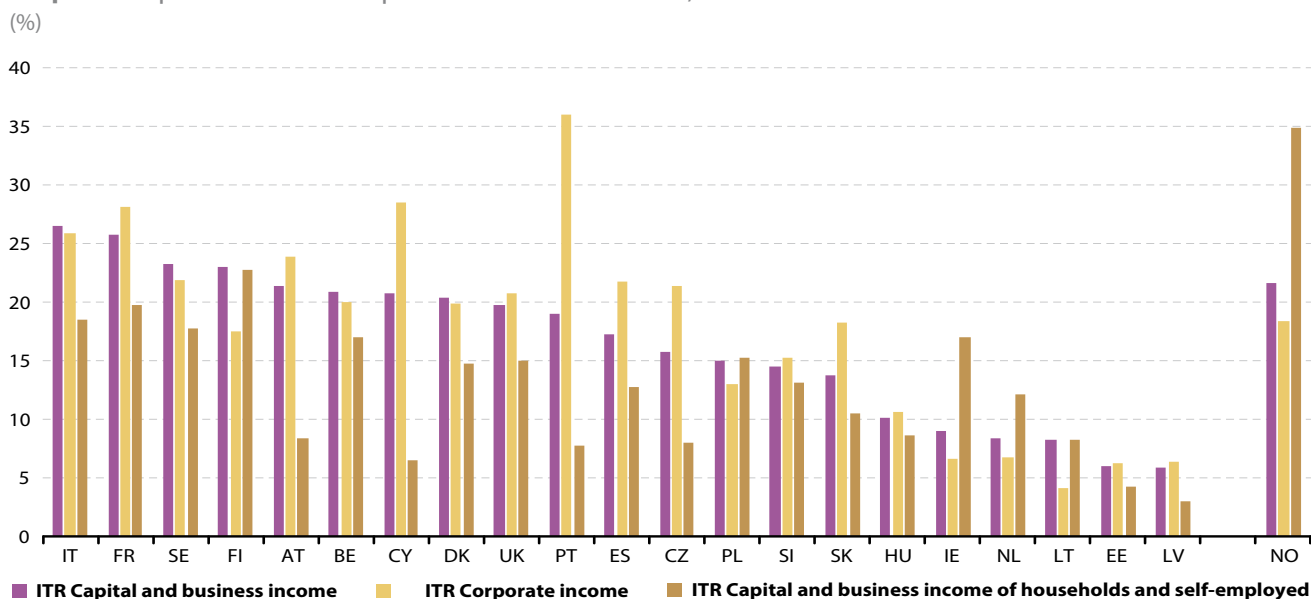
Capital tax base to GDP, 1995–2012

(%)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
BE	34.1	33.1	32.7	32.5	30.7	32.3	31.9	30.5	29.1	29.7	30.3	30.8	31.6	30.8	29.4	31.1	30.3	28.1
BG	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
CZ	31.2	30.4	29.0	31.6	31.8	31.5	32.4	31.2	31.5	31.3	32.3	33.3	33.7	32.8	31.8	31.0	30.2	29.0
DK	21.3	20.4	20.1	17.8	17.9	20.0	19.4	20.0	17.9	17.8	20.1	20.0	17.2	16.7	14.2	18.9	19.4	:
DE	25.1	25.7	26.9	26.6	25.3	24.7	24.8	25.1	25.4	27.2	28.8	31.0	31.8	30.9	27.2	29.2	29.0	27.9
EE	23.8	27.3	27.4	30.3	31.7	31.8	32.5	32.4	32.2	31.5	31.8	30.3	29.6	25.2	19.1	23.4	26.6	28.6
IE	:	:	:	:	:	:	:	50.6	50.1	48.2	46.0	47.5	49.6	44.6	41.7	47.8	48.3	49.9
EL	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
ES	:	:	:	:	:	30.3	30.3	30.1	29.7	29.3	28.6	27.8	27.2	27.0	27.7	27.4	27.6	29.5
FR	25.4	25.0	25.5	26.2	25.6	25.9	26.1	25.2	24.9	24.9	24.8	25.0	25.8	25.9	23.4	24.1	23.4	22.6
HR	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
IT	41.5	42.2	39.7	37.7	36.7	37.1	37.6	36.0	35.2	35.1	34.0	33.1	33.1	31.9	29.7	29.8	29.7	28.7
CY	36.2	36.2	35.8	38.1	38.7	40.4	39.0	37.3	33.5	31.9	33.4	32.5	33.7	37.8	32.5	31.1	34.7	35.4
LV	18.5	20.4	22.9	21.3	20.9	25.4	28.2	31.3	30.4	31.4	28.5	27.4	27.1	23.5	25.6	30.0	34.1	35.6
LT	27.3	31.0	30.4	28.5	27.0	32.4	34.5	34.8	36.0	36.5	36.6	34.7	34.0	31.5	29.1	33.6	37.3	38.4
LU	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
HU	23.8	25.4	28.0	27.7	27.4	24.8	26.0	27.6	26.2	27.0	27.0	29.8	28.4	27.0	24.0	25.5	27.8	24.8
MT	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
NL	32.8	33.7	36.4	35.5	35.3	37.7	37.5	31.9	32.6	34.0	40.6	41.8	45.9	42.0	37.6	43.7	48.1	40.4
AT	22.9	23.6	24.0	24.7	24.1	25.1	24.2	24.9	25.0	26.3	27.8	28.1	28.4	27.7	25.6	27.1	27.5	26.2
PL	36.1	34.0	33.6	34.1	32.4	34.9	34.0	34.6	35.7	39.3	38.7	38.4	38.7	37.4	39.9	39.8	40.4	40.6
PT	29.7	28.7	27.5	26.8	26.5	25.1	24.5	23.8	23.5	24.1	22.5	22.2	23.1	21.2	21.7	23.3	22.7	23.2
RO	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
SI	16.8	16.8	19.5	19.6	20.6	19.1	18.9	20.3	21.2	21.0	21.1	22.5	23.0	21.2	19.6	19.1	19.5	18.8
SK	30.9	29.3	28.8	28.4	30.0	30.2	32.5	31.5	30.8	34.0	33.3	36.1	37.5	37.9	35.2	36.5	36.0	35.9
FI	21.3	21.1	23.0	24.0	24.7	27.2	30.1	27.0	25.3	26.2	25.7	28.8	29.4	26.0	19.9	23.1	23.9	21.1
SE	24.1	21.7	22.0	20.9	19.9	19.6	18.4	17.8	18.3	22.0	21.3	26.0	22.8	23.2	19.0	22.4	21.1	18.8
UK	27.1	28.5	29.0	28.3	25.5	24.8	24.1	24.6	27.2	27.0	28.2	27.8	27.4	28.2	27.7	28.9	29.4	27.1
NO	23.0	24.8	25.0	21.1	21.8	30.1	29.4	27.3	28.8	32.4	37.0	37.5	35.3	36.7	29.9	32.2	33.7	35.2

Source: Eurostat (online data code: [nasa_nf_tr](#)), own calculations

Graph 19: Implicit tax rate on capital and business income, 2012



Note: No data for BG, DE, EL, HR, LU, MT, RO and IS; data for DK refers to 2011
 Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Environmental taxation

EU revenues relative to GDP show little change since increasing in 2009

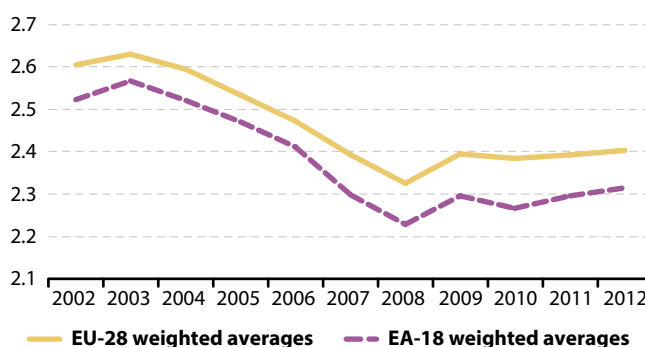
Since the economic crisis, environmental taxation⁽¹⁰⁾ has once again taken on a key role in policy debates as an instrument for raising revenue in a beneficial way — through improving the quality of the environment — while creating room to deliver labour tax cuts and thus help to boost employment.

The overall trend at EU level can be seen in Graph 20. After falling between 2002 and 2008, environmental taxes as a percentage of GDP rose sharply in 2009. However, since then they have remained rather stable at a level of around 2.4 % (EU-28 average). The trend for the euro area has been broadly similar, but the level of environmental taxes is slightly lower for this group of countries (2.3 % of GDP).

Environmental taxes are composed mainly of energy taxes (accounting for some 75 % of EU-28 environmental tax revenues) — of which transport fuel taxes represent more than three quarters — followed by non-fuel transport taxes (21 %) and pollution / resources taxes (4 %).

⁽¹⁰⁾ Environmental taxes (officially denoted as ‘environmentally related taxes’) are defined as a tax whose tax base is a physical unit (or a proxy of a physical unit) of something that has a proven, specific negative impact on the environment. Main examples of such taxes are excise duties on energy products, taxes on transport vehicles as well as pollution taxes.

Graph 20: Environmental tax revenues, 2000–12
(% of GDP)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Large differences in levels, trends and composition between Member States

The ratio of environmental tax to GDP differs between Member States (Table 5), with Denmark (3.9 %), Slovenia (3.8 %) and the Netherlands (3.6 %) boasting the highest level of green taxation, and Spain (1.6 %), Lithuania (1.7 %) and Slovakia (1.8 %) registering the lowest.

Despite the flat trend in environmental taxes since 2009 at an overall EU level, individual Member States have displayed considerable differences in dynamics. Ten Member States registered growth in environmental taxes as a percentage of GDP between 2009 and 2012, with the remainder showing a decline. The largest increases were recorded in Greece and

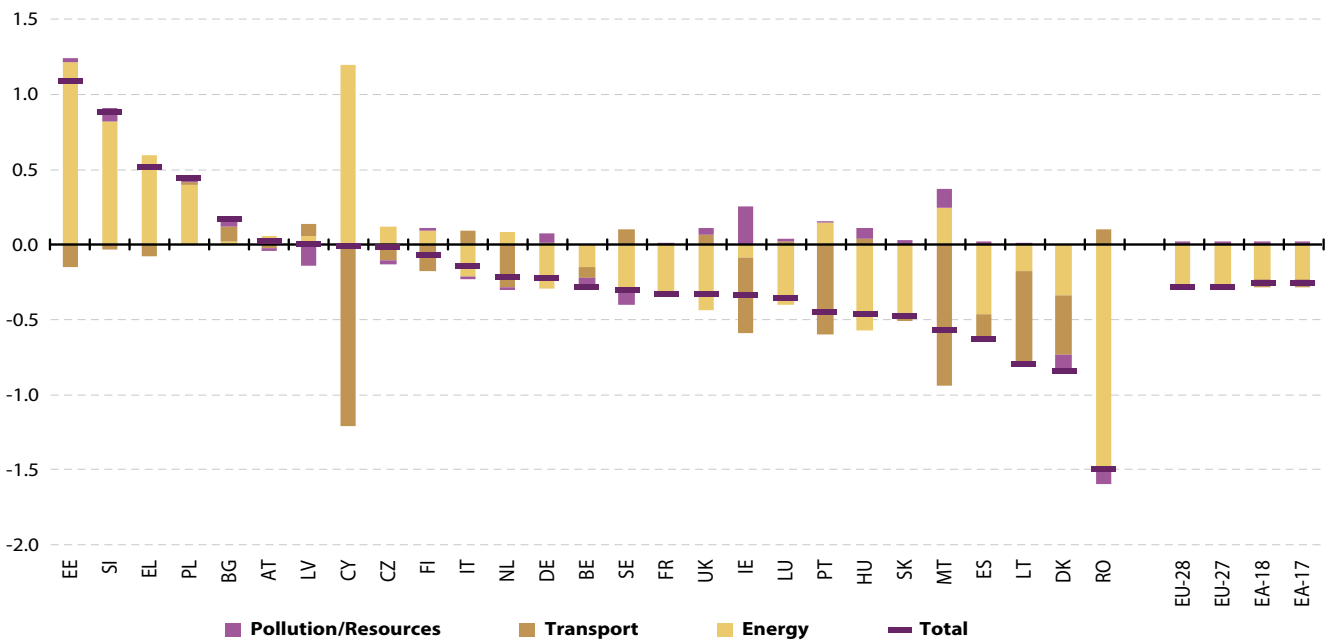
Table 5: Environmental tax revenue in the Union, 1995–2012
(% of GDP)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Difference (percentage points) 2000–2012
Belgium	2.4	2.7	2.7	2.6	2.6	2.4	2.4	2.4	2.4	2.5	2.5	2.3	2.2	2.1	2.2	2.2	2.3	2.2	-0.3
Bulgaria	1.8	1.2	1.4	2.2	2.4	2.7	2.5	2.3	3.0	3.2	3.0	2.9	3.4	3.4	3.0	2.9	2.9	2.8	0.2
Czech Republic	2.7	2.5	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.5	2.6	2.5	2.4	2.4	2.4	2.4	2.5	2.4	0.0
Denmark	4.4	4.7	4.7	5.1	5.2	4.7	4.7	4.8	4.7	4.8	4.9	4.8	4.6	4.2	4.0	4.0	4.0	3.9	-0.8
Germany	2.2	2.2	1.9	2.1	2.3	2.4	2.5	2.5	2.7	2.6	2.5	2.4	2.2	2.2	2.3	2.2	2.2	2.2	-0.2
Estonia	1.0	1.5	1.6	1.9	1.7	1.7	2.1	2.0	1.9	2.1	2.3	2.2	2.2	2.3	3.0	3.0	2.8	2.8	1.1
Ireland	3.0	3.1	3.0	3.0	3.0	2.8	2.4	2.4	2.3	2.5	2.5	2.5	2.5	2.4	2.4	2.6	2.5	2.5	-0.3
Greece	3.5	3.5	3.4	3.2	3.1	2.3	2.5	2.3	2.2	2.2	2.1	2.0	2.1	2.0	2.0	2.5	2.8	2.9	0.5
Spain	2.2	2.2	2.1	2.3	2.3	2.2	2.1	2.1	2.1	2.0	1.9	1.9	1.8	1.7	1.7	1.7	1.6	1.6	-0.6
France	2.5	2.5	2.4	2.4	2.4	2.2	2.0	2.1	2.0	2.0	1.9	1.9	1.8	1.8	1.8	1.8	1.8	1.8	-0.3
Croatia	:	:	:	:	:	:	:	4.1	4.2	4.0	3.9	3.8	3.7	3.4	3.4	3.7	3.3	3.2	:
Italy	3.6	3.5	3.4	3.3	3.5	3.2	3.0	2.9	3.0	2.8	2.8	2.8	2.7	2.5	2.7	2.6	2.7	3.0	-0.1
Cyprus	2.9	2.8	2.5	2.5	2.5	2.7	3.0	3.0	3.8	4.0	3.5	3.3	3.4	3.2	2.9	2.9	2.9	2.7	0.0
Latvia	1.1	1.6	2.1	2.9	2.4	2.4	2.2	2.3	2.5	2.6	2.7	2.4	2.1	2.0	2.3	2.4	2.5	2.4	0.0
Lithuania	1.9	1.9	2.1	2.5	2.9	2.5	2.6	2.8	2.8	2.7	2.3	1.8	1.8	1.6	2.0	1.8	1.7	1.7	-0.8
Luxembourg	3.0	2.9	3.0	2.9	2.8	2.8	2.8	2.8	2.8	3.1	2.9	2.6	2.5	2.6	2.6	2.4	2.4	2.4	-0.4
Hungary	2.9	2.9	2.9	3.4	3.3	3.0	2.9	2.8	2.8	2.9	2.8	2.8	2.8	2.7	2.7	2.7	2.5	2.5	-0.5
Malta	3.1	3.0	3.4	3.8	3.9	3.6	3.5	3.3	3.3	3.0	3.2	3.3	3.7	3.4	3.3	3.0	3.2	3.0	-0.6
Netherlands	3.5	3.7	3.6	3.7	3.8	3.8	3.6	3.5	3.6	3.7	3.8	3.9	3.7	3.8	3.8	3.8	3.7	3.6	-0.2
Austria	2.1	2.1	2.4	2.3	2.3	2.4	2.6	2.7	2.7	2.7	2.6	2.5	2.4	2.4	2.4	2.4	2.5	2.4	0.0
Poland	1.8	1.9	1.8	1.8	2.1	2.1	2.1	2.4	2.4	2.6	2.6	2.7	2.7	2.6	2.6	2.6	2.6	2.5	0.4
Portugal	3.4	3.4	3.2	3.4	3.3	2.6	2.9	3.0	3.0	3.0	3.0	2.9	2.8	2.6	2.5	2.5	2.4	2.2	-0.4
Romania	1.8	1.8	2.8	3.1	3.9	3.4	2.4	2.1	2.4	2.4	2.0	1.9	2.1	1.8	1.9	2.0	1.9	1.9	-1.5
Slovenia	4.2	4.3	4.5	5.0	4.1	2.9	3.2	3.3	3.3	3.3	3.2	3.0	3.0	3.0	3.6	3.6	3.4	3.8	0.9
Slovakia	2.3	2.1	2.0	1.9	2.0	2.2	2.0	2.2	2.4	2.5	2.4	2.3	2.1	2.0	2.0	1.9	1.9	1.8	-0.5
Finland	2.9	3.1	3.3	3.3	3.4	3.1	3.0	3.1	3.2	3.2	3.1	3.0	2.7	2.7	2.6	2.8	3.1	3.1	-0.1
Sweden	2.8	3.2	3.0	3.0	2.9	2.8	2.8	2.9	2.9	2.8	2.9	2.7	2.7	2.7	2.8	2.7	2.5	2.5	-0.3
United Kingdom	2.8	2.9	2.9	3.0	3.1	3.0	2.7	2.7	2.6	2.6	2.5	2.4	2.4	2.4	2.6	2.6	2.6	2.6	-0.3

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Difference (percentage points) 2000–2012	
Iceland	3.0	3.3	3.2	3.3	3.5	3.3	2.7	2.3	2.6	2.7	2.9	2.6	2.5	1.8	1.6	2.0	2.0	2.1	-1.2	
Norway	3.7	3.7	3.7	3.7	3.5	3.2	3.2	3.3	3.2	3.2	3.0	2.9	2.9	2.6	2.6	2.7	2.5	2.4	-0.8	
EU-28 averages																				
weighted	:	:	:	:	:	:	:	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	:	
arithmetic	:	:	:	:	:	:	:	2.8	2.8	2.9	2.8	2.7	2.7	2.6	2.6	2.6	2.6	2.6	2.6	:
EU-27 averages																				
weighted	2.7	2.7	2.6	2.7	2.8	2.7	2.6	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	-0.3	
arithmetic	2.7	2.7	2.8	2.9	2.9	2.7	2.7	2.7	2.8	2.8	2.8	2.7	2.6	2.5	2.6	2.6	2.6	2.6	-0.2	
EA-18 averages																				
weighted	2.6	2.7	2.5	2.6	2.7	2.6	2.5	2.5	2.6	2.5	2.5	2.4	2.3	2.2	2.3	2.3	2.3	2.3	-0.3	
arithmetic	2.7	2.8	2.8	2.9	2.9	2.7	2.7	2.6	2.7	2.8	2.7	2.6	2.6	2.5	2.6	2.6	2.6	2.6	-0.1	
EA-17 averages																				
weighted	2.6	2.7	2.5	2.6	2.7	2.6	2.5	2.5	2.6	2.5	2.5	2.4	2.3	2.2	2.3	2.3	2.3	2.3	-0.3	
arithmetic	2.8	2.9	2.9	2.9	2.9	2.7	2.7	2.7	2.7	2.8	2.7	2.6	2.6	2.5	2.6	2.6	2.6	2.6	-0.1	

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Graph 21: Evolution of the structure of environmental taxes, 2000–12
(difference in percentage points of GDP)



Note: Weighted averages

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_str](#)), own calculations

Finland, and the largest falls were in Lithuania, Portugal and Spain.

A longer term perspective on the trends by country can be seen in Graph 21, which also highlights the shift in composition of environmental taxation between 2000 and 2012. The preponderant role of energy taxes in the environmental tax mix is clear for almost all countries, with such taxes accounting for much of the evolution over this period. Estonia and Cyprus showed the highest rises in energy taxation, and Romania the largest drop (1.5 % of GDP).

During the same period, the level of transport taxes decreased quite markedly in Cyprus and Malta, the two countries where transport taxes form an important share of environmental taxation. However, the fall was partly offset by increases in energy taxes (Cyprus) and pollution/resources taxes (Malta).

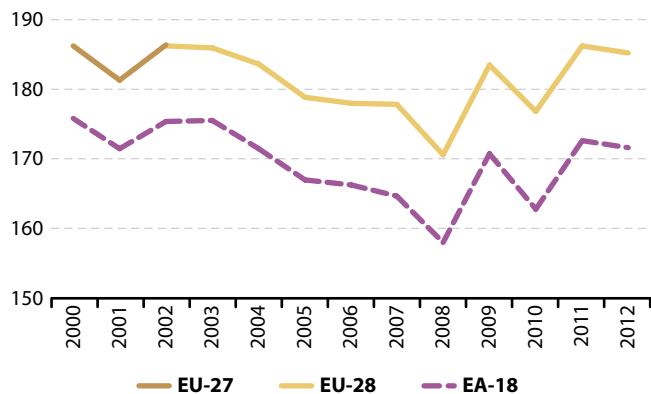
Fall in the implicit tax rate on energy in 2012

In the past, taxes on energy and transport were used as revenue raising instruments, rather than as tools of environmental policy. Therefore, if one looks at the proportion of environmental tax in total tax revenue, it is not possible to deduce the priority placed on environmental protection. A high level of this indicator may be the result of high tax rates, but could also be the consequence of a large tax base in relation to GDP, which can be an indication of the inefficient

use of resources in a country. The indicator can therefore give a misleading view of environmental policy goals of the country in question.

The implicit tax rate on energy (ITR), which calculates energy tax revenues in relation to final energy consumption, is not influenced by the size of the tax base and thus provides a more reliable measure of the effective level of environmentally related (or energy) taxation. However, this indicator also shows some peculiarities. The ITR on energy treats equally all kinds of energy consumption, regardless of their environmental impact; an energy unit produced from hydroelectric power has the same weight as a unit produced from coal. In many countries, however, renewable energy sources are subject to lower tax rates than exhaustible energy sources, or altogether exempted in order to provide incentives to switch from fossil fuels towards these more environmentally-friendly sources of energy. Thus, paradoxically, a country with a large share of renewable energy may have a lower ITR on energy than a country that relies largely on carbon-based energy sources.

Graph 22: Energy tax revenues in relation to final energy consumption (real ITR on energy)
(Euro per tonne of oil equivalent, deflated with cumulative % change in final demand deflator (2000 = 100))

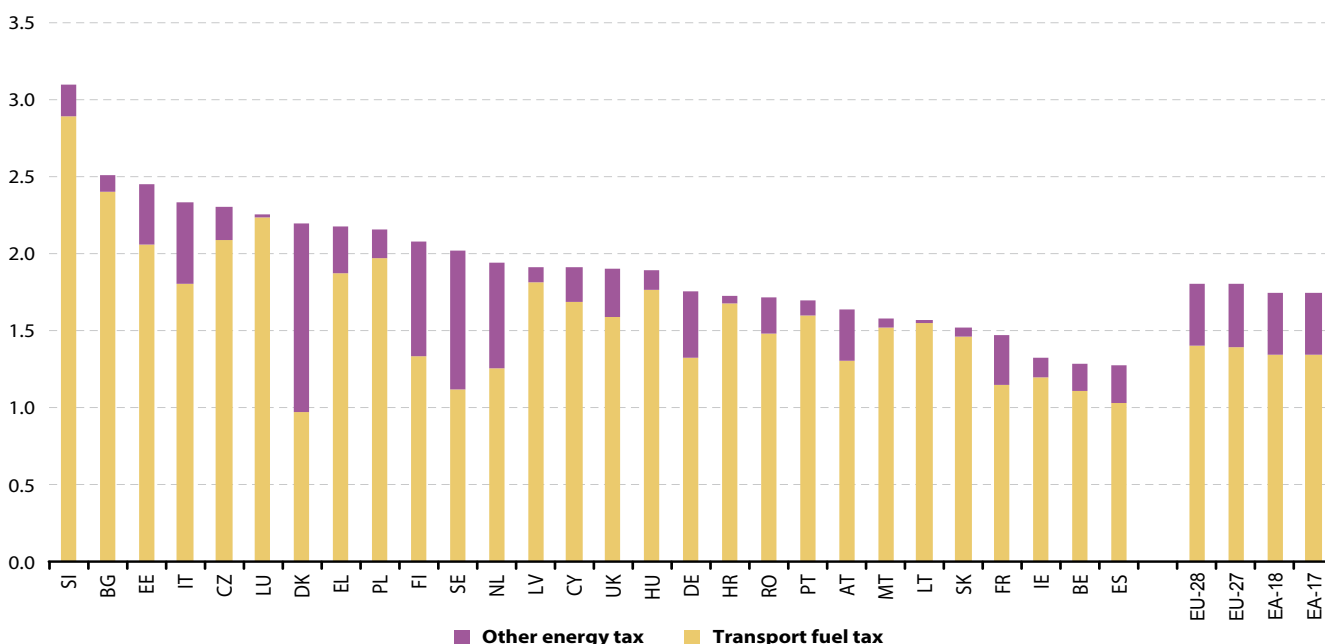


Note: GDP weighted average

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

After a continuous downward trend in real terms between 2002 and 2008, taxation on energy has fluctuated considerably since the economic crisis (see Graph 22). The real ITR on energy (EU average GDP-weighted) rose sharply in 2009, then decreased in 2010, only to bounce back in 2011 and then fall once more in 2012 settling at just above its 2009 level. With its comprehensive energy tax system, Denmark has the highest value of the indicator in the EU. The new

Graph 23: Energy tax revenues by Member State, 2012 (% of GDP)



Note: Weighted averages, data for CZ relate to 2011

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Member States have much lower levels of energy taxation, with the notable exception of Malta, Slovenia and Cyprus.

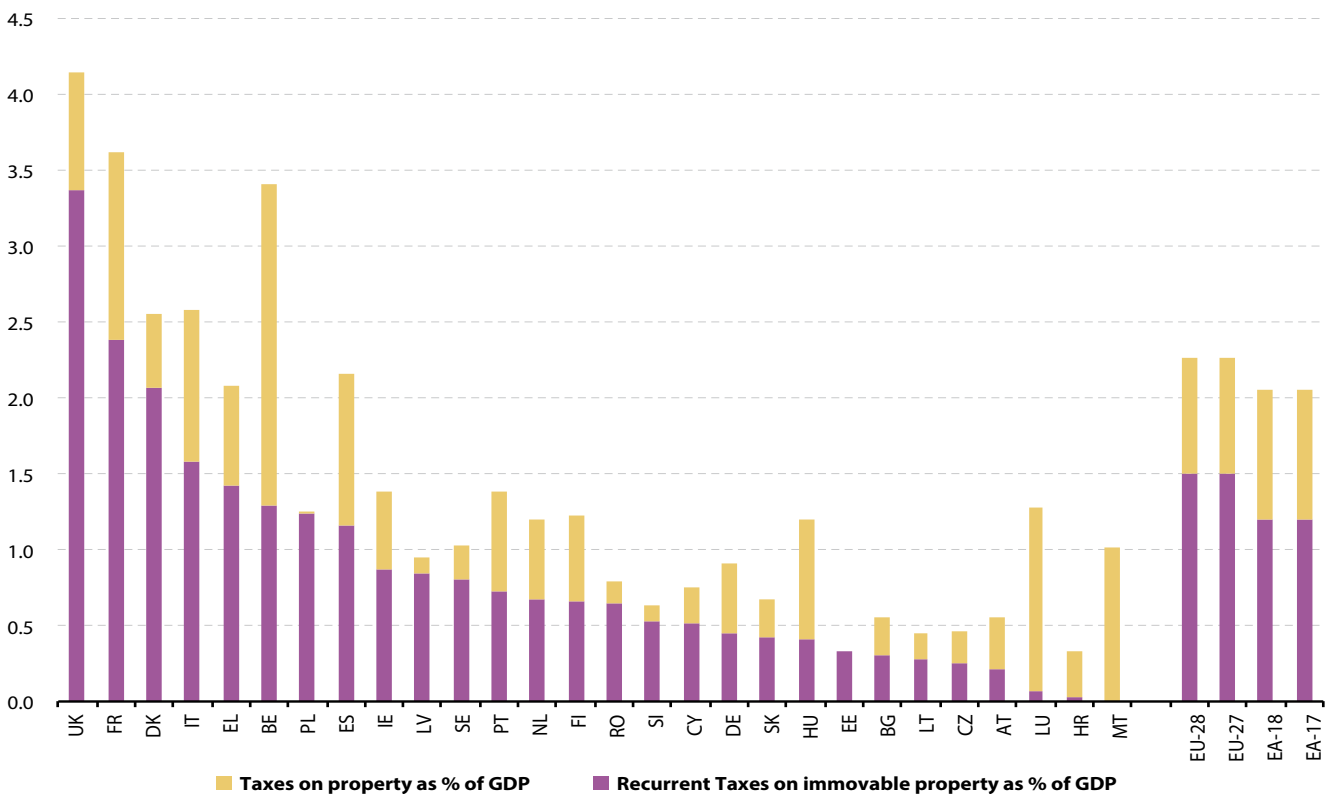
More than three quarters of energy tax revenues come from transport fuel

Around 77 % of energy tax revenues ⁽¹⁾ in the EU are raised on transport fuel. In 13 Member States transport fuel represents over 90 % of energy tax revenues (Graph 23). Denmark, Sweden, Finland and the Netherlands have the lowest share of transport fuels (between 40 % and 65 %). Overall energy tax revenue is highest in Slovenia, Bulgaria and Estonia (3.1 %, 2.5% and 2.5 % of GDP respectively). This is due, however, not to high tax rates as such but to the high level of final energy consumption.

The predominance of transport fuel taxes is striking in the NMS-12 as most of them apply the minimum excise duty, or at least rates close to the minimum, for taxing energy products such as electricity, natural gas and coal. The revenues collected from taxing these products are therefore low compared with those accruing from transport fuel. As for the EU-15 Member States the picture is very different as there are significant differences in the excise duty rates on natural gas and electricity (some apply the EU required minimum rate and others 200 times the minimum).

⁽¹⁾ Energy taxes comprise taxes on both transport fuels and stationary use of energy products — i.e. their use for stationary business applications (such as industrial processes) and for heating purposes.

Graph 24: Composition of property taxes by Member State, 2012
(% of GDP)



Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Property Taxes

Two-thirds of property taxes in the EU are recurrent taxes

Property taxes cover recurrent taxes on immovable property, which typically are paid annually and are linked to some measure of the value of the property, and other property taxes, which include taxes on property transfers and transactions. In the EU generally, it is recurrent property taxes that dominate, accounting for 1.5 % of GDP and 66.3 % of all property taxes in 2012 (Graph 24 shows the composition of property taxes for the Member States ordered by the amount of recurrent property taxes as a percentage of GDP). The share of recurrent taxes was up 4.2 percentage points for the EU as a whole compared with the previous year.

Recurrent taxes on real estate property have attracted increasing attention from policy makers because in many countries where they are low they offer a potential source for increasing revenue, while at the same time they are considered to be the least detrimental to economic growth given the immobility of the tax base.

Nevertheless, there are significant differences between Member States. The highest recurrent property taxes can be found in the UK (3.4 % of GDP), Denmark (2.4 %) and France (2.1 %). The lowest rates are found in Croatia, Luxembourg and Malta (which does not levy this type of tax at all). Other forms of property taxes are relatively high in Belgium, Italy, Luxembourg, Malta and France. While most Member States saw modest rises in recurrent taxes in 2012 in relation to GDP, Italy registered a significant increase of 0.9 percentage points of GDP, due notably to the introduction of the new local tax on immovable property (IMU).

Developments in the Member States

2

Austria	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	15.2	15.2	15.3	15.2	15.0	14.8	14.3	14.2	14.4	14.8	14.8	14.7	14.8	9	45.6
VAT	8.1	8.1	8.1	8.0	7.9	7.9	7.6	7.7	7.8	8.0	8.0	7.8	8.0	12	24.6
Excise duties and consumption taxes	2.7	2.7	2.7	2.8	2.8	2.7	2.5	2.5	2.5	2.5	2.5	2.5	2.5	21	7.6
Other taxes on products (incl. import duties)	1.2	1.2	1.1	1.2	1.1	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.1	13	3.5
Other taxes on production	3.2	3.3	3.2	3.2	3.1	3.1	3.0	3.0	3.1	3.3	3.2	3.2	3.2	4	9.9
Direct taxes	13.2	15.0	13.8	13.7	13.5	12.8	12.9	13.4	14.0	12.8	12.8	13.0	13.4	9	41.2
Personal income	10.0	10.7	10.4	10.4	10.1	9.5	9.6	9.8	10.4	9.9	9.8	9.8	10.1	6	31.1
Corporate income	2.2	3.2	2.4	2.3	2.4	2.3	2.3	2.6	2.6	1.9	2.0	2.3	2.4	13	7.3
Other	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	0.9	10	2.9
Social contributions	14.7	14.8	14.6	14.6	14.6	14.5	14.3	14.1	14.3	14.8	14.7	14.6	14.9	6	45.8
Employers	7.1	7.0	6.9	6.9	6.8	6.8	6.7	6.7	6.7	6.9	6.9	6.8	7.0	11	21.5
Employees	6.0	6.1	6.0	6.0	5.9	5.9	5.8	5.7	5.8	6.0	6.0	5.9	6.0	4	18.5
Self- and non-employed	1.6	1.7	1.7	1.7	1.9	1.8	1.8	1.8	1.8	1.9	1.8	1.9	1.9	6	5.8
Less: amounts assessed but unlikely to be collected	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0		
Total	43.0	44.9	43.6	43.4	43.0	42.1	41.5	41.7	42.7	42.4	42.1	42.2	43.1	7	132.3
B. Structure by level of government	% of total taxation														
Central government	51.7	53.5	53.7	54.1	54.0	53.3	52.9	53.2	52.3	49.1	49.1	48.8	48.9	21	64.7
State government (²)	7.7	7.4	7.3	7.0	7.1	7.1	7.1	7.3	8.2	9.8	9.8	10.0	9.8	4	13.0
Local government	11.7	11.5	11.2	10.8	10.9	10.9	11.0	11.1	11.4	11.7	11.9	12.0	12.1	10	16.0
Social security funds	27.6	26.4	26.8	27.1	27.4	28.0	28.2	27.7	27.5	28.9	28.7	28.6	28.7	17	37.9
EU institutions	1.4	1.2	1.0	0.9	0.6	0.7	0.7	0.7	0.7	0.5	0.5	0.6	0.5	23	0.7
C. Structure by economic function	% of GDP														
Consumption	12.3	12.3	12.4	12.3	12.3	12.1	11.6	11.6	11.6	12.0	11.8	11.8	11.9	15	36.5
Labour	23.9	24.1	24.1	24.3	23.8	23.3	23.2	23.1	23.8	24.0	23.9	24.0	24.7	2	75.9
Employed	21.6	21.7	21.5	21.7	21.2	20.9	20.8	20.7	21.3	21.5	21.4	21.3	22.0	3	67.6
Paid by employers	9.7	9.6	9.5	9.5	9.3	9.3	9.2	9.1	9.4	9.7	9.6	9.6	9.8	6	30.1
Paid by employees	11.9	12.1	12.1	12.2	11.9	11.6	11.6	11.6	12.0	11.8	11.8	11.8	12.2	6	37.5
Non-employed	2.3	2.4	2.5	2.6	2.5	2.4	2.4	2.4	2.5	2.5	2.6	2.6	2.7	4	8.4
Capital	6.9	8.5	7.2	6.9	7.0	6.7	6.7	7.1	7.3	6.5	6.4	6.6	6.6	13	20.2
Capital and business income	5.8	7.4	6.1	5.8	6.0	5.7	5.7	6.1	6.3	5.5	5.4	5.7	5.6	9	17.2
Income of corporations	2.2	3.2	2.4	2.3	2.4	2.3	2.3	2.6	2.6	1.9	2.0	2.3	2.4	14	7.3
Income of households	0.9	0.9	0.9	0.8	0.8	0.8	0.9	1.1	1.3	1.1	0.9	0.9	0.8	9	2.6
Income of self-employed (incl. SSC)	2.7	3.2	2.8	2.7	2.8	2.6	2.5	2.4	2.4	2.6	2.5	2.4	2.4	3	7.4
Stocks of capital wealth	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.0	24	2.9
D. Environmental taxes	% of GDP														
Environmental taxes	2.4	2.6	2.7	2.7	2.7	2.6	2.5	2.4	2.4	2.4	2.4	2.5	2.4	17	7.5
Energy	1.6	1.7	1.7	1.8	1.8	1.8	1.6	1.6	1.6	1.6	1.6	1.7	1.6	21	5.0
of which transport fuel taxes	1.2	1.3	1.3	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.3	1.4	1.3	21	
Transport (excl. fuel)	0.8	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.7	0.8	0.8	0.8	0.8	8	2.4
Pollution/resources	0.04	0.05	0.05	0.05	0.03	0.02	0.03	0.03	0.03	0.02	0.02	0.02	0.02	24	0.1
E. Property taxes	% of GDP														
Property taxes	0.6	0.6	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.5	0.5	0.6	24	1.7
Recurrent taxes on immovable property	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	25	0.6
Other property taxes	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	16	1.1
F. Implicit tax rates	%														
Consumption	22.2	22.1	22.5	22.2	22.1	21.7	21.3	21.6	21.7	21.6	21.3	21.2	21.3	13	
Labour employed	40.1	40.6	40.8	41.0	41.1	40.8	40.9	41.0	41.3	40.3	40.5	40.8	41.5	3	
Capital	27.3	35.2	28.8	27.6	26.8	24.2	23.9	25.1	26.3	25.2	23.6	24.0	25.0		
Capital and business income	22.9	30.5	24.5	23.2	22.8	20.6	20.2	21.6	22.9	21.4	20.0	20.7	21.4		
Corporations	26.6	36.6	28.0	26.7	26.1	23.6	22.7	24.0	25.2	24.1	21.9	22.6	23.9		
Households	7.9	8.9	9.6	8.5	7.3	6.4	7.1	8.5	9.7	9.1	9.1	9.5	8.4		
Real GDP growth (annual rate)	3.7	0.9	1.7	0.9	2.6	2.4	3.7	3.7	1.4	-3.8	1.8	2.8	0.9		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Austria

Overall trends in taxation

Structure and development of tax revenues

In Austria, the overall tax burden (including social contributions) in 2012 amounted to 43.1 % of GDP, more than three percentage points above the EU average (EU-28 39.4%), with only Belgium, France, Italy and the EU Scandinavian countries (Denmark, Finland and Sweden), recording higher rates.

Austria derives 34.4 % of tax revenues from indirect taxes (EU-28 34.5%), of which VAT accounts for more than half. Austria raises a substantial amount from other taxes on production (7.5 % of total taxation, EU-28 5.3%), in particular from an employers' contribution to the fund for equalisation of family burdens and a payroll tax payable to communes. By contrast, excise duties account for relatively little revenue. This reflects the moderate rates imposed, in particular on alcoholic beverages. Direct taxes account for a proportion of revenue (31.1 %) slightly below the EU average of 33.4 % of total taxation. The contribution of PIT to total tax revenues is close to EU-28 average (23.5 %, EU-28 23.9%), while the CIT share in total taxation is the eight lowest in the EU (5.5 %, EU-28 6.4%). Social contributions account for more than one third of total tax receipts (34.6 %, EU-28 32.4 %).

Among the EU countries with federal public finance systems, Austrian states receive the lowest proportion of total tax revenues (9.8 % as against more than 20 % in Belgium, Germany and even more than 30 % in Spain). The share of local government revenues (12.1 %) is slightly above the EU-28 average (11.0 %). The 2009 increase in tax shares of lower levels of government is due to an increased share in directly allocated tax revenues agreed as part of the financial equalisation procedure, replacing former transfers to lower levels of government.

Reforms enacted since 2001 resulted in a continuous decline of the tax-to-GDP ratio until 2006. In particular the tax reform 2004/05, focusing on the reduction of wage and corporate taxation, led to an estimated tax relief of about EUR 3 billion (1.2 % of GDP). The renewed increase of the tax-to-GDP ratio by more than one percentage point to 42.7 % of GDP from 2006 to 2008 was mainly due to the strong economic growth (increases in the wage sum and sustained corporate profits). From 2008–10 the tax ratio decreased somewhat to 42.1 %. Direct taxes fell *inter alia* by a tax reform targeting an annual tax relief of about 1.1 % of GDP, and reduced revenues from Corporate Income Tax. Indirect taxes and SSC increased both in nominal terms and — as GDP was declining from 2008 and 2009 — even more considerably in percentage of GDP. From 2010 profit-related

taxes started to rebound somewhat from their depressed crisis levels. Added to an increase in PIT revenue and a stabilization of SSC at their elevated 2009 levels, the tax-to-GDP ratio (43.1 %) surpassed the level of 2004.

Taxation of consumption, labour and capital; environmental taxation; property taxes

Taxes on consumption as a percentage of GDP (11.9 %) are slightly above the EU-28 average (11.2 %). The implicit tax rate on consumption is at 21.3 % in 2011 still above the EU-28 average of 19.9 %, somewhat lower than before the crisis.

Taxes on employed labour represented 22.0 % of GDP in 2012, constituting around one half of the total tax burden. In addition to the social contributions and personal income tax, payroll taxes also contribute substantially to the labour tax burden. In 2012, the Austrian implicit tax rate on labour was five percentage points above the EU 28 average (41.5 %, EU-28 36.1 %), only being topped by the levels in Belgium and Italy. That year, the implicit tax rate on labour reached its highest level since 2000.

The share of taxes on capital in GDP (6.6 %) is below the EU-28 average and below the EA-18 euro area average (both 8.2 %). This is partly due to the fact that taxes on capital stocks and wealth (e.g. taxes on immovable property) yield considerably less than in the euro area (1.0 % of GDP, EA-18 2.6 % of GDP). Capital taxes raised on income of corporations in relation to GDP are slightly below the average (2.4 %, EU-28 2.6 %). The ITR on capital stood at 25.0 %. Its past fluctuations were mainly driven by developments in corporate income.

From 2004 to 2010, environmental taxes have decreased then stabilised, partly due to the declining energy intensity of the economy. Their revenues in percentage of GDP are slightly up since 2011 and are, in 2012, in line with the EU-28 average (both 2.4 % of GDP). Transport taxes (excluding fuel taxes) are relatively important in Austria, contributing nearly one third to the overall revenue from environmental taxes, compared to an EU-28 average share of only one fifth. Property tax revenues in Austria in relation to GDP in 2012 (0.6 %) were the fifth lowest in the EU and far below the EU-28 average of 2.3 %. The share of revenues from recurrent taxes on immovable property in 2012 was fourth lowest in the EU representing 0.2 % of GDP, whereas the corresponding EU-28 average stood at 1.5 %.

Main recent reforms implemented, on-going or announced

After the 2009 tax reform (*Steuerreformgesetz 2009*) targeting an annual income tax relief of about EUR 3 billion (1.1 % of GDP), no major changes to the tax system were introduced in 2010. In 2011, capital gains of financial assets were made subject to a final withholding tax of

25 % and capital income tax rates were harmonised at 25 %. A stability bank levy based on the balance sheet total as well as on derivative positions was introduced. Environmental tax measures covered the introduction of a flight tax (*Flugabgabe*), the adjustment of the car registration tax to the CO₂ emission of the vehicles, and the increase in the mineral oil tax of certain products. Furthermore, excise duties on tobacco were increased in three steps, in January and June 2011 and in January 2012. With the 2012 stability law a temporary progressive solidarity contribution for high incomes (taxable income, excluding holiday and Christmas bonuses, above around EUR 150 000) on the usually flat-taxed holiday and Christmas bonuses was introduced. Social contribution rates for farmers and self-employed were increased as well as the ceiling for the SSC base. Moreover, formerly exempt older workers (from 59 onwards) are now subject to their unemployment contributions, but low wage earners only have to pay part of unemployment contributions. Employers terminating an employment contract are subject to a processing fee. Mineral oil tax refund for agriculture and public transport was abolished, and the state premiums for building savings and (third pillar) pension saving were reduced. The deductibility of losses made in foreign subsidiaries was restricted in the group taxation. Capital gains stemming from rezoning of land property were taxed and the holding period after which realised gains from real estate sales are tax exempt, was abolished (formerly 10 years). In 2012 and 2013 bilateral tax agreements with Switzerland and Liechtenstein were concluded on untaxed interest and dividends of Austrian citizens and in the context of a tax amnesty for self-reporting of undeclared assets, Austria plans to introduce a Financial Transaction Tax along the endeavour on the European level.

The tax measures taken together with the 2013 budget (*Abgabenänderungsgesetz 2013*) aimed essentially to closing existing loopholes and to maintain tax incentives for environmentally friendly vehicles. The flight tax (introduced one year earlier), was reduced for reasons of competitiveness, while commuter allowances were increased.

After the 2013 elections, a new coalition agreement was concluded. Part of the intentions therein already fed into a tax law amendment in February 2014 (*Abgabenänderungsgesetz 2014*). It includes *inter alia* an increase of the excise duties on tobacco and alcohol, and the reintroduction of a tax on sparkling wine. The annual taxes on passenger cars (*Motorbezogene Versicherungssteuer* and *Kraftfahrzeugssteuer*) have been increased and some progressivity has been introduced with respect to the engine power. The calculation formula of the registration tax (*Normverbrauchsabgabe*) was amended to take into account both CO₂ emissions and the net price. Derivatives were removed from the tax base of the stability bank levy), while the temporary surcharge on the levy has been increased. Salaries above EUR 500 000 are no longer deductible from Corporate Income Tax. The capital duty levied on certain contributions of capital to Austrian

companies will be abolished as of 2016. Group taxation rules for non-resident companies have been limited to companies residing in other EU Member States or in third states that have a comprehensive mutual assistance with Austria in place.

Main features of the tax system

Personal income tax

Austria has a progressive personal income tax scheme. The system, introduced in 2005, has four brackets (with marginal rates of 0 %, 36.5 %, 43.2 % and 50 %). The zero-rate bracket goes up to a taxable income of EUR 11 000, which means that — as a result of other tax credits — annual gross earnings of about EUR 16 800 for employees and EUR 15 000 for pensioners are tax-free. The top rate of 50 % applies as of a taxable income of EUR 60 000. These brackets do not apply to the full income. Employees' remunerations amounting to 1/6 of yearly wages — basically Christmas and holiday remunerations — are taxed at a separate progressive rate (solidarity contribution). Therefore, the maximum marginal rate of 50 % is reached at a yearly income of about EUR 500 000 (excluding remunerations). For partnerships and other unincorporated enterprises a tax allowance for profit income of 13 % (*Gewinnfreibetrag*) exists. Capital gains of financial assets — together with income from interests, dividends, etc. — are subject to a final withholding tax of 25 % from 2011 onwards. From 2012 onwards capital gains on immovable property, excluding owner occupied housing, are taxed at the same rate.

Corporate taxation

The CIT rate is 25 %, lowered from 34 % in 2005. Depreciation rates for buildings stand at 2 %. In recent years R&D tax incentives have been increased steadily, now allowing for a 10 % R&D tax credit. Similarly, an education allowance of 20 % of the qualifying expenses with an alternative tax credit of 6 % exists. In 2011, a stability bank levy based on the balance sheet total (excluding own capital and secured deposits) and derivative positions in the trading book was introduced. For the years 2012 to 2017 a surcharge applies on this stability levy. With the recent amendments in tax law in February 2014, the tax base of the stability levy has been amended to remove the derivatives component. The surcharge has been increased from 25 to 45 %, the tax rate of the basic levy now amounts to 0 % (for banks' balance sheets of up to EUR 1 billion), 0.09 % (up to EUR 20 billion) and 0.11 % (above EUR 20 billion).

In 2005 the group relief system (*Organschaft*) was replaced by a system of optional group taxation. Since then, foreign losses are deductible in computing the domestic income tax base, making Austria one of the few countries in Europe in which this is permitted. If a group breaks up within three

years the effects of group treatment are reversed. With the recent amendments of tax law in February 2014, group taxation has been limited to corporations resident in Austria, the EU and countries which have a comprehensive mutual assistance with Austria. A number of taxes and contributions are based on payroll and are borne by the employer, among them the municipal tax (3% on salaries and wages paid) and the contribution to the Family Burdens Equalisation Fund (payable at a rate of 4.5% on gross wages and salaries).

VAT and excise duties

The standard VAT rate is 20%. A reduced rate of 10% applies to basic foodstuffs, books and newspapers, public transport, renting of residential immovable property and, since 2009, to pharmaceuticals. A 12% VAT parking rate applies to wine from farm production carried out by the producing farmer. The quantitatively most important excise duties are on mineral oil and tobacco, which have been increased considerably since 2011. A flight tax of EUR 7 per passenger for short-haul flights, EUR 15 for medium-haul flights and EUR 35 for long-haul flights, applies.

Wealth and transaction taxes

The real estate tax is levied at a basic federal rate (0.2%), multiplied by a municipal coefficient (up to 500%), which generally means a tax rate of 1% on the tax values (*Einheitswerte*). The real estate transfer tax stands in general at 3.5%. There is no net wealth tax; inheritance and gift tax were abolished in August 2008.

Social contributions

In principle, the entire labour force must be insured under the social security system. Employees and their employers must pay contributions as a percentage of earnings up to the annually increasing ceiling of EUR 63 420 (2014 level) – the ceiling is also applicable to self-employed. The overall employees' contribution rate is about 18% in general. The rate for the employers, at 21.5%, is slightly higher. However, in certain cases additional contribution rates or reduced rates apply.

Belgium	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	13.6	13.2	13.2	13.2	13.4	13.5	13.6	13.3	13.1	13.0	13.3	13.1	13.4	17	50.2
VAT	7.2	6.9	6.9	6.8	6.9	7.0	7.1	7.1	7.0	6.9	7.1	7.0	7.2	19	26.9
Excise duties and consumption taxes	2.4	2.3	2.3	2.4	2.4	2.4	2.2	2.2	2.1	2.1	2.2	2.1	2.1	28	7.8
Other taxes on products (incl. import duties)	2.2	2.2	2.1	2.2	2.2	2.3	2.4	2.4	2.3	2.1	2.2	2.2	2.2	4	8.2
Other taxes on production	1.9	1.9	1.8	1.9	1.9	1.8	1.9	1.6	1.8	1.8	1.8	1.8	2.0	7	7.4
Direct taxes	17.5	17.8	17.6	17.2	17.5	17.6	17.3	17.0	17.2	15.9	16.4	16.8	17.4	3	65.4
Personal income	13.2	13.6	13.4	13.1	12.9	12.9	12.4	12.2	12.6	12.2	12.4	12.6	12.7	4	47.8
Corporate income	3.2	3.1	3.0	2.9	3.1	3.2	3.6	3.5	3.3	2.4	2.6	2.9	3.1	5	11.7
Other	1.1	1.1	1.2	1.2	1.4	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.6	5	5.9
Social contributions	13.9	14.1	14.4	14.3	13.9	13.7	13.5	13.6	13.9	14.5	14.2	14.3	14.6	7	55.0
Employers	8.3	8.4	8.6	8.6	8.4	8.2	8.2	8.2	8.4	8.7	8.5	8.7	8.9	6	33.4
Employees	4.4	4.5	4.5	4.5	4.4	4.3	4.2	4.2	4.2	4.4	4.3	4.3	4.4	10	16.5
Self- and non-employed	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.4	1.3	1.3	1.3	12	5.1
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	45.1	45.1	45.2	44.7	44.8	44.8	44.4	43.9	44.2	43.4	43.8	44.2	45.4	2	170.6
B. Structure by level of government	% of total taxation														
Central government	36.7	34.8	34.7	33.5	32.7	31.9	31.5	30.2	29.3	26.5	28.1	25.7	27.9	27	47.7
State government (2)	22.8	24.2	23.0	24.0	23.5	24.1	24.0	24.3	24.6	24.5	23.8	24.9	24.6	2	42.0
Local government	4.2	4.6	4.9	5.2	5.0	5.0	5.1	5.3	4.7	5.6	5.3	5.3	4.9	19	8.3
Social security funds	34.2	34.5	35.7	35.6	37.3	37.4	37.8	38.6	39.7	41.9	41.3	42.6	41.2	3	70.3
EU institutions	2.0	1.9	1.6	1.7	1.5	1.6	1.6	1.6	1.7	1.5	1.5	1.5	1.4	1	2.4
C. Structure by economic function (3)	% of GDP														
Consumption	11.3	10.9	10.9	10.9	11.0	11.1	11.1	10.9	10.7	10.6	10.8	10.7	10.8	24	40.5
Labour	24.2	24.7	24.8	24.5	24.0	23.7	23.0	23.0	23.6	24.0	23.9	24.2	24.5	4	91.9
Employed	22.2	22.6	22.7	22.4	22.1	21.9	21.3	21.2	21.7	22.0	21.9	22.2	22.4	2	84.3
Paid by employers	8.3	8.4	8.6	8.6	8.4	8.2	8.2	8.2	8.4	8.7	8.5	8.7	8.9	8	33.4
Paid by employees	13.8	14.1	14.1	13.8	13.8	13.6	13.1	13.0	13.3	13.3	13.4	13.5	13.5	3	50.9
Non-employed	2.0	2.1	2.1	2.1	1.8	1.8	1.7	1.8	1.9	1.9	2.0	2.0	2.0	8	7.6
Capital	9.5	9.4	9.3	9.2	9.7	9.9	10.1	9.9	9.9	8.7	8.9	9.2	10.0	4	37.6
Capital and business income	6.1	6.1	5.9	5.7	5.9	6.2	6.3	6.2	6.2	5.1	5.2	5.5	5.9	7	22.1
Income of corporations	3.2	3.1	3.0	2.9	3.1	3.3	3.5	3.5	3.3	2.4	2.6	2.9	3.1	5	11.7
Income of households	0.5	0.6	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.3	0.2	0.2	0.4	18	1.5
Income of self-employed (incl. SSC)	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.2	2.3	2.3	2.4	2.3	2.4	5	8.9
Stocks of capital wealth	3.4	3.3	3.4	3.5	3.7	3.7	3.8	3.7	3.7	3.6	3.7	3.7	4.1	3	15.5
D. Environmental taxes	% of GDP														
Environmental taxes	2.4	2.4	2.4	2.4	2.5	2.5	2.3	2.2	2.1	2.2	2.2	2.3	2.2	23	8.1
Energy	1.4	1.4	1.4	1.4	1.5	1.5	1.4	1.3	1.2	1.3	1.3	1.3	1.3	27	4.8
of which transport fuel taxes	1.4	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.1	1.1	1.2	1.2	1.1	26	
Transport (excl. fuel)	0.8	0.9	0.8	0.9	0.8	0.8	0.8	0.8	0.7	0.8	0.7	0.8	0.7	9	2.8
Pollution/resources	0.19	0.18	0.17	0.17	0.22	0.21	0.16	0.15	0.15	0.15	0.15	0.14	0.14	9	0.5
E. Property taxes	% of GDP														
Property taxes	2.8	2.8	2.8	2.9	3.2	3.1	3.2	3.1	3.1	3.0	3.1	3.2	3.4	3	12.8
Recurrent taxes on immovable property	1.2	1.2	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	6	4.9
Other property taxes	1.6	1.6	1.5	1.6	1.9	1.8	2.0	1.9	1.9	1.7	1.8	1.9	2.1	1	8.0
F. Implicit tax rates	%														
Consumption	21.8	21.0	21.4	21.4	22.0	22.3	22.4	22.1	21.2	20.8	21.2	21.0	21.1	14	
Labour employed	43.6	43.3	43.3	43.2	43.8	43.6	42.4	42.4	42.4	42.0	42.7	42.9	42.8	1	
Capital	29.5	29.4	30.5	31.4	32.5	32.6	32.9	31.2	32.0	29.4	28.8	30.4	35.5		
Capital and business income	19.0	19.1	19.4	19.4	19.9	20.5	20.6	19.7	20.0	17.2	16.8	18.1	20.9		
Corporations	24.4	24.1	23.1	22.3	21.9	21.8	22.4	20.9	21.2	15.9	15.0	16.6	20.0		
Households	12.9	13.0	13.7	14.1	14.8	15.6	15.2	14.7	14.9	14.3	14.6	15.8	16.9		
Real GDP growth (annual rate)	3.7	0.8	1.4	0.8	3.3	1.8	2.7	2.9	1.0	-2.8	2.3	1.8	-0.1		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

(3) Excludes PIT and SSC paid by EU officials living in Belgium directly to the EU Institutions and not to the Belgian government sector.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Belgium

Overall trends in taxation

Structure and development of tax revenues

Belgium has the second highest tax levels in the EU in 2012, after Denmark. Although it declined slightly over the period 2000–09 from 45.1 % to 43.4 %, the tax-to-GDP ratio rebounded to reach 45.4 % in 2012, a level significantly above the EU average (39.4 %).

The structure of the Belgian tax system, in terms of the share of revenue raised by the broad categories of taxes, has remained relatively stable since 2000, even though social contributions and ‘other direct taxes’ (mainly taxes on capital) have gradually gained importance in the total, notably at the expense of more classical direct taxes on personal and corporate income. The structure is however still characterised by a relatively high share of direct taxes in GDP (3rd highest in the EU at 17.4 % and increasing since 2009), reflecting a broad reliance on personal and corporate income taxes, and social contributions (7th highest in the EU at 14.6 %). By contrast, with 13.4 %, the share of indirect taxes in GDP is just below the EU average (13.6 %).

Indeed, a far-reaching tax reform of direct taxation that was gradually implemented in the first half of the last decade reduced PIT revenue, expressed as % of GDP, from 13.4 % in 2002 to 12.2 % in 2007. The subsequent introduction or increase of several tax expenditures set personal income tax revenues on a downward trend since 2003. The tax reform was complemented by successive targeted reductions in employers’ social contributions. During the same period, the share of corporate tax revenue significantly increased until 2006 when it peaked at 3.6 % of GDP following the 2002 corporate tax reform and a favourable business cycle. A reduction in the tax base of corporations due to the Allowance for Corporate Equity (ACE system, 2006) and the unfavourable economic conditions since 2008 have reversed this trend. The ratio of corporate income taxes to GDP stood at 3.1 % in 2012 (2.9 % in 2011), going back to the average 2000–05 level.

Belgium is a federal state with a large fiscal autonomy for the regions. Registration duties, inheritance taxes and car taxation are the main regional taxes. While the revenue level of the federal state is on the decline since the turn of the century, the revenues from the regions have remained relatively stable over time. Up to now, regions also benefited from the buoyant real estate markets ⁽¹⁾. The sixth reform of

the State — which will enter into force in June 2014 and in 2015 for the reform of the special law governing the financing of the regions and communities — will provide regions with even more tax autonomy and sharing (including targeted SSC reductions and 25 % of PIT revenues). A larger share of tax revenue has also been allocated to the Social Security Funds in recent years.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The taxation of consumption amounted to 10.8 % of GDP in 2012, below the EU average of 11.2 %. However, the implicit tax rate on consumption remained just above the EU average indicating a lower share of consumption in GDP. At 21.1 % in 2012, it has been relatively stable since the beginning of the economic crisis. As a percentage of GDP, VAT and excise duties represent 7.2 % and 2.1 % respectively, the latter being the lowest in the EU (7.1 % and 2.7 %).

Despite notable labour taxation reforms, Belgium still imposes relatively heavy taxes on labour with an implicit tax rate on labour employed of 42.8 % — the highest in the EU. Targeted rebates in employers’ social contributions were used as the main instrument to reduce labour costs. The 2000–06 reform programme paved the way for easing the tax burden on labour and led to a decrease in the ITR of 1.4 percentage points between 2004 and 2006. The ITR increased in 2010 and 2011 but has remained stable since then, with even a slight decrease being recorded in 2012. However, the ITR on labour does not take into account wage subsidies, which have been increasingly used over the past decade and would reduce the ITR further if taken into account: by three percentage points over the 2002–09 period (see Valenduc (2011)), and by 3.2 percentage points in 2011 ⁽²⁾.

The ITR on capital increased from 29.5 % in 2000 to 32.9 % in 2006, after which it declined to 28.8 % in 2010, due to the lagged effect of the introduction of the ACE system and the economic slowdown, and then rose again to over 30 % in 2011 and 2012. Two main factors explain it. On the household side, there has been a gradual increase since 2000, which is explained by the increase of registration duties linked to the boom in the real estate market but also by higher withholding tax rates on interest and dividends (in 2012). On the other hand the taxable profit of companies has risen. The marked increase in the overall ITR on capital in 2012 is also linked to the cycle: decrease of the theoretical base (decrease in profits for non-financial companies and decrease in dividends received/increase in dividends paid for financial companies). The steady increase in the ITR on capital of households was accompanied by an upturn in the ITR on capital of corporations, although at a lower rate

⁽¹⁾ Note that the data in the table take into account the transfers of taxes levied by the central government but withheld on behalf of other subsectors (Social Security Funds and level II entities) as foreseen in the ‘loi spéciale de financement’. The sub-sector breakdown supplied in National Accounts transmissions only attributes around 6.5 % of GDP to sub central government levels (regional and local taxes only, respectively 3.8 % and 2.6 % of GDP in 2012).

⁽²⁾ A comparison of wage subsidies with neighbouring countries has recently been provided in ‘Groupe d’experts compétitivité et emploi’, 2013.

than previously. In 2012, taxes on stocks of capital/wealth amounted to 4.1 % of GDP, which is the highest value over the period and remains the third highest value in the EU.

Revenues from environmental taxation have declined in percentage of GDP since 2005. In 2012 environmental tax revenue amounted to 2.2 % of GDP, below the EU average (2.4 %). Revenues from energy taxation are the second lowest in the EU (1.3 % compared to an EU average of 1.8 %) which is remarkably low considering that Belgium has one of the highest tax-to-GDP ratios.

Property tax revenues in Belgium are on the rise (3.4 % of GDP) and among the highest in EU (EU-28 average of 2.3 %) after United Kingdom (4.1 %) and France (3.6 %). The property tax represented 7.5 % of the total tax revenue in 2012, which is above the EU average (5.7 %). Among property taxes, transfer taxes and other taxes are favoured over recurrent taxes on immovable property, with the former category amounting to 4.7 % of total tax revenues, which is the highest share in the EU.

Main recent reforms implemented, on-going or announced

Setting the public debt on a declining path remains a priority for the government to prepare the public finances for the budgetary impact of an ageing population. The debt to GDP ratio remains well above the EU average and has been rising again since 2008 due to the economic slowdown and massive support to the financial sector. Belgium entered the Excessive Deficit Procedure in 2009. After two budgets mainly driven by fiscal consolidation, the initial 2014 budget, the last before federal and regional elections in May 2014, was presented in October 2013 together with some recovery measures. The general government nominal deficit is foreseen at 2.15 % of GDP, broadly in line with Belgium's commitment under the SGP. It is expected that growth recovery, revenues from tax amnesty and improved tax collection and compliance will together increase tax revenues by more than 5 %. EUR 560 million would come from expenditures savings. Fiscal stimulus mainly targets SMEs with investment allowance and with existing reduction of employers' social contributions for the first three hires being increased and extended to the first five hires. An additional positive budgetary impact is expected from a further reduction in the rate applied for ACE in corporate income tax, the introduction of the so-called fairness tax, and the removal of the excise exemption for biofuel. The fiscal stimulus included in the draft budget has been complemented by the 'Pact for competitiveness and jobs' agreed on 29 November 2013, which foresees additional reductions in wage costs (social contribution rebates) in 2015, 2017 and 2019 together with the reduction of the VAT rate on electricity (from standard 21 % to 6 % rate).

The so-called 'work bonus' for the low paid introduced in 2012 is reinforced, as both the existing social security

reduction and the existing tax credit for the low paid will be strengthened, resulting in an additional annual net salary increase of between EUR 68 and EUR 202 (for workers earning between the minimum wage and a gross monthly wage of EUR 1 800).

Main features of the tax system

Personal income tax

There are four categories of income: financial, real estate, professional (including labour income) and other various income. In principle, the general rates are applied to global income, but there are exceptions, e.g. in relation to financial income, income from private pension arrangements and other various income. In practice, the basis for taxation at the marginal rate consists of (deemed) property and professional income. Spouses are taxed separately, although a marital quotient exists: 30 % of the higher income is transferred to the lower income, provided it does not exceed EUR 10 200.

A major reform was implemented in 2000–06, introducing changes in brackets, rates, deductions and exemptions as well as a tax credit for low income earners. For wage earners, the income tax credit was changed into a reduction in employee's SSC starting from 1st January 2005 and a new tax credit for low income workers was introduced from income year 2011 onwards.

There are currently five brackets (besides the basic allowance) whose marginal rates vary between 25 % and 50 % and a municipal surcharge up to 9 % (7.4 % on average). Within certain limits, regions have the option to levy additional surcharges or to grant tax reductions. A major feature of the sixth reform of the state is that, as of 1 January 2015, 25 % of personal income tax will become regional tax (originally strictly proportional and based on the fiscal residence of the worker). Regions can vary the rate within certain limits and can grant tax expenditures, in the form of tax credits (refundable or not) within their share of PIT. The tax base remains federal. Since 2013, the withholding tax rate is 25 % for most interest income and is final. Taxation of private capital gains is almost non-existent (except for those on some capitalisation vehicles), interest on ordinary saving accounts is exempt up to EUR 1 900 (income year 2014) and enjoy a reduced tax rate of 15 % above the exemption threshold, and pension savings enjoy a special regime resulting in negative effective rates, as in other EU countries. These last provisions have been challenged recently as being limited to savings/ products in Belgian banks.

Corporate taxation

Companies in Belgium and the subsidiaries of foreign companies are subject to a fixed tax rate of 33.99 % (3 % crisis surcharge included) with profit from foreign branches

being exempted. There is no tax consolidation of companies. Under certain conditions, a special scheme applies to SMEs having an assessed income lower than EUR 322 500: a tax rate of 24.98% is applied on the part from EUR 0 to EUR 25 000, 31.93% on the part of EUR 25 000 to EUR 90 000 and 35.54% on the remaining part up to EUR 322 500 (all including the 3% crisis surcharge).

An allowance for corporate equity (ACE), referred to as 'notional interest on corporate capital', was introduced in 2006 to stimulate the self-financing capability of companies. The tax-free presumptive rate of return on equity applied under the ACE system is based on the rate of 10-year government bonds (OLO 10) with a cap of 3% as of 2012 (3.5% for SMEs). As from 2013, the rate is based on the average OLO 10 rate for the months of July, August and September of the previous year (rates to be applied on 2013 income: 2.742% and 3.242% for SMEs; on 2014 income: 2.63% and 3.13% for SMEs). As opposed to the Italian ACE, which is incremental, the Belgian system provides an allowance for existing stock. The so-called fairness tax has been introduced in 2013 (entry into force accounting period 2013) as a minimal tax rate (5%) on large companies distributing dividends and enjoying either carry-forward of losses or ACE.

VAT and excise duties

There are four VAT rates. The standard rate has remained unchanged at 21% since 1996. A reduced 6% rate applies to social housing, refurbishment of old housing, hotel accommodation, food, water, pharmaceuticals, animals, sporting events and facilities, art and publications and some labour intensive services. As of April 2014, a 6% reduced

rate should also apply to the supply of electricity to households. A second reduced rate of 12% applies to a limited number of transactions and, since 1 January 2010, to food in restaurants and catering services. A zero rate applies to newspapers and certain weeklies. The exemption previously applied to bailiffs' and notary's services has been removed and such services have become subject to the standard VAT rate of 21% as of 1 January 2012. The same applies to lawyer's services as from 1 January 2014. Excise duties in a strict sense yield relatively low revenue in Belgium, but this is supplemented by above average levels of other taxes on products.

Wealth and transaction taxes

There are no wealth taxes. Transaction taxes on immovable property and inheritance taxes are levied at the regional level. Note that regions will also become in control of mortgage deduction rules with the entry into force of the latest state reform.

Social contributions

The social security system is financed by contributions from employees and employers as well as by government subsidies and various tax sharing arrangements, including a significant share of VAT revenue. The amounts are calculated based on the gross salary (including bonuses, benefits in kind, etc.). The standard rate is approximately 13% for employees and 35% for employers but there are rebates for low wage earners and some target groups. Following the Sixth state reform, targeted social contribution reductions will become a regional competence while structural changes in social contributions will remain at the federal level.

Bulgaria	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	13.8	13.4	12.6	14.5	16.3	16.6	17.2	17.0	17.8	15.4	15.1	14.8	15.4	6	6.1
VAT	8.3	8.4	7.3	8.6	9.9	10.2	10.7	10.4	10.9	9.0	9.2	8.7	9.4	3	3.7
Excise duties and consumption taxes	3.9	3.7	3.9	4.4	4.8	4.7	4.8	5.8	5.9	5.5	5.1	5.1	5.1	1	2.0
Other taxes on products (incl. import duties)	1.0	0.8	0.8	0.8	0.9	1.0	1.1	0.4	0.4	0.4	0.3	0.4	0.3	27	0.1
Other taxes on production	0.5	0.5	0.6	0.7	0.7	0.7	0.6	0.5	0.5	0.6	0.6	0.5	0.5	24	0.2
Direct taxes	6.9	7.5	6.4	6.2	6.0	4.9	5.2	8.2	6.7	5.9	5.4	5.2	5.3	27	2.1
Personal income	4.0	3.5	3.2	3.2	3.1	2.7	2.6	3.2	2.9	3.0	3.0	2.9	3.0	27	1.2
Corporate income	2.7	3.8	3.0	2.8	2.5	1.8	2.1	4.4	3.2	2.6	2.0	1.9	1.9	22	0.8
Other	0.2	0.2	0.2	0.3	0.3	0.4	0.5	0.6	0.6	0.4	0.3	0.4	0.4	24	0.2
Social contributions	10.8	9.8	9.6	10.3	10.2	9.7	8.3	8.1	7.8	7.7	7.0	7.3	7.2	23	2.9
Employers	8.6	7.7	7.3	7.9	7.8	6.9	5.6	5.5	4.8	4.6	4.5	4.7	4.2	24	1.7
Employees	1.7	1.5	1.8	1.9	1.9	2.1	2.1	2.1	2.5	2.6	2.0	2.0	2.5	21	1.0
Self- and non-employed	0.5	0.6	0.5	0.6	0.6	0.6	0.5	0.5	0.4	0.5	0.6	0.5	0.5	17	0.2
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	31.5	30.8	28.5	31.0	32.5	31.3	30.7	33.3	32.3	29.0	27.5	27.3	27.9	27	11.1
B. Structure by level of government	% of total taxation														
Central government	55.5	57.0	55.1	65.2	67.0	67.1	70.6	72.0	71.7	69.7	70.6	69.2	70.3	6	7.8
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	10.2	11.1	11.3	1.6	1.6	1.8	2.3	2.6	2.9	2.8	2.9	3.0	3.0	25	0.3
Social security funds	34.4	31.9	33.6	33.2	31.5	31.1	27.0	24.4	24.1	26.6	25.6	26.8	25.8	21	2.9
EU institutions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.0	1.2	1.0	0.9	1.0	0.9	n.a.	n.a.
C. Structure by economic function	% of GDP														
Consumption	13.2	12.8	11.9	13.8	15.5	15.9	16.6	16.5	17.2	14.7	14.4	14.2	14.9	4	5.9
Labour	14.0	12.5	11.9	12.7	12.5	11.6	10.1	10.4	9.7	9.8	9.1	9.2	9.2	28	3.6
Employed	13.9	12.4	11.9	12.7	12.5	11.5	10.0	10.3	9.7	9.7	9.0	9.2	9.1	28	3.6
Paid by employers	8.9	7.9	7.5	8.1	8.0	7.2	5.8	5.6	4.8	4.7	4.5	4.8	4.3	24	1.7
Paid by employees	5.0	4.5	4.4	4.5	4.5	4.4	4.2	4.7	4.8	5.1	4.5	4.4	4.9	28	1.9
Non-employed	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	28	0.0
Capital	4.4	5.5	4.7	4.5	4.5	3.8	4.1	6.5	5.3	4.5	4.0	3.9	3.9	23	1.5
Capital and business income	4.0	5.1	4.2	3.9	3.8	3.0	3.2	5.6	4.3	3.7	3.2	3.1	3.1	23	1.2
Income of corporations	2.9	4.0	3.1	2.9	2.7	2.0	2.3	4.6	3.3	2.7	2.2	2.1	2.1	21	0.8
Income of households	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.2	0.2	0.2	23	0.1
Income of self-employed (incl. SSC)	1.1	1.0	1.0	0.9	1.0	1.0	0.9	0.8	0.7	0.7	0.8	0.8	0.8	20	0.3
Stocks of capital wealth	0.4	0.4	0.5	0.6	0.7	0.8	0.8	0.9	1.0	0.8	0.8	0.8	0.8	25	0.3
D. Environmental taxes	% of GDP														
Environmental taxes	2.7	2.5	2.3	3.0	3.2	3.0	2.9	3.4	3.4	3.0	2.9	2.9	2.8	9	1.1
Energy	2.5	2.4	2.1	2.6	2.8	2.6	2.5	3.0	3.0	2.7	2.6	2.6	2.5	2	1.0
of which transport fuel taxes	:	:	:	:	:	:	:	2.9	2.9	2.6	2.5	2.5	2.4	2	
Transport (excl. fuel)	0.2	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2	0.3	19	0.1
Pollution/resources	0.01	0.01	0.10	0.15	0.18	0.15	0.12	0.08	0.13	0.08	0.08	0.09	0.05	18	0.0
E. Property taxes	% of GDP														
Property taxes	0.2	0.2	0.3	0.3	0.4	0.4	0.6	0.7	0.7	0.5	0.5	0.6	0.6	23	0.2
Recurrent taxes on immovable property	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.3	0.3	0.3	0.3	22	0.1
Other property taxes	0.1	0.1	0.1	0.2	0.2	0.3	0.4	0.5	0.5	0.3	0.2	0.3	0.3	18	0.1
F. Implicit tax rates	%														
Consumption	18.3	17.5	16.6	19.2	21.5	21.8	23.5	22.6	24.7	22.0	21.4	21.1	21.5	12	
Labour employed	38.1	33.9	33.4	35.6	35.7	33.2	29.7	30.4	27.4	25.7	23.5	24.2	24.5	27	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:		
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:		
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:		
Households	:	:	:	:	5.3	:	5.1	4.9	:	:	6.8	6.3	6.1		
Real GDP growth (annual rate)	5.7	4.2	4.7	5.5	6.7	6.4	6.5	6.4	6.2	-5.5	0.4	1.8	0.8		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Bulgaria

Overall trends in taxation

Structure and development of tax revenues

In 2012, Bulgaria was the Member State with the second lowest tax-to-GDP ratio of 27.9%. It remains more than 11.5 percentage points lower than the EU average. Of the countries that joined the EU in 2004, only Lithuania has a lower tax-to-GDP ratio at 27.2% of GDP, while e.g. Hungary's and Slovenia's tax revenues were about 10 percentage points above Bulgaria's (39.2% and 37.6% respectively).

Since joining the EU in 2007 Bulgaria is the Member State most reliant on indirect taxation. The share of indirect taxes in total taxation increased slightly to 55.3% in 2012. Croatia is the only other Member State above the 50% mark. Bulgaria also remained the country with the highest share of revenues from excise duties and consumption taxes in overall taxation with 18.4% (5.1% of GDP) compared to an EU average of only 6.8%. The share of VAT in overall taxation, 33.8%, was the second highest in the EU. The level of indirect taxation as share in GDP (15.4%) was also well above the EU average (13.6%) and the sixth highest in the EU. VAT accounted for 61.1% and excise duties for 33.3% of indirect tax revenue. Consequently, direct taxes represented only 18.8% of total taxation (5.3% of GDP), which was the second-lowest value in the EU. The rates of the social contributions have been reduced in recent years, but decreased only slightly in 2012 to 25.8% of total taxation (EU-28 32.4%) and 7.2% of GDP (EU-28 12.7%).

Most tax receipts are collected by central government, their share increasing to 70.3% in 2012, and more than a quarter by social security funds (25.8%). Revenues collected by local government were marginal at 3.0%, due to the 2003 abolition of the local CIT surcharge and the discontinuing of PIT sharing. In comparison with the EU average, the Bulgarian central government collected nearly 22 percentage points more in tax receipts, while local government received 8 percentage points less. The share collected by social security funds (25.8%) is somewhat closer to the EU-28 average (32.0%).

In 2012, the overall tax-to-GDP ratio increased slightly, by 0.6 percentage points, for the first time since 2007 following the global economic crisis (falling by 3.3 and 1.5 percentage points in 2009 and 2010, respectively, and then stabilising in 2011). Nevertheless, the total tax revenue (in relation to GDP) is much lower than pre-crisis levels (down 5.4 percentage points since 2007) without any major change to the tax system. Over the last decade the general tax strategy was to lower direct taxation and increase reliance on indirect taxation. As noted, however, the decline since 2008 is not associated with a substantial decrease of statutory tax

rates. The 13.5% cumulative decrease in the VAT revenues as share of GDP since 2008 can at least partially be explained by the increased share of exports. Between 2009 and 2012, exports as a share of GDP increased by 40% (or 20 percentage points) while imports increased only by 24.7% (or 14 percentage points).

Taxation of consumption, labour and capital; environmental taxation, property taxes

Taxes on consumption in Bulgaria increased to 14.9% of GDP in 2012 but still remain 2.3 percentage points lower than their level in 2008. This is mainly due to a high share of domestic final consumption in GDP (close to 63%). The rate of taxation contributes somewhat less to this high level as shown by the ITR on consumption which at 21.5% remains only the twelfth highest in the EU. The increase of the ITR over the last decade was notably due to the continuous increase of excise duty rates, and the lowering of the VAT registration threshold.

In 2012, revenue from labour taxation stood at 9.2% of GDP (unchanged from 2011). This is the lowest value in the Union and 10.9 percentage points below the EU average. Among other factors, this is due to the relatively low level of compensation of employees (37.1% of GDP) and the very low proceeds from employed labour taxation. At 24.5%, the ITR on labour increased and remains well below the EU average (36.1%). The ratio was decreasing steadily in previous years, largely due to decreases in employers' social contribution rates, but stabilised in 2012.

Revenues from taxes on capital amounted to 3.9% of GDP in 2012, thus remaining the sixth-lowest in the EU. Developments over the years are mainly driven by proceeds from corporate income taxation, which in 2012 ranked 22th in the EU. Government efforts to attract investment and combat the shadow economy by, among other measures, lowering the CIT rate almost every year to reach 10% in 2007 explain the fluctuations in the revenue. In addition, the unfavourable economic conditions since the end of 2008 affected strongly the proceeds from corporate taxation in terms of share of GDP, which fell by 36.3% (or 1.3 percentage points) over the same period.

At 2.8% of GDP, revenues from environmental taxes remain the ninth highest in the EU (average 2.4%). This is due to high revenue from energy taxation in terms of GDP, which in 2012 — at 2.5% of GDP — became already the second highest in the EU. The high ranking of the country in this category of taxation is mainly due to high energy consumption. Indeed, in 2012 Bulgaria was the country with the highest energy intensity of the economy. Given that more than 90% of energy tax revenue stems from excise duties on fuel, the country also ranks second in revenues from energy taxes levied on transport fuel — 2.4% of GDP in 2012. Transport taxes excluding fuel are of somewhat lesser

importance amounting to only 0.3% of GDP (close to the EU average of 0.5%).

Property tax revenues in Bulgaria in relation to GDP in 2012 (0.6%) were well below the EU-28 weighted average of 2.3%. Property tax revenues have increased since 2000, when they were at only 0.2% of GDP. The share of revenues from recurrent taxes on immovable property in 2012 amounted to 0.3% of GDP whereas the EU-28 average stood at 1.5%.

Main recent reforms implemented, on-going or announced

The Government was pursuing a strict fiscal policy, reducing spending and conducting structural reforms in the public sector, with the aim of preserving a favourable fiscal position of the country. In 2011, the Organic Budget Law was amended with requirements to keep the consolidated budget deficit below 2% and limit the government expenditure to 40% of GDP. These entered into force as of 2012. The tax strategy of the Bulgarian government aims at maintaining a uniform and low level of taxation of different types of incomes. Efforts are targeted at improving tax collection and fighting tax evasion. In 2013, the rates of the corporate and personal income taxes, which are already among the lowest in the EU, were kept unchanged; while the increase of several excise duties (for details see below) shifted the tax burden towards indirect taxation. As of 1 January 2013, interest income from term deposits of individuals in banks, which was traditionally exempt from taxation, became subject to a 10% withholding tax when received from a resident bank and levied by self-assessment when the interest is received from abroad. Under a new sunset clause in force as of 1 January 2014, that rate will be decreased to 8% for 2014, 6% for 2015, 4% for 2016 and 0% thereafter. In 2013 the regimes for advance payment of corporate income tax and withholding taxes have been relaxed and streamlined. In 2014, a specific refund system for personal income tax was introduced, which is applicable only to the lowest wage earners who earn only labour income.

Main features of the tax system

Personal income tax

As of 2008, Bulgaria has introduced a 10% flat-rate tax system, which replaced the previous progressive income tax rates (20%, 22% and 24%). The flat tax is levied on income from six sources and, in accordance to the principles of flat tax systems, only very few tax reliefs are in force. The net income of sole proprietors is taxed separately by way of a 15% final flat tax. In certain sectors small businesses operated by natural persons, including sole proprietors, are subject to a lump sum ('patent') tax provided that they are not registered for VAT. Family members are taxed separately. Pensions and other social security payments

are exempt from taxation. There are no general and child allowances; only disabled individuals are granted an annual allowance of BGN 7 920 (EUR 4 049). A tax credit of 5% is applicable in case of early or electronic submission of a tax return. Donations to certain qualifying institutional beneficiaries, mandatory social contributions and certain voluntary contributions and premiums are deductible from the aggregate taxable income. Subject to certain conditions, young families can deduct the mortgage interest payments on the first BGN 100 000 (EUR 51 129).

As of 2014, the personal income tax law provides that the lowest wage earners may apply for a refund of the personal income tax levied on their wages in the previous tax year. The first year when the refund could be claimed back would be 2015, for taxes levied on wages earned in 2014. The refund is available only to individuals who earn no income other than their labour income which should not be higher than the statutory minimum salary.

Interest income on accounts (besides savings term deposits, which are taxable) with banks resident in Bulgaria or another EEA country, on Bulgarian or another EEA country government securities, on state or state-guaranteed loans, and on corporate bonds and debentures, is exempt.

Corporate taxation

In the course of the last decade, corporate income taxation in Bulgaria has become increasingly favourable to business. Starting from the 40% rate in 1995 for large enterprises, the rate was lowered almost every year to reach the 10% rate applicable as from 1 January 2007.

The taxable profit is derived from the accounting result, amended for tax purposes. Losses are carried forward for five years. Initial investment, computers and software as well as mobile phones benefit from a special 50% depreciation rate. Moreover, the 50% depreciation rate is applicable to any type of investment in new assets, if made to promote energy efficiency. Manufacturing companies are allowed to reduce the tax due by up to 100% if the activities are performed entirely in municipalities with very high unemployment rate (as of 2014, 25% or more than the national average, 35% for previous years). The same tax reduction applies to specialised companies and cooperatives hiring disabled individuals. A 60% reduction is provided to registered agricultural producers, on income generated from unprocessed agricultural produce. However, certain conditions need to be met in relation to the retention of employees and the way the unpaid tax should be spent. Also, a tax incentive is provided to companies hiring registered elderly, disabled or long-term unemployed individuals for a minimum period of 12 months.

Dividends distributed between resident or EEA commercial companies are tax exempt, whereas those paid to non-residents (other than EEA) in general are subject to a final 5%

withholding tax. Non-dividend income paid to non-resident companies is subject to a 10% withholding tax. As for interest and royalties distributed to EU associated companies, the rate was reduced to 5% in 2011 and will be applicable till the end of 2014, after which it will be reduced to 0%. As of 2014, interest on bonds that are traded on a regulated market in Bulgaria or another EU Member State or EEA country and paid to non-resident companies is exempt from withholding tax.

VAT and excise duties

The VAT system has been in place in Bulgaria since 1994. The standard rate is 20% and the reduced rate is 9%. The latter applies to hotel accommodation only.

Excise duty rates have been increased nearly every year, mainly to bring legislation in line with EU regulations and reach EU minima in accordance with the transitional periods laid down in the Treaty of Accession (the last transitional period expired in 2013). In 2014 excise duties on natural gas used as heating fuel have been increased. At present Bulgaria is at or above the EU minimum levels of taxation for most of the energy products. It applies a lower than the minimum rate for liquefied petroleum gas and natural gas used as propellants and a zero rate on natural gas used by households. From 2014 Bulgaria applies a zero tax rate on electricity used by households while in 2013 it applied a tax at the EU minimum level. On the basis of a country-specific derogation which will expire in 2017 Bulgaria applies a lower excise duty on cigarettes than the new EU minimum level of taxation which entered into force in 1 January 2014.

Wealth and transaction taxes

Gift/inheritance tax is levied at rates set by the municipalities within the limits set by the law. The rates may vary between 0.4% and 0.8% (if received by relatives in the lateral line) and between 3.3% and 6.6% (if received by any other beneficiary). No gift/inheritance tax is levied on property donated to/inheritance received by a spouse or relatives in the direct line. The first BGN 250 000 (EUR 127 823) of the value of the inheritance is tax exempt. A real estate tax applies at rates of 0.01% to 0.45% of the value of the immovable property, depending on the municipality. A 50% discount is granted if the property is the main residence of the taxpayer.

Social contributions

Contributions are due for the public social insurance funds, covering pension rights (17.8%), general sickness and maternity (3.5%), health (8%), and unemployment (1%). The aggregate 17.8% pension contribution is shared, 9.9% for the employer and 7.9% for the employee, whereas the other social contributions are shared between the employer and employee at a ratio 60:40. The base is the employee's gross income subject to a monthly minimum and a ceiling set in the legislation. The minimum income is updated on a yearly basis and depends on the economic sector of activity and the job position of the employee. The monthly maximum is BGN 2 400 (EUR 1 227). Furthermore, the employer has to pay additional contributions to the Labour Accident and Professional Disease Fund (0.4%–1.1%) and to the Guaranteed Receivables Fund (0.1%, suspended for 2011–14). The contribution base for the self-employed is determined by the self-employed themselves, subject to a minimum monthly base ranging from BGN 420 (EUR 215) to BGN 550 (EUR 281) depending on their 2012 income and a maximum of BGN 2 400 (EUR 1 227).

Croatia (¹)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (²)	€ bn
Indirect taxes	:	:	19.8	19.5	18.8	18.6	18.6	18.3	18.0	17.1	18.0	17.4	18.2	3	8.0
VAT	:	:	12.4	12.4	12.0	12.1	12.2	12.0	11.9	11.3	11.7	11.4	12.3	1	5.4
Excise duties and consumption taxes	:	:	4.7	4.6	4.3	4.1	4.0	3.8	3.6	3.3	3.7	3.4	3.4	14	1.5
Other taxes on products (incl. import duties)	:	:	2.0	1.9	1.8	1.7	1.7	1.7	1.8	1.7	1.7	1.7	1.6	7	0.7
Other taxes on production	:	:	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	19	0.4
Direct taxes	:	:	6.1	6.0	6.0	6.2	6.9	7.4	7.2	7.2	6.5	6.2	6.1	24	2.7
Personal income	:	:	3.8	3.7	3.7	3.5	3.6	3.9	3.9	3.9	3.5	3.5	3.7	24	1.6
Corporate income	:	:	1.8	2.0	1.9	2.3	2.9	3.1	2.9	2.6	2.0	2.3	2.0	21	0.9
Other	:	:	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.7	1.0	0.4	0.4	22	0.2
Social contributions	:	:	12.1	12.0	11.9	11.7	11.6	11.7	11.9	12.2	12.0	11.7	11.5	16	5.0
Employers	:	:	6.3	6.3	6.4	6.3	6.2	6.2	6.3	6.5	6.4	6.3	6.0	15	2.6
Employees	:	:	5.4	5.4	5.3	5.2	5.2	5.2	5.3	5.5	5.3	5.2	5.3	5	2.3
Self- and non-employed	:	:	0.3	0.3	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	23	0.1
Less: amounts assessed but unlikely to be collected	:	:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	:	:	37.9	37.5	36.7	36.6	37.1	37.4	37.1	36.5	36.4	35.3	35.7	13	15.7
B. Structure by level of government	% of total taxation														
Central government	:	:	58.5	58.2	57.1	57.4	57.6	57.1	56.1	54.4	55.7	55.2	56.0	15	8.8
State government (³)	:	:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	:	:	9.7	9.9	10.5	10.5	11.1	11.6	11.9	12.2	11.4	11.6	12.0	11	1.9
Social security funds	:	:	31.8	31.9	32.4	32.1	31.4	31.3	32.0	33.4	32.8	33.1	32.1	12	5.0
EU institutions	:	:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C. Structure by economic function	% of GDP														
Consumption	:	:	19.1	18.9	18.2	18.1	17.9	17.6	17.2	16.4	17.3	16.7	17.5	1	7.7
Labour	:	:	14.8	14.7	14.8	14.4	14.5	14.9	15.1	15.7	15.4	14.6	14.5	16	6.4
Employed	:	:	14.6	14.5	14.6	14.3	14.4	14.7	14.9	15.5	15.2	14.5	14.4	16	6.3
Paid by employers	:	:	6.3	6.3	6.4	6.3	6.2	6.2	6.3	6.5	6.4	6.3	6.0	15	2.6
Paid by employees	:	:	8.3	8.3	8.3	8.0	8.2	8.5	8.6	9.0	8.8	8.2	8.4	15	3.7
Non-employed	:	:	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.2	25	0.1
Capital	:	:	4.0	3.9	3.7	4.1	4.6	5.0	4.8	4.3	3.7	4.0	3.7	26	1.6
Capital and business income	:	:	3.0	2.9	2.7	3.1	3.6	3.8	3.6	3.2	2.6	2.9	2.6	25	1.2
Income of corporations	:	:	1.8	2.0	1.9	2.3	2.9	3.1	2.9	2.6	2.0	2.3	2.0	22	0.9
Income of households	:	:	0.6	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	20	0.1
Income of self-employed (incl. SSC)	:	:	0.6	0.5	0.4	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	26	0.1
Stocks of capital wealth	:	:	1.0	1.0	1.0	1.0	1.0	1.1	1.2	1.1	1.1	1.1	1.0	21	0.5
D. Environmental taxes	% of GDP														
Environmental taxes	:	:	4.1	4.2	4.0	3.9	3.8	3.7	3.4	3.4	3.7	3.3	3.2	4	1.4
Energy	:	:	2.7	2.6	2.4	2.3	2.2	2.0	1.8	1.9	2.2	1.8	1.7	18	0.8
of which transport fuel taxes	:	:	0.0	0.0	2.3	2.2	2.1	2.0	1.7	1.8	2.1	1.8	1.7	12	
Transport (excl. fuel)	:	:	0.8	1.0	1.1	1.1	1.1	1.1	0.9	0.9	0.8	0.8	0.8	6	0.3
Pollution/resources	:	:	0.59	0.57	0.55	0.53	0.53	0.58	0.62	0.60	0.64	0.64	0.64	1	0.3
E. Property taxes	% of GDP														
Property taxes	:	:	0.4	0.3	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.3	28	0.1
Recurrent taxes on immovable property	:	:	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	0.0
Other property taxes	:	:	0.3	0.3	0.4	0.3	0.4	0.4	0.5	0.4	0.3	0.3	0.3	17	0.1
F. Implicit tax rates	%														
Consumption	:	:	30.1	30.7	30.1	30.0	30.5	29.8	29.4	28.1	29.2	27.9	29.1	2	
Labour employed	:	:	29.5	29.2	30.0	29.6	30.3	30.8	31.0	31.3	31.1	29.7	29.2	22	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:		
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:		
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:		
Households	:	:	:	:	:	6.8	6.5	6.8	:	:	:	:	:		
Real GDP growth (annual rate)	3.8	3.7	4.9	5.4	4.1	4.3	4.9	5.1	2.1	-6.9	-2.3	0.0	-2.0		

(¹) Data is provisional.

(²) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(³) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Croatia

Overall trends in taxation

Structure and development of tax revenues

The overall tax burden in Croatia was 35.7% of GDP in 2012, less than the EU-average (39.4%) and less than the values of neighbouring Member States Hungary (39.2%) and Slovenia (37.6%).

Croatia's tax structure relies mostly on indirect taxes and social security contributions. Indirect taxes account for 18.2% of GDP, higher than the EU average of 13.6%. Indirect taxes make more than half of total tax revenues, Bulgaria being the only country with a higher share (55%) of indirect taxes in total tax revenues. Social security contributions account for 11.5% of GDP, slightly below the EU average of 12.7%. On the other hand, direct taxes represent 6.1% of GDP, significantly less than the EU average of 13.2%. Actually, in terms of share of direct taxes in total tax revenues, Croatia stands below all other member states with a share equal to 17.1% (EU average: 33.4%).

The trend in overall tax revenues has been declining since the early 2000s. Each year saw a decline of tax revenues in comparison to GDP, with the exception of 2006–07, and of 2012 when the overall tax burden increased by 0.4 percentage point when compared with 2011, only attributable to the rising VAT revenues. In general and given their prominent share, the development of the overall tax-to-GDP ratio has been driven by indirect taxes evolution.

Taxation of consumption, labour and capital; environmental taxation, property taxes

In 2012, the implicit tax rate on consumption in Croatia was 29.1%, the second highest value in the Union after Denmark. This value was well above the EU average of 19.9% and of values in neighbouring countries Hungary (28.1%) and Slovenia (23.4%). The implicit rate is broadly stable and slightly declining in recent years: in 2004, it amounted to 30.1% of total consumption expenditures.

The high implicit tax rate on consumption can be explained by the relatively high standard VAT rate (25% since 2012), which is levied on a broad basis. The effect of the VAT hike in 2012 is evident when comparing the ITR for 2011 (27.9%) to the value for 2012 (29.1%), the highest increase in the ITR during the period 2011 to 2012 in EU-28.

The implicit tax rate on labour is comparable to that on consumption and stood at 29.2% in 2012. Croatia taxes labour much less than the EU average (36.1%) and also less than neighbouring countries Slovenia (35.6%) and Hungary (39.8%). The ITR on labour has been declining since 2009. No data is available for the tax wedge.

Revenues from capital taxes in terms of GDP are third lowest in EU-28, and on a decreasing trend. Data on the ITR on capital is not available.

Croatia relies quite extensively upon environmental taxation, the main ones in terms of revenues being excises, vehicle taxation and utility charges levied on enterprises. Environmental taxes accounted for 3.2% of GDP, the fourth highest value in the EU, above the average of 2.4%. The trend has been declining however since 2003, when environmental taxes accounted for as much as 4.2% of GDP. Since then, taxes on energy and transport decreased in terms of GDP. On the other hand, taxes on pollution/resources grew over the same period.

Croatia's property taxation in relation to GDP was the lowest among the EU Member States (0.3% of GDP) in 2012, well below the EU average of 2.3%. Recurrent property taxes accounted for less than 0.1% of GDP (0.1% of total taxation, and for one ninth of total property taxes (which accounted for 0.9% of total taxation).

Main recent reforms implemented, on-going or announced

The key policy orientations of tax policy in Croatia in recent years have been preparing the accession of the country to the European Union on 1 July 2013, consolidating tax revenues (both by improving tax compliance and by rising taxes) and trying to promote growth and competitiveness, also by shifting taxation away from productive factors towards consumption.

In preparation for accession Croatia had to align its tax rules to the EU body of laws. Reforms took place in particular in the field of VAT and excise duties with the introduction of a 10% reduced VAT rate for food preparation and the serving of food and drink in hospitality facilities, the replacement of the zero VAT rate with a 5% reduced rate, and alignment with the EU system of excise duties. This has led to an increase of excise duties for energy, electricity and tobacco.

To boost revenues, Croatia has relied primarily on VAT and measures to improve tax compliance. The country raised its standard VAT rate to 25% in March 2012 and recently, in December 2013, it increased the reduced VAT rate of 10% to 13%. Croatia also recently changed its system of car taxation, introducing a special tax on motor vehicles based partly on CO₂ emissions.

The increase of VAT in March 2012 was followed by a decrease of employers' social security contributions for health insurance of two percentage points (from 15 to 13%) in May 2012, an example of tax shift aimed at improving the competitiveness of the Croatian economy by reducing labour costs. Other measures recently introduced by Croatia to improve competitiveness include a tax break for reinvested profits under its profit tax regime as from 2012, and the abolishment since January 2013 of the special tax

on luxury products. Amendments of the Corporate Income Tax Act (entry into force on 1 January 2014) have introduced new tax advantages and exemptions for taxpayers pursuing economic activities in supported areas (see below under corporate income tax for details).

Main features of the tax system

Personal income tax

Croatia levies a progressive income tax with three rates of 12 %, 25 % and 40 %. At the time of its introduction in 1994, the Croatia PIT included two rates of 20 % and 35 %. In 2001, a three-rate schedule of 15 %, 25 % and 35 % was introduced. In 2003, a fourth top rate of 45 % was established. In 2010, the top rates of 35 % and 45 % became a single top rate established at 40 %. Additional surtaxes are applied at the local level.

Income from interests on savings, on deposits and on securities under certain conditions, and capital gains on movable property (such as gains through financial transactions) are not deemed to constitute an income. Dividends are taxed at a withholding tax rate of 12 % (plus local surtax). Deductions exist for self-employment income, covering salaries paid to newly employed persons, R&D expenditures, state grants for education and training and losses carried forward. There exist also deductions for donations and for contributions to supplementary pension or health insurance fund. The basic yearly personal allowance amounts to HRK 26 400. There is a specific allowance for pensioners, set at HRK 40 800 per year. Special allowances apply to taxpayers living in certain regions.

Corporate taxation

The top statutory rate of CIT in Croatia is 20 %, higher than in neighbouring countries Hungary (19 %) and Slovenia (17 %). The tax base is the difference between revenues and expenditures established according to accounting regulations, reduced or increased according to the law to define taxable profit. Since 2013 the tax base can be reduced by the amount of reinvested profits. There are no special rates for SMEs. The CIT code includes thin-capitalisation rules for internal debt at a ratio of 4:1. There are no controlled foreign company provisions. Croatia applies a foreign tax credit. Special rules (such as the Investment Promotion Act) define CIT exemptions, reliefs and incentives.

In addition, newly introduced provisions (01.01.2014) grant exemption or reduced rate to business activities according to their location and provided that certain conditions are met (more than five employees under contract and at least half of the employees residing in the defined supported areas). In 'Group I areas' (least developed and under support of local governments areas) business activities are fully exempted

from the CIT, while economic activities in 'Group II areas' enjoy a reduced CIT rate (10 % instead of 20 %).

VAT and excise duties

Croatia's VAT standard rate has been increased from 23 % to 25 % since March 2012. In January 2013, the zero VAT rate was abolished and replaced by a 5 % super reduced rate, that applies to goods and services that had previously not been taxed, such as basic food commodities (bread, milk and substitutes for mother's milk), certain pharmaceutical products, medical aids and books (including e-books). An intermediate reduced rate applies to certain foodstuff such as oils, sugar and food for infants; water supplies; certain newspapers and magazines; certain admissions to cultural services; and hotel accommodation and restaurants. The most recent reform in December 2013 has led to an increase in this intermediate reduced VAT rate from 10 % to 13 %.

The most significant changes within the field of excise duties refer to special taxes on passenger cars (namely a combined system of taxation based on the vehicle selling price and on its CO₂ emissions), an increase in excise duties applied to energy products including electricity, and in excise duties on most tobacco products. Actually, the excise duties on natural gas, on electricity and on coal and coke were introduced on the day of accession. Even though Croatia stands above the EU GDP-weighted average in excise duties of 2.7 % of the GDP by 0.7 % (mainly because of its dominant reliance on consumption-based taxes), it still has a lower excise-duties-based revenue-collection compared to its neighbouring countries Slovenia (4.5 % of the GDP) and Hungary (3.5 % of GDP).

Wealth and transaction taxes

There is no wealth tax in Croatia. Real estate transaction tax is levied on all types of property transaction, for example, on purchase and sale, exchange and inheritance. The tax base is the market value of the property, and the tax is levied at a 5 % rate. However, exemptions exist for certain types of transactions, in particular for the first real estate purchase resolving a citizen's personal housing need. Acquisition of newly built real estates is subject to VAT and not considered a transaction subject to real estate transfer tax. Croatia does not tax financial transactions.

Social contributions

The Croatian compulsory social security insurance system is composed of mandatory pension and health insurance, insurance against occupational diseases and workplace injuries, and unemployment insurance. There are two types of mandatory pension insurances: one based on generational solidarity, 1st pillar, and the other based on capitalised savings or 2nd pillar. Employees are liable for contributions to pension insurance funds based on the gross salary, at a combined total 20 % rate (15 % for 1st pillar insurance and

5% for 2nd pillar insurance) which is capped. Employers are liable to pay contributions for health insurance, unemployment insurance and occupational injuries insurance on top of gross wages. The rate of health insurance contribution is 13%, to which unemployment and insurance contributions are to be added (1.7% and 0.5% respectively), for a total of 15.2% all based on the gross salary.

Cyprus	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	12.2	12.6	12.9	15.4	16.4	16.5	17.2	18.7	17.9	15.4	15.6	14.8	15.0	8	2.7
VAT	5.5	5.7	6.6	7.8	8.4	9.1	9.7	10.2	10.6	9.2	9.2	8.5	8.9	7	1.6
Excise duties and consumption taxes	2.5	3.2	2.8	3.8	4.4	4.1	3.9	3.7	3.3	3.2	3.5	3.6	3.4	12	0.6
Other taxes on products (incl. import duties)	3.1	2.7	2.4	2.0	1.7	1.4	1.4	1.9	1.6	1.1	0.9	0.7	0.6	21	0.1
Other taxes on production	1.1	1.0	1.1	1.7	1.9	1.9	2.2	2.9	2.4	2.0	2.0	2.0	2.1	5	0.4
Direct taxes	11.2	11.3	11.3	9.7	8.8	10.2	10.8	13.8	12.9	11.2	11.1	11.7	11.1	14	2.0
Personal income	3.7	3.9	4.3	4.5	3.5	3.9	4.6	6.2	5.0	4.0	4.1	4.2	4.0	22	0.7
Corporate income	6.2	6.3	6.0	4.4	3.7	4.7	5.5	6.8	7.1	6.5	6.2	6.9	6.3	2	1.1
Other	1.3	1.1	0.9	0.9	1.5	1.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	13	0.1
Social contributions	6.6	6.8	6.8	7.1	7.8	8.3	7.8	7.5	7.8	8.7	8.9	8.8	9.1	19	1.6
Employers	4.5	4.6	4.5	4.8	5.3	5.9	5.5	5.1	5.3	5.9	6.1	5.9	6.2	14	1.1
Employees	1.8	1.9	1.9	2.0	2.1	2.1	2.0	2.1	2.1	2.4	2.5	2.4	2.5	20	0.4
Self- and non-employed	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.4	0.3	0.4	0.4	0.4	0.4	19	0.1
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	30.0	30.7	30.9	32.2	33.0	35.0	35.8	40.1	38.6	35.3	35.6	35.3	35.3	15	6.3
B. Structure by level of government	% of total taxation														
Central government	76.4	76.2	76.8	76.7	74.4	74.4	76.1	79.3	77.9	73.3	73.0	73.2	72.3	4	4.5
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	1.4	1.5	1.3	1.4	1.4	1.3	1.4	1.3	1.4	1.4	1.4	1.4	1.3	26	0.1
Social security funds	22.1	22.3	21.9	21.9	23.6	23.7	21.9	18.8	20.1	24.6	25.1	24.8	25.9	20	1.6
EU institutions	n.a.	n.a.	n.a.	n.a.	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.6	0.5	24	0.0
C. Structure by economic function	% of GDP														
Consumption	10.3	11.4	11.9	13.8	14.5	14.6	14.7	15.2	15.2	13.5	13.4	12.8	13.0	9	2.3
Labour	9.6	10.0	10.0	10.8	10.6	11.3	11.1	10.8	11.1	12.3	12.6	12.6	13.1	22	2.3
Employed	9.3	9.8	9.9	10.7	10.6	11.3	11.0	10.8	11.0	12.2	12.5	12.5	13.0	19	2.3
Paid by employers	4.6	4.7	4.7	5.6	6.2	6.7	6.4	6.0	6.2	6.9	7.0	6.9	7.2	12	1.3
Paid by employees	4.7	5.0	5.2	5.1	4.3	4.5	4.6	4.7	4.8	5.3	5.5	5.6	5.8	23	1.0
Non-employed	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	27	0.0
Capital	10.0	9.3	9.0	7.7	7.8	9.1	10.0	14.0	12.3	9.6	9.5	9.9	9.2	6	1.6
Capital and business income	7.6	7.4	7.4	6.0	5.3	6.4	7.7	10.6	9.7	7.8	7.6	8.2	7.4	4	1.3
Income of corporations	6.2	6.3	6.0	4.4	3.7	4.7	5.5	6.8	7.1	6.5	6.2	6.9	6.3	2	1.1
Income of households	0.9	0.7	0.8	1.1	1.1	1.2	1.7	3.3	2.1	0.8	0.9	0.7	0.5	16	0.1
Income of self-employed (incl. SSC)	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	23	0.1
Stocks of capital wealth	2.5	1.8	1.6	1.7	2.5	2.7	2.3	3.4	2.6	1.7	1.9	1.7	1.8	13	0.3
D. Environmental taxes	% of GDP														
Environmental taxes	2.7	3.0	3.0	3.8	4.0	3.5	3.3	3.4	3.2	2.9	2.9	2.9	2.7	11	0.5
Energy	0.7	1.0	1.0	1.9	2.1	1.9	1.8	1.8	1.6	1.6	1.8	2.0	1.9	14	0.3
of which transport fuel taxes	:	:	:	:	1.7	1.6	1.5	1.5	1.4	1.4	1.7	1.8	1.7	11	
Transport (excl. fuel)	2.0	2.0	2.0	1.8	1.9	1.6	1.5	1.6	1.6	1.3	1.1	0.9	0.8	7	0.1
Pollution/resources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27	0.0
E. Property taxes	% of GDP														
Property taxes	1.5	1.0	0.8	0.9	1.6	1.9	1.3	2.0	1.4	0.9	1.0	0.8	0.8	20	0.1
Recurrent taxes on immovable property	0.4	0.4	0.5	0.5	0.6	0.6	0.9	1.5	1.0	0.6	0.6	0.5	0.5	17	0.1
Other property taxes	1.1	0.6	0.3	0.3	1.0	1.2	0.4	0.5	0.4	0.3	0.3	0.3	0.2	20	0.0
F. Implicit tax rates	%														
Consumption	12.6	14.0	15.0	18.0	19.4	19.7	20.0	20.5	20.4	19.2	19.0	17.6	17.6	23	
Labour employed	21.6	22.9	22.3	22.8	22.7	24.4	23.9	23.9	24.6	26.2	26.9	26.8	28.8	23	
Capital	24.8	23.7	24.0	23.0	24.5	27.1	30.9	41.7	32.5	29.5	30.6	28.6	26.0		
Capital and business income	18.7	19.1	19.8	17.9	16.7	19.0	23.7	31.6	25.7	24.1	24.5	23.6	20.8		
Corporations	31.1	32.7	32.8	26.5	24.0	26.6	31.8	37.3	32.7	35.9	35.6	32.6	28.6		
Households	6.0	5.3	7.2	9.5	9.1	9.7	13.0	21.4	13.8	7.3	7.5	7.0	6.5		
Real GDP growth (annual rate)	5.0	4.0	2.1	1.9	4.2	3.9	4.1	5.1	3.6	-1.9	1.3	0.4	-2.4		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Cyprus

Overall trends in taxation

Structure and development of tax revenues

In 2012, the overall tax burden (including social contributions) remained constant against the previous year, at 35.3 % of GDP. Hence Cyprus' tax burden continues to be below the weighted EU average of 39.4 %.

The tax structure of Cyprus' tax system stands out in several respects. Cyprus displays the eighth highest share of indirect taxes in the EU-28. It derives 42.7 % of tax revenues from indirect taxes (EU-28 GDP-weighted average: 34.5 %), of which VAT accounts for almost 60 %. This is due to the high share of consumption in the economy, as the standard VAT rate, after two percentage points increase in 2012 (17 %), is still among the lowest in the EU. In 2012, at 31.4 %, the share of direct taxes in total revenue fell slightly below the weighed EU-28 average of 33.4 %. However, they are more heavily based on CIT revenues (17.8 % of total) the second highest in the EU (weighted average: 6.3 %). In contrast, PIT taxes contribute just about half of EU-28 average to the total tax revenues (11.3 %, EU-28 23.9 %). Social contributions account for 25.9 % of receipts, more than six percentage points below EU-28 average (32.4 %).

The share of taxes received by local government is negligible (1.3 % of total taxation in 2012); only the Greek local government has a lower share in tax revenues, while Malta has no tax receipts at local level.

From 2000 to 2007, the tax-to-GDP ratio increased about 10 percentage points, albeit starting from a very low level of 30 %. While the fall in tax revenues of about 1.5 percentage points in 2008 occurred during the still relatively favourable economic conditions, the 2009 drop of another 3.3 percentage points largely reflected the economic downturn. The tax-to-GDP ratio stabilised around 35.3 % of GDP in 2010. Compared to 2000, indirect tax revenue as a percentage of GDP increased considerably until 2007, reaching 18.7 % in that year, and declined thereafter to 15 % in 2012. The share of social contributions increased relatively steadily from 6.6 % of GDP in 2000 to 9.1 % in 2012. In that year, with 6.3 % of GDP, corporate income tax revenues were at about the same level as in 2000, having fluctuated between 3.7 % and 7.1 % in the meantime.

Taxation of consumption, labour and capital; environmental taxation, property taxes

Revenues from taxes on consumption as a percentage of GDP (13.0 %) are well above the EU-28 average (11.2 %). As mentioned above, this level of revenues is largely due to a high consumption share in the economy. In addition,

Cyprus has been following a strategy of raising primarily consumption taxes.

The implicit tax rate on consumption started decreasing from 2008. In 2012, the implicit tax rate remained the same as in 2011 amounting to 17.6 % (EU-28: 19.9 %).

Taxes on labour represented 13.1 % of GDP in 2012, constituting about 37 % of the overall tax burden. Since 2000, the ITR on labour has increased by 7.2 percentage points, driven largely by an increase in social contributions in April 2009. At 28.8 %, in 2012, the ITR on labour was still well below the EU average of 36.1 %.

In 2012, at 9.2 %, the share of taxes on capital in GDP was 1 percentage point above the weighted EU-28 average. This relatively high level is due to the taxation of corporations, which also includes the defence contribution. The GDP share of corporate taxation, which peaked at 7.1 % in 2008, continued to decrease until 2012.

Albeit on a decreasing path, the share of environmental taxes in GDP in Cyprus (2.7 %) is still above EU-28 average (2.4 %). This is mainly due to the large share of transport taxes (0.8 % of GDP), which has been falling since 2007, but is still higher than the EU-28 average (0.5 %). Revenue from energy taxes has almost tripled since 2000 as a proportion of GDP (from 0.7 to 1.9 % in 2012), bringing Cyprus above the EU-28 average (1.8 % of GDP). This development is also reflected in the ITR on energy. Whilst the country was almost in line with the EU-27 average in 2007 (2.3 %), the share of taxes on property in GDP decreased from 2.0 % in 2007 to 0.8 % in 2011, stabilising in 2012.

Main recent reforms implemented, on-going or announced

As part of its commitments in the context of the macro-financial assistance program, Cyprus increased the statutory corporate income tax rate from 10 % to 12.5 %, and the bank levy on deposits raised by banks and credit institutions from 0.11 % to 0.15 %, with effect from 1 January 2013. Similarly in April 2013, the withholding tax rate on interest income was increased to 30 % and legislation was adopted to extend the reduction in property transaction fees until 2016. At the same time, fees for public services were increased by at least 17 % of current values.

In September 2013, Cyprus revised the tax rates and the value bands of the immovable property tax; for 2013 the property tax was calculated on the market value of the property as at 1st January 1980.

Together with measures entering into effect, either immediately in December 2012 or in 2013, additional measures with effect from 2014 were adopted. In particular: i) a 1 percentage point increase in the standard VAT rate and in the reduced VAT rate, to 19 % and 9 % respectively; ii) an increase of EUR 0.05 per litre on the excise duties of motor

fuels (petrol and gasoil); and iii) a reform of the tax system for motor vehicles, based on environmentally-friendly principles. In addition, the application of a progressive scheme of temporary contributions up to 3.5% on gross earnings and pensions of employees, including the public sector, was extended until end-2015. As of January 2014, contributions to the general insurance pension scheme were increased by, 0.5 percentage points for employers and employees, and 1 percentage point for self-employed persons.

The draft Budget Law for 2014 foresees further revenue raising tax measures. In particular it is foreseen to abolish the income tax exemption for certain pension schemes, and to introduce a contribution to pensions of temporary workers, as well as police and army personnel.

Main features of the tax system

Personal income tax

Cyprus applies a personal income tax with a progressive rate structure. Currently four brackets have been used, with rates set at 20%, 25% and 30% and, since 2011 an additional tax bracket with a top rate of 35% for income over EUR 60 000. There is a standard relief (basic allowance) which was progressively raised from EUR 8 500 in 1996 up to EUR 19 500 in 2008. As a result the number of people subject to personal income tax has decreased substantially. Special provisions apply to high earning individuals, not having been resident of Cyprus before taking up the employment for the first 5 years. For the years 2012 until 31 December 2016, a special contribution to strengthen public finances is levied on gross wages, at rates of 2.5% for income between EUR 2 501 – EUR 3 500, 3% in the tax bracket EUR 3 501 to EUR 4 500, and 3.5% above. The special contribution is shared equally between the employer and the employee and deductible from taxable income. Capital gains, in particular dividends, interest income and income from the sale of securities, are exempt from income taxation. They are taxed under the Defence Contribution and a capital gains tax on the disposal of immovable property.

Corporate taxation

Cyprus had a corporate tax rate of 10% from 1 January 2003. Alongside the reduction of the tax rate from 20-25%, several tax incentives were abolished in the run-up to EU accession. In 2003 and 2004, there was an additional 5% corporate tax for chargeable income exceeding EUR 1.7 million. Special regimes apply to the shipping sector. Under the macro-financial adjustment programme prior to the first disbursement of assistance, the corporate income tax rate was increased to 12.5%. Companies can carry forward trading losses, (up to 5 years since 2013) but carrying back is not allowed. Inventories may be valued at the lower of cost or net realisable value. An annual levy on registered

companies of EUR 350 applies since 2011 and all exceptions for paying it have been abolished as of January 2013. As of 1 January 2012, a new 80% deduction applies to net income from intangible assets (so-called 'patent box')

Other taxes (Defence Contribution)

All residents are subject to the Defence Contribution, which has been a final levy on unearned income and not deductible for income tax purposes since 2003. It is applied with different rates on dividends, interest, rental payments and the taxable income of public corporate bodies. Dividends were temporarily subject to the Defence Contribution at a rate of 20% for the years 2012 and 2013, as of January 2014 it decreased to 17%, with the contribution on domestic dividends withheld at source. The Defence Contribution rate applicable to passive interest income increased from 15% to 30% with effect from April 2013. Individuals with an annual income not exceeding EUR 12 000 may apply for a 7% refund. A 3% rate applies to interest on savings certificates issued by the government; however, dividends and interest are not subject to personal income tax. Rental payments are subject to the Defence Contribution at a rate of 3%.

VAT and excise duties

On 13 January 2014 the standard VAT rate and the reduced rate were increased to 19% (previously 18%) and 9% (previously 8%), respectively. Cyprus also exempts certain products — letting of immovable property, cultural, sport, banking, insurance, medical and hospital services — from VAT altogether, and applies a zero rate on supplies of goods and services to sea-going vessels, and international transportation, as well as exports and intra-Community dispatches of goods and services. Since 2011 the formerly exempt supply of food products and medicines, as well as the formerly higher taxed construction/purchase of the first residence, have been subject to a 5% VAT rate. A 9% reduced VAT rate applies for hotel accommodation and restaurant services. As from 6th of December 2012 the excise duty rate for cigarettes is calculated at 34% on the higher retail selling price plus EUR 1.10 per package of 20 cigarettes (previously was calculated at 40% on the higher retail selling price plus EUR 0.80 per package of 20 cigarettes). Also on 6 December 2012 the excise duty rate for the fine cut tobacco for the rolling of cigarettes and other smoking tobacco was increased from EUR 60 per kilogram to EUR 150 per kilogram. Furthermore, on the above date the excise duty rate for ethyl alcohol was increased from EUR 598.01 to EUR 956.82 per 100 litres of anhydrous ethyl alcohol and for beer from EUR 4.78 to EUR 6.00 per 100 litres per degree of alcohol of final product. On 1 January 2014 the excise duty rate for petrol and gasoil used as motor fuel was increased from EUR 429 per 1 000 litres to EUR 479 per 1 000 litres and from EUR 400 per 1 000 litres to EUR 450 per 1 000 litres respectively.

Wealth and transaction taxes

There are neither net wealth taxes nor inheritance and gift taxes. Immovable property is subject to a real estate tax levied on the estimated market value of the property in 1980. All property owners, regardless of whether they are resident in Cyprus or not, are liable to pay an annual tax based on the total value of all the immovable property registered in their name. Since September 2013, the tax rates range from 0% to 1.9%, depending on the property value. A real estate transfer tax is levied progressively at 3%, 5% and 8% of the property value. Since January 2013, the bank levy imposed on the total amount of deposits increased at a rate of 0.15%, limited to 20% of the total taxable profits. Capital gains are, in general, not taxable. Gains on the disposal of immovable property located in Cyprus are taxed at 20%. The capital gain is the difference between the sales proceeds and the original cost, adjusted to take into account increases in the cost of living index.

Social contributions

Employers' social contributions are made for the Social Security Fund, redundancy insurance and for the Training Development Fund. Until 2013, the employers' contribution rate amounted to 8.5%. Employees paid 6.8% of their salary as social contribution up to a ceiling of EUR 52 104; public sector employees pay 3% of their gross salaries towards the government pension scheme since 2011. The self-employed pay 12.8% of notional income as social contribution. Among the revenue measures of the adjustment programme, as of 2014, the contributions to the general insurance pension scheme (GSIS) were raised by one additional percentage point on pensionable earnings, borne equally by employees and employers, or in full by self-employed persons. The SSC of the employed and self-employed are augmented by a 4.3% payment by the state. On top of the above contributions, employers also have to pay a payroll tax of 2% of gross wages to the social cohesion fund, which is not deductible for corporate income purposes. In addition, employers have to contribute to the Central Holiday Fund; the rates vary according to the leave entitlements of the employees.

Czech Republic	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	10.8	10.5	10.3	10.6	11.3	11.3	10.8	11.1	10.9	11.3	11.4	11.9	12.3	21	18.7
VAT	6.2	6.1	6.0	6.1	7.0	6.9	6.4	6.3	6.8	6.9	6.9	7.1	7.2	18	11.0
Excise duties and consumption taxes	3.1	3.1	3.1	3.3	3.4	3.6	3.6	3.9	3.3	3.7	3.7	3.9	4.0	5	6.0
Other taxes on products (incl. import duties)	0.9	0.7	0.7	0.7	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.6	22	0.9
Other taxes on production	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	25	0.8
Direct taxes	7.9	8.3	8.8	9.2	9.2	8.9	8.9	9.0	8.0	7.2	6.9	7.2	7.2	22	11.0
Personal income	4.4	4.3	4.5	4.7	4.7	4.4	4.2	4.3	3.7	3.6	3.5	3.7	3.8	23	5.8
Corporate income	3.3	3.9	4.2	4.4	4.4	4.3	4.6	4.7	4.2	3.5	3.4	3.4	3.3	4	5.1
Other	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	26	0.1
Social contributions	15.0	14.9	15.4	15.6	15.4	15.4	15.6	15.7	15.5	14.8	15.2	15.5	15.6	3	23.8
Employers	9.7	9.6	10.0	10.1	9.9	9.9	9.9	9.9	9.9	9.3	9.7	9.9	9.9	3	15.2
Employees	3.4	3.4	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.0	3.1	3.1	3.2	13	4.8
Self- and non-employed	1.9	1.9	2.0	2.0	2.1	2.0	2.2	2.3	2.2	2.6	2.4	2.4	2.5	4	3.8
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	33.8	33.7	34.6	35.4	35.9	35.7	35.3	35.9	34.4	33.4	33.6	34.6	35.0	16	53.5
B. Structure by level of government	% of total taxation														
Central government	73.2	74.5	72.8	72.7	72.4	69.7	69.5	69.7	69.1	68.4	68.4	68.7	68.9	7	36.9
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	11.6	10.7	12.0	12.2	12.5	14.7	14.2	14.1	14.4	14.2	14.0	13.9	13.8	6	7.4
Social security funds	15.3	14.8	15.2	15.1	14.5	14.7	15.4	15.2	15.6	16.5	16.7	16.4	16.5	23	8.8
EU institutions	n.a.	n.a.	n.a.	n.a.	0.6	0.9	0.9	0.9	0.9	0.8	0.9	0.9	0.8	10	0.5
C. Structure by economic function	% of GDP														
Consumption	10.1	9.8	9.6	9.9	10.8	10.8	10.3	10.5	10.3	10.8	10.9	11.4	11.7	17	17.9
Labour	17.8	17.6	18.3	18.6	18.3	18.3	18.4	18.5	18.0	17.0	17.5	18.0	18.1	12	27.7
Employed	16.6	16.4	17.1	17.4	17.2	17.2	17.1	17.2	16.8	15.7	16.1	16.6	16.7	12	25.6
Paid by employers	9.7	9.6	10.0	10.1	9.9	9.9	9.9	9.9	9.9	9.3	9.7	9.9	9.9	5	15.2
Paid by employees	6.9	6.8	7.1	7.3	7.3	7.3	7.2	7.3	6.9	6.4	6.4	6.7	6.8	22	10.3
Non-employed	1.2	1.2	1.2	1.2	1.1	1.1	1.3	1.3	1.2	1.3	1.4	1.4	1.4	13	2.1
Capital	5.9	6.4	6.7	7.0	6.8	6.6	6.7	6.8	6.1	5.6	5.2	5.3	5.2	21	8.0
Capital and business income	4.9	5.5	5.8	6.1	6.2	5.9	6.0	6.1	5.4	5.0	4.5	4.6	4.6	16	7.0
Income of corporations	3.3	3.9	4.2	4.4	4.4	4.3	4.6	4.7	4.2	3.5	3.4	3.4	3.3	4	5.1
Income of households	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	26	0.1
Income of self-employed (incl. SSC)	1.4	1.4	1.5	1.6	1.6	1.4	1.3	1.3	1.1	1.4	1.1	1.2	1.2	14	1.8
Stocks of capital wealth	1.0	0.9	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.7	0.7	26	1.0
D. Environmental taxes	% of GDP														
Environmental taxes	2.4	2.4	2.4	2.4	2.5	2.6	2.5	2.4	2.4	2.4	2.4	2.5	2.4	20	3.6
Energy	2.1	2.2	2.1	2.2	2.3	2.4	2.3	2.2	2.2	2.2	2.2	2.3	2.2	7	3.3
of which transport fuel taxes	:	:	:	:	2.2	2.2	2.1	2.1	2.0	2.1	2.0	2.0	1.9	6	
Transport (excl. fuel)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	26	0.2
Pollution/resources	0.05	0.05	0.04	0.04	0.03	0.03	0.02	0.03	0.02	0.03	0.03	0.03	0.02	23	0.0
E. Property taxes	% of GDP														
Property taxes	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	25	0.7
Recurrent taxes on immovable property	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.2	24	0.4
Other property taxes	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	22	0.3
F. Implicit tax rates	%														
Consumption	18.8	18.2	18.4	18.8	20.8	21.1	20.3	21.3	20.5	20.7	20.9	21.8	22.5	10	
Labour employed	41.2	40.8	41.3	41.7	41.5	41.3	41.1	41.7	39.9	37.6	38.4	39.0	38.8	7	
Capital	18.7	19.6	21.3	22.1	21.8	20.4	20.0	20.2	18.5	17.7	16.7	17.5	18.0		
Capital and business income	15.6	16.9	18.6	19.5	19.7	18.2	17.9	18.1	16.6	15.8	14.6	15.3	15.8		
Corporations	24.5	25.9	28.5	29.0	27.5	24.7	24.3	23.7	22.0	20.5	19.8	20.2	21.4		
Households	7.9	8.1	8.7	9.0	9.8	8.8	8.0	8.6	7.5	8.8	7.1	7.8	8.0		
Real GDP growth (annual rate)	4.2	3.1	2.1	3.8	4.7	6.8	7.0	5.7	3.1	-4.5	2.5	1.8	-1.0		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Czech Republic

Overall trends in taxation

Structure and development of tax revenues

In 2012, the total tax-to-GDP ratio (including social contributions) stood at 35.0% in the Czech Republic. This tax ratio is well below the EU-28 average (39.4%). Compared to neighbouring countries, the ratio is lower than in Austria and Germany but higher than in Slovakia and Poland.

The main source of tax revenue is social contributions, which reach 44.5% of total taxes and are nearly 12 percentage points above the EU-28 average (32.4%) – the highest in the EU. The share of Czech social contributions in total revenues has been the highest in the EU for several years, followed by Slovakia and Slovenia in 2012. The share of direct taxes (20.5% of total taxation) is on the other hand nearly 13 percentage points below the Union average (33.4%). Indirect taxes amount to 35.0% of total taxation. PIT revenue stands at 10.8% of total taxation, among the lowest values of the EU. In 2012, CIT revenues are close to PIT revenues (9.5% of total taxation) and exceed the EU-28 average by 3.2 percentage points. Only three other EU countries, namely Cyprus, Luxembourg, and Malta collect more tax revenues using CIT than the Czech Republic.

The structure of the tax system is quite centralised: the central government receives 68.9% of total taxes, by 20 percentage points more than the EU-28 average (48.7%), while local governments receive 13.8% of total tax revenues (2.8 percentage points above the EU-28 average).

The total tax burden rose steadily from 2001 to 2007 peaking at 35.9% of GDP in 2004 and 2007. In the 2008–12 period the tax-to-GDP ratio has remained below this level. In 2012, the slight increase in VAT, excise duties, PIT and employees' social security contributions not offset by the reduction in CIT caused the overall tax revenue in terms of GDP recorded to increase by 0.4 percentage point.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The tax mix by economic function is consistent with the structure described above: taxation on labour is the main source of revenue (51.7%, slightly above the EU-28 average of 50.8%), followed by consumption (33.4%) and capital (14.9%). In 2012 the share of labour taxation revenues continued to be at pre-crisis levels after a sudden drop from 52.3% in 2008 to 50.8% in 2009. The share of capital taxation revenues has declined by 4.1 percentage points since 2007, due to gradual cuts in the CIT rate (from 24% in 2007 to 19% in 2010) and the relatively low economic growth in the last years.

The implicit tax rate (ITR) on consumption is at 22.5% above the EU-28 average of 19.9%. It grew substantially in 2004 following a revision of consumption taxes preceding the EU accession and remained mostly stable since then.

The ITR on labour income declined until 2006 from its peak level of 41.7% in 2003. In 2007 the rate peaked again but the 2008 PIT reform which introduced a flat tax rate of 15% led to another decline in 2008. In 2011 basic allowances were reduced and there was another modest increase to 39%. In 2012 the ITR on labour slightly decreased to 38.8%. This level is still comparatively high, 2.7 percentage points above the EU-28 average. The elevated ratio is due to the high level of social contributions.

The ITR on capital increased gradually from 2000 to 2003, but then the trend inverted. During 2004–10, the ITR on capital declined to 16.7%. However, since 2011 the ITR on capital increased and in 2012 reached 18.0%.

Environmental taxes represent 2.4% of GDP. This value corresponds to the EU average (2.4%) and has remained roughly constant in the last decade. As in the majority of Member States, most of this revenue is realised on energy (2.2% of GDP).

Property taxes play a negligible role as they count for only 1.3% of all tax revenues in 2012 (fourth lowest share in the EU). The main reasons are the very low recurrent taxes on immovable property (0.6% of total tax revenues).

Main recent reforms implemented, on-going or announced

In 2013, the VAT rate was increased by yet another percentage point (temporary increase until 2015). The basic VAT rate is thus currently set at 21%, while the reduced rate was increased to 15% in 2013. In 2016 both rates will be reduced to 20% and 14% respectively. A comprehensive tax reform was adopted on 27 December 2011 and should enter into force from 1 January 2015. Currently, a number of measures are reassessed and most of them are planned to be abolished. The harmonization of social and tax bases should be introduced in 2016 together with changes to both the PIT tax base and rate. These measures are planned to be budgetary neutral and should not change current tax burden. Finally, flat inheritance and gift tax rates of 9.5% and 19% respectively were introduced and the amount up to which movable personal belongings and financial means are exempt will be increased. The reform also introduces a one-stop-shop for all taxes, duties, and social and health insurance contributions.

At the end of 2012, some amendments to the tax system to correct the excessive budget deficit were adopted. These amendments, which entered into force on 1 January 2013, include: changes to the personal income tax and social contributions involving the abolition of the basic allowance for working pensioners (current plan is to abolish this

measure in 2015); a 7% personal income tax surcharge for high-income taxpayers (reassessment under process; to be introduced as permanent measure); limited tax allowances for the self-employed applying lump sum expenses; abolition of health insurance thresholds (current effort is to make this measure permanent); increase in the real estate transfer tax by 1%; and increase in tobacco taxes.

Main features of the tax system

Personal income tax

Until 2007, the Czech Republic applied progressive personal income taxation with four brackets, where the top rate was 32%. A flat tax rate of 15% was introduced in 2008. For the 2013–15 period (possibly prolonged), an additional 7% ‘solidarity surcharge’ applies to the part of the aggregate income which exceeds four times the annual average salary (CZK 1 245 216 (EUR 46 119)). Only employment and business and professional income form the base of the surcharge. The tax base for income from employment is a so-called super gross wage (a gross wage increased by the amount of social and health insurance contributions paid by the employer -this could be modified in 2016 with neutral budgetary impact.). The lump-sum expenditure allowance applicable in 2013 is fixed at 80% of income from agriculture and crafts, 60% for other business income, 40% for incomes from other sources (however limited to CZK 800 000 (EUR 29 630) and 30% for rental income (however limited to CZK 600 000 (EUR 22 222)). From 2014 acquisition by means of inheritances and gifts are incorporated into income tax, although inheritance and gifts between direct and indirect relatives are exempt from taxes.

Corporate taxation

The corporate income tax rate was gradually reduced from 24% in 2007 to 19% in 2010. Pension funds and certain other types of funds are subject to a 5% rate. The rate for all withholding taxes is 15% and applies to interest, dividends and royalties for both residents and non-residents and to corporations and individuals. Dividends paid and capital gains derived by parent companies holding at least 10% of the distributing company and registered in an EU Member State, Iceland, Norway or Switzerland are exempt from the withholding tax. Payments to persons resident in a country with which the Czech Republic has not concluded a double tax treaty or an exchange of information agreement are taxed at 35%.

VAT and excise duties

VAT in the Czech Republic is charged at two rates. The standard rate is 21%. The reduced rate of 15% applies on the sale of certain goods such as food products, as well as on some services. Certain services, for example postal,

broadcasting, banking, insurance, financial, health and social welfare services, transfer and lease of land and buildings or structures, and provision of lotteries and similar games of chance and education are exempted.

Excise duties are imposed according to the EU directives on energy products, electricity, alcohol (spirits, beer, wine) and tobacco products. Starting in 2008, taxes on cigarettes and tobacco were increased. Reductions in taxation are available e.g. for households, renewable and alternative electricity, biogas, combined heat and power generators and specified environmentally sound vehicles. A tax refund is available also for public transportation using green electricity.

Wealth and transaction taxes

There is a real estate transfer tax and a real estate tax. As of 2013 the real estate transfer tax rate increased to 4% of the price of the property and from 2014 was transformed to a real estate acquisition tax with the same rate. The inheritance tax and gift tax were abolished and acquisitions through inheritance and gifts were incorporated in the income tax base in 2014. Certain groups of persons (generally relatives) are exempt from the inheritance tax.

Other taxes

A road tax is levied for the use of roads in the Czech Republic by business cars. Depending on the type of car, it is based either on the volume of the engine, or on the weight of the vehicle and the number of axles. There is also a road fee, which is charged for the use of highways, and which also includes cars used for private purposes. The ‘solar tax’ introduced in 2010 for solar electricity plants was changed and as of 1 January 2014 it applies only for electricity from solar power plants build in the year 2010 and is levied at a new rate of 10% or 11% depending on the manner of its distribution.

Social contributions

Employers, employees and self-employed persons must pay social contributions that cover health, occupational disability, old-age pension and unemployment insurance. Since the introduction of the flat rate, social contributions are fully taxable. From 1 January 2013, social contribution rates vary depending on whether the taxpayer has opted for the new voluntary pension saving scheme. For employees who did not opt for the voluntary pension saving scheme the total rate of social and health insurance is 11.0% (consists of 6.5% contributions to pension insurance and 4.5% of compulsory health insurance). For employees who opted for the voluntary pension saving scheme, the total rate of social and health insurance is 13.0% (statutory pension insurance of 3.5%, voluntary pension saving of 5% and compulsory health insurance of 4.5%). Employers’ contributions total rate is 34%. As for the self-employed, the overall social security rates are 45% and 47% respectively

depending on whether they opted for the new voluntary pension saving scheme. However, the contribution base for the self-employed is determined at 50% of their income tax base. In 2013, a separate ceiling set at four times the average annual salary, i.e. CZK 1 245 216 (EUR 46 119) applies to social contributions. For the 2013–15 tax years, the ceiling on health insurance contributions (six times the average annual salary) is abolished.

Denmark	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	17.2	17.4	17.5	17.4	17.6	18.0	18.1	17.9	17.2	17.0	16.8	17.0	16.9	4	41.3
VAT	9.6	9.6	9.6	9.6	9.8	10.1	10.3	10.4	10.1	10.2	9.8	9.9	10.0	2	24.4
Excise duties and consumption taxes	4.1	4.1	4.1	4.0	3.8	3.5	3.4	3.2	3.1	3.3	3.3	3.4	3.4	13	8.3
Other taxes on products (incl. import duties)	2.0	1.8	2.0	1.9	2.2	2.6	2.6	2.5	2.2	1.5	1.6	1.6	1.4	9	3.4
Other taxes on production	1.6	1.8	1.8	1.8	1.8	1.7	1.7	1.8	1.9	2.0	2.0	2.1	2.1	6	5.2
Direct taxes	30.5	29.5	29.3	29.6	30.4	31.9	30.7	30.1	29.7	30.0	29.9	29.9	30.6	1	75.0
Personal income	25.6	26.0	25.7	25.6	24.9	24.9	24.9	25.4	25.1	26.4	24.3	24.3	24.5	1	60.0
Corporate income	3.3	2.8	2.9	2.9	3.2	3.9	4.4	3.8	3.3	2.3	2.8	2.8	3.0	6	7.5
Other	1.6	0.7	0.7	1.1	2.3	3.1	1.5	1.0	1.3	1.3	2.8	2.9	3.1	1	7.5
Social contributions	1.8	1.7	1.2	1.2	1.2	1.1	1.0	1.0	1.0	1.0	1.0	1.0	0.9	28	2.2
Employers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	28	0.1
Employees	1.8	1.7	1.2	1.2	1.1	1.1	1.0	1.0	0.9	1.0	1.0	1.0	0.9	26	2.1
Self- and non-employed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	0.0
Less: amounts assessed but unlikely to be collected	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.2	0.2	0.2	0.2		
Total	49.4	48.5	47.9	48.0	49.0	50.8	49.6	48.9	47.8	47.8	47.5	47.7	48.1	1	118.1
B. Structure by level of government	% of total taxation														
Central government	62.4	61.0	61.5	61.4	62.8	64.2	63.7	73.2	72.9	71.8	70.8	70.8	70.9	5	83.8
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	33.5	35.1	35.7	35.8	34.4	33.2	33.8	24.4	24.7	25.7	26.7	26.7	26.9	2	31.7
Social security funds	3.6	3.6	2.5	2.5	2.4	2.2	2.1	2.0	2.0	2.0	2.1	2.1	1.9	26	2.2
EU institutions	0.4	0.4	0.3	0.3	0.4	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.3	27	0.4
C. Structure by economic function	% of GDP														
Consumption	15.7	15.7	15.8	15.6	15.8	16.2	16.3	16.1	15.4	15.2	14.9	15.0	14.9	3	36.6
Labour	26.6	26.9	26.1	26.0	25.2	24.8	24.6	25.0	25.4	27.0	24.4	24.5	24.5	3	60.2
Employed	21.7	22.1	21.2	20.9	20.3	20.0	19.9	20.3	20.6	20.6	19.4	19.3	19.2	9	47.1
Paid by employers	0.5	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.7	28	1.6
Paid by employees	21.3	21.5	20.7	20.4	19.8	19.5	19.4	19.7	20.1	20.1	18.8	18.6	18.5	1	45.5
Non-employed	4.9	4.8	4.9	5.1	4.9	4.8	4.7	4.7	4.8	6.4	5.0	5.2	5.3	1	13.1
Capital	7.2	6.0	6.1	6.6	8.2	10.0	8.9	7.9	7.1	5.8	8.3	8.4	8.9	8	21.8
Capital and business income	4.8	3.4	3.5	3.8	5.4	7.3	6.2	5.2	4.2	2.9	5.5	5.5	6.1	5	15.1
Income of corporations	3.3	2.8	2.9	2.9	3.2	3.9	4.4	3.8	3.3	2.3	2.8	2.8	3.0	6	7.5
Income of households	0.4	-0.6	-0.5	-0.1	1.2	2.3	0.7	0.3	0.1	-0.2	2.0	1.9	2.2	1	5.4
Income of self-employed (incl. SSC)	1.1	1.2	1.0	1.0	1.0	1.1	1.1	1.1	0.8	0.8	0.8	0.8	0.9	19	2.2
Stocks of capital wealth	2.4	2.6	2.7	2.8	2.8	2.8	2.7	2.7	2.9	2.9	2.8	2.8	2.7	8	6.7
D. Environmental taxes	% of GDP														
Environmental taxes	4.7	4.7	4.8	4.7	4.8	4.9	4.8	4.6	4.2	4.0	4.0	4.0	3.9	1	9.5
Energy	2.5	2.7	2.6	2.6	2.5	2.3	2.2	2.1	2.1	2.2	2.3	2.3	2.2	6	5.4
of which transport fuel taxes	:	1.4	1.4	1.4	1.3	1.2	1.2	1.1	1.1	1.1	1.0	1.0	1.0	28	
Transport (excl. fuel)	1.8	1.7	1.9	1.8	2.0	2.2	2.3	2.2	1.8	1.5	1.5	1.5	1.4	1	3.5
Pollution/resources	0.35	0.34	0.35	0.33	0.32	0.30	0.30	0.30	0.28	0.27	0.21	0.21	0.24	6	0.6
E. Property taxes	% of GDP														
Property taxes	2.3	2.4	2.5	2.5	2.6	2.6	2.6	2.6	2.7	2.6	2.6	2.7	2.6	5	6.3
Recurrent taxes on immovable property	1.7	1.8	1.9	1.9	1.9	1.8	1.8	1.8	1.9	2.1	2.1	2.1	2.1	3	5.1
Other property taxes	0.6	0.6	0.6	0.6	0.7	0.8	0.8	0.7	0.7	0.5	0.5	0.5	0.5	14	1.2
F. Implicit tax rates	%														
Consumption	33.4	33.5	33.7	33.3	33.3	33.9	34.2	33.9	32.6	31.3	31.3	31.4	30.9	1	
Labour employed	41.0	40.8	38.8	38.1	37.5	37.1	36.9	36.6	36.6	34.8	34.2	34.3	34.4	14	
Capital	36.0	31.0	30.8	36.9	45.9	49.9	44.5	46.2	42.4	40.5	44.1	43.2	:		
Capital and business income	23.9	17.7	17.3	21.4	30.3	36.1	30.8	30.2	25.3	20.4	29.3	28.6	:		
Corporations	23.0	21.1	20.0	22.3	24.9	26.7	28.7	28.0	23.0	19.8	18.4	18.2	:		
Households	22.2	8.6	9.0	15.3	34.5	50.0	27.0	26.3	22.4	14.8	58.4	52.3	:		
Real GDP growth (annual rate)	3.5	0.7	0.5	0.4	2.3	2.4	3.4	1.6	-0.8	-5.7	1.4	1.1	-0.4		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Denmark

Overall trends in taxation

Structure and development of tax revenues

At 48.1% in 2012, Denmark shows the highest tax-to-GDP ratio in the EU, around three percentage points above Belgium and France. However, it should be noted that the tax-to-GDP ratio overestimates the Danish tax burden somewhat in relation to some other countries, since transfer incomes (for example, pensions) in Denmark are taxed, while generally transfers are not taken into account when measuring GDP.

The Danish tax structure stands out in a number of respects. Social contributions are very low as most welfare spending is financed out of general taxation, notably personal income taxation. Correspondingly direct taxes form 63.6% of total tax revenues (EU-28: 33.4%). Personal income taxes form the bulk of this, representing 50.9% of total taxation in 2012. The proportion of indirect taxes (35.0%) is also above the EU-28 average (34.5%). In terms of the distribution of revenue between levels of government, Denmark differs substantially from the EU average because of the small role played by social security funds. As a result, the share of taxes raised by central and local government is elevated – respectively 70.9% and 26.9% (EU-28 48.7% and 11.0%).

The tax-to-GDP ratio fluctuated within a band of 47.5% and 50.8% over the last decade. The peak was reached in 2005 followed by a substantial decline of 3.3 percentage points until 2010, with the ratios increasing slightly in 2011 and 2012. The structure of revenues remained stable, except for social contributions which reached almost 2% of GDP in the beginning of the last decade, but have been around 1% since 2002. In 2012, social contributions stood at 0.9% of GDP.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The implicit tax rate (ITR) on consumption, at 30.9%, remains the highest within the EU (average: 19.9%), due to a 25% VAT rate and the absence of reduced rates. The ITR on consumption has, however, declined since its highest value in 2006 (34.2%).

Despite the generally high level of taxation, the ITR on labour, at 34.4%, ranks fourteenth in the EU-28. It has been falling steadily between 2000 and 2010 but has since stabilised, at least in part as a result of labour tax cuts introduced following the tax reform in 1999. The two percentage-point drop in the GDP share of personal income taxes from 26.4% in 2009 to 24.3% in 2010 and 2011 was due to the cuts made with the tax reform adopted in 2009. At 43.2% (2011), the

overall ITR on capital is among the highest in the EU, but has decreased considerably from its peak of 49.9% in 2005. The ITR on capital displays a strong fluctuation over the years, reflecting the variation in the yield from the tax on pension scheme returns.

Denmark also stands out with its high level of environmental taxation, which yields 3.9% of GDP, close to the values for previous years but somewhat below the average of the period 2000–07. Nevertheless, Danish environmental tax yields remain the highest in the EU. This reflects a comprehensive and ambitious energy tax system, in which all fossil energy products are subject to both energy and CO₂ tax, a wide range of other taxes levied on environmentally harmful substances and products as well as a significant car registration tax. Property tax revenues in Denmark in relation to GDP in 2012 (2.6%) were the fifth highest in the EU (EU-28 average of 2.3%). The share of revenues from recurrent taxes on immovable property in 2012 was the third highest in the EU representing 2.1% of GDP, whereas the corresponding EU-28 average stood at 1.5%.

Main recent reforms implemented, on-going or announced

Denmark has made cuts in personal income taxation as part of the tax reforms adopted in 2009 and 2012 in order to stimulate labour supply in the medium to long-term. Other tax cuts have been made in 2013 with a view to stimulate growth and employment.

The 2009 tax reform is implemented between 2010 and 2019. The tax reform gradually reduces the high marginal tax rates on personal income but increases energy, transport and environmental taxes to support the energy and climate policy objectives, and excise duties on health-related goods (candy, sugary drinks, tobacco). To stimulate the economy, the tax reform was designed to be revenue neutral as a whole, but was underfinanced in the short run.

The 2012 tax reform is implemented between 2013 and 2023. The tax reform includes a gradual increase of the threshold for the top income tax by DKK 57 900 (EUR 7 778) to DKK 467 000 (EUR 62 738) when fully implemented in 2022, and a gradual increase in the employment allowance of 5.05 percentage points to 10.65% in 2022 with a simultaneous increase of the maximum allowance by DKK 16 200 (EUR 2 176) to DKK 34 100 (EUR 4 581) and the introduction in 2014 of an extra employment allowance for single parents which gradually increases to 6.25% with a maximum of DKK 20 000 (EUR 2 687) in 2022. The tax cuts were only partly financed through the tax system, for example by indexation of certain excise duties. The main part was financed through cuts in public expenditure, for example on defence and by lowering of the annual adjustments of social transfers.

Certain elements of the tax reform were accelerated in the 2014 Budget. The employment allowance is adjusted upwards to 7.65% (2014), 8.05% (2015), 8.3% (2016) and 8.75% (2017), with a simultaneous increase in the maximum allowance from DKK 25 000 (EUR 3 359) in 2014 to DKK 28 600 (EUR 3 842) in 2018. The extra employment allowance for single parents is increased to 5.40% in 2014 (instead of 2.60%) with a maximum allowance of DKK 17 700 (EUR 2 378).

With the *Growth Plan DK*, adopted in 2013 and accelerated by the 2014 Budget, Denmark has also taken steps designed to foster economic growth and generate employment through a combination of tax reductions and public investment. The plan is implemented between 2013 and 2016. The corporate tax rate (with the exception of profits from North Sea drilling of oil and natural gas) is gradually reduced to 24.5% in 2014, 23.5% in 2015 and 22% in 2016. The amount for which a tax credit (at the level of the corporate tax rate) is granted for research and development activities is increased from DKK 5 million (EUR 671 709) to DKK 25 million (EUR 3.36 million). The periods for payment of VAT are adjusted and the right to deduct VAT on hotel accommodation is increased from 50% to 75% and the tax on packaging streamlined. In addition, energy taxes were lowered for companies — including decreases in companies' use of fuel and electricity for processes, decreases on energy used for processes was brought forward, abolition of the energy saving tax of electricity for industry according to the law on CO₂-duty, and a decrease in the duty on electricity to industry.

Main features of the tax system

Personal income tax

Personal income taxation in Denmark is characterised by relatively high average and marginal tax rates. Social security is mainly financed through direct taxes, which explains the particularly high contribution of direct taxes to total revenues. Individuals pay an 8% labour market contribution, levied on the gross wage before the deduction of any allowance. As in the other Nordic countries, local taxes play an important role: rates are flat but vary from one municipality to the next. The average local PIT rate is 25.6% (including the church tax). The personal allowance of DKK 42 800 (EUR 5 750) and the employment allowance of 7.65% with a maximum of DKK 25 000 (EUR 3 359) are deducted. An additional employment allowance of 5.4% with a maximum of DKK 17 700 (EUR 2 378) can be deducted by single parents. Since the 2009 tax reform, which removed the middle tax bracket, the state income tax system has consisted of two tax brackets. The rate of the bottom bracket is 6.83%, to which a 5% health tax is added. Hence, 11.83% is paid on labour income from which the labour market contribution

and the personal allowance of DKK 42 800 (EUR 5 750) is deducted. The employment allowance is also deducted for the calculation of the health tax along with other deductible expenses (e.g. transport expenses, trade union membership dues, unemployment premiums). The top 15% rate is levied on personal income, but only on the amounts exceeding the top tax threshold of DKK 449 100 (EUR 60 333). Overall, the system is highly progressive with marginal rates ranging from 8% (up to the amount of personal allowance) to about 56.2% (the upper ceiling plus the labour market contribution and the average church tax of 0.7%).

Net capital income (positive or negative) is included in the tax base for local income taxes and the health tax. Negative capital income consists typically of mortgage interest payments. The tax value of net capital income and deductible expenses is gradually being reduced from 33.6% to 25.6% from 2012 to 2019 along with the phasing out of the health tax. For negative capital income below DKK 50 000 (EUR 6 717), DKK 100 000 (EUR 13 434) for married couples, the tax value remains at 33.6%. Positive net capital income is part of the tax base for the whole PIT except for the labour market contribution. From 2010 the first DKK 40 000 (EUR 5 374), DKK 80 000 (EUR 10 747) for married couples, of positive net capital income is taxed at the bottom tax rate of 37.5% irrespective of the person's total income above the personal allowance. The top marginal tax rate for net capital income is 42.7%. Income from shares (dividends and capital gains on shares) is taxed at two different rates: 27% and 42% depending on the level of income. Income from yields on pension schemes is taxed accrued at 15.3%.

Corporate taxation

The corporate tax rate is 24.5% falling gradually to 22% in 2016. There are no local taxes on corporations, but municipalities receive a share of the CIT revenue. National tax consolidation is mandatory for group-related resident companies and permanent establishments in Denmark; additionally the group may apply for international consolidation with its group-related non-resident companies and permanent establishments abroad. Indefinite loss carry-forward is allowed, but limited to 60% when carried forward against taxable profits exceeding DKK 7.635 million (EUR 1.03 million). Carry-back of losses is not permitted. There is a limitation of interest deductibility through an EBIT rule and a ceiling over deductible interest (corresponding to 4.2% of the tax assets except shares plus 7.5% of the cost price of shares in foreign subsidiaries). Tax depreciation is straight-line over a 25-year period for buildings used for business purposes (excluding offices). A declining base is used in calculating tax depreciations for machinery and equipment (up to 25% annually), and for ships, drilling rigs, aircraft, and trains (up to 17% to be lowered to 15% in 2016) and for infrastructure (up to 7%). Inventories are valued on a FIFO basis. Acquired goodwill and the acquisition costs

of know-how, patents, copyrights and other intangibles may be depreciated over 7 years using the straight-line method.

VAT and excise duties

The VAT rate has since 1 January 1992 been 25 % and only newspapers are taxed at a zero rate. Since 2011, the first sale of a new property, property administration and the services of travel agents have been taxed. Certain activities (e.g. in the area of health and social welfare, education, sport, culture, property, insurance and finance, gaming, postal and passenger transport) are exempted without credit for input tax. Most of the activities exempted from VAT are subject to a payroll tax. For the financial sector and for lotteries, tourist offices and organisations the tax base is the payroll and the respective tax rates are set at 11.4 % and 6.37 %; for publishers and importers of newspapers the tax base is sales and the rate is 3.54 %; and for all others, the tax rate is 4.12 % calculated on the wage and salary costs plus profit or minus loss of self-employment during the income year.

Excise duties are imposed on alcoholic beverages, tobacco and energy products and electricity; other duties include the motor vehicle duty, pollution duties and duties on chocolate, sugar confectionary, etc. Business and industry also pay

taxes at a rate of DKK 4.5 per GJ (EUR 0.60/GJ) on energy used in production processes. Since 2008, these taxes have been indexed to inflation. Certain pollution duties were indexed by 4.6 % in 2012 and 4.35 % in 2013. Other health related duties are increased by 1.8 % (when fully implemented in 2020), with duties rising gradually in 2013, 2015 and 2018.

Wealth and transaction taxes

The value of owner-occupied dwellings is taxed by a property tax. The standard rate is 1 % of the taxable value up to DKK 3 040 000 (EUR 408 399) and 3 % on the excess. Additionally, land is subject to a municipal real estate tax where the rates vary between 1.6 % and 3.4 %.

Social contributions

As mentioned above, social contributions play a limited role in Denmark for employers, employees and self-employed persons.

Estonia	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	12.3	12.3	12.5	12.1	12.3	13.4	13.5	13.5	12.3	14.8	14.2	13.9	14.2	12	2.5
VAT	8.4	8.2	8.4	8.2	7.7	8.7	9.1	8.9	7.9	8.8	8.7	8.4	8.7	8	1.5
Excise duties and consumption taxes	3.0	3.3	3.2	3.1	3.6	3.7	3.4	3.6	3.3	5.0	4.3	4.4	4.5	2	0.8
Other taxes on products (incl. import duties)	0.2	0.2	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.3	0.4	0.4	0.4	26	0.1
Other taxes on production	0.7	0.8	0.7	0.7	0.6	0.6	0.6	0.6	0.7	0.8	0.7	0.7	0.7	21	0.1
Direct taxes	7.7	7.2	7.5	8.0	7.9	7.0	7.1	7.4	7.9	7.5	6.8	6.5	6.8	23	1.2
Personal income	6.8	6.5	6.4	6.5	6.3	5.6	5.6	5.8	6.2	5.6	5.4	5.2	5.3	20	0.9
Corporate income	0.9	0.7	1.1	1.6	1.7	1.4	1.5	1.6	1.6	1.8	1.3	1.2	1.4	24	0.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	0.0
Social contributions	10.9	10.7	11.0	10.6	10.3	10.3	10.1	10.5	11.6	13.0	13.1	11.9	11.5	15	2.0
Employers	10.7	10.5	10.5	10.2	9.9	9.9	9.8	10.2	11.3	12.3	12.1	11.0	10.6	2	1.8
Employees	0.0	0.0	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.5	0.8	0.8	0.8	27	0.1
Self- and non-employed	0.2	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	26	0.0
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	31.0	30.2	31.0	30.8	30.6	30.6	30.7	31.4	31.9	35.3	34.0	32.3	32.5	21	5.7
B. Structure by level of government	% of total taxation														
Central government	72.2	72.6	72.2	72.2	71.2	71.0	71.2	70.7	67.3	68.2	67.9	68.1	68.6	8	3.9
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	13.9	13.5	12.9	13.0	13.2	13.0	13.2	13.4	15.4	14.0	13.4	13.3	13.1	7	0.7
Social security funds	13.9	13.9	14.9	14.9	14.9	14.9	14.4	14.7	16.2	16.9	17.9	17.6	17.4	22	1.0
EU institutions	n.a.	n.a.	n.a.	n.a.	0.7	1.1	1.1	1.2	1.1	0.9	0.9	1.0	0.9	7	0.1
C. Structure by economic function	% of GDP														
Consumption	11.7	11.7	11.9	11.6	11.7	12.8	13.0	13.0	11.7	14.2	13.5	13.3	13.6	7	2.4
Labour	17.3	16.8	16.9	16.6	16.3	15.3	15.2	15.8	17.5	18.4	18.2	16.8	16.6	15	2.9
Employed	17.1	16.6	16.7	16.4	15.9	14.9	14.9	15.6	17.1	17.9	17.7	16.5	16.2	13	2.8
Paid by employers	10.7	10.5	10.5	10.2	9.9	9.9	9.8	10.2	11.3	12.3	12.1	11.0	10.6	4	1.8
Paid by employees	6.4	6.1	6.2	6.2	5.9	5.1	5.1	5.4	5.8	5.6	5.6	5.4	5.6	24	1.0
Non-employed	0.2	0.1	0.2	0.2	0.4	0.3	0.3	0.2	0.3	0.5	0.4	0.4	0.3	19	0.1
Capital	2.0	1.7	2.2	2.6	2.6	2.6	2.5	2.6	2.7	2.7	2.3	2.1	2.3	28	0.4
Capital and business income	1.4	1.1	1.6	2.1	2.0	2.0	2.0	2.1	2.1	2.1	1.7	1.6	1.7	28	0.3
Income of corporations	0.9	0.7	1.1	1.6	1.7	1.4	1.5	1.6	1.6	1.8	1.3	1.2	1.4	24	0.3
Income of households	0.2	0.1	0.2	0.2	0.1	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	25	0.0
Income of self-employed (incl. SSC)	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	27	0.0
Stocks of capital wealth	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.6	0.6	0.6	0.6	0.6	28	0.1
D. Environmental taxes	% of GDP														
Environmental taxes	1.7	2.1	2.0	1.9	2.1	2.3	2.2	2.2	2.3	3.0	3.0	2.8	2.8	10	0.5
Energy	1.2	1.6	1.5	1.5	1.8	1.9	1.8	1.8	2.0	2.5	2.6	2.4	2.4	3	0.4
of which transport fuel taxes	1.1	1.5	1.4	1.4	1.7	1.8	1.7	1.7	1.7	2.2	2.1	1.9	2.1	4	
Transport (excl. fuel)	0.2	0.2	0.2	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1	27	0.0
Pollution/resources	0.25	0.31	0.29	0.31	0.24	0.29	0.33	0.34	0.34	0.38	0.31	0.30	0.27	4	0.0
E. Property taxes	% of GDP														
Property taxes	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.3	0.4	0.3	0.3	27	0.1
Recurrent taxes on immovable property	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.3	0.4	0.3	0.3	21	0.1
Other property taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	0.0
F. Implicit tax rates	%														
Consumption	19.5	19.6	19.9	19.8	19.7	22.0	22.7	23.6	21.1	25.6	25.1	25.8	26.0	7	
Labour employed	37.8	37.3	37.8	36.9	35.8	33.8	33.6	33.9	33.8	34.9	36.6	35.7	35.0	13	
Capital	6.4	5.2	6.8	8.1	8.4	8.0	8.3	8.8	10.6	14.4	9.8	8.0	8.1		
Capital and business income	4.3	3.4	4.9	6.4	6.5	6.2	6.5	7.0	8.2	11.2	7.1	5.9	6.0		
Corporations	4.1	3.0	4.7	6.5	6.9	5.7	5.8	6.7	7.9	12.9	7.7	5.8	6.2		
Households	4.3	3.6	4.6	4.6	3.9	6.4	6.4	5.3	6.1	4.4	3.7	4.1	4.2		
Real GDP growth (annual rate)	9.7	6.3	6.6	7.8	6.3	8.9	10.1	7.5	-4.2	-14.1	2.6	9.6	3.9		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Estonia

Overall trends in taxation

Structure and development of tax revenues

The tax-to-GDP ratio of Estonia (including social contributions) stood at 32.5% in 2012. The ratio has decreased compared to the level of crisis years (peak in 2009 at 35.3%) but stayed above pre-crisis levels. The 2012 tax-to-GDP ratio is below the EU-28 average (39.4%) but higher than in other Baltic States.

The share of indirect taxes in total taxation is relatively high in Estonia (43.7% in 2012), which is above the EU average (34.5%). Social contributions also form an important proportion of total taxation (35.3% in 2012, almost three percentage points above the EU-28 average). The share of direct taxes in total taxation is 20.9% in 2012 and has decreased by around 10 percentage points since the late 1990s, following reforms that increased the basic allowance and decreased the tax rates on both personal and corporate income.

Local governments receive 13.1% of tax revenues, which is the seventh highest proportion in the EU-28. Since 2004, the funding of local authorities is based on gross income of residents before deductions instead of actual tax revenue, as was previously the case. This implies that the basic exemption and other deductions from taxable income only impact the central government budget. Central government revenue accounts for 68.6% of total taxation.

Taxation of consumption, labour and capital; environmental taxation; property taxes

Consumption tax revenues in relation to GDP have been stable in the period 2010–12 accounting for 13.6% of GDP in 2012, which is the seventh highest proportion in the EU-28. The ITR on consumption shows a little increase from 25.1% in 2010 to 26.0% in 2012. The rising trend of the effective taxation of consumption reflects increases in excise duty rates as a part of the government's strategy to shift the tax burden from labour towards consumption and the environment. At 26.0% in 2012 the ITR on consumption is the seventh highest in the European Union.

The ITR on labour has been declining until 2008, reflecting the cuts in personal income tax rates and the gradual increase in the basic allowance introduced by the tax reform. Since 2008 the basic allowance and the income tax rate have been kept unchanged, which may have contributed to the rise of ITR on labour in 2009 (34.9%) and 2010 (36.6%). Since 2011 the ITR on labour has decreased to 35.7% in 2011 and to 35.0% in 2012, which is the thirteenth highest in the EU-28.

Taxes on capital represent only 7.1% of total tax revenues, the lowest proportion in the EU-28, in accordance with the very low (8.1%) effective taxation of capital income.

Revenue from environmental taxes forms 8.6% of total taxation in 2012, exceeding the EU average by nearly three percentage points. The share of environmental tax revenues displays a steadily rising trend from 1995 onwards, reflecting partly the need to adjust the excise duties up to the EU minimum rates, but also a deliberate policy of the government to finance the cuts of personal income taxes by increases in consumption and environmental taxation.

Property tax revenues in Estonia in relation to GDP in 2012 (0.3%) were the second lowest in the EU and actually very close to the Croatian value, which is the lowest ratio in the EU-28 (EU-28 weighted average of 2.3%). The property tax represents 1.0% of the total tax revenue in 2012, which is far below the weighted average of EU (5.7%).

Main recent reforms implemented, on-going or announced

The Estonian tax policy follows the fiscal policy. The long-term plan to cut the income tax rate by one percentage point annually has been frozen and the personal and corporate tax rates have been kept at 21%, the level reached in 2008. Also the basic tax-free allowance has remained close to 2008 levels at EUR 1 728 in 2012. The income tax rates (personal and corporate income) are planned to be reduced to 20% in 2015.

The long-term aim of the tax policy is to shift the tax burden from income and employment towards consumption and the environment. Most of the excise duties have been increased in recent years. The excise duty on tobacco was increased in 2013 by 6% and in 2014 by 6% to reach the EU minimum level of excise duty on tobacco. In the period 2013–16 the excise duty on alcohol is increased annually by 5%. In January 2011 an excise duty of EUR 0.15 per GJ was imposed on shale oil used for production of heat and in January 2013 the rate was increased to EUR 0.30 per GJ.

The tax burden on consumption has also been affected by the rise of the standard VAT rate by two percentage points to 20% in July 2009 and the removal of reduced rates on certain products (medical equipment, distant heating), as well as the rise of the reduced VAT rate from 5% to 9% in 2009.

Since 2013, Estonia has abolished the land tax on plots up to 1 500 m² in densely populated areas and up to 2 ha in rural areas, provided that the plot host the taxpayer's primary residence.

With the effect of 1 January 2013, unemployment insurance contribution rates were reduced from 4.2% to 3% (from 2.8% to 2% for employees and from 1.4% to 1% for employers).

In autumn 2013, the government has proposed an amendment to the VAT Act to close a VAT loophole. The loophole encouraged the purchase of cars for private use under company accounts in order to deduct fully (100%) the VAT paid. According to the proposed amendment the deduction of VAT will be limited to 50% for the purchase of company cars which are used also for private purposes. If the purchased car is only used for the business purposes, 100% of the VAT paid is still deductible.

The government is planning to introduce digital invoice collection to improve the VAT tax collection. The draft law imposes a new form for VAT declaration in which data on all invoices exceeding EUR 1 000 per business contact must be shown in detail. The digital invoice collection will enable automatic comparison of the data and facilitate the detection of cases of fraud and avoidance.

In order to enforce the fight against undeclared work and tax fraud, Estonia is planning to introduce a database where companies are obliged to register their employees either in a web environment or at the tax authority's offices before they start work. A failure by companies to register their employees will result in a fine of up to EUR 3 200.

The new coalition agreement (signed on 20 March 2014) foresees a further decrease of unemployment insurance contribution rates by 0.6% and the basic allowance of personal income tax will be increased slightly (from current EUR 144 to EUR 154 per month). The new government intends to increase further the excise duty on tobacco and on alcohol. The agreement foresees abolishment of the reduced rates of excise duties on diesel for special use and on some heating oils.

Main features of the tax system

Personal income tax

Estonia is one of the Member States applying a flat-rate system to the PIT. The single tax rate, 21% since 2008, has been applied to all labour and personal capital income (dividends, interests, capital gains, royalties etc.). Only income exceeding a given threshold is taxed. The annual basic allowance has been increased gradually from EUR 767 in 2003 to EUR 1 534 in 2006 and to EUR 1 726 for 2008–10. Since 2011 it has been at EUR 1 728 per year (EUR 144 per month). An additional basic allowance is available for: those raising children (EUR 1 728 per year starting from the second child); for pensions (EUR 2 520 per year in 2014, increased by EUR 216 compared to 2013); and for a compensation for an accident at work or an occupational disease (EUR 768 per year). Mortgage interest payments, training expenses, certain charitable gifts and donations can also be deducted from taxable income (up to EUR 1 920 per year) but not more than 50% of taxable income.

Personal income tax is shared between the central and local governments; the latter receiving in 2014 11.6% of taxable income with the remainder going to central government. The share received by central government is increasing from 11.57% in 2013, and 11.4% in 2012. The central government is entitled to the entirety of the income tax paid by non-residents and to the income tax paid on pensions and capital gains.

Corporate taxation

The corporate tax system was reformed in 2000 with the aim of providing more funds for investment and accelerating economic growth. The main objective of the reform was to postpone the taxation of corporate income until the distribution of profits. Hence, the tax rate on retained earnings is zero, and distributed profits in gross terms are taxed at the same rate as personal income, i.e. at 21% since 2008. This tax rate is also applied to gifts, donations, non-enterprise expenses and fringe benefits. The system is applied to Estonian resident companies and permanent establishments of non-resident companies. The 21% withholding tax applied on the dividends paid to non-residents was removed as of 1 January 2009. A withholding tax may still apply to other payments to non-residents where they do not have a permanent establishment in Estonia unless the tax treaties provide otherwise. The measures to reduce tax avoidance include Controlled Foreign Companies (CFC) rules and regulations for minimising the use of transfer-pricing schemes, as well as a withholding tax of 21% on the payments to off-shore companies for services.

VAT and excise duties

The standard VAT rate is 20% since July 2009. A 9% reduced rate applies to a limited list of goods (books, periodicals, medicine and accommodation).

Excise duties on alcoholic beverages were increased by 5% and on tobacco by 6% in 2014. The excise duty rates on energy products have remained the same during the last 3 years, except on shale oil and for some cases where reduced rate apply. In January 2013 the rate on oil shale was increased by 100%. Reduced rate was abolished on gas oil used for forestry, construction, mining and stationary motors since 2012. The biofuel excise exemption was also lifted in 2011.

Social contributions

Social security is financed largely through a social tax, which is paid by the employer, generally at a rate of 33% of gross salary for each employed person. In 2014, the minimum social security level was increased to EUR 105.6 by increasing the mandatory minimum monthly salary in 2013 from EUR 290 to EUR 320. The self-employed also pay the social tax. A 13% quota from the tax is transferred to the state health insurance system and the remaining 20% to the state pension insurance system. Employees who have joined

the second pension pillar (obligatory for those born after 1983) pay an additional 2% of their salary to the personal pension account. In this case, the 20% for the pension insurance system is divided with 16% allocated to the state pension insurance system (the first pillar) and 4% allocated to the mandatory funded pension system (the second pillar).

The total social contributions account for 35.3 % of total taxation in 2012. Most of them are paid by the employers (32.6% of total taxation), which is by far the highest proportion in the EU. Employees' social contributions, in contrast, represented only 2.4% of tax revenues in 2012.

Finland	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	13.9	13.4	13.7	14.2	14.0	14.1	13.9	13.3	13.1	13.7	13.6	14.5	14.7	10	28.3
VAT	8.2	8.0	8.1	8.6	8.5	8.7	8.7	8.4	8.4	8.7	8.5	9.0	9.2	6	17.6
Excise duties and consumption taxes	4.3	4.1	4.2	4.3	3.9	3.8	3.7	3.3	3.3	3.4	3.5	3.9	3.9	6	7.5
Other taxes on products (incl. import duties)	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	11	2.6
Other taxes on production	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	28	0.5
Direct taxes	21.4	19.3	19.1	18.1	17.8	17.8	17.6	17.8	17.8	16.4	16.2	16.6	16.3	4	31.4
Personal income	14.5	14.1	14.0	13.7	13.3	13.5	13.3	13.0	13.2	13.4	12.6	12.8	13.0	3	25.0
Corporate income	5.9	4.2	4.2	3.4	3.5	3.3	3.4	3.9	3.5	2.0	2.6	2.7	2.2	16	4.2
Other	1.0	1.0	1.0	1.0	1.1	1.0	1.0	0.9	1.0	1.0	1.1	1.0	1.1	7	2.2
Social contributions	11.9	12.0	11.9	11.8	11.7	12.0	12.2	11.9	12.0	12.8	12.7	12.6	13.1	10	25.3
Employers	8.8	9.0	8.9	8.9	8.8	9.0	8.9	8.7	9.0	9.4	9.0	9.0	9.2	5	17.7
Employees	2.2	2.2	2.1	2.1	2.1	2.2	2.4	2.3	2.2	2.4	2.6	2.7	3.0	15	5.7
Self- and non-employed	1.0	0.9	0.8	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.1	0.9	1.0	15	1.9
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	47.2	44.8	44.7	44.1	43.5	43.9	43.8	43.0	42.9	42.8	42.5	43.7	44.1	5	84.9
B. Structure by level of government	% of total taxation														
Central government	52.2	50.1	51.4	51.6	51.9	51.4	50.5	50.4	49.4	45.8	45.3	47.4	46.9	23	39.8
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	21.6	22.1	21.5	21.1	20.8	20.7	21.1	21.3	22.0	23.8	24.4	23.3	22.8	3	19.4
Social security funds	25.2	26.9	26.5	26.7	26.8	27.3	27.9	27.7	28.0	29.8	29.8	28.8	29.7	16	25.2
EU institutions	1.0	0.9	0.6	0.7	0.5	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.5	22	0.5
C. Structure by economic function	% of GDP														
Consumption	13.6	13.2	13.4	14.0	13.6	13.6	13.5	12.8	12.8	13.3	13.2	14.1	14.3	5	27.5
Labour	23.3	23.4	23.3	23.0	22.4	22.9	22.7	21.9	22.6	23.6	22.6	22.8	23.5	6	45.2
Employed	20.8	21.1	20.9	20.6	20.0	20.4	20.2	19.6	20.3	21.1	20.1	20.2	20.8	5	40.0
Paid by employers	8.8	9.0	8.9	8.9	8.8	9.0	8.9	8.7	9.0	9.4	9.0	9.0	9.2	7	17.7
Paid by employees	12.0	12.1	12.0	11.7	11.2	11.4	11.3	10.9	11.3	11.6	11.1	11.3	11.6	7	22.3
Non-employed	2.5	2.3	2.4	2.4	2.4	2.5	2.4	2.3	2.3	2.5	2.5	2.6	2.7	5	5.2
Capital	10.4	8.2	8.0	7.1	7.4	7.4	7.6	8.2	7.5	6.0	6.7	6.7	6.3	15	12.2
Capital and business income	9.0	7.0	6.7	5.9	6.0	6.0	6.3	6.9	6.2	4.6	5.3	5.4	4.9	14	9.3
Income of corporations	5.9	4.2	4.2	3.4	3.5	3.3	3.4	3.9	3.5	2.0	2.6	2.7	2.2	16	4.2
Income of households	1.1	0.9	0.6	0.6	0.7	0.8	0.9	1.1	0.9	0.7	0.8	0.8	0.7	12	1.4
Income of self-employed (incl. SSC)	2.0	1.9	2.0	1.9	1.8	1.8	2.0	1.9	1.8	1.9	1.9	1.9	1.9	9	3.7
Stocks of capital wealth	1.3	1.2	1.3	1.2	1.4	1.4	1.3	1.3	1.3	1.3	1.4	1.4	1.5	15	2.8
D. Environmental taxes	% of GDP														
Environmental taxes	3.1	3.0	3.1	3.2	3.2	3.1	3.0	2.7	2.7	2.6	2.8	3.1	3.1	5	5.9
Energy	2.0	2.0	2.0	2.0	1.9	1.9	1.8	1.6	1.7	1.8	1.8	2.1	2.1	10	4.0
of which transport fuel taxes	:	:	1.5	1.5	1.5	1.4	1.4	1.3	1.3	1.4	1.4	1.3	1.3	19	
Transport (excl. fuel)	1.1	1.0	1.0	1.2	1.2	1.2	1.1	1.0	0.9	0.8	0.9	1.0	0.9	4	1.8
Pollution/resources	0.04	0.04	0.04	0.05	0.05	0.07	0.07	0.07	0.06	0.05	0.06	0.07	0.06	15	0.1
E. Property taxes	% of GDP														
Property taxes	1.1	1.0	1.1	1.0	1.1	1.2	1.1	1.1	1.1	1.1	1.2	1.1	1.2	12	2.4
Recurrent taxes on immovable property	0.4	0.4	0.4	0.5	0.4	0.5	0.5	0.5	0.5	0.6	0.7	0.6	0.7	14	1.3
Other property taxes	0.7	0.6	0.6	0.6	0.7	0.7	0.6	0.6	0.6	0.5	0.5	0.5	0.6	11	1.1
F. Implicit tax rates	%														
Consumption	28.5	27.6	27.7	28.1	27.7	27.6	27.2	26.5	25.9	25.6	25.1	26.4	26.4	6	
Labour employed	44.0	44.1	43.8	42.5	41.6	41.6	41.6	41.3	41.2	40.1	39.0	39.5	40.1	4	
Capital	38.1	27.3	29.6	28.1	28.2	28.8	26.4	27.9	28.8	29.9	28.8	28.2	29.9		
Capital and business income	33.2	23.2	24.9	23.2	23.0	23.3	21.8	23.4	23.8	23.2	22.7	22.4	23.0		
Corporations	31.3	19.1	22.3	20.1	19.7	18.8	16.5	18.3	19.3	17.8	17.8	17.8	17.5		
Households	26.1	24.2	22.1	20.9	20.5	23.5	25.5	25.9	23.9	22.4	22.6	22.0	22.7		
Real GDP growth (annual rate)	5.3	2.3	1.8	2.0	4.1	2.9	4.4	5.3	0.3	-8.5	3.4	2.7	-0.8		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Finland

Overall trends in taxation

Structure and development of tax revenues

In Finland the overall tax burden (including social contributions) was 44.1 % of GDP in 2012, slightly above the level of the previous year. The Finnish tax burden is among the highest in the EU, exceeded only by four countries (Denmark, Sweden, Belgium, and France).

Direct taxes, in particular on personal income, represent the most important category of revenue, accounting for 37.0 % of total taxation. The share of indirect taxes (33.3 %) is slightly below the EU-28 average (34.5 %). Social contributions, mainly paid by employers, account for 29.8 %, which is less than in most other Member States.

Local governments receive a rather large proportion of total tax revenues (22.8 % in 2012). These taxes comprise municipal income tax, a share of the corporate income tax revenue, and real estate tax. In this regard the tax structure of Finland is similar to those of Denmark and Sweden, where approximately one quarter or more of the total tax receipts go to the municipalities. The central government collects somewhat less than half of all tax revenues and social security funds almost a third.

During the 2000's the overall tax burden displayed a declining trend but has since 2011 been increasing again. Over the past decade there has been a moderate declining trend in taxation of labour and a more marked one for corporate income taxation in relation to GDP. In contrast, in relation to GDP, the share of taxes on both consumption and energy has increased. Social contributions in relation to GDP have increased slightly since 2000.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The tax structure by source in Finland (consumption 32.4 %, labour 53.2 % and capital 14.3 %) in 2012 was marked by a somewhat higher shares of consumption and labour and a correspondingly lower share of capital taxation compared with the EU-28 averages (28.5 %, 50.8 % and 20.8 %).

The share of consumption taxation in relation to GDP increased in 2012 as compared with previous years and was the fifth highest in the Union. The implicit tax rate (ITR) on consumption stood at 26.4 %, ranking sixth highest of the EU Member States.

Taxes on labour represented 23.5 % of GDP in 2012 (EU-28 20.1 %), which is very close to what it was in 2000 and the sixth highest ratio in the EU. In the 2000's the decline in labour taxation slowed down compared with the late 1990s.

Nevertheless, the drop in the ITR on labour has been significant, from 44.0 % in 2000 to 40.1 % in 2012.

The revenue from taxes on capital relative to GDP has dropped from its 2000 peak level of 10.4 % to 6.3 % in 2012. A particularly distinct drop, most likely due to the exceptionally sharp economic down turn in 2009, took place between 2008 and 2009 (from 7.5 % to 6.0 %). However, the ITR on capital income has remained relatively stable since 2001.

Environmental tax revenues represented 3.1 % of GDP in 2012, well above the EU-28 average (2.4 %) and were the fifth highest in EU-27. The level of energy taxation in relation to GDP (2.1 %) was also somewhat above the EU average in 2012 (1.8 %), while that of transport taxes excluding fuel (0.9 %, EU 28 average 0.5 %) is higher due to relatively heavy vehicle taxation in Finland.

Property tax revenues in Finland in relation to GDP in 2012 (1.2 %) were well below the EU-28 average of 2.3 %. The share of revenues from recurrent taxes on immovable property in 2012 amounted to 0.7 % of GDP whereas the corresponding EU-28 average stood at 1.5 %.

Main recent reforms implemented, on-going or announced

In 2012 the government introduced a number of tax policy changes with a view to strengthening the financial basis of the welfare state and to securing the long-term sustainability of public finances. Several health and environmentally motivated indirect taxes, such as taxes on alcohol, tobacco, sweets, soft drinks, ice cream, transport fuels, vehicles, were increased. Taxes on labour and corporate income were reduced at the central government level while employees' pension insurance contribution and the average nominal rate of municipal income tax were increased. The government also took measures to gradually decrease the deductibility of mortgage interest payments. The corporate income tax rate was decreased from 26 % to 24.5 %. In order to increase equality and to diminish the difference between capital and earned income taxation the rate of capital income tax was increased by 2 percentage points and made slightly progressive (the tax rates being 30 % and 32 %). The taxation of dividends was also tightened by decreasing the threshold for tax-free dividends paid by unlisted companies.

In 2013 the government continued to introduce changes to the tax system in order to consolidate the public finances and to reinforce its budgetary strategy by cutting expenditures and by increasing taxes. For example, it raised each of the three applicable VAT rates by 1 percentage point, while income tax rates were effectively increased since the tax brackets were not adjusted for inflation in 2013. In addition, a new temporary top income tax bracket was added to the state income tax scale for 2013–15. The taxation of people on low incomes was eased, however, by increasing

allowances. Taxation of large pensions, inheritances and property transfer taxation were tightened and a temporary bank tax was introduced.

The reforms of the tax system were continued in 2014 with a further drop in the corporate income tax rate from 24.5% to 20.0% and by the entry into force of certain new restrictions on the deductibility of interest on intra-group loans. The government also cut back by one year the validity of temporary new tax relief for R&D investments and accelerated depreciation for investments in new industrial capital and buildings, from the initially foreseen period of 2013–15. These incentives are therefore only available until the end of 2014. In addition, dividend taxation was revised in 2014. The taxation of dividends paid by listed companies was tightened by increasing the taxable share of dividends. The reform of taxation of dividends paid by unlisted companies included multiple tax parameter changes, which tightened the taxation of most of the dividends slightly. Government revenues have also been estimated to increase by EUR 321 million in 2014 on account of increased rates of excise duties on alcohol, tobacco, soft drinks, transport fuels and tax on electricity.

Main features of the tax system

Personal income tax

Since 1993 the taxation of personal income has been based on a dual system. Personal income is divided into two separate components, earned income and capital income, taxed according to different rates and principles.

Central government taxation of earned income is progressive. As from 2013 there are five tax brackets. Marginal rates range from 6.5% to 31.75%, the taxable income threshold is EUR 16 300 in 2014. The municipal income tax is levied at flat rates on earned income and the estates of deceased persons. The rate varies between 16.50% and 22.50%, the weighted average being 19.74% in 2014 (up from 19.38% in 2013). A church tax, the rate of which varies between 1% and 2%, is payable by members of the two state churches.

An earned income allowance in municipal taxation was introduced in 1991 with the intention of increasing the take-home pay of low- and medium-income earners. It reaches its maximum at a low income level, and gradually decreases thereafter. Since 2006 another tax credit for low- and medium-income earners (labour income credit) has also been applied in the state income taxation.

Capital income is taxed at a rate of 30% on income up to EUR 40 000 and at 32% on income exceeding EUR 40 000. It is levied on dividends, rental income, interest income, capital gains, income from the sale of timber and a share of business income. All expenses from acquiring or maintaining capital income, including interest payments, are

deductible from taxable capital income. In addition, interest payments on owner-occupied housing and student loans guaranteed by the state are partly deductible. If these deductions exceed taxable capital income, 30% of the deficit, up to a EUR 1 400 limit, can be credited against taxes paid on earned income. From 2014, the tax deductibility of mortgage interest is limited to 75% of interest paid.

Corporate taxation

Corporate tax is levied at a 20.0% rate on all corporate income, out of which expenses incurred for the purpose of acquiring or maintaining business income are deducted. Exceptions to this rule are certain capital gains and dividends which are not included in the tax base, certain expenses related to tax-free income, and certain capital losses. Depreciation allowances for fixed assets are calculated according to the pool basis declining balance method; the maximum annual rates with regard to the most common items are 25% for machinery and equipment and either 4% or 7% for buildings. The acquisition costs of intangible assets may be depreciated using a straight-line method over a period of 10 years. Losses can be carried forward and set off in the subsequent ten tax years, while carry-back is not allowed.

VAT and excise duties

The standard VAT rate is 24% since 1 January 2013. The reduced rate of 14% is applied on food and restaurant services. A reduced rate of 10% is applied, for example, on hotels, medicines, books, newspapers and tickets to cultural events.

Finland levies excise duties on energy products, alcohol and tobacco, sweets, ice cream and soft drinks and certain beverage packages. The excise rates on alcohol, tobacco, sweets, ice cream and soft drinks were increased in 2012 leading to extra revenue of EUR 218 million, and further rate rises in 2014 are projected to raise an additional EUR 168 million. The rates of excise duty on petrol and diesel were increased in 2012, and raised again in 2014 (with an estimated increase of government revenues of EUR 115 million). Finland also levies a tax on newly registered cars and an annual circulation tax. The scale of both taxes is dependent on the CO₂ emissions of the car. Finland's landfill taxation was reformed in 2011 and the level of waste tax was increasing gradually until 2013. From 2014, the rates of tax on electricity were subject to an increase (with an estimated budgetary impact of EUR 80 million).

Wealth and transaction taxes

Municipalities levy a real estate tax on land and buildings at rates that usually vary between 0.6% and 1.35% (0.32% and 0.75% for permanent residents). The state levies a property transfer tax on purchases of real estate or shares; purchases of the first owner-occupied dwelling are exempt.

Inheritance and gift tax is levied by the state at a progressive scale ranging from 7% to 19%. The inheritance tax is paid on inheritances exceeding the value of EUR 20 000 and the gift tax on gifts exceeding the value of EUR 4 000.

Social contributions

Social contributions are paid both by employers and employees. The health insurance contribution for medical care is also paid by the non-employed. In 2014 the rate is 1.32% on employment income and 1.49% on other income (pension and other benefits). Employees also pay an unemployment insurance contribution (0.50% of gross salary) and a pension insurance contribution (7.05% of gross salary for those above 53 years and 5.55% for others), and a health insurance contribution for daily allowance (0.84% of gross salary for salaried persons and 0.97% for the self-employed). These contributions are deductible in earned income taxation.

France	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	15.8	15.4	15.4	15.3	15.6	15.7	15.6	15.4	15.2	15.3	15.1	15.5	15.7	5	318.9
VAT	7.4	7.3	7.2	7.2	7.3	7.4	7.3	7.2	7.1	6.9	7.0	7.0	7.0	23	142.5
Excise duties and consumption taxes	2.6	2.5	2.6	2.5	2.3	2.2	2.3	2.2	2.1	2.2	2.2	2.2	2.2	25	45.2
Other taxes on products (incl. import duties)	1.7	1.6	1.6	1.6	1.8	1.9	1.7	1.7	1.6	1.6	1.7	1.9	1.9	5	39.4
Other taxes on production	4.2	4.1	4.1	4.1	4.2	4.3	4.2	4.3	4.3	4.7	4.2	4.4	4.5	2	91.9
Direct taxes	12.5	12.6	11.8	11.4	11.7	11.9	12.2	12.0	12.0	10.3	11.0	11.7	12.4	11	253.0
Personal income	8.4	8.2	7.9	8.0	7.9	8.1	7.9	7.6	7.8	7.6	7.6	7.8	8.5	11	172.1
Corporate income	2.8	3.1	2.6	2.1	2.4	2.3	2.9	2.9	2.7	1.3	1.9	2.3	2.3	14	46.0
Other	1.3	1.4	1.3	1.3	1.4	1.5	1.4	1.5	1.4	1.5	1.5	1.7	1.7	4	34.9
Social contributions	16.1	16.1	16.2	16.4	16.2	16.4	16.5	16.3	16.3	16.8	16.7	16.8	17.0	1	346.4
Employers	11.1	11.0	11.1	11.2	11.0	11.1	11.2	11.0	11.1	11.4	11.3	11.5	11.6	1	235.1
Employees	4.0	4.0	4.1	4.1	4.1	4.1	4.1	4.1	4.0	4.1	4.1	4.1	4.2	11	84.4
Self- and non-employed	1.0	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	14	26.9
Less: amounts assessed but unlikely to be collected	0.3	0.3	0.2	0.1	0.2	0.1	0.2	0.2	0.2	0.3	0.2	0.3	0.3		
Total	44.2	43.8	43.3	43.1	43.3	43.8	44.1	43.4	43.2	42.1	42.5	43.7	45.0	3	913.5
B. Structure by level of government	% of total taxation														
Central government	41.0	40.2	39.6	39.1	41.3	39.6	37.4	36.2	35.0	31.4	34.8	32.5	32.9	25	300.5
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	9.7	9.4	9.5	9.7	10.5	10.9	11.0	11.5	11.5	12.5	10.1	12.5	12.6	9	115.0
Social security funds	48.0	49.0	49.8	50.4	47.7	48.9	51.1	51.8	52.8	55.6	54.6	54.4	54.0	1	493.1
EU institutions	1.4	1.4	1.1	0.8	0.5	0.6	0.6	0.6	0.6	0.5	0.5	0.6	0.5	21	5.0
C. Structure by economic function	% of GDP														
Consumption	11.6	11.3	11.3	11.2	11.3	11.3	11.2	10.9	10.8	10.7	10.8	11.0	11.1	18	225.6
Labour	22.4	22.4	22.3	22.4	22.3	22.5	22.4	22.0	22.3	22.8	22.5	22.9	23.5	5	477.5
Employed	20.9	21.0	20.9	21.0	20.8	21.0	21.0	20.7	20.8	21.2	20.8	21.2	21.7	4	440.9
Paid by employers	12.1	12.1	12.2	12.3	12.2	12.2	12.3	12.2	12.4	12.8	12.8	12.9	13.1	1	265.8
Paid by employees	8.8	8.9	8.7	8.8	8.7	8.8	8.6	8.4	8.5	8.4	8.1	8.3	8.6	14	175.1
Non-employed	1.5	1.4	1.4	1.4	1.5	1.5	1.4	1.4	1.5	1.5	1.6	1.7	1.8	9	36.6
Capital	10.4	10.5	9.9	9.6	9.9	10.1	10.7	10.6	10.4	9.0	9.5	10.2	10.6	3	215.3
Capital and business income	5.9	6.1	5.5	5.2	5.3	5.4	6.1	5.9	5.9	4.3	5.1	5.5	5.8	8	118.0
Income of corporations	2.8	3.1	2.6	2.1	2.4	2.3	2.9	2.9	2.7	1.3	1.9	2.3	2.3	15	46.0
Income of households	0.7	0.6	0.7	0.7	0.6	0.7	0.9	0.8	0.9	0.8	0.9	0.9	1.2	6	23.9
Income of self-employed (incl. SSC)	2.4	2.4	2.3	2.4	2.3	2.4	2.3	2.2	2.2	2.2	2.3	2.3	2.4	4	48.2
Stocks of capital wealth	4.5	4.4	4.4	4.4	4.6	4.7	4.7	4.7	4.5	4.7	4.4	4.7	4.8	1	97.2
D. Environmental taxes	% of GDP														
Environmental taxes	2.2	2.0	2.1	2.0	2.0	1.9	1.9	1.8	1.8	1.8	1.8	1.8	1.8	25	37.2
Energy	1.8	1.6	1.7	1.7	1.7	1.6	1.6	1.5	1.4	1.5	1.4	1.5	1.5	25	29.8
of which transport fuel taxes	:	:	:	1.5	1.4	1.4	1.3	1.3	1.2	1.2	1.2	1.2	1.1	24	
Transport (excl. fuel)	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	21	4.9
Pollution/resources	0.12	0.13	0.14	0.12	0.11	0.11	0.11	0.11	0.11	0.11	0.10	0.11	0.13	10	2.6
E. Property taxes	% of GDP														
Property taxes	2.7	2.7	2.7	2.8	2.9	3.0	3.0	3.1	3.0	3.0	3.4	3.6	3.6	2	73.5
Recurrent taxes on immovable property	1.6	1.6	1.7	1.7	1.8	1.8	1.8	1.8	1.8	2.0	2.2	2.4	2.4	2	48.4
Other property taxes	1.1	1.1	1.0	1.0	1.2	1.2	1.2	1.3	1.1	1.0	1.1	1.3	1.2	2	25.1
F. Implicit tax rates	%														
Consumption	21.1	20.4	20.5	20.1	20.3	20.3	20.1	19.8	19.4	18.9	19.2	19.7	19.8	17	
Labour employed	39.4	39.2	38.7	39.0	38.9	39.3	39.3	39.0	39.0	38.6	38.1	38.8	39.5	6	
Capital	40.3	40.1	39.2	38.4	39.6	40.5	42.8	41.2	40.1	38.3	39.3	43.4	46.9		
Capital and business income	22.9	23.2	21.9	20.8	21.3	21.7	24.2	22.9	22.6	18.4	21.2	23.3	25.7		
Corporations	29.8	32.7	28.6	23.9	25.3	23.9	30.1	27.7	25.9	14.6	19.8	25.6	28.1		
Households	16.5	15.5	15.6	16.1	15.7	16.5	16.9	16.1	16.5	16.6	17.9	17.7	19.7		
Real GDP growth (annual rate)	3.7	1.8	0.9	0.9	2.5	1.8	2.5	2.3	-0.1	-3.1	1.7	2.0	0.0		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

France

Overall trends in taxation

Structure and development of tax revenues

In 2012 the tax-to-GDP ratio in France stood at 45%, the third highest in EU-28 and 5.6 percentage points above the EU-28 average (39.4%).

The relatively high tax-to-GDP comes from above average shares of indirect taxes and employers' social contributions. Indeed, the share of indirect taxes as a percentage of GDP was 15.7% in 2012, above the EU-28 average (13.6%), while the share of direct taxes (12.4%) was below the EU-28 average (13.2%)⁽³⁾. Social contributions represented the highest share relative to GDP in the EU at 17%. Employers' contributions make up more than two thirds of social contributions; as a percentage of GDP employers' contributions were more than 58% higher than the EU-28 average. The central government raised 32.9% of total taxes, which is the lowest share in EU, if one excludes the Member States with a federal structure. Of total taxes collected in France 54% (representing 24.3% of GDP) go to the Social Security Funds, the highest level in Europe. Comparatively, the local governments' share of tax revenue (12.6%) is only marginally above the EU average (11%). The business tax, the real estate and housing taxes are the main local taxes.

Between 2006 and 2009 the overall tax burden ratio declined due to the crisis but started to recover in 2010. In 2012 the overall tax burden was the highest since 2000. A particular development is noticeable for CIT revenues, which suffered in 2009 from the economic slowdown and the stimulus packages dedicated to the cash flow improvement of companies. CIT collection partially recovered in 2010 but in 2012, CIT revenue still remained below its 2006 level.

Taxation of consumption, labour and capital; environmental taxation; property taxes

In 2012, the ITR on consumption (19.8%) was close to the EU average. The ITR remained remarkably stable from 2001 to 2006. Between 2007 and 2009, the ITR decreased by 0.9 percentage points and increased again afterwards bringing it back in 2012 to its 2007 level.

The ITR on labour income, 39.5% in 2012, is above the EU-28 average (36.1%) and among the highest in the Union. The tax burden on labour is high in France. The tax wedge on low wage earners (measured at 2/3 of average wage for a single worker with no children) —which encompasses employer's social contributions, personal income tax and

employee's social contributions — is the third highest in Europe after Belgium and Hungary. Note that the 2012 figures do not include the effects of the *Crédit d'impôt pour la compétitivité et l'emploi* (CICE, see below).

The ITR on capital of 46.9% is well above the average of the countries for which data is available. After declining in 2002 and 2003, the ITR picked up again, rising by 4.4 percentage points between 2003 and 2006. The decline between 2006 and 2009 reflects mainly the dynamics in revenue from taxation on corporations. The French system relies on a number of other taxes on capital, such as the real estate tax, the housing tax, the wealth tax and the local business tax.

In EU, France has the fourth lowest share of environmental taxes on GDP, and the lowest in terms of share of total tax revenues. Their share of GDP declined from 2.2 to 1.8% since 2000, compared to the EU-28 average of 2.4% in 2012.

By contrast property taxes are the second largest in the EU as a share of GDP, at 3.6%, more than one percentage point above the EU-28 average (2.3%). Their level increased by nearly 0.9 percentage point between 2000 and 2012, mainly through recurrent taxes on immovable property.

Main recent reforms implemented, on-going or announced

The Finance Bill was adopted in December 2013. The main changes (applicable from 2014 onwards) are the following.

For personal income tax, after a two year freeze, the PIT tax brackets were adapted according to the price index evolution. The family quotient tax advantage has been further capped at EUR 1 500. The housing improvements expenditures eligible for tax deductions have been refocused on actions improving energy efficiency. Besides, the taxable base now includes the pension bonus for parents of three or more children and the employer contribution to supplementary health insurance under collective agreements.

In corporate taxation, the rate of the exceptional surcharge which applies to companies with a turnover over EUR 250 million has been raised from 5% to 10.7% of the company tax liabilities. Moreover, a temporary tax of 50% on high wages paid in 2013 and 2014 has been introduced (compensations in excess of EUR 1 000 000). The tax is however limited to 5% of the company's turnover. The minimum annual corporate tax of EUR 20 500 for gross income between EUR 15 million and EUR 75 million, EUR 32 750 between EUR 75 million and EUR 500 million, and EUR 110 000 above has been suppressed from 2014 onwards.

Various measures were adopted in the field of environmental taxation. The most significant in terms of revenues is the gradual introduction of a carbon price element in the calculation of the domestic taxes on energy consumption (*TICPE: Taxe intérieure sur la consommation des produits énergétiques*, tax on natural gas, on coal...).

⁽³⁾ These shares are based on the definition used in this report, which is based on the ESA95 codes (see Annex B for details). The French national definition differs in some important aspects.

As regards property transfer taxes, whose rates are set by the French departments, the maximal rate has been increased from 3.80 % to 4.50 %.

Main features of the tax system

Personal income tax

The PIT (*Impôt sur le Revenu*) is levied annually on worldwide income according to a single progressive scale. From 2013, the top marginal rate is 45 % (applicable above EUR 151 200 per unit in 2014). The system takes into account the specific situation of each household by applying a family quotient. A noteworthy feature is the high number of thresholds and exemptions applied. Since 2013, investment income, such as dividends, bank and bond interest, and capital gains are taxed according to the progressive scale (however, a gradual deduction applies on capital gains according to the length of the period the shares are held and entrepreneurs' capital gains can be subject to additional deductions). Real estate gains are taxed at a 19 % rate. Capital and real estate gains realized by individuals and investment income are also subject to SSC (*CSG, CRDS, prélèvement social*) at an overall rate of 15.5 % since July 2012 (previously 13.5 %).

Corporate taxation

The corporate income tax affects all profits realised in France by companies and other legal entities. The standard rate is 33.33 %. SMEs are taxed at a reduced rate of 15 % on the first EUR 38 120 of the profits. Large companies (turnover over EUR 7 630 000 and taxable profit over EUR 2 289 000) are subject to an additional surcharge of 3.3 % (CSB) levied on the part of aggregate corporate tax which exceeds EUR 763 000. Hence, the effective tax rate is 34.43 % for those companies. The temporary corporate income tax surcharge of 5 % of tax liabilities instituted in 2011 for two fiscal years (between 31 December 2011 and 30 December 2013) has been increased to 10.7 % and extended for two further years (2014 and 2015). This surcharge applies to the standard corporate income tax liability for very large companies with a turnover exceeding EUR 250 million, for which the effective tax rate therefore reaches 38 %. Companies can benefit from a tax credit (*crédit d'impôt pour la compétitivité et l'emploi*) equal to 6 % (since 2014) of the payroll for employees with wages below 2.5 times the minimum monthly wage.

France grants an R&D reimbursable tax credit (*crédit d'impôt recherche*). The amount is 30 % of all R&D expenditures up to EUR 100 million and 5 % above. Some restrictions have been included from 2013: the higher tax credit rates (40 % for the first year of use, and 35 % for the second year) have been abolished.

Since 2011, many reforms have affected the corporate taxable base. The carry-back of losses has been reduced from three years to one year and the carry-forward of losses limited to

60 %, and eventually to 50 % above EUR 1 million taxable profit from 2012. The worldwide tax consolidation regime was abolished in 2011. The deduction of loan interests of business above EUR 3 000 000 has been limited to 75 % of net interest charges. From 2013, exemptions on capital gains on sale of affiliates are reduced.

France imposes a local business tax (*contribution économique territoriale*) payable by the self-employed and companies. The actual tax varies with location and depends on the value of the business' immovable property and value added and is capped to 3 % of value added. This tax was created in 2010, *in lieu* of the previous *taxe professionnelle*.

France also applies a payroll tax on employers who are not liable for VAT on at least 90 % of their turnover, therefore including in particular hospitals and the financial sector (*taxe sur les salaires*). The applicable rate varies with annual pay and ranges from 4.25 % to 20 % for pay in excess of EUR 151 207 a year (the highest rate was introduced on 01.01.2013). This tax raised EUR 12.034 billion in 2012.

VAT and excise duties

The standard and intermediary VAT rates were increased from 19.6 % and 7 % (renovation of private dwellings, transport services, hotel accommodation, supply of mid-range accommodations, restaurant services, domestic care services, television, theme parks, organic fertilizers etc.) to 20 % and 10 % from January 2014. The reduced rate of 5.5 % applies to foodstuff, equipment for disabled, books, gas, electricity, heating, cinemas, concerts, theatres and other live shows, social housing construction and renovation, energy efficiency housing improvements, importation of works of art, collector's items and antiques, domestic care of elderly and disabled etc. The super reduced rate of 2.1 % which applies to newspapers, the first 140 theatre performances, concerts and other live performances and approved medicines, remains unchanged.

Wealth and transaction taxes

A net wealth tax (ISF) is levied on resident individuals on the value of assets owned, minus liabilities, if the net value of these assets exceeds EUR 1 300 000. Business assets, qualified shareholdings, works of art, collectors' pieces and antiques and various other assets incl. 30 % of the main residence value are excluded from this tax. A 75 % exemption applies to certain nominative shares held by employees, managers or shareholders and a tax relief is granted for capital investment in SMEs (ISF PME) and for gifts to charities. Tax rate varies between 0.5 % and 1.5 % depending on the tax bracket.

Since August 2012, a financial transaction tax (FTT) applies to acquisitions of equity securities (0.2 %), to high frequency trading (0.01 % of the value of orders cancelled or amended)

and to acquisitions of Credit Default Swaps on EU sovereign debt (0.01 % of the notional amount of the CDS).

Social contributions

The French social security system is mainly financed by contributions and taxes deducted from earnings. In 2013, employers' SSC range between 14 % (at the minimum wage, in SMEs with less than 20 workers) and 45 %, while employees' SSC are around 14 %. Ceilings are in place and social contributions are deductible from taxable income. In general, personal income is also subject to the general social welfare contribution (CSG) and the welfare debt repayment levy (CRDS). In both cases, the base is somewhat narrower than the gross wage income. The standard CSG rate is 7.5 %, while the CRDS rate is 0.5 %.

Germany (1)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (2)	€ bn
Indirect taxes	11.3	11.1	11.0	11.2	10.8	10.8	10.8	11.3	11.2	11.8	11.3	11.5	11.4	24	304.7
VAT	6.8	6.6	6.4	6.4	6.3	6.3	6.4	7.0	7.1	7.5	7.2	7.3	7.3	17	194.0
Excise duties and consumption taxes	2.8	2.9	3.0	3.2	3.0	2.9	2.8	2.6	2.6	2.7	2.5	2.6	2.5	22	65.8
Other taxes on products (incl. import duties)	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	0.9	0.9	0.9	0.9	1.0	16	25.8
Other taxes on production	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.7	0.6	0.7	0.7	20	19.0
Direct taxes	13.0	11.4	11.0	11.0	10.8	11.1	11.9	12.2	12.4	11.8	11.2	11.7	12.1	12	323.7
Personal income	9.5	9.1	8.8	8.6	8.0	8.0	8.2	8.6	9.0	9.1	8.3	8.4	8.8	9	234.6
Corporate income	2.9	1.7	1.6	1.8	2.2	2.5	2.9	2.9	2.7	2.0	2.2	2.6	2.7	10	72.1
Other	0.6	0.6	0.6	0.5	0.6	0.6	0.7	0.7	0.7	0.7	0.6	0.7	0.6	18	17.0
Social contributions	17.1	16.9	16.9	17.0	16.7	16.4	16.0	15.2	15.2	15.9	15.5	15.4	15.6	4	414.6
Employers	7.5	7.4	7.4	7.5	7.2	7.0	6.8	6.6	6.5	6.8	6.7	6.7	6.8	13	180.0
Employees	6.8	6.8	6.7	6.7	6.5	6.5	6.4	6.1	6.1	6.3	6.2	6.3	6.4	3	170.1
Self- and non-employed	2.7	2.6	2.8	2.8	2.9	2.9	2.8	2.5	2.5	2.7	2.6	2.5	2.4	5	64.5
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	41.3	39.4	38.9	39.1	38.3	38.3	38.6	38.7	38.9	39.4	38.0	38.5	39.1	10	1,043.0
B. Structure by level of government	% of total taxation														
Central government	28.1	27.9	28.1	28.3	27.7	28.2	28.6	29.7	29.7	30.2	30.1	30.6	30.4	26	316.7
State government (3)	22.3	21.4	21.1	20.9	21.1	20.8	21.5	22.3	22.3	21.5	20.9	21.1	21.4	3	223.4
Local government	6.9	6.6	6.5	6.4	7.0	7.3	7.8	7.9	8.1	7.5	7.5	7.7	7.9	16	81.9
Social security funds	41.3	42.8	43.4	43.5	43.5	42.9	41.3	39.3	39.1	40.3	40.9	40.0	39.8	7	414.6
EU institutions	1.5	1.3	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.6	18	6.3
C. Structure by economic function	% of GDP														
Consumption	10.6	10.5	10.4	10.5	10.2	10.2	10.2	10.6	10.7	11.2	10.7	10.9	10.8	23	287.6
Labour	24.0	23.7	23.6	23.6	22.7	22.2	21.9	21.3	21.8	22.6	21.7	21.6	22.1	9	589.9
Employed	21.3	21.0	20.7	20.7	19.7	19.2	19.0	18.6	19.2	19.7	18.9	18.9	19.5	8	520.7
Paid by employers	7.5	7.4	7.4	7.5	7.2	7.0	6.8	6.6	6.5	6.8	6.7	6.7	6.8	14	180.0
Paid by employees	13.8	13.6	13.4	13.2	12.5	12.2	12.2	12.1	12.6	12.9	12.2	12.3	12.8	5	340.7
Non-employed	2.8	2.7	2.9	2.9	2.9	3.0	2.9	2.6	2.7	2.9	2.7	2.6	2.6	6	69.1
Capital	6.6	5.1	4.9	5.0	5.3	5.9	6.5	6.8	6.4	5.6	5.5	6.1	6.2	16	165.5
Capital and business income	5.5	4.0	3.8	3.9	4.3	4.8	5.4	5.7	5.3	4.5	4.5	5.1	5.1	11	136.8
Income of corporations	2.9	1.7	1.6	1.8	2.2	2.5	2.9	2.9	2.7	2.0	2.2	2.6	2.7	11	72.1
Income of households	0.4	0.3	0.3	0.4	0.4	0.4	0.6	0.7	0.7	0.6	0.5	0.6	0.6	14	15.8
Income of self-employed (incl. SSC)	2.2	2.0	1.9	1.7	1.7	1.9	1.9	2.1	1.9	1.9	1.8	1.9	1.8	10	48.9
Stocks of capital wealth	1.1	1.1	1.0	1.1	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.1	19	28.7
D. Environmental taxes	% of GDP														
Environmental taxes	2.4	2.5	2.5	2.7	2.6	2.5	2.4	2.2	2.2	2.3	2.2	2.2	2.2	22	58.0
Energy	2.1	2.1	2.2	2.3	2.2	2.1	2.0	1.9	1.8	2.0	1.9	1.8	1.8	17	46.9
of which transport fuel taxes	:	:	:	1.8	1.7	1.6	1.5	1.4	1.4	1.5	1.4	1.4	1.3	20	
Transport (excl. fuel)	0.3	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.4	18	9.4
Pollution/resources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.07	14	1.8
E. Property taxes	% of GDP														
Property taxes	0.9	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.9	0.9	18	24.4
Recurrent taxes on immovable property	0.4	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.5	0.5	0.4	0.5	18	12.0
Other property taxes	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.4	0.5	15	12.4
F. Implicit tax rates	%														
Consumption	19.2	18.9	18.9	19.0	18.5	18.4	18.5	20.1	20.1	20.2	19.7	20.0	19.8	16	
Labour employed	39.1	38.9	38.7	38.8	37.8	37.5	38.1	38.2	38.6	38.0	37.2	37.3	37.8	11	
Capital	26.9	20.7	19.3	19.5	19.6	20.4	21.0	21.2	20.6	20.4	19.0	21.0	22.2		
Capital and business income	22.4	16.3	15.2	15.4	15.6	16.6	17.4	17.8	17.2	16.7	15.5	17.5	18.4		
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:		
Households	:	:	:	:	:	:	:	:	:	:	:	:	:		
Real GDP growth (annual rate)	3.1	1.5	0.0	-0.4	1.2	0.7	3.7	3.3	1.1	-5.1	4.0	3.3	0.7		

(1) The German NTL is only available from 2005 onwards. Internal data has been used for the years before 2006.

(2) The ranking is calculated in descending order. A "1" indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(3) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Germany

Overall trends in taxation

Structure and development of tax revenues

Germany's tax-to-GDP ratio (including social contributions) stands at 39.1% in 2012 — 0.6 percentage points higher than in 2011. This is slightly below both the GDP-weighted EU-28 and the Euro area averages (EU-28 39.4%, EA-18 40.4%). The ratio is considerably lower compared to other large Member States such as France (45.0%) and Italy (44.0%). On the other hand, ratios in Spain (32.5%) and the UK (35.4%) are well below the German tax-to-GDP ratio. This is also the case for the largest new Member State Poland (32.5%).

Compared to most other Member States, Germany stands out for a high share of social contributions in total receipts (39.8%, EU-28 32.4%), while the shares of direct taxes (31.0%) and especially indirect taxes (29.2%) are below the EU averages. This remains unchanged despite a shift away from SSC to direct and in particular indirect taxes in 2007 when the VAT rate was increased by three percentage points accompanied by a simultaneous cut in the unemployment insurance rate. In Germany, the share of SSC in GDP exceeds the EU average by 2.9 percentage points: this is mainly due to employees' contributions, which are the third highest in the EU, whereas employers' contributions are below the EU-28 average.

Compared with other federal countries, state governments in Germany receive a proportion of total tax revenue (21.4%) which is slightly lower than the levels in Spain (32.4%) and Belgium (24.6%), but high compared to Austria (9.8%). The German *Länder* receive a substantial share of revenue from VAT, the wage withholding tax, the PIT collected by assessment, the CIT and the withholding tax on interest. The *Länder* are also entitled to all revenue from other taxes such as inheritance and gift taxes and taxes on property transfer. Social security funds receive the seventh largest share of revenues in the EU. The end result is that, at 30.4%, the federal government receives the third smallest portion of tax receipts of any EU central government (EU-28 48.7%). Lower levels can only be found in Belgium and Spain.

Germany's tax-to-GDP ratio rose in the 1990s with most of the increase coming in the form of higher social contributions. In 2000, the tax-to-GDP ratio stood at 41.3%. The year 2001 marked a turning point: staggered reductions in PIT and CIT under the 'Tax Reform 2000' led to a drop in overall tax revenue by three percentage points of GDP until 2005. The ratio increased again from 2005 onwards, mainly due to higher PIT and CIT revenue on the back of strong economic growth in 2006 and 2007 and as a consequence of the significant increase in the standard VAT rate.

During the economic downturn in 2008 and 2009 the ratio increased slightly also due to the decrease in GDP but fell to its lowest level since 1995 in 2010 (38.0%). 2012 saw an increase with the tax-to-GDP ratio 1.1 percentage points higher compared to 2010.

Taxation of consumption, labour and capital; environmental taxation, property taxes

Consumption taxes as a percentage of GDP are slightly below average (10.8%, EU-28 11.2%). The ITR on consumption (19.8%) is line with the EU average (EU-28 19.9%). After having remained roughly stable since 2000, the ITR on consumption increased by 1.6 percentage points in 2007 owing to the VAT hike and remained stable at around 20% afterwards.

Taxes on employed labour as a percentage of GDP (19.5%, EU-28 18.2%) are relatively high, ranking seventh in the Union. Social contributions account for 80% of the taxes on employed labour, driving the ITR on labour to 37.8%, above the European average (EU-28 36.1%).

Despite a strong increase in recent years, Germany still derives lower than average revenues from taxation of capital (6.2% of GDP, EU-28 8.2%). In 2009, the ratio dropped by almost one percentage point but stabilised in 2010 while increasing again in 2011 and 2012. The low contribution of capital is due to a low level of taxes on stocks of capital/wealth (1.1%, EU-28 2.8%). The share of taxes on incorporated businesses corresponds to the EU average (2.7%, EU-28 2.6%). The same holds for revenues raised by the tax on the income of the self-employed (1.8%, EU-28 2.0%).

Environmental taxes were strongly increased in the 1999–2003 period as a consequence of the ecological tax reform (from a pre-reform level of 2.1% of GDP to 2.7% in 2003). In the following years, however, their revenue declined again to 2.2% of GDP (in 2012) which is slightly below the EU-28 average (2.4%).

Property tax revenues in Germany in relation to GDP in 2012 (0.9%) were well below the EU-28 average of 2.3%. Property tax revenues have remained stable over the last two decades. The share of revenues from recurrent taxes on immovable property in 2012 amounted to 0.5% of GDP whereas the EU-28 average stood at 1.5%.

Main recent reforms implemented, on-going or announced

Elections have resulted in a grand coalition. The new government is in power since December 2013. The main focus in tax policy is on improving tax compliance by fighting tax evasion, but also by reducing the administrative burden of tax payers for example by introducing prefilled tax forms for the tax year 2017 (for pensioners without additional income already for the tax year 2015). Also, reducing compliance

costs and removing obstacle for small and medium enterprises remain crucial. The parties agreed to prolong the energy tax reduction on natural gas and liquefied petroleum gas beyond 2018.

Main features of the tax system

Personal income tax

The bottom PIT rate is at 14% with a basic allowance of EUR 8 130 as from 1 January 2013. PIT rates increase in two-linear progressive zones from the basic rate of 14% to 42% (applicable above EUR 52 881 as from 1 January 2010). Since 2007, a top rate of 45% applies to incomes above EUR 250 000. This value was increased to EUR 250 400 as from 1 January 2009 and EUR 250 730 as from 1 January 2010. A 5.5% solidarity surcharge is levied on top of the PIT rates. Spouses living together are in general jointly assessed, their combined personal allowance thus being EUR 16 260. Spouses each pay income tax on half the total of their combined incomes. On 1 January 2009 a final 25% withholding tax (plus solidarity surcharge) on private households' capital income came into force, with an option on the assessment of private investment income and capital gains. A EUR 801 allowance (EUR 1 602 for married couples) per year applies to investment income.

A major reform was the introduction of a deferred taxation system exempting all retirement savings and the accruing interest, while the resulting old-age income is taxed as ordinary income. The new tax treatment is being phased in over the years 2005 to 2040, with the share of retirement income subject to tax steadily rising, as an increasing proportion of the savings becomes deductible for PIT purposes.

Corporate taxation

The corporation tax system has been reformed several times over the last 15 years, most recently in 2008. In particular, the CIT rates have been reduced from pre-1999 rates of 45% (rate on non-distributed profits) and 30% (rate on distributed profits) to a common 15% rate. To finance the tax cuts, base-broadening measures were introduced. Among others, depreciation on machinery and buildings was reduced. Moreover, the local tax on trade and industry (see below) is not deductible from the CIT base and its own base any more. Finally, as of January 2008 two measures to secure the CIT base are in place: a so-called interest barrier rule (*Zinsschranke*), which introduces a profit-based limit on the deduction of interest expenses if net interest expenses exceed EUR 3 million (earnings-stripping rule), and a modified tax base rule, which adds parts of the interest expenses and portions of rents, leasing and licence fees to the tax base.

A further important tax on business is the trade tax (*Gewerbesteuer*). The trade tax, like the real property tax, belongs to the category of non-personal taxes. To the extent that it

is conducted within the territory of the Federal Republic, any going business enterprise (with exceptions such as the operation of agricultural or forestry establishments or the provision of professional or other independent personal services) is liable to trade tax. The computation of trade tax proceeds from the basic tax. This is obtained by multiplying the amount of business profits by a fixed percentage of 3.5% (the basic federal rate). Individuals and partnerships qualify for an allowance of EUR 24 500. The municipalities apply to the uniform basic tax (or in the case of allocation, to their allocated share) a multiplier (minimum 200%) which they are entitled to determine.

As of January 2008 the CIT rate stands at 15%, increased to 15.83% by the 5.5% solidarity surcharge. Together with the local trade tax (calculated with an average multiplier of 400%) the overall tax rate is about 30%. Two further aspects of the reform are the new preferential treatment of retained earnings in sole proprietorships and partnerships (non-incorporated businesses) and the introduction of a final withholding tax of 25% that applies to interest payments, dividends and most forms of capital gains since 1 January 2009.

VAT and excise duties

The standard VAT rate was raised from 16% to 19% as of 1 January 2007. A 7% reduced VAT rate is applied to certain products, e.g. for staple food, public transport and books, hotels and pensions. VAT exemptions are granted for few services such as for rents and doctors' services.

Excise duties on beer are levied at a standard rate of EUR 0.787 per hl/degree Plato of finished product Plato. Germany applies a number of reduced rates. For wine the rate is EUR 136 per hectoliter sparkling wine and EUR 51 per hectoliter still-sparkling wine (not exceeding 8.5%). Until 31 December 2013 excise duties on cigarettes are EUR 94.40 per 1 000 pieces, cigars and cigarillos EUR 14 per 1 000 pieces, fine cut smoking tobacco EUR 45 per kg. As from 1 January 2014 the excise duties on cigarettes increased to EUR 96.30 per 1 000 pieces and on fine cut smoking tobacco to EUR 46.75 per kg. The excise duties on cigars and cigarillos remain unchanged.

Wealth and transaction taxes

No general wealth tax is applied in Germany. A recurrent tax on immovable property is levied annually by all municipalities on the assessed tax value of land and buildings located in their region at a basic federal rate of 0.35%. On this base municipal coefficient is applied ranging from 280% to 810%. The average tax rate is around 1.9%.

Since 1 January 2007 the German *Länder* can set the rate of the real estate transfer tax themselves and most of them have increased the rate since 2007, it is now between 4.5% and 6.5% in most *Länder* with the exception of Saxony

where it still stands at 3.5%. Inheritance and gift taxes were reformed in 2008. They are levied at rates ranging from 7% to 50% depending on the amount involved if it exceeds certain allowances. For siblings and children of siblings the tax rate range has been reduced to rates ranging from 15% to 43% (previously between 30% and 50%) as of 1 January 2010. Inheritance of self-occupied housing is tax free within certain limits. The same holds for company successions where the taxation depends on how long the company is held by the heirs and how the payroll of the company changes.

Social contributions

Social contributions to pension insurance (18.9% in 2014), unemployment insurance (3.0%), and nursing care insurance (2.05%) are paid half by employers and half by employees up to a contribution assessment ceiling. Employees without children pay an additional 0.25% for nursing care insurance. Health insurance contributions from employers stand at 7.3% and from employees at 8.2% leading to a total contribution rate of 15.5%.

Greece (¹)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (²)	€ bn
Indirect taxes	14.2	13.8	13.3	12.4	12.0	12.1	12.7	13.0	12.7	11.6	12.5	13.0	12.7	20	24.6
VAT	7.2	7.5	7.6	7.0	6.8	6.9	7.1	7.4	7.3	6.5	7.3	7.2	7.1	22	13.7
Excise duties and consumption taxes	3.1	3.1	2.9	2.8	2.6	2.6	2.5	2.6	2.3	2.6	3.3	3.7	3.6	7	7.0
Other taxes on products (incl. import duties)	3.3	2.7	2.4	2.3	2.2	2.2	2.7	2.6	2.7	2.1	1.6	1.5	1.3	10	2.6
Other taxes on production	0.6	0.5	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.3	0.6	0.7	22	1.3
Direct taxes	10.0	8.8	8.8	8.0	8.2	8.8	8.3	8.3	8.3	8.5	8.0	8.8	10.2	16	19.8
Personal income	5.0	4.5	4.5	4.3	4.4	4.7	4.6	4.8	4.8	5.0	4.4	4.8	6.9	14	13.4
Corporate income	4.1	3.4	3.4	2.9	3.0	3.3	2.7	2.6	2.5	2.5	2.5	2.1	1.1	28	2.2
Other	0.8	1.0	0.9	0.7	0.7	0.8	0.9	0.9	0.9	1.1	1.1	1.9	2.1	3	4.2
Social contributions	10.5	10.6	11.6	11.7	11.2	11.3	10.7	11.2	11.1	10.5	11.1	10.6	10.8	18	21.0
Employers	4.9	4.9	5.5	5.4	5.1	5.1	4.9	5.2	5.2	4.8	5.2	4.8	4.8	23	9.3
Employees	4.1	4.2	4.5	4.7	4.4	4.5	4.2	4.2	4.2	3.8	4.2	4.1	4.6	9	8.8
Self- and non-employed	1.5	1.5	1.6	1.6	1.6	1.7	1.7	1.8	1.7	1.8	1.8	1.8	1.5	11	2.9
Less: amounts assessed but unlikely to be collected	0.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	34.6	33.2	33.7	32.1	31.3	32.2	31.7	32.5	32.1	30.5	31.7	32.4	33.7	17	65.3
B. Structure by level of government	% of total taxation														
Central government	67.8	66.1	63.9	62.1	63.2	63.8	63.8	63.3	62.8	63.7	64.3	66.9	67.2	10	43.9
State government (³)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	0.8	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.7	0.7	27	0.5
Social security funds	29.8	31.6	34.2	36.1	35.1	34.5	34.5	35.0	35.4	34.8	34.1	31.7	31.5	13	20.6
EU institutions	1.5	1.4	1.2	1.1	0.9	0.9	0.9	0.9	0.9	0.8	0.8	0.7	0.6	19	0.4
C. Structure by economic function	% of GDP														
Consumption	12.5	12.7	12.4	11.4	11.3	11.3	11.6	11.9	11.6	10.8	12.3	12.5	12.3	12	23.8
Labour	12.2	12.0	12.9	12.7	12.5	12.9	12.3	12.7	12.7	12.1	12.4	11.8	14.1	17	27.4
Employed	11.3	11.1	12.0	12.0	11.6	12.0	11.3	11.7	11.7	11.0	11.4	10.9	12.6	20	24.3
Paid by employers	4.9	4.9	5.5	5.4	5.1	5.1	4.9	5.2	5.2	4.8	5.2	4.8	4.8	23	9.3
Paid by employees	6.4	6.2	6.5	6.6	6.5	6.8	6.4	6.6	6.5	6.2	6.3	6.1	7.8	16	15.1
Non-employed	0.9	0.9	0.9	0.7	0.8	0.9	1.0	1.0	1.0	1.1	1.0	0.9	1.6	10	3.0
Capital	10.1	8.6	8.4	7.9	7.6	8.0	7.8	8.0	7.9	7.6	6.9	8.1	7.3	11	14.2
Capital and business income	7.7	6.6	6.8	6.4	6.2	6.6	6.0	6.1	6.0	5.9	5.7	5.8	4.9	13	9.5
Income of corporations	4.1	3.4	3.4	2.9	3.0	3.3	2.7	2.6	2.5	2.5	2.5	2.1	1.1	28	2.2
Income of households	1.2	1.0	1.0	0.9	0.8	0.9	0.9	0.9	0.9	0.9	0.9	1.2	1.4	2	2.8
Income of self-employed (incl. SSC)	2.4	2.3	2.4	2.6	2.4	2.4	2.3	2.6	2.5	2.6	2.4	2.5	2.4	6	4.6
Stocks of capital wealth	2.4	1.9	1.6	1.5	1.3	1.4	1.9	1.9	2.0	1.7	1.2	2.3	2.4	10	4.7
D. Environmental taxes	% of GDP														
Environmental taxes	2.3	2.5	2.3	2.2	2.2	2.1	2.0	2.1	2.0	2.0	2.5	2.8	2.9	8	5.5
Energy	1.6	1.5	1.4	1.3	1.3	1.2	1.2	1.2	1.1	1.2	1.8	2.1	2.2	8	4.2
of which transport fuel taxes	:	:	:	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.7	1.8	1.9	7	
Transport (excl. fuel)	0.8	1.0	0.9	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.7	0.7	0.7	10	1.3
Pollution/resources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27	0.0
E. Property taxes	% of GDP														
Property taxes	2.1	1.7	1.5	1.5	1.4	1.3	1.8	1.8	1.7	1.4	1.0	1.9	2.1	7	4.0
Recurrent taxes on immovable property	0.3	0.3	0.3	0.3	0.3	0.2	0.4	0.4	0.4	0.4	0.4	1.2	1.4	5	2.8
Other property taxes	1.8	1.5	1.3	1.2	1.1	1.1	1.3	1.4	1.3	1.0	0.6	0.7	0.7	10	1.3
F. Implicit tax rates	%														
Consumption	16.5	16.7	16.1	15.5	15.3	15.5	16.0	16.5	15.4	14.6	16.4	16.3	16.2	27	
Labour employed	33.9	34.0	34.0	34.4	33.3	33.3	32.3	33.3	32.9	30.0	31.5	30.9	38.0	10	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:		
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:		
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:		
Households	:	:	:	:	:	:	:	:	:	:	:	:	:		
Real GDP growth (annual rate)	4.5	4.2	3.4	5.9	4.4	2.3	5.5	3.5	-0.2	-3.1	-4.9	-7.1	-6.4		

(¹) Data is provisional for period 2003–11.

(²) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(³) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Greece

Overall trends in taxation

Structure and development of tax revenues

Greece's total tax-to-GDP ratio amounted to 33.7% in 2012 (Greece ranked 17 amongst the EU-28), well below the EU-28 average (39.4%). This is among the lowest tax-to-GDP ratio for the countries in the euro area, where the average value stands at 40.4%.

Revenue from indirect taxes accounts for 12.7% of GDP, whereas social contributions supply 10.8% of GDP in terms of revenue. Although their contribution is lower than the EU-28 average which stands at 13.6% of GDP, in Greece indirect taxes play a more important role than direct taxes. Expressed as a percentage of GDP, revenue from direct taxes is around three quarters of the EU-28 average (10.2% compared with 13.2%), with Greece ranked 16th in the EU-28. In particular, revenues from personal income taxes account for 6.9% of GDP, compared with an EU-28 average of 9.4% of GDP.

Slightly more than two-thirds of revenues, roughly 67.2% of the total, flow to the central government while social security funds receive almost all of the remainder. Local government levies only a limited share of overall taxation, amounting to 0.7% of GDP.

The overall tax burden increased rapidly from 1995 to 2000, when it reached a peak of 34.6% of GDP, though in 2009 it reached a trough of 30.5%. The rebound from that trough was the strongest in the EU-28: 3.2 percentage points. The 2012 rise is to be understood in relation to GDP, that is: overall revenues continued to decline in nominal terms but more taxes were collected 'per unit of value added' in 2012. The strongest rise came from personal income tax, real estate taxes, excise duties and VAT, while the share of corporate tax income remained declining.

Taxation of consumption, labour and capital; environmental taxation; property taxes

In 2012 the implicit tax rate on consumption in Greece was 16.2%, some 3.7 percentage points below the EU-28 average (19.9%) and the second lowest value in the Euro area after Spain (14%). The generalized increases in VAT rates and excises in the course of 2010 have reversed the declining trend of the Greek ITR on consumption since 2008. In 2012, the situation appears to have stabilised. After being on a downward trend from 2007 to 2009 (i.e. 30.0% in 2009), the implicit tax rate on labour has increased by eight percentage points to 38% in 2012, which is nearly two percentage points above the EU-28 weighted-average. This is due to the reduction of the number of tax reliefs and tax credits.

Reflecting increased taxes on energy products, including transportation fuel, but also due to the abolishment of the reduced excise duty rate for heating gas oil and kerosene during the winter season since 15 October 2012, environmental taxes continued their upward trend in 2012. This trend started in 2010 after a decline over previous years. Their share of revenue in terms of GDP reached 2.9% in 2012.

Property taxes are at 2.1% of GDP slightly below the EU-28 average (2.3%). Property taxes have increased significantly since 2010 (1.0% of GDP).

Main recent reforms implemented, on-going or announced

A number of measures have been adopted since 2010 as a part of the broader fiscal consolidation effort linked to the EU and IMF package of financial assistance. The most significant tax reform took place in summer 2013 when Parliament adopted laws which overhaul the Income Tax and Tax Procedures Codes (Laws 4172 and 4174 respectively). Major reforms, including the new tax brackets and tax rates for dividends, interest, royalties etc., as well as some changes to tax collection had already been enacted in January 2013. In addition, Law 4223 of December 2013 reformed the property taxation, by introducing the Joint Tax on the Ownership of Real Estate, i.e. a property tax of horizontal application, together with some other changes (interest limitation rule, photovoltaic panels).

As part of the amendments of the past years, personal allowances were abolished and many of the remaining tax credits curtailed. In July 2011 a new solidarity contribution was introduced for individuals, which applies to income earned in the years from 2010 to 2014. The rates range from 1% for income above EUR 12 000 to 4% for income above EUR 100 000. The contribution rate is 5% for high-ranking state officers. Law 4110 enacted in January 2013 raised the CIT rate to 26% for income earned as of 1 January 2013 after this had been reduced to 20% in March 2011. It also aligned the tax regime for partnerships, civil societies, civil partnerships and joint ventures that maintain double-entry books with that of corporations. In addition to overhauling the main Greek Statutes in the field of taxation, the latest reform of July 2013 introduced a General Anti-Abuse Rule (GAAR), Controlled Foreign Company (CFC) legislation, an interest limitation rule, as well as rules on restricting the use of losses. Moreover, Law 4110 of January 2013 introduced rules on advanced pricing arrangements (APAs).

Main features of the tax system

Personal income tax

Greek law defines four categories of taxable income: income from (i) salaries and pensions; (ii) business activity; (iii)

capital; and (iv) gains from capital transfers. For taxable income from salaries and pensions, there are now three tax brackets, with tax rates from 22 % to 42 % (applicable above EUR 42 000) ^(*). For taxable income up to EUR 21 000, a tax credit of EUR 2 100 exists, limited to the size of the liability. For income above EUR 21 000, the credit is reduced by EUR 100 for each EUR 1 000 of income whilst no credit is granted for taxable income beyond EUR 42 000. In 2011, personal allowances were abolished and ever since, only tax credits have been available. Tax credits are still granted for medical expenses, disability over 67 % and certain gifts and donations.

Income earned by professionals and entrepreneurs (individuals' 'income from business activity') is taxed at 26 % up to EUR 50 000 and at 33 % for the excess. Social contributions of the self-employed, which previously were partially deductible (10%) from the tax, now qualify as expenses of the self-employed, which are fully deducted from the gross income. Real estate rental income is subject to 11 % tax up to EUR 12 000 and 33 % for the excess. Dividends are taxed at 10 %, interest at 15 % and royalties at 20 %. For individuals, these rates are final. In addition, a tax exemption applies to interest on Greek government bonds and Treasury Bills.

Transfers of real estate and other assets, such as shares, holdings in partnerships, bonds, treasury bills, derivatives or a business as a going concern, are subject to a withholding tax on capital gains at 15 %. In the case of transfers of real estate, the capital gain is gradually deflated based on coefficients depending on the years of holding. The reform law grants an exemption for capital gains up to EUR 25 000 generated from the transfer of a single property which has been held for at least 5 years.

Corporate taxation

The current corporate tax rate is 26 %. This increase (as compared to the rates of 2011) has been accompanied by a reduction of the withholding tax rate on profit distributions and profit capitalisations from 25 % to 10 % with exhaustion of further tax liability (as of 1 January 2014). The reform of 2013 has aligned the tax regime of partnerships, civil law societies, civil law partnerships and joint ventures which maintain double-entry accounting books with that of corporations. This means that the entire amount of their net profits now becomes taxable at the level of the entity and the rate is fixed at 26 %. Entities with single-entry books shall be subject to tax at 26 % for taxable income up to EUR 50 000 and at 33 % for the excess. There is no group taxation, i.e. all entities are taxed separately. In general, tax losses may be carried forward for five years. No tax loss carry-backs are allowed. The overhaul of 2013 also introduced a restriction on the carry-forward of losses where there is a change of

more than 33 % in the direct or indirect holding of capital or of (the value or number of) voting rights.

To prevent eroding the tax base through earnings-stripping practices, net interest expenses are only deductible up to 30 % of the taxpayer's tax-adjusted EBITDA. The scope of this rule does not capture credit institutions. There is also a safe harbour of EUR 3 000 000 net interest. Unrelieved interest expenses may be carried forward indefinitely.

The reform of 2013 cuts down on the complexity of depreciation rules by grouping categories. Intangibles, in particular, are depreciable at 10 % annually if the initial contract does not provide for an economic life span other than 10 years. Finally, in line with the general trend, Greek tax law has now shifted the right to depreciate to the lessee in finance leases.

The reform of 2013 also touched upon the framework on bad debt deductions. Instead of using fixed coefficients, bad debts are now tax deductible at a rate ranging from 50 % to 100 % depending on the value of the receivable and the length of the default period. Yet, tax deductibility is subject to having undertaken all necessary legal action to ensure collection of the debt.

The follow up changes to the reform law of summer 2013 make Research & Development (R&D) costs deductible one-off (i.e. in the same year) at 130 %. Only the cost of R&D-related fixed assets is spread across 3 years.

On the anti-abuse front, the reform law introduced CFC legislation which provides that undistributed profits earned by a CFC are added to the taxable profits of the taxpayer under a number of conditions: (i) the taxpayer controls the CFC; (ii) the CFC is tax resident in a non-cooperative jurisdiction or in a jurisdiction with a preferential tax regime; and (iii) more than 30 % of the CFC's net income involves passive income and more than 50 % of this (income) is derived from transactions with associated companies. With the exception of wholly artificial arrangements, CFCs which are tax resident in the EU fall outside the scope of this rule. The GAAR targets artificial arrangements which a taxpayer has set up for the essential purpose of obtaining a tax benefit through avoiding tax. Such arrangements defeat the spirit and objective of the law, yet not the letter thereof. The taxpayer would not have obtained the tax benefit if it were not for the artificial arrangements. Economic substance is the guiding principle for re-characterising transactions after the artificial elements are ignored.

VAT and excise duties

The standard rate is 23 % (up from 19 % in 2009). The reduced rate was raised to 13 % in January 2011 (up from 9 % in 2009). A 6.5 % rate (previously 4.5 and then 5.5 %) applies to hotel accommodation services, newspapers, periodicals, books, medicines and vaccines for human medicine. After an increase to 23 %, food offered by hotels moved back to the reduced rate of 13 % on 1 August 2013. For the region of

^(*) For the period 2011–14, a solidarity contribution is applied on top of the headline rate.

the Dodecanese, the Cyclades and Eastern Aegean islands the above rates are reduced by 30 %. Excises on electricity — with the exception of that produced by renewable resources — were introduced in early 2010.

Wealth and transaction taxes

As of 1 January 2014, full ownership titles to real estate, including other property rights, such as usufruct, bare ownership etc., become subject to the newly enacted *Joint Tax on the Ownership of Real Estate* (Law 4223/2013). Exemptions apply in favour of real estate owned by the Greek State or foreign States. The tax is computed based on an elaborate formula which, amongst other parameters, takes account of the geographic position of the property, its surface, use and age as well as the floor it is located at (where applicable). Accordingly, the law includes a social provision which grants discounts of 50 % or even 100 % on the tax assessed to taxpayers with low family income, families of 3 dependent kids or with members suffering serious disabilities.

The structure of the Joint Tax includes a supplementary charge which is levied on the overall value of a taxpayer's real estate property as a whole. The supplementary tax applies for estates of a value beyond EUR 300 000. Compared to its previous form, the tax currently features a higher threshold for application (i.e. EUR 300 000 as compared to 200 000) and lower rates (i.e. first bracket at 0.1 % instead of 0.2 % previously). Finally, the rate of real estate transfer tax has been reduced to 3 % since 1 January 2014.

Social contributions

Both employees and employers pay contributions to social insurance (IKA). Employees' contributions are withheld by the employer. With effect from August 2011, the rate for white-collar employees is 16.5 % and that for blue-collar workers is 19.95 %. The employer pays social contributions at 28.46 % and 29.61 % respectively. The contributions are paid up to a maximum monthly wage of EUR 5 543.55.

Hungary	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	16.6	15.5	15.0	15.8	16.3	15.8	15.3	16.3	16.0	16.9	17.3	17.1	18.5	2	17.9
VAT	8.9	8.1	7.8	8.2	8.9	8.4	7.6	8.1	7.8	8.6	8.8	8.6	9.4	4	9.1
Excise duties and consumption taxes	4.0	3.7	3.6	3.7	3.3	3.2	3.3	3.4	3.4	3.6	3.3	3.3	3.5	9	3.4
Other taxes on products (incl. import duties)	3.3	3.2	3.1	3.4	3.5	3.5	3.7	4.0	4.0	3.9	4.1	4.1	4.2	1	4.1
Other taxes on production	0.5	0.5	0.5	0.5	0.6	0.6	0.7	0.8	0.8	0.9	1.1	1.1	1.3	13	1.3
Direct taxes	9.9	10.2	10.2	9.6	9.1	9.1	9.5	10.4	10.6	10.0	8.6	7.0	7.5	20	7.3
Personal income	7.3	7.6	7.6	7.1	6.6	6.6	6.8	7.3	7.7	7.4	6.5	4.9	5.4	19	5.2
Corporate income	2.2	2.3	2.3	2.2	2.1	2.1	2.3	2.8	2.6	2.2	1.2	1.2	1.3	26	1.3
Other	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.3	0.3	0.4	0.9	0.9	0.8	12	0.8
Social contributions	13.3	13.0	12.9	12.6	12.3	12.5	12.6	13.8	13.7	13.2	12.1	13.2	13.2	9	12.8
Employers	10.7	10.3	10.1	9.8	9.4	9.7	9.5	9.8	9.8	9.3	7.9	8.0	7.7	8	7.5
Employees	2.0	2.1	2.2	2.2	2.3	2.3	2.4	3.3	3.2	3.2	3.7	4.7	5.1	7	4.9
Self- and non-employed	0.6	0.6	0.6	0.6	0.5	0.5	0.6	0.7	0.7	0.7	0.6	0.6	0.4	18	0.4
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	39.8	38.7	38.0	38.0	37.7	37.4	37.3	40.4	40.3	40.1	38.1	37.3	39.2	9	38.0
B. Structure by level of government	% of total taxation														
Central government	59.6	58.9	58.6	58.1	57.6	57.0	57.0	56.7	61.4	61.9	62.4	58.6	60.2	13	22.9
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	9.8	10.3	10.5	11.4	12.0	11.6	11.7	11.1	6.4	6.7	6.5	6.5	6.3	18	2.4
Social security funds	30.7	30.7	30.8	30.5	29.9	30.6	30.6	31.3	31.3	30.7	30.5	34.2	33.0	10	12.5
EU institutions	n.a.	n.a.	n.a.	n.a.	0.5	0.8	0.8	0.9	0.9	0.7	0.7	0.7	0.6	20	0.2
C. Structure by economic function	% of GDP														
Consumption	15.7	14.6	14.1	14.6	14.9	14.4	13.9	14.6	14.3	15.1	14.8	14.6	15.7	2	15.2
Labour	19.4	19.3	19.1	18.6	18.0	18.3	18.3	20.1	20.7	19.4	18.0	17.7	18.2	11	17.7
Employed	18.6	18.6	18.8	18.2	17.7	17.9	18.0	19.3	19.8	18.8	17.5	17.3	18.0	11	17.5
Paid by employers	10.8	10.4	10.2	10.0	9.6	9.9	9.7	10.0	10.0	9.5	8.3	8.4	8.3	10	8.0
Paid by employees	7.8	8.2	8.6	8.3	8.1	8.0	8.3	9.3	9.7	9.2	9.2	8.9	9.8	10	9.5
Non-employed	0.7	0.7	0.3	0.3	0.3	0.3	0.3	0.8	1.0	0.6	0.5	0.3	0.2	24	0.2
Capital	4.7	4.8	4.8	4.8	4.7	4.7	5.1	5.8	5.4	5.7	5.2	5.1	5.3	20	5.1
Capital and business income	3.6	3.7	3.7	3.6	3.3	3.3	3.7	4.2	3.8	4.0	2.6	2.5	2.5	26	2.4
Income of corporations	2.2	2.3	2.3	2.2	2.2	2.2	2.4	2.9	2.7	2.3	1.3	1.3	1.4	25	1.3
Income of households	0.7	0.6	0.7	0.7	0.6	0.6	0.6	0.7	0.4	1.1	0.7	0.6	0.5	15	0.5
Income of self-employed (incl. SSC)	0.7	0.8	0.7	0.6	0.6	0.5	0.7	0.6	0.6	0.7	0.6	0.6	0.6	22	0.6
Stocks of capital wealth	1.1	1.1	1.1	1.3	1.4	1.5	1.4	1.5	1.6	1.6	2.6	2.6	2.8	6	2.7
D. Environmental taxes	% of GDP														
Environmental taxes	3.0	2.9	2.8	2.8	2.9	2.8	2.8	2.8	2.7	2.7	2.7	2.5	2.5	13	2.5
Energy	2.5	2.3	2.2	2.2	1.9	2.1	2.1	2.0	2.0	2.0	2.1	2.0	1.9	16	1.8
of which transport fuel taxes	:	:	:	:	1.8	1.8	1.9	1.8	1.8	1.8	1.9	1.8	1.8	10	
Transport (excl. fuel)	0.4	0.4	0.4	0.5	0.8	0.5	0.6	0.7	0.6	0.5	0.5	0.5	0.4	16	0.4
Pollution/resources	0.16	0.15	0.16	0.18	0.18	0.13	0.14	0.14	0.16	0.17	0.10	0.10	0.23	7	0.2
E. Property taxes	% of GDP														
Property taxes	0.6	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	1.1	1.1	1.2	13	1.2
Recurrent taxes on immovable property	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.4	20	0.4
Other property taxes	0.4	0.5	0.5	0.6	0.6	0.6	0.6	0.5	0.6	0.5	0.8	0.8	0.8	7	0.8
F. Implicit tax rates	%														
Consumption	27.0	25.2	25.0	25.6	27.0	26.1	25.4	26.3	26.0	27.2	27.4	26.8	28.1	4	
Labour employed	41.4	40.9	41.2	39.3	38.3	38.4	38.9	41.0	42.3	40.2	38.4	38.2	39.8	5	
Capital	18.9	18.5	17.4	18.4	17.5	17.6	17.1	20.3	19.9	23.6	20.5	18.2	21.4		
Capital and business income	14.5	14.3	13.5	13.6	12.2	12.2	12.4	14.9	13.9	16.9	10.3	8.8	10.1		
Corporations	34.0	28.1	20.7	19.6	17.6	17.1	14.9	18.7	19.0	21.0	9.8	8.2	10.6		
Households	7.0	7.5	7.9	8.3	7.2	7.3	8.8	9.6	7.8	12.3	10.2	9.0	8.6		
Real GDP growth (annual rate)	4.2	3.7	4.5	3.9	4.8	4.0	3.9	0.1	0.9	-6.8	1.1	1.6	-1.7		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Hungary

Overall trends in taxation

Structure and development of tax revenues

As of 2012, with a total tax-to-GDP ratio of 39.2% (including social contributions), Hungary's tax burden ranks as the 9th highest in the EU. This follows a sharp decrease between 2009 and 2011, and an increase of almost 2 percentage points in 2012 due to a rise in indirect tax and PIT revenues. To put the Hungarian tax-to-GDP ratio in a regional perspective, Austria displays a higher figure (43.1%), Slovenia has a slightly lower one (37.6%) while Slovakia's and Romania's ratios (both 28.3%) lie well below the Hungarian value.

Following the increase of the standard VAT rate to 27%, the already substantial revenues from indirect taxes further increased to 47.1% of total tax revenues in 2012, the fourth highest figure in the EU after Bulgaria, Croatia and Romania. VAT revenues yielded 9.4% of GDP which exceeds the EU average by more than 2 percentage points. Revenues from 'other taxes on products' (4.2%) are the highest in the EU (where the average is 1.4%), mainly because of revenues from the local business tax (HIPA), which is classified as an indirect tax. In contrast, after a substantial fall between 2009 and 2011, direct taxes are relatively low as of 2012 at 7.5% of GDP (EU-28 13.2%). Social contributions in relation to GDP are somewhat above the EU average (13.2% compared with 12.7% for the EU as a whole).

As for the structure of tax revenues by level of government, the central government remains by far the largest recipient of tax revenue, with more than 60% of the total, while local government taxes represent 6.3% of total taxation. Since 2004, local taxes have been showing a decreasing trend ⁽⁶⁾.

The overall tax burden declined gradually between 2000 and 2006 from 39.8% to 37.3% and then quickly reached 40.4% in 2007 as a result of a public finance consolidation. Despite the sharp economic contraction the total tax-to-GDP ratio dropped only 0.2 percentage points in 2009, partly due to the increased VAT revenues from the hike in the standard rate of VAT. The decrease of total tax revenues in 2010 and 2011 is largely due to cuts in personal income taxes, corporate income taxes, and employers' social contributions, while the increase experienced in 2012 is attributable to a VAT increase and the phase-out of a PIT in-work tax credit for low to medium earners.

⁽⁶⁾ The abrupt drop in the share of local taxes in 2008 is purely due to statistical reclassification.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The high level of indirect taxation in Hungary leads to a correspondingly elevated ITR on consumption (28.1% in 2012), the fourth highest in the EU. The ITR on labour amounted to 39.8% in 2012. This value is the fifth highest in the EU and is above the average by almost 4 percentage points, but significantly below its peak at 42.3% in 2008. In fact, the drop in the fiscal burden on labour was even more substantial than the ITR figures suggest, as an already existing 'non-tax compulsory payment' became part of employees' social contributions after the compulsory contributions to private pension funds were redirected to the state pension fund as of November 2010 (hence the jump of employees' contributions from 3.2% in 2009 to 4.7% of GDP in 2011). The contrast between relatively high ITR on labour and average labour tax revenues in terms of GDP is a consequence of the low employment rate.

The revenues from taxes on capital are, at 5.3% of GDP, among the lowest in the EU, due notably to low business income taxation⁽⁶⁾. The drop in revenues from capital income taxation after 2010 is due to the removal of a solidarity surcharge on corporations, an increased threshold for the application of the regular CIT rate and to the deductibility of the sectoral surtaxes from the CIT base. The abrupt rise during the same period in revenue from taxes on stocks of capital is largely due to the introduction of the sectoral surtaxes, which retroactively covered the year 2010 and were applied also in 2011 and 2012.

Environmental taxes represent 2.5% of GDP. This share is close to the EU average and has declined slightly since 2003. Taxes on energy, especially transport fuels, account for the largest part of environmental tax revenues.

Property tax revenues in Hungary in relation to GDP in 2012 (1.2%) were well below the EU-28 average of 2.3%. Municipalities may levy a real estate tax on building and land. The share of revenues from such recurrent taxes on immovable property in 2012 amounted to 0.4% of GDP whereas the corresponding EU-28 average stood at 1.5%. Most municipalities apply a rate significantly lower than the statutory limit and exempt housing real estate. Therefore, revenue raised on the first primary residence of individuals amounts to small fraction of the total ⁽⁷⁾.

⁽⁶⁾ Note the fact mentioned above that the local business tax is classified as a tax on products.

⁽⁷⁾ Elek, Péter and Kiss, Áron: Az ingatlanadó a magyar adórendszerben : Elméleti megfontolások és mikroszimulációs elemzés [The real estate tax in the Hungarian tax system: Theoretical considerations and microsimulation analysis] *Közgazdasági Szemle (Hungarian Economic Review)*, Vol. 57, 389–411., May 2010.

Main recent reforms implemented, on-going or announced

Since the beginning of 2013 the Hungarian tax landscape has been characterised by relative stability in contrast to the three-year period following the 2010 general elections when encompassing changes were implemented. The latter include the reform of the PIT system, with changes introduced in 2011, 2012 and 2013 (see below), a lower CIT burden, special tax schemes for micro, small and medium sized enterprises, and sector specific surtaxes. By 2013, these have been partly replaced by higher, consumption or transaction type taxes or, in the case of utilities, by taxes on capital stock, but some surtaxes have increased significantly. To simplify the tax system, several minor taxes were abolished after 2010. However, some new taxes have been introduced, such as a tax on unhealthy food in 2011, an 'accident tax' on third party liability policies, and a 'cultural tax' (on pornographic material) in 2012.

Main features of the tax system

Personal income tax

In 2011 the progressive PIT system was replaced by a 16% single rate system. It applies not only to salaries but also to all categories of income subject to PIT such as sale of real estate, dividends and interests. After the 2012 phase-out of an in-work tax credit for lower to average incomes and the phase out a year later of a tax base increasing component still applied for higher than average earners in 2012 (super-grossing), by 2013 Hungary had a truly flat rate PIT with a 16% rate. The only major feature which deflects the PIT from this single rate is a family tax allowance, introduced in 2011, which is especially generous towards families with at least three children, exploitable to a full extent by higher earners. The family tax allowance was extended to employee social contributions as of 2014 (see below).

Corporate taxation

In 2010 the CIT rate was set at 19%, replacing the previous 16% + 4% (solidarity surcharge) rate. Due to the extension of the threshold in 2010, the CIT rate of 10% is applicable to the part of the tax base below HUF 500 million (EUR 1.62 million). Municipalities may levy a local business tax (HIPA) up to 2% of a broad base, which roughly corresponds to business value added. The tax is deductible from the CIT base. In the typical case of a 19% CIT and a 2% HIPA, the combined marginal tax burden is around 20.6%. In recent years, HIPA revenues have been significantly higher than CIT revenues.

The Hungarian tax system offers three types of simplified corporate tax schemes that SMEs or micro enterprises may opt for. As of January 2013, additionally to the EVA (simplified enterprise tax) small businesses are able to choose from

two more optional tax schemes: KATA and KIVA. Under the KATA (small taxpayers' lump sum tax) scheme, micro businesses will pay a fixed HUF 50 000 (EUR 162) per month for the full-time self-employed and half of this for the part-time self-employed in place of the main taxes on profits and payroll. As of 1 January 2014 taxpayers can opt for a lump-sum tax of HUF 75 000 (EUR 243) which comes with a raised social security benefit base. KIVA (small business tax) is an option for businesses with 25 or less employees and annual revenue of below HUF 500 million (EUR 1.62 million). Under this scheme the business will pay a flat 16 per cent on its cash-flow profits and payroll (losses can be carried forward). However, fewer than expected firms opted for these new tax schemes (KIVA in particular).

In 2010, a surtax on financial institutions was introduced. The tax base is the adjusted amount of balance sheet of 31 December 2009. A 0.15% tax rate is applied up to HUF 50 billion (EUR 162 million) of the base and 0.53% for the part of the tax base above. While according to earlier plans, the surtax on financial institutions would have been halved in 2013 and entirely phased out as of 2014, the government decided in November 2012 to retain it indefinitely for banks as a permanent bank sector levy. A similar tax applied to insurance companies in 2010–12 has been phased out as of 2013 but a consumption-type insurance tax was introduced (see 'Other taxes').

In 2009 an extra tax at the rate of 8% was introduced on the (adjusted) pre-tax profit of energy suppliers. As of 2013, this tax is extended to other utilities and the rate increased to 31%; increasing the de facto CIT rate of subjected companies to 50%. In 2010–12, turnover-based, progressive sector-specific taxes were applied in the retail, telecommunications and energy sectors. As of 2013, there is no special tax in the retail sector, but new taxes were introduced on the infrastructure of energy companies and on telecommunications services (see 'Other taxes').

VAT

The standard VAT rate was increased from 20% to 25% in 2009 and to 27% in 2012 while milk, dairy products, bread, bakery products, and accommodation services etc. became subject to a reduced 18% rate. VAT rate on district heating services was first cut to 18% in 2009, and in 2010 it was set to 5%. This preferential reduced rate of 5% also applies to a few other products such as medicines and medical materials, books, newspapers, etc. To facilitate tackling VAT fraud, from 2013 new reporting and invoicing liabilities were introduced in Hungary for domestic transactions where the VAT liability exceeds HUF 2 million (EUR 6 470) or where the VAT of the aggregate sales to the same business partner exceeds the above threshold during a tax return period. Further amendments of the VAT Act target the facilitation of electronic invoicing and online supervision of cash registers by the tax authority.

Other taxes

In 2013, a financial transaction duty (FTD) was introduced on all cash and bank transfer transactions at a tax rate of 0.2% (for cash withdrawal, 0.3%) with a cap of HUF 6000 (EUR 19) per transaction. With the effect from August 2013, the rates were increased to 0.3% and 0.6%, respectively. The cap on transfers did not change, but the cap on cash withdrawals was abolished. Also, a one-off charge, amounting to HUF 75 bn (EUR 243 million), was levied in June 2013 to cover for the FTD revenue shortfall compared to the plans. As of August 2013, a 6% health-care contribution applies to interest income (effectively increasing the tax rate from 16% to 22%). In the insurance sector, a consumption-type tax amounting to 10% of non-life insurance premiums (15% for car insurance), was introduced in 2013. The taxpayer is the insurer. Since July 2012, a telephone tax with a per-minute and per-text-message (SMS) basis applies. Additionally, from 2013, pipelines and other utility networks bear an extra tax. The government rules out the introduction of a centrally administered value based property tax. In 2013, the formerly 2-step acquisition duty of real estate property was uniformly set at 4%. Along the years 2009–12, excise duties on tobacco, alcohol and fuel were increased in several steps. Since 2013 only the excise duty on alcohols was increased (as of 1 January 2013 by 10% for beer and some other alcoholic products and 15% for spirits), in 2014 excise duties were not changed. Since 2011, the excise duties for tobacco products have been in line with the corresponding Council Directive 2008/118/EC. A company car tax based on engine capacity was introduced in 2009. This tax was increased in 2012; the tax due is determined by the car's performance and environmental properties and varies between HUF 7 700 and HUF 44 000 (EUR 25 to EUR 142) per month. A gambling tax on online gambling was introduced in July 2013. The tendering of concessionary rights for online gambling is underway.

Social contributions

Since 2012 employers' contributions amount to 28.5% and consist of a vocational training contribution (1.5%), a pension contribution, a health insurance contribution and contribution to the unemployment fund. The latter three amount to 27% and were collectively renamed 'social contribution tax' in 2012. The employees' contribution is composed of a 10% pension contribution, a 7% health care contribution and a 1.5% unemployment fund contribution. The base of the pension contribution was capped at HUF 7.94 million (EUR 25 700) yearly until 2012 but this cap was removed in 2013, a feature reinforcing the flat taxation of labour. As of 2014, the base of the family tax allowance, originally applied to PIT only since 2011, has been extended to employees' pension contribution and health care contribution. The effect is a substantial tax burden reduction for parents with three children who earn up to twice the average wage (for parents with four children, even up to three times the average wage) and a minor tax burden reduction for two-children families with total earnings close to the minimum wage or where parents do not work the full year.

To partly offset the tax wedge increase of low wage earners due to the 2012 removal of the in-work tax credit (see personal income taxation), a Job Protection Act is in force as of 2013, which includes halving or full exemption of the social contribution tax and vocational training contribution up to a gross wage of HUF 100 000 (EUR 324)/month on targeted labour groups: below 25 years; above 55 years; elementary occupations; former long-term unemployed; women returning from maternity leave and career starters.

Ireland	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	13.5	12.5	12.4	12.6	13.2	13.7	14.1	13.6	12.5	11.4	11.6	11.1	11.2	26	18.4
VAT	7.2	6.8	7.0	7.0	7.3	7.6	7.7	7.6	7.3	6.4	6.4	6.0	6.2	25	10.2
Excise duties and consumption taxes	3.2	2.9	2.9	2.8	2.7	2.6	2.4	2.4	2.4	2.7	2.6	2.5	2.4	23	4.0
Other taxes on products (incl. import duties)	2.3	2.0	1.7	1.9	2.2	2.6	3.0	2.7	1.7	1.1	1.2	1.1	1.1	15	1.8
Other taxes on production	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	1.1	1.3	1.5	1.5	1.5	12	2.4
Direct taxes	13.6	12.7	11.6	11.9	12.4	12.3	13.2	12.9	11.7	10.9	10.6	12.3	13.1	10	21.5
Personal income	9.4	8.7	7.5	7.7	8.3	8.3	8.8	8.8	8.2	7.8	7.5	9.1	9.7	7	15.9
Corporate income	3.8	3.6	3.7	3.8	3.7	3.5	3.9	3.5	2.9	2.4	2.5	2.3	2.4	11	4.0
Other	0.5	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.9	0.9	8	1.5
Social contributions	4.4	4.5	4.4	4.4	4.6	4.7	4.8	5.0	5.4	5.7	5.7	4.8	4.4	27	7.2
Employers	2.7	2.8	2.7	2.6	2.7	2.8	2.9	3.1	3.3	3.3	3.1	3.4	3.1	26	5.0
Employees	1.5	1.5	1.5	1.6	1.7	1.6	1.6	1.7	1.9	2.3	2.4	1.2	1.1	25	1.9
Self- and non-employed	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	22	0.3
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	31.5	29.7	28.3	28.8	30.1	30.6	32.1	31.5	29.5	28.1	28.0	28.2	28.7	23	47.0
B. Structure by level of government	% of total taxation														
Central government	84.8	83.6	83.9	84.1	84.4	84.4	84.7	83.8	81.4	80.0	80.4	79.2	81.4	3	38.3
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	2.0	2.1	2.3	2.3	2.3	2.3	2.3	2.3	2.8	3.5	3.6	3.5	3.3	24	1.5
Social security funds	11.3	12.5	12.9	12.5	12.5	12.4	12.2	13.0	14.9	15.7	15.1	16.4	14.5	24	6.8
EU institutions	1.9	1.8	1.0	1.0	0.7	0.9	0.8	0.9	0.9	0.8	0.9	0.9	0.8	11	0.4
C. Structure by economic function	% of GDP														
Consumption	12.0	10.9	11.0	10.9	11.2	11.5	11.5	11.3	10.9	10.1	10.3	9.8	10.0	26	16.4
Labour	11.5	11.0	10.0	9.7	10.4	10.3	10.4	10.7	11.2	11.7	11.5	12.1	12.2	25	20.1
Employed	11.5	10.9	9.9	9.6	10.3	10.3	10.4	10.7	11.2	11.6	11.4	11.9	12.1	25	19.8
Paid by employers	2.7	2.8	2.7	2.6	2.7	2.8	2.9	3.1	3.3	3.3	3.1	3.4	3.1	26	5.0
Paid by employees	8.8	8.1	7.2	7.0	7.6	7.5	7.4	7.6	7.9	8.3	8.3	8.5	9.0	12	14.8
Non-employed	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	23	0.3
Capital	8.0	7.8	7.4	8.3	8.5	8.8	10.2	9.4	7.4	6.3	6.2	6.3	6.5	14	10.6
Capital and business income	6.0	5.8	5.6	6.1	6.2	6.2	7.1	6.6	5.2	4.3	4.3	4.1	4.3	19	7.0
Income of corporations	3.8	3.6	3.7	3.8	3.7	3.5	3.9	3.5	2.9	2.4	2.5	2.3	2.4	13	4.0
Income of households	1.1	1.1	0.8	1.4	1.5	1.6	2.1	2.0	1.3	0.9	0.8	0.7	0.8	11	1.3
Income of self-employed (incl. SSC)	1.1	1.1	1.1	1.0	1.1	1.1	1.0	1.0	1.1	1.0	1.0	1.0	1.1	17	1.8
Stocks of capital wealth	2.0	1.9	1.7	2.1	2.3	2.6	3.1	2.8	2.2	1.9	1.9	2.2	2.2	11	3.6
D. Environmental taxes	% of GDP														
Environmental taxes	2.8	2.4	2.4	2.3	2.5	2.5	2.5	2.5	2.4	2.4	2.6	2.5	2.5	16	4.1
Energy	1.4	1.2	1.3	1.3	1.3	1.3	1.2	1.2	1.2	1.4	1.4	1.4	1.3	26	2.2
of which transport fuel taxes	:	:	:	1.1	1.2	1.2	1.2	1.1	1.2	1.3	1.3	1.2	1.2	23	
Transport (excl. fuel)	1.4	1.1	1.1	1.1	1.1	1.2	1.2	1.3	1.1	0.9	1.0	0.9	0.9	5	1.5
Pollution/resources	0.01	0.01	0.02	0.03	0.03	0.03	0.04	0.03	0.04	0.04	0.19	0.23	0.27	5	0.4
E. Property taxes	% of GDP														
Property taxes	1.5	1.5	1.4	1.7	1.9	2.2	2.7	2.3	1.7	1.4	1.5	1.4	1.4	9	2.3
Recurrent taxes on immovable property	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.8	0.9	1.0	0.9	0.9	9	1.4
Other property taxes	1.0	1.0	0.8	1.1	1.3	1.6	2.0	1.6	0.9	0.5	0.5	0.5	0.5	13	0.8
F. Implicit tax rates	%														
Consumption	25.4	23.7	24.4	24.4	25.5	26.0	26.0	25.2	22.8	21.9	22.1	21.4	21.9	11	
Labour employed	29.1	27.5	26.0	24.9	26.2	25.4	25.3	25.5	24.5	25.1	25.9	28.2	28.7	24	
Capital	:	:	14.5	16.5	17.7	19.2	21.5	19.0	16.7	15.0	13.0	13.0	13.0		
Capital and business income	:	:	11.1	12.2	12.8	13.4	14.9	13.3	11.7	10.4	8.9	8.5	8.6		
Corporations	:	:	9.3	9.5	9.6	9.7	10.1	8.7	8.2	7.5	6.6	6.0	6.0		
Households	:	:	16.2	20.3	22.2	24.6	31.7	30.4	21.6	19.0	17.0	17.7	18.6		
Real GDP growth (annual rate)	10.6	5.0	5.4	3.7	4.2	6.1	5.5	5.0	-2.2	-6.4	-1.1	2.2	0.2		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Ireland

Overall trends in taxation

Structure and development of tax revenues

At 28.7% in 2012, the total tax-to-GDP ratio in Ireland is the sixth lowest in the Union and the second lowest in the euro area. These rankings have been reasonably constant in recent years.

The taxation structure is characterised by a strong reliance on taxes rather than social contributions. Direct taxation, indirect taxation and social contributions make up 45.6%, 39.1% and 15.3% of the total revenue in 2012 respectively. The structure of taxation differs considerably from the typical structure of the EU-27, where each item contributes roughly a third of the total. In Ireland the share of social contributions is comparatively low, while the share of direct taxes (particularly income tax) is quite high. As in the majority of Member States, the largest share of indirect taxes is constituted by VAT receipts, which provide 55.6% of total indirect taxes (52.6% for the EU-27). In terms of GDP, the shares of personal income taxes and corporate income taxes are in line with the EU-27 average and represent 9.7% and 2.5% of GDP. Social contributions represent 4.4% of GDP (second lowest in the Union after Denmark), compared to an EU-28 average of 12.7%. Employers' and employees' contributions are 3.1% and 1.1% of GDP, respectively.

In terms of tax revenues, Ireland is one of the most fiscally centralised countries in Europe; local government has only low tax revenues (3.3% of the total); a substantial amount of the revenues of local government is in the form of transfers from central government, with local government total expenditures making up around 12% of total expenditure of general government. The social security fund receives just 14.5% of tax revenues (EU-28 32%), while the vast majority (81.4%) of tax revenue accrues to central government. This ratio is exceeded only by Malta and the United Kingdom, although both Malta and the United Kingdom do not distinguish a social security sub-sector.

From 1999 to 2002, Ireland reduced the total tax burden across the board from 31.8% to 28.3% of GDP. Between 2002 and 2006, the total tax ratio increased every year, reaching 32.1% in 2006, in large part due to a surge in VAT receipts, capital gains tax and stamp duties relating to property transactions. 2007 was a record year for tax receipts, with sharp falls in 2008 and 2009. After a further slight decrease in 2010, receipts rose again in 2011 and 2012, both in nominal terms and in terms of GDP. The economic crisis hit VAT receipts hardest, with 2012 figures down almost 28% over 2007 levels and still remaining below their 2009 level.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The tax structure by economic function (consumption 34.8%, labour 42.7%, capital 22.5%) differs from the EU-28 average (28.5%, 50.8%, 20.8%), with the tax system deriving a notably smaller proportion of tax receipts from labour. However, as a percentage of GDP, taxation of labour has increased by over 25%, incrementally, since 2003, while taxation of consumption and capital has fallen. Possible reasons for this could be that turnover and profits reacted more to the economic crisis than did employment, the widening of the labour tax base and various increases in social contributions. In addition, revenue from construction related taxes (VAT, capital gains tax and stamp duty) fell substantially from 2007 onwards, after the crash in the construction sector.

Taxes on consumption in relation to GDP are at 10.0% (EU-28 11.2%). After a declining period from 12.8% in 1995 to 10.9% in 2003, this ratio increased slightly to 11.5% in 2006. This principally reflects buoyant economic activity in that period. However, the value decreased in response to the economic crisis and has stabilised at around 10%. As a percentage of GDP, VAT receipts are the fourth lowest in the EU (next to Italy, Slovakia and Spain, Spain being the lowest).

The low level of social contributions results in Ireland having the fourth lowest level of taxes on labour in the EU (12.2% of GDP compared with 20.1% in EU-28). As in many EU countries the implicit tax rate on labour increased steadily from the early 1970s until the late 1980s⁽⁸⁾. Having attained stability in the early 1990s, the rate fell from 28.8% in 1996 to 24.5% in 2008, as a result of successive cuts in personal income tax and social contributions. In 2009, 2010, 2011 and 2012, the rate rose notably and is now at its highest level in over a decade (28.7%).

The Irish case is notable in that the strong economic growth until 2007 offset the effects of the contemporaneous reductions in corporate income tax rates; the CIT rate was cut in half between 2000 and 2003. However, revenues from taxes on capital dropped to a historic low of 6.3% of GDP in 2009 and 6.2% in 2010 and have increased only slightly to 6.5% in 2012. The decrease appears to be a result of the economic crisis which reduced the returns on capital.

Levels of environmental taxation, in terms of GDP, are broadly in line with European averages. The overall level is slightly higher (2.5% for Ireland, 2.4% for the EU-28); energy taxation is notably lower (1.3% for Ireland; 1.8% for the EU-28); a higher proportion of energy taxation falls on transport fuel and transport taxes excluding fuel are comparatively high, at 0.9% of GDP, compared to 0.5% for the EU-28.

⁽⁸⁾ ESA79 data.

Property taxes (mainly rates on commercial buildings and stamp duties on property transfers), at 1.4 % of GDP, are low by EU-28 standards (2.3 % of GDP).

Main recent reforms implemented, on-going or announced

Tax policy in Ireland still reflects the need for consolidation after the crisis, with taxation measures set to contribute EUR 850 million towards an overall fiscal consolidation of EUR 2.5 billion in 2014. The key revenue raising measures were increased excise duties and various charges on the financial sector.

Budget 2014 introduced a variety of adjustments, including increased excise duties on alcohol and tobacco, a levy on financial institutions and on pension funds, increased retention taxes on investment funds and a reduced tax relief on medical insurance premiums. Measures taken to stimulate the economy included the retention of the low rate of VAT for tourism related services, an enhanced scheme of R&D credits, a start your own business income tax exemption, a CGT incentive for entrepreneurs (commencement of this measure is subject to EU State-aid approval) and the abolition of the air travel tax. The Government reiterated its commitment to retaining the 12.5 % rate of corporation tax and amended company residence rules to ensure that an Irish registered company can no longer take advantage of mismatches in international tax rules to be 'stateless' in terms of its place of tax residence.

Main features of the tax system

Personal income tax

The two statutory personal income tax rates have been reduced substantially over the last decade. The standard rate is currently at 20 % and the top rate at 41 %; tax allowances have also been replaced by tax credits for equity reasons. The threshold for the higher rate in 2014 is EUR 32 800 for a single person with no dependants. A Universal Social Charge was introduced in 2011. For 2014 the following rates and thresholds apply. The levy is 2 % for income up to EUR 10 036; 4 % on the next EUR 5 980 and 7 % on income above EUR 16 016. There are reduced rates for the elderly and medical card holders and an exemption for low income individuals. In general, credit is given for withholding taxes and similar deductions. The rate of Deposit Interest Retention Tax increased to 41 % from January 2014 and is generally treated as a final payment. Taxation of individuals on capital gains is at 33 % with an annual exemption of EUR 1 270.

Corporate taxation

Companies resident in Ireland and non-resident companies which carry out a trade in Ireland through a branch

or agency, are, with a small number of specific exceptions, liable to corporation tax on their taxable profits ⁽⁹⁾. The corporation tax rate of 12.5 % is applied to trading profits in all sectors since 1 January 2003. A 25 % rate applies to other passive (non-trading) income. Capital gains are subject to tax at 33 % on disposal of land. Other capital gains are subject to corporation tax at an effective rate of 33 %. A profit resource rent tax of 5, 10 or 15 %, based on the profit ratio of a petroleum/gas field, was introduced in 2008 on profits from petroleum related activities, which is in addition to the existing corporation tax rate of 25 % for non-trading income. Profit resource rent tax is ring-fenced so that profits or losses cannot be offset against profits or losses from other areas of corporate activity. There is a tonnage tax for shipping activity.

Ireland operates a credit system in respect of foreign income. This is in contrast to most other European countries, which operate territorial systems whereby foreign income is exempt from taxation. Dividends are subject to a dividend withholding tax at a rate of 20 % and interest and royalties are generally subject to a similar withholding. However, there is a wide range of exemptions from withholding. Dividend payments are not deductible from income that is subject to corporation tax. On the other hand dividends received from another Irish Company are not subject to corporation tax. A surcharge of 20 % is levied on undistributed investment or estate income of a closely held company or a company providing professional services. Losses may be carried forward indefinitely: back one year in the case of continuing business and back three years in the case of a discontinued business. A substantial change in the ownership of a company, combined with a change in the nature of the trade, may result in the restriction of these losses. There are no controlled foreign company rules or thin capitalisation rules.

VAT and excise duties

The standard VAT rate is 23 % as of 1 January 2012. A reduced rate of 13.5 % was not changed and applies to various services, building work and household energy and fuels, a second reduced rate of 9 % applies to some activities in the tourism sector while a zero rate applies to basic food, oral medicines, children's clothing, children's footwear and books. There are also reduced rates specifically applicable to certain agricultural activities. In addition to excise duties levied on energy products, tobacco and alcohol Ireland also raises a carbon tax on fuels, a small flat rate tax on air travel

⁽⁹⁾ The implicit tax rates of corporate income reported for Ireland in the adjoining table attempt to calculate tax paid as a proportion of a potential taxable base of income. In calculating the potential taxable base of the corporate sector, interest income received by collective investment funds is included even though such income is generally exempt from taxation in most EU countries (taxation occurs at the level of the individual investor rather than at the level of the fund). Ireland has a large international investment funds industry and, as a result, the inclusion of this tax-exempt income has a disproportionate impact on the calculation of implicit rates of corporate income for Ireland, as compared to other Member States, with the resulting estimates being significantly reduced.

(EUR 3 per passenger per flight) which is being abolished from 1 April 2014 and a 1% tax on bets entered into by bookmakers.

Wealth and transaction taxes

Capital acquisitions tax is charged at a rate of 33% on gifts and inheritances over a certain value, depending on the relationship of the beneficiary to the donor or deceased. The threshold values beyond which this tax must be paid have been steadily reduced in recent years (from EUR 542 544 for direct line in 2009 to EUR 225 000 from 6 December 2012 onwards). Stamp duty applies to sales, gifts, conveyances and leases of property. Rates of stamp duty ranging up to 6% apply depending on whether property is for residential or non-residential purposes. There is a residential stamp duty rate of 1% up to EUR 1 million and a 2% rate on the excess. Shares and securities carry a fixed rate of 1% while leases are subject to rates of 1% to 12% of the average annual rent depending on the amount, where the rent exceeds EUR 30 000 per annum or the lease is for a period of more than 35 years. There is no net wealth tax.

Other taxes

Until recently, there were few local taxes. Local authorities impose a levy on business, called rates, calculated as a percentage of the notional rental value of the business premises, and certain service charges. Domestic rates, which

were assessed on the imputed rental value of domestic property, were abolished in 1977. In recent years small charges on dwellings were reintroduced, but were replaced from July 2013 by a new Local Property Tax (LPT). The rate is 0.18% on the value of a residential property up to EUR 1 million. For property valued at more than EUR 1 million the rate is 0.18% for the first EUR 1 million and 0.25% on the balance. There are no income based reliefs, but it is possible for certain groups on low incomes to defer payment. Deferred LPT is subject to an annual interest rate of 4%. New property bought before 1 January 2017 and second hand property bought during 2013 is exempt until the end of 2016.

Social contributions

Employers' contributions amount to 10.75% of the salary, without any ceiling. A reduced employers' contribution rate of 8.5% applies in respect of employees to all earnings of EUR 356 or less per week, with the increased rate of 10.75% applying to earnings over EUR 356 per week. Both rates include a national training fund levy of 0.7%. The rate for employees' pay-related-social-insurance (PRSI) contributions stands at 4%. There is no longer an upper ceiling for this employee contribution, nor a low income exemption. From 1st January 2013 the self-employed pay a 4% PRSI rate on all income above EUR 5 000 per annum, with no annual ceiling, and a minimum payment of EUR 500 per year applies.

Italy	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	15.1	14.6	14.6	14.2	14.3	14.4	15.0	14.9	14.0	13.8	14.3	14.3	15.2	7	238.1
VAT	6.5	6.2	6.2	5.9	5.8	5.9	6.2	6.2	5.9	5.7	6.3	6.2	6.1	26	95.5
Excise duties and consumption taxes	2.6	2.4	2.3	2.4	2.2	2.2	2.2	2.1	1.9	2.1	2.0	2.1	2.4	24	37.2
Other taxes on products (incl. import duties)	2.7	2.5	2.6	2.5	2.9	2.7	3.0	3.0	2.9	3.0	2.9	2.9	2.8	2	43.5
Other taxes on production	3.4	3.5	3.5	3.4	3.3	3.5	3.6	3.6	3.2	3.0	3.0	3.0	4.0	3	61.9
Direct taxes	14.4	14.7	14.0	14.7	13.9	13.3	14.3	15.0	15.2	15.4	14.8	14.8	15.2	5	239.0
Personal income	11.4	11.0	10.6	10.5	10.4	10.4	10.9	11.3	11.7	11.7	11.7	11.5	12.2	5	191.8
Corporate income	2.4	3.2	2.7	2.3	2.4	2.3	2.9	3.3	3.1	2.4	2.4	2.3	2.3	15	35.3
Other	0.6	0.6	0.7	1.8	1.1	0.6	0.5	0.5	1.3	0.7	1.0	0.8		14	11.9
Social contributions	11.9	11.8	11.9	12.1	12.3	12.3	12.3	12.8	13.4	13.7	13.4	13.4	13.5	8	212.2
Employers	8.3	8.3	8.3	8.6	8.6	8.6	8.5	8.8	9.2	9.3	9.2	9.2	9.3	4	145.7
Employees	2.3	2.3	2.3	2.2	2.2	2.2	2.2	2.3	2.4	2.5	2.4	2.4	2.4	22	37.6
Self- and non-employed	1.4	1.2	1.3	1.3	1.4	1.5	1.6	1.7	1.8	1.8	1.8	1.8	1.8	7	28.9
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	41.5	41.1	40.5	41.0	40.4	40.1	41.7	42.7	42.7	42.9	42.5	42.4	44.0	6	689.3
B. Structure by level of government	% of total taxation														
Central government	55.7	55.2	54.3	53.7	53.2	52.7	54.3	53.6	52.5	53.4	53.2	52.9	52.8	17	364.3
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	14.4	14.9	15.5	16.1	15.8	15.9	15.6	15.8	15.4	14.2	14.6	15.0	15.7	5	108.5
Social security funds	28.7	28.6	29.3	29.5	30.3	30.8	29.5	30.0	31.4	31.8	31.6	31.5	30.8	14	212.1
EU institutions	1.2	1.3	0.9	0.7	0.7	0.7	0.6	0.6	0.8	0.6	0.6	0.6	0.6	17	4.4
C. Structure by economic function	% of GDP														
Consumption	11.3	10.7	10.6	10.3	10.4	10.4	10.8	10.6	10.2	10.3	10.8	10.8	10.9	21	170.3
Labour	19.9	20.2	20.2	20.3	20.2	20.4	20.4	21.0	21.8	22.2	22.2	22.1	22.5	7	352.4
Employed	17.8	18.0	18.0	18.1	18.0	18.1	18.1	18.7	19.3	19.5	19.4	19.2	19.6	7	306.4
Paid by employers	9.9	10.0	10.1	10.3	10.3	10.4	10.3	10.6	10.7	10.9	10.7	10.8	10.8	3	169.7
Paid by employees	7.9	8.0	7.9	7.8	7.7	7.7	7.8	8.1	8.6	8.6	8.6	8.5	8.7	13	136.7
Non-employed	2.1	2.2	2.2	2.1	2.2	2.3	2.3	2.3	2.5	2.7	2.8	2.8	2.9	3	46.0
Capital	10.2	10.2	9.7	10.4	9.7	9.3	10.5	11.1	10.6	10.5	9.6	9.6	10.6	2	166.6
Capital and business income	8.1	8.2	7.3	8.3	7.4	7.1	8.2	8.8	8.6	7.6	7.4	7.2	7.6	2	119.2
Income of corporations	2.9	3.7	3.1	3.5	3.1	2.9	3.5	4.0	3.7	3.0	2.9	2.8	2.8	9	44.7
Income of households	1.9	1.3	1.2	1.1	1.0	1.0	1.2	1.3	1.3	1.3	1.1	1.0	1.3	4	20.8
Income of self-employed (incl. SSC)	3.3	3.2	3.0	3.7	3.4	3.2	3.5	3.6	3.5	3.4	3.4	3.3	3.4	2	53.7
Stocks of capital wealth	2.2	2.1	2.4	2.1	2.3	2.2	2.3	2.3	2.0	2.8	2.2	2.4	3.0	4	47.4
D. Environmental taxes	% of GDP														
Environmental taxes	3.2	3.0	2.9	3.0	2.8	2.8	2.8	2.7	2.5	2.7	2.6	2.7	3.0	6	47.3
Energy	2.6	2.4	2.3	2.4	2.2	2.2	2.2	2.0	1.9	2.1	2.0	2.1	2.3	4	36.6
of which transport fuel taxes	:	:	:	1.8	1.6	1.6	1.6	1.5	1.5	1.5	1.5	1.5	1.8	9	
Transport (excl. fuel)	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	11	10.2
Pollution/resources	0.04	0.04	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	21	0.5
E. Property taxes	% of GDP														
Property taxes	1.9	1.8	1.9	1.8	2.1	2.0	2.1	2.0	1.8	2.2	1.8	2.1	2.6	4	40.4
Recurrent taxes on immovable property	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.7	1.6	4	24.8
Other property taxes	1.1	1.0	1.1	1.0	1.2	1.2	1.2	1.2	1.1	1.5	1.2	1.5	1.0	6	15.6
F. Implicit tax rates	%														
Consumption	18.5	17.9	17.8	17.3	17.6	17.4	18.0	17.9	17.2	16.9	17.6	17.4	17.7	22	
Labour employed	42.1	42.1	41.9	41.7	41.7	41.2	40.9	42.4	43.0	42.6	42.6	42.3	42.8	2	
Capital	27.6	27.2	26.9	29.5	27.7	27.3	31.7	33.6	33.4	35.2	32.2	32.4	37.0		
Capital and business income	21.7	21.7	20.3	23.5	21.1	20.9	24.8	26.7	27.0	25.6	24.7	24.1	26.5		
Corporations	18.3	22.6	20.0	23.6	20.5	19.8	25.5	28.8	30.9	27.0	24.3	24.3	25.9		
Households	16.1	13.9	13.4	15.6	14.2	14.2	15.8	16.4	16.6	16.9	16.8	16.4	18.6		
Real GDP growth (annual rate)	3.7	1.9	0.5	0.0	1.7	0.9	2.2	1.7	-1.2	-5.5	1.7	0.5	-2.5		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Italy

Overall trends in taxation

Structure and development of tax revenues

In 2012, the total tax-to-GDP (including social contributions) ratio increased to 44% (1.6 percentage points higher than 2011) Italy's overall tax burden ranked sixth highest in the EU, exceeding the EU-28 average by 4.6 percentage points and the average for the euro area by 3.6 percentage points.

The share of indirect taxes out of total taxation (34.5%) is in line with the EU-28 average in 2012, with a reliance on direct taxes (34.7% vs. 33.4% for EU-28) similar to the share in 2011. The share of social contributions in total taxation was lower than the EU average (30.8% vs. 32.4% for the EU-28). Revenues from VAT reached 6.1% of GDP which represents the third lowest level in the EU. In contrast, the comparatively high revenue from 'other taxes on production' is due to the IRAP business tax (see below). Local government collects a fairly elevated share of revenue (15.7%, the fifth highest in the EU). The social security funds received by local governments as a share of total taxation is just under the EU average.

Taxation of consumption, labour and capital; environmental taxation; property taxation

The ITR on consumption was the sixth lowest in the EU in 2012, due to a favourable VAT regime for housing⁽¹⁰⁾. In contrast, Italy's 2012 ITR on labour is at 42.8%, still the second highest in the EU and slightly higher than in 2011 (41.6%). In 2012 capital taxes, at 10.6% of GDP, yielded the second highest revenue in the EU. The ITR on capital stood at 37%. Furthermore, under the methodology used here, taxes and social contributions paid by the self-employed, a large group in Italy, are booked as capital income taxes. Taxes on the stocks of capital or wealth, at 3% of GDP, are in line with the EU-28 average (2.8%). Italy had one of the highest levels of environmental taxation in the EU in the late 1990s, mainly on account of energy taxes. Environmental tax revenues subsequently declined markedly, as a percentage of GDP, reaching a level slightly above the EU average in 2010. Because of the 2011 and 2012 increases in excise duties, the environmental taxation-to-GDP ratio increased by 0.3 percentage points in 2012 to reach 3%.

Property tax revenues in Italy in relation to GDP (2.6%) in 2012 is the fourth highest in the EU-28 (2.4%). The share

of revenues from recurrent taxes on immovable property in 2012 amounted to 1.6% of GDP, almost in line with the EU-28 average which stood at 1.5%.

Main recent reforms implemented, on-going or announced

Reforms introduced by the Italian government between 2012 and 2013 mainly aimed at alleviating the tax burden on labour and productivity.

Increased on September 2011 by 1%, the standard VAT rate has been further increased by another 1% up to 22% as from October 2013. As from January 2014 a consumption tax for electronic cigarettes, equal to 58.5% of the sale price, was introduced. Finally, after a sharp increase in 2012, excise duties on gasoline and fuel oil have been further increased as from January 2013, with an additional hike in 2014 (of 0.24%). Excise duties on alcohol were also increased. However, the tax on private ships up to 14 meters (introduced in 2012) was abolished and the tax rates for private ships between 14 and 20 meters was halved.

Local tax on immovable property (IMU), including on main residences, has been increased (cadastral value revaluated x 0,76%) on an experimental basis in 2012 pending an overall reform of property taxation, now in force as from 2014 (see below). Properties held abroad have also been subjected to a 0.76% tax on their cadastral value. The regional PIT surcharge has been raised by 0.3% and a temporary 3% solidarity contribution on high incomes has been introduced. The withholding tax on capital income has been unified at 20% and stamp duties (1.5%) on financial products apply. A tax on financial activities held abroad has been introduced (IVAFE see below). The notional yield of the allowance for new corporate equity (ACE) has been increased (4% for 2014, 4.5% for 2015 and 4.75% for 2016). ACE applies to capital *increases* of corporations and even unincorporated businesses and could play an important role to reinforce firms' capitalisation, and thus boost investment. In addition, IRAP deductions for entrepreneurs have been increased for women and employees below 35 years old hired on permanent basis.

In 2014 IRAP deductions of labour costs have been further increased (up to EUR 15 000) for any additional employee hired on a permanent basis, while employees (having income no higher than EUR 55 000) benefit from increased PIT allowances and lower social security contributions.

The Parliament is in the process of adopting a tax reform enabling law which aims among other things to reform the cadastre, simplify the tax code (also with regard to tax expenditures) and establish greater certainty and transparency for taxpayers and tax authorities.

⁽¹⁰⁾ Strictly speaking, VAT paid on housing should not be counted in the ITR on consumption but as a tax on the capital stock. However, owing to statistical limitations, the data presented in this report attribute VAT paid on housing, for all countries, to consumption taxes. This tends to reduce the ITR on consumption for countries with a more favourable regime for housing (see methodology for details).

Main features of the tax system

Personal Income Tax

PIT rates range from 23 to 43%; the top rate applies to incomes above EUR 75 000; the 3% surcharge on income above EUR 300 000 applied until 2013 has been extended by the Stability Law for 2014, 2015 and 2016. Regions levy surcharges on the PIT, ranging from 1.23 to 1.73% (which can be further increased in the event of a regional health-care deficit). Finally, most municipalities levy an additional surcharge of up to 0.9%. PIT is withheld at source for salaried workers. The tax credit on home restructuring expenses has increased from 36% to 50% (of up to EUR 96 000 per property) until 30 June 2013 and further extended till 2014. In addition a tax credit of 65% applies to energy saving installations for 2014. Individuals earning professional and business income are also subject to the IRAP (see below). Professional fees paid by businesses and professionals are subject to a 20% withholding tax. From 2012, all categories of capital income are subject to a 20% final withholding tax except Government bonds taxed at a 12.5%. From 2009, 49.72% of the earnings realised on qualified shareholdings are taxed at basic PIT rates; while capital gains on non-qualified shareholdings and bonds are taxed at 20%. Stock options are taxed as ordinary professional income. As from 2012, individuals setting up a new business or professional activity may choose a 5% substitute tax regime for the first five years or up to the age of 35. Also from 2012, following the entry in force of the new municipal property tax (IMU), PIT is no longer charged on the immovable property used as the main residence of the owner and, with some exceptions, on that at his disposal (and not rented).

PIT is charged on immovable property rental income on the basis of the higher of cadastral income or the rent received (subject to 5% deduction); since 2011 landlords may opt for a substitute 21% tax on rents (19% in areas with a housing shortage).

Corporate taxation

The CIT (IRES) rate is 27.5%. Special regimes exist for investment and pension funds and for non-operating companies, for which a minimum taxable income is based on assets. IRAP is not deductible (except, from 2013, for the labour costs portion). For 2013 30% of IMU on instrumental real estate is deductible from CIT (20% as from 2014). A surcharge on the CIT of 10.5% until 2013 applies to companies operating in the energy sector. Resident companies are taxed on their worldwide income, non-resident entities (including partnerships) on income arising in Italy. Losses can be carried forward indefinitely and offset up to 80% of taxable income. However losses incurred during the first three years of business activity are fully deductible. As from January 2008, net interest expenditure is deductible only up to 30% of gross operating income (EBITDA); the

excess may, under certain conditions, be carried forward for deduction in following years.

Inbound and outbound dividends are exempt from tax for 95% of their amount. The 95% capital gains are exempted under certain conditions (one-year holding period) if the assets are covered by the PEX regime. Other types of capital gain are taxed as ordinary income, with an option to spread the tax due over four years. Both national and worldwide group consolidation can be opted for under some conditions. Finally, companies located in depressed areas of the *Mezzogiorno* may apply for a tax credit on investments carried out in the 2007–13 period.

The business tax (IRAP) is levied on net production value, that is, the difference between the value of production and production inputs *excluding* most personnel and interest costs as well as losses on bad debts. The basic 3.9% rate can be augmented or reduced by up to 0.92 percentage points by the Regions. IRAP raises more revenue than the CIT. Since 2007, social contributions, certain training costs on new employees, the costs of R&D and a basic amount for each employee have been made exempt. The 2013 Stability Law increased the deduction of labour costs for women and younger employees by EUR 13 500 and introduced a deduction of the labour costs portion of IRAP from CIT and PIT of employers. The 2014 Stability Law increased up to EUR 15 000 euros deductions for workers permanently hired. Special rules apply to SMEs and businesses in the *Mezzogiorno*.

VAT and excise duties

The standard VAT rate increased by one point to 21% in September 2011 and to 22% as from October 2013. A 10% rate applies to non-luxury housing, other foodstuffs, electricity, mineral oil, medicines and artistic performances while a super-reduced (4%) rate applies to staple foodstuffs, newspapers and residential housing.

Wealth and transaction taxes

No wealth taxes as such exist, but stamp duties are levied on bank and securities accounts (increased from 0.1% to 0.15% in 2013 and to 0.2% as from 2014). Savings accounts of individuals are exempted up to EUR 5 000. The replacement of the ICI by the new IMU resulted in significantly higher revenue owing to the hike in the cadastral values (+ 60%) and also to the repeal of the 2008 exemption of main residences. As from 2014 real estate properties located in Italy are subject to a Municipal Single Tax (IUC). IUC includes: (a) the municipal tax (IMU), payable by holders on real estate other than the main residence (except in special cases); (b) the waste tax intended to finance the costs of the waste collection and disposal; and (c) a tax for indivisible general services (TASI) (expenditure for pavements, public lighting etc.) payable by both holders and tenants of the real estate. Jointly, the rates of IMU and TASI may not be

higher than 10.6 per thousand (maximum rate of IMU to 31 December 2013). Municipalities may apply reduced rates to certain categories of property. For 2013, 30 % of IMU on instrumental real estate is deductible from CIT and PIT on business income (20 % as from 2014). Transaction taxes exist, applying, for example, on property transfers; stamp duties are due on official documents. As from 2012 two new taxes apply on the Value of the Immovable Property located abroad (IVIE) and on the Value of the Financial Activities held abroad (IVAFE) by Italian taxpayers. For properties located in the EU Member States and EEA countries, the IVIE is calculated on the cadastral value of the assets at the same rate and condition applicable to IMU. For properties in third countries, the tax is calculated on the value resulting from the contract or on the market value. IVAFE applies on the market value of the financial activity at the rate of 0.1 % in 2012 and 0.15 % in 2013 and 0.2 in 2014. As from

March 2013 the so-called 'Tobin-tax' on financial transactions applies on shares and derivatives on shares. In the case of shares, two rates of 0.1 % and 0.2 % are applied on the net value of the whole transaction, depending on whether the securities are traded on regulated (transparent) markets or 'over the counter' without any control by supervisory authorities. Only for 2013 the two rates will be respectively 0.12 % and 0.22 %. In the case of derivatives, fixed sums are due based on notional amount classes.

Social contributions

Several compulsory contributions exist, depending on the type and size of the business and the characteristics of the employee. The aggregate rates range approximately from 40 % to 45 %.

Latvia	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	12.4	11.9	11.3	12.1	11.9	12.8	13.2	12.6	11.2	10.9	11.5	11.6	11.8	23	2.6
VAT	7.1	6.8	6.7	7.2	7.0	7.8	8.6	8.2	6.7	6.0	6.6	6.8	7.1	21	1.6
Excise duties and consumption taxes	3.5	3.1	3.1	3.3	3.5	3.6	3.3	2.9	3.2	3.7	3.5	3.4	3.2	15	0.7
Other taxes on products (incl. import duties)	0.5	0.4	0.4	0.5	0.5	0.5	0.5	0.8	0.6	0.5	0.4	0.4	0.4	24	0.1
Other taxes on production	1.4	1.6	1.1	1.1	1.0	0.9	0.8	0.7	0.6	0.8	0.9	1.0	1.1	15	0.2
Direct taxes	7.3	7.6	7.9	7.6	7.9	7.9	8.5	9.2	9.8	7.2	7.4	7.4	7.7	19	1.7
Personal income	5.6	5.6	5.6	5.8	6.0	5.7	6.1	6.1	6.4	5.4	6.1	5.6	5.7	18	1.3
Corporate income	1.6	1.9	2.0	1.5	1.8	2.0	2.3	2.7	3.2	1.6	1.0	1.4	1.6	23	0.4
Other	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.2	0.2	0.3	0.4	0.4	23	0.1
Social contributions	10.0	9.3	9.4	8.9	8.7	8.4	8.8	8.7	8.3	8.5	8.4	8.6	8.4	22	1.9
Employers	7.5	6.9	6.9	6.4	6.3	6.1	6.4	6.3	6.0	6.2	6.0	5.8	5.8	17	1.3
Employees	2.5	2.4	2.4	2.4	2.4	2.3	2.4	2.4	2.2	2.3	2.3	2.7	2.6	18	0.6
Self- and non-employed	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	27	0.0
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	29.7	28.9	28.6	28.6	28.6	29.2	30.6	30.6	29.2	26.6	27.2	27.6	27.9	26	6.2
B. Structure by level of government	% of total taxation														
Central government	49.5	50.5	50.0	51.1	50.8	52.9	52.8	52.5	51.5	48.0	47.7	48.4	49.6	18	3.1
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	17.0	17.3	17.3	17.8	17.9	16.9	17.2	17.8	19.2	19.1	20.9	19.7	19.3	4	1.2
Social security funds	33.5	32.3	32.8	31.1	30.5	28.9	28.8	28.6	28.3	32.0	30.7	31.1	30.2	15	1.9
EU institutions	n.a.	n.a.	n.a.	n.a.	0.7	1.2	1.2	1.2	1.1	0.9	0.8	0.8	0.9	9	0.1
C. Structure by economic function	% of GDP														
Consumption	11.2	10.6	10.5	11.2	11.1	12.0	12.6	11.8	10.5	10.2	10.6	10.5	10.7	25	2.4
Labour	15.4	14.7	14.8	14.7	14.6	14.1	14.7	14.7	14.5	13.9	14.3	13.8	13.7	19	3.0
Employed	15.3	14.6	14.7	14.6	14.5	14.0	14.6	14.6	14.4	13.7	14.0	13.5	13.4	18	3.0
Paid by employers	7.5	6.9	6.9	6.5	6.4	6.1	6.4	6.3	6.0	6.2	6.1	5.9	5.8	17	1.3
Paid by employees	7.8	7.7	7.8	8.1	8.1	7.9	8.2	8.3	8.4	7.5	7.9	7.6	7.6	18	1.7
Non-employed	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.3	20	0.1
Capital	3.1	3.6	3.3	2.8	2.9	3.0	3.3	4.1	4.2	2.6	2.4	3.2	3.5	27	0.8
Capital and business income	1.8	2.0	2.2	1.7	1.9	2.1	2.4	2.9	3.3	1.7	1.2	1.8	2.1	27	0.5
Income of corporations	1.6	1.9	2.0	1.5	1.8	2.0	2.3	2.7	3.2	1.6	1.0	1.4	1.6	23	0.4
Income of households	0.2	0.1	0.2	0.1	0.0	0.0	0.1	0.1	0.1	0.0	0.1	0.3	0.4	17	0.1
Income of self-employed (incl. SSC)	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	28	0.0
Stocks of capital wealth	1.4	1.5	1.1	1.1	1.0	0.9	0.8	1.1	0.9	0.9	1.2	1.4	1.5	17	0.3
D. Environmental taxes	% of GDP														
Environmental taxes	2.4	2.2	2.3	2.5	2.6	2.7	2.4	2.1	2.0	2.3	2.4	2.5	2.4	19	0.5
Energy	1.9	1.7	1.8	2.0	2.1	2.2	2.0	1.7	1.7	2.1	2.0	1.9	1.9	13	0.4
of which transport fuel taxes	:	:	:	:	:	2.2	2.0	1.7	1.7	2.0	2.0	1.9	1.8	8	
Transport (excl. fuel)	0.3	0.3	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.3	0.5	0.4	15	0.1
Pollution/resources	0.22	0.20	0.19	0.16	0.12	0.12	0.10	0.07	0.06	0.06	0.07	0.08	0.08	13	0.0
E. Property taxes	% of GDP														
Property taxes	0.9	0.9	0.8	0.8	0.8	0.7	0.6	0.9	0.7	0.7	0.9	1.0	0.9	17	0.2
Recurrent taxes on immovable property	0.9	0.9	0.8	0.8	0.8	0.7	0.6	0.8	0.6	0.6	0.8	0.9	0.8	10	0.2
Other property taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	26	0.0
F. Implicit tax rates	%														
Consumption	18.4	17.1	17.0	18.3	18.1	19.9	19.8	19.6	17.4	16.9	16.9	17.2	17.4	24	
Labour employed	36.7	36.5	37.8	36.6	36.7	33.2	33.1	31.1	28.4	29.2	33.1	33.3	33.0	17	
Capital	12.3	12.7	10.6	9.1	9.2	10.6	11.9	15.0	17.7	10.3	7.9	9.5	9.9		
Capital and business income	6.9	7.3	7.2	5.4	6.0	7.4	8.9	10.8	14.0	6.6	3.9	5.3	5.8		
Corporations	9.0	9.2	8.7	6.7	8.1	9.9	11.3	13.1	18.5	8.1	4.7	5.9	6.4		
Households	1.1	0.7	1.1	0.6	0.6	0.5	1.0	1.6	1.0	0.9	1.5	2.5	3.0		
Real GDP growth (annual rate)	5.3	7.3	7.1	7.7	8.8	10.1	11.0	10.0	-2.8	-17.7	-1.3	5.3	5.2		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Latvia

Overall trends in taxation

Structure and development of tax revenues

The overall tax burden (including social contributions) in Latvia amounted to 27.9% of GDP in 2012, a value still markedly below the EU-28 average (39.4%). Together with Bulgaria (27.9%), this tax-to-GDP ratio is the second lowest in the European Union after Lithuania (27.2%).

The major share of the total tax burden in Latvia is comprised of indirect taxes. In 2012 revenues from indirect taxes represented 42.2% of total tax revenues, which is 7.7 percentage points higher than the EU-28 average. The largest share of indirect taxes is constituted by VAT receipts, which provide 25.5% of total taxes revenues. While social contributions account for 30.2% of total taxation, they are below the European average (8.4% compared with 12.7%) in terms of GDP. Although the share of direct taxes in total taxation has increased compared with 2011 (+ 0.8%), direct taxes still account for only 7.7% of GDP and 27.6% of total taxation compared with EU-28 averages of 13.2% of GDP and 33.4% of total taxation.

Local governments receive 19.3% of the total tax revenues, which is the fourth highest proportion in the EU-28. After the collection of tax revenues, 80% of revenues from the PIT and 100% of revenues from the real estate tax are transferred to the budgets of local governments.

A period of growing tax revenues from 2002–07 was interrupted in 2008, and the lowest value of tax revenues since 1995 (26.6% of GDP) was reached in 2009. However, as a result of the implementation of the government's economic stabilisation and growth programme, which provided for several measures in the field of taxation, the total tax revenue in 2010 stood at 27.2% of GDP and since then it has slowly, but steadily increased, reflecting improving economic conditions and reached 27.9% of GDP in 2012.

Taxation of consumption, labour and capital; environmental taxation; property taxes

Although it was 0.2 percentage points higher in 2012 than in 2011, the level of Latvian taxes on consumption as a share of GDP, at 10.7%, is one of the lowest in the European Union. As in other Member States, VAT revenues are the most important component and amount to more than 66% of the overall indicator's value. The implicit tax rate (ITR) on consumption grew during the period 2003–05, but then fell, reaching its lowest value of 16.9% in 2009 and 2010, despite a considerable increase in VAT rates (+ 3 percentage point of standard rate and + 5 percentage point for reduced rates). In 2011 it stood at 17.2%, partly reflecting the further increase

of the standard rate from 21% to 22% and the increase of the reduced rate from 10% to 12%. However, the standard VAT rate was decreased again to 21% in the middle of 2012. Despite VAT rates close to EU-28 average (standard rate of 21.0% in 2012 and 21.3% in 2013), the ITR on consumption, at 17.4%, was below the EU average in 2012.

At 13.7% of GDP, Latvia's tax burden on labour is more than six percentage points below the EU-28 average. This is mostly due to lower than average PIT revenues, but social contributions of both employers and employees are also below the EU-28 average. The low labour tax burden is reflected in the ITR on labour (33.0%), which is about three percentage points below the EU-28 average. It has declined significantly, by more than nine percentage points, from its peak in 2002 to its lowest value of 28.4% in 2008. In response to crisis of 2008–09, the personal income tax rate fluctuated significantly (25% in 2008, 23% in 2009, 26% in 2010, 25% in 2011 and 2012), while the rate of social contributions paid by employees was increased in 2011. As result of these measures, the ITR on labour has increased in total by 4.6 percentage points since 2008, albeit with a slight decrease in 2012 (down 0.3 percentage points compared with 2011). For lower wage employees, defined as earning 67% of the average wage, the tax wedge is 43.5%, exceeding EU-27 average by 6.8%.

After a five-year decreasing phase and a 9.1% trough in 2003 reflecting continuous CIT rate cuts, the ITR on capital moved upwards in 2004–08, reaching 17.7% in 2008 boosted by very high growth. In 2009, however, owing to the slump and the increasing number of insolvent companies, it dropped sharply by more than seven percentage points. The decline continued in 2010 when tax revenue from income of corporations yielded only 1.0% of GDP and the ITR on capital represented the lowest rate in the EU at 7.9%, as the EU-28 average was 27.9%. The ITR on capital rebounded to 9.5% in 2011 and increased to 9.9% in 2012. The ITR on capital income of households and the self-employed (3.0% in 2012) is well below the EU-28 average (16.8%) and remains the lowest in EU.

Between 2008 and 2011, the revenue from environmental taxes increased from 2.0% to 2.5% of GDP, followed by a slight decrease in 2012 to 2.4% of GDP, in line with the European average. As in the majority of Member States, it is mostly concentrated on energy taxes levied on transport fuel.

Property tax revenues in Latvia in relation to GDP in 2012 (0.9%) were well below the EU-28 average of 2.3%. The property tax represented 3.4% of the total tax revenue in 2012, which is below the EU average (5.7%). The share of revenues from recurrent taxes on immovable property in 2012 amounted to 0.8% of GDP whereas the corresponding EU-28 average stood at 1.5%.

Main recent reforms implemented, on-going or announced

Since 2013 the tax burden on labour has been reduced, and it is planned not only to reduce the tax rate on labour but also to increase the minimum monthly salary and the monthly non-taxable amount. In 2013, the PIT rate was reduced to 24 % and will gradually decrease further to 22 % by 2016. From 1 January 2014, the rate of social contributions is reduced to 34.09 % (35.09 % in 2013) of which 23.59 % is paid by employer and 10.5 % by the employee. The maximum annual taxable base for social contributions is set at EUR 46 400 for 2014. The monthly non-taxable amount is increased from EUR 64 to EUR 75, and the exemption for dependants is increased from EUR 114 to EUR 165 per person. The minimum monthly salary is increased to EUR 320.

From 1 January 2014, the application of tax relief for investments in new production technologies and certain projects approved by the Government is extended until 2020, and a tax relief for certain research and development costs is introduced from 1 July 2014. In order to compensate a potential loss of tax revenues, the allowance for corporate equity and the transfer of losses within a group of companies are abolished. Since 1 January 2014, a register of 'risk persons' for tax purposes is established, and the tax authorities must inform the Commercial Register about such persons in order to deter them from involvement in the business environment and participation in tax evasion schemes.

From 1 January 2014, the exemption on excise tax on natural gas is still applied to natural gas used in heating of agricultural land covered areas, but on natural gas used in industrial production a minimum tax rate of EUR 5.65 is now applied. The tax rate is increased for liquefied petroleum gas (autogas) and other gaseous hydrocarbons as well as for tobacco products.

From 1 January 2014 taxes on natural resources rates are increased (for subsoil resources, for the disposal of household waste in landfills, for environmentally harmful goods, package and vehicles, for air pollution and for emission of polluting substances into water) and two new objects of taxation of natural resources are introduced: fireworks, and the use of water resources for the production of electricity in hydroelectric power stations, where the total installed capacity of the hydroelectric station is lower than two megawatts.

For the period from 1 January, 2014 until 31 December, 2017 a new tax is introduced — a subsidised electricity tax which is applied to producers of electricity that have obtained the rights to sell electricity within the framework of compulsory purchase. The tax rate is 15 %, 10 % or 5 %, depending on the energy resources used in the generation process. Tax is applied to the revenue earned from electricity sold on

mandatory procurement and to the revenue of guaranteed payment of installed electric power.

Main features of the tax system

Personal income tax

Since 2013 the personal income tax rate in Latvia is 24 % (previously 25 %). A 15 % tax rate applies to capital gains and a 10 % tax rate to other income from capital (for example, dividends, interest payments and income from pension and life insurance funds and income from disposal of growing wood or timber) and also to income analogous to dividends (income derived by an owner of a sole proprietorship, which is subject to corporate income tax, from distribution of its current-year and retained previous-year's earnings).

Latvian residents are taxed on annual employment income and any other worldwide income; non-residents are taxed only on income sourced in Latvia. Furthermore, the income obtained as a result of inheritance is tax exempt, except for author's copyrights. All pension payments determined under the State Pensions law are taxable to the extent that they exceed EUR 2 820 per year.

Gains from the sale of immovable property are not taxed if the property has been in that individual's ownership for at least 5 years and has, for at least the immediately preceding 12 months in any 60 months period, been that individual's registered private residence.

Corporate income tax

The corporate income tax rate fell gradually during 2001–04 from 25 % to 15 %. The tax is levied on the income of resident companies (with some exemptions) and of non-resident companies operating through a permanent establishment in Latvia. Dividends are exempt from tax, apart from outbound dividends paid to any persons residing, established or located in a low tax or tax-free country or territory. Special CIT allowances are available to tax payers having invested more than EUR 10 million in priority sectors and having obtained approval of the project from the Government. The tax allowance is 25 % for the initial long-term investments up to EUR 50 million, and 15 % for the investments exceeding EUR 50 million.

The law on 'Micro-Enterprise Tax' enables small businesses (those whose turnover does not exceed EUR 100 000, and with a maximum of 5 employees/board members) to pay a flat-tax rate of 9 % on their turnover. It includes state social contributions, personal income tax, corporate income tax and business risk charge for micro-enterprise employees. If a micro-enterprise's turnover is more than EUR 100 000, the excess part is taxable at a 20 % tax rate.

VAT and excise duties

The standard rate of value added tax is 21% since 1 July 2012 (22% previously), and the reduced rate is 12% applicable only on the following transactions: supplies of medicines, medical devices and medical goods, specialized products intended for infants, inland public transport services, printed and e-books and press, supply of heating to households and guest accommodation services.

Excise tax is imposed on oil products, gas, tobacco products, alcoholic and non-alcoholic beverages, except juices and mineral water, and coffee. The minimum level of the excise tax for cigarettes is EUR 79.68 for 1000 cigarettes. For beverages, the minimum excise tax rate per 100 litres is: EUR 5.69 for beer, EUR 64.03 for wine, fermented drinks and intermediate products with an absolute concentration not in excess of 15%, and EUR 7.41 for soft drinks. The rate of excise tax for gas oil is EUR 56.91 per 1 000 litres used for heating, and EUR 332.95 per 1 000 litres of gas oil used as car fuel. The rates for unleaded and leaded petrol are, respectively, EUR 411.21 and EUR 455.32 per 1 000 litres.

Wealth and transaction taxes

A property tax is applicable to land, buildings and engineering constructions based on the cadastral value of

land and buildings. As from 2013 local municipalities are delegated to determine the tax rate within the scope of the tax rate corridor (0.2–3%) provided by law: as a general rule tax rates should be set within the 0.2–1.5% limits, and where real estate is not maintained according to the procedure provided by law — within 1.5–3.0% limits. There is a duty on the registration of the title to immovable property. The person requesting registration of ownership after the purchase of an immovable property is liable to a 2% stamp duty, based on the property value.

Social contributions

Since 1995, a pension system based on the concept of notional defined-contribution (NDC) accounts is in force. Unlike in the previous PAYG system, the benefits are calculated on the basis of a person's contributions to a notional individual account, utilising a rate of return determined by the government taking into account economic and demographic indicators. No real funds are accumulated into the accounts, and financing the current cohort of retirees is based on payroll contributions. From 1 January 2014 the contribution rate is 34.09%. The rate for the self-employed is marginally lower (31.06%). The minimum taxable base for the self-employed is twelve times the minimum monthly wage (EUR 3 840).

Lithuania	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	12.6	12.2	12.4	11.7	11.2	11.3	11.4	11.9	11.9	11.8	12.0	11.8	11.4	25	3.8
VAT	7.5	7.3	7.3	6.7	6.4	7.1	7.6	8.1	8.0	7.4	7.9	7.9	7.7	14	2.5
Excise duties and consumption taxes	3.2	3.3	3.2	3.3	3.0	2.9	2.9	2.9	3.0	3.5	3.3	3.0	2.9	17	0.9
Other taxes on products (incl. import duties)	1.2	1.0	1.2	1.1	1.1	0.8	0.4	0.4	0.4	0.4	0.4	0.4	0.5	23	0.1
Other taxes on production	0.6	0.7	0.7	0.6	0.6	0.5	0.5	0.5	0.4	0.5	0.5	0.4	0.4	27	0.1
Direct taxes	8.4	7.8	7.4	7.9	8.7	9.0	9.5	9.2	9.3	6.0	4.7	4.4	4.9	28	1.6
Personal income	7.7	7.2	6.8	6.5	6.8	6.8	6.8	6.6	6.5	4.1	3.6	3.5	3.5	25	1.2
Corporate income	0.7	0.5	0.6	1.4	1.9	2.1	2.8	2.6	2.7	1.8	1.0	0.8	1.3	25	0.4
Other	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	27	0.0
Social contributions	10.2	9.7	9.4	9.2	9.1	8.9	9.1	9.2	9.6	12.8	11.9	11.2	11.0	17	3.6
Employers	8.4	8.0	7.7	7.6	7.5	7.3	7.5	7.6	8.0	8.6	7.6	7.3	7.3	9	2.4
Employees	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.8	0.9	2.6	2.3	2.2	2.2	23	0.7
Self- and non-employed	1.0	1.0	0.9	0.9	0.9	0.9	0.8	0.8	0.8	1.6	2.0	1.8	1.5	10	0.5
Less: amounts assessed but unlikely to be collected	0.3	0.3	0.2	0.1	0.1	0.0	0.1	0.0	0.1	0.2	0.1	0.1	0.0		
Total	30.9	29.4	29.1	28.8	28.9	29.1	30.0	30.2	30.7	30.4	28.5	27.4	27.2	28	9.0
B. Structure by level of government	% of total taxation														
Central government	41.1	41.6	52.1	52.6	51.8	52.4	53.0	51.8	50.0	45.8	46.4	48.5	49.2	20	4.4
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	19.6	19.4	9.5	9.1	9.6	9.5	9.5	9.9	11.1	11.5	11.1	9.6	9.6	15	0.9
Social security funds	39.3	39.0	38.4	38.3	37.9	36.9	36.4	36.9	37.5	41.4	41.3	40.8	40.1	5	3.6
EU institutions	n.a.	n.a.	n.a.	n.a.	0.7	1.2	1.1	1.4	1.5	1.3	1.1	1.1	1.1	3	0.1
C. Structure by economic function	% of GDP														
Consumption	11.7	11.5	11.6	11.0	10.5	10.7	10.8	11.3	11.3	11.1	11.4	11.2	10.8	22	3.6
Labour	16.2	15.4	14.8	14.5	14.6	14.4	14.6	14.5	14.8	15.0	13.3	12.7	12.6	24	4.2
Employed	16.2	15.3	14.6	14.3	14.5	14.2	14.4	14.2	14.5	14.7	13.1	12.5	12.5	21	4.1
Paid by employers	8.4	8.0	7.8	7.7	7.5	7.3	7.5	7.6	8.0	8.6	7.6	7.3	7.3	11	2.4
Paid by employees	7.8	7.3	6.9	6.7	6.9	6.9	6.8	6.6	6.5	6.0	5.4	5.2	5.2	27	1.7
Non-employed	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.2	0.1	26	0.0
Capital	3.3	2.9	2.8	3.3	3.8	4.1	4.7	4.5	4.6	4.4	3.9	3.5	3.8	24	1.2
Capital and business income	2.4	2.1	2.0	2.7	3.1	3.5	4.1	3.9	4.1	3.8	3.2	2.9	3.2	22	1.0
Income of corporations	0.7	0.5	0.6	1.4	1.9	2.1	2.8	2.6	2.7	1.8	1.0	0.8	1.3	26	0.4
Income of households	0.1	0.2	0.3	0.2	0.3	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	22	0.1
Income of self-employed (incl. SSC)	1.5	1.4	1.2	1.1	1.0	1.0	1.1	1.0	1.0	1.8	2.1	1.9	1.6	12	0.5
Stocks of capital wealth	0.9	0.8	0.8	0.7	0.7	0.6	0.6	0.6	0.5	0.7	0.6	0.6	0.6	27	0.2
D. Environmental taxes	% of GDP														
Environmental taxes	2.5	2.6	2.8	2.8	2.7	2.3	1.8	1.8	1.6	2.0	1.8	1.7	1.7	27	0.5
Energy	1.7	1.8	2.0	2.0	1.8	1.7	1.6	1.6	1.5	1.9	1.8	1.6	1.6	23	0.5
of which transport fuel taxes	:	:	:	:	1.7	1.7	1.6	1.6	1.5	1.9	1.7	1.6	1.5	15	
Transport (excl. fuel)	0.7	0.7	0.7	0.7	0.8	0.5	0.1	0.1	0.0	0.0	0.0	0.0	0.0	28	0.0
Pollution/resources	0.05	0.07	0.08	0.07	0.09	0.08	0.07	0.06	0.06	0.07	0.03	0.05	0.05	17	0.0
E. Property taxes	% of GDP														
Property taxes	0.7	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	26	0.1
Recurrent taxes on immovable property	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.3	0.3	23	0.1
Other property taxes	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	23	0.1
F. Implicit tax rates	%														
Consumption	18.0	17.5	17.9	17.0	16.1	16.5	16.7	17.8	17.7	16.5	18.0	18.2	17.4	25	
Labour employed	41.2	40.3	38.1	36.9	36.0	34.9	33.6	33.1	32.7	32.6	31.5	31.5	31.9	20	
Capital	10.1	8.4	8.1	9.3	10.5	11.1	13.5	13.1	14.6	15.2	11.5	9.3	9.8		
Capital and business income	7.3	6.1	5.8	7.4	8.6	9.5	11.8	11.5	13.0	12.9	9.6	7.7	8.3		
Corporations	4.0	2.5	2.6	5.7	7.3	8.0	10.8	9.8	11.1	8.2	3.7	2.6	4.1		
Households	5.3	5.2	4.7	4.5	4.9	5.6	5.6	7.0	7.2	8.9	10.0	9.4	8.2		
Real GDP growth (annual rate)	3.6	6.7	6.8	10.3	7.4	7.8	7.8	9.8	2.9	-14.8	1.6	6.0	3.7		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Lithuania

Overall trends in taxation

Structure and development of tax revenues

In 2012, Lithuania exhibits the lowest total tax burden at 27.2% of GDP (including social contributions) in the EU. Compared to the two other Baltic countries the Lithuanian tax-to-GDP ratio is close to Latvia (27.9%), but 5.3 percentage points lower than Estonia (32.5%).

In terms of revenue structure, Lithuania relies most on indirect taxes (11.4% of GDP and 41.9% of total taxation). With respect to 2011, in 2012 the share of indirect taxes in GDP terms has decreased due to lower revenue from VAT and excise duties (in terms of GDP, from 7.9% to 7.7% and from 3% to 2.9% respectively). At the same time, the ratio of direct taxes to GDP has increased in 2012 (from 4.4% in 2011 to 4.9%), after five consecutive decreases (9.5% in 2006 to 4.4% in 2011). The 2012 increase can be entirely attributed to the increase of corporate income taxes (from 0.8% in 2011 to 1.3% in 2012). In spite of the recent increase, the country still shows the lowest share of direct taxation in the EU-28. This feature can be explained by the strong revenue fall from personal income taxes since 2000 due to significant cuts in the flat PIT rate from 33% to 15% (from 7.7% in 2000 to 3.5% in 2011–12), and by the significant decrease in corporate income taxes in more recent years (from 2.7% in 2008 to 1.3% in 2012).

The proportion of total tax revenue received by the central government is 49.2% and lies in 2012 slightly above the EU-28 average (48.7%). The local governments receive 9.6% of total tax revenue, which is below EU-28 average (11.0%). A share of 40.1% of total tax revenue is received by the social security funds; this share is the fifth highest among the EU Member States.

Lithuania witnessed remarkable economic growth from 2000 to 2007, a period during which the overall tax burden decreased slightly from 30.9% to 30.2%. Since then the tax-to-GDP ratio has declined significantly by reaching 27.2% of GDP in 2012, which is the lowest value in the EU — the post-crisis economic recovery not being matched by a comparable recovery in tax revenue.

Taxation of consumption, labour and capital; environmental taxation; property taxes

Consumption tax revenue in percentage of GDP decreased from 11.4% in 2010 to 10.8% in 2012. The ITR on consumption was 17.4%, which is the fourth lowest among EU Member States.

Overall, labour taxes are the most important revenue source for the Lithuanian budget and bring in 46.5% of all

tax revenues. The share of labour taxes as a percentage of GDP has remained stable with respect to 2011. At the same time, however, the ITR on labour increased from 31.5% to 31.9%. At this level, the ITR on labour is below EU-28 average (36.1%), although it decreased steadily from its 41.2% peak in 2000, due notably to the increase in basic tax allowances and the successive cuts in the PIT rate. The tax wedge in percentage of labour costs (data 2011 — single worker at 100% of average wage) — equal to 40.7% — was comparable to the EU average, which is remarkable given that Lithuania enjoys the lowest tax burden overall (in terms of tax to GDP).

Taxes on capital (in terms of revenue to GDP) are the fifth lowest in the EU, yielding less than half the EU-28 weighted average (3.8% versus 8.2%). The share of capital taxes decreased from 4.4% in 2009 to 3.8% in 2012 mostly due to the cuts in the standard CIT rate and to the reduced rate for small companies. Tax revenue from capital stocks is the second lowest in the EU-28. All of this is reflected in the Lithuanian ITR on capital which decreased substantially by 5.4 percentage points from 15.2% in 2009 to 9.8% in 2012.

At 1.7% of GDP, revenue from environmental taxation is the second lowest in the EU, due in particular to transport taxes which are the lowest in the EU-28. Compared to the 2000 level, environmental revenue declined in 2012 by almost 1/3 from 2.5% to 1.7% in GDP terms.

Property tax revenues in Lithuania in relation to GDP (0.5% in 2012 and 2011) were the third lowest in the EU-28 (weighted average equal to 2.3%). Property taxes represented 1.7% of the total tax revenue, which is far below the EU weighted average (5.7%). The share of revenues from recurrent taxes on immovable property amounted to 0.3% of GDP (as in 2011), whereas the corresponding EU-28 weighted average stood at 1.5% in 2012 (increasing from 1.3% in 2011).

Main recent reforms implemented, on-going or announced

Lithuania did not undergo any major tax reforms in 2013. Nevertheless, various changes to tax legislation were introduced.

VAT and excise duties. Several reduced VAT rates were introduced or prolonged (see VAT and excise duties below). Excise duties were increased as of 1 March 2014 for tobacco products: cigarettes — specific excise LTL 157 (was LTL 148), ad valorem excise is 25%, minimum excise duty per 1000 cigarettes LTL 256 (was LTL 244), cigars and cigarillos LTL 93 per kilo (was LTL 88). As of 1 April 2014 increases for alcohol were: beer LTL 9.35 per hl/degree of alcohol of finished product (was LTL 8.5); wines and other alcoholic beverages not exceeding 8.5% vol. reduced rate of LTL 85 per 100 of product (was LTL 58); other fermented beverages LTL 225 per 100 of product (was LTL 198); intermediate products

not exceeding 15% vol. reduced rate of LTL 281 per 100 of product (was LTL 216); other intermediate products LTL 400 per 100 of product (was LTL 304); and ethyl alcohol LTL 4 460 per 100 of pure alcohol (was LTL 4 416) ⁽¹⁾.

Corporate income tax. The incentive for investments was prolonged for the period 2014–18. A separate incentive for film making was introduced as of 1 January 2014. Some limitation to carry-forward of losses is introduced as of 1 January 2014.

Personal income tax. As of 1 January 2014, the non-taxable monthly allowance was increased from LTL 470 to LTL 570 and personal allowances for children were also increased (see personal income tax below). The tax rate for dividends was decreased from 20% to 15% with effect as of 1 January 2014. As of January 2014, incentives on sale of securities and interests on loans no longer apply; 15% tax rate applies for interest on deposits and debt securities exceeding LTL 10 000, capital gain on sale of securities exceeding LTL 10 000 and pay-outs for board and supervisory council members.

Anti-avoidance. As of 1 January 2013, permanent residents are obliged to submit an annual declaration on the cash transactions exceeding LTL 5 000 not certified by the notary.

Main features of the tax system

Personal income tax

All income is subject to a uniform tax rate of 15% with few exceptions. A reduced 5% income tax rate applies to income from individual activities, except for income from liberal professions and from securities (including derivative financial instruments). In addition, for certain types of independent activities (e.g. private accommodation services, barber and beauty shop services, handicrafts, translation), the income tax consists of a fixed amount (lump sum) set by municipalities, and is applied upon production of a 'business certificate' which taxpayer may acquire. As of January 2014, the basic tax exempt annual amount is LTL 6 840 (was LTL 5 640) if the annual taxable income of individuals does not exceed LTL 12 000 (was LTL 9 600); it declines as income increases and no longer applies when the threshold of LTL 38 304 (was LTL 37 800) is reached. An additional allowance applies to taxpayers with children; equal to LTL 200 per month for each child as of 1 January 2014 (was LTL 100 for the first child and LTL 200 for each additional child).

Corporate taxation

Corporate income tax rate is set at 15%. Small companies — with up to 10 employees and taxable income not exceeding

LTL 1 000 000 (about EUR 290 000) per year — benefit from a lower 5% rate. Operating losses could be carried forward indefinitely if the business activities from which losses incurred continued whereas capital losses from financial derivatives and securities can be carried forward for five years to offset gains from financial derivatives and securities. Starting from 2014, the carried forward operating tax losses can be used to offset only up to 70% of current year's taxable income (the restriction does not apply to small enterprises). Carry-back of losses is not allowed. Scientific research and development costs may be deducted in a triple amount in the tax period when they are incurred. The taxable profit may be reduced up to 50% by expenses incurred in the acquisition of investment assets. If such expenses exceed 50% of the taxable profit, the exceeding amount can be carried forward for the next four taxable periods. This relief may be applied for taxable periods of 2009–18. Specific incentives apply for companies in free economic zones and for small companies. A separate incentive for film making applies as of 1 January 2014.

VAT and excise duties

The standard 21% VAT rate applies on the supply goods and services as from 1 September 2009. Small enterprises are exempt from the obligation to register for VAT purposes if their income from economic activities over a period of 12 months does not exceed LTL 155 000 (approximately EUR 45 000). Lithuania applies two reduced rates — 9% and 5% — on a limited number of items:

- 9% reduced rate for books and printed periodical as well as non-periodical material, for residential heating (annual measure repeated each year, until 31 December 2014), for passenger transport services on listed regular routes and; for accommodation services (as of January 2015, granted for one year).
- 5% reduced VAT rate for the technical aid for the disabled and the repair services thereof, for medicines and medical aids for which reimbursement rights exist (prolonged for an indefinite period).

Excise duties are imposed on alcoholic beverages, tobacco and energy products and electricity. Lithuania rates are among the lowest rates, especially for certain energy products: leaded petrol (LTL 2 000 per 1 000 litres), unleaded petrol (LTL 1 500 per 1 000 litres), electricity (LTL 1.80 per MWh), gas oil-propellant (LTL 1 140 per 1 000 litres) as of 1 December 2013 (was LTL 1 043) and gas oil-heating business use (LTL 73 per 1 000 litres).

Wealth and transaction taxes

Land tax is paid by the owners of a private land at a rate set by municipalities at a range between 0.01% to 4%. As of 1 January 2013 the taxable value is based on the mass

⁽¹⁾ EUR 1 = LTL 3.4528.

valuation method which reflects the market value of the land (mass valuation should be carried out at least every 5 years).

Immovable property tax is applied on the immovable property located in Lithuania: as of January 2013, an annual tax rate is set by municipalities at a range between 0.3% and 3% (was between 0.3% and 1%). Special rules apply for the immovable property of the private individuals, which is taxed at 1% rate on the taxable value exceeding LTL 1 000 000 (about EUR 290 000).

Inheritance tax is levied at 5% if the taxable value of inherited property does not exceed LTL 500 000 (EUR 145 000) and at 10% if this threshold is exceeded, while gifts are taxed under the PIT. There is no net wealth tax.

Other taxes

Lithuania applies several other taxes: tax on state natural resources tax, petroleum and gas resources tax, tax on environmental pollution, lottery and gaming tax and several different taxes on sugar.

Social contributions

The overall rates of the state social insurance contributions payable by insurer (employer) are calculated on the gross salary and amount to 30.98%: 23.3% of pension social insurance; 3.4% of sickness and maternity social insurance; 1.1% of unemployment social insurance; 3% of health insurance; 0.18% of occupational accidents and occupational diseases (this type of social security contributions may be higher depending on the risk category of the company).

The insured (employee) is liable to pay 6% of health insurance contributions and 3% of pension social insurance; withheld by the employer and calculated on the gross salary.

Special rules and different tariffs apply to self-employed persons, individuals working under authorship agreements, sportsmen, artists, individuals engaged in individual business, farmers and their partners.

Luxembourg	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	14.0	13.6	13.0	12.6	13.5	13.4	12.8	12.6	12.6	13.0	12.4	12.5	13.0	19	5.6
VAT	5.6	5.8	5.8	5.7	6.1	6.2	5.8	5.7	6.3	6.9	6.4	6.7	7.1	20	3.1
Excise duties and consumption taxes	4.5	4.2	4.4	4.3	4.6	4.2	3.8	3.6	3.7	3.9	3.6	3.6	3.6	8	1.5
Other taxes on products (incl. import duties)	1.5	1.3	1.1	1.1	1.1	1.2	1.1	1.3	1.0	0.6	0.6	0.7	0.7	19	0.3
Other taxes on production	2.3	2.2	1.7	1.5	1.7	1.9	2.0	2.0	1.6	1.6	1.7	1.6	1.6	10	0.7
Direct taxes	15.0	15.3	15.4	14.8	13.1	13.7	13.2	13.2	14.2	15.0	14.7	14.5	14.8	7	6.4
Personal income	7.2	7.0	6.4	6.5	6.7	7.1	7.5	7.1	8.1	8.2	8.0	8.5	8.6	10	3.7
Corporate income	7.0	7.3	8.0	7.3	5.7	5.8	5.0	5.3	5.4	5.8	5.9	5.1	5.3	3	2.3
Other	0.9	0.9	1.0	0.9	0.8	0.8	0.7	0.7	0.8	0.9	0.8	0.9	0.9	9	0.4
Social contributions	10.1	10.9	10.9	10.8	10.7	10.4	9.9	9.9	10.6	11.9	11.0	11.2	11.5	14	4.9
Employers	4.4	4.8	4.8	4.7	4.7	4.6	4.3	4.2	4.5	5.1	4.8	4.8	4.9	22	2.1
Employees	4.5	4.9	4.8	4.7	4.5	4.6	4.4	4.5	4.9	5.4	5.1	5.1	5.2	6	2.2
Self- and non-employed	1.2	1.3	1.3	1.3	1.6	1.3	1.2	1.2	1.2	1.4	1.2	1.3	1.3	13	0.6
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	39.2	39.8	39.3	38.1	37.3	37.6	35.9	35.6	37.5	39.8	38.1	38.2	39.3	8	16.8
B. Structure by level of government	% of total taxation														
Central government	67.7	66.5	66.1	65.8	66.5	67.9	68.1	68.0	67.3	66.0	67.0	66.4	67.2	9	11.3
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	5.7	5.6	6.1	5.9	4.9	4.4	4.4	4.5	4.5	4.5	4.4	4.7	4.0	21	0.7
Social security funds	25.1	26.8	27.1	27.6	28.0	27.1	27.0	27.0	27.7	29.1	28.3	28.5	28.4	18	4.8
EU institutions	1.4	1.1	0.8	0.7	0.5	0.5	0.6	0.6	0.5	0.3	0.4	0.4	0.4	26	0.1
C. Structure by economic function	% of GDP														
Consumption	10.7	10.6	10.7	10.6	11.3	10.9	10.1	9.8	10.5	11.1	10.4	10.6	11.0	19	4.7
Labour	15.1	15.8	15.1	15.1	15.1	15.1	14.5	14.6	16.1	17.4	16.6	16.9	17.4	13	7.5
Employed	13.8	14.6	14.0	13.8	13.9	13.8	13.3	13.3	14.8	16.0	15.2	15.4	15.9	14	6.8
Paid by employers	4.4	4.8	4.8	4.7	4.7	4.6	4.3	4.2	4.5	5.1	4.8	4.8	4.9	22	2.1
Paid by employees	9.4	9.8	9.2	9.1	9.2	9.2	9.0	9.1	10.3	10.9	10.4	10.6	11.0	8	4.7
Non-employed	1.3	1.2	1.1	1.2	1.3	1.3	1.2	1.2	1.3	1.5	1.4	1.5	1.5	11	0.7
Capital	13.3	13.4	13.5	12.5	10.9	11.5	11.2	11.2	10.8	11.2	11.2	10.7	10.8	1	4.6
Capital and business income	9.1	9.5	10.2	9.6	8.0	8.3	7.8	7.7	8.0	8.5	8.4	7.9	8.0	1	3.4
Income of corporations	7.0	7.3	8.0	7.3	5.7	5.8	5.0	5.3	5.4	5.8	5.9	5.1	5.3	3	2.3
Income of households	0.8	0.9	0.8	0.9	0.9	1.2	1.7	1.4	1.7	1.4	1.4	1.4	1.3	5	0.5
Income of self-employed (incl. SSC)	1.4	1.3	1.3	1.3	1.4	1.3	1.2	1.0	0.9	1.2	1.1	1.4	1.4	13	0.6
Stocks of capital wealth	4.2	3.9	3.3	2.9	3.0	3.3	3.4	3.6	2.9	2.8	2.8	2.8	2.9	5	1.2
D. Environmental taxes	% of GDP														
Environmental taxes	2.8	2.8	2.8	2.8	3.1	2.9	2.6	2.5	2.6	2.6	2.4	2.4	2.4	18	1.0
Energy	2.7	2.7	2.6	2.7	2.9	2.8	2.5	2.4	2.5	2.4	2.3	2.3	2.3	5	1.0
of which transport fuel taxes	:	:	:	2.6	2.9	2.8	2.5	2.3	2.4	2.4	2.2	2.2	2.2	3	
Transport (excl. fuel)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.1	25	0.1
Pollution/resources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.02	25	0.0
E. Property taxes	% of GDP														
Property taxes	1.9	1.7	1.5	1.4	1.3	1.4	1.4	1.5	1.3	1.2	1.1	1.2	1.3	10	0.5
Recurrent taxes on immovable property	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	26	0.0
Other property taxes	1.8	1.6	1.4	1.3	1.3	1.3	1.3	1.5	1.2	1.1	1.0	1.1	1.2	3	0.5
F. Implicit tax rates	%														
Consumption	23.0	22.6	22.6	23.8	25.4	26.3	26.4	27.1	27.1	27.8	27.5	28.0	28.9	3	
Labour employed	29.9	29.6	28.4	29.2	29.4	29.9	30.3	31.0	31.6	31.6	31.8	32.5	32.9	18	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:		
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:		
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:		
Households	:	:	:	:	:	:	:	:	:	:	:	:	:		
Real GDP growth (annual rate)	8.4	2.5	4.1	1.7	4.4	5.3	4.9	6.6	-0.7	-5.6	3.1	1.9	-0.2		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Luxembourg

Overall trends in taxation

Structure and development of tax revenues

At 39.3%, the tax-to-GDP ratio in Luxembourg was slightly below the EU-28 average (39.4%) in 2012. This ratio was also lower than in two of the three neighbouring countries — Belgium and France — and slightly lower than Germany (39.1%).

Direct tax revenues, were, as a percentage of GDP, 1.6 percentage points above the EU-28 average in 2012. Despite relatively low rates, the revenues from CIT (5.3%) are among the highest in the EU (EU-28 average 2.5%), which is partly due to the importance of the financial sector in the economy and the high degree of openness of the economy which leads to substantial earnings from cross-border trade. PIT revenues (8.6%) are slightly below the EU-28 weighted average (9.4%). Revenues from indirect taxes as a percentage of GDP lay 0.6 percentage points below the EU-28 average. VAT revenue is among the lowest in the EU owing to moderate nominal VAT rates. Revenues from social contributions paid by employees (5.2%) are relatively high, while employers' SSC (4.9%) are low compared to the corresponding EU averages (3.9% and 7.3% respectively).

Two thirds of levies accrue to the central administration and over a quarter to the social security funds. At 4% of total revenues, taxes accruing directly to local government are very low in comparison to the 11% EU-28 average and decreased by around 30% since 2000.

Taxation of consumption, labour and capital; environmental taxation

Consumption taxes (11% of GDP) were 0.2 percentage points below the EU-28 average in 2012. The interpretation of the ITR on consumption for Luxembourg is affected by the small size of the territory and the high degree of openness of the economy. In particular, purchases of excisable goods by non-residents (minus purchases of these goods by Luxembourg residents abroad) are likely to push upward the ITR on consumption. Overall, the ITR on consumption stood at 28.9% and is 9 percentage points above the EU-28 average (19.9%).

Although it has increased in recent years, the ITR on labour (32.9%) was, as of 2012, 3.2 percentage points lower than the EU average (36.1%). The lower level of labour taxation is a result of moderate levels of taxation of personal income and a relatively low level of social contributions. The total tax wedge 2012 amounts to 35.8% of the total labour costs, which is much below the level of France (50.2%), Belgium (56%) and Germany (49.7%).

Between 2000 and 2003, taxes on capital represented roughly one third of total revenue, the highest value in the EU. Although the share of capital taxes in total revenue has decreased to 27.5% in 2012, it is still considerably above the EU average (20.8%). This is nearly entirely related to the high proceeds of the CIT, which, despite a marked decline compared to the beginning of the decade, remains among the highest in the EU as a share of GDP. The high revenue from taxes on capital in general and the CIT in particular, is linked to Luxembourg's large financial sector with a highly internationalised customer base.

Environmental taxation accounted for 2.4% of GDP in 2012, down from 3.1% in 2004. This drop, driven by lower energy tax revenues, caused Luxembourg's environmental tax revenues to fall at the level of the EU-28 average (2.4%). In particular, transport taxes are, at 0.1% GDP, the 4th lowest in the EU. Property taxes accounted for 1.3% of GDP in 2012, 0.1 percentage points above the level of 2011. They represent 3.3% of total tax revenues. Recurrent property taxes are the third lowest in the EU-28 at 0.1% GDP.

Main recent reforms implemented, on-going or announced

The 2014 budget law mainly includes provisions to revise CIT, PIT and VAT.

For CIT, the Government has announced its intention to introduce, in 2014, a new tax and legal regime for coordination centres and group treasury 'cash pooling' activities; a notional interest deduction regime and a new tax immunized reserve regime to further investments by SMEs.

For PIT, the progressive income tax brackets and tax allowances will be reviewed and the carried-interest regime will be improved.

For VAT, the government intends to raise the basic rate and the intermediate rates by 2% to compensate for loss of VAT on e-commerce. The super-reduced rate will remain unchanged at 3%.

Main features of the tax system

Personal income tax

The main categories of income are employment income, business income, income from movable capital and miscellaneous income. Taxable income is computed on a cash basis, except for business income (accrual basis) and capital gains from a substantial participation (time of transaction). As of January 2013 a top rate of 40% has been introduced for individuals, which applies to incomes of more than EUR 100 000 (EUR 200 000 for couples jointly taxed). Married couples are jointly taxed, but a splitting system applies in the calculation of the tax due. Salaries, wages and pensions derived from former employment are subject to a

wage withholding tax. Taxation is progressive: the tax rates range from 0% to 40% with 19 income groups. In general, expenses incurred to obtain or preserve income are deductible from taxable income. In addition, a resident taxpayer may claim deductions for special expenses and an allowance for extraordinary expenses from his aggregate income. Some former tax allowances have taken on the form of tax credits. They notably refer to child benefits and the compensatory amounts attributed to single parent taxpayers, the employed and the retired. The maximum deduction for interest on loans is reduced by 50% and the deductible amount is limited to EUR 336 per taxpayer. The same deduction also applied to the taxpayer's spouse or partner and for each child belonging to the taxpayer's household. As the four first kilometre of travel (from home to workplace) are no longer deductible, the maximum amount of travel expenses deductible per taxpayer is reduced by EUR 396.

The PIT is increased by a surcharge for the Employment Fund. The new rate as of January 2013 is 7% (previously 4%), and 9% for taxable income exceeding EUR 150 000 (EUR 300 000 for couples jointly taxed). Taking into account the surcharge, the top marginal tax rate is 43.6%, applying to incomes of more than EUR 150 000 (EUR 300 000 for couples jointly taxed).

Dividends and interests are taxed as income from movable capital. Interest payments are subject to a 10% final withholding tax. Dividends are subject to a 15% withholding tax which is not final. Capital gains derived from speculative holdings and significant participation activities are subject to PIT.

The tax system allows for mortgage interest deductibility for owner-occupied properties with a ceiling for the tax deduction of EUR 1 500 per person in the household. The deduction is reduced to EUR 750 after 12 years of occupancy. There is no tax deduction on secondary homes.

Corporate taxation

Corporate income is subject to CIT, increased by a surcharge for the employment fund and a municipal business tax. The corporate tax system is, in principle, classical. The tax on profit is calculated by adding up the general CIT rate of 21% (previously 22%), a 7% (previously 5% until 2012) solidarity tax surcharge for the employment fund and a municipal business tax (which for Luxembourg City amounts to 6.75%), taking the all-in effective rate to 29.22% for Luxembourg City (previously amounting to 28.8% in 2012).

As of January 2013, a new minimum corporate income tax is applied, ranging from EUR 500 for small companies (with a total balance sheet below EUR 350 000) to EUR 20 000 if the total balance sheet exceeds EUR 20 million. Luxembourg also applies a system of investment credits and provides for specific tax incentives. As of 2013, these will be reduced.

VAT and excise duties

The standard VAT rate is 15% (it will be increased by 2% on 1 January 2015, as will the intermediate rates); a super-reduced rate of 3% applies to food and beverages, pharmaceutical products, newspapers, periodicals and books on all physical means of support passenger transport admission to cultural services and parks. A reduced rate of 6% applies to gas, electric power, flowers and labour-intensive services such as hairdressing and window cleaning. An intermediate rate of 12% applies to certain wine and solid mineral fuels and mineral oils and wood intended for use as fuel, with the exception of wood for heating. Finally, flat rates of 4% or 10% apply to farmers and foresters subject to a specific regime. As of 2013, the turnover threshold for the VAT exemption for small enterprises will increase from EUR 10 000 to EUR 25 000. For VAT on private residences, the gain from applying the 3% reduced rate on construction and renovation works will be limited to EUR 50 000.

Regarding excise duties on car fuels, the applicable rate for diesel-driven cars amounts to EUR 338.36 per 1 000 litres from 1 September 2012. Tobacco taxation has changed from 1 January 2013. The new excise rates applying to cigarettes are 45.84% (proportional element) and EUR 10.3586 per 1 000 cigarettes (specific element).

Wealth and transaction taxes

Resident corporations are subject to wealth tax on their worldwide net worth. The tax rate is 0.5%. The taxable base is determined as assets less liabilities. Since 2002, the tax may be reduced under certain conditions. Furthermore, in January 2006, the wealth tax applying to resident individuals was abolished. In parallel, a 10% withholding tax on interest income from savings was introduced.

Local taxes

The most important local tax accruing directly to municipalities is the municipal business tax. It is levied on all business establishments located in Luxembourg. As explained in the chapter on corporation tax, the municipal business tax is added on to the general corporate tax rate of 21% and the solidarity tax surcharge of 7%. Municipalities derive the most important part of their funding from the *Fonds Communal de Dotation financière*. This is a special fund redistributing part of the income collected by the central government from PIT, VAT, motor vehicle tax and excise tax on alcohol to municipalities in addition to a direct allocation from the budget.

Social contributions

Social contributions for pensions, health insurance and family allowances are levied on the gross wage. The pension scheme is financed by central government, and employers' and employees' contributions. A contribution of 16% of

gross wages is paid by both employers and employees. The central government participates with 8% of total contributions paid on salaries. The health care scheme is financed by central government, and employers' and employees' contributions. The health care contribution of about 5% of gross wages in 2012, originally paid by both employers and employees, is, as of January 2013, only paid by employers and the self-employed (optional) and the contributions are decreased to 0.42%, 1.33%, 1.83% or 2.64% depending on the risk (based on the absenteeism rate of the company's employees). The maximum annual ceiling for 2013 is set at EUR 112 451.88. The central government participates with 37% of total contributions paid on salaries. For family allowances, the rate of 1.7% is borne by the employee on his/her salary.

The 1.4% contribution rate to long-term care insurance is borne by the employees (levied on total gross income including income derived from personal wealth). Unemployment benefits are paid from the Employment Fund. This special fund centralises income from the solidarity tax paid by employers and employees, excise income from certain mineral oil products and direct budgetary endowments from central government.

Malta	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	12.0	12.7	12.6	12.6	14.0	15.0	15.0	14.8	14.4	14.0	13.5	14.0	13.7	14	0.9
VAT	5.7	6.1	6.2	6.3	7.1	8.0	7.9	7.5	7.7	7.7	7.5	7.8	7.8	13	0.5
Excise duties and consumption taxes	2.4	2.7	2.6	2.5	2.7	3.0	3.0	3.3	3.0	2.9	2.9	3.0	3.0	16	0.2
Other taxes on products (incl. import duties)	3.6	3.5	3.4	3.4	3.8	3.4	3.6	3.5	3.3	2.8	2.6	2.6	2.4	3	0.2
Other taxes on production	0.3	0.3	0.4	0.4	0.4	0.6	0.5	0.5	0.5	0.6	0.6	0.5	0.4	26	0.0
Direct taxes	9.0	9.7	11.0	11.5	11.0	11.7	12.0	13.3	12.7	13.6	12.9	13.0	13.9	8	1.0
Personal income	4.8	5.7	6.2	6.2	6.6	6.6	6.9	6.1	5.9	6.6	6.1	6.3	6.7	15	0.5
Corporate income	3.5	3.3	3.5	4.2	3.6	3.9	4.3	6.2	6.1	6.1	5.9	5.8	6.3	1	0.4
Other	0.7	0.7	1.3	1.1	0.8	1.2	0.8	1.0	0.7	0.9	0.8	0.8	0.8	11	0.1
Social contributions	6.3	6.5	6.4	6.3	6.3	6.2	6.0	5.8	5.9	5.9	5.8	6.0	6.0	26	0.4
Employers	2.8	2.9	2.9	2.8	2.8	2.8	2.7	2.6	2.7	2.7	2.6	2.8	2.8	27	0.2
Employees	2.8	2.9	2.9	2.8	2.8	2.8	2.7	2.6	2.6	2.7	2.6	2.7	2.7	17	0.2
Self- and non-employed	0.8	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	16	0.0
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	27.3	28.9	30.0	30.4	31.3	32.9	33.0	33.9	33.0	33.4	32.2	33.0	33.6	18	2.3
B. Structure by level of government	% of total taxation														
Central government	100.0	100.0	100.0	100.0	99.0	98.6	98.8	98.7	98.6	99.0	99.0	99.0	99.0	1	2.3
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Social security funds	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EU institutions	n.a.	n.a.	n.a.	n.a.	1.0	1.4	1.3	1.3	1.4	1.0	1.0	1.0	1.0	5	0.0
C. Structure by economic function	% of GDP														
Consumption	11.6	12.2	11.8	11.8	12.8	13.7	13.7	13.5	13.4	13.2	12.8	13.3	13.1	8	0.9
Labour	9.6	10.7	11.1	10.9	11.2	11.2	11.4	10.4	10.4	11.0	10.6	11.1	11.6	26	0.8
Employed	8.9	9.9	10.2	10.0	10.2	10.1	10.3	9.4	9.4	9.9	9.5	10.0	10.4	27	0.7
Paid by employers	2.8	2.9	2.9	2.8	2.8	2.8	2.7	2.6	2.7	2.7	2.6	2.8	2.8	27	0.2
Paid by employees	6.1	7.0	7.3	7.2	7.4	7.3	7.6	6.9	6.8	7.3	6.9	7.2	7.6	17	0.5
Non-employed	0.7	0.8	0.9	0.9	1.0	1.0	1.1	1.0	1.0	1.1	1.1	1.1	1.2	14	0.1
Capital	6.1	6.0	7.1	7.6	7.3	8.0	7.9	10.0	9.2	9.2	8.9	8.7	8.9	7	0.6
Capital and business income	5.0	4.8	5.1	5.7	5.3	5.6	5.8	7.7	7.5	7.6	7.3	7.2	7.5	3	0.5
Income of corporations	3.5	3.3	3.6	4.2	3.6	3.9	4.3	6.2	6.1	6.2	5.9	5.9	6.3	1	0.4
Income of households	0.3	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.3	0.4	0.3	0.3	0.2	24	0.0
Income of self-employed (incl. SSC)	1.1	1.1	1.2	1.1	1.2	1.2	1.2	1.1	1.1	1.1	1.0	1.0	1.0	18	0.1
Stocks of capital wealth	1.1	1.2	2.0	1.9	2.0	2.4	2.1	2.2	1.7	1.6	1.6	1.5	1.5	16	0.1
D. Environmental taxes	% of GDP														
Environmental taxes	3.6	3.5	3.3	3.3	3.0	3.2	3.3	3.7	3.4	3.3	3.0	3.2	3.0	7	0.2
Energy	1.3	1.5	1.3	1.2	1.2	1.3	1.3	1.8	1.4	1.5	1.5	1.6	1.6	22	0.1
of which transport fuel taxes	:	:	:	:	1.2	1.2	1.2	1.7	1.4	1.2	1.4	1.6	1.5	16	
Transport (excl. fuel)	2.2	2.0	1.9	2.0	1.7	1.7	1.8	1.6	1.6	1.6	1.4	1.4	1.3	2	0.1
Pollution/resources	0.00	0.00	0.08	0.01	0.03	0.22	0.23	0.29	0.30	0.23	0.19	0.14	0.13	11	0.0
E. Property taxes	% of GDP														
Property taxes	0.8	0.9	1.1	1.1	1.6	1.6	1.5	1.6	1.3	1.1	1.0	1.0	1.0	16	0.1
Recurrent taxes on immovable property	:	:	:	:	:	:	:	:	:	:	:	:	:	28	:
Other property taxes	0.8	0.9	1.1	1.1	1.6	1.6	1.5	1.6	1.3	1.1	1.0	1.0	1.0	4	0.1
F. Implicit tax rates	%														
Consumption	15.6	16.4	16.3	16.2	17.5	19.1	19.4	19.4	19.3	18.9	18.5	18.9	18.7	20	
Labour employed	20.5	21.6	22.4	21.8	22.1	22.5	22.7	21.2	21.2	21.7	21.6	22.5	23.3	28	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:		
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:		
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:		
Households	:	:	:	:	:	:	:	:	:	:	:	:	:		
Real GDP growth (annual rate)	:	0.0	2.4	0.7	-0.3	3.6	2.6	4.1	3.9	-2.8	3.3	1.7	0.9		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Malta

Overall trends in taxation

Structure and development of tax revenues

In 2012 the tax-to-GDP ratio (including social contributions) stood at 33.6% in Malta, 5.8 percentage points lower than the EU average (39.4%). With respect to other countries bordering the Mediterranean, this level of taxation is well below that of Italy (44.0%) and below the level of Cyprus (35.3%), but somewhat higher than that of Spain (32.5%).

Malta relies heavily on indirect taxes and direct taxes; their shares of the total tax lie above the EU average and each represent around 40% of total taxation (indirect taxes, direct taxes, social contributions in a ratio of around 2:2:1). The level of direct taxation is slightly higher than the EU average (Malta 13.9% of GDP, EU-28 13.2%). Indirect taxes account for a proportion of GDP (13.7%) which is close to the EU average (13.6%), while social contributions yield little revenue, only half of the EU average in GDP terms (6.0% of GDP, EU-28 12.7%). Within social contributions, employees contribute less than the European average (Malta 2.7%, EU-28 3.9%), while employers contribute less than half the EU average (Malta 2.8%, EU-28 7.3%).

Malta has no sub-central level of government collecting taxes, and does not maintain a social security fund separate from the central exchequer. The country has experienced a 23% increase in tax revenue when expressed in terms of its share of GDP between 2000 and 2012. This increase was most notable in direct taxation where revenues grew by 54%. This stems mostly from increase in CIT. As a result Malta ranks top in 2012 in the EU for corporate income tax revenues as expressed in percentage of GDP. The increase in indirect taxes in relation to GDP was 14% between 2000 and 2012, while social security revenue decreased by almost 4%.

Taxation of consumption, labour and capital; environmental taxation; property taxes

Taxes on consumption generate revenues of 13.1% of GDP (EU-28 11.2%), having increased by 1.5 percentage points since 2000. This is mainly due to the increase of the VAT standard rate in 2004, the widening of the VAT base and the raising of excise duties to bring them in line with EU minimum rates. The ITR on consumption (18.7%) also reflects this rise, having increased from 15.6% in 2000. However, the rate remains below the EU average (EU-28 19.9%), due partly to the high ratio of consumption to GDP.

The amount of revenue raised from taxation of labour is the third lowest in the Union (Malta 11.6% of GDP, EU-28 20.0%) which is mainly due to the low employers' social

contributions. In 2012 labour taxes increased driven by those paid by employees. The ITR on labour is, at 23.3%, 12.8 percentage points below the EU average (36.1%), the lowest in the EU by a wide margin. The taxation of capital yields substantial revenue (8.9% of GDP, EU-28 8.2%), putting Malta in seventh place in the EU. This is primarily due to the high revenue from corporate income tax (at 6.3% of GDP, the highest value in the EU). By contrast the revenue in percentage of GDP from taxation of the self-employed (1%) is below the Union average (2%).

Environmental taxes are relatively high (Malta 3.0% of GDP, EU-28 2.4% of GDP). The high level of environmental tax revenue is attributable to taxation on transport excluding fuel (1.3% of GDP, EU-28 0.5%), while revenue from taxation on energy is in line with the EU average (1.6%, EU-28 1.8%). Property taxation in relation to GDP (1.0%) is well below the EU average (2.3%). The reason is that there are no wealth or real estate property taxes in Malta and revenue is generated only by transfer taxes. Therefore, revenue from recurrent taxes on immovable property is zero.

Main recent reforms implemented, on-going or announced

In terms of personal income taxation, Malta's budget for 2014 foresees a further reduction of the new tax bracket (incomes up to EUR 60 000) below the top income tax bracket from 32% to 29%, while the tax free bracket applicable to parents was increased from EUR 9 300 to EUR 9 800. The 15% tax rate applicable to income from part-time work was extended to part-time employment income of up to EUR 10 000 (from EUR 7 000 currently) and to income of up to EUR 12 000 for self-employed individuals. In order to stimulate growth opportunities for the self-employed, businesses were allowed to recruit two part-time employees without losing entitlement to the 15% tax rate. A number of increases in excise duties were also introduced, including bunkering fuel, cigarettes and tobacco products, alcoholic drinks, cement, heavy fuel oil, LPG and methane, leaded and unleaded petrol, biodiesel, gasoil and kerosene. Registration taxes were also reduced for motor cycles exceeding 250cc, and for motor vehicles from outside the EU that are classified as non-polluting vehicles.

Main features of the tax system

Personal income tax

In 2007 Malta reformed personal income tax substantially, with the aim of decreasing the tax burden. Malta currently employs a five bracket system (0%, 15%, 25%, 29% and 35% for the basis year 2014) with different brackets for single individuals or married couples. The 2012 budget introduced a third category: parents computation in order to make the job market more attractive for parents. To facilitate the

return of women to labour market the current tax credit of EUR 2 000 had been extended to include self-employed mothers. From 2011, self-employed women working on a part-time basis were given the opportunity to choose to pay a 15% pro-rata contribution on their income, as per employed person, instead of the minimum currently stipulated by law (EUR 27.86 per week in 2013).

Individuals who are ordinarily resident and domiciled in Malta are taxable on their worldwide income. Apart from the basic personal relief of EUR 8 500 for single individuals, EUR 11 900 for married couples and, since 2012, EUR 9 800 for parents, the Maltese personal income tax system introduced various personal deductions in respect of school fees, childcare facilities, fees for homes for the elderly, cultural and sports fees. A deduction up to EUR 2 300 was granted for school fees and of EUR 100 for cultural and creative education. In order to attract high quality labour to Malta a tax credit up to EUR 15 000 is provided to companies for the development of educational digital games and the 15% PIT rate scheme is extended to international professionals. Income tax paid by a company can be fully attributed to shareholders following the distribution of dividends by the company. Under this system, dividends paid by a company resident in Malta carry a tax credit equivalent to the tax paid by the company on its profits out of which the dividends are distributed. Shareholders are taxed on the gross dividend at the applicable tax rates, but are entitled to deduct the tax credit attaching to the dividend against their total income tax liability.

Corporate taxation

With a rate of 35% (equal to the maximum personal tax rate), Malta exhibits one of the highest tax rates applicable to companies in the EU. However, Malta applies the full imputation system of taxation described above and there would be no further tax to pay when dividends are distributed to shareholders.

Therefore the maximum rate of tax payable on company profits — taking into account the tax paid by the company on its profits and the tax paid by the shareholders on dividends received — can never exceed 35%. Trade losses may be carried forward indefinitely while carry-backs are not permissible. The tax code is restrictive on the use of provisioning for tax purposes (for doubtful debts or investment value losses) but depreciation allowances are available. Capital gains realised by companies are aggregated with other income and taxed at a 35% rate. The imputation system described above also applies with respect to profits distributed by companies arising out of such gains. Certain tax incentives are available for enterprises involved in shipping, targeted industrial sectors and free port activities.

In order to encourage them to invest in and expand their business, micro enterprises and the self-employed are

supported through a 45% tax credit on eligible expenditure and 65% tax credit if based in Gozo.

VAT and excise duties

The standard VAT rate is 18% with two reduced rates, 7% applicable to holiday accommodation, and 5% on letting of sites for artistic or cultural activities (introduced in 2011), electricity, confectionary and similar items, printed matter, medical accessories, goods intended for the use of disabled persons, labour intensive services such as minor repairs of bicycles/shoes and leather goods/clothing and household linen, domestic care services and admission to museums/art exhibitions/concerts/theatres. Zero-rated supplies include food (except food supplied in the course of catering), pharmaceuticals, transport by the scheduled bus-service, inter-island sea passenger transport and certain cultural services. VAT was introduced in 1995, replaced with a sales tax following a change of government, following which the revenues dropped by more than 1% of GDP. A further change of government led to its reintroduction in 1999. The VAT system was further revamped in 2003 to align Maltese VAT law with EU law. The rate was increased from 15% to the current 18% in 2004.

Excise duties are moderate on light alcoholic beverages, close to EU average on fuels and relatively high, in comparison with other new Member States, on both strong liquors and tobacco.

Environmental taxes

The eco-contribution tax is chargeable on a number of white goods, containers, batteries, plastic bags, tyres and other specified products that are deemed to result in waste. The 2014 Budget announced that the government was evaluating this tax with a view to taking the necessary decision after consulting with the relevant stakeholders. Currently taxes on pollution yield 0.1% of GDP.

From 2011, registration taxes of commercial vehicles up to Euro emissions Standard 3 have been increased in order to encourage the purchase of newer and cleaner vehicles. Companies can also benefit from a tax allowable deduction of up to 125% on the amounts spent on electric cars. All motor vehicles, both commercial and private, with Euro 1 to 3 emissions standard (or worse) registered an increase in registration tax. In the 2014 budget, the registration tax for non-polluting cars imported from outside the EU and less than 8 years old was reduced, as was the registration tax on motorcycles with an engine capacity in excess of 250 cubic centimetre. In 2011, an excise duty of EUR 9 was introduced on every tonne of cement, and since then this duty has been progressively increased, reaching a level of EUR 27 in the 2014 budget.

Wealth and transaction taxes

There is no wealth tax. Transfers of immovable property situated in Malta are subject to a 12 % withholding tax on the transfer value payable by the transferor. Various exceptions to this rule are applicable, for example, where the transfer is made within 12 years after the acquisition, in which case the transferor has the option to be charged to tax at the said 12 % or in accordance with the general rules. The 2012 budget introduced a reduction of the final withholding tax to 10 % in case a person invests in restoration of the property for the purpose of selling. In addition stamp duties are applied on transfers of immovable properties, marketable securities or interest in partnership. The stamp duty is chargeable at the rate of 5 % of the transfer value (3.5 % on the first EUR 150 000 in the case of acquisitions for the purpose of establishing the purchaser's own residence). Since 2013, a donation or transmission *causa mortis* of immovable property from parents to their children is no longer to be subject to tax. A measure to help first-time buyers was introduced in the 2014 budget, giving people who have never owned immovable property an exemption from stamp duty on the first EUR 150 000 of the property being acquired. While there is no withholding tax on dividends or royalties, the distribution of untaxed corporate income, the interest paid by Maltese banks and government, and the capital gains arising from the disposal of shares in investment schemes are subject to withholding tax at 15 %.

Social contributions

Maltese workers are covered by a social security system under which the employee, the employer, and the government each contribute 10 % of an employee's basic salary (up to a maximum contribution of EUR 40.32 per week for persons born on or after 1 January 1962 and EUR 33.90 for persons born on or before 31 December 1961). The self-employed contribute at a rate of 15 % of their net income received from a trade, business or profession during the previous year; their weekly contributions range from a minimum of EUR 27.86 to a maximum of EUR 60.47. Social contributions are not deductible for income tax purposes. The employer's share of social contributions is, however, deductible for income tax purposes.

Netherlands	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	12.5	12.9	12.7	12.7	12.9	12.9	13.1	13.0	12.7	12.2	12.5	12.0	11.9	22	71.1
VAT	6.9	7.3	7.2	7.3	7.3	7.2	7.4	7.5	7.3	7.0	7.3	6.9	7.0	24	41.7
Excise duties and consumption taxes	2.6	2.5	2.5	2.5	2.6	2.5	2.5	2.4	2.4	2.3	2.3	2.2	2.2	26	13.0
Other taxes on products (incl. import duties)	2.0	2.1	1.9	1.9	2.0	2.1	2.2	2.0	2.0	1.8	1.8	1.6	1.5	8	8.9
Other taxes on production	1.0	1.1	1.1	1.1	1.1	1.1	1.0	1.0	1.1	1.2	1.2	1.2	1.2	14	7.5
Direct taxes	12.0	11.7	11.8	11.0	10.7	11.7	11.9	12.2	12.0	12.1	12.2	11.7	11.2	13	67.0
Personal income	6.0	6.2	6.8	6.5	6.0	6.6	6.9	7.4	7.2	8.6	8.5	8.1	7.7	13	45.9
Corporate income	4.3	4.2	3.6	3.0	3.3	3.6	3.7	3.5	3.4	2.1	2.3	2.2	2.1	20	12.7
Other	1.6	1.3	1.4	1.4	1.4	1.5	1.3	1.3	1.3	1.4	1.4	1.4	1.4	6	8.3
Social contributions	15.4	13.7	13.3	13.8	13.9	12.9	14.0	13.5	14.5	13.8	14.2	14.8	16.0	2	95.8
Employers	4.5	4.3	4.3	4.3	4.3	4.0	4.6	4.5	4.8	4.9	5.0	5.1	5.4	19	32.6
Employees	7.9	6.7	6.4	6.7	6.9	6.4	6.5	6.1	6.6	5.9	6.0	6.4	7.0	2	41.7
Self- and non-employed	3.1	2.6	2.5	2.8	2.7	2.5	2.9	2.9	3.1	3.0	3.1	3.3	3.6	1	21.4
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	39.9	38.3	37.7	37.4	37.5	37.6	39.0	38.7	39.2	38.2	38.9	38.6	39.0	11	233.8
B. Structure by level of government	% of total taxation														
Central government	55.9	58.9	59.7	57.8	57.6	60.2	59.5	60.4	58.3	59.1	59.0	56.7	54.0	16	126.4
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	3.4	3.6	3.7	3.9	4.0	4.1	3.3	3.3	3.3	3.7	3.7	3.8	3.8	22	9.0
Social security funds	38.6	35.7	35.2	36.9	37.1	34.5	35.9	34.8	37.0	36.2	36.4	38.4	41.0	4	95.8
EU institutions	2.0	1.8	1.4	1.4	1.3	1.3	1.3	1.4	1.4	0.9	1.0	1.1	1.2	2	2.7
C. Structure by economic function	% of GDP														
Consumption	11.3	11.6	11.4	11.5	11.7	11.7	11.7	11.6	11.4	11.1	11.4	11.1	11.0	20	66.1
Labour	20.6	18.5	18.8	19.2	19.0	18.7	20.0	19.8	20.7	21.1	21.4	21.7	22.4	8	134.5
Employed	17.6	16.0	16.2	16.5	16.3	16.0	17.2	17.5	18.3	18.7	19.0	19.2	19.9	6	119.2
Paid by employers	4.5	4.5	4.5	4.4	4.4	4.1	4.7	4.6	4.9	5.1	5.1	5.1	5.5	19	32.8
Paid by employees	13.1	11.5	11.7	12.1	11.9	11.9	12.6	12.9	13.4	13.7	13.8	14.1	14.4	2	86.4
Non-employed	2.9	2.5	2.6	2.7	2.6	2.6	2.8	2.3	2.4	2.4	2.4	2.5	2.6	7	15.3
Capital	8.0	8.2	7.6	6.7	6.9	7.3	7.3	7.3	7.1	5.9	6.1	5.8	5.6	19	33.3
Capital and business income	5.3	5.7	5.0	4.3	4.3	4.6	4.7	4.7	4.6	3.5	3.7	3.5	3.4	20	20.3
Income of corporations	4.3	4.2	3.6	3.0	3.3	3.6	3.7	3.5	3.4	2.1	2.3	2.2	2.1	20	12.7
Income of households	-1.4	-0.6	-0.7	-0.8	-0.9	-1.0	-1.0	-0.9	-1.0	-0.9	-0.9	-1.0	-1.0	28	-6.2
Income of self-employed (incl. SSC)	2.4	2.1	2.1	2.1	2.0	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.3	7	13.8
Stocks of capital wealth	2.7	2.5	2.5	2.4	2.5	2.6	2.6	2.6	2.5	2.4	2.4	2.2	2.2	12	12.9
D. Environmental taxes	% of GDP														
Environmental taxes	3.8	3.6	3.5	3.6	3.7	3.8	3.9	3.7	3.8	3.8	3.8	3.7	3.6	3	21.3
Energy	1.9	1.8	1.8	1.8	1.9	2.0	2.0	1.8	1.9	2.0	2.0	2.0	1.9	12	11.6
of which transport fuel taxes	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	22	
Transport (excl. fuel)	1.4	1.3	1.2	1.2	1.3	1.3	1.4	1.4	1.3	1.2	1.2	1.2	1.1	3	6.6
Pollution/resources	0.53	0.50	0.51	0.51	0.50	0.50	0.52	0.51	0.51	0.53	0.54	0.53	0.51	2	3.1
E. Property taxes	% of GDP														
Property taxes	1.9	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.6	1.4	1.4	1.2	1.2	14	7.2
Recurrent taxes on immovable property	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	13	4.1
Other property taxes	1.4	1.2	1.2	1.1	1.1	1.2	1.2	1.2	1.1	0.8	0.8	0.6	0.5	12	3.1
F. Implicit tax rates	%														
Consumption	23.1	23.8	23.3	23.7	24.2	24.4	25.3	25.6	25.7	24.7	25.4	24.8	24.5	8	
Labour employed	34.7	31.4	31.5	32.0	31.9	32.3	35.1	35.6	36.8	35.9	37.0	37.5	38.5	9	
Capital	21.3	21.9	23.8	20.7	20.2	17.9	17.4	16.0	16.9	15.7	13.9	12.0	13.7		
Capital and business income	14.0	15.2	15.8	13.2	12.8	11.4	11.3	10.3	11.0	9.3	8.4	7.4	8.4		
Corporations	18.4	17.2	18.0	14.4	14.4	12.4	12.0	10.2	10.9	7.4	6.5	5.7	6.8		
Households	5.9	9.5	10.1	9.3	7.7	7.2	7.8	8.6	9.1	12.8	14.0	12.5	12.1		
Real GDP growth (annual rate)	3.9	1.9	0.1	0.3	2.2	2.0	3.4	3.9	1.8	-3.7	1.5	0.9	-1.2		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Netherlands

Overall trends in taxation

Structure and development of tax revenues

In 2012, the tax-to-GDP ratio was 39.0% in the Netherlands. This value is 0.4 percentage points below the EU-28 average (39.4%) and 1.4 percentage points below the euro area average (40.4%). Compared to the neighbouring countries, the Dutch tax-to-GDP ratio is lower than the ratio for Belgium and Denmark but very close to the ratio for Germany and Luxembourg.

Indirect and direct taxes each account for about 30% of total tax revenues while social contributions represent 41.0%. Indirect tax revenues have fallen since 2009 due to the crisis, although in 2012 they remained at a similar level to 2011. The crisis also caused a reduction by one third of revenues from corporate income tax (CIT) in 2009. After that year the weight of CIT stabilized at the resulting low level.

From a fiscal viewpoint, the Netherlands display a fairly centralised tax structure as local government taxes account for merely 3.8% of total tax revenues, a share which is just above a third of the EU-28 average (11.0%). In contrast, the share of social security funds (41.0%) and revenues received by the central government (54.0%) are well above the EU-28 averages (32.4% and 48.7% respectively).

The tax-to-GDP ratio in 2012 of 39.0% is at the pre-crisis 2008 level. Yet its composition has changed since the crisis. The slight increase of the VAT share in 2012 attenuates the constant decrease of the share of the indirect taxes since 2006. The significant increase of the personal income taxation share in 2009 and 2010 has been followed by a slower but clear decrease in 2011 and 2012. Since 2009 the total tax revenue has been maintained by the continuous increase of the social contributions.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The implicit tax rate on consumption increased from 2002 to 2008, but has decreased since 2009, due to the crisis. In 2012, the implicit tax rate on consumption (24.5%) for the Netherlands was ranked eighth highest in EU-28 and 4.6 percentage points higher than the EU average (19.9%).

The ITR on labour has increased steadily since 2001. (+ 7.1 percentage points for 2012, compared to 2001)⁽¹²⁾. In 2012,

the ITR on labour (38.5%) was well above the EU average (36.1%).

From 2003 till 2011, the ITR on capital and business income and on corporations has been declining. Although this trend was reversed in 2012, the general ITR on capital still declined by 44% since its peak in 2002. In 2012, the ITR on capital in the Netherlands was 13.7%.

At 3.6% of GDP, the Netherlands has the third highest level of environmental taxes as a percentage of GDP in the EU. The Netherlands raises significant revenue from transport taxes (excl. fuel taxes) and is one of the few countries in the Union with a non-negligible contribution from pollution taxes, originating from a tax on pollution of surface waters and sewerage charges (0.51% of GDP, EU-28 0.1%).

Property tax revenues in the Netherlands in relation to GDP in 2012 (1.2%) were far below the EU-28 average of 2.3%. The property tax represented 3.1% of the total tax revenue in 2012, which is below the EU average (5.7%). The revenues from recurrent taxes on immovable property in 2012 counted for 0.7% of GDP, whereas the corresponding EU-28 average stood at 1.5%.

Main recent reforms implemented, on-going or announced

To achieve fiscal consolidation, a number of measures were taken in recent years. Some of them come into force in 2014. In the PIT a number of simultaneous changes will be gradually implemented over the years 2014–17. The maximum EITC and general tax credits are gradually increased. Also, these credits will decrease with income. The length of the tax brackets is not corrected for inflation in 2014. A targeted tax credit for employed persons aged 61–64 has been abolished for new cases. In 2013, a once-only surtax for employers in the wage tax of 16% of wages earned in 2012 exceeding EUR 150 000 was effective. This tax is extended to (only) 2014.

Since 1 January 2013 the interest on new mortgages for owner occupied dwellings is only tax deductible for mortgages that will be repaid in full (and at least as annuity) over the course of the loan agreement of 30 years. Interest on new mortgages that are not repaid in full is no longer deductible. The possibilities for tax free savings for repayment of the loan are abolished for new mortgages as well. As of 2014, the rate at which mortgage interest paid for mortgages on owner-occupied housing can be deducted in the highest income bracket is reduced yearly by half a percentage point, until it will reach 38% in 2031. For 2014 the rate is 51.5%. The revenues of these measures are used to gradually decrease the tax rates in the second, third and fourth tax bracket of the personal income tax. Since 1 January 2013 landlords who rent out more than 10 social dwellings (for 2014 defined as dwellings with a rent lower than EUR 699.48 per month) pay a tax on the value of the dwellings. To pay

⁽¹²⁾ A large share of this increase is due to the replacement of private health care insurance contributions by a new public health care insurance system in 2006. Under the accounting conventions followed in this report, this replacement leads to an increase in the ITR on labour although disposable income of households is unaffected.

this tax the landlords are allowed to increase the rent more than the inflation rate and an additional increase depending on the level of income from the tenant. The tax rate will increase considerably over the years: 0.014 % in 2013, 0.381 % in 2014, to 0.536 % in 2017, resulting in EUR 1.7 bn (0.3 % of GDP) additional tax revenues in 2017. In 2014, increasing rents and decreasing house prices led to an increase of the deemed income from owner-occupied housing. For houses valued between EUR 75 000 and EUR 1 040 000 the deemed income increased from 0.6 % to 0.7 % of the value. For the part of the value exceeding EUR 1 040 000 the rate is set at 1.80 % instead of 1.55 %.

Deferral of income tax levy through converting a severance scheme into an annuity is no longer possible. When existing annuities (of severance payments) are paid out fully in 2014 (and only in 2014), a 20 %-point discount for the income tax applies.

The excise duties for diesel, liquefied petroleum gas and alcoholic beverages and the consumption tax on soft-drinks have been increased. Exemptions for road tax of less polluting cars have ended in 2014, except for cars emitting less than 50 gr/km of CO₂.

Main features of the tax system

Personal income tax

The Dutch PIT system consists of three so-called boxes: Box 1 consists of labour income as well as some types of capital income, such as the proceeds of capital that proprietors employ in their own businesses, and the deemed income from owner-occupied housing, balanced with paid interest on mortgages. The sum of income in Box 1 is taxed at progressive rates ranging from 36.25 % to 52 % (income tax and social contributions). For taxpayers over the retirement age, the combined rates range from 18.35 % to 52 % due to the fact that this group is exempt from contribution for the national pension. The highest rate applies to income above EUR 56 531. Box 2 contains profit distributions and realized capital gains in connection with closely held companies. The nominal PIT rate on these income items is 25 %, but the effective overall tax rate is higher, because these items are also subject to the corporation tax at the level of the company. For 2014 only, for profit distributions up to EUR 250 000 the rate is 22 % instead of 25 %. Box 3 includes the returns on privately held assets such as saving deposits, stocks, bonds and real estate (except owner-occupied housing). The items in this box are subject to a tax rate of 30 % on a deemed return of 4 % on the net value of the assets on 1 January, exceeding EUR 21 139.

As of 2014 the general credit is dependent on the income from labour and housing. The maximum credit is EUR 2 103. Starting at an income of EUR 19 645 it is reduced until it reaches its minimum of EUR 1 366 at an income of around

EUR 56 500. This credit can be partially transferred to partners without income of their own. Other tax credits exist for those in work (EITC max. EUR 2 097), for single parents, for young handicapped and for the elderly. For self-employed entrepreneurs and starting companies, there are several tax reliefs and allowances. For 2014, the deduction for the self-employed is EUR 7 280. The profit exemption for unincorporated SMEs is 14 % of taxable profits after applying the deduction for the self-employed.

Corporate taxation

The current profits of corporations (publicly and closely held companies) are subject to the corporation tax at a rate of 25 % (20 % for profits up to EUR 200 000). For tax purposes, profits should be determined according to 'sound business practice', a concept that has mainly been developed in case law.

A main feature of the Dutch corporate income tax (CIT) is the participation exemption: dividends and realized capital gains from subsidiaries are not taxed at the parent company. Furthermore, under certain conditions a parent company may be taxed as a group together with one or more of its subsidiaries. For corporate income tax (CIT) purposes this means that the parent company and subsidiary are deemed to be one fiscal entity. The main advantages of group taxation are that the losses of one company can be offset against profits from another company within the group, and that fixed assets can in principle be transferred tax free from one company to another.

For R&D activities several facilities exist. Income derived from R&D is taxed in a separate 'innovation box' for innovative enterprises. The rate for income in this box is 5%. In addition, wage costs for R&D activities are decreased by a reduction of the wage tax of 35 % of the wage up to EUR 250 000 and 14 % of the excess. The self-employed who carry out R&D activities can deduct EUR 12 310 from their taxable profits. For starting entrepreneurs this amount is increased by EUR 6 157. Finally, a tax facility provides for 60 % deduction for current and capital R&D expenses.

For environmentally-friendly investments a deduction of 13.5 %, 27 % and 36 % of the investment amount is granted, depending on the type of investment.

VAT and excise duties

There are two VAT rates. The standard rate is 21 % and the reduced rate of 6 % is applicable to, inter alia, food, water, pharmaceuticals, art, cultural events and publications. The Netherlands applies a range of green taxes: environmental taxes (taxes on tap water, waste, coal and the energy tax on electricity and natural gas), excise duties on mineral oils and taxes on vehicles. Furthermore, there are consumption taxes on soft drinks and excise duties on tobacco products and alcoholic beverages.

Wealth and transaction taxes

Ownership of real estate is taxed by local government through the real estate tax. Acquisition of real estate is taxed through the transfer tax. The rate is 2% on dwellings and 6% on other real estate. There is no wealth tax. Inheritance and gift taxes are levied at rates ranging from 10% to 40% depending on the relationship between the donor and the beneficiary and the amount involved if the amounts exceed certain allowances. From 2011, an exemption for business succession in the inheritance tax of 100% for businesses with a maximum value up to EUR 1 045 611, and to 83% for the excess, exists. For the tax due, a 10-year tax deferral is granted.

A bank tax is levied if the debts of the banks that are not covered by own capital or reserves are more than EUR 20 000 000 000. The tax rate is: 0.044% on short debts (less than 1 year) and 0.022% on long debts.

Social contributions

The social security system is composed of national insurance (national pension, special health care and widow's pension) and employee insurance (unemployment, disability). The national insurance applies to all inhabitants and the collection of contributions is integrated in the income tax and wage (withholding) tax levy. The employee insurance applies to employees and is financed by a levy calculated on gross salaries (with a maximum amount) and depends on the economic sector. For basic health insurance each adult pays a fixed amount of around EUR 1 100 a year. Employers pay 7.5% of gross earnings to a maximum salary of EUR 51 414 to the State health insurance fund. The self-employed and pensioners pay a contribution of 5.4% of their net business profits or pension, on their income up to EUR 51 414.

Poland (¹)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (²)	€ bn
Indirect taxes	12.6	12.5	13.2	13.2	13.1	13.9	14.5	14.4	14.4	13.1	13.8	14.0	13.1	18	50.0
VAT	6.9	6.8	7.2	7.1	7.2	7.7	8.1	8.3	8.0	7.4	7.8	8.0	7.3	15	27.9
Excise duties and consumption taxes	3.7	3.7	4.0	4.1	4.2	4.2	4.0	4.2	4.4	3.8	4.2	4.1	4.0	4	15.4
Other taxes on products (incl. import duties)	0.8	0.6	0.6	0.6	0.4	0.3	0.3	0.4	0.4	0.3	0.3	0.3	0.3	28	1.0
Other taxes on production	1.3	1.4	1.4	1.3	1.4	1.7	2.0	1.5	1.6	1.6	1.6	1.5	1.5	11	5.7
Direct taxes	7.2	6.7	6.9	6.6	6.4	7.0	7.5	8.6	8.6	7.5	7.0	7.0	7.2	21	27.6
Personal income	4.4	4.5	4.3	4.2	3.6	3.9	4.6	5.2	5.3	4.6	4.5	4.5	4.6	21	17.4
Corporate income	2.4	1.9	2.0	1.8	2.2	2.5	2.4	2.8	2.7	2.3	2.0	2.1	2.1	19	8.1
Other	0.3	0.3	0.6	0.6	0.5	0.6	0.5	0.6	0.6	0.5	0.5	0.5	0.5	20	2.0
Social contributions	12.9	13.4	12.9	12.8	12.3	12.3	12.2	12.0	11.3	11.3	11.1	11.4	12.3	12	46.8
Employers	5.7	5.7	5.4	5.2	4.9	4.9	4.8	4.8	4.6	4.7	4.7	4.7	4.9	21	18.8
Employees	5.5	5.5	5.1	5.2	5.0	4.8	4.9	4.8	4.4	4.3	4.1	4.6	4.9	8	18.5
Self- and non-employed	1.8	2.1	2.5	2.4	2.4	2.5	2.5	2.4	2.3	2.4	2.3	2.2	2.5	3	9.4
Less: amounts assessed but unlikely to be collected	0.2	0.4	0.4	0.3	0.3	0.4	0.4	0.1	0.1	0.1	0.1	0.1	0.0		
Total	32.6	32.2	32.7	32.2	31.5	32.8	33.8	34.8	34.3	31.8	31.8	32.3	32.5	20	123.9
B. Structure by level of government	% of total taxation														
Central government	51.6	49.5	51.1	51.3	48.0	49.6	51.1	52.0	52.9	50.7	52.0	51.8	49.2	19	61.0
State government (³)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	9.1	9.3	9.8	9.4	12.5	12.4	12.4	13.5	13.2	12.7	12.4	12.7	12.7	8	15.7
Social security funds	39.3	41.2	39.1	39.3	38.8	37.2	35.7	34.0	32.8	35.4	34.6	35.0	37.4	8	46.3
EU institutions	n.a.	n.a.	n.a.	n.a.	0.7	0.8	0.7	0.8	0.8	0.7	0.7	0.7	0.8	15	0.9
C. Structure by economic function	% of GDP														
Consumption	11.3	11.2	11.9	11.9	11.8	12.4	12.7	13.0	13.0	11.7	12.5	12.6	11.8	16	44.9
Labour	14.2	14.4	13.4	13.2	12.5	12.8	13.4	13.0	12.7	12.3	12.0	12.4	13.1	21	50.1
Employed	13.5	13.6	12.7	12.5	11.8	12.1	12.6	12.2	11.9	11.5	11.2	11.6	12.3	22	47.0
Paid by employers	5.7	5.7	5.4	5.2	4.9	5.2	5.3	5.0	4.9	4.9	5.0	4.9	5.2	20	19.9
Paid by employees	7.8	7.9	7.3	7.3	6.9	6.9	7.3	7.1	7.0	6.5	6.3	6.7	7.1	21	27.1
Non-employed	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	17	3.1
Capital	7.2	7.0	7.7	7.4	7.5	7.9	8.1	8.9	8.6	7.9	7.4	7.4	7.7	9	29.4
Capital and business income	5.5	5.3	5.8	5.6	5.7	6.2	6.2	7.2	6.9	6.2	5.8	5.8	6.1	6	23.3
Income of corporations	2.4	1.9	2.0	1.8	2.2	2.5	2.4	2.8	2.7	2.3	2.0	2.1	2.1	19	8.1
Income of households	0.2	0.1	0.2	0.3	0.2	0.2	0.2	0.5	0.4	0.3	0.3	0.3	0.3	19	1.3
Income of self-employed (incl. SSC)	2.9	3.3	3.6	3.5	3.3	3.5	3.6	4.0	3.9	3.7	3.5	3.4	3.6	1	13.8
Stocks of capital wealth	1.6	1.6	1.9	1.8	1.8	1.7	1.9	1.7	1.7	1.6	1.6	1.6	1.6	14	6.1
D. Environmental taxes	% of GDP														
Environmental taxes	2.1	2.1	2.4	2.4	2.6	2.6	2.7	2.7	2.6	2.6	2.6	2.6	2.5	14	9.6
Energy	1.8	1.8	2.0	2.1	2.1	2.3	2.3	2.3	2.2	2.1	2.2	2.1	2.2	9	8.2
of which transport fuel taxes	:	:	:	:	1.7	1.8	1.9	2.0	2.0	1.9	1.9	2.0	2.0	5	
Transport (excl. fuel)	0.2	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.3	0.2	0.2	0.2	0.2	23	0.7
Pollution/resources	0.14	0.13	0.14	0.12	0.12	0.09	0.24	0.14	0.16	0.22	0.21	0.21	0.17	8	0.7
E. Property taxes	% of GDP														
Property taxes	1.2	1.3	1.5	1.4	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.2	1.3	11	4.8
Recurrent taxes on immovable property	1.1	1.3	1.4	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.2	1.2	1.2	7	4.7
Other property taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	0.1
F. Implicit tax rates	%														
Consumption	17.8	17.3	17.9	18.3	18.5	19.8	20.6	21.6	21.4	19.3	20.5	20.8	19.3	18	
Labour employed	33.6	33.2	32.4	32.7	32.7	33.8	35.4	34.0	31.7	30.9	30.3	32.0	33.9	15	
Capital	20.5	20.5	22.4	20.7	19.0	20.4	21.0	23.0	23.1	19.7	18.6	18.3	19.0		
Capital and business income	15.9	15.7	16.9	15.6	14.5	15.9	16.1	18.6	18.5	15.6	14.5	14.4	15.0		
Corporations	37.1	37.2	37.0	21.9	18.7	21.0	19.4	20.3	20.3	15.0	12.5	12.4	13.0		
Households	10.0	10.8	11.9	12.6	11.7	12.6	13.4	16.2	16.1	14.8	14.6	14.6	15.2		
Real GDP growth (annual rate)	4.3	1.2	1.4	3.9	5.3	3.6	6.2	6.8	5.1	1.6	3.9	4.5	1.9		

(¹) The NTL for Poland is only available from 2007 onwards. Internal data has been used for the years before 2006.

(²) The ranking is calculated in descending order. A "1" indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(³) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Poland

Overall trends in taxation

Structure and development of tax revenues

In Poland the overall tax burden in 2012 remained close to 2011 level at 32.5 % of GDP (increase of 0.2 %), and remained nearly 7 percentage points below the EU-28 weighted average (39.4 %). Among neighbouring countries, this value is higher than in Slovakia (28.3 %), but lower than the tax-to-GDP ratios in the Czech Republic (35 %), Hungary (39.2 %) and Germany (39.1 %).

Indirect taxes (13.1 % of GDP) accounted for 40.4 % of total tax receipts and continue to play a more important role than direct taxes, which in 2012 raised 22.3 % of total tax revenues. This trend goes against the EU-28 trend where indirect and direct taxes make up respectively 34.5 % and 33.4 % of total taxes. However, the trend could be at a turning point as, in 2012, the indirect tax share dropped by nearly 3 % compared to 2011, whilst the share of direct tax rose nearly by 1 %. Social contributions (12.3 % of GDP) accounted for well over a third of total tax revenues in 2012 (37.7 %), which is 5.4 percentage points above the EU-27 average (32.4 %).

The share of receipts collected by the decentralised administration has been increasing steadily since the major administrative reform of 1999 and the local finance law enacted in 2004 (9.1 % in 1999). It has remained stable since 2007, oscillating around 13 % (12.7 % in 2012). The allocation to the central government (49.2 % in 2012) has also remained stable in the period under consideration. The share accruing to social security funds stopped a downward trend in 2011, when it stood at 35.0 % and increased to 37.4 % in 2012.

The overall tax burden decreased progressively from 37.1 % of GDP in 1995 to 31.5 % in 2004, reflecting mostly the reduction of statutory tax rates. In contrast, the 2005–07 period was characterised by an increase in the tax-to-GDP ratio, which reached a level of 34.8 % in 2007. This strong upward trend was driven mostly by an increase of VAT revenues as a result of a strong domestic consumption, and by robust growth of PIT revenue due to the rise of employment. The tax-to-GDP ratio has decreased between 2008 and 2009, mostly due to the changes in PIT which implied a net loss of the budget revenue coming from direct taxes. Over the last three years the tax-to-GDP ratio slightly increased from 31.8 % in 2009–10 through 32.3 % in 2011 to 32.5 % in 2012, perhaps in relation to the increase by 1 percentage point of statutory VAT rates that occurred in 2011. Indeed VAT revenues increased by 11.8 % in 2011 (and by 10.2 % in 2010), while they dropped by 5.1 % in 2012 comparing to 2011. Moreover, the VAT revenue to GDP ratio decreased from 8.0 % in 2011 to 7.3 % in 2012.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The consumption taxes in Poland mirror the EU trend; after their 2009 slight decrease to 11.7 % of GDP they bounced back in 2010 to the level of 12.5 % of GDP and continued to rise to 12.6 % in 2011. However, in 2012 the index of consumption taxes decreased to 11.8 % of GDP (whereas the EU-28 weighted average remained stable in 2011 and 2012 at the level of 11.2 %). This is reflected as well in the corresponding ITR, which stood at 19.3 % in 2009 (lowest since 2004), but bounced back to 20.5 % in 2010 and 20.8 % in 2011, as did the EU average (at 19.7 % in 2010 and 19.9 % in 2011). The ITR on consumption, on a declining trend from 1995 to 2001, picked up since as a result of a strong VAT and excise duties revenue growth after the introduction of excise duties on energy, increased VAT rates on certain items in 2002, increase of the statutory VAT rates by 1 percentage point in 2011, broadening of the VAT base, and in the aftermath of Poland's accession to the EU. The decrease in 2009 was most likely caused by lower consumption levels triggered by the economic downturn and lowering receipts from the VAT and excise but also change to the structure of VAT receipts (shift towards goods and services taxed at a preferential rate). The 2010 and 2011 recovery, common for most EU countries, was most likely caused by the growing market confidence and a temporary increase of statutory VAT rates by 1 percentage point that has started since 2011 and was meant to end in 2013 (but instead was prolonged for another three-year period of 2014–16). It appears that this fuelling of VAT revenues has reached its potential, however, in 2012.

Taxes on labour, amounting to 13.1 % of GDP, are the seven lowest in the EU (the EU-28 average 20.1 %). In fact, over the last 16 years Poland has experienced a significant tax shift away from labour taxation (-3.9 percentage points). The ITR on labour has been steadily decreasing since its 10-year peak in 2006 (35.4 %), to climb to 32.0 % in 2011 and to 33.9 % in 2012, 2.2 percentage points below the EU-28 weighted average (36.1 %). Tax wedge on labour (on 100 % average wage of a single person without children) amounted in 2012 to 35.5 % a 1.1 % increase comparing to 2011 34.3 % of labour cost — but still the seven lowest in EU. It is also the lowest tax wedge in the region, where the neighbouring countries such as Slovakia (39.6 %), Czech Republic (42.4 %) Hungary (49.4 %) and Germany (49.7 %) all impose higher burdens on labour.

In 2012 the ITR on capital stood at 19 % — well below the weighted average of the member states for which data is available. The continued increase registered after the 2004 low of 19.0 % to the 2008 peak of 23.1 % has to be attributed mainly to the more effective collection of corporate taxes.

The ratio of environmental taxation to GDP was on a crawling upwards trend since 1995 and peaked in 2006/2007 to 2.7 % and then remained at 2.6 % level between 2008 and

2011 and dropped slightly to 2.5 % in 2012, which keeps it at slightly (0.1 %) above the weighted average value in the EU.

Property tax revenues in Poland in relation to GDP in 2012 (1.3 %) were below the EU-28 weighted average of 2.3 %, but have kept within the majority (21) EU countries levying less than an equivalent of 1.5 % of GDP on property. The property tax represented 3.9 % of the total tax revenue in 2012, which is below the EU weighted average (5.7 %).

Main recent reforms implemented, on-going or announced

In August 2010 the Polish government adopted a Multiannual Financial Plan proposing increase in indirect taxes (about 0.4 % of the GDP). A series of measures in the VAT area came into force in 2011, of which the most important is the temporary increase (for the years 2011–13) of the VAT rates by 1 percentage point, from 7 % to 8 %, and from 22 % to 23 %. In 2013 these temporary increased rates were extended for the period 2014–16. At the same time, a new reduced rate of 5 % has been introduced for, amongst others, basic foodstuff. Moreover, as of 2012 the VAT rates for certain products, including medical devices, clothing and clothing accessories for infants and children's footwear, increased from 8 % to 23 %. From 2013, the 23 % rate is due to apply for arts and crafts and on non-public postal services.

The government increases gradually the excise duties rates on tobacco products (by 4 % a year) but also for fuels (jet engine fuels, diesel and intrinsic bio-components). Excise duties on car fuel remained untouched over period 2007–11, but in 2012 the excise on diesel has increased substantially. In line with the Energy Directive, as of 2012 the excise tax is also applicable to coal, lignite and coke, so far exempted.

In May 2010 Poland's government introduced reforms to the pension system scheme when transfers to privately managed pension funds were cut from 7.3 % to 2.3 % of workers' salaries and the 5 % difference was redirected into the public old-age pension system. The law on pension funds was amended again in December 2013 with effect from 1 February 2014 to slightly increase the pension fund contribution up to 2.93 % of a salary. Based on this law all present members of the privately managed pension funds will have the right to abandon the pension fund and choose the state social security scheme instead (the first choice will have to be made between April and July 2014 and then every two years). Depending on this choice further decrease in contributions for privately managed pension funds may occur as only contributions of those members who will stay within the fund system will be transferred to funds. Moreover, based on this law privately managed pension funds will have to transfer about half of their assets, composed of government bonds, to the public old-age pension system where the bonds will be redeemed. Resulting transfers have been estimated at approx. EUR 37.5 billion (circa 7 % of GDP).

Main features of the tax system

Personal income tax

The main emphasis of the tax measures undertaken since 1995 in the field of the PIT was on closing tax loopholes, reducing exemptions, and simplifying the law. Furthermore, PIT rates have been reduced four times since 1995. To counterbalance the decline in PIT progressivity in recent years, the tax base has been broadened by abolishing a number of tax deductions, perceived as distorting consumption, savings and investment decisions, and by including fringe benefits and benefits in kind within taxable income.

Since 2009 Poland applies two tax rates, i.e. 18 % and 32 %. The lower statutory rate applies to the vast majority of taxpayers, these who in a given tax year earned PLN 85 528 or less (approx. EUR 20 600). Dividends and interest payments are subject to a final withholding tax at a rate of 19 %. Self-employed and taxpayers pursuing economic activity may opt for 19 % flat rate tax. There are 429 000 businesses/self-employed who paid flat rate tax in 2012, compared to 332 000 of businesses/self-employed who paid tax using progressive scale.

Poland grants a personal allowance of PLN 556.02 (around EUR 130), deductible from the PIT due and granted to all taxpayers paying progressive tax. There are a limited number of allowed deductions that may reduce aggregate taxable income, e.g. donations to religious and public utility organisations and children credit. Individuals are required to pay individual income tax and spouses are taxed separately. However, spouses may file a joint tax return, provided that they meet certain conditions. Under specific conditions it is also possible to file a joint tax return with one's child.

Corporate taxation

The Polish corporate income tax system is a classical one. Corporate income is fully taxed at the company level with 19 % rate, with the distributed profits being taxed again (19 %) by way of a final withholding tax in the hands of the individual shareholders and corporate shareholders holding less than 10 % of capital. The statutory CIT rate is applicable to income and capital gains. Capital gains are added to total ordinary income. Tax law provides for a list of non-deductible expenses. Tax losses may be carried forward for five consecutive years. The set-off may not exceed 50 % of the loss in each year. Tax loss carry-back is not allowed. With regard to the anti-avoidance framework, a thin capitalization regime is in place. There is no controlled-foreign companies (CFC) legislation.

The regulatory framework for corporate taxation is set in the bill of 1992. Since then, a number of measures have been taken in the field, of which the most significant consisted of gradual reduction of the CIT rate from its 40 % peak in mid-1990s to the current 19 % in force since 2004. These cuts

followed the general trend in other EU countries of lowering tax rates and broadening the tax bases. The Polish CIT tax base has been broadened by limiting or abolishing various incentive schemes. The number of depreciation schedules has been drastically reduced.

VAT and excise duties

As of 2011 the standard VAT rate in Poland is 23%, to be applied within a transitional period of 3 years (see *Current topics and prospects; policy orientation*) and applicable to most goods and services. However, in 2013 the transitional period for 23% rate has been extended for years 2014–16. There are reduced rates of 8% (this rate is also transitional 2014–16) and 5% as well as the 0% rate. The 5% rate replaces, to some extent, the super-reduced rate of 3% which expired on the 31 December 2010 together with termination of the transitional agreement on reduced VAT rates on certain goods and services granted to Poland at the time of its accession to the EU.

In 2013, the threshold to qualify as a small taxpayer for income tax and VAT purposes will be PLN 4 922 000 of annual turnover, including VAT.

Poland applies excise duties on fuels (including petrol, diesel, liquid gas, natural gas and coal), electricity, alcohol and alcoholic beverages (wine, beer), tobacco products and passenger cars. The rates are expressed in percentage terms or as fixed amounts in PLN per unit. The excise duties on natural gas were introduced in November 2013 following the expiry of exemption provided by Directive 2003/96/EC. The taxation of natural gas may bring additional budget revenues from approx. PLN 118 million (EUR 25-30 million) per annum depending on the actual use of exemptions provided for households and some other recipients.

Wealth and transaction taxes

There is no wealth tax. The stamp duty applies to official acts performed on the basis of notification or upon request of the person concerned. The tax on civil law acts applies to non-professional sales agreements and certain other acts such as company deeds.

Social contributions

Both employers and employees have to pay social contributions for the old-age pension scheme, at equal rates of 9.76% of gross remuneration. Employees' contributions are withheld by the employer. There is a ceiling on contributions to the old-age pension scheme and disability insurance (see below) equal to the annual equivalent of 30 projected average monthly salaries in the calendar year beyond that threshold the social contributions as mentioned above are no longer paid. In addition to the compulsory scheme there is a possibility to opt for employees' voluntary private pension plans and life insurance. The social security system also includes: contributions for disability insurance (1.5% paid by employee and 6.5% by the employer, the latter raised as of 2012 from 4.5%); health and maternity insurance (paid at 2.45% by employee) and injury insurance (paid by employer at 0.67% to 3.86% depending on the professional risk factor). Additionally, there is an obligatory health insurance contribution to cover medical expenses (paid at 9% by employees), which is automatically creditable against the income tax liability, up to 7.75%.

Portugal	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	13.5	13.5	14.0	14.6	13.9	14.7	15.1	14.8	14.3	13.0	13.6	14.0	13.9	13	22.9
VAT	7.6	7.5	7.6	7.7	7.7	8.4	8.6	8.5	8.4	7.1	7.8	8.3	8.5	10	14.0
Excise duties and consumption taxes	2.6	2.8	3.0	3.2	3.1	3.0	3.1	2.8	2.7	2.7	2.8	2.8	2.7	19	4.4
Other taxes on products (incl. import duties)	2.7	2.6	2.5	2.3	2.4	2.6	2.7	2.7	2.4	2.2	2.1	2.0	1.7	6	2.9
Other taxes on production	0.6	0.6	0.9	1.3	0.7	0.7	0.7	0.8	0.8	0.9	0.9	0.9	1.0	17	1.7
Direct taxes	9.6	9.1	9.1	8.5	8.3	8.3	8.6	9.5	9.7	9.0	8.9	9.9	9.4	17	15.5
Personal income	5.3	5.4	5.2	5.2	5.0	5.1	5.3	5.5	5.6	5.7	5.6	6.1	5.9	16	9.8
Corporate income	3.7	3.3	3.3	2.8	2.9	2.7	2.9	3.6	3.7	2.9	2.8	3.2	2.8	9	4.6
Other	0.5	0.5	0.6	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.7	17	1.1
Social contributions	8.0	8.2	8.3	8.6	8.3	8.4	8.4	8.5	8.8	9.0	9.1	9.4	9.1	20	15.0
Employers	4.7	4.8	4.9	4.6	4.6	4.7	4.5	4.8	4.9	5.0	5.2	5.5	5.1	20	8.4
Employees	2.8	3.0	3.1	3.4	3.2	3.2	3.6	3.5	3.5	3.6	3.5	3.5	3.6	12	6.0
Self- and non-employed	0.4	0.4	0.4	0.5	0.4	0.5	0.3	0.2	0.3	0.3	0.3	0.3	0.3	20	0.6
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	31.1	30.8	31.4	31.6	30.5	31.4	32.1	32.8	32.8	31.0	31.5	33.2	32.4	22	53.4
B. Structure by level of government	% of total taxation														
Central government	68.2	67.9	68.3	68.2	68.0	67.9	68.4	68.1	67.5	65.3	66.2	66.9	66.2	11	35.4
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	6.4	6.2	6.4	6.1	6.7	6.7	6.7	7.1	7.1	6.7	6.6	6.7	6.7	17	3.6
Social security funds	23.6	24.5	24.2	24.7	24.4	24.5	24.1	23.9	24.7	26.8	26.3	25.7	26.4	19	14.1
EU institutions	1.8	1.5	1.1	1.0	0.9	0.8	0.8	0.8	0.8	0.8	0.9	0.8	0.8	14	0.4
C. Structure by economic function	% of GDP														
Consumption	11.8	11.7	12.0	12.1	12.1	12.9	13.2	12.6	12.3	10.9	11.7	12.2	12.1	13	20.0
Labour	11.5	11.8	11.8	12.0	11.7	11.9	12.2	12.4	12.6	13.0	13.2	13.9	13.4	20	22.1
Employed	11.0	11.2	11.3	11.4	11.0	11.2	11.4	11.6	11.7	12.0	12.2	12.7	12.2	24	20.2
Paid by employers	4.7	4.8	4.9	4.6	4.6	4.7	4.5	4.8	4.9	5.0	5.2	5.5	5.1	21	8.4
Paid by employees	6.3	6.4	6.4	6.7	6.4	6.5	6.9	6.8	6.8	7.0	6.9	7.2	7.1	20	11.8
Non-employed	0.5	0.6	0.6	0.6	0.7	0.7	0.8	0.9	0.9	1.0	1.0	1.2	1.2	15	1.9
Capital	7.8	7.3	7.6	7.5	6.7	6.6	6.8	7.7	7.9	7.0	6.6	7.2	6.8	12	11.3
Capital and business income	5.7	5.2	5.1	4.7	4.6	4.4	4.4	5.2	5.5	4.6	4.3	4.9	4.4	17	7.3
Income of corporations	3.7	3.3	3.3	2.8	2.9	2.7	2.9	3.6	3.7	2.9	2.8	3.2	2.8	10	4.6
Income of households	1.0	0.9	0.9	0.9	0.8	0.8	0.7	0.9	1.0	1.0	0.7	0.9	0.9	8	1.5
Income of self-employed (incl. SSC)	0.9	1.0	0.9	1.0	0.9	0.9	0.8	0.7	0.8	0.8	0.7	0.7	0.7	21	1.2
Stocks of capital wealth	2.1	2.1	2.5	2.8	2.1	2.2	2.3	2.5	2.4	2.4	2.3	2.3	2.4	9	4.0
D. Environmental taxes	% of GDP														
Environmental taxes	2.6	2.9	3.0	3.0	3.0	3.0	2.9	2.8	2.6	2.5	2.5	2.4	2.2	21	3.6
Energy	1.6	1.8	2.1	2.2	2.1	2.0	2.0	2.0	1.9	1.9	1.8	1.8	1.7	20	2.8
of which transport fuel taxes	:	:	:	1.9	2.0	1.9	1.9	1.9	1.7	1.8	1.7	1.7	1.6	13	
Transport (excl. fuel)	1.1	1.1	1.0	0.8	0.9	0.9	0.9	0.9	0.7	0.6	0.7	0.6	0.5	13	0.8
Pollution/resources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	26	0.0
E. Property taxes	% of GDP														
Property taxes	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.4	1.3	1.2	1.2	1.3	1.4	8	2.3
Recurrent taxes on immovable property	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.7	0.7	12	1.2
Other property taxes	0.8	0.8	0.8	0.7	0.6	0.7	0.7	0.8	0.7	0.6	0.6	0.6	0.7	9	1.1
F. Implicit tax rates	%														
Consumption	18.3	18.3	18.8	18.9	18.8	19.7	20.0	19.1	18.2	16.7	17.6	18.2	18.1	21	
Labour employed	22.3	22.8	22.8	22.9	22.3	22.4	23.1	23.7	23.5	23.6	24.2	25.4	25.4	25	
Capital	31.1	29.9	31.9	31.9	27.7	29.3	30.6	33.3	37.3	32.4	28.2	31.7	29.5		
Capital and business income	22.6	21.2	21.4	19.9	19.0	19.4	20.0	22.5	25.8	21.3	18.4	21.5	19.0		
Corporations	25.1	22.6	22.6	20.3	20.1	21.4	22.8	27.4	36.0	21.8	18.2	22.6	20.9		
Households	12.5	12.0	12.3	12.3	9.4	8.2	7.3	7.5	7.7	12.0	9.5	9.7	8.2		
Real GDP growth (annual rate)	3.9	2.0	0.8	-0.9	1.6	0.8	1.4	2.4	0.0	-2.9	1.9	-1.3	-3.2		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Portugal

Overall trends in taxation

Structure and development of tax revenues

In 2012 the Portuguese overall tax burden (including social contributions) stood at 32.4% of GDP, below the EU-28 average (39.4%). In 2012, the tax-to-GDP ratio decreased by 0.8 percentage points compared to the previous year. Portugal ranked 22nd in the EU in terms of tax to GDP ratio.

Portugal's tax system relies relatively heavily on indirect taxation. In 2012, the proportion of indirect taxes in total taxation was the sixth highest in the EU (42.9% against EU-28 average of 34.5%). Revenue from indirect taxes in GDP terms remained practically stable from 2011 (14%) to 2012 (13.9%). On the other hand, the share of direct taxes in GDP and in total taxation decreased in 2012. This development can be explained by continued recession in 2012 (GDP decreased by 3.2% in real terms) and the elimination of the PIT surtax of 3.5% for income above the minimum wage. The share of corporate income tax in terms of GDP was the ninth highest in the EU-28 in 2012. Social contributions revenue as a percentage of total taxation also decreased in 2012.

In Portugal, the proportion of total tax revenue (66.2% of total taxation) collected by central government in 2012 was well above the EU-28 average (48.7%). Local government received 6.7% of total receipts, which is below EU-28 average (11%). The revenue share received by social security funds (26.4% of total taxation) was also less than the EU-28 average (32%).

Taking a broader perspective, it emerges that the tax-to-GDP ratio oscillated around the 30% to 32% band in the period of 2000–05. In the following four years the ratio went up moderately, reaching of 32.8% in 2007 and 2008. In 2008, despite the growth slowdown, revenue from direct taxes and social contributions continued to grow. The moderate increase in the total tax burden in 2010 was to a large extent the result of tax reforms. In 2011, the tax-to-GDP ratio increased reaching a peak of 33.2%, only to fall in 2012 by 0.8 percentage points. Tax revenues in absolute terms also decreased.

Taxation of consumption, labour and capital; environmental taxation; property taxes

In line with high revenue from indirect taxes, taxes on consumption play an important role in Portugal, representing 37.4% of total tax revenue. Although far from its peak in 2005 (41.0%), the share of consumption taxes in total taxation is still well above EU-28 average (28.5%).

Consumption taxes decreased from 12.2% of GDP in 2011 to 12.1% in 2012. The ITR on consumption, at 18.1%, is the eighth lowest in the EU.

In 2012, taxes on labour represented the most important revenue source for Portugal (41.4% of total revenue). However, labour taxes in relation to GDP decreased from 13.9% in 2011 to 13.4% in 2012. The ITR on labour remained stable at 25.4%, the fourth lowest in the EU.

Taxes on capital decreased in Portugal from 7.2% of GDP in 2011 to 6.8% in 2012. Capital taxes yield 21.1% of total taxes (EU-28 average 20.8%). The Portuguese ITR on capital (29.5% in 2012) is higher than the ITR on labour and significantly higher than the ITR on consumption. Yet it decreased considerably by 7.8 percentage points from its 2008 peak of 37.3% to 29.5% in 2012.

At 2.2% of GDP in 2012, Portugal's level of environmental taxes was below the EU-28 average of 2.4%. The 2011–12 levels are, however, well below the 2002–05 values (3.0% of GDP). Transport fuel taxes are the most important environmental tax revenue source representing about 70% of total environmental taxes at 1.6% of GDP, higher than the EU average of 1.4% of GDP.

Property tax revenues in relation to GDP in 2012 (1.4%) were below the EU-28 average of 2.3%. Property taxes represented 4.3% of total tax revenue in 2012, which is below the EU-28 average (5.7%).

Main recent reforms implemented, on-going or announced

In 2012 and 2013 Portugal continued implementing the adjustment programme agreed between the EC, the ECB, and the IMF. The programme includes several measures aimed at improving the economic situation and reducing the budget deficit. They include an increase of corporate taxation for expenses related to company cars, higher excise duties for tobacco and alcohol, a surcharge on the car tax for diesel passenger vehicles, a reduction of tax exemptions in property taxation for pension and real estate funds and caps to the social security contributions paid by members of statutory bodies. Portugal also introduced a special levy on energy, aimed both at increasing revenues and at reducing excessive rents from the energy sector. Revenues gathered from this levy will be partly used to reduce tariff debts. Moreover, Portugal introduced a progressive 'extraordinary solidarity contribution' on pensions. In 2014, the measure will be adapted to take into account the cumulative impact of other measures on pensions.

Portugal prepared a significant reform of corporate income tax in 2013. The aim is to help improve Portugal's investment and growth perspectives. The reform was submitted to public consultation over the summer of 2013. It includes a substantial simplification of the tax structure, a reduction of compliance and administrative costs and an overall

streamlining of the tax code to make Portugal more attractive to foreign investment. It also includes anti-abuse provisions. From 2014 the CIT top rate has been lowered from 25% to 23% and a special tax regime for SMEs introduced.

The 2014 Budget law introduced several changes in both direct and indirect taxation. Regarding direct taxation, key changes are the introduction of a partial tax exemption for reinvested earnings under corporate income tax, strengthening of the R&D tax incentive (SIFIDE II), and the introduction of tax benefits for restructuring. Notable changes to personal income tax include the revision of the simplified regime for the self-employed and entrepreneurs. As far as indirect taxation is concerned, the 2014 Budget law increased excise duties on beers and spirits.

In 2013, the government was authorised by the Parliament to introduce a financial transaction tax at the national level, however, this has not yet been done.

Main features of the tax system

Personal income tax

In Portugal, personal income tax (IRS) is levied on the aggregated base of six income categories. There is no personal allowance, but a single personal tax credit which is linked to the minimum wage and to the family situation of the taxpayer. Following the amendments introduced by the Budget law for 2013, the number of brackets was reduced from eight to five, and there has been a general increase of the average tax rates. The maximum marginal rate was increased to 48%, levied on an income over EUR 80 000. 'Unjustified' increases of personal income of more than EUR 100 000 are taxed at a special rate of 60%. A surcharge was decided in 2011 (in force as from 2013) and is levied at a rate of 3.5% on all aggregated categories of income subject to individual income tax. An additional solidarity surcharge, also introduced in 2011, has become progressive: as of 2013 the rate of 2.5% is applicable to taxpayers with a taxable income between EUR 80 000 and EUR 250 000, while a rate of 5% is applicable to taxpayers with a taxable income higher than EUR 250 000. For 2014 there were no significant changes.

Spouses living in a single household have to file a joint return including the aggregated family income. However, they benefit from an income-splitting relief.

Corporate taxation

The corporate taxation regime has been significantly reformed recently. As from January 2014, the top statutory rate is 23%, down from 25%. On taxable income up to EUR 15 000, small and medium-sized businesses are taxed at a reduced rate of 17%. There is a special taxation regime for small businesses which fulfil certain conditions

(e.g. maximum turnover of EUR 200 000). Under this regime, taxable amounts vary depending on the categories of income: for instance, corporate income tax is applied to a certain percentage (4%) of sales and services in the hotel and restaurant sector. Tax losses can be deducted up to 12 years. There is a participation exemption regime for capital gains and dividends, under certain conditions. International tax credits can be carried forward up to 5 years. As from 2014, the income of foreign permanent establishments of Portuguese companies is exempted from CIT. Portugal does not have a thin-capitalisation rule. There exists an allowance for corporate equity (ACE), with a notional rate of 5%. A state surtax of 3% is levied on corporate income between EUR 1.5 and 7.5 million, a 5% rate is levied on corporate income between EUR 7.5 million and 35 million and a 7% rate is levied on taxable profits surpassing EUR 35 million with effect from 1 January 2014.

VAT and excise duties

Since 2011, Portugal applies a standard rate of 23%, and reduced rate of 6% which applies to, amongst others, foodstuffs, the supply of water, and medical and pharmaceutical products. There is a parking rate of 13%, applied to wine, agricultural tools and utensils, and diesel used for agriculture. Special rates apply in the Azores and Madeira. Portugal introduced an optional cash accounting regime in 2013, according to which VAT is due when payments are made and not when invoices are issued.

In line with the 2012 budget Portugal introduced an excise duty on electricity consumption and increased the maximum rates of excise duties on petrol, spirit drinks, heating diesel and tobacco. The budget of 2013 increased again the maximum rates of excise duties on petrol, spirit drinks, heating and tobacco. The 2014 Budget law has increased excise duties on beer and spirits.

Wealth and real estate taxes

Currently, two property taxes are in force in Portugal: the municipal real estate tax (IMI) and the municipal real estate transfer tax (IMT). With effect from 1 January 2014 the base value for real estate property tax purposes is EUR 482.4 per square metre, taxed at a rate ranging from 0.3% to 0.5%. There is no net wealth tax. The gift and inheritance tax was abolished in 2004.

Local taxes

In addition to the taxes already mentioned, taxation at the local level also comprises a municipal tax on vehicles.

Social contributions

Employees pay contributions equal to 11% of their gross salary without any ceiling. The applicable social contributions rate for employers differs according to the employment

contract. In 2013, a rate of 23.75% applied to permanent contracts and 26.1% to fixed term contracts. For self-employed the contribution rate increased to 29.6% while employers have a contribution of 5% if benefiting from at least 80% of the self-employed activity. In 2010, the Portuguese government adopted measures for broadening the social contributions base and against tax evasion. In line with the 2013 Budget, a contribution rate of 5% on sickness subsidies and of 6% on unemployment subsidies and a solidarity contribution on pensions was introduced, ranging from 3.5% to 10% for pensions above EUR 1 350 and, cumulatively, from 15% to 40% for pensions above EUR 3 750.

Romania	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	12.2	11.3	11.6	12.3	11.7	12.9	12.8	12.6	12.0	11.0	12.1	13.2	13.4	16	17.6
VAT	6.5	6.2	7.1	7.2	6.7	8.1	7.9	8.1	7.9	6.6	7.6	8.7	8.5	9	11.2
Excise duties and consumption taxes	3.0	2.8	2.6	3.5	3.6	3.3	3.2	3.0	2.7	3.2	3.3	3.5	3.5	10	4.6
Other taxes on products (incl. import duties)	2.2	1.6	1.3	1.0	1.0	1.0	1.2	0.7	0.6	0.4	0.4	0.4	0.7	18	1.0
Other taxes on production	0.5	0.6	0.6	0.6	0.5	0.5	0.6	0.8	0.8	0.7	0.7	0.6	0.6	23	0.8
Direct taxes	7.0	6.4	5.8	6.0	6.4	5.3	6.0	6.7	6.7	6.5	6.1	6.2	6.1	25	8.0
Personal income	3.5	3.3	2.7	2.8	2.9	2.3	2.8	3.3	3.4	3.5	3.3	3.3	3.5	26	4.6
Corporate income	3.0	2.5	2.6	2.8	3.2	2.7	2.8	3.1	3.0	2.7	2.3	2.4	2.2	17	2.9
Other	0.6	0.5	0.4	0.3	0.3	0.3	0.3	0.4	0.3	0.4	0.5	0.5	0.5	21	0.6
Social contributions	11.1	10.9	10.7	9.4	9.1	9.6	9.7	9.7	9.3	9.4	8.6	9.0	8.8	21	11.6
Employers	8.1	7.1	6.5	6.2	5.9	6.4	6.3	6.2	6.0	5.9	5.5	5.7	5.7	18	7.5
Employees	3.0	3.8	4.2	3.1	3.0	3.0	3.3	3.3	3.2	3.3	2.9	2.9	2.9	16	3.8
Self- and non-employed	0.0	0.0	0.1	0.2	0.2	0.2	0.1	0.2	0.1	0.2	0.2	0.4	0.3	21	0.4
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	30.2	28.6	28.1	27.7	27.2	27.8	28.5	29.0	28.0	26.9	26.8	28.4	28.3	25	37.3
B. Structure by level of government	% of total taxation														
Central government	59.5	59.7	60.1	62.8	63.4	63.0	63.0	62.2	62.9	61.1	63.5	64.0	63.5	12	23.7
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	3.9	3.8	3.1	3.5	3.4	3.1	3.4	4.0	3.2	3.5	4.0	3.8	3.6	23	1.3
Social security funds	36.6	36.5	36.8	33.7	33.2	33.9	33.6	33.0	32.9	34.5	31.9	31.5	32.2	11	12.0
EU institutions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.9	0.9	0.8	0.7	0.7	0.7	n.a.	n.a.
C. Structure by economic function	% of GDP														
Consumption	11.5	10.6	10.9	11.5	11.1	12.3	12.1	11.8	11.2	10.3	11.3	12.6	12.8	10	16.8
Labour	13.2	12.9	12.3	11.1	10.7	11.0	11.6	11.8	11.6	11.8	11.1	11.2	11.3	27	14.9
Employed	13.2	12.8	12.3	11.1	10.7	11.0	11.5	11.8	11.5	11.6	10.9	11.0	11.1	26	14.6
Paid by employers	8.1	7.1	6.5	6.2	5.9	6.4	6.3	6.2	6.0	5.9	5.5	5.7	5.7	18	7.5
Paid by employees	5.2	5.7	5.9	4.9	4.8	4.6	5.2	5.6	5.4	5.7	5.4	5.3	5.4	26	7.1
Non-employed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.2	0.2	0.2	22	0.3
Capital	5.5	5.1	4.8	5.0	5.4	4.5	4.9	5.4	5.2	4.8	4.3	4.7	4.2	22	5.6
Capital and business income	4.3	3.9	3.8	4.0	4.5	3.6	3.9	4.2	4.2	3.8	3.2	3.6	3.3	21	4.3
Income of corporations	3.0	2.7	2.6	2.8	3.2	2.7	2.8	3.1	3.0	2.7	2.3	2.4	2.2	17	2.9
Income of households	1.2	1.1	1.0	0.9	1.0	0.6	0.7	0.8	0.9	0.9	0.6	0.7	0.7	13	0.9
Income of self-employed (incl. SSC)	0.1	0.2	0.2	0.3	0.4	0.3	0.3	0.4	0.3	0.3	0.3	0.6	0.4	25	0.6
Stocks of capital wealth	1.2	1.2	1.1	1.0	0.9	0.9	1.0	1.1	1.0	1.0	1.1	1.0	1.0	23	1.3
D. Environmental taxes	% of GDP														
Environmental taxes	3.4	2.4	2.1	2.4	2.4	2.0	1.9	2.1	1.8	1.9	2.0	1.9	1.9	24	2.6
Energy	3.2	1.9	1.7	2.0	2.1	1.8	1.7	1.7	1.4	1.6	1.8	1.7	1.7	19	2.3
of which transport fuel taxes	:	:	:	:	:	:	:	1.3	1.3	1.6	1.6	1.4	1.5	17	
Transport (excl. fuel)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.3	0.2	0.2	0.2	24	0.2
Pollution/resources	0.15	0.36	0.34	0.28	0.16	0.11	0.09	0.02	0.01	0.01	0.01	0.01	0.06	16	0.1
E. Property taxes	% of GDP														
Property taxes	0.7	0.7	0.7	0.7	0.7	0.7	0.8	1.0	0.8	0.8	0.8	0.8	0.8	19	1.0
Recurrent taxes on immovable property	0.5	0.6	0.5	0.5	0.5	0.5	0.6	0.7	0.6	0.6	0.7	0.7	0.6	15	0.8
Other property taxes	0.2	0.1	0.1	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.1	0.1	24	0.2
F. Implicit tax rates	%														
Consumption	17.0	15.6	16.2	17.7	16.4	17.9	17.8	18.0	17.7	16.9	18.1	20.3	20.9	15	
Labour employed	33.6	31.2	31.2	29.7	29.1	28.1	30.1	30.2	27.3	28.6	30.0	33.0	30.4	21	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:		
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:		
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:		
Households	:	:	:	:	:	:	:	:	:	:	:	:	:		
Real GDP growth (annual rate)	2.4	5.7	5.1	5.2	8.5	4.2	7.9	6.3	7.3	-6.6	-1.1	2.2	0.7		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Romania

Overall trends in taxation

Structure and development of tax revenues

The overall tax-to-GDP ratio of Romania was 28.3% in 2012, i.e. more than ten percentage points lower than the EU-28 weighted average (39.4%). The overall tax-to-GDP level in Romania continues to be the fourth lowest in the EU at a comparable level to that of Latvia (27.9%) and Bulgaria (27.9%).

The tax structure of Romania stands out in several respects. Romania continues to have the second highest reliance on indirect taxes in the EU. In 2012, indirect taxes accounted for 47.2% of total tax revenue compared with 34.5% for the EU-28 average, while the share of social contributions accounted for 31.2% (EU-28 32.4%) and direct taxes for only 21.6% (EU-28 33.4%).

Central government revenue forms more than half of the total (63.5%), while local government revenues are marginal, consisting of only 3.6%. The revenue received by social security funds accounts for 32.2%, just above the EU-28 average (32.0%). As a percentage of GDP, the revenues of the social security funds are 3.5 percentage points below the EU average, 9.1% versus 12.6%.

In 2013 the Romanian economy grew by 2.2%, while for 2014 a 2.1% growth rate is forecast. However, the fall in revenues in the first three quarters of 2013 prompted the Romanian government to increase the rate for certain existing taxes (mainly excises) and introduce a few new taxes.

Taxation of consumption, labour and capital; environmental taxation, property taxes

As Romania relies primarily on indirect taxation, revenue from consumption taxes is also slightly above the EU average. Following an upward trend, the ITR on consumption was 20.9% in 2012, 1.1 percentage points above the EU-28 average (19.9%).

The share of labour taxation is 11.3% of GDP. It first decreased by 2 percentage points between 2000 and 2011, and slightly recovered in 2012 by 0.1 percentage points. The EU-28 average registered a 0.3% recovery in 2012 compared to 2011. The ITR on labour was 30.4% in 2012, well below the EU average of 36.1%.

Taxation of capital is one of the lowest in the EU (ranking 22), yielding merely 4.2% of GDP as compared to the EU average of 8.2%. While the tax revenues from self-employed income represented 0.4% of GDP in 2012, the proceeds from corporate income taxation decreased continuously

from 3.1% of GDP in 2007 to 2.2% of GDP in 2012. ITRs on capital are not available.

Environmental tax revenue, which fell from 2.0% of GDP in 2010 to 1.9% of GDP in 2011 and 2012, lies well below the EU-28 average (2.4%) and is the fifth lowest in the EU. Most of this revenue is realised from energy taxes (1.7%), very little from pollution taxes and only 0.2% from taxation on transport (excluding fuel). The excise duty rates, however, have been increased in 2011 and in 2012.

Property tax revenues in relation to GDP in 2012 (0.8%) were well below the EU-28 average of 2.3%. The share of revenues from recurrent taxes on immovable property amounted to 0.6% of GDP (EU-28 1.5%).

Main recent reforms implemented, on-going or announced

Romania has recently implemented a new balance of payments pre-cautionary assistance programme with the EU that runs from July 2013 until the end of September 2015. In the second half of 2013 the tax administration was re-organised. The former National Customs Authority and the Financial Guard (with specific control and inspection competencies) were absorbed by the National Authority for Fiscal Administration, and eight regional directorates and a specialised Anti-Fraud department were created. The main objective is to boost the efficiency and effectiveness of the tax collection in the medium term.

As of 1 January 2013, the collection of the VAT is done upon payment, the new system involving delaying VAT chargeability and the right to deduct VAT. As of 1 September 2013, a reduced VAT rate of 9% is applied to bread, bakery products, bakery flour, wheat and rye, with the intention of combating tax evasion and fraud. Reverse charge mechanisms were introduced in 2013 in several sectors with a relatively high risk of VAT evasion and fraud (supply of energy to taxable persons, transactions with green certificates, purchase and sale of intermediate wood products). As of 1 January 2014, the cash accounting system became optional.

As of 1 February 2013, several amendments to the Tax Code were adopted: (i) the previously optional reduced tax rate of 3% on the gross income applicable to certain microenterprises became mandatory for any eligible microenterprise; (ii) a general anti-abuse rule was introduced; (iii) for the interest deductibility rules, a definition of a credit/loan was provided; (iv) expenses proved to be connected to corruption acts are not deductible, and (v) the taxable base for individuals was extended by including items of previously non-taxable income. As of 1 January 2014, unused tax credits for sponsorship and patronage expenses can be carried-forward for seven years. Tax incentives for R&D costs have increased from 20% to 50%.

The modification of the tax code in early 2013 aligned the excise duties for beer and fermented beverages with the

alcohol concentration as well as the production process and increased them for beer. Total excise duties on cigarettes will be increased yearly on 1 April until 2018. In 2018, the EU-minimum excise duty level will be reached. In order to avoid a possible loss of revenues, in November 2013 the government decided to adjust upwards the value in RON of excise duties with the consumer price index as of 1 January 2014. In addition, a further increase in excise duties of 7 eurocents/litre for unleaded petrol, leaded petrol, diesel and kerosene — used as motor fuel — foreseen for 1 January 2014, was postponed to 1 April 2014.

In the medium-term, several job-creation-oriented amendments are planned to be adopted among which: it is planned to replace the current flat rate system applied to salary income by a three-bracket system (8%; 12% and 16%) accompanied by tax deductions; a 5 percentage points cut of the social contribution paid by the employer (as of 1 July 2014) has been announced; in the future it is envisaged to broaden the base for social contributions paid by persons who derive income from independent activities; employers are to be exempt from the social contribution for a one year period if they create and maintain new job opportunities or exempt from tax on certain reinvested dividends. Also, a lump sum corporate tax was announced for income derived from activities defined by the law, mainly in certain services. Regarding environmental taxes, since 15 March 2013 a new 'environmental stamp' was introduced in order to differentiate car taxation based on CO₂ emissions. It shall be paid only once for the whole lifetime of the vehicle.

Main features of the tax system

Personal income tax

The Fiscal Code establishes a personal tax on salaries, income from independent activities, lease operations, dividends and interest each of which are currently levied at a rate of 16%. The 16% tax rate applies to the gains of individuals from: transfer of securities, currency sale purchase operations; income from the liquidation of a legal person; pension income; agricultural activities, forestry and pisciculture income; income from prizes; and income from other sources. For gambling income a 25% tax rate applies. In case of transfer of immovable property different tax rates apply depending on the period for which the property has been held and on the value of the immovable property (either 1%, 2% or 3%). Under the Romanian Fiscal Code for individuals the income from the holding and dealing of the state bonds and/or debentures issued by administrative territorial units (local authorities) is not regarded as taxable income. The tax incentives for collective savings for housing were cancelled.

Corporate taxation

Romanian corporate income tax follows the classical system: corporate profits are taxed at the company level and distributed profits are taxed again, by way of withholding, at the level of both corporate and individual shareholders, certain exceptions being applicable as regards corporate shareholders. The standard flat-tax rate is 16% (it was 25% before 2005). As of 1 February 2013, a reduced tax rate of 3% of gross income applies on a mandatory basis to all microenterprises. Capital gains are generally treated as ordinary business income and subject to the same rate. A minimum CIT applied in certain economic areas between 1 May 2009 and 1 October 2010 varying from RON 2 200 (EUR 550) to RON 43 000 (EUR 10 750) depending on gross income. Such a minimum CIT continues to apply in a few economic areas at 5% of gross income, if the tax to be paid is lower than the latter. Expenses incurred for business purposes are generally deductible, with all connected expenses for company vehicles used for both private and business purposes being deductible at 50% of their amount if their weight is below 3 500 kg, they have fewer than nine seats and are used only for passenger transport. However, all connected expenses for vehicles used for transportation of staff to and from work, such as courier services or car driving school services, are fully deductible from CIT. The same rules apply to self-employed individuals. For 2011 and 2012 the advance payment system is used where CIT is paid in advance by a trimester, adjusted by the consumer price index, on an annual basis. However, from 1 January 2013, most companies may opt to declare corporate income tax on an annual basis and pay advanced payments on a quarterly basis. Such an option must be maintained for at least two consecutive years. Previously suspended since April 2011, the certification of the annual tax returns by tax consultants became mandatory as of 1 January 2014. Early 2014, this obligation was turned into an option for the taxpayers. The presence or lack of it, shall constitute a selection criterion in the risk analysis of the tax administration with the view of auditing the taxpayer. Use of foreign tax credit is limited to the year when the foreign tax is paid. Non-deductible interest expenses and foreign exchange losses are allowed for carrying-forward until they are fully deductible, even when transferred following the reorganization of a company. Non-resident legal entities obtaining capital gains are allowed to consolidate the tax results of all their yearly transactions. Taxpayers can now opt for a tax year different from the calendar year. An ordinary tax credit is available for foreign-source income derived by a permanent establishment in Romania of a non-resident company situated in an EU or EEA country. A special tax regime applies as of 1 January 2014 for holding companies, exempting from taxation certain items of income such as dividends, capital gains on the sale of shares or income from the liquidation of a company. As of 1 January 2014, a new tax of 1.5% applies

on the book value of special constructions that were not already subject to local (property) taxes.

Taxation of non-residents

A new tax of 50 % on the income derived by non-residents from Romania is due if the income is paid in a state with whom Romania does not have a legal instrument for the exchange of information, and if the transaction is qualified as artificial. The 10% holding period in case of dividend payments made by a Romanian legal person to a EU legal person or to a PE in another EU country held by a EU legal person (for qualifying for the dividend exemption) was decreased from 2 years to 1 year.

VAT and excise duties

As of 2010, the standard VAT rate is 24%. A reduced rate of 9% applies to goods such as pharmaceutical products, medical equipment for disabled persons, books, newspapers, school manuals, admission to cultural services and accommodation and assimilated services and as of 1 September 2013 to bread, bakery products, bakery flour, wheat and rye. VAT exemptions without right of deduction apply to, among others, medical treatments, some educational and cultural activities, public postal services, certain banking and financial transactions, insurance and reinsurance. Romania applies harmonised excise duties on alcohol, tobacco, energy products and electricity, and is levying un-harmonised excises on coffee, beer and fermented beverages. From 1 September 2013 un-harmonised excises also apply to the purchase and sale of luxury products such as jewellery, cars with cylindrical capacity in excess of 3 000 cm³, yachts and other ships, sporting rifles and natural fur coats.

Wealth taxes, transaction taxes and local taxes

There are neither net wealth taxes nor gift or inheritance taxes in Romania. As a rule, no inheritance tax is due if the succession is finalised within two years. Should this fail, a 1 % tax is due on the taxable base of the inherited immovable property. Immovable property located in Romania is subject to a local building tax. The tax is levied at rates varying between 0.1 % for buildings owned by individuals and 0.25 % to 1.5 % for company-owned buildings. If an individual owns several buildings in addition to the one used as domicile, the local tax is increased by 65 % to 300 % for each next property (except for those obtained by way of legal succession); if the building has not been re-valued during the last three years, the rates for company owned buildings vary from 10 % to 20 %, and if it has not been re-valued during the last five years, from 30 % to 40 %. Land both inside and outside city limits is in general subject to local land tax. Following inflation correction for tax purposes, local taxes increased by approximately 20 % in 2010 and by approximately 16 % in 2013. The minimum level of local taxes established by the central government can be adjusted upwards by up to 20 % by decision of the local authorities. It is intended to remove this limitation regarding local taxes on natural persons.

Social contributions

Social contributions are payable at a combined rate for the employer and the employee. As of 1 February 2009, employees with normal working conditions must contribute at a rate of 10.5%, and employers at a rate of 20.8%. Higher rates for employers may apply in certain cases. In addition, employees and employers both contribute to the health insurance fund at 5.5% and 5.2% respectively and to the national unemployment fund at 0.5%. All social contributions are deductible for income tax purposes. The taxable base for statutory health insurance contributions was broadened by the inclusion of rental income, as of 1 January 2014.

Slovakia	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	12.5	11.3	11.4	11.9	12.3	12.6	11.5	11.4	10.8	10.7	10.4	10.9	10.2	28	7.3
VAT	7.0	7.2	7.0	7.5	7.8	7.9	7.5	6.7	6.9	6.7	6.3	6.8	6.1	27	4.3
Excise duties and consumption taxes	3.1	2.7	2.9	3.1	3.3	3.7	2.9	3.5	2.7	2.8	2.9	2.9	2.8	18	2.0
Other taxes on products (incl. import duties)	1.7	0.7	0.7	0.7	0.5	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	25	0.3
Other taxes on production	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.7	0.7	0.7	0.7	1.0	18	0.7
Direct taxes	7.4	7.5	7.1	7.1	6.1	6.0	6.1	6.2	6.5	5.5	5.4	5.5	5.6	26	4.0
Personal income	3.4	3.5	3.3	3.2	2.7	2.6	2.5	2.6	2.7	2.4	2.3	2.5	2.6	28	1.9
Corporate income	2.6	2.6	2.5	2.8	2.6	2.7	2.9	3.0	3.1	2.5	2.5	2.5	2.4	12	1.7
Other	1.5	1.4	1.3	1.2	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	19	0.4
Social contributions	14.1	14.3	14.6	13.8	13.1	12.6	11.7	11.7	11.8	12.5	12.3	12.3	12.5	11	8.9
Employers	9.1	8.9	8.9	8.4	7.6	7.0	6.3	6.3	6.6	6.8	6.9	6.7	6.8	12	4.8
Employees	2.9	3.0	3.0	2.8	2.9	3.0	2.8	2.8	2.8	3.0	3.2	2.9	3.0	14	2.1
Self- and non-employed	2.1	2.5	2.8	2.6	2.6	2.6	2.7	2.7	2.4	2.8	2.3	2.7	2.8	2	2.0
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	34.1	33.1	33.0	32.9	31.5	31.3	29.3	29.3	29.1	28.7	28.1	28.6	28.3	24	20.1
B. Structure by level of government	% of total taxation														
Central government	55.3	53.3	52.5	54.8	54.3	49.3	48.7	49.0	47.7	44.7	46.4	46.3	45.0	24	9.1
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	4.1	4.4	4.2	4.0	4.3	10.7	10.8	10.3	11.1	11.5	9.7	10.4	10.5	13	2.1
Social security funds	40.6	42.3	43.4	41.1	40.9	39.1	39.5	39.4	40.0	42.8	42.9	42.2	43.5	2	8.8
EU institutions	n.a.	n.a.	n.a.	n.a.	0.5	0.9	1.0	1.3	1.2	1.0	1.1	1.1	1.1	4	0.2
C. Structure by economic function	% of GDP														
Consumption	11.9	10.8	10.8	11.4	11.8	12.1	11.0	11.0	10.3	10.2	9.9	10.4	9.5	27	6.7
Labour	15.4	15.3	15.1	14.5	13.3	12.9	11.9	11.9	12.5	12.7	12.7	12.6	12.8	23	9.1
Employed	14.8	14.7	14.6	14.0	12.7	12.2	11.2	11.3	11.9	12.0	12.2	11.9	12.2	23	8.7
Paid by employers	9.1	8.9	8.9	8.4	7.6	7.0	6.3	6.3	6.6	6.8	6.9	6.7	6.8	13	4.8
Paid by employees	5.7	5.9	5.7	5.6	5.1	5.2	4.9	5.0	5.3	5.3	5.3	5.3	5.5	25	3.9
Non-employed	0.6	0.6	0.6	0.5	0.6	0.7	0.8	0.6	0.7	0.6	0.5	0.7	0.6	18	0.4
Capital	6.7	7.0	7.1	6.9	6.4	6.3	6.3	6.5	6.2	5.9	5.4	5.6	6.0	17	4.3
Capital and business income	5.7	6.0	6.1	6.0	5.5	5.4	5.5	5.7	5.5	5.0	4.6	4.8	4.9	12	3.5
Income of corporations	3.5	3.4	3.2	3.4	3.0	3.0	3.2	3.3	3.4	2.7	2.7	2.6	2.6	12	1.9
Income of households	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	27	0.0
Income of self-employed (incl. SSC)	1.9	2.3	2.6	2.4	2.4	2.3	2.3	2.3	2.0	2.2	1.8	2.1	2.3	8	1.6
Stocks of capital wealth	1.0	1.0	1.0	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	1.1	20	0.8
D. Environmental taxes	% of GDP														
Environmental taxes	2.2	2.0	2.2	2.4	2.5	2.4	2.3	2.1	2.0	2.0	1.9	1.9	1.8	26	1.2
Energy	2.0	1.7	1.9	2.2	2.2	2.1	2.0	1.8	1.8	1.7	1.6	1.6	1.5	24	1.1
of which transport fuel taxes	:	:	:	:	:	2.1	2.0	1.8	1.8	1.7	1.6	1.6	1.5	18	
Transport (excl. fuel)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	22	0.1
Pollution/resources	0.00	0.00	0.07	0.07	0.07	0.07	0.09	0.09	0.05	0.04	0.04	0.04	0.03	20	0.0
E. Property taxes	% of GDP														
Property taxes	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.7	21	0.5
Recurrent taxes on immovable property	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	19	0.3
Other property taxes	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	19	0.2
F. Implicit tax rates	%														
Consumption	21.3	18.4	18.7	20.3	20.8	21.5	19.5	19.9	18.3	17.0	17.4	18.3	16.7	26	
Labour employed	36.3	37.1	36.7	36.1	34.5	32.9	30.5	31.1	32.7	31.4	32.2	31.6	32.3	19	
Capital	22.3	21.5	22.5	22.5	18.9	18.8	17.5	17.2	16.5	16.6	14.8	15.7	16.7		
Capital and business income	18.9	18.5	19.4	19.4	16.2	16.1	15.2	15.1	14.4	14.3	12.6	13.4	13.8		
Corporations	40.2	32.5	34.4	34.8	22.6	23.3	20.3	19.8	21.8	21.8	18.5	17.7	18.2		
Households	10.0	11.4	12.5	11.8	11.9	11.6	11.2	11.1	8.9	9.7	8.1	9.7	10.4		
Real GDP growth (annual rate)	1.4	3.5	4.6	4.8	5.1	6.7	8.3	10.5	5.8	-4.9	4.4	3.0	1.8		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Slovakia

Overall trends in taxation

Structure and development of tax revenues

In Slovakia the overall tax burden (including social contributions) stood at 28.3% of GDP in 2012, a value markedly below the EU-28 average (39.4%). The tax-to-GDP ratio is the fifth lowest in the European Union, with only Latvia, Bulgaria, Romania, and Lithuania displaying lower ratios.

Indirect taxes raised 10.2% of GDP in 2012, 3.4 percentage points below the EU-28 average. Accounting for 36.1% of total tax receipts, they play a much more important role in Slovakia than direct taxes (19.7% of total revenues). Not surprisingly therefore, direct tax revenue is only 5.6% of GDP compared to a 13.2% EU-28 average. The share of SSC in total tax revenue was 44.2% in 2012 — the second highest value in the EU. The ratio of tax revenues from social contributions to GDP has decreased in recent years by 1.6 percentage points, from 14.1% in 2000 to 12.5% in 2012. It decreased from 2002 to 2007 but grew from 2008 onwards, while still not reaching the level of 2000. The decrease was mainly driven by the reduction of employers' social contributions and, since 2005–06, the introduction of a 'second pillar' fully funded pension scheme, as contributions to privately managed funds are not booked as government revenue.

The central government receives 45% of overall revenue, a comparatively low share, while social security funds receive most of the remainder; their share of revenue is the second highest in the Union after France. The proportion of tax receipts collected by local government increased markedly (from 4.3% in 2004 to 11.5% in 2009) due to the implementation of a new financing system for regional self-government from 1 January 2005. However it decreased in 2010 to 9.7% and reached 10.5% in 2012.

Slovakia's tax ratio has decreased significantly over the last decade. It stood at 40.3% of GDP in 1995, which was above the EU average, whereas the 28.3% of GDP in 2012 falls short of the EU-28 average by 11.1 percentage points.

Taxation of consumption, labour and capital; environmental taxation; property taxes

The taxation of consumption measured in relation to the final consumption expenditure of households (i.e. the implicit tax rate on consumption) stood at 16.7% in 2012. This value has dropped markedly compared to 2011 and is the third lowest in the EU after Spain and Greece. It places Slovakia 3.2 points below the EU-28 average. After an increasing phase in 2001–05, due to stronger excise duties and VAT revenues in response to changes in VAT rates, the Slovak

ITR on consumption started declining, but picked up again in 2010 and 2011. It dropped significantly in 2012 reaching its lowest value since 1995. The decline in consumption tax revenue in percentage of GDP can be mostly attributed to a significant VAT gap

The ratio of taxes on labour income to GDP stood at 12.8% in 2012, seven percentage points below the EU-28 average (20.1%). The ITR on labour in Slovakia has tended to decline over time in line with the decrease in tax levels, and has accelerated after the introduction of a 19% flat PIT rate in 2004. One should note, however, that the introduction of a second pillar pension scheme in 2005–06 also results, under our methodology, in a reduction of the ITR on labour, although payments to these funds have an impact on workers' disposable income which is analogous to traditional social contributions. In recent years the ITR followed an up-and-down pattern. The ITR on labour rose again in 2008 up to 32.7% following the increase in the social contribution ceilings, only to drop again in 2009 to 31.4% (EU-28 35.4%) due to the introduction of an employee tax credit and the increase in the PIT allowance, to reach in 2011 31.6% (EU-28 35.7%). It increased again in 2012 to 32.3% (EU-28 36.0%) following reduction of contributions to the fully funded pillar from 9% to 4% as of September 2012 and its temporary opening for opt in/out from September 2012 to January 2013.

The ratio of capital taxes has remained constant between 2005 and 2008 but over the next two years decreased by almost one percentage point to 5.4% of GDP in 2010, then rose to reach 6.0% in 2012. The drop of 0.5 percentage points from 2009 to 2010 was driven by the decrease in revenue from taxes on the income of the self-employed, probably due to lower revenue from social contributions paid by the self-employed and greater aggressive tax planning by this group. The relatively low contribution of taxes on capital to total tax revenue and the relatively high share of capital base on GDP are also reflected in the low ITR on capital, 16.7% in 2012. The fall of the ITR since 2000 is mainly driven by the progressive decrease in the corporate income tax rate since then. However, it increased in 2011 and 2012.

The ratio of environmental taxation stood at 1.8% of GDP in 2012, the third lowest value in the EU, 0.6 percentage points below the EU-28 average (2.4%). Revenues from environmental taxation have been declining since 2004 mainly due to shrinking receipts from energy taxation.

Property tax revenues to GDP in 2012 (0.7%) were well below EU average (EU-28 2.3%). They increased by EUR 0.2 billion compared to 2011 due to the introduction of the bank levy. Recurrent taxes on immovable property have remained constant since 2000 at the level of 0.4% of GDP (EU-28 1.5%).

Main recent reforms implemented, on-going or announced

Significant changes have been made to income and VAT taxation during 2013. They reflect on-going efforts to improve VAT collection and limit corporate tax avoidance. As from 1 January 2014, the corporate tax rate has been reduced to 22% following a 2013 increase from 19% to 23%. A minimum corporate tax has been introduced. There are new restrictions in carry forward of losses and extension of the categories of the income sourced in the Slovak Republic received by non-residents. In VAT, a requirement was introduced to submit a VAT control statement which will recapture all VAT transactions. It will be filed, together with the VAT return, in electronic format. The reverse charge mechanism was extended to include supplies of mobile phones and integrated circuits, specific agricultural crops and metals. At the same time, a reduction in the social contributions for employers and employees was introduced for hiring the long-term unemployed (for least 12 months) on low income.

Main features of the tax system

Personal income tax

The introduction of the 19% flat tax rate in 2004 superseded the previous system of progressive rates. The new tax law scrapped the majority of exceptions, exemptions and deductions. In 2009, an employee tax credit was introduced. It is a form of negative income tax which is paid to low income employees. As of 1 January 2011, the basic personal allowances could be claimed only with respect to aggregate income from employment, business activities and independent professional activities.

Amendments to the Income Tax Act with effect from 1 January 2013 reintroduced the progressive tax rates. The PIT base tax rate is 19% of aggregate income. The tax rate of 25% will be applied to the tax base exceeding 176.8 times the valid subsistence minimum at 1st January. For the year 2014 the threshold amount is up to EUR 35 022.31. Income of constitutional authorities from dependent activity is, in addition, subject to a special tax rate of 5%.

Income is defined broadly as any benefit in cash or in kind. Aggregate income includes income from employment, occupational pensions, business, rent, capital and other occasional activities. Capital gains are generally included in aggregate income with the exception of income from the sale of immovable property owned for at least five years; gains from the sale of movable property owned for at least five years; and gains from the sale of shares and other securities up to a total annual amount equal to five times the living minimum. There are two kinds of tax allowances: the basic allowance available to every taxpayer and the supplementary allowance for a spouse whose income, after deducting social contributions, is below the basic allowance

level. Since 2013, the spouse allowance is restricted to a spouse who takes care of a child up to 3 years old (or up to 6 years old if the child is disabled), or who receives a nursing allowance or is disabled or unemployed.

A final withholding tax of 19% is levied on income from participation certificates, vouchers and investment coupons; interest on bank deposits and current accounts; income from private life or pension insurance and payments from the supplementary pension insurance.

Corporate taxation

With effect from 1 January 2004 the corporate tax rate (CIT) was reduced from 25% to 19%. As of 1 January 2013 the tax rate was increased to 23% and as of 1 January 2014 decreased again to 22% as a joint measure with the introduction of a minimum corporate tax.

As from January 2004 the Slovak Republic has a single taxation system with respect to profits. Corporate profits are fully taxed at the company level. The profits distributed are no longer taxed either with corporate or individual shareholders (except health insurance contributions). Dividends paid out of profits derived are not subject to any other tax in the hands of the stakeholders.

Taxable income is calculated based on the income computed according to the accounting rules and is adjusted for several items for tax purposes. For depreciation purposes, a straight-line or a specific accelerated depreciation method may be used. Capital gains are included in the company's taxable ordinary income. Income from participation certificates and interest on corporate bonds, bearer deposit certificates, deposit accounts or current bank accounts are subject to a 19% withholding tax. This is treated as an advance payment of CIT and the income is included in the taxable corporate income of resident companies. No group taxation provisions exist. All entities are taxed separately. Profits and losses may not be shifted between affiliated companies.

As of 1 September 2012 a special levy is paid on business income in the following regulated sectors (rule of 50% revenues coming from regulated business): energy, insurance and re-insurance, public health insurance, electronic communications, pharmaceuticals, postal services, rail traffic, public water and sewer systems, air transport and health care services. The monthly rate of 0.363% applies to companies having licences in the regulated sectors if the profit from business in those sectors exceeds 50% of their total revenues and the annual expected profit is higher than EUR 3 million. The special levy was extended in 2013 and will apply until December 2016.

As of January 2014, Slovakia introduced a tax licence, the minimum tax for resident legal entities. There are three amounts of the minimum tax:

- small corporations that are not registered for VAT have a minimum CIT of EUR 480 annually;
- small corporations that are registered for VAT have a minimum CIT of EUR 960 annually;
- and large corporations with turnover above EUR 500 000 have a minimum CIT of EUR 2 880 annually.

The difference between the minimum tax and the tax calculated based on taxable income may be carried forward and deducted from tax liability up to 3 years. The minimum tax is reduced by half if at least 20 % of the taxpayer's employees are disabled. It does not apply to new companies in their first year of operation. Non-profit organizations as well as social enterprises specialising in employing disabled workers are exempt from minimum corporate income tax. The carry forward of losses has been reduced from 7 to 4 years. The maximum annual carry forward is capped at one-fourth of tax losses to be carried forward.

VAT and excise duties

As of 2004 a unified 19 % VAT rate was introduced for all goods and services and as of 2011 it is temporarily increased to 20 %. In 2007, a 10 % reduced rate was reintroduced, which is applicable to medicines, certain other medical and pharmaceutical products, and, since 2008, to books. A zero rate applies to postal, medical and social services, culture, financial services and supply of real estate.

Higher excise duties on natural gas are collected, and excise duties on electricity and coal were introduced as from July 2008 in application of the EU energy taxation directive. In January 2010 a reduction of the excise duties on diesel fuel was approved, which would bring diesel prices in line with those in Austria, but below those in Hungary and the Czech Republic. In 2011 only minor changes were introduced in the legislation relative to excise duties on alcohol, mineral oil, tobacco products, electricity, coal and natural gas. For excise duties on alcohol, a unique taxation was established, that depends on the percentage of alcohol in the final product.

Social contributions

In 2012, Slovakia simplified rules for social contributions. For the self-employed the base for calculating SSC was adjusted by increasing its minimum level. It will be broadened during the 2013–15 period by decreasing a coefficient that reduced the base previously. The possibility of deducting 40 % of expenses without any book-keeping to reduce the tax base was limited in nominal terms to EUR 5 040 per year or EUR 420 per month. The SSC were significantly increased for workers who have a regular income. Those with an irregular income will pay lower rates, and students, invalids and pensioners will benefit from exemptions.

Both employees and employers have to pay contributions for pension insurance (4 % and 14 % respectively), health insurance (4 % and 10 % respectively), disability insurance (both 3 %) and sick leave insurance (both 1.4 %), as well as unemployment insurance (both 1 %). Additionally, employers must pay 0.8 % of employees' wages for accident insurance, 4.75 % to a solidarity fund, and 0.25 % to the guarantee fund. A contributions ceiling applies to all types of insurance except accident insurance. Since 2013 is the monthly maximum assessment base for social and health insurance contributions unified at the level of 5 times average wage two years ago. Part of social contributions (four percentage points as of 1 September 2012, previously nine percentage points) is accumulated in private pension funds. As of 1 January 2011, non-monetary benefits to an employee, and income considered as taxable employment income, are also subject to social and health insurance contributions.

In addition, as of 1 January 2011 dividends are subject to health insurance contributions. Dividends for 2011 paid out in 2012 are first subject to HSC in 2013. As of 1 January 2013, the health insurance contributions from dividends are increased from 10 % to 14 % and withheld. From 1 January 2014, no separate maximum assessment base for health insurance contributions with respect to dividends applies. As a result, individuals with various types of income (e.g. employment income and dividends) for the tax year 2014 will pay health insurance contributions with a common maximum assessment base of EUR 48 300.

As of November 2013 temporary relief from contributions for the long-term unemployed was introduced. Targeted exemption for long-term unemployed workers from SSC, except for accident insurance (0.8 %) and guarantee insurance (0.25 %), is intended for a maximum period of one year. The relief is designed for the long-term unemployed who have been in the register of jobseekers for at least 12 months. Entitlements arise only in the case of an employment contract between an employee and an employer, with gross income up to 67 % of the average wage, and where the eligible employer has no arrears on SSC.

Other

In 2012, Slovakia introduced a registration tax on motor vehicles which is linked to the engine power of the vehicle. With effect from 1 January 2012, Slovak banks and branches of foreign banks operating in the Slovak Republic, established according to special legislation on banks, are subject to a bank levy. The amount of the levy is 0.1 % and is due on the 20th day of every calendar quarter. The levy is calculated over the bank's liabilities at the end of the previous calendar quarter (adjusted by certain items defined by law).

Slovenia	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	15.7	15.5	15.8	16.0	15.8	15.8	15.2	14.9	14.4	14.0	14.3	14.3	14.6	11	5.2
VAT	8.6	8.3	8.5	8.5	8.5	8.6	8.5	8.4	8.5	8.0	8.2	8.3	8.2	11	2.9
Excise duties and consumption taxes	3.0	3.4	3.4	3.4	3.4	3.3	3.3	3.3	3.3	4.1	4.3	4.2	4.5	3	1.6
Other taxes on products (incl. import duties)	1.8	1.3	1.3	1.3	1.1	0.9	0.9	1.1	1.0	0.8	0.8	0.8	0.8	17	0.3
Other taxes on production	2.3	2.5	2.5	2.8	2.8	2.9	2.5	2.1	1.6	1.0	1.0	1.0	1.0	16	0.4
Direct taxes	7.4	7.6	7.8	8.0	8.2	8.7	9.1	9.2	8.9	8.3	8.2	8.0	7.8	18	2.8
Personal income	5.6	5.7	5.7	5.7	5.7	5.5	5.7	5.5	5.8	5.8	5.7	5.7	5.8	17	2.1
Corporate income	1.2	1.3	1.6	1.7	1.9	2.8	3.0	3.2	2.5	1.8	1.9	1.7	1.3	27	0.4
Other	0.6	0.6	0.6	0.5	0.6	0.4	0.4	0.4	0.6	0.6	0.7	0.6	0.7	16	0.2
Social contributions	14.2	14.4	14.2	14.2	14.2	14.2	14.0	13.7	14.1	14.9	15.2	15.0	15.2	5	5.4
Employers	5.5	5.4	5.4	5.4	5.4	5.6	5.5	5.4	5.5	5.8	5.8	5.7	5.8	16	2.1
Employees	7.8	7.7	7.6	7.5	7.4	7.5	7.3	7.2	7.4	7.7	7.8	7.7	7.7	1	2.7
Self- and non-employed	1.0	1.3	1.3	1.3	1.4	1.2	1.2	1.1	1.1	1.4	1.5	1.6	1.7	9	0.6
Less: amounts assessed but unlikely to be collected	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0		
Total	37.3	37.5	37.8	38.0	38.1	38.6	38.3	37.7	37.3	37.2	37.7	37.2	37.6	12	13.3
B. Structure by level of government	% of total taxation														
Central government	55.1	54.6	55.4	55.6	55.2	55.5	55.3	54.0	52.9	49.6	48.5	48.5	48.1	22	6.4
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	7.3	7.4	7.4	7.6	7.6	7.4	7.7	9.1	8.9	10.0	10.9	10.8	11.1	12	1.5
Social security funds	37.6	38.0	37.2	36.8	36.8	36.4	36.2	35.9	37.2	39.6	39.8	39.8	40.0	6	5.3
EU institutions	n.a.	n.a.	n.a.	n.a.	0.4	0.7	0.8	1.1	1.0	0.8	0.8	0.9	0.8	13	0.1
C. Structure by economic function	% of GDP														
Consumption	13.8	13.3	13.7	13.7	13.5	13.4	13.2	13.2	13.4	13.6	14.0	13.9	14.2	6	5.0
Labour	20.2	20.8	20.5	20.6	20.6	20.4	20.0	18.9	19.1	19.5	19.6	19.4	19.7	10	7.0
Employed	19.9	20.0	19.8	19.8	19.8	19.8	19.4	18.3	18.5	18.7	18.8	18.5	18.7	10	6.6
Paid by employers	6.9	7.1	7.0	7.1	7.1	7.3	6.9	6.5	6.1	5.8	5.8	5.7	5.8	16	2.1
Paid by employees	12.9	13.0	12.8	12.7	12.7	12.5	12.5	11.8	12.4	12.9	12.9	12.8	12.9	4	4.5
Non-employed	0.4	0.7	0.7	0.8	0.9	0.7	0.7	0.6	0.6	0.8	0.9	1.0	1.0	16	0.4
Capital	3.3	3.4	3.7	3.7	4.1	4.9	5.2	5.7	4.9	4.2	4.2	3.9	3.7	25	1.3
Capital and business income	2.4	2.5	2.8	2.9	3.2	3.9	4.3	4.8	4.0	3.2	3.2	3.0	2.7	24	1.0
Income of corporations	1.2	1.3	1.6	1.7	1.9	2.8	3.0	3.2	2.5	1.8	1.9	1.7	1.3	27	0.4
Income of households	0.2	0.2	0.2	0.2	0.3	0.2	0.3	0.5	0.5	0.4	0.3	0.3	0.3	21	0.1
Income of self-employed (incl. SSC)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	15	0.4
Stocks of capital wealth	0.9	0.9	0.9	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	22	0.3
D. Environmental taxes	% of GDP														
Environmental taxes	2.9	3.2	3.3	3.3	3.3	3.2	3.0	3.0	3.0	3.6	3.6	3.4	3.8	2	1.3
Energy	2.3	2.6	2.6	2.4	2.5	2.4	2.3	2.3	2.3	2.9	3.0	2.8	3.1	1	1.1
of which transport fuel taxes	2.1	2.4	2.4	2.2	2.2	2.1	2.1	2.1	2.2	2.7	2.7	2.6	2.9	1	
Transport (excl. fuel)	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	17	0.1
Pollution/resources	0.22	0.20	0.27	0.39	0.34	0.35	0.27	0.24	0.23	0.22	0.23	0.23	0.31	3	0.1
E. Property taxes	% of GDP														
Property taxes	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	22	0.2
Recurrent taxes on immovable property	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	16	0.2
Other property taxes	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	25	0.0
F. Implicit tax rates	%														
Consumption	23.3	22.9	23.7	23.8	23.7	23.5	23.7	23.9	24.2	23.4	23.2	22.9	23.4	9	
Labour employed	37.6	37.5	37.7	37.8	37.6	37.6	37.3	35.9	35.9	35.1	35.0	35.3	35.6	12	
Capital	17.3	18.1	18.0	17.7	19.3	23.2	23.1	24.7	23.1	21.2	21.9	20.2	19.6		
Capital and business income	12.7	13.1	13.8	13.9	15.1	18.8	18.9	20.7	18.9	16.5	17.0	15.5	14.4		
Corporations	20.7	22.9	25.3	21.3	23.1	33.7	29.9	30.5	27.0	22.3	22.9	19.6	15.2		
Households	9.2	8.8	8.5	9.0	9.6	8.9	9.9	11.8	11.9	11.5	11.8	11.6	13.1		
Real GDP growth (annual rate)	4.3	2.9	3.8	2.9	4.4	4.0	5.8	7.0	3.4	-7.9	1.3	0.7	-2.5		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Slovenia

Overall trends in taxation

Structure and development of tax revenues

Slovenia's total tax-to-GDP ratio (including social contributions) amounted to 37.6% in 2012; a value below the EU average (39.4%) and the EA average (40.4%). Compared to its neighbours, Slovenia's tax ratio lies well below those of Italy (44.0%) and Austria (43.1%), and below that of Hungary's (39.2%), but is higher than Croatia's (35.7%).

The downward trend from 2003 in the share of indirect taxes in total taxation was reversed in 2010. In 2012, the share of 38.8% was above the EU average (34.5%). Social contributions, with a share of 40.5% of total tax revenue, the fourth highest in the Union, also play an important role. Employees' social contributions, measured as a percentage of GDP (7.7%), are the highest in the EU and counting almost double of the EU average (3.9%). Given the predominance of indirect taxes and social contributions, direct taxes, have experienced a downward trend since they peaked in 2007, yielding a low share of 20.8% of total taxes in 2012 (EU average is 33.4%).

Taxes collected by central government account for the largest part of total tax revenue (48.1%). Local governments collect 11.1% of total taxes which is equal the EU average (11.0%) and is 0.5 percentage points above the EA average (10.5%).

The total tax-to-GDP ratio has fluctuated within a narrow band ever since 2000. Several changes in the tax system have been enacted since 2005: the gradual decrease of the CIT rate, the phasing out of payroll taxes, the introduction of dual system in the PIT taxation, combined with a reduction of the top tax rate (see below for recent transitory regime), the number of tax brackets and the increase of the additional general allowances. As a result, in the period 2005–11, the total tax-to-GDP ratio dropped by 1.4 percentage points. However, the small decline was largely due to favourable economic conditions until 2008, as shown by the cyclically adjusted figures, and stable revenues from indirect taxes from 2008 to 2009 resulting from increasing excise duty rates. In 2012, the total tax-to-GDP ratio was up 0.4 percentage points on the previous year.

Taxation of consumption, labour and capital; environmental taxation; property taxes

At 14.2% of GDP in 2012, revenue from consumption taxes lies above the EU and euro area averages (11.2% and 10.8% of GDP, respectively). The ratio has remained relatively stable since 2000 and consequently the ITR has varied little overall, oscillating around 24% (23.4% in 2012).

In line with the overall constancy of taxation levels, the ITR on labour has remained quite stable in the period 2000–06 at around 37.5%. However, since then it dropped to arrive at a minimum of 35.0% in 2010 and is now slowly rising again, reaching 35.6% in 2012. The decrease could be explained by the government's efforts to unburden qualified workers (by reducing tax rates) and to enhance the incentives to work for low income earners (by increasing the additional general allowances). Given a relatively high level of employees' social contributions, the 2012 ITR on labour nevertheless still lies 0.5 percentage points below the EU average.

Revenues from taxes on capital were constantly increasing between 2000 and 2007 to peak at 5.7% of GDP. Since then, a rather sharp downward trend has led to a value of 3.7% in 2012. This development was mainly driven by the proceeds from corporate income taxation, which experienced an almost threefold increase in the period 2000–07 and a rapid decrease over the next five years dropping to 1.3% of GDP. The latter resulted from a gradual decrease of CIT rates, increase of tax incentives and unfavourable economic conditions. Consequently, both indicators remain significantly lower than their EU averages (8.2% and 2.6% of GDP respectively) in 2012. The ITR on corporate income at 15.2% is well below the EU averages (EU-28 21.1%, EA-18 22.1%), together with the overall ITR on capital (19.6%), which lies more than 10 percentage points below the EU-28 (31.0%) and euro area average (30.6%).

In 2012, environmental taxes represented 3.8% of GDP, the second highest in the EU. This share rose by 0.8 percentage points from a 3.0% value in 2006–08 mainly due to increasing revenues from excise duties on mineral oil and gas. As in most countries, taxes on energy account for the lion's share of environmental tax revenues, but they are also high in comparison with other Member States (Slovenia ranks first in the Union). Despite their lower absolute revenue, pollution/resource taxes are well developed in Slovenia, which ranks third highest in the EU.

Property tax revenues in relation to GDP in 2012 (0.6%) were well below the EU-28 average of 2.3%. The share of revenues from recurrent taxes on immovable property in 2012 amounted to 0.5% of GDP (EU-28 1.5%).

Main recent reforms implemented, on-going or announced

A fiscal rule has been introduced into the Constitution in May 2013. Tax related measures implemented in 2013 included an increase in VAT rates (the standard VAT rate was raised by 2 percentage points to reach 22%, and the lower VAT rate by 1 percentage point to reach 9.5%), and in excise duties. Amendments to PIT abolished tax allowances to certain groups of taxpayers (special relief for daily migrants, relief for the residents over 65 years of age) and stopped annual adjustment of personal allowances with the inflation rate (except if annual inflation exceeds 3%). The

gradual yearly reduction of the CIT rate, which was on-going in recent years, came to an end, and the CIT rate will (from 2013) remain at 17%. Financial Services Tax was introduced in March 2013 with tax rate 6.5% and is levied on financial services exempt from VAT under regulations governing the VAT and on services of insurance brokers and insurance agents. In June 2013, a new tax on lottery tickets was introduced as well. The tax base is the sale price of the lottery ticket. The tax rate is 10% of the tax base. On 1 January 2014, a new Real Estate Tax entered into force. The tax rates and the tax base, including temporary adjustments, are given below. An increased tax rate of 70% for undeclared taxable income has been introduced with the amendments of the Tax Procedure Law which applies from 1 January 2014. The tax base is set as any difference in declared and additionally assessed income within the period examined. The assessment period for undeclared income is extended to 10 years.

Main features of the tax system

Personal income tax

A reform launched in 2005 introduced a differentiation in the taxation of individual incomes according to their character: 'active' income is taxed at progressive rates applied to the annual tax base, while 'passive' income (i.e. income from interest, dividends and capital gains) is taxed at a flat rate, as in dual income systems. In 2006, the number of PIT brackets was reduced from five to three and the top tax rate from 50% to 41%. For 2013 and 2014, an additional tax bracket with a rate of 50% is introduced on a temporary basis. The scheduler taxation of 'passive' income which remained at a single 20% rate since the reform has increased to 25% and applies to income received or realized as from 1 January 2013. In addition, the tax rate on profits from derivative instruments was increased from 20% to 25%, and is applicable to profits realized after 1 January 2013. The tax rate declines with the period of holding. Rental income from immovable and movable property is taxed at a proportional rate of 25%. Personal income tax is levied at central government level, with a part of the revenues being attributed to municipalities. Net 'active' income is taxed according to a progressive rate with three brackets: 16%, 27% and 41%. The top rate applies to income above EUR 18 960.28. During 2013 and 2014, taxable income above EUR 70 907.20 will be taxed at a rate of 50% because of the additional temporary tax bracket. Each individual is taxed separately. There are general allowances ranging, in 2014 from EUR 3 302.70 to EUR 6 519.82 and special allowances for students, disabled persons, as well as family allowances for every dependent child, etc. A tax credit limited to 13.5% of the income is granted to pensioners and recipients of compensations for occupational disability. Dividends, interest and capital gains as well as rental income ('passive' income) are taxed according to a 25% flat rate for income received or realized

after 1 January 2013; the rate for capital gains is reduced progressively by 10 points after the first five years and then by five points every five years of the holding period. Under certain conditions personal business income may be taxed on a scheduled basis using a lump-sum deduction regime (the tax base is determined on the basis of lump-sum costs accounting for 70% of income). The tax rate is 20%. The tax is treated as a final tax for residents and non-residents alike.

Corporate taxation

The corporate tax rate has been gradually reduced from 25% in 2006 to 17% in 2013. A special rate of 0% is applicable for investment funds, pension funds, insurance undertakings for pension plans and venture capital companies. Since 2008, qualifying taxpayers may opt to pay a tonnage tax instead of paying income tax under general rules, insofar as they render international maritime services using vessels of more than 100 gross tonnes each. Companies may carry forward losses indefinitely. From 1 January 2013, onwards the use of retained tax losses is limited to a maximum of 50% of the actual tax base. Loss carry back is not allowed. There are depreciation allowances, for example, at a maximum rate of 3% on building projects (including investment property), 20% on equipment, vehicles and machinery, and 50% on computers and computer equipment. The taxable base is calculated following accounting principles for business. Thin capitalization rules have been changed with effect from 1 January 2014. The definition of related parties for thin capitalization purposes now includes 'sister' companies. In order to calculate the thin capitalization ratio, equity capital now includes all categories of equity according to accounting standards, with the exception of net profit or loss for the business year. Regarding incentives, as of 1 January 2012, a taxable person may claim a reduction of the taxable base of 100% of the amount invested in R&D during the period, which cannot exceed the amount of the taxable base; companies may also apply for an investment allowance equal to 40% of the amount invested in eligible equipment and intangible assets, up to the amount of the taxable base. Other incentives are in place for the employment of disabled persons as well as for establishment in a special economic zone. As of 2010, taxpayers employing a person younger than 26 or older than 55 years, who had been registered with the employment service of Slovenia as unemployed for at least six months prior to employment, may apply for a tax allowance of 45% of the salary of such an employee. This allowance can be applied over a period of 24 months. The dividend withholding tax rate is 15% (unless a Double Taxation Treaty specifies otherwise). With effect from 1 August 2011, a tax has been levied on the assets of banks. The tax is applicable to Slovenian banks and to branches of non-resident banks located in Slovenia.

VAT and excise duties

VAT was introduced on 1 July 1999 replacing the previous General Sales Tax. The current rate is 22%. The reduced rate of 9.5% applies to the supply of goods and services including, inter alia, books, food, agricultural and pharmaceutical products, and certain services provided at the local level. Subject to several conditions the flat rate of 8% applies to the sale by farmers of certain agricultural products deriving from farming and forestry activities. Excise duties are regulated by the Excise Duty Act, which transposes EU legislation in this area. Excise duties are levied on tobacco products, alcohol and alcoholic beverages, oil, gas, coke, coal and electricity (since 2007). Excise duties increased in 2011 and 2012 for tobacco products (cigarettes and fine-cut tobacco), alcohol, gasoline, diesel and light fuel oil, with further increase of excise duties on tobacco products (cigarettes, fine-cut tobacco) and gasoline, diesel and light fuel oil in 2013.

Wealth and transaction taxes

A new real estate tax came into force in 2014 and has replaced four existing levies: the current charge for the use of building lands, the property tax, fees for the maintenance of forest roads, and the tax on real estate of higher value. The rates are the following: 0.15% for residential buildings; 0.75% for commercial and industrial real estate; 0.50% for non-occupied buildings and building land; for residential and non-residential buildings with a value above EUR 500 000 the tax rate increases by 0.25 percentage points; 0.50% for unregistered residential buildings (for other illegal buildings the tax rate is multiplied by 3). The tax base is the generalized market value of the real estate, established through the mass valuation system and attributed to the register of

real estate. For 2014, the value of residential buildings will be decreased to 80% and for 2015 to 90%. The taxpayers are the owners, persons having a usufruct and lessees (in the event of financial lease). If real estate is owned by a state or municipality, the manager of the real estate is the taxpayer. Inheritance and gift tax is levied at progressive rates, ranging from 5% to 39%, depending on the relationship between the deceased/donor and the beneficiary and the amounts involved. Spouses and all direct descendants are exempt. Tax on the transfer of immoveable property is levied on the selling price of real property at a rate of 2% if VAT on the transaction was not charged (exemptions for certain types of immoveable property apply). The Financial Services Tax Act introduced in 2013 set a liability to pay tax on those financial services that are exempt from VAT according to current regulations governing the VAT and services performed by insurance brokers and insurance agents. The basis for the tax is determined by the fee (compensation) received by the taxable person as the payment for the performed financial service. The tax rate is 6.5% of the tax base.

Social contributions

Social contributions cover pension, health, unemployment insurance and maternity leave. Employees contribute 22.1% of their total gross wage, of which pension insurance (15.5%) is the largest amount. Social contributions are also payable by employers on behalf of their employees (the total rate paid by employers is 16.1%). The taxable base for both the employer and the employee is the amount of the gross wage, which includes gross leave pay, fringe benefits and remuneration of expenses related to work above a certain threshold. Contributions are deductible both from CIT and PIT.

Spain	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (¹)	€ bn
Indirect taxes	12.0	11.6	11.6	11.8	12.2	12.7	12.8	11.9	10.1	9.1	10.7	10.3	10.7	27	110.2
VAT	6.2	6.0	5.8	6.0	6.2	6.5	6.5	6.0	5.1	4.1	5.6	5.4	5.5	28	57.1
Excise duties and consumption taxes	2.6	2.5	2.5	2.5	2.5	2.4	2.2	2.2	2.2	2.2	2.3	2.2	2.2	27	22.2
Other taxes on products (incl. import duties)	1.9	1.9	2.0	2.3	2.5	2.8	2.9	2.6	1.7	1.4	1.4	1.2	1.1	14	11.5
Other taxes on production	1.2	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.1	1.3	1.4	1.5	1.9	8	19.5
Direct taxes	10.6	10.5	11.0	10.4	10.8	11.5	12.3	13.5	11.1	10.0	10.0	10.0	10.6	15	109.3
Personal income	6.7	6.8	7.0	6.4	6.5	6.7	7.2	7.8	7.3	7.1	7.4	7.6	7.7	12	79.7
Corporate income	3.1	2.9	3.2	3.2	3.5	3.9	4.2	4.8	2.8	2.3	1.9	1.8	2.2	18	22.2
Other	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.7	0.7	0.6	0.7	15	7.3
Social contributions	12.0	12.2	12.1	12.2	12.1	12.1	12.1	12.2	12.3	12.4	12.4	12.3	12.0	13	123.2
Employers	8.7	8.8	8.8	8.8	8.8	8.8	8.8	8.9	8.9	8.7	8.7	8.5	8.4	7	86.5
Employees	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	2.0	2.0	1.9	2.1	1.7	24	17.8
Self- and non-employed	1.4	1.4	1.4	1.4	1.5	1.4	1.4	1.4	1.5	1.8	1.8	1.7	1.8	8	18.8
Less: amounts assessed but unlikely to be collected	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.5	0.6	0.9	0.8	0.8	0.8		
Total	34.1	33.7	34.1	33.9	34.8	35.9	36.8	37.1	32.9	30.7	32.2	31.8	32.5	19	334.8
B. Structure by level of government	% of total taxation														
Central government	47.8	47.5	37.8	35.6	35.3	36.0	36.6	37.2	31.2	26.7	34.5	29.1	21.6	28	72.3
State government (²)	7.7	7.5	18.3	20.3	21.4	21.8	21.9	21.4	22.5	23.7	18.2	23.2	32.4	1	108.5
Local government	9.1	8.9	8.6	8.4	8.7	8.7	8.8	8.7	9.2	9.5	9.5	9.6	9.9	14	33.0
Social security funds	33.8	34.6	34.1	34.6	33.7	32.6	31.8	31.8	36.2	39.1	37.1	37.1	35.3	9	118.2
EU institutions	1.7	1.5	1.1	1.1	0.8	1.0	0.9	0.9	0.9	0.9	0.7	1.1	0.8	12	2.8
C. Structure by economic function	% of GDP														
Consumption	10.0	9.6	9.5	9.6	9.7	10.0	9.9	9.3	8.2	7.3	8.8	8.5	8.6	28	88.6
Labour	15.8	16.2	16.4	16.0	16.1	16.2	16.4	17.0	17.0	17.0	17.4	17.5	17.2	14	177.4
Employed	15.1	15.5	15.7	15.3	15.3	15.4	15.6	16.1	16.0	15.7	16.0	16.0	15.7	15	161.9
Paid by employers	8.7	8.8	8.8	8.8	8.8	8.8	8.8	8.9	8.9	8.7	8.7	8.5	8.4	9	86.5
Paid by employees	6.5	6.6	6.8	6.4	6.5	6.6	6.8	7.3	7.2	7.1	7.4	7.6	7.3	19	75.3
Non-employed	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	1.0	1.3	1.4	1.5	1.5	12	15.5
Capital	8.9	8.4	8.8	8.8	9.4	10.2	10.9	11.3	8.3	7.3	6.8	6.6	7.5	10	76.7
Capital and business income	6.1	5.6	5.9	5.8	6.1	6.6	7.1	7.8	5.5	4.8	4.3	4.2	4.6	15	47.8
Income of corporations	3.1	2.9	3.2	3.2	3.5	3.9	4.2	4.8	2.8	2.3	1.9	1.8	2.2	18	22.2
Income of households	0.9	0.8	0.8	0.7	0.7	0.8	1.1	1.2	1.0	0.9	0.8	0.8	0.8	10	8.5
Income of self-employed (incl. SSC)	2.0	2.0	1.9	1.9	1.9	1.8	1.8	1.9	1.7	1.6	1.6	1.6	1.7	11	17.0
Stocks of capital wealth	2.8	2.8	2.9	3.0	3.3	3.6	3.8	3.6	2.8	2.5	2.6	2.4	2.8	7	28.9
D. Environmental taxes	% of GDP														
Environmental taxes	2.2	2.1	2.1	2.1	2.0	1.9	1.9	1.8	1.7	1.7	1.7	1.6	1.6	28	16.2
Energy	1.7	1.7	1.7	1.6	1.6	1.5	1.4	1.4	1.3	1.3	1.4	1.3	1.3	28	13.1
of which transport fuel taxes	1.5	1.4	1.5	1.4	1.4	1.3	1.2	1.2	1.1	1.1	1.1	1.1	1.0	27	
Transport (excl. fuel)	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	20	2.7
Pollution/resources	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01	0.02	0.03	19	0.4
E. Property taxes	% of GDP														
Property taxes	2.2	2.2	2.3	2.5	2.8	3.1	3.3	3.1	2.4	2.1	2.2	2.0	2.2	6	22.3
Recurrent taxes on immovable property	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.9	1.0	1.0	1.2	8	11.9
Other property taxes	1.5	1.5	1.6	1.9	2.1	2.4	2.6	2.3	1.6	1.2	1.2	1.0	1.0	5	10.4
F. Implicit tax rates	%														
Consumption	15.8	15.4	15.5	15.9	16.1	16.7	16.6	15.7	13.9	12.5	14.8	14.1	14.0	28	
Labour employed	30.5	31.4	32.1	31.6	32.0	32.4	32.9	33.7	32.4	31.4	32.6	32.9	33.5	16	
Capital	29.3	27.8	29.1	29.6	32.1	35.5	39.4	41.6	30.7	26.3	25.0	24.1	25.3		
Capital and business income	20.0	18.7	19.5	19.4	20.9	22.9	25.6	28.6	20.5	17.3	15.6	15.3	15.7		
Corporations	28.8	26.8	28.8	29.4	33.4	39.8	45.7	55.3	31.0	21.7	16.9	16.8	17.8		
Households	14.0	13.4	13.3	12.6	12.7	12.8	14.1	14.6	13.4	12.8	13.1	12.9	13.0		
Real GDP growth (annual rate)	5.0	3.7	2.7	3.1	3.3	3.6	4.1	3.5	0.9	-3.8	-0.2	0.1	-1.6		

(¹) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Spain

Overall trends in taxation

Structure and development of tax revenues

In 2012, the tax-to-GDP ratio in Spain amounted to a 32.5 % of GDP. This value ranks 19th in the EU.

Spain revenues collection in 2012 from social contributions, direct taxes and indirect taxes are respectively 12.0 %, 10.6 % and 10.7 % of GDP. In the EU Spain ranks 27th in terms of indirect taxes collection as a % of GDP, although the standard VAT rate was increased twice in recent years: from 16 % to 18 % (effective as of 1 July 2010) and later from 18 % to 21 % (effective as of 1 September 2012). The main reason of low collection is due to sluggish domestic consumption and imports. However, compared to the previous year, the share of VAT revenues in GDP increased from 5.4 % in 2011 to 5.5 % in 2012. The share of VAT in GDP remained in 2012 the lowest among Member States, while the share of excise duties in GDP (which amounted to 2.2. % in both 2011 and 2012) ranks 27th among the Member States. The shares of direct taxes and social contributions in GDP are both in the midrange of the EU-28 average. The decline in tax revenues from direct taxation is mainly due to the continued drop in tax on corporate income. The impact of the economic crisis on this type of tax revenues was bigger in Spain than in other Member States; tax revenues on corporate income fell continuously from 4.8 % in 2007 to only 1.8 % in 2011, though 2012 shows a slight increase to 2.2 % (EU-28: from 3.3 % in 2007 to 2.5 % in 2011, but was relatively stable between 2009 and 2011). Social contributions have remained impressively stable, with the lion's share of the burden resting on employers, though 2012 shows a slight decrease from 12.3 % to 12.0 %.

Spain has a quasi-federal tax system, with three levels of government. Traditionally, the central government and the social security funds used to collect the majority of the revenues. Since the reform of the financing system of the regions (*Comunidades Autónomas*, labelled 'State government' in this report) in 1997, the share of regional taxes as a percentage of total taxation practically quintupled from less than 5 % in 1995 up to 23.7 % in 2009. Due to changes in the financing system of the regional governments in 2010, the share of State governments increased to 32.4 % in 2012, which is the highest rate among EU countries with a similar federal structure. This was accompanied by an important reduction of the Central government share (21.6 % in 2012). The sharp fall in tax revenues — mainly Central government tax revenues — as a result of the economic crisis, has provoked a marked relative increase in the share of social security funds (35.3 % in 2012 compared to 31.8 % in 2007). Still, the share of social security funds in 2012 has

diminished as compared with the preceding years (37.1 % in 2011 and 2010, 39.1 % in 2009, and 36.2 % in 2008).

Between 2000 and 2007, Spain enjoyed a booming economy, with annual growth rates between 2.7 % and 5 %, boosting tax revenues until 2007. Coming from a low level compared to EU-28, the total tax-to-GDP ratio in Spain peaked in 2007 at 37.1 %, 2.2 percentage points below the EU-28 average (39.3 %). During the years after, Spain experienced a strong impact from the economic crisis; GDP growth crashed from an increase of 3.5 % in 2007, to a 3.8 % fall in 2009. In 2011 there was a weak recovery of 0.1 %, and in 2012 again a fall of 1.6 %. Tax revenues dropped from a high of 37.1 % of GDP in 2007, to a new low of only 30.7 % in 2009, increasing to 31.8 % in 2011 and 32.5 % in 2012. The steep decline of more than 4.5 percentage points between 2007 and 2012 compares to an increase of 0.1 % of tax revenues at the level of EU-28. This implies that, after having approached the EU-28 average in 2007, in 2012 the total tax ratio in Spain is now again almost 6.9 percentage points lower than the EU-28 weighted average.

Taxation of consumption, labour and capital; environmental taxation; property taxes

After the plunge in the ratio of consumption taxes in proportion to GDP from 10 % in 2005 to 7.3 % in 2009, this share recovered to 8.8 % in 2010, decreased to 8.5 % in 2011 and was 8.6 % in 2012. This remains the lowest level in the EU-28 (11.2 % EU-28 average). The implicit tax rate on consumption increased from 12.5 % in 2009 to 14.8 % in 2010, decreasing to 14.1 % in 2011, and decreasing again to 14.0 % in 2012: it continues to be the lowest in the Union. The ratio of taxes on labour income to GDP stood at 17.2 % in 2012, 2.9 percentage points below the EU-28 average (20.1 %). Throughout the years 2000–11, Spain has displayed an average implicit tax rate (ITR) on labour that ranks slightly below the EU-28; although this difference has fluctuated, the clear trend has been a reduction, from 5.7 percentage points in 2000 to around 2.5 percentage points in 2012. It now stands at 33.5 %.

While the ratio of capital taxes to GDP has increased slowly during the previous two decades until 2007, it had since dropped very quickly as a consequence of the economic crisis from 11.3 % in 2007 to only 6.6 % in 2011 — a share last seen in the early 1990s — though 2012 shows a recovery to 7.5 %. The sharp decline in the last years is all due to a drop in tax collection on income of corporations, and on stocks of capital and wealth; with the 2012 increase also related to the evolution of these two indexes. Similarly, the Implicit Tax Rates on capital experienced a large decline from a peak of 41.6 % in 2007 to 26.3 % in 2009, which continued until 2012 when the rate dropped to 25.3 %. The Implicit Tax Rates on corporations collapsed from 55.3 % in 2007 to 17.8 % in 2012 in spite of a slight increase of 1 percentage point in the last year of this series, partly due to the cut in

Corporate Income Tax rates, and partly to lower taxable profits and capital gains (not included in the denominator of ITR on corporations) following the economic crisis. Environmental taxation remained constant albeit at the lowest in the EU-28 (1.6% of GDP, far below the average in the EU-28 of 2.4%). As in the majority of Member States, it is mostly concentrated on energy (1.3% of GDP). Property tax revenues to GDP in 2012 (2.2%) were in line with the EU-28 average of 2.3%. The share of revenues from recurrent taxes on immovable property amounted to 1.2% of GDP (EU-28 1.5%).

Main recent reforms implemented, on-going or announced

Since 2008, several measures have been taken to alleviate the consequences of the financial and economic crisis. In 2013, fiscal consolidation and economic incentives have continued to drive tax initiatives. The tax increases have affected income taxes and excise duties rates, after the significant changes which took place in the field of VAT (and also excise duties) in 2012. In the PIT, the complementary levies have been extended to 2014. In corporate tax, the ceilings to: offset losses, deduct goodwill, depreciate intangible assets and apply deductions for investments have been extended to 2014. In addition, the depreciation of shares and losses from foreign permanent establishments will not be deductible. Concerning the economic stimulus, the following measures have been adopted: the reduced rate for smaller companies linked to employment is extended to 2014; the tax credit for the induction of employees in new technologies is extended to 2014; the deduction for research, development and innovation has been increased and improved with the right to recover its excess over the tax liability; the tax credit for investment in films is maintained for an indefinite period; new incentives for business angels have been introduced (deduction of 20% of investment in shares in new companies and exemption of capital gains deriving from their transfer); reduction of CIT tax rates and of 20% of net income in PIT for new companies during the first two years; deduction of 10% of reinvested profits for SMEs; exemption in PIT of lump sum unemployment benefits where reinvested in labour companies or cooperatives for associated work; and extension of the tax credit in CIT for entrepreneurs hiring new workers.

Main features of the tax system

Personal income tax

Since 2007, the PIT scale applicable to the general component of taxable income has four brackets (24%, 28%, 37%, 43%). In January 2011, the government introduced two additional tax bands/rates for taxpayers over EUR 120 000 (45%) and EUR 175 000 (47%). Furthermore, in January 2012 the government introduced a temporary

supplementary progressive levy (covering years 2012, 2013 and 2014) applied to each tax band of the general government tax base, which now implies the existence of seven brackets (24.75%, 30%, 40%, 47%, 50%, 53% and 54%). The top PIT rate refers to income above EUR 300 000. Since 2011 regional governments are liable to set up their own PIT schedule to tax the general income tax base. Employment income enjoys a reduction of EUR 4 080 for net income equal or below EUR 9 180, which decreases progressively for higher amounts to a minimum of EUR 2 652 for net income over EUR 13 260. As a general rule, personal and family allowances are included in the first income bracket, which is taxed at a zero rate. Also, savings and capital gains will be taxed during 2012, 2013 and 2014 under a progressive tax schedule with three brackets of 21% on the first EUR 6 000, 25% up to EUR 24 000, and 27% on income above (in 2011, they were taxed at 19% on the first EUR 6 000, and 21% on income above). In the context of measures taken to alleviate the consequences of the global financial crisis, since 2013: capital gains and losses produced in less than a year are taxed under the general progressive scale and lottery prizes over EUR 2 500 are subject to tax for the first time at a special charge of 20%; and the tax credit of EUR 400 to working and self-employed taxpayers to support household purchasing power was phased-out in 2010, except for low income taxpayers under EUR 12 000. As from January 2013, the tax credit for the acquisition or restoration of the taxpayer's primary residence has been abolished, though acquisitions prior to that date will still enjoy it. Similarly, individual entrepreneurs may deduct 20% of their positive net income for the first two years from new entrepreneurial activities, and an exemption for lump-sum unemployment benefits is granted to those making use of such income to carry out self-employment activities during at least 5 years.

Corporate taxation

The tax rate is 30% (35% for entities engaging in oil exploration, research, and exploitation). The annual turnover threshold to qualify as a small or medium sized enterprise (SMEs) is EUR 10 million. SMEs enjoy a reduced rate of 25% for the tax base up to EUR 300 000. Throughout 2011–14, companies with less than 25 employees and a turnover below EUR 5 million are taxed on their annual profits below EUR 300 000 at 20%, and above this threshold are taxed at 25%. Companies that do no longer qualify as SME will nevertheless be able to apply the regime for three years following the loss for the SME qualification. Since 2012, the net financial costs of a group of companies, or those incurred with associated companies (20% shareholding), are deductible with a limit of 30% of the operating profit, subject to a minimum deduction of net financial costs incurred of EUR 1 million. During 2013 and 2014, the tax depreciation for large companies is limited to 70% of the deductible amount, the amount of negative tax bases allowed to be carried forward has been reduced, and the CIT prepayments

increased. Some tax credits are to be gradually phased out by 2011, 2012 or 2014. The rules regarding tax credits for reinvestment have also been revised, in particular with reference to the kind of assets involved. Finally, the R&D and technological innovation tax credit and the Patent Box scheme have been enhanced. New corporate start-ups (since January 2013) will be subject to a 15% tax rate on their annual profits under EUR 300 000, and 20% on the excess as of the first and second year in which profits arise.

VAT and excise duties

The standard VAT rate in 2014 is 21%. Two reduced rates of 10% and 4% apply to specific categories of goods and services. As of 2014 VAT taxpayers with a turnover not exceeding EUR 2 million would be able to opt for a special VAT cash accounting regime, under which they would pay VAT due on sales only once they have received payment of an invoice from their customer, and they would claim VAT on supplier's invoices when they have paid them.

Regarding excise duties, as of June 2013 the excise taxes (levied at lump-sum rates) on alcohol and alcoholic drinks are increased by approximately 10%. The increase does not apply to beer or wine. Tobacco excise duties are also increased. The lump-sum rate applicable to cigarettes is increased to EUR 24.10 (from EUR 19.10) per 1 000 units; however the *ad valorem* rate is reduced to 51% (from 53.1%). The minimum tax is increased to EUR 128.65 (from EUR 123.97) on every 1 000 cigarettes.

In 2013 three new taxes became effective: a tax on the sale of electric energy, a nuclear tax and a tax on the storage of radioactive waste. Further, a new tax has been created on fluorinated greenhouse gases, which will apply as from 1 January 2014. A transitional regime will apply for tax years 2014 and 2015 (as well as in 2016 for certain products).

Wealth and transaction taxes

Inheritance and gift taxes are levied on behalf of the 17 autonomous regions, which set their own tax rates within certain limits. A tax on wealth transfers applies to rights and assets located in Spain. Since December 2010, a stamp duty exemption applies in case of company formation, capital raising, partner contributions, and when Head Offices from countries outside the EU are being moved to Spain. For the transfer of real estate, this tax is levied depending on the Autonomous Community where the land is located. If no specific rate is set, a 6% rate is levied on the value of real estate. Spain restored temporarily the wealth tax for 2011, 2012, 2013 and 2014, with two main changes compared to the former version: The value up to which dwelling houses are exempt was doubled up to a value of EUR 300 000, and the general tax-free amount increased from around EUR 108 000 to EUR 700 000.

Local taxes

Since 2009, about 90% of all autonomous communities' resources come from taxes. In this regard, autonomous communities benefit from an increased share in the ceded taxes (50% of Personal Income Tax and VAT and 58% of Excise Taxes), as well as increased discretionary powers. Indirect tax revenues are transferred according to a territorial consumption index. Statutory personal income tax rates can be modified by the regional governments provided the structure retains progression and the number of tax brackets is unchanged. Taxes on inheritance and gift tax, registration duties and fees on lotteries and gambling are wholly assigned to territorial governments with almost complete jurisdictional powers. As of January 2012, a temporary surcharge (up to 2015) applies in the Real Estate Tax (municipal tax) for immovable properties.

Social contributions

The Spanish Social Security System is mainly based on a pay-as-you go scheme, financed partly by contributions from earnings and partly by transfers from the central government budget. Under the general system, employers' and employees' contributions are defined by applying fixed rates to earnings. For 2014, the overall SS contribution rate for the general regime is 36.25% (29.90% for employers and 6.35% for employees). These fixed rates contributions are however only levied on earnings within annually indexed floor and ceiling. Floors and ceilings are fixed by (broadly defined) professional categories. Currently, eleven categories are distinguished. For the first seven of them, floor and ceiling apply to monthly earnings, and the range covers approximately earnings from one to three times the professional minimum wage. For the last four categories, floors and ceilings apply to daily earnings. For 2014, the maximum and the minimum monthly base are EUR 3 597, and EUR 753, respectively — the maximum daily base is EUR 119.9.

The national Youth Employment and Entrepreneurship Strategy 2013–16, adopted in March 2013, incorporates a range of new measures — for the short and the long-term — intended to fight youth unemployment. The short-term measures include hiring subsidies for young people in the form of reductions or credits of social security contributions for employers.

Sweden	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	16.4	16.4	16.6	16.7	16.5	16.6	16.8	16.7	18.1	18.8	18.0	18.8	18.7	1	76.4
VAT	8.6	8.7	8.8	8.8	8.8	9.0	8.9	9.0	9.3	9.6	9.7	9.5	9.3	5	37.9
Excise duties and consumption taxes	3.1	3.1	3.2	3.2	3.0	3.0	2.8	2.7	2.7	2.9	2.8	2.6	2.6	20	10.6
Other taxes on products (incl. import duties)	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	20	2.7
Other taxes on production	4.0	3.9	4.0	4.1	4.0	3.9	4.3	4.2	5.4	5.6	4.9	6.0	6.2	1	25.2
Direct taxes	22.6	20.8	19.6	20.2	20.9	22.0	22.2	21.2	19.8	19.6	19.2	18.5	18.3	2	74.7
Personal income	18.1	17.6	17.0	17.5	17.5	17.9	18.1	17.2	16.6	16.4	15.5	15.0	15.2	2	62.0
Corporate income	3.8	2.6	2.0	2.2	2.9	3.6	3.6	3.8	2.9	3.0	3.4	3.2	2.9	7	11.8
Other	0.7	0.6	0.5	0.5	0.5	0.5	0.5	0.2	0.3	0.3	0.3	0.2	0.2	25	1.0
Social contributions	12.5	12.2	11.3	10.9	10.6	10.3	9.3	9.3	8.4	8.1	8.2	7.1	7.2	24	29.2
Employers	10.1	10.6	10.3	10.0	9.7	9.7	9.1	9.1	8.2	7.9	8.0	6.9	7.0	10	28.6
Employees	2.1	1.4	0.7	0.7	0.7	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	0.0
Self- and non-employed	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	24	0.7
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Total	51.5	49.4	47.5	47.8	48.0	48.9	48.3	47.3	46.4	46.5	45.4	44.4	44.2	4	180.3
B. Structure by level of government	% of total taxation														
Central government	60.6	59.1	59.0	58.7	59.3	60.8	61.7	61.2	58.6	57.7	58.8	58.7	58.0	14	104.5
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	28.8	31.0	32.6	33.2	32.8	32.2	31.9	32.4	34.7	35.6	34.5	34.3	34.9	1	63.0
Social security funds	9.5	9.0	7.7	7.4	7.3	6.4	5.8	5.9	6.2	6.4	6.2	6.6	6.6	25	12.0
EU institutions	1.0	0.9	0.7	0.7	0.6	0.6	0.6	0.4	0.5	0.4	0.5	0.5	0.4	25	0.8
C. Structure by economic function	% of GDP														
Consumption	12.4	12.5	12.7	12.7	12.5	12.7	12.5	12.5	12.7	13.3	13.2	12.8	12.6	11	51.2
Labour	30.7	30.8	29.7	29.9	29.5	29.1	28.4	27.2	27.7	27.3	25.7	25.5	25.9	1	105.6
Employed	26.9	26.9	25.7	25.3	25.0	24.8	24.1	23.4	24.0	23.4	22.3	22.4	22.7	1	92.6
Paid by employers	12.8	13.2	13.1	12.8	12.6	12.4	12.2	12.2	12.6	12.3	11.7	11.8	12.0	2	49.0
Paid by employees	14.1	13.7	12.6	12.5	12.5	12.4	11.9	11.2	11.4	11.1	10.5	10.6	10.7	9	43.6
Non-employed	3.9	3.9	4.0	4.5	4.5	4.2	4.3	3.8	3.7	3.9	3.4	3.1	3.2	2	13.0
Capital	8.3	6.1	5.1	5.2	6.0	7.1	7.5	7.6	6.0	5.9	6.5	6.1	5.7	18	23.4
Capital and business income	6.3	4.3	3.4	3.5	4.3	5.5	5.8	6.2	4.7	4.6	5.1	4.7	4.4	18	17.8
Income of corporations	3.8	2.6	2.0	2.2	2.9	3.6	3.6	3.8	2.9	3.0	3.4	3.2	2.9	7	11.8
Income of households	1.8	0.9	0.6	0.6	0.7	1.1	1.5	1.7	1.1	0.9	1.1	0.9	0.9	7	3.8
Income of self-employed (incl. SSC)	0.8	0.8	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	24	2.3
Stocks of capital wealth	2.0	1.8	1.7	1.7	1.7	1.6	1.7	1.4	1.3	1.4	1.4	1.3	1.4	18	5.7
D. Environmental taxes	% of GDP														
Environmental taxes	2.8	2.8	2.9	2.9	2.8	2.9	2.7	2.7	2.7	2.8	2.7	2.5	2.5	15	10.2
Energy	2.3	2.4	2.4	2.5	2.4	2.4	2.3	2.2	2.2	2.3	2.2	2.0	2.0	11	8.2
of which transport fuel taxes	:	:	1.4	1.4	1.3	1.4	1.3	1.2	1.2	1.3	1.2	1.1	1.1	25	
Transport (excl. fuel)	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.4	14	1.8
Pollution/resources	0.12	0.11	0.10	0.10	0.09	0.09	0.08	0.07	0.05	0.04	0.04	0.04	0.03	22	0.1
E. Property taxes	% of GDP														
Property taxes	1.7	1.5	1.5	1.5	1.5	1.4	1.4	1.1	1.0	1.1	1.0	1.0	1.0	15	4.2
Recurrent taxes on immovable property	1.0	0.9	1.0	0.9	0.9	0.9	0.8	0.8	0.7	0.8	0.8	0.8	0.8	11	3.3
Other property taxes	0.7	0.6	0.5	0.5	0.6	0.5	0.5	0.3	0.3	0.3	0.3	0.2	0.2	21	0.9
F. Implicit tax rates	%														
Consumption	26.5	26.7	27.0	27.0	26.9	27.3	27.2	27.5	27.9	27.6	27.9	27.3	26.5	5	
Labour employed	46.8	45.5	43.8	43.5	43.5	43.6	42.9	41.2	41.2	39.4	39.1	38.9	38.6	8	
Capital	42.3	33.2	28.7	28.6	27.4	33.3	28.7	33.3	25.8	31.2	29.1	28.7	30.6		
Capital and business income	32.0	23.4	19.1	19.4	19.7	25.6	22.3	27.2	20.1	24.1	23.0	22.4	23.2		
Corporations	31.3	22.5	17.8	17.3	17.4	22.4	17.8	22.3	16.0	22.5	19.9	20.7	21.9		
Households	27.1	20.0	17.3	19.2	21.0	26.1	27.7	29.3	22.2	19.1	22.2	18.5	17.7		
Real GDP growth (annual rate)	4.5	1.3	2.5	2.3	4.2	3.2	4.3	3.3	-0.6	-5.0	6.6	2.9	0.9		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Sweden

Overall trends in taxation

Structure and development of tax revenues

Swedish taxation levels are the fourth highest in the EU. In 2012, the tax-to-GDP ratio (including social contributions) stood at 44.2% (EU-28 average was 39.4%). Compared to the neighbouring countries, the rate is lower than in Denmark (48.1%) — the leader in the category — but higher than in Finland (44.1%) and equal to Norway (44.2%).

The Swedish tax system traditionally relied largely on direct taxation. In 2007 the difference between tax revenues from direct and indirect taxes was more than nine percentage points of total tax revenues. Since then, however, this gap has begun to close. In 2012 revenues from indirect taxes fell by 0.1 percentage points year-on-year (to 42.3%) while revenues from direct taxes also went down slightly to 41.4%. This tax mix still differs quite markedly from the EU-28 average where the direct and indirect taxes raise respectively 33.4% and 34.5% of revenues. Sweden's neighbours exhibit similar bias towards direct taxation whilst Sweden's tax mix is the most balanced and closest to the EU average.

The revenues raised by social contributions have long been steadily decreasing, but in 2012 they increased slightly to 16.2% of total tax revenues (up by 0.3 percentage points). In the region, only Finland (29.8%) was more or less within the range of the EU average of 32.4%.

Most of the taxes are collected at the central government level (58%) which is higher than the EU-28 average (48.7%). Significant changes occur however when considering the local government (municipalities, municipal associations and county councils) and social security funds: the former, amounting in Sweden to 34.9% of tax revenues remain more than three times higher than the EU-28 average of 11%. This continues to be by far the highest value in the EU, followed by Denmark (26.9%) and Finland (22.8%). It could be explained by the large share of personal income tax collected at the municipal level (the rate of which varies across the municipalities and can be as high as 56.6%). Exactly the opposite can be noted for social security funds raising only 6.6% of Swedish taxes as opposed to the EU-28 average of 32.4%. The only lower value can be observed in the neighbouring Denmark (1.9%), and the next in line, Ireland (14.5%), is almost eight percentage points higher.

The overall tax burden decreased from its peak level of 51.5% of GDP in 2000 staying below 50% since (44.2% in 2012). The accelerated decline of the overall tax-to-GDP ratio since 2007 was driven by equally faster decline of the PIT share in total tax revenues and social contributions. This was due to the 2007 introduction of an earned-income

tax credit, further developed in the years 2008–11 and subsequent reduction in the rates of social contributions for different groups. It implied an automatic reduction in tax liability of eligible individuals. Finally, the scrapping of certain taxes (see: *Wealth and transaction taxes*) might have played some role in the process. However, in 2012 the PIT share in total tax revenues and social contributions rose slightly (PIT up by 0.2 percentage point and social contributions up by 0.1 percentage point).

Taxation of consumption, labour and capital; environmental taxation; property taxes

Revenue from consumption taxes (12.6% of GDP) is relatively close to the EU-28 average (11.2%) and rather stable. However, since 2000 Sweden has experienced an unprecedented increase in the relative share of consumption taxes in total tax revenues (+ 4.3 percentage points), exceeded only by Bulgaria (11.5 percentage points). This could be explained not so much by changes within consumption taxes, but rather by a de-taxing of production, thus increasing disposable income. At the same time, the implicit tax rate on consumption, at 26.5% in 2012 was the fifth highest in the EU (Denmark leads with 30.9%) and roughly seven percentage points above the EU-28 average (19.9%). One possible explanation is that Sweden has one of the highest statutory VAT rates (25%) in the EU and above average rates for excise duties.

The ratio of taxes on labour to GDP, standing at 25.9%, is the highest in the EU, followed by Austria (24.7%) and Denmark (24.5%). Nevertheless, a clear downwards trend can be observed in Sweden over the last decade (drop of 4 percentage points). Similarly, the implicit tax rate on labour declined steadily from its peak level in 1998, to reach a new low record of 38.6%. Again, this can mostly be explained by the measures taken in recent years to decrease the tax burden on labour.

The implicit tax rate on capital in Sweden has fluctuated in the period under consideration. In 1995 it stood at 19.9% and rocketed to peak in 2000 (42.3%). Revenues from capital taxes also rose sharply over the same period (from 9.6% to 15.7% of total taxation). This rapid increase was largely due to strong economic growth. Since then the ITR has steadily decreased and entered a sinusoidal trend in 2004. In 2012 it was 30.6%.

Environmental taxes as a proportion of GDP (2.5% in 2012) are in line with the EU-28 average (2.4%). Their level has been rather constant over the period under consideration. As a share of total taxation, revenue from environmental taxes remained equally stable at a rather low (as compared to other EU Member States) level of 5.6% in 2012, and consists mostly of energy taxes.

Property tax revenues in relation to GDP in 2012 (1.0%) were well below the EU-28 average of 2.3%. However, the

share of revenues from recurrent taxes on immovable property is relatively high; these taxes amount to 0.8 % of GDP (EU-28 average 1.5 %).

Main recent reforms implemented, on-going or announced

In 2012 Sweden's economy observed a GDP growth of + 1.4 %, which is above the EU-28 average of – 0.4 %. Moreover, this was done without running up vast budget deficits. This resistance to the global economic downturn rested upon strong public finances. The main focus has been on increasing employment and reducing social exclusion.

The budget bill for 2014 is expansionary, providing a stimulus of SEK 24 billion (EUR 2.8 billion). The measures are directed towards stimulating growth, and include actions to strengthen competitiveness, R&D, youth employment and the introduction of a fifth step in the earned-income tax credit worth SEK 12 billion. The aim is to provide a fiscal stimulus to a slowly growing economy while maintaining safety margins in view of large uncertainties. The ultimate objective is to prepare Sweden to cope with increasingly intense international competition through innovation, knowledge and quality.

Revenues of the central government in 2014 are expected to decrease by SEK 3 100 million (approximately 0.1 % of GDP) while expenditures are expected to increase by SEK 21 000 million (which is less than 1 % of GDP).

Main features of the tax system

Personal income tax

Since 1991 Sweden has a dual income tax system; on earned income, individuals pay the national income tax and municipal income tax. The national income tax rate of 20 % applies to incomes above SEK 420 800 (EUR 48 768) and 25 % to incomes above SEK 602 600 (EUR 69 837). A municipal income tax applies at a flat rate which varies between municipalities. The weighted average for 2014 is 31.73 %. This tax is not deductible in computing tax liability at the national level. Broadly defined capital income is taxed at a flat national rate of 30 %. There is no tax-free amount, no municipal tax and capital losses are deductible from capital gains. There are exceptions from the 30 % tax rate applying to, for example, dividends and capital gains on shares in unlisted firms.

The tax payer can deduct a personal tax allowance from the earned income. For 2014, standard allowance is SEK 18 800 (EUR 2 178) for taxable income up to SEK 44 400 (EUR 5 145). The allowance is gradually increased to a maximum of SEK 34 200 (EUR 3 963) for a given income bracket and then gradually reduced to SEK 13 100 (EUR 1 518) for income above SEK 349 000 (EUR 40 446). The basic tax allowance

is higher for individuals over 65 years old, ranging from SEK 62 400 (EUR 7 231) for a given income bracket, through the standard allowance of SEK 49 000 (EUR 5 678) for income up to SEK 49 000 (EUR 5 678) to the lowest SEK 31 800 (EUR 3 685) for income above SEK 551 500 (EUR 63 915). Spouses and children are taxed separately on their own income.

Corporate taxation

Taxation of companies follows the classical system, based on the principle of broad tax base with a relatively low statutory tax rate of 22 % (reduced from 26.3 % in 2013). The same basic rules apply to all businesses regardless of size and legal status. Capital gains are taxed as regular corporate profit, and dividends paid to the shareholders are not deductible. Capital losses, generally deductible against profits, can normally be carried forward indefinitely. The notion of a tax group does not apply in Sweden. However, the transfers of profits between companies within wholly owned domestic groups are allowed, making consolidation of income for tax purposes possible.

VAT and excise duties

The standard VAT rate is 25 % and it applies to some 85 % of non-export turnover. A reduced rate of 12 % applies to foodstuffs and to services related to tourism. A reduced rate of 6 % applies to domestic daily and weekly newspapers and periodicals; domestic transportation of persons and ski-lift services; cinema, circus and concert admission fees. The purchase and rental of immovable property; medical, dental and social care; education; banking and other financial services; certain cultural and sporting activities are exempt from VAT. Zero-rated goods and services include prescription medicines, gold for investment purposes, and a number of financial services as well as insurance and reinsurance services. From 2012, a 12 % VAT rate is applied to restaurant and catering services. Excise duties, historically an important source of government revenues, in modern times make up a mere 5.9 % of total tax revenue (together with other consumption taxes) and consist of mostly energy taxes.

Wealth and transaction taxes

The inheritance and gift tax was abolished as of 2005 and the wealth tax in 2007. Stamp duty is levied on the acquisition of real estate and registration of mortgages: for the former at a standard rate of 1.5 % of the property value for individuals and 4.25 % for legal entities. For registration of mortgages the rate is 2 % of the mortgage.

Concerning the tax on real estate as of 2008, a municipal fee replaces the central government real estate tax. The fee is the lowest of either SEK 7 112 (EUR 824) or 0.75 % of the property's assessed value. Newly built dwellings have a reduced fee for 10 years (with the first five years exempted and the

next five with halved fee). Real estate tax for pensioners is limited to a maximum of 4% of the income.

Social contributions

Social contributions account for half of the taxes on labour. The employer's contributions are made up of: old-age pension contribution, survivor's pension contribution, sickness insurance, parental insurance, occupational injury insurance, unemployment contribution and general payroll contribution, all amounting to 31.42%. Employees pay an additional pension insurance premium of 7% of net employment and business income up to a maximum of SEK 32 100 (EUR 3 695), which may be fully credited against their income tax liability, and does not apply to the part of income that exceeds SEK 457 142 (EUR 52 979).

No premiums are due from individuals who are 65 or older and the employers' contributions are limited to 10.21%

(old-age pension contribution only). The employers' contributions for persons under 26 years are reduced to 15.49% (old-age pension contribution and $\frac{1}{4}$ of the other charges). Self-employed taxpayers must pay their own social contributions computed on their net business income at a rate of 28.97%. As of July 2010, the total amount of social contributions for the self-employed between the age of 26 and 65 has been reduced, under certain conditions, to 5%, with a fixed maximum reduction. Furthermore, the total of social contributions for self-employed individuals between the age of 18 and 25 has been reduced to 14.88%.

As from 2007, social contributions have been waived for persons who have been recipients of unemployment benefits, sickness benefits, disability pension or social allowance for more than one year. This relief is valid for a period equal to the length of the person's unemployment (up to a maximum of five years).

United Kingdom	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012	
A. Structure of revenues	% of GDP													Ranking (1)	€ bn
Indirect taxes	13.7	13.4	13.3	13.1	13.1	12.7	12.7	12.6	12.2	11.9	13.0	13.5	13.7	15	263.6
VAT	6.5	6.5	6.6	6.7	6.7	6.5	6.5	6.4	6.3	5.6	6.5	7.3	7.3	16	140.5
Excise duties and consumption taxes	3.9	3.8	3.7	3.6	3.5	3.3	3.2	3.2	3.2	3.5	3.5	3.5	3.5	11	67.2
Other taxes on products (incl. import duties)	1.6	1.4	1.3	1.2	1.3	1.3	1.5	1.5	1.1	1.0	1.2	1.2	1.1	12	22.0
Other taxes on production	1.8	1.7	1.7	1.6	1.6	1.5	1.5	1.5	1.6	1.7	1.9	1.7	1.8	9	33.9
Direct taxes	16.5	16.7	15.6	15.0	15.2	16.0	16.8	16.5	18.2	15.8	15.5	15.6	15.1	6	291.9
Personal income	10.7	10.8	10.4	9.8	9.9	10.2	10.3	10.6	10.6	10.3	9.9	9.9	9.6	8	185.6
Corporate income	3.5	3.4	2.8	2.7	2.8	3.3	3.9	3.4	3.6	2.8	3.0	3.1	2.9	8	55.2
Other	2.3	2.4	2.4	2.5	2.5	2.6	2.6	2.6	4.0	2.8	2.6	2.6	2.6	2	51.1
Social contributions	6.1	6.1	5.9	6.2	6.5	6.6	6.6	6.5	6.7	6.7	6.6	6.6	6.7	25	128.7
Employers	3.4	3.5	3.3	3.5	3.6	3.6	3.7	3.8	3.9	3.8	3.8	3.8	3.9	25	74.9
Employees	2.4	2.4	2.3	2.5	2.7	2.8	2.7	2.6	2.6	2.6	2.6	2.6	2.6	19	50.7
Self- and non-employed	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	25	3.0
Less: amounts assessed but unlikely to be collected	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Total	36.3	36.1	34.8	34.4	34.9	35.4	36.1	35.7	37.1	34.3	35.0	35.8	35.4	14	683.8
B. Structure by level of government	% of total taxation														
Central government	94.3	94.4	94.3	94.1	94.3	94.4	94.5	94.4	94.5	93.9	94.0	94.3	94.3	2	644.7
State government (2)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	4.0	4.1	4.4	4.7	4.7	4.7	4.6	4.6	4.5	5.2	5.0	4.8	4.8	20	32.7
Social security funds	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EU institutions	1.8	1.5	1.3	1.2	0.9	0.9	0.9	0.9	0.9	0.9	1.0	0.9	0.9	6	6.4
C. Structure by economic function	% of GDP														
Consumption	11.7	11.5	11.5	11.5	11.4	11.0	10.8	10.7	10.6	10.3	11.1	11.9	12.0	14	230.8
Labour	14.0	14.0	13.4	13.4	13.6	13.9	14.0	14.0	14.1	13.7	14.1	14.0	13.8	18	266.2
Employed	13.8	13.8	13.2	13.2	13.4	13.8	13.8	13.9	13.9	13.6	13.9	13.8	13.6	17	262.2
Paid by employers	3.4	3.5	3.3	3.5	3.6	3.6	3.7	3.8	3.9	3.8	4.0	3.8	3.9	25	74.9
Paid by employees	10.4	10.4	9.9	9.7	9.8	10.1	10.2	10.1	10.0	9.8	9.9	10.0	9.7	11	187.3
Non-employed	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.2	0.2	21	4.0
Capital	10.7	10.6	9.9	9.6	9.9	10.5	11.4	11.0	12.5	10.4	9.9	9.9	9.7	5	187.1
Capital and business income	6.3	6.4	5.7	5.4	5.6	6.2	6.9	6.4	6.8	6.0	5.7	5.6	5.4	10	103.2
Income of corporations	3.5	3.4	2.8	2.7	2.8	3.3	3.9	3.4	3.6	2.8	3.0	3.1	2.9	8	55.2
Income of households	1.3	1.4	1.3	1.2	1.3	1.4	1.5	1.6	1.7	1.9	1.3	1.4	1.4	3	26.7
Income of self-employed (incl. SSC)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.3	1.3	1.2	1.1	16	21.4
Stocks of capital wealth	4.3	4.2	4.2	4.2	4.3	4.3	4.5	4.5	5.7	4.4	4.2	4.3	4.3	2	83.8
D. Environmental taxes	% of GDP														
Environmental taxes	3.0	2.7	2.7	2.6	2.6	2.5	2.4	2.4	2.4	2.6	2.6	2.6	2.6	12	50.7
Energy	2.3	2.2	2.1	2.1	2.0	1.9	1.8	1.8	1.8	2.0	2.0	1.9	1.9	15	36.8
of which transport fuel taxes	2.1	1.9	1.9	1.8	1.8	1.7	1.6	1.6	1.6	1.7	1.7	1.6	1.6	14	
Transport (excl. fuel)	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	12	12.2
Pollution/resources	0.05	0.05	0.07	0.08	0.08	0.08	0.08	0.09	0.09	0.08	0.09	0.09	0.09	12	1.7
E. Property taxes	% of GDP														
Property taxes	4.2	4.1	4.1	4.1	4.2	4.2	4.4	4.4	5.6	4.3	4.1	4.1	4.1	1	80.0
Recurrent taxes on immovable property	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.5	3.4	3.3	3.4	1	65.1
Other property taxes	1.1	0.9	0.9	0.8	1.0	1.0	1.2	1.3	2.4	0.8	0.8	0.8	0.8	8	14.9
F. Implicit tax rates	%														
Consumption	18.7	18.4	18.4	18.6	18.6	17.9	17.8	17.7	17.6	16.8	18.0	19.3	19.0	19	
Labour employed	25.5	25.1	24.4	24.6	25.1	25.9	25.9	26.1	26.2	24.7	25.6	25.8	25.2	26	
Capital	43.0	44.2	40.2	35.2	36.6	37.2	40.9	40.1	44.2	37.4	34.3	33.7	35.7		
Capital and business income	25.4	26.6	23.0	19.9	20.8	21.9	24.7	23.5	24.0	21.6	19.6	19.1	19.7		
Corporations	30.4	30.6	23.8	18.9	19.0	20.9	24.6	20.9	22.0	17.4	19.0	18.8	20.8		
Households	15.8	16.7	17.1	16.5	17.5	17.7	18.8	20.6	21.1	21.2	16.0	15.3	15.0		
Real GDP growth (annual rate)	4.4	2.2	2.3	3.9	3.2	3.2	2.8	3.4	-0.8	-5.2	1.7	1.1	0.1		

(1) The ranking is calculated in descending order. A '1' indicates this is the highest value in the EU-28. No ranking is given if more than 10% of data points are missing.

(2) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

United Kingdom

Overall trends in taxation

Structure and development of tax revenues

In 2012, the United Kingdom tax-to-GDP ratio stood at 35.4%, a decrease of 0.6% compared to 2011 and below its peak of 37.1% in 2008. In 2012, there was a 1.6% decrease in real terms of tax revenue raised (GBP 539.5 billion) compared to 2011. The biggest decrease for the main income tax categories was corporation income tax which decreased in real terms by 7.4% in 2012 compared to 2011. The biggest rise in tax raised in 2012 was for other taxes on production (a rise of 6.3% in real terms).

The tax structure shows a comparatively high weight of direct taxes (at 15.1% of GDP, the sixth highest ratio amongst Member States). Direct taxes represent the primary source of revenues (42.7% of the total taxes), larger than indirect taxes (38.5%), and far outweighing social contributions (18.8%), which is the fourth lowest in the EU-28 as a % of GDP. Revenue from personal income taxes at 9.6% of GDP its decline from the peak of 10.6% in 2008. Corporate income tax, which increased from 2.8% of GDP to 3.6% of GDP between 2002 and 2008, has gradually fallen back to 2.9% of GDP in 2012 which is above the EU-27 average (2.5%). Direct taxes other than corporate and personal income taxes were 2.6% of GDP in 2012, down from their peak of 4% in 2008, but in line with their historical levels (compared to an EU-28 average of 1.2%). This category includes council taxes on land and buildings and motor vehicle duties. Property taxation in the United Kingdom is the highest in the EU as a proportion of GDP (4.1% in 2012, of which 3.4% is recurrent)⁽¹³⁾. The United Kingdom is a highly centralised country in terms of tax collection with 94.3% of revenues accruing to the central government (second highest amongst Member States after Malta).

Taxation of consumption, labour and capital; environmental taxation; property taxes

The ITR on consumption decreased to 19% in 2012 from 19.3% in 2011 (the year in which the standard VAT rate was increased from 17.5% to 20%). This rate is now below the EU-28 average of 19.9%. As a result of relatively low social contributions (6.7% GDP compared to EU-28 of 12.7%), labour taxes revenue (13.8% of GDP) is significantly lower than in most other European countries (EU-28 20.1%). The ITR on labour employed is, at 25.2%, the third lowest in the EU-28 and lies well below the EU-28 average (36.1%). The tax wedge for the UK at 32.3% of the average wage is the

fourth lowest in EU-27 (average rate being 40%). For lower wage employees, defined as earning 67% of the average wage, the tax wedge was 28.2%; only Malta and Ireland had lower tax wedges at this wage level⁽¹⁴⁾. The low tax wedge for the UK compared to the relatively high ratio of personal income tax-to-GDP ratio (ranking of 8th highest in the EU) can be explained by the relatively high income levels and employment rate in the UK.

Tax on capital at 9.7% of GDP in 2012 dropped back to the 2003 level, and is the fifth highest in the EU (EU-28 at 8.2%). The high contribution of taxes on capital to total tax revenue (27.4% compared to the EU-28 of 20.8%) is reflected in the relatively high implicit tax rate on capital⁽¹⁵⁾ (35.7% in 2012). Taxes on the capital stock (mainly recurrent property taxes in the form of national domestic rates on business properties and council tax paid by owner-occupiers and tenants on the value of their dwellings) contribute substantially to the United Kingdom's relatively high tax burden on capital as their bases are not captured in the capital base of the ITR.

Revenues from environmental taxes are relatively stable at around 2.6% of GDP despite the evolution of the collection of customs duty on mineral oils in recent years whose level has risen slower than GDP since 2001. Property tax revenues in relation to GDP (4.1%) are well above the EU-28 average of 2.3% and the highest in the EU. The share of revenues from recurrent taxes on immovable property amounted to 3.4% of GDP (EU-28 average of 1.5%).

Main recent reforms implemented, on-going or announced

Since 2008 the standard CIT rate has been gradually reduced by 7 percentage points to a rate of 23%, as from April 2013. This rate will be further reduced to 21% as from April 2014, with a further reduction to 20% as from April 2015. The small profits tax rate remains at 20%. In line with taking more people out of the tax system, the tax free allowance will increase by GBP 560 (EUR 691) to GBP 10 000 (EUR 12 332) in 2014–15. The additional income tax rate for high earners is 45% as from April 2013. The standard VAT rate was increased by 2.5 percentage points to 20% in 2011 and several environmentally-related taxes were increased in recent years such as air passenger duty or landfill taxes. The system of capital gains tax has also been reformed. A bank levy was introduced in January 2011 based on bank balance sheets. Since January 2013 this rate has increased both for: (i) chargeable equity and long-term chargeable liabilities (0.078%); and (ii) short-term chargeable liabilities (0.156%).

⁽¹⁴⁾ Figure for CY not available

⁽¹⁵⁾ It should also be kept in mind that both the ITR on capital and capital income are biased upwards (compared to other EU countries) because the ITR base does not capture the full extent of taxable profits of financial companies, particularly capital gains. A further reason is that the UK figures allocate all tax on occupational (second pillar) and private pension benefits (third pillar) to capital income whilst for most other Member States the second pillar is allocated to transfer income and income of the non-employed.

⁽¹³⁾ It is also the highest for the OECD countries (source: OECD Revenue Statistics, <http://stats.oecd.org/Index.aspx?DataSetCode=REV>)

In order to deliver a fairer regime, a capital gains tax on future gains made by non-residents disposing of UK residential property was introduced from April 2015 in addition to measures designed to tackle tax evasion and avoidance. A new tax relief for equity and certain debt instruments for social enterprises will be introduced with effect from April 2014. Three new tax reliefs will be introduced to encourage and promote indirect employee ownership in 2014.

Main features of the tax structure

Personal income tax

Direct tax revenue on personal income has decreased by 4.3% in real terms in 2012 compared to 2011. The basic and higher rates of income tax are 20% and 40% respectively for 2014–15. The basic rate limit will be reduced to GBP 31 865 (EUR 39 297) in 2014–15. The tax free personal allowance will be increased by GBP 560 (EUR 691) to GBP 10 000 (EUR 12 332) for 2014–15. Since the 2010–11 tax year, this personal allowance is reduced when the income is above GBP 100 000 (EUR 123 324) - by GBP 1 for every GBP 2 of income above the GBP 100 000 limit. This reduction applies irrespective of age. A higher tax rate of 45% applies to annual incomes above GBP 150 000 (EUR 185 000). Higher personal allowances are available for those born before 6th April 1948 (GBP 10 500 or EUR 12 949), but are tapered away for those earning more than GDP 26 100. Two tax credits are available: the child tax credit and the working tax credit aimed at low income working adults.

The capital gains tax rates for gains realised after June 2010 are 18% and 28% depending on the individual's total taxable income. The annual exempt amount is GBP 10 900 or EUR 13 072. From June 2010, a 10% rate applies to gains qualifying for entrepreneur's relief. New legislation will be introduced exempting gains as from April 2013 on up to GBP 50 000 (EUR 61 662) of shares acquired by employees taking up the new employee shareholder status for capital gains. Since April 2011 the annual allowance for tax-privileged pension saving is GBP 50 000, which will be reduced to GBP 40 000 (EUR 49 330) as from 2014–15. The life time allowance for tax-privileged pension saving is GBP 1.5 million (EUR 1.85 million), which will be reduced to GBP 1.25 million (EUR 1.54 million) as from 2014–15. The inheritance tax threshold is frozen at its April 2009 level of GBP 325 000 (EUR 400 804) for individuals until 2017–18. Tax is payable at 40% above this threshold. The threshold will rise in line with the UK's Consumer Price Index (CPI) from 2018–19.

Corporate taxation

Direct taxes on corporate income have decreased by 7.4% in real terms in 2012 compared to 2011. This is largely due to the decrease in corporation tax rate and increased allowances/ credits available to companies. Corporate income

tax is charged at two rates: the main rate and the small profits rate (for profits up to GBP 300 000 or EUR 369 972). Marginal relief is available on profits between GBP 300 000 and GBP 1.5 million (EUR 1.85 million). The main rate of corporate income tax will decrease to 21% as from April 2014, with a further decrease to 20% as from April 2015. The small profits rate is 20%. The annual writing down-allowance for the main pool of plant and machinery is 18%, and the rate for the special pool is 8%. After being decreased to GBP 25 000 (EUR 30 831) a year from April 2012, the Annual Investment Allowance for business investment in qualifying plant and machinery has been increased to GBP 250 000 (EUR 308 311) for two years as of 1 January 2013. There are currently two R&D tax credit schemes in the UK, which differentiate between the size of the claimant company — both allow companies an enhanced tax deduction for their qualifying R&D expenditure. The rate of the relief in the large company scheme is 130% and the rate of relief in the SME scheme is 225%. SMEs have the option to convert taxable losses attributable to R&D relief into a payable cash credit at a rate of 11%. From April 2013, large companies will be able to claim a 10% 'above the line' credit for their R&D expenditure — this will be fully refundable to companies with no corporation tax liability. A patent box regime, which allows a reduced 10% rate of corporation tax on profits from patents, was introduced in April 2013.

VAT and excise duties

While there was a marginal increase in revenue from indirect taxes of 0.7%, revenue from VAT has decreased by 0.5% in 2012 compared to 2011. The standard VAT rate of 20%, which had been increased from 17.5% in 2011, has been maintained. As of 1 September 2012, 21 of the 27 EU Member States have a standard VAT rate of 20% or higher, and the (simple) average standard rate in the EU is 21.1%. The UK applies several reduced rates and exemptions. In particular, a reduced rate of 5% applies, for example to fuel and power and also on the installation of energy-saving materials. A zero-rate is used extensively as it applies to some food items, books, new constructions used for residential and charitable purposes, passenger transport for 10 or more people, some supplies to charities and to children's clothing and footwear.

In terms of excises and duties, fuel duty was increased by 3.02 p (3.7 cents) per litre in August 2012. This increase had been deferred from April 2012. As part of the fair fuel stabiliser, above inflation rises occur only when the price of oil falls below USD 70 a barrel. Vehicle excise duty rose in line with inflation, but was frozen for road hauliers. Duty on tobacco products rose by 5% above inflation: an increase in real terms of 37 p (46 cents) on a packet of cigarettes. Duty on alcohol products rose by 2% above the rate of inflation. Following a freeze in 2011, Air Passenger Duty (APD) was increased by approximately 8%. APD rates range from GBP 13 (EUR 16) for short-distance economy class to GBP 188 (EUR 231) for long-distance non-economy class

flights. APD will be extended to flights by private business jets in 2013. It was announced in 2012 that remote gambling (including online gambling) would be taxed on a place of consumption basis rather than on a place of supply basis. This change will take effect from December 2014.

Property taxation

The Stamp Duty Land Tax (SDLT) is charged on land and property transactions at increasing rates by bands based on the transfer price and whose rates vary between 0% and 7%. The 7% rate was introduced in March 2012 (increased to 15% if purchased by certain non-natural persons), and applies to the purchase of residential property over GBP 2 million (EUR 2.5 million). The Council Tax is a recurrent local tax paid by the resident or landlord of residential property and has increasing tax rates by bands (with discounts). National Non-Domestic Rates (NNDR)/Business Rates is a tax levied annually on the occupiers of non-domestic property.

Social contributions

There are six National Insurance Contributions (NICs) classes for 2014–15: Class 1 for employees (12% between the Primary Threshold (GBP 153 (EUR 187) per week), and the Upper Earnings Limit (GBP 805 (EUR 993) per week) and 2% above this), and Class 1 for employers (13.8% on all earnings over the Secondary Threshold (GBP 153 or EUR 189)); Class 1A, paid by employers and certain third parties on benefits in kind; Class 1B paid by employers on Pay As You Earn (PAYE) settlements; Class 2 for self-employed (at GBP 2.75 per week); Class 3 for voluntary contributions (fixed amount of GBP 13.90 per week); and Class 4 for the self-employed at a rate of 9% on profits between the Lower Profits Limit (GBP 7 956) and the Upper Profits Limit (GBP 41 865 per year), and 2% rate on profits above this threshold. Class 1 NICs are lower (by 1.4%) for those who have contracted out of the State Second Pension and moved to a private pension scheme. From April 2014, businesses and charities will be able to claim the Employment Allowance, a deduction of up to GBP 2 000 every year from their employer NICs bill. Employer NICs for under-21 year olds earning less than GBP 813 a week, which is equivalent to the point at which higher rate tax is charged, is abolished as from April 2015.

European Union 28 GDP-weighted averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	:	:	13.4	13.3	13.3	13.4	13.5	13.4	13.1	12.9	13.2	13.4	13.6	1 763.1
VAT	:	:	6.8	6.8	6.8	6.9	7.0	7.0	6.9	6.7	7.0	7.1	7.1	926.9
Excise duties and consumption taxes	:	:	3.0	3.0	2.9	2.8	2.7	2.6	2.6	2.7	2.7	2.7	2.7	349.1
Other taxes on products (incl. import duties)	:	:	1.6	1.6	1.7	1.7	1.8	1.8	1.6	1.5	1.5	1.5	1.4	188.0
Other taxes on production	:	:	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.0	2.1	2.3	299.1
Direct taxes	:	:	13.0	12.8	12.8	13.1	13.6	13.8	13.7	12.7	12.6	12.8	13.2	1 707.4
Personal income	:	:	9.4	9.1	8.9	9.0	9.2	9.3	9.4	9.3	9.1	9.1	9.4	1 222.6
Corporate income	:	:	2.6	2.4	2.7	2.9	3.3	3.3	3.0	2.2	2.4	2.5	2.5	322.8
Other	:	:	1.1	1.3	1.2	1.2	1.1	1.2	1.3	1.2	1.2	1.2	1.2	162.1
Social contributions	:	:	12.5	12.7	12.5	12.4	12.3	12.2	12.5	12.8	12.6	12.7	12.7	1 653.2
Employers	:	:	7.2	7.3	7.2	7.1	7.1	7.1	7.2	7.4	7.3	7.3	7.3	947.9
Employees	:	:	3.9	3.9	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.9	3.9	506.4
Self- and non-employed	:	:	1.4	1.4	1.5	1.5	1.5	1.4	1.5	1.6	1.6	1.5	1.5	198.8
Total	:	:	38.8	38.8	38.6	38.9	39.4	39.3	39.2	38.3	38.3	38.8	39.4	5 109.4
B. Structure by level of government	% of total taxation													
Central government	:	:	51.9	51.1	51.8	51.9	52.1	52.3	50.6	48.3	50.0	49.1	48.7	2 488.9
State government (¹)	:	:	6.6	6.8	6.7	6.7	6.8	6.9	7.0	7.2	6.5	6.9	7.6	386.8
Local government	:	:	9.8	10.0	10.2	10.3	10.3	10.3	10.4	10.7	10.3	10.8	11.0	560.2
Social security funds	:	:	30.7	31.2	30.5	30.3	30.0	29.7	31.1	33.2	32.5	32.4	32.0	1 637.4
EU institutions	:	:	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	35.8
C. Structure by economic function	% of GDP													
Consumption	:	:	11.2	11.1	11.1	11.1	11.1	11.0	10.8	10.7	11.1	11.2	11.2	1 457.9
Labour	:	:	19.7	19.7	19.4	19.3	19.2	19.1	19.5	19.9	19.7	19.8	20.1	2 603.3
Employed	:	:	18.0	18.0	17.6	17.6	17.5	17.5	17.8	18.1	17.8	17.9	18.2	2 356.8
Paid by employers	:	:	7.7	7.9	7.8	7.7	7.7	7.6	7.8	8.0	7.9	7.9	8.0	1 035.2
Paid by employees	:	:	10.2	10.1	9.9	9.8	9.8	9.8	10.0	10.0	9.9	10.0	10.2	1 321.6
Non-employed	:	:	1.7	1.8	1.8	1.7	1.7	1.6	1.7	1.9	1.9	1.9	1.9	246.6
Capital	:	:	8.0	8.0	8.2	8.5	9.2	9.3	8.9	7.8	7.7	7.9	8.2	1 061.8
Capital and business income	:	:	5.4	5.3	5.5	5.8	6.3	6.4	6.1	5.1	5.2	5.3	5.4	701.7
Income of corporations	:	:	2.6	2.6	2.8	3.0	3.4	3.4	3.1	2.3	2.4	2.6	2.6	332.4
Income of households	:	:	0.7	0.7	0.7	0.8	0.9	1.0	0.9	0.9	0.8	0.8	0.9	113.7
Income of self-employed (incl. SSC)	:	:	2.0	2.1	2.0	2.0	2.0	2.1	2.1	2.0	2.0	2.0	2.0	255.6
Stocks of capital wealth	:	:	2.7	2.6	2.7	2.8	2.9	2.8	2.8	2.7	2.5	2.6	2.8	360.1
D. Environmental taxes	% of GDP													
Environmental taxes	:	:	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	311.7
Energy	:	:	2.0	2.0	2.0	1.9	1.9	1.8	1.7	1.8	1.8	1.8	1.8	233.8
of which transport fuel taxes	:	:	1.6	1.6	1.6	1.5	1.5	1.4	1.4	1.4	1.4	1.4	1.4	
Transport (excl. fuel)	:	:	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	64.6
Pollution/resources	:	:	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	13.3
E. Property taxes	% of GDP													
Property taxes	:	:	2.1	2.1	2.2	2.3	2.4	2.3	2.3	2.1	2.1	2.2	2.3	293.5
Recurrent taxes on immovable property	:	:	1.3	1.2	1.3	1.3	1.3	1.2	1.2	1.3	1.3	1.3	1.5	194.3
Other property taxes	:	:	0.8	0.9	1.0	1.0	1.1	1.1	1.1	0.8	0.8	0.8	0.8	99.3
F. Implicit tax rates	%													
Consumption	:	:	19.7	19.7	19.8	19.7	19.8	20.0	19.6	19.1	19.7	19.9	19.9	
Labour employed	:	:	35.5	35.6	35.4	35.4	35.6	35.8	36.0	35.4	35.4	35.8	36.1	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)	3.9	2.0	1.3	1.5	2.6	2.2	3.4	3.2	0.4	-4.5	2.0	1.6	-0.4	

(¹) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

European Union 28 Arithmetic averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	:	:	13.5	13.8	13.9	14.2	14.2	14.2	13.8	13.5	13.7	13.8	13.9	1 763.1
VAT	:	:	7.4	7.5	7.6	7.9	8.0	8.0	7.9	7.5	7.8	7.8	7.9	926.9
Excise duties and consumption taxes	:	:	3.2	3.3	3.3	3.2	3.1	3.1	3.0	3.2	3.2	3.2	3.2	349.1
Other taxes on products (incl. import duties)	:	:	1.5	1.5	1.6	1.6	1.6	1.6	1.5	1.3	1.3	1.2	1.2	188.0
Other taxes on production	:	:	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.4	1.5	1.6	299.1
Direct taxes	:	:	11.6	11.4	11.3	11.5	11.8	12.3	12.1	11.3	11.0	11.1	11.3	1 707.4
Personal income	:	:	7.9	7.8	7.6	7.7	7.8	8.0	8.0	7.8	7.5	7.6	7.8	1 222.6
Corporate income	:	:	3.0	2.8	2.9	3.0	3.3	3.6	3.3	2.7	2.6	2.7	2.6	322.8
Other	:	:	0.7	0.8	0.8	0.8	0.7	0.7	0.8	0.8	0.8	0.9	0.9	162.1
Social contributions	:	:	11.1	11.0	10.9	10.8	10.7	10.7	10.8	11.2	11.0	11.0	11.1	1 653.2
Employers	:	:	6.7	6.7	6.6	6.5	6.4	6.4	6.5	6.6	6.5	6.4	6.4	947.9
Employees	:	:	3.3	3.3	3.3	3.3	3.2	3.2	3.3	3.4	3.4	3.4	3.5	506.4
Self- and non-employed	:	:	1.0	1.1	1.1	1.1	1.1	1.0	1.1	1.2	1.1	1.1	1.2	198.8
Total	:	:	36.1	36.1	36.1	36.5	36.6	37.1	36.7	35.9	35.6	35.8	36.3	5 109.4
B. Structure by level of government	% of total taxation													
Central government	:	:	59.7	60.0	59.8	59.8	60.0	60.3	59.4	57.7	58.5	58.1	57.9	2 488.9
State government (*)	:	:	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	386.8
Local government	:	:	10.3	10.0	10.2	10.4	10.5	10.3	10.5	10.8	10.6	10.6	10.6	560.2
Social security funds	:	:	29.4	29.3	29.2	28.8	28.5	28.1	28.9	30.5	30.1	30.2	30.1	1 637.4
EU institutions	:	:	1.0	0.9	0.7	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	35.8
C. Structure by economic function	% of GDP													
Consumption	:	:	12.0	12.1	12.3	12.5	12.4	12.4	12.1	11.9	12.1	12.2	12.3	1 457.9
Labour	:	:	17.3	17.3	17.0	16.9	16.8	16.8	17.2	17.4	17.1	17.1	17.4	2 603.3
Employed	:	:	16.1	16.0	15.8	15.7	15.6	15.6	15.9	16.1	15.8	15.7	16.0	2 356.8
Paid by employers	:	:	7.1	7.1	7.0	7.0	6.8	6.8	6.9	7.0	6.9	6.9	6.9	1 035.2
Paid by employees	:	:	9.0	8.9	8.8	8.7	8.8	8.8	9.0	9.0	8.8	8.9	9.1	1 321.6
Non-employed	:	:	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.4	1.3	1.3	1.4	246.6
Capital	:	:	6.8	6.7	6.8	7.1	7.4	7.9	7.4	6.6	6.5	6.6	6.7	1 061.8
Capital and business income	:	:	5.0	4.9	4.9	5.2	5.4	5.9	5.5	4.8	4.7	4.7	4.7	701.7
Income of corporations	:	:	3.0	2.9	2.9	3.1	3.3	3.6	3.4	2.8	2.7	2.7	2.6	332.4
Income of households	:	:	0.5	0.5	0.6	0.6	0.7	0.8	0.7	0.6	0.6	0.6	0.6	113.7
Income of self-employed (incl. SSC)	:	:	1.5	1.5	1.5	1.5	1.4	1.5	1.4	1.4	1.4	1.4	1.4	255.6
Stocks of capital wealth	:	:	1.8	1.8	1.9	1.9	2.0	2.0	1.9	1.8	1.8	1.9	1.9	360.1
D. Environmental taxes	% of GDP													
Environmental taxes	:	:	2.8	2.8	2.9	2.8	2.7	2.7	2.6	2.6	2.6	2.6	2.6	311.7
Energy	:	:	1.9	2.0	2.0	2.0	1.9	1.9	1.8	1.9	1.9	1.9	1.9	233.8
of which transport fuel taxes	:	:	1.4	1.5	1.7	1.7	1.6	1.6	1.6	1.6	1.7	1.6	1.6	
Transport (excl. fuel)	:	:	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	64.6
Pollution/resources	:	:	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	13.3
E. Property taxes	% of GDP													
Property taxes	:	:	1.3	1.3	1.4	1.4	1.5	1.5	1.4	1.3	1.3	1.3	1.4	293.5
Recurrent taxes on immovable property	:	:	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	194.3
Other property taxes	:	:	0.6	0.6	0.7	0.8	0.8	0.8	0.7	0.6	0.5	0.5	0.5	99.3
F. Implicit tax rates	%													
Consumption	:	:	20.8	21.2	21.5	21.9	22.0	22.2	21.6	21.1	21.5	21.6	21.6	
Labour employed	:	:	34.7	34.5	34.2	33.9	33.9	33.9	33.6	33.0	33.2	33.6	34.2	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)														

(*) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

European Union 27 GDP-weighted averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	13.7	13.3	13.3	13.3	13.3	13.4	13.5	13.4	13.0	12.9	13.2	13.4	13.6	1 755.1
VAT	7.0	6.8	6.8	6.8	6.8	6.9	7.0	7.0	6.9	6.7	7.0	7.1	7.1	921.5
Excise duties and consumption taxes	3.0	2.9	3.0	3.0	2.9	2.8	2.7	2.6	2.6	2.6	2.7	2.7	2.7	347.7
Other taxes on products (incl. import duties)	1.7	1.6	1.5	1.6	1.7	1.7	1.8	1.8	1.6	1.5	1.5	1.5	1.4	187.3
Other taxes on production	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.1	2.1	2.3	298.7
Direct taxes	14.0	13.6	13.1	12.8	12.8	13.1	13.6	13.8	13.8	12.7	12.6	12.9	13.2	1 704.7
Personal income	9.8	9.6	9.4	9.1	8.9	9.0	9.2	9.3	9.4	9.3	9.1	9.1	9.4	1 221.0
Corporate income	3.1	2.9	2.6	2.4	2.7	2.9	3.3	3.3	3.0	2.2	2.4	2.5	2.5	321.9
Other	1.1	1.1	1.1	1.3	1.2	1.2	1.1	1.2	1.3	1.2	1.2	1.2	1.3	161.9
Social contributions	12.7	12.6	12.5	12.7	12.5	12.4	12.3	12.2	12.5	12.8	12.6	12.7	12.8	1 648.1
Employers	7.2	7.2	7.2	7.3	7.2	7.1	7.1	7.1	7.2	7.4	7.3	7.3	7.3	945.3
Employees	4.1	4.0	3.9	3.9	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.8	3.9	504.1
Self- and non-employed	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.4	1.5	1.6	1.6	1.5	1.5	198.7
Total	40.3	39.4	38.8	38.8	38.6	38.9	39.4	39.3	39.2	38.3	38.3	38.8	39.4	5 093.8
B. Structure by level of government	% of total taxation													
Central government	52.8	52.7	51.9	51.1	51.8	51.9	52.1	52.3	50.6	48.3	50.0	49.1	48.7	2 480.1
State government (²)	6.4	6.1	6.6	6.8	6.8	6.7	6.8	6.9	7.0	7.2	6.5	7.0	7.6	386.8
Local government	9.5	9.6	9.8	10.0	10.2	10.3	10.3	10.3	10.4	10.7	10.3	10.8	11.0	558.3
Social security funds	29.8	30.3	30.7	31.2	30.5	30.2	30.0	29.7	31.1	33.2	32.5	32.4	32.0	1 632.4
EU institutions	1.4	1.3	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	35.8
C. Structure by economic function	% of GDP													
Consumption	11.4	11.2	11.1	11.1	11.1	11.1	11.1	11.0	10.8	10.7	11.0	11.2	11.2	1 450.2
Labour	20.1	19.9	19.7	19.8	19.4	19.3	19.2	19.1	19.6	20.0	19.7	19.8	20.1	2 597.0
Employed	18.4	18.2	18.0	18.0	17.6	17.6	17.5	17.5	17.9	18.1	17.8	17.9	18.2	2 350.5
Paid by employers	7.8	7.7	7.7	7.9	7.8	7.7	7.7	7.6	7.8	8.0	7.9	7.9	8.0	1 032.5
Paid by employees	10.6	10.5	10.3	10.1	9.9	9.8	9.8	9.8	10.0	10.0	9.9	10.0	10.2	1 317.9
Non-employed	1.7	1.7	1.7	1.8	1.8	1.8	1.7	1.6	1.7	1.9	1.9	1.9	1.9	246.5
Capital	8.9	8.4	8.0	8.0	8.2	8.5	9.2	9.3	8.9	7.8	7.7	7.9	8.2	1 060.1
Capital and business income	6.2	5.8	5.4	5.3	5.5	5.8	6.3	6.4	6.1	5.1	5.2	5.3	5.4	700.5
Income of corporations	3.2	2.9	2.6	2.6	2.8	3.0	3.4	3.4	3.1	2.3	2.4	2.6	2.6	331.5
Income of households	0.8	0.7	0.7	0.7	0.7	0.8	0.9	1.0	0.9	0.9	0.8	0.8	0.9	113.5
Income of self-employed (incl. SSC)	2.2	2.1	2.0	2.1	2.0	2.0	2.0	2.1	2.1	2.0	2.0	2.0	2.0	255.5
Stocks of capital wealth	2.7	2.6	2.7	2.6	2.7	2.8	2.9	2.8	2.8	2.7	2.5	2.6	2.8	359.6
D. Environmental taxes	% of GDP													
Environmental taxes	2.7	2.6	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	310.3
Energy	2.1	2.0	2.0	2.0	2.0	1.9	1.9	1.8	1.7	1.8	1.8	1.8	1.8	233.0
of which transport fuel taxes	1.8	1.6	1.6	1.6	1.6	1.5	1.5	1.4	1.4	1.4	1.4	1.4	1.4	
Transport (excl. fuel)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	64.2
Pollution/resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	13.1
E. Property taxes	% of GDP													
Property taxes	2.1	2.1	2.1	2.1	2.2	2.3	2.4	2.3	2.3	2.1	2.1	2.2	2.3	293.4
Recurrent taxes on immovable property	1.2	1.2	1.3	1.2	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.5	194.2
Other property taxes	0.9	0.9	0.9	0.9	1.0	1.0	1.1	1.1	1.1	0.8	0.8	0.8	0.8	99.1
F. Implicit tax rates	%													
Consumption	20.0	19.7	19.7	19.7	19.7	19.7	19.8	20.0	19.6	19.0	19.6	19.9	19.8	
Labour employed	36.3	35.9	35.5	35.7	35.4	35.4	35.6	35.8	36.0	35.4	35.4	35.8	36.2	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)	3.9	2.0	1.3	1.5	2.6	2.2	3.4	3.2	0.4	-4.5	2.0	1.7	-0.4	

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

European Union 27 Arithmetic averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	13.6	13.3	13.3	13.5	13.7	14.0	14.0	14.0	13.6	13.3	13.5	13.6	13.8	1 755.1
VAT	7.3	7.2	7.2	7.3	7.5	7.8	7.8	7.8	7.7	7.4	7.6	7.7	7.7	921.5
Excise duties and consumption taxes	3.2	3.1	3.1	3.2	3.3	3.2	3.1	3.1	3.0	3.2	3.2	3.2	3.2	347.7
Other taxes on products (incl. import duties)	1.8	1.6	1.5	1.5	1.6	1.6	1.6	1.6	1.5	1.3	1.3	1.2	1.2	187.3
Other taxes on production	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.5	1.6	298.7
Direct taxes	12.2	12.0	11.8	11.6	11.5	11.7	12.0	12.4	12.3	11.5	11.2	11.3	11.5	1 704.7
Personal income	8.2	8.2	8.0	7.9	7.8	7.8	8.0	8.1	8.1	8.0	7.7	7.7	8.0	1 221.0
Corporate income	3.2	3.1	3.0	2.9	2.9	3.1	3.3	3.6	3.4	2.7	2.6	2.7	2.6	321.9
Other	0.8	0.7	0.8	0.8	0.8	0.9	0.7	0.7	0.8	0.8	0.8	0.9	0.9	161.9
Social contributions	11.2	11.1	11.0	11.0	10.9	10.8	10.7	10.6	10.8	11.1	11.0	10.9	11.0	1 648.1
Employers	6.9	6.8	6.7	6.7	6.6	6.5	6.4	6.4	6.5	6.6	6.5	6.4	6.4	945.3
Employees	3.3	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.4	504.1
Self- and non-employed	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	198.7
Total	37.0	36.3	36.0	36.1	36.1	36.5	36.6	37.0	36.6	35.9	35.6	35.8	36.3	5 093.8
B. Structure by level of government	% of total taxation													
Central government	60.1	59.8	59.7	60.1	59.9	59.9	60.1	60.4	59.5	57.8	58.6	58.2	57.9	2 480.1
State government ^(*)	15.1	15.1	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	386.8
Local government	10.4	10.6	10.4	10.0	10.2	10.4	10.5	10.3	10.5	10.7	10.6	10.6	10.6	558.3
Social security funds	29.0	29.2	29.3	29.2	29.0	28.7	28.4	28.0	28.7	30.4	30.0	30.1	30.1	1 632.4
EU institutions	1.5	1.3	1.0	0.9	0.7	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	35.8
C. Structure by economic function	% of GDP													
Consumption	12.0	11.7	11.7	11.9	12.1	12.3	12.2	12.2	11.9	11.7	11.9	12.0	12.1	1 450.2
Labour	17.7	17.6	17.4	17.4	17.1	17.0	16.9	16.9	17.3	17.5	17.1	17.1	17.5	2 597.0
Employed	16.5	16.4	16.2	16.1	15.8	15.7	15.6	15.7	16.0	16.1	15.8	15.8	16.1	2 350.5
Paid by employers	7.3	7.2	7.1	7.1	7.0	7.0	6.9	6.9	6.9	7.1	6.9	6.9	6.9	1 032.5
Paid by employees	9.2	9.2	9.1	9.0	8.8	8.8	8.8	8.8	9.0	9.0	8.8	8.9	9.2	1 317.9
Non-employed	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.2	1.3	1.4	1.4	1.4	1.4	246.5
Capital	7.4	7.1	6.9	6.8	6.9	7.2	7.5	8.0	7.5	6.7	6.6	6.7	6.8	1 060.1
Capital and business income	5.4	5.2	5.1	5.0	5.0	5.2	5.5	5.9	5.5	4.8	4.7	4.8	4.8	700.5
Income of corporations	3.3	3.1	3.0	2.9	3.0	3.1	3.3	3.6	3.4	2.8	2.7	2.7	2.7	331.5
Income of households	0.6	0.5	0.5	0.5	0.6	0.7	0.7	0.8	0.7	0.6	0.6	0.6	0.6	113.5
Income of self-employed (incl. SSC)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	1.5	1.4	1.5	1.5	255.5
Stocks of capital wealth	1.9	1.9	1.9	1.9	1.9	2.0	2.0	2.0	1.9	1.8	1.8	1.9	2.0	359.6
D. Environmental taxes	% of GDP													
Environmental taxes	2.7	2.7	2.7	2.8	2.8	2.8	2.7	2.6	2.5	2.6	2.6	2.6	2.6	310.3
Energy	1.9	1.9	1.9	2.0	2.0	2.0	1.9	1.9	1.8	1.9	1.9	1.9	1.9	233.0
of which transport fuel taxes	1.5	1.6	1.5	1.6	1.6	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	
Transport (excl. fuel)	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.5	0.5	64.2
Pollution/resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	13.1
E. Property taxes	% of GDP													
Property taxes	1.4	1.3	1.3	1.4	1.4	1.5	1.5	1.5	1.4	1.3	1.3	1.4	1.4	293.4
Recurrent taxes on immovable property	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.9	194.2
Other property taxes	0.7	0.7	0.6	0.6	0.7	0.8	0.8	0.8	0.7	0.6	0.6	0.6	0.6	99.1
F. Implicit tax rates	%													
Consumption	20.7	20.3	20.4	20.8	21.2	21.6	21.7	21.9	21.3	20.8	21.2	21.3	21.3	
Labour employed	35.6	35.2	34.9	34.6	34.4	34.1	34.0	34.0	33.7	33.0	33.3	33.7	34.3	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)														

(*) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Euro Area 18 GDP-weighted averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	13.5	13.2	13.2	13.2	13.2	13.3	13.4	13.3	12.9	12.8	12.9	13.0	13.3	1 259.7
VAT	7.0	6.8	6.7	6.6	6.6	6.8	6.8	6.9	6.8	6.6	6.9	6.9	6.9	653.3
Excise duties and consumption taxes	2.7	2.7	2.7	2.7	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	229.1
Other taxes on products (incl. import duties)	1.7	1.6	1.7	1.7	1.8	1.9	2.0	1.9	1.7	1.6	1.6	1.6	1.6	151.9
Other taxes on production	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.0	2.2	2.1	2.1	2.4	225.4
Direct taxes	13.0	12.6	12.1	12.0	11.9	12.0	12.6	12.9	12.7	12.0	11.8	12.2	12.7	1 205.5
Personal income	9.1	8.9	8.7	8.5	8.3	8.4	8.5	8.7	8.9	8.9	8.7	8.8	9.2	878.1
Corporate income	3.0	2.8	2.5	2.4	2.6	2.8	3.2	3.3	2.9	2.0	2.2	2.4	2.4	228.9
Other	0.9	0.9	0.9	1.1	1.0	0.9	0.9	0.9	0.9	1.0	0.9	1.0	1.0	98.5
Social contributions	14.5	14.3	14.3	14.5	14.3	14.2	14.1	13.9	14.1	14.5	14.4	14.4	14.6	1 386.5
Employers	8.2	8.1	8.2	8.2	8.1	8.1	8.0	8.0	8.1	8.3	8.2	8.2	8.3	788.6
Employees	4.6	4.5	4.4	4.4	4.3	4.3	4.2	4.1	4.2	4.3	4.3	4.3	4.4	417.5
Self- and non-employed	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.7	1.8	1.9	1.9	1.9	1.9	180.4
Total	40.9	40.0	39.5	39.5	39.2	39.4	40.0	40.0	39.6	39.1	39.0	39.5	40.4	3 838.8
B. Structure by level of government	% of total taxation													
Central government	43.2	43.1	42.3	41.9	42.2	42.1	42.1	42.1	40.8	39.4	40.9	39.6	38.8	1 490.5
State government ^(*)	8.5	8.1	8.8	8.9	9.0	9.0	9.1	9.3	9.3	9.3	8.6	9.2	10.1	386.8
Local government	9.0	9.0	9.1	9.2	9.5	9.7	9.8	10.0	10.0	10.1	9.6	10.3	10.5	402.9
Social security funds	37.8	38.3	38.8	39.1	38.6	38.4	38.2	37.7	39.0	40.5	40.2	40.2	39.9	1 532.1
EU institutions	1.5	1.4	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	26.5
C. Structure by economic function	% of GDP													
Consumption	11.2	10.9	10.8	10.8	10.8	10.8	10.8	10.8	10.5	10.5	10.7	10.8	10.8	1 026.2
Labour	21.2	21.0	20.9	20.9	20.5	20.4	20.3	20.2	20.7	21.1	20.9	21.0	21.5	2 041.6
Employed	19.2	19.1	18.9	18.9	18.5	18.4	18.3	18.3	18.7	19.0	18.8	18.9	19.3	1 831.0
Paid by employers	8.8	8.8	8.8	8.9	8.7	8.7	8.7	8.6	8.7	8.9	8.9	8.9	9.0	848.8
Paid by employees	10.4	10.3	10.2	10.0	9.7	9.7	9.7	9.7	10.0	10.1	9.9	10.0	10.4	982.2
Non-employed	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	2.0	2.1	2.1	2.2	2.2	210.6
Capital	8.7	8.2	7.8	7.9	8.0	8.3	8.9	9.2	8.5	7.6	7.5	7.8	8.2	777.0
Capital and business income	6.2	5.8	5.4	5.5	5.5	5.7	6.3	6.5	6.1	5.1	5.1	5.3	5.5	525.1
Income of corporations	3.1	2.9	2.6	2.6	2.7	2.9	3.3	3.4	3.0	2.1	2.3	2.5	2.5	238.4
Income of households	0.7	0.6	0.6	0.6	0.6	0.6	0.8	0.8	0.8	0.7	0.7	0.7	0.8	74.7
Income of self-employed (incl. SSC)	2.4	2.3	2.2	2.3	2.2	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	212.0
Stocks of capital wealth	2.4	2.4	2.4	2.4	2.5	2.6	2.6	2.6	2.4	2.5	2.4	2.5	2.6	251.8
D. Environmental taxes	% of GDP													
Environmental taxes	2.6	2.5	2.5	2.6	2.5	2.5	2.4	2.3	2.2	2.3	2.3	2.3	2.3	220.0
Energy	2.0	1.9	1.9	2.0	1.9	1.9	1.8	1.7	1.7	1.7	1.7	1.7	1.7	165.4
of which transport fuel taxes	1.4	1.3	1.4	1.6	1.5	1.5	1.4	1.4	1.3	1.4	1.3	1.3	1.3	
Transport (excl. fuel)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	45.0
Pollution/resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	9.6
E. Property taxes	% of GDP													
Property taxes	1.7	1.7	1.7	1.8	1.9	2.0	2.0	2.0	1.8	1.8	1.8	1.9	2.1	194.2
Recurrent taxes on immovable property	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.8	0.9	1.0	1.0	1.2	114.2
Other property taxes	0.9	0.9	0.9	0.9	1.0	1.1	1.2	1.1	1.0	0.9	0.9	0.9	0.8	80.0
F. Implicit tax rates	%													
Consumption	19.8	19.4	19.4	19.3	19.4	19.4	19.6	19.8	19.2	18.8	19.2	19.3	19.3	
Labour employed	38.3	38.0	37.8	37.7	37.4	37.3	37.5	37.9	38.0	37.4	37.4	37.7	38.5	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)	3.8	2.0	0.9	0.7	2.2	1.7	3.3	3.0	0.4	-4.5	1.9	1.6	-0.7	

(*) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Euro Area 18 Arithmetic averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	13.4	13.2	13.1	13.3	13.5	13.8	13.9	13.7	13.2	12.9	13.1	13.1	13.2	1 259.7
VAT	7.1	7.0	7.1	7.2	7.3	7.6	7.6	7.6	7.4	7.1	7.3	7.3	7.4	653.3
Excise duties and consumption taxes	3.0	3.0	3.0	3.0	3.1	3.0	2.9	2.8	2.7	2.9	3.0	3.0	3.0	229.1
Other taxes on products (incl. import duties)	1.9	1.7	1.6	1.6	1.7	1.7	1.8	1.8	1.6	1.4	1.4	1.3	1.3	151.9
Other taxes on production	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	1.5	1.5	1.5	1.6	225.4
Direct taxes	11.8	11.7	11.5	11.2	11.0	11.2	11.5	12.0	11.9	11.2	11.0	11.3	11.6	1 205.5
Personal income	7.6	7.6	7.5	7.4	7.2	7.3	7.4	7.6	7.7	7.6	7.4	7.6	7.9	878.1
Corporate income	3.4	3.3	3.2	3.0	3.0	3.1	3.3	3.7	3.5	2.8	2.8	2.9	2.8	228.9
Other	0.8	0.8	0.8	0.9	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.9	0.9	98.5
Social contributions	11.6	11.5	11.6	11.6	11.5	11.4	11.3	11.2	11.5	12.0	11.9	11.8	12.0	1 386.5
Employers	6.7	6.7	6.7	6.7	6.6	6.6	6.5	6.5	6.7	6.9	6.8	6.8	6.8	788.6
Employees	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.5	3.6	3.7	3.8	3.7	3.8	417.5
Self- and non-employed	1.2	1.2	1.2	1.2	1.3	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	180.4
Total	36.8	36.3	36.2	36.1	36.0	36.4	36.6	36.9	36.5	36.0	35.9	36.2	36.7	3 838.8
B. Structure by level of government	% of total taxation													
Central government	59.2	58.9	58.2	58.0	57.8	57.7	57.7	57.7	56.3	54.4	55.2	54.8	54.4	1 490.5
State government (*)	15.1	15.1	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	386.8
Local government	8.2	8.3	8.2	8.3	8.4	8.6	8.7	8.9	9.2	9.4	9.3	9.4	9.4	402.9
Social security funds	30.3	30.7	31.1	31.2	31.2	30.8	30.7	30.5	31.5	33.3	33.0	32.9	32.8	1 532.1
EU institutions	1.6	1.4	1.1	1.0	0.8	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	26.5
C. Structure by economic function	% of GDP													
Consumption	11.6	11.4	11.5	11.6	11.8	12.0	11.9	11.8	11.5	11.4	11.5	11.6	11.6	1 027.2
Labour	17.3	17.3	17.3	17.3	17.0	17.0	16.9	16.8	17.3	17.7	17.6	17.6	18.1	2 046.8
Employed	16.1	16.1	16.1	16.0	15.8	15.7	15.6	15.6	16.0	16.4	16.2	16.2	16.6	1 836.2
Paid by employers	7.1	7.1	7.2	7.1	7.0	7.0	6.9	6.9	7.1	7.3	7.2	7.1	7.2	852.3
Paid by employees	9.0	9.0	8.9	8.9	8.7	8.7	8.7	8.7	9.0	9.1	9.0	9.1	9.4	983.9
Non-employed	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.2	1.3	1.4	1.4	1.4	1.5	210.6
Capital	7.9	7.6	7.5	7.3	7.2	7.5	7.9	8.4	7.8	7.0	6.8	7.0	7.1	777.0
Capital and business income	5.8	5.6	5.5	5.3	5.2	5.4	5.7	6.2	5.8	5.0	4.9	5.1	5.0	525.1
Income of corporations	3.5	3.4	3.3	3.1	3.0	3.2	3.4	3.7	3.5	2.8	2.8	2.9	2.8	238.4
Income of households	0.6	0.6	0.5	0.6	0.5	0.6	0.7	0.9	0.8	0.6	0.5	0.6	0.6	74.7
Income of self-employed (incl. SSC)	1.7	1.7	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	212.0
Stocks of capital wealth	2.1	2.0	2.0	2.0	2.0	2.1	2.2	2.2	2.0	1.9	1.9	2.0	2.1	251.9
D. Environmental taxes	% of GDP													
Environmental taxes	2.7	2.7	2.6	2.7	2.8	2.7	2.6	2.6	2.5	2.6	2.6	2.6	2.6	220.0
Energy	1.8	1.8	1.8	1.9	1.9	1.9	1.8	1.7	1.7	1.8	1.9	1.9	1.9	165.4
of which transport fuel taxes	1.4	1.5	1.5	1.6	1.6	1.6	1.6	1.5	1.5	1.6	1.6	1.6	1.6	
Transport (excl. fuel)	0.8	0.8	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	45.0
Pollution/resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	9.6
E. Property taxes	% of GDP													
Property taxes	1.4	1.3	1.3	1.3	1.5	1.5	1.5	1.6	1.4	1.3	1.3	1.4	1.5	194.9
Recurrent taxes on immovable property	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.8	114.2
Other property taxes	0.9	0.8	0.8	0.8	0.9	0.9	1.0	1.0	0.8	0.7	0.7	0.7	0.7	80.7
F. Implicit tax rates	%													
Consumption	20.2	19.8	20.0	20.4	20.7	21.2	21.3	21.3	20.5	20.2	20.4	20.5	20.5	
Labour employed	34.4	34.3	34.3	34.1	33.8	33.6	33.5	33.6	33.5	33.2	33.8	34.1	35.0	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)														

(*) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Euro Area 17 GDP-weighted averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	13.5	13.2	13.2	13.2	13.2	13.3	13.4	13.3	12.9	12.8	13.0	13.0	13.3	1 257.1
VAT	7.0	6.8	6.7	6.6	6.6	6.8	6.8	6.9	6.8	6.6	6.9	6.9	6.9	651.7
Excise duties and consumption taxes	2.7	2.7	2.7	2.7	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	228.4
Other taxes on products (incl. import duties)	1.7	1.6	1.7	1.7	1.8	1.9	2.0	1.9	1.7	1.6	1.6	1.6	1.6	151.8
Other taxes on production	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.1	2.1	2.4	225.2
Direct taxes	13.0	12.6	12.2	12.0	11.9	12.0	12.6	12.9	12.7	12.0	11.8	12.2	12.7	1 203.8
Personal income	9.1	8.9	8.7	8.5	8.3	8.4	8.5	8.7	8.9	8.9	8.7	8.8	9.2	876.8
Corporate income	3.0	2.8	2.5	2.4	2.6	2.8	3.2	3.3	2.9	2.0	2.2	2.4	2.4	228.6
Other	0.9	0.9	0.9	1.1	1.0	0.9	0.9	0.9	0.9	1.0	0.9	1.0	1.0	98.4
Social contributions	14.5	14.3	14.3	14.5	14.3	14.2	14.1	13.9	14.1	14.5	14.4	14.4	14.6	1 384.6
Employers	8.2	8.1	8.2	8.2	8.1	8.1	8.0	8.0	8.1	8.3	8.2	8.2	8.3	787.3
Employees	4.6	4.5	4.4	4.4	4.3	4.3	4.2	4.2	4.2	4.3	4.3	4.3	4.4	416.9
Self- and non-employed	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.7	1.8	1.9	1.9	1.9	1.9	180.4
Total	40.9	40.0	39.5	39.5	39.2	39.4	40.0	40.0	39.6	39.1	39.0	39.5	40.4	3 832.5
B. Structure by level of government	% of total taxation													
Central government	43.2	43.1	42.3	41.9	42.2	42.1	42.1	42.1	40.8	39.4	40.9	39.6	38.8	1 487.4
State government (²)	8.6	8.1	8.8	8.9	9.0	9.0	9.1	9.3	9.4	9.3	8.6	9.2	10.1	386.8
Local government	9.0	9.0	9.1	9.2	9.5	9.7	9.8	10.0	10.0	10.1	9.6	10.3	10.5	401.7
Social security funds	37.8	38.4	38.8	39.1	38.6	38.4	38.2	37.8	39.0	40.5	40.3	40.2	39.9	1 530.2
EU institutions	1.5	1.4	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	26.4
C. Structure by economic function	% of GDP													
Consumption	11.2	10.9	10.8	10.8	10.8	10.8	10.8	10.8	10.5	10.5	10.7	10.8	10.8	1 024.8
Labour	21.2	21.0	20.9	20.9	20.5	20.4	20.3	20.2	20.7	21.1	20.9	21.0	21.6	2 043.8
Employed	19.2	19.1	19.0	18.9	18.5	18.4	18.3	18.3	18.7	19.0	18.8	18.9	19.3	1 833.2
Paid by employers	8.8	8.8	8.8	8.9	8.7	8.7	8.7	8.6	8.7	8.9	8.9	8.9	9.0	851.0
Paid by employees	10.4	10.3	10.2	10.1	9.7	9.7	9.7	9.7	10.0	10.1	9.9	10.0	10.4	982.2
Non-employed	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	2.0	2.1	2.1	2.2	2.2	210.6
Capital	8.7	8.2	7.8	7.9	8.0	8.3	8.9	9.2	8.5	7.6	7.5	7.8	8.2	776.2
Capital and business income	6.2	5.8	5.4	5.5	5.5	5.7	6.3	6.5	6.1	5.1	5.2	5.4	5.5	524.7
Income of corporations	3.1	2.9	2.6	2.6	2.7	2.9	3.3	3.4	3.0	2.1	2.3	2.5	2.5	238.1
Income of households	0.7	0.6	0.6	0.6	0.6	0.6	0.8	0.8	0.8	0.7	0.7	0.7	0.8	74.6
Income of self-employed (incl. SSC)	2.4	2.3	2.2	2.3	2.2	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	212.0
Stocks of capital wealth	2.4	2.4	2.4	2.4	2.5	2.6	2.7	2.6	2.4	2.5	2.4	2.5	2.7	251.5
D. Environmental taxes	% of GDP													
Environmental taxes	2.6	2.5	2.5	2.6	2.5	2.5	2.4	2.3	2.2	2.3	2.3	2.3	2.3	219.5
Energy	2.0	1.9	1.9	2.0	1.9	1.9	1.8	1.7	1.7	1.7	1.7	1.7	1.7	165.0
of which transport fuel taxes	1.4	1.3	1.4	1.6	1.5	1.5	1.4	1.4	1.3	1.4	1.3	1.3	1.3	
Transport (excl. fuel)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	44.9
Pollution/resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	9.6
E. Property taxes	% of GDP													
Property taxes	1.7	1.7	1.7	1.8	1.9	2.0	2.0	2.0	1.8	1.8	1.8	1.9	2.1	194.7
Recurrent taxes on immovable property	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.8	0.9	1.0	1.0	1.2	114.0
Other property taxes	0.9	0.9	0.9	0.9	1.0	1.1	1.2	1.1	1.0	0.9	0.9	0.9	0.9	80.6
F. Implicit tax rates	%													
Consumption	19.8	19.4	19.4	19.3	19.4	19.4	19.6	19.8	19.2	18.8	19.2	19.3	19.3	
Labour employed	38.3	38.0	37.8	37.7	37.4	37.3	37.6	37.9	38.0	37.4	37.4	37.7	38.5	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)	3.8	2.0	0.9	0.7	2.2	1.7	3.3	3.0	0.4	-4.4	2.0	1.6	-0.7	

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Euro Area 17 Arithmetic averages	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	13.5	13.2	13.2	13.4	13.6	13.9	13.9	13.8	13.3	13.0	13.2	13.2	13.3	1 257.1
VAT	7.1	7.0	7.1	7.2	7.3	7.6	7.6	7.5	7.4	7.2	7.3	7.3	7.4	651.7
Excise duties and consumption taxes	2.9	2.9	3.0	3.0	3.1	3.0	2.9	2.8	2.7	2.9	2.9	3.0	3.0	228.4
Other taxes on products (incl. import duties)	2.0	1.8	1.7	1.7	1.8	1.8	1.9	1.9	1.7	1.4	1.4	1.4	1.3	151.8
Other taxes on production	1.5	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.5	1.5	1.5	1.5	1.6	225.2
Direct taxes	12.1	11.9	11.7	11.5	11.2	11.4	11.7	12.2	12.0	11.4	11.2	11.6	11.8	1 203.8
Personal income	7.7	7.7	7.6	7.5	7.3	7.4	7.5	7.7	7.8	7.7	7.5	7.7	8.0	876.8
Corporate income	3.5	3.4	3.3	3.1	3.0	3.2	3.4	3.7	3.5	2.9	2.9	2.9	2.9	228.6
Other	0.9	0.8	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.9	0.8	0.9	1.0	98.4
Social contributions	11.7	11.7	11.7	11.7	11.6	11.6	11.4	11.4	11.7	12.2	12.1	12.0	12.2	1 384.6
Employers	6.7	6.7	6.7	6.7	6.6	6.6	6.5	6.5	6.7	6.9	6.9	6.8	6.9	787.3
Employees	3.8	3.7	3.7	3.8	3.7	3.7	3.7	3.6	3.7	3.8	3.9	3.8	3.9	416.9
Self- and non-employed	1.2	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	180.4
Total	37.2	36.8	36.7	36.6	36.4	36.9	37.0	37.3	37.0	36.5	36.4	36.7	37.3	3 832.5
B. Structure by level of government	% of total taxation													
Central government	59.8	59.3	58.7	58.4	58.2	58.0	58.0	58.0	56.5	54.8	55.7	55.2	54.7	1 487.4
State government (*)	15.1	15.1	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	386.8
Local government	7.7	7.7	7.7	7.7	7.8	8.1	8.2	8.4	8.6	8.8	8.6	8.8	8.8	401.7
Social security funds	30.1	30.6	31.0	31.2	31.3	30.9	30.8	30.6	31.8	33.4	33.1	33.0	33.0	1 530.2
EU institutions	1.6	1.4	1.1	1.0	0.8	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	26.4
C. Structure by economic function	% of GDP													
Consumption	11.7	11.5	11.5	11.6	11.8	12.0	11.9	11.8	11.5	11.4	11.6	11.6	11.7	1 024.8
Labour	17.4	17.5	17.5	17.4	17.2	17.1	17.0	16.9	17.5	18.0	17.8	17.9	18.3	2 043.8
Employed	16.2	16.2	16.2	16.1	15.9	15.8	15.7	15.6	16.1	16.5	16.4	16.4	16.8	1 833.2
Paid by employers	7.1	7.1	7.2	7.2	7.1	7.1	6.9	6.9	7.1	7.3	7.3	7.2	7.3	851.0
Paid by employees	9.1	9.1	9.0	9.0	8.8	8.7	8.7	8.7	9.0	9.2	9.1	9.2	9.5	982.2
Non-employed	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.5	1.6	210.6
Capital	8.1	7.8	7.7	7.6	7.5	7.8	8.1	8.7	8.0	7.2	7.1	7.3	7.3	776.2
Capital and business income	6.0	5.8	5.7	5.5	5.4	5.6	5.9	6.4	6.0	5.2	5.2	5.3	5.2	524.7
Income of corporations	3.6	3.4	3.4	3.2	3.1	3.2	3.4	3.8	3.5	2.9	3.0	3.0	2.9	238.1
Income of households	0.6	0.6	0.6	0.6	0.6	0.6	0.8	0.9	0.8	0.6	0.6	0.6	0.6	74.6
Income of self-employed (incl. SSC)	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	212.0
Stocks of capital wealth	2.1	2.0	2.0	2.0	2.1	2.2	2.2	2.3	2.1	2.0	1.9	2.0	2.1	251.5
D. Environmental taxes	% of GDP													
Environmental taxes	2.7	2.7	2.7	2.7	2.8	2.7	2.6	2.6	2.5	2.6	2.6	2.6	2.6	219.5
Energy	1.7	1.8	1.8	1.9	1.9	1.9	1.8	1.7	1.7	1.8	1.8	1.9	1.9	165.0
of which transport fuel taxes	1.4	1.5	1.5	1.6	1.6	1.6	1.5	1.5	1.5	1.5	1.6	1.6	1.6	
Transport (excl. fuel)	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	44.9
Pollution/resources	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	9.6
E. Property taxes	% of GDP													
Property taxes	1.5	1.4	1.3	1.4	1.5	1.6	1.6	1.6	1.4	1.3	1.3	1.4	1.5	194.7
Recurrent taxes on immovable property	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.8	114.0
Other property taxes	0.9	0.8	0.8	0.8	0.9	1.0	1.0	1.0	0.8	0.7	0.7	0.7	0.7	80.6
F. Implicit tax rates	%													
Consumption	20.3	20.0	20.2	20.5	20.9	21.3	21.4	21.4	20.7	20.4	20.6	20.7	20.7	
Labour employed	34.3	34.2	34.1	33.9	33.7	33.6	33.5	33.7	33.8	33.4	33.8	34.2	35.1	
Capital														
Capital and business income														
Corporations														
Households														
Real GDP growth (annual rate)														

(*) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES. Only these four countries are included in the EU average.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Iceland	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	18.2	15.9	15.9	16.7	17.8	19.1	19.4	18.6	15.6	14.0	14.3	14.3	15.0	1.6
VAT	10.6	9.4	9.4	9.7	10.4	11.1	11.3	10.5	9.1	8.0	8.0	8.0	8.4	0.9
Excise duties and consumption taxes	2.6	2.0	1.9	2.1	2.2	2.7	2.8	2.6	1.9	1.7	2.1	2.1	2.2	0.2
Other taxes on products (incl. import duties)	1.9	1.7	1.9	2.1	2.3	2.4	2.1	2.2	1.7	1.6	1.7	1.8	1.8	0.2
Other taxes on production	3.1	2.9	2.7	2.8	2.9	2.9	3.2	3.3	2.9	2.6	2.6	2.4	2.6	0.3
Direct taxes	16.1	16.5	16.5	16.8	16.9	18.3	18.8	18.9	18.2	16.7	16.6	17.5	18.0	1.9
Personal income	13.1	13.8	13.9	14.2	14.3	14.7	14.6	14.5	14.4	13.1	13.2	13.8	14.1	1.5
Corporate income	1.1	0.9	0.8	1.3	1.2	2.0	2.4	2.5	2.0	1.8	1.1	1.9	2.0	0.2
Other	1.8	1.8	1.8	1.3	1.5	1.7	1.7	1.8	1.8	1.8	2.4	1.8	1.8	0.2
Social contributions	2.9	2.8	2.9	3.1	3.0	3.2	3.3	3.0	2.8	3.1	4.1	4.1	3.8	0.4
Employers	2.7	2.7	2.8	3.0	2.9	3.1	3.2	2.9	2.7	3.0	4.0	4.0	3.7	0.4
Employees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Self- and non-employed	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
Less: amounts assessed but unlikely to be collected	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total	37.1	35.3	35.2	36.7	37.8	40.6	41.4	40.5	36.6	33.8	35.0	35.9	36.8	3.9
B. Structure by level of government	% of total taxation													
Central government	76.6	75.0	75.2	75.7	76.4	77.1	75.7	74.9	74.1	72.6	74.3	73.3	73.6	2.9
State government (¹)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	23.4	25.0	24.8	24.3	23.6	22.9	24.3	25.1	25.9	27.4	25.7	26.7	26.4	1.0
Social security funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EU institutions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C. Structure by economic function	% of GDP													
Consumption	15.0	13.1	13.3	13.9	14.6	15.8	16.0	15.1	12.7	11.9	12.2	12.4	12.9	1.4
Labour	:	:	:	:	:	:	:	:	:	:	:	:	:	
Employed	:	:	:	:	:	:	:	:	:	:	:	:	:	
Paid by employers	2.8	2.7	2.8	3.0	3.0	3.1	3.2	3.1	2.9	3.2	4.2	4.2	4.0	0.4
Paid by employees	:	:	:	:	:	:	:	:	:	:	:	:	:	
Non-employed	:	:	:	:	:	:	:	:	:	:	:	:	:	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:	
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:	
Income of corporations	1.4	1.2	1.1	1.4	1.3	2.2	2.4	2.5	2.0	1.8	1.1	1.9	2.0	0.2
Income of households	:	:	:	:	:	:	:	:	:	:	:	:	:	
Income of self-employed (incl. SSC)	:	:	:	:	:	:	:	:	:	:	:	:	:	
Stocks of capital wealth	3.6	3.3	3.1	3.2	3.6	3.7	3.8	3.9	3.1	2.7	2.9	2.8	3.1	0.3
D. Environmental taxes	% of GDP													
Environmental taxes	3.3	2.7	2.3	2.6	2.7	2.9	2.6	2.5	1.8	1.6	2.0	2.0	2.1	0.2
Energy	1.1	1.0	0.9	0.9	0.9	1.0	1.2	1.2	1.0	1.2	1.4	1.4	1.4	0.2
of which transport fuel taxes	:	:	:	:	:	:	:	:	:	:	:	:	:	
Transport (excl. fuel)	1.7	1.3	1.2	1.4	1.5	1.6	1.1	1.1	0.6	0.3	0.3	0.3	0.3	0.0
Pollution/resources	0.4	0.4	0.2	0.2	0.3	0.2	0.3	0.2	0.2	0.2	0.3	0.3	0.3	0.0
E. Property taxes	% of GDP													
Property taxes	2.4	2.3	2.3	2.1	2.3	2.5	2.0	2.3	2.1	2.0	2.2	2.2	2.5	0.3
Recurrent taxes on immovable property	1.2	1.1	1.1	1.2	1.2	1.3	1.3	1.5	1.7	1.8	1.7	1.6	1.5	0.2
Other property taxes	1.2	1.2	1.2	0.8	1.1	1.2	0.7	0.8	0.4	0.2	0.5	0.7	1.0	0.1
F. Implicit tax rates	%													
Consumption	27.1	25.0	25.8	26.3	27.9	29.3	30.6	29.1	26.2	24.1	24.8	24.8	24.5	
Labour employed	:	:	:	:	:	:	:	:	:	:	:	:	:	
Capital	:	:	:	:	:	:	:	:	:	:	:	:	:	
Capital and business income	:	:	:	:	:	:	:	:	:	:	:	:	:	
Corporations	:	:	:	:	:	:	:	:	:	:	:	:	:	
Households	:	:	:	:	:	:	:	:	:	:	:	:	:	
Real GDP growth (annual rate)	4.3	3.9	0.1	2.4	7.8	7.2	4.7	6.0	1.2	-6.6	-4.1	2.7	1.4	

(¹) This level refers to the Länder in AT and DE, the gewesten en gemeenschappen / régions et communautés in BE and comunidades autónomas in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: gov_a_tax_ag, gov_a_tax_str and gov_a_tax_itr)

Iceland

Overall trends in taxation

Structure and development of tax revenues

Iceland's total tax-to-GDP ratio amounted to 36.8% in 2012, a value which falls below the European Union average (39.4%) by 2.6 percentage points. The tax-to-GDP ratio in Iceland is significantly lower compared with other Nordic countries: 5.4 percentage points lower than Norway's ratio (42.2%) and 7.4 percentage points lower than the Swedish ratio (44.2%).

A characteristic of the Icelandic tax system is the high share of direct taxation, accounting for 48.8% of total taxation in 2012, 15.4 percentage points higher than the EU-28 average (33.4%). Amongst the Nordic countries this is the third highest share of direct tax revenues, with Denmark and Norway receiving more revenue from direct taxation (63.6% and 50.2% of total tax revenues respectively). The high level of revenue from direct taxes can be accounted for by the relatively high personal income taxes which bring in 14.1% of GDP, about four percentage points more than the EU-28 average (9.4% of GDP). The level of indirect taxes is also significant, standing at 40.8% of total taxation, compared with the EU average of 34.5%. This level is the second highest of the Nordic countries. Revenues from social contributions cover a very small share with only 10.4% of total taxation, almost three times lower than the EU-28 average (32.4%).

In 2012, 73.6% of overall tax revenue was received by the central government, while local government received 26.4% of the total, a share well above the EU averages of 48.7% and 11.0% respectively. The social security funds do not receive any share of government receipts.

The tax-to-GDP ratio of 36.8% in 2012 was almost equal to the level in 2003 (36.7%). After 2000, this ratio increased steadily to 41.4%, peaking in 2006. However, it had fallen by 6.4 percentage points by 2010, to a large part due to a slump in indirect tax revenues. The tax-to-GDP ratio has increased since then. Direct taxes from personal income relative to GDP picked up in 2011 and 2012, while taxes on corporate income also continued to increase. After contributing only 3.0% of total tax revenue in 2010, corporate income accounted for 5.5% in 2012. However, revenue from social contributions dropped by one percentage point from 2011 to 2012 (10.4% of total tax revenues).

Taxation of consumption, labour and capital; environmental taxation; property taxes

Revenues from taxation of consumption amounted to 12.9% of GDP in 2012. Current levels are 1.7 percentage

points above the EU-28 average (11.2% of GDP). The ITR on consumption in 2012 is 24.5%, which is well above the EU-28 average (19.9%).

Due to data limitations, the level of taxation on labour and capital, and the ITRs on labour and on capital are not available for Iceland.

Environmental tax revenue, at 2.1% of GDP in 2012, lies below the EU-28 average (2.4%). Most of this revenue is raised on energy (1.4%). Revenues from environmental taxes have decreased by 1.2 percentage point in the last 12 years. This has mainly been driven by changes in transport tax revenue, which fell by 1.4 percentage points from 2000 to 2012.

Property tax revenues in Iceland in relation to GDP in 2012 (2.5%) were in line with the EU-28 average of 2.3%. The share of revenues from recurrent taxes on immovable property in 2012 amounted to 1.5% of GDP which is equal to the EU-28 average.

Main recent reforms implemented, on-going or announced

The Budget proposal for 2014 foresees a balanced budget with a small surplus of 0.1% of GDP for the first time since 2007. The government also announced lower taxes for citizens while increasing social security expenditures for pensioners. According to the proposal, the payroll tax will decline by 0.34 percentage points over the next three years, providing firms with total relief to the amount of ISK 3.8 billion (EUR 23.6 million). In addition to a reduction of expenditures, the government also foresees a number of tax measures to finance the reform, in particular, the bank tax, which will be increased and will be imposed for the first time on financial undertakings in winding-up proceedings. Payments made by firms in winding-up proceedings will total an estimated ISK 11.3 billion (EUR 70.3 million) in 2014, and total payments will amount to ISK 14.2 billion (EUR 88.3 million). This provides some scope for changes in focus, in line with the new government's policy.

Main features of the tax system

Personal income tax

In the last decade personal income taxes were reduced by gradually, lowering the standard income tax rate and introducing a flat tax on capital income previously subject to the common personal income tax rate. A special tax on higher income was abolished in 2006, but reintroduced in 2009. In 2010, the PAYE (pay as you earn) system which had been basically a flat rate system with or without a temporary surcharge, was replaced by a three-rate system. The rate consists of the central government rate and the municipal income taxes of on average 14.42%. The total rates for 2014

were set at 37.32% (22.9% + 14.42%) for yearly incomes of up to ISK 2 897 702 (EUR 18 028), 39.42% (25.0% + 14.42%) for incomes from ISK 2 897 703 to ISK 8 874 108 (EUR 55 210) and 46.22% (31.8% + 14.42%) for incomes above this value. There are two annual flat taxes: ISK 9 604 (EUR 60) for the elderly fund and ISK 18 800 (EUR 117) for radio broadcast services, collected from each individual between 16 and 69 years with an income above ISK 1 495 407 (EUR 9 304) in 2012, and higher than ISK 1 559 003 (EUR 9 700) in 2013. Capital income is taxed separately at a rate of 20% for income higher than ISK 125 000 (EUR 778).

The basic annual tax credit amounting to ISK 581 820 (EUR 3 620) in 2014 is non-refundable and non-transferable between years, but transferable between spouses. Seamen get a tax reduction ('sailor's credit') of ISK 246 (EUR 1.53) per day. Compulsory payments to pension funds are deductible from taxable income. Annual interest rebates are granted to purchasers of personal dwellings. The maximum level of this rebate in 2014 is ISK 400 000 (EUR 1 525) for a single person; ISK 500 000 (EUR 3 110) for a single parent; and ISK 600 000 (EUR 3 732) for a couple. Child benefits are granted subject to income thresholds and category.

Corporate taxation

Iceland has a classical corporate taxation system. Profits and capital gains are taxed at the same corporate tax rate of 20% in 2013; it was cut steadily from 50% in 1989 to 15% in 2008 and 2009, and raised back to 18% in 2010. The rate for partnerships is 36%. No taxes are levied by municipalities on corporate profits and all proceeds of the CIT accrue to the Treasury. There is a deduction system for inter-company dividends and for capital gains both for residents and non-resident companies. International companies trading exclusively with goods and services outside of Iceland have benefited from a favourable 5% offshore corporate tax, which was however abolished in 2009. All foreign entities receiving interest income from Iceland are subject to limited tax liability as of 1 September 2009. Since 2008 significant amendments have been introduced, such as: no tax is levied on capital gains from the corporate sale of shares in companies; the rate on dividends paid to resident and non-resident companies is the same at 10%; and the withholding 10% tax on dividends paid to EEA member state countries is reimbursable. In the beginning of 2012 withholding tax on interest paid to non-resident legal entities was reduced from 20% to 10%.

Financial institutions including insurance companies are subject to a Financial Activities Tax (FAT) of 6.75% on their total salary payments, and a special FAT of 6% is levied on income over ISK 1 billion. There is also a tax on financial institutions of 0.041% levied on total debt. An extra tax on the same base was levied in 2012 and 2013 at a rate of 0.0875%.

VAT and excise duties

In 2013, the standard VAT rate was 25.5%, while the reduced VAT rate was 7%. In 2011, the parliament approved an amendment to the VAT Act. Accordingly, the VAT rate on the supply of electronic books and music (without images), including the sale of printed notes, would be subject to a reduced VAT rate of 7% (previously subject to the general VAT rate of 25.5%). The amendment became effective on 1 November 2011. In addition, the VAT Act was amended so that the financial institutions belonging to the scope of the Financial Activities Tax would no longer be obliged to calculate VAT on goods and services that they produced exclusively for their own use in competition with taxable parties. From 1 January 2013 to 31 August the reduced 7% rate was also levied on hotel and guest room rentals. After this period these services will be subject to a reduced rate of 14%. Since January 2014 the rate on disposable paper diapers is reduced from the general rate to the lowest rate, 7.0%.

Wealth and transaction taxes

Net wealth tax was abolished in 2006 but reintroduced temporarily from 2010–14. The tax exempt amount is ISK 75 million (EUR 466 608) for individuals and ISK 100 million (EUR 622 145) for couples. The tax rate is 1.5% for net wealth between ISK 75 million and ISK 150 million (EUR 933 217) for individuals, and between ISK 100 million and ISK 200 million (EUR 1.24 million) for jointly taxed couples. A rate of 2% was introduced in 2012 for net wealth over ISK 150 million for individuals, and ISK 200 million for jointly taxed couples.

Property tax is levied annually by municipalities on the basis of assessed value as registered in a government agency's database, and subject to a maximum of 0.5% on residential housing or 1.32% on hospitals, schools, industrial and commercial buildings. The sale of a home, owned for at least 2 years by the taxpayer, is exempt from tax. No special tax is levied on the transfer of property, shares, bonds and other securities. Inheritance tax is imposed at a rate of 10%. Stamp duties are levied on legal documents, rates varying between 0.25% and 2%.

Local taxes

The average flat municipal income tax rate is 14.42% in 2014.

Social contributions

Social security contributions are levied on gross wages and paid by employers. In 2014 the rate is 7.69% and 8.34% for seamen.

Norway	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Revenue in 2012
A. Structure of revenues	% of GDP													€ bn
Indirect taxes	13.6	13.4	13.4	13.0	12.7	12.2	12.2	12.5	11.1	12.0	12.0	11.6	11.4	44.5
VAT	8.4	8.4	8.5	8.2	8.0	7.8	7.9	8.2	7.2	7.8	7.9	7.7	7.7	29.9
Excise duties and consumption taxes	2.8	2.7	2.7	2.6	2.4	2.2	2.1	2.1	2.0	2.2	2.1	2.0	1.9	7.2
Other taxes on products (incl. import duties)	1.9	1.8	1.7	1.7	1.8	1.6	1.6	1.6	1.4	1.3	1.4	1.4	1.4	5.4
Other taxes on production	0.5	0.6	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.6	0.5	0.5	0.5	2.0
Direct taxes	20.1	20.2	19.8	19.5	21.0	22.2	22.7	21.5	22.1	20.2	21.0	21.6	21.2	82.5
Personal income	10.3	10.4	10.7	10.6	10.2	9.6	9.0	9.5	9.1	10.1	10.1	9.9	9.9	38.5
Corporate income (¹)	8.9	8.9	8.1	8.0	9.8	11.7	12.7	11.0	12.2	9.1	10.0	10.9	10.4	40.4
Other	0.9	0.9	1.0	1.0	1.0	1.0	0.9	1.0	0.9	1.0	0.9	0.9	0.9	3.6
Social contributions	8.9	9.2	9.9	9.8	9.3	8.8	8.6	8.9	8.8	9.8	9.6	9.5	9.6	37.3
Employers	5.3	5.6	5.9	5.9	5.6	5.3	5.3	5.5	5.4	6.0	5.9	5.7	5.8	22.6
Employees	3.1	3.1	3.4	3.3	3.2	3.0	2.9	3.0	2.9	3.3	3.2	3.2	3.2	12.5
Self- and non-employed	0.5	0.5	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.5	2.1
Less: amounts assessed but unlikely to be collected	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Total	42.6	42.9	43.1	42.3	43.0	43.2	43.5	42.9	42.1	42.0	42.6	42.7	42.2	164.3
B. Structure by level of government	% of total taxation													
Central government	64.0	62.1	64.1	62.2	64.6	66.2	67.5	66.6	67.1	62.6	63.8	65.6	64.8	106.4
State government (²)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Local government	15.1	16.4	13.0	14.8	13.7	13.3	12.7	12.6	11.9	13.9	13.7	12.1	12.5	20.6
Social security funds	20.9	21.5	22.9	23.1	21.7	20.4	19.9	20.8	21.0	23.4	22.5	22.2	22.7	37.3
EU institutions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C. Structure by economic function	% of GDP													
Consumption	12.7	12.6	12.8	12.4	12.1	11.6	11.6	11.9	10.6	11.4	11.5	11.0	10.9	42.3
Labour	17.2	17.7	18.6	18.5	17.8	16.6	16.0	16.6	16.2	18.0	17.7	17.4	17.5	68.1
Employed	16.0	16.4	17.4	17.3	16.5	15.4	14.9	15.5	15.1	16.7	16.4	16.2	16.3	63.6
Paid by employers	5.4	5.6	6.0	5.9	5.7	5.4	5.3	5.5	5.4	6.0	5.9	5.8	5.8	22.7
Paid by employees	10.6	10.9	11.4	11.4	10.9	10.1	9.6	10.0	9.7	10.7	10.5	10.5	10.5	40.9
Non-employed	1.2	1.2	1.2	1.3	1.2	1.1	1.1	1.1	1.1	1.3	1.3	1.2	1.2	4.6
Capital	12.7	12.6	11.7	11.4	13.2	15.1	15.9	14.4	15.3	12.6	13.5	14.3	13.8	53.9
Capital and business income	7.1	6.9	6.5	6.1	7.0	7.7	8.2	7.8	7.8	7.1	7.6	7.6	7.6	29.7
Income of corporations (¹)	5.2	4.9	4.5	4.2	5.2	5.8	6.5	5.9	6.1	5.1	5.6	5.6	5.6	21.9
Income of households	0.8	0.7	0.6	0.6	0.6	0.6	0.7	0.8	0.7	0.9	1.0	1.0	1.0	3.8
Income of self-employed (incl. SSC)	1.2	1.3	1.3	1.2	1.2	1.3	1.0	1.1	0.9	1.0	1.0	1.0	1.0	4.0
Stocks of capital wealth	5.5	5.7	5.2	5.3	6.2	7.4	7.7	6.7	7.6	5.5	5.9	6.7	6.2	24.2
D. Environmental taxes	% of GDP													
Environmental taxes	3.2	3.2	3.3	3.2	3.2	3.0	2.9	2.9	2.6	2.6	2.7	2.5	2.4	9.2
Energy	1.8	1.8	1.8	1.7	1.5	1.5	1.4	1.4	1.3	1.4	1.3	1.2	1.1	4.4
of which transport fuel taxes	:	:	:	:	0.9	0.9	0.8	0.8	0.7	0.8	0.8	0.7	0.7	
Transport (excl. fuel)	1.2	1.3	1.4	1.4	1.5	1.4	1.4	1.4	1.1	1.1	1.2	1.2	1.1	4.4
Pollution/resources	0.12	0.13	0.13	0.13	0.14	0.13	0.14	0.20	0.16	0.13	0.12	0.10	0.10	0.4
E. Property taxes	% of GDP													
Property taxes	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.1	1.0	1.1	1.1	1.1	1.1	4.1
Recurrent taxes on immovable property	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	1.1
Other property taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.7	0.8	0.8	0.8	0.8	3.0
F. Implicit tax rates	%													
Consumption	31.2	30.6	29.7	28.4	28.8	29.4	30.6	31.1	29.1	28.6	29.0	29.2	29.4	
Labour employed	37.1	37.2	37.5	37.7	37.8	37.1	36.6	36.1	35.7	35.7	36.3	36.4	36.4	
Capital	42.2	42.7	42.8	39.5	40.6	40.7	42.4	40.9	41.8	42.1	41.9	42.5	39.3	
Capital and business income	23.7	23.5	23.7	21.1	21.6	20.8	21.8	22.1	21.1	23.8	23.5	22.6	21.6	
Corporations	21.7	21.2	21.7	19.3	20.0	18.8	20.3	19.4	18.5	20.7	20.8	19.5	18.3	
Households	24.0	28.2	21.1	17.6	17.8	17.0	29.1	33.5	34.2	32.3	30.0	32.8	34.9	
Real GDP growth (annual rate)	3.3	2.0	1.5	1.0	4.0	2.6	2.3	2.7	0.1	-1.6	0.5	1.3	2.9	

(¹) The difference between the revenue from 'corporate income' taxes in part A of the table and that from 'income of corporations' in part C is mainly due to the exclusion from the latter of the special tax on petroleum income, which is booked under stocks of capital/wealth.

(²) This level refers to the *Länder* in AT and DE, the *gewesten en gemeenschappen / régions et communautés* in BE and *comunidades autónomas* in ES.

Source: DG Taxation and Customs Union and Eurostat (online data codes: [gov_a_tax_ag](#), [gov_a_tax_str](#) and [gov_a_tax_itr](#))

Norway

Overall trends in taxation

Structure and development of tax revenues

Norway's total tax-to-GDP ratio amounted to 42.2% in 2012; a value which exceeds the European Union average by 2.8 percentage points. Norway's ratio is the lowest of the four Nordic countries, lower than Finland's and Sweden's, and well below the Danish one (48.8%). The level and structure of revenues in Norway are clearly influenced by the important role played by oil and gas extraction in the economy.

The Norwegian tax system is characterised by a high share of direct taxes, although a sharp decline was experienced from 52.6% of revenue in 2008 to 49.3% in 2010. Since then the share of direct taxes is above 50% again (50.5% in 2011 and 50.2% in 2012). The high revenue from direct taxes is attributable in particular to corporate taxes which, at 10.4% of GDP in 2012, were more than four times the EU-28 average. Note that this is partly due to the special tax on petroleum income, which is considered as corporate income tax alongside the ordinary corporate income tax, thereby almost doubling CIT revenue. Revenues from indirect taxes and from social contributions cover a smaller share of budgetary revenue; they are also lower than the EU average in terms of their ratio to GDP. Indirect taxes, standing at 11.4% of GDP, are well below EU-28 average (13.6% of GDP) mainly due to below average revenue from excise duties (1.9% of GDP, decreasing in recent years) and other taxes on production (0.5% of GDP); however, VAT revenue in percent of GDP was 0.6 percentage point higher in Norway than in the EU-28.

In 2012, 64.7% of taxes were paid to the central government, while local government (municipalities and counties) received 12.6% of the total; a share somewhat above the EU weighted average (11.0%). Social security funds receive a relatively low share of government receipts, 22.7% compared with 32% in the EU-28.

The overall tax level seems to be on a slightly decreasing trend since 2000, notwithstanding fluctuations linked to economic conditions. Developments in the overall tax ratio up to 2007 were mainly driven by the trend in the revenues from direct taxation and more specifically from corporate taxation. However, the unfavourable economic conditions in 2008–09 negatively affected the revenues from indirect taxes, and in 2009 the tax-to-GDP ratio reached its lowest value since 1995 — 42.0%. Stable revenues from personal income and indirect taxation compensated the slump in corporate taxation in 2009. In 2010 tax revenues were back to 42.6% of GDP. Since then, they have again declined slightly. Norway is similar to Sweden in this respect: both witnessed a tax-to-GDP ratio decrease in 2012 (together

with some GDP growth) while Denmark and Finland were still in recession and experienced an increase in the overall tax ratio.

Taxation of consumption, labour and capital; environmental taxes, property taxes

Revenues from taxation of consumption are on a general downward trend: in 2002 they stood at 12.8% of GDP while in 2012 they represented 10.9% of GDP, bringing them more in line with the EU average (itself relatively stable at around 11.2% of GDP). The low point of 10.6% of GDP in 2008 was evidently linked to the crisis. However, the ITR on consumption (29.4% in 2012), was well above the EU-27 average (19.9%). This discrepancy between a very high ITR on consumption and an average consumption tax revenue to GDP share is due to a high VAT rate (25%) and a remarkably low share of the final consumption expenditure of households when compared to Norway's GDP (about 40%).

Taxation of labour yielded relatively lower levels in the 2005–08 period. Since then, however, levels have increased again to reach 18% of GDP in 2009 and 17.5% in 2012. The ITR on labour exhibits a more regular pattern, with a gradual decrease since 2005 including crisis effects. Post-crisis levels since 2010 are close to the 2006 value, at 36.4%, around the EU-28 average (36.1%). Note that a tax reform took place in 2006.

At 13.8% of GDP in 2012, capital taxation yields the highest GDP share of all countries analysed in the report, 5.6 percentage points above the EU-28 average, and 3 percentage points above the highest ranking EU country in this respect (Luxembourg). Although narrowing, this gap remains very important and, as mentioned earlier, oil taxation contributes significantly to this peculiarity. These high tax revenues are reflected in the high ITR on capital, at 39.3% above all EU-countries for which this measure is available, except for France.

Norway levies a wide range of environmental taxes, including not only the traditional excises on mineral oils but also significant levies on electricity consumption, CO₂ emissions, greenhouse gases, pesticides, sulphur and a tax on NO_x emissions.

Property tax revenues in Norway in relation to GDP are stable at 1.1%, and were well below the EU-28 average of 2.1% in 2012 as well. The share of revenues from recurrent taxes on immovable property in 2012 amounted to 0.3% of GDP whereas the corresponding EU-28 average stood at 1.5%.

Main recent reforms implemented, on-going or announced

Norway's 2014 Budget, amended by the new government, contains a number of tax measures, mainly aiming

at reducing taxes and presented as a change in tax policy towards promoting growth and stimulating productivity and competitiveness.

The most prominent measure is the reduction of the income tax rate from 28 % to 27 % on corporate income as well as on a net income basis for individuals, while social security contributions are increased by 0.4 percentage points. The inheritance tax is abolished. As a consequence, the heir or the donee will in many instances inherit the entry values of the deceased or of the donor, which in turn may have a bearing on depreciation and on gains taxation. Wealth taxation has also been reduced (with both a rate reduction — to 1 % — and an increase in the tax free allowance). Corporate taxation, including depreciation rules, have been reviewed and the R&D tax incentive scheme has been expanded, while on the other hand, new rules limit the deductibility in the corporate tax base of interest paid to related parties. For individual taxation, the basic allowance was increased further in 2014 (subject to a maximum limit of NOK 84 150, to 43 % of gross employment income, and, subject to a maximum limit of NOK 70 400, to 27 % of pension income). A tax credit scheme linked to young persons' bank deposits earmarked for home investment is also increased, as are taxes on greenhouse gases.

Main features of the tax system

Personal income tax

Norway, like several other Nordic countries, has adopted a dual tax system. Income from labour and pensions is taxed at progressive rates, while most other forms of income are taxed at a flat rate.

The basic element of personal income tax is levied on so-called ordinary income, a net income tax base which includes all kinds of income, but also various allowances. The tax rate on ordinary income is 27 % since the 2014 tax year; this rate combines central government, county and municipal taxes (*Finnmark* and *Nord-Troms* benefit, however, from a lower 23.5 % rate). The surtax (*toppskatt*) is the progressive element of the PIT. It is levied on the so-called personal income — i.e. gross wage income, gross pension income and a calculated income for the self-employed — provided annual personal income exceeds NOK 527 400 (EUR 62 840). The surtax is levied at a rate of 9 % on income between this threshold and NOK 857 300 (EUR 102 148) (7 % in the regions *Finnmark* and *Nord-Troms*) and at a rate of 12 % on income above.

A main element of the tax reform in 2006 was to replace the split model and the imputation system with the shareholder model. The shareholder model involves a dividend and gains tax equipped with a cost of capital allowance to ensure neutral treatment of different sources of financing. The taxation of self-employed and partnerships was also

adjusted along these lines, saving higher tax rates than the basic rate of 28 % (now 27 %) for returns above the cost of capital. The top marginal tax rates on labour income were reduced in order to narrow the difference in marginal tax rates between share income and labour income, and to stimulate labour supply. A main objective was to solve the problem of labour income being shifted to shareholder income at lower tax rates.

Corporate taxation

Companies are subject to corporate income tax of 27 % as of January 2014. Income and capital gains are pooled and taxed at the same rate. Special regimes apply to activities related to the exploration and exploitation of petroleum resources where the tax base for the special tax on petroleum income is based on the CIT base but accounting for certain depreciations. The tax rate for this special tax is 51 %. The marginal tax rate on the resource rent is thus maintained at 78 %. In 2013, the CIT base was broadened since Norwegian oil companies are no longer allowed to deduct costs of foreign activities from the domestic tax base, and returns from funds managed by pension funds and life insurance funds have become taxable.

Since 2004, an exemption regime for corporate shareholders has been in force. Dividends derived by corporate shareholders from resident companies, savings banks and unit trusts are, in principle, exempt from tax, as well as capital gains on the disposal of shares in such entities. However, 3 % of such dividend income is taxable in order to balance the deduction of costs related to such income. In general, all expenses incurred in acquiring, securing and maintaining income are deductible. Royalties and management fees are usually deductible, but must be made on an arm's-length basis if such payments are made to related parties. Capital gains derived from the sale of business assets are normally included in taxable income (with profit and loss account deferral). Losses may be carried forward to be set off against profits in succeeding years. A tax credit is granted to companies engaging in research and development projects approved by the Research Council of Norway.

VAT and excise duties

The Norwegian VAT standard rate is 25 %, and has fairly general use. There is a reduced rate of 15 % on food and a rate of 8 % on passenger transport, broadcasting services, admission to cinemas, accommodation in hotels and camping sites and business letting of holiday homes. A zero rate applies to the sale of books and newspapers.

The motor vehicle registration tax is based on weight, engine power and increasingly on CO₂ and NO_x emissions. The CO₂ tax on petroleum activities is NOK 0.98 per litre of oil or per standard cubic meter of gas.

Wealth and transaction taxes

In 2006, a substantial base broadening combined with increased basic allowances has made the wealth tax more uniform and more re-distributive. Resident individuals are subject to national net wealth tax and municipal net wealth tax, which together amount to 1% since 2014 (previously 1.1%) above a threshold of NOK 1 000 000 (EUR 9 151) with respect to their worldwide net wealth. The threshold has been repeatedly increased in recent years. At the same time the tax base has been widened by way of increasing real estate tax values. A new system to assess the value of business premises and private homes was introduced in 2009 and 2010 in order to increase the system's fairness. The wealth tax is due independently of income tax. The assessment base of the net wealth tax is increased to 60% for commercial property and homes for let.

The inheritance tax has been abolished. This takes effect for deaths occurring, or gifts received, from 1 January 2014.

Social contributions

The national insurance contributions payable by employees are computed on gross salary and pension income. The general rate of 8.2% applies to employment income including benefits in kind and remuneration of directors, members of committees, and so on. A reduced rate of 5.1% applies to pensions and life annuities, as well as to employment income earned by individuals under 17 or over 69 years. There is an exemption for incomes up to NOK 39 950 (EUR 5 117) from the contributions. For income above this amount, the contributions are at a balancing rate of 25% until the general rate of 8.2% on employment income is achieved. The contributions payable by individuals are not deductible for income tax purposes. Regionally differentiated rates in employers' social contributions were reintroduced in 2007 ranging from 0% to 14.1%. The self-employed pay national insurance contributions at a rate of 11.4%.

Annex A: Tables

Table 1: Total Taxes (including SSC) as % of GDP

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	45.1	45.1	45.2	44.7	44.8	44.8	44.4	43.9	44.2	43.4	43.8	44.2	45.4	0.3	2	170 619
Bulgaria	31.5	30.8	28.5	31.0	32.5	31.3	30.7	33.3	32.3	29.0	27.5	27.3	27.9	-3.6	27	11 070
Czech Republic	33.8	33.7	34.6	35.4	35.9	35.7	35.3	35.9	34.4	33.4	33.6	34.6	35.0	1.2	16	53 540
Denmark	49.4	48.5	47.9	48.0	49.0	50.8	49.6	48.9	47.8	47.8	47.5	47.7	48.1	-1.2	1	118 064
Germany	41.3	39.4	38.9	39.1	38.3	38.3	38.6	38.7	38.9	39.4	38.0	38.5	39.1	-2.2	10	1 042 990
Estonia	31.0	30.2	31.0	30.8	30.6	30.6	30.7	31.4	31.9	35.3	34.0	32.3	32.5	1.5	21	5 659
Ireland	31.5	29.7	28.3	28.8	30.1	30.6	32.1	31.5	29.5	28.1	28.0	28.2	28.7	-2.8	23	47 034
Greece	34.6	33.2	33.7	32.1	31.3	32.2	31.7	32.5	32.1	30.5	31.7	32.4	33.7	-0.8	17	65 348
Spain	34.1	33.7	34.1	33.9	34.8	35.9	36.8	37.1	32.9	30.7	32.2	31.8	32.5	-1.6	19	334 796
France	44.2	43.8	43.3	43.1	43.3	43.8	44.1	43.4	43.2	42.1	42.5	43.7	45.0	0.8	3	913 542
Croatia	:	:	37.9	37.5	36.7	36.6	37.1	37.4	37.1	36.5	36.4	35.3	35.7	:	13	15 684
Italy	41.5	41.1	40.5	41.0	40.4	40.1	41.7	42.7	42.7	42.9	42.5	42.4	44.0	2.5	6	689 289
Cyprus	30.0	30.7	30.9	32.2	33.0	35.0	35.8	40.1	38.6	35.3	35.6	35.3	35.3	5.3	15	6 250
Latvia	29.7	28.9	28.6	28.6	28.6	29.2	30.6	30.6	29.2	26.6	27.2	27.6	27.9	-1.8	26	6 216
Lithuania	30.9	29.4	29.1	28.8	28.9	29.1	30.0	30.2	30.7	30.4	28.5	27.4	27.2	-3.7	28	8 962
Luxembourg	39.2	39.8	39.3	38.1	37.3	37.6	35.9	35.6	37.5	39.8	38.1	38.2	39.3	0.1	8	16 846
Hungary	39.8	38.7	38.0	38.0	37.7	37.4	37.3	40.4	40.3	40.1	38.1	37.3	39.2	-0.6	9	38 008
Malta	27.3	28.9	30.0	30.4	31.3	32.9	33.0	33.9	33.0	33.4	32.2	33.0	33.6	6.3	18	2 304
Netherlands	39.9	38.3	37.7	37.4	37.5	37.6	39.0	38.7	39.2	38.2	38.9	38.6	39.0	-0.9	11	233 808
Austria	43.0	44.9	43.6	43.4	43.0	42.1	41.5	41.7	42.7	42.4	42.1	42.2	43.1	0.1	7	132 334
Poland	32.6	32.2	32.7	32.2	31.5	32.8	33.8	34.8	34.3	31.8	31.8	32.3	32.5	-0.1	20	123 933
Portugal	31.1	30.8	31.4	31.6	30.5	31.4	32.1	32.8	32.8	31.0	31.5	33.2	32.4	1.3	22	53 433
Romania	30.2	28.6	28.1	27.7	27.2	27.8	28.5	29.0	28.0	26.9	26.8	28.4	28.3	-1.9	25	37 297
Slovenia	37.3	37.5	37.8	38.0	38.1	38.6	38.3	37.7	37.3	37.2	37.7	37.2	37.6	0.3	12	13 276
Slovakia	34.1	33.1	33.0	32.9	31.5	31.3	29.3	29.3	29.1	28.7	28.1	28.6	28.3	-5.8	24	20 134
Finland	47.2	44.8	44.7	44.1	43.5	43.9	43.8	43.0	42.9	42.8	42.5	43.7	44.1	-3.1	5	84 878
Sweden	51.5	49.4	47.5	47.8	48.0	48.9	48.3	47.3	46.4	46.5	45.4	44.4	44.2	-7.3	4	180 292
United Kingdom	36.3	36.1	34.8	34.4	34.9	35.4	36.1	35.7	37.1	34.3	35.0	35.8	35.4	-0.9	14	683 841
Iceland	37.1	35.3	35.2	36.7	37.8	40.6	41.4	40.5	36.6	33.8	35.0	35.9	36.8	-0.4		3 886
Norway	42.6	42.9	43.1	42.3	43.0	43.2	43.5	42.9	42.1	42.0	42.6	42.7	42.2	-0.4		164 259
EU-28 averages															Total	5 109 446
weighted	:	:	38.8	38.8	38.6	38.9	39.4	39.3	39.2	38.3	38.3	38.8	39.4	:		
arithmetic	:	:	36.1	36.1	36.1	36.5	36.6	37.1	36.7	35.9	35.6	35.8	36.3	:		
EU-27 averages																
weighted	40.3	39.4	38.8	38.8	38.6	38.9	39.4	39.3	39.2	38.3	38.3	38.8	39.4	-0.9		
arithmetic	37.0	36.3	36.0	36.1	36.1	36.5	36.6	37.0	36.6	35.9	35.6	35.8	36.3	-0.7		
EA-18 averages															Total	3 838 757
weighted	40.9	40.0	39.5	39.5	39.2	39.4	40.0	40.0	39.6	39.1	39.0	39.5	40.4	-0.5		
arithmetic	36.8	36.3	36.2	36.1	36.0	36.4	36.6	36.9	36.5	36.0	35.9	36.2	36.7	0.0		
EA-17 averages																
weighted	40.9	40.0	39.5	39.5	39.2	39.4	40.0	40.0	39.6	39.1	39.0	39.5	40.4	-0.5		
arithmetic	37.2	36.8	36.7	36.6	36.4	36.9	37.0	37.3	37.0	36.5	36.4	36.7	37.3	0.1	0.1	

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 2: Total Taxes (excluding SSC) as % of GDP

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	31.2	30.9	30.8	30.4	30.8	31.1	30.9	30.3	30.3	28.9	29.6	29.9	30.8	-0.4	4	115 608
Bulgaria	20.7	21.0	18.9	20.7	22.3	21.5	22.4	25.2	24.5	21.3	20.5	20.0	20.7	0.0	20	8 209
Czech Republic	18.8	18.8	19.1	19.8	20.5	20.2	19.7	20.2	18.9	18.5	18.4	19.1	19.4	0.6	25	29 720
Denmark	47.6	46.7	46.7	46.8	47.9	49.7	48.6	47.9	46.8	46.8	46.5	46.7	47.2	-0.3	1	115 839
Germany	24.2	22.5	22.0	22.1	21.6	21.9	22.6	23.5	23.7	23.5	22.4	23.1	23.6	-0.7	15	628 360
Estonia	20.1	19.6	20.0	20.2	20.2	20.4	20.6	21.0	20.2	22.3	20.9	20.4	21.0	0.9	19	3 659
Ireland	27.1	25.2	23.9	24.4	25.5	25.9	27.3	26.5	24.2	22.3	22.3	23.4	24.3	-2.8	14	39 849
Greece	24.1	22.6	22.1	20.4	20.1	20.9	21.0	21.3	21.0	20.1	20.5	21.8	22.9	-1.2	18	44 376
Spain	22.1	21.5	22.0	21.7	22.6	23.8	24.7	25.0	20.6	18.3	19.8	19.5	20.6	-1.5	19	211 590
France	28.1	27.7	27.0	26.7	27.0	27.5	27.6	27.1	26.9	25.3	25.8	26.9	27.9	-0.2	8	567 166
Croatia	:	:	25.9	25.5	24.8	24.9	25.5	25.7	25.2	24.3	24.5	23.6	24.3	:	15	10 652
Italy	29.5	29.3	28.6	28.9	28.1	27.7	29.4	29.9	29.3	29.3	29.1	29.1	30.4	0.9	5	477 104
Cyprus	23.3	23.8	24.1	25.2	25.2	26.7	27.9	32.5	30.8	26.6	26.7	26.6	26.1	2.8	11	4 630
Latvia	19.7	19.5	19.2	19.7	19.9	20.8	21.8	21.9	21.0	18.1	18.9	19.0	19.5	-0.3	18	4 338
Lithuania	20.7	19.7	19.7	19.5	19.8	20.3	20.9	21.0	21.1	17.6	16.6	16.2	16.2	-4.4	20	5 352
Luxembourg	29.1	28.8	28.4	27.4	26.6	27.1	25.9	25.8	26.9	27.9	27.1	27.0	27.8	-1.3	7	11 919
Hungary	26.5	25.7	25.2	25.4	25.4	24.9	24.8	26.7	26.6	26.9	25.9	24.1	26.0	-0.6	10	25 175
Malta	21.0	22.4	23.6	24.1	25.0	26.7	27.0	28.1	27.1	27.5	26.4	27.0	27.6	6.6	7	1 890
Netherlands	24.5	24.7	24.5	23.6	23.6	24.6	25.0	25.2	24.7	24.4	24.8	23.8	23.0	-1.5	15	138 028
Austria	28.3	30.1	29.0	28.8	28.4	27.5	27.1	27.6	28.4	27.5	27.5	27.6	28.2	-0.1	6	86 534
Poland	19.6	18.8	19.8	19.4	19.1	20.5	21.6	22.9	23.0	20.4	20.7	20.9	20.2	0.6	16	77 169
Portugal	23.1	22.6	23.1	23.0	22.2	23.0	23.7	24.3	24.0	22.0	22.5	23.9	23.3	0.2	14	38 468
Romania	19.1	17.7	17.4	18.2	18.1	18.2	18.8	19.3	18.7	17.5	18.1	19.4	19.5	0.3	15	25 655
Slovenia	23.1	23.1	23.6	23.9	23.9	24.4	24.2	24.0	23.2	22.3	22.5	22.2	22.4	-0.7	14	7 895
Slovakia	19.9	18.8	18.4	19.1	18.4	18.6	17.5	17.6	17.3	16.2	15.8	16.3	15.8	-4.2	14	11 227
Finland	35.3	32.7	32.8	32.3	31.8	31.9	31.6	31.1	30.9	30.1	29.9	31.1	31.0	-4.3	4	59 621
Sweden	39.0	37.2	36.2	36.9	37.4	38.6	39.0	38.0	38.0	38.4	37.2	37.3	37.0	-2.0	1	151 059
United Kingdom	30.2	30.0	28.9	28.2	28.3	28.8	29.5	29.1	30.4	27.6	28.5	29.2	28.8	-1.4	3	555 190
Iceland	34.2	32.5	32.4	33.6	34.8	37.4	38.1	37.5	33.8	30.7	30.9	31.8	32.9	-1.3		3 482
Norway	33.7	33.6	33.2	32.6	33.7	34.4	34.9	34.0	33.3	32.1	33.1	33.2	32.6	-1.1		126 989
EU-28 averages															Total	3 456 280
weighted	:	:	26.3	26.1	26.1	26.4	27.1	27.2	26.7	25.5	25.7	26.1	26.7	:		
arithmetic	:	:	25.0	25.1	25.2	25.6	26.0	26.4	25.8	24.7	24.6	24.8	25.2	:		
EU-27 averages																
weighted	27.6	26.8	26.3	26.1	26.1	26.5	27.1	27.2	26.7	25.5	25.7	26.1	26.7	-0.9		
arithmetic	25.8	25.2	25.0	25.1	25.2	25.7	26.0	26.4	25.9	24.7	24.6	24.9	25.2	-0.6		
EA-18 averages															Total	2 452 261
weighted	26.4	25.7	25.2	25.1	24.9	25.3	25.9	26.2	25.5	24.6	24.6	25.1	25.8	-0.6		
arithmetic	25.2	24.8	24.6	24.5	24.5	25.0	25.3	25.7	25.0	24.0	24.0	24.4	24.8	-0.4		
EA-17 averages																
weighted	26.4	25.7	25.2	25.1	25.0	25.3	25.9	26.2	25.5	24.6	24.6	25.1	25.8	-0.6		
arithmetic	25.5	25.1	24.9	24.8	24.8	25.3	25.5	25.9	25.3	24.4	24.3	24.7	25.1	-0.4		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 3: Total Taxes (excluding SSC) as % of Total Taxation

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	69.2	68.6	68.2	68.1	68.9	69.5	69.5	69.0	68.5	66.6	67.6	67.6	67.8	-1.4	16	115 608
Bulgaria	65.6	68.1	66.4	66.8	68.5	68.9	73.0	75.6	75.9	73.4	74.4	73.2	74.2	8.5	6	8 209
Czech Republic	55.6	55.8	55.3	55.9	57.1	56.7	55.8	56.2	54.9	55.5	54.7	55.3	55.5	-0.1	28	29 720
Denmark	96.4	96.4	97.5	97.5	97.6	97.8	97.9	98.0	98.0	97.9	97.9	97.9	98.1	1.7	1	115 839
Germany	58.7	57.2	56.6	56.5	56.5	57.1	58.7	60.7	60.9	59.7	59.1	60.0	60.2	1.5	23	628 360
Estonia	64.7	64.7	64.6	65.6	66.1	66.5	67.1	66.7	63.4	63.1	61.5	63.0	64.7	-0.1	19	3 659
Ireland	86.1	84.8	84.5	84.7	84.7	84.7	85.1	84.2	81.9	79.5	79.5	83.0	84.7	-1.4	2	39 849
Greece	69.7	68.1	65.6	63.5	64.3	64.8	66.2	65.6	65.3	65.8	64.8	67.2	67.9	-1.7	15	44 376
Spain	64.7	63.9	64.4	64.0	65.1	66.3	67.1	67.2	62.6	59.5	61.5	61.3	63.2	-1.5	20	211 590
France	63.5	63.2	62.5	61.9	62.5	62.7	62.6	62.5	62.3	60.1	60.8	61.6	62.1	-1.4	22	567 166
Croatia	:	:	68.2	68.1	67.6	67.9	68.6	68.7	68.0	66.6	67.2	66.9	67.9	:	14	10 652
Italy	71.2	71.4	70.7	70.4	69.6	69.2	70.4	70.0	68.6	68.1	68.4	68.4	69.2	-2.0	12	477 104
Cyprus	77.9	77.7	78.1	78.1	76.4	76.3	78.1	81.2	79.9	75.4	74.9	75.2	74.1	-3.8	7	4 630
Latvia	66.5	67.7	67.2	68.9	69.5	71.1	71.2	71.4	71.7	68.0	69.3	68.9	69.8	3.3	11	4 338
Lithuania	66.9	66.9	67.7	67.9	68.5	69.5	69.6	69.6	68.7	58.0	58.3	59.0	59.7	-7.2	24	5 352
Luxembourg	74.3	72.5	72.3	71.8	71.3	72.2	72.4	72.4	71.7	70.2	71.0	70.8	70.7	-3.5	9	11 919
Hungary	66.6	66.5	66.2	66.8	67.4	66.5	66.4	65.9	66.0	67.1	68.1	64.5	66.2	-0.4	17	25 175
Malta	77.0	77.6	78.7	79.4	79.9	81.1	81.7	83.0	82.1	82.3	82.0	81.8	82.0	5.0	4	1 890
Netherlands	61.4	64.3	64.8	63.1	62.9	65.5	64.1	65.2	63.0	63.8	63.6	61.6	59.0	-2.3	26	138 028
Austria	65.8	67.1	66.6	66.3	66.1	65.5	65.4	66.1	66.4	65.0	65.2	65.4	65.4	-0.4	18	86 534
Poland	60.3	58.4	60.4	60.3	60.8	62.4	63.9	65.7	67.0	64.3	65.1	64.7	62.3	2.0	21	77 169
Portugal	74.3	73.3	73.5	72.8	72.9	73.2	73.8	74.0	73.2	70.9	71.2	71.8	72.0	-2.3	8	38 468
Romania	63.3	61.7	61.8	65.9	66.4	65.6	66.0	66.6	66.7	65.1	67.8	68.3	68.8	5.5	13	25 655
Slovenia	61.9	61.5	62.4	62.8	62.8	63.1	63.4	63.7	62.3	59.9	59.7	59.7	59.5	-2.5	25	7 895
Slovakia	58.5	56.9	55.8	58.0	58.4	59.6	59.9	60.1	59.3	56.4	56.3	57.1	55.8	-2.7	27	11 227
Finland	74.8	73.1	73.5	73.3	73.2	72.7	72.1	72.3	72.0	70.1	70.2	71.1	70.2	-4.5	10	59 621
Sweden	75.8	75.3	76.3	77.2	77.8	79.0	80.7	80.3	81.8	82.6	81.9	84.1	83.8	8.0	3	151 059
United Kingdom	83.2	83.1	83.1	81.9	81.3	81.3	81.6	81.7	81.9	80.6	81.3	81.5	81.2	-2.0	5	555 190
Iceland	92.2	92.0	91.9	91.6	91.9	92.1	92.1	92.5	92.3	90.9	88.2	88.6	89.6	-2.6		3 482
Norway	79.1	78.5	77.1	76.9	78.3	79.6	80.1	79.2	79.0	76.6	77.5	77.8	77.3	-1.8		126 989
EU-28 averages															Total	3 456 280
weighted	:	:	67.9	67.3	67.5	68.0	68.7	69.0	68.2	66.5	67.0	67.4	67.6	:		
arithmetic	:	:	69.0	69.2	69.4	69.9	70.4	70.8	70.1	68.4	68.7	69.0	69.1	:		
EU-27 averages																
weighted	68.5	68.1	67.9	67.3	67.5	68.0	68.7	69.0	68.2	66.5	67.0	67.4	67.6	-0.9		
arithmetic	69.4	69.1	69.1	69.2	69.5	70.0	70.5	70.9	70.2	68.5	68.7	69.0	69.2	-0.2		
EA-18 averages															Total	2 452 261
weighted	64.5	64.2	63.8	63.4	63.6	64.1	64.8	65.4	64.4	62.9	63.2	63.5	63.9	-0.6		
arithmetic	68.9	68.5	68.3	68.3	68.4	68.9	69.4	69.7	68.6	66.9	67.0	67.5	67.7	-1.2		
EA-17 averages																
weighted	64.5	64.2	63.8	63.4	63.6	64.1	64.8	65.4	64.3	62.9	63.2	63.5	63.9	-0.6		
arithmetic	69.0	68.6	68.4	68.3	68.3	68.8	69.3	69.6	68.4	66.9	66.9	67.4	67.6	-1.5		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 4: Indirect Taxes as % of GDP — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	13.6	13.2	13.2	13.2	13.4	13.5	13.6	13.3	13.1	13.0	13.3	13.1	13.4	-0.3	17	50 239
Bulgaria	13.8	13.4	12.6	14.5	16.3	16.6	17.2	17.0	17.8	15.4	15.1	14.8	15.4	1.6	6	6 125
Czech Republic	10.8	10.5	10.3	10.6	11.3	11.3	10.8	11.1	10.9	11.3	11.4	11.9	12.3	1.4	21	18 748
Denmark	17.2	17.4	17.5	17.4	17.6	18.0	18.1	17.9	17.2	17.0	16.8	17.0	16.9	-0.4	4	41 334
Germany	11.3	11.1	11.0	11.2	10.8	10.8	10.8	11.3	11.2	11.8	11.3	11.5	11.4	0.2	24	304 660
Estonia	12.3	12.3	12.5	12.1	12.3	13.4	13.5	13.5	12.3	14.8	14.2	13.9	14.2	1.9	12	2 475
Ireland	13.5	12.5	12.4	12.6	13.2	13.7	14.1	13.6	12.5	11.4	11.6	11.1	11.2	-2.3	26	18 393
Greece	14.2	13.8	13.3	12.4	12.0	12.1	12.7	13.0	12.7	11.6	12.5	13.0	12.7	-1.5	20	24 603
Spain	12.0	11.6	11.6	11.8	12.2	12.7	12.8	11.9	10.1	9.1	10.7	10.3	10.7	-1.3	27	110 246
France	15.8	15.4	15.4	15.3	15.6	15.7	15.6	15.4	15.2	15.3	15.1	15.5	15.7	-0.1	5	318 940
Croatia	:	:	19.8	19.5	18.8	18.6	18.6	18.3	18.0	17.1	18.0	17.4	18.2	:	3	7 970
Italy	15.1	14.6	14.6	14.2	14.3	14.4	15.0	14.9	14.0	13.8	14.3	14.3	15.2	0.1	7	238 138
Cyprus	12.2	12.6	12.9	15.4	16.4	16.5	17.2	18.7	17.9	15.4	15.6	14.8	15.0	2.9	8	2 667
Latvia	12.4	11.9	11.3	12.1	11.9	12.8	13.2	12.6	11.2	10.9	11.5	11.6	11.8	-0.6	23	2 625
Lithuania	12.6	12.2	12.4	11.7	11.2	11.3	11.4	11.9	11.9	11.8	12.0	11.8	11.4	-1.1	25	3 757
Luxembourg	14.0	13.6	13.0	12.6	13.5	13.4	12.8	12.6	12.6	13.0	12.4	12.5	13.0	-1.1	19	5 563
Hungary	16.6	15.5	15.0	15.8	16.3	15.8	15.3	16.3	16.0	16.9	17.3	17.1	18.5	1.8	2	17 894
Malta	12.0	12.7	12.6	12.6	14.0	15.0	15.0	14.8	14.4	14.0	13.5	14.0	13.7	1.7	14	939
Netherlands	12.5	12.9	12.7	12.7	12.9	12.9	13.1	13.0	12.7	12.2	12.5	12.0	11.9	-0.7	22	71 056
Austria	15.2	15.2	15.3	15.2	15.0	14.8	14.3	14.2	14.4	14.8	14.8	14.7	14.8	-0.4	9	45 580
Poland	12.6	12.5	13.2	13.2	13.1	13.9	14.5	14.4	14.4	13.1	13.8	14.0	13.1	0.5	18	50 034
Portugal	13.5	13.5	14.0	14.6	13.9	14.7	15.1	14.8	14.3	13.0	13.6	14.0	13.9	0.4	13	22 932
Romania	12.2	11.3	11.6	12.3	11.7	12.9	12.8	12.6	12.0	11.0	12.1	13.2	13.4	1.2	16	17 612
Slovenia	15.7	15.5	15.8	16.0	15.8	15.8	15.2	14.9	14.4	14.0	14.3	14.3	14.6	-1.2	11	5 153
Slovakia	12.5	11.3	11.4	11.9	12.3	12.6	11.5	11.4	10.8	10.7	10.4	10.9	10.2	-2.3	28	7 259
Finland	13.9	13.4	13.7	14.2	14.0	14.1	13.9	13.3	13.1	13.7	13.6	14.5	14.7	0.7	10	28 253
Sweden	16.4	16.4	16.6	16.7	16.5	16.6	16.8	16.7	18.1	18.8	18.0	18.8	18.7	2.3	1	76 351
United Kingdom	13.7	13.4	13.3	13.1	13.1	12.7	12.7	12.6	12.2	11.9	13.0	13.5	13.7	-0.1	15	263 556
Iceland	18.2	15.9	15.9	16.7	17.8	19.1	19.4	18.6	15.6	14.0	14.3	14.3	15.0	-3.2		1 585
Norway	13.6	13.4	13.4	13.0	12.7	12.2	12.2	12.5	11.1	12.0	12.0	11.6	11.4	-2.2		44 482
EU-28 averages															Total	1 763 102
weighted	:	:	13.4	13.3	13.3	13.4	13.5	13.4	13.1	12.9	13.2	13.4	13.6	:		
arithmetic	:	:	13.5	13.8	13.9	14.2	14.2	14.2	13.8	13.5	13.7	13.8	13.9	:		
EU-27 averages																
weighted	13.7	13.3	13.3	13.3	13.3	13.4	13.5	13.4	13.0	12.9	13.2	13.4	13.6	-0.1		
arithmetic	13.6	13.3	13.3	13.5	13.7	14.0	14.0	14.0	13.6	13.3	13.5	13.6	13.8	0.1		
EA-18 averages															Total	1 259 721
weighted	13.5	13.2	13.2	13.2	13.2	13.3	13.4	13.3	12.9	12.8	12.9	13.0	13.3	-0.2		
arithmetic	13.4	13.2	13.1	13.3	13.5	13.8	13.9	13.7	13.2	12.9	13.1	13.1	13.2	-0.2		
EA-17 averages																
weighted	13.5	13.2	13.2	13.2	13.2	13.3	13.4	13.3	12.9	12.8	13.0	13.0	13.3	-0.2		
arithmetic	13.5	13.2	13.2	13.4	13.6	13.9	13.9	13.8	13.3	13.0	13.2	13.2	13.3	-0.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 5: Indirect Taxes as % of Total Taxation — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	30.2	29.2	29.2	29.7	29.9	30.2	30.6	30.2	29.6	29.9	30.3	29.6	29.4	-0.8	27	50 239
Bulgaria	43.8	43.6	44.1	46.8	50.2	53.2	56.1	51.1	55.3	53.1	54.9	54.2	55.3	11.6	1	6 125
Czech Republic	32.1	31.1	29.9	29.9	31.6	31.8	30.7	31.0	31.6	33.9	34.1	34.5	35.0	2.9	18	18 748
Denmark	34.9	35.9	36.6	36.2	35.9	35.3	36.4	36.7	36.1	35.6	35.4	35.6	35.0	0.1	19	41 334
Germany	27.3	28.2	28.3	28.5	28.3	28.2	28.0	29.1	28.9	29.9	29.7	29.7	29.2	1.9	28	304 660
Estonia	39.7	40.9	40.3	39.4	40.1	43.7	44.1	43.0	38.7	42.0	41.6	43.0	43.7	4.0	5	2 475
Ireland	42.9	42.0	43.6	43.6	43.7	44.6	44.1	43.3	42.4	40.7	41.5	39.3	39.1	-3.8	13	18 393
Greece	40.9	41.5	39.5	38.6	38.2	37.5	40.1	40.1	39.6	37.9	39.6	40.2	37.6	-3.3	16	24 603
Spain	35.1	34.4	33.9	34.9	35.1	35.5	34.9	32.1	30.7	29.7	33.2	32.4	32.9	-2.2	25	110 246
France	35.8	35.1	35.7	35.6	36.0	35.8	35.3	35.5	35.1	36.3	35.5	35.4	34.9	-0.9	20	318 940
Croatia	:	:	52.2	52.0	51.3	50.9	50.1	48.9	48.7	46.9	49.4	49.2	50.8	:	2	7 970
Italy	36.4	35.5	36.0	34.7	35.3	35.9	36.0	34.8	32.9	32.2	33.6	33.7	34.5	-1.9	21	238 138
Cyprus	40.6	41.0	41.7	47.9	49.8	47.2	48.0	46.8	46.3	43.6	43.8	42.0	42.7	2.0	7	2 667
Latvia	41.8	41.3	39.7	42.4	41.8	43.9	43.3	41.3	38.3	41.0	42.2	42.1	42.2	0.4	9	2 625
Lithuania	40.6	41.5	42.7	40.7	38.7	38.9	38.0	39.3	38.6	38.8	42.3	43.2	41.9	1.3	10	3 757
Luxembourg	35.8	34.1	33.1	33.0	36.1	35.6	35.7	35.4	33.7	32.6	32.4	32.8	33.0	-2.8	24	5 563
Hungary	41.8	40.1	39.5	41.5	43.3	42.2	41.0	40.2	39.7	42.1	45.5	45.8	47.1	5.3	4	17 894
Malta	44.1	43.8	41.9	41.6	44.8	45.6	45.4	43.7	43.7	41.7	42.0	42.4	40.7	-3.3	11	939
Netherlands	31.4	33.7	33.5	33.9	34.3	34.4	33.6	33.6	32.5	32.1	32.2	31.2	30.4	-1.0	26	71 056
Austria	35.3	33.8	35.0	34.9	34.9	35.1	34.5	34.1	33.7	35.0	35.0	34.7	34.4	-0.9	22	45 580
Poland	38.8	38.8	40.3	40.9	41.5	42.3	42.8	41.4	42.1	41.2	43.5	43.3	40.4	1.6	12	50 034
Portugal	43.5	43.6	44.6	46.0	45.6	47.0	47.0	45.0	43.7	41.9	43.1	42.1	42.9	-0.6	6	22 932
Romania	40.2	39.5	41.3	44.3	43.1	46.4	44.9	43.4	42.7	40.8	45.1	46.6	47.2	7.0	3	17 612
Slovenia	42.2	41.4	41.8	41.9	41.4	40.8	39.8	39.6	38.6	37.7	38.0	38.3	38.8	-3.4	14	5 153
Slovakia	36.7	34.3	34.4	36.4	39.0	40.4	39.2	39.0	37.0	37.2	37.2	37.9	36.1	-0.6	17	7 259
Finland	29.5	30.0	30.6	32.3	32.2	32.0	31.8	30.9	30.6	31.9	32.0	33.2	33.3	3.8	23	28 253
Sweden	31.9	33.2	35.1	35.0	34.3	34.0	34.7	35.4	39.1	40.5	39.7	42.4	42.3	10.4	8	76 351
United Kingdom	37.8	37.0	38.2	38.2	37.6	36.0	35.2	35.4	32.9	34.6	37.0	37.9	38.5	0.7	15	263 556
Iceland	48.9	45.2	45.1	45.7	47.1	47.0	46.8	45.9	42.6	41.4	40.8	39.9	40.8	-8.2		1 585
Norway	32.0	31.3	31.2	30.8	29.5	28.2	28.0	29.1	26.4	28.5	28.2	27.1	27.1	-4.9		44 482
EU-28 averages															Total	1 763 102
weighted	:	:	34.4	34.4	34.6	34.5	34.3	34.2	33.3	33.7	34.5	34.6	34.5	:		
arithmetic	:	:	38.0	38.6	39.1	39.4	39.3	38.6	38.0	37.9	38.9	39.0	38.9	:		
EU-27 averages																
weighted	33.9	33.9	34.4	34.4	34.5	34.5	34.3	34.1	33.3	33.6	34.5	34.5	34.5	0.5		
arithmetic	37.5	37.2	37.4	38.1	38.6	39.0	38.9	38.2	37.6	37.5	38.5	38.6	38.5	1.0		
EA-18 averages															Total	1 259 721
weighted	32.9	33.0	33.3	33.3	33.6	33.8	33.6	33.3	32.5	32.7	33.2	33.0	32.8	-0.1		
arithmetic	37.2	36.9	36.8	37.5	38.1	38.5	38.4	37.6	36.4	36.3	36.8	36.7	36.5	-0.7		
EA-17 averages																
weighted	32.9	33.0	33.3	33.3	33.6	33.7	33.6	33.3	32.5	32.7	33.2	33.0	32.8	-0.1		
arithmetic	36.9	36.6	36.7	37.2	37.9	38.2	38.1	37.4	36.3	36.0	36.5	36.3	36.1	-0.8		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 6: Indirect Taxes as % of GDP — VAT

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	7.2	6.9	6.9	6.8	6.9	7.0	7.1	7.1	7.0	6.9	7.1	7.0	7.2	0.0	19	26 896
Bulgaria	8.3	8.4	7.3	8.6	9.9	10.2	10.7	10.4	10.9	9.0	9.2	8.7	9.4	1.1	3	3 740
Czech Republic	6.2	6.1	6.0	6.1	7.0	6.9	6.4	6.3	6.8	6.9	6.9	7.1	7.2	1.0	18	11 050
Denmark	9.6	9.6	9.6	9.6	9.8	10.1	10.3	10.4	10.1	10.2	9.8	9.9	10.0	0.4	2	24 422
Germany	6.8	6.6	6.4	6.4	6.3	6.3	6.4	7.0	7.1	7.5	7.2	7.3	7.3	0.4	17	194 040
Estonia	8.4	8.2	8.4	8.2	7.7	8.7	9.1	8.9	7.9	8.8	8.7	8.4	8.7	0.2	8	1 508
Ireland	7.2	6.8	7.0	7.0	7.3	7.6	7.7	7.6	7.3	6.4	6.4	6.0	6.2	-1.0	25	10 219
Greece	7.2	7.5	7.6	7.0	6.8	6.9	7.1	7.4	7.3	6.5	7.3	7.2	7.1	-0.1	22	13 713
Spain	6.2	6.0	5.8	6.0	6.2	6.5	6.5	6.0	5.1	4.1	5.6	5.4	5.5	-0.6	28	57 057
France	7.4	7.3	7.2	7.2	7.3	7.4	7.3	7.2	7.1	6.9	7.0	7.0	7.0	-0.4	23	142 499
Croatia	:	:	12.4	12.4	12.0	12.1	12.2	12.0	11.9	11.3	11.7	11.4	12.3	:	1	5 403
Italy	6.5	6.2	6.2	5.9	5.8	5.9	6.2	6.2	5.9	5.7	6.3	6.2	6.1	-0.4	26	95 473
Cyprus	5.5	5.7	6.6	7.8	8.4	9.1	9.7	10.2	10.6	9.2	9.2	8.5	8.9	3.4	7	1 578
Latvia	7.1	6.8	6.7	7.2	7.0	7.8	8.6	8.2	6.7	6.0	6.6	6.8	7.1	0.0	21	1 583
Lithuania	7.5	7.3	7.3	6.7	6.4	7.1	7.6	8.1	8.0	7.4	7.9	7.9	7.7	0.1	14	2 521
Luxembourg	5.6	5.8	5.8	5.7	6.1	6.2	5.8	5.7	6.3	6.9	6.4	6.7	7.1	1.5	20	3 064
Hungary	8.9	8.1	7.8	8.2	8.9	8.4	7.6	8.1	7.8	8.6	8.8	8.6	9.4	0.5	4	9 084
Malta	5.7	6.1	6.2	6.3	7.1	8.0	7.9	7.5	7.7	7.7	7.5	7.8	7.8	2.1	13	536
Netherlands	6.9	7.3	7.2	7.3	7.3	7.2	7.4	7.5	7.3	7.0	7.3	6.9	7.0	0.1	24	41 699
Austria	8.1	8.1	8.1	8.0	7.9	7.9	7.6	7.7	7.8	8.0	8.0	7.8	8.0	-0.1	12	24 563
Poland	6.9	6.8	7.2	7.1	7.2	7.7	8.1	8.3	8.0	7.4	7.8	8.0	7.3	0.4	15	27 881
Portugal	7.6	7.5	7.6	7.7	7.7	8.4	8.6	8.5	8.4	7.1	7.8	8.3	8.5	0.8	10	13 995
Romania	6.5	6.2	7.1	7.2	6.7	8.1	7.9	8.1	7.9	6.6	7.6	8.7	8.5	2.0	9	11 212
Slovenia	8.6	8.3	8.5	8.5	8.5	8.6	8.5	8.4	8.5	8.0	8.2	8.3	8.2	-0.4	11	2 889
Slovakia	7.0	7.2	7.0	7.5	7.8	7.9	7.5	6.7	6.9	6.7	6.3	6.8	6.1	-0.9	27	4 328
Finland	8.2	8.0	8.1	8.6	8.5	8.7	8.7	8.4	8.4	8.7	8.5	9.0	9.2	0.9	6	17 640
Sweden	8.6	8.7	8.8	8.8	8.8	9.0	8.9	9.0	9.3	9.6	9.7	9.5	9.3	0.7	5	37 861
United Kingdom	6.5	6.5	6.6	6.7	6.7	6.5	6.5	6.4	6.3	5.6	6.5	7.3	7.3	0.8	16	140 457
Iceland	10.6	9.4	9.4	9.7	10.4	11.1	11.3	10.5	9.1	8.0	8.0	8.0	8.4	-2.2		889
Norway	8.4	8.4	8.5	8.2	8.0	7.8	7.9	8.2	7.2	7.8	7.9	7.7	7.7	-0.7		29 889
EU-28 averages															Total	926 909
weighted	:	:	6.8	6.8	6.8	6.9	7.0	7.0	6.9	6.7	7.0	7.1	7.1	:		
arithmetic	:	:	7.4	7.5	7.6	7.9	8.0	8.0	7.9	7.5	7.8	7.8	7.9	:		
EU-27 averages																
weighted	7.0	6.8	6.8	6.8	6.8	6.9	7.0	7.0	6.9	6.7	7.0	7.1	7.1	0.2		
arithmetic	7.3	7.2	7.2	7.3	7.5	7.8	7.8	7.8	7.7	7.4	7.6	7.7	7.7	0.5		
EA-18 averages															Total	653 279
weighted	7.0	6.8	6.7	6.6	6.6	6.8	6.8	6.9	6.8	6.6	6.9	6.9	6.9	-0.1		
arithmetic	7.1	7.0	7.1	7.2	7.3	7.6	7.6	7.6	7.4	7.1	7.3	7.3	7.4	0.3		
EA-17 averages																
weighted	7.0	6.8	6.7	6.6	6.6	6.8	6.8	6.9	6.8	6.6	6.9	6.9	6.9	-0.1		
arithmetic	7.1	7.0	7.1	7.2	7.3	7.6	7.6	7.5	7.4	7.2	7.3	7.3	7.4	0.3		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 7: Indirect Taxes as % of Total Taxation — VAT

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	15.9	15.2	15.3	15.2	15.4	15.7	15.9	16.2	15.7	16.0	16.2	15.9	15.8	-0.2	26	26 896
Bulgaria	26.4	27.4	25.6	27.8	30.3	32.7	34.9	31.1	33.8	31.1	33.3	32.0	33.8	7.4	2	3 740
Czech Republic	18.4	18.1	17.5	17.2	19.5	19.4	18.0	17.7	19.7	20.6	20.7	20.4	20.6	2.2	19	11 050
Denmark	19.4	19.9	20.2	20.1	19.9	19.8	20.8	21.2	21.0	21.3	20.7	20.8	20.7	1.3	18	24 422
Germany	16.6	16.8	16.5	16.3	16.4	16.4	16.5	18.1	18.3	19.0	19.0	18.9	18.6	2.0	21	194 040
Estonia	27.2	27.0	27.0	26.5	25.1	28.3	29.6	28.2	24.9	24.8	25.7	26.0	26.6	-0.6	5	1 508
Ireland	23.0	22.9	24.6	24.2	24.3	24.8	24.1	24.0	24.6	22.7	22.7	21.3	21.7	-1.2	13	10 219
Greece	20.9	22.5	22.7	21.8	21.7	21.5	22.5	22.9	22.7	21.1	23.2	22.2	21.0	0.1	16	13 713
Spain	18.1	17.7	17.1	17.7	17.7	18.1	17.8	16.1	15.5	13.5	17.4	17.1	17.0	-1.1	25	57 057
France	16.9	16.6	16.5	16.6	16.8	16.8	16.6	16.7	16.5	16.4	16.5	16.1	15.6	-1.3	27	142 499
Croatia	:	:	32.8	33.0	32.8	33.1	32.7	32.1	32.2	30.9	32.2	32.4	34.4	:	1	5 403
Italy	15.6	15.1	15.3	14.4	14.4	14.8	14.9	14.4	13.9	13.3	14.8	14.7	13.9	-1.7	28	95 473
Cyprus	18.2	18.7	21.5	24.3	25.4	26.1	27.1	25.5	27.4	26.0	25.8	24.0	25.2	7.0	8	1 578
Latvia	23.9	23.6	23.5	25.3	24.4	26.8	28.1	26.9	23.0	22.5	24.3	24.6	25.5	1.6	7	1 583
Lithuania	24.4	24.7	25.3	23.3	22.3	24.3	25.3	26.8	26.0	24.2	27.6	28.8	28.1	3.7	4	2 521
Luxembourg	14.3	14.6	14.7	14.9	16.2	16.4	16.1	16.1	16.8	17.3	16.9	17.5	18.2	3.9	23	3 064
Hungary	22.3	21.1	20.6	21.6	23.5	22.5	20.4	19.9	19.3	21.3	23.0	23.1	23.9	1.6	9	9 084
Malta	21.0	21.2	20.6	20.6	22.8	24.5	23.8	22.2	23.3	22.9	23.2	23.7	23.3	2.3	10	536
Netherlands	17.3	18.9	19.1	19.5	19.4	19.2	18.9	19.4	18.5	18.3	18.7	18.0	17.8	0.5	24	41 699
Austria	18.8	17.9	18.7	18.3	18.4	18.8	18.4	18.4	18.2	18.9	18.9	18.5	18.6	-0.2	22	24 563
Poland	21.3	21.0	22.0	22.2	22.8	23.5	24.1	23.9	23.4	23.4	24.5	24.9	22.5	1.2	11	27 881
Portugal	24.6	24.2	24.2	24.4	25.4	26.8	26.6	25.8	25.6	22.9	24.8	25.1	26.2	1.6	6	13 995
Romania	21.4	21.8	25.2	26.0	24.5	29.0	27.8	27.9	28.2	24.7	28.5	30.6	30.1	8.6	3	11 212
Slovenia	23.1	22.1	22.6	22.3	22.3	22.3	22.3	22.4	22.8	21.6	21.9	22.3	21.8	-1.3	12	2 889
Slovakia	20.4	21.9	21.2	22.7	24.7	25.1	25.5	23.0	23.8	23.4	22.6	23.9	21.5	1.1	14	4 328
Finland	17.4	17.8	18.2	19.4	19.6	19.8	19.9	19.5	19.5	20.2	20.1	20.7	20.8	3.4	17	17 640
Sweden	16.7	17.6	18.6	18.5	18.3	18.4	18.5	19.1	20.0	20.7	21.3	21.4	21.0	4.3	15	37 861
United Kingdom	17.9	18.0	18.9	19.6	19.3	18.5	18.0	18.1	16.9	16.4	18.4	20.3	20.5	2.6	20	140 457
Iceland	28.6	26.6	26.7	26.5	27.6	27.3	27.2	26.0	24.8	23.8	22.8	22.4	22.9	-5.8		889
Norway	19.7	19.5	19.6	19.4	18.6	18.1	18.1	19.1	17.1	18.6	18.5	18.0	18.2	-1.5		29 889
EU-28 averages															Total	926 909
weighted	:	:	17.6	17.6	17.7	17.8	17.7	17.9	17.7	17.4	18.3	18.4	18.1	:		
arithmetic	:	:	20.9	21.2	21.6	22.3	22.3	21.9	21.8	21.3	22.2	22.3	22.3	:		
EU-27 averages																
weighted	17.3	17.4	17.5	17.5	17.6	17.7	17.7	17.9	17.6	17.4	18.3	18.4	18.1	0.8		
arithmetic	20.0	20.2	20.5	20.8	21.1	21.9	21.9	21.5	21.5	20.9	21.9	21.9	21.9	1.8		
EA-18 averages															Total	653 279
weighted	17.0	17.0	16.9	16.8	16.9	17.2	17.1	17.3	17.1	16.9	17.6	17.4	17.0	0.0		
arithmetic	19.6	19.7	20.0	20.2	20.6	21.2	21.4	20.9	20.6	20.0	20.7	20.6	20.5	0.9		
EA-17 averages																
weighted	17.0	17.0	16.9	16.8	16.9	17.2	17.1	17.3	17.1	16.9	17.6	17.4	17.0	0.0		
arithmetic	19.4	19.5	19.7	19.9	20.4	20.9	21.0	20.5	20.5	19.9	20.5	20.3	20.2	0.8		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 8: Indirect Taxes as % of GDP — Excise duties and consumption taxes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	2.4	2.3	2.3	2.4	2.4	2.4	2.2	2.2	2.1	2.1	2.2	2.1	2.1	-0.3	28	7 783
Bulgaria	3.9	3.7	3.9	4.4	4.8	4.7	4.8	5.8	5.9	5.5	5.1	5.1	5.1	1.2	1	2 042
Czech Republic	3.1	3.1	3.1	3.3	3.4	3.6	3.6	3.9	3.3	3.7	3.7	3.9	4.0	0.8	5	6 042
Denmark	4.1	4.1	4.1	4.0	3.8	3.5	3.4	3.2	3.1	3.3	3.3	3.4	3.4	-0.7	13	8 294
Germany	2.8	2.9	3.0	3.2	3.0	2.9	2.8	2.6	2.6	2.7	2.5	2.6	2.5	-0.4	22	65 830
Estonia	3.0	3.3	3.2	3.1	3.6	3.7	3.4	3.6	3.3	5.0	4.3	4.4	4.5	1.6	2	791
Ireland	3.2	2.9	2.9	2.8	2.7	2.6	2.4	2.4	2.4	2.7	2.6	2.5	2.4	-0.8	23	3 966
Greece	3.1	3.1	2.9	2.8	2.6	2.6	2.5	2.6	2.3	2.6	3.3	3.7	3.6	0.6	7	7 023
Spain	2.6	2.5	2.5	2.5	2.5	2.4	2.2	2.2	2.2	2.2	2.3	2.2	2.2	-0.5	27	22 187
France	2.6	2.5	2.6	2.5	2.3	2.2	2.3	2.2	2.1	2.2	2.2	2.2	2.2	-0.3	25	45 167
Croatia	:	:	4.7	4.6	4.3	4.1	4.0	3.8	3.6	3.3	3.7	3.4	3.4	:	14	1 484
Italy	2.6	2.4	2.3	2.4	2.2	2.2	2.2	2.1	1.9	2.1	2.0	2.1	2.4	-0.2	24	37 240
Cyprus	2.5	3.2	2.8	3.8	4.4	4.1	3.9	3.7	3.3	3.2	3.5	3.6	3.4	0.9	12	603
Latvia	3.5	3.1	3.1	3.3	3.5	3.6	3.3	2.9	3.2	3.7	3.5	3.4	3.2	-0.2	15	714
Lithuania	3.2	3.3	3.2	3.3	3.0	2.9	2.9	2.9	3.0	3.5	3.3	3.0	2.9	-0.4	17	943
Luxembourg	4.5	4.2	4.4	4.3	4.6	4.2	3.8	3.6	3.7	3.9	3.6	3.6	3.6	-1.0	8	1 530
Hungary	4.0	3.7	3.6	3.7	3.3	3.2	3.3	3.4	3.4	3.6	3.3	3.3	3.5	-0.4	9	3 439
Malta	2.4	2.7	2.6	2.5	2.7	3.0	3.0	3.3	3.0	2.9	2.9	3.0	3.0	0.6	16	208
Netherlands	2.6	2.5	2.5	2.5	2.6	2.5	2.5	2.4	2.4	2.3	2.3	2.2	2.2	-0.5	26	12 956
Austria	2.7	2.7	2.7	2.8	2.8	2.7	2.5	2.5	2.5	2.5	2.5	2.5	2.5	-0.2	21	7 628
Poland	3.7	3.7	4.0	4.1	4.2	4.2	4.0	4.2	4.4	3.8	4.2	4.1	4.0	0.4	4	15 408
Portugal	2.6	2.8	3.0	3.2	3.1	3.0	3.1	2.8	2.7	2.7	2.8	2.8	2.7	0.1	19	4 402
Romania	3.0	2.8	2.6	3.5	3.6	3.3	3.2	3.0	2.7	3.2	3.3	3.5	3.5	0.6	10	4 620
Slovenia	3.0	3.4	3.4	3.4	3.4	3.3	3.3	3.3	3.3	4.1	4.3	4.2	4.5	1.5	3	1 602
Slovakia	3.1	2.7	2.9	3.1	3.3	3.7	2.9	3.5	2.7	2.8	2.9	2.9	2.8	-0.3	18	1 973
Finland	4.3	4.1	4.2	4.3	3.9	3.8	3.7	3.3	3.3	3.4	3.5	3.9	3.9	-0.3	6	7 517
Sweden	3.1	3.1	3.2	3.2	3.0	3.0	2.8	2.7	2.7	2.9	2.8	2.6	2.6	-0.5	20	10 587
United Kingdom	3.9	3.8	3.7	3.6	3.5	3.3	3.2	3.2	3.2	3.5	3.5	3.5	3.5	-0.5	11	67 159
Iceland	2.6	2.0	1.9	2.1	2.2	2.7	2.8	2.6	1.9	1.7	2.1	2.1	2.2	-0.3		235
Norway	2.8	2.7	2.7	2.6	2.4	2.2	2.1	2.1	2.0	2.2	2.1	2.0	1.9	-1.0		7 248
EU-28 averages															Total	349 137
weighted	:	:	3.0	3.0	2.9	2.8	2.7	2.6	2.6	2.7	2.7	2.7	2.7	:		
arithmetic	:	:	3.2	3.3	3.3	3.2	3.1	3.1	3.0	3.2	3.2	3.2	3.2	:		
EU-27 averages																
weighted	3.0	2.9	3.0	3.0	2.9	2.8	2.7	2.6	2.6	2.6	2.7	2.7	2.7	-0.3		
arithmetic	3.2	3.1	3.1	3.2	3.3	3.2	3.1	3.1	3.0	3.2	3.2	3.2	3.2	0.0		
EA-18 averages															Total	229 119
weighted	2.7	2.7	2.7	2.7	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	-0.3		
arithmetic	3.0	3.0	3.0	3.0	3.1	3.0	2.9	2.8	2.7	2.9	3.0	3.0	3.0	0.0		
EA-17 averages																
weighted	2.7	2.7	2.7	2.7	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	-0.3		
arithmetic	2.9	2.9	3.0	3.0	3.1	3.0	2.9	2.8	2.7	2.9	2.9	3.0	3.0	0.0		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 9: Indirect Taxes as % of Total Taxation — Excise duties and consumption taxes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	5.3	5.0	5.1	5.3	5.4	5.4	5.0	5.0	4.7	4.9	4.9	4.7	4.6	-0.7	28	7 783
Bulgaria	12.5	11.9	13.6	14.2	14.8	15.1	15.8	17.4	18.4	18.8	18.4	18.8	18.4	6.0	1	2 042
Czech Republic	9.3	9.3	9.0	9.2	9.4	10.0	10.2	10.9	9.5	10.9	10.9	11.3	11.3	2.0	7	6 042
Denmark	8.2	8.5	8.5	8.3	7.7	7.0	6.8	6.6	6.6	6.8	7.0	7.0	7.0	-1.2	20	8 294
Germany	6.9	7.4	7.8	8.2	7.9	7.7	7.4	6.8	6.6	6.8	6.7	6.7	6.3	-0.5	22	65 830
Estonia	9.6	10.8	10.5	10.0	11.9	12.0	11.1	11.4	10.4	14.1	12.7	13.6	14.0	4.4	2	791
Ireland	10.2	9.7	10.1	9.6	9.0	8.4	7.6	7.6	8.3	9.6	9.2	8.9	8.4	-1.8	18	3 966
Greece	8.9	9.3	8.7	8.7	8.5	8.2	7.9	7.9	7.2	8.4	10.4	11.5	10.7	1.9	8	7 023
Spain	7.8	7.5	7.5	7.4	7.1	6.6	6.1	6.0	6.6	7.2	7.0	6.9	6.6	-1.1	21	22 187
France	5.8	5.6	5.9	5.7	5.3	5.0	5.2	5.0	4.9	5.1	5.1	5.1	4.9	-0.9	27	45 167
Croatia	:	:	12.5	12.3	11.8	11.3	10.9	10.2	9.6	9.1	10.3	9.7	9.5	:	13	1 484
Italy	6.2	5.9	5.7	5.8	5.5	5.5	5.2	4.8	4.5	4.9	4.8	4.9	5.4	-0.8	26	37 240
Cyprus	8.5	10.4	9.1	11.9	13.4	11.6	10.9	9.2	8.6	9.1	9.8	10.1	9.6	1.1	12	603
Latvia	11.6	10.8	10.9	11.6	12.2	12.4	10.9	9.4	11.0	13.9	12.9	12.3	11.5	-0.1	6	714
Lithuania	10.4	11.3	11.0	11.3	10.4	10.0	9.7	9.6	9.9	11.4	11.4	11.1	10.5	0.1	9	943
Luxembourg	11.6	10.5	11.2	11.3	12.3	11.2	10.7	10.0	9.8	9.7	9.3	9.4	9.1	-2.5	14	1 530
Hungary	10.0	9.6	9.5	9.7	8.8	8.6	9.0	8.4	8.3	8.9	8.7	8.8	9.0	-0.9	15	3 439
Malta	8.9	9.3	8.6	8.3	8.8	9.1	9.1	9.7	9.0	8.8	9.0	9.2	9.0	0.2	16	208
Netherlands	6.6	6.6	6.6	6.6	6.8	6.6	6.4	6.3	6.0	6.0	5.9	5.8	5.5	-1.1	25	12 956
Austria	6.2	6.0	6.3	6.5	6.6	6.5	6.1	6.0	5.8	5.8	5.8	6.0	5.8	-0.5	24	7 628
Poland	11.2	11.5	12.1	12.7	13.2	12.8	11.9	12.0	13.0	11.9	13.2	12.8	12.4	1.2	3	15 408
Portugal	8.2	9.1	9.7	10.0	10.0	9.5	9.6	8.5	8.3	8.8	8.9	8.3	8.2	0.0	19	4 402
Romania	9.8	9.8	9.4	12.7	13.3	11.8	11.1	10.5	9.6	11.8	12.3	12.2	12.4	2.6	4	4 620
Slovenia	8.1	9.0	9.0	8.8	8.9	8.6	8.6	8.7	9.0	11.1	11.3	11.2	12.1	4.0	5	1 602
Slovakia	9.1	8.2	8.9	9.5	10.5	11.7	9.9	12.1	9.3	9.8	10.4	10.1	9.8	0.7	11	1 973
Finland	9.0	9.1	9.3	9.7	9.0	8.6	8.4	7.8	7.7	8.0	8.3	8.9	8.9	-0.1	17	7 517
Sweden	6.1	6.3	6.7	6.6	6.3	6.1	5.9	5.8	5.8	6.2	6.1	5.9	5.9	-0.2	23	10 587
United Kingdom	10.8	10.4	10.7	10.4	10.1	9.4	8.8	8.9	8.6	10.1	9.9	9.7	9.8	-1.0	10	67 159
Iceland	6.9	5.6	5.4	5.8	5.9	6.6	6.6	6.4	5.2	5.1	5.9	5.9	6.0	-0.9		235
Norway	6.6	6.3	6.2	6.2	5.5	5.1	4.8	5.0	4.8	5.3	5.0	4.7	4.4	-2.2		7 248
EU-28 averages															Total	349 137
weighted	:	:	7.6	7.7	7.4	7.1	6.9	6.7	6.6	6.9	6.9	6.9	6.8	:		
arithmetic	:	:	9.1	9.4	9.5	9.2	8.8	8.7	8.5	9.2	9.3	9.3	9.2	:		
EU-27 averages																
weighted	7.5	7.5	7.6	7.7	7.4	7.1	6.9	6.7	6.6	6.9	6.9	6.9	6.8	-0.6		
arithmetic	8.8	8.9	8.9	9.3	9.4	9.1	8.7	8.6	8.4	9.2	9.3	9.3	9.2	0.4		
EA-18 averages															Total	229 119
weighted	6.6	6.7	6.9	7.0	6.7	6.5	6.3	5.9	5.8	6.1	6.1	6.1	6.0	-0.7		
arithmetic	8.3	8.4	8.4	8.6	8.8	8.6	8.1	7.9	7.7	8.4	8.5	8.5	8.4	0.1		
EA-17 averages																
weighted	6.6	6.7	6.9	7.0	6.7	6.5	6.3	5.9	5.8	6.1	6.1	6.1	6.0	-0.7		
arithmetic	8.1	8.2	8.2	8.4	8.6	8.4	8.0	7.8	7.5	8.1	8.2	8.3	8.2	0.1		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 10: Indirect Taxes as % of GDP — Other taxes on products (incl. import duties)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	2.2	2.2	2.1	2.2	2.2	2.3	2.4	2.4	2.3	2.1	2.2	2.2	2.2	0.0	4	8 169
Bulgaria	1.0	0.8	0.8	0.8	0.9	1.0	1.1	0.4	0.4	0.4	0.3	0.4	0.3	-0.7	27	138
Czech Republic	0.9	0.7	0.7	0.7	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.6	-0.3	22	897
Denmark	2.0	1.8	2.0	1.9	2.2	2.6	2.6	2.5	2.2	1.5	1.6	1.6	1.4	-0.6	9	3 431
Germany	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	0.9	0.9	0.9	0.9	1.0	0.1	16	25 750
Estonia	0.2	0.2	0.2	0.2	0.3	0.4	0.4	0.4	0.4	0.3	0.4	0.4	0.4	0.2	26	62
Ireland	2.3	2.0	1.7	1.9	2.2	2.6	3.0	2.7	1.7	1.1	1.2	1.1	1.1	-1.2	15	1 819
Greece	3.3	2.7	2.4	2.3	2.2	2.2	2.7	2.6	2.7	2.1	1.6	1.5	1.3	-2.0	10	2 601
Spain	1.9	1.9	2.0	2.3	2.5	2.8	2.9	2.6	1.7	1.4	1.4	1.2	1.1	-0.8	14	11 496
France	1.7	1.6	1.6	1.6	1.8	1.9	1.7	1.7	1.6	1.6	1.7	1.9	1.9	0.3	5	39 413
Croatia	:	:	2.0	1.9	1.8	1.7	1.7	1.7	1.8	1.7	1.7	1.7	1.6	:	7	715
Italy	2.7	2.5	2.6	2.5	2.9	2.7	3.0	3.0	2.9	3.0	2.9	2.9	2.8	0.1	2	43 528
Cyprus	3.1	2.7	2.4	2.0	1.7	1.4	1.4	1.9	1.6	1.1	0.9	0.7	0.6	-2.4	21	111
Latvia	0.5	0.4	0.4	0.5	0.5	0.5	0.5	0.8	0.6	0.5	0.4	0.4	0.4	0.0	24	91
Lithuania	1.2	1.0	1.2	1.1	1.1	0.8	0.4	0.4	0.4	0.4	0.4	0.4	0.5	-0.7	23	148
Luxembourg	1.5	1.3	1.1	1.1	1.1	1.2	1.1	1.3	1.0	0.6	0.6	0.7	0.7	-0.9	19	285
Hungary	3.3	3.2	3.1	3.4	3.5	3.5	3.7	4.0	4.0	3.9	4.1	4.1	4.2	0.9	1	4 115
Malta	3.6	3.5	3.4	3.4	3.8	3.4	3.6	3.5	3.3	2.8	2.6	2.6	2.4	-1.2	3	165
Netherlands	2.0	2.1	1.9	1.9	2.0	2.1	2.2	2.0	2.0	1.8	1.8	1.6	1.5	-0.5	8	8 933
Austria	1.2	1.2	1.1	1.2	1.1	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.1	-0.1	13	3 456
Poland	0.8	0.6	0.6	0.6	0.4	0.3	0.3	0.4	0.4	0.3	0.3	0.3	0.3	-0.5	28	997
Portugal	2.7	2.6	2.5	2.3	2.4	2.6	2.7	2.7	2.4	2.2	2.1	2.0	1.7	-1.0	6	2 882
Romania	2.2	1.6	1.3	1.0	1.0	1.0	1.2	0.7	0.6	0.4	0.4	0.4	0.7	-1.5	18	978
Slovenia	1.8	1.3	1.3	1.3	1.1	0.9	0.9	1.1	1.0	0.8	0.8	0.8	0.8	-1.0	17	291
Slovakia	1.7	0.7	0.7	0.7	0.5	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	-1.3	25	275
Finland	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	0.1	11	2 567
Sweden	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.0	20	2 662
United Kingdom	1.6	1.4	1.3	1.2	1.3	1.3	1.5	1.5	1.1	1.0	1.2	1.2	1.1	-0.4	12	22 031
Iceland	1.9	1.7	1.9	2.1	2.3	2.4	2.1	2.2	1.7	1.6	1.7	1.8	1.8	-0.1		189
Norway	1.9	1.8	1.7	1.7	1.8	1.6	1.6	1.6	1.4	1.3	1.4	1.4	1.4	-0.5		5 363
EU-28 averages															Total	188 006
weighted	:	:	1.6	1.6	1.7	1.7	1.8	1.8	1.6	1.5	1.5	1.5	1.4	:		
arithmetic	:	:	1.5	1.5	1.6	1.6	1.6	1.6	1.5	1.3	1.3	1.2	1.2	:		
EU-27 averages																
weighted	1.7	1.6	1.5	1.6	1.7	1.7	1.8	1.8	1.6	1.5	1.5	1.5	1.4	-0.2		
arithmetic	1.8	1.6	1.5	1.5	1.6	1.6	1.6	1.6	1.5	1.3	1.3	1.2	1.2	-0.6		
EA-18 averages															Total	151 893
weighted	1.7	1.6	1.7	1.7	1.8	1.9	2.0	1.9	1.7	1.6	1.6	1.6	1.6	-0.1		
arithmetic	1.9	1.7	1.6	1.6	1.7	1.7	1.8	1.8	1.6	1.4	1.4	1.3	1.3	-0.6		
EA-17 averages																
weighted	1.7	1.6	1.7	1.7	1.8	1.9	2.0	1.9	1.7	1.6	1.6	1.6	1.6	-0.1		
arithmetic	2.0	1.8	1.7	1.7	1.8	1.8	1.9	1.9	1.7	1.4	1.4	1.4	1.3	-0.7		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 11: Indirect Taxes as % of Total Taxation — Other taxes on products (incl. import duties)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	4.9	4.8	4.7	4.9	4.9	5.2	5.3	5.4	5.1	4.8	5.0	4.9	4.8	-0.1	5	8 169
Bulgaria	3.2	2.7	2.7	2.7	2.9	3.1	3.6	1.3	1.4	1.2	1.2	1.3	1.2	-1.9	26	138
Czech Republic	2.7	2.2	2.0	2.1	1.4	1.3	1.3	1.4	1.4	1.2	1.2	1.2	1.7	-1.0	21	897
Denmark	4.0	3.7	4.2	4.0	4.6	5.1	5.3	5.2	4.5	3.2	3.4	3.3	2.9	-1.0	14	3 431
Germany	2.2	2.3	2.3	2.3	2.3	2.3	2.4	2.6	2.4	2.3	2.3	2.4	2.5	0.3	17	25 750
Estonia	0.6	0.6	0.6	0.6	1.0	1.3	1.3	1.4	1.3	0.8	1.1	1.4	1.1	0.5	27	62
Ireland	7.2	6.7	5.9	6.8	7.4	8.4	9.4	8.7	5.9	4.0	4.3	4.0	3.9	-3.3	9	1 819
Greece	9.6	8.3	7.0	7.1	7.1	6.9	8.5	8.1	8.4	6.8	5.2	4.5	4.0	-5.6	8	2 601
Spain	5.7	5.7	5.9	6.6	7.3	7.7	7.9	7.0	5.2	4.7	4.5	3.9	3.4	-2.3	11	11 496
France	3.8	3.7	3.8	3.8	4.2	4.3	3.9	3.9	3.8	3.7	4.0	4.3	4.3	0.6	7	39 413
Croatia	:	:	5.2	5.0	4.8	4.6	4.6	4.6	4.8	4.7	4.7	4.8	4.6	:	6	715
Italy	6.5	6.0	6.3	6.1	7.1	6.9	7.2	7.1	6.8	7.0	6.9	6.9	6.3	-0.2	3	43 528
Cyprus	10.2	8.7	7.6	6.2	5.1	4.1	3.8	4.8	4.2	3.0	2.5	2.1	1.8	-8.5	19	111
Latvia	1.5	1.5	1.5	1.6	1.7	1.6	1.7	2.6	2.1	1.9	1.6	1.5	1.5	-0.1	24	91
Lithuania	3.8	3.3	4.1	4.0	3.9	2.7	1.2	1.2	1.3	1.5	1.5	1.6	1.7	-2.1	22	148
Luxembourg	3.9	3.4	2.8	2.8	3.1	3.1	3.2	3.6	2.7	1.6	1.7	1.7	1.7	-2.2	20	285
Hungary	8.3	8.3	8.1	8.9	9.3	9.4	10.0	9.8	10.0	9.6	10.9	11.0	10.8	2.5	1	4 115
Malta	13.1	12.1	11.5	11.3	12.0	10.3	10.8	10.5	9.9	8.3	8.0	7.9	7.1	-6.0	2	165
Netherlands	4.9	5.4	5.0	5.0	5.2	5.7	5.6	5.3	5.2	4.6	4.6	4.3	3.8	-1.1	10	8 933
Austria	2.9	2.7	2.6	2.7	2.7	2.6	2.8	2.7	2.5	2.6	2.6	2.6	2.6	-0.3	16	3 456
Poland	2.3	1.9	1.8	1.8	1.2	0.9	0.8	1.1	1.2	0.9	0.9	0.9	0.8	-1.5	28	997
Portugal	8.7	8.3	7.9	7.4	8.0	8.4	8.5	8.3	7.3	7.2	6.7	5.9	5.4	-3.3	4	2 882
Romania	7.4	5.7	4.5	3.5	3.5	3.7	4.1	2.4	2.2	1.7	1.6	1.6	2.6	-4.8	15	978
Slovenia	4.8	3.6	3.5	3.5	2.8	2.4	2.4	2.8	2.6	2.2	2.1	2.1	2.2	-2.6	18	291
Slovakia	5.0	2.0	2.0	2.0	1.6	1.1	1.1	1.3	1.5	1.4	1.6	1.5	1.4	-3.6	25	275
Finland	2.6	2.6	2.6	2.7	2.9	3.1	3.0	3.1	2.8	3.0	3.0	3.0	3.0	0.4	13	2 567
Sweden	1.3	1.4	1.4	1.4	1.4	1.5	1.5	1.6	1.6	1.5	1.6	1.5	1.5	0.2	23	2 662
United Kingdom	4.3	3.8	3.7	3.5	3.7	3.7	4.1	4.2	3.1	3.0	3.3	3.2	3.2	-1.1	12	22 031
Iceland	5.1	4.9	5.5	5.7	6.0	6.0	5.1	5.4	4.7	4.7	4.7	5.0	4.9	-0.2		189
Norway	4.5	4.1	4.0	3.9	4.2	3.8	3.7	3.8	3.2	3.2	3.4	3.3	3.3	-1.2		5 363
EU-28 averages															Total	188 006
weighted	:	:	4.0	4.0	4.4	4.4	4.6	4.5	4.0	3.9	3.9	3.8	3.7	:		
arithmetic	:	:	4.3	4.3	4.4	4.3	4.5	4.4	4.0	3.5	3.5	3.4	3.3	:		
EU-27 averages																
weighted	4.1	3.9	4.0	4.0	4.3	4.4	4.6	4.5	4.0	3.9	3.9	3.8	3.7	-0.4		
arithmetic	5.0	4.5	4.3	4.3	4.4	4.3	4.5	4.3	3.9	3.5	3.5	3.3	3.2	-1.8		
EA-18 averages															Total	151 893
weighted	4.2	4.1	4.2	4.2	4.7	4.8	4.9	4.8	4.4	4.2	4.2	4.1	4.0	-0.3		
arithmetic	5.4	4.9	4.6	4.6	4.8	4.7	4.9	4.9	4.4	3.9	3.8	3.6	3.4	-2.1		
EA-17 averages																
weighted	4.2	4.1	4.2	4.2	4.7	4.8	4.9	4.8	4.4	4.2	4.2	4.1	4.0	-0.3		
arithmetic	5.7	5.1	4.8	4.8	5.0	4.9	5.1	5.1	4.6	4.0	3.9	3.7	3.5	-2.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 12: Indirect Taxes as % of GDP — Other taxes on production

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.9	1.9	1.8	1.9	1.9	1.8	1.9	1.6	1.8	1.8	1.8	1.8	2.0	0.1	7	7 392
Bulgaria	0.5	0.5	0.6	0.7	0.7	0.7	0.6	0.5	0.5	0.6	0.6	0.5	0.5	0.0	24	206
Czech Republic	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	-0.1	25	759
Denmark	1.6	1.8	1.8	1.8	1.8	1.7	1.7	1.8	1.9	2.0	2.0	2.1	2.1	0.5	6	5 187
Germany	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.7	0.6	0.7	0.7	0.0	20	19 040
Estonia	0.7	0.8	0.7	0.7	0.6	0.6	0.6	0.6	0.7	0.8	0.7	0.7	0.7	-0.1	21	114
Ireland	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	1.1	1.3	1.5	1.5	1.5	0.6	12	2 389
Greece	0.6	0.5	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.3	0.6	0.7	0.1	22	1 266
Spain	1.2	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.1	1.3	1.4	1.5	1.9	0.7	8	19 506
France	4.2	4.1	4.1	4.1	4.2	4.3	4.2	4.3	4.3	4.7	4.2	4.4	4.5	0.3	2	91 861
Croatia	:	:	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	:	19	369
Italy	3.4	3.5	3.5	3.4	3.3	3.5	3.6	3.6	3.2	3.0	3.0	3.0	4.0	0.6	3	61 897
Cyprus	1.1	1.0	1.1	1.7	1.9	1.9	2.2	2.9	2.4	2.0	2.0	2.0	2.1	1.0	5	375
Latvia	1.4	1.6	1.1	1.1	1.0	0.9	0.8	0.7	0.6	0.8	0.9	1.0	1.1	-0.3	15	237
Lithuania	0.6	0.7	0.7	0.6	0.6	0.5	0.5	0.5	0.4	0.5	0.5	0.4	0.4	-0.2	27	145
Luxembourg	2.3	2.2	1.7	1.5	1.7	1.9	2.0	2.0	1.6	1.6	1.7	1.6	1.6	-0.7	10	685
Hungary	0.5	0.5	0.5	0.5	0.6	0.6	0.7	0.8	0.8	0.9	1.1	1.1	1.3	0.8	13	1 255
Malta	0.3	0.3	0.4	0.4	0.4	0.6	0.5	0.5	0.5	0.6	0.6	0.5	0.4	0.1	26	30
Netherlands	1.0	1.1	1.1	1.1	1.1	1.1	1.0	1.0	1.1	1.2	1.2	1.2	1.2	0.2	14	7 468
Austria	3.2	3.3	3.2	3.2	3.1	3.1	3.0	3.0	3.1	3.3	3.2	3.2	3.2	0.0	4	9 933
Poland	1.3	1.4	1.4	1.3	1.4	1.7	2.0	1.5	1.6	1.6	1.6	1.5	1.5	0.2	11	5 747
Portugal	0.6	0.6	0.9	1.3	0.7	0.7	0.7	0.8	0.8	0.9	0.9	0.9	1.0	0.4	17	1 653
Romania	0.5	0.6	0.6	0.6	0.5	0.5	0.6	0.8	0.8	0.7	0.7	0.6	0.6	0.1	23	802
Slovenia	2.3	2.5	2.5	2.8	2.8	2.9	2.5	2.1	1.6	1.0	1.0	1.0	1.0	-1.3	16	371
Slovakia	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.7	0.7	0.7	0.7	1.0	0.2	18	683
Finland	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.1	28	529
Sweden	4.0	3.9	4.0	4.1	4.0	3.9	4.3	4.2	5.4	5.6	4.9	6.0	6.2	2.2	1	25 241
United Kingdom	1.8	1.7	1.7	1.6	1.6	1.5	1.5	1.5	1.6	1.7	1.9	1.7	1.8	0.0	9	33 911
Iceland	3.1	2.9	2.7	2.8	2.9	2.9	3.2	3.3	2.9	2.6	2.6	2.4	2.6	-0.5		273
Norway	0.5	0.6	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.6	0.5	0.5	0.5	0.0		1 982
EU-28 averages															Total	299 051
weighted	:	:	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.0	2.1	2.3	:		
arithmetic	:	:	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.4	1.5	1.6	:		
EU-27 averages																
weighted	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.1	2.1	2.3	0.3		
arithmetic	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.5	1.6	0.2		
EA-18 averages															Total	225 430
weighted	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.0	2.2	2.1	2.1	2.4	0.3		
arithmetic	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	1.5	1.5	1.5	1.6	0.1		
EA-17 averages																
weighted	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.1	2.1	2.4	0.3		
arithmetic	1.5	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.5	1.5	1.5	1.5	1.6	0.1		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 13: Indirect Taxes as % of Total Taxation — Other taxes on production

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	4.2	4.2	4.1	4.3	4.1	3.9	4.3	3.7	4.0	4.2	4.2	4.0	4.3	0.2	11	7 392
Bulgaria	1.7	1.7	2.2	2.2	2.2	2.3	1.9	1.4	1.7	1.9	2.0	2.0	1.9	0.2	23	206
Czech Republic	1.7	1.5	1.5	1.4	1.3	1.2	1.1	1.1	1.1	1.1	1.3	1.6	1.4	-0.3	26	759
Denmark	3.3	3.7	3.8	3.8	3.7	3.4	3.5	3.6	3.9	4.2	4.3	4.4	4.4	1.1	10	5 187
Germany	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.6	1.6	1.7	1.7	1.8	1.8	0.2	24	19 040
Estonia	2.3	2.5	2.3	2.2	2.1	2.1	2.1	2.0	2.2	2.2	2.1	2.1	2.0	-0.3	21	114
Ireland	2.6	2.7	2.9	3.1	3.0	3.0	3.0	3.1	3.7	4.5	5.2	5.1	5.1	2.5	7	2 389
Greece	1.6	1.4	1.0	1.0	1.0	0.9	1.2	1.2	1.3	1.5	0.8	2.0	1.9	0.3	22	1 266
Spain	3.6	3.6	3.4	3.2	3.1	3.1	3.1	3.0	3.4	4.2	4.3	4.6	5.8	2.3	6	19 506
France	9.4	9.3	9.4	9.5	9.7	9.8	9.6	9.9	9.9	11.1	9.9	10.0	10.1	0.6	2	91 861
Croatia	:	:	1.8	1.8	1.9	1.9	1.9	2.0	2.1	2.2	2.3	2.4	2.3	:	19	369
Italy	8.1	8.5	8.8	8.4	8.2	8.7	8.6	8.5	7.6	7.1	7.1	7.2	9.0	0.9	3	61 897
Cyprus	3.7	3.2	3.4	5.4	5.9	5.4	6.2	7.2	6.1	5.6	5.7	5.7	6.0	2.3	5	375
Latvia	4.8	5.4	3.7	3.9	3.4	3.0	2.5	2.4	2.2	2.8	3.4	3.8	3.8	-0.9	13	237
Lithuania	2.0	2.2	2.3	2.1	2.1	1.8	1.8	1.6	1.4	1.6	1.7	1.6	1.6	-0.4	25	145
Luxembourg	6.0	5.6	4.4	4.0	4.5	5.0	5.7	5.7	4.4	4.0	4.5	4.1	4.1	-1.9	12	685
Hungary	1.2	1.2	1.2	1.3	1.6	1.7	1.7	2.0	2.0	2.3	2.8	2.9	3.3	2.1	15	1 255
Malta	1.2	1.2	1.3	1.4	1.2	1.7	1.6	1.4	1.5	1.7	1.8	1.6	1.3	0.2	27	30
Netherlands	2.6	2.8	2.9	2.8	2.9	2.9	2.7	2.7	2.8	3.1	3.1	3.1	3.2	0.6	16	7 468
Austria	7.5	7.2	7.4	7.5	7.3	7.3	7.2	7.1	7.2	7.7	7.7	7.6	7.5	0.1	4	9 933
Poland	3.9	4.4	4.4	4.1	4.3	5.1	6.0	4.4	4.5	4.9	4.9	4.7	4.6	0.7	9	5 747
Portugal	1.9	2.1	2.8	4.2	2.2	2.2	2.3	2.4	2.6	2.9	2.7	2.9	3.1	1.2	17	1 653
Romania	1.6	2.2	2.2	2.2	1.7	1.8	2.0	2.6	2.8	2.6	2.7	2.2	2.2	0.5	20	802
Slovenia	6.2	6.7	6.7	7.3	7.4	7.5	6.5	5.6	4.3	2.8	2.7	2.7	2.8	-3.4	18	371
Slovakia	2.1	2.2	2.3	2.2	2.2	2.5	2.7	2.6	2.4	2.6	2.6	2.5	3.4	1.3	14	683
Finland	0.4	0.5	0.5	0.5	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.6	0.2	28	529
Sweden	7.8	7.8	8.4	8.5	8.3	8.0	8.8	8.9	11.6	12.0	10.7	13.6	14.0	6.2	1	25 241
United Kingdom	4.8	4.8	4.9	4.7	4.5	4.4	4.3	4.2	4.3	5.0	5.4	4.7	5.0	0.1	8	33 911
Iceland	8.3	8.1	7.6	7.6	7.6	7.1	7.8	8.1	7.9	7.7	7.3	6.6	7.0	-1.3		273
Norway	1.2	1.3	1.3	1.3	1.2	1.2	1.3	1.3	1.3	1.4	1.3	1.2	1.2	0.0		1 982
EU-28 averages															Total	299 051
weighted	:	:	5.2	5.2	5.1	5.2	5.1	5.1	5.1	5.5	5.3	5.4	5.9	:		
arithmetic	:	:	3.6	3.7	3.6	3.7	3.7	3.7	3.7	3.9	3.9	4.0	4.2	:		
EU-27 averages																
weighted	5.0	5.1	5.2	5.2	5.1	5.2	5.1	5.1	5.1	5.5	5.3	5.4	5.9	0.8		
arithmetic	3.6	3.7	3.7	3.8	3.7	3.7	3.8	3.7	3.7	3.9	3.9	4.0	4.2	0.6		
EA-18 averages															Total	225 430
weighted	5.1	5.2	5.3	5.3	5.3	5.4	5.3	5.3	5.2	5.5	5.3	5.4	5.9	0.8		
arithmetic	3.9	3.9	3.8	4.0	3.9	4.0	4.0	3.9	3.8	3.9	3.9	4.0	4.2	0.3		
EA-17 averages																
weighted	5.1	5.2	5.3	5.3	5.3	5.4	5.3	5.3	5.2	5.5	5.3	5.4	5.9	0.8		
arithmetic	3.8	3.8	3.8	4.0	3.9	4.0	4.1	4.0	3.9	4.0	3.9	4.0	4.2	0.4		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 14: Direct Taxes as % of GDP — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	17.5	17.8	17.6	17.2	17.5	17.6	17.3	17.0	17.2	15.9	16.4	16.8	17.4	-0.2	3	65 370
Bulgaria	6.9	7.5	6.4	6.2	6.0	4.9	5.2	8.2	6.7	5.9	5.4	5.2	5.3	-1.7	27	2 084
Czech Republic	7.9	8.3	8.8	9.2	9.2	8.9	8.9	9.0	8.0	7.2	6.9	7.2	7.2	-0.8	22	10 972
Denmark	30.5	29.5	29.3	29.6	30.4	31.9	30.7	30.1	29.7	30.0	29.9	29.9	30.6	0.1	1	75 031
Germany	13.0	11.4	11.0	11.0	10.8	11.1	11.9	12.2	12.4	11.8	11.2	11.7	12.1	-0.8	12	323 700
Estonia	7.7	7.2	7.5	8.0	7.9	7.0	7.1	7.4	7.9	7.5	6.8	6.5	6.8	-1.0	23	1 184
Ireland	13.6	12.7	11.6	11.9	12.4	12.3	13.2	12.9	11.7	10.9	10.6	12.3	13.1	-0.5	10	21 456
Greece	10.0	8.8	8.8	8.0	8.2	8.8	8.3	8.3	8.3	8.5	8.0	8.8	10.2	0.2	16	19 773
Spain	10.6	10.5	11.0	10.4	10.8	11.5	12.3	13.5	11.1	10.0	10.0	10.0	10.6	0.0	15	109 279
France	12.5	12.6	11.8	11.4	11.7	11.9	12.2	12.0	12.0	10.3	11.0	11.7	12.4	-0.1	11	253 004
Croatia	:	:	6.1	6.0	6.0	6.2	6.9	7.4	7.2	7.2	6.5	6.2	6.1	:	24	2 683
Italy	14.4	14.7	14.0	14.7	13.9	13.3	14.3	15.0	15.2	15.4	14.8	14.8	15.2	0.8	5	238 966
Cyprus	11.2	11.3	11.3	9.7	8.8	10.2	10.8	13.8	12.9	11.2	11.1	11.7	11.1	-0.1	14	1 964
Latvia	7.3	7.6	7.9	7.6	7.9	7.9	8.5	9.2	9.8	7.2	7.4	7.4	7.7	0.4	19	1 713
Lithuania	8.4	7.8	7.4	7.9	8.7	9.0	9.5	9.2	9.3	6.0	4.7	4.4	4.9	-3.5	28	1 609
Luxembourg	15.0	15.3	15.4	14.8	13.1	13.7	13.2	13.2	14.2	15.0	14.7	14.5	14.8	-0.2	7	6 355
Hungary	9.9	10.2	10.2	9.6	9.1	9.1	9.5	10.4	10.6	10.0	8.6	7.0	7.5	-2.4	20	7 281
Malta	9.0	9.7	11.0	11.5	11.0	11.7	12.0	13.3	12.7	13.6	12.9	13.0	13.9	4.9	8	951
Netherlands	12.0	11.7	11.8	11.0	10.7	11.7	11.9	12.2	12.0	12.1	12.2	11.7	11.2	-0.8	13	66 972
Austria	13.2	15.0	13.8	13.7	13.5	12.8	12.9	13.4	14.0	12.8	12.8	13.0	13.4	0.3	9	41 191
Poland	7.2	6.7	6.9	6.6	6.4	7.0	7.5	8.6	8.6	7.5	7.0	7.0	7.2	0.1	21	27 588
Portugal	9.6	9.1	9.1	8.5	8.3	8.3	8.6	9.5	9.7	9.0	8.9	9.9	9.4	-0.2	17	15 536
Romania	7.0	6.4	5.8	6.0	6.4	5.3	6.0	6.7	6.7	6.5	6.1	6.2	6.1	-0.9	25	8 043
Slovenia	7.4	7.6	7.8	8.0	8.2	8.7	9.1	9.2	8.9	8.3	8.2	8.0	7.8	0.4	18	2 759
Slovakia	7.4	7.5	7.1	7.1	6.1	6.0	6.1	6.2	6.5	5.5	5.4	5.5	5.6	-1.9	26	3 967
Finland	21.4	19.3	19.1	18.1	17.8	17.8	17.6	17.8	17.8	16.4	16.2	16.6	16.3	-5.1	4	31 368
Sweden	22.6	20.8	19.6	20.2	20.9	22.0	22.2	21.2	19.8	19.6	19.2	18.5	18.3	-4.3	2	74 708
United Kingdom	16.5	16.7	15.6	15.0	15.2	16.0	16.8	16.5	18.2	15.8	15.5	15.6	15.1	-1.4	6	291 908
Iceland	16.1	16.5	16.5	16.8	16.9	18.3	18.8	18.9	18.2	16.7	16.6	17.5	18.0	1.9		1 897
Norway	20.1	20.2	19.8	19.5	21.0	22.2	22.7	21.5	22.1	20.2	21.0	21.6	21.2	1.1		82 507
EU-28 averages															Total	1 707 414
weighted	:	:	13.0	12.8	12.8	13.1	13.6	13.8	13.7	12.7	12.6	12.8	13.2	:		
arithmetic	:	:	11.6	11.4	11.3	11.5	11.8	12.3	12.1	11.3	11.0	11.1	11.3	:		
EU-27 averages																
weighted	14.0	13.6	13.1	12.8	12.8	13.1	13.6	13.8	13.8	12.7	12.6	12.9	13.2	-0.8		
arithmetic	12.2	12.0	11.8	11.6	11.5	11.7	12.0	12.4	12.3	11.5	11.2	11.3	11.5	-0.7		
EA-18 averages															Total	1 205 507
weighted	13.0	12.6	12.1	12.0	11.9	12.0	12.6	12.9	12.7	12.0	11.8	12.2	12.7	-0.4		
arithmetic	11.8	11.7	11.5	11.2	11.0	11.2	11.5	12.0	11.9	11.2	11.0	11.3	11.6	-0.2		
EA-17 averages																
weighted	13.0	12.6	12.2	12.0	11.9	12.0	12.6	12.9	12.7	12.0	11.8	12.2	12.7	-0.3		
arithmetic	12.1	11.9	11.7	11.5	11.2	11.4	11.7	12.2	12.0	11.4	11.2	11.6	11.8	-0.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 15: Direct Taxes as % of Total Taxation — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	38.9	39.4	39.0	38.4	39.0	39.3	38.9	38.7	38.9	36.7	37.3	38.0	38.3	-0.6	6	65 370
Bulgaria	21.9	24.5	22.3	19.9	18.3	15.7	16.9	24.5	20.6	20.3	19.5	19.0	18.8	-3.1	26	2 084
Czech Republic	23.5	24.7	25.3	26.0	25.5	24.9	25.1	25.2	23.2	21.7	20.6	20.8	20.5	-3.0	23	10 972
Denmark	61.8	60.9	61.2	61.6	62.0	62.8	61.8	61.6	62.2	62.7	62.9	62.8	63.6	1.8	1	75 031
Germany	31.4	29.0	28.3	28.0	28.2	28.9	30.7	31.6	32.0	29.9	29.4	30.2	31.0	-0.4	13	323 700
Estonia	25.0	23.9	24.3	26.2	26.0	22.8	23.0	23.7	24.7	21.2	19.9	20.0	20.9	-4.1	21	1 184
Ireland	43.2	42.8	40.9	41.1	41.0	40.1	41.0	40.9	39.5	38.8	38.0	43.7	45.6	2.4	2	21 456
Greece	28.8	26.6	26.2	24.9	26.1	27.3	26.1	25.6	25.8	27.9	25.3	27.1	30.3	1.4	14	19 773
Spain	31.2	31.1	32.1	30.7	31.1	32.0	33.4	36.4	33.7	32.7	30.9	31.5	32.6	1.5	10	109 279
France	28.3	28.9	27.3	26.5	26.9	27.1	27.7	27.6	27.7	24.5	25.8	26.8	27.7	-0.6	17	253 004
Croatia	:	:	16.0	16.1	16.3	17.0	18.5	19.8	19.4	19.7	17.7	17.6	17.1	:	28	2 683
Italy	34.8	35.8	34.6	35.8	34.3	33.3	34.4	35.2	35.7	35.9	34.8	34.8	34.7	-0.2	9	238 966
Cyprus	37.2	36.7	36.4	30.2	26.7	29.2	30.2	34.4	33.5	31.8	31.1	33.2	31.4	-5.8	11	1 964
Latvia	24.7	26.5	27.5	26.5	27.7	27.2	27.9	30.2	33.5	27.0	27.1	26.8	27.6	2.9	18	1 713
Lithuania	27.2	26.5	25.6	27.5	30.0	30.7	31.8	30.3	30.3	19.8	16.4	16.0	18.0	-9.2	27	1 609
Luxembourg	38.4	38.4	39.2	38.8	35.2	36.6	36.7	36.9	38.0	37.6	38.6	38.0	37.7	-0.7	7	6 355
Hungary	24.9	26.4	26.7	25.3	24.1	24.3	25.3	25.7	26.3	24.9	22.6	18.7	19.2	-5.7	25	7 281
Malta	32.9	33.7	36.7	37.8	35.1	35.5	36.3	39.2	38.5	40.6	40.0	39.4	41.3	8.3	5	951
Netherlands	30.0	30.6	31.3	29.3	28.6	31.2	30.5	31.6	30.5	31.8	31.4	30.4	28.6	-1.3	16	66 972
Austria	30.6	33.4	31.7	31.5	31.3	30.5	31.0	32.1	32.9	30.1	30.3	30.9	31.1	0.6	12	41 191
Poland	22.1	20.7	21.2	20.5	20.3	21.3	22.2	24.6	25.2	23.5	21.9	21.7	22.3	0.2	19	27 588
Portugal	30.8	29.7	28.9	26.8	27.3	26.3	26.8	29.0	29.5	29.0	28.1	29.7	29.1	-1.8	15	15 536
Romania	23.1	22.2	20.5	21.6	23.3	19.2	21.1	23.1	24.0	24.4	22.7	21.7	21.6	-1.5	20	8 043
Slovenia	19.8	20.2	20.7	20.9	21.6	22.6	23.8	24.4	24.0	22.3	21.8	21.5	20.8	1.0	22	2 759
Slovakia	21.9	22.6	21.3	21.7	19.4	19.2	20.7	21.0	22.3	19.2	19.1	19.2	19.7	-2.1	24	3 967
Finland	45.3	43.0	42.9	41.0	41.0	40.6	40.3	41.4	41.4	38.3	38.2	38.0	37.0	-8.3	8	31 368
Sweden	43.9	42.1	41.2	42.2	43.5	45.0	46.0	44.9	42.7	42.1	42.2	41.7	41.4	-2.5	4	74 708
United Kingdom	45.4	46.1	44.9	43.7	43.7	45.3	46.5	46.3	49.0	46.1	44.3	43.7	42.7	-2.7	3	291 908
Iceland	43.3	46.8	46.8	45.9	44.8	45.1	45.3	46.7	49.8	49.6	47.4	48.7	48.8	5.5		1 897
Norway	47.1	47.2	46.0	46.1	48.8	51.3	52.1	50.1	52.6	48.1	49.3	50.7	50.2	3.1		82 507
EU-28 averages															Total	1 707 414
weighted	:	:	33.6	33.1	33.2	33.7	34.6	35.1	35.1	33.2	32.8	33.1	33.4	:		
arithmetic	:	:	31.2	30.7	30.5	30.6	31.2	32.4	32.3	30.7	29.9	30.1	30.4	:		
EU-27 averages																
weighted	34.8	34.5	33.7	33.1	33.2	33.7	34.6	35.1	35.1	33.2	32.9	33.2	33.5	-1.4		
arithmetic	32.1	32.1	31.8	31.3	31.0	31.1	31.7	32.8	32.8	31.1	30.4	30.6	30.9	-1.2		
EA-18 averages															Total	1 205 507
weighted	31.8	31.5	30.7	30.3	30.2	30.5	31.5	32.3	32.2	30.6	30.3	30.9	31.4	-0.4		
arithmetic	31.8	31.8	31.6	30.9	30.4	30.5	31.1	32.2	32.3	30.9	30.4	31.1	31.4	-0.4		
EA-17 averages																
weighted	31.9	31.5	30.7	30.3	30.3	30.5	31.5	32.3	32.2	30.6	30.4	31.0	31.4	-0.4		
arithmetic	32.3	32.1	31.9	31.1	30.5	30.7	31.3	32.3	32.3	31.1	30.6	31.3	31.6	-0.6		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 16: Direct Taxes as % of GDP — Personal income taxes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	13.2	13.6	13.4	13.1	12.9	12.9	12.4	12.2	12.6	12.2	12.4	12.6	12.7	-0.5	4	47 801
Bulgaria	4.0	3.5	3.2	3.2	3.1	2.7	2.6	3.2	2.9	3.0	3.0	2.9	3.0	-1.1	27	1 171
Czech Republic	4.4	4.3	4.5	4.7	4.7	4.4	4.2	4.3	3.7	3.6	3.5	3.7	3.8	-0.6	23	5 759
Denmark	25.6	26.0	25.7	25.6	24.9	24.9	24.9	25.4	25.1	26.4	24.3	24.3	24.5	-1.1	1	60 049
Germany	9.5	9.1	8.8	8.6	8.0	8.0	8.2	8.6	9.0	9.1	8.3	8.4	8.8	-0.7	9	234 580
Estonia	6.8	6.5	6.4	6.5	6.3	5.6	5.6	5.8	6.2	5.6	5.4	5.2	5.3	-1.5	20	931
Ireland	9.4	8.7	7.5	7.7	8.3	8.3	8.8	8.8	8.2	7.8	7.5	9.1	9.7	0.3	7	15 915
Greece	5.0	4.5	4.5	4.3	4.4	4.7	4.6	4.8	4.8	5.0	4.4	4.8	6.9	1.9	14	13 446
Spain	6.7	6.8	7.0	6.4	6.5	6.7	7.2	7.8	7.3	7.1	7.4	7.6	7.7	1.1	12	79 728
France	8.4	8.2	7.9	8.0	7.9	8.1	7.9	7.6	7.8	7.6	7.6	7.8	8.5	0.1	11	172 073
Croatia	:	:	3.8	3.7	3.7	3.5	3.6	3.9	3.9	3.9	3.5	3.5	3.7	:	24	1 621
Italy	11.4	11.0	10.6	10.5	10.4	10.4	10.9	11.3	11.7	11.7	11.7	11.5	12.2	0.8	5	191 768
Cyprus	3.7	3.9	4.3	4.5	3.5	3.9	4.6	6.2	5.0	4.0	4.1	4.2	4.0	0.3	22	708
Latvia	5.6	5.6	5.6	5.8	6.0	5.7	6.1	6.1	6.4	5.4	6.1	5.6	5.7	0.1	18	1 268
Lithuania	7.7	7.2	6.8	6.5	6.8	6.8	6.8	6.6	6.5	4.1	3.6	3.5	3.5	-4.1	25	1 160
Luxembourg	7.2	7.0	6.4	6.5	6.7	7.1	7.5	7.1	8.1	8.2	8.0	8.5	8.6	1.5	10	3 699
Hungary	7.3	7.6	7.6	7.1	6.6	6.6	6.8	7.3	7.7	7.4	6.5	4.9	5.4	-2.0	19	5 231
Malta	4.8	5.7	6.2	6.2	6.6	6.6	6.9	6.1	5.9	6.6	6.1	6.3	6.7	2.0	15	462
Netherlands	6.0	6.2	6.8	6.5	6.0	6.6	6.9	7.4	7.2	8.6	8.5	8.1	7.7	1.7	13	45 900
Austria	10.0	10.7	10.4	10.4	10.1	9.5	9.6	9.8	10.4	9.9	9.8	9.8	10.1	0.1	6	31 076
Poland	4.4	4.5	4.3	4.2	3.6	3.9	4.6	5.2	5.3	4.6	4.5	4.5	4.6	0.2	21	17 421
Portugal	5.3	5.4	5.2	5.2	5.0	5.1	5.3	5.5	5.6	5.7	5.6	6.1	5.9	0.6	16	9 796
Romania	3.5	3.3	2.7	2.8	2.9	2.3	2.8	3.3	3.4	3.5	3.3	3.3	3.5	0.0	26	4 582
Slovenia	5.6	5.7	5.7	5.7	5.7	5.5	5.7	5.5	5.8	5.8	5.7	5.7	5.8	0.3	17	2 065
Slovakia	3.4	3.5	3.3	3.2	2.7	2.6	2.5	2.6	2.7	2.4	2.3	2.5	2.6	-0.8	28	1 862
Finland	14.5	14.1	14.0	13.7	13.3	13.5	13.3	13.0	13.2	13.4	12.6	12.8	13.0	-1.5	3	24 989
Sweden	18.1	17.6	17.0	17.5	17.5	17.9	18.1	17.2	16.6	16.4	15.5	15.0	15.2	-2.9	2	61 981
United Kingdom	10.7	10.8	10.4	9.8	9.9	10.2	10.3	10.6	10.6	10.3	9.9	9.9	9.6	-1.1	8	185 555
Iceland	13.1	13.8	13.9	14.2	14.3	14.7	14.6	14.5	14.4	13.1	13.2	13.8	14.1	1.0		1 489
Norway	10.3	10.4	10.7	10.6	10.2	9.6	9.0	9.5	9.1	10.1	10.1	9.9	9.9	-0.4		38 544
EU-28 averages															Total	1 222 596
weighted	:	:	9.4	9.1	8.9	9.0	9.2	9.3	9.4	9.3	9.1	9.1	9.4	:		
arithmetic	:	:	7.9	7.8	7.6	7.7	7.8	8.0	8.0	7.8	7.5	7.6	7.8	:		
EU-27 averages																
weighted	9.8	9.6	9.4	9.1	8.9	9.0	9.2	9.3	9.4	9.3	9.1	9.1	9.4	-0.4		
arithmetic	8.2	8.2	8.0	7.9	7.8	7.8	8.0	8.1	8.1	8.0	7.7	7.7	8.0	-0.3		
EA-18 averages															Total	878 066
weighted	9.1	8.9	8.7	8.5	8.3	8.4	8.5	8.7	8.9	8.9	8.7	8.8	9.2	0.1		
arithmetic	7.6	7.6	7.5	7.4	7.2	7.3	7.4	7.6	7.7	7.6	7.4	7.6	7.9	0.3		
EA-17 averages																
weighted	9.1	8.9	8.7	8.5	8.3	8.4	8.5	8.7	8.9	8.9	8.7	8.8	9.2	0.1		
arithmetic	7.7	7.7	7.6	7.5	7.3	7.4	7.5	7.7	7.8	7.7	7.5	7.7	8.0	0.3		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 17: Direct Taxes as % of Total Taxation — Personal income taxes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	29.4	30.1	29.6	29.2	28.9	28.8	27.9	27.8	28.4	28.2	28.3	28.4	28.0	-1.4	5	47 801
Bulgaria	12.7	11.4	11.2	10.2	9.5	8.7	8.4	9.5	9.0	10.2	10.9	10.6	10.6	-2.2	26	1 171
Czech Republic	13.0	12.8	13.0	13.2	13.0	12.4	11.8	11.9	10.7	10.8	10.3	10.8	10.8	-2.3	25	5 759
Denmark	51.9	53.6	53.6	53.2	50.9	49.0	50.1	51.8	52.6	55.2	51.2	50.9	50.9	-1.0	1	60 049
Germany	22.9	23.2	22.7	22.0	20.9	20.8	21.3	22.2	23.2	23.1	22.0	21.8	22.5	-0.4	10	234 580
Estonia	22.1	21.5	20.7	21.0	20.5	18.2	18.2	18.5	19.5	16.0	15.9	16.2	16.5	-5.6	18	931
Ireland	29.8	29.3	26.4	26.6	27.5	27.2	27.3	28.1	27.9	27.8	26.7	32.2	33.8	4.1	3	15 915
Greece	14.4	13.6	13.5	13.6	14.2	14.5	14.6	14.8	15.0	16.3	14.0	14.7	20.6	6.1	12	13 446
Spain	19.5	20.2	20.5	19.0	18.7	18.7	19.5	21.1	22.3	23.0	22.9	23.8	23.8	4.3	8	79 728
France	19.0	18.8	18.3	18.5	18.2	18.4	17.9	17.5	18.1	18.0	17.8	17.8	18.8	-0.1	16	172 073
Croatia	:	:	10.1	9.8	10.2	9.6	9.8	10.5	10.5	10.7	9.6	9.9	10.3	:	27	1 621
Italy	27.5	26.7	26.3	25.6	25.8	26.1	26.2	26.4	27.4	27.2	27.5	27.2	27.8	0.3	6	191 768
Cyprus	12.2	12.7	13.9	14.0	10.7	11.1	12.8	15.5	13.0	11.2	11.6	11.8	11.3	-0.9	24	708
Latvia	18.8	19.3	19.7	20.4	20.8	19.6	19.8	20.1	21.8	20.4	22.5	20.3	20.4	1.6	13	1 268
Lithuania	24.8	24.5	23.4	22.6	23.4	23.5	22.5	21.8	21.3	13.6	12.7	12.9	12.9	-11.9	22	1 160
Luxembourg	18.3	17.7	16.2	17.2	17.8	19.0	20.9	20.0	21.7	20.6	21.1	22.2	22.0	3.7	11	3 699
Hungary	18.5	19.6	19.9	18.6	17.5	17.6	18.1	18.0	19.0	18.5	17.2	13.3	13.8	-4.7	21	5 231
Malta	17.5	19.6	20.6	20.3	20.9	20.1	20.9	18.1	17.8	19.7	19.0	19.2	20.1	2.6	14	462
Netherlands	15.0	16.1	18.1	17.5	16.0	17.5	17.8	19.1	18.4	22.4	21.8	20.9	19.6	4.6	15	45 900
Austria	23.3	23.9	24.0	23.9	23.4	22.7	23.2	23.6	24.4	23.4	23.2	23.2	23.5	0.2	9	31 076
Poland	13.5	13.9	13.1	13.1	11.6	12.0	13.6	15.0	15.6	14.6	14.0	13.8	14.1	0.5	20	17 421
Portugal	17.1	17.4	16.6	16.4	16.5	16.4	16.3	16.7	17.0	18.4	17.7	18.5	18.3	1.2	17	9 796
Romania	11.4	11.5	9.7	10.2	10.5	8.3	10.0	11.2	12.1	13.1	12.3	11.7	12.3	0.8	23	4 582
Slovenia	15.0	15.2	15.0	15.0	15.0	14.3	15.0	14.7	15.7	15.7	15.1	15.3	15.6	0.5	19	2 065
Slovakia	9.9	10.6	9.9	9.8	8.5	8.4	8.6	8.7	9.4	8.5	8.2	8.8	9.2	-0.7	28	1 862
Finland	30.6	31.5	31.3	31.0	30.5	30.7	30.3	30.3	30.9	31.2	29.7	29.3	29.4	-1.2	4	24 989
Sweden	35.2	35.6	35.9	36.5	36.4	36.7	37.5	36.3	35.8	35.1	34.2	33.9	34.4	-0.8	2	61 981
United Kingdom	29.4	30.0	29.8	28.6	28.3	28.8	28.6	29.7	28.5	30.0	28.2	27.8	27.1	-2.3	7	185 555
Iceland	35.3	39.0	39.4	38.8	37.9	36.1	35.4	35.9	39.4	38.9	37.6	38.3	38.3	3.1		1 489
Norway	24.1	24.3	24.8	24.9	23.7	22.2	20.7	22.2	21.5	24.1	23.6	23.1	23.5	-0.6		38 544
EU-28 averages															Total	1 222 596
weighted	:	:	24.1	23.5	23.1	23.2	23.3	23.7	24.0	24.3	23.6	23.5	23.9	:		
arithmetic	:	:	20.8	20.6	20.2	20.0	20.3	20.7	21.0	20.8	20.2	20.2	20.7	:		
EU-27 averages																
weighted	24.3	24.4	24.2	23.6	23.1	23.2	23.3	23.8	24.0	24.3	23.7	23.5	24.0	-0.4		
arithmetic	21.2	21.5	21.2	21.0	20.6	20.3	20.7	21.0	21.4	21.2	20.6	20.6	21.0	-0.2		
EA-18 averages															Total	878 066
weighted	22.3	22.4	22.1	21.6	21.1	21.2	21.3	21.8	22.5	22.8	22.3	22.3	22.9	0.6		
arithmetic	20.1	20.4	20.2	20.0	19.7	19.6	19.9	20.2	20.7	20.6	20.3	20.6	21.2	1.0		
EA-17 averages																
weighted	22.3	22.4	22.1	21.6	21.1	21.2	21.3	21.8	22.5	22.8	22.3	22.3	22.9	0.6		
arithmetic	20.2	20.5	20.2	20.0	19.7	19.6	19.9	20.2	20.6	20.6	20.1	20.7	21.2	1.0		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 18: Direct Taxes as % of GDP — Corporate income tax

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	3.2	3.1	3.0	2.9	3.1	3.2	3.6	3.5	3.3	2.4	2.6	2.9	3.1	-0.1	5	11 680
Bulgaria	2.7	3.8	3.0	2.8	2.5	1.8	2.1	4.4	3.2	2.6	2.0	1.9	1.9	-0.8	22	756
Czech Republic	3.3	3.9	4.2	4.4	4.4	4.3	4.6	4.7	4.2	3.5	3.4	3.4	3.3	0.0	4	5 065
Denmark	3.3	2.8	2.9	2.9	3.2	3.9	4.4	3.8	3.3	2.3	2.8	2.8	3.0	-0.2	6	7 466
Germany	2.9	1.7	1.6	1.8	2.2	2.5	2.9	2.9	2.7	2.0	2.2	2.6	2.7	-0.2	10	72 140
Estonia	0.9	0.7	1.1	1.6	1.7	1.4	1.5	1.6	1.6	1.8	1.3	1.2	1.4	0.6	24	252
Ireland	3.8	3.6	3.7	3.8	3.7	3.5	3.9	3.5	2.9	2.4	2.5	2.3	2.4	-1.3	11	4 005
Greece	4.1	3.4	3.4	2.9	3.0	3.3	2.7	2.6	2.5	2.5	2.5	2.1	1.1	-3.0	28	2 174
Spain	3.1	2.9	3.2	3.2	3.5	3.9	4.2	4.8	2.8	2.3	1.9	1.8	2.2	-1.0	18	22 246
France	2.8	3.1	2.6	2.1	2.4	2.3	2.9	2.9	2.7	1.3	1.9	2.3	2.3	-0.5	14	45 983
Croatia	:	:	1.8	2.0	1.9	2.3	2.9	3.1	2.9	2.6	2.0	2.3	2.0	:	21	877
Italy	2.4	3.2	2.7	2.3	2.4	2.3	2.9	3.3	3.1	2.4	2.4	2.3	2.3	-0.2	15	35 284
Cyprus	6.2	6.3	6.0	4.4	3.7	4.7	5.5	6.8	7.1	6.5	6.2	6.9	6.3	0.0	2	1 114
Latvia	1.6	1.9	2.0	1.5	1.8	2.0	2.3	2.7	3.2	1.6	1.0	1.4	1.6	0.0	23	357
Lithuania	0.7	0.5	0.6	1.4	1.9	2.1	2.8	2.6	2.7	1.8	1.0	0.8	1.3	0.6	25	433
Luxembourg	7.0	7.3	8.0	7.3	5.7	5.8	5.0	5.3	5.4	5.8	5.9	5.1	5.3	-1.7	3	2 257
Hungary	2.2	2.3	2.3	2.2	2.1	2.1	2.3	2.8	2.6	2.2	1.2	1.2	1.3	-0.9	26	1 252
Malta	3.5	3.3	3.5	4.2	3.6	3.9	4.3	6.2	6.1	6.1	5.9	5.8	6.3	2.8	1	431
Netherlands	4.3	4.2	3.6	3.0	3.3	3.6	3.7	3.5	3.4	2.1	2.3	2.2	2.1	-2.2	20	12 740
Austria	2.2	3.2	2.4	2.3	2.4	2.3	2.3	2.6	2.6	1.9	2.0	2.3	2.4	0.2	13	7 263
Poland	2.4	1.9	2.0	1.8	2.2	2.5	2.4	2.8	2.7	2.3	2.0	2.1	2.1	-0.3	19	8 125
Portugal	3.7	3.3	3.3	2.8	2.9	2.7	2.9	3.6	3.7	2.9	2.8	3.2	2.8	-0.9	9	4 630
Romania	3.0	2.5	2.6	2.8	3.2	2.7	2.8	3.1	3.0	2.7	2.3	2.4	2.2	-0.8	17	2 852
Slovenia	1.2	1.3	1.6	1.7	1.9	2.8	3.0	3.2	2.5	1.8	1.9	1.7	1.3	0.1	27	446
Slovakia	2.6	2.6	2.5	2.8	2.6	2.7	2.9	3.0	3.1	2.5	2.5	2.5	2.4	-0.2	12	1 715
Finland	5.9	4.2	4.2	3.4	3.5	3.3	3.4	3.9	3.5	2.0	2.6	2.7	2.2	-3.7	16	4 213
Sweden	3.8	2.6	2.0	2.2	2.9	3.6	3.6	3.8	2.9	3.0	3.4	3.2	2.9	-0.9	7	11 765
United Kingdom	3.5	3.4	2.8	2.7	2.8	3.3	3.9	3.4	3.6	2.8	3.0	3.1	2.9	-0.6	8	55 236
Iceland	1.1	0.9	0.8	1.3	1.2	2.0	2.4	2.5	2.0	1.8	1.1	1.9	2.0	0.9		215
Norway	8.9	8.9	8.1	8.0	9.8	11.7	12.7	11.0	12.2	9.1	10.0	10.9	10.4	1.5		40 398
EU-28 averages															Total	322 756
weighted	:	:	2.6	2.4	2.7	2.9	3.3	3.3	3.0	2.2	2.4	2.5	2.5	:		
arithmetic	:	:	3.0	2.8	2.9	3.0	3.3	3.6	3.3	2.7	2.6	2.7	2.6	:		
EU-27 averages																
weighted	3.1	2.9	2.6	2.4	2.7	2.9	3.3	3.3	3.0	2.2	2.4	2.5	2.5	-0.6		
arithmetic	3.2	3.1	3.0	2.9	2.9	3.1	3.3	3.6	3.4	2.7	2.6	2.7	2.6	-0.6		
EA-18 averages															Total	228 931
weighted	3.0	2.8	2.5	2.4	2.6	2.8	3.2	3.3	2.9	2.0	2.2	2.4	2.4	-0.6		
arithmetic	3.4	3.3	3.2	3.0	3.0	3.1	3.3	3.7	3.5	2.8	2.8	2.9	2.8	-0.6		
EA-17 averages																
weighted	3.0	2.8	2.5	2.4	2.6	2.8	3.2	3.3	2.9	2.0	2.2	2.4	2.4	-0.6		
arithmetic	3.5	3.4	3.3	3.1	3.0	3.2	3.4	3.7	3.5	2.9	2.9	2.9	2.9	-0.7		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 19: Direct Taxes as % of Total Taxation — Corporate income tax

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	7.1	6.9	6.7	6.4	6.9	7.2	8.0	8.0	7.6	5.6	6.0	6.6	6.8	-0.3	11	11 680
Bulgaria	8.6	12.5	10.5	8.9	7.8	5.9	6.8	13.1	9.8	8.8	7.4	6.9	6.8	-1.8	12	756
Czech Republic	9.8	11.4	12.0	12.5	12.2	12.2	13.0	13.0	12.2	10.5	10.0	9.8	9.5	-0.3	4	5 065
Denmark	6.6	5.8	6.0	6.1	6.5	7.7	8.8	7.8	6.9	4.9	5.9	5.8	6.3	-0.3	16	7 466
Germany	7.1	4.3	4.2	4.6	5.7	6.5	7.6	7.6	6.9	5.0	5.8	6.7	6.9	-0.2	10	72 140
Estonia	2.9	2.3	3.6	5.1	5.4	4.7	4.9	5.2	5.1	5.2	4.0	3.8	4.5	1.6	25	252
Ireland	11.9	12.1	13.1	13.1	12.1	11.4	12.3	11.2	9.8	8.7	9.0	8.3	8.5	-3.4	7	4 005
Greece	12.0	10.1	10.0	9.1	9.6	10.3	8.6	7.9	7.8	8.1	7.7	6.5	3.3	-8.6	27	2 174
Spain	9.2	8.5	9.3	9.3	10.1	10.9	11.4	12.8	8.6	7.5	5.9	5.7	6.6	-2.6	13	22 246
France	6.3	7.0	5.9	5.0	5.4	5.3	6.6	6.7	6.3	3.0	4.5	5.2	5.0	-1.3	22	45 983
Croatia	:	:	4.9	5.2	5.0	6.3	7.7	8.3	7.9	7.1	5.4	6.6	5.6	:	18	877
Italy	5.9	7.8	6.6	5.7	5.9	5.8	7.1	7.6	7.2	5.7	5.6	5.3	5.1	-0.8	21	35 284
Cyprus	20.9	20.4	19.6	13.5	11.3	13.3	15.3	16.9	18.4	18.4	17.4	19.5	17.8	-3.0	2	1 114
Latvia	5.3	6.6	7.1	5.3	6.1	6.9	7.5	8.9	10.9	5.9	3.5	5.1	5.7	0.5	17	357
Lithuania	2.2	1.8	2.0	4.8	6.4	7.1	9.2	8.5	8.9	6.0	3.5	3.0	4.8	2.6	24	433
Luxembourg	17.8	18.4	20.4	19.2	15.3	15.4	13.8	14.8	14.3	14.7	15.4	13.5	13.4	-4.4	3	2 257
Hungary	5.6	6.0	6.1	5.8	5.6	5.6	6.3	6.9	6.5	5.4	3.1	3.1	3.3	-2.3	28	1 252
Malta	12.9	11.5	11.8	13.8	11.5	11.7	12.9	18.3	18.4	18.3	18.4	17.7	18.7	5.8	1	431
Netherlands	10.9	11.0	9.4	8.1	8.8	9.7	9.4	9.1	8.8	5.6	6.0	5.8	5.4	-5.4	20	12 740
Austria	5.0	7.2	5.5	5.3	5.6	5.5	5.6	6.2	6.2	4.4	4.8	5.5	5.5	0.4	19	7 263
Poland	7.5	5.8	6.3	5.6	7.1	7.6	7.1	7.9	7.9	7.2	6.3	6.4	6.6	-0.9	14	8 125
Portugal	12.0	10.6	10.5	8.8	9.4	8.5	9.1	10.9	11.1	9.2	9.0	9.7	8.7	-3.3	5	4 630
Romania	9.8	8.8	9.3	10.1	11.6	9.8	10.0	10.5	10.7	9.9	8.6	8.3	7.6	-2.1	9	2 852
Slovenia	3.1	3.4	4.1	4.6	5.0	7.2	7.7	8.6	6.7	4.9	5.0	4.5	3.4	0.2	26	446
Slovakia	7.7	7.8	7.6	8.4	8.2	8.7	9.9	10.2	10.7	8.8	9.0	8.6	8.5	0.9	6	1 715
Finland	12.5	9.4	9.3	7.7	8.1	7.6	7.7	9.0	8.1	4.7	6.0	6.3	5.0	-7.5	23	4 213
Sweden	7.3	5.3	4.3	4.6	6.0	7.3	7.5	8.1	6.3	6.4	7.4	7.3	6.5	-0.8	15	11 765
United Kingdom	9.7	9.5	8.1	7.9	8.1	9.3	10.8	9.4	9.6	8.0	8.7	8.6	8.1	-1.6	8	55 236
Iceland	3.1	2.6	2.2	3.4	3.1	5.0	5.9	6.3	5.6	5.3	3.0	5.3	5.5	2.5		215
Norway	20.9	20.7	18.9	18.9	22.8	26.9	29.3	25.6	28.9	21.6	23.4	25.4	24.6	3.7		40 398
EU-28 averages															Total	322 756
weighted	:	:	6.7	6.3	6.9	7.4	8.4	8.4	7.7	5.7	6.2	6.4	6.3	:		
arithmetic	:	:	8.4	8.0	8.1	8.4	9.0	9.8	9.3	7.8	7.5	7.5	7.3	:		
EU-27 averages																
weighted	7.7	7.3	6.7	6.3	6.9	7.4	8.4	8.4	7.7	5.7	6.2	6.4	6.3	-1.4		
arithmetic	8.8	8.6	8.5	8.1	8.2	8.5	9.1	9.8	9.3	7.8	7.5	7.5	7.4	-1.4		
EA-18 averages															Total	228 931
weighted	7.4	7.0	6.4	6.0	6.6	7.0	7.9	8.2	7.3	5.2	5.6	6.0	6.0	-1.4		
arithmetic	9.5	9.2	9.2	8.5	8.4	8.7	9.2	10.0	9.6	8.0	7.9	8.0	7.7	-1.7		
EA-17 averages																
weighted	7.4	7.0	6.4	6.0	6.6	7.0	7.9	8.2	7.3	5.2	5.6	6.0	6.0	-1.4		
arithmetic	9.7	9.3	9.3	8.7	8.5	8.8	9.3	10.1	9.5	8.1	8.2	8.2	7.8	-1.9		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 20: Direct Taxes as % of GDP — Other

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.1	1.1	1.2	1.2	1.4	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.6	0.5	5	5 889
Bulgaria	0.2	0.2	0.2	0.3	0.3	0.4	0.5	0.6	0.6	0.4	0.3	0.4	0.4	0.2	24	157
Czech Republic	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	26	148
Denmark	1.6	0.7	0.7	1.1	2.3	3.1	1.5	1.0	1.3	1.3	2.8	2.9	3.1	1.4	1	7 517
Germany	0.6	0.6	0.6	0.5	0.6	0.6	0.7	0.7	0.7	0.7	0.6	0.7	0.6	0.1	18	16 980
Estonia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	
Ireland	0.5	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.9	0.9	0.4	8	1 535
Greece	0.8	1.0	0.9	0.7	0.7	0.8	0.9	0.9	0.9	1.1	1.1	1.9	2.1	1.3	3	4 153
Spain	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.7	0.7	0.6	0.7	-0.1	15	7 305
France	1.3	1.4	1.3	1.3	1.4	1.5	1.4	1.5	1.4	1.5	1.5	1.7	1.7	0.4	4	34 948
Croatia	:	:	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.7	1.0	0.4	0.4	:	22	185
Italy	0.6	0.6	0.7	1.8	1.1	0.6	0.5	0.5	0.5	1.3	0.7	1.0	0.8	0.2	14	11 914
Cyprus	1.3	1.1	0.9	0.9	1.5	1.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	-0.4	13	142
Latvia	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.2	0.2	0.3	0.4	0.4	0.2	23	88
Lithuania	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	27	16
Luxembourg	0.9	0.9	1.0	0.9	0.8	0.8	0.7	0.7	0.8	0.9	0.8	0.9	0.9	0.0	9	399
Hungary	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.3	0.3	0.4	0.9	0.9	0.8	0.5	12	798
Malta	0.7	0.7	1.3	1.1	0.8	1.2	0.8	1.0	0.7	0.9	0.8	0.8	0.8	0.2	11	58
Netherlands	1.6	1.3	1.4	1.4	1.4	1.5	1.3	1.3	1.3	1.4	1.4	1.4	1.4	-0.2	6	8 332
Austria	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	0.9	0.0	10	2 851
Poland	0.3	0.3	0.6	0.6	0.5	0.6	0.5	0.6	0.6	0.5	0.5	0.5	0.5	0.2	20	2 042
Portugal	0.5	0.5	0.6	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.7	0.1	17	1 111
Romania	0.6	0.5	0.4	0.3	0.3	0.3	0.3	0.4	0.3	0.4	0.5	0.5	0.5	-0.1	21	610
Slovenia	0.6	0.6	0.6	0.5	0.6	0.4	0.4	0.4	0.6	0.6	0.7	0.6	0.7	0.1	16	248
Slovakia	1.5	1.4	1.3	1.2	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	-0.9	19	390
Finland	1.0	1.0	1.0	1.0	1.1	1.0	1.0	0.9	1.0	1.0	1.1	1.0	1.1	0.1	7	2 166
Sweden	0.7	0.6	0.5	0.5	0.5	0.5	0.5	0.2	0.3	0.3	0.3	0.2	0.2	-0.5	25	963
United Kingdom	2.3	2.4	2.4	2.5	2.5	2.6	2.6	2.6	4.0	2.8	2.6	2.6	2.6	0.3	2	51 117
Iceland	1.8	1.8	1.8	1.3	1.5	1.7	1.7	1.8	1.8	1.8	2.4	1.8	1.8	0.0		194
Norway	0.9	0.9	1.0	1.0	1.0	1.0	0.9	1.0	0.9	1.0	0.9	0.9	0.9	0.0		3 565
EU-28 averages															Total	162 061
weighted	:	:	1.1	1.3	1.2	1.2	1.1	1.2	1.3	1.2	1.2	1.2	1.2	:		
arithmetic	:	:	0.7	0.8	0.8	0.8	0.7	0.7	0.8	0.8	0.8	0.9	0.9	:		
EU-27 averages																
weighted	1.1	1.1	1.1	1.3	1.2	1.2	1.1	1.2	1.3	1.2	1.2	1.2	1.3	0.1		
arithmetic	0.8	0.7	0.8	0.8	0.8	0.9	0.7	0.7	0.8	0.8	0.8	0.9	0.9	0.1		
EA-18 averages															Total	98 510
weighted	0.9	0.9	0.9	1.1	1.0	0.9	0.9	0.9	0.9	1.0	0.9	1.0	1.0	0.2		
arithmetic	0.8	0.8	0.8	0.9	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.9	0.9	0.1		
EA-17 averages																
weighted	0.9	0.9	0.9	1.1	1.0	0.9	0.9	0.9	0.9	1.0	0.9	1.0	1.0	0.2		
arithmetic	0.9	0.8	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.9	0.8	0.9	1.0	0.1		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 21: Direct Taxes as % of Total Taxation — Other

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	2.4	2.4	2.7	2.8	3.2	3.2	3.0	2.9	2.9	3.0	3.0	3.0	3.5	1.0	6	5 889
Bulgaria	0.6	0.6	0.7	0.8	1.0	1.2	1.7	1.9	1.9	1.2	1.3	1.5	1.4	0.9	23	157
Czech Republic	0.7	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.4	26	148
Denmark	3.3	1.5	1.6	2.3	4.7	6.1	2.9	2.0	2.7	2.6	5.8	6.0	6.4	3.1	2	7 517
Germany	1.4	1.5	1.4	1.4	1.6	1.7	1.8	1.9	1.9	1.7	1.7	1.8	1.6	0.2	21	16 980
Estonia	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	28	
Ireland	1.5	1.4	1.3	1.5	1.4	1.4	1.4	1.6	1.8	2.3	2.3	3.2	3.3	1.7	7	1 535
Greece	2.4	2.9	2.6	2.3	2.3	2.5	2.9	2.9	3.0	3.6	3.5	5.9	6.4	3.9	3	4 153
Spain	2.4	2.3	2.3	2.3	2.3	2.4	2.4	2.5	2.7	2.2	2.1	2.0	2.2	-0.3	12	7 305
France	3.0	3.1	3.1	3.1	3.2	3.3	3.3	3.4	3.3	3.4	3.6	3.8	3.8	0.8	4	34 948
Croatia	:	:	1.0	1.0	1.0	1.1	1.0	1.0	1.0	2.0	2.7	1.1	1.2	:	24	185
Italy	1.4	1.3	1.7	4.4	2.6	1.4	1.2	1.1	1.2	3.0	1.7	2.3	1.7	0.3	18	11 914
Cyprus	4.2	3.6	3.0	2.8	4.6	4.8	2.1	2.0	2.1	2.2	2.1	2.0	2.3	-1.9	11	142
Latvia	0.6	0.6	0.7	0.8	0.7	0.7	0.6	1.2	0.8	0.7	1.0	1.4	1.4	0.8	22	88
Lithuania	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.0	27	16
Luxembourg	2.4	2.3	2.5	2.4	2.0	2.2	2.0	2.1	2.0	2.3	2.1	2.3	2.4	0.0	10	399
Hungary	0.8	0.8	0.8	0.9	1.0	1.1	1.0	0.8	0.8	1.1	2.3	2.3	2.1	1.3	14	798
Malta	2.5	2.6	4.2	3.6	2.7	3.7	2.5	2.8	2.2	2.6	2.6	2.5	2.5	0.0	9	58
Netherlands	4.1	3.5	3.7	3.7	3.8	3.9	3.3	3.4	3.4	3.8	3.7	3.7	3.6	-0.5	5	8 332
Austria	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.2	2.2	0.0	13	2 851
Poland	1.1	1.0	1.8	1.8	1.7	1.7	1.5	1.7	1.7	1.7	1.6	1.6	1.6	0.6	19	2 042
Portugal	1.7	1.7	1.8	1.5	1.4	1.4	1.4	1.3	1.4	1.3	1.4	1.5	2.1	0.4	15	1 111
Romania	1.9	1.9	1.5	1.2	1.2	1.1	1.2	1.4	1.2	1.4	1.9	1.7	1.6	-0.2	20	610
Slovenia	1.7	1.7	1.5	1.4	1.5	1.1	1.1	1.1	1.6	1.7	1.8	1.7	1.9	0.2	17	248
Slovakia	4.3	4.1	3.8	3.5	2.7	2.0	2.2	2.1	2.2	2.0	2.0	1.8	1.9	-2.3	16	390
Finland	2.2	2.2	2.3	2.2	2.4	2.4	2.2	2.1	2.4	2.4	2.5	2.4	2.6	0.4	8	2 166
Sweden	1.4	1.2	1.1	1.1	1.1	1.0	1.0	0.5	0.6	0.6	0.6	0.5	0.5	-0.8	25	963
United Kingdom	6.3	6.6	6.9	7.2	7.3	7.2	7.1	7.2	10.9	8.1	7.4	7.4	7.5	1.1	1	51 117
Iceland	5.0	5.2	5.1	3.7	3.9	4.1	4.1	4.5	4.8	5.3	6.8	5.1	5.0	0.0		194
Norway	2.1	2.2	2.3	2.3	2.3	2.2	2.1	2.3	2.2	2.4	2.2	2.2	2.2	0.0		3 565
EU-28 averages															Total	162 061
weighted	:	:	2.9	3.2	3.2	3.1	2.9	2.9	3.4	3.2	3.0	3.2	3.2	:		
arithmetic	:	:	2.0	2.1	2.1	2.2	1.9	1.9	2.1	2.1	2.3	2.4	2.4	:		
EU-27 averages																
weighted	2.8	2.8	2.9	3.2	3.2	3.1	2.9	2.9	3.4	3.2	3.0	3.2	3.2	0.4		
arithmetic	2.1	2.0	2.1	2.1	2.2	2.2	1.9	2.0	2.1	2.1	2.2	2.4	2.5	0.4		
EA-18 averages															Total	98 510
weighted	2.1	2.2	2.2	2.7	2.5	2.3	2.2	2.3	2.3	2.7	2.4	2.7	2.6	0.4		
arithmetic	2.3	2.2	2.3	2.3	2.3	2.3	2.0	2.0	2.1	2.3	2.2	2.4	2.5	0.3		
EA-17 averages																
weighted	2.1	2.2	2.2	2.7	2.5	2.3	2.2	2.3	2.3	2.7	2.4	2.7	2.6	0.4		
arithmetic	2.3	2.3	2.4	2.4	2.4	2.3	2.1	2.1	2.1	2.4	2.3	2.5	2.6	0.2		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 22: Social Contributions as % of GDP — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	13.9	14.1	14.4	14.3	13.9	13.7	13.5	13.6	13.9	14.5	14.2	14.3	14.6	0.7	7	55 011
Bulgaria	10.8	9.8	9.6	10.3	10.2	9.7	8.3	8.1	7.8	7.7	7.0	7.3	7.2	-3.6	23	2 861
Czech Republic	15.0	14.9	15.4	15.6	15.4	15.4	15.6	15.7	15.5	14.8	15.2	15.5	15.6	0.6	3	23 820
Denmark	1.8	1.7	1.2	1.2	1.2	1.1	1.0	1.0	1.0	1.0	1.0	1.0	0.9	-0.9	28	2 226
Germany	17.1	16.9	16.9	17.0	16.7	16.4	16.0	15.2	15.2	15.9	15.5	15.4	15.6	-1.5	4	414 630
Estonia	10.9	10.7	11.0	10.6	10.3	10.3	10.1	10.5	11.6	13.0	13.1	11.9	11.5	0.6	15	2 000
Ireland	4.4	4.5	4.4	4.4	4.6	4.7	4.8	5.0	5.4	5.7	5.7	4.8	4.4	0.0	27	7 186
Greece	10.5	10.6	11.6	11.7	11.2	11.3	10.7	11.2	11.1	10.5	11.1	10.6	10.8	0.3	18	20 972
Spain	12.0	12.2	12.1	12.2	12.1	12.1	12.1	12.2	12.3	12.4	12.4	12.3	12.0	-0.1	13	123 206
France	16.1	16.1	16.2	16.4	16.2	16.4	16.5	16.3	16.3	16.8	16.7	16.8	17.0	0.9	1	346 376
Croatia	:	:	12.1	12.0	11.9	11.7	11.6	11.7	11.9	12.2	12.0	11.7	11.5	:	16	5 032
Italy	11.9	11.8	11.9	12.1	12.3	12.3	12.3	12.8	13.4	13.7	13.4	13.4	13.5	1.6	8	212 185
Cyprus	6.6	6.8	6.8	7.1	7.8	8.3	7.8	7.5	7.8	8.7	8.9	8.8	9.1	2.5	19	1 620
Latvia	10.0	9.3	9.4	8.9	8.7	8.4	8.8	8.7	8.3	8.5	8.4	8.6	8.4	-1.5	22	1 878
Lithuania	10.2	9.7	9.4	9.2	9.1	8.9	9.1	9.2	9.6	12.8	11.9	11.2	11.0	0.7	17	3 610
Luxembourg	10.1	10.9	10.9	10.8	10.7	10.4	9.9	9.9	10.6	11.9	11.0	11.2	11.5	1.4	14	4 928
Hungary	13.3	13.0	12.9	12.6	12.3	12.5	12.6	13.8	13.7	13.2	12.1	13.2	13.2	0.0	9	12 832
Malta	6.3	6.5	6.4	6.3	6.3	6.2	6.0	5.8	5.9	5.9	5.8	6.0	6.0	-0.2	26	414
Netherlands	15.4	13.7	13.3	13.8	13.9	12.9	14.0	13.5	14.5	13.8	14.2	14.8	16.0	0.6	2	95 780
Austria	14.7	14.8	14.6	14.6	14.6	14.5	14.3	14.1	14.3	14.8	14.7	14.6	14.9	0.2	6	45 800
Poland	12.9	13.4	12.9	12.8	12.3	12.3	12.2	12.0	11.3	11.3	11.1	11.4	12.3	-0.7	12	46 764
Portugal	8.0	8.2	8.3	8.6	8.3	8.4	8.4	8.5	8.8	9.0	9.1	9.4	9.1	1.1	20	14 965
Romania	11.1	10.9	10.7	9.4	9.1	9.6	9.7	9.7	9.3	9.4	8.6	9.0	8.8	-2.2	21	11 641
Slovenia	14.2	14.4	14.2	14.2	14.2	14.2	14.0	13.7	14.1	14.9	15.2	15.0	15.2	1.0	5	5 380
Slovakia	14.1	14.3	14.6	13.8	13.1	12.6	11.7	11.7	11.8	12.5	12.3	12.3	12.5	-1.6	11	8 907
Finland	11.9	12.0	11.9	11.8	11.7	12.0	12.2	11.9	12.0	12.8	12.7	12.6	13.1	1.2	10	25 257
Sweden	12.5	12.2	11.3	10.9	10.6	10.3	9.3	9.3	8.4	8.1	8.2	7.1	7.2	-5.3	24	29 233
United Kingdom	6.1	6.1	5.9	6.2	6.5	6.6	6.6	6.5	6.7	6.7	6.6	6.6	6.7	0.6	25	128 651
Iceland	2.9	2.8	2.9	3.1	3.0	3.2	3.3	3.0	2.8	3.1	4.1	4.1	3.8	0.9		404
Norway	8.9	9.2	9.9	9.8	9.3	8.8	8.6	8.9	8.8	9.8	9.6	9.5	9.6	0.7		37 270
EU-28 averages															Total	1 653 166
weighted	:	:	12.5	12.7	12.5	12.4	12.3	12.2	12.5	12.8	12.6	12.7	12.7	:		
arithmetic	:	:	11.1	11.0	10.9	10.8	10.7	10.7	10.8	11.2	11.0	11.0	11.1	:		
EU-27 averages																
weighted	12.7	12.6	12.5	12.7	12.5	12.4	12.3	12.2	12.5	12.8	12.6	12.7	12.8	0.1		
arithmetic	11.2	11.1	11.0	11.0	10.9	10.8	10.7	10.6	10.8	11.1	11.0	10.9	11.0	-0.1		
EA-18 averages															Total	1 386 495
weighted	14.5	14.3	14.3	14.5	14.3	14.2	14.1	13.9	14.1	14.5	14.4	14.4	14.6	0.1		
arithmetic	11.6	11.5	11.6	11.6	11.5	11.4	11.3	11.2	11.5	12.0	11.9	11.8	12.0	0.4		
EA-17 averages																
weighted	14.5	14.3	14.3	14.5	14.3	14.2	14.1	13.9	14.1	14.5	14.4	14.4	14.6	0.1		
arithmetic	11.7	11.7	11.7	11.7	11.6	11.6	11.4	11.4	11.7	12.2	12.1	12.0	12.2	0.5		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 23: Social Contributions as % of Total Taxation — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	30.8	31.4	31.8	31.9	31.1	30.5	30.5	31.0	31.5	33.4	32.4	32.4	32.2	1.4	13	55 011
Bulgaria	34.4	31.9	33.6	33.2	31.5	31.1	27.0	24.4	24.1	26.6	25.6	26.8	25.8	-8.5	23	2 861
Czech Republic	44.4	44.2	44.7	44.1	42.9	43.3	44.2	43.8	45.1	44.5	45.3	44.7	44.5	0.1	1	23 820
Denmark	3.6	3.6	2.5	2.5	2.4	2.2	2.1	2.0	2.0	2.1	2.1	2.1	1.9	-1.7	28	2 226
Germany	41.3	42.8	43.4	43.5	43.5	42.9	41.3	39.3	39.1	40.3	40.9	40.0	39.8	-1.5	6	414 630
Estonia	35.3	35.3	35.4	34.4	33.9	33.5	32.9	33.3	36.6	36.9	38.5	37.0	35.3	0.1	10	2 000
Ireland	13.9	15.2	15.5	15.3	15.3	15.3	14.9	15.8	18.1	20.5	20.5	17.0	15.3	1.4	27	7 186
Greece	30.3	31.9	34.4	36.5	35.7	35.2	33.8	34.4	34.7	34.2	35.2	32.8	32.1	1.7	14	20 972
Spain	35.3	36.1	35.6	36.0	34.9	33.7	32.9	32.8	37.4	40.5	38.5	38.7	36.8	1.5	9	123 206
France	36.5	36.8	37.5	38.1	37.5	37.3	37.4	37.5	37.7	39.9	39.2	38.4	37.9	1.4	7	346 376
Croatia	:	:	31.8	31.9	32.4	32.1	31.4	31.3	32.0	33.4	32.8	33.1	32.1	:	15	5 032
Italy	28.8	28.6	29.3	29.6	30.4	30.8	29.6	30.0	31.4	31.9	31.6	31.6	30.8	2.0	17	212 185
Cyprus	22.1	22.3	21.9	21.9	23.6	23.7	21.9	18.8	20.1	24.6	25.1	24.8	25.9	3.8	22	1 620
Latvia	33.5	32.3	32.8	31.1	30.5	28.9	28.8	28.6	28.3	32.0	30.7	31.1	30.2	-3.3	18	1 878
Lithuania	33.1	33.1	32.3	32.1	31.5	30.5	30.4	30.4	31.3	42.0	41.7	41.0	40.3	7.2	5	3 610
Luxembourg	25.7	27.5	27.7	28.2	28.7	27.8	27.6	27.6	28.3	29.8	29.0	29.2	29.3	3.5	20	4 928
Hungary	33.4	33.5	33.8	33.2	32.6	33.5	33.6	34.1	34.0	32.9	31.9	35.5	33.8	0.4	12	12 832
Malta	23.0	22.4	21.3	20.6	20.1	18.9	18.3	17.0	17.9	17.7	18.0	18.2	18.0	-5.0	25	414
Netherlands	38.6	35.7	35.2	36.9	37.1	34.5	35.9	34.8	37.0	36.2	36.4	38.4	41.0	2.3	3	95 780
Austria	34.2	32.9	33.4	33.7	33.9	34.5	34.6	33.9	33.6	35.0	34.8	34.6	34.6	0.4	11	45 800
Poland	39.7	41.6	39.6	39.7	39.2	37.6	36.1	34.3	33.0	35.7	34.9	35.3	37.7	-2.0	8	46 764
Portugal	25.7	26.7	26.5	27.2	27.1	26.8	26.2	26.0	26.8	29.1	28.8	28.2	28.0	2.3	21	14 965
Romania	36.7	38.3	38.2	34.1	33.6	34.4	34.0	33.4	33.3	34.9	32.2	31.7	31.2	-5.5	16	11 641
Slovenia	38.1	38.5	37.6	37.2	37.2	36.9	36.6	36.3	37.7	40.1	40.3	40.3	40.5	2.5	4	5 380
Slovakia	41.5	43.1	44.2	42.0	41.6	40.4	40.1	39.9	40.7	43.6	43.7	42.9	44.2	2.7	2	8 907
Finland	25.2	26.9	26.5	26.7	26.8	27.3	27.9	27.7	28.0	29.9	29.8	28.9	29.8	4.5	19	25 257
Sweden	24.2	24.7	23.7	22.8	22.2	21.0	19.3	19.7	18.2	17.4	18.1	15.9	16.2	-8.0	26	29 233
United Kingdom	16.8	16.9	16.9	18.1	18.7	18.7	18.4	18.3	18.1	19.4	18.7	18.5	18.8	2.0	24	128 651
Iceland	7.8	8.0	8.1	8.4	8.1	7.9	7.9	7.5	7.7	9.1	11.8	11.4	10.4	2.6		404
Norway	20.9	21.5	22.9	23.1	21.7	20.4	19.9	20.8	21.0	23.4	22.5	22.2	22.7	1.8		37 270
EU-28 averages															Total	1 653 166
weighted	:	:	32.1	32.7	32.5	32.0	31.3	31.0	31.8	33.5	33.0	32.6	32.4	:		
arithmetic	:	:	31.0	30.8	30.6	30.1	29.6	29.2	29.9	31.6	31.3	31.0	30.9	:		
EU-27 averages																
weighted	31.5	31.9	32.1	32.7	32.5	32.0	31.3	31.0	31.8	33.5	33.0	32.6	32.4	0.9		
arithmetic	30.6	30.9	30.9	30.8	30.5	30.0	29.5	29.1	29.8	31.5	31.3	31.0	30.8	0.2		
EA-18 averages															Total	1 386 495
weighted	35.5	35.8	36.2	36.6	36.4	35.9	35.2	34.6	35.6	37.1	36.8	36.5	36.1	0.6		
arithmetic	31.1	31.5	31.7	31.7	31.6	31.1	30.6	30.3	31.4	33.1	33.0	32.5	32.3	1.2		
EA-17 averages																
weighted	35.5	35.8	36.2	36.6	36.4	35.9	35.2	34.6	35.7	37.1	36.8	36.5	36.1	0.6		
arithmetic	31.0	31.4	31.6	31.7	31.7	31.2	30.7	30.4	31.6	33.1	33.1	32.6	32.4	1.5		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 24: Social Contributions as % of GDP — Employers

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	8.3	8.4	8.6	8.6	8.4	8.2	8.2	8.2	8.4	8.7	8.5	8.7	8.9	0.6	6	33 434
Bulgaria	8.6	7.7	7.3	7.9	7.8	6.9	5.6	5.5	4.8	4.6	4.5	4.7	4.2	-4.4	24	1 683
Czech Republic	9.7	9.6	10.0	10.1	9.9	9.9	9.9	9.9	9.9	9.3	9.7	9.9	9.9	0.3	3	15 215
Denmark	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	28	100
Germany	7.5	7.4	7.4	7.5	7.2	7.0	6.8	6.6	6.5	6.8	6.7	6.7	6.8	-0.8	13	180 020
Estonia	10.7	10.5	10.5	10.2	9.9	9.9	9.8	10.2	11.3	12.3	12.1	11.0	10.6	-0.2	2	1 845
Ireland	2.7	2.8	2.7	2.6	2.7	2.8	2.9	3.1	3.3	3.3	3.1	3.4	3.1	0.4	26	5 023
Greece	4.9	4.9	5.5	5.4	5.1	5.1	4.9	5.2	5.2	4.8	5.2	4.8	4.8	-0.1	23	9 270
Spain	8.7	8.8	8.8	8.8	8.8	8.8	8.8	8.9	8.9	8.7	8.7	8.5	8.4	-0.3	7	86 520
France	11.1	11.0	11.1	11.2	11.0	11.1	11.2	11.0	11.1	11.4	11.3	11.5	11.6	0.5	1	235 111
Croatia	:	:	6.3	6.3	6.4	6.3	6.2	6.2	6.3	6.5	6.4	6.3	6.0	:	15	2 629
Italy	8.3	8.3	8.3	8.6	8.6	8.6	8.5	8.8	9.2	9.3	9.2	9.2	9.3	1.0	4	145 666
Cyprus	4.5	4.6	4.5	4.8	5.3	5.9	5.5	5.1	5.3	5.9	6.1	5.9	6.2	1.7	14	1 100
Latvia	7.5	6.9	6.9	6.4	6.3	6.1	6.4	6.3	6.0	6.2	6.0	5.8	5.8	-1.7	17	1 282
Lithuania	8.4	8.0	7.7	7.6	7.5	7.3	7.5	7.6	8.0	8.6	7.6	7.3	7.3	-1.1	9	2 397
Luxembourg	4.4	4.8	4.8	4.7	4.7	4.6	4.3	4.2	4.5	5.1	4.8	4.8	4.9	0.5	22	2 104
Hungary	10.7	10.3	10.1	9.8	9.4	9.7	9.5	9.8	9.8	9.3	7.9	8.0	7.7	-3.0	8	7 487
Malta	2.8	2.9	2.9	2.8	2.8	2.8	2.7	2.6	2.7	2.7	2.6	2.8	2.8	0.0	27	190
Netherlands	4.5	4.3	4.3	4.3	4.3	4.0	4.6	4.5	4.8	4.9	5.0	5.1	5.4	1.0	19	32 608
Austria	7.1	7.0	6.9	6.9	6.8	6.8	6.7	6.7	6.7	6.9	6.9	6.8	7.0	-0.1	11	21 487
Poland	5.7	5.7	5.4	5.2	4.9	4.9	4.8	4.8	4.6	4.7	4.7	4.7	4.9	-0.7	21	18 840
Portugal	4.7	4.8	4.9	4.6	4.6	4.7	4.5	4.8	4.9	5.0	5.2	5.5	5.1	0.4	20	8 417
Romania	8.1	7.1	6.5	6.2	5.9	6.4	6.3	6.2	6.0	5.9	5.5	5.7	5.7	-2.4	18	7 496
Slovenia	5.5	5.4	5.4	5.4	5.4	5.6	5.5	5.4	5.5	5.8	5.8	5.7	5.8	0.4	16	2 061
Slovakia	9.1	8.9	8.9	8.4	7.6	7.0	6.3	6.3	6.6	6.8	6.9	6.7	6.8	-2.4	12	4 810
Finland	8.8	9.0	8.9	8.9	8.8	9.0	8.9	8.7	9.0	9.4	9.0	9.0	9.2	0.4	5	17 664
Sweden	10.1	10.6	10.3	10.0	9.7	9.7	9.1	9.1	8.2	7.9	8.0	6.9	7.0	-3.1	10	28 566
United Kingdom	3.4	3.5	3.3	3.5	3.6	3.6	3.7	3.8	3.9	3.8	3.8	3.8	3.9	0.4	25	74 904
Iceland	2.7	2.7	2.8	3.0	2.9	3.1	3.2	2.9	2.7	3.0	4.0	4.0	3.7	1.0		394
Norway	5.3	5.6	5.9	5.9	5.6	5.3	5.3	5.5	5.4	6.0	5.9	5.7	5.8	0.5		22 608
EU-28 averages															Total	947 928
weighted	:	:	7.2	7.3	7.2	7.1	7.1	7.1	7.2	7.4	7.3	7.3	7.3	:		
arithmetic	:	:	6.7	6.7	6.6	6.5	6.4	6.4	6.5	6.6	6.5	6.4	6.4	:		
EU-27 averages																
weighted	7.2	7.2	7.2	7.3	7.2	7.1	7.1	7.1	7.2	7.4	7.3	7.3	7.3	0.1		
arithmetic	6.9	6.8	6.7	6.7	6.6	6.5	6.4	6.4	6.5	6.6	6.5	6.4	6.4	-0.5		
EA-18 averages															Total	788 612
weighted	8.2	8.1	8.2	8.2	8.1	8.1	8.0	8.0	8.1	8.3	8.2	8.2	8.3	0.1		
arithmetic	6.7	6.7	6.7	6.7	6.6	6.6	6.5	6.5	6.7	6.9	6.8	6.8	6.8	0.1		
EA-17 averages																
weighted	8.2	8.1	8.2	8.2	8.1	8.1	8.0	8.0	8.1	8.3	8.2	8.2	8.3	0.1		
arithmetic	6.7	6.7	6.7	6.7	6.6	6.6	6.5	6.5	6.7	6.9	6.9	6.8	6.9	0.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 25: Social Contributions as % of Total Taxation — Employers

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	18.5	18.7	19.1	19.2	18.7	18.4	18.4	18.8	19.0	20.1	19.5	19.6	19.6	1.1	12	33 434
Bulgaria	27.3	25.0	25.5	25.5	23.9	22.2	18.4	16.6	14.9	16.0	16.4	17.4	15.2	-12.1	20	1 683
Czech Republic	28.6	28.6	28.8	28.4	27.6	27.8	28.1	27.7	28.7	27.9	28.9	28.5	28.4	-0.2	2	15 215
Denmark	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.0	28	100
Germany	18.2	18.9	19.0	19.1	18.9	18.3	17.7	16.9	16.8	17.2	17.6	17.3	17.3	-1.0	14	180 020
Estonia	34.7	34.8	34.0	33.1	32.5	32.2	32.0	32.4	35.5	34.8	35.7	34.2	32.6	-2.1	1	1 845
Ireland	8.5	9.5	9.5	9.2	8.9	9.2	9.1	9.7	11.1	11.6	11.1	12.1	10.7	2.2	26	5 023
Greece	14.1	14.7	16.3	16.8	16.4	16.0	15.4	15.9	16.3	15.7	16.3	14.7	14.2	0.0	22	9 270
Spain	25.4	26.2	25.8	26.1	25.2	24.5	23.9	23.9	26.9	28.3	26.9	26.7	25.8	0.4	4	86 520
France	25.1	25.2	25.6	26.0	25.5	25.2	25.3	25.4	25.6	27.1	26.6	26.2	25.7	0.7	5	235 111
Croatia	:	:	16.6	16.7	17.3	17.1	16.7	16.7	17.1	17.8	17.6	17.8	16.8	:	15	2 629
Italy	20.0	20.1	20.6	20.9	21.3	21.6	20.4	20.7	21.5	21.8	21.6	21.7	21.1	1.1	7	145 666
Cyprus	14.9	14.9	14.7	14.8	16.2	16.8	15.4	12.8	13.7	16.7	17.0	16.8	17.6	2.7	13	1 100
Latvia	25.1	23.9	24.3	22.5	22.1	20.9	20.8	20.7	20.4	23.1	22.2	21.2	20.6	-4.5	9	1 282
Lithuania	27.2	27.1	26.6	26.5	25.9	24.9	25.0	25.1	25.9	28.3	26.7	26.5	26.7	-0.5	3	2 397
Luxembourg	11.2	12.0	12.2	12.4	12.6	12.1	12.0	11.8	12.1	12.8	12.5	12.6	12.5	1.3	24	2 104
Hungary	26.8	26.5	26.5	25.9	25.1	26.0	25.4	24.2	24.2	23.1	20.7	21.3	19.7	-7.1	11	7 487
Malta	10.1	10.1	9.6	9.3	9.0	8.5	8.2	7.6	8.0	8.0	8.2	8.3	8.2	-1.9	27	190
Netherlands	11.2	11.3	11.5	11.6	11.5	10.7	11.7	11.7	12.2	13.0	13.0	13.1	13.9	2.8	23	32 608
Austria	16.4	15.5	15.7	15.9	15.8	16.2	16.2	16.0	15.8	16.3	16.3	16.2	16.2	-0.2	16	21 487
Poland	17.4	17.8	16.4	16.1	15.7	15.0	14.3	13.8	13.5	14.7	14.9	14.4	15.2	-2.2	21	18 840
Portugal	15.1	15.6	15.5	14.7	15.2	15.1	14.1	14.6	14.9	16.3	16.6	16.5	15.8	0.7	18	8 417
Romania	26.7	24.9	23.0	22.4	21.7	23.0	22.1	21.4	21.6	22.1	20.7	19.9	20.1	-6.6	10	7 496
Slovenia	14.6	14.5	14.3	14.2	14.1	14.4	14.3	14.2	14.8	15.5	15.5	15.4	15.5	0.9	19	2 061
Slovakia	26.8	26.7	26.9	25.5	24.2	22.4	21.5	21.4	22.8	23.5	24.4	23.2	23.9	-2.9	6	4 810
Finland	18.5	20.1	19.9	20.1	20.3	20.4	20.4	20.3	20.9	22.0	21.1	20.5	20.8	2.3	8	17 664
Sweden	19.6	21.3	21.7	20.8	20.3	19.8	18.8	19.2	17.7	16.9	17.6	15.6	15.8	-3.8	17	28 566
United Kingdom	9.5	9.6	9.5	10.1	10.3	10.3	10.2	10.6	10.5	11.2	10.8	10.7	11.0	1.5	25	74 904
Iceland	7.3	7.6	7.8	8.1	7.8	7.6	7.7	7.3	7.5	8.9	11.6	11.2	10.1	2.8		394
Norway	12.5	13.0	13.8	13.9	13.1	12.4	12.2	12.7	12.9	14.3	13.7	13.4	13.8	1.2		22 608
EU-28 averages															Total	947 928
weighted	:	:	18.5	18.8	18.6	18.4	18.0	18.0	18.4	19.3	19.0	18.8	18.6	:		
arithmetic	:	:	18.9	18.7	18.4	18.2	17.7	17.5	17.9	18.6	18.4	18.2	17.9	:		
EU-27 averages																
weighted	17.9	18.3	18.5	18.8	18.6	18.4	18.0	18.0	18.4	19.3	19.0	18.8	18.6	0.6		
arithmetic	19.0	19.0	19.0	18.8	18.5	18.2	17.7	17.5	18.0	18.7	18.5	18.2	17.9	-1.0		
EA-18 averages															Total	788 612
weighted	20.0	20.4	20.6	20.8	20.7	20.4	20.0	19.9	20.4	21.2	21.0	20.8	20.5	0.6		
arithmetic	18.3	18.5	18.6	18.4	18.2	17.9	17.6	17.5	18.2	19.1	19.0	18.7	18.5	0.2		
EA-17 averages																
weighted	20.0	20.4	20.6	20.8	20.7	20.4	20.0	19.9	20.4	21.2	21.0	20.8	20.5	0.6		
arithmetic	17.8	18.2	18.2	18.2	18.0	17.8	17.4	17.3	18.1	18.9	18.8	18.5	18.3	0.5		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 26: Social Contributions as % of GDP — Employees

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	4.4	4.5	4.5	4.5	4.4	4.3	4.2	4.2	4.2	4.4	4.3	4.3	4.4	0.0	10	16 514
Bulgaria	1.7	1.5	1.8	1.9	1.9	2.1	2.1	2.1	2.5	2.6	2.0	2.0	2.5	0.8	21	975
Czech Republic	3.4	3.4	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.0	3.1	3.1	3.2	-0.2	13	4 847
Denmark	1.8	1.7	1.2	1.2	1.1	1.1	1.0	1.0	0.9	1.0	1.0	1.0	0.9	-0.9	26	2 126
Germany	6.8	6.8	6.7	6.7	6.5	6.5	6.4	6.1	6.1	6.3	6.2	6.3	6.4	-0.5	3	170 080
Estonia	0.0	0.0	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.5	0.8	0.8	0.8	0.8	27	137
Ireland	1.5	1.5	1.5	1.6	1.7	1.6	1.6	1.7	1.9	2.3	2.4	1.2	1.1	-0.4	25	1 864
Greece	4.1	4.2	4.5	4.7	4.4	4.5	4.2	4.2	4.2	3.8	4.2	4.1	4.6	0.4	9	8 816
Spain	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	2.0	2.0	1.9	2.1	1.7	-0.2	24	17 837
France	4.0	4.0	4.1	4.1	4.1	4.1	4.1	4.1	4.0	4.1	4.1	4.1	4.2	0.2	11	84 376
Croatia	:	:	5.4	5.4	5.3	5.2	5.2	5.2	5.3	5.5	5.3	5.2	5.3	:	5	2 326
Italy	2.3	2.3	2.3	2.2	2.2	2.2	2.2	2.3	2.4	2.5	2.4	2.4	2.4	0.1	22	37 620
Cyprus	1.8	1.9	1.9	2.0	2.1	2.1	2.0	2.1	2.1	2.4	2.5	2.4	2.5	0.7	20	446
Latvia	2.5	2.4	2.4	2.4	2.4	2.3	2.4	2.4	2.2	2.3	2.3	2.7	2.6	0.1	18	585
Lithuania	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.8	0.9	2.6	2.3	2.2	2.2	1.4	23	717
Luxembourg	4.5	4.9	4.8	4.7	4.5	4.6	4.4	4.5	4.9	5.4	5.1	5.1	5.2	0.8	6	2 249
Hungary	2.0	2.1	2.2	2.2	2.3	2.3	2.4	3.3	3.2	3.2	3.7	4.7	5.1	3.0	7	4 922
Malta	2.8	2.9	2.9	2.8	2.8	2.8	2.7	2.6	2.6	2.7	2.6	2.7	2.7	0.0	17	188
Netherlands	7.9	6.7	6.4	6.7	6.9	6.4	6.5	6.1	6.6	5.9	6.0	6.4	7.0	-0.9	2	41 726
Austria	6.0	6.1	6.0	6.0	5.9	5.9	5.8	5.7	5.8	6.0	6.0	5.9	6.0	0.0	4	18 498
Poland	5.5	5.5	5.1	5.2	5.0	4.8	4.9	4.8	4.4	4.3	4.1	4.6	4.9	-0.6	8	18 542
Portugal	2.8	3.0	3.1	3.4	3.2	3.2	3.6	3.5	3.5	3.6	3.5	3.5	3.6	0.8	12	5 989
Romania	3.0	3.8	4.2	3.1	3.0	3.0	3.3	3.3	3.2	3.3	2.9	2.9	2.9	-0.1	16	3 776
Slovenia	7.8	7.7	7.6	7.5	7.4	7.5	7.3	7.2	7.4	7.7	7.8	7.7	7.7	-0.1	1	2 706
Slovakia	2.9	3.0	3.0	2.8	2.9	3.0	2.8	2.8	2.8	3.0	3.2	2.9	3.0	0.1	14	2 138
Finland	2.2	2.2	2.1	2.1	2.1	2.2	2.4	2.3	2.2	2.4	2.6	2.7	3.0	0.8	15	5 730
Sweden	2.1	1.4	0.7	0.7	0.7	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.1	28	
United Kingdom	2.4	2.4	2.3	2.5	2.7	2.8	2.7	2.6	2.6	2.6	2.6	2.6	2.6	0.2	19	50 716
Iceland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Norway	3.1	3.1	3.4	3.3	3.2	3.0	2.9	3.0	2.9	3.3	3.2	3.2	3.2	0.2		12 545
EU-28 averages															Total	506 444
weighted	:	:	3.9	3.9	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.9	3.9	:		
arithmetic	:	:	3.3	3.3	3.3	3.3	3.2	3.2	3.3	3.4	3.4	3.4	3.5	:		
EU-27 averages																
weighted	4.1	4.0	3.9	3.9	3.9	3.8	3.8	3.7	3.8	3.8	3.8	3.8	3.9	-0.2		
arithmetic	3.3	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.3	3.3	3.4	0.1		
EA-18 averages															Total	417 499
weighted	4.6	4.5	4.4	4.4	4.3	4.3	4.2	4.1	4.2	4.3	4.3	4.3	4.4	-0.2		
arithmetic	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.5	3.6	3.7	3.8	3.7	3.8	0.1		
EA-17 averages																
weighted	4.6	4.5	4.4	4.4	4.3	4.3	4.2	4.2	4.2	4.3	4.3	4.3	4.4	-0.2		
arithmetic	3.8	3.7	3.7	3.8	3.7	3.7	3.7	3.6	3.7	3.8	3.9	3.8	3.9	0.1		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 27: Social Contributions as % of Total Taxation — Employees

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	9.7	10.0	10.0	10.0	9.7	9.5	9.4	9.6	9.6	10.1	9.8	9.8	9.7	0.0	13	16 514
Bulgaria	5.3	4.9	6.3	6.0	5.7	6.9	6.9	6.4	7.9	9.0	7.2	7.5	8.8	3.5	17	975
Czech Republic	10.1	10.0	10.1	10.0	9.6	9.8	9.8	9.7	10.1	8.9	9.2	9.1	9.1	-1.0	16	4 847
Denmark	3.6	3.5	2.4	2.4	2.3	2.1	2.0	2.0	2.0	2.0	2.0	2.0	1.8	-1.8	27	2 126
Germany	16.6	17.2	17.2	17.2	17.1	16.9	16.5	15.9	15.8	16.1	16.4	16.3	16.3	-0.3	3	170 080
Estonia	0.0	0.0	0.9	0.9	0.9	0.9	0.5	0.5	0.6	1.5	2.4	2.4	2.4	2.4	26	137
Ireland	4.9	5.1	5.3	5.4	5.6	5.3	5.1	5.4	6.3	8.2	8.7	4.2	4.0	-0.9	25	1 864
Greece	11.9	12.6	13.3	14.5	14.0	14.0	13.1	13.0	13.1	12.6	13.1	12.6	13.5	1.6	7	8 816
Spain	5.6	5.7	5.6	5.7	5.5	5.3	5.3	5.2	5.9	6.4	6.0	6.5	5.3	-0.3	24	17 837
France	9.1	9.1	9.4	9.5	9.4	9.3	9.3	9.4	9.3	9.7	9.6	9.3	9.2	0.2	15	84 376
Croatia	:	:	14.3	14.4	14.5	14.2	14.0	13.9	14.2	15.0	14.7	14.8	14.8	:	5	2 326
Italy	5.4	5.5	5.6	5.4	5.5	5.5	5.3	5.3	5.7	5.8	5.6	5.6	5.5	0.0	23	37 620
Cyprus	6.1	6.2	6.1	6.1	6.3	5.9	5.6	5.2	5.5	6.8	6.9	6.8	7.1	1.0	21	446
Latvia	8.4	8.2	8.4	8.4	8.3	7.8	7.8	7.7	7.6	8.6	8.3	9.7	9.4	1.1	14	585
Lithuania	2.6	2.6	2.6	2.5	2.6	2.5	2.6	2.7	2.8	8.5	8.1	8.0	8.0	5.4	19	717
Luxembourg	11.4	12.2	12.3	12.4	11.9	12.3	12.4	12.5	13.0	13.5	13.3	13.3	13.4	1.9	8	2 249
Hungary	5.1	5.4	5.8	5.8	6.1	6.0	6.5	8.3	8.1	8.0	9.6	12.5	13.0	7.8	9	4 922
Malta	10.1	10.1	9.6	9.3	9.0	8.5	8.2	7.6	8.0	8.0	8.1	8.3	8.1	-2.0	18	188
Netherlands	19.8	17.6	17.0	17.9	18.3	17.1	16.6	15.7	16.9	15.4	15.5	16.7	17.8	-1.9	2	41 726
Austria	14.0	13.5	13.7	13.8	13.8	14.0	14.0	13.8	13.7	14.2	14.2	14.0	14.0	0.0	6	18 498
Poland	16.9	17.2	15.6	16.1	15.8	14.8	14.4	13.7	12.8	13.4	12.8	14.1	15.0	-1.9	4	18 542
Portugal	9.2	9.8	9.7	10.9	10.5	10.2	11.1	10.7	10.8	11.7	11.2	10.6	11.2	2.0	10	5 989
Romania	10.0	13.2	14.9	11.1	10.9	10.8	11.4	11.4	11.3	12.1	10.9	10.3	10.1	0.2	12	3 776
Slovenia	20.9	20.5	20.0	19.6	19.5	19.4	19.2	19.1	19.9	20.8	20.8	20.6	20.4	-0.5	1	2 706
Slovakia	8.5	9.0	9.0	8.6	9.2	9.6	9.4	9.4	9.8	10.5	11.2	10.2	10.6	2.1	11	2 138
Finland	4.7	4.9	4.7	4.8	4.8	5.0	5.4	5.2	5.1	5.6	6.2	6.2	6.8	2.1	22	5 730
Sweden	4.1	2.8	1.5	1.5	1.4	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4.1	28	
United Kingdom	6.7	6.8	6.7	7.4	7.8	7.8	7.6	7.2	7.0	7.6	7.4	7.3	7.4	0.7	20	50 716
Iceland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Norway	7.2	7.3	7.8	7.8	7.4	6.9	6.6	6.9	7.0	7.8	7.5	7.5	7.6	0.5		12 545
EU-28 averages															Total	506 444
weighted	:	:	10.0	10.2	10.0	9.8	9.6	9.4	9.6	10.0	9.9	9.9	9.9	:		
arithmetic	:	:	9.2	9.2	9.1	9.0	8.9	8.8	9.0	9.6	9.6	9.6	9.7	:		
EU-27 averages																
weighted	10.1	10.1	10.0	10.1	10.0	9.8	9.6	9.4	9.6	10.0	9.9	9.9	9.9	-0.2		
arithmetic	8.9	9.0	9.0	9.0	8.9	8.8	8.7	8.6	8.8	9.4	9.4	9.4	9.5	0.6		
EA-18 averages															Total	417 499
weighted	11.2	11.2	11.2	11.2	11.1	10.8	10.6	10.4	10.7	10.9	10.9	10.9	10.9	-0.3		
arithmetic	9.8	9.9	9.9	10.0	10.0	9.8	9.7	9.5	9.8	10.3	10.4	10.2	10.3	0.5		
EA-17 averages																
weighted	11.2	11.2	11.2	11.2	11.1	10.8	10.6	10.4	10.7	10.9	10.9	10.9	10.9	-0.3		
arithmetic	9.9	9.9	10.0	10.1	10.1	9.9	9.8	9.6	9.9	10.4	10.5	10.2	10.3	0.4		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 28: Social Contributions as % of GDP — Self-employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.4	1.3	1.3	1.3	0.2	12	5 063
Bulgaria	0.5	0.6	0.5	0.6	0.6	0.6	0.5	0.5	0.4	0.5	0.6	0.5	0.5	0.0	17	204
Czech Republic	1.9	1.9	2.0	2.0	2.1	2.0	2.2	2.3	2.2	2.6	2.4	2.4	2.5	0.5	4	3 758
Denmark	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	0
Germany	2.7	2.6	2.8	2.8	2.9	2.9	2.8	2.5	2.5	2.7	2.6	2.5	2.4	-0.3	5	64 530
Estonia	0.2	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	-0.1	26	18
Ireland	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	22	298
Greece	1.5	1.5	1.6	1.6	1.6	1.7	1.7	1.8	1.7	1.8	1.8	1.8	1.5	0.0	11	2 886
Spain	1.4	1.4	1.4	1.4	1.5	1.4	1.4	1.4	1.5	1.8	1.8	1.7	1.8	0.4	8	18 849
France	1.0	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	0.3	14	26 889
Croatia	:	:	0.3	0.3	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	:	23	77
Italy	1.4	1.2	1.3	1.3	1.4	1.5	1.6	1.7	1.8	1.8	1.8	1.8	1.8	0.5	7	28 899
Cyprus	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.4	0.3	0.4	0.4	0.4	0.4	0.1	19	75
Latvia	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	27	11
Lithuania	1.0	1.0	0.9	0.9	0.9	0.9	0.8	0.8	0.8	1.6	2.0	1.8	1.5	0.5	10	497
Luxembourg	1.2	1.3	1.3	1.3	1.6	1.3	1.2	1.2	1.2	1.4	1.2	1.3	1.3	0.1	13	575
Hungary	0.6	0.6	0.6	0.6	0.5	0.5	0.6	0.7	0.7	0.7	0.6	0.6	0.4	-0.1	18	424
Malta	0.8	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	-0.2	16	37
Netherlands	3.1	2.6	2.5	2.8	2.7	2.5	2.9	2.9	3.1	3.0	3.1	3.3	3.6	0.5	1	21 446
Austria	1.6	1.7	1.7	1.7	1.9	1.8	1.8	1.8	1.8	1.9	1.8	1.9	1.9	0.3	6	5 815
Poland	1.8	2.1	2.5	2.4	2.4	2.5	2.5	2.4	2.3	2.4	2.3	2.2	2.5	0.7	3	9 382
Portugal	0.4	0.4	0.4	0.5	0.4	0.5	0.3	0.2	0.3	0.3	0.3	0.3	0.3	-0.1	20	558
Romania	0.0	0.0	0.1	0.2	0.2	0.2	0.1	0.2	0.1	0.2	0.2	0.4	0.3	0.3	21	370
Slovenia	1.0	1.3	1.3	1.3	1.4	1.2	1.2	1.1	1.1	1.4	1.5	1.6	1.7	0.8	9	614
Slovakia	2.1	2.5	2.8	2.6	2.6	2.6	2.7	2.7	2.4	2.8	2.3	2.7	2.8	0.6	2	1 960
Finland	1.0	0.9	0.8	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.1	0.9	1.0	0.0	15	1 863
Sweden	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	-0.1	24	667
United Kingdom	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	-0.1	25	3 031
Iceland	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1		9
Norway	0.5	0.5	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.0		2 118
EU-28 averages															Total	198 794
weighted	:	:	1.4	1.4	1.5	1.5	1.5	1.4	1.5	1.6	1.6	1.5	1.5	:		
arithmetic	:	:	1.0	1.1	1.1	1.1	1.1	1.0	1.1	1.2	1.1	1.1	1.2	:		
EU-27 averages																
weighted	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.4	1.5	1.6	1.6	1.5	1.5	0.1		
arithmetic	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	0.2		
EA-18 averages															Total	180 385
weighted	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.7	1.8	1.9	1.9	1.9	1.9	0.1		
arithmetic	1.2	1.2	1.2	1.2	1.3	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	0.2		
EA-17 averages																
weighted	1.8	1.7	1.7	1.8	1.8	1.8	1.8	1.7	1.8	1.9	1.9	1.9	1.9	0.1		
arithmetic	1.2	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	0.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 29: Social Contributions as % of Total Taxation — Self-employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	2.6	2.6	2.7	2.7	2.7	2.7	2.7	2.7	2.9	3.2	3.1	3.0	3.0	0.3	13	5 063
Bulgaria	1.7	2.0	1.8	1.8	1.9	2.0	1.7	1.4	1.3	1.6	2.0	1.9	1.8	0.1	16	204
Czech Republic	5.7	5.7	5.8	5.7	5.7	5.7	6.3	6.4	6.4	7.6	7.2	7.1	7.0	1.3	4	3 758
Denmark	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	0
Germany	6.5	6.7	7.2	7.2	7.5	7.6	7.2	6.5	6.4	6.9	6.9	6.4	6.2	-0.3	5	64 530
Estonia	0.6	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.3	-0.3	26	18
Ireland	0.6	0.5	0.7	0.7	0.8	0.8	0.7	0.7	0.8	0.7	0.7	0.7	0.6	0.1	22	298
Greece	4.3	4.6	4.8	5.1	5.3	5.3	5.3	5.5	5.3	6.0	5.8	5.4	4.4	0.1	9	2 886
Spain	4.2	4.2	4.1	4.2	4.2	3.9	3.7	3.7	4.5	5.9	5.5	5.5	5.6	1.4	6	18 849
France	2.3	2.5	2.5	2.6	2.7	2.8	2.7	2.7	2.8	3.1	3.1	2.9	2.9	0.6	14	26 889
Croatia	:	:	0.9	0.9	0.7	0.8	0.7	0.7	0.7	0.6	0.5	0.5	0.5	:	23	77
Italy	3.3	3.0	3.1	3.2	3.6	3.7	3.8	4.0	4.3	4.3	4.3	4.2	4.2	0.9	11	28 899
Cyprus	1.1	1.1	1.1	1.1	1.1	1.0	0.9	0.9	0.9	1.1	1.2	1.1	1.2	0.1	18	75
Latvia	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	27	11
Lithuania	3.3	3.3	3.2	3.0	3.0	3.1	2.8	2.7	2.6	5.2	6.9	6.4	5.5	2.3	7	497
Luxembourg	3.1	3.2	3.2	3.4	4.2	3.4	3.3	3.3	3.3	3.5	3.2	3.3	3.4	0.3	12	575
Hungary	1.4	1.6	1.5	1.5	1.4	1.5	1.7	1.6	1.7	1.8	1.6	1.7	1.1	-0.3	19	424
Malta	2.8	2.3	2.2	2.1	2.1	1.9	1.9	1.8	1.8	1.7	1.7	1.6	1.6	-1.2	17	37
Netherlands	7.7	6.8	6.6	7.4	7.3	6.7	7.5	7.4	7.9	7.8	7.9	8.6	9.2	1.5	2	21 446
Austria	3.8	3.8	3.9	4.0	4.3	4.3	4.4	4.2	4.1	4.5	4.3	4.4	4.4	0.6	10	5 815
Poland	5.4	6.7	7.5	7.6	7.7	7.8	7.3	6.8	6.8	7.5	7.2	6.8	7.6	2.1	3	9 382
Portugal	1.4	1.3	1.3	1.7	1.4	1.4	1.0	0.7	1.1	1.1	1.0	1.0	1.0	-0.4	20	558
Romania	0.0	0.1	0.3	0.6	0.9	0.6	0.5	0.6	0.4	0.6	0.6	1.5	1.0	1.0	21	370
Slovenia	2.6	3.5	3.3	3.5	3.7	3.2	3.1	3.0	3.1	3.9	4.0	4.3	4.6	2.1	8	614
Slovakia	6.2	7.4	8.4	7.9	8.2	8.4	9.2	9.1	8.1	9.6	8.1	9.5	9.7	3.5	1	1 960
Finland	2.0	2.0	1.9	1.8	1.8	1.9	2.1	2.1	2.0	2.2	2.5	2.1	2.2	0.2	15	1 863
Sweden	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	-0.1	25	667
United Kingdom	0.6	0.6	0.6	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.4	-0.1	24	3 031
Iceland	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.2	-0.2		9
Norway	1.2	1.2	1.3	1.3	1.2	1.2	1.1	1.2	1.2	1.3	1.3	1.3	1.3	0.1		2 118
EU-28 averages															Total	198 794
weighted	:	:	3.6	3.7	3.8	3.8	3.7	3.6	3.8	4.2	4.1	3.9	3.9	:		
arithmetic	:	:	2.8	2.9	3.0	2.9	2.9	2.9	2.9	3.3	3.2	3.3	3.2	:		
EU-27 averages																
weighted	3.5	3.5	3.6	3.7	3.8	3.8	3.7	3.6	3.8	4.2	4.1	4.0	3.9	0.4		
arithmetic	2.7	2.8	2.9	3.0	3.1	3.0	3.0	2.9	3.0	3.4	3.3	3.4	3.3	0.6		
EA-18 averages															Total	180 385
weighted	4.3	4.3	4.4	4.5	4.6	4.6	4.5	4.4	4.6	5.0	4.9	4.7	4.7	0.4		
arithmetic	3.1	3.1	3.2	3.3	3.4	3.3	3.3	3.3	3.3	3.7	3.5	3.6	3.6	0.5		
EA-17 averages																
weighted	4.3	4.3	4.4	4.5	4.6	4.6	4.5	4.4	4.6	5.0	4.9	4.7	4.7	0.4		
arithmetic	3.2	3.3	3.4	3.5	3.6	3.5	3.5	3.5	3.5	3.9	3.7	3.8	3.8	0.6		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 30: Taxes received by administrative level as % of GDP — Central Government

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	16.6	15.7	15.7	15.0	14.6	14.3	14.0	13.2	13.0	11.5	12.3	11.4	12.7	-3.9	26	47 672
<i>Belgium (³)</i>	27.2	26.8	25.8	25.3	25.7	25.9	25.6	25.0	25.3	23.9	24.5	24.6	25.6	-1.7		96 041
Bulgaria	17.5	17.5	15.7	20.2	21.8	21.0	21.7	24.0	23.1	20.2	19.4	18.9	19.6	2.1	18	7 782
Czech Republic	24.7	25.1	25.2	25.8	26.0	24.8	24.5	25.0	23.8	22.8	23.0	23.8	24.1	-0.6	7	36 882
Denmark	30.8	29.6	29.4	29.5	30.8	32.6	31.6	35.8	34.8	34.3	33.6	33.7	34.1	3.3	1	83 754
Germany	11.6	11.0	10.9	11.1	10.6	10.8	11.0	11.5	11.6	11.9	11.4	11.8	11.9	0.3	27	316 740
Estonia	22.4	21.9	22.4	22.2	21.7	21.7	21.9	22.2	21.4	24.1	23.1	22.0	22.3	-0.1	12	3 881
Ireland	26.7	24.8	23.8	24.3	25.4	25.8	27.2	26.4	24.0	22.4	22.5	22.3	23.4	-3.4	9	38 292
Greece	23.4	22.0	21.5	19.9	19.8	20.6	20.2	20.6	20.2	19.4	20.4	21.7	22.7	-0.8	11	43 901
Spain	16.3	16.0	12.9	12.1	12.3	12.9	13.4	13.8	10.3	8.2	11.1	9.3	7.0	-9.3	28	72 344
France	18.1	17.6	17.1	16.8	17.9	17.4	16.5	15.7	15.1	13.2	14.8	14.2	14.8	-3.3	22	300 459
Croatia	:	:	22.2	21.8	21.0	21.0	21.4	21.4	20.8	19.8	20.3	19.5	20.0	:	17	8 775
Italy	23.1	22.7	22.0	22.0	21.5	21.1	22.6	22.9	22.4	22.9	22.6	22.4	23.2	0.2	10	364 288
Cyprus	22.9	23.4	23.7	24.7	24.5	26.1	27.2	31.8	30.1	25.9	26.0	25.8	25.5	2.6	6	4 517
Latvia	14.7	14.6	14.3	14.6	14.5	15.5	16.1	16.1	15.1	12.8	13.0	13.3	13.8	-0.9	23	3 081
Lithuania	12.7	12.2	15.1	15.2	15.0	15.3	15.9	15.7	15.3	13.9	13.2	13.3	13.4	0.7	24	4 407
Luxembourg	26.5	26.4	26.0	25.1	24.8	25.5	24.4	24.2	25.2	26.3	25.5	25.3	26.4	-0.1	4	11 327
Hungary	23.7	22.8	22.3	22.1	21.7	21.3	21.3	22.9	24.8	24.8	23.7	21.9	23.6	-0.1	8	22 880
Malta	27.3	28.9	30.0	30.4	31.0	32.4	32.6	33.5	32.6	33.1	31.9	32.7	33.3	6.0	3	2 282
Netherlands	22.3	22.6	22.5	21.6	21.6	22.6	23.2	23.4	22.8	22.6	23.0	21.9	21.1	-1.2	14	126 361
Austria	22.2	24.0	23.4	23.5	23.2	22.4	22.0	22.2	22.3	20.8	20.7	20.6	21.1	-1.2	15	64 690
Poland	16.8	15.9	16.7	16.5	15.1	16.3	17.3	18.1	18.2	16.1	16.5	16.8	16.0	-0.8	21	60 972
Portugal	21.2	20.9	21.5	21.6	20.7	21.3	22.0	22.3	22.1	20.2	20.9	22.2	21.4	0.2	13	35 377
Romania	18.0	17.1	16.9	17.4	17.3	17.5	18.0	18.0	17.6	16.4	17.0	18.2	18.0	0.0	20	23 673
Slovenia	20.6	20.5	21.0	21.2	21.0	21.4	21.2	20.3	19.7	18.5	18.3	18.1	18.1	-2.5	19	6 389
Slovakia	18.9	17.7	17.3	18.0	17.1	15.4	14.2	14.4	13.9	12.8	13.0	13.2	12.7	-6.1	25	9 054
Finland	24.6	22.4	23.0	22.7	22.5	22.6	22.1	21.7	21.2	19.6	19.3	20.7	20.7	-4.0	16	39 816
Sweden	31.2	29.2	28.0	28.0	28.5	29.7	29.8	29.0	27.2	26.8	26.7	26.1	25.6	-5.6	5	104 538
United Kingdom	34.2	34.1	32.8	32.4	32.9	33.4	34.1	33.7	35.1	32.2	32.9	33.7	33.4	-0.8	2	644 745
Iceland	28.4	26.5	26.5	27.8	28.9	31.3	31.4	30.3	27.1	24.5	26.0	26.3	27.1	-1.4		2 860
Norway	27.3	26.6	27.6	26.3	27.8	28.6	29.4	28.6	28.3	26.3	27.2	28.0	27.3	0.1		106 402
<i>Norway (⁴)</i>	36.2	35.8	37.5	36.1	37.1	37.5	38.0	37.6	37.1	36.1	36.8	37.5	36.9	0.7		143 672
EU-28 averages															Total	2 488 877
weighted	:	:	20.1	19.8	20.0	20.2	20.5	20.6	19.8	18.5	19.2	19.0	19.2	:		
arithmetic	:	:	21.2	21.3	21.2	21.5	21.7	22.1	21.6	20.5	20.6	20.5	20.7	:		
EU-27 averages																
weighted	21.3	20.8	20.1	19.8	20.0	20.2	20.5	20.6	19.8	18.5	19.2	19.0	19.2	-2.1		
arithmetic	21.8	21.4	21.1	21.3	21.3	21.6	21.7	22.2	21.6	20.5	20.6	20.6	20.7	-1.1		
EA-18 averages															Total	1 490 472
weighted	17.7	17.2	16.7	16.5	16.5	16.6	16.8	16.9	16.1	15.4	16.0	15.6	15.7	-2.0		
arithmetic	21.1	20.7	20.5	20.4	20.3	20.6	20.7	20.9	20.2	19.2	19.4	19.4	19.6	-1.5		
EA-17 averages																
weighted	17.7	17.3	16.7	16.5	16.5	16.6	16.8	16.9	16.1	15.4	16.0	15.6	15.7	-2.0		
arithmetic	21.5	21.1	20.9	20.7	20.6	20.9	20.9	21.2	20.5	19.6	19.8	19.7	19.9	-1.6		

(¹) In percentage points.

(²) In millions of euro.

(³) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(⁴) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_ag](#))

Table 31: Taxes received by administrative level as % of Total Taxation — Central Government

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	36.7	34.8	34.7	33.5	32.7	31.9	31.5	30.2	29.3	26.5	28.1	25.7	27.9	-8.8	27	47 672
<i>Belgium (°)</i>	<i>60.4</i>	<i>59.5</i>	<i>57.0</i>	<i>56.5</i>	<i>57.4</i>	<i>57.8</i>	<i>57.6</i>	<i>56.9</i>	<i>57.1</i>	<i>55.0</i>	<i>55.9</i>	<i>55.7</i>	<i>56.3</i>	-4.1		96 041
Bulgaria	55.5	57.0	55.1	65.2	67.0	67.1	70.6	72.0	71.7	69.7	70.6	69.2	70.3	14.8	6	7 782
Czech Republic	73.2	74.5	72.8	72.7	72.4	69.7	69.5	69.7	69.1	68.4	68.4	68.7	68.9	-4.3	7	36 882
Denmark	62.4	61.0	61.5	61.4	62.8	64.2	63.7	73.2	72.9	71.8	70.8	70.8	70.9	8.5	5	83 754
Germany	28.1	27.9	28.1	28.3	27.7	28.2	28.6	29.7	29.7	30.2	30.1	30.6	30.4	2.3	26	316 740
Estonia	72.2	72.6	72.2	72.2	71.2	71.0	71.2	70.7	67.3	68.2	67.9	68.1	68.6	-3.7	8	3 881
Ireland	84.8	83.6	83.9	84.1	84.4	84.4	84.7	83.8	81.4	80.0	80.4	79.2	81.4	-3.4	3	38 292
Greece	67.8	66.1	63.9	62.1	63.2	63.8	63.8	63.3	62.8	63.7	64.3	66.9	67.2	-0.6	10	43 901
Spain	47.8	47.5	37.8	35.6	35.3	36.0	36.6	37.2	31.2	26.7	34.5	29.1	21.6	-26.2	28	72 344
France	41.0	40.2	39.6	39.1	41.3	39.6	37.4	36.2	35.0	31.4	34.8	32.5	32.9	-8.1	25	300 459
Croatia	:	:	58.5	58.2	57.1	57.4	57.6	57.1	56.1	54.4	55.7	55.2	56.0	:	15	8 775
Italy	55.7	55.2	54.3	53.7	53.2	52.7	54.3	53.6	52.5	53.4	53.2	52.9	52.8	-2.8	17	364 288
Cyprus	76.4	76.2	76.8	76.7	74.4	74.4	76.1	79.3	77.9	73.3	73.0	73.2	72.3	-4.2	4	4 517
Latvia	49.5	50.5	50.0	51.1	50.8	52.9	52.8	52.5	51.5	48.0	47.7	48.4	49.6	0.1	18	3 081
Lithuania	41.1	41.6	52.1	52.6	51.8	52.4	53.0	51.8	50.0	45.8	46.4	48.5	49.2	8.1	20	4 407
Luxembourg	67.7	66.5	66.1	65.8	66.5	67.9	68.1	68.0	67.3	66.0	67.0	66.4	67.2	-0.5	9	11 327
Hungary	59.6	58.9	58.6	58.1	57.6	57.0	57.0	56.7	61.4	61.9	62.4	58.6	60.2	0.6	13	22 880
Malta	100.0	100.0	100.0	100.0	99.0	98.6	98.8	98.7	98.6	99.0	99.0	99.0	99.0	-1.0	1	2 282
Netherlands	55.9	58.9	59.7	57.8	57.6	60.2	59.5	60.4	58.3	59.1	59.0	56.7	54.0	-1.9	16	126 361
Austria	51.7	53.5	53.7	54.1	54.0	53.3	52.9	53.2	52.3	49.1	49.1	48.8	48.9	-2.8	21	64 690
Poland	51.6	49.5	51.1	51.3	48.0	49.6	51.1	52.0	52.9	50.7	52.0	51.8	49.2	-2.4	19	60 972
Portugal	68.2	67.9	68.3	68.2	68.0	67.9	68.4	68.1	67.5	65.3	66.2	66.9	66.2	-2.0	11	35 377
Romania	59.5	59.7	60.1	62.8	63.4	63.0	63.0	62.2	62.9	61.1	63.5	64.0	63.5	4.0	12	23 673
Slovenia	55.1	54.6	55.4	55.6	55.2	55.5	55.3	54.0	52.9	49.6	48.5	48.5	48.1	-7.0	22	6 389
Slovakia	55.3	53.3	52.5	54.8	54.3	49.3	48.7	49.0	47.7	44.7	46.4	46.3	45.0	-10.3	24	9 054
Finland	52.2	50.1	51.4	51.6	51.9	51.4	50.5	50.4	49.4	45.8	45.3	47.4	46.9	-5.3	23	39 816
Sweden	60.6	59.1	59.0	58.7	59.3	60.8	61.7	61.2	58.6	57.7	58.8	58.7	58.0	-2.6	14	104 538
United Kingdom	94.3	94.4	94.3	94.1	94.3	94.4	94.5	94.4	94.5	93.9	94.0	94.3	94.3	0.0	2	644 745
Iceland	76.6	75.0	75.2	75.7	76.4	77.1	75.7	74.9	74.1	72.6	74.3	73.3	73.6	-3.0		2 860
Norway	64.0	62.1	64.1	62.2	64.6	66.2	67.5	66.6	67.1	62.6	63.8	65.6	64.8	0.8		106 402
<i>Norway (°)</i>	<i>84.9</i>	<i>83.6</i>	<i>87.0</i>	<i>85.2</i>	<i>86.3</i>	<i>86.7</i>	<i>87.3</i>	<i>87.4</i>	<i>88.1</i>	<i>86.1</i>	<i>86.3</i>	<i>87.9</i>	<i>87.5</i>	2.6		143 672
EU-28 averages															Total	2 488 877
weighted	:	:	51.9	51.1	51.8	51.9	52.1	52.3	50.6	48.3	50.0	49.1	48.7	:		
arithmetic	:	:	59.7	60.0	59.8	59.8	60.0	60.3	59.4	57.7	58.5	58.1	57.9	:		
EU-27 averages																
weighted	52.8	52.7	51.9	51.1	51.8	51.9	52.1	52.3	50.6	48.3	50.0	49.1	48.7	-4.1		
arithmetic	60.1	59.8	59.7	60.1	59.9	59.9	60.1	60.4	59.5	57.8	58.6	58.2	57.9	-2.2		
EA-18 averages															Total	1 490 472
weighted	43.2	43.1	42.3	41.9	42.2	42.1	42.1	42.1	40.8	39.4	40.9	39.6	38.8	-4.3		
arithmetic	59.2	58.9	58.2	58.0	57.8	57.7	57.7	57.7	56.3	54.4	55.2	54.8	54.4	-4.8		
EA-17 averages																
weighted	43.2	43.1	42.3	41.9	42.2	42.1	42.1	42.1	40.8	39.4	40.9	39.6	38.8	-4.3		
arithmetic	59.8	59.3	58.7	58.4	58.2	58.0	58.0	58.0	56.5	54.8	55.7	55.2	54.7	-5.1		

(°) In percentage points.

(°) In millions of euro.

(°) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(°) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_ag](#))

Table 32: Taxes received by administrative level as % of GDP — State Government

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (1) 2000 to 2012	Revenue (2) 2012
Belgium	10.3	10.9	10.4	10.7	10.5	10.8	10.7	10.7	10.9	10.6	10.4	11.0	11.2	0.9	41 979
<i>Belgium (3)</i>	<i>1.2</i>	<i>1.2</i>	<i>2.0</i>	<i>2.2</i>	<i>2.2</i>	<i>2.3</i>	<i>2.3</i>	<i>2.3</i>	<i>2.3</i>	<i>2.0</i>	<i>2.3</i>	<i>2.4</i>	<i>2.4</i>	<i>1.2</i>	<i>8 926</i>
Bulgaria	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Czech Republic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Denmark	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Germany	9.2	8.4	8.2	8.2	8.1	8.0	8.3	8.6	8.7	8.5	7.9	8.1	8.4	-0.8	223 370
Estonia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Ireland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Greece	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Spain	2.6	2.5	6.3	6.9	7.4	7.8	8.0	8.0	7.4	7.3	5.9	7.4	10.5	7.9	108 479
France	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Croatia	:	:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Italy	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cyprus	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Latvia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Lithuania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Luxembourg	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Hungary	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Malta	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Netherlands	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Austria	3.3	3.3	3.2	3.1	3.1	3.0	3.0	3.0	3.5	4.1	4.1	4.2	4.2	0.9	13 022
Poland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Portugal	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Romania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Slovenia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Slovakia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Finland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sweden	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
United Kingdom	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Iceland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Norway	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<i>Norway (4)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
EU-28 averages															386 850
weighted	:	:	2.6	2.6	2.6	2.6	2.7	2.7	2.7	2.7	2.5	2.7	3.0	:	
arithmetic	:	:	7.0	7.2	7.3	7.4	7.5	7.6	7.6	7.6	7.1	7.7	8.6	:	
EU-27 averages															
weighted	2.6	2.4	2.6	2.6	2.6	2.6	2.7	2.7	2.7	2.8	2.5	2.7	3.0	0.4	
arithmetic	6.3	6.3	7.0	7.2	7.3	7.4	7.5	7.6	7.6	7.6	7.1	7.7	8.6	2.2	
EA-18 averages															386 850
weighted	3.5	3.2	3.5	3.5	3.5	3.5	3.6	3.7	3.7	3.6	3.4	3.6	4.1	0.6	
arithmetic	6.3	6.3	7.0	7.2	7.3	7.4	7.5	7.6	7.6	7.6	7.1	7.7	8.6	2.2	
EA-17 averages															
weighted	3.5	3.2	3.5	3.5	3.5	3.5	3.7	3.7	3.7	3.6	3.4	3.6	4.1	0.6	
arithmetic	6.3	6.3	7.0	7.2	7.3	7.4	7.5	7.6	7.6	7.6	7.1	7.7	8.6	2.2	

(1) In percentage points.

(2) In millions of euro.

(3) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(4) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished. See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 33: Taxes received by administrative level as % of Total Taxation — State Government

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (1) 2000 to 2012	Revenue (2) 2012
Belgium	22.8	24.2	23.0	24.0	23.5	24.1	24.0	24.3	24.6	24.5	23.8	24.9	24.6	1.8	41 979
<i>Belgium (3)</i>	<i>2.6</i>	<i>2.6</i>	<i>4.5</i>	<i>4.8</i>	<i>4.9</i>	<i>5.1</i>	<i>5.3</i>	<i>5.3</i>	<i>5.1</i>	<i>4.7</i>	<i>5.1</i>	<i>5.3</i>	<i>5.2</i>	<i>2.7</i>	<i>8 926</i>
Bulgaria	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Czech Republic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Denmark	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Germany	22.3	21.4	21.1	20.9	21.1	20.8	21.5	22.3	22.3	21.5	20.9	21.1	21.4	-0.8	223 370
Estonia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Ireland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Greece	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Spain	7.7	7.5	18.3	20.3	21.4	21.8	21.9	21.4	22.5	23.7	18.2	23.2	32.4	24.7	108 479
France	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Croatia	:	:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Italy	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Cyprus	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Latvia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Lithuania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Luxembourg	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Hungary	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Malta	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Netherlands	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Austria	7.7	7.4	7.3	7.0	7.1	7.1	7.1	7.3	8.2	9.8	9.8	10.0	9.8	2.2	13 022
Poland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Portugal	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Romania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Slovenia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Slovakia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Finland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Sweden	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
United Kingdom	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Iceland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
Norway	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	:	n.a.
<i>Norway (4)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>:</i>	<i>n.a.</i>
EU-28 averages															386 850
weighted	:	:	6.6	6.8	6.7	6.7	6.8	6.9	7.0	7.2	6.5	6.9	7.6	:	
arithmetic	:	:	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	:	
EU-27 averages															
weighted	6.4	6.1	6.6	6.8	6.8	6.7	6.8	6.9	7.0	7.2	6.5	7.0	7.6	1.2	
arithmetic	15.1	15.1	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	7.0	
EA-18 averages															386 850
weighted	8.5	8.1	8.8	8.9	9.0	9.0	9.1	9.3	9.3	9.3	8.6	9.2	10.1	1.5	
arithmetic	15.1	15.1	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	7.0	
EA-17 averages															
weighted	8.6	8.1	8.8	8.9	9.0	9.0	9.1	9.3	9.4	9.3	8.6	9.2	10.1	1.5	
arithmetic	15.1	15.1	17.4	18.1	18.3	18.4	18.6	18.8	19.4	19.9	18.2	19.8	22.1	7.0	

(1) In percentage points.

(2) In millions of euro.

(3) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(4) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_ag](#))

Table 34: Taxes received by administrative level as % of GDP — Local Government

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.9	2.1	2.2	2.3	2.2	2.2	2.3	2.3	2.1	2.4	2.3	2.3	2.2	0.3	18	8 283
<i>Belgium (³)</i>	<i>1.9</i>	<i>2.0</i>	<i>2.2</i>	<i>2.3</i>	<i>2.2</i>	<i>2.2</i>	<i>2.2</i>	<i>2.3</i>	<i>2.0</i>	<i>2.4</i>	<i>2.3</i>	<i>2.3</i>	<i>2.2</i>	<i>0.3</i>		<i>8 132</i>
Bulgaria	3.2	3.4	3.2	0.5	0.5	0.6	0.7	0.9	0.9	0.8	0.8	0.8	0.8	-2.4	25	328
Czech Republic	3.9	3.6	4.1	4.3	4.5	5.2	5.0	5.1	4.9	4.7	4.7	4.8	4.8	0.9	8	7 380
Denmark	16.5	17.0	17.1	17.2	16.9	16.9	16.8	11.9	11.8	12.3	12.7	12.7	12.9	-3.6	2	31 710
Germany	2.8	2.6	2.5	2.5	2.7	2.8	3.0	3.1	3.1	2.9	2.9	3.0	3.1	0.2	14	81 910
Estonia	4.3	4.1	4.0	4.0	4.0	4.0	4.1	4.2	4.9	5.0	4.5	4.3	4.3	0.0	10	740
Ireland	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.8	1.0	1.0	1.0	0.9	0.3	24	1 547
Greece	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.0	27	475
Spain	3.1	3.0	2.9	2.8	3.0	3.1	3.2	3.2	3.0	2.9	3.1	3.0	3.2	0.1	13	32 991
France	4.3	4.1	4.1	4.2	4.5	4.8	4.8	5.0	5.0	5.3	4.3	5.5	5.7	1.4	5	114 983
Croatia	:	:	3.7	3.7	3.8	3.8	4.1	4.3	4.4	4.5	4.2	4.1	4.3	:	9	1 877
Italy	6.0	6.1	6.3	6.6	6.4	6.4	6.5	6.7	6.6	6.1	6.2	6.4	6.9	1.0	4	108 526
Cyprus	0.4	0.5	0.4	0.4	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0	26	80
Latvia	5.0	5.0	4.9	5.1	5.1	4.9	5.2	5.4	5.6	5.1	5.7	5.4	5.4	0.4	6	1 202
Lithuania	6.1	5.7	2.8	2.6	2.8	2.8	2.8	3.0	3.4	3.5	3.2	2.6	2.6	-3.5	16	857
Luxembourg	2.3	2.2	2.4	2.3	1.8	1.7	1.6	1.6	1.7	1.8	1.7	1.8	1.6	-0.7	21	671
Hungary	3.9	4.0	4.0	4.3	4.5	4.3	4.4	4.5	2.6	2.7	2.5	2.4	2.5	-1.4	17	2 385
Malta	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Netherlands	1.4	1.4	1.4	1.5	1.5	1.5	1.3	1.3	1.3	1.4	1.4	1.5	1.5	0.1	22	8 978
Austria	5.0	5.2	4.9	4.7	4.7	4.6	4.6	4.6	4.9	5.0	5.0	5.1	5.2	0.2	7	15 969
Poland	3.0	3.0	3.2	3.0	3.9	4.1	4.2	4.6	4.6	4.2	4.0	4.0	4.1	1.2	12	15 716
Portugal	2.0	1.9	2.0	1.9	2.1	2.1	2.2	2.3	2.3	2.2	2.1	2.2	2.2	0.2	19	3 566
Romania	1.2	1.1	0.9	1.0	0.9	0.9	1.0	1.2	0.9	0.9	1.1	1.1	1.0	-0.2	23	1 340
Slovenia	2.7	2.8	2.8	2.9	2.9	2.8	3.0	3.4	3.3	3.7	4.1	4.0	4.2	1.4	11	1 469
Slovakia	1.4	1.5	1.4	1.3	1.3	3.3	3.1	3.0	3.2	3.3	2.7	3.0	3.0	1.6	15	2 104
Finland	10.2	9.9	9.6	9.3	9.0	9.1	9.2	9.2	9.4	10.2	10.4	10.2	10.1	-0.1	3	19 359
Sweden	14.8	15.3	15.5	15.8	15.8	15.7	15.4	15.3	16.1	16.6	15.7	15.2	15.4	0.6	1	63 004
United Kingdom	1.4	1.5	1.5	1.6	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.7	1.7	0.3	20	32 728
Iceland	8.7	8.8	8.7	8.9	8.9	9.3	10.1	10.2	9.5	9.2	9.0	9.6	9.7	1.0		1 025
Norway	6.4	7.0	5.6	6.2	5.9	5.8	5.5	5.4	5.0	5.9	5.8	5.2	5.3	-1.2		20 587
<i>Norway (⁴)</i>	<i>6.4</i>	<i>7.0</i>	<i>5.6</i>	<i>6.2</i>	<i>5.9</i>	<i>5.8</i>	<i>5.5</i>	<i>5.4</i>	<i>5.0</i>	<i>5.9</i>	<i>5.8</i>	<i>5.2</i>	<i>5.3</i>	<i>-1.2</i>		<i>20 587</i>
EU-28 averages															Total	560 178
weighted	:	:	3.8	3.9	4.0	4.0	4.1	4.1	4.1	4.1	3.9	4.2	4.3	:		
arithmetic	:	:	4.0	4.0	4.0	4.1	4.1	4.0	4.1	4.1	4.0	4.0	4.1	:		
EU-27 averages																
weighted	3.8	3.8	3.8	3.9	4.0	4.0	4.1	4.1	4.1	4.1	3.9	4.2	4.3	0.5		
arithmetic	4.1	4.1	4.0	4.0	4.0	4.1	4.1	4.0	4.0	4.1	4.0	4.0	4.1	-0.1		
EA-18 averages															Total	402 853
weighted	3.7	3.6	3.6	3.6	3.7	3.8	3.9	4.0	4.0	3.9	3.7	4.1	4.2	0.5		
arithmetic	3.2	3.1	3.1	3.1	3.1	3.2	3.3	3.3	3.4	3.5	3.4	3.5	3.5	0.4		
EA-17 averages																
weighted	3.7	3.6	3.6	3.6	3.7	3.8	3.9	4.0	4.0	3.9	3.7	4.1	4.2	0.5		
arithmetic	3.0	3.0	3.0	3.0	3.0	3.1	3.1	3.2	3.3	3.4	3.3	3.4	3.4	0.4		

(¹) In percentage points.

(²) In millions of euro.

(³) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(⁴) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 35: Taxes received by administrative level as % of Total Taxation — Local Government

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	4.2	4.6	4.9	5.2	5.0	5.0	5.1	5.3	4.7	5.6	5.3	5.3	4.9	0.6	19	8 283
<i>Belgium (°)</i>	4.2	4.5	4.8	5.1	4.9	4.9	5.0	5.2	4.6	5.5	5.2	5.2	4.8	0.6		8 132
Bulgaria	10.2	11.1	11.3	1.6	1.6	1.8	2.3	2.6	2.9	2.8	2.9	3.0	3.0	-7.2	25	328
Czech Republic	11.6	10.7	12.0	12.2	12.5	14.7	14.2	14.1	14.4	14.2	14.0	13.9	13.8	2.2	6	7 380
Denmark	33.5	35.1	35.7	35.8	34.4	33.2	33.8	24.4	24.7	25.7	26.7	26.7	26.9	-6.7	2	31 710
Germany	6.9	6.6	6.5	6.4	7.0	7.3	7.8	7.9	8.1	7.5	7.5	7.7	7.9	1.0	16	81 910
Estonia	13.9	13.5	12.9	13.0	13.2	13.0	13.2	13.4	15.4	14.0	13.4	13.3	13.1	-0.8	7	740
Ireland	2.0	2.1	2.3	2.3	2.3	2.3	2.3	2.3	2.8	3.5	3.6	3.5	3.3	1.3	24	1 547
Greece	0.8	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.7	0.7	-0.1	27	475
Spain	9.1	8.9	8.6	8.4	8.7	8.7	8.8	8.7	9.2	9.5	9.5	9.6	9.9	0.8	14	32 991
France	9.7	9.4	9.5	9.7	10.5	10.9	11.0	11.5	11.5	12.5	10.1	12.5	12.6	2.9	9	114 983
Croatia	:	:	9.7	9.9	10.5	10.5	11.1	11.6	11.9	12.2	11.4	11.6	12.0	:	11	1 877
Italy	14.4	14.9	15.5	16.1	15.8	15.9	15.6	15.8	15.4	14.2	14.6	15.0	15.7	1.3	5	108 526
Cyprus	1.4	1.5	1.3	1.4	1.4	1.3	1.4	1.3	1.4	1.4	1.4	1.4	1.3	-0.2	26	80
Latvia	17.0	17.3	17.3	17.8	17.9	16.9	17.2	17.8	19.2	19.1	20.9	19.7	19.3	2.4	4	1 202
Lithuania	19.6	19.4	9.5	9.1	9.6	9.5	9.5	9.9	11.1	11.5	11.1	9.6	9.6	-10.0	15	857
Luxembourg	5.7	5.6	6.1	5.9	4.9	4.4	4.4	4.5	4.5	4.5	4.4	4.7	4.0	-1.8	21	671
Hungary	9.8	10.3	10.5	11.4	12.0	11.6	11.7	11.1	6.4	6.7	6.5	6.5	6.3	-3.5	18	2 385
Malta	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Netherlands	3.4	3.6	3.7	3.9	4.0	4.1	3.3	3.3	3.3	3.7	3.7	3.8	3.8	0.4	22	8 978
Austria	11.7	11.5	11.2	10.8	10.9	10.9	11.0	11.1	11.4	11.7	11.9	12.0	12.1	0.4	10	15 969
Poland	9.1	9.3	9.8	9.4	12.5	12.4	12.4	13.2	13.5	13.2	12.7	12.4	12.7	3.6	8	15 716
Portugal	6.4	6.2	6.4	6.1	6.7	6.7	6.7	7.1	7.1	7.1	6.7	6.6	6.7	0.3	17	3 566
Romania	3.9	3.8	3.1	3.5	3.4	3.1	3.4	4.0	3.2	3.5	4.0	3.8	3.6	-0.3	23	1 340
Slovenia	7.3	7.4	7.4	7.6	7.6	7.4	7.7	9.1	8.9	10.0	10.9	10.8	11.1	3.8	12	1 469
Slovakia	4.1	4.4	4.2	4.0	4.3	10.7	10.8	10.3	11.1	11.5	9.7	10.4	10.5	6.4	13	2 104
Finland	21.6	22.1	21.5	21.1	20.8	20.7	21.1	21.3	22.0	23.8	24.4	23.3	22.8	1.2	3	19 359
Sweden	28.8	31.0	32.6	33.2	32.8	32.2	31.9	32.4	34.7	35.6	34.5	34.3	34.9	6.1	1	63 004
United Kingdom	4.0	4.1	4.4	4.7	4.7	4.7	4.6	4.6	4.5	5.2	5.0	4.8	4.8	0.8	20	32 728
Iceland	23.4	25.0	24.8	24.3	23.6	22.9	24.3	25.1	25.9	27.4	25.7	26.7	26.4	3.0		1 025
Norway	15.1	16.4	13.0	14.8	13.7	13.3	12.7	12.6	11.9	13.9	13.7	12.1	12.5	-2.6		20 587
<i>Norway (°)</i>	15.1	16.4	13.0	14.8	13.7	13.3	12.7	12.6	11.9	13.9	13.7	12.1	12.5	-2.6		20 587
EU-28 averages															Total	560 178
weighted	:	:	9.8	10.0	10.2	10.3	10.3	10.3	10.4	10.7	10.3	10.8	11.0	:		
arithmetic	:	:	10.3	10.0	10.2	10.4	10.5	10.3	10.5	10.8	10.6	10.6	10.6	:		
EU-27 averages																
weighted	9.5	9.6	9.8	10.0	10.2	10.3	10.3	10.3	10.4	10.7	10.3	10.8	11.0	1.4		
arithmetic	10.4	10.6	10.4	10.0	10.2	10.4	10.5	10.3	10.5	10.7	10.6	10.6	10.6	0.2		
EA-18 averages															Total	402 853
weighted	9.0	9.0	9.1	9.2	9.5	9.7	9.8	10.0	10.0	10.1	9.6	10.3	10.5	1.5		
arithmetic	8.2	8.3	8.2	8.3	8.4	8.6	8.7	8.9	9.2	9.4	9.3	9.4	9.4	1.2		
EA-17 averages																
weighted	9.0	9.0	9.1	9.2	9.5	9.7	9.8	10.0	10.0	10.1	9.6	10.3	10.5	1.5		
arithmetic	7.7	7.7	7.7	7.7	7.8	8.1	8.2	8.4	8.6	8.8	8.6	8.8	8.8	1.1		

(°) In percentage points.

(°) In millions of euro.

(°) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(°) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 36: Taxes received by administrative level as % of GDP — Social security funds

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	15.4	15.6	16.1	15.9	16.7	16.8	16.8	16.9	17.6	18.2	18.1	18.9	18.7	3.3	2	70 254
<i>Belgium (³)</i>	<i>14.0</i>	<i>14.2</i>	<i>14.4</i>	<i>14.2</i>	<i>14.0</i>	<i>13.7</i>	<i>13.6</i>	<i>13.6</i>	<i>13.9</i>	<i>14.4</i>	<i>14.1</i>	<i>14.3</i>	<i>14.7</i>	<i>0.7</i>		<i>55 088</i>
Bulgaria	10.8	9.8	9.6	10.3	10.2	9.7	8.3	8.1	7.8	7.7	7.0	7.3	7.2	-3.6	21	2 861
Czech Republic	5.2	5.0	5.2	5.3	5.2	5.2	5.4	5.5	5.4	5.5	5.6	5.7	5.8	0.6	22	8 826
Denmark	1.8	1.7	1.2	1.2	1.2	1.1	1.0	1.0	0.9	1.0	1.0	1.0	0.9	-0.9	26	2 199
Germany	17.1	16.9	16.9	17.0	16.7	16.4	16.0	15.2	15.2	15.9	15.5	15.4	15.6	-1.5	4	414 630
Estonia	4.3	4.2	4.6	4.6	4.6	4.6	4.4	4.6	5.2	6.0	6.1	5.7	5.7	1.4	23	986
Ireland	3.5	3.7	3.6	3.6	3.8	3.8	3.9	4.1	4.4	4.4	4.2	4.6	4.1	0.6	24	6 800
Greece	10.3	10.5	11.5	11.6	11.0	11.1	11.0	11.4	11.4	10.6	10.8	10.3	10.6	0.3	16	20 592
Spain	11.5	11.7	11.6	11.7	11.7	11.7	11.7	11.8	11.9	12.0	12.0	11.8	11.5	0.0	12	118 218
France	21.2	21.5	21.6	21.7	20.7	21.4	22.5	22.5	22.8	23.4	23.2	23.8	24.3	3.1	1	493 117
Croatia	:	:	12.1	12.0	11.9	11.7	11.6	11.7	11.9	12.2	12.0	11.7	11.5	:	13	5 032
Italy	11.9	11.8	11.9	12.1	12.2	12.3	12.3	12.8	13.4	13.7	13.4	13.4	13.5	1.6	6	212 097
Cyprus	6.6	6.8	6.8	7.1	7.8	8.3	7.8	7.5	7.8	8.7	8.9	8.8	9.1	2.5	17	1 620
Latvia	10.0	9.3	9.4	8.9	8.7	8.4	8.8	8.7	8.3	8.5	8.4	8.6	8.4	-1.5	20	1 878
Lithuania	12.1	11.5	11.1	11.0	11.0	10.8	10.9	11.2	11.5	12.6	11.8	11.2	10.9	-1.2	15	3 596
Luxembourg	9.8	10.7	10.6	10.5	10.5	10.2	9.7	9.6	10.4	11.6	10.8	10.9	11.2	1.3	14	4 786
Hungary	12.2	11.9	11.7	11.6	11.3	11.5	11.4	12.7	12.6	12.3	11.6	12.8	12.9	0.7	8	12 524
Malta	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Netherlands	15.4	13.7	13.3	13.8	13.9	12.9	14.0	13.5	14.5	13.8	14.2	14.8	16.0	0.6	3	95 780
Austria	11.9	11.8	11.7	11.8	11.8	11.8	11.7	11.6	11.8	12.2	12.1	12.1	12.4	0.5	9	37 946
Poland	12.8	13.3	12.8	12.7	12.2	12.2	12.1	11.8	11.2	11.2	11.0	11.3	12.1	-0.7	11	46 310
Portugal	7.3	7.5	7.6	7.8	7.4	7.7	7.7	7.8	8.1	8.3	8.3	8.5	8.5	1.2	19	14 081
Romania	11.1	10.4	10.4	9.3	9.0	9.4	9.6	9.6	9.2	9.3	8.5	9.0	9.1	-1.9	18	12 011
Slovenia	14.0	14.3	14.1	14.0	14.0	14.1	13.8	13.5	13.9	14.7	15.0	14.8	15.0	1.0	5	5 311
Slovakia	13.8	14.0	14.3	13.5	12.9	12.2	11.6	11.5	11.6	12.3	12.0	12.1	12.3	-1.5	10	8 763
Finland	11.9	12.0	11.8	11.8	11.7	12.0	12.2	11.9	12.0	12.8	12.6	12.6	13.1	1.2	7	25 241
Sweden	4.9	4.4	3.6	3.6	3.5	3.1	2.8	2.8	2.9	3.0	2.8	2.9	2.9	-2.0	25	11 952
United Kingdom	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Iceland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Norway	8.9	9.2	9.9	9.8	9.3	8.8	8.6	8.9	8.8	9.8	9.6	9.5	9.6	0.7		37 270
<i>Norway (⁴)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		<i>n.a.</i>
EU-28 averages															Total	1 637 410
weighted	:	:	11.9	12.1	11.8	11.8	11.8	11.7	12.2	12.7	12.4	12.6	12.6	:		
arithmetic	:	:	10.6	10.6	10.4	10.4	10.4	10.4	10.5	10.8	10.7	10.8	10.9	:		
EU-27 averages																
weighted	12.0	12.0	11.9	12.1	11.8	11.8	11.8	11.7	12.2	12.7	12.4	12.6	12.6	0.6		
arithmetic	10.7	10.6	10.5	10.5	10.4	10.4	10.3	10.3	10.5	10.8	10.6	10.7	10.9	0.2		
EA-18 averages															Total	1 532 100
weighted	15.5	15.3	15.3	15.4	15.1	15.2	15.3	15.1	15.4	15.8	15.7	15.9	16.1	0.6		
arithmetic	11.5	11.5	11.6	11.6	11.5	11.5	11.5	11.5	11.8	12.2	12.1	12.2	12.4	0.8		
EA-17 averages																
weighted	15.5	15.3	15.3	15.5	15.1	15.2	15.3	15.1	15.4	15.8	15.7	15.9	16.1	0.7		
arithmetic	11.6	11.7	11.8	11.8	11.7	11.7	11.7	11.6	12.0	12.4	12.3	12.4	12.6	1.0		

(¹) In percentage points.

(²) In millions of euro.

(³) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(⁴) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 37: Taxes received by administrative level as % of Total Taxation — Social security funds

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	34.2	34.5	35.7	35.6	37.3	37.4	37.8	38.6	39.7	41.9	41.3	42.6	41.2	6.9	3	70 254
<i>Belgium (°)</i>	<i>30.9</i>	<i>31.5</i>	<i>32.0</i>	<i>31.9</i>	<i>31.3</i>	<i>30.6</i>	<i>30.6</i>	<i>30.9</i>	<i>31.5</i>	<i>33.3</i>	<i>32.2</i>	<i>32.3</i>	<i>32.3</i>	<i>1.3</i>		<i>55 088</i>
Bulgaria	34.4	31.9	33.6	33.2	31.5	31.1	27.0	24.4	24.1	26.6	25.6	26.8	25.8	-8.5	21	2 861
Czech Republic	15.3	14.8	15.2	15.1	14.5	14.7	15.4	15.2	15.6	16.5	16.7	16.4	16.5	1.2	23	8 826
Denmark	3.6	3.6	2.5	2.5	2.4	2.2	2.1	2.0	2.0	2.0	2.1	2.1	1.9	-1.8	26	2 199
Germany	41.3	42.8	43.4	43.5	43.5	42.9	41.3	39.3	39.1	40.3	40.9	40.0	39.8	-1.5	7	414 630
Estonia	13.9	13.9	14.9	14.9	14.9	14.9	14.4	14.7	16.2	16.9	17.9	17.6	17.4	3.5	22	986
Ireland	11.3	12.5	12.9	12.5	12.5	12.4	12.2	13.0	14.9	15.7	15.1	16.4	14.5	3.2	24	6 800
Greece	29.8	31.6	34.2	36.1	35.1	34.5	34.5	35.0	35.4	34.8	34.1	31.7	31.5	1.7	13	20 592
Spain	33.8	34.6	34.1	34.6	33.7	32.6	31.8	31.8	36.2	39.1	37.1	37.1	35.3	1.5	9	118 218
France	48.0	49.0	49.8	50.4	47.7	48.9	51.1	51.8	52.8	55.6	54.6	54.4	54.0	6.0	1	493 117
Croatia	:	:	31.8	31.9	32.4	32.1	31.4	31.3	32.0	33.4	32.8	33.1	32.1	:	12	5 032
Italy	28.7	28.6	29.3	29.5	30.3	30.8	29.5	30.0	31.4	31.8	31.6	31.5	30.8	2.0	14	212 097
Cyprus	22.1	22.3	21.9	21.9	23.6	23.7	21.9	18.8	20.1	24.6	25.1	24.8	25.9	3.8	20	1 620
Latvia	33.5	32.3	32.8	31.1	30.5	28.9	28.8	28.6	28.3	32.0	30.7	31.1	30.2	-3.3	15	1 878
Lithuania	39.3	39.0	38.4	38.3	37.9	36.9	36.4	36.9	37.5	41.4	41.3	40.8	40.1	0.8	5	3 596
Luxembourg	25.1	26.8	27.1	27.6	28.0	27.1	27.0	27.0	27.7	29.1	28.3	28.5	28.4	3.3	18	4 786
Hungary	30.7	30.7	30.8	30.5	29.9	30.6	30.6	31.3	31.3	30.7	30.5	34.2	33.0	2.3	10	12 524
Malta	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Netherlands	38.6	35.7	35.2	36.9	37.1	34.5	35.9	34.8	37.0	36.2	36.4	38.4	41.0	2.3	4	95 780
Austria	27.6	26.4	26.8	27.1	27.4	28.0	28.2	27.7	27.5	28.9	28.7	28.6	28.7	1.1	17	37 946
Poland	39.3	41.2	39.1	39.3	38.8	37.2	35.7	34.0	32.8	35.4	34.6	35.0	37.4	-1.9	8	46 310
Portugal	23.6	24.5	24.2	24.7	24.4	24.5	24.1	23.9	24.7	26.8	26.3	25.7	26.4	2.7	19	14 081
Romania	36.6	36.5	36.8	33.7	33.2	33.9	33.6	33.0	32.9	34.5	31.9	31.5	32.2	-4.4	11	12 011
Slovenia	37.6	38.0	37.2	36.8	36.8	36.4	36.2	35.9	37.2	39.6	39.8	39.8	40.0	2.4	6	5 311
Slovakia	40.6	42.3	43.4	41.1	40.9	39.1	39.5	39.4	40.0	42.8	42.9	42.2	43.5	2.9	2	8 763
Finland	25.2	26.9	26.5	26.7	26.8	27.3	27.9	27.7	28.0	29.8	29.8	28.8	29.7	4.5	16	25 241
Sweden	9.5	9.0	7.7	7.4	7.3	6.4	5.8	5.9	6.2	6.4	6.2	6.6	6.6	-2.9	25	11 952
United Kingdom	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Iceland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Norway	20.9	21.5	22.9	23.1	21.7	20.4	19.9	20.8	21.0	23.4	22.5	22.2	22.7	1.8		37 270
<i>Norway (°)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		<i>n.a.</i>
EU-28 averages															Total	1 637 410
weighted	:	:	30.7	31.2	30.5	30.3	30.0	29.7	31.1	33.2	32.5	32.4	32.0	:		
arithmetic	:	:	29.4	29.3	29.2	28.8	28.5	28.1	28.9	30.5	30.1	30.2	30.1	:		
EU-27 averages																
weighted	29.8	30.3	30.7	31.2	30.5	30.2	30.0	29.7	31.1	33.2	32.5	32.4	32.0	2.2		
arithmetic	29.0	29.2	29.3	29.2	29.0	28.7	28.4	28.0	28.7	30.4	30.0	30.1	30.1	1.1		
EA-18 averages															Total	1 532 100
weighted	37.8	38.3	38.8	39.1	38.6	38.4	38.2	37.7	39.0	40.5	40.2	40.2	39.9	2.1		
arithmetic	30.3	30.7	31.1	31.2	31.2	30.8	30.7	30.5	31.5	33.3	33.0	32.9	32.8	2.5		
EA-17 averages																
weighted	37.8	38.4	38.8	39.1	38.6	38.4	38.2	37.8	39.0	40.5	40.3	40.2	39.9	2.1		
arithmetic	30.1	30.6	31.0	31.2	31.3	30.9	30.8	30.6	31.8	33.4	33.1	33.0	33.0	2.9		

(°) In percentage points.

(°) In millions of euro.

(°) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(°) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_ag](#))

Table 38: Taxes received by administrative level as % of GDP — EU Institutions

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	0.9	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.6	-0.2	1	2 432
<i>Belgium (³)</i>	<i>0.9</i>	<i>0.8</i>	<i>0.7</i>	<i>0.8</i>	<i>0.7</i>	<i>0.7</i>	<i>0.7</i>	<i>0.7</i>	<i>0.8</i>	<i>0.7</i>	<i>0.7</i>	<i>0.7</i>	<i>0.6</i>	<i>-0.2</i>		<i>2 432</i>
Bulgaria	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.3	0.4	0.3	0.2	0.3	0.2	n.a.	12	99
Czech Republic	n.a.	n.a.	n.a.	n.a.	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	n.a.	9	452
Denmark	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	26	402
Germany	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	-0.4	19	6 340
Estonia	n.a.	n.a.	n.a.	n.a.	0.2	0.3	0.4	0.4	0.3	0.3	0.3	0.3	0.3	n.a.	7	52
Ireland	0.6	0.5	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.2	-0.4	17	396
Greece	0.5	0.5	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	-0.3	23	380
Spain	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3	-0.3	11	2 764
France	0.6	0.6	0.5	0.3	0.2	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	-0.4	15	4 983
Croatia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Italy	0.5	0.5	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.2	10	4 378
Cyprus	n.a.	n.a.	n.a.	n.a.	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	n.a.	25	33
Latvia	n.a.	n.a.	n.a.	n.a.	0.2	0.4	0.4	0.4	0.3	0.2	0.2	0.2	0.2	n.a.	16	54
Lithuania	n.a.	n.a.	n.a.	n.a.	0.2	0.4	0.3	0.4	0.5	0.4	0.3	0.3	0.3	n.a.	5	102
Luxembourg	0.5	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.2	0.1	-0.4	27	63
Hungary	n.a.	n.a.	n.a.	n.a.	0.2	0.3	0.3	0.3	0.4	0.3	0.3	0.3	0.2	n.a.	21	220
Malta	n.a.	n.a.	n.a.	n.a.	0.3	0.5	0.4	0.5	0.5	0.3	0.3	0.3	0.3	n.a.	4	22
Netherlands	0.8	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	-0.4	2	2 689
Austria	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	-0.4	20	707
Poland	n.a.	n.a.	n.a.	n.a.	0.2	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	n.a.	14	935
Portugal	0.6	0.5	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.2	0.3	0.3	0.2	-0.3	13	409
Romania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.3	0.3	0.2	0.2	0.2	0.2	n.a.	22	272
Slovenia	n.a.	n.a.	n.a.	n.a.	0.2	0.3	0.3	0.4	0.4	0.3	0.3	0.3	0.3	n.a.	6	107
Slovakia	n.a.	n.a.	n.a.	n.a.	0.2	0.3	0.3	0.4	0.3	0.3	0.3	0.3	0.3	n.a.	8	213
Finland	0.5	0.4	0.3	0.3	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.2	-0.2	18	462
Sweden	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	-0.3	24	798
United Kingdom	0.6	0.6	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.3	3	6 369
Iceland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		n.a.
Norway	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		n.a.
<i>Norway (⁴)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		<i>n.a.</i>
EU-28 averages															Total	36 132
weighted	:	:	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	:		
arithmetic	:	:	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	:		
EU-27 averages																
weighted	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.3		
arithmetic	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.3		
EA-18 averages															Total	26 483
weighted	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.3		
arithmetic	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.3		
EA-17 averages																
weighted	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.3		
arithmetic	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	-0.3		

(¹) In percentage points.

(²) In millions of euro.

(³) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(⁴) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished. See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 39: Taxes received by administrative level as % of Total Taxation — EU Institutions

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	2.0	1.9	1.6	1.7	1.5	1.6	1.6	1.6	1.7	1.5	1.5	1.5	1.4	-0.5	1	2 432
<i>Belgium (°)</i>	<i>2.0</i>	<i>1.9</i>	<i>1.6</i>	<i>1.7</i>	<i>1.5</i>	<i>1.6</i>	<i>1.6</i>	<i>1.6</i>	<i>1.7</i>	<i>1.5</i>	<i>1.5</i>	<i>1.5</i>	<i>1.4</i>	<i>-0.5</i>		<i>2 432</i>
Bulgaria	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.0	1.2	1.0	0.9	1.0	0.9	n.a.	8	99
Czech Republic	n.a.	n.a.	n.a.	n.a.	0.6	0.9	0.9	0.9	0.9	0.8	0.9	0.9	0.8	n.a.	10	452
Denmark	0.4	0.4	0.3	0.3	0.4	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.3	-0.1	27	402
Germany	1.5	1.3	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.6	-0.9	18	6 340
Estonia	n.a.	n.a.	n.a.	n.a.	0.7	1.1	1.1	1.2	1.1	0.9	0.9	1.0	0.9	n.a.	7	52
Ireland	1.9	1.8	1.0	1.0	0.7	0.9	0.8	0.9	0.9	0.8	0.9	0.9	0.8	-1.1	11	396
Greece	1.5	1.4	1.2	1.1	0.9	0.9	0.9	0.9	0.9	0.8	0.8	0.7	0.6	-1.0	19	380
Spain	1.7	1.5	1.1	1.1	0.8	1.0	0.9	0.9	0.9	0.9	0.7	1.1	0.8	-0.9	12	2 764
France	1.4	1.4	1.1	0.8	0.5	0.6	0.6	0.6	0.6	0.5	0.5	0.6	0.5	-0.8	21	4 983
Croatia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Italy	1.2	1.3	0.9	0.7	0.7	0.7	0.6	0.6	0.8	0.6	0.6	0.6	0.6	-0.5	17	4 378
Cyprus	n.a.	n.a.	n.a.	n.a.	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.6	0.5	n.a.	24	33
Latvia	n.a.	n.a.	n.a.	n.a.	0.7	1.2	1.2	1.2	1.1	0.9	0.8	0.8	0.9	n.a.	9	54
Lithuania	n.a.	n.a.	n.a.	n.a.	0.7	1.2	1.1	1.4	1.5	1.3	1.1	1.1	1.1	n.a.	3	102
Luxembourg	1.4	1.1	0.8	0.7	0.5	0.5	0.6	0.6	0.5	0.3	0.4	0.4	0.4	-1.0	26	63
Hungary	n.a.	n.a.	n.a.	n.a.	0.5	0.8	0.8	0.9	0.9	0.7	0.7	0.7	0.6	n.a.	20	220
Malta	n.a.	n.a.	n.a.	n.a.	1.0	1.4	1.3	1.3	1.4	1.0	1.0	1.0	1.0	n.a.	5	22
Netherlands	2.0	1.8	1.4	1.4	1.3	1.3	1.3	1.4	1.4	0.9	1.0	1.1	1.2	-0.9	2	2 689
Austria	1.4	1.2	1.0	0.9	0.6	0.7	0.7	0.7	0.7	0.5	0.5	0.6	0.5	-0.9	23	707
Poland	n.a.	n.a.	n.a.	n.a.	0.7	0.8	0.7	0.8	0.8	0.7	0.7	0.7	0.8	n.a.	15	935
Portugal	1.8	1.5	1.1	1.0	0.9	0.8	0.8	0.8	0.8	0.8	0.9	0.8	0.8	-1.0	14	409
Romania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.9	0.9	0.8	0.7	0.7	0.7	n.a.	16	272
Slovenia	n.a.	n.a.	n.a.	n.a.	0.4	0.7	0.8	1.1	1.0	0.8	0.8	0.9	0.8	n.a.	13	107
Slovakia	n.a.	n.a.	n.a.	n.a.	0.5	0.9	1.0	1.3	1.2	1.0	1.1	1.1	1.1	n.a.	4	213
Finland	1.0	0.9	0.6	0.7	0.5	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.5	-0.4	22	462
Sweden	1.0	0.9	0.7	0.7	0.6	0.6	0.6	0.4	0.5	0.4	0.5	0.5	0.4	-0.6	25	798
United Kingdom	1.8	1.5	1.3	1.2	0.9	0.9	0.9	0.9	0.9	0.9	1.0	0.9	0.9	-0.8	6	6 369
Iceland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		n.a.
Norway	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		n.a.
<i>Norway (°)</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		<i>n.a.</i>
EU-28 averages															Total	36 132
weighted	:	:	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	:		
arithmetic	:	:	1.0	0.9	0.7	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	:		
EU-27 averages																
weighted	1.4	1.3	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	-0.7		
arithmetic	1.5	1.3	1.0	0.9	0.7	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	-0.7		
EA-18 averages															Total	26 483
weighted	1.5	1.4	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	-0.8		
arithmetic	1.6	1.4	1.1	1.0	0.8	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	-0.8		
EA-17 averages																
weighted	1.5	1.4	1.0	0.9	0.7	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	-0.8		
arithmetic	1.6	1.4	1.1	1.0	0.8	0.9	0.9	0.9	0.9	0.8	0.8	0.8	0.8	-0.8		

(°) In percentage points.

(°) In millions of euro.

(°) As supplied in ESA95 National Accounts, as opposed to 'ultimately received revenue'.

(°) As supplied in ESA95 National Accounts, with social security funds sub-sector not distinguished.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 40: Taxes on Consumption as % of GDP — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	11.3	10.9	10.9	10.9	11.0	11.1	11.1	10.9	10.7	10.6	10.8	10.7	10.8	-0.5	24	40 456
Bulgaria	13.2	12.8	11.9	13.8	15.5	15.9	16.6	16.5	17.2	14.7	14.4	14.2	14.9	1.7	4	5 900
Czech Republic	10.1	9.8	9.6	9.9	10.8	10.8	10.3	10.5	10.3	10.8	10.9	11.4	11.7	1.6	17	17 900
Denmark	15.7	15.7	15.8	15.6	15.8	16.2	16.3	16.1	15.4	15.2	14.9	15.0	14.9	-0.7	3	36 644
Germany	10.6	10.5	10.4	10.5	10.2	10.2	10.2	10.6	10.7	11.2	10.7	10.9	10.8	0.2	23	287 616
Estonia	11.7	11.7	11.9	11.6	11.7	12.8	13.0	13.0	11.7	14.2	13.5	13.3	13.6	1.9	7	2 373
Ireland	12.0	10.9	11.0	10.9	11.2	11.5	11.5	11.3	10.9	10.1	10.3	9.8	10.0	-2.0	26	16 366
Greece	12.5	12.7	12.4	11.4	11.3	11.3	11.6	11.9	11.6	10.8	12.3	12.5	12.3	-0.2	12	23 750
Spain	10.0	9.6	9.5	9.6	9.7	10.0	9.9	9.3	8.2	7.3	8.8	8.5	8.6	-1.4	28	88 622
France	11.6	11.3	11.3	11.2	11.3	11.3	11.2	10.9	10.8	10.7	10.8	11.0	11.1	-0.5	18	225 563
Croatia	:	:	19.1	18.9	18.2	18.1	17.9	17.6	17.2	16.4	17.3	16.7	17.5	:	1	7 694
Italy	11.3	10.7	10.6	10.3	10.4	10.4	10.8	10.6	10.2	10.3	10.8	10.8	10.9	-0.4	21	170 308
Cyprus	10.3	11.4	11.9	13.8	14.5	14.6	14.7	15.2	15.2	13.5	13.4	12.8	13.0	2.6	9	2 299
Latvia	11.2	10.6	10.5	11.2	11.1	12.0	12.6	11.8	10.5	10.2	10.6	10.5	10.7	-0.5	25	2 385
Lithuania	11.7	11.5	11.6	11.0	10.5	10.7	10.8	11.3	11.3	11.1	11.4	11.2	10.8	-0.9	22	3 567
Luxembourg	10.7	10.6	10.7	10.6	11.3	10.9	10.1	9.8	10.5	11.1	10.4	10.6	11.0	0.3	19	4 736
Hungary	15.7	14.6	14.1	14.6	14.9	14.4	13.9	14.6	14.3	15.1	14.8	14.6	15.7	-0.1	2	15 204
Malta	11.6	12.2	11.8	11.8	12.8	13.7	13.7	13.5	13.4	13.2	12.8	13.3	13.1	1.4	8	894
Netherlands	11.3	11.6	11.4	11.5	11.7	11.7	11.7	11.6	11.4	11.1	11.4	11.1	11.0	-0.3	20	66 071
Austria	12.3	12.3	12.4	12.3	12.3	12.1	11.6	11.6	11.6	12.0	11.8	11.8	11.9	-0.4	15	36 462
Poland	11.3	11.2	11.9	11.9	11.8	12.4	12.7	13.0	13.0	11.7	12.5	12.6	11.8	0.4	16	44 931
Portugal	11.8	11.7	12.0	12.1	12.1	12.9	13.2	12.6	12.3	10.9	11.7	12.2	12.1	0.3	13	20 008
Romania	11.5	10.6	10.9	11.5	11.1	12.3	12.1	11.8	11.2	10.3	11.3	12.6	12.8	1.3	10	16 805
Slovenia	13.8	13.3	13.7	13.7	13.5	13.4	13.2	13.2	13.4	13.6	14.0	13.9	14.2	0.4	6	5 025
Slovakia	11.9	10.8	10.8	11.4	11.8	12.1	11.0	11.0	10.3	10.2	9.9	10.4	9.5	-2.5	27	6 725
Finland	13.6	13.2	13.4	14.0	13.6	13.6	13.5	12.8	12.8	13.3	13.2	14.1	14.3	0.7	5	27 527
Sweden	12.4	12.5	12.7	12.7	12.5	12.7	12.5	12.5	12.7	13.3	13.2	12.8	12.6	0.1	11	51 234
United Kingdom	11.7	11.5	11.5	11.5	11.4	11.0	10.8	10.7	10.6	10.3	11.1	11.9	12.0	0.3	14	230 848
Iceland	15.0	13.1	13.3	13.9	14.6	15.8	16.0	15.1	12.7	11.9	12.2	12.4	12.9	-2.2		1 358
Norway	12.7	12.6	12.8	12.4	12.1	11.6	11.6	11.9	10.6	11.4	11.5	11.0	10.9	-1.9		42 277
EU-28 averages															Total	1 457 914
weighted	:	:	11.2	11.1	11.1	11.1	11.1	11.0	10.8	10.7	11.1	11.2	11.2	:		
arithmetic	:	:	12.0	12.1	12.3	12.5	12.4	12.4	12.1	11.9	12.1	12.2	12.3	:		
EU-27 averages																
weighted	11.4	11.2	11.1	11.1	11.1	11.1	11.1	11.0	10.8	10.7	11.0	11.2	11.2	-0.2		
arithmetic	12.0	11.7	11.7	11.9	12.1	12.3	12.2	12.2	11.9	11.7	11.9	12.0	12.1	0.1		
EA-18 averages															Total	1 027 188
weighted	11.2	10.9	10.8	10.8	10.8	10.8	10.8	10.8	10.5	10.5	10.7	10.8	10.8	-0.4		
arithmetic	11.6	11.4	11.5	11.6	11.8	12.0	11.9	11.8	11.5	11.4	11.5	11.6	11.6	0.0		
EA-17 averages																
weighted	11.2	10.9	10.8	10.8	10.8	10.8	10.8	10.8	10.5	10.5	10.7	10.8	10.8	-0.4		
arithmetic	11.7	11.5	11.5	11.6	11.8	12.0	11.9	11.8	11.5	11.4	11.6	11.6	11.7	0.0		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 41: Taxes on Consumption as % of Total Taxation — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	25.0	24.2	24.2	24.3	24.6	24.7	25.0	24.8	24.1	24.4	24.7	24.1	23.7	-1.3	28	40 456
Bulgaria	41.8	41.6	41.6	44.5	47.7	50.8	54.0	49.4	53.3	50.8	52.5	51.9	53.3	11.5	1	5 900
Czech Republic	29.9	28.9	27.9	27.9	30.0	30.2	29.1	29.4	30.0	32.4	32.4	32.9	33.4	3.5	16	17 900
Denmark	31.8	32.3	33.0	32.5	32.3	31.8	32.8	33.0	32.2	31.7	31.5	31.5	31.0	-0.7	19	36 644
Germany	25.7	26.7	26.8	26.9	26.8	26.7	26.4	27.5	27.5	28.5	28.3	28.2	27.6	1.9	23	287 616
Estonia	37.7	38.9	38.4	37.6	38.2	41.8	42.3	41.3	36.8	40.2	39.7	41.3	41.9	4.3	4	2 373
Ireland	38.1	36.9	38.8	37.7	37.3	37.4	35.7	36.0	36.7	36.2	36.8	34.8	34.8	-3.3	14	16 366
Greece	36.0	38.1	36.7	35.7	36.0	35.0	36.6	36.5	36.0	35.5	38.8	38.6	36.3	0.3	12	23 750
Spain	29.3	28.6	27.7	28.3	28.0	27.8	26.9	25.1	25.0	23.7	27.3	26.8	26.5	-2.8	25	88 622
France	26.3	25.8	26.2	26.0	26.0	25.8	25.3	25.2	24.9	25.4	25.4	25.2	24.7	-1.6	27	225 563
Croatia	:	:	50.5	50.4	49.6	49.3	48.3	46.9	46.5	45.0	47.6	47.3	49.1	:	2	7 694
Italy	27.2	26.1	26.1	25.2	25.9	25.9	25.8	24.8	24.0	23.9	25.3	25.3	24.7	-2.5	26	170 308
Cyprus	34.5	37.2	38.5	42.7	44.0	41.7	41.0	38.0	39.4	38.1	37.8	36.2	36.8	2.2	11	2 299
Latvia	37.8	36.6	36.7	39.0	38.8	41.2	41.1	38.7	36.0	38.2	38.8	38.3	38.4	0.6	8	2 385
Lithuania	37.9	39.0	40.1	38.3	36.4	36.9	36.0	37.5	36.9	36.7	40.1	41.1	39.8	1.9	6	3 567
Luxembourg	27.4	26.5	27.3	27.7	30.1	29.1	28.1	27.5	28.0	28.0	27.2	27.8	28.1	0.7	22	4 736
Hungary	39.5	37.7	37.0	38.5	39.7	38.5	37.2	36.0	35.3	37.6	39.0	39.1	40.0	0.5	5	15 204
Malta	42.5	42.1	39.3	38.9	40.9	41.8	41.5	39.8	40.5	39.4	39.6	40.2	38.8	-3.7	7	894
Netherlands	28.4	30.3	30.2	30.8	31.2	31.0	30.0	29.9	29.2	29.2	29.3	28.8	28.3	-0.1	21	66 071
Austria	28.6	27.4	28.5	28.4	28.5	28.7	28.1	27.7	27.3	28.2	28.1	27.9	27.6	-1.0	24	36 462
Poland	34.8	34.7	36.3	37.0	37.6	37.9	37.6	37.5	38.0	36.9	39.2	39.1	36.3	1.4	13	44 931
Portugal	37.9	38.0	38.1	38.2	39.8	41.0	40.9	38.6	37.5	35.3	37.3	36.6	37.4	-0.5	10	20 008
Romania	38.1	37.1	38.9	41.7	40.9	44.2	42.3	40.7	40.1	38.3	42.3	44.2	45.1	7.0	3	16 805
Slovenia	37.0	35.6	36.1	36.1	35.4	34.7	34.4	35.0	35.9	36.6	37.0	37.3	37.9	0.9	9	5 025
Slovakia	35.0	32.6	32.7	34.7	37.4	38.8	37.5	37.4	35.4	35.5	35.4	36.2	33.4	-1.6	17	6 725
Finland	28.8	29.4	29.9	31.7	31.3	31.1	30.9	29.9	29.8	31.0	31.2	32.3	32.4	3.7	18	27 527
Sweden	24.2	25.4	26.7	26.5	26.0	26.0	25.8	26.4	27.4	28.6	29.1	28.9	28.4	4.3	20	51 234
United Kingdom	32.2	31.9	33.0	33.3	32.6	31.0	29.8	29.9	28.5	29.9	31.7	33.2	33.8	1.6	15	230 848
Iceland	40.5	37.0	37.6	38.0	38.7	38.9	38.8	37.2	34.8	35.1	34.9	34.6	35.0	-5.6		1 358
Norway	29.9	29.4	29.7	29.3	28.1	26.9	26.7	27.7	25.1	27.1	26.9	25.8	25.7	-4.1		42 277
EU-28 averages															Total	1 457 914
weighted	:	:	28.8	28.7	28.8	28.6	28.1	28.1	27.7	28.0	28.9	28.9	28.5	:		
arithmetic	:	:	33.8	34.3	34.7	35.0	34.7	33.9	33.7	33.8	34.8	34.8	34.6	:		
EU-27 averages																
weighted	28.3	28.3	28.7	28.7	28.7	28.5	28.1	28.0	27.6	27.9	28.8	28.9	28.5	0.2		
arithmetic	33.1	32.9	33.2	33.7	34.2	34.5	34.2	33.5	33.2	33.3	34.3	34.4	34.1	1.0		
EA-18 averages															Total	1 027 188
weighted	27.3	27.3	27.4	27.4	27.5	27.5	27.1	27.0	26.6	26.9	27.5	27.3	26.8	-0.5		
arithmetic	32.4	32.3	32.3	32.8	33.3	33.6	33.2	32.4	31.9	32.1	32.7	32.5	32.2	-0.2		
EA-17 averages																
weighted	27.3	27.3	27.4	27.4	27.5	27.5	27.1	26.9	26.6	26.8	27.5	27.3	26.7	-0.5		
arithmetic	32.1	32.0	32.1	32.4	33.0	33.1	32.7	32.1	31.6	31.7	32.3	32.2	31.8	-0.3		

(°) In percentage points.

(°) In millions of euro.

Sums by main economic functions may not add up, see explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 42: Taxes on Consumption as % of GDP — Tobacco and Alcohol

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	0.8	0.7	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.7	-0.1	24	2 544
Bulgaria	1.4	1.2	1.6	1.7	1.9	2.0	2.2	2.7	2.8	2.8	2.5	2.6	2.6	1.3	1	1 044
Czech Republic	1.1	1.0	1.0	1.1	1.1	1.2	1.3	1.7	1.1	1.4	1.4	1.6	1.7	0.6	5	2 556
Denmark	0.9	0.9	0.9	0.8	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.7	-0.3	26	1 600
Germany	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	-0.1	25	17 502
Estonia	1.6	1.5	1.6	1.5	1.8	1.7	1.6	1.8	1.3	2.5	1.7	2.0	2.1	0.5	2	364
Ireland	1.8	1.7	1.6	1.5	1.4	1.3	1.2	1.2	1.2	1.3	1.3	1.2	1.2	-0.6	17	1 924
Greece	1.5	1.5	1.5	1.5	1.4	1.4	1.3	1.3	1.2	1.4	1.4	1.7	1.5	0.0	8	2 864
Spain	0.9	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.0	20	8 864
France	0.8	0.7	0.8	0.7	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.0	22	14 974
Croatia	:	:	1.5	1.5	1.4	1.3	1.3	1.2	1.3	1.1	1.3	1.3	1.4	:	9	617
Italy	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.7	0.8	0.8	0.8	0.8	0.8	0.1	21	12 415
Cyprus	0.8	0.8	0.9	1.0	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.3	1.4	0.5	10	240
Latvia	1.4	1.3	1.2	1.2	1.3	1.3	1.3	1.1	1.5	1.6	1.5	1.4	1.3	-0.1	11	296
Lithuania	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.5	1.5	1.5	1.4	1.3	0.1	13	426
Luxembourg	2.1	1.7	2.0	1.9	1.9	1.6	1.5	1.4	1.4	1.5	1.3	1.3	1.3	-0.8	12	570
Hungary	1.2	1.1	1.1	1.2	1.2	1.1	1.3	1.4	1.4	1.5	1.3	1.3	1.5	0.3	6	1 482
Malta	1.1	1.2	1.3	1.3	1.5	1.5	1.5	1.3	1.2	1.3	1.3	1.2	1.3	0.2	15	88
Netherlands	0.5	0.5	0.5	0.4	0.5	0.5	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.0	28	3 001
Austria	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	-0.2	27	1 941
Poland	1.7	1.9	1.9	1.9	1.9	2.0	1.9	1.8	2.2	1.6	2.0	1.9	1.8	0.1	3	7 050
Portugal	1.0	1.0	1.0	1.0	1.0	1.0	1.1	0.8	0.9	0.8	1.0	1.0	1.0	0.0	19	1 615
Romania	0.0	0.9	1.0	1.2	1.2	1.2	1.2	1.3	1.2	1.5	1.5	1.8	1.8	1.8	4	2 344
Slovenia	0.8	0.9	0.9	1.0	1.1	1.1	1.1	1.1	1.1	1.3	1.4	1.4	1.5	0.7	7	535
Slovakia	1.2	1.0	1.1	1.0	1.1	1.5	0.9	1.7	0.9	1.1	1.3	1.3	1.3	0.1	16	896
Finland	1.4	1.4	1.4	1.3	1.1	1.0	1.0	0.9	0.9	1.1	1.1	1.1	1.1	-0.3	18	2 123
Sweden	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	-0.1	23	2 783
United Kingdom	1.4	1.4	1.4	1.4	1.3	1.2	1.2	1.1	1.2	1.3	1.2	1.3	1.3	-0.2	14	24 784
Iceland	0.8	0.8	1.1	1.2	1.1	1.1	1.0	0.9	0.8	0.9	1.0	1.0	1.0	0.1		100
Norway	1.1	1.0	1.0	1.0	0.9	0.8	0.8	0.7	0.7	0.8	0.8	0.7	0.7	-0.4		2 575
EU-28 averages															Total	117 441
weighted	:	:	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	:		
arithmetic	:	:	1.1	1.1	1.2	1.2	1.1	1.2	1.1	1.2	1.2	1.2	1.2	:		
EU-27 averages																
weighted	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.0		
arithmetic	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.2	1.1	1.2	1.2	1.2	1.2	0.1		
EA-18 averages															Total	72 755
weighted	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.0		
arithmetic	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.1	1.1	1.1	1.1	0.0		
EA-17 averages																
weighted	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.0		
arithmetic	1.1	1.0	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.1	1.1	1.1	1.1	0.0		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 43: Taxes on Consumption as % of Total Taxation — Tobacco and Alcohol

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	1.7	1.6	1.7	1.8	1.7	1.7	1.7	1.6	1.5	1.6	1.6	1.4	1.5	-0.2	25	2 544
Bulgaria	4.3	3.8	5.6	5.3	5.8	6.3	7.2	8.0	8.8	9.5	9.0	9.6	9.4	5.1	1	1 044
Czech Republic	3.2	2.8	2.9	3.0	3.0	3.3	3.7	4.6	3.2	4.2	4.3	4.5	4.8	1.6	5	2 556
Denmark	1.9	1.8	1.8	1.8	1.5	1.3	1.3	1.2	1.2	1.3	1.4	1.2	1.4	-0.5	27	1 600
Germany	1.8	1.9	2.1	2.1	2.0	2.1	2.0	1.9	1.8	1.8	1.8	1.8	1.7	-0.1	22	17 502
Estonia	5.1	5.1	5.2	5.0	6.0	5.7	5.2	5.7	4.2	7.0	5.0	6.1	6.4	1.3	2	364
Ireland	5.7	5.7	5.7	5.3	4.6	4.3	3.8	3.9	4.2	4.8	4.5	4.3	4.1	-1.6	10	1 924
Greece	4.3	4.7	4.5	4.5	4.4	4.2	4.1	4.1	3.6	4.5	4.6	5.2	4.4	0.1	9	2 864
Spain	2.6	2.5	2.5	2.5	2.4	2.3	2.2	2.2	2.5	2.8	2.7	2.7	2.6	0.1	19	8 864
France	1.7	1.7	1.8	1.7	1.3	1.3	1.6	1.6	1.5	1.7	1.7	1.7	1.6	-0.1	23	14 974
Croatia	:	:	4.0	3.9	3.7	3.6	3.4	3.3	3.4	3.1	3.5	3.7	3.9	:	12	617
Italy	1.7	1.6	1.7	1.7	1.7	1.8	1.8	1.7	1.8	1.8	1.8	1.8	1.8	0.1	21	12 415
Cyprus	2.7	2.7	2.8	3.2	4.1	4.0	4.0	3.3	3.3	3.6	3.6	3.8	3.8	1.1	14	240
Latvia	4.7	4.4	4.1	4.0	4.4	4.5	4.2	3.6	5.2	5.9	5.4	5.2	4.8	0.1	6	296
Lithuania	4.0	4.2	4.2	4.3	4.2	4.2	4.4	4.3	4.7	5.1	5.2	5.2	4.8	0.7	7	426
Luxembourg	5.3	4.2	5.0	4.9	5.2	4.3	4.1	3.8	3.8	3.7	3.5	3.5	3.4	-1.9	17	570
Hungary	3.1	2.9	2.9	3.1	3.1	3.0	3.5	3.4	3.5	3.8	3.3	3.6	3.9	0.8	13	1 482
Malta	4.0	4.3	4.2	4.4	4.9	4.6	4.5	3.7	3.8	3.7	3.9	3.8	3.8	-0.2	15	88
Netherlands	1.2	1.3	1.2	1.2	1.3	1.2	1.2	1.1	1.2	1.2	1.2	1.2	1.3	0.1	28	3 001
Austria	1.9	1.6	1.7	1.7	1.6	1.6	1.6	1.6	1.4	1.5	1.5	1.5	1.5	-0.4	26	1 941
Poland	5.3	5.8	5.7	5.9	6.1	6.1	5.6	5.3	6.4	5.1	6.3	6.0	5.7	0.4	4	7 050
Portugal	3.3	3.3	3.1	3.3	3.2	3.1	3.5	2.5	2.6	2.7	3.1	3.0	3.0	-0.2	18	1 615
Romania	0.0	3.1	3.5	4.4	4.4	4.4	4.3	4.4	4.4	5.6	5.5	6.2	6.3	6.3	3	2 344
Slovenia	2.3	2.3	2.5	2.7	2.8	2.8	2.9	2.9	3.0	3.4	3.6	3.9	4.0	1.8	11	535
Slovakia	3.5	3.1	3.3	3.1	3.5	4.9	3.1	5.8	3.1	3.9	4.6	4.5	4.4	1.0	8	896
Finland	2.9	3.0	3.0	3.0	2.5	2.3	2.2	2.1	2.2	2.6	2.5	2.4	2.5	-0.4	20	2 123
Sweden	1.6	1.6	1.7	1.6	1.4	1.4	1.4	1.4	1.4	1.6	1.5	1.5	1.5	-0.1	24	2 783
United Kingdom	4.0	3.9	4.1	3.9	3.8	3.5	3.3	3.1	3.1	3.7	3.5	3.5	3.6	-0.3	16	24 784
Iceland	2.3	2.2	3.1	3.2	2.9	2.6	2.4	2.3	2.2	2.8	2.8	2.7	2.6	0.3		100
Norway	2.5	2.3	2.3	2.3	2.1	1.9	1.7	1.7	1.7	1.9	1.8	1.6	1.6	-0.9		2 575
EU-28 averages															Total	117 441
weighted	:	:	2.4	2.4	2.3	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	:		
arithmetic	:	:	3.3	3.3	3.4	3.3	3.3	3.3	3.2	3.6	3.6	3.7	3.6	:		
EU-27 averages																
weighted	2.3	2.3	2.4	2.4	2.3	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	0.0		
arithmetic	3.1	3.1	3.3	3.3	3.4	3.3	3.3	3.3	3.2	3.6	3.6	3.7	3.6	0.5		
EA-18 averages															Total	72 755
weighted	1.9	1.9	2.0	2.0	1.9	1.9	1.9	1.9	1.8	2.0	2.0	2.0	1.9	0.0		
arithmetic	3.1	3.1	3.1	3.1	3.2	3.1	3.0	3.0	2.8	3.2	3.1	3.2	3.2	0.0		
EA-17 averages																
weighted	1.9	1.9	2.0	2.0	1.9	1.9	1.9	1.9	1.8	2.0	2.0	2.0	1.9	0.0		
arithmetic	3.0	3.0	3.1	3.1	3.1	3.1	2.9	2.9	2.7	3.1	3.0	3.1	3.1	0.0		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 44: Taxes on Labour as % of GDP — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	24.2	24.7	24.8	24.5	24.0	23.7	23.0	23.0	23.6	24.0	23.9	24.2	24.5	0.3	4	91 903
Bulgaria	14.0	12.5	11.9	12.7	12.5	11.6	10.1	10.4	9.7	9.8	9.1	9.2	9.2	-4.8	28	3 641
Czech Republic	17.8	17.6	18.3	18.6	18.3	18.3	18.4	18.5	18.0	17.0	17.5	18.0	18.1	0.3	12	27 658
Denmark	26.6	26.9	26.1	26.0	25.2	24.8	24.6	25.0	25.4	27.0	24.4	24.5	24.5	-2.1	3	60 176
Germany	24.0	23.7	23.6	23.6	22.7	22.2	21.9	21.3	21.8	22.6	21.7	21.6	22.1	-1.9	9	589 874
Estonia	17.3	16.8	16.9	16.6	16.3	15.3	15.2	15.8	17.5	18.4	18.2	16.8	16.6	-0.7	15	2 884
Ireland	11.5	11.0	10.0	9.7	10.4	10.3	10.4	10.7	11.2	11.7	11.5	12.1	12.2	0.7	25	20 071
Greece	12.2	12.0	12.9	12.7	12.5	12.9	12.3	12.7	12.7	12.1	12.4	11.8	14.1	2.0	17	27 363
Spain	15.8	16.2	16.4	16.0	16.1	16.2	16.4	17.0	17.0	17.0	17.4	17.5	17.2	1.4	14	177 398
France	22.4	22.4	22.3	22.4	22.3	22.5	22.4	22.0	22.3	22.8	22.5	22.9	23.5	1.1	5	477 489
Croatia	:	:	14.8	14.7	14.8	14.4	14.5	14.9	15.1	15.7	15.4	14.6	14.5	:	16	6 377
Italy	19.9	20.2	20.2	20.3	20.2	20.4	20.4	21.0	21.8	22.2	22.2	22.1	22.5	2.6	7	352 427
Cyprus	9.6	10.0	10.0	10.8	10.6	11.3	11.1	10.8	11.1	12.3	12.6	12.6	13.1	3.5	22	2 321
Latvia	15.4	14.7	14.8	14.7	14.6	14.1	14.7	14.7	14.5	13.9	14.3	13.8	13.7	-1.7	19	3 044
Lithuania	16.2	15.4	14.8	14.5	14.6	14.4	14.6	14.5	14.8	15.0	13.3	12.7	12.6	-3.6	24	4 166
Luxembourg	15.1	15.8	15.1	15.1	15.1	15.1	14.5	14.6	16.1	17.4	16.6	16.9	17.4	2.4	13	7 471
Hungary	19.4	19.3	19.1	18.6	18.0	18.3	18.3	20.1	20.7	19.4	18.0	17.7	18.2	-1.2	11	17 654
Malta	9.6	10.7	11.1	10.9	11.2	11.2	11.4	10.4	10.4	11.0	10.6	11.1	11.6	2.0	26	798
Netherlands	20.6	18.5	18.8	19.2	19.0	18.7	20.0	19.8	20.7	21.1	21.4	21.7	22.4	1.9	8	134 471
Austria	23.9	24.1	24.1	24.3	23.8	23.3	23.2	23.1	23.8	24.0	23.9	24.0	24.7	0.8	2	75 935
Poland	14.2	14.4	13.4	13.2	12.5	12.8	13.4	13.0	12.7	12.3	12.0	12.4	13.1	-1.1	21	50 097
Portugal	11.5	11.8	11.8	12.0	11.7	11.9	12.2	12.4	12.6	13.0	13.2	13.9	13.4	1.9	20	22 119
Romania	13.2	12.9	12.3	11.1	10.7	11.0	11.6	11.8	11.6	11.8	11.1	11.2	11.3	-1.9	27	14 903
Slovenia	20.2	20.8	20.5	20.6	20.6	20.4	20.0	18.9	19.1	19.5	19.6	19.4	19.7	-0.5	10	6 965
Slovakia	15.4	15.3	15.1	14.5	13.3	12.9	11.9	11.9	12.5	12.7	12.7	12.6	12.8	-2.6	23	9 135
Finland	23.3	23.4	23.3	23.0	22.4	22.9	22.7	21.9	22.6	23.6	22.6	22.8	23.5	0.2	6	45 177
Sweden	30.7	30.8	29.7	29.9	29.5	29.1	28.4	27.2	27.7	27.3	25.7	25.5	25.9	-4.8	1	105 626
United Kingdom	14.0	14.0	13.4	13.4	13.6	13.9	14.0	14.0	14.1	13.7	14.1	14.0	13.8	-0.2	18	266 193
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	17.2	17.7	18.6	18.5	17.8	16.6	16.0	16.6	16.2	18.0	17.7	17.4	17.5	0.3		68 114
EU-28 averages															Total	2 603 336
weighted	:	:	19.7	19.7	19.4	19.3	19.2	19.1	19.5	19.9	19.7	19.8	20.1	:		
arithmetic	:	:	17.3	17.3	17.0	16.9	16.8	16.8	17.2	17.4	17.1	17.1	17.4	:		
EU-27 averages																
weighted	20.1	19.9	19.7	19.8	19.4	19.3	19.2	19.1	19.6	20.0	19.7	19.8	20.1	0.0		
arithmetic	17.7	17.6	17.4	17.4	17.1	17.0	16.9	16.9	17.3	17.5	17.1	17.1	17.5	-0.2		
EA-18 averages															Total	2 046 844
weighted	21.2	21.0	20.9	20.9	20.5	20.4	20.3	20.2	20.7	21.1	20.9	21.0	21.5	0.3		
arithmetic	17.3	17.3	17.3	17.3	17.0	17.0	16.9	16.8	17.3	17.7	17.6	17.6	18.1	0.7		
EA-17 averages																
weighted	21.2	21.0	20.9	20.9	20.5	20.4	20.3	20.2	20.7	21.1	20.9	21.0	21.6	0.4		
arithmetic	17.4	17.5	17.5	17.4	17.2	17.1	17.0	16.9	17.5	18.0	17.8	17.9	18.3	0.9		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 45: Taxes on Labour as % of Total Taxation — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	53.7	54.7	54.9	54.9	53.5	52.9	51.8	52.4	53.3	55.2	54.5	54.6	53.9	0.2	5	91 903
Bulgaria	44.3	40.5	41.8	40.9	38.5	37.0	32.8	31.1	30.2	33.8	33.1	33.8	32.9	-11.4	28	3 641
Czech Republic	52.7	52.2	52.9	52.4	51.0	51.3	52.0	51.6	52.3	50.8	52.2	51.9	51.7	-1.0	10	27 658
Denmark	53.9	55.6	54.5	54.1	51.4	48.8	49.6	51.1	53.3	56.6	51.4	51.3	51.0	-2.9	12	60 176
Germany	58.2	60.3	60.7	60.3	59.3	58.0	56.8	55.0	56.1	57.4	57.1	56.0	56.6	-1.7	4	589 874
Estonia	55.8	55.5	54.5	53.8	53.2	49.8	49.5	50.4	54.8	52.0	53.5	52.1	51.0	-4.8	13	2 884
Ireland	36.6	36.9	35.3	33.7	34.4	33.8	32.5	34.1	38.1	41.5	41.0	43.0	42.7	6.0	19	20 071
Greece	35.1	36.1	38.3	39.6	39.9	40.0	38.8	39.0	39.4	39.6	39.3	36.5	41.9	6.7	20	27 363
Spain	46.3	48.1	48.1	47.3	46.2	45.0	44.5	45.7	51.6	55.5	54.0	55.0	53.0	6.7	7	177 398
France	50.7	51.1	51.5	52.1	51.6	51.5	50.8	50.8	51.6	54.0	52.8	52.3	52.3	1.5	9	477 489
Croatia	:	:	38.9	39.1	40.2	39.4	39.1	39.8	40.6	43.1	42.3	41.4	40.7	:	22	6 377
Italy	48.0	49.0	49.9	49.5	50.1	50.9	49.0	49.2	51.1	51.8	52.2	52.0	51.1	3.1	11	352 427
Cyprus	31.9	32.6	32.5	33.4	32.3	32.3	31.0	27.0	28.8	34.8	35.5	35.7	37.1	5.2	26	2 321
Latvia	51.7	51.1	51.7	51.3	51.1	48.4	48.2	48.0	49.7	52.0	52.5	50.0	49.0	-2.8	14	3 044
Lithuania	52.5	52.2	50.8	50.4	50.6	49.3	48.6	47.9	48.2	49.3	46.7	46.4	46.5	-6.0	15	4 166
Luxembourg	38.5	39.6	38.5	39.5	40.5	40.2	40.5	40.9	43.0	43.8	43.5	44.2	44.3	5.9	18	7 471
Hungary	48.7	49.8	50.3	48.8	47.8	48.9	49.1	49.7	51.4	48.2	47.3	47.3	46.4	-2.3	16	17 654
Malta	35.2	37.0	36.9	36.0	35.9	34.0	34.6	30.8	31.5	33.0	32.9	33.5	34.6	-0.6	27	798
Netherlands	51.5	48.3	49.7	51.2	50.6	49.7	51.3	51.1	52.7	55.4	55.0	56.3	57.5	6.0	2	134 471
Austria	55.6	53.7	55.2	55.9	55.3	55.4	55.9	55.3	55.8	56.7	56.9	56.7	57.4	1.8	3	75 935
Poland	43.7	44.8	41.1	41.1	39.7	39.0	39.7	37.3	37.1	38.6	37.9	38.4	40.4	-3.3	23	50 097
Portugal	37.0	38.2	37.7	38.0	38.3	38.0	37.9	38.0	38.4	41.9	41.8	41.7	41.4	4.4	21	22 119
Romania	43.8	44.9	43.9	40.1	39.4	39.6	40.6	40.8	41.2	43.9	41.4	39.3	40.0	-3.9	24	14 903
Slovenia	54.2	55.4	54.3	54.1	54.1	52.9	52.3	50.2	51.2	52.3	52.0	52.2	52.5	-1.8	8	6 965
Slovakia	45.3	46.3	45.8	44.3	42.2	41.2	40.8	40.6	43.1	44.2	45.3	44.1	45.4	0.1	17	9 135
Finland	49.3	52.2	52.2	52.2	51.6	52.1	51.7	51.1	52.7	55.1	53.2	52.3	53.2	3.9	6	45 177
Sweden	59.7	62.3	62.5	62.5	61.5	59.5	58.7	57.6	59.7	58.7	56.6	57.5	58.6	-1.1	1	105 626
United Kingdom	38.5	38.8	38.6	38.9	39.0	39.4	38.8	39.3	38.0	40.0	40.1	39.1	38.9	0.4	25	266 193
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	40.4	41.3	43.2	43.8	41.3	38.3	36.8	38.7	38.5	42.9	41.5	40.7	41.5	1.1		68 114
EU-28 averages															Total	2 603 336
weighted	:	:	50.8	50.9	50.2	49.6	48.8	48.6	49.9	52.0	51.3	50.9	51.0	:		
arithmetic	:	:	47.3	47.0	46.4	45.7	45.2	44.9	46.2	47.8	47.2	46.9	47.2	:		
EU-27 averages																
weighted	49.8	50.6	50.8	50.9	50.2	49.7	48.8	48.6	50.0	52.0	51.3	51.0	51.0	1.1		
arithmetic	47.1	47.7	47.6	47.3	46.6	45.9	45.5	45.0	46.5	48.0	47.4	47.2	47.4	0.3		
EA-18 averages															Total	2 046 844
weighted	51.8	52.6	53.0	52.9	52.3	51.7	50.8	50.4	52.2	54.1	53.6	53.3	53.3	1.5		
arithmetic	46.4	47.0	47.1	47.1	46.7	45.9	45.4	45.0	46.8	48.7	48.5	48.2	48.6	2.2		
EA-17 averages																
weighted	51.8	52.6	53.0	52.9	52.3	51.7	50.8	50.4	52.2	54.1	53.6	53.3	53.3	1.6		
arithmetic	46.1	46.8	46.8	46.8	46.4	45.7	45.3	44.8	46.7	48.5	48.3	48.1	48.6	2.5		

(°) In percentage points.

(°) In millions of euro.

Sums by main economic functions may not add up, see explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 46: Taxes on Labour as % of GDP — Employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	22.2	22.6	22.7	22.4	22.1	21.9	21.3	21.2	21.7	22.0	21.9	22.2	22.4	0.3	2	84 311
Bulgaria	13.9	12.4	11.9	12.7	12.5	11.5	10.0	10.3	9.7	9.7	9.0	9.2	9.1	-4.8	28	3 615
Czech Republic	16.6	16.4	17.1	17.4	17.2	17.2	17.1	17.2	16.8	15.7	16.1	16.6	16.7	0.1	12	25 556
Denmark	21.7	22.1	21.2	20.9	20.3	20.0	19.9	20.3	20.6	20.6	19.4	19.3	19.2	-2.5	9	47 081
Germany	21.3	21.0	20.7	20.7	19.7	19.2	19.0	18.6	19.2	19.7	18.9	18.9	19.5	-1.8	8	520 733
Estonia	17.1	16.6	16.7	16.4	15.9	14.9	14.9	15.6	17.1	17.9	17.7	16.5	16.2	-0.9	13	2 826
Ireland	11.5	10.9	9.9	9.6	10.3	10.3	10.4	10.7	11.2	11.6	11.4	11.9	12.1	0.6	25	19 776
Greece	11.3	11.1	12.0	12.0	11.6	12.0	11.3	11.7	11.7	11.0	11.4	10.9	12.6	1.3	20	24 320
Spain	15.1	15.5	15.7	15.3	15.3	15.4	15.6	16.1	16.0	15.7	16.0	16.0	15.7	0.6	15	161 866
France	20.9	21.0	20.9	21.0	20.8	21.0	21.0	20.7	20.8	21.2	20.8	21.2	21.7	0.8	4	440 895
Croatia	:	:	14.6	14.5	14.6	14.3	14.4	14.7	14.9	15.5	15.2	14.5	14.4	:	16	6 310
Italy	17.8	18.0	18.0	18.1	18.0	18.1	18.1	18.7	19.3	19.5	19.4	19.2	19.6	1.7	7	306 420
Cyprus	9.3	9.8	9.9	10.7	10.6	11.3	11.0	10.8	11.0	12.2	12.5	12.5	13.0	3.7	19	2 303
Latvia	15.3	14.6	14.7	14.6	14.5	14.0	14.6	14.6	14.4	13.7	14.0	13.5	13.4	-1.9	18	2 978
Lithuania	16.2	15.3	14.6	14.3	14.5	14.2	14.4	14.2	14.5	14.7	13.1	12.5	12.5	-3.7	21	4 119
Luxembourg	13.8	14.6	14.0	13.8	13.9	13.8	13.3	13.3	14.8	16.0	15.2	15.4	15.9	2.1	14	6 817
Hungary	18.6	18.6	18.8	18.2	17.7	17.9	18.0	19.3	19.8	18.8	17.5	17.3	18.0	-0.6	11	17 486
Malta	8.9	9.9	10.2	10.0	10.2	10.1	10.3	9.4	9.4	9.9	9.5	10.0	10.4	1.5	27	713
Netherlands	17.6	16.0	16.2	16.5	16.3	16.0	17.2	17.5	18.3	18.7	19.0	19.2	19.9	2.3	6	119 187
Austria	21.6	21.7	21.5	21.7	21.2	20.9	20.8	20.7	21.3	21.5	21.4	21.3	22.0	0.4	3	67 577
Poland	13.5	13.6	12.7	12.5	11.8	12.1	12.6	12.2	11.9	11.5	11.2	11.6	12.3	-1.2	22	47 014
Portugal	11.0	11.2	11.3	11.4	11.0	11.2	11.4	11.6	11.7	12.0	12.2	12.7	12.2	1.3	24	20 186
Romania	13.2	12.8	12.3	11.1	10.7	11.0	11.5	11.8	11.5	11.6	10.9	11.0	11.1	-2.1	26	14 645
Slovenia	19.9	20.0	19.8	19.8	19.8	19.8	19.4	18.3	18.5	18.7	18.8	18.5	18.7	-1.1	10	6 608
Slovakia	14.8	14.7	14.6	14.0	12.7	12.2	11.2	11.3	11.9	12.0	12.2	11.9	12.2	-2.6	23	8 704
Finland	20.8	21.1	20.9	20.6	20.0	20.4	20.2	19.6	20.3	21.1	20.1	20.2	20.8	0.0	5	39 992
Sweden	26.9	26.9	25.7	25.3	25.0	24.8	24.1	23.4	24.0	23.4	22.3	22.4	22.7	-4.2	1	92 586
United Kingdom	13.8	13.8	13.2	13.2	13.4	13.8	13.8	13.9	13.9	13.6	13.9	13.8	13.6	-0.2	17	262 161
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	16.0	16.4	17.4	17.3	16.5	15.4	14.9	15.5	15.1	16.7	16.4	16.2	16.3	0.3		63 554
EU-28 averages															Total	2 356 784
weighted	:	:	18.0	18.0	17.6	17.6	17.5	17.5	17.8	18.1	17.8	17.9	18.2	:		
arithmetic	:	:	16.1	16.0	15.8	15.7	15.6	15.6	15.9	16.1	15.8	15.7	16.0	:		
EU-27 averages																
weighted	18.4	18.2	18.0	18.0	17.6	17.6	17.5	17.5	17.9	18.1	17.8	17.9	18.2	-0.2		
arithmetic	16.5	16.4	16.2	16.1	15.8	15.7	15.6	15.7	16.0	16.1	15.8	15.8	16.1	-0.4		
EA-18 averages															Total	1 836 211
weighted	19.2	19.1	18.9	18.9	18.5	18.4	18.3	18.3	18.7	19.0	18.8	18.9	19.3	0.1		
arithmetic	16.1	16.1	16.1	16.0	15.8	15.7	15.6	15.6	16.0	16.4	16.2	16.2	16.6	0.4		
EA-17 averages																
weighted	19.2	19.1	19.0	18.9	18.5	18.4	18.3	18.3	18.7	19.0	18.8	18.9	19.3	0.1		
arithmetic	16.2	16.2	16.2	16.1	15.9	15.8	15.7	15.6	16.1	16.5	16.4	16.4	16.8	0.6		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 47: Taxes on Labour as % of Total Taxation — Employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	49.2	50.1	50.2	50.2	49.4	48.8	47.9	48.4	49.1	50.8	50.0	50.1	49.4	0.2	7	84 311
Bulgaria	44.1	40.3	41.7	40.8	38.3	36.9	32.6	31.0	30.0	33.5	32.8	33.6	32.7	-11.5	27	3 615
Czech Republic	49.1	48.7	49.4	49.0	47.8	48.3	48.4	48.0	48.7	46.9	48.0	47.9	47.7	-1.4	11	25 556
Denmark	44.0	45.6	44.3	43.5	41.3	39.3	40.1	41.4	43.2	43.1	40.8	40.4	39.9	-4.1	20	47 081
Germany	51.5	53.4	53.3	52.9	51.6	50.1	49.3	48.2	49.3	50.0	49.9	49.1	49.9	-1.6	5	520 733
Estonia	55.2	55.0	53.8	53.2	52.0	48.8	48.6	49.7	53.8	50.6	52.2	51.0	49.9	-5.2	4	2 826
Ireland	36.4	36.7	35.1	33.4	34.2	33.6	32.3	33.9	37.9	41.3	40.8	42.4	42.0	5.7	17	19 776
Greece	32.6	33.4	35.7	37.3	37.2	37.2	35.6	36.0	36.4	36.1	36.1	33.6	37.2	4.6	25	24 320
Spain	44.3	45.9	45.8	45.1	43.9	42.8	42.3	43.4	48.6	51.3	49.7	50.4	48.3	4.0	8	161 866
France	47.4	47.8	48.2	48.8	48.1	48.0	47.6	47.6	48.2	50.4	49.0	48.4	48.3	0.9	9	440 895
Croatia	:	:	38.4	38.7	39.9	39.1	38.8	39.4	40.2	42.6	41.8	41.0	40.2	:	19	6 310
Italy	43.0	43.7	44.5	44.2	44.5	45.2	43.5	43.7	45.3	45.5	45.5	45.3	44.5	1.4	15	306 420
Cyprus	31.2	31.8	32.2	33.1	32.1	32.1	30.7	26.8	28.6	34.6	35.2	35.4	36.8	5.7	26	2 303
Latvia	51.4	50.8	51.4	51.0	50.8	48.0	47.9	47.9	49.3	51.2	51.5	48.9	47.9	-3.5	10	2 978
Lithuania	52.3	51.9	50.3	49.8	50.0	48.7	47.9	47.1	47.1	48.3	45.8	45.6	46.0	-6.4	14	4 119
Luxembourg	35.2	36.7	35.7	36.2	37.2	36.7	37.1	37.4	39.4	40.1	39.9	40.4	40.5	5.3	18	6 817
Hungary	46.8	48.0	49.5	48.0	46.9	47.9	48.2	47.7	49.0	46.8	46.1	46.4	46.0	-0.8	13	17 486
Malta	32.6	34.1	33.9	33.0	32.7	30.8	31.1	27.8	28.6	29.7	29.6	30.1	31.0	-1.7	28	713
Netherlands	44.2	41.7	43.0	44.1	43.6	42.7	44.2	45.2	46.6	49.0	48.7	49.8	51.0	6.8	3	119 187
Austria	50.2	48.3	49.4	49.9	49.4	49.8	50.1	49.6	50.0	50.8	50.8	50.5	51.1	0.8	2	67 577
Poland	41.4	42.3	38.8	38.8	37.6	36.9	37.2	35.0	34.7	36.1	35.4	36.0	37.9	-3.5	23	47 014
Portugal	35.3	36.4	35.8	35.9	36.1	35.7	35.5	35.3	35.8	38.9	38.6	38.1	37.8	2.5	24	20 186
Romania	43.8	44.9	43.9	40.0	39.3	39.5	40.4	40.6	41.0	43.2	40.7	38.7	39.3	-4.5	21	14 645
Slovenia	53.2	53.4	52.4	52.1	51.9	51.2	50.6	48.6	49.6	50.2	49.7	49.6	49.8	-3.5	6	6 608
Slovakia	43.4	44.5	44.1	42.6	40.4	39.1	38.2	38.4	40.8	41.9	43.3	41.7	43.2	-0.2	16	8 704
Finland	44.0	47.0	46.7	46.7	46.0	46.4	46.2	45.7	47.4	49.2	47.2	46.3	47.1	3.1	12	39 992
Sweden	52.2	54.4	54.1	53.1	52.0	50.8	49.8	49.5	51.6	50.3	49.0	50.5	51.4	-0.9	1	92 586
United Kingdom	38.0	38.3	38.0	38.4	38.5	38.9	38.3	38.8	37.5	39.6	39.6	38.5	38.3	0.3	22	262 161
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	37.5	38.4	40.3	40.8	38.5	35.7	34.3	36.0	36.0	39.9	38.4	38.0	38.7	1.2		63 554
EU-28 averages															Total	2 356 784
weighted	:	:	46.3	46.4	45.7	45.1	44.5	44.4	45.6	47.1	46.4	46.1	46.1	:		
arithmetic	:	:	44.3	43.9	43.3	42.6	42.2	41.9	43.1	44.4	43.8	43.6	43.8	:		
EU-27 averages																
weighted	45.6	46.3	46.4	46.4	45.7	45.2	44.5	44.5	45.6	47.1	46.5	46.1	46.1	0.6		
arithmetic	44.2	44.6	44.5	44.1	43.4	42.7	42.3	42.0	43.2	44.4	43.9	43.7	43.9	-0.3		
EA-18 averages															Total	1 836 211
weighted	46.9	47.7	47.9	47.9	47.1	46.6	45.8	45.7	47.3	48.7	48.1	47.8	47.8	0.9		
arithmetic	43.4	43.9	44.0	43.9	43.4	42.6	42.1	41.9	43.6	45.1	44.9	44.5	44.8	1.4		
EA-17 averages																
weighted	46.9	47.7	47.9	47.9	47.1	46.6	45.8	45.7	47.3	48.7	48.1	47.8	47.8	0.9		
arithmetic	42.9	43.5	43.5	43.5	43.0	42.3	41.8	41.5	43.3	44.7	44.5	44.3	44.6	1.7		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 48: Taxes on Labour as % of GDP — Employed paid by employers

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	8.3	8.4	8.6	8.6	8.4	8.2	8.2	8.2	8.4	8.7	8.5	8.7	8.9	0.6	8	33 442
Bulgaria	8.9	7.9	7.5	8.1	8.0	7.2	5.8	5.6	4.8	4.7	4.5	4.8	4.3	-4.6	24	1 690
Czech Republic	9.7	9.6	10.0	10.1	9.9	9.9	9.9	9.9	9.9	9.3	9.7	9.9	9.9	0.3	5	15 215
Denmark	0.5	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.7	0.2	28	1 621
Germany	7.5	7.4	7.4	7.5	7.2	7.0	6.8	6.6	6.5	6.8	6.7	6.7	6.8	-0.8	14	180 020
Estonia	10.7	10.5	10.5	10.2	9.9	9.9	9.8	10.2	11.3	12.3	12.1	11.0	10.6	-0.1	4	1 845
Ireland	2.7	2.8	2.7	2.6	2.7	2.8	2.9	3.1	3.3	3.3	3.1	3.4	3.1	0.4	26	5 023
Greece	4.9	4.9	5.5	5.4	5.1	5.1	4.9	5.2	5.2	4.8	5.2	4.8	4.8	-0.1	23	9 270
Spain	8.7	8.8	8.8	8.8	8.8	8.8	8.8	8.9	8.9	8.7	8.7	8.5	8.4	-0.3	9	86 520
France	12.1	12.1	12.2	12.3	12.2	12.2	12.3	12.2	12.4	12.8	12.8	12.9	13.1	1.0	1	265 838
Croatia	:	:	6.3	6.3	6.4	6.3	6.2	6.2	6.3	6.5	6.4	6.3	6.0	:	15	2 629
Italy	9.9	10.0	10.1	10.3	10.3	10.4	10.3	10.6	10.7	10.9	10.7	10.8	10.8	0.9	3	169 701
Cyprus	4.6	4.7	4.7	5.6	6.2	6.7	6.4	6.0	6.2	6.9	7.0	6.9	7.2	2.5	12	1 269
Latvia	7.5	6.9	6.9	6.5	6.4	6.1	6.4	6.3	6.0	6.2	6.1	5.9	5.8	-1.7	17	1 285
Lithuania	8.4	8.0	7.8	7.7	7.5	7.3	7.5	7.6	8.0	8.6	7.6	7.3	7.3	-1.1	11	2 408
Luxembourg	4.4	4.8	4.8	4.7	4.7	4.6	4.3	4.2	4.5	5.1	4.8	4.8	4.9	0.5	22	2 103
Hungary	10.8	10.4	10.2	10.0	9.6	9.9	9.7	10.0	10.0	9.5	8.3	8.4	8.3	-2.5	10	8 027
Malta	2.8	2.9	2.9	2.8	2.8	2.8	2.7	2.6	2.7	2.7	2.6	2.8	2.8	0.0	27	190
Netherlands	4.5	4.5	4.5	4.4	4.4	4.1	4.7	4.6	4.9	5.1	5.1	5.1	5.5	0.9	19	32 773
Austria	9.7	9.6	9.5	9.5	9.3	9.3	9.2	9.1	9.4	9.7	9.6	9.6	9.8	0.1	6	30 073
Poland	5.7	5.7	5.4	5.2	4.9	5.2	5.3	5.0	4.9	4.9	5.0	4.9	5.2	-0.5	20	19 865
Portugal	4.7	4.8	4.9	4.6	4.6	4.7	4.5	4.8	4.9	5.0	5.2	5.5	5.1	0.4	21	8 417
Romania	8.1	7.1	6.5	6.2	5.9	6.4	6.3	6.2	6.0	5.9	5.5	5.7	5.7	-2.4	18	7 496
Slovenia	6.9	7.1	7.0	7.1	7.1	7.3	6.9	6.5	6.1	5.8	5.8	5.7	5.8	-1.1	16	2 061
Slovakia	9.1	8.9	8.9	8.4	7.6	7.0	6.3	6.3	6.6	6.8	6.9	6.7	6.8	-2.4	13	4 810
Finland	8.8	9.0	8.9	8.9	8.8	9.0	8.9	8.7	9.0	9.4	9.0	9.0	9.2	0.4	7	17 665
Sweden	12.8	13.2	13.1	12.8	12.6	12.4	12.2	12.2	12.6	12.3	11.7	11.8	12.0	-0.8	2	48 995
United Kingdom	3.4	3.5	3.3	3.5	3.6	3.6	3.7	3.8	3.9	3.8	4.0	3.8	3.9	0.4	25	74 904
Iceland	2.8	2.7	2.8	3.0	3.0	3.1	3.2	3.1	2.9	3.2	4.2	4.2	4.0	1.3		428
Norway	5.4	5.6	6.0	5.9	5.7	5.4	5.3	5.5	5.4	6.0	5.9	5.8	5.8	0.4		22 655
EU-28 averages															Total	1 035 156
weighted	:	:	7.7	7.9	7.8	7.7	7.7	7.6	7.8	8.0	7.9	7.9	8.0	:		
arithmetic	:	:	7.1	7.1	7.0	7.0	6.8	6.8	6.9	7.0	6.9	6.9	6.9	:		
EU-27 averages																
weighted	7.8	7.7	7.7	7.9	7.8	7.7	7.7	7.6	7.8	8.0	7.9	7.9	8.0	0.2		
arithmetic	7.3	7.2	7.1	7.1	7.0	7.0	6.9	6.9	6.9	7.1	6.9	6.9	6.9	-0.4		
EA-18 averages															Total	852 306
weighted	8.8	8.8	8.8	8.9	8.7	8.7	8.7	8.6	8.7	8.9	8.9	8.9	9.0	0.2		
arithmetic	7.1	7.1	7.2	7.1	7.0	7.0	6.9	6.9	7.1	7.3	7.2	7.1	7.2	0.1		
EA-17 averages																
weighted	8.8	8.8	8.8	8.9	8.7	8.7	8.7	8.6	8.7	8.9	8.9	8.9	9.0	0.2		
arithmetic	7.1	7.1	7.2	7.2	7.1	7.1	6.9	6.9	7.1	7.3	7.3	7.2	7.3	0.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 49: Taxes on Labour as % of Total Taxation — Employed paid by employers

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	18.5	18.7	19.1	19.2	18.7	18.4	18.4	18.8	19.0	20.1	19.5	19.6	19.6	1.1	15	33 442
Bulgaria	28.2	25.8	26.4	26.2	24.6	22.9	18.9	16.8	15.0	16.1	16.4	17.5	15.3	-12.9	21	1 690
Czech Republic	28.6	28.6	28.8	28.4	27.6	27.8	28.1	27.7	28.7	27.9	28.9	28.5	28.4	-0.2	3	15 215
Denmark	0.9	1.2	1.1	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.3	1.4	0.5	28	1 621
Germany	18.2	18.9	19.0	19.1	18.9	18.3	17.7	16.9	16.8	17.2	17.6	17.3	17.3	-1.0	16	180 020
Estonia	34.7	34.8	34.0	33.1	32.5	32.2	32.0	32.4	35.5	34.8	35.7	34.2	32.6	-2.1	1	1 845
Ireland	8.5	9.5	9.5	9.2	8.9	9.2	9.1	9.7	11.1	11.6	11.1	12.1	10.7	2.2	26	5 023
Greece	14.2	14.7	16.3	16.8	16.4	16.0	15.4	15.9	16.3	15.7	16.3	14.7	14.2	0.0	22	9 270
Spain	25.4	26.2	25.8	26.1	25.2	24.5	23.9	23.9	26.9	28.3	26.9	26.7	25.8	0.4	6	86 520
France	27.5	27.5	28.1	28.5	28.1	27.9	28.0	28.2	28.6	30.4	30.0	29.5	29.1	1.6	2	265 838
Croatia	:	:	16.6	16.7	17.3	17.1	16.7	16.7	17.1	17.8	17.6	17.8	16.8	:	17	2 629
Italy	23.9	24.3	25.0	25.2	25.4	25.9	24.8	24.8	25.2	25.4	25.3	25.4	24.6	0.7	7	169 701
Cyprus	15.4	15.4	15.2	17.2	18.9	19.2	17.8	15.0	16.1	19.5	19.8	19.6	20.3	4.9	13	1 269
Latvia	25.1	23.9	24.3	22.8	22.3	21.0	20.9	20.7	20.5	23.2	22.3	21.2	20.7	-4.5	12	1 285
Lithuania	27.2	27.1	26.7	26.6	26.1	25.0	25.1	25.2	26.0	28.4	26.8	26.6	26.9	-0.3	5	2 408
Luxembourg	11.2	12.0	12.2	12.4	12.6	12.1	12.0	11.8	12.1	12.8	12.5	12.6	12.5	1.3	24	2 103
Hungary	27.1	26.8	26.9	26.2	25.5	26.4	25.9	24.8	24.8	23.8	21.8	22.6	21.1	-6.0	10	8 027
Malta	10.1	10.1	9.6	9.3	9.0	8.5	8.2	7.6	8.0	8.0	8.2	8.3	8.2	-1.9	27	190
Netherlands	11.4	11.6	11.8	11.8	11.7	11.0	12.0	11.9	12.4	13.2	13.2	13.3	14.0	2.6	23	32 773
Austria	22.5	21.4	21.7	21.9	21.7	22.2	22.2	21.9	21.9	22.8	22.8	22.7	22.7	0.2	9	30 073
Poland	17.4	17.8	16.4	16.1	15.7	15.7	15.6	14.5	14.2	15.5	15.7	15.3	16.0	-1.4	18	19 865
Portugal	15.1	15.6	15.5	14.7	15.2	15.1	14.1	14.6	14.9	16.3	16.6	16.5	15.8	0.7	19	8 417
Romania	26.7	24.9	23.0	22.4	21.7	23.0	22.1	21.4	21.6	22.1	20.7	19.9	20.1	-6.6	14	7 496
Slovenia	18.5	18.8	18.6	18.7	18.7	18.9	18.0	17.2	16.4	15.5	15.5	15.4	15.5	-3.0	20	2 061
Slovakia	26.8	26.7	26.9	25.5	24.2	22.4	21.5	21.4	22.8	23.5	24.4	23.2	23.9	-2.9	8	4 810
Finland	18.5	20.1	20.0	20.1	20.3	20.4	20.4	20.3	20.9	22.0	21.1	20.5	20.8	2.3	11	17 665
Sweden	24.8	26.8	27.5	26.9	26.1	25.5	25.3	25.8	27.1	26.5	25.8	26.6	27.2	2.3	4	48 995
United Kingdom	9.5	9.6	9.5	10.1	10.3	10.3	10.2	10.6	10.5	11.2	11.4	10.7	11.0	1.5	25	74 904
Iceland	7.4	7.7	7.9	8.3	7.9	7.7	7.8	7.6	7.9	9.3	12.1	11.7	11.0	3.6		428
Norway	12.6	13.0	13.8	13.9	13.2	12.4	12.2	12.7	12.9	14.4	13.8	13.5	13.8	1.2		22 655
EU-28 averages															Total	1 035 156
weighted	:	:	19.9	20.3	20.1	19.8	19.5	19.4	20.0	20.9	20.7	20.5	20.3	:		
arithmetic	:	:	19.8	19.7	19.5	19.2	18.8	18.5	19.0	19.7	19.5	19.3	19.0	:		
EU-27 averages																
weighted	19.2	19.7	19.9	20.3	20.1	19.8	19.5	19.4	20.0	20.9	20.7	20.5	20.3	1.0		
arithmetic	19.9	20.0	20.0	19.8	19.5	19.3	18.8	18.6	19.1	19.7	19.5	19.3	19.1	-0.8		
EA-18 averages															Total	852 306
weighted	21.4	21.9	22.2	22.4	22.3	22.1	21.6	21.5	22.0	22.8	22.7	22.5	22.2	0.8		
arithmetic	19.2	19.5	19.6	19.5	19.4	19.1	18.7	18.5	19.2	20.0	19.9	19.6	19.4	0.2		
EA-17 averages																
weighted	21.4	21.9	22.2	22.4	22.3	22.1	21.6	21.5	22.0	22.8	22.7	22.5	22.2	0.8		
arithmetic	18.8	19.2	19.3	19.3	19.2	18.9	18.6	18.4	19.1	19.8	19.8	19.5	19.3	0.4		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 50: Taxes on Labour as % of GDP — Employed paid by employees

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	13.8	14.1	14.1	13.8	13.8	13.6	13.1	13.0	13.3	13.3	13.4	13.5	13.5	-0.3	3	50 869
Bulgaria	5.0	4.5	4.4	4.5	4.5	4.4	4.2	4.7	4.8	5.1	4.5	4.4	4.9	-0.2	28	1 924
Czech Republic	6.9	6.8	7.1	7.3	7.3	7.3	7.2	7.3	6.9	6.4	6.4	6.7	6.8	-0.1	22	10 341
Denmark	21.3	21.5	20.7	20.4	19.8	19.5	19.4	19.7	20.1	20.1	18.8	18.6	18.5	-2.7	1	45 460
Germany	13.8	13.6	13.4	13.2	12.5	12.2	12.2	12.1	12.6	12.9	12.2	12.3	12.8	-1.0	5	340 713
Estonia	6.4	6.1	6.2	6.2	5.9	5.1	5.1	5.4	5.8	5.6	5.6	5.4	5.6	-0.7	24	981
Ireland	8.8	8.1	7.2	7.0	7.6	7.5	7.4	7.6	7.9	8.3	8.3	8.5	9.0	0.2	12	14 753
Greece	6.4	6.2	6.5	6.6	6.5	6.8	6.4	6.6	6.5	6.2	6.3	6.1	7.8	1.4	16	15 050
Spain	6.5	6.6	6.8	6.4	6.5	6.6	6.8	7.3	7.2	7.1	7.4	7.6	7.3	0.9	19	75 346
France	8.8	8.9	8.7	8.8	8.7	8.8	8.6	8.4	8.5	8.4	8.1	8.3	8.6	-0.2	14	175 057
Croatia	:	:	8.3	8.3	8.3	8.0	8.2	8.5	8.6	9.0	8.8	8.2	8.4	:	15	3 682
Italy	7.9	8.0	7.9	7.8	7.7	7.7	7.8	8.1	8.6	8.6	8.6	8.5	8.7	0.8	13	136 719
Cyprus	4.7	5.0	5.2	5.1	4.3	4.5	4.6	4.7	4.8	5.3	5.5	5.6	5.8	1.1	23	1 034
Latvia	7.8	7.7	7.8	8.1	8.1	7.9	8.2	8.3	8.4	7.5	7.9	7.6	7.6	-0.2	18	1 694
Lithuania	7.8	7.3	6.9	6.7	6.9	6.9	6.8	6.6	6.5	6.0	5.4	5.2	5.2	-2.6	27	1 711
Luxembourg	9.4	9.8	9.2	9.1	9.2	9.2	9.0	9.1	10.3	10.9	10.4	10.6	11.0	1.6	8	4 714
Hungary	7.8	8.2	8.6	8.3	8.1	8.0	8.3	9.3	9.7	9.2	9.2	8.9	9.8	1.9	10	9 459
Malta	6.1	7.0	7.3	7.2	7.4	7.3	7.6	6.9	6.8	7.3	6.9	7.2	7.6	1.5	17	523
Netherlands	13.1	11.5	11.7	12.1	11.9	11.9	12.6	12.9	13.4	13.7	13.8	14.1	14.4	1.3	2	86 413
Austria	11.9	12.1	12.1	12.2	11.9	11.6	11.6	11.6	12.0	11.8	11.8	11.8	12.2	0.3	6	37 504
Poland	7.8	7.9	7.3	7.3	6.9	6.9	7.3	7.1	7.0	6.5	6.3	6.7	7.1	-0.7	21	27 148
Portugal	6.3	6.4	6.4	6.7	6.4	6.5	6.9	6.8	6.8	7.0	6.9	7.2	7.1	0.8	20	11 769
Romania	5.2	5.7	5.9	4.9	4.8	4.6	5.2	5.6	5.4	5.7	5.4	5.3	5.4	0.3	26	7 148
Slovenia	12.9	13.0	12.8	12.7	12.7	12.5	12.5	11.8	12.4	12.9	12.9	12.8	12.9	-0.1	4	4 547
Slovakia	5.7	5.9	5.7	5.6	5.1	5.2	4.9	5.0	5.3	5.3	5.3	5.3	5.5	-0.2	25	3 894
Finland	12.0	12.1	12.0	11.7	11.2	11.4	11.3	10.9	11.3	11.6	11.1	11.3	11.6	-0.4	7	22 327
Sweden	14.1	13.7	12.6	12.5	12.5	12.4	11.9	11.2	11.4	11.1	10.5	10.6	10.7	-3.4	9	43 591
United Kingdom	10.4	10.4	9.9	9.7	9.8	10.1	10.2	10.1	10.0	9.8	9.9	10.0	9.7	-0.7	11	187 258
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	10.6	10.9	11.4	11.4	10.9	10.1	9.6	10.0	9.7	10.7	10.5	10.5	10.5	-0.1		40 900
EU-28 averages															Total	1 321 627
weighted	:	:	10.2	10.1	9.9	9.8	9.8	9.8	10.0	10.0	9.9	10.0	10.2	:		
arithmetic	:	:	9.0	8.9	8.8	8.7	8.8	8.8	9.0	9.0	8.8	8.9	9.1	:		
EU-27 averages																
weighted	10.6	10.5	10.3	10.1	9.9	9.8	9.8	9.8	10.0	10.0	9.9	10.0	10.2	-0.4		
arithmetic	9.2	9.2	9.1	9.0	8.8	8.8	8.8	8.8	9.0	9.0	8.8	8.9	9.2	-0.1		
EA-18 averages															Total	983 905
weighted	10.4	10.3	10.2	10.0	9.7	9.7	9.7	9.7	10.0	10.1	9.9	10.0	10.4	-0.1		
arithmetic	9.0	9.0	8.9	8.9	8.7	8.7	8.7	8.7	9.0	9.1	9.0	9.1	9.4	0.4		
EA-17 averages																
weighted	10.4	10.3	10.2	10.1	9.7	9.7	9.7	9.7	10.0	10.1	9.9	10.0	10.4	-0.1		
arithmetic	9.1	9.1	9.0	9.0	8.8	8.7	8.7	8.7	9.0	9.2	9.1	9.2	9.5	0.4		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 51: Taxes on Labour as % of Total Taxation — Employed paid by employees

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	30.7	31.4	31.1	30.9	30.8	30.5	29.4	29.6	30.0	30.7	30.5	30.5	29.8	-0.9	6	50 869
Bulgaria	16.0	14.6	15.3	14.6	13.7	14.0	13.7	14.2	15.0	17.4	16.4	16.1	17.4	1.4	26	1 924
Czech Republic	20.4	20.2	20.6	20.6	20.3	20.5	20.3	20.3	20.1	19.0	19.1	19.4	19.3	-1.1	22	10 341
Denmark	43.1	44.5	43.2	42.5	40.3	38.3	39.1	40.4	42.1	42.0	39.5	39.1	38.5	-4.6	1	45 460
Germany	33.3	34.5	34.4	33.8	32.7	31.8	31.7	31.3	32.5	32.8	32.2	31.8	32.7	-0.6	4	340 713
Estonia	20.5	20.2	19.9	20.1	19.4	16.6	16.6	17.3	18.3	15.8	16.5	16.8	17.3	-3.2	27	981
Ireland	27.9	27.2	25.6	24.2	25.3	24.4	23.1	24.2	26.8	29.7	29.6	30.3	31.4	3.5	5	14 753
Greece	18.4	18.7	19.4	20.5	20.8	21.2	20.2	20.2	20.1	20.4	19.8	18.9	23.0	4.6	15	15 050
Spain	18.9	19.7	20.0	19.0	18.7	18.3	18.4	19.6	21.8	23.0	22.8	23.7	22.5	3.6	17	75 346
France	19.9	20.3	20.1	20.3	20.0	20.1	19.6	19.4	19.6	20.0	19.0	18.9	19.2	-0.8	24	175 057
Croatia	:	:	21.8	22.0	22.5	22.0	22.0	22.7	23.1	24.8	24.2	23.2	23.5	:	14	3 682
Italy	19.1	19.3	19.6	19.0	19.1	19.3	18.7	18.9	20.1	20.1	20.3	20.0	19.8	0.7	20	136 719
Cyprus	15.8	16.4	17.0	15.9	13.1	13.0	12.9	11.8	12.5	15.1	15.5	15.8	16.5	0.8	28	1 034
Latvia	26.3	26.8	27.1	28.2	28.5	27.0	27.0	27.2	28.8	28.1	29.2	27.7	27.2	1.0	10	1 694
Lithuania	25.1	24.8	23.7	23.2	23.9	23.7	22.8	21.8	21.1	19.9	19.1	19.0	19.1	-6.0	25	1 711
Luxembourg	24.0	24.7	23.5	23.9	24.6	24.6	25.1	25.6	27.3	27.4	27.3	27.8	28.0	4.0	8	4 714
Hungary	19.7	21.1	22.6	21.8	21.4	21.5	22.3	22.9	24.1	23.0	24.3	23.9	24.9	5.2	12	9 459
Malta	22.5	24.1	24.3	23.7	23.7	22.3	22.9	20.2	20.6	21.7	21.5	21.8	22.7	0.2	16	523
Netherlands	32.8	30.1	31.1	32.3	31.8	31.7	32.2	33.3	34.2	35.8	35.5	36.5	37.0	4.2	2	86 413
Austria	27.8	27.0	27.7	28.1	27.7	27.6	27.9	27.7	28.0	27.9	27.9	27.8	28.3	0.6	7	37 504
Poland	24.0	24.6	22.5	22.7	21.9	21.1	21.7	20.5	20.5	20.6	19.7	20.7	21.9	-2.1	19	27 148
Portugal	20.2	20.8	20.3	21.3	20.9	20.6	21.4	20.8	20.8	22.6	22.0	21.5	22.0	1.8	18	11 769
Romania	17.1	20.0	20.8	17.7	17.6	16.5	18.3	19.2	19.4	21.1	20.0	18.8	19.2	2.1	23	7 148
Slovenia	34.7	34.6	33.8	33.4	33.2	32.3	32.5	31.4	33.2	34.7	34.2	34.3	34.2	-0.4	3	4 547
Slovakia	16.6	17.8	17.2	17.1	16.2	16.8	16.7	17.0	18.1	18.4	18.9	18.4	19.3	2.7	21	3 894
Finland	25.5	27.0	26.8	26.6	25.8	25.9	25.8	25.3	26.4	27.2	26.2	25.8	26.3	0.8	11	22 327
Sweden	27.4	27.6	26.6	26.2	25.9	25.4	24.5	23.7	24.5	23.9	23.2	23.9	24.2	-3.2	13	43 591
United Kingdom	28.6	28.7	28.5	28.3	28.2	28.6	28.1	28.3	27.0	28.4	28.2	27.8	27.4	-1.2	9	187 258
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	24.9	25.4	26.5	26.9	25.3	23.2	22.1	23.3	23.1	25.5	24.7	24.5	24.9	0.0		40 900
EU-28 averages															Total	1 321 627
weighted	:	:	26.4	26.1	25.6	25.3	25.0	25.0	25.6	26.2	25.7	25.7	25.9	:		
arithmetic	:	:	24.5	24.2	23.9	23.4	23.4	23.4	24.1	24.7	24.4	24.3	24.7	:		
EU-27 averages																
weighted	26.3	26.6	26.4	26.1	25.6	25.3	25.0	25.0	25.6	26.2	25.7	25.7	25.9	-0.5		
arithmetic	24.3	24.7	24.5	24.3	23.9	23.5	23.4	23.4	24.2	24.7	24.4	24.3	24.8	0.5		
EA-18 averages															Total	983 905
weighted	25.5	25.8	25.7	25.4	24.8	24.5	24.2	24.2	25.3	25.8	25.4	25.4	25.6	0.1		
arithmetic	24.2	24.5	24.4	24.3	24.0	23.5	23.5	23.4	24.4	25.1	24.9	24.9	25.4	1.2		
EA-17 averages																
weighted	25.5	25.8	25.7	25.4	24.8	24.5	24.2	24.2	25.3	25.8	25.4	25.3	25.6	0.1		
arithmetic	24.0	24.3	24.2	24.1	23.8	23.3	23.3	23.1	24.1	24.9	24.7	24.7	25.3	1.3		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 52: Taxes on Labour as % of GDP — Non-employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	2.0	2.1	2.1	2.1	1.8	1.8	1.7	1.8	1.9	1.9	2.0	2.0	2.0	0.0	8	7 592
Bulgaria	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0	28	26
Czech Republic	1.2	1.2	1.2	1.2	1.1	1.1	1.3	1.3	1.2	1.3	1.4	1.4	1.4	0.2	13	2 102
Denmark	4.9	4.8	4.9	5.1	4.9	4.8	4.7	4.7	4.8	6.4	5.0	5.2	5.3	0.5	1	13 095
Germany	2.8	2.7	2.9	2.9	2.9	3.0	2.9	2.6	2.7	2.9	2.7	2.6	2.6	-0.2	6	69 141
Estonia	0.2	0.1	0.2	0.2	0.4	0.3	0.3	0.2	0.3	0.5	0.4	0.4	0.3	0.1	19	58
Ireland	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	23	295
Greece	0.9	0.9	0.9	0.7	0.8	0.9	1.0	1.0	1.0	1.1	1.0	0.9	1.6	0.7	10	3 043
Spain	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	1.0	1.3	1.4	1.5	1.5	0.8	12	15 532
France	1.5	1.4	1.4	1.4	1.5	1.5	1.4	1.4	1.5	1.5	1.6	1.7	1.8	0.3	9	36 594
Croatia	:	:	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.2	:	25	67
Italy	2.1	2.2	2.2	2.1	2.2	2.3	2.3	2.3	2.5	2.7	2.8	2.8	2.9	0.9	3	46 006
Cyprus	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	27	17
Latvia	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.3	0.2	20	66
Lithuania	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.2	0.1	0.1	26	47
Luxembourg	1.3	1.2	1.1	1.2	1.3	1.3	1.2	1.2	1.3	1.5	1.4	1.5	1.5	0.3	11	654
Hungary	0.7	0.7	0.3	0.3	0.3	0.3	0.3	0.8	1.0	0.6	0.5	0.3	0.2	-0.6	24	168
Malta	0.7	0.8	0.9	0.9	1.0	1.0	1.1	1.0	1.0	1.1	1.1	1.1	1.2	0.5	14	84
Netherlands	2.9	2.5	2.6	2.7	2.6	2.6	2.8	2.3	2.4	2.4	2.4	2.5	2.6	-0.4	7	15 285
Austria	2.3	2.4	2.5	2.6	2.5	2.4	2.4	2.4	2.5	2.5	2.6	2.6	2.7	0.4	4	8 358
Poland	0.7	0.8	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.1	17	3 084
Portugal	0.5	0.6	0.6	0.6	0.7	0.7	0.8	0.9	0.9	1.0	1.0	1.2	1.2	0.7	15	1 932
Romania	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.2	22	259
Slovenia	0.4	0.7	0.7	0.8	0.9	0.7	0.7	0.6	0.6	0.8	0.9	1.0	1.0	0.6	16	358
Slovakia	0.6	0.6	0.6	0.5	0.6	0.7	0.8	0.6	0.7	0.6	0.5	0.7	0.6	0.0	18	431
Finland	2.5	2.3	2.4	2.4	2.4	2.5	2.4	2.3	2.3	2.5	2.5	2.6	2.7	0.2	5	5 185
Sweden	3.9	3.9	4.0	4.5	4.5	4.2	4.3	3.8	3.7	3.9	3.4	3.1	3.2	-0.7	2	13 041
United Kingdom	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.2	0.2	0.0	21	4 031
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	1.2	1.2	1.2	1.3	1.2	1.1	1.1	1.1	1.1	1.3	1.3	1.2	1.2	0.0		4 559
EU-28 averages															Total	246 553
weighted	:	:	1.7	1.8	1.8	1.7	1.7	1.6	1.7	1.9	1.9	1.9	1.9	:		
arithmetic	:	:	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.4	1.3	1.3	1.4	:		
EU-27 averages																
weighted	1.7	1.7	1.7	1.8	1.8	1.8	1.7	1.6	1.7	1.9	1.9	1.9	1.9	0.2		
arithmetic	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.2	1.3	1.4	1.4	1.4	1.4	0.2		
EA-18 averages															Total	210 632
weighted	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	2.0	2.1	2.1	2.2	2.2	0.2		
arithmetic	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.2	1.3	1.4	1.4	1.4	1.5	0.3		
EA-17 averages																
weighted	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9	2.0	2.1	2.1	2.2	2.2	0.2		
arithmetic	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.5	1.6	0.3		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 53: Taxes on Labour as % of Total Taxation — Non-employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	4.5	4.6	4.6	4.7	4.0	4.1	3.9	4.0	4.2	4.4	4.5	4.5	4.4	0.0	10	7 592
Bulgaria	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.2	0.3	0.2	0.2	0.1	28	26
Czech Republic	3.6	3.5	3.4	3.4	3.2	3.0	3.6	3.6	3.6	3.9	4.1	4.0	3.9	0.3	12	2 102
Denmark	9.9	9.9	10.1	10.5	10.0	9.5	9.5	9.6	10.1	13.5	10.6	10.9	11.1	1.2	1	13 095
Germany	6.7	6.9	7.3	7.5	7.6	7.9	7.5	6.8	6.8	7.3	7.2	6.9	6.6	0.0	4	69 141
Estonia	0.6	0.5	0.7	0.7	1.2	1.1	0.9	0.7	1.0	1.3	1.3	1.1	1.0	0.4	20	58
Ireland	0.3	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.6	0.6	0.4	22	295
Greece	2.5	2.6	2.5	2.3	2.6	2.9	3.2	3.0	3.0	3.6	3.2	2.9	4.7	2.1	8	3 043
Spain	2.0	2.2	2.3	2.2	2.2	2.2	2.2	2.3	2.9	4.2	4.3	4.6	4.6	2.7	9	15 532
France	3.3	3.3	3.2	3.3	3.4	3.4	3.2	3.2	3.4	3.6	3.8	3.9	4.0	0.7	11	36 594
Croatia	:	:	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.4	0.4	:	26	67
Italy	5.0	5.4	5.4	5.2	5.5	5.7	5.5	5.5	5.8	6.3	6.6	6.7	6.7	1.7	3	46 006
Cyprus	0.8	0.8	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	-0.5	27	17
Latvia	0.3	0.3	0.3	0.3	0.4	0.4	0.3	0.2	0.5	0.7	1.1	1.1	1.1	0.8	19	66
Lithuania	0.1	0.3	0.5	0.6	0.6	0.6	0.7	0.8	1.1	1.0	0.9	0.8	0.5	0.4	24	47
Luxembourg	3.2	2.9	2.8	3.2	3.4	3.5	3.4	3.5	3.6	3.7	3.6	3.8	3.9	0.6	13	654
Hungary	1.9	1.8	0.8	0.8	0.8	0.9	0.9	2.0	2.4	1.5	1.3	0.9	0.4	-1.4	25	168
Malta	2.5	2.9	3.0	3.0	3.2	3.2	3.5	3.0	2.9	3.3	3.3	3.4	3.7	1.1	14	84
Netherlands	7.3	6.6	6.8	7.1	7.0	7.0	7.1	5.9	6.0	6.3	6.3	6.5	6.5	-0.8	5	15 285
Austria	5.4	5.4	5.7	6.0	5.9	5.7	5.8	5.7	5.9	5.9	6.1	6.2	6.3	0.9	6	8 358
Poland	2.3	2.5	2.3	2.3	2.1	2.2	2.5	2.3	2.4	2.6	2.5	2.4	2.5	0.2	17	3 084
Portugal	1.6	1.8	1.9	2.0	2.2	2.3	2.4	2.6	2.7	3.1	3.2	3.6	3.6	2.0	15	1 932
Romania	0.0	0.0	0.0	0.1	0.0	0.1	0.2	0.2	0.2	0.6	0.7	0.6	0.7	0.7	21	259
Slovenia	1.0	2.0	1.9	2.1	2.2	1.7	1.7	1.6	1.6	2.2	2.3	2.6	2.7	1.7	16	358
Slovakia	1.9	1.8	1.8	1.7	1.8	2.1	2.6	2.2	2.3	2.2	1.9	2.5	2.1	0.3	18	431
Finland	5.3	5.2	5.5	5.5	5.6	5.7	5.5	5.4	5.4	5.9	5.9	5.9	6.1	0.8	7	5 185
Sweden	7.5	7.9	8.4	9.5	9.4	8.6	8.9	8.0	8.1	8.3	7.6	7.0	7.2	-0.2	2	13 041
United Kingdom	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.3	0.5	0.6	0.6	0.1	23	4 031
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	2.9	2.9	2.9	3.0	2.8	2.6	2.5	2.7	2.6	3.1	3.0	2.7	2.8	-0.1		4 559
EU-28 averages															Total	246 553
weighted	:	:	4.4	4.5	4.5	4.5	4.4	4.1	4.4	4.9	4.9	4.8	4.8	:		
arithmetic	:	:	3.0	3.1	3.1	3.0	3.1	3.0	3.1	3.5	3.4	3.4	3.5	:		
EU-27 averages																
weighted	4.3	4.3	4.4	4.5	4.5	4.5	4.4	4.1	4.4	4.9	4.9	4.8	4.8	0.6		
arithmetic	3.0	3.0	3.1	3.2	3.2	3.1	3.2	3.1	3.2	3.6	3.5	3.5	3.6	0.6		
EA-18 averages															Total	210 632
weighted	4.8	4.9	5.0	5.0	5.1	5.1	5.0	4.7	4.9	5.4	5.5	5.5	5.5	0.6		
arithmetic	3.0	3.1	3.1	3.2	3.3	3.3	3.3	3.1	3.2	3.6	3.6	3.7	3.8	0.8		
EA-17 averages																
weighted	4.8	4.9	5.0	5.1	5.1	5.2	5.0	4.7	4.9	5.4	5.5	5.5	5.5	0.7		
arithmetic	3.2	3.2	3.3	3.4	3.4	3.5	3.5	3.3	3.4	3.8	3.8	3.9	4.0	0.8		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 54: Taxes on Capital as % of GDP — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	9.5	9.4	9.3	9.2	9.7	9.9	10.1	9.9	9.9	8.7	8.9	9.2	10.0	0.5	4	37 601
Bulgaria	4.4	5.5	4.7	4.5	4.5	3.8	4.1	6.5	5.3	4.5	4.0	3.9	3.9	-0.6	23	1 529
Czech Republic	5.9	6.4	6.7	7.0	6.8	6.6	6.7	6.8	6.1	5.6	5.2	5.3	5.2	-0.7	21	7 982
Denmark	7.2	6.0	6.1	6.6	8.2	10.0	8.9	7.9	7.1	5.8	8.3	8.4	8.9	1.7	8	21 771
Germany	6.6	5.1	4.9	5.0	5.3	5.9	6.5	6.8	6.4	5.6	5.5	6.1	6.2	-0.4	16	165 496
Estonia	2.0	1.7	2.2	2.6	2.6	2.6	2.5	2.6	2.7	2.7	2.3	2.1	2.3	0.3	28	402
Ireland	8.0	7.8	7.4	8.3	8.5	8.8	10.2	9.4	7.4	6.3	6.2	6.3	6.5	-1.5	14	10 597
Greece	10.1	8.6	8.4	7.9	7.6	8.0	7.8	8.0	7.9	7.6	6.9	8.1	7.3	-2.7	11	14 235
Spain	8.9	8.4	8.8	8.8	9.4	10.2	10.9	11.3	8.3	7.3	6.8	6.6	7.5	-1.4	10	76 711
France	10.4	10.5	9.9	9.6	9.9	10.1	10.7	10.6	10.4	9.0	9.5	10.2	10.6	0.2	3	215 268
Croatia	:	:	4.0	3.9	3.7	4.1	4.6	5.0	4.8	4.3	3.7	4.0	3.7	:	26	1 613
Italy	10.2	10.2	9.7	10.4	9.7	9.3	10.5	11.1	10.6	10.5	9.6	9.6	10.6	0.4	2	166 555
Cyprus	10.0	9.3	9.0	7.7	7.8	9.1	10.0	14.0	12.3	9.6	9.5	9.9	9.2	-0.8	6	1 630
Latvia	3.1	3.6	3.3	2.8	2.9	3.0	3.3	4.1	4.2	2.6	2.4	3.2	3.5	0.4	27	786
Lithuania	3.3	2.9	2.8	3.3	3.8	4.1	4.7	4.5	4.6	4.4	3.9	3.5	3.8	0.5	24	1 243
Luxembourg	13.3	13.4	13.5	12.5	10.9	11.5	11.2	11.2	10.8	11.2	11.2	10.7	10.8	-2.5	1	4 640
Hungary	4.7	4.8	4.8	4.8	4.7	4.7	5.1	5.8	5.4	5.7	5.2	5.1	5.3	0.6	20	5 149
Malta	6.1	6.0	7.1	7.6	7.3	8.0	7.9	10.0	9.2	9.2	8.9	8.7	8.9	2.9	7	612
Netherlands	8.0	8.2	7.6	6.7	6.9	7.3	7.3	7.3	7.1	5.9	6.1	5.8	5.6	-2.5	19	33 266
Austria	6.9	8.5	7.2	6.9	7.0	6.7	6.7	7.1	7.3	6.5	6.4	6.6	6.6	-0.3	13	20 174
Poland	7.2	7.0	7.7	7.4	7.5	7.9	8.1	8.9	8.6	7.9	7.4	7.4	7.7	0.5	9	29 359
Portugal	7.8	7.3	7.6	7.5	6.7	6.6	6.8	7.7	7.9	7.0	6.6	7.2	6.8	-1.0	12	11 291
Romania	5.5	5.1	4.8	5.0	5.4	4.5	4.9	5.4	5.2	4.8	4.3	4.7	4.2	-1.2	22	5 588
Slovenia	3.3	3.4	3.7	3.7	4.1	4.9	5.2	5.7	4.9	4.2	4.2	3.9	3.7	0.4	25	1 302
Slovakia	6.7	7.0	7.1	6.9	6.4	6.3	6.3	6.5	6.2	5.9	5.4	5.6	6.0	-0.7	17	4 274
Finland	10.4	8.2	8.0	7.1	7.4	7.4	7.6	8.2	7.5	6.0	6.7	6.7	6.3	-4.0	15	12 174
Sweden	8.3	6.1	5.1	5.2	6.0	7.1	7.5	7.6	6.0	5.9	6.5	6.1	5.7	-2.6	18	23 432
United Kingdom	10.7	10.6	9.9	9.6	9.9	10.5	11.4	11.0	12.5	10.4	9.9	9.9	9.7	-1.0	5	187 074
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	12.7	12.6	11.7	11.4	13.2	15.1	15.9	14.4	15.3	12.6	13.5	14.3	13.8	1.2		53 868
EU-28 averages															Total	1 061 752
weighted	:	:	8.0	8.0	8.2	8.5	9.2	9.3	8.9	7.8	7.7	7.9	8.2	:		
arithmetic	:	:	6.8	6.7	6.8	7.1	7.4	7.9	7.4	6.6	6.5	6.6	6.7	:		
EU-27 averages																
weighted	8.9	8.4	8.0	8.0	8.2	8.5	9.2	9.3	8.9	7.8	7.7	7.9	8.2	-0.7		
arithmetic	7.4	7.1	6.9	6.8	6.9	7.2	7.5	8.0	7.5	6.7	6.6	6.7	6.8	-0.6		
EA-18 averages															Total	777 013
weighted	8.7	8.2	7.8	7.9	8.0	8.3	8.9	9.2	8.5	7.6	7.5	7.8	8.2	-0.5		
arithmetic	7.9	7.6	7.5	7.3	7.2	7.5	7.9	8.4	7.8	7.0	6.8	7.0	7.1	-0.7		
EA-17 averages																
weighted	8.7	8.2	7.8	7.9	8.0	8.3	8.9	9.2	8.5	7.6	7.5	7.8	8.2	-0.5		
arithmetic	8.1	7.8	7.7	7.6	7.5	7.8	8.1	8.7	8.0	7.2	7.1	7.3	7.3	-0.8		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 55: Taxes on Capital as % of Total Taxation — Total

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	21.1	20.8	20.6	20.5	21.6	22.0	22.8	22.5	22.3	20.0	20.4	20.8	22.0	1.0	10	37 601
Bulgaria	14.0	17.9	16.6	14.6	13.9	12.2	13.2	19.5	16.6	15.4	14.4	14.3	13.8	-0.2	22	1 529
Czech Republic	17.4	18.8	19.3	19.6	19.0	18.4	18.9	19.0	17.7	16.9	15.4	15.2	14.9	-2.5	18	7 982
Denmark	14.6	12.4	12.8	13.7	16.7	19.8	17.9	16.2	14.8	12.0	17.6	17.6	18.4	3.8	14	21 771
Germany	16.1	13.0	12.5	12.7	14.0	15.3	16.8	17.5	16.3	14.1	14.6	15.8	15.9	-0.2	15	165 496
Estonia	6.6	5.6	7.1	8.5	8.6	8.3	8.2	8.3	8.4	7.8	6.8	6.6	7.1	0.6	28	402
Ireland	25.3	26.2	26.0	28.6	28.3	28.8	31.8	29.9	25.2	22.3	22.2	22.2	22.5	-2.7	9	10 597
Greece	29.1	25.9	25.0	24.7	24.2	24.9	24.7	24.5	24.6	24.9	21.9	25.0	21.8	-7.3	11	14 235
Spain	26.0	25.0	25.7	25.9	27.0	28.3	29.8	30.5	25.2	23.7	21.2	20.9	22.9	-3.1	8	76 711
France	23.6	23.9	22.9	22.2	22.8	23.0	24.3	24.5	24.0	21.3	22.3	23.2	23.6	0.0	7	215 268
Croatia	:	:	10.7	10.5	10.2	11.3	12.5	13.3	12.9	11.8	10.1	11.3	10.3	:	26	1 613
Italy	24.7	24.9	23.9	25.3	24.1	23.2	25.1	26.0	24.9	24.4	22.5	22.7	24.2	-0.6	5	166 555
Cyprus	33.5	30.2	29.0	23.9	23.7	25.9	28.0	35.0	31.8	27.1	26.7	28.1	26.1	-7.4	4	1 630
Latvia	10.5	12.4	11.6	9.6	10.1	10.4	10.7	13.2	14.2	9.8	8.7	11.7	12.6	2.1	25	786
Lithuania	10.5	9.9	9.7	11.6	13.3	14.0	15.6	14.7	15.0	14.5	13.6	12.7	13.9	3.3	21	1 243
Luxembourg	34.1	33.8	34.2	32.8	29.3	30.7	31.3	31.5	28.9	28.2	29.4	28.0	27.5	-6.5	1	4 640
Hungary	11.8	12.5	12.6	12.7	12.6	12.7	13.6	14.3	13.3	14.1	13.7	13.6	13.5	1.8	23	5 149
Malta	22.3	20.9	23.8	25.1	23.2	24.3	23.9	29.4	28.0	27.6	27.5	26.3	26.6	4.3	3	612
Netherlands	20.1	21.4	20.1	18.0	18.3	19.3	18.7	18.9	18.1	15.5	15.7	14.9	14.2	-5.9	20	33 266
Austria	15.9	18.9	16.5	15.9	16.3	16.0	16.2	17.1	17.1	15.2	15.2	15.6	15.2	-0.7	16	20 174
Poland	22.0	21.7	23.7	22.9	23.7	24.1	23.8	25.6	25.2	24.8	23.3	22.9	23.7	1.7	6	29 359
Portugal	25.1	23.7	24.2	23.8	21.8	20.9	21.1	23.5	24.1	22.7	20.9	21.6	21.1	-4.0	13	11 291
Romania	18.1	18.0	17.2	18.2	19.7	16.2	17.1	18.5	18.7	17.9	16.3	16.4	15.0	-3.1	17	5 588
Slovenia	8.9	9.1	9.7	9.8	10.7	12.7	13.6	15.1	13.1	11.2	11.1	10.6	9.8	0.9	27	1 302
Slovakia	19.7	21.1	21.4	21.0	20.4	20.0	21.6	22.0	21.5	20.4	19.3	19.7	21.2	1.5	12	4 274
Finland	21.9	18.4	17.9	16.1	17.0	16.9	17.4	19.1	17.5	13.9	15.7	15.4	14.3	-7.6	19	12 174
Sweden	16.1	12.3	10.8	10.9	12.5	14.6	15.5	16.1	12.9	12.7	14.3	13.7	13.0	-3.1	24	23 432
United Kingdom	29.3	29.5	28.4	27.8	28.3	29.6	31.5	30.8	33.6	30.2	28.3	27.7	27.4	-2.0	2	187 074
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	29.8	29.3	27.1	26.9	30.6	34.8	36.5	33.6	36.4	30.0	31.6	33.5	32.8	3.0		53 868
EU-28 averages															Total	1 061 752
weighted	:	:	20.7	20.5	21.2	21.9	23.2	23.6	22.6	20.4	20.1	20.4	20.8	:		
arithmetic	:	:	19.1	18.8	19.0	19.4	20.2	21.3	20.2	18.6	18.2	18.4	18.3	:		
EU-27 averages																
weighted	22.1	21.4	20.7	20.6	21.2	22.0	23.3	23.6	22.6	20.4	20.2	20.5	20.8	-1.2		
arithmetic	19.9	19.6	19.4	19.1	19.3	19.7	20.5	21.6	20.5	18.8	18.5	18.6	18.6	-1.3		
EA-18 averages															Total	777 013
weighted	21.2	20.4	19.8	19.9	20.4	21.0	22.3	22.9	21.4	19.5	19.2	19.8	20.2	-1.0		
arithmetic	21.4	20.8	20.7	20.3	20.1	20.6	21.4	22.7	21.4	19.4	19.0	19.4	19.4	-2.0		
EA-17 averages																
weighted	21.2	20.4	19.8	19.9	20.4	21.0	22.3	22.9	21.5	19.5	19.2	19.8	20.3	-1.0		
arithmetic	22.0	21.3	21.2	20.9	20.7	21.2	22.1	23.2	21.8	20.0	19.6	19.9	19.8	-2.2		

(°) In percentage points.

(°) In millions of euro.

Sums by main economic functions may not add up, see explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 56: Taxes on Capital as % of GDP — Capital and business income

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	6.1	6.1	5.9	5.7	5.9	6.2	6.3	6.2	6.2	5.1	5.2	5.5	5.9	-0.3	7	22 078
Bulgaria	4.0	5.1	4.2	3.9	3.8	3.0	3.2	5.6	4.3	3.7	3.2	3.1	3.1	-0.9	23	1 231
Czech Republic	4.9	5.5	5.8	6.1	6.2	5.9	6.0	6.1	5.4	5.0	4.5	4.6	4.6	-0.4	16	6 985
Denmark	4.8	3.4	3.5	3.8	5.4	7.3	6.2	5.2	4.2	2.9	5.5	5.5	6.1	1.4	5	15 064
Germany	5.5	4.0	3.8	3.9	4.3	4.8	5.4	5.7	5.3	4.5	4.5	5.1	5.1	-0.4	11	136 836
Estonia	1.4	1.1	1.6	2.1	2.0	2.0	2.0	2.1	2.1	2.1	1.7	1.6	1.7	0.3	28	300
Ireland	6.0	5.8	5.6	6.1	6.2	6.2	7.1	6.6	5.2	4.3	4.3	4.1	4.3	-1.7	19	7 044
Greece	7.7	6.6	6.8	6.4	6.2	6.6	6.0	6.1	6.0	5.9	5.7	5.8	4.9	-2.8	13	9 538
Spain	6.1	5.6	5.9	5.8	6.1	6.6	7.1	7.8	5.5	4.8	4.3	4.2	4.6	-1.4	15	47 782
France	5.9	6.1	5.5	5.2	5.3	5.4	6.1	5.9	5.9	4.3	5.1	5.5	5.8	-0.1	8	118 041
Croatia	:	:	3.0	2.9	2.7	3.1	3.6	3.8	3.6	3.2	2.6	2.9	2.6	:	25	1 153
Italy	8.1	8.2	7.3	8.3	7.4	7.1	8.2	8.8	8.6	7.6	7.4	7.2	7.6	-0.5	2	119 178
Cyprus	7.6	7.4	7.4	6.0	5.3	6.4	7.7	10.6	9.7	7.8	7.6	8.2	7.4	-0.2	4	1 303
Latvia	1.8	2.0	2.2	1.7	1.9	2.1	2.4	2.9	3.3	1.7	1.2	1.8	2.1	0.3	27	462
Lithuania	2.4	2.1	2.0	2.7	3.1	3.5	4.1	3.9	4.1	3.8	3.2	2.9	3.2	0.8	22	1 047
Luxembourg	9.1	9.5	10.2	9.6	8.0	8.3	7.8	7.7	8.0	8.5	8.4	7.9	8.0	-1.2	1	3 412
Hungary	3.6	3.7	3.7	3.6	3.3	3.3	3.7	4.2	3.8	4.0	2.6	2.5	2.5	-1.1	26	2 422
Malta	5.0	4.8	5.1	5.7	5.3	5.6	5.8	7.7	7.5	7.6	7.3	7.2	7.5	2.5	3	512
Netherlands	5.3	5.7	5.0	4.3	4.3	4.6	4.7	4.7	4.6	3.5	3.7	3.5	3.4	-1.9	20	20 343
Austria	5.8	7.4	6.1	5.8	6.0	5.7	5.7	6.1	6.3	5.5	5.4	5.7	5.6	-0.1	9	17 241
Poland	5.5	5.3	5.8	5.6	5.7	6.2	6.2	7.2	6.9	6.2	5.8	5.8	6.1	0.6	6	23 263
Portugal	5.7	5.2	5.1	4.7	4.6	4.4	4.4	5.2	5.5	4.6	4.3	4.9	4.4	-1.3	17	7 256
Romania	4.3	3.9	3.8	4.0	4.5	3.6	3.9	4.2	4.2	3.8	3.2	3.6	3.3	-1.0	21	4 327
Slovenia	2.4	2.5	2.8	2.9	3.2	3.9	4.3	4.8	4.0	3.2	3.2	3.0	2.7	0.3	24	959
Slovakia	5.7	6.0	6.1	6.0	5.5	5.4	5.5	5.7	5.5	5.0	4.6	4.8	4.9	-0.8	12	3 516
Finland	9.0	7.0	6.7	5.9	6.0	6.0	6.3	6.9	6.2	4.6	5.3	5.4	4.9	-4.2	14	9 348
Sweden	6.3	4.3	3.4	3.5	4.3	5.5	5.8	6.2	4.7	4.6	5.1	4.7	4.4	-1.9	18	17 781
United Kingdom	6.3	6.4	5.7	5.4	5.6	6.2	6.9	6.4	6.8	6.0	5.7	5.6	5.4	-1.0	10	103 249
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	7.1	6.9	6.5	6.1	7.0	7.7	8.2	7.8	7.8	7.1	7.6	7.6	7.6	0.5		29 654
EU-28 averages															Total	701 671
weighted	:	:	5.4	5.3	5.5	5.8	6.3	6.4	6.1	5.1	5.2	5.3	5.4	:		
arithmetic	:	:	5.0	4.9	4.9	5.2	5.4	5.9	5.5	4.8	4.7	4.7	4.7	:		
EU-27 averages																
weighted	6.2	5.8	5.4	5.3	5.5	5.8	6.3	6.4	6.1	5.1	5.2	5.3	5.4	-0.8		
arithmetic	5.4	5.2	5.1	5.0	5.0	5.2	5.5	5.9	5.5	4.8	4.7	4.8	4.8	-0.6		
EA-18 averages															Total	525 149
weighted	6.2	5.8	5.4	5.5	5.5	5.7	6.3	6.5	6.1	5.1	5.1	5.3	5.5	-0.7		
arithmetic	5.8	5.6	5.5	5.3	5.2	5.4	5.7	6.2	5.8	5.0	4.9	5.1	5.0	-0.7		
EA-17 averages																
weighted	6.2	5.8	5.4	5.5	5.5	5.7	6.3	6.5	6.1	5.1	5.2	5.4	5.5	-0.7		
arithmetic	6.0	5.8	5.7	5.5	5.4	5.6	5.9	6.4	6.0	5.2	5.2	5.3	5.2	-0.8		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 57: Taxes on Capital as % of Total Taxation — Capital and business income

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	13.6	13.5	13.1	12.7	13.2	13.8	14.3	14.2	13.9	11.6	11.9	12.4	12.9	-0.7	15	22 078
Bulgaria	12.7	16.6	14.7	12.6	11.7	9.7	10.5	16.7	13.4	12.6	11.6	11.4	11.1	-1.6	20	1 231
Czech Republic	14.6	16.2	16.8	17.3	17.1	16.5	16.9	17.1	15.8	15.1	13.5	13.3	13.0	-1.5	13	6 985
Denmark	9.7	7.1	7.2	8.0	11.0	14.3	12.4	10.6	8.8	6.1	11.7	11.6	12.8	3.1	17	15 064
Germany	13.4	10.3	9.8	10.0	11.1	12.5	14.0	14.6	13.7	11.5	11.9	13.2	13.1	-0.3	12	136 836
Estonia	4.4	3.6	5.1	6.7	6.7	6.5	6.4	6.6	6.5	6.1	4.9	4.8	5.3	0.9	28	300
Ireland	19.0	19.7	19.8	21.3	20.6	20.2	22.0	21.0	17.7	15.4	15.2	14.6	15.0	-4.0	8	7 044
Greece	22.2	20.0	20.1	19.9	19.9	20.5	18.8	18.6	18.5	19.3	18.0	17.9	14.6	-7.6	9	9 538
Spain	17.7	16.8	17.2	17.0	17.6	18.3	19.4	20.9	16.8	15.6	13.3	13.3	14.3	-3.5	10	47 782
France	13.4	13.8	12.8	12.0	12.3	12.3	13.7	13.7	13.5	10.2	12.0	12.5	12.9	-0.5	16	118 041
Croatia	:	:	7.9	7.9	7.4	8.6	9.7	10.3	9.8	8.9	7.2	8.3	7.4	:	25	1 153
Italy	19.4	19.8	18.0	20.2	18.4	17.8	19.7	20.7	20.2	17.7	17.3	16.9	17.3	-2.1	6	119 178
Cyprus	25.2	24.3	24.0	18.5	16.2	18.1	21.5	26.5	25.1	22.2	21.4	23.2	20.8	-4.4	2	1 303
Latvia	5.9	7.1	7.9	5.8	6.5	7.2	8.0	9.5	11.3	6.3	4.3	6.5	7.4	1.5	24	462
Lithuania	7.6	7.2	7.0	9.2	10.9	11.9	13.7	12.9	13.3	12.4	11.3	10.5	11.7	4.1	18	1 047
Luxembourg	23.3	23.9	25.9	25.1	21.3	22.0	21.8	21.5	21.3	21.2	22.0	20.8	20.3	-3.0	3	3 412
Hungary	9.1	9.6	9.8	9.4	8.8	8.8	9.9	10.5	9.3	10.1	6.9	6.6	6.4	-2.7	27	2 422
Malta	18.3	16.7	17.0	18.9	16.9	16.9	17.7	22.8	22.7	22.8	22.5	21.7	22.2	3.9	1	512
Netherlands	13.2	14.8	13.3	11.5	11.6	12.4	12.1	12.2	11.8	9.2	9.5	9.2	8.7	-4.5	23	20 343
Austria	13.4	16.4	14.0	13.4	13.9	13.6	13.7	14.7	14.8	13.0	12.9	13.4	13.0	-0.3	14	17 241
Poland	17.0	16.6	17.8	17.3	18.1	18.8	18.3	20.7	20.2	19.7	18.2	18.0	18.8	1.8	4	23 263
Portugal	18.3	16.8	16.2	14.8	15.0	13.9	13.8	15.8	16.7	14.9	13.7	14.7	13.6	-4.7	11	7 256
Romania	14.2	13.7	13.4	14.5	16.5	13.0	13.5	14.6	15.0	14.3	12.1	12.8	11.6	-2.6	19	4 327
Slovenia	6.5	6.6	7.4	7.7	8.3	10.2	11.1	12.7	10.8	8.7	8.6	8.1	7.2	0.7	26	959
Slovakia	16.7	18.1	18.5	18.1	17.5	17.2	18.8	19.3	18.8	17.5	16.4	16.9	17.5	0.7	5	3 516
Finland	19.1	15.7	15.0	13.3	13.9	13.6	14.3	16.0	14.4	10.8	12.4	12.3	11.0	-8.1	21	9 348
Sweden	12.2	8.7	7.2	7.4	9.0	11.2	12.0	13.1	10.1	9.8	11.3	10.7	9.9	-2.3	22	17 781
United Kingdom	17.4	17.7	16.3	15.7	16.1	17.4	19.0	18.1	18.2	17.5	16.1	15.7	15.1	-2.3	7	103 249
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	16.8	16.1	15.0	14.3	16.2	17.8	18.8	18.1	18.4	16.9	17.7	17.8	18.1	1.3		29 654
EU-28 averages															Total	701 671
weighted	:	:	13.8	13.8	14.1	14.8	16.0	16.4	15.5	13.4	13.5	13.7	13.7	:		
arithmetic	:	:	14.0	13.8	13.8	14.2	14.9	15.9	15.1	13.6	13.1	13.3	13.0	:		
EU-27 averages																
weighted	15.3	14.7	13.8	13.8	14.1	14.8	16.0	16.4	15.5	13.4	13.5	13.7	13.8	-1.6		
arithmetic	14.7	14.5	14.3	14.0	14.1	14.4	15.1	16.1	15.3	13.8	13.4	13.4	13.2	-1.5		
EA-18 averages															Total	525 149
weighted	15.3	14.5	13.7	13.8	14.0	14.4	15.7	16.3	15.3	13.0	13.2	13.6	13.7	-1.6		
arithmetic	15.7	15.4	15.3	14.8	14.5	14.8	15.6	16.7	16.0	14.1	13.8	14.0	13.7	-2.0		
EA-17 averages																
weighted	15.3	14.5	13.7	13.8	14.0	14.4	15.7	16.3	15.3	13.0	13.2	13.6	13.7	-1.6		
arithmetic	16.3	15.9	15.7	15.4	15.0	15.3	16.1	17.2	16.3	14.6	14.3	14.5	14.1	-2.2		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 58: Taxes on Capital as % of GDP — Income of Corporations

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	3.2	3.1	3.0	2.9	3.1	3.3	3.5	3.5	3.3	2.4	2.6	2.9	3.1	-0.1	5	11 680
Bulgaria	2.9	4.0	3.1	2.9	2.7	2.0	2.3	4.6	3.3	2.7	2.2	2.1	2.1	-0.8	21	832
Czech Republic	3.3	3.9	4.2	4.4	4.4	4.3	4.6	4.7	4.2	3.5	3.4	3.4	3.3	0.0	4	5 065
Denmark	3.3	2.8	2.9	2.9	3.2	3.9	4.4	3.8	3.3	2.3	2.8	2.8	3.0	-0.2	6	7 466
Germany	2.9	1.7	1.6	1.8	2.2	2.5	2.9	2.9	2.7	2.0	2.2	2.6	2.7	-0.2	11	72 140
Estonia	0.9	0.7	1.1	1.6	1.7	1.4	1.5	1.6	1.6	1.8	1.3	1.2	1.4	0.6	24	252
Ireland	3.8	3.6	3.7	3.8	3.7	3.5	3.9	3.5	2.9	2.4	2.5	2.3	2.4	-1.3	13	4 005
Greece	4.1	3.4	3.4	2.9	3.0	3.3	2.7	2.6	2.5	2.5	2.5	2.1	1.1	-3.0	28	2 174
Spain	3.1	2.9	3.2	3.2	3.5	3.9	4.2	4.8	2.8	2.3	1.9	1.8	2.2	-1.0	18	22 246
France	2.8	3.1	2.6	2.1	2.4	2.3	2.9	2.9	2.7	1.3	1.9	2.3	2.3	-0.5	15	45 983
Croatia	:	:	1.8	2.0	1.9	2.3	2.9	3.1	2.9	2.6	2.0	2.3	2.0	:	22	877
Italy	2.9	3.7	3.1	3.5	3.1	2.9	3.5	4.0	3.7	3.0	2.9	2.8	2.8	0.0	9	44 655
Cyprus	6.2	6.3	6.0	4.4	3.7	4.7	5.5	6.8	7.1	6.5	6.2	6.9	6.3	0.0	2	1 114
Latvia	1.6	1.9	2.0	1.5	1.8	2.0	2.3	2.7	3.2	1.6	1.0	1.4	1.6	0.0	23	357
Lithuania	0.7	0.5	0.6	1.4	1.9	2.1	2.8	2.6	2.7	1.8	1.0	0.8	1.3	0.6	26	433
Luxembourg	7.0	7.3	8.0	7.3	5.7	5.8	5.0	5.3	5.4	5.8	5.9	5.1	5.3	-1.7	3	2 257
Hungary	2.2	2.3	2.3	2.2	2.2	2.2	2.4	2.9	2.7	2.3	1.3	1.3	1.4	-0.9	25	1 327
Malta	3.5	3.3	3.6	4.2	3.6	3.9	4.3	6.2	6.1	6.2	5.9	5.9	6.3	2.8	1	432
Netherlands	4.3	4.2	3.6	3.0	3.3	3.6	3.7	3.5	3.4	2.1	2.3	2.2	2.1	-2.2	20	12 740
Austria	2.2	3.2	2.4	2.3	2.4	2.3	2.3	2.6	2.6	1.9	2.0	2.3	2.4	0.2	14	7 264
Poland	2.4	1.9	2.0	1.8	2.2	2.5	2.4	2.8	2.7	2.3	2.0	2.1	2.1	-0.3	19	8 125
Portugal	3.7	3.3	3.3	2.8	2.9	2.7	2.9	3.6	3.7	2.9	2.8	3.2	2.8	-0.9	10	4 630
Romania	3.0	2.7	2.6	2.8	3.2	2.7	2.8	3.1	3.0	2.7	2.3	2.4	2.2	-0.8	17	2 852
Slovenia	1.2	1.3	1.6	1.7	1.9	2.8	3.0	3.2	2.5	1.8	1.9	1.7	1.3	0.1	27	446
Slovakia	3.5	3.4	3.2	3.4	3.0	3.0	3.2	3.3	3.4	2.7	2.7	2.6	2.6	-0.8	12	1 859
Finland	5.9	4.2	4.2	3.4	3.5	3.3	3.4	3.9	3.5	2.0	2.6	2.7	2.2	-3.7	16	4 213
Sweden	3.8	2.6	2.0	2.2	2.9	3.6	3.6	3.8	2.9	3.0	3.4	3.2	2.9	-0.9	7	11 765
United Kingdom	3.5	3.4	2.8	2.7	2.8	3.3	3.9	3.4	3.6	2.8	3.0	3.1	2.9	-0.6	8	55 236
Iceland	1.4	1.2	1.1	1.4	1.3	2.2	2.4	2.5	2.0	1.8	1.1	1.9	2.0	0.6		215
Norway	5.2	4.9	4.5	4.2	5.2	5.8	6.5	5.9	6.1	5.1	5.6	5.6	5.6	0.5		21 907
EU-28 averages															Total	332 425
weighted	:	:	2.6	2.6	2.8	3.0	3.4	3.4	3.1	2.3	2.4	2.6	2.6	:		
arithmetic	:	:	3.0	2.9	2.9	3.1	3.3	3.6	3.4	2.8	2.7	2.7	2.6	:		
EU-27 averages																
weighted	3.2	2.9	2.6	2.6	2.8	3.0	3.4	3.4	3.1	2.3	2.4	2.6	2.6	-0.6		
arithmetic	3.3	3.1	3.0	2.9	3.0	3.1	3.3	3.6	3.4	2.8	2.7	2.7	2.7	-0.6		
EA-18 averages															Total	238 448
weighted	3.1	2.9	2.6	2.6	2.7	2.9	3.3	3.4	3.0	2.1	2.3	2.5	2.5	-0.6		
arithmetic	3.5	3.4	3.3	3.1	3.0	3.2	3.4	3.7	3.5	2.8	2.8	2.9	2.8	-0.7		
EA-17 averages																
weighted	3.1	2.9	2.6	2.6	2.7	2.9	3.3	3.4	3.0	2.1	2.3	2.5	2.5	-0.6		
arithmetic	3.6	3.4	3.4	3.2	3.1	3.2	3.4	3.8	3.5	2.9	3.0	3.0	2.9	-0.7		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 59: Taxes on Capital as % of Total Taxation — Income of Corporations

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	7.1	6.9	6.7	6.4	6.9	7.4	7.9	7.9	7.6	5.6	6.0	6.6	6.8	-0.3	12	11 680
Bulgaria	9.1	12.9	11.0	9.3	8.4	6.3	7.4	13.8	10.4	9.4	8.1	7.7	7.5	-1.6	10	832
Czech Republic	9.8	11.4	12.0	12.5	12.2	12.2	13.0	13.0	12.2	10.5	10.0	9.8	9.5	-0.3	4	5 065
Denmark	6.6	5.8	6.0	6.1	6.5	7.7	8.8	7.8	6.9	4.9	5.9	5.8	6.3	-0.3	17	7 466
Germany	7.1	4.3	4.2	4.6	5.7	6.5	7.6	7.6	6.9	5.0	5.8	6.7	6.9	-0.2	11	72 140
Estonia	2.9	2.3	3.6	5.1	5.4	4.7	4.9	5.2	5.1	5.2	4.0	3.8	4.5	1.6	25	252
Ireland	11.9	12.1	13.1	13.1	12.1	11.4	12.3	11.2	9.8	8.7	9.0	8.3	8.5	-3.4	7	4 005
Greece	12.0	10.1	10.0	9.1	9.6	10.3	8.6	7.9	7.8	8.1	7.7	6.5	3.3	-8.6	28	2 174
Spain	9.2	8.5	9.3	9.3	10.1	10.9	11.4	12.8	8.6	7.5	5.9	5.7	6.6	-2.6	13	22 246
France	6.3	7.0	5.9	5.0	5.4	5.3	6.6	6.7	6.3	3.0	4.5	5.2	5.0	-1.3	22	45 983
Croatia	:	:	4.9	5.2	5.0	6.3	7.7	8.3	7.9	7.1	5.4	6.6	5.6	:	19	877
Italy	6.9	9.0	7.7	8.6	7.6	7.2	8.4	9.2	8.7	7.0	6.8	6.6	6.5	-0.5	16	44 655
Cyprus	20.9	20.4	19.6	13.5	11.3	13.3	15.3	16.9	18.4	18.4	17.4	19.5	17.8	-3.0	2	1 114
Latvia	5.3	6.6	7.1	5.3	6.1	6.9	7.5	8.9	10.9	5.9	3.5	5.1	5.7	0.5	18	357
Lithuania	2.2	1.8	2.0	4.8	6.4	7.1	9.2	8.5	8.9	6.0	3.5	3.0	4.8	2.6	24	433
Luxembourg	17.8	18.4	20.4	19.2	15.3	15.4	13.8	14.8	14.3	14.7	15.4	13.5	13.4	-4.4	3	2 257
Hungary	5.6	6.0	6.1	5.9	5.7	5.8	6.4	7.1	6.7	5.8	3.5	3.5	3.5	-2.1	26	1 327
Malta	12.9	11.5	11.9	13.9	11.6	11.8	12.9	18.4	18.5	18.4	18.4	17.7	18.7	5.8	1	432
Netherlands	10.9	11.0	9.4	8.1	8.8	9.7	9.4	9.1	8.8	5.6	6.0	5.8	5.4	-5.4	21	12 740
Austria	5.0	7.2	5.5	5.3	5.6	5.5	5.6	6.2	6.2	4.4	4.8	5.5	5.5	0.4	20	7 264
Poland	7.5	5.8	6.3	5.6	7.1	7.6	7.1	7.9	7.9	7.2	6.3	6.4	6.6	-0.9	14	8 125
Portugal	12.0	10.6	10.5	8.8	9.4	8.5	9.1	10.9	11.1	9.2	9.0	9.7	8.7	-3.3	6	4 630
Romania	9.8	9.3	9.3	10.1	11.6	9.8	10.0	10.5	10.7	9.9	8.6	8.3	7.6	-2.1	9	2 852
Slovenia	3.1	3.4	4.1	4.6	5.0	7.2	7.7	8.6	6.7	4.9	5.0	4.5	3.4	0.2	27	446
Slovakia	10.1	10.2	9.8	10.3	9.4	9.4	10.8	11.1	11.6	9.5	9.7	9.2	9.2	-0.9	5	1 859
Finland	12.5	9.4	9.3	7.7	8.1	7.6	7.7	9.0	8.1	4.7	6.0	6.3	5.0	-7.5	23	4 213
Sweden	7.3	5.3	4.3	4.6	6.0	7.3	7.5	8.1	6.3	6.4	7.4	7.3	6.5	-0.8	15	11 765
United Kingdom	9.7	9.5	8.1	7.9	8.1	9.3	10.8	9.4	9.6	8.0	8.7	8.6	8.1	-1.6	8	55 236
Iceland	3.8	3.4	3.0	3.8	3.4	5.3	5.9	6.3	5.6	5.3	3.0	5.3	5.5	1.7		215
Norway	12.1	11.5	10.5	10.0	12.1	13.4	15.0	13.7	14.4	12.3	13.1	13.2	13.3	1.2		21 907
EU-28 averages															Total	332 425
weighted	:	:	6.8	6.7	7.1	7.6	8.6	8.7	7.9	5.9	6.3	6.6	6.5	:		
arithmetic	:	:	8.5	8.2	8.2	8.5	9.1	9.9	9.4	7.9	7.6	7.6	7.4	:		
EU-27 averages																
weighted	7.9	7.5	6.8	6.7	7.2	7.6	8.6	8.7	7.9	5.9	6.3	6.6	6.5	-1.4		
arithmetic	8.9	8.8	8.6	8.3	8.4	8.6	9.2	9.9	9.4	7.9	7.7	7.6	7.5	-1.5		
EA-18 averages															Total	238 448
weighted	7.6	7.2	6.7	6.6	7.0	7.2	8.2	8.5	7.6	5.5	5.9	6.2	6.2	-1.4		
arithmetic	9.7	9.4	9.3	8.8	8.5	8.8	9.3	10.1	9.8	8.1	8.0	8.1	7.8	-1.8		
EA-17 averages																
weighted	7.6	7.2	6.7	6.6	7.0	7.2	8.2	8.5	7.6	5.5	5.9	6.2	6.2	-1.4		
arithmetic	9.9	9.5	9.5	9.0	8.7	8.9	9.4	10.2	9.7	8.2	8.3	8.3	8.0	-2.0		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 60: Taxes on Capital as % of GDP — Income of households

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	0.5	0.6	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.3	0.2	0.2	0.4	-0.1	18	1 494
Bulgaria	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.2	0.2	0.2	0.2	23	93
Czech Republic	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	26	134
Denmark	0.4	-0.6	-0.5	-0.1	1.2	2.3	0.7	0.3	0.1	-0.2	2.0	1.9	2.2	1.8	1	5 394
Germany	0.4	0.3	0.3	0.4	0.4	0.4	0.6	0.7	0.7	0.6	0.5	0.6	0.6	0.2	14	15 821
Estonia	0.2	0.1	0.2	0.2	0.1	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	-0.1	25	18
Ireland	1.1	1.1	0.8	1.4	1.5	1.6	2.1	2.0	1.3	0.9	0.8	0.7	0.8	-0.3	11	1 260
Greece	1.2	1.0	1.0	0.9	0.8	0.9	0.9	0.9	0.9	0.9	0.9	1.2	1.4	0.3	2	2 794
Spain	0.9	0.8	0.8	0.7	0.7	0.8	1.1	1.2	1.0	0.9	0.8	0.8	0.8	0.0	10	8 535
France	0.7	0.6	0.7	0.7	0.6	0.7	0.9	0.8	0.9	0.8	0.9	0.9	1.2	0.5	6	23 861
Croatia	:	:	0.6	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	:	20	149
Italy	1.9	1.3	1.2	1.1	1.0	1.0	1.2	1.3	1.3	1.3	1.1	1.0	1.3	-0.6	4	20 824
Cyprus	0.9	0.7	0.8	1.1	1.1	1.2	1.7	3.3	2.1	0.8	0.9	0.7	0.5	-0.4	16	84
Latvia	0.2	0.1	0.2	0.1	0.0	0.0	0.1	0.1	0.1	0.0	0.1	0.3	0.4	0.2	17	90
Lithuania	0.1	0.2	0.3	0.2	0.3	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.1	22	78
Luxembourg	0.8	0.9	0.8	0.9	0.9	1.2	1.7	1.4	1.7	1.4	1.4	1.4	1.3	0.5	5	548
Hungary	0.7	0.6	0.7	0.7	0.6	0.6	0.6	0.7	0.4	1.1	0.7	0.6	0.5	-0.2	15	484
Malta	0.3	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.3	0.4	0.3	0.3	0.2	-0.1	24	16
Netherlands	-1.4	-0.6	-0.7	-0.8	-0.9	-1.0	-1.0	-0.9	-1.0	-0.9	-0.9	-1.0	-1.0	0.4	28	-6 246
Austria	0.9	0.9	0.9	0.8	0.8	0.8	0.9	1.1	1.3	1.1	0.9	0.9	0.8	0.0	9	2 588
Poland	0.2	0.1	0.2	0.3	0.2	0.2	0.2	0.5	0.4	0.3	0.3	0.3	0.3	0.2	19	1 296
Portugal	1.0	0.9	0.9	0.9	0.8	0.8	0.7	0.9	1.0	1.0	0.7	0.9	0.9	-0.1	8	1 462
Romania	1.2	1.1	1.0	0.9	1.0	0.6	0.7	0.8	0.9	0.9	0.6	0.7	0.7	-0.5	13	907
Slovenia	0.2	0.2	0.2	0.2	0.3	0.2	0.3	0.5	0.5	0.4	0.3	0.3	0.3	0.1	21	118
Slovakia	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.3	27	48
Finland	1.1	0.9	0.6	0.6	0.7	0.8	0.9	1.1	0.9	0.7	0.8	0.8	0.7	-0.4	12	1 389
Sweden	1.8	0.9	0.6	0.6	0.7	1.1	1.5	1.7	1.1	0.9	1.1	0.9	0.9	-0.8	7	3 758
United Kingdom	1.3	1.4	1.3	1.2	1.3	1.4	1.5	1.6	1.7	1.9	1.3	1.4	1.4	0.0	3	26 660
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	0.8	0.7	0.6	0.6	0.6	0.6	0.7	0.8	0.7	0.9	1.0	1.0	1.0	0.2		3 760
EU-28 averages															Total	113 655
weighted	:	:	0.7	0.7	0.7	0.8	0.9	1.0	0.9	0.9	0.8	0.8	0.9	:		
arithmetic	:	:	0.5	0.5	0.6	0.6	0.7	0.8	0.7	0.6	0.6	0.6	0.6	:		
EU-27 averages																
weighted	0.8	0.7	0.7	0.7	0.7	0.8	0.9	1.0	0.9	0.9	0.8	0.8	0.9	0.0		
arithmetic	0.6	0.5	0.5	0.5	0.6	0.7	0.7	0.8	0.7	0.6	0.6	0.6	0.6	0.0		
EA-18 averages															Total	74 703
weighted	0.7	0.6	0.6	0.6	0.6	0.6	0.8	0.8	0.8	0.7	0.7	0.7	0.8	0.1		
arithmetic	0.6	0.6	0.5	0.6	0.5	0.6	0.7	0.9	0.8	0.6	0.5	0.6	0.6	0.0		
EA-17 averages																
weighted	0.7	0.6	0.6	0.6	0.6	0.6	0.8	0.8	0.8	0.7	0.7	0.7	0.8	0.1		
arithmetic	0.6	0.6	0.6	0.6	0.6	0.6	0.8	0.9	0.8	0.6	0.6	0.6	0.6	0.0		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 61: Taxes on Capital as % of Total Taxation — Income of households

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.2	1.3	1.2	1.0	1.1	1.3	1.2	1.2	1.1	0.7	0.5	0.5	0.9	-0.3	21	1 494
Bulgaria	0.3	0.3	0.3	0.2	0.2	0.2	0.3	0.5	0.8	0.9	0.8	0.9	0.8	0.6	23	93
Czech Republic	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	-0.2	26	134
Denmark	0.8	-1.2	-1.0	-0.3	2.5	4.5	1.5	0.7	0.2	-0.4	4.1	4.0	4.6	3.7	1	5 394
Germany	0.9	0.8	0.7	1.1	1.1	1.1	1.4	1.7	1.8	1.6	1.4	1.7	1.5	0.6	14	15 821
Estonia	0.5	0.4	0.6	0.7	0.4	1.0	0.8	0.8	0.6	0.2	0.3	0.4	0.3	-0.2	25	18
Ireland	3.4	3.8	2.7	4.8	4.8	5.3	6.5	6.4	4.3	3.1	2.7	2.6	2.7	-0.7	7	1 260
Greece	3.4	3.1	3.0	2.8	2.7	2.8	2.9	2.9	3.0	2.8	2.8	3.6	4.3	0.9	2	2 794
Spain	2.6	2.4	2.3	2.1	1.9	2.2	3.0	3.1	3.0	2.8	2.3	2.6	2.5	0.0	9	8 535
France	1.6	1.3	1.5	1.5	1.5	1.6	2.0	1.9	2.0	2.0	2.2	2.0	2.6	1.0	8	23 861
Croatia	:	:	1.5	1.2	1.2	0.9	0.9	0.9	0.8	0.9	0.9	0.8	1.0	:	19	149
Italy	4.6	3.2	2.9	2.6	2.4	2.6	3.0	3.1	3.1	2.9	2.5	2.4	3.0	-1.6	5	20 824
Cyprus	2.9	2.4	2.7	3.5	3.4	3.5	4.9	8.3	5.5	2.2	2.4	2.1	1.3	-1.5	16	84
Latvia	0.5	0.3	0.6	0.3	0.2	0.0	0.2	0.4	0.2	0.2	0.5	1.2	1.4	0.9	15	90
Lithuania	0.5	0.7	0.9	0.8	1.1	1.4	1.0	1.1	1.1	0.5	0.6	0.7	0.9	0.4	22	78
Luxembourg	2.0	2.2	2.1	2.4	2.3	3.2	4.8	3.8	4.5	3.5	3.5	3.7	3.3	1.3	4	548
Hungary	1.7	1.6	1.8	1.8	1.5	1.6	1.7	1.8	1.1	2.6	1.9	1.5	1.3	-0.4	17	484
Malta	1.2	1.3	1.3	1.3	1.6	1.5	1.2	1.1	1.1	1.1	0.9	0.9	0.7	-0.5	24	16
Netherlands	-3.6	-1.6	-1.7	-2.1	-2.5	-2.6	-2.6	-2.3	-2.5	-2.3	-2.3	-2.5	-2.7	0.9	28	-6 246
Austria	2.0	2.1	2.1	1.9	1.8	1.8	2.1	2.7	3.0	2.5	2.2	2.2	2.0	-0.1	12	2 588
Poland	0.5	0.4	0.7	0.8	0.5	0.5	0.6	1.4	1.0	0.8	0.9	0.9	1.0	0.5	18	1 296
Portugal	3.3	3.1	2.9	2.9	2.6	2.4	2.3	2.6	3.1	3.2	2.3	2.8	2.7	-0.5	6	1 462
Romania	4.0	3.8	3.4	3.3	3.5	2.3	2.6	2.8	3.2	3.2	2.4	2.4	2.4	-1.6	10	907
Slovenia	0.6	0.6	0.6	0.6	0.7	0.5	0.8	1.3	1.3	1.0	0.9	0.9	0.9	0.3	20	118
Slovakia	1.0	1.0	0.7	0.6	0.4	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.2	-0.7	27	48
Finland	2.4	2.0	1.2	1.3	1.6	1.9	2.1	2.5	2.0	1.5	1.8	1.7	1.6	-0.7	13	1 389
Sweden	3.4	1.9	1.3	1.3	1.5	2.2	3.0	3.5	2.3	2.0	2.5	2.1	2.1	-1.3	11	3 758
United Kingdom	3.7	4.0	3.8	3.5	3.7	3.9	4.1	4.5	4.5	5.6	3.8	3.8	3.9	0.2	3	26 660
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	1.8	1.7	1.5	1.4	1.3	1.5	1.5	1.9	1.8	2.2	2.3	2.3	2.3	0.5		3 760
EU-28 averages															Total	113 655
weighted	:	:	1.8	1.7	1.8	2.0	2.2	2.4	2.3	2.2	2.0	2.0	2.2	:		
arithmetic	:	:	1.5	1.5	1.6	1.7	1.9	2.1	1.9	1.6	1.6	1.7	1.7	:		
EU-27 averages																
weighted	2.1	1.9	1.8	1.7	1.8	2.0	2.2	2.4	2.3	2.2	2.0	2.0	2.2	0.1		
arithmetic	1.7	1.5	1.4	1.5	1.6	1.7	1.9	2.2	1.9	1.7	1.6	1.7	1.7	0.0		
EA-18 averages															Total	74 703
weighted	1.8	1.6	1.5	1.5	1.4	1.6	1.9	2.1	2.0	1.9	1.7	1.7	1.9	0.2		
arithmetic	1.7	1.6	1.5	1.6	1.6	1.7	2.0	2.3	2.1	1.6	1.5	1.6	1.6	-0.1		
EA-17 averages																
weighted	1.8	1.6	1.5	1.5	1.4	1.6	1.9	2.1	2.0	1.9	1.7	1.7	1.9	0.2		
arithmetic	1.8	1.7	1.6	1.7	1.6	1.8	2.2	2.4	2.2	1.7	1.6	1.6	1.6	-0.1		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 62: Taxes on Capital as % of GDP — Income of self-employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.2	2.3	2.3	2.4	2.3	2.4	-0.1	5	8 903
Bulgaria	1.1	1.0	1.0	0.9	1.0	1.0	0.9	0.8	0.7	0.7	0.8	0.8	0.8	-0.3	20	305
Czech Republic	1.4	1.4	1.5	1.6	1.6	1.4	1.3	1.3	1.1	1.4	1.1	1.2	1.2	-0.3	14	1 787
Denmark	1.1	1.2	1.0	1.0	1.0	1.1	1.1	1.1	0.8	0.8	0.8	0.8	0.9	-0.2	19	2 205
Germany	2.2	2.0	1.9	1.7	1.7	1.9	1.9	2.1	1.9	1.9	1.8	1.9	1.8	-0.4	10	48 874
Estonia	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	-0.2	27	30
Ireland	1.1	1.1	1.1	1.0	1.1	1.1	1.0	1.0	1.1	1.0	1.0	1.0	1.1	-0.1	17	1 779
Greece	2.4	2.3	2.4	2.6	2.4	2.4	2.3	2.6	2.5	2.6	2.4	2.5	2.4	0.0	6	4 571
Spain	2.0	2.0	1.9	1.9	1.9	1.8	1.8	1.9	1.7	1.6	1.6	1.6	1.7	-0.4	11	17 001
France	2.4	2.4	2.3	2.4	2.3	2.4	2.3	2.2	2.2	2.2	2.3	2.3	2.4	-0.1	4	48 196
Croatia	:	:	0.6	0.5	0.4	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	:	26	127
Italy	3.3	3.2	3.0	3.7	3.4	3.2	3.5	3.6	3.5	3.4	3.4	3.3	3.4	0.1	2	53 699
Cyprus	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.2	23	105
Latvia	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	28	15
Lithuania	1.5	1.4	1.2	1.1	1.0	1.0	1.1	1.0	1.0	1.8	2.1	1.9	1.6	0.1	12	536
Luxembourg	1.4	1.3	1.3	1.3	1.4	1.3	1.2	1.0	0.9	1.2	1.1	1.4	1.4	0.0	13	607
Hungary	0.7	0.8	0.7	0.6	0.6	0.5	0.7	0.6	0.6	0.7	0.6	0.6	0.6	-0.1	22	611
Malta	1.1	1.1	1.2	1.1	1.2	1.2	1.2	1.1	1.1	1.1	1.0	1.0	1.0	-0.2	18	65
Netherlands	2.4	2.1	2.1	2.1	2.0	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.3	-0.1	7	13 849
Austria	2.7	3.2	2.8	2.7	2.8	2.6	2.5	2.4	2.4	2.6	2.5	2.4	2.4	-0.3	3	7 389
Poland	2.9	3.3	3.6	3.5	3.3	3.5	3.6	4.0	3.9	3.7	3.5	3.4	3.6	0.7	1	13 842
Portugal	0.9	1.0	0.9	1.0	0.9	0.9	0.8	0.7	0.8	0.8	0.7	0.7	0.7	-0.2	21	1 165
Romania	0.1	0.2	0.2	0.3	0.4	0.3	0.3	0.4	0.3	0.3	0.3	0.6	0.4	0.3	25	569
Slovenia	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	0.1	15	395
Slovakia	1.9	2.3	2.6	2.4	2.4	2.3	2.3	2.3	2.0	2.2	1.8	2.1	2.3	0.3	8	1 609
Finland	2.0	1.9	2.0	1.9	1.8	1.8	2.0	1.9	1.8	1.9	1.9	1.9	1.9	-0.1	9	3 747
Sweden	0.8	0.8	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	-0.2	24	2 259
United Kingdom	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.3	1.3	1.2	1.1	-0.4	16	21 354
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	1.2	1.3	1.3	1.2	1.2	1.3	1.0	1.1	0.9	1.0	1.0	1.0	1.0	-0.2		3 987
EU-28 averages															Total	255 592
weighted	:	:	2.0	2.1	2.0	2.0	2.0	2.1	2.1	2.0	2.0	2.0	2.0	:		
arithmetic	:	:	1.5	1.5	1.5	1.5	1.4	1.5	1.4	1.4	1.4	1.4	1.4	:		
EU-27 averages																
weighted	2.2	2.1	2.0	2.1	2.0	2.0	2.0	2.1	2.1	2.0	2.0	2.0	2.0	-0.2		
arithmetic	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.4	1.5	1.4	1.5	1.5	-0.1		
EA-18 averages															Total	211 998
weighted	2.4	2.3	2.2	2.3	2.2	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	-0.2		
arithmetic	1.7	1.7	1.7	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	-0.1		
EA-17 averages																
weighted	2.4	2.3	2.2	2.3	2.2	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	-0.2		
arithmetic	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	-0.1		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 63: Taxes on Capital as % of Total Taxation — Income of self-employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	5.4	5.4	5.2	5.2	5.2	5.2	5.1	5.0	5.2	5.4	5.4	5.3	5.2	-0.1	9	8 903
Bulgaria	3.4	3.4	3.5	3.0	3.1	3.2	2.8	2.4	2.2	2.3	2.7	2.8	2.8	-0.6	19	305
Czech Republic	4.3	4.3	4.4	4.4	4.5	4.1	3.7	3.8	3.3	4.3	3.3	3.4	3.3	-0.9	15	1 787
Denmark	2.2	2.5	2.2	2.2	2.0	2.1	2.1	2.2	1.7	1.6	1.7	1.8	1.9	-0.4	21	2 205
Germany	5.4	5.2	4.9	4.3	4.4	4.9	4.9	5.3	5.0	4.8	4.8	4.8	4.7	-0.7	11	48 874
Estonia	1.1	1.0	1.0	0.9	0.8	0.8	0.8	0.7	0.7	0.7	0.6	0.6	0.5	-0.5	27	30
Ireland	3.6	3.8	4.0	3.4	3.6	3.5	3.2	3.3	3.6	3.7	3.6	3.7	3.8	0.1	13	1 779
Greece	6.8	6.8	7.1	8.1	7.6	7.4	7.3	7.9	7.7	8.4	7.5	7.8	7.0	0.2	4	4 571
Spain	6.0	5.9	5.7	5.6	5.5	5.1	4.9	5.0	5.1	5.2	5.1	5.0	5.1	-0.9	10	17 001
France	5.5	5.5	5.3	5.5	5.4	5.4	5.2	5.1	5.2	5.3	5.4	5.2	5.3	-0.2	8	48 196
Croatia	:	:	1.5	1.4	1.2	1.4	1.2	1.1	1.1	0.9	0.9	0.8	0.8	:	26	127
Italy	7.9	7.7	7.4	9.0	8.3	8.0	8.3	8.4	8.3	7.8	8.0	7.8	7.8	-0.1	3	53 699
Cyprus	1.5	1.5	1.7	1.6	1.4	1.3	1.3	1.2	1.3	1.6	1.6	1.6	1.7	0.2	22	105
Latvia	0.1	0.1	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.3	0.3	0.3	0.2	0.1	28	15
Lithuania	5.0	4.7	4.1	3.7	3.3	3.4	3.5	3.4	3.3	5.8	7.2	6.8	6.0	1.0	5	536
Luxembourg	3.5	3.3	3.3	3.5	3.6	3.3	3.2	2.9	2.5	3.1	3.0	3.5	3.6	0.1	14	607
Hungary	1.7	2.0	1.8	1.7	1.5	1.5	1.8	1.6	1.6	1.6	1.5	1.6	1.6	-0.1	23	611
Malta	4.2	3.9	3.9	3.7	3.8	3.6	3.5	3.4	3.2	3.2	3.2	3.0	2.8	-1.4	18	65
Netherlands	6.0	5.5	5.7	5.5	5.2	5.3	5.3	5.4	5.5	5.9	5.8	5.9	5.9	0.0	6	13 849
Austria	6.3	7.1	6.5	6.2	6.5	6.3	6.0	5.8	5.7	6.1	5.9	5.8	5.6	-0.7	7	7 389
Poland	9.0	10.3	10.9	11.0	10.6	10.7	10.6	11.4	11.2	11.6	11.0	10.6	11.2	2.2	1	13 842
Portugal	3.0	3.2	2.8	3.1	2.9	2.9	2.5	2.3	2.5	2.5	2.3	2.2	2.2	-0.8	20	1 165
Romania	0.4	0.6	0.6	1.0	1.3	1.0	1.0	1.2	1.2	1.2	1.2	2.1	1.5	1.1	24	569
Slovenia	2.8	2.6	2.6	2.5	2.6	2.6	2.5	2.7	2.7	2.8	2.7	2.7	3.0	0.2	17	395
Slovakia	5.6	6.9	8.0	7.2	7.7	7.5	7.7	7.9	6.8	7.8	6.5	7.5	8.0	2.4	2	1 609
Finland	4.3	4.3	4.5	4.4	4.2	4.2	4.5	4.5	4.3	4.5	4.6	4.3	4.4	0.1	12	3 747
Sweden	1.5	1.6	1.5	1.5	1.5	1.7	1.5	1.5	1.5	1.4	1.4	1.3	1.3	-0.2	25	2 259
United Kingdom	4.0	4.3	4.3	4.4	4.3	4.2	4.1	4.1	4.1	3.9	3.7	3.3	3.1	-0.9	16	21 354
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:		:
Norway	2.9	2.9	3.0	2.8	2.8	2.9	2.3	2.4	2.2	2.5	2.4	2.4	2.4	-0.4		3 987
EU-28 averages															Total	255 592
weighted	:	:	5.2	5.3	5.2	5.2	5.2	5.3	5.2	5.2	5.2	5.1	5.0	:		
arithmetic	:	:	4.1	4.1	4.0	4.0	3.9	3.9	3.8	4.1	3.9	4.0	3.9	:		
EU-27 averages																
weighted	5.3	5.4	5.2	5.3	5.2	5.2	5.2	5.3	5.3	5.3	5.2	5.1	5.0	-0.3		
arithmetic	4.1	4.2	4.2	4.2	4.1	4.0	4.0	4.0	3.9	4.2	4.1	4.1	4.1	0.0		
EA-18 averages															Total	211 998
weighted	5.9	5.8	5.6	5.7	5.6	5.6	5.6	5.7	5.7	5.7	5.6	5.6	5.5	-0.4		
arithmetic	4.4	4.4	4.4	4.4	4.4	4.3	4.3	4.3	4.2	4.4	4.2	4.3	4.3	-0.1		
EA-17 averages																
weighted	5.9	5.8	5.6	5.8	5.6	5.6	5.6	5.7	5.7	5.7	5.6	5.6	5.5	-0.4		
arithmetic	4.6	4.7	4.7	4.7	4.6	4.5	4.5	4.5	4.4	4.6	4.5	4.5	4.5	-0.1		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 64: Taxes on Capital as % of GDP — Stock of capital/ wealth

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	3.4	3.3	3.4	3.5	3.7	3.7	3.8	3.7	3.7	3.6	3.7	3.7	4.1	0.8	3	15 524
Bulgaria	0.4	0.4	0.5	0.6	0.7	0.8	0.8	0.9	1.0	0.8	0.8	0.8	0.8	0.4	25	298
Czech Republic	1.0	0.9	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.7	0.7	-0.3	26	997
Denmark	2.4	2.6	2.7	2.8	2.8	2.8	2.7	2.7	2.9	2.9	2.8	2.8	2.7	0.3	8	6 707
Germany	1.1	1.1	1.0	1.1	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.1	0.0	19	28 660
Estonia	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.6	0.6	0.6	0.6	0.6	-0.1	28	102
Ireland	2.0	1.9	1.7	2.1	2.3	2.6	3.1	2.8	2.2	1.9	1.9	2.2	2.2	0.2	11	3 552
Greece	2.4	1.9	1.6	1.5	1.3	1.4	1.9	1.9	2.0	1.7	1.2	2.3	2.4	0.0	10	4 697
Spain	2.8	2.8	2.9	3.0	3.3	3.6	3.8	3.6	2.8	2.5	2.6	2.4	2.8	0.0	7	28 929
France	4.5	4.4	4.4	4.4	4.6	4.7	4.7	4.7	4.5	4.7	4.4	4.7	4.8	0.3	1	97 228
Croatia	:	:	1.0	1.0	1.0	1.0	1.0	1.1	1.2	1.1	1.1	1.1	1.0	:	21	460
Italy	2.2	2.1	2.4	2.1	2.3	2.2	2.3	2.3	2.0	2.8	2.2	2.4	3.0	0.8	4	47 377
Cyprus	2.5	1.8	1.6	1.7	2.5	2.7	2.3	3.4	2.6	1.7	1.9	1.7	1.8	-0.6	13	327
Latvia	1.4	1.5	1.1	1.1	1.0	0.9	0.8	1.1	0.9	0.9	1.2	1.4	1.5	0.1	17	324
Lithuania	0.9	0.8	0.8	0.7	0.7	0.6	0.6	0.6	0.5	0.7	0.6	0.6	0.6	-0.3	27	196
Luxembourg	4.2	3.9	3.3	2.9	3.0	3.3	3.4	3.6	2.9	2.8	2.8	2.8	2.9	-1.4	5	1 228
Hungary	1.1	1.1	1.1	1.3	1.4	1.5	1.4	1.5	1.6	1.6	2.6	2.6	2.8	1.7	6	2 727
Malta	1.1	1.2	2.0	1.9	2.0	2.4	2.1	2.2	1.7	1.6	1.6	1.5	1.5	0.4	16	100
Netherlands	2.7	2.5	2.5	2.4	2.5	2.6	2.6	2.6	2.5	2.4	2.4	2.2	2.2	-0.6	12	12 923
Austria	1.1	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.0	-0.1	24	2 933
Poland	1.6	1.6	1.9	1.8	1.8	1.7	1.9	1.7	1.7	1.6	1.6	1.6	1.6	0.0	14	6 096
Portugal	2.1	2.1	2.5	2.8	2.1	2.2	2.3	2.5	2.4	2.4	2.3	2.3	2.4	0.3	9	4 035
Romania	1.2	1.2	1.1	1.0	0.9	0.9	1.0	1.1	1.0	1.0	1.1	1.0	1.0	-0.2	23	1 261
Slovenia	0.9	0.9	0.9	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	0.1	22	343
Slovakia	1.0	1.0	1.0	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	1.1	0.0	20	758
Finland	1.3	1.2	1.3	1.2	1.4	1.4	1.3	1.3	1.3	1.3	1.4	1.4	1.5	0.1	15	2 826
Sweden	2.0	1.8	1.7	1.7	1.7	1.6	1.7	1.4	1.3	1.4	1.4	1.3	1.4	-0.6	18	5 650
United Kingdom	4.3	4.2	4.2	4.2	4.3	4.3	4.5	4.5	5.7	4.4	4.2	4.3	4.3	0.0	2	83 825
Iceland	3.6	3.3	3.1	3.2	3.6	3.7	3.8	3.9	3.1	2.7	2.9	2.8	3.1	-0.5		327
Norway	5.5	5.7	5.2	5.3	6.2	7.4	7.7	6.7	7.6	5.5	5.9	6.7	6.2	0.7		24 214
EU-28 averages															Total	360 081
weighted	:	:	2.7	2.6	2.7	2.8	2.9	2.8	2.8	2.7	2.5	2.6	2.8	:		
arithmetic	:	:	1.8	1.8	1.9	1.9	2.0	2.0	1.9	1.8	1.8	1.9	1.9	:		
EU-27 averages																
weighted	2.7	2.6	2.7	2.6	2.7	2.8	2.9	2.8	2.8	2.7	2.5	2.6	2.8	0.1		
arithmetic	1.9	1.9	1.9	1.9	1.9	2.0	2.0	2.0	1.9	1.8	1.8	1.9	2.0	0.0		
EA-18 averages															Total	251 864
weighted	2.4	2.4	2.4	2.4	2.5	2.6	2.6	2.6	2.4	2.5	2.4	2.5	2.6	0.2		
arithmetic	2.1	2.0	2.0	2.0	2.0	2.1	2.2	2.2	2.0	1.9	1.9	2.0	2.1	0.0		
EA-17 averages																
weighted	2.4	2.4	2.4	2.4	2.5	2.6	2.7	2.6	2.4	2.5	2.4	2.5	2.7	0.2		
arithmetic	2.1	2.0	2.0	2.0	2.1	2.2	2.2	2.3	2.1	2.0	1.9	2.0	2.1	0.0		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 65: Taxes on Capital as % of Total Taxation — Stock of capital/ wealth

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	7.5	7.3	7.5	7.8	8.4	8.2	8.5	8.3	8.3	8.3	8.5	8.4	9.1	1.6	3	15 524
Bulgaria	1.3	1.3	1.8	2.0	2.2	2.5	2.7	2.8	3.2	2.8	2.9	2.9	2.7	1.4	23	298
Czech Republic	2.9	2.6	2.4	2.4	1.9	1.9	2.0	1.9	1.9	1.8	1.9	1.9	1.9	-1.0	27	997
Denmark	4.9	5.3	5.6	5.7	5.7	5.5	5.5	5.6	6.0	6.0	5.9	6.0	5.7	0.7	11	6 707
Germany	2.7	2.7	2.7	2.7	2.8	2.8	2.8	2.8	2.7	2.6	2.7	2.7	2.7	0.1	22	28 660
Estonia	2.1	2.0	2.0	1.8	2.0	1.9	1.8	1.7	1.9	1.7	1.9	1.7	1.8	-0.3	28	102
Ireland	6.3	6.5	6.1	7.3	7.7	8.6	9.7	8.9	7.4	6.9	6.9	7.6	7.6	1.2	5	3 552
Greece	6.9	5.9	4.9	4.8	4.3	4.5	5.9	5.9	6.1	5.6	3.8	7.0	7.2	0.3	8	4 697
Spain	8.3	8.2	8.4	8.9	9.5	10.0	10.4	9.6	8.4	8.1	8.0	7.6	8.6	0.3	4	28 929
France	10.2	10.1	10.1	10.2	10.5	10.7	10.6	10.9	10.5	11.1	10.3	10.8	10.6	0.5	2	97 228
Croatia	:	:	2.8	2.6	2.8	2.7	2.8	3.0	3.1	3.0	2.9	3.1	2.9	:	21	460
Italy	5.3	5.0	5.9	5.2	5.7	5.4	5.5	5.3	4.7	6.6	5.2	5.8	6.9	1.6	10	47 377
Cyprus	8.3	5.9	5.0	5.4	7.6	7.8	6.5	8.5	6.7	4.9	5.3	4.9	5.2	-3.1	13	327
Latvia	4.6	5.3	3.7	3.8	3.6	3.2	2.7	3.7	3.0	3.5	4.4	5.2	5.2	0.6	14	324
Lithuania	2.9	2.7	2.7	2.4	2.4	2.0	2.0	1.8	1.7	2.2	2.3	2.2	2.2	-0.7	26	196
Luxembourg	10.8	9.9	8.4	7.7	8.0	8.7	9.5	10.0	7.7	7.0	7.4	7.2	7.3	-3.5	7	1 228
Hungary	2.7	2.8	2.8	3.3	3.8	3.9	3.7	3.8	4.0	4.0	6.8	7.0	7.2	4.5	9	2 727
Malta	3.9	4.2	6.8	6.2	6.3	7.4	6.2	6.6	5.2	4.8	5.0	4.7	4.3	0.4	16	100
Netherlands	6.8	6.6	6.7	6.5	6.7	7.0	6.6	6.8	6.4	6.3	6.2	5.8	5.5	-1.3	12	12 923
Austria	2.6	2.5	2.5	2.5	2.4	2.4	2.5	2.4	2.2	2.3	2.3	2.2	2.2	-0.3	25	2 933
Poland	5.0	5.1	5.9	5.6	5.6	5.3	5.5	4.9	5.0	5.2	5.1	4.9	4.9	-0.1	15	6 096
Portugal	6.8	6.9	8.0	8.9	6.9	7.1	7.3	7.6	7.4	7.8	7.2	7.0	7.6	0.7	6	4 035
Romania	3.9	4.2	3.9	3.7	3.2	3.1	3.6	3.9	3.6	3.6	4.1	3.6	3.4	-0.5	18	1 261
Slovenia	2.4	2.5	2.3	2.1	2.3	2.4	2.4	2.4	2.4	2.5	2.5	2.5	2.6	0.2	24	343
Slovakia	3.0	3.0	3.0	2.9	3.0	2.8	2.9	2.7	2.7	2.9	2.9	2.8	3.8	0.8	17	758
Finland	2.8	2.8	2.8	2.8	3.2	3.2	3.0	3.1	3.1	3.1	3.3	3.2	3.3	0.5	19	2 826
Sweden	3.9	3.6	3.6	3.5	3.5	3.4	3.5	3.0	2.8	2.9	3.0	3.0	3.1	-0.8	20	5 650
United Kingdom	12.0	11.7	12.2	12.1	12.2	12.2	12.5	12.7	15.3	12.7	12.1	12.0	12.3	0.3	1	83 825
Iceland	9.6	9.3	8.7	8.8	9.5	9.2	9.1	9.6	8.6	7.9	8.1	7.9	8.4	-1.2		327
Norway	13.0	13.2	12.1	12.6	14.3	17.0	17.7	15.5	18.0	13.0	13.9	15.7	14.7	1.7		24 214
EU-28 averages															Total	360 081
weighted	:	:	6.9	6.8	7.1	7.1	7.3	7.2	7.1	7.0	6.6	6.7	7.0	:		
arithmetic	:	:	5.0	5.0	5.1	5.2	5.3	5.4	5.1	5.0	5.0	5.1	5.3	:		
EU-27 averages																
weighted	6.7	6.7	6.9	6.8	7.1	7.2	7.3	7.2	7.2	7.0	6.6	6.8	7.1	0.3		
arithmetic	5.2	5.1	5.1	5.1	5.2	5.3	5.4	5.5	5.2	5.1	5.1	5.2	5.4	0.2		
EA-18 averages															Total	251 864
weighted	6.0	5.9	6.1	6.1	6.4	6.5	6.6	6.6	6.1	6.5	6.0	6.2	6.6	0.6		
arithmetic	5.6	5.4	5.4	5.4	5.6	5.8	5.8	6.0	5.4	5.3	5.2	5.4	5.6	0.0		
EA-17 averages																
weighted	6.0	5.9	6.1	6.1	6.4	6.5	6.6	6.6	6.1	6.5	6.0	6.2	6.6	0.6		
arithmetic	5.7	5.4	5.5	5.5	5.7	5.9	6.0	6.1	5.5	5.4	5.3	5.4	5.7	0.0		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 66: Environmental taxes as % of GDP

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	2.4	2.4	2.4	2.4	2.5	2.5	2.3	2.2	2.1	2.2	2.2	2.3	2.2	-0.3	23	8 122
Bulgaria	2.7	2.5	2.3	3.0	3.2	3.0	2.9	3.4	3.4	3.0	2.9	2.9	2.8	0.2	9	1 119
Czech Republic	2.4	2.4	2.4	2.4	2.5	2.6	2.5	2.4	2.4	2.4	2.4	2.5	2.4	0.0	20	3 596
Denmark	4.7	4.7	4.8	4.7	4.8	4.9	4.8	4.6	4.2	4.0	4.0	4.0	3.9	-0.8	1	9 503
Germany	2.4	2.5	2.5	2.7	2.6	2.5	2.4	2.2	2.2	2.3	2.2	2.2	2.2	-0.2	22	58 004
Estonia	1.7	2.1	2.0	1.9	2.1	2.3	2.2	2.2	2.3	3.0	3.0	2.8	2.8	1.1	10	484
Ireland	2.8	2.4	2.4	2.3	2.5	2.5	2.5	2.5	2.4	2.4	2.6	2.5	2.5	-0.3	16	4 082
Greece	2.3	2.5	2.3	2.2	2.2	2.1	2.0	2.1	2.0	2.0	2.5	2.8	2.9	0.5	8	5 523
Spain	2.2	2.1	2.1	2.1	2.0	1.9	1.9	1.8	1.7	1.7	1.7	1.6	1.6	-0.6	28	16 152
France	2.2	2.0	2.1	2.0	2.0	1.9	1.9	1.8	1.8	1.8	1.8	1.8	1.8	-0.3	25	37 241
Croatia	:	:	4.1	4.2	4.0	3.9	3.8	3.7	3.4	3.4	3.7	3.3	3.2	:	4	1 390
Italy	3.2	3.0	2.9	3.0	2.8	2.8	2.8	2.7	2.5	2.7	2.6	2.7	3.0	-0.1	6	47 257
Cyprus	2.7	3.0	3.0	3.8	4.0	3.5	3.3	3.4	3.2	2.9	2.9	2.9	2.7	0.0	11	477
Latvia	2.4	2.2	2.3	2.5	2.6	2.7	2.4	2.1	2.0	2.3	2.4	2.5	2.4	0.0	19	538
Lithuania	2.5	2.6	2.8	2.8	2.7	2.3	1.8	1.8	1.6	2.0	1.8	1.7	1.7	-0.8	27	548
Luxembourg	2.8	2.8	2.8	2.8	3.1	2.9	2.6	2.5	2.6	2.6	2.4	2.4	2.4	-0.4	18	1 039
Hungary	3.0	2.9	2.8	2.8	2.9	2.8	2.8	2.8	2.7	2.7	2.7	2.5	2.5	-0.5	13	2 471
Malta	3.6	3.5	3.3	3.3	3.0	3.2	3.3	3.7	3.4	3.3	3.0	3.2	3.0	-0.6	7	204
Netherlands	3.8	3.6	3.5	3.6	3.7	3.8	3.9	3.7	3.8	3.8	3.8	3.7	3.6	-0.2	3	21 319
Austria	2.4	2.6	2.7	2.7	2.7	2.6	2.5	2.4	2.4	2.4	2.4	2.5	2.4	0.0	17	7 484
Poland	2.1	2.1	2.4	2.4	2.6	2.6	2.7	2.7	2.6	2.6	2.6	2.6	2.5	0.4	14	9 605
Portugal	2.6	2.9	3.0	3.0	3.0	3.0	2.9	2.8	2.6	2.5	2.5	2.4	2.2	-0.4	21	3 596
Romania	3.4	2.4	2.1	2.4	2.4	2.0	1.9	2.1	1.8	1.9	2.0	1.9	1.9	-1.5	24	2 551
Slovenia	2.9	3.2	3.3	3.3	3.3	3.2	3.0	3.0	3.0	3.6	3.6	3.4	3.8	0.9	2	1 348
Slovakia	2.2	2.0	2.2	2.4	2.5	2.4	2.3	2.1	2.0	2.0	1.9	1.9	1.8	-0.5	26	1 245
Finland	3.1	3.0	3.1	3.2	3.2	3.1	3.0	2.7	2.7	2.6	2.8	3.1	3.1	-0.1	5	5 909
Sweden	2.8	2.8	2.9	2.9	2.8	2.9	2.7	2.7	2.7	2.8	2.7	2.5	2.5	-0.3	15	10 168
United Kingdom	3.0	2.7	2.7	2.6	2.6	2.5	2.4	2.4	2.4	2.6	2.6	2.6	2.6	-0.3	12	50 709
Iceland	3.3	2.7	2.3	2.6	2.7	2.9	2.6	2.5	1.8	1.6	2.0	2.0	2.1	-1.2		220
Norway	3.2	3.2	3.3	3.2	3.2	3.0	2.9	2.9	2.6	2.6	2.7	2.5	2.4	-0.8		9 244
EU-28 averages															Total	311 683
weighted	:	:	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	:		
arithmetic	:	:	2.8	2.8	2.9	2.8	2.7	2.7	2.6	2.6	2.6	2.6	2.6	:		
EU-27 averages																
weighted	2.7	2.6	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.4	2.4	2.4	2.4	-0.3		
arithmetic	2.7	2.7	2.7	2.8	2.8	2.8	2.7	2.6	2.5	2.6	2.6	2.6	2.6	-0.2		
EA-18 averages															Total	220 024
weighted	2.6	2.5	2.5	2.6	2.5	2.5	2.4	2.3	2.2	2.3	2.3	2.3	2.3	-0.3		
arithmetic	2.7	2.7	2.6	2.7	2.8	2.7	2.6	2.6	2.5	2.6	2.6	2.6	2.6	-0.1		
EA-17 averages																
weighted	2.6	2.5	2.5	2.6	2.5	2.5	2.4	2.3	2.2	2.3	2.3	2.3	2.3	-0.3		
arithmetic	2.7	2.7	2.7	2.7	2.8	2.7	2.6	2.6	2.5	2.6	2.6	2.6	2.6	-0.1		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 67: Environmental taxes as % of Total Taxation

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	5.4	5.4	5.3	5.5	5.6	5.6	5.2	5.1	4.8	5.0	5.1	5.1	4.8	-0.7	27	8 122
Bulgaria	8.4	8.3	8.2	9.5	9.8	9.6	9.5	10.1	10.7	10.5	10.6	10.5	10.1	1.7	2	1 119
Czech Republic	7.0	7.3	6.9	6.9	7.1	7.2	7.0	6.7	6.8	7.2	7.1	7.1	6.7	-0.3	18	3 596
Denmark	9.6	9.7	10.1	9.8	9.9	9.6	9.6	9.5	8.8	8.3	8.4	8.5	8.0	-1.5	10	9 503
Germany	5.8	6.4	6.5	6.8	6.7	6.5	6.2	5.8	5.7	5.9	5.8	5.8	5.6	-0.2	25	58 004
Estonia	5.5	7.0	6.4	6.1	6.9	7.4	7.1	7.0	7.3	8.4	8.7	8.6	8.6	3.1	8	484
Ireland	9.0	8.0	8.3	8.1	8.3	8.3	7.8	8.1	8.1	8.5	9.2	8.9	8.7	-0.3	6	4 082
Greece	6.8	7.7	6.8	6.7	6.9	6.6	6.3	6.4	6.1	6.4	7.9	8.5	8.5	1.7	9	5 523
Spain	6.4	6.2	6.1	6.1	5.8	5.4	5.1	4.9	5.1	5.4	5.2	5.0	4.8	-1.6	26	16 152
France	4.9	4.5	4.7	4.6	4.7	4.4	4.3	4.2	4.1	4.3	4.1	4.1	4.1	-0.8	28	37 241
Croatia	:	:	10.9	11.2	11.0	10.7	10.3	9.9	9.3	9.2	10.1	9.4	8.9	:	5	1 390
Italy	7.6	7.3	7.1	7.3	7.0	7.0	6.6	6.2	5.9	6.2	6.2	6.3	6.9	-0.8	15	47 257
Cyprus	9.0	9.7	9.6	11.8	12.2	10.1	9.2	8.4	8.2	8.2	8.2	8.2	7.6	-1.4	12	477
Latvia	8.1	7.6	8.1	8.8	9.1	9.2	7.9	6.8	6.7	8.8	8.8	8.9	8.6	0.5	7	538
Lithuania	8.0	8.7	9.7	9.7	9.3	7.9	6.0	5.8	5.4	6.7	6.5	6.2	6.1	-1.8	22	548
Luxembourg	7.1	7.1	7.1	7.3	8.2	7.8	7.3	7.1	7.0	6.6	6.4	6.4	6.2	-0.9	21	1 039
Hungary	7.6	7.4	7.3	7.4	7.7	7.5	7.6	7.0	6.8	6.7	7.0	6.8	6.5	-1.1	19	2 471
Malta	13.0	12.2	11.1	10.7	9.4	9.8	10.0	10.9	10.2	9.8	9.3	9.5	8.9	-4.1	4	204
Netherlands	9.4	9.5	9.3	9.6	9.9	10.1	10.0	9.5	9.6	10.0	9.8	9.7	9.1	-0.3	3	21 319
Austria	5.6	5.8	6.1	6.3	6.3	6.2	6.0	5.8	5.6	5.7	5.6	5.8	5.7	0.0	23	7 484
Poland	6.4	6.4	7.3	7.6	8.2	8.0	8.1	7.7	7.6	8.0	8.1	7.9	7.8	1.4	11	9 605
Portugal	8.4	9.3	9.7	9.5	9.8	9.4	8.9	8.6	7.8	8.1	7.9	7.1	6.7	-1.7	17	3 596
Romania	11.4	8.2	7.6	8.5	8.7	7.2	6.8	7.1	6.3	7.0	7.5	6.7	6.8	-4.5	16	2 551
Slovenia	7.9	8.6	8.6	8.7	8.7	8.3	7.9	8.0	8.1	9.6	9.6	9.3	10.2	2.3	1	1 348
Slovakia	6.5	5.9	6.6	7.4	7.9	7.6	7.8	7.2	7.0	6.8	6.6	6.5	6.2	-0.3	20	1 245
Finland	6.6	6.6	6.8	7.2	7.4	7.0	6.9	6.4	6.3	6.2	6.5	7.2	7.0	0.3	14	5 909
Sweden	5.4	5.7	6.1	6.1	5.9	5.9	5.7	5.6	5.8	6.1	6.0	5.7	5.6	0.2	24	10 168
United Kingdom	8.1	7.6	7.8	7.7	7.5	7.0	6.6	6.8	6.5	7.6	7.5	7.3	7.4	-0.7	13	50 709
Iceland	8.8	7.6	6.6	7.0	7.0	7.0	6.3	6.1	5.0	4.8	5.6	5.5	5.7	-3.1		220
Norway	7.5	7.4	7.7	7.6	7.4	6.9	6.8	6.8	6.1	6.3	6.3	5.9	5.6	-1.8		9 244
EU-28 averages															Total	311 683
weighted	:	:	6.7	6.8	6.7	6.5	6.3	6.1	5.9	6.2	6.2	6.2	6.1	:		
arithmetic	:	:	7.7	8.0	8.1	7.8	7.4	7.2	7.1	7.4	7.5	7.4	7.2	:		
EU-27 averages																
weighted	6.7	6.6	6.7	6.8	6.7	6.5	6.3	6.1	5.9	6.2	6.2	6.2	6.1	-0.6		
arithmetic	7.6	7.6	7.6	7.8	8.0	7.7	7.3	7.1	7.0	7.3	7.4	7.3	7.1	-0.4		
EA-18 averages															Total	220 024
weighted	6.3	6.3	6.4	6.5	6.4	6.3	6.0	5.7	5.6	5.9	5.8	5.8	5.7	-0.6		
arithmetic	7.4	7.5	7.5	7.7	7.8	7.6	7.3	7.0	6.9	7.2	7.3	7.3	7.1	-0.3		
EA-17 averages																
weighted	6.3	6.3	6.4	6.5	6.4	6.3	6.0	5.7	5.6	5.9	5.8	5.8	5.7	-0.6		
arithmetic	7.4	7.5	7.4	7.6	7.7	7.5	7.2	7.0	6.9	7.1	7.2	7.2	7.0	-0.3		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 68: Environmental taxes as % of GDP — Energy

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.4	1.4	1.4	1.4	1.5	1.5	1.4	1.3	1.2	1.3	1.3	1.3	1.3	-0.2	27	4 812
Bulgaria	2.5	2.4	2.1	2.6	2.8	2.6	2.5	3.0	3.0	2.7	2.6	2.6	2.5	0.0	2	995
Czech Republic	2.1	2.2	2.1	2.2	2.3	2.4	2.3	2.2	2.2	2.2	2.2	2.3	2.2	0.1	7	3 349
Denmark	2.5	2.7	2.6	2.6	2.5	2.3	2.2	2.1	2.1	2.2	2.3	2.3	2.2	-0.3	6	5 388
Germany	2.1	2.1	2.2	2.3	2.2	2.1	2.0	1.9	1.8	2.0	1.9	1.8	1.8	-0.3	17	46 850
Estonia	1.2	1.6	1.5	1.5	1.8	1.9	1.8	1.8	2.0	2.5	2.6	2.4	2.4	1.2	3	427
Ireland	1.4	1.2	1.3	1.3	1.3	1.3	1.2	1.2	1.2	1.4	1.4	1.4	1.3	-0.1	26	2 171
Greece	1.6	1.5	1.4	1.3	1.3	1.2	1.2	1.2	1.1	1.2	1.8	2.1	2.2	0.6	8	4 206
Spain	1.7	1.7	1.7	1.6	1.6	1.5	1.4	1.4	1.3	1.3	1.4	1.3	1.3	-0.5	28	13 113
France	1.8	1.6	1.7	1.7	1.7	1.6	1.6	1.5	1.4	1.5	1.4	1.5	1.5	-0.3	25	29 802
Croatia	:	:	2.7	2.6	2.4	2.3	2.2	2.0	1.8	1.9	2.2	1.8	1.7	:	18	758
Italy	2.6	2.4	2.3	2.4	2.2	2.2	2.2	2.0	1.9	2.1	2.0	2.1	2.3	-0.2	4	36 598
Cyprus	0.7	1.0	1.0	1.9	2.1	1.9	1.8	1.8	1.6	1.6	1.8	2.0	1.9	1.2	14	338
Latvia	1.9	1.7	1.8	2.0	2.1	2.2	2.0	1.7	1.7	2.1	2.0	1.9	1.9	0.1	13	425
Lithuania	1.7	1.8	2.0	2.0	1.8	1.7	1.6	1.6	1.5	1.9	1.8	1.6	1.6	-0.2	23	516
Luxembourg	2.7	2.7	2.6	2.7	2.9	2.8	2.5	2.4	2.5	2.4	2.3	2.3	2.3	-0.4	5	968
Hungary	2.5	2.3	2.2	2.2	1.9	2.1	2.1	2.0	2.0	2.0	2.1	2.0	1.9	-0.6	16	1 834
Malta	1.3	1.5	1.3	1.2	1.2	1.3	1.3	1.8	1.4	1.5	1.5	1.6	1.6	0.2	22	108
Netherlands	1.9	1.8	1.8	1.8	1.9	2.0	2.0	1.8	1.9	2.0	2.0	2.0	1.9	0.1	12	11 618
Austria	1.6	1.7	1.7	1.8	1.8	1.8	1.6	1.6	1.6	1.6	1.6	1.7	1.6	0.1	21	5 012
Poland	1.8	1.8	2.0	2.1	2.1	2.3	2.3	2.3	2.2	2.1	2.2	2.1	2.2	0.4	9	8 216
Portugal	1.6	1.8	2.1	2.2	2.1	2.0	2.0	2.0	1.9	1.9	1.8	1.8	1.7	0.1	20	2 802
Romania	3.2	1.9	1.7	2.0	2.1	1.8	1.7	1.7	1.4	1.6	1.8	1.7	1.7	-1.5	19	2 261
Slovenia	2.3	2.6	2.6	2.4	2.5	2.4	2.3	2.3	2.3	2.9	3.0	2.8	3.1	0.8	1	1 095
Slovakia	2.0	1.7	1.9	2.2	2.2	2.1	2.0	1.8	1.8	1.7	1.6	1.6	1.5	-0.5	24	1 083
Finland	2.0	2.0	2.0	2.0	1.9	1.9	1.8	1.6	1.7	1.8	1.8	2.1	2.1	0.1	10	4 007
Sweden	2.3	2.4	2.4	2.5	2.4	2.4	2.3	2.2	2.2	2.3	2.2	2.0	2.0	-0.3	11	8 248
United Kingdom	2.3	2.2	2.1	2.1	2.0	1.9	1.8	1.8	1.8	2.0	2.0	1.9	1.9	-0.4	15	36 762
Iceland	1.1	1.0	0.9	0.9	0.9	1.0	1.2	1.2	1.0	1.2	1.4	1.4	1.4	0.3		150
Norway	1.8	1.8	1.8	1.7	1.5	1.5	1.4	1.4	1.3	1.4	1.3	1.2	1.1	-0.7		4 437
EU-28 averages															Total	233 762
weighted	:	:	2.0	2.0	2.0	1.9	1.9	1.8	1.7	1.8	1.8	1.8	1.8	:		
arithmetic	:	:	1.9	2.0	2.0	2.0	1.9	1.9	1.8	1.9	1.9	1.9	1.9	:		
EU-27 averages																
weighted	2.1	2.0	2.0	2.0	2.0	1.9	1.9	1.8	1.7	1.8	1.8	1.8	1.8	-0.3		
arithmetic	1.9	1.9	1.9	2.0	2.0	2.0	1.9	1.9	1.8	1.9	1.9	1.9	1.9	0.0		
EA-18 averages															Total	165 436
weighted	2.0	1.9	1.9	2.0	1.9	1.9	1.8	1.7	1.7	1.7	1.7	1.7	1.7	-0.2		
arithmetic	1.8	1.8	1.8	1.9	1.9	1.9	1.8	1.7	1.7	1.8	1.9	1.9	1.9	0.1		
EA-17 averages																
weighted	2.0	1.9	1.9	2.0	1.9	1.9	1.8	1.7	1.7	1.7	1.7	1.7	1.7	-0.2		
arithmetic	1.7	1.8	1.8	1.9	1.9	1.9	1.8	1.7	1.7	1.8	1.8	1.9	1.9	0.1		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 69: Environmental taxes as % of Total Taxation — Energy

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	3.2	3.1	3.0	3.2	3.3	3.3	3.1	3.0	2.8	2.9	3.0	3.0	2.8	-0.4	28	4 812
Bulgaria	7.9	7.7	7.3	8.3	8.6	8.4	8.2	9.0	9.3	9.2	9.3	9.4	9.0	1.1	1	995
Czech Republic	6.1	6.5	6.1	6.2	6.5	6.7	6.5	6.2	6.3	6.7	6.6	6.6	6.3	0.1	7	3 349
Denmark	5.1	5.5	5.4	5.4	5.1	4.6	4.5	4.4	4.4	4.6	4.8	4.9	4.6	-0.6	23	5 388
Germany	5.0	5.4	5.6	6.0	5.7	5.5	5.2	4.8	4.8	5.0	4.9	4.8	4.5	-0.5	24	46 850
Estonia	4.0	5.3	4.8	5.0	5.9	6.3	5.9	5.7	6.1	7.2	7.7	7.5	7.5	3.6	3	427
Ireland	4.5	4.1	4.5	4.3	4.4	4.2	3.8	3.8	4.2	5.0	5.1	4.9	4.6	0.1	21	2 171
Greece	4.6	4.6	4.1	4.1	4.0	3.9	3.7	3.8	3.6	3.9	5.8	6.4	6.4	1.9	6	4 206
Spain	5.1	4.9	4.9	4.8	4.6	4.2	3.9	3.7	4.1	4.4	4.2	4.1	3.9	-1.2	25	13 113
France	4.0	3.8	4.0	3.9	3.9	3.7	3.6	3.4	3.3	3.5	3.4	3.3	3.3	-0.8	27	29 802
Croatia	:	:	7.1	7.0	6.6	6.2	5.9	5.4	4.7	5.2	6.0	5.2	4.8	:	17	758
Italy	6.2	5.9	5.6	5.8	5.5	5.4	5.2	4.8	4.4	4.8	4.7	4.9	5.3	-0.8	14	36 598
Cyprus	2.4	3.2	3.2	6.0	6.4	5.5	5.1	4.4	4.1	4.6	5.2	5.6	5.4	3.0	11	338
Latvia	6.2	5.8	6.2	6.9	7.5	7.7	6.5	5.6	5.7	7.7	7.3	7.0	6.8	0.6	4	425
Lithuania	5.6	6.2	6.9	6.9	6.3	6.0	5.5	5.3	5.0	6.3	6.2	5.9	5.8	0.1	9	516
Luxembourg	6.8	6.8	6.7	7.0	7.9	7.6	7.0	6.6	6.6	6.1	5.9	6.0	5.7	-1.0	10	968
Hungary	6.2	6.0	5.9	5.7	5.1	5.7	5.6	5.0	4.9	5.1	5.5	5.3	4.8	-1.4	18	1 834
Malta	4.9	5.1	4.4	4.0	3.9	3.8	3.9	5.2	4.4	4.3	4.5	4.9	4.7	-0.2	20	108
Netherlands	4.6	4.8	4.8	4.9	5.1	5.3	5.2	4.7	4.9	5.3	5.3	5.2	5.0	0.3	16	11 618
Austria	3.7	3.8	4.0	4.1	4.3	4.2	3.9	3.9	3.8	3.8	3.8	4.0	3.8	0.1	26	5 012
Poland	5.4	5.5	6.1	6.5	6.7	6.9	6.7	6.6	6.4	6.6	6.8	6.6	6.6	1.2	5	8 216
Portugal	5.0	5.8	6.6	6.8	6.9	6.5	6.2	6.0	5.7	6.1	5.8	5.3	5.2	0.2	15	2 802
Romania	10.7	6.7	6.2	7.3	7.9	6.6	6.0	5.8	5.0	6.0	6.7	6.0	6.1	-4.6	8	2 261
Slovenia	6.1	6.9	6.8	6.4	6.4	6.1	5.9	6.0	6.2	7.9	7.9	7.6	8.2	2.1	2	1 095
Slovakia	5.8	5.2	5.7	6.5	7.1	6.8	6.8	6.3	6.2	6.0	5.8	5.6	5.4	-0.4	12	1 083
Finland	4.2	4.4	4.4	4.5	4.5	4.2	4.1	3.8	4.0	4.2	4.2	4.8	4.7	0.5	19	4 007
Sweden	4.5	4.8	5.1	5.2	5.0	4.9	4.7	4.6	4.6	4.9	4.9	4.6	4.6	0.0	22	8 248
United Kingdom	6.5	6.1	6.2	6.0	5.8	5.5	5.1	5.1	4.9	5.7	5.6	5.3	5.4	-1.1	13	36 762
Iceland	3.0	2.7	2.6	2.4	2.4	2.5	3.0	2.9	2.7	3.4	4.1	3.8	3.9	0.9		150
Norway	4.3	4.2	4.1	4.1	3.6	3.4	3.2	3.2	3.1	3.3	3.1	2.9	2.7	-1.6		4 437
EU-28 averages															Total	233 762
weighted	:	:	5.2	5.3	5.1	4.9	4.7	4.5	4.4	4.7	4.7	4.6	4.6	:		
arithmetic	:	:	5.4	5.7	5.7	5.6	5.3	5.1	5.0	5.5	5.6	5.5	5.4	:		
EU-27 averages																
weighted	5.1	5.1	5.2	5.2	5.1	4.9	4.7	4.5	4.4	4.7	4.7	4.6	4.6	-0.6		
arithmetic	5.3	5.3	5.4	5.6	5.7	5.5	5.3	5.1	5.0	5.5	5.6	5.5	5.4	0.1		
EA-18 averages															Total	165 436
weighted	4.8	4.8	4.9	5.0	4.9	4.7	4.5	4.2	4.2	4.5	4.4	4.4	4.3	-0.5		
arithmetic	4.8	4.9	5.0	5.2	5.4	5.2	5.0	4.8	4.7	5.1	5.3	5.3	5.2	0.4		
EA-17 averages																
weighted	4.8	4.8	4.9	5.0	4.9	4.7	4.5	4.2	4.2	4.5	4.4	4.4	4.3	-0.5		
arithmetic	4.7	4.9	4.9	5.1	5.3	5.1	4.9	4.7	4.7	5.0	5.1	5.2	5.1	0.4		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 70: Energy taxes as % of GDP — Transport fuel taxes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (1) 2000 to 2012	Ranking 2012
Belgium	1.4	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.1	1.1	1.2	1.2	1.1	-0.2	26
Bulgaria	:	:	:	:	:	:	:	2.9	2.9	2.6	2.5	2.5	2.4	:	2
Czech Republic	:	:	:	:	2.2	2.2	2.1	2.1	2.0	2.1	2.0	2.0	1.9	:	6
Denmark	:	1.4	1.4	1.4	1.3	1.2	1.2	1.1	1.1	1.1	1.0	1.0	1.0	:	28
Germany	:	:	:	1.8	1.7	1.6	1.5	1.4	1.4	1.5	1.4	1.4	1.3	:	20
Estonia	1.1	1.5	1.4	1.4	1.7	1.8	1.7	1.7	1.7	2.2	2.1	1.9	2.1	0.9	4
Ireland	:	:	:	1.1	1.2	1.2	1.2	1.1	1.2	1.3	1.3	1.2	1.2	:	23
Greece	:	:	:	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.7	1.8	1.9	:	7
Spain	1.5	1.4	1.5	1.4	1.4	1.3	1.2	1.2	1.1	1.1	1.1	1.1	1.0	-0.5	27
France	:	:	:	1.5	1.4	1.4	1.3	1.3	1.2	1.2	1.2	1.2	1.1	:	24
Croatia	:	:	0.0	0.0	2.3	2.2	2.1	2.0	1.7	1.8	2.1	1.8	1.7	:	12
Italy	:	:	:	1.8	1.6	1.6	1.6	1.5	1.5	1.5	1.5	1.5	1.8	:	9
Cyprus	:	:	:	:	1.7	1.6	1.5	1.5	1.4	1.4	1.7	1.8	1.7	:	11
Latvia	:	:	:	:	:	2.2	2.0	1.7	1.7	2.0	2.0	1.9	1.8	:	8
Lithuania	:	:	:	:	1.7	1.7	1.6	1.6	1.5	1.9	1.7	1.6	1.5	:	15
Luxembourg	:	:	:	2.6	2.9	2.8	2.5	2.3	2.4	2.4	2.2	2.2	2.2	:	3
Hungary	:	:	:	:	1.8	1.8	1.9	1.8	1.8	1.8	1.9	1.8	1.8	:	10
Malta	:	:	:	:	1.2	1.2	1.2	1.7	1.4	1.2	1.4	1.6	1.5	:	16
Netherlands	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	0.0	22
Austria	1.2	1.3	1.3	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.3	1.4	1.3	0.1	21
Poland	:	:	:	:	1.7	1.8	1.9	2.0	2.0	1.9	1.9	2.0	2.0	:	5
Portugal	:	:	:	1.9	2.0	1.9	1.9	1.9	1.7	1.8	1.7	1.7	1.6	:	13
Romania	:	:	:	:	:	:	:	1.3	1.3	1.6	1.6	1.4	1.5	:	17
Slovenia	2.1	2.4	2.4	2.2	2.2	2.1	2.1	2.1	2.2	2.7	2.7	2.6	2.9	0.8	1
Slovakia	:	:	:	:	:	2.1	2.0	1.8	1.8	1.7	1.6	1.6	1.5	:	18
Finland	:	:	1.5	1.5	1.5	1.4	1.4	1.3	1.3	1.4	1.4	1.3	1.3	:	19
Sweden	:	:	1.4	1.4	1.3	1.4	1.3	1.2	1.2	1.3	1.2	1.1	1.1	:	25
United Kingdom	2.1	1.9	1.9	1.8	1.8	1.7	1.6	1.6	1.6	1.7	1.7	1.6	1.6	-0.5	14
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Norway	:	:	:	:	0.9	0.9	0.8	0.8	0.7	0.8	0.8	0.7	0.7	:	
EU-28 averages															
weighted	:	:	1.6	1.6	1.6	1.5	1.5	1.4	1.4	1.4	1.4	1.4	1.4	:	
arithmetic	:	:	1.4	1.5	1.7	1.7	1.6	1.6	1.6	1.6	1.7	1.6	1.6	:	
EU-27 averages															
weighted	1.8	1.6	1.6	1.6	1.6	1.5	1.5	1.4	1.4	1.4	1.4	1.4	1.4	-0.4	
arithmetic	1.5	1.6	1.5	1.6	1.6	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	0.1	
EA-18 averages															
weighted	1.4	1.3	1.4	1.6	1.5	1.5	1.4	1.4	1.3	1.4	1.3	1.3	1.3	-0.1	
arithmetic	1.4	1.5	1.5	1.6	1.6	1.6	1.6	1.5	1.5	1.6	1.6	1.6	1.6	0.2	
EA-17 averages															
weighted	1.4	1.3	1.4	1.6	1.5	1.5	1.4	1.4	1.3	1.4	1.3	1.3	1.3	-0.1	
arithmetic	1.4	1.5	1.5	1.6	1.6	1.6	1.5	1.5	1.5	1.5	1.6	1.6	1.6	0.1	

(1) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 71: Energy taxes as % of Total Taxation — Transport fuel taxes

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (!) 2000 to 2012	Ranking 2012
Belgium	3.0	2.9	2.9	2.9	3.0	2.9	2.7	2.7	2.5	2.6	2.7	2.6	2.4	-0.6	27
Bulgaria	:	:	:	:	:	:	:	8.7	9.0	8.9	9.1	9.1	8.6	:	1
Czech Republic	:	:	:	:	:	6.2	6.1	5.8	5.7	6.4	5.9	5.7	5.5	:	9
Denmark	:	3.0	3.0	3.0	2.7	2.4	2.3	2.3	2.3	2.4	2.2	2.1	2.0	:	28
Germany	:	:	:	4.5	4.4	4.1	4.0	3.7	3.7	3.8	3.7	3.6	3.4	:	20
Estonia	3.7	4.9	4.5	4.6	5.6	6.0	5.6	5.5	5.3	6.2	6.2	6.0	6.3	2.7	4
Ireland	:	:	:	3.9	4.1	4.0	3.7	3.6	4.0	4.6	4.5	4.4	4.2	:	18
Greece	:	:	:	3.8	3.7	3.5	3.4	3.5	3.3	3.7	5.3	5.5	5.6	:	8
Spain	4.5	4.3	4.3	4.2	4.0	3.6	3.4	3.2	3.4	3.6	3.5	3.3	3.2	-1.3	22
France	:	:	:	3.4	3.3	3.2	3.0	3.0	2.9	2.9	2.8	2.8	2.5	:	25
Croatia	:	:	:	0.0	6.3	6.0	5.7	5.2	4.5	4.9	5.8	5.0	4.7	:	14
Italy	:	:	:	4.3	4.1	4.0	3.8	3.6	3.5	3.5	3.5	3.6	4.1	:	19
Cyprus	:	:	:	:	5.2	4.6	4.2	3.7	3.6	4.1	4.7	5.0	4.8	:	13
Latvia	:	:	:	:	:	7.7	6.5	5.6	5.7	7.7	7.3	6.9	6.5	:	3
Lithuania	:	:	:	:	6.0	5.8	5.3	5.2	4.9	6.2	6.1	5.8	5.7	:	7
Luxembourg	:	:	:	6.8	7.7	7.4	6.9	6.5	6.4	6.0	5.7	5.9	5.7	:	6
Hungary	:	:	:	:	4.8	4.9	5.2	4.5	4.4	4.6	5.0	4.8	4.5	:	16
Malta	:	:	:	:	3.8	3.7	3.7	4.9	4.3	3.7	4.4	4.7	4.5	:	15
Netherlands	3.2	3.1	3.3	3.4	3.6	3.4	3.3	3.2	3.2	3.5	3.3	3.3	3.2	0.0	21
Austria	2.8	2.8	3.0	3.2	3.3	3.2	3.1	3.0	3.0	3.1	3.1	3.2	3.0	0.2	23
Poland	:	:	:	:	5.3	5.5	5.5	5.8	5.7	6.0	6.1	6.0	6.1	:	5
Portugal	:	:	:	5.9	6.4	6.1	5.9	5.7	5.3	5.7	5.5	5.0	4.9	:	12
Romania	:	:	:	:	:	:	:	4.6	4.8	5.8	5.8	5.0	5.2	:	10
Slovenia	5.6	6.3	6.2	5.8	5.8	5.6	5.5	5.7	5.8	7.3	7.2	6.9	7.7	2.1	2
Slovakia	:	:	:	:	:	6.8	6.8	6.2	6.1	5.8	5.6	5.4	5.1	:	11
Finland	:	:	3.3	3.5	3.4	3.3	3.2	3.0	3.1	3.3	3.2	3.0	3.0	:	24
Sweden	:	:	3.0	2.9	2.8	2.8	2.6	2.6	2.7	2.8	2.7	2.6	2.5	:	26
United Kingdom	5.8	5.3	5.4	5.2	5.1	4.7	4.4	4.4	4.2	4.9	4.8	4.6	4.5	-1.3	17
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Norway	:	:	:	:	2.2	2.0	1.8	1.8	1.7	1.9	1.8	1.7	1.6	:	
EU-28 averages															
weighted	:	:	4.2	4.1	4.1	3.9	3.7	3.6	3.6	3.8	3.7	3.6	3.6	:	
arithmetic	:	:	3.9	4.0	4.5	4.7	4.5	4.5	4.4	4.8	4.9	4.7	4.6	:	
EU-27 averages															
weighted	4.7	4.3	4.2	4.1	4.1	3.9	3.7	3.6	3.6	3.8	3.7	3.6	3.6	-1.1	
arithmetic	4.1	4.1	3.9	4.2	4.5	4.6	4.4	4.5	4.4	4.8	4.8	4.7	4.6	0.5	
EA-18 averages															
weighted	3.6	3.5	3.6	4.0	3.9	3.7	3.6	3.4	3.4	3.5	3.5	3.4	3.3	-0.3	
arithmetic	3.8	4.0	3.9	4.3	4.5	4.6	4.4	4.2	4.2	4.5	4.6	4.5	4.5	0.7	
EA-17 averages															
weighted	3.6	3.5	3.6	4.0	3.9	3.7	3.6	3.4	3.4	3.5	3.4	3.4	3.3	-0.3	
arithmetic	3.8	4.0	3.9	4.3	4.5	4.4	4.2	4.2	4.1	4.3	4.4	4.4	4.3	0.5	

(!) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_str](#))

Table 72: Environmental taxes as % of GDP — Transport (excl. fuel)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	0.8	0.9	0.8	0.9	0.8	0.8	0.8	0.8	0.7	0.8	0.7	0.8	0.7	-0.1	9	2 798
Bulgaria	0.2	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.1	19	104
Czech Republic	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	-0.1	26	209
Denmark	1.8	1.7	1.9	1.8	2.0	2.2	2.3	2.2	1.8	1.5	1.5	1.5	1.4	-0.4	1	3 527
Germany	0.3	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.4	0.0	18	9 404
Estonia	0.2	0.2	0.2	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1	-0.1	27	11
Ireland	1.4	1.1	1.1	1.1	1.1	1.2	1.2	1.3	1.1	0.9	1.0	0.9	0.9	-0.5	5	1 474
Greece	0.8	1.0	0.9	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.7	0.7	0.7	-0.1	10	1 317
Spain	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	-0.2	20	2 689
France	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	21	4 853
Croatia	:	:	0.8	1.0	1.1	1.1	1.1	1.1	1.1	0.9	0.9	0.8	0.8	:	6	349
Italy	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.1	11	10 162
Cyprus	2.0	2.0	2.0	1.8	1.9	1.6	1.5	1.6	1.6	1.3	1.1	0.9	0.8	-1.2	7	139
Latvia	0.3	0.3	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.3	0.5	0.4	0.1	15	94
Lithuania	0.7	0.7	0.7	0.7	0.8	0.5	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-0.6	28	15
Luxembourg	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.1	0.0	25	62
Hungary	0.4	0.4	0.4	0.5	0.8	0.5	0.6	0.7	0.6	0.5	0.5	0.5	0.4	0.0	16	410
Malta	2.2	2.0	1.9	2.0	1.7	1.7	1.8	1.6	1.6	1.6	1.4	1.4	1.3	-0.9	2	87
Netherlands	1.4	1.3	1.2	1.2	1.3	1.3	1.4	1.4	1.3	1.2	1.2	1.2	1.1	-0.3	3	6 638
Austria	0.8	0.9	0.9	0.9	0.8	0.8	0.8	0.8	0.7	0.8	0.8	0.8	0.8	0.0	8	2 408
Poland	0.2	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.0	23	736
Portugal	1.1	1.1	1.0	0.8	0.9	0.9	0.9	0.9	0.7	0.6	0.7	0.6	0.5	-0.6	13	780
Romania	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.3	0.2	0.2	0.2	0.1	24	215
Slovenia	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.0	17	144
Slovakia	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	-0.1	22	138
Finland	1.1	1.0	1.0	1.2	1.2	1.2	1.1	1.0	0.9	0.8	0.9	1.0	0.9	-0.2	4	1 780
Sweden	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.4	0.1	14	1 792
United Kingdom	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.1	12	12 246
Iceland	1.7	1.3	1.2	1.4	1.5	1.6	1.1	1.1	0.6	0.3	0.3	0.3	0.3	-1.4		35
Norway	1.2	1.3	1.4	1.4	1.5	1.4	1.4	1.4	1.1	1.1	1.2	1.2	1.1	-0.1		4 436
EU-28 averages															Total	64 583
weighted	:	:	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	:		
arithmetic	:	:	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	:		
EU-27 averages																
weighted	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0		
arithmetic	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.5	0.5	-0.2		
EA-18 averages															Total	44 978
weighted	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0		
arithmetic	0.8	0.8	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	-0.2		
EA-17 averages																
weighted	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0		
arithmetic	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.6	0.6	-0.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 73: Environmental taxes as % of Total Taxation — Transport (excl. fuel)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	1.8	1.9	1.9	1.9	1.8	1.9	1.8	1.8	1.7	1.8	1.7	1.8	1.6	-0.2	11	2 798
Bulgaria	0.5	0.5	0.6	0.7	0.6	0.8	0.9	0.9	1.0	1.0	1.0	0.9	0.9	0.4	18	104
Czech Republic	0.7	0.7	0.6	0.6	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	-0.3	25	209
Denmark	3.7	3.5	3.9	3.7	4.1	4.3	4.6	4.5	3.8	3.1	3.2	3.1	3.0	-0.7	3	3 527
Germany	0.8	1.0	0.9	0.9	0.9	1.0	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.1	19	9 404
Estonia	0.7	0.7	0.6	0.1	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.2	-0.5	27	11
Ireland	4.5	3.9	3.7	3.7	3.8	3.9	3.8	4.2	3.8	3.3	3.4	3.2	3.1	-1.3	2	1 474
Greece	2.2	3.0	2.7	2.6	2.8	2.7	2.6	2.6	2.5	2.5	2.1	2.1	2.0	-0.2	8	1 317
Spain	1.3	1.3	1.2	1.2	1.2	1.2	1.1	1.1	1.0	1.0	0.9	0.9	0.8	-0.5	20	2 689
France	0.6	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.6	0.6	0.5	0.5	0.5	0.0	24	4 853
Croatia	:	:	2.2	2.7	2.9	3.0	3.0	2.9	2.9	2.4	2.4	2.4	2.2	:	5	349
Italy	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	0.1	13	10 162
Cyprus	6.7	6.6	6.4	5.7	5.8	4.6	4.1	4.0	4.1	3.6	3.0	2.6	2.2	-4.4	6	139
Latvia	1.1	1.1	1.2	1.3	1.2	1.1	1.0	0.9	0.8	0.8	1.2	1.6	1.5	0.4	12	94
Lithuania	2.2	2.2	2.5	2.6	2.7	1.6	0.3	0.3	0.1	0.1	0.2	0.2	0.2	-2.0	28	15
Luxembourg	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.5	0.5	0.5	0.4	0.4	0.4	0.1	26	62
Hungary	1.0	1.0	1.1	1.3	2.1	1.4	1.6	1.6	1.4	1.2	1.3	1.3	1.1	0.1	16	410
Malta	8.1	7.1	6.4	6.7	5.5	5.3	5.4	4.8	4.9	4.7	4.2	4.2	3.8	-4.3	1	87
Netherlands	3.5	3.4	3.2	3.3	3.4	3.5	3.5	3.5	3.4	3.3	3.2	3.1	2.8	-0.6	4	6 638
Austria	1.9	1.9	2.0	2.1	1.9	2.0	2.0	1.8	1.8	1.8	1.8	1.8	1.8	-0.1	9	2 408
Poland	0.6	0.5	0.7	0.7	1.1	0.9	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.0	22	736
Portugal	3.4	3.4	3.1	2.7	2.9	2.9	2.7	2.6	2.1	2.0	2.1	1.8	1.5	-2.0	14	780
Romania	0.2	0.2	0.3	0.2	0.2	0.2	0.5	1.2	1.3	1.0	0.8	0.6	0.6	0.4	23	215
Slovenia	1.2	1.2	1.1	1.2	1.3	1.3	1.2	1.3	1.3	1.1	1.1	1.1	1.1	-0.1	15	144
Slovakia	0.7	0.7	0.7	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.0	21	138
Finland	2.3	2.2	2.3	2.6	2.9	2.6	2.6	2.4	2.1	1.8	2.2	2.2	2.1	-0.2	7	1 780
Sweden	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.9	1.1	1.1	1.1	1.0	1.0	0.3	17	1 792
United Kingdom	1.6	1.3	1.4	1.4	1.4	1.3	1.2	1.5	1.4	1.6	1.7	1.7	1.8	0.2	10	12 246
Iceland	4.7	3.7	3.4	3.9	4.0	3.9	2.6	2.7	1.7	0.8	0.7	0.8	0.9	-3.8		35
Norway	2.9	2.9	3.3	3.3	3.5	3.2	3.3	3.2	2.7	2.7	2.8	2.7	2.7	-0.2		4 436
EU-28 averages															Total	64 583
weighted	:	:	1.3	1.3	1.4	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.3	:		
arithmetic	:	:	1.9	1.9	2.0	1.8	1.8	1.8	1.7	1.6	1.6	1.5	1.4	:		
EU-27 averages																
weighted	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.3	-0.1		
arithmetic	2.0	1.9	1.9	1.9	1.9	1.8	1.7	1.8	1.7	1.6	1.5	1.5	1.4	-0.6		
EA-18 averages															Total	44 978
weighted	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.2	1.2	-0.1		
arithmetic	2.4	2.3	2.2	2.2	2.2	2.1	2.0	2.0	1.9	1.8	1.7	1.7	1.6	-0.8		
EA-17 averages																
weighted	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.2	1.2	-0.1		
arithmetic	2.4	2.4	2.3	2.2	2.2	2.1	2.1	2.0	1.9	1.8	1.8	1.7	1.6	-0.8		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 74: Environmental taxes as % of GDP — Pollution/ Resources

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	9	513
Bulgaria	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	18	20
Czech Republic	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23	38
Denmark	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	-0.1	6	588
Germany	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	14	1 750
Estonia	0.2	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.3	0.0	4	47
Ireland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.3	0.3	5	437
Greece	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	
Spain	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19	350
France	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	10	2 586
Croatia	:	:	0.6	0.6	0.6	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	:	1	283
Italy	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21	497
Cyprus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	
Latvia	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	13	18
Lithuania	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.0	17	17
Luxembourg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25	8
Hungary	0.2	0.1	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.2	0.1	7	226
Malta	0.0	0.0	0.1	0.0	0.0	0.2	0.2	0.3	0.3	0.2	0.2	0.1	0.1	0.1	11	9
Netherlands	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0	2	3 063
Austria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24	63
Poland	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.0	8	654
Portugal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26	14
Romania	0.1	0.4	0.3	0.3	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1	-0.1	16	74
Slovenia	0.2	0.2	0.3	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.1	3	109
Slovakia	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	20	24
Finland	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	15	122
Sweden	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	-0.1	22	127
United Kingdom	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	12	1 701
Iceland	0.4	0.4	0.2	0.2	0.3	0.2	0.3	0.2	0.2	0.2	0.3	0.3	0.3	-0.1		34
Norway	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.1	0.1	0.0		370
EU-28 averages															Total	13 338
weighted	:	:	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	:		
arithmetic	:	:	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	:		
EU-27 averages																
weighted	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0		
arithmetic	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0		
EA-18 averages															Total	9 610
weighted	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0		
arithmetic	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0		
EA-17 averages																
weighted	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0		
arithmetic	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 75: Environmental taxes as % of Total Taxation — Pollution/ Resources

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	0.4	0.4	0.4	0.4	0.5	0.5	0.4	0.3	0.3	0.3	0.3	0.3	0.3	-0.1	10	513
Bulgaria	0.0	0.0	0.3	0.5	0.6	0.5	0.4	0.2	0.4	0.3	0.3	0.3	0.2	0.2	16	20
Czech Republic	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	22	38
Denmark	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.4	0.4	0.5	-0.2	8	588
Germany	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.2	17	1 750
Estonia	0.8	1.0	0.9	1.0	0.8	0.9	1.1	1.1	1.1	1.1	0.9	0.9	0.8	0.0	4	47
Ireland	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.8	0.8	0.9	0.9	3	437
Greece	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	
Spain	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.1	0.1	0.1	20	350
France	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.0	12	2 586
Croatia	:	:	1.6	1.5	1.5	1.5	1.4	1.6	1.7	1.6	1.8	1.8	1.8	:	1	283
Italy	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	21	497
Cyprus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	
Latvia	0.7	0.7	0.7	0.6	0.4	0.4	0.3	0.2	0.2	0.2	0.3	0.3	0.3	-0.4	11	18
Lithuania	0.2	0.2	0.3	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	15	17
Luxembourg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	24	8
Hungary	0.4	0.4	0.4	0.5	0.5	0.3	0.4	0.4	0.4	0.4	0.3	0.3	0.6	0.2	6	226
Malta	0.0	0.0	0.3	0.0	0.1	0.7	0.7	0.9	0.9	0.7	0.4	0.4	0.4	0.4	9	9
Netherlands	1.3	1.3	1.3	1.4	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.3	0.0	2	3 063
Austria	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	25	63
Poland	0.4	0.4	0.4	0.4	0.4	0.3	0.7	0.4	0.5	0.7	0.6	0.6	0.5	0.1	7	654
Portugal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26	14
Romania	0.5	1.3	1.2	1.0	0.6	0.4	0.3	0.1	0.0	0.0	0.0	0.0	0.2	-0.3	14	74
Slovenia	0.6	0.5	0.7	1.0	0.9	0.9	0.7	0.6	0.6	0.6	0.6	0.6	0.8	0.2	5	109
Slovakia	0.0	0.0	0.2	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.1	0.1	0.1	0.1	19	24
Finland	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.1	0.0	18	122
Sweden	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	-0.2	23	127
United Kingdom	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.2	0.1	13	1 701
Iceland	1.1	1.2	0.5	0.7	0.7	0.6	0.6	0.5	0.5	0.6	0.9	0.9	0.9	-0.2		34
Norway	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.5	0.4	0.3	0.2	0.2	0.2	-0.1		370
EU-28 averages															Total	13 338
weighted	:	:	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	:		
arithmetic	:	:	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.4	:		
EU-27 averages																
weighted	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.1		
arithmetic	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.0		
EA-18 averages															Total	9 610
weighted	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.1		
arithmetic	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.1		
EA-17 averages																
weighted	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.1		
arithmetic	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.1		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 76: Taxes on property as % of GDP

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	2.8	2.8	2.8	2.9	3.2	3.1	3.2	3.1	3.1	3.0	3.1	3.2	3.4	0.6	3	12 827
Bulgaria	0.2	0.2	0.3	0.3	0.4	0.4	0.6	0.7	0.7	0.5	0.5	0.6	0.6	0.3	23	222
Czech Republic	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.0	25	711
Denmark	2.3	2.4	2.5	2.5	2.6	2.6	2.6	2.6	2.7	2.6	2.6	2.7	2.6	0.3	5	6 261
Germany	0.9	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.9	0.9	0.1	18	24 400
Estonia	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.3	0.4	0.3	0.3	-0.1	27	59
Ireland	1.5	1.5	1.4	1.7	1.9	2.2	2.7	2.3	1.7	1.4	1.5	1.4	1.4	-0.1	9	2 262
Greece	2.1	1.7	1.5	1.5	1.4	1.3	1.8	1.8	1.7	1.4	1.0	1.9	2.1	0.0	7	4 030
Spain	2.2	2.2	2.3	2.5	2.8	3.1	3.3	3.1	2.4	2.1	2.2	2.0	2.2	0.0	6	22 270
France	2.7	2.7	2.7	2.8	2.9	3.0	3.0	3.1	3.0	3.0	3.4	3.6	3.6	0.9	2	73 467
Croatia	:	:	0.4	0.3	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.3	:	28	144
Italy	1.9	1.8	1.9	1.8	2.1	2.0	2.1	2.0	1.8	2.2	1.8	2.1	2.6	0.7	4	40 381
Cyprus	1.5	1.0	0.8	0.9	1.6	1.9	1.3	2.0	1.4	0.9	1.0	0.8	0.8	-0.8	20	133
Latvia	0.9	0.9	0.8	0.8	0.8	0.7	0.6	0.9	0.7	0.7	0.9	1.0	0.9	0.0	17	211
Lithuania	0.7	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	-0.3	26	148
Luxembourg	1.9	1.7	1.5	1.4	1.3	1.4	1.4	1.5	1.3	1.2	1.1	1.2	1.3	-0.6	10	550
Hungary	0.6	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	1.1	1.1	1.2	0.6	13	1 168
Malta	0.8	0.9	1.1	1.1	1.6	1.6	1.5	1.6	1.3	1.1	1.0	1.0	1.0	0.3	16	70
Netherlands	1.9	1.7	1.8	1.7	1.7	1.8	1.8	1.8	1.6	1.4	1.4	1.2	1.2	-0.7	14	7 179
Austria	0.6	0.6	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.0	24	1 695
Poland	1.2	1.3	1.5	1.4	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.2	1.3	0.1	11	4 779
Portugal	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.4	1.3	1.2	1.2	1.3	1.4	0.1	8	2 290
Romania	0.7	0.7	0.7	0.7	0.7	0.7	0.8	1.0	0.8	0.8	0.8	0.8	0.8	0.1	19	1 035
Slovenia	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.0	22	225
Slovakia	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.7	0.1	21	475
Finland	1.1	1.0	1.1	1.0	1.1	1.2	1.1	1.1	1.1	1.1	1.2	1.1	1.2	0.1	12	2 361
Sweden	1.7	1.5	1.5	1.5	1.5	1.4	1.4	1.1	1.0	1.1	1.0	1.0	1.0	-0.7	15	4 180
United Kingdom	4.2	4.1	4.1	4.1	4.2	4.2	4.4	4.4	5.6	4.3	4.1	4.1	4.1	0.0	1	79 984
Iceland	2.4	2.3	2.3	2.1	2.3	2.5	2.0	2.3	2.1	2.0	2.2	2.2	2.5	0.1		263
Norway	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.1	1.0	1.1	1.1	1.1	1.1	0.0		4 118
EU-28 averages															Total	293 518
weighted	:	:	2.1	2.1	2.2	2.3	2.4	2.3	2.3	2.1	2.1	2.2	2.3	:		
arithmetic	:	:	1.3	1.3	1.4	1.4	1.5	1.5	1.4	1.3	1.3	1.3	1.4	:		
EU-27 averages																
weighted	2.1	2.1	2.1	2.1	2.2	2.3	2.4	2.3	2.3	2.1	2.1	2.2	2.3	0.1		
arithmetic	1.4	1.3	1.3	1.4	1.4	1.5	1.5	1.5	1.4	1.3	1.3	1.4	1.4	0.0		
EA-18 averages															Total	194 883
weighted	1.7	1.7	1.7	1.8	1.9	2.0	2.0	2.0	1.8	1.8	1.8	1.9	2.1	0.3		
arithmetic	1.4	1.3	1.3	1.3	1.5	1.5	1.5	1.6	1.4	1.3	1.3	1.4	1.5	0.0		
EA-17 averages																
weighted	1.7	1.7	1.7	1.8	1.9	2.0	2.0	2.0	1.8	1.8	1.8	1.9	2.1	0.3		
arithmetic	1.5	1.4	1.3	1.4	1.5	1.6	1.6	1.6	1.4	1.3	1.3	1.4	1.5	0.0		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 77: Taxes on property as % of Total Taxation

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	6.3	6.2	6.3	6.6	7.0	6.9	7.2	7.2	7.0	6.9	7.2	7.3	7.5	1.2	3	12 827
Bulgaria	0.8	0.8	1.0	1.1	1.1	1.3	1.9	2.1	2.2	1.9	1.9	2.1	2.0	1.3	22	222
Czech Republic	1.5	1.5	1.5	1.5	1.1	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.3	-0.2	25	711
Denmark	4.6	4.9	5.2	5.3	5.2	5.1	5.2	5.2	5.6	5.5	5.5	5.6	5.3	0.7	7	6 261
Germany	2.1	2.1	2.1	2.2	2.3	2.3	2.3	2.3	2.2	2.2	2.2	2.3	2.3	0.3	19	24 400
Estonia	1.3	1.2	1.1	1.1	1.0	0.9	0.8	0.7	0.9	1.0	1.1	1.0	1.0	-0.2	27	59
Ireland	4.8	5.1	4.8	5.9	6.4	7.3	8.4	7.4	5.7	5.1	5.2	5.0	4.8	0.0	8	2 262
Greece	6.1	5.2	4.6	4.6	4.3	4.2	5.6	5.5	5.2	4.6	3.3	6.0	6.2	0.0	5	4 030
Spain	6.5	6.4	6.7	7.5	8.1	8.6	9.0	8.3	7.3	6.9	6.8	6.4	6.7	0.2	4	22 270
France	6.1	6.1	6.3	6.4	6.7	6.9	6.9	7.1	6.9	7.2	7.9	8.3	8.0	2.0	2	73 467
Croatia	:	:	1.0	0.9	1.0	1.0	1.2	1.3	1.3	1.2	1.0	1.0	0.9	:	28	144
Italy	4.6	4.4	4.6	4.5	5.1	5.0	4.9	4.8	4.1	5.0	4.3	5.0	5.9	1.3	6	40 381
Cyprus	5.0	3.2	2.5	2.7	4.9	5.3	3.6	5.0	3.6	2.4	2.7	2.2	2.1	-2.9	21	133
Latvia	3.2	3.1	2.9	2.8	2.7	2.3	2.0	3.0	2.3	2.7	3.1	3.5	3.4	0.2	11	211
Lithuania	2.3	2.0	2.0	1.8	1.7	1.5	1.4	1.2	1.2	1.7	1.9	1.7	1.7	-0.7	24	148
Luxembourg	4.9	4.4	3.9	3.7	3.6	3.7	3.9	4.3	3.4	3.0	2.9	3.2	3.3	-1.7	12	550
Hungary	1.6	1.7	1.8	2.1	2.2	2.2	2.1	1.9	2.1	2.0	3.0	3.0	3.1	1.5	13	1 168
Malta	2.8	3.0	3.7	3.7	5.1	4.8	4.6	4.8	3.9	3.2	3.2	3.1	3.0	0.2	15	70
Netherlands	4.8	4.5	4.7	4.5	4.6	4.8	4.6	4.6	4.1	3.8	3.7	3.2	3.1	-1.7	14	7 179
Austria	1.3	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.3	0.0	26	1 695
Poland	3.5	4.0	4.5	4.2	4.2	4.0	3.7	3.4	3.6	3.9	3.8	3.6	3.9	0.3	10	4 779
Portugal	4.0	3.8	3.9	3.8	3.8	4.0	4.0	4.3	4.0	3.8	3.9	3.8	4.3	0.3	9	2 290
Romania	2.2	2.5	2.4	2.7	2.6	2.5	2.9	3.3	3.0	2.9	3.1	2.9	2.8	0.6	17	1 035
Slovenia	1.7	1.7	1.6	1.5	1.5	1.5	1.6	1.6	1.5	1.6	1.6	1.6	1.7	0.0	23	225
Slovakia	1.6	1.6	1.6	1.6	1.6	1.5	1.4	1.3	1.2	1.4	1.4	1.4	2.4	0.7	18	475
Finland	2.4	2.3	2.4	2.3	2.6	2.7	2.5	2.6	2.6	2.6	2.7	2.6	2.8	0.3	16	2 361
Sweden	3.4	3.1	3.1	3.1	3.1	2.9	2.9	2.4	2.2	2.3	2.3	2.3	2.3	-1.0	20	4 180
United Kingdom	11.5	11.4	11.9	11.8	11.9	11.9	12.3	12.5	15.1	12.4	11.8	11.5	11.7	0.2	1	79 984
Iceland	6.5	6.5	6.5	5.6	6.1	6.1	4.9	5.6	5.7	5.9	6.2	6.2	6.8	0.3		263
Norway	2.4	2.4	2.3	2.4	2.3	2.3	2.2	2.5	2.3	2.6	2.6	2.5	2.5	0.1		4 118
EU-28 averages															Total	293 518
weighted	:	:	5.4	5.4	5.7	5.8	6.0	5.9	5.9	5.4	5.5	5.6	5.7	:		
arithmetic	:	:	3.5	3.6	3.8	3.8	3.9	4.0	3.7	3.6	3.6	3.6	3.7	:		
EU-27 averages																
weighted	5.3	5.3	5.4	5.4	5.8	5.9	6.0	5.9	5.9	5.5	5.5	5.6	5.8	0.5		
arithmetic	3.7	3.6	3.6	3.7	3.9	4.0	4.0	4.1	3.8	3.6	3.7	3.7	3.8	0.1		
EA-18 averages															Total	194 883
weighted	4.2	4.2	4.3	4.4	4.8	4.9	5.0	5.0	4.6	4.7	4.7	4.9	5.1	0.8		
arithmetic	3.9	3.6	3.6	3.7	4.0	4.1	4.1	4.2	3.7	3.6	3.6	3.7	3.9	0.0		
EA-17 averages																
weighted	4.2	4.2	4.3	4.4	4.8	4.9	5.0	5.0	4.6	4.7	4.7	4.9	5.1	0.8		
arithmetic	3.9	3.7	3.6	3.7	4.1	4.2	4.3	4.3	3.8	3.6	3.6	3.7	3.9	0.0		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 78: Recurrent Taxes on immovable property as % of GDP

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.2	1.2	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	0.1	6	4 872
Bulgaria	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.2	22	123
Czech Republic	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.1	24	379
Denmark	1.7	1.8	1.9	1.9	1.9	1.8	1.8	1.8	1.9	2.1	2.1	2.1	2.1	0.4	3	5 082
Germany	0.4	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.5	0.5	0.4	0.5	0.0	18	12 010
Estonia	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.3	0.4	0.3	0.3	-0.1	21	59
Ireland	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.8	0.9	1.0	0.9	0.9	0.3	9	1 435
Greece	0.3	0.3	0.3	0.3	0.3	0.2	0.4	0.4	0.4	0.4	0.4	1.2	1.4	1.1	5	2 756
Spain	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.9	1.0	1.0	1.2	0.5	8	11 907
France	1.6	1.6	1.7	1.7	1.8	1.8	1.8	1.8	1.8	2.0	2.2	2.4	2.4	0.8	2	48 407
Croatia	:	:	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	:	27	13
Italy	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.7	1.6	0.8	4	24 815
Cyprus	0.4	0.4	0.5	0.5	0.6	0.6	0.9	1.5	1.0	0.6	0.6	0.5	0.5	0.1	17	92
Latvia	0.9	0.9	0.8	0.8	0.8	0.7	0.6	0.8	0.6	0.6	0.8	0.9	0.8	-0.1	10	188
Lithuania	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.3	0.3	-0.2	23	94
Luxembourg	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	26	31
Hungary	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.4	0.2	20	394
Malta	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	
Netherlands	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.2	13	4 053
Austria	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	25	639
Poland	1.1	1.3	1.4	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.2	1.2	1.2	0.1	7	4 709
Portugal	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.3	12	1 202
Romania	0.5	0.6	0.5	0.5	0.5	0.5	0.6	0.7	0.6	0.6	0.7	0.7	0.6	0.2	15	845
Slovenia	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.1	16	188
Slovakia	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.0	19	305
Finland	0.4	0.4	0.4	0.5	0.4	0.5	0.5	0.5	0.5	0.6	0.7	0.6	0.7	0.2	14	1 270
Sweden	1.0	0.9	1.0	0.9	0.9	0.9	0.8	0.8	0.7	0.8	0.8	0.8	0.8	-0.2	11	3 266
United Kingdom	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.5	3.4	3.3	3.4	0.3	1	65 128
Iceland	1.2	1.1	1.1	1.2	1.2	1.3	1.3	1.5	1.7	1.8	1.7	1.6	1.5	0.4		162
Norway	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.1		1 073
EU-28 averages															Total	194 261
weighted	:	:	1.3	1.2	1.3	1.3	1.3	1.2	1.2	1.3	1.3	1.3	1.5	:		
arithmetic	:	:	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	:		
EU-27 averages																
weighted	1.2	1.2	1.3	1.2	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.5	0.3		
arithmetic	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.9	0.2		
EA-18 averages															Total	114 228
weighted	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.8	0.9	1.0	1.0	1.2	0.4		
arithmetic	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.8	0.2		
EA-17 averages																
weighted	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.8	0.9	1.0	1.0	1.2	0.4		
arithmetic	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.8	0.3		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 79: Recurrent Taxes on immovable property as % of Total Taxation

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	2.6	2.6	2.9	3.0	2.9	2.8	2.8	2.8	2.8	3.0	3.0	3.0	2.9	0.2	10	4 872
Bulgaria	0.4	0.4	0.5	0.5	0.4	0.4	0.5	0.5	0.6	0.9	1.0	1.1	1.1	0.7	20	123
Czech Republic	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.5	0.7	0.6	0.7	0.1	24	379
Denmark	3.4	3.7	3.9	4.0	3.8	3.6	3.7	3.7	4.0	4.4	4.4	4.4	4.3	0.9	3	5 082
Germany	1.0	1.1	1.1	1.1	1.2	1.2	1.2	1.1	1.1	1.2	1.2	1.2	1.2	0.1	19	12 010
Estonia	1.3	1.2	1.1	1.1	1.0	0.9	0.8	0.7	0.9	1.0	1.1	1.0	1.0	-0.2	23	59
Ireland	1.8	1.9	2.0	2.1	2.1	2.1	2.1	2.1	2.5	3.2	3.4	3.3	3.1	1.3	8	1 435
Greece	0.8	0.8	0.9	0.9	0.9	0.7	1.4	1.3	1.1	1.3	1.3	3.8	4.2	3.4	4	2 756
Spain	2.0	2.0	1.9	2.0	2.0	2.0	2.0	2.0	2.4	2.9	3.0	3.3	3.6	1.6	7	11 907
France	3.7	3.7	3.9	4.0	4.0	4.1	4.1	4.2	4.3	4.9	5.3	5.4	5.3	1.6	2	48 407
Croatia	:	:	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	:	27	13
Italy	1.9	1.9	2.0	2.0	2.0	2.0	1.9	1.9	1.4	1.4	1.5	1.6	3.6	1.7	6	24 815
Cyprus	1.4	1.3	1.6	1.7	1.9	1.8	2.5	3.6	2.5	1.6	1.8	1.5	1.5	0.0	17	92
Latvia	3.2	3.1	2.9	2.8	2.7	2.3	2.0	2.6	2.0	2.4	2.8	3.1	3.0	-0.1	9	188
Lithuania	1.5	1.6	1.7	1.5	1.4	1.2	1.1	0.9	0.9	1.1	1.3	1.1	1.0	-0.4	21	94
Luxembourg	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	-0.1	26	31
Hungary	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.7	0.8	0.8	0.9	1.0	0.5	22	394
Malta	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	
Netherlands	1.3	1.4	1.4	1.5	1.6	1.6	1.5	1.4	1.4	1.6	1.6	1.7	1.7	0.4	14	4 053
Austria	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.0	25	639
Poland	3.5	3.9	4.4	4.2	4.2	3.9	3.6	3.4	3.5	3.8	3.7	3.6	3.8	0.3	5	4 709
Portugal	1.3	1.3	1.4	1.5	1.7	1.7	1.7	1.8	2.0	2.0	2.0	2.1	2.3	1.0	12	1 202
Romania	1.6	2.0	1.9	2.0	1.9	1.8	2.0	2.3	2.1	2.3	2.5	2.3	2.3	0.7	11	845
Slovenia	1.2	1.2	1.2	1.1	1.1	1.1	1.2	1.1	1.1	1.3	1.3	1.3	1.4	0.2	18	188
Slovakia	1.3	1.2	1.2	1.1	1.2	1.4	1.4	1.3	1.2	1.4	1.4	1.4	1.5	0.2	15	305
Finland	0.9	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.3	1.5	1.5	1.5	0.6	16	1 270
Sweden	2.0	1.8	2.0	2.0	1.9	1.9	1.8	1.8	1.6	1.7	1.7	1.8	1.8	-0.2	13	3 266
United Kingdom	8.6	8.8	9.3	9.4	9.2	9.1	8.8	8.8	8.7	10.1	9.6	9.3	9.5	1.0	1	65 128
Iceland	6.5	6.5	6.5	5.6	6.1	6.1	4.9	5.6	5.7	5.9	6.2	6.2	6.8	0.3		162
Norway	2.4	2.4	2.3	2.4	2.3	2.3	2.2	2.5	2.3	2.6	2.6	2.5	2.5	0.1		1 073
EU-28 averages															Total	194 261
weighted	:	:	3.2	3.2	3.2	3.2	3.2	3.2	3.1	3.3	3.4	3.4	3.8	:		
arithmetic	:	:	1.9	1.9	1.9	1.8	1.8	1.9	1.8	2.0	2.1	2.2	2.3	:		
EU-27 averages																
weighted	3.0	3.1	3.2	3.2	3.3	3.3	3.2	3.2	3.1	3.3	3.4	3.5	3.8	0.8		
arithmetic	1.8	1.8	1.9	1.9	1.9	1.9	1.9	1.9	1.9	2.1	2.2	2.3	2.4	0.6		
EA-18 averages															Total	114 228
weighted	1.9	2.0	2.1	2.1	2.2	2.2	2.2	2.2	2.1	2.4	2.5	2.6	3.0	1.0		
arithmetic	1.5	1.5	1.5	1.5	1.6	1.5	1.6	1.7	1.6	1.7	1.8	2.0	2.1	0.7		
EA-17 averages																
weighted	1.9	2.0	2.1	2.1	2.2	2.2	2.2	2.2	2.1	2.4	2.5	2.6	3.0	1.0		
arithmetic	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.6	1.6	1.7	1.8	1.9	2.1	0.7		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 80: Other taxes on property as % of GDP

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012	Revenue (²) 2012
Belgium	1.6	1.6	1.5	1.6	1.9	1.8	2.0	1.9	1.9	1.7	1.8	1.9	2.1	0.5	1	7 955
Bulgaria	0.1	0.1	0.1	0.2	0.2	0.3	0.4	0.5	0.5	0.3	0.2	0.3	0.3	0.1	18	100
Czech Republic	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	-0.1	22	332
Denmark	0.6	0.6	0.6	0.6	0.7	0.8	0.8	0.7	0.7	0.5	0.5	0.5	0.5	-0.1	14	1 178
Germany	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.4	0.5	0.0	15	12 390
Estonia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	
Ireland	1.0	1.0	0.8	1.1	1.3	1.6	2.0	1.6	0.9	0.5	0.5	0.5	0.5	-0.4	13	827
Greece	1.8	1.5	1.3	1.2	1.1	1.1	1.3	1.4	1.3	1.0	0.6	0.7	0.7	-1.2	10	1 274
Spain	1.5	1.5	1.6	1.9	2.1	2.4	2.6	2.3	1.6	1.2	1.2	1.0	1.0	-0.5	5	10 363
France	1.1	1.1	1.0	1.0	1.2	1.2	1.2	1.3	1.1	1.0	1.1	1.3	1.2	0.2	2	25 060
Croatia	:	:	0.3	0.3	0.4	0.3	0.4	0.4	0.5	0.4	0.3	0.3	0.3	:	17	131
Italy	1.1	1.0	1.1	1.0	1.2	1.2	1.2	1.2	1.1	1.5	1.2	1.5	1.0	-0.1	6	15 566
Cyprus	1.1	0.6	0.3	0.3	1.0	1.2	0.4	0.5	0.4	0.3	0.3	0.3	0.2	-0.9	20	42
Latvia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	26	23
Lithuania	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	-0.1	23	55
Luxembourg	1.8	1.6	1.4	1.3	1.3	1.3	1.3	1.5	1.2	1.1	1.0	1.1	1.2	-0.6	3	519
Hungary	0.4	0.5	0.5	0.6	0.6	0.6	0.6	0.5	0.6	0.5	0.8	0.8	0.8	0.4	7	775
Malta	0.8	0.9	1.1	1.1	1.6	1.6	1.5	1.6	1.3	1.1	1.0	1.0	1.0	0.3	4	70
Netherlands	1.4	1.2	1.2	1.1	1.1	1.2	1.2	1.2	1.1	0.8	0.8	0.6	0.5	-0.9	12	3 126
Austria	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.0	16	1 056
Poland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	70
Portugal	0.8	0.8	0.8	0.7	0.6	0.7	0.7	0.8	0.7	0.6	0.6	0.6	0.7	-0.2	9	1 088
Romania	0.2	0.1	0.1	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.0	24	190
Slovenia	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	-0.1	25	36
Slovakia	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	19	170
Finland	0.7	0.6	0.6	0.6	0.7	0.7	0.6	0.6	0.6	0.5	0.5	0.5	0.6	-0.2	11	1 091
Sweden	0.7	0.6	0.5	0.5	0.6	0.5	0.5	0.3	0.3	0.3	0.3	0.2	0.2	-0.5	21	914
United Kingdom	1.1	0.9	0.9	0.8	1.0	1.0	1.2	1.3	2.4	0.8	0.8	0.8	0.8	-0.3	8	14 857
Iceland	1.2	1.2	1.2	0.8	1.1	1.2	0.7	0.8	0.4	0.2	0.5	0.7	1.0	-0.3		101
Norway	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.7	0.8	0.8	0.8	0.8	0.0		3 045
EU-28 averages															Total	99 257
weighted	:	:	0.8	0.9	1.0	1.0	1.1	1.1	1.1	0.8	0.8	0.8	0.8	:		
arithmetic	:	:	0.6	0.6	0.7	0.8	0.8	0.8	0.7	0.6	0.5	0.5	0.5	:		
EU-27 averages																
weighted	0.9	0.9	0.9	0.9	1.0	1.0	1.1	1.1	1.1	0.8	0.8	0.8	0.8	-0.1		
arithmetic	0.7	0.7	0.6	0.6	0.7	0.8	0.8	0.8	0.7	0.6	0.6	0.6	0.6	-0.2		
EA-18 averages															Total	80 655
weighted	0.9	0.9	0.9	0.9	1.0	1.1	1.2	1.1	1.0	0.9	0.9	0.9	0.8	-0.1		
arithmetic	0.9	0.8	0.8	0.8	0.9	0.9	1.0	1.0	0.8	0.7	0.7	0.7	0.7	-0.2		
EA-17 averages																
weighted	0.9	0.9	0.9	0.9	1.0	1.1	1.2	1.1	1.0	0.9	0.9	0.9	0.9	-0.1		
arithmetic	0.9	0.8	0.8	0.8	0.9	1.0	1.0	1.0	0.8	0.7	0.7	0.7	0.7	-0.2		

(¹) In percentage points.

(²) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 81: Other taxes on property as % of Total Taxation

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012	Revenue (°) 2012
Belgium	3.7	3.5	3.4	3.6	4.2	4.1	4.4	4.4	4.2	3.9	4.2	4.3	4.7	1.0	1	7 955
Bulgaria	0.4	0.4	0.5	0.6	0.7	0.9	1.3	1.6	1.6	1.0	0.9	1.0	0.9	0.5	16	100
Czech Republic	0.9	1.0	1.0	1.0	0.7	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.6	-0.3	21	332
Denmark	1.1	1.2	1.2	1.3	1.4	1.5	1.5	1.5	1.5	1.1	1.1	1.1	1.0	-0.1	15	1 178
Germany	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.1	1.0	1.0	1.1	1.2	0.2	14	12 390
Estonia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	
Ireland	3.0	3.2	2.8	3.9	4.4	5.2	6.3	5.2	3.2	1.9	1.9	1.7	1.8	-1.3	11	827
Greece	5.3	4.4	3.7	3.7	3.4	3.5	4.2	4.2	4.1	3.3	2.0	2.1	1.9	-3.4	10	1 274
Spain	4.5	4.4	4.8	5.5	6.1	6.7	7.0	6.3	4.9	4.0	3.7	3.1	3.1	-1.4	2	10 363
France	2.4	2.4	2.4	2.4	2.7	2.8	2.8	3.0	2.6	2.3	2.7	2.9	2.7	0.4	5	25 060
Croatia	:	:	0.9	0.8	1.0	1.0	1.1	1.2	1.2	1.1	0.9	1.0	0.8	:	18	131
Italy	2.7	2.5	2.6	2.5	3.0	2.9	3.0	2.9	2.7	3.6	2.9	3.4	2.3	-0.4	6	15 566
Cyprus	3.6	1.9	1.0	1.0	3.0	3.5	1.1	1.3	1.1	0.8	0.9	0.7	0.7	-3.0	20	42
Latvia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.3	0.3	0.3	0.4	0.4	0.4	25	23
Lithuania	0.8	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.5	0.6	0.6	0.6	-0.2	22	55
Luxembourg	4.7	4.1	3.6	3.5	3.4	3.5	3.6	4.1	3.2	2.8	2.7	3.0	3.1	-1.6	3	519
Hungary	1.1	1.2	1.2	1.5	1.6	1.6	1.5	1.3	1.4	1.2	2.2	2.1	2.0	0.9	8	775
Malta	2.8	3.0	3.7	3.7	5.1	4.8	4.6	4.8	3.9	3.2	3.2	3.1	3.0	0.2	4	70
Netherlands	3.5	3.2	3.3	2.9	3.1	3.2	3.1	3.1	2.7	2.1	2.0	1.5	1.3	-2.1	12	3 126
Austria	0.8	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.0	19	1 056
Poland	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	27	70
Portugal	2.7	2.5	2.5	2.3	2.1	2.3	2.3	2.5	2.0	1.8	1.8	1.7	2.0	-0.7	9	1 088
Romania	0.6	0.5	0.5	0.7	0.7	0.7	0.9	1.1	0.9	0.6	0.6	0.5	0.5	-0.1	23	190
Slovenia	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.5	0.4	0.3	0.3	0.3	0.3	-0.2	26	36
Slovakia	0.4	0.3	0.4	0.5	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.5	17	170
Finland	1.5	1.4	1.4	1.3	1.5	1.7	1.5	1.5	1.4	1.3	1.2	1.1	1.3	-0.2	13	1 091
Sweden	1.4	1.3	1.1	1.1	1.2	1.0	1.1	0.6	0.6	0.6	0.6	0.5	0.5	-0.9	24	914
United Kingdom	3.0	2.6	2.6	2.4	2.8	2.9	3.4	3.6	6.4	2.3	2.3	2.1	2.2	-0.8	7	14 857
Iceland	3.3	3.4	3.3	2.3	3.0	3.0	1.6	1.9	1.1	0.7	1.3	1.8	2.6	-0.8		101
Norway	1.9	1.9	1.8	2.0	1.9	1.8	1.6	1.9	1.7	2.0	1.9	1.8	1.9	-0.1		3 045
EU-28 averages															Total	99 257
weighted	:	:	2.2	2.2	2.5	2.6	2.8	2.7	2.8	2.1	2.1	2.1	1.9	:		
arithmetic	:	:	1.7	1.7	2.0	2.0	2.1	2.1	1.9	1.5	1.5	1.5	1.5	:		
EU-27 averages																
weighted	2.3	2.2	2.2	2.2	2.5	2.6	2.8	2.7	2.8	2.1	2.1	2.1	1.9	-0.3		
arithmetic	1.9	1.8	1.7	1.8	2.0	2.1	2.1	2.1	1.9	1.5	1.5	1.5	1.5	-0.5		
EA-18 averages															Total	80 655
weighted	2.3	2.2	2.3	2.3	2.6	2.8	2.9	2.8	2.4	2.3	2.2	2.3	2.1	-0.2		
arithmetic	2.4	2.2	2.1	2.2	2.5	2.6	2.6	2.6	2.1	1.9	1.8	1.7	1.7	-0.6		
EA-17 averages																
weighted	2.3	2.2	2.3	2.3	2.6	2.8	2.9	2.8	2.4	2.3	2.2	2.3	2.1	-0.2		
arithmetic	2.5	2.3	2.2	2.3	2.6	2.7	2.7	2.7	2.2	2.0	1.8	1.8	1.8	-0.7		

(°) In percentage points.

(°) In millions of euro.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_str)

Table 82: Implicit tax rates in % — Consumption

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (¹) 2000 to 2012	Ranking 2012
Belgium	21.8	21.0	21.4	21.4	22.0	22.3	22.4	22.1	21.2	20.8	21.2	21.0	21.1	-0.7	14
Bulgaria	18.3	17.5	16.6	19.2	21.5	21.8	23.5	22.6	24.7	22.0	21.4	21.1	21.5	3.3	12
Czech Republic	18.8	18.2	18.4	18.8	20.8	21.1	20.3	21.3	20.5	20.7	20.9	21.8	22.5	3.7	10
Denmark	33.4	33.5	33.7	33.3	33.3	33.9	34.2	33.9	32.6	31.3	31.3	31.4	30.9	-2.5	1
Germany	19.2	18.9	18.9	19.0	18.5	18.4	18.5	20.1	20.1	20.2	19.7	20.0	19.8	0.6	16
Estonia	19.5	19.6	19.9	19.8	19.7	22.0	22.7	23.6	21.1	25.6	25.1	25.8	26.0	6.6	7
Ireland	25.4	23.7	24.4	24.4	25.5	26.0	26.0	25.2	22.8	21.9	22.1	21.4	21.9	-3.5	11
Greece	16.5	16.7	16.1	15.5	15.3	15.5	16.0	16.5	15.4	14.6	16.4	16.3	16.2	-0.3	27
Spain	15.8	15.4	15.5	15.9	16.1	16.7	16.6	15.7	13.9	12.5	14.8	14.1	14.0	-1.8	28
France	21.1	20.4	20.5	20.1	20.3	20.3	20.1	19.8	19.4	18.9	19.2	19.7	19.8	-1.3	17
Croatia	:	:	30.1	30.7	30.1	30.0	30.5	29.8	29.4	28.1	29.2	27.9	29.1	:	2
Italy	18.5	17.9	17.8	17.3	17.6	17.4	18.0	17.9	17.2	16.9	17.6	17.4	17.7	-0.8	22
Cyprus	12.6	14.0	15.0	18.0	19.4	19.7	20.0	20.5	20.4	19.2	19.0	17.6	17.6	5.0	23
Latvia	18.4	17.1	17.0	18.3	18.1	19.9	19.8	19.6	17.4	16.9	16.9	17.2	17.4	-0.9	24
Lithuania	18.0	17.5	17.9	17.0	16.1	16.5	16.7	17.8	17.7	16.5	18.0	18.2	17.4	-0.6	25
Luxembourg	23.0	22.6	22.6	23.8	25.4	26.3	26.4	27.1	27.1	27.8	27.5	28.0	28.9	5.9	3
Hungary	27.0	25.2	25.0	25.6	27.0	26.1	25.4	26.3	26.0	27.2	27.4	26.8	28.1	1.1	4
Malta	15.6	16.4	16.3	16.2	17.5	19.1	19.4	19.4	19.3	18.9	18.5	18.9	18.7	3.1	20
Netherlands	23.1	23.8	23.3	23.7	24.2	24.4	25.3	25.6	25.7	24.7	25.4	24.8	24.5	1.5	8
Austria	22.2	22.1	22.5	22.2	22.1	21.7	21.3	21.6	21.7	21.6	21.3	21.2	21.3	-0.8	13
Poland	17.8	17.3	17.9	18.3	18.5	19.8	20.6	21.6	21.4	19.3	20.5	20.8	19.3	1.5	18
Portugal	18.3	18.3	18.8	18.9	18.8	19.7	20.0	19.1	18.2	16.7	17.6	18.2	18.1	-0.2	21
Romania	17.0	15.6	16.2	17.7	16.4	17.9	17.8	18.0	17.7	16.9	18.1	20.3	20.9	3.9	15
Slovenia	23.3	22.9	23.7	23.8	23.7	23.5	23.7	23.9	24.2	23.4	23.2	22.9	23.4	0.1	9
Slovakia	21.3	18.4	18.7	20.3	20.8	21.5	19.5	19.9	18.3	17.0	17.4	18.3	16.7	-4.5	26
Finland	28.5	27.6	27.7	28.1	27.7	27.6	27.2	26.5	25.9	25.6	25.1	26.4	26.4	-2.0	6
Sweden	26.5	26.7	27.0	27.0	26.9	27.3	27.2	27.5	27.9	27.6	27.9	27.3	26.5	0.1	5
United Kingdom	18.7	18.4	18.4	18.6	18.6	17.9	17.8	17.7	17.6	16.8	18.0	19.3	19.0	0.3	19
Iceland	27.1	25.0	25.8	26.3	27.9	29.3	30.6	29.1	26.2	24.1	24.8	24.8	24.5	-2.5	
Norway	31.2	30.6	29.7	28.4	28.8	29.4	30.6	31.1	29.1	28.6	29.0	29.2	29.4	-1.7	
EU-28 averages															
weighted	:	:	19.7	19.7	19.8	19.7	19.8	20.0	19.6	19.1	19.7	19.9	19.9	:	
weighted (adj.)	:	:	19.7	19.7	19.8	19.7	19.8	20.0	19.6	19.1	19.7	19.9	19.9	:	
arithmetic	:	:	20.8	21.2	21.5	21.9	22.0	22.2	21.6	21.1	21.5	21.6	21.6	:	
arithmetic (adj.)	:	:	20.8	21.2	21.5	21.9	22.0	22.2	21.6	21.1	21.5	21.6	21.6	:	
EU-27 averages															
weighted	20.0	19.7	19.7	19.7	19.7	19.7	19.8	20.0	19.6	19.0	19.6	19.9	19.8	-0.2	
weighted (adj.)	20.0	19.7	19.7	19.7	19.7	19.7	19.8	20.0	19.6	19.0	19.6	19.9	19.8	-0.2	
arithmetic	20.7	20.3	20.4	20.8	21.2	21.6	21.7	21.9	21.3	20.8	21.2	21.3	21.3	0.6	
arithmetic (adj.)	20.7	20.3	20.4	20.8	21.2	21.6	21.7	21.9	21.3	20.8	21.2	21.3	21.3	0.6	
EA-18 averages															
weighted	19.8	19.4	19.4	19.3	19.4	19.4	19.6	19.8	19.2	18.8	19.2	19.3	19.3	-0.5	
weighted (adj.)	19.8	19.4	19.4	19.3	19.4	19.4	19.6	19.8	19.2	18.8	19.2	19.3	19.3	-0.5	
arithmetic	20.2	19.8	20.0	20.4	20.7	21.2	21.3	21.3	20.5	20.2	20.4	20.5	20.5	0.3	
arithmetic (adj.)	20.2	19.8	20.0	20.4	20.7	21.2	21.3	21.3	20.5	20.2	20.4	20.5	20.5	0.3	
EA-17 averages															
weighted	19.8	19.4	19.4	19.3	19.4	19.4	19.6	19.8	19.2	18.8	19.2	19.3	19.3	-0.5	
weighted (adj.)	19.8	19.4	19.4	19.3	19.4	19.4	19.6	19.8	19.2	18.8	19.2	19.3	19.3	-0.5	
arithmetic	20.3	20.0	20.2	20.5	20.9	21.3	21.4	21.4	20.7	20.4	20.6	20.7	20.7	0.4	
arithmetic (adj.)	20.3	20.0	20.2	20.5	20.9	21.3	21.4	21.4	20.7	20.4	20.6	20.7	20.7	0.4	

(¹) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Table 83: Implicit tax rates in % — Labour

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (°) 2000 to 2012	Ranking 2012
Belgium	43.6	43.3	43.3	43.2	43.8	43.6	42.4	42.4	42.4	42.0	42.7	42.9	42.8	-0.8	1
Bulgaria	38.1	33.9	33.4	35.6	35.7	33.2	29.7	30.4	27.4	25.7	23.5	24.2	24.5	-13.5	27
Czech Republic	41.2	40.8	41.3	41.7	41.5	41.3	41.1	41.7	39.9	37.6	38.4	39.0	38.8	-2.3	7
Denmark	41.0	40.8	38.8	38.1	37.5	37.1	36.9	36.6	36.6	34.8	34.2	34.3	34.4	-6.6	14
Germany	39.1	38.9	38.7	38.8	37.8	37.5	38.1	38.2	38.6	38.0	37.2	37.3	37.8	-1.3	11
Estonia	37.8	37.3	37.8	36.9	35.8	33.8	33.6	33.9	33.8	34.9	36.6	35.7	35.0	-2.8	13
Ireland	29.1	27.5	26.0	24.9	26.2	25.4	25.3	25.5	24.5	25.1	25.9	28.2	28.7	-0.4	24
Greece	33.9	34.0	34.0	34.4	33.3	33.3	32.3	33.3	32.9	30.0	31.5	30.9	38.0	4.1	10
Spain	30.5	31.4	32.1	31.6	32.0	32.4	32.9	33.7	32.4	31.4	32.6	32.9	33.5	3.0	16
France	39.4	39.2	38.7	39.0	38.9	39.3	39.3	39.0	39.0	38.6	38.1	38.8	39.5	0.1	6
Croatia	:	:	29.5	29.2	30.0	29.6	30.3	30.8	31.0	31.3	31.1	29.7	29.2	:	22
Italy	42.1	42.1	41.9	41.7	41.7	41.2	40.9	42.4	43.0	42.6	42.6	42.3	42.8	0.7	2
Cyprus	21.6	22.9	22.3	22.8	22.7	24.4	23.9	23.9	24.6	26.2	26.9	26.8	28.8	7.2	23
Latvia	36.7	36.5	37.8	36.6	36.7	33.2	33.1	31.1	28.4	29.2	33.1	33.3	33.0	-3.7	17
Lithuania	41.2	40.3	38.1	36.9	36.0	34.9	33.6	33.1	32.7	32.6	31.5	31.5	31.9	-9.3	20
Luxembourg	29.9	29.6	28.4	29.2	29.4	29.9	30.3	31.0	31.6	31.6	31.8	32.5	32.9	3.1	18
Hungary	41.4	40.9	41.2	39.3	38.3	38.4	38.9	41.0	42.3	40.2	38.4	38.2	39.8	-1.7	5
Malta	20.5	21.6	22.4	21.8	22.1	22.5	22.7	21.2	21.2	21.7	21.6	22.5	23.3	2.8	28
Netherlands	34.7	31.4	31.5	32.0	31.9	32.3	35.1	35.6	36.8	35.9	37.0	37.5	38.5	3.8	9
Austria	40.1	40.6	40.8	41.0	41.1	40.8	40.9	41.0	41.3	40.3	40.5	40.8	41.5	1.4	3
Poland	33.6	33.2	32.4	32.7	32.7	33.8	35.4	34.0	31.7	30.9	30.3	32.0	33.9	0.4	15
Portugal	22.3	22.8	22.8	22.9	22.3	22.4	23.1	23.7	23.5	23.6	24.2	25.4	25.4	3.1	25
Romania	33.6	31.2	31.2	29.7	29.1	28.1	30.1	30.2	27.3	28.6	30.0	33.0	30.4	-3.2	21
Slovenia	37.6	37.5	37.7	37.8	37.6	37.6	37.3	35.9	35.9	35.1	35.0	35.3	35.6	-1.9	12
Slovakia	36.3	37.1	36.7	36.1	34.5	32.9	30.5	31.1	32.7	31.4	32.2	31.6	32.3	-4.0	19
Finland	44.0	44.1	43.8	42.5	41.6	41.6	41.6	41.3	41.2	40.1	39.0	39.5	40.1	-4.0	4
Sweden	46.8	45.5	43.8	43.5	43.5	43.6	42.9	41.2	41.2	39.4	39.1	38.9	38.6	-8.2	8
United Kingdom	25.5	25.1	24.4	24.6	25.1	25.9	25.9	26.1	26.2	24.7	25.6	25.8	25.2	-0.3	26
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Norway	37.1	37.2	37.5	37.7	37.8	37.1	36.6	36.1	35.7	35.7	36.3	36.4	36.4	-0.7	
EU-28 averages															
weighted	:	:	35.5	35.6	35.4	35.4	35.6	35.8	36.0	35.4	35.4	35.8	36.1	:	
weighted (adj.)	:	:	35.5	35.6	35.4	35.4	35.6	35.8	36.0	35.4	35.4	35.8	36.1	:	
arithmetic	:	:	34.7	34.5	34.2	33.9	33.9	33.9	33.6	33.0	33.2	33.6	34.2	:	
arithmetic (adj.)	:	:	34.7	34.5	34.2	33.9	33.9	33.9	33.6	33.0	33.2	33.6	34.2	:	
EU-27 averages															
weighted	36.3	35.9	35.5	35.7	35.4	35.4	35.6	35.8	36.0	35.4	35.4	35.8	36.2	-0.1	
weighted (adj.)	36.3	35.9	35.5	35.7	35.4	35.4	35.6	35.8	36.0	35.4	35.4	35.8	36.2	-0.1	
arithmetic	35.6	35.2	34.9	34.6	34.4	34.1	34.0	34.0	33.7	33.0	33.3	33.7	34.3	-1.3	
arithmetic (adj.)	35.6	35.2	34.9	34.6	34.4	34.1	34.0	34.0	33.7	33.0	33.3	33.7	34.3	-1.3	
EA-18 averages															
weighted	38.3	38.0	37.8	37.7	37.4	37.3	37.5	37.9	38.0	37.4	37.4	37.7	38.5	0.2	
weighted (adj.)	38.3	38.0	37.8	37.7	37.4	37.3	37.5	37.9	38.0	37.4	37.4	37.7	38.5	0.2	
arithmetic	34.4	34.3	34.3	34.1	33.8	33.6	33.5	33.6	33.5	33.2	33.8	34.1	35.0	0.6	
arithmetic (adj.)	34.4	34.3	34.3	34.1	33.8	33.6	33.5	33.6	33.5	33.2	33.8	34.1	35.0	0.6	
EA-17 averages															
weighted	38.3	38.0	37.8	37.7	37.4	37.3	37.6	37.9	38.0	37.4	37.4	37.7	38.5	0.2	
weighted (adj.)	38.3	38.0	37.8	37.7	37.4	37.3	37.6	37.9	38.0	37.4	37.4	37.7	38.5	0.2	
arithmetic	34.3	34.2	34.1	33.9	33.7	33.6	33.5	33.7	33.8	33.4	33.8	34.2	35.1	0.8	
arithmetic (adj.)	34.3	34.2	34.1	33.9	33.7	33.6	33.5	33.7	33.8	33.4	33.8	34.2	35.1	0.8	

(°) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_itr](#))

Table 84: Implicit tax rates in % — Capital

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (1) 2000 to 2012
Belgium	29.5	29.4	30.5	31.4	32.5	32.6	32.9	31.2	32.0	29.4	28.8	30.4	35.5	6.1
Bulgaria	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Czech Republic	18.7	19.6	21.3	22.1	21.8	20.4	20.0	20.2	18.5	17.7	16.7	17.5	18.0	-0.7
Denmark	36.0	31.0	30.8	36.9	45.9	49.9	44.5	46.2	42.4	40.5	44.1	43.2	:	:
Germany	26.9	20.7	19.3	19.5	19.6	20.4	21.0	21.2	20.6	20.4	19.0	21.0	22.2	-4.7
Estonia	6.4	5.2	6.8	8.1	8.4	8.0	8.3	8.8	10.6	14.4	9.8	8.0	8.1	1.7
Ireland	:	:	14.5	16.5	17.7	19.2	21.5	19.0	16.7	15.0	13.0	13.0	13.0	:
Greece	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Spain	29.3	27.8	29.1	29.6	32.1	35.5	39.4	41.6	30.7	26.3	25.0	24.1	25.3	-4.1
France	40.3	40.1	39.2	38.4	39.6	40.5	42.8	41.2	40.1	38.3	39.3	43.4	46.9	6.6
Croatia	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Italy	27.6	27.2	26.9	29.5	27.7	27.3	31.7	33.6	33.4	35.2	32.2	32.4	37.0	9.4
Cyprus	24.8	23.7	24.0	23.0	24.5	27.1	30.9	41.7	32.5	29.5	30.6	28.6	26.0	1.2
Latvia	12.3	12.7	10.6	9.1	9.2	10.6	11.9	15.0	17.7	10.3	7.9	9.5	9.9	-2.4
Lithuania	10.1	8.4	8.1	9.3	10.5	11.1	13.5	13.1	14.6	15.2	11.5	9.3	9.8	-0.2
Luxembourg	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Hungary	18.9	18.5	17.4	18.4	17.5	17.6	17.1	20.3	19.9	23.6	20.5	18.2	21.4	2.5
Malta	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	21.3	21.9	23.8	20.7	20.2	17.9	17.4	16.0	16.9	15.7	13.9	12.0	13.7	-7.6
Austria	27.3	35.2	28.8	27.6	26.8	24.2	23.9	25.1	26.3	25.2	23.6	24.0	25.0	-2.2
Poland	20.5	20.5	22.4	20.7	19.0	20.4	21.0	23.0	23.1	19.7	18.6	18.3	19.0	-1.6
Portugal	31.1	29.9	31.9	31.9	27.7	29.3	30.6	33.3	37.3	32.4	28.2	31.7	29.5	-1.6
Romania	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Slovenia	17.3	18.1	18.0	17.7	19.3	23.2	23.1	24.7	23.1	21.2	21.9	20.2	19.6	2.3
Slovakia	22.3	21.5	22.5	22.5	18.9	18.8	17.5	17.2	16.5	16.6	14.8	15.7	16.7	-5.6
Finland	38.1	27.3	29.6	28.1	28.2	28.8	26.4	27.9	28.8	29.9	28.8	28.2	29.9	-8.2
Sweden	42.3	33.2	28.7	28.6	27.4	33.3	28.7	33.3	25.8	31.2	29.1	28.7	30.6	-11.7
United Kingdom	43.0	44.2	40.2	35.2	36.6	37.2	40.9	40.1	44.2	37.4	34.3	33.7	35.7	-7.2
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Norway	42.2	42.7	42.8	39.5	40.6	40.7	42.4	40.9	41.8	42.1	41.9	42.5	39.3	-2.9

(1) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Table 85: Implicit tax rates in % — Capital and business income

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (1) 2000 to 2012
Belgium	19.0	19.1	19.4	19.4	19.9	20.5	20.6	19.7	20.0	17.2	16.8	18.1	20.9	1.8
Bulgaria	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Czech Republic	15.6	16.9	18.6	19.5	19.7	18.2	17.9	18.1	16.6	15.8	14.6	15.3	15.8	0.1
Denmark	23.9	17.7	17.3	21.4	30.3	36.1	30.8	30.2	25.3	20.4	29.3	28.6	:	:
Germany	22.4	16.3	15.2	15.4	15.6	16.6	17.4	17.8	17.2	16.7	15.5	17.5	18.4	-4.1
Estonia	4.3	3.4	4.9	6.4	6.5	6.2	6.5	7.0	8.2	11.2	7.1	5.9	6.0	1.7
Ireland	:	:	11.1	12.2	12.8	13.4	14.9	13.3	11.7	10.4	8.9	8.5	8.6	:
Greece	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Spain	20.0	18.7	19.5	19.4	20.9	22.9	25.6	28.6	20.5	17.3	15.6	15.3	15.7	-4.2
France	22.9	23.2	21.9	20.8	21.3	21.7	24.2	22.9	22.6	18.4	21.2	23.3	25.7	2.8
Croatia	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Italy	21.7	21.7	20.3	23.5	21.1	20.9	24.8	26.7	27.0	25.6	24.7	24.1	26.5	4.8
Cyprus	18.7	19.1	19.8	17.9	16.7	19.0	23.7	31.6	25.7	24.1	24.5	23.6	20.8	2.1
Latvia	6.9	7.3	7.2	5.4	6.0	7.4	8.9	10.8	14.0	6.6	3.9	5.3	5.8	-1.1
Lithuania	7.3	6.1	5.8	7.4	8.6	9.5	11.8	11.5	13.0	12.9	9.6	7.7	8.3	1.0
Luxembourg	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Hungary	14.5	14.3	13.5	13.6	12.2	12.2	12.4	14.9	13.9	16.9	10.3	8.8	10.1	-4.5
Malta	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	14.0	15.2	15.8	13.2	12.8	11.4	11.3	10.3	11.0	9.3	8.4	7.4	8.4	-5.6
Austria	22.9	30.5	24.5	23.2	22.8	20.6	20.2	21.6	22.9	21.4	20.0	20.7	21.4	-1.5
Poland	15.9	15.7	16.9	15.6	14.5	15.9	16.1	18.6	18.5	15.6	14.5	14.4	15.0	-0.8
Portugal	22.6	21.2	21.4	19.9	19.0	19.4	20.0	22.5	25.8	21.3	18.4	21.5	19.0	-3.7
Romania	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Slovenia	12.7	13.1	13.8	13.9	15.1	18.8	18.9	20.7	18.9	16.5	17.0	15.5	14.4	1.7
Slovakia	18.9	18.5	19.4	19.4	16.2	16.1	15.2	15.1	14.4	14.3	12.6	13.4	13.8	-5.1
Finland	33.2	23.2	24.9	23.2	23.0	23.3	21.8	23.4	23.8	23.2	22.7	22.4	23.0	-10.2
Sweden	32.0	23.4	19.1	19.4	19.7	25.6	22.3	27.2	20.1	24.1	23.0	22.4	23.2	-8.8
United Kingdom	25.4	26.6	23.0	19.9	20.8	21.9	24.7	23.5	24.0	21.6	19.6	19.1	19.7	-5.7
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Norway	23.7	23.5	23.7	21.1	21.6	20.8	21.8	22.1	21.1	23.8	23.5	22.6	21.6	-2.1

(1) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_itr](#))

Table 86: Implicit tax rates in % — Corporate income

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (1) 2000 to 2012
Belgium	24.4	24.1	23.1	22.3	21.9	21.8	22.4	20.9	21.2	15.9	15.0	16.6	20.0	-4.4
Bulgaria	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Czech Republic	24.5	25.9	28.5	29.0	27.5	24.7	24.3	23.7	22.0	20.5	19.8	20.2	21.4	-3.1
Denmark	23.0	21.1	20.0	22.3	24.9	26.7	28.7	28.0	23.0	19.8	18.4	18.2	:	:
Germany	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Estonia	4.1	3.0	4.7	6.5	6.9	5.7	5.8	6.7	7.9	12.9	7.7	5.8	6.2	2.1
Ireland	:	:	9.3	9.5	9.6	9.7	10.1	8.7	8.2	7.5	6.6	6.0	6.0	:
Greece	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Spain	28.8	26.8	28.8	29.4	33.4	39.8	45.7	55.3	31.0	21.7	16.9	16.8	17.8	-11.0
France	29.8	32.7	28.6	23.9	25.3	23.9	30.1	27.7	25.9	14.6	19.8	25.6	28.1	-1.6
Croatia	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Italy	18.3	22.6	20.0	23.6	20.5	19.8	25.5	28.8	30.9	27.0	24.3	24.3	25.9	7.6
Cyprus	31.1	32.7	32.8	26.5	24.0	26.6	31.8	37.3	32.7	35.9	35.6	32.6	28.6	-2.6
Latvia	9.0	9.2	8.7	6.7	8.1	9.9	11.3	13.1	18.5	8.1	4.7	5.9	6.4	-2.6
Lithuania	4.0	2.5	2.6	5.7	7.3	8.0	10.8	9.8	11.1	8.2	3.7	2.6	4.1	0.2
Luxembourg	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Hungary	34.0	28.1	20.7	19.6	17.6	17.1	14.9	18.7	19.0	21.0	9.8	8.2	10.6	-23.4
Malta	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	18.4	17.2	18.0	14.4	14.4	12.4	12.0	10.2	10.9	7.4	6.5	5.7	6.8	-11.7
Austria	26.6	36.6	28.0	26.7	26.1	23.6	22.7	24.0	25.2	24.1	21.9	22.6	23.9	-2.7
Poland	37.1	37.2	37.0	21.9	18.7	21.0	19.4	20.3	20.3	15.0	12.5	12.4	13.0	-24.1
Portugal	25.1	22.6	22.6	20.3	20.1	21.4	22.8	27.4	36.0	21.8	18.2	22.6	20.9	-4.1
Romania	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Slovenia	20.7	22.9	25.3	21.3	23.1	33.7	29.9	30.5	27.0	22.3	22.9	19.6	15.2	-5.5
Slovakia	40.2	32.5	34.4	34.8	22.6	23.3	20.3	19.8	21.8	21.8	18.5	17.7	18.2	-22.0
Finland	31.3	19.1	22.3	20.1	19.7	18.8	16.5	18.3	19.3	17.8	17.8	17.8	17.5	-13.8
Sweden	31.3	22.5	17.8	17.3	17.4	22.4	17.8	22.3	16.0	22.5	19.9	20.7	21.9	-9.4
United Kingdom	30.4	30.6	23.8	18.9	19.0	20.9	24.6	20.9	22.0	17.4	19.0	18.8	20.8	-9.7
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Norway	21.7	21.2	21.7	19.3	20.0	18.8	20.3	19.4	18.5	20.7	20.8	19.5	18.3	-3.3

(1) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Table 87: Implicit tax rates in % — Capital and business income of households and self-employed

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. (1) 2000 to 2012
Belgium	12.9	13.0	13.7	14.1	14.8	15.6	15.2	14.7	14.9	14.3	14.6	15.8	16.9	4.1
Bulgaria	:	:	:	:	5.3	:	5.1	4.9	:	:	6.8	6.3	6.1	:
Czech Republic	7.9	8.1	8.7	9.0	9.8	8.8	8.0	8.6	7.5	8.8	7.1	7.8	8.0	0.1
Denmark	22.2	8.6	9.0	15.3	34.5	50.0	27.0	26.3	22.4	14.8	58.4	52.3	:	:
Germany	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Estonia	4.3	3.6	4.6	4.6	3.9	6.4	6.4	5.3	6.1	4.4	3.7	4.1	4.2	0.0
Ireland	:	:	16.2	20.3	22.2	24.6	31.7	30.4	21.6	19.0	17.0	17.7	18.6	:
Greece	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Spain	14.0	13.4	13.3	12.6	12.7	12.8	14.1	14.6	13.4	12.8	13.1	12.9	13.0	-1.0
France	16.5	15.5	15.6	16.1	15.7	16.5	16.9	16.1	16.5	16.6	17.9	17.7	19.7	3.2
Croatia	:	:	:	:	:	6.8	6.5	6.8	:	:	:	:	:	:
Italy	16.1	13.9	13.4	15.6	14.2	14.2	15.8	16.4	16.6	16.9	16.8	16.4	18.6	2.4
Cyprus	6.0	5.3	7.2	9.5	9.1	9.7	13.0	21.4	13.8	7.3	7.5	7.0	6.5	0.5
Latvia	1.1	0.7	1.1	0.6	0.6	0.5	1.0	1.6	1.0	0.9	1.5	2.5	3.0	1.9
Lithuania	5.3	5.2	4.7	4.5	4.9	5.6	5.6	7.0	7.2	8.9	10.0	9.4	8.2	2.9
Luxembourg	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Hungary	7.0	7.5	7.9	8.3	7.2	7.3	8.8	9.6	7.8	12.3	10.2	9.0	8.6	1.6
Malta	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Netherlands	5.9	9.5	10.1	9.3	7.7	7.2	7.8	8.6	9.1	12.8	14.0	12.5	12.1	6.2
Austria	7.9	8.9	9.6	8.5	7.3	6.4	7.1	8.5	9.7	9.1	9.1	9.5	8.4	0.5
Poland	10.0	10.8	11.9	12.6	11.7	12.6	13.4	16.2	16.1	14.8	14.6	14.6	15.2	5.2
Portugal	12.5	12.0	12.3	12.3	9.4	8.2	7.3	7.5	7.7	12.0	9.5	9.7	8.2	-4.3
Romania	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Slovenia	9.2	8.8	8.5	9.0	9.6	8.9	9.9	11.8	11.9	11.5	11.8	11.6	13.1	3.9
Slovakia	10.0	11.4	12.5	11.8	11.9	11.6	11.2	11.1	8.9	9.7	8.1	9.7	10.4	0.4
Finland	26.1	24.2	22.1	20.9	20.5	23.5	25.5	25.9	23.9	22.4	22.6	22.0	22.7	-3.4
Sweden	27.1	20.0	17.3	19.2	21.0	26.1	27.7	29.3	22.2	19.1	22.2	18.5	17.7	-9.4
United Kingdom	15.8	16.7	17.1	16.5	17.5	17.7	18.8	20.6	21.1	21.2	16.0	15.3	15.0	-0.9
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:
Norway	24.0	28.2	21.1	17.6	17.8	17.0	29.1	33.5	34.2	32.3	30.0	32.8	34.9	10.9

(1) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: [gov_a_tax_itr](#))

Table 88: Implicit tax rates — Energy ⁽¹⁾

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. ⁽²⁾ 2000 to 2012	Ranking 2012
Belgium	96.0	95.4	100.9	101.2	113.8	121.7	121.1	128.3	114.0	124.9	125.5	130.8	131.5	35.5	20
Bulgaria	38.3	40.8	38.7	48.7	58.5	59.9	63.4	89.1	106.2	108.6	104.8	106.1	107.7	69.4	24
Czech Republic	53.3	62.3	71.5	71.5	80.8	95.9	102.8	113.3	131.3	130.4	130.5	145.7	139.2	85.9	19
Denmark	298.9	313.7	324.1	323.9	322.4	313.9	309.6	309.4	316.7	336.8	351.5	387.8	381.5	82.6	1
Germany	191.1	200.7	210.8	223.8	217.9	212.6	209.3	215.3	209.8	228.4	209.4	230.4	219.9	28.8	10
Estonia	31.3	41.8	44.5	48.7	61.7	74.8	83.8	93.5	103.6	127.7	128.7	137.8	148.5	117.2	18
Ireland	138.5	127.9	147.8	151.4	167.8	166.9	165.4	169.2	169.0	190.9	188.1	205.6	202.5	64.1	11
Greece	116.6	117.2	110.3	110.3	114.5	114.9	114.0	124.2	125.4	135.3	214.7	228.7	258.6	142.0	4
Spain	137.4	134.1	142.3	141.8	140.9	140.5	147.6	149.2	153.4	160.8	160.7	157.2	157.6	20.2	17
France	165.7	153.1	169.7	165.4	171.2	170.1	174.5	175.5	172.2	179.1	175.4	199.4	197.6	31.9	12
Croatia	:	:	134.7	132.1	129.6	129.8	134.1	135.8	126.4	133.4	152.8	130.3	128.2	:	22
Italy	245.3	239.7	235.7	242.0	232.8	233.0	242.3	244.6	233.5	259.6	251.0	266.9	307.5	62.3	2
Cyprus	43.0	61.0	64.3	125.1	144.9	144.7	145.2	146.0	138.4	142.0	167.7	186.4	192.2	149.2	13
Latvia	48.1	43.0	48.1	51.9	61.0	72.4	76.3	83.1	92.2	94.0	84.3	101.0	105.5	57.5	26
Lithuania	57.6	63.8	74.2	78.0	75.7	79.2	80.6	89.2	98.3	111.8	103.5	105.5	106.8	49.2	25
Luxembourg	166.8	165.6	171.3	174.4	184.1	192.3	194.0	204.4	209.7	210.5	205.1	221.3	231.8	65.0	7
Hungary	76.9	80.3	92.6	89.9	90.5	103.9	105.2	119.9	123.3	114.3	121.0	120.6	124.5	47.6	23
Malta	132.1	164.0	168.2	142.0	127.2	158.9	175.1	250.4	174.6	193.9	203.9	238.3	241.6	109.4	6
Netherlands	153.1	159.8	162.1	166.9	178.4	195.0	214.8	197.6	212.2	230.9	222.3	237.0	227.4	74.3	8
Austria	138.9	144.9	150.3	150.8	160.4	154.5	151.4	161.0	164.9	168.0	161.4	182.1	183.3	44.4	14
Poland	58.6	66.4	76.9	72.1	74.5	95.1	101.2	115.2	127.7	107.1	115.2	124.7	129.1	70.5	21
Portugal	110.0	132.6	155.1	165.4	164.8	164.3	168.9	175.8	173.7	175.4	174.3	174.3	173.5	63.4	15
Romania	57.6	37.5	36.2	43.5	52.6	59.3	66.9	87.3	79.2	85.5	98.9	98.7	99.6	42.1	28
Slovenia	110.2	128.5	137.4	133.6	138.4	138.5	142.0	161.0	163.4	218.5	215.6	205.0	225.6	115.4	9
Slovakia	39.7	35.3	42.2	56.6	68.9	71.0	77.9	89.8	100.7	100.9	93.3	103.4	104.6	64.9	27
Finland	106.6	109.0	111.2	110.6	112.2	115.6	112.0	111.7	124.6	129.4	122.3	156.3	158.7	52.0	16
Sweden	179.3	175.9	190.4	201.9	206.8	211.2	217.9	219.6	221.8	211.1	226.5	242.4	254.8	75.5	5
United Kingdom	247.8	237.6	246.5	226.7	237.8	236.1	242.0	256.1	228.2	229.3	240.6	258.4	274.8	27.0	3
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Norway	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
EU-28 average															
GDP-weighted	:	:	191.6	191.3	192.9	192.0	195.4	199.6	192.1	202.6	200.7	216.8	222.8	:	
base-weighted	:	:	175.5	176.1	178.1	179.3	183.0	188.2	184.3	193.4	191.8	206.6	211.9	:	
arithmetic	:	:	130.6	133.9	138.9	143.8	147.8	157.7	156.9	165.7	169.6	181.5	186.2	:	
EU-27 average															
GDP-weighted	186.3	184.0	191.8	191.5	193.1	192.2	195.6	199.8	192.3	202.9	200.9	217.1	223.1	36.8	
base-weighted	169.2	167.9	175.7	176.3	178.4	179.6	183.3	188.5	184.6	193.7	192.0	207.0	212.3	43.1	
arithmetic	119.9	123.4	130.5	134.0	139.3	144.3	148.3	158.5	158.1	166.9	170.2	183.4	188.4	68.4	
EA-18 average															
GDP-weighted	175.9	175.5	182.9	187.0	186.4	185.4	188.6	190.7	187.7	202.1	195.9	212.3	215.8	39.9	
base-weighted	169.6	169.4	176.9	181.4	181.5	181.2	184.7	186.9	184.8	199.1	192.8	209.0	212.6	43.0	
arithmetic	120.6	125.2	131.8	136.8	142.3	146.8	150.9	160.0	157.5	170.6	172.4	186.8	192.7	72.1	
EA-17 average															
GDP-weighted	176.1	175.7	183.1	187.2	186.6	185.6	188.8	191.0	187.9	202.3	196.1	212.5	216.1	40.0	
base-weighted	170.1	169.9	177.5	182.0	182.1	181.8	185.3	187.4	185.3	199.6	193.3	209.6	213.2	43.0	
arithmetic	124.8	130.0	136.7	141.8	147.1	151.1	155.2	164.6	161.4	175.1	177.6	191.8	197.8	72.9	

(1) Energy taxes in Euro per tons of oil equivalent (TOE).

(2) In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Table 89: Implicit tax rates, deflated — Energy ⁽¹⁾

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Diff. ⁽²⁾ 2000 to 2012	Ranking 2012
Belgium	96.0	93.6	97.8	96.8	106.3	110.7	106.9	110.2	94.8	104.6	103.2	104.3	102.4	6.3	18
Bulgaria	38.3	38.6	35.1	43.8	51.1	49.0	50.7	65.4	72.7	73.3	69.0	66.8	65.5	27.2	27
Czech Republic	53.3	57.5	58.9	61.0	66.7	73.3	73.6	77.3	76.8	80.1	76.8	83.1	79.1	25.8	22
Denmark	298.9	306.4	310.5	306.4	301.6	289.8	280.6	276.7	276.0	288.7	293.9	316.4	303.6	4.7	1
Germany	191.1	197.0	204.5	213.7	205.7	197.4	192.4	195.1	187.0	203.6	182.9	197.3	185.3	-5.8	7
Estonia	31.3	39.3	40.4	43.6	53.5	62.4	66.4	68.6	70.6	87.3	85.9	87.6	91.1	59.8	20
Ireland	138.5	122.4	134.4	132.5	144.3	141.4	136.7	135.8	133.6	162.2	163.3	175.5	172.1	33.6	11
Greece	116.6	115.6	106.0	102.5	103.5	100.4	96.3	101.7	98.6	105.7	161.2	166.1	186.1	69.5	6
Spain	137.4	129.6	133.7	129.2	123.9	119.3	121.0	118.6	117.7	124.7	122.3	116.7	114.2	-23.2	17
France	165.7	150.0	164.7	157.5	159.6	155.8	156.5	154.2	147.1	153.9	149.1	166.0	161.6	-4.1	12
Croatia	:	:	122.1	119.5	113.7	108.9	107.7	106.1	92.1	95.7	107.1	90.9	87.4	:	21
Italy	245.3	233.6	223.4	223.2	209.3	204.9	207.7	205.1	189.8	211.3	201.4	208.3	233.4	-11.8	3
Cyprus	43.0	59.4	61.1	116.7	132.2	126.6	123.3	121.5	110.7	112.8	130.4	140.3	141.3	98.3	14
Latvia	48.1	42.4	48.4	55.4	62.9	71.8	71.3	70.9	68.0	67.5	61.8	70.4	70.4	22.3	24
Lithuania	57.6	60.4	68.2	72.6	70.6	72.2	70.2	73.4	72.9	79.3	72.5	71.0	69.6	12.0	25
Luxembourg	166.8	162.3	167.1	166.5	171.5	173.9	171.2	176.5	175.2	173.9	167.2	175.9	181.3	14.5	8
Hungary	76.9	72.4	74.7	72.7	68.7	75.1	78.3	79.4	77.6	77.1	77.2	74.8	75.4	-1.5	23
Malta	132.1	159.8	163.7	143.1	126.1	153.7	166.4	233.2	157.4	170.3	173.8	201.2	200.4	68.2	5
Netherlands	153.1	152.9	150.7	151.6	160.4	171.8	185.3	167.4	177.8	194.4	184.5	192.1	180.2	27.1	9
Austria	138.9	142.4	146.7	144.8	151.2	141.8	136.1	141.3	141.5	143.7	135.6	147.7	145.0	6.1	13
Poland	58.6	58.6	69.0	73.5	75.9	84.3	85.9	92.7	91.4	92.1	89.3	95.0	96.4	37.8	19
Portugal	110.0	128.1	145.8	151.0	146.7	142.4	142.0	143.5	138.2	142.8	140.1	136.7	134.1	24.1	15
Romania	57.6	36.4	35.1	43.7	50.6	47.7	50.0	58.9	53.6	64.2	68.6	66.0	68.1	10.6	26
Slovenia	110.2	126.1	130.0	124.3	127.9	125.4	125.5	136.7	131.6	174.9	170.1	159.1	172.2	62.1	10
Slovakia	39.7	33.9	38.9	47.6	52.1	50.4	50.9	51.9	51.5	49.7	45.5	48.6	47.5	7.8	28
Finland	106.6	106.5	106.3	106.3	107.4	109.8	104.9	102.3	110.3	113.0	104.8	129.5	127.6	21.0	16
Sweden	179.3	188.7	199.1	206.9	210.2	216.1	219.5	218.2	222.3	228.8	217.4	216.6	216.9	37.6	4
United Kingdom	247.8	240.2	249.9	249.4	251.7	245.9	244.8	253.5	254.5	280.8	272.8	285.2	276.3	28.4	2
Iceland	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Norway	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
EU-28 average															
GDP-weighted	:	:	186.2	186.0	183.7	179.0	178.0	177.9	170.6	183.6	176.8	186.3	185.2	:	
base-weighted	:	:	169.9	170.5	168.8	165.8	165.2	165.7	161.3	174.1	167.0	175.0	173.7	:	
arithmetic	:	:	124.5	127.0	128.8	129.4	129.4	133.4	128.3	137.7	136.7	142.5	142.3	:	
EU-27 average															
GDP-weighted	186.3	181.3	186.4	186.2	183.9	179.2	178.2	178.2	170.9	183.9	177.1	186.6	185.5	-0.8	
base-weighted	169.2	165.1	170.1	170.8	169.1	166.1	165.5	166.1	161.7	174.5	167.3	175.5	174.2	5.0	
arithmetic	119.9	120.5	124.6	127.3	129.3	130.1	130.2	134.4	129.6	139.3	137.8	144.4	144.3	24.4	
EA-18 average															
GDP-weighted	175.9	171.4	175.4	175.5	171.6	167.0	166.3	164.7	158.0	170.8	162.8	172.6	171.7	-4.2	
base-weighted	169.6	165.4	169.6	170.3	167.1	163.2	162.9	161.2	155.4	168.0	159.9	169.5	168.7	-0.9	
arithmetic	120.6	122.0	125.8	128.1	130.2	131.1	131.2	135.3	127.9	138.7	138.0	145.7	147.0	26.4	
EA-17 average															
GDP-weighted	176.1	171.6	175.6	175.7	171.7	167.2	166.5	164.9	158.2	171.0	163.0	172.8	171.9	-4.1	
base-weighted	170.1	165.9	170.2	170.8	167.5	163.6	163.4	161.6	155.8	168.6	160.5	170.0	169.2	-0.9	
arithmetic	124.8	126.6	130.3	132.4	134.2	134.6	134.7	139.0	131.4	142.9	142.4	150.2	151.5	26.7	

⁽¹⁾ Energy taxes in Euro per tons of oil equivalent (TOE), base year: 2000.

⁽²⁾ In percentage points.

See explanatory notes in Annex B.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_itr)

Table 90: Amounts assessed but unlikely to be collected

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Belgium	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Bulgaria	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Czech Republic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Denmark	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.2	0.2	0.2	0.2
Germany	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Estonia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Ireland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Greece	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Spain	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.5	0.6	0.9	0.8	0.8	0.8
France	0.3	0.3	0.2	0.1	0.2	0.1	0.2	0.2	0.2	0.3	0.2	0.3	0.3
Croatia	:	:	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Italy	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cyprus	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Latvia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Lithuania	0.3	0.3	0.2	0.1	0.1	0.0	0.1	0.0	0.1	0.2	0.1	0.1	0.1
Luxembourg	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Hungary	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Malta	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Netherlands	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Austria	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Poland	0.2	0.4	0.4	0.3	0.3	0.4	0.4	0.1	0.1	0.1	0.1	0.1	0.1
Portugal	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Romania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Slovenia	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Slovakia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Finland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sweden	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
United Kingdom	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Iceland	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Norway	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: DG Taxation and Customs Union and Eurostat (online data code: gov_a_tax_ag)

Table 91: Effective Average Tax rates, non-financial sector 2000–13, in %

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011	2012	Diff. (!) 2000 to 2012	Ranking 2012
Belgium	34.5	34.4	34.5	29.5	29.5	29.5	25.7	25.4	24.9	24.7	25.3	25.9	26.3	26.5	-8.0	6
Bulgaria	28.1	24.2	20.4	20.5	17.1	13.2	13.2	8.8	8.9	8.8	8.8	9.0	9.0	9.0	-19.1	28
Czech Republic	23.6	23.6	23.6	23.6	24.6	22.7	21.0	21.0	18.4	17.5	16.7	16.7	16.7	16.7	-6.9	19
Denmark	28.3	26.8	26.8	26.8	26.8	25.1	25.1	22.5	22.6	22.6	22.6	22.6	22.0	22.0	-6.3	14
Germany	40.4	35.8	35.8	37.0	35.8	35.8	35.5	35.5	28.2	28.0	28.0	28.2	28.2	28.2	-12.2	4
Estonia	20.4	20.4	20.4	20.4	20.4	18.8	18.1	17.3	16.5	16.5	16.5	16.5	16.5	16.5	-3.9	20
Ireland	9.4	9.4	12.3	14.3	14.3	14.3	14.4	14.4	14.4	14.4	14.4	14.4	14.4	14.4	4.9	25
Greece	30.4	30.4	30.4	30.4	30.4	27.8	25.2	21.7	21.8	30.5	21.0	17.5	17.5	24.1	-6.3	10
Spain	36.5	36.5	36.5	36.5	36.5	36.5	36.5	34.5	32.8	32.8	32.8	31.9	32.4	33.7	-2.8	2
France	36.6	35.8	34.9	35.0	35.0	34.8	34.4	34.6	34.6	34.7	32.8	32.8	34.3	34.3	-2.3	1
Croatia	:	:	:	:	:	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	:	21
Italy	31.3	30.7	34.3	32.6	31.8	31.8	31.8	31.8	27.3	27.5	27.5	24.9	25.1	25.1	-6.2	8
Cyprus	27.5	26.5	26.9	14.8	14.8	10.6	10.6	10.6	10.6	10.6	11.6	11.6	12.0	15.6	-11.8	22
Latvia	22.7	22.7	20.2	17.7	14.3	14.3	14.3	14.3	13.8	13.8	11.9	12.2	12.2	12.1	-10.6	27
Lithuania	19.1	19.1	12.7	12.7	12.7	12.7	16.0	15.2	12.7	16.8	12.7	12.7	12.7	13.6	-5.5	26
Luxembourg	32.6	32.6	26.5	26.5	26.5	26.5	25.9	25.9	25.9	25.0	25.0	24.9	25.0	25.5	-7.1	7
Hungary	19.7	19.7	19.7	19.7	17.8	16.6	16.3	19.5	19.5	19.5	19.1	19.3	19.3	19.3	-0.3	17
Malta	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2	0.0	3
Netherlands	32.3	32.3	31.9	31.9	31.9	29.1	27.4	23.7	23.7	22.8	22.8	22.4	23.2	22.3	-10.1	13
Austria	29.7	31.2	31.0	31.0	31.2	23.0	23.0	23.0	23.0	22.7	22.7	23.0	23.0	23.0	-6.7	11
Poland	27.1	25.3	25.3	24.2	17.1	17.1	17.1	17.4	17.4	17.5	17.5	17.5	17.5	17.5	-9.6	18
Portugal	31.5	31.5	29.5	29.4	24.6	24.6	24.6	23.7	23.7	23.7	24.8	24.8	27.1	27.1	-4.4	5
Romania	22.7	22.7	22.9	22.7	22.4	14.7	14.7	14.8	14.8	14.8	14.8	14.8	14.8	14.8	-7.8	24
Slovenia	20.9	20.9	20.9	21.5	21.5	22.1	22.3	20.9	20.0	19.1	18.2	18.2	16.4	15.5	-5.5	23
Slovakia	25.8	25.8	22.3	21.9	16.5	16.8	16.8	16.8	16.8	16.8	16.8	16.8	16.8	20.3	-5.6	15
Finland	27.2	27.2	27.2	27.2	27.2	24.5	24.5	24.5	24.5	23.6	23.8	24.7	23.3	22.3	-4.9	12
Sweden	23.8	23.1	23.1	23.1	23.1	24.6	24.6	24.6	24.6	23.2	23.2	23.2	23.2	19.4	-4.4	16
United Kingdom	28.7	28.7	29.3	29.3	29.3	29.3	29.2	29.3	28.0	28.3	28.4	26.9	25.2	24.2	-4.5	9
EU-28																
simple average	:	:	:	:	:	23.1	22.7	22.2	21.4	21.6	21.0	20.8	20.8	21.1	:	
EU-27																
simple average	27.5	27.0	26.4	25.6	24.6	23.3	23.0	22.4	21.5	21.8	21.2	20.9	21.0	21.3	-6.2	

(!) In percentage points.

Source: ZEW (2014)

Annex B: Methodology and explanatory notes

Methodology and explanatory notes

The ‘Taxation trends’ survey assesses the tax system from a number of angles. The examination of the tax structures by tax type and by level of government illustrates the relative importance of the different tax instruments used in raising revenues and the distribution of autonomous financial resources among the constituent elements of the state apparatus, respectively. The breakdown into taxes on consumption, labour and capital allows an assessment of the manner in which the tax burden is distributed among the different factors. In addition, environmental taxes and property taxes are specifically examined, as they are subject to increased attention/scrutiny/special focus. The implicit tax rates measure in turn the actual or effective average tax burden levied on different types of economic income or activities.

This methodological note explains the methods of, and the reasoning behind, the calculation of the various ratios presented in the survey; approaching them in the order in which they appear in each country table in Part II and in the tables in the Annex A of the report. Given that Parts A and B (Tax structure by tax type and Tax structure by level of government) follow ESA95 classifications, a simple description of the aggregates and the data sources is provided. Parts C to E (Tax structure by economic function, Environmental and Property Taxes) and Part F (Implicit tax rates) present statistics developed by the EU Commission Directorate-General for Taxation and Customs Union specifically for this publication, so the reasoning will be delved into in greater detail, with attention given to both their theoretical and practical limitations. This note concludes with an in-depth discussion of the approaches used in calculating the split of personal income tax according to its sources, a process critical to the creation of meaningful statistics for Parts C and F.

Data sources

For the National Accounts data used for this report the cut-off date is 11 December 2013. In addition, more disaggregated tax data submitted to Eurostat (the National Tax List or NTL) were used for the classification of revenue according to economic functions and to determine the level of environmental and property taxes. The cut off date for these is 21 January 2014. In part 1, some updated GDP and tax data are used (25 April 2014). In very few cases, estimates at the detailed level have been used if statistics were not available; in those cases, the estimates were either supplied by Member States administrations or computed using proxies. In the case of the base of the ITR on consumption (P.31_S.14dom — Final consumption of households on the economic territory (domestic concept), no data were available for 2012 for Bulgaria and Greece, for 2010–12 for

Lithuania, for 2011–12 for Romania, and 1995–2012 for Croatia. Data for these years were estimated on the basis of the growth rates of ‘Private final consumption expenditure at current prices’ from the macro-economic (AMECO) database of the European Commission’s Directorate General for Economic and Financial Affairs ⁽¹⁾.

Although all Member States authorities have provided disaggregated data on their tax revenue (the National Tax List), their level of detail varies. The National Tax Lists can be found on the website of the Directorate-General for Taxation and Customs Union (<http://ec.europa.eu/taxtrends>) and also on Eurostat’s ‘Statistics Explained’ page (http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Tax_revenue_statistics). While the former presents data as it was used in the calculations of the report, the latter is continuously updated along with updated National Accounts transmissions.

The country chapters of the non-euro area Member States for illustrative reasons often contain not only data in national currency, but also rounded figures in euro, e.g. for income thresholds or changes in tax revenue. In these cases the exchange rates downloaded on 10 December 2013 were used.

Data coverage

This publication presents time series of tax revenue (including taxes levied on behalf of the institutions of the European Union) and tax rates for the twenty-eight Member States, Norway and Iceland. The seven EU outermost regions — Martinique, Guadeloupe, French Guiana and Réunion, Saint-Barthélemy, Saint-Martin, Madeira, the Azores and the Canary Islands — are covered in the tables presenting tax revenue data. However, they are not covered in the tables presenting tax rates.

Tax revenue data for Greece and Croatia is labelled provisional (both ESA table 9 and NTL).

Data coverage and reliability have generally improved over time. On the other hand, in some cases a reassessment of the quality of the data has led us to reconsider publication of some series or data points as problems of comparability appeared. In particular, the coverage of the ITR on capital is patchy as the computation of the ITR on capital is quite demanding in terms of the required level of detail in national accounts data. In many cases it was not possible to compute the implicit tax rate on capital even though data on capital tax revenue were available, because the data needed to compute the denominator of the ITR (i.e. the sum of revenues accruing to capital) are partially missing. Overall, the degree of cross-country comparability seems satisfactory.

⁽¹⁾ http://ec.europa.eu/economy_finance/db_indicators/ameco/index_en.htm

Ranking

In all the tables of Annex A, a ranking is given whereby the Member State with the highest ratio is listed with number 1, the second with number 2 and so on. The ranking refers to the order of the Member States for each specific ratio and only includes those Member States for which 2012 data are available in the respective table. The rankings are also shown in the country tables in Part II of the report. No ranking is given if more than 10 % of data points are missing.

Averages

This report computes arithmetic and weighted averages for three groups of countries: the EU as a whole (EU-28), the EU-27 (i.e. the EU-28 minus Croatia which joined the Union on 1 July 2013) and the euro area in its 17-country and 18-country compositions (EA-17 and EA-18; Latvia joined the euro area on 1 January 2014). EU-28 averages are calculated and presented in the tables and graphs only if data are available for Croatia; otherwise we typically refer to the EU-27 average. Occasionally, averages for other groupings (the former EU-15, the NMS-, etc.) are used for illustrative purposes. The average computed for the taxes received by the State Government refers to the Länder in AT and DE, the gewesten en gemeenschappen / régions et communautés in BE and comunidades autónomas in ES - the weighted averages are computed over all countries, while the arithmetic average is the simple average of the shares for these four countries only. The EU aggregates for state government and social security funds are calculated over all Member States.

The approach followed in the report, starting with last year's 2013 edition, is to focus on the GDP-weighted average, in line with Eurostat standard practice. Note that most graphs and figures for EU aggregates in previous editions used simple (i.e. equal weights) averages and that this approach has now been abandoned, unless otherwise indicated.

Totals, shares and 'amounts assessed but unlikely to be collected'

For some countries and therefore also for the aggregates, the sum of the taxes in percentage of GDP in each of the Parts A and C of the country chapters data table and in the corresponding Annex A tables adds up to more than the total — equivalently the sum of taxes in percentage of total taxation adds up to more than 100 % for those countries. This is the case whenever the table contains the item 'amounts assessed but unlikely to be collected' (ESA code D.995). Less than 100 % might be reported for countries reporting taxes on labour in the sector 'EU institutions'. Table 92 of Annex A lists the countries for which this is the case (and the magnitude of this item as a share of GDP).

According to ESA95, taxes and social contributions should be recorded on an accrual basis. Council Regulation 2516/2000 details the rules to be followed on the time of recording and the amounts to be recorded. Two methods can be used:

- a) 'time-adjusted' cash — the cash is attributed to when the activity took place to generate the tax liability or when the amount of taxes was determined in the case of some income taxes. This adjustment may be based on the average time difference between the activity and cash receipt;
- b) a method based on declarations and assessments. In this case, an adjustment needs to be made for amounts assessed or declared but unlikely to be collected. These amounts have to be eliminated from government revenue, either by using a tax-specific coefficient based on past experience and future expectations or by recording a capital transfer for the same adjustment (ESA95 code D.995) to the relevant sectors.

Whenever a recording in D.995 is used, this cannot always be attributed to any detailed category and is therefore listed 'below the line' ⁽²⁾. The excess is, therefore, exactly equal to this amount. It should be taken into account when analysing the data for the concerned countries, especially in cross-country comparison as the components of tax revenue are overstated when compared to countries using a time-adjusted cash method or a method based on assessments and declarations but with a coefficient representing taxes unlikely to be collected directly on each tax revenue item. The proportional bias is on average equal to $(1 + D.995)$ expressed as a percentage of total taxation).

Another reason why sums by main economic functions may not add up is the non-inclusion of taxes — other than own resources — paid to EU institutions in the case of Belgium and Portugal.

⁽²⁾ For some countries more detailed breakdown is available and accessible on <http://ec.europa.eu/taxtrends>.

Part A: Tax structure by tax type

Definitions

‘Total taxes (incl. SSC)’ are defined as: taxes on production and imports (D.2), current taxes on income and wealth (D.5), capital taxes (D.91), actual compulsory social contributions (D.61111 + D.61121 + D.61131). Indirect taxes, direct taxes and social contributions add up to the total of taxes received by the general government and the institutions of the European Union.

‘Taxes (excl. SSC)’ are defined as ‘total taxes (incl. SSC)’ minus actual compulsory social contributions.

‘Indirect taxes’ are defined as taxes linked to production and imports (code D.2 in the ESA95 system), i.e. as compulsory levies on producer units in respect of the production or importation of goods and services or the use of factors of production. They include VAT, import duties, excise duties and other specific taxes on services (transport, insurance etc.) and on financial and capital transactions. They also include taxes on production (D.29) defined as ‘taxes that enterprises incur as a result of engaging in production’, such as professional licences, taxes on land and building and payroll taxes.

Indirect taxes are defined as the sum of the following ESA95 tax categories:

- VAT: value added type taxes (D.211).
- Excise duties and consumption taxes: excise and consumption taxes (D.214a) + excise duties (D.2122c).
- Other taxes on products (incl. import duties): taxes and duties on imports excluding VAT (D.212), excluding excise duties (D.2122c); taxes on products, except VAT and import duties (D.214), excluding excise duties (D.214a).
- Other taxes on production (D.29).

‘Direct taxes’ are defined as current taxes on income and wealth (D.5) plus capital taxes including taxes such as inheritance or gift taxes (D.91). Income tax (D.51) is a subcategory, which includes personal income tax (PIT) and corporate income tax (CIT) as well as capital gains taxes.

Direct taxes are defined as the sum of the following ESA categories:

- personal income tax: taxes on individual or households income including holding gains (D.51a + D.51c1);
- corporate income tax: taxes on the income or profits of corporations including holding gains (D.51b + D.51c2);
- other income and capital taxes: other taxes on income corresponding to other taxes on holding gains (D.51c3); taxes on

winnings from lottery or gambling (D.51d) and other taxes on income n.e.c. (D.51e); taxes on capital defined as other current taxes (D.59) and capital taxes (D.91).

‘Actual compulsory social contributions’ are paid by employers and employees on the basis of a work contract, or by self- and non-employed persons. They include three subcategories:

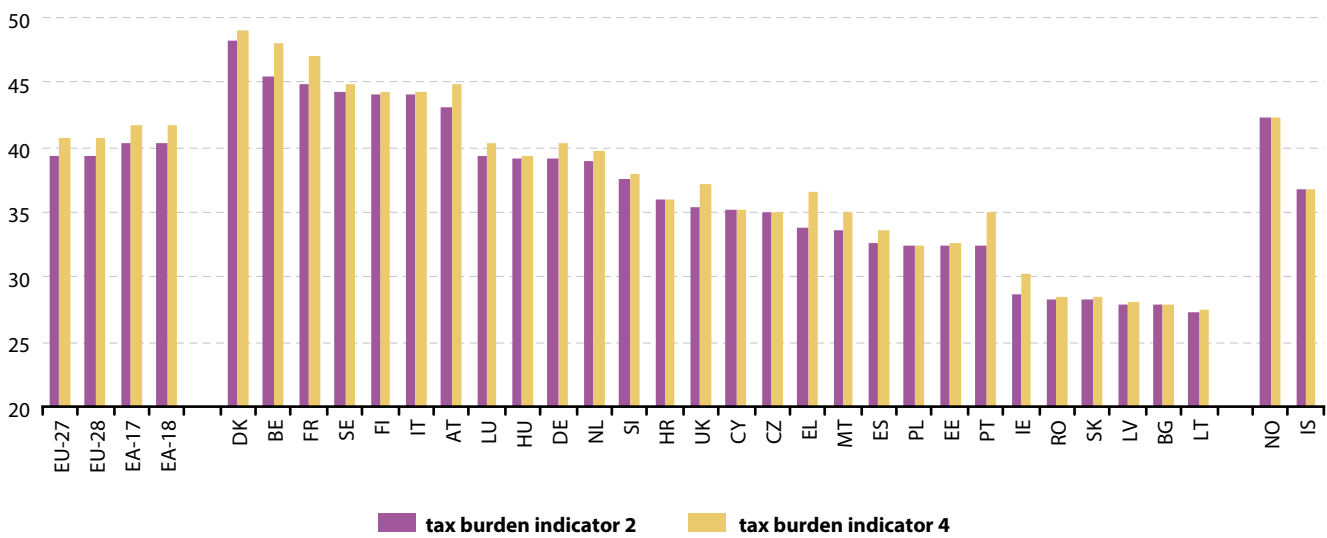
- compulsory employers’ actual social contributions (D.61111);
- compulsory employees’ social contributions (D.61121);
- compulsory social contributions by self- and non-employed persons (D.61131).

Different indicators of tax burden

Some indicators of tax burden take into account all actual social contributions (ESA95 code D.611), which include both compulsory and voluntary contributions. Voluntary contributions vary in their purpose (e.g. the purchase of ‘extra years’ for pensions and the wish to complete a gap in the social contributions due to years worked abroad) and may vary in the degree to which they are voluntary in a real economic sense. In addition, ‘imputed social contributions’ (D.612), which relate to unfunded social security schemes, are excluded such that the definition used in this survey corresponds to Indicator 2 of the four indicators of general government and European Union levies issued by Eurostat (see Box A.1).

In practice, imputed social contributions relate to governments, which do not pay actual contributions for their employees but nevertheless guarantee them a pension upon retirement; imputed social contributions represent the contributions the government should pay to a pension fund in order to provide a pension of an equivalent amount to its employees. Including imputed social contributions in the definition of compulsory levies would allow greater comparability over time and across countries, given that some governments make actual contributions for their employees while others simply pay social benefits to their employees as their entitlement arises. Ultimately it is found that, while including imputed social contributions in the definition of total taxes would result in a non-negligible level shift, yielding an increase of the tax ratio for the EU-28 average by around four fifths of a percentage point and for the EA-18 average by around one percentage point (see Graph A.1), the development of the ratios over time remain relatively stable. The inclusion of imputed social contributions does however result in a different ranking of Member States by the size of their tax burden.

For the purposes of this report, voluntary actual social contributions are assumed to be zero, whenever they cannot be distinguished from compulsory contributions.

Graph A.1: Sensitivity analysis: role of imputed social contributions and voluntary actual social contributions, 2012 (%)

Sources: Commission services

Box A.1: Indicators on general government and European Union levies

In 2001, the Eurostat National Accounts Working Group defined four taxation indicators for general government and European Union levies, progressing from a narrower to a broader definition:

Taxes on production and imports (D.2)

+ Current taxes on income, wealth, etc (D.5)

+ Capital taxes (D.91)

[- Capital transfers from general government to relevant sectors representing taxes and social contributions assessed but unlikely to be collected (D.995)]

+ Compulsory actual social contributions payable to the social security funds sub-sector (S.1314) (D.61111 + D.61121 + D.61131, when payable to S.1314)

= **INDICATOR 1 (Total taxes and compulsory social security contributions)**

+ Compulsory actual social contributions payable to the central government (S.1311), state government (S.1312), and local government (S.1313) sub-sectors as employers (D.61111 + D.61121 + D.61131, when payable to S.1311, S.1312 and S.1313)

= **INDICATOR 2 (Total taxes and compulsory actual social contributions payable to general government, including those for government as an employer)**

+ Imputed social contributions (D.612) payable to general government as an employer

= **INDICATOR 3 (Total taxes and compulsory social contributions payable to general government, including those for government as an employer)**

+ Voluntary actual social contributions payable to the general government sector (S.13) (D.61112 + D.61122 + D.61132)

= **INDICATOR 4 (Total taxes and social contributions payable to general government, including those for government as an employer)**

Box A.1 shows a breakdown of taxes that Member States provide on a harmonised basis in the framework of

European System of Accounts 95 (ESA95) Transmission Programme as well as the codes used in ESA95.

Part B: Tax structure by level of government

Definitions

‘Total taxes received by the general government and the institutions of the EU’ (institutional sector S.13_S.212 in ESA95) are broken down as taxes received by:

- central government (S.1311);
- state (region) government for federal states (S.1312), only applicable for Belgium, Germany, Spain and Austria;
- local government (S.1313);
- social security funds (S.1314), not applicable for Malta, the United Kingdom and Norway (please see below);
- EU institutions (S.212).

In country tables, the taxes that are reported under these headings represent ‘ultimately received’ tax revenues. This means, for example, that not only the ‘own’ taxes are included, but also the part of the tax revenue that is automatically and unconditionally ‘shared’ between the government sub-sectors, even if these government sub-sectors have no power to vary the rate or the base of those particular taxes.

The amount of first and second own resources recorded in the accounts of the EU institutions for a particular country is influenced by its geographic location and its infra-structure (e.g. large ports). This affects the overall tax burden, the level of indirect taxation and the level of taxes on consumption. In addition, Belgium.

Country specific information

Denmark treats the VAT revenues (D.211) paid to the EU institutions in a different way from other Member States. They are recorded under S.1311 instead of under S.212; subsequently, a current transfer from S.13 to S.212 (under ESA95 code: D.7PAY) is booked. This treatment affects also D.21 and D.2 for S.1311 (central government) and S.13 (general government); compared to the other Member States, this results in a higher estimate of central and general government revenue.

In **Hungary**, since 2008, total personal income tax (D.51A+D.51C1) for the local government (S.1313) is accounted for by the general government (S.1311) and after transferred under D.7 to S.1313. This method of recording results in a lower estimate of local government tax revenue in 2008–2011 compared to those for the period 1995–2007.

For **Belgium** and **Norway**, two alternative allocations of tax revenue by sub-sector are shown: ‘ultimately received

tax revenues’ and tax revenues as transmitted under ESA95 rules to Eurostat. For the purpose of compiling the EU and euro area aggregates, the ultimately received revenues are used. For **Belgium** use is made of additional data ([Belgostat / BNB: current transfer of fiscal receipts — withheld to fund other sub-sectors](#)) in order to provide ‘ultimately received taxes revenue’ by sub-sectors of general government. Additional information was also used for **Norway**: data for the social security funds sub-sector (S.1314) is transmitted together with central government (S.1311) and later split according to ESA transactions. Norway does not distinguish a social security funds sub-sector in its ESA95 transmissions of National Accounts data to Eurostat. The two alternative allocations — as transmitted to Eurostat and with an allocation of D.611 contributions to S.1314 — are shown in the tables in Annex A.

Part C: Tax structure by type of tax base

Data sources

The calculation of Part C ratios is done on the basis of specific assumptions and more detailed revenue data than the one published by Eurostat. The Eurostat database is therefore supplemented by a so-called National Tax List supplied by Member States to Eurostat. The allocation of taxes to a tax-base category (consumption, labour, capital) also called 'economic function code' is applied to each tax contained in the National Tax List.

The detailed revenue data and the economic function code allocation for each country and each tax are available on the homepage of the Directorate-General for Taxation and Customs Union (<http://ec.europa.eu/taxtrends>).

In addition to the supplementary data, some specific split/allocation have been assumed

- A split of the personal income tax to four subgroups is used.
- Compulsory social contributions of self-employed and non-employed (D.61131) are split between non-employed (considered as part of labour) and self-employed (considered as part of capital).

For some countries the split is directly available in the National Tax List or provided by Member States' authorities; for others the split was computed by applying to D.61131 the share paid by non- and self-employed as reported by the Member States as part of the social protection data in the Eurostat public database, the so-called ESSPROS module of Eurostat ⁽³⁾; where no statistics were available, the share paid by the non-employed was assumed to be negligible. The data used in the report covers the period up to 2010.

Methodology and breakdown of taxes by type of tax base

Taxes on consumption, labour and capital add up to the total of taxes received by general government ⁽⁴⁾. The separation of taxes by type of tax base inevitably leads to simplifications and somewhat hybrid categories. The exercise is currently complicated by the fact that the harmonised classification of taxes in ESA95 is not always consistently applied at the detailed level of individual taxes across Member States.

⁽³⁾ http://epp.eurostat.ec.europa.eu/portal/page/portal/social_protection/introduction.

⁽⁴⁾ Sums by main economic functions may however not exactly add up for the following reasons (a) the non-inclusion of taxes — other than own resources — paid to EU institutions in the case of Belgium and Portugal, and (b) the non-attribution of 'revenues assessed but unlikely to be collected' to economic function bases for countries using D.995.

A number of borderline cases and approximations had to be taken into account to arrive at a final classification of taxes. Tax data are not always recorded in sufficient detail to identify individual taxes and allocate them to the corresponding tax base categories. In addition, some specific national features required a special treatment. The degree of decomposition provided by national statistical offices makes it sometimes difficult to identify sub-categories. General guidelines for the allocation of the taxes are given in the following Boxes C.1 to C.5. However, exceptions are made if necessary to reflect the true nature of a tax. Borderline cases, which mainly regard the split between taxes on stocks of capital and on consumption, are discussed with Member States.

A key methodological problem for classifying tax by type of tax base is that some taxes relate to multiple sources of income. This holds most notably for the personal income tax. Therefore, a method was developed to break down personal income tax revenue, in most cases using unpublished data supplied by the national tax administrations. A breakdown of the personal income tax according to four sources of taxable income (labour, capital, self-employment income, and social transfers and pensions) is carried out by Member States' authorities according to a country specific methodology (so-called PIT split). Member States use data sets of individual taxpayers (Belgium, Denmark, Germany, France, Ireland, Luxembourg, Latvia, Malta, Netherlands, Poland, Finland, Sweden, Slovenia and United Kingdom) or income class data based on the data set of individual taxpayers (Cyprus, Greece, Spain, Italy, Lithuania, Bulgaria) or tax receipts from withholding and income tax statistics with certain corrections (Czech Republic, Estonia, Hungary, Austria, Portugal, Romania) ⁽⁵⁾.

Several Member States were not able to provide full time-series coverage for all calendar years. In these cases a trend has been assumed using simple linear interpolations or the fractions were assumed to remain constant, i.e. the 2012 split was considered equal to that of 2011. Tables F.2 to F.5 give all the details on the PIT-split provided by each Member State. In some cases the number of estimates for the PIT split still falls short of the ideal, which to a limited extent affects the accuracy of the distribution of taxes by type of tax base and, therefore, of the implicit tax rates (ITRs). Additional details are given in a later section of this methodological note.

Although, as a rule, taxes are classified under one single category of tax base, in some specific cases a breakdown of revenue has been carried out also for taxes other than the PIT. For example, local business taxes often relate to one or more sources of economic income and are allocated over the different categories of tax base where possible. In those cases, examples of which are mentioned below, estimates

⁽⁵⁾ The methodology utilised by Member States to arrive at the PIT split is described in more detail in a separate section of this annex (see 'Methods used to split the revenue from personal income tax' in Part F).

from Member States have been used to distribute their revenue across the different groups of tax base.

- The revenue from the French tax on types of accommodation (so-called *Taxe d'habitation*), for example, has been distributed among the categories 'consumption' and '(stocks of) capital', using estimates from the national administration. Note that the most appropriate economic function for this tax is currently being investigated by the French National Statistical Office, INSEE.
- The revenue from the Italian Regional tax on Productive Activities (IRAP), for example, has been distributed among the categories 'labour' and 'capital', using data communicated to us by the Ministry of Finance. The tax is charged on Public Administrations (state, regions, municipalities, etc.), corporations, partnerships, self-employment and non-commercial bodies. The tax base is the difference between items classified in the production value and items classified in the production cost, as defined in the Civil Code. For the Public Administrations, the tax base is equal to the total employees' compensation and, therefore, fully attributed to the 'employed labour' component. The part paid by the private bodies is divided between labour and capital by estimating the labour cost from data provided by withholding agents in the tax returns and further calculating the production value net of the estimated labour cost, thus determining the capital share of IRAP.
- The German local business tax (*Gewerbesteuer*), has been fully allocated to the category 'capital income (of corporations)', as the part on business capital stocks has been obsolete in recent years.

- The French local business tax (*Taxe professionnelle*) has been fully allocated to the category 'Stocks of capital', as it is mostly levied on buildings and real estate, and the French government reformed the tax with phasing out the payroll component from the tax base.
- In Italy, the earnings and the compulsory social contributions paid by self-employed persons working under the so called 'co.co.co' regime (coordinated and continuous collaboration, special work regime now abolished and substituted by project collaboration) are transferred from the category 'capital (income of self-employed)' to 'labour' (partly to employers and employees).
- The simplified corporation tax in Hungary is distributed between 'consumption', 'capital tax on the income of corporations', and the remainder (which is further broken down according to the PIT split).

Taxes on consumption

Taxes on consumption are defined as taxes levied on transactions between final consumers and producers and on the final consumption goods. In the ESA classification these can be identified as the following categories (see Box C.1).

- Value added-type taxes (D.211).
- Taxes and duties on imports excluding VAT (D.212).
- Taxes on products except VAT and import duties (D.214), which include excise duties. Those taxes paid by companies on products used for production have been excluded from the category of consumption taxes, whenever

Box C.1: Definition of taxes on consumption

D.211 Value added type taxes

D.212 Taxes and duties on imports excluding VAT

D.214 Taxes on products except VAT and import duties less

D.214b Stamp taxes

D.214c Taxes on financial and capital transactions

D.214k Export duties and monetary compensatory amounts on exports

From D.29 Other taxes on production:

D.29d Taxes on international transactions

D.29f Taxes on pollution

D.29g Under-compensation of VAT (flat rate system)

From D.59 Other current taxes:

D.59b Poll taxes

D.59c Expenditure taxes

D.59d Payments by households for licences

the level of detail enabled their identification ⁽⁶⁾. But national accounts tax revenues do not allow such a split for excise duties, which are paid for a substantial part by companies. Moreover, some categories have been allocated to capital such as the stamp taxes (D.214b), when they could be identified as related to the stock exchange market or real estate investment. Taxes on financial and capital transactions (D.214c) as well as export duties and monetary compensatory amounts on exports (D.214k) have also been recorded as capital taxes.

- Other taxes on production (D.29). These are a typical border case since this category includes several taxes or professional licences paid by companies ‘as a result of engaging in production’. Total wage bill and payroll taxes (D.29c) have been classified as a tax on labour; taxes on land, building and other structures (D.29a) have, been classified as taxes on the stock of capital. However, taxes on international transactions (D.29d), taxes on pollution (D.29f) and the under-compensation of VAT (flat-rate system) (D.29g) have been considered as consumption taxes.
- Some taxes defined as current taxes (D.5) in ESA95 such as poll taxes, expenditure taxes, or payments by households for licences have been attributed to consumption since they are expenditures made by households to obtain specific goods and services.

Taxes on labour

Taxes on employed labour income

Taxes on employed labour comprise all taxes, directly linked to wages and mostly withheld at source, paid by employers and employees, including actual compulsory social contributions (see Box C.2). They include compulsory actual employers’ social contributions (D.61111) and payroll taxes (D.29c), compulsory social contributions paid by employees (D.61121) and the part of personal income tax (D.51a) that is related to earned income. The personal income tax is typically levied on different sources of income, labour income, but also social benefits, including pensions, dividend and interest income and self-employment income. The specific section in Part F explains how taxpayers’ data have been used to allocate the personal income tax revenue across different sources of income.

Under the definition of taxes on employed labour income adopted in this report, the categories ‘personal income tax’ and ‘social security contributions’ are used in a wide sense including all other taxes that are susceptible of increasing the cost of labour. Therefore, the recorded amount of ‘personal

income tax’ in the Nordic countries does not only consist of central government income tax, but also includes the state income tax, or municipality income tax and sometimes also church tax. In France, the generalised social contribution (CSG) and the contribution for the reduction in the debt of the social security institutions (CRDS) are partially booked as income tax on labour income. In Austria, the ‘contributions to chambers’ and the ‘promotion residential building’ are also partially booked as tax on labour income (and booked as ‘personal income tax’ and ‘employers’ SSC and payroll tax’, respectively). In Hungary, the communal tax on enterprises is allocated to labour as ‘employers’ SSC and payroll tax’. In Portugal, the stamp duty on wages and salaries is allocated to ‘employers’ SSC and payroll taxes’. In Italy, part of the revenue from the IRAP tax, which is levied on a measure of value added by enterprises, has been allocated to labour and ‘employers’ social contributions’ in particular (and also included in the denominator of the tax ratio). In Belgium and Portugal, personal income taxes and social contributions paid by EU civil servants to the EU Institutions were excluded from the calculations of labour taxes although they are included in total tax revenues.

Taxes on non-employed labour income

The category labour — non-employed comprises all taxes and compulsory social contributions raised on transfer income of non-employed persons, where these could be identified. This transfer income includes social transfers that are paid by the state (e.g. unemployment, invalidity and health care benefits) and benefits from old-age pension schemes (both state and occupational pension schemes). Most of these benefits paid to non-employed persons are in some way or the other linked to employment; contributions for current unemployment and State pension benefits are, for example, for the most part, paid by the active labour force, while occupational pension schemes are mostly funded while being employed. The calculation of the implicit tax rate on labour is, however, limited to the category employed labour.

- In some Member States social transfer payments by the State are subject to personal income taxation. In this case, part of what is paid by the State is immediately refunded to the budget (but not necessarily at the same level) in the form of taxes. In many instances, however (e.g. for social assistance), the taxes raised on social transfers are more of an accounting convention than taxes in a proper sense, a means employed to yield a certain net transfer. Where such taxes could be identified they have been separated from other taxes and social contributions.
- Pension arrangements and their tax treatment vary considerably between, and in some cases within, Member States. Where there is up-front tax relief for contributions to funded pensions, this often tends to be given as an exemption from tax on labour income

⁽⁶⁾ A possible breakdown of car registration taxes between those paid by companies and those paid by households would only be available for some countries. Hence, to avoid a different treatment in different Member States, all revenue from car registration taxes has been attributed to consumption.

and estimates are not easy to make. The tax revenue collected on pension benefit payments is usually easier to estimate, but there is a conceptual and practical issue over whether to regard it as capital income (because pensions can be privately funded), deferred labour income (because they are actually taxed in this way) or a social transfer payment (because they are classified as such in national accounts or because they are guaranteed by the state). For state (first pillar) pensions, the solution is to treat them in the same way as social transfer payments but for occupational (second pillar) and private (third pillar) pensions the issue is more difficult, because they are generally privately funded and the benefits are not guaranteed by the state. The compromise solution adopted in this report classifies income tax on occupational pensions under the labour — non-employed category and does not include them in capital income. An important reason for doing this is that both state and occupational pension benefits are often treated as (deferred) labour income in the income tax, as they are directly linked to employment or the exercise of a profession. Another important argument is that occupational pension benefits are considered as (privately funded) social benefits in national accounts. In the United Kingdom, however, occupational pensions and also private pensions are allocated to capital giving an upward bias to the ITR on capital compared to other Member States.

- Private (third pillar) pensions may be used as a supplement for state or occupational pensions. They have many of the characteristics of occupational pensions, although participation is often not directly related to employment or the exercise of a profession, and is arranged individually by contract directly with a product provider

(e.g. a life insurance company). It could therefore be argued that the taxes raised on private pension benefits should be allocated to capital income. It should however be noted that the statistical identification of private pension benefits is often complicated, and the amount of this type of income is so far not very significant in the majority of Member States (notable exceptions in this respect are Denmark, Belgium, the Netherlands and the United Kingdom).

Taxes on income of the self-employed

The question arose whether part of the self-employed income should be treated as a remuneration of labour and whether the related taxes should be included in taxes on labour. The best compromise between economic rationale and data availability was to consider self-employment income as income from capital: self-employed income is genuinely an entrepreneurial income and self-employed take the risk of incurring losses when exercising their activity. Personal income taxes as well as social contributions of self-employed are, therefore, allocated to the capital income subcategory for self-employed. This assumption includes the part of self-employment income equivalent to the remuneration of self-employment own labour. For some Member States, this assumption does not reflect the situation of some self-employed, whose economic status or income does not significantly differ from those of wage earners. In Italy, for example, the National Statistical Office (ISTAT) provides official estimates of the percentages of 'mixed income' that can be attributed to labour and capital.

Box C.2: Definition of taxes on labour

Employed labour

From D.51 Taxes on income:

D.51a + D.51c1 Taxes on individual or household income including holding gains (part raised on labour income)

From D.29 Other current taxes:

D.29c Total wage bill and payroll taxes

From D.611 Actual social contributions:

D.61111 Compulsory employers' actual social contributions

D.61121 Compulsory employees' social contributions

Non-employed labour

From D.51 Taxes on income:

D.51a + D.51c1 Taxes on individual or household income including holding gains (part raised on social transfers and pensions)

From D.611 Actual contributions:

D.61131 Compulsory social contributions by self- and non-employed persons (part paid by social transfer recipients)

Taxes on capital

Capital is defined broadly, including physical capital, intangibles and financial investment and savings (see Box C.3). Capital taxes include taxes on business income in a broad sense: not only taxes on profits but also taxes and levies that could be regarded as a prerequisite for entering into production/earning profit, such as the real estate tax, as long as owners rather than tenants are taxed, or the recurrent motor vehicle tax paid by enterprises. In their empirical study Desai and Hines (2001) confirmed that these indirect taxes also influence investment decisions of American multinational firms. They also include taxes on capital stocks of households or their transaction (e.g. on real estate). A distinction is drawn between taxes on capital and business income and taxes on capital stock.

‘Taxes on capital and business income’ that economic agents earn or receive from domestic resources or from abroad includes taxes on income or profits of corporations (Box C.4), taxes on income and social contributions of the self-employed, plus personal income tax raised on the

capital income of households (rents, dividends and other property income) (Box C.5). In practice this is mainly the personal income tax paid on dividend, interest and entrepreneurial activity (part of D.51a + D.51c1) and corporate income tax (D.51b + D.51c2) as well as other taxes on holding gains (D.51c3). This metric is further subdivided into the ‘Taxes on the income of corporations’ (using the ‘Taxes on the income or profits of corporations including holding gains’ as a numerator) and ‘Taxes on the income of households’, which uses the residual of ‘Capital and business income taxes’.

‘Taxes on capital stock’ include the wealth tax (D.59a), capital taxes (D.91) including the inheritance tax (D.91a), the real estate tax (D.29a) or taxes on the use of fixed assets (D.29b). Professional and business licences (D.29e), and some taxes on products (from the category D.214) and possible other taxes and levies that could be regarded as a prerequisite for entering into production if not allocated elsewhere would fit in this category even if the tax base is not the stock of wealth.

Box C.3: Definition of taxes on capital

Capital and business income taxes:

From D.51 — Taxes on income:

D.51a + D.51c1 Taxes on individual or household income including holding gains (part paid on capital and self-employed income)

D.51b + D.51c2 Taxes on the income or profits of corporations including holding gains

D.51c3 Other taxes on holding gains

D.51d Taxes on winnings from lottery and gambling

D.51e Other taxes on income n.e.c.

From D.611 — Actual social contributions:

D.61131 Compulsory social contributions by self- and non-employed persons (part paid by self-employed)

Taxes on stocks (wealth):

From D.214 — Taxes on products, except VAT and import taxes:

D.214b Stamp taxes

D.214c Taxes on financial and capital transactions

D.214k Export duties and monetary compensatory amounts on exports

From D.29 — Other taxes on production:

D.29a Taxes on land, buildings or other structures

D.29b Taxes on the use of fixed assets

D.29e Business and professional licences

D.29h Other taxes on production n.e.c.

From D.59 — Other current taxes:

D.59a Current taxes on capital

D.59f Other current taxes on capital n.e.c.

D.91 — Capital taxes

Box C.4: Definition of taxes on the income of corporations

Taxes on the income of corporations

From D.51 — Taxes on income:

D.51b + D.51c2 Taxes on the income or profits of corporations including holding gains

Box C.5: Definition of taxes on the capital and business income of households

Taxes on capital and business income of households:

From D.51 — Taxes on income:

D.51a + D.51c1 Taxes on individual or household income including holding gains (part paid on capital and self-employed income)

D.51c3 Other taxes on holding gains

D.51d Taxes on winnings from lottery and gambling

D.51e Other taxes on income n.e.c.

From D.611 — Actual social contributions:

D.61131 Compulsory social contributions by self- and non-employed persons (part paid by self-employed)

Part D: Environmental Taxes

The definition of an environmental tax in ‘Environmental taxes — a statistical guideline’ (European Commission 2013) refers to a tax ‘whose tax base is a physical unit (or a proxy of a physical unit) of something that has a proven, specific negative impact on the environment, and which is identified in ESA as a tax’⁽⁷⁾. Details on the classification of environmental taxes can be found in ‘Environmental taxes — a statistical guide (http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-GQ-13-005/EN/KS-GQ-13-005-EN.PDF). While the motivation for introducing the taxes — fiscal or environmental — is not decisive for the classification, its impact on costs and prices is. As the statistical guideline states: ‘The definition puts emphasis on the effect of a given tax in terms of its impact on the cost of activities and the prices of products that have a negative effect on the environment. The environmental effect of a tax comes primarily through the impact it has on the relative prices of products and on the level of activities, in combination with the relevant price elasticities.’

Environmental taxes comprise taxes on energy, transport, pollution and resources, but value added type taxes are excluded because they are levied on all products. Environmental taxes represent a sub-category of indirect taxes, in general consumption taxes, but may sometimes also represent taxes on the capital stock.

In line with the definition of the statistical guideline, in this publication environmental taxes are divided in three groups: energy taxes, transport taxes (excl. fuel) and a category combining pollution and resource taxes. For the purposes of this report, the following additions and adaptations should be noted:

- **Energy taxes** include taxes on energy products used for both transport and stationary purposes (denoted ‘E’ in the NTL). The most important energy products for transport purposes are petrol and diesel. Energy products for stationary use include fuel oils, natural gas, coal and electricity. Note that *CO₂ taxes* are included under energy taxes (rather than under pollution taxes), as it is often not possible to identify them separately in tax statistics. A further disaggregation is provided for energy taxes, namely a category giving the *tax revenues stemming from the transport use of fuels*. Transport fuel taxes include only those taxes which are levied on the transport use of fuels/energy products (including *CO₂ taxes*) and hence form a subgroup of energy taxes. The derivation of these data is explained under the heading ‘Estimation of revenues from transport fuel taxes’ below.

- **Transport taxes (excl. fuel)** mainly include taxes related to the ownership and use of motor vehicles (denoted ‘T’ in the NTL). Taxes on other transport equipment (e.g. planes), and related transport services (e.g. duties on charter or scheduled flights or air passenger tax) are also included here, when they conform to the general definition of environmental taxes. The transport taxes may be ‘one-off’ taxes related to imports or sales of the equipment or recurrent taxes such as an annual road tax. As indicated by the title, taxes on petrol, diesel and other transport fuels, are not included here but are included under energy taxes.
- The last group of **pollution/resource taxes** includes two groups of taxes (denoted ‘P’ in the NTL). Pollution taxes are taxes on measured or estimated emissions to air and water, management of solid waste and noise — with the exception of *CO₂ taxes*, which, as discussed above, are included under energy taxes. The second group — resource taxes — includes any tax linked to extraction or use of a natural resource. This means that licences paid for hunting, fishing and the like are classified as resource taxes, because these activities deplete natural resources. Note that as of the 2013 edition of this publication, taxes on the extraction of oil or gas are not anymore booked as resource taxes, in line with the statistical guideline.

The taxes included as environmental taxes and their respective categories are listed for each Member State on the homepage of the Taxation and Customs Union Directorate General ⁽⁸⁾.

Note that for **Slovenia**, the data for energy tax revenues before the introduction of VAT in July 1999 are obtained from a breakdown of turnover tax revenues by type of goods, supplied by courtesy of the Slovenian Statistical Office. It should be noted that the reduction in energy taxes from 1998 to 2000 is essentially a statistical artefact. Up to 1998, the excise duty represented all taxation of mineral oils, because no general sales tax such as VAT existed; when VAT was adopted, it was levied on mineral oils, too, as is typical of any general consumption tax. The Slovenian authorities hence reduced the excise duty rate in order to leave the final sale price broadly unchanged. Our methodology, however, counts only excise duties as energy taxes. Hence, the apparent decline in energy taxation was in fact a substitution of one tax for another, which left constant the tax burden for the final consumer.

Estimation of revenues from transport fuel taxes

Transport fuel taxes are defined as taxes on energy products used for transport purposes only. This category aims at representing the tax burden falling on transport energy products, i.e. transport fuels.

⁽⁷⁾ See also Regulation (EU) No 691/2011 on European environmental economic accounts, which uses the same definition. See also Regulation (EU) No 691/2011 on European environmental economic accounts, which uses the same definition.

⁽⁸⁾ http://ec.europa.eu/taxation_customs/taxation/gen_info/economic_analysis/tax_structures/article_5985_en.htm.

However, National Tax Lists alone are generally not detailed enough to enable this breakdown of tax revenues between transport and non-transport uses of fuel and energy taxes, and auxiliary sources detailing revenues by fuel type and energy uses by fuel types have to be used.

The first estimation strategy is to rely on national sources: all countries have been asked to provide data on tax revenues from mineral oils used in transport only (such as tax revenues from diesel or LPG used for transport purposes only — or just the aggregate of overall mineral oil taxes from transport use) and indicate whether the data are recorded on accrual or cash basis. When necessary, use is made of existing Eurostat and DG ‘Taxation and Customs Union’ data bases to complement the information provided or substitute for the missing information (see box D1).

Box D.1: Auxiliary sources to attribute fuel taxes revenues to transport and stationary use

The following data sources are available:

- The National Tax Lists (NTL) provide overall fuel tax revenues;
- The ‘Taxation and Customs Union’ *Excise Duty data (ED)*. These reports collect information on (1) revenue and (2) rates from ‘taxes on consumption (excise duties and similar charges) other than VAT on energy products and electricity’. This information is supplied by the EU Member States, but not necessarily following ESA95 methodology. Revenue data are classified according to eight different product categories and two summary categories. Excise rates are given following the same classification, further broken down according to sector and uses.

- | | |
|-------|--|
| I) | Leaded petrol/Lead substitute petrol |
| II) | Unleaded petrol |
| III) | Diesel |
| IV) | LPG and Methane |
| V) | Heavy fuel oil |
| VI) | Sum of I)-IV): Total revenues from all mineral oils |
| VII) | Natural gas |
| VIII) | Coal and Coke |
| IX) | Electricity |
| X) | Overall sum: Total revenues from all energy products & electricity |

- Eurostat public database: The Eurostat public database provides data on environment and energy, and in particular the energy balances from supply through transformation to final energy consumption and uses of energy products, incl. various oil products (Eurostat online data code: [nrg_102a](#)). Among the final energy uses, the final energy consumption for transport covers all transport sectors (rail, air and water) for all transport use (business, private).

Revenues from transport fuel taxes are estimated by applying the following principles and sources. Excise duty data (ED) collected by the Taxation and Customs Union DG are used as a source of — possibly not ESA95 compliant — data on tax revenues from mineral oil duties. Eurostat energy balances provide transport and non-transport uses in final energy consumption. Combining consumption uses with excise rates (also available from the ED database), revenues from transport and non-transport uses can be estimated. This proportion is then applied to the relevant taxes in NTLs.

Additional assumptions are needed for the calculations:

Data on final energy consumption uses tonnes (or toe or TJ) as a measure of the volume of liquid components, whereas excise duties for Petrol and Diesel are defined as Euro/litre. For diesel/gas oil the ‘typical’ conversion factor suggested by Eurostat of 1 185 l/1 000 kg is used.

Moreover, usually more than one tax rate is in place for a product category used for transport purposes. Tax rates on transport diesel are often differentiated according to the diesel’s sulphur or bio diesel content; LPG used for public transport is often taxed at reduced rates or tax exempt altogether. In case multiple tax rates prevented the application of the general formula ‘tax rate x amount of transport fuel in litres’, a different approach was used. Transport tax revenues were derived as the difference between total tax revenues according to the product category given by the ED data, namely III) Diesel or IV) LPG and Methane, and the non-transport tax revenues. Calculating non-transport tax revenues by applying the general formula proved feasible as non-transport tax rates are usually less differentiated.

As the ED data is not necessarily following the ESA95 methodology used in the NTL further adjustments have to be made to derive the amount of transport fuel taxes according to ESA95 methodology. First, the shares of transport fuel taxes in mineral oil taxes and in overall energy taxes in ED data are calculated. This is achieved by the division of the estimated transport fuel taxes by VI) Total revenues from all mineral oils and by X) Total revenues from all energy products & electricity, respectively. The resulting shares are then applied to the respective categories in the NTL. Preferably, the ED share of transport fuel taxes to mineral oil taxes is applied to the NTL category of mineral oil tax revenues, as usually the concepts for mineral oil taxes as given in the NTL and in the ED data are linked closely. The application of this share gives hence a proxy of ‘tax revenues stemming from the transport use of fuels’ according to the ESA95 methodology, which is the one published in the report. In case of unavailability of the category mineral oil taxes in the NTL, the share of transport fuel taxes to energy taxes resulting from the ED data is applied to energy taxes in the NTL.

Shares were also applied to data provided by the Member States in case the data were not provided according to ESA95 methodology. In this case the split between transport fuel tax revenues and other tax revenues as provided by the Member States — mostly in cash data — was applied to the respective category in the NTL, hence giving an approximation following the ESA95 methodology.

While the estimation principles are comparable across countries, the extent to which the different sources have been used vary a lot across countries and time. The full estimation method described above has been used when the only information available is fuel tax revenues from the NTL. On the other hand, as the breakdown of transport and other fuel excises is already recorded in the National tax list of Poland, no further calculations were necessary for that country. For other countries, total revenues attributed to transport fuel taxes were directly provided by the Ministry of Finance. Others (Belgium, Italy) provided the directly usable share of the fuel tax revenues that are to be attributed to transport fuel taxes. When data are provided on a cash basis (Czech Republic, Denmark, Germany, Estonia, Spain, Croatia, Italy, Cyprus, Lithuania, Luxembourg, Netherlands, Austria, Portugal, Romania), the share of total fuel taxes on a cash base is calculated and applied to ESA95 accrual data available in the NTLs.⁽⁹⁾ In other cases as well a breakdown of excise revenues was provided by type of fuel. Each fuel was then attributed to transport or stationary uses (possibly broken down with the help of energy balances)

⁽⁹⁾ Although the difference is likely to be small for excise and consumption taxes.

Part E: Property taxes

The classification of taxes on property applied in this report follows, with some adjustments, the approach employed in the OECD, classification of taxes (2013), which distinguishes six categories of property taxes: 1) recurrent taxes on immovable property; 2) recurrent taxes on net wealth; 3) estate, inheritance and gift taxes; 4) taxes on financial and capital transactions; 5) other non-recurrent taxes on property and 6) other recurrent taxes on property.

The following comparative table (Box E.1) between System of National Accounts (2008 SNA) and European System of Accounts (ESA95) was used, with the current report distinguishing only between ‘Recurrent taxes on immovable properties’ — category 1) in the above OECD classification — and ‘Other property taxes’ for all the other five categories of property taxes distinguished by the OECD.

In this publication the overall level of property taxes is thus obtained by aggregating the relevant revenue of the following ESA categories: D.214B, D.214C, D.29A, D.59A,

D.91A, D.91B. The total is split between recurrent taxes (D.29A+D.59A (excl. wealth taxes)) on immovable property and other property taxes (D.214B, C + D.59A + D.91A, B). D.59A appears in the two groups of property taxes; wealth related taxes are excluded from recurrent property taxes and included only in the second group ‘Other property Taxes’. Given the broad definition of the statistical categories some additional adjustments were made by National Statistical Offices: exclusion of recurrent taxes on motor vehicles, roads, boats, farm contributions, stamp taxes on alcohol, tobacco (from D.214B, C) and other exclusions from D.29A and D.59A in a number of countries (BE, CZ, DK, FR, IT, CY, LV, AT, PL, PT, RO, SI and UK). The detailed list of taxes included in the computation of property taxes for every country is available in the National Tax List published online at <http://ec.europa.eu/taxtrends>.

Possible discrepancies between results published by OECD and those presented in this report could stem from different allocation of tax payments in the two classifications — OECD and National Tax List (ESA95) — as well as from different time-points of data reporting.

Box E.1: Taxes on property — classification

OECD classification	2008 SNA	1995 ESA	ESA 95 classification	Taxation trends report Taxes on property
4000 Taxes on property				
4100 Recurrent taxes on immovable property				Recurrent taxes on immovable property
4110 Households	D.59-8.63(a)	D.59A	Current taxes on capital	
4120 Other	D.29-7.97(b)	D.29A	Taxes on land, buildings or other structures	
4200 Recurrent net wealth taxes				Other property taxes
4210 Individual	D.59-8.63b	D.59A	Current taxes on capital	
4220 Corporations	D.59-8.63b	D.59A	Current taxes on capital	
4300 Estate, inheritance and gift taxes				
4310 Estate and inheritance taxes	D.91-10.207b	D.91A	Taxes on capital transfers	
4320 Gift taxes	D.91-10.207b	D.91A	Taxes on capital transfers	
4400 Taxes on financial and capital transactions	D.59-7.95d D.29-7.96e	D.214B, C	Stamp taxes Taxes on financial and capital transactions	
4500 Other non-recurrent taxes on property	D.91-10.207a	D.91B	Capital levies	
4600 Other recurrent taxes on property	D.59-8.63c	D.59A	Current taxes on capital	

Part F: Implicit tax rates, split of personal income tax revenues and average effective tax rate

In this last section of the methodological annex, information is given on the methodology followed for calculating implicit tax rates, for splitting personal income tax revenues and for estimating Average effective tax rates.

The implicit tax rates are defined for each tax base category defined in part C. They are computed as the ratio of total tax revenues of the category (consumption, labour, and capital) to a proxy of the potential tax base defined using the production and income accounts of the national accounts.

Data sources

National accounts data used in the construction of the denominator are extracted from the Eurostat public database with further national accounts data acquired for calculating the bases of the implicit tax rates on capital and capital income. The numerators are taken from the ratios calculated in Part C. For a few countries limitations in data availability, particularly in the case of the denominator of the ITR on capital, affected or prevented the calculation of the ITR.

Methodology

The tax revenue relative to GDP statistics presented in this survey can be described as macro backward-looking tax burden indicators. In Annex A tables 40 to 65 the taxes raised on different types of tax base are shown as percentages of total GDP in addition to percentage of total taxation. However, the consideration of tax revenue as a proportion of GDP provides limited information as no insight is given as

to whether, for example, a high share of capital taxes in GDP is a result of high tax rates or a large capital tax base. These issues are tackled through the presentation of ITRs which do not suffer from this shortcoming.

ITRs measure the actual or effective average tax burden directly or indirectly levied on different types of tax base or activities that could potentially be taxed by Member States. Note, however, that the final economic incidence of the burden of taxation can often be shifted from one taxpayer to another through the interplay of demand and supply: a typical example is when firms increase sales prices in response to a hike in corporate income taxation; to a certain extent the firms' customers end up bearing part of the increased tax burden. The ITRs cannot take these effects into account, as this can only be done within a general equilibrium framework. Despite this limitation, ITRs allow the monitoring of tax burden levels over time (enabling the identification of shifts between the taxation of different types of tax base e.g. from capital to labour) and across countries. Alternative measures of effective tax rates exist, which, using tax legislation, simulate the tax burden generated by a given tax, and can be linked to individual behaviour. However, these 'forward-looking' effective tax rates do not allow the comparison of the tax burden implied by different taxes; nor do they facilitate the identification of shifts in the taxation of different economic income and activities.

The comparability of these indicators has been enhanced by the improved consistency and harmonised computation of ESA95 national accounts data. However, this improvement can only be fully exploited by using the same denominator for all countries and not accounting for country-specific peculiarities in national tax legislation. For capital, an average tax rate is estimated by dividing all taxes on capital by a broad approximation of the total capital and business income both for households and corporations. For labour, an average tax rate is estimated by dividing direct and indirect taxes on labour paid by employers and employees by the total compensation of employees. The attractiveness of

Box F.1: Definition of the implicit tax rate on consumption

Implicit tax rate on consumption (ESA95)

Taxes on consumption / (P.31_S.14dom)

Numerator: see Box C.1 — taxes on consumption

Denominator: P.31_S.14dom: Final consumption expenditure of households on the economic territory (domestic concept)

Box F.2: Definition of the implicit tax rate on labour

Implicit tax rate on employed labour (ESA95)

Direct taxes, indirect taxes and compulsory actual social contributions paid by employers and employees, on employed labour income/ (D.1 + D.29c)

Numerator: see Box C.2 — Taxes on Labour: Employed labour

Denominator: D.1 Compensation of employees, D.29c Total wage bill and payroll taxes

the approach lies in the fact that all elements of taxation are implicitly taken into account, such as the combined effects of statutory rates, tax deductions and tax credits. They also include the effects due to the composition of income, or companies' profit distribution policies. Further, the effects of tax planning, as well as the tax relief available (e.g. tax bases which are exempted below a certain threshold, non-deductible interest expenses), are also taken implicitly into account. The advantage of the ITRs in capturing a wide set of influences on taxation is accompanied by difficulties in interpreting the trends when a complete and precise separation of the different forces of influence is not possible⁽¹⁰⁾. In addition, any timing differences that arise because of lags in tax payments and business-cycle effects may give rise to significant volatility in these measures. In short, they represent a reduced model of all variables influencing taxation, tax rates and bases.

Implicit tax rate on consumption

The ITR on consumption is defined as all consumption taxes divided by the final consumption expenditure of private households on the economic territory (domestic concept) (see Box F.1).

This simple metric, which replaced the more complex version used prior to the 2003 edition, is considered preferable on a number of counts. Under the previous approach government consumption net of government salaries was added to consumption of households on the economic territory to obtain the denominator⁽¹¹⁾, given that some of the 'consumption taxes' are levied on these government purchases. However, the figure for 'government consumption minus wages and salaries' was only ever a rough approximation of the intermediate consumption of the government⁽¹²⁾⁽¹³⁾.

The ITR on consumption is split into four categories (only the numerator is broken down; the denominator remains the same for each subcategory). The categories are the following.

- VAT: the share of the ITR on consumption relating to VAT (D.211-type taxes).
- Energy: this subcategory includes all consumption taxes on energy listed in the National Tax List; these are mainly represented by excise duties on mineral oils, duties on electricity or similar taxes; this definition may differ slightly from the one utilised for Tables 69 and 70

in Annex A, notably as the latter may include also energy taxes levied on capital or labour.

- Tobacco and alcohol: these include all excise duties on alcohol and tobacco products listed in the National Tax List. For Italy, the revenues from stamp duties are included.
- Residual: all remaining consumption taxes are booked in this subcategory; they are obtained as a difference from the total.

The identification of the revenue is done on the basis of the National Tax List.

Implicit tax rate on labour

The ITR on employed labour is defined as the sum of all direct and indirect taxes and employees' and employers' social contributions levied on employed labour income divided by the total compensation of employees working in the economic territory (see Box F.2). The ITR on labour is calculated for employed labour only (so excluding the tax burden falling on social transfers, including pensions). Direct taxes are defined as the revenue from personal income tax that can be allocated to labour income. Indirect taxes on labour income, currently applied in some Member States, are taxes such as payroll taxes paid by the employer. The compensation of employees is defined as total remuneration, in cash or in kind, payable by an employer to an employee in return for work done. It consists of gross wages (in cash or in kind) and thus also the amount paid as social insurance contributions and wage withholding tax. In addition, employers' contributions to social security (including imputed social contributions) as well as to private pensions and related schemes are included. Personal income taxes and social security contributions paid by EU civil servants to the EU Institutions are excluded. Compensation of employees is thus a broad measure of the gross economic income from employment before any charges are withheld.

The fundamental methodological problem in calculating the ITR on labour and capital is that the personal income tax is typically broad-based and relates to multiple sources of income (i.e. employed labour, self-employed labour, income from capital and income in the form of social benefits and pensions received). The note on the PIT split explains the calculations for estimating the part of the revenue from personal income tax that can be attributed to labour income and other income sources.

The resulting ITR on labour should be seen as a summary measure that approximates an average effective tax burden on labour income in the economy. It must be recognised that the tax ratio may hide important variation in effective tax rates across different household types or at different wage levels⁽¹⁴⁾.

⁽¹⁰⁾ OECD (2000, 2002).

⁽¹¹⁾ In this respect, the previous approach followed the formula proposed by Mendoza, Razin and Tesar (1994).

⁽¹²⁾ An alternative solution, offered by the new availability of data on the intermediate consumption of the government under ESA95, would be to incorporate this figure into the denominator.

⁽¹³⁾ A detailed analysis of the VAT on intermediate government consumption is contained in Annex C of the 2007 edition of this report (European Commission, 2007).

⁽¹⁴⁾ See also Clark (2002).

For example, cuts in taxes or social contribution rates that are targeted on low-wage, low-skill workers or families with children may have a small impact on the overall ITR and yet be effective in raising take-home pay for the beneficiaries. The decomposition of total tax wedges, for example, may be quite different at relatively low or relatively high wage levels. Also, in some Member States the recent fiscal reforms may have had more pronounced effects on low-wage, low-qualified workers or on families with children.

When interpreting the time-series comparisons, it should be borne in mind that the evolution refers to an *ex post* trend, which does not disentangle cyclical, structural and policy elements. This implies that the observed changes may only partially reflect discretionary tax policy measures.⁽¹⁵⁾ In some Member States, for example, strong economic growth may have decreased the importance of allowances and tax credits and, therefore increased the average tax rate or have moved taxpayers into higher personal income tax brackets resulting in higher real tax payments (bracket creep). Moreover, taxpayers at the top of the pay scale may have witnessed relatively high increases in incomes, and such changes may have induced a cyclical swing in the ITR on labour that may to some extent offset the (*ex ante*) expected fall driven by the tax reforms (aimed at reducing the tax burden at the bottom to the middle end of the distribution, say). Even in the absence of strong economic growth but in the case of inflation, the described 'bracket creep' can operate if tax brackets are not adjusted taking inflation into account.

In addition, it should be noted that the figures in the national accounts often do not follow a real accrual principle. According to the ESA95 rules for the national accounts, a general principle is that transactions should normally be recorded when the underlying economic event/transaction takes place rather than when the actual payment is made. However, ESA95 diverges from a strict application of this principle in the case of taxes, and different rules apply to different taxes. Moreover, to improve comparability and transparency among the Member States, ESA95 was amended to ensure that the recorded taxes and social contributions would be equivalent over time to the corresponding amounts actually received. The Regulation⁽¹⁶⁾ specifies two ways of recording taxes and social contributions, one based on assessments and declarations, the other on time-adjusted cash receipts. However, even using the time-adjusted cash method, the time of recording might be when the amount of tax was determined. This means that the effects of tax reforms may be reflected in the national accounts figures with some delay, even when time-shifted cash figures are used. In contrast, tax policy changes are by definition immediately visible in the tax wedge indicators.

In part I the ITR on labour is compared with the tax wedge for a single worker at two thirds of average earnings. In the 2004 edition of this publication a comparison between the ITR on labour and the tax wedge for a single worker without children at average earnings was computed for the EU-15. The ITR on labour was lower than the tax wedge at average earnings in all but three Member States. The difference amounted to a maximum of well above 10 percentage points and to eight percentage points on the weighted EU-15 average. Somewhat surprisingly then the ITR on labour was closer to the tax wedge at two thirds of the average earnings than the one at average earnings. This can be due to the fact that employees at the lower end of the pay scale are generally subject to relatively lower taxation or even no taxation at all and have a substantial weight in the calculation of the ITR on labour. Another explanation for the lower level of the ITR on labour with respect to the tax wedge for a single worker without children at average earnings is the fact that the former takes account of non-standard tax reliefs (e.g. medical expenses) which are not considered by the latter. See European Commission (2004b, pp. 101–104).

Implicit tax rates on capital

Properties of the implicit tax rate on capital

The overall implicit tax rate on capital is computed as the ratio between revenue from all capital taxes, and all (in principle) potentially taxable capital and business income in the economy. It aims at representing the average tax burden falling on capital income.

Our definition of taxes on capital does not stop at taxes levied on capital income streams, such as the corporate income tax, but includes taxes on stocks of wealth or capital assets, stemming from savings and private sector investments in previous periods; as well as taxes on asset transactions. In other words not only taxes on profits are included but also, for instance, taxes and levies that could be regarded as a prerequisite to earn them, like the real estate tax or the motor vehicle tax paid by enterprises; these kinds of taxes also have to be paid by non profitable entities, and, therefore, cannot properly be treated as taxes on income streams. Given that national accounts do not provide any indicator for the tax base of taxes levied on capital stocks or their transactions (e.g. a harmonised measure of the stock of capital or of asset transactions), the overall ITR on capital simply uses as a denominator potential capital and business income; however, this publication also includes a more narrowly defined ITR on capital and business income which excludes taxes on wealth or the capital stock but simply measures the average effective tax burden on private sector investment and saving, as a ratio between taxes paid on capital income streams and the aggregate of capital and business income.

⁽¹⁵⁾ Disentangling the effect of a discretionary tax policy measure on ITR would require the construction of a no-policy change counterfactual scenario. An example of such a calculation can be found in Valenduc, 2013.

⁽¹⁶⁾ Regulation (EC) No 2516/2000 of the European Parliament and of the Council.

Of the various implicit tax rates, the ITR on capital is the most complex ⁽¹⁷⁾. Its trend can reflect a very wide range of factors, which can also vary for different Member States. In particular, three main factors may distort the ITR on capital and business income in the short and medium run.

- Time lags: theoretical considerations as well as empirical evidence suggest that the ITR on capital income is sensitive to the business cycle. Unlike other taxes the corporate income tax is characterised by long and variable lags between the emergence of income and its taxation, due notably to the possibilities to defer taxation because of previously incurred losses or group taxation.
- Capital gains: expansionary phases, for example in the late 1990s, are accompanied by booming stock markets all over the EU. As a result, capital gains and the corresponding tax revenues may rise substantially. However, given that capital gains are not included in the denominator of any ITR on capital, this development clearly leads to an overestimation of the average effective tax burden on capital and business income, and partly explains the rise in the ITR for some Member States.
- Structural changes in the financing of companies: for example, national accounts data show that from 1995 to 2002, in most Member States a relative shift in financing from debt to equity occurred such that capital income consists less of interest and more of dividend payments. This happened against the background of falling interest rates. Most tax systems in the EU are not neutral concerning financing and allow interest payments to be deducted from the tax base. The shift towards higher dividend distributions results in an increase in the measured average tax burden ⁽¹⁸⁾ at unchanged legislation.

Furthermore it is important to note that a cut in the statutory rate that is offset by an equivalent widening of the tax base will leave the ITR on capital unchanged. This is not a limitation of the indicator, but rather an advantage given that the ITR aims at measuring the effective tax burden. This property of the indicator may contribute to explain the relatively limited fall in the ITR on capital in the last years despite significant EU wide reductions in statutory corporate tax rates.

Interpreting the ITRs on capital one should bear in mind that the bases used for the computation are, particularly in the new Member States, not only narrower but also more volatile than GDP as a whole, and thus subject to wide swings. Hence, the overall volatility of this ratio is significantly higher than that of the other ITRs. A degree of caution is, therefore, advisable when making cross-country comparisons or comparisons of one Member State with the EU averages.

⁽¹⁷⁾ The construction of this indicator and its possible sources of bias in measuring the effective tax burden on capital are explained in detail in European Commission (2004a).
⁽¹⁸⁾ European Commission (2001a).

Large changes in backward-looking measures of the tax rate on capital are not unusual and not limited to macro indicators. Tests on Belgium and Sweden⁽¹⁹⁾ report annual changes of several percentage points for effective tax rates derived both from national accounts data or tax statistics using micro data for companies. The calculations presented here have similar features.

Moreover, statistical issues related to the sector data used to compute the denominator of the ITRs might also influence the results. National accounting data are in fact regularly revised. In 2006, complying with the EU legislation ⁽²⁰⁾, the Member States were required to introduce a number of important methodological revisions in their national accounts in order to improve the measurement of GDP. In particular, the main change, as for the sector accounts, was the allocation of the Financial Intermediation Services Indirectly Measured (FISIM) ⁽²¹⁾ to user sectors/industries, instead of intermediate consumption. Imports of FISIM have also been recorded. It is, therefore, possible that statistical artefacts influence the time series, particularly in those points where data compiled according to a new methodology are joined with old-series data.

The implicit tax rate on capital and the Implicit tax rate on capital and business income

The implicit tax rate is calculated for total capital taxes and for the subcategory of taxes on capital income (which differs from capital taxes overall because it excludes taxes on the stock of capital) ⁽²²⁾. Both indicators have the same denominator, i.e. total profit and property income from both corporations and households. In the case of taxes on capital income, the denominator does not correspond to the actual tax base; it is in some ways narrower (omitting capital gains) and in other ways broader (excluding some deductions from the tax base). As for 'capital taxes on stocks and wealth', the denominator does not take into account any asset or wealth on which the tax is levied. In addition, two additional disaggregated ITRs, on corporate income and on capital and business income of households are computed. These do not add up to the ITR on capital and business income.

The computation of the ITRs for the whole 1995–2012 period is not possible for six (Bulgaria, Greece, Croatia, Luxembourg,

⁽¹⁹⁾ Valenduc (2001), Clarc (2002).

⁽²⁰⁾ The legal reference for the definition, calculation and allocation of FISIM are Council Regulation (EC) No 448/98 of 16 February 1998 completing and amending Regulation (EC) No 2223/96 with respect to the allocation of Financial Intermediation Services Indirectly Measured (FISIM) within the European system of national and regional accounts (ESA) and Commission Regulation (EC) No 1889/2002 of 23 October 2002 on the implementation of Council Regulation (EC) No 448/98 completing and amending Regulation (EC) No 2223/96 with respect to the allocation of Financial Intermediation Services Indirectly Measured (FISIM) within the European System of national and regional Accounts (ESA).

⁽²¹⁾ Financial intermediaries provide services for which no explicit charges are made. The estimate of this latter is known in national accounts as the Financial Intermediation Services Indirectly Measured (FISIM) and it is fixed by convention. Up to now FISIM has been recorded as intermediate consumption of a notional industry, for want of relative observable variables. (See http://europa.eu.int/estatref/info/sdds/en/na/na_changes2005.pdf for details).

⁽²²⁾ The methodology is described in: European Commission (2004a).

Box F.3: Definition of the implicit tax rate on capital (income)

Implicit tax rate on capital (income)	Capital (income) taxes / (1) + (2) + (3) + (4) – (5) + (6) – (7) + (8) – (9) + (10) – (11) + (12) + (13) + (14) – (15) + (16) – (17) + (18) + (19)
<i>Numerator:</i>	see Box C.4 — taxes on capital
<i>Denominator:</i>	
(1) B.2n_S.11–12	Net operating surplus of non-financial and financial corporations (incl. quasi-corporations)
(2) B.2n_S.14–15	Imputed rents of private households and net operating surplus of non-profit institutions
(3) B.3n_S.14	Net mixed income of self-employed
(4) D.41_S.11–12rec	Interest received by non-financial and financial corporations
(5) D.41_S.11–12pay	Interest paid by non-financial and financial corporations
(6) D.44_S.11–12rec	Insurance property income attributed to policy holders received by non-financial and financial corporations
(7) D.44_S.11–12pay	Insurance property income attributed to policy holders paid by non-financial and financial corporations
(8) D.45_S.11–12rec	Rents on land received by non-financial and financial corporations
(9) D.45_S.11–12pay	Rents on land paid by non-financial and financial corporations
(10) D.42_S.11–12rec	Dividends received by non-financial and financial corporations
(11) D.42_S.11–12pay	Dividends paid by non-financial and financial corporations
(12) D.42_S.13rec	Dividends received by general government
(13) D.42_S.2rec	Dividends received by rest of the world
(14) D.41_S.14–15rec	Interest received by households, self-employed and non-profit organisations
(15) D.41_S.14–15pay	Interest paid by households, self-employed and non-profit organisations
(16) D.45_S.14–15rec	Rents on land received by households, self-employed and non-profit organisations
(17) D.45_S.14–15pay	Rents on land paid by households, self-employed and non-profit organisations
(18) D.42_S.14–15rec	Dividends received by private households, self-employed and non-profit organisations
(19) D.44_S.14–15rec	Insurance property income attributed to policyholders received by private households, self-employed and non-profit organisations

Malta and Romania) out of the 28 Member States and only partly possible for other Member States (Germany, Ireland and Spain), mainly because of lack of data availability in the sector accounts. EU and EA averages are therefore not calculated. In the case of **Luxembourg**, following the methodological changes in national accounts regarding the FISIM and given the sizeable weight of the financial sector in this country, it no longer seems appropriate to employ a simplified methodology to compute the ITRs on capital as done until the 2007 publication of the report. The ITRs will be published when a complete set of sector accounts is available. Until the 2008 edition of the report, the ITR was computed with reference to a simplified set of data for **Ireland**. As of the 2009 edition, a full sector accounts dataset is available and the use of it resulted in a downward revision of the ITR.

Of the various implicit tax rates, the ITRs on capital are by far the most complex and given their limitations should be interpreted very carefully. A first problem is that as indicated

below, the ITR on capital is broadly based and, therefore, reflects a wide range of factors. In particular, the definitions of the ITR denominators can only roughly approximate the worldwide capital income of a country's residents for domestic tax purposes. This does not mean that on the side of companies profits of foreign affiliates are consolidated within the (domestic) parent company. National accounts disregard the foreign ownership of subsidiaries located on the economic territory when the generation of profits is recorded. They are simply treated as domestic companies⁽²³⁾. However, the base of the ITR does not measure the

⁽²³⁾ The profits of foreign affiliates are recorded in the distribution of income as 'reinvested earnings on foreign direct investment' (D.43) between the parent and subsidiary company. The flow D.43 paid in national accounts means that subsidiaries in the host country have retained profits and this is attributed to the parents abroad in national accounts. The flow D.43 received consists of retained profits of subsidiaries abroad attributed to the parent companies in the investigated country. Both flows can have a negative sign in the case of losses of the subsidiaries. The solution for the ITR tax base is not taking reinvested earnings on foreign direct investments into account. On the one hand the profit (or loss) of a parent earned abroad is not counted. On the other hand the retained profits (or losses) of foreign subsidiaries in the home country is not deducted from the ITR tax base.

Box F.4: Definition of the implicit tax rate on corporate income

Implicit tax rate on corporate income	Taxes on corporate income/ (1) + (2) – (3) + (4) – (5) + (6) – (7) + (8) + (9) + (10) + (11) – (12)
<i>Numerator:</i>	
D.51b + D.51c2	Taxes on the income or profits of corporations including holding gains
<i>Denominator:</i>	
(1) B.2n_S.11–12	Net operating surplus of non-financial and financial corporations (incl. quasi-corporations)
(2) D.41_S.11–12rec	Interest received by non-financial and financial corporations
(3) D.41_S.11–12pay	Interest paid by non-financial and financial corporations
(4) D.45_S.11–12rec	Rents on land received by non-financial and financial corporations
(5) D.45_S.11–12pay	Rents on land paid by non-financial and financial corporations
(6) D.42_S.11–12rec	Dividends received by non-financial and financial corporations
(7) D.42_S.11–12pay	Dividends paid by non-financial and financial corporations
(8) D.42_S.13rec	Dividends received by general government
(9) D.42_S.2rec	Dividends received by rest of the world
(10) D.42_S.14–15rec	Dividends received by households, self-employed and non-profit institutions
(11) D.44_S.11–12rec	Insurance property income attributed to policyholders received by non-financial and financial corporations
(12) D.44_S.11–12pay	Insurance property income attributed to policyholders paid by non-financial and financial corporations

actual base of tax legislation, which drives tax revenues. So in practice it is not easy to link developments in the overall ITR on capital and business income to the various statutory tax rates and other policy changes.

Capital and business income according to national accounts is defined as profits and property income. Profits are defined as net operating surplus (B.2n) of the private sector including corporations (and quasi-corporations), private households, and non-profit institutions and mixed income (B.3n) of the self-employed. The net operating surplus of the government sector is excluded, because losses or profits of the government are not subject to taxation.

There is no simple way of approximating the tax base for property income (mainly interest and dividends) for the whole private sector. A specifically defined balance of property income of the private sector (received minus paid) is used. The objective for the definition of this balance was to approximate the potentially taxable profit of a company and the taxable capital income of private households.

Taxable profits of companies consist of net operating profit and property income received (financial income) less certain deductible elements of property income paid. The property income deductible from the tax base includes interest (D.41), property income attributed to insurance policyholders (D.44) and rents on land (D.45). Dividends (part of distributed income of corporations — D.42) are part of the

financial income but they cannot be deducted to calculate the taxable base in national tax legislation ⁽²⁴⁾. For private households, the taxable capital income consists almost completely of interest and dividend payments received and of property income attributed to policyholders received from insurance companies and pension funds.

The balance of D.44 received minus paid usually nets off for the whole private sector. The definition takes into account the received property income from abroad and improves the measurement of profits from banks and insurance companies. However, for the ITR on capital several sources of bias compared to taxable profits remain.

- Since the calculation of depreciation of fixed capital in national accounts uses prices of the current period, it differs a lot from methods used in profit and loss accounts. Additionally, the calculation of consumption of fixed capital is not comparable across countries. This could lead to additional biases in measuring the effective tax burden on capital.
- Capital gains are not part of profits in national accounts because they are not related to the production process. This important part of taxable profits of (financial)

⁽²⁴⁾ The ITRs for the whole private sector avoid double counting of dividends that are distributed by domestic companies out of their operating profits by deducting dividends paid to domestic private households or other domestic companies from the capital ITR tax base. For more details on this issue see European Commission (2004a).

Box F.5: Definition of the implicit tax rate on capital and business income of households and self-employed

Implicit tax rate on capital and business income of households (incl. self-employed)	Taxes on capital and business income of households / (1) + (2) + (3) – (4) + (5) – (6) + (7) + (8)
<i>Numerator:</i>	see Box C.6 — taxes on the capital and business income of households
<i>Denominator:</i>	
(1) B.2n_S.14–15	Imputed rents of private households and net operating surplus of non-profit institutions
(2) B.3n_S.14	Net mixed income of self-employed
(3) D.41_S.14–15rec	Interest received by households, self-employed and non-profit organisations
(4) D.41_S.14–15pay	Interest paid by households, self-employed and non-profit organisations
(5) D.45_S.14–15rec	Rents on land received by households, self-employed and non-profit organisations
(6) D.45_S.14–15pay	Rents on land paid by households, self-employed and non-profit organisations
(7) D.42_S.14–15rec	Dividends received by private households, self-employed and non-profit organisations
(8) D.44_S.14–15rec	Insurance property income attributed to policyholders received by private households, self-employed and non-profit organisations

companies is disregarded in calculating the denominator and leads to an overestimation of the ITR on capital and business income as far as capital gains are taxed. The same is true as regards the capital gains of private households, which are often taxed under the personal income tax. All this is likely to affect international comparability, as some countries have a greater share of financial company profits including gains.

- Central banks are part of the financial corporations sector in national accounts. The inclusion of their (non-taxable) profits in the denominator leads to an underestimation of the ITR on capital and business income.
- For taxable third-pillar private pension benefits, treated as income from capital in the split of the personal income tax (PIT), no corresponding income flow is recorded in national accounts. Ignoring these benefits in the potentially taxable capital and business income in the denominator leads to an overestimation of the ITR.
- In the Eurostat data on national accounts for the EU Member States, interest payments by households and self-employed are not available separately. Taking the total net interest as part of the denominator accounts for tax deductible interest payments of self-employed but leads to an overestimation of the ITR on capital because interest payments for mortgage and consumer loans are not tax deductible in most Member States.
- Unlike net operating surplus, taxable profits and tax revenues are reduced by losses carried forward, causing a cyclical mismatch with the base and cyclical fluctuation in the ITR, which sometimes makes the trend difficult to interpret. This may also distort international comparisons. In addition, the difference in the measurement of

imputed rents on owner-occupied dwellings between national accounts and tax legislation is another source of bias.

The overall ITR on capital and business income for corporations and households is influenced through various channels. Therefore, developments of this indicator are sometimes difficult to explain.

The Implicit tax rate on capital income of corporations and the Implicit tax rate on capital income of households and self-employed

The interpretation of the overall ITR on capital and business income of corporations and households is complicated by the overlapping effects of the various channels previously described. Although difficulties of interpretation stemming from the backward-looking character of the indicator remain, the reading of the ratios is in fact simplified when splitting the ITR between an ITR for the corporate sector and another ITR for the households sector. However the breakdown is not perfect as the denominators of the two indicators are partly overlapping.

The numerator of the overall ITR can be split using the allocation of taxes to the category ‘income corporations’, ‘(capital) income households’ and ‘income self-employed’⁽²⁵⁾. In most countries, tax revenues raised on corporate income equal the aggregate D.51b + D.51c2 ‘Taxes on the income or profits of corporations including holding gains’ (Box F.3). For Germany, Italy and Austria revenues from local or regional

⁽²⁵⁾ A detailed classification of taxes to the different categories for each Member State is available on the homepage of the Directorate-General for Taxation and Customs Union (<http://ec.europa.eu/taxtrends>).

business taxes are added. In general, the other tax categories of the overall ITR numerator are allocated to the households sector (Box F.4). The other two categories ('(capital) income households' and 'income self-employed') are taken as numerator of the ITR on capital and business income for households. This includes mainly taxes on holding gains of households, the share of personal income tax on capital and on the self-employed and the social contributions paid by the latter.

The denominator includes the mixed income of the self-employed, the net operating surplus of households, dividends and attributed insurance property income received and the difference between received and paid interest and rents⁽²⁶⁾. The denominator for corporations consists of their net operating surplus, the difference between received and paid interest and rents and a specific definition of dividends minus property income from insurance companies and pension funds attributed to policyholders⁽²⁷⁾.

In calculating the potential taxable base of the corporate sector, interest income received by collective investment funds is included, even though such income is generally exempt from taxation in most EU countries (taxation occurs at the level of the individual investor rather than at the level of the fund). The impact of this on the calculation of implicit rates differs according to the relative size of the funds industry as compared to the overall economy in each Member State. In Ireland, which has a large international investment funds industry, the inclusion of this tax-exempt income has a disproportionate impact on the calculation of implicit rates of corporate income for Ireland, as compared to other Member States, with the resulting estimates being significantly reduced.

When splitting the ITR on capital income for (non-financial and financial) corporations and households, the flows of property income between these two sectors are of particular importance. A clear split can be made for the national accounts categories interest payments (D.41) and rents (D.45).

In principle, dividends are part of the taxable financial income of a company. They are subject to double taxation because corporate taxes have been levied on the profit at the level of the distributing company. In order to limit or offset the double taxation at the level of the shareholder (corporation or individual) Member States apply different taxation schemes. However, most countries do not offset fully the double taxation. If the dividends received are part of the potentially taxable base, the ITR on corporate income will be lower in those countries which give greater relief for the

double taxation of dividends compared to a country that fully applies the classical system.

However, it would be deceptive to count only the dividends received by financial and non-financial corporations. Because the net operating surplus out of which dividends are distributed is already part of the denominator the dividends would be partly counted twice. Dividends distributed by a company belonging to the sector for financial or non-financial corporations should not be counted. Only dividends received from abroad should be taken into account when constructing the ITR for all corporations.

Unfortunately, information on dividends distributed from the rest of the world to domestic corporations is not available in the Eurostat database of national accounts. For dividends (and nearly all other flows in national accounts) we only know what a specific sector receives from all other sectors and what it pays to all other sectors. However, this information can be used to approximate the dividends received by corporations from abroad. From the total sum of dividends received by corporations (D.42rec_S11-12) we deduct the dividends distributed by domestic corporations (D.42pay_S11-S12) in order to avoid double counting. However, this deduction is too large, as only the dividends distributed to domestic corporations should be subtracted. Therefore, dividends received by the government (D.42rec_S13), the rest of the world (D.42rec_S2) and households (D.42rec_S14-15) are added to the denominator. This approximation is only fully correct under the assumption that government and households do not receive dividends from the rest of the world. For households it can be expected that they receive a certain part of dividends from abroad, meaning that the dividends included in the denominator are overestimated.

Due to the double taxation of dividends at the company level and at the shareholder level these payments (or the underlying profits) need to be included in both indicators, for corporations and for households. With these definitions the ITRs on capital and business income for households and on corporate income do not sum up to the overall ITR. For the overall implicit tax rate on business and capital income the dividend payments between the corporations and the households' sector need to be consolidated.

But with the 'property income attributed to insurance policyholders (D.44)' there exists another income flow for distributing profits from financial corporations to private households⁽²⁸⁾. Insurance companies and pension funds collect contributions from their insurance policies or schemes, and after deducting their operating costs they invest them in the capital market or in other assets. From this (financial) investment they receive property income in

⁽²⁶⁾ Note that as far as rent income is concerned, the definition adopted here departs from the customary tax treatment of property income, which in most cases is based on gross property income (possibly with some deduction of interest expenses).

⁽²⁷⁾ Strictly speaking, it is the balance of attributed property income (D.44) paid mainly to private households and received property income attributed to insurance policyholders because also corporations and quasi-corporations can be insurance policyholders too.

⁽²⁸⁾ For the private sector as a whole, including or excluding D.44 (received minus paid) from the tax base has no major empirical impact on the ITR on capital income since the net D.44 is close to zero and represents nearly exclusively a flow from financial corporations to households.

the form of interest, dividends or rents as well as capital gains through trading stocks, bonds etc. This return on investment constitutes partly the profit of the insurance companies and partly belongs to the insurance policyholder as laid down in the insurance contract. It is that part attributed to the policyholders (excluding capital gains) ⁽²⁹⁾, which, in national accounts, is transferred via the D.44 mainly to private households in the period when this property income accrued.

In principle, most EU Member States provide a tax exemption of this income in the hands of the financial institution. Several methods are used. In some cases, the institution is tax exempt (certain pension funds); in other cases income is exempt or neutralised in the profit calculation by deducting an insurance technical reserve. However, some Member States levy a withholding/capital yield tax on this income which is not always neutralised on the level of the company.

The preliminary split of the ITR on capital income for corporations and households presented in the 2003 edition did not take the flow D.44 into account. This means that the return on investment was fully allocated to financial corporations. It was based on the fact that there is no actual flow of income in the period in which insurance companies earn income on behalf of policyholders. In national accounts, income received by insurance companies or pension funds by investing their technical reserves in financial assets or buildings is only 'attributed' to insurance policyholders. It is 're-collected' afterwards through imputed higher insurance contributions. Because these flows are purely imputed within national accounts, no taxes — at this stage — are raised on the level of the insurance policyholder.

However, it seems that the tax exemption of such earnings is the dominant regime for the taxation of pension funds and insurance companies in Europe. It means that D.44 paid by financial corporations has to be deducted from the ITR tax base for corporate income. In the countries where capital yield taxes are levied on these earnings and the tax revenues are allocated to corporations, the ITR on corporations would be overestimated.

In turn, D.44 is added to the ITR tax base for the capital income of the households sector. In most countries, private households are taxed on the benefits or distributions by pension funds or insurance companies when the payoff period starts. This can be an amount of capital or an annuity. For the definition of an ITR on capital income for households this means that we encounter a problem of periodicity. With the property income earned on behalf of the policyholder period by period, insurance companies build up reserves (liabilities) in order to pay the benefits in later periods. However, D.44 could be regarded as proxy for the

taxable part of pension benefits and insurance payoffs, which would not include the initial contributions or premiums.

The corporations sector in national accounts also comprises partly unincorporated enterprises, the so-called quasi-corporations. In many countries, these quasi-corporations also have to pay corporate income tax. However, there are some important exceptions. In **Germany**, partnerships (*Personengesellschaften*) constitute a large number of the country's companies and these are treated as quasi-corporations. Their production and profits etc. are recorded in the corporations sector in national accounts. Because they do not have an independent legal status, their owners are taxed under the PIT scheme. The related tax payments are recorded within the households sector in national accounts ⁽³⁰⁾. In the classification adopted in this publication, they are reported within 'taxes on self-employed'. This means that tax revenues are booked in a different sector than the underlying business income. Ignoring this booking principle by calculating ITRs on capital income for corporations or households (including self-employed), using the sector information of national accounts without corrections would lead to biased ITRs. Similar problems exist for Luxembourg, Austria, Finland and Portugal. According to information from Statistics **Finland**, the bias in Finland's ITRs is of minor importance. For Austria and Portugal a correction of the ITR on corporations has been introduced. A fraction of PIT for owners of these quasi-corporations is not available. Therefore, the part of PIT from self-employed that includes the taxation of profits from partnerships is extracted from the ITR on households and allocated to the corporations sector. At the same time, the approximation of the tax base for self-employed is also assigned to the corporations sector, consisting of mixed income. For **Austria** and **Portugal** the adjusted ITR represents the tax burden on all companies including the self-employed. For Germany, where partnerships are an important part of companies, it would be possible to employ a similar adjustment. However, the German authorities expressed doubts on whether this adjustment would lead to results that are fully comparable with other countries.

The ITR on corporate income is generally lower than the statutory corporate tax rate. This can be explained by the fact that the ITR incorporates the effect of reduced rates (e.g. for certain assets, sectors or small profits), tax deductions affecting the base and the effects of tax planning by corporations in order to minimise their tax payments. It should furthermore be noted that the financial corporations described in national accounts include central banks and pension funds, while their profits, which are included in the denominator of the ITR, are not always subject to taxation. This is another element that explains the relatively low level of the ITRs. Making a comparison with an ITR using micro

⁽²⁹⁾ The capital gains are not recorded in the generation and distribution of income accounts. Some information can be found in the revaluation accounts. Up to now we have not tested whether these data could be used for our purposes.

⁽³⁰⁾ PIT revenues are also recorded in the government sector which receives the payments.

Box F.6: Broad definition of the selected income sources

Income source	Type of taxable income components included
Employed labour	Wages and salaries Fringe benefits in kind Directors' remuneration Foreign source earned income Financial participation schemes (e.g. stock options) Deemed income from private uses of company cars
Self-employed labour	Income from unincorporated businesses Profits from trade or business and proceeds from independent professional services (e.g. dividend distributions from closely held companies)
Capital	Income from movable property (e.g. dividends, interest, distributions, royalties) Income from immovable property (rents earned on letting a private dwelling, etc.) Periodic transfers and private pensions Taxable capital gains for some Member States Other (e.g. rental value owner-occupied housing)
Transfers and pensions	Taxable social benefits (e.g. unemployment, health care and social assistance benefits) State pension benefits Occupational pension benefits

data from tax statistics, Valenduc (2001) finds that the ITR based on macro data tends to underestimate the effective taxation on company profits.

It is, however, possible that the ITR on corporate income exceeds the statutory corporate tax rate. This may depend, for instance, on the payment by corporation of taxes referring to profits earned earlier, or on taxes paid on capital gains (which are not included in our ITR denominator owing to a lack of statistics). A less straightforward but probably important effect is due to the impact of loss-making companies which not only individually display a zero ITR but curiously drive up the ITR for all profit-making companies; their own negative net operating surplus in fact offsets an equivalent but positive net operating surplus realised by other businesses which turn a profit and pay taxes on it.

The sensitivity to the business cycle is a general feature of backward-looking indicators that measure the average effective tax burden on economic activities. In principle, *ceteris paribus*, three different factors affect the ITR on capital income in an economic recovery.

— In countries with a progressive personal income tax, the ITR should rise in an upswing. If taxable income from

capital and self-employment increases, the taxes raised on this income increase faster.

- Corporate tax schedules are generally not progressive and, therefore, the economic cycle should not affect the ITR via that channel of influence. However, some Member States do apply lower rates for small and medium-sized enterprises. In an on-going upswing some of these companies will exceed the tax legislative thresholds resulting in a higher tax burden.
- Rules on carry forward of company losses will generally result in asymmetric effects on the ITR. First, there is an asymmetry with regards to the timing of tax payments: when relying on aggregate data from national accounts, corporate income tax revenues appearing in the numerator of the ITR are reduced by losses incurred in prior years, while the denominator is reduced by losses in current years. The numerator effect is caused by so-called loss 'carry forward' provisions in the tax legislation. The denominator effect results from the inclusion of loss-making firms, with current losses from loss-making firms offsetting profits of profitable firms in the aggregation. Losses are therefore incorporated in both the numerator and the denominator, but the losses

are transmitted in the ITR asymmetrically in the sense that they refer to different periods. At the beginning of an economic upswing, more firms will make profits. Initially that the ITR on capital is reduced, because the resulting increase in profits is immediately reflected (in the denominator) but not fully in the tax payments (in the numerator) as losses from previous years are carried forward. However, one could expect that the latter effect diminishes over time, as loss-carry forward provisions are often restricted in time and more and more companies make profits as the upswing persists. This diminishing effect of loss carry-over provisions should therefore lead to a gradual increase in the ITR on capital due to progressive increases in tax payments. Second, a recessionary phase will generally exert an asymmetric impact on the numerator and the denominator of the ITR: the denominator will show the full amount of the decrease in aggregate corporate profits whereas the numerator will not reflect the full extent of the deterioration as a portion of taxpaying companies would have shown zero profits already in the preceding year and further deterioration is not taken into account (hence a greater effect on the denominator than on the numerator resulting in a slight anti-cyclical bias).

All in all, these effects are likely to offset each other to a certain extent in the initial phases of the cycle. However, in a long-lasting economic upturn these channels of influence will point most likely to an increase in the implicit tax rate on capital with a certain time lag.

Structural factors affecting the development of capital Implicit tax rate

Beyond the effects of the business cycle, the changes in the ITRs might also reflect more structural changes, in particular in the composition of income. For example, given the increase in stock market capitalisation in the years 1995–2000, it is likely that significant capital gains were achieved by both companies and households, resulting in an increase in financial income. This change in the composition of income is not clearly discernible from national accounts income data, nor is it included in the tax base of the ITR. The additional tax revenues related to this kind of income could therefore have induced a rise in the ITRs on capital income, leading to an overestimation of the effective tax burden on capital income of the private sector. Following the same line of reasoning, the subsequent downturn in stock markets could be an important element in explaining the reduction in the ITR on capital income in 2001.

Moreover, different tax provisions for different sources of income offer an additional explanation for the increase in the ITR on corporate income. Specific tax rates or special types of tax relief apply to different sources of income or expenditure. A common feature of corporate tax systems, for instance, is to favour debt finance relative to the financing of

new investments by issuing new equity. For the ITR, dividend and interest payments are aggregated within the tax base. If financial markets induced a shift from interest to dividend payments, the taxable base would increase. In this case, companies will pay more taxes on capital since the deduction of interest expenditure for determining taxable profits is phased out. At the same time, however, the aggregate and consolidated tax base of the ITR will net off all flows of dividend distributions or interest payments between different companies (for instance between non-financial companies as borrower and banks or insurance companies as creditor) and private households. If a shift occurs from interest to dividend payments, it will not show up in the denominators, and hence the capital ITR will remain constant. The overall result of the higher tax revenues would be an increase in the ITR reflecting a higher effective tax burden that is caused by the effects of the tax legislation ⁽³¹⁾.

Implicit tax rate on energy

The nominal ITR on energy is calculated as the ratio between total energy tax revenues and final energy consumption, as calculated by Eurostat aggregating different energy sources on the basis of each source's net calorific value. Although out of analogy with the ITRs on labour, consumption, and capital the name ITR is employed, it should be noted that the former three are pure ratios expressed in percentage terms (or 'dimension less numbers') while the ITR on energy is expressed in euro per tonne of oil equivalent and measures the average tax per toe.

The real ITR on energy differs from the nominal in the sense that the nominal euro amount in the numerator of the ratio is deflated with the cumulative percentage change in the final demand deflator from 2000 (unfortunately no specific deflator for energy prices is available).

Methods used to split the revenue from personal income tax

The sources of personal income tax

Apart from the aggregate data in national accounts, additional data made available by Member States has been used to split recorded tax revenues into more detailed categories. This is of particular importance for the recorded personal income tax, which is typically broad-based, and relates to multiple sources of income. A method had to be developed to break down revenue from the personal income tax by economic function (i.e. labour, capital and consumption).

⁽³¹⁾ However, the tendency for the ITR to increase can be offset to some extent by the fact that interest is often more highly taxed than dividends in the hands of personal investors. Only countries with classical tax systems tax interest as much as dividends at the personal level. Others have some form of relief for double taxation of dividends. So there could be more personal income tax on interest than on dividends, offsetting some of the effect mentioned.

Box F.7: Overview of methods to estimate the allocation of the personal income tax

Countries	Data	Basic method
BE, DK, DE, IE, FR, LV, LU, HU (from 2009), MT, NL, PL, SI, FI, SE, NO	Data set of individual taxpayers	Personal income tax payments multiplied by fractions of net taxable income sources (as percentage of the total tax base) at the level of the individual taxpayer
UK	Data set of individual taxpayers	Income source specific income tax rates multiplied by net taxable income sources at the level of the individual taxpayer
BG, CY, ES, EL, IT, LT	Income class data based on data set of individual taxpayers	Personal income tax payments multiplied by fractions of net taxable income sources (as percentage of the total tax base) at the level of income classes/tax brackets
CZ, EE, HU (before 2009), AT, PT, RO	Tax receipts data from withholding and income tax statistics	Approach using aggregate withholding tax and final assessment income tax data with certain adjustments.

This section describes the methods used by the Member States to generate estimates of this split of the personal income tax from tax return data. The methods attribute personal income tax to four main taxable income sources (see Box F.6):

The resulting estimates of the personal income tax revenue that could be attributed to these taxable income sources are used in the numerators for the implicit tax rates on labour and capital (using relevant aggregate economic incomes as denominators) and in the breakdown of taxes across the economic functions (i.e. taxes on consumption, labour and capital, as a percentage of GDP).

The flaws of aggregate data and advantages of micro data

Under an approach using only aggregate data, total personal income tax raised in respect of labour (capital) income is often estimated as the proportion of aggregate labour (capital) income in the aggregate taxpayer income. Another approach is to estimate a single average effective income tax rate on the basis of aggregate data. The total personal income tax revenue data is divided by the aggregate approximation of labour and capital income in the economy to get the overall effective personal income tax rate, which can subsequently be applied to the labour (capital) income in order to estimate the income tax levied from labour (capital) income⁽³²⁾. This ignores the fact that effective rates on personal income tax vary across different taxable income components and groups of taxpayers. Even where, for example, labour and capital income are pooled together for tax purposes at the individual level, such an approach may be criticised where aggregate labour income is believed to be subject, on average across taxpayers, to a significantly different average effective tax burden than capital income⁽³³⁾. A main concern associated with average effective (implicit) tax rate analysis

is the manner in which estimates are derived for the aggregate amount of personal income tax revenue raised from different types of income included in a given country's personal income tax base. Under an approach using only aggregate data from national accounts, for example, total personal income tax raised in respect of labour (or capital or other forms of personal taxable income, for example social transfer or pension income) is often estimated as the proportion of aggregate labour (or capital) income in the aggregate taxpayer personal income. This approach implicitly assumes that labour and capital income (or other forms of taxable income) is subject to one (common) average effective tax rate⁽³⁴⁾. This assumption is generally unrealistic, and could be expected to lead to imprecise estimates of notional tax revenues raised in respect of different taxable income types and, therefore, imprecise estimates of average effective tax rates by economic income source⁽³⁵⁾.

Relying on micro-level data — that is, confidential tax data at the individual taxpayer level — Member States are able to generate more accurate estimates of personal income tax revenues raised on separate sources of income. Generally, capital income will tend to be concentrated at the right side of the Lorenz curve and therefore, be subject to higher marginal and average tax rates as compared to income from labour. On the other hand, special tax concessions may apply to income from capital, so that the average tax rate for capital income might not be significantly different from that for income from labour. For example, some Member States apply a so-called 'dual' income tax system, in which capital income is usually taxed at a relatively lower (fixed) rate as compared to other earned taxable income. Forcing the latter assumption (of special tax concessions) on the data would however be a shortcoming to the analysis. Also, most Member States tend to tax pension benefits or social benefits more favourably than earned income from labour,

⁽³²⁾ This approach has been introduced by Mendoza, Razin and Tesar (1994) and was used in internal studies by the Economics and Financial Affairs Departments of both the European Commission and the OECD. See Martinez-Mongay (2000) and Carey and Rabesona (2002) for more details.

⁽³³⁾ See also OECD (2000, 2002), Clark (2002) and De Haan, Sturm and Volkerink (2002).

⁽³⁴⁾ This approach has been introduced by Mendoza, Razin and Tesar (1994) and was used in internal studies by Economics and Financial Affairs departments of both the European Commission and the OECD. See Martinez-Mongay (2000) and Carey and Rabesona (2002) for more details.

⁽³⁵⁾ See also OECD (2000, 2002b) and De Haan, Sturm and Volkerink (2002).

either by way of increased tax allowances or tax credits that are age-based, or by partial exemptions from the tax base. Using micro-data sets that include separate reported figures at the taxpayer level for the items of income on which the personal income tax is raised, it is possible to account for such effects ⁽³⁶⁾.

The methodological approaches

Most Member States basically multiply individual income tax payments by proportions of the selected income sources in the total taxpayer's income (Belgium, Denmark, Germany, France, the Netherlands, Ireland, Luxembourg, Finland and Sweden). This is done both by way of micro-simulation models relying on samples from the total taxpayer population and by way of use of exhaustive tax return data sets (e.g. Belgium and Ireland). The corresponding estimates obtained at the taxpayer level are consequently aggregated to obtain estimates of the personal income tax raised in respect of the selected sources of income. For example, the total amount of personal income tax raised in respect of labour income, *PIT (labour)* could be estimated as follows:

$$PIT(labour) = \sum_j (W_j / Y_j) * PIT_j = \sum_j w_j * PIT_j$$

where W_j measures the labour income of the j -th taxpayer in a sample of individuals ($j = 1, \dots, n$) and where PIT_j measures the personal income tax payment of the j -th taxpayer on his total taxable income Y_j . The above equation therefore measures the total personal income tax raised on labour income as a weighted average of each individual taxpayer's payment PIT , with the weights $w_j = (W_j/Y_j)$ attached to these individual payments reflecting the distribution of total wages and salaries across taxpayers.

Some Member States (Spain, Italy and Greece) instead use tax return data that is aggregated at the level of a number of income classes or income tax brackets ($j = 1, \dots, n$), but essentially make the same calculations. The latter approach is likely to capture broadly comparable effects of the differences in tax treatment and the distribution of income sources across different groups of taxpayers.

Some Member States (Austria, Portugal) choose another approach and use tax receipts data from the wage (withholding) tax and (final) income tax statistics and apply a number of adjustments. Wage (withholding) tax is by its

very nature designed to approximate the final income tax liability for wage earners as closely as possible, but in some cases there are certain adjustments for income tax assessments, because the wage tax withheld is not correct (e.g. because of different jobs or pensions during a single year). As this correction concerns only wage earners, in some cases the net amount of the correction is deducted from the total amount of recorded wage tax and, the amount of personal income tax is adjusted accordingly. Since wage tax can also be levied on social benefits (e.g. unemployment benefits, widower's benefits and invalidity benefits) or old-age pensions, the recorded wage tax is adjusted accordingly. The (adjusted) personal income tax is further split between income from self-employed businesses and capital income, either using aggregate proportions or information aggregated at the level of income classes (Austria). The latter approach is also likely to capture broadly comparable effects of the differences in tax treatment and the distribution of income sources across different groups of taxpayers as outlined above.

Finally, Hungary (from 2009 onwards) uses a combination of micro simulation and a correction on the aggregate figures from the micro simulation model.

While in most Member States the personal income tax system is comprehensive in the sense that all subcategories of taxable income are pooled at the individual level, and the result is taxed at ascending statutory tax rates. However, some Member States apply a given statutory rate on a specific income category, as can occur under a 'dual income tax' system. In the Netherlands, Finland and Sweden, for example, capital income is currently taxed at a relatively lower statutory rate as compared to other earned income. In most cases, however, the tax receipts data are used to isolate the amount of tax collected on that particular income category. In Slovenia, capital income is taxed according to a flat rate while active income is taxed according to a progressive rate. In the United Kingdom, the personal income tax law actually prioritises the order of different types of income. For example, labour income is treated as the bottom of the taxable income and dividend income is treated as the top slice of taxable income. Unlike the method used in other Member States, the United Kingdom calculation therefore does not assume that the individual taxpayer has the same average effective income tax rate over all income sources (see also above). Instead, income source specific income tax rates are multiplied by the selected income sources at the taxpayer level.

Credits and deductions

Income sources are, insofar as it is possible, measured net of tax base deductions or allowances that are exclusively earned on these income sources (e.g. allowance for savings, expenses incurred in maintaining labour income). This is important, as tax breaks and concessions given in respect of

⁽³⁶⁾ In order to illustrate the degree of precision that can be reached with using micro data rather than aggregate tax return data, the Ministries of Finance and Taxation in the Netherlands, Finland, Denmark and Italy have performed additional calculations on the basis of only aggregate tax return data for some years. It actually appeared that the differences for the estimated amounts of income tax raised on income from employed labour were rather small. The reason is that employed labour income is by far the most dominant income source, which means that the overall effective income tax rate (measured on the aggregate taxable income and across all taxpayers) is strongly influenced by the average effective tax rate on labour income. The differences were however significant for the other selected income sources. If only aggregate tax return data were used, generally higher fractions would be computed for capital income and income in the form of social transfers and pensions, and generally lower fractions would be computed for income from self-employed labour.

the tax on capital income can be quite substantial, with the result that the estimated fraction for personal income tax raised on capital income can be rather low, and in some cases even negative (e.g. in the Netherlands and in Denmark). It is generally attempted to allocate income-specific tax credits (e.g. an additional tax credit that is earned exclusively on income from labour) to the base for splitting purposes to which it relates. Against this, the revenue effects of general tax base deductions and credits are proportionately allocated across all income sources. Further complications in calculating the bases for splitting arise due to the fact that certain income tax receipts are collected at source and certain tax breaks are granted at source, whilst others are collected and granted in the framework of the individual taxpayer's tax return. This is particularly an issue with certain components of capital income (interest, dividends, pensions, etc.). There are further conceptual and practical issues with pensions and the self-employed to which there are no easy answers.

As a result of data set limitations and a degree of inconsistency between the approaches adopted by the Member States (which affects most notably the allocation of income tax to capital and social transfers and pensions), the accuracy and comparability of the estimates of the ITRs on labour and capital have been somewhat compromised. The sources of these inconsistencies are various. In some Member States, for example, tax return data are only available at income-class level rather than at the taxpayer level. For some countries not all the taxable benefits from social security or old-age pension schemes could be separately identified from the tax return data. Some Member States could not incorporate the revenue effects of tax base deductions or tax credits specifically related to the main income sources. Inconsistency may also arise where Member States permit a joint assessment of the taxable income of the household (e.g. in France before 2001). To give an example, the principal earner of the household may earn labour income whereas the spouse is actually a social benefit recipient with a relatively lower income. In these cases, however, the same effective tax rate was applied to the taxpayers jointly assessed. There are further conceptual and practical problems with the treatment of pensions for which there are no straightforward solutions.

Some Member States were not able to provide full time-series coverage for all calendar years. In these cases, a trend has been assumed using simple linear interpolations, or the fractions were assumed to remain constant. In reality changes in the fractions would reflect changes either in the distribution of income or in the tax parameters. Applying linear interpolation seems a valid method only in the absence of major tax reforms. Apart from certain simplifying assumptions and estimates of the share of personal income tax limited to specific years this new treatment of the personal income tax is a major improvement on the methodology used prior to the 2003 edition. It is found to be vastly better than an approach based on aggregate data

in estimating the tax burden on non-wage income sources (in particular for social transfers and pensions and self-employment income).

Individual country approaches by type of approach:

A. Approach using micro-tax receipts data

Belgium: The split of the personal income tax was estimated by the Ministry of Finance using detailed revenue statistics from the national tax administration based on individual tax returns. The data set covers any assessed income, and is exhaustive. In fact, the national tax administration already splits and allocates the aggregate personal income tax revenue raised on the so-called 'global income' to the different income sources on a case-by-case basis, in order to derive entitlements of individual taxpayers to certain tax credits that are related to specific income sources. For example, the tax credits for pensions, sickness or unemployment are limited to the income tax that relates proportionally to the corresponding net income. This allocation of the tax revenue raised on the 'global income' is calculated by multiplying individual tax payments by proportions of the income types in the total taxpayer's 'global income', as outlined above. The income types are measured net of tax base deductions that are exclusively earned on these income types. Subsequently, the estimated fractions of the aggregate personal tax revenue that is raised on the selected income types depend on a proportional division of the personal income tax that is due on the 'global income' and the income tax due on 'distinct income' sources that are taxed separately. The resulting fractions are consequently applied to the sum of revenues from advance payments on earnings, advance payments of tax on self-employed persons and the amount of the final income tax assessment. The revenue from withholding tax on income from movable capital and real estate tax is not included in the above calculations; they are directly assigned to the capital income.

Denmark: The split of the personal income tax was estimated by the Ministry of Taxation using a micro-simulation model that is based on a sample of micro (taxpayer-level) data. The model incorporates the information of withholdings/prepayments and final income tax returns. The model is updated annually, and used in planning the national tax policies and estimating policy alterations on tax revenues and on the income tax liabilities of taxpayers on different income levels. The model also covers other legislative areas, such as unemployment benefits, housing subsidies, social assistance and so on. The method basically multiplies individual tax payments by proportions of the income types in the total taxpayer's income, as outlined above. The income types are measured net of tax base deductions that are exclusively earned on these income types. By including net interest payments in the tax base of capital, for example, the Ministry of Taxation has taken into account the way the

tax relief for mortgage interest payments and other interest payments on loans reduces the tax base of capital. This explains why the estimated part of capital income may be lower than zero. The method takes into account that from 2001 onwards negative capital income can only be deducted in the local income taxes (and from 2007 the so-called health care contribution as a consequence of the municipal reform) and that from 1998 to 2001 the after tax value of the deduction for negative capital income was gradually eroded. The so-called share income (which is taxed separately) is allocated directly to the part on capital income. As regards employed labour income, it should be recognised that in 1995 and 1999 wage income was taxed as follows: on the one hand the tax base for the municipal income tax and the lower limit central government tax was wage income less transport expenses and unemployment insurance contributions; on the other hand the tax base for the so-called middle bracket and top bracket income tax was the part of the wage income — without any reduction for expenses — that exceeded a certain amount. If one reduces the tax base with deductible ‘wage expenses’, then the part of the mean limit and an upper limit income tax that is attributed to wage income is too small. Whereas if it is not taken into account the part of the municipal income tax and lower limit central government tax that is attributed to wage income is too big. The Ministry of Taxation has chosen the latter approach as it is believed that the bias will be the smallest in this case.

Germany: The split of the personal income tax was estimated by the Federal Ministry of Finance using a micro-simulation model. This model is based on a representative sample of micro (taxpayer-level) tax return data that is used for tax forecasting purposes and pre-assessing the consequences of changes in income tax legislation. In addition, the model allows the assessment of the solidarity tax, child benefits, the church tax and social contributions. The simulation model incorporates the information on withholdings/prepayments and final income tax returns (in Germany, nearly every private household liable to income tax must file an income tax return, employees only paying wage withholding tax are also included in the sample). The calculations do not take into account child benefits and tax-free cash grants for acquiring or constructing new occupational dwellings, which are credited against the income tax liability. These transfers are deemed as separate transfers in the context of social policy programmes. Basically, personal income tax payments were multiplied by the selected income sources at the micro level, as outlined above. The income sources are measured net of tax base deductions that are exclusively earned on these income sources. Germany employs a comprehensive income tax base. There are no income-specific rates such as lower flat-rates on income from capital investment as in countries with dual income tax systems, nor does Germany grant lower tax rates or tax credits on low wages. However, the tax base may be largely

offset by income-specific allowances (such as the saving allowance), tax incentives or arrangements in computing income, but these effects are captured within the calculations, because the average effective tax rate is multiplied by the net taxable income sources.

Ireland: The split of the personal income tax was estimated by the Inland Revenue using an exhaustive data set with micro (taxpayer-level) tax return data. The data set covers all taxpayers for which a return was received. The method basically multiplies individual tax payments by proportions of the income types in the total taxpayer’s income, as outlined above. However, because there are some taxable personal income components that are taxed at a flat rate only, there is no actual split of tax revenues raised on these particular income components. The tax raised on such components is directly calculated from the tax return data. At this stage, the income types are not yet measured net of tax base deductions that are exclusively earned on these income types. This could be done in future updates of the split of the personal income tax.

France: The decomposition of the PIT was based on a sample of around 500 000 tax declarations (2 % of the total). The method basically multiplies individual tax payments by proportions of the income types in the total taxpayer’s income. The income types are measured net of tax base deductions that are exclusively earned on these income types. In addition, corrections were made for the revenue effects of tax credits that are exclusively earned on the selected income types (e.g. the payable tax credit, the *prime pour l’emploi*, to encourage low-paid and low-skilled workers to resume active employment). It is worth noting that France employs a joint assessment of the taxable income in the household. For example, the principal earner in the household may earn labour income whereas the spouse receives social benefits, but the total amount of personal income is jointly assessed. In the calculations for the split of the personal income tax, however, in this case the same effective tax rate has been applied to the partners jointly assessed. For the period 2001–04 data provided by French authorities also include taxes paid on transfers. For the period 1999–2000 this was only possible if the household income included salary or self-employed labour revenues. In order to maintain comparability and consistency in the time series the split for 1999 and 2000 has been adjusted. Assuming that the changes in the shares from 2000 to 2001 are only due to the introduction of the category ‘transfers’, the absolute changes for the other three categories have been calculated accordingly and deducted from the original values provided.

Latvia: The split of the personal income tax was estimated by the Ministry of Finance. Latvia’s calculations are greatly simplified by the existence of one single rate of personal income tax. The calculations were based on data from personal income tax returns, in accordance with the

individual taxpayers' data. The summary of salary declarations was used to calculate personal income tax revenue from employed labour income. Information on the personal income tax paid by the self-employed was derived from the Declaration of annual income and from the advance payment tax return. Information on tax on pension payments was obtained from the State Social Insurance Agency. The lack of any records of personal income capital taxation means that this amount was taken as the residual. A part of allowances (the non-taxable minimum and allowances for dependants) is applied at the moment of the tax calculation. The tax is collected, taking into account applicable allowances. Information on the applicable allowances is obtained from the tax returns. The other allowances are obtained only after submission of declarations of annual income to the State Revenue Service. The total PIT revenue is already shown in net form i.e. the PIT repayments made by the State Revenue Service are already taken away.

Luxembourg: The split of the personal income tax was estimated by the National Statistical Office using detailed revenue statistics from the national tax administration (ACD) based on exhaustive household tax returns (in Luxembourg PIT is based on family taxation) and on withholding revenues on employed labour and transfers. For the part on tax returns, the method basically multiplies individual tax payments by proportions of the income types in the total taxpayer's income, as outlined above. Then the withholding revenues were considered, because it is not mandatory to compile tax return if there is only employed labour or pension income. Since the distinction between withheld amounts raised on labour employed and pension income is not available, data from the social security organisations were used. When only the total amount withheld was available from a social security organisation, the average rate of contribution was used as a proxy.

Hungary (from 2009): The split of the personal income tax is based on a combination of a micro simulation using all individual tax returns and a correction on the aggregate figures from the micro simulation model. First, the distribution of the PIT revenue attributed to the four income types is derived for each individual, then it is aggregated across all taxpayers. Finally, PIT on incomes taxed at source (they include fringe benefits and most of the taxed interest income, and are not reported in the annual tax returns and were not included before 2009) is added to the relevant categories and the final PIT split is calculated from these revenue figures.

Malta: The split of the personal income tax is based on the actual data available at the local tax authorities through the individual returns. When returning their annual declarations, all taxpayers are obliged to correctly indicate the exact source of their income on their individual tax form. This information is then captured at micro level, and is used to compile the figures submitted in the national PIT

questionnaire. There is no further extrapolation on the data, except for the case of the withholding taxes on capital. Since the withholding tax is a flat percentage, this figure has been obtained based on the revenue generated from this particular source.

The Netherlands: The split of the personal income tax was estimated by the Ministry of Finance using a micro-simulation model that is based on a sample with micro (taxpayer-level) data. The information is collected by Statistics Netherlands. The model is not updated annually, but annual projections are made for future years for planning the national tax policies and estimating policy alterations on tax revenues. It covers the combined tax burden of wage withholding tax, personal income tax, social contributions and wealth tax. The method basically multiplies individual tax payments by proportions of the income types in the total taxpayer's income, as outlined above. In the Netherlands, the lowest two income tax rates consist of personal income tax and social contributions; the highest two rates consist solely of personal income tax. The split has therefore been computed for both personal income tax and social contributions (which are in principle levied on all taxable personal income types). The income types are measured net of tax base deductions that are exclusively earned on these income types. A special provision applies to the capital income of owner-occupied property. This is taxed at a notional rental value, which represents the balance of revenue and expenses connected with the use of the dwelling, and is assessed using statutory tables. As normal expenses are included in the notional rental value, no expenses other than mortgage interest and ground rent may be deducted. The deduction for mortgage interest payments explains why the estimated part of capital income is lower than zero for some years. A major tax reform was implemented in January 2001. Among a number of other important changes, this reform replaced the wealth tax and personal income taxation of interest, dividend and other capital income by a single tax on the imputed income from wealth. A 4 % yield imputed on all assets is now taxed at a flat rate of 30 %, which basically implies a 1.2 % tax rate on the total wealth. The tax reform also replaced the basic employed person's tax base allowance by a non-refundable tax credit for all employees and self-employed persons. Both measures are reflected in the estimates for 2001.

Poland: The split of the personal income tax was estimated by the Ministry of Finance. Poland has a progressive tax system, hence the estimate is obtained with a bottom-up methodology, starting from taxpayer-level data and the aggregating the results. For taxes levied as lump sums, the method used simply multiplies the individual tax due by proportions of the income types in total taxpayer's income. The income types are measured net of estimated social security contributions. Adjustments were made for married couples' tax returns (their joint income was used in the calculations). Owing to an important reform in 1999, which

introduced tax-deductible health insurance contributions, there are two different methodologies for the years 1995–98 and 1999–2004. For the years after 1999, the Ministry of Finance arrives at the PIT due by subtracting the amounts due as health insurance contributions from the total revenue and the residual then represents the amount due for the PIT. The amounts due for the health insurance contributions are then split across economic functions and re-introduced in the PIT split so that the final PIT split given is homogeneous across the entire time period.

Slovenia: The split of the personal income tax was estimated by the Ministry of Finance. The calculations were based on data sets for individual taxpayers, except in the case of pensions. As most of the PIT from pensions is only accounted for but not collected the PIT from pensions is subtracted. Actual PIT collected from pensions is very close to prepayment of PIT from pensions during the year. Therefore, these prepayments are added to PIT from the transfer and pensions category. The method multiplies PIT payments by fractions of net taxable income sources (as a percentage of the total tax base) at the level of individual taxpayers. The allowances were deducted at the individual level (except in the case of pensions). In 2006, major changes in the PIT system were introduced — schedular system for capital income was introduced and tax prepayments became final payments. This reform resulted into two different sets of data for 2006: accrual individual data for employed labour income, self-employed income and social transfers and pensions; and cash cumulative data for capital income.

Finland: The split of the personal income tax was estimated by the Ministry of Finance using a micro-simulation model that is based on a sample of micro (taxpayer-level) data. The information is collected by Statistics Finland. The model is updated annually, and used in planning the national tax policies and estimating policy alterations on tax revenues and on the income tax liabilities of taxpayers on different income levels. The method basically multiplies individual tax payments by proportions of the income types in the total taxpayer's income, as outlined above. However, because of the dual income tax system, there is no actual split of tax revenues raised on capital income. The tax raised on capital income is directly calculated from the tax return data. The income types are measured net of tax base deductions that are exclusively earned on these income types. The statistical information on dividend income in the model contains both dividend income of the self-employed that is treated as the capital part of the income, and the dividend income from investors, that is not income from self-employed labour but capital income from for example owning shares in a listed company. The statistical information is split into dividend income from self-employment and dividend income from saving and investments using an estimate. From year 2002 the method of splitting dividend income between dividends from listed companies and the dividends of the self-employed owners has been improved. Mortgage interest

payments are not deducted from the capital income, since no rental value taxation of income from home-ownership is applied.

Sweden: The split of the personal income tax was estimated by the Ministry of Finance using micro-simulation models that are mainly based on administrative sample data. The models are updated annually, and mainly used in planning the national tax policies and estimating policy alterations on tax revenues and on the income tax liabilities of taxpayers on different income levels. The method basically multiplies individual tax payments by proportions of the income types in the total taxpayer's income, as outlined above. However, because of the dual income tax system, there is no actual split of tax revenues raised on capital income. The tax raised on capital income is directly calculated from the tax return data. The income types are measured net of tax base deductions that are exclusively earned on these income types. An alternative way to describe the method is to say that the individual specific average effective income tax rate is calculated to split the personal income tax across different taxable income sources. Note, however, that these average effective tax rates are computed while incorporating the revenue effects of tax credits that are exclusively earned on the selected income sources. The revenue effects of general tax credits for all taxpayers are proportionally allocated across all selected income sources.

Norway: The split of the personal income tax was estimated by the Ministry of Finance using a micro-simulation model called LOTTE. The model is based on a sample from the household income statistics of Statistics Norway. The personal income tax system has two tax bases: personal income, from which no deduction may be made, and ordinary income. Ordinary income includes all types of taxable income from labour, transfers, business and capital. Certain costs and expenses, including interest paid on debt, are deductible in the computation of ordinary income. Dividends are regarded solely as capital income in the calculations. With the exception of the standard allowance, the basic allowance and the allowance for gifts to voluntary organisations, all allowances are entirely allocated to one income source. The basic allowance is calculated as a certain percentage of wage and pension income with a lower and upper limit. In the calculations, the basic allowance is divided according to the size of wage and pension income, respectively, for each individual. Some basic allowance is reported separately for spouse supplementary pensions, child alimonies and pensions. These are allocated to transfer income. The allowance for gifts to voluntary organisations is a general allowance and is as such divided on all income sources. The SC and the central government income surtax are separated between the relevant income sources (labour, self-employed and transfer). The labour and transfer component in gross income is identified by the LOTTE model. Self-employed income is more difficult to identify because of some special limitation rules for this category

of income included in the personal income tax base. Actual self-employed income might therefore be higher than the taxable self-employed income included in the gross personal income tax base. However, by hooking the LOTTE model to total gross personal income reported in the tax statistics, it is possible to identify the self-employed income in the tax base (by subtracting labour and transfer income from total gross personal income).

B. Approach using both micro and aggregate tax receipts data

The method employed in the United Kingdom is based on combining micro and aggregate tax record data. Also, unlike the methods outlined above, the method does not assume that the individual taxpayer has the same average effective income tax rate over all income sources. Instead, income source specific tax rates are multiplied by the selected income sources at the taxpayer level.

The **United Kingdom**: The split of the personal income tax was estimated by Her Majesty's Revenue & Customs using a micro-simulation model and aggregate tax receipt data. The micro-simulation model incorporates the information of withholding taxes (PAYE), self-assessment tax returns and claims by non-taxpayers for overpaid tax deducted at sources. The method does not assume that the individual taxpayer has the same average income tax rate over all selected income sources. Instead, income-source specific tax rates are computed, because the personal income tax law prioritises the order of different types of income. For example, labour income is at the bottom of the taxable income and dividend income is treated as the top slice of the taxable income. The total tax liability that results from the micro-simulation model, grossed up to the total taxpayer population for sampling, does not exactly correspond to the total recorded tax receipts from macro-tax receipt data, due to differences in definition and sampling error. The main differences between the micro and macro-tax receipt data occur because some components (i.e. company income tax and unallocated tax receipts) are not modelled. Also, there are various repayments of personal income tax which are made directly at source and are not captured in the model data, including payments to pension funds, charities, special savings schemes, life insurance relief, mortgage interest relief at source, child tax credits, working tax credits and vocational training relief. These elements of the macro-tax receipt data have also been allocated across the selected income types, whenever this was possible.

C. Approach using tax return data aggregated at the level of income classes or tax brackets

In some Member States tax return data is used that is aggregated at the level of a number of income classes or tax brackets. Basically, the recorded personal income tax payments are multiplied by the selected income types over

the sum of the taxable personal income sources at the level of income classes or tax brackets. This approach thus implicitly assumes that a (common) average effective tax rate applies to all selected income types at the level of the income class. The corresponding estimates are consequently aggregated to obtain the estimate of the split of the personal income tax. Calculations by Italy have shown that differences from using either macro-tax return data or micro data aggregated by income classes turn out to be significant for the taxable personal income types that are less important from a quantitative point of view. Although the method cannot provide the degree of accuracy of micro (taxpayer-level) data, it is believed that is likely to capture the effects of progression of the personal income tax system and the distribution of income sources across different groups of taxpayers.

Bulgaria: The split of the personal income tax was calculated by the Ministry of Finance using information from the tax returns filed in the National Revenue Agency, representing aggregated micro data per tax return. The tax base of the different types of income besides labour income is divided over the total tax base and the ratio serves as weight to measure the share of the relevant income in the total tax due. The sum of the weighted tax revenues shall be the tax due for all income except labour income. For employees receiving only labour income, the PIT is withheld by the employer. The share of every type of non-labour income mentioned before is applied to the cash revenues from all types of income besides labour income. The revenues from labour income and from non-labour income form the total revenues. The share of the labour income revenues in total PIT revenues is known, the share of the total non-labour income revenues in total PIT revenues is also known, as well as the share of each type of non-labour income within the total non-labour income revenues. The relevant shares serve as the PIT split.

Greece: The split of the personal income tax was estimated by the Ministry of Finance in cooperation with EL.STAT and Professor Geogakopoulos from the Athens University of Economics. The calculations were based on data from personal income tax returns, which were grouped by category of income and tax bracket. Basically, the method multiplies tax payments by proportions of the income types in the total taxpayer's income, as outlined above, but aggregated at the level of income classes. The income types are measured as net taxable personal incomes. In order to split between income from employed labour and transfers data from the General Secretariat of Information Systems were used. The final percentages are comprehensive of tax on savings, which is included in category D.51a in addition to tax revenue from personal income tax; the total amount of this category constitutes tax on capital and, given that this tax is not calculated on the total income of households, it was added to income tax from capital in the calculations.

Table F.1: Italian method

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
C. Structure according to economic function as % of GDP													
Labour	22.8	22.9	22.8	23.4	23.1	23.2	23.5	24.1	25.0	25.2	25.2	25.0	25.5
Employed	17.8	18.0	18.0	18.1	18.0	18.1	18.1	18.7	19.3	19.5	19.4	19.2	19.6
Paid by employers	9.9	10.0	10.1	10.3	10.3	10.4	10.3	10.6	10.7	10.9	10.7	10.8	10.8
Paid by employees	7.9	8.0	7.9	7.8	7.7	7.7	7.8	8.1	8.6	8.6	8.6	8.5	8.7
Self-employed (80 % incl. SSC)	2.8	2.7	2.6	3.2	2.9	2.8	3.0	3.1	3.1	3.0	3.0	2.9	3.0
Non-employed	2.1	2.2	2.2	2.1	2.2	2.3	2.3	2.3	2.5	2.7	2.8	2.8	2.9
Capital	7.4	7.5	7.1	7.2	6.8	6.5	7.5	8.0	7.5	7.5	6.6	6.7	7.6
Capital and business income	5.2	5.4	4.7	5.1	4.5	4.3	5.2	5.7	5.5	4.6	4.4	4.2	4.6
Income of corporations	2.9	3.7	3.1	3.5	3.1	2.9	3.5	4.0	3.7	3.0	2.9	2.8	2.8
Income of households	1.9	1.3	1.2	1.1	1.0	1.0	1.2	1.3	1.3	1.3	1.1	1.0	1.3
Income of self-employed (20 %)	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Stocks of capital / wealth	2.2	2.1	2.4	2.1	2.3	2.2	2.3	2.3	2.0	2.8	2.2	2.4	3.0
D. Implicit tax rates													
Labour employed	38.1	37.9	37.5	38.3	37.7	37.6	37.9	39.3	39.9	39.2	39.5	39.1	39.9
Capital	31.5	31.2	31.7	33.9	32.2	31.6	37.6	40.0	40.2	45.5	39.1	40.0	47.1
Capital and business income	22.2	22.6	21.0	23.9	21.3	21.0	26.1	28.6	29.4	28.2	25.9	25.3	28.3
Corporations	18.3	22.6	20.0	23.6	20.5	19.8	25.5	28.8	30.9	27.0	24.3	24.3	25.9
Households and self-employed	12.6	9.5	8.9	9.6	8.5	8.8	10.2	10.5	10.9	11.6	10.7	10.5	13.2

Source: Commission services

Spain: The split of the personal income tax was estimated by the Ministry of Finance and the methodology was revised as of 2010. The estimates are covering not only PIT taxpayers' population — those who submit a PIT return — but even those PIT taxpayers not directly obliged to do so but whose contribution to the tax is made only through monthly withholding taxes and advance tax payments. The allocation of tax liabilities arising from earned income — wages and social benefits — is made directly through observed advance tax payments data files rather than calculating the weights based on the values of such income in accordance with the Spanish National Accounts (CNE), as it had been done until 2010. This latter change appreciably affects the final estimates and now reflects much more accurately the allocation of each of those income sources, since, as noted repeatedly in previous years, CNE data overstates the tax burden of pensions and other social benefits in the PIT. This is because it is not possible to deduct those pensions exempt from the tax, and furthermore under the former methodology it was not possible to take into account the different effective tax rates applied to both salaries and pensions, given that pensions usually pile up in lower income levels

and therefore its taxation is substantially lower when applying a progressive tax schedule. Therefore, as of 2010 only tax data provided by the Spanish Tax Administration is used. The methodology is divided into three basic stages: (1) the final tax liability (by income sources) from PIT filers is directly obtained from tax data records broken down into 47 income brackets; (2) for non-PIT filers the final PIT tax liability distribution is obtained as the difference between the total amount of periodic withholding tax payments (filers and non-filers) and the advance payments of the latter obtained through annual tax returns submitted by third-parties; (3) the allocation of final tax liabilities arising from earned income among wages/salaries and social benefits is directly obtained through the annual observed tax statistics covering the whole tax population (filers and non-tax filers) related to periodic withholding and advance tax payments, and according to their own weight.

Italy: The split of the personal income tax was estimated by the Ministry of Finance using a micro-data set containing IRPEF tax return data for all taxpayers. Instead of computing an average tax rate for each individual taxpayer, the information was allocated to 35 classes of gross income.

Basically, the recorded personal income tax payments were multiplied by the selected net taxable income sources over the sum of the net taxable income sources at the income class level. The income types are measured net of tax base deductions that are exclusively earned on these income types. In addition, corrections were made for the revenue effects of tax credits that are exclusively earned on the selected income types. In addition to the recorded IRPEF tax revenues, IRPEF payments received by the treasury on denominations other than IRPEF were incorporated in the calculations. These include tax on dividend distributions and dividend withholdings, which were directly allocated to the capital income category.

Cyprus: The split of the personal income tax was estimated by the Ministry of Finance. The calculations were based on tax assessment data, which were grouped by category of income and by tax bracket into 26 income classes. The recorded personal income tax payments are multiplied by the taxable income sources for each class and then divided by the aggregate taxable income of the class. The income types are measured as net taxable personal incomes. All deductions have been allocated to the correct base class and category for the purposes of the split. The personal allowances have been allocated in proportion to the income sources.

Lithuania: The split of the personal income tax was estimated by the Ministry of Finance utilising data from the State Tax Inspectorate. Data coverage is very high (99.9 % to 100 % of actual payments by the different revenue group of personal income tax). Lithuania's calculations are simplified by the existence of a dual rate system for earned and unearned income. The categorisation of income taxes allowed most elements to be allocated to their economic functions without need for further individual or income class breakdowns. The split of personal income tax calculation breaks down the total amount of the tax refund across the various revenue groups. Payments from non-employment related or n.e.c. income were attributed to the payments from capital and income from individual activities, in proportion to the interrelation between respective incomes calculated according to tax return data. Adaptations to the methodology were done from 2002 to 2003 as a result of changes in the legislation which allowed deductions for life insurance and pension contributions and for certain interest payments. Note for the year 1999 data limitations required a special estimate which was based on a different methodology.

Taxes and social contributions paid by the self-employed are allocated to the capital and business income category⁽³⁷⁾. Italy proposed to split tax revenues from income of self-employed in 80 % and 20 %, because most of the self-

employed in Italy are more comparable to dependent employed workers. The 80 % are related to labour and the 20 % are linked to capital income of self-employed. The mixed income of self-employed should be split accordingly. Social contributions of self-employed are attributed to labour in the Italian method. The following table shows how this different treatment of self-employed would affect the ratios of table C and D.

D. Approach using aggregate withholding tax and final assessment income tax data with certain adjustments

In some Member States the estimates of the split of the personal income tax were computed on the basis of aggregate statistics of withholding tax and the final personal income tax by assessment.

Czech Republic: The split of the personal income tax was estimated by the Ministry of Finance. Three PIT accounts exist; the first, wage tax withheld by the employer is purely labour, the second, withholding tax, is presumed to be purely capital, and the tax paid per tax return was split. The calculations were based on data from personal income tax returns, which were grouped by category of income and by tax bracket into 20 classes. The method multiplies tax payments by proportions of the income types in the total taxpayer's income, aggregated at the level of income classes. The income types are measured as net taxable personal incomes. In calculating the split between income from employed labour and transfers, it was found that almost all the transfers were tax exempt (0.001 % of the total PIT revenue) so all were allocated to employed labour. All deductions have been allocated to the correct base class and category for the purposes of the split.

Estonia: The split of the personal income tax was estimated by the Ministry of Finance using micro-level data from the income tax returns and withholding tax statistics. Different approaches were used for determining the PIT splits depending on data availability. Thanks to the very good quality and detail of the data for 2004, the split for this year is the most thorough. Firstly, withholding tax returns were used to derive the split in the case of resident natural persons who didn't submit the 2004 income tax return. As in the case of withholding tax returns the income is already divided between 19 different income categories, the data was grouped between income from labour, capital and transfers. Secondly withholding tax returns, where payments to non-resident natural persons are declared and divided into 11 different income sources, were used and the PIT split obtained. In both cases the allowed deductions are taken into account finding the PIT split. In the third step, based on the income tax returns, firstly PIT from self-employed labour was estimated. As from 2004, the increased basic exemption in event of pension is declared on the income tax return; it was assumed that only resident natural persons who are entitled to pension declare it and would be able

⁽³⁷⁾ Except the income and taxes of 'continuous and coordinated collaborations' that are allocated to the labour category. The income of these self-employed workers is treated, for tax purposes, as income of employed workers.

to use this deduction. In the case of other income sources, i.e. income from Estonia, gains from transfer of property, other income and income from abroad, all the deductions (including basic tax allowance) were allocated proportionally over the income sources, except the special deduction for self-employed persons in agriculture, which was allocated to their income. The split for the years 2001–03 was made based on withholding tax returns of non-resident natural persons and on income tax returns. The estimates concerning 1996–2000 were made based solely on the income tax returns data.

Hungary (before 2009): The split of the personal income tax was estimated by the Ministry of Finance using aggregate statistical information from individual personal income tax returns and the declarations of enterprises on withholding tax. The share of the personal income tax on labour is related to the total revenue from the personal income tax by deduction of shares pertaining to capital and to self-employed income together with a weighted proportion of the tax credits from the latter.

Austria: The split of the personal income tax was estimated by the Ministry of Finance using statistical information from the wage withholding tax and the final income tax by assessment. Taxes raised on income from employed labour are withheld by the employer at source, and the wage tax system is designed to approximate the final personal income tax as closely as possible, but in some cases certain repayments have to be made by the tax administration. This can for example occur if the taxpayer receives income from several jobs or pensions during one year, or if there are different payments per month or deductions for special expenses etc. As these repayments concern only wage taxpayers, the total net amount of the repayments was deducted from the total recorded wage tax, and the recorded income tax was adjusted accordingly. Also, the income from employment includes income in the form of social transfers and pension benefits received. The recorded revenue of the wage tax was also corrected for the relevant amount to arrive at the fraction of income tax levied on labour income. The revenue of the personal income tax by assessment largely reflects entrepreneurial income and income from capital. The (corrected) recorded revenue from the personal income was split between the two sources, using tax return data aggregated at the level of a number of income classes as outlined above.

Portugal: The split of the personal income tax was estimated by the Ministry of Finance using information from personal income tax returns except for the amount of tax raised on capital income, which was estimated using information of both withholding taxes and personal income tax returns. The estimates are based on three data sets: (1) aggregate net taxable incomes by category of income; (2) tax liabilities by category of income or groups of categories, depending on the type of tax returns. Some households only earn income from one category of income (e.g. income from labour), and

so the tax liability is directly imputable to that category but other households simultaneously earn income from more than one category (e.g. income from labour and income from self-employed labour); (3) aggregate data from withholding tax returns relating to incomes subject to a final withholding tax, which, in general, are not reported in tax returns (e.g. interest on bank deposits). The split of the personal income tax was estimated according to the following procedure. As the first step, the tax liability of households with one source of taxable personal income was directly allocated. As the second step, from the aggregates of the net taxable incomes by category of income the net taxable incomes of households with one source of income were subtracted. Third, the aggregate tax liability of households which earn more than income was split. This split was made in proportion to the aggregate taxable incomes for each category that resulted from the second step. In this step it was thus assumed that all categories of income are subject to a common average effective tax rate. Finally, the revenue from the final withholding tax was added to the relevant categories. It should be noted that this assumes that none of the incomes subject to a final withholding tax is reported in the tax return and so could result in double counting. However, in practice, it is believed that the amounts concerned are not of great magnitude.

Romania: The split of personal income tax was estimated by the Ministry of Finance in collaboration with the National statistical office using aggregate statistical information of the general personal income tax revenues, and the afferent taxable base, divided on the relevant categories.

Estimates of the split of personal income tax

The following tables present the resulting estimates for the split of the personal income tax. Looking at the estimates, there are some noticeable differences, in particular for the income tax allocated to capital and social transfer and pension benefits. By including net interest payments in the tax base of capital, for example, some Member States (e.g. Denmark and the Netherlands) have taken into account the way the tax relief for mortgage interest payments and other interest payments on loans effectively reduces the tax base of capital. This explains why the estimated fraction for personal income tax raised on capital income is sometimes relatively low (or even negative) for a number of Member States. In some Member States such deductions are less significant or non-existent, while others were unable to take the revenue effects of such specific tax base deductions yet into account. Also, some Member States were unable to estimate the amount of personal income tax on (taxable) social transfers, while others could not distinguish between different types of pension benefits. Inevitably this may have had some consequences for the implicit tax rates on labour and capital. The estimates for the amount of personal income tax allocated to capital income and social transfers and pensions would benefit from future work. What is

furthermore noteworthy from the table is the fact that the personal income tax revenue allocated to (employed) labour income appears to be relatively low in Greece, France, Italy and Poland.

Effective average tax rate

The methodology used for the calculation of the effective tax rates is set out by Devereux and Griffith (1999, 2003), and has also been used in an earlier study by the European Commission in 2001 ⁽³⁸⁾.

The basic approach proposed by Devereux and Griffith (1999, 2003) is to consider a hypothetical incremental investment located in a specific country undertaken by a company resident possibly in the same country, but also possibly in another country. Given a post-tax real rate of return required by the company's shareholder, it is possible to use the tax code to compute the implied required pre-tax real rate of return, known as the cost of capital ⁽³⁹⁾. The proportionate difference between the cost of capital and the required post-tax real rate of return is known as the effective marginal tax rate (EMTR) ⁽⁴⁰⁾.

This approach is based on the presumption that firms undertake all investment projects which earn at least the required rate of return. For a given required post-tax rate of return, the more severe the tax system, the higher is the cost of capital, and hence the less likely that any specific investment project will be undertaken.

A complementary approach is to consider discrete choices for investment, and in particular the discrete location choice. If two locations are mutually exclusive, then the company must choose between them. In this case, the impact of taxation on the choice is measured by the proportion of total income taken in tax in each location. Devereux and Griffith (1999, 2003) proposed a measure of an effective average tax rate (EATR) ⁽⁴¹⁾ to identify the effect of taxation on such discrete location choices.

In both cases, the hypothetical investment takes place in one period and generates a return in the next period. It is assumed throughout that the tax system is expected to remain unchanged over the life of the investment. The impact of taxation depends on a number of features of the

tax system, including the statutory tax rate, capital allowances, the treatment of foreign source income, wealth taxes paid by the company, as well as possibly the treatment at the corporate and personal level of dividends paid by the company, and wealth and capital gains taxes at the personal level.

The forward-looking effective tax rates offer a convenient theoretical framework for summarising at a broad level the interaction of tax rules relating to capital investment. It should be noted that the indicator should be interpreted with caution, taking into account the assumptions related to the hypothetical investment as well as to the modelling detail of the tax systems under consideration. The measures presented here should also be distinguished from backward-looking approaches, as derived from published data on tax payments, either from company accounting records or from tax receipts. The latter offer the advantage that they are based on real-life data, but are subject to a number of limitations when analysing investment decisions: time lags in information and a lack of framework to distinguish between economic effects and tax effects, and the absence of a time perspective.

A. Economic assumptions

Several assumptions need to be made in order to define the hypothetical investment project analysed in this report, and the economic conditions under which it would take place. The following is assumed:

- The investment is made in the manufacturing sector.
- The shareholder is assumed to be able to earn a real rate of return of 5 % on an alternative investment. If the alternative investment is not taxed, this is also the post-tax return required by the shareholder on the hypothetical investment analysed. Any tax on the alternative asset reduces the required post-tax rate of return on the hypothetical investment.
- The inflation rate is assumed to be 2 % in all countries.
- Separate investments in five different assets are considered. They are as follows, together with the true economic depreciation rate assumed in each case (based on a study from the Ifo Institute in Munich): intangibles (taken for tax purposes here to be the purchase of a patent) (depreciation rate of 15.35 %); industrial buildings (3.1 %); machinery (17.5 %); financial assets (zero); and inventories (zero). In presenting averages over different forms of investment, these assets are weighted equally.
- Three sources of finance for investment in each asset are separately considered: retained earnings, new equity and debt. In presenting averages over different forms of investment, weights used are taken from OECD (1991): retained earnings 55 %, new equity 10 % and debt 35 %.

⁽³⁸⁾ European Commission (2001a)

⁽³⁹⁾ In the absence of personal taxes, the company is assumed to be required to earn a post-tax real rate of return of 5 %. The cost of capital is the implied required pre-tax real rate of return. The cost of capital is calculated for each of 15 different types of investment (5 assets, each possibly financed from 3 sources).

⁽⁴⁰⁾ The EMTR is a straightforward calculation as the proportionate difference between the cost of capital and the post-tax real rate of return of 5 %. The EMTR is not represented in the tables, since, in the absence of personal taxes, it does not provide more information than the cost of capital.

⁽⁴¹⁾ The effective average tax rate is in principle the relevant rate for analysing discrete investment choices, such as where to locate. The EATR is calculated for each of 15 different types of investment (5 assets, each possibly financed from 3 sources). However, now there is not only a post-tax real rate of return required by the shareholder, but also a fixed pre-tax rate real rate of 20 %, while the minimum required post-tax real rate of return (in the absence of personal taxes) remains at 5 %. This generates an investment project with a positive net present value. The EATR is a measure of the present value of taxes paid expressed as a proportion of the net present value of the income stream (excluding the initial cost of the investment).

Table F.2: Personal income tax revenue allocated to employed labour income, 1995–2012
(% of total revenue of personal income tax)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
BE	74.9	74.1	74.7	74.0	74.4	75.0	74.7	74.9	74.8	76.5	76.5	76.7	76.8	76.9	77.7	77.8	77.8	77.8
BG	91.4	91.4	91.6	91.3	88.1	88.2	88.8	85.9	89.1	87.8	85.6	84.1	84.8	82.5	86.5	87.7	85.7	85.6
CZ	79.7	79.7	79.7	79.7	79.7	79.7	79.7	80.8	80.9	82.1	86.7	89.0	89.5	93.0	93.1	96.2	95.3	95.4
DK	72.4	72.8	73.8	72.5	72.8	75.5	75.8	75.5	74.5	73.7	72.6	72.6	72.8	75.9	75.0	71.9	71.3	70.4
DE	75.7	72.9	73.4	72.4	70.4	73.6	75.2	76.3	76.1	75.0	72.1	71.9	70.3	72.4	72.9	72.9	72.0	73.4
EE	95.9	95.9	93.7	94.5	93.6	92.9	93.8	91.5	91.3	90.2	86.4	88.6	90.4	90.4	89.3	88.8	89.2	90.6
IE	84.3	84.2	84.0	83.0	84.2	83.3	81.7	81.1	80.2	80.4	80.4	80.4	80.5	80.5	80.5	80.5	82.9	82.9
EL	47.3	48.4	49.7	48.4	49.8	49.5	49.4	48.7	46.4	50.7	51.9	51.0	50.7	50.0	50.3	50.5	47.7	50.2
ES	65.2	67.0	67.2	66.5	66.6	67.9	69.1	70.1	70.2	70.9	69.9	67.2	68.2	70.9	72.4	73.0	72.1	72.1
FR	60.3	60.3	60.3	60.3	60.3	58.3	60.3	59.3	59.3	59.3	59.4	58.2	58.4	58.1	57.8	54.2	54.2	54.5
HR	81.0	81.0	81.0	81.0	81.0	80.6	75.4	74.2	77.8	79.3	80.7	82.3	83.5	84.3	85.1	84.6	84.9	83.6
IT	58.9	57.8	56.7	55.6	56.4	56.7	56.1	56.8	56.0	55.4	55.2	54.4	54.4	55.6	55.1	54.7	54.6	54.6
CY	89.1	89.1	89.1	89.1	89.1	89.1	89.1	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5	91.5
LV	99.5	99.3	99.2	98.9	97.5	95.3	96.5	95.0	96.8	97.2	97.5	96.8	96.8	96.9	95.3	92.6	88.7	87.4
LT	91.7	91.7	91.7	91.7	91.7	90.8	90.4	90.0	91.2	91.3	90.1	89.6	88.0	86.2	84.3	85.9	85.4	85.8
LU	69.5	69.5	68.8	69.6	71.6	73.8	75.4	74.7	73.2	72.4	73.1	74.4	74.0	77.5	77.0	76.6	75.6	75.6
HU	81.3	80.5	80.5	80.9	80.2	79.0	80.3	84.5	84.9	86.3	86.2	85.6	79.6	82.8	79.4	82.8	82.8	84.4
MT	69.2	69.2	69.2	71.0	71.0	70.7	70.9	71.2	70.8	69.4	68.5	69.6	69.4	70.0	69.7	70.2	70.4	72.4
NL	65.5	65.1	64.7	65.9	67.0	68.2	64.3	65.9	67.4	68.8	70.2	70.2	73.0	73.0	73.0	73.0	73.0	73.0
AT	62.9	60.4	62.4	62.2	62.5	62.9	59.5	62.0	63.0	62.4	63.0	64.0	64.5	64.7	63.7	63.3	63.8	64.8
PL	48.8	52.0	51.7	51.0	52.5	52.6	53.0	51.9	50.9	53.1	51.5	50.1	45.0	49.3	48.4	48.9	47.8	49.4
PT	63.1	63.1	63.1	63.1	65.1	64.8	63.5	64.1	63.5	63.7	63.5	63.6	60.6	58.9	59.1	61.2	59.1	59.1
RO	62.1	62.1	62.1	62.1	62.1	62.1	62.1	62.1	64.3	63.4	69.0	69.2	68.9	67.1	68.6	74.3	73.0	73.7
SI	89.4	88.9	89.1	89.3	88.9	90.2	90.7	90.4	90.8	90.0	89.4	87.6	82.2	83.7	87.2	87.8	87.9	87.9
SK	81.9	81.9	81.9	81.9	81.9	81.9	83.0	83.0	87.3	82.6	84.8	85.4	86.4	88.1	93.9	94.3	93.8	94.3
FI	66.1	67.6	67.3	68.6	68.3	67.9	70.3	70.6	70.3	68.8	68.2	67.3	66.3	69.1	69.1	67.3	66.7	66.4
SE	71.5	70.9	70.6	71.1	68.8	67.6	71.1	71.6	69.0	68.4	68.3	66.3	66.3	69.8	68.9	69.1	71.6	71.2
UK	76.4	75.5	74.6	74.3	74.5	75.8	75.2	74.9	74.2	73.6	73.7	73.1	73.0	72.4	73.3	74.8	75.7	75.8
NO	74.3	74.2	74.6	75.4	75.2	73.8	74.1	75.4	76.3	75.6	73.6	75.0	73.6	74.9	73.4	72.7	73.6	73.6

Note: The numbers which are not in italics are the actual estimates; the numbers printed in italics represent either linear interpolation or fractions that were assumed to remain constant.

Source: Commission services

— The shareholder taxation in the personal income tax is assumed to be zero. Only corporate taxation is considered.

B. Description of the tax parameters

Common figures to all countries for the real rate of return, the inflation rate, the true economic depreciation on assets and the weights for investments and sources of finance are used in order to identify differences in effective tax rates due

to tax regimes, rather than due to differences in underlying economic conditions.

The types of parameters incorporated into the model are as follows:

— statutory corporation tax rates, including surcharges and typical local tax rates on profit, as well as various special rates which apply to specific forms of income or expenditure;

Table F.3: Personal income tax revenue allocated to income of the self-employed, 1995–2012
(% of total revenue of personal income tax)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
BE	12.7	13.0	12.2	12.9	13.2	12.9	12.5	12.1	12.2	12.5	12.5	12.7	12.4	12.2	12.1	12.4	12.2	12.2
BG	8.0	7.9	7.4	6.4	8.8	9.6	8.6	11.1	8.7	10.1	11.9	11.8	11.5	11.0	8.4	8.7	10.4	10.8
CZ	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.0	15.9	15.1	10.8	8.8	8.2	4.6	4.6	1.9	2.5	2.3
DK	5.7	5.6	5.4	6.1	6.3	5.5	6.0	5.2	5.2	5.2	5.5	5.5	5.5	4.3	4.0	4.3	4.6	4.8
DE	19.0	22.1	21.4	22.4	24.2	21.3	20.1	19.2	17.1	18.3	20.8	20.3	21.4	19.1	18.6	19.3	19.7	18.4
EE	2.2	2.2	2.5	3.3	2.1	2.0	2.3	2.4	2.2	1.8	2.0	2.1	1.5	1.3	1.0	1.1	1.6	1.3
IE	10.9	10.8	10.9	11.2	11.1	11.1	11.9	13.3	11.8	11.4	<i>11.4</i>	<i>11.4</i>	11.2	<i>11.2</i>	<i>11.2</i>	<i>11.2</i>	9.5	9.5
EL	27.9	26.5	24.5	25.9	23.8	24.5	24.2	24.8	29.3	23.2	20.3	20.2	19.7	19.5	17.8	16.2	20.7	15.0
ES	15.1	14.5	14.9	14.6	14.4	13.3	12.7	12.7	12.8	12.5	11.7	10.9	10.9	9.1	7.9	7.9	7.4	7.4
FR	15.9	15.9	15.9	15.9	15.9	17.9	17.4	16.9	16.9	16.8	16.8	15.7	15.4	14.8	14.2	14.9	14.9	14.6
HR	7.7	7.7	7.7	7.7	7.7	7.1	8.1	8.1	7.5	6.8	7.8	6.2	5.5	5.1	4.3	4.2	4.3	4.3
IT	16.2	16.9	17.5	18.2	18.6	18.4	18.1	17.0	17.5	17.7	17.3	18.2	18.4	16.8	15.2	15.2	15.2	15.2
CY	3.3	3.3	3.3	3.3	3.3	3.3	3.3	5.1	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>	<i>5.1</i>
LV	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.4	0.4	0.3	0.2	0.2	0.3	0.3	0.3
LT	6.2	6.2	6.2	6.2	6.2	6.7	5.4	4.1	2.7	1.4	1.3	3.1	3.2	3.4	4.1	2.6	2.6	3.4
LU	12.1	12.1	11.6	13.3	10.2	10.5	8.2	9.8	9.6	10.1	8.5	8.1	6.7	3.6	6.5	7.3	9.3	9.3
HU	5.5	5.7	6.9	5.6	5.2	5.1	4.6	4.7	3.8	3.6	3.4	3.3	3.1	3.1	3.3	3.8	5.5	5.6
MT	9.0	9.0	9.0	8.1	7.9	8.2	8.0	8.0	8.1	8.1	8.4	8.0	8.5	7.8	7.7	7.5	7.2	6.0
NL	18.5	19.6	20.7	21.6	22.5	23.4	23.4	20.8	<i>18.4</i>	<i>16.2</i>	14.1	<i>14.1</i>	14.0	<i>14.0</i>	<i>14.0</i>	<i>14.0</i>	<i>14.0</i>	<i>14.0</i>
AT	17.6	19.5	17.4	17.8	17.2	17.0	20.4	16.9	15.1	16.5	16.3	14.8	14.3	13.8	14.9	14.5	13.9	12.8
PL	22.4	18.5	22.3	23.2	28.8	26.5	26.3	25.4	25.6	24.6	24.9	25.0	30.4	28.5	27.7	27.1	27.9	25.6
PT	9.3	9.3	9.3	9.3	9.6	9.2	10.6	9.1	8.7	9.2	9.1	8.9	9.1	8.3	7.6	7.4	6.2	6.2
RO	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.7	3.8	4.1	4.8	5.4	5.8	4.3	4.8	4.6	4.4
SI	5.7	5.8	5.5	5.1	5.7	4.9	4.6	4.8	4.9	5.3	5.5	5.0	7.0	6.0	4.7	4.2	4.0	4.0
SK	13.1	13.1	13.1	13.1	13.1	13.1	12.2	13.5	9.5	15.0	13.7	12.8	11.8	10.1	4.6	4.2	5.0	4.3
FI	8.2	7.4	7.9	7.5	7.4	7.4	7.4	8.2	8.1	7.8	7.6	7.7	7.9	7.2	7.2	6.9	7.5	7.5
SE	2.3	2.6	2.7	2.7	2.8	2.9	3.0	2.9	2.8	2.8	3.3	2.7	2.7	2.7	2.6	2.6	2.7	2.6
UK	12.1	12.2	12.6	11.9	12.4	12.1	12.7	12.9	13.2	13.2	12.7	12.7	12.3	12.9	11.6	11.3	10.6	10.2
NO	10.5	9.4	9.5	9.5	8.5	8.9	9.0	9.1	8.2	8.8	9.9	7.8	7.9	7.1	6.9	6.9	7.0	7.0

Note: The numbers which are not in italics are the actual estimates; the numbers printed in italics represent either linear interpolation or fractions that were assumed to remain constant.

Source: Commission services

- corporate real estate taxes, net wealth taxes and other non-profit taxes on assets;
- capital allowances for industrial buildings, machinery, intangibles (the purchase of a patent) and the tax treatment of financial assets and inventories.

Table F.4: Personal income tax revenue allocated to social transfers and pensions, 1995–2012
(% of total revenue of personal income tax)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
BE	-1.6	-1.6	-1.7	-1.6	-1.7	-1.6	-1.1	-1.1	-1.4	-1.1	-1.1	-1.6	-1.9	-2.2	-3.6	-4.3	-4.3	-4.3
BG	0.6	0.8	1.0	2.3	3.1	2.2	2.5	3.0	2.2	2.2	2.5	4.1	3.7	6.5	5.0	3.6	3.9	3.6
CZ	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.2	3.1	2.8	2.5	2.2	2.2	2.4	2.3	1.9	2.2	2.3
DK	-3.4	-3.7	-3.1	-1.8	-1.4	-2.8	-3.3	-2.8	-2.9	-2.0	-0.7	-0.3	0.3	-2.3	-3.9	-0.7	-1.2	-1.1
DE	1.9	2.3	2.3	2.5	2.6	2.6	2.3	2.2	4.0	3.9	3.9	4.5	5.0	5.1	5.0	4.3	4.6	4.5
EE	1.4	1.4	3.4	1.9	1.1	2.4	1.7	2.8	3.2	2.0	5.7	4.3	4.2	3.1	1.3	1.9	2.4	1.9
IE	3.3	3.5	3.8	4.5	3.8	4.6	5.6	4.8	6.8	7.2	7.2	7.2	7.5	7.5	7.5	7.5	5.7	5.7
EL	11.4	11.5	11.7	12.0	12.4	12.1	12.1	12.3	12.1	12.0	11.8	11.8	11.4	11.4	11.3	11.2	11.9	11.7
ES	14.1	12.5	11.5	12.6	13.6	13.1	12.0	11.0	10.8	10.3	11.8	15.4	14.8	13.4	12.4	10.2	10.7	10.7
FR	7.0	7.0	7.0	7.0	7.0	7.0	5.5	7.0	7.0	6.6	7.3	9.5	9.3	9.4	9.4	10.9	10.9	10.7
HR	10.6	10.6	10.6	10.6	10.6	11.4	13.6	15.2	12.1	11.6	9.4	9.1	8.3	7.7	7.6	8.2	8.3	9.2
IT	4.8	4.9	4.9	5.0	5.7	4.2	4.2	4.3	5.1	4.6	4.7	4.8	5.2	5.1	5.2	5.3	4.7	4.7
CY	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
LV	0.3	0.4	0.4	0.5	0.7	2.9	1.8	3.1	1.3	0.8	0.2	1.1	2.0	0.9	0.8	2.4	5.8	7.1
LT	1.6	1.6	1.6	1.6	1.6	1.9	2.8	3.7	3.5	4.9	6.0	4.4	5.0	5.2	3.9	4.6	5.7	6.7
LU	5.7	5.7	6.1	5.5	6.7	4.9	6.6	5.8	5.7	6.0	6.4	5.8	8.0	7.6	4.8	4.6	3.4	3.4
HU	4.5	7.3	6.1	6.7	7.9	9.3	8.4	9.3	9.8	8.5	8.7	9.1	10.0	5.7	13.9	10.8	10.9	9.0
MT	8.6	8.6	8.6	7.1	6.8	6.6	6.6	6.1	6.3	7.4	7.4	5.8	5.8	5.9	5.7	5.0	4.9	3.4
NL	-0.8	-0.8	-0.8	-2.8	-4.8	-6.8	0.9	0.8	0.7	0.5	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0
AT	2.3	2.6	2.3	2.3	2.1	1.9	2.3	2.0	1.9	2.1	2.4	2.5	2.7	2.9	2.5	2.7	2.6	2.4
PL	0.5	0.7	0.6	0.9	1.8	4.0	3.0	5.3	5.8	4.2	6.6	7.6	9.0	6.6	6.7	6.5	6.7	7.3
PT	18.9	18.9	18.9	18.9	16.1	16.5	15.6	15.4	15.4	13.7	13.2	12.6	14.8	17.0	16.6	13.1	14.9	14.9
RO	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	31.4	32.3	25.8	24.7	23.7	25.1	22.6	15.2	17.1	16.4
SI	1.6	2.0	2.0	1.9	1.9	1.7	1.7	2.0	1.8	2.2	2.7	5.1	8.7	8.2	5.8	5.6	5.4	5.4
SK	5.0	5.0	5.0	5.0	5.0	5.0	4.8	3.5	3.2	2.5	1.5	1.8	1.9	1.8	1.5	1.5	1.2	1.3
FI	2.4	2.9	4.1	4.7	6.3	7.5	5.9	3.7	3.8	5.0	5.8	6.8	8.0	6.3	4.7	5.8	5.7	5.3
SE	-1.5	1.0	2.5	2.6	5.6	7.8	3.2	1.7	1.8	2.5	4.6	7.0	8.6	4.6	4.4	5.7	4.7	4.9
UK	10.0	10.7	11.2	12.2	11.6	10.6	10.6	10.4	10.9	11.5	12.0	12.5	13.1	13.0	13.9	12.0	11.6	11.8
NO	6.1	7.0	6.6	5.1	6.2	7.5	7.0	6.1	5.8	5.6	6.7	7.3	8.7	8.2	9.1	9.6	9.8	9.8

Note: The numbers which are not in italics are the actual estimates; the numbers printed in italics represent either linear interpolation or fractions that were assumed to remain constant.

Source: Commission services

Table F.5: Personal income tax revenue allocated to capital income, 1995–2012
(% of total revenue of personal income tax)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
BE	14.0	14.5	14.7	14.6	14.1	13.7	13.9	14.0	14.4	12.1	12.1	12.2	12.7	13.1	13.7	14.1	14.4	14.4
BG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CZ	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
DK	25.3	25.3	23.9	23.2	22.3	21.8	21.5	22.1	23.2	23.2	22.6	22.2	21.5	22.2	25.0	24.5	25.4	25.9
DE	3.3	2.7	2.9	2.7	2.8	2.5	2.4	2.3	2.8	2.8	3.2	3.3	3.3	3.4	3.5	3.5	3.7	3.7
EE	<i>0.5</i>	<i>0.5</i>	<i>0.4</i>	<i>0.3</i>	<i>3.2</i>	<i>2.7</i>	<i>2.2</i>	<i>3.3</i>	<i>3.3</i>	<i>6.0</i>	<i>5.9</i>	<i>5.0</i>	<i>3.9</i>	<i>5.2</i>	<i>8.4</i>	<i>8.2</i>	<i>6.8</i>	<i>6.2</i>
IE	1.5	1.5	1.3	1.2	1.0	1.0	0.8	0.8	1.2	0.9	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	<i>0.9</i>	1.9	<i>1.9</i>
EL	13.3	13.7	14.0	13.7	14.0	14.0	14.3	14.2	12.1	14.1	16.0	17.0	18.1	19.1	20.6	22.1	19.7	23.1
ES	5.5	6.0	6.4	6.3	5.4	5.7	6.2	6.2	6.2	6.3	6.6	6.6	6.2	6.6	7.4	8.9	9.8	9.8
FR	<i>16.8</i>	<i>16.8</i>	<i>16.8</i>	<i>16.8</i>	<i>16.8</i>	<i>16.8</i>	<i>16.8</i>	<i>16.8</i>	<i>16.8</i>	<i>17.3</i>	<i>16.5</i>	<i>16.7</i>	<i>16.9</i>	<i>17.7</i>	<i>18.5</i>	<i>20.0</i>	<i>20.0</i>	<i>20.2</i>
HR	<i>81.0</i>	<i>81.0</i>	<i>81.0</i>	<i>81.0</i>	81.0	80.6	75.4	74.2	77.8	79.3	80.7	82.3	83.5	84.3	85.1	84.6	84.9	83.6
IT	20.1	20.5	20.8	21.3	19.3	20.8	21.7	22.0	21.5	22.4	22.8	22.6	22.0	22.5	24.4	24.9	25.5	25.5
CY	<i>6.9</i>	<i>6.9</i>	<i>6.9</i>	<i>6.9</i>	<i>6.9</i>	<i>6.9</i>	<i>6.9</i>	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
LV	0.0	0.0	0.1	0.4	1.5	1.6	1.6	1.6	1.6	1.7	1.9	1.7	0.9	2.1	3.6	4.7	5.2	5.2
LT	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	0.5	0.6	1.4	2.2	2.5	2.5	2.6	3.0	3.7	5.2	7.7	6.9	6.3	4.1
LU	12.7	12.6	13.5	11.6	11.5	10.8	9.7	9.7	11.5	11.4	11.9	11.7	11.4	11.4	11.7	11.5	11.8	<i>11.8</i>
HU	8.7	6.5	6.5	6.8	6.7	6.6	6.7	1.5	1.6	1.6	1.8	1.9	7.4	8.4	3.4	2.6	0.8	1.0
MT	<i>13.2</i>	<i>13.2</i>	<i>13.2</i>	13.8	14.3	14.5	14.5	14.6	14.8	15.1	15.7	16.6	16.3	16.3	16.9	17.4	17.5	18.2
NL	16.8	16.1	15.4	15.3	15.2	15.1	11.4	<i>12.5</i>	<i>13.5</i>	<i>14.5</i>	15.5	<i>15.5</i>	13.0	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>	<i>13.0</i>
AT	17.2	17.5	17.8	17.6	18.3	18.2	17.8	19.2	20.1	19.1	18.3	18.6	18.5	18.6	18.9	19.5	19.7	20.0
PL	28.3	28.8	25.4	24.9	16.9	16.8	17.7	17.4	17.7	18.1	16.9	17.3	15.6	15.6	17.3	17.5	17.6	17.7
PT	8.7	8.7	8.7	8.7	9.1	9.6	10.4	11.3	12.4	13.5	14.2	14.9	15.6	15.7	16.7	18.3	19.7	<i>19.7</i>
RO	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	<i>0.3</i>	0.5	0.5	1.1	1.4	1.9	1.9	4.5	5.7	5.3	5.5
SI	3.4	3.3	3.4	3.7	3.6	3.2	3.0	2.8	2.6	2.5	2.5	2.3	2.1	2.2	2.3	2.5	2.8	2.8
SK	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FI	23.3	22.1	20.7	19.2	18.1	17.2	16.4	17.5	17.9	18.4	18.5	18.3	17.8	17.4	19.0	20.0	20.1	20.7
SE	27.8	25.5	24.3	23.6	22.8	21.7	22.7	23.8	26.5	26.3	23.9	24.1	22.4	22.9	24.1	22.5	20.9	21.3
UK	1.5	1.6	1.5	1.6	1.5	1.5	1.6	1.7	1.7	1.7	1.6	1.7	1.7	1.7	1.2	1.9	2.2	2.2
NO	9.2	9.3	9.3	10.0	10.0	9.8	9.9	9.5	9.7	9.9	9.8	9.9	9.9	9.8	10.5	10.8	9.6	9.6

Note: The numbers which are not in italics are the actual estimates; the numbers printed in italics represent either linear interpolation or fractions that were assumed to remain constant.

Source: Commission services

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