

Denmark

Table DK.1: Tax Revenue

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Ranking 2018	Revenue 2018 (billion euros)
A. Structure by type of tax															
as % of GDP															
Indirect taxes	17.5	17.7	16.7	16.5	16.4	16.5	16.5	16.6	16.4	16.4	16.3	16.1	16.4	6	48.8
VAT	9.9	10.0	9.7	9.7	9.5	9.6	9.6	9.4	9.4	9.4	9.5	9.5	9.8	3	29.1
Taxes and duties on imports excluding VAT	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.2	0.1	0.1	0.1	20	0.4
Taxes on products, except VAT and import duties	5.7	5.6	5.0	4.6	4.7	4.7	4.7	4.7	4.5	4.5	4.5	4.2	4.2	14	12.4
Other taxes on production	1.7	1.8	1.9	2.0	2.0	2.1	2.1	2.3	2.3	2.4	2.3	2.2	2.3	6	6.8
Direct taxes	29.0	28.8	28.2	28.6	28.7	28.7	29.4	30.4	33.3	30.8	30.0	30.2	29.1	1	86.8
Personal income taxes	24.0	24.1	24.0	25.0	24.9	24.9	25.2	26.0	29.0	26.4	25.6	25.4	24.7	1	73.8
Corporate income taxes	3.7	3.2	2.6	1.9	2.3	2.2	2.6	2.8	2.8	2.8	2.9	3.3	2.9	11	8.7
Other	1.3	1.5	1.6	1.6	1.6	1.6	1.5	1.6	1.5	1.6	1.5	1.4	1.4	6	4.3
Social contributions	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	28	0.1
Employers'	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28	0.0
Households'	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	28	0.1
Less: capital transfers (1)	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.8	0.9	1.0	0.5	0.4	0.4		
Total	46.5	46.4	44.8	45.0	45.0	45.0	45.8	46.3	48.9	46.4	45.9	46.0	45.1	2	134.4
B. Structure by level of government															
as % of total taxation															
Central government	68.7	75.7	74.8	73.9	72.8	72.8	73.2	73.2	74.7	73.2	72.9	73.2	72.8	5	97.8
State government (2)	:	:	:	:	:	:	:	:	:	:	:	:	:		
Local government	30.8	23.8	24.7	25.7	26.7	26.7	26.3	26.4	24.9	26.4	26.7	26.5	26.9	2	36.1
Social security funds	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	25	0.0
EU institutions	0.4	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.4	0.3	0.3	0.3	25	0.4
C. Structure by economic function															
as % of GDP															
Consumption	15.6	16.0	15.0	14.8	14.6	14.7	14.7	14.4	14.1	14.1	14.2	14.0	14.2	4	42.5
Labour	22.7	23.2	23.5	24.9	22.7	22.8	22.9	24.4	25.5	23.7	23.2	23.1	23.2	4	69.3
of which on income from employment	18.2	18.7	18.9	18.8	17.8	17.8	17.8	17.5	17.2	17.7	18.1	18.0	18.2	7	54.3
Paid by employers	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	28	2.1
Paid by employees	17.7	18.2	18.4	18.2	17.3	17.2	17.2	16.8	16.5	17.1	17.4	17.4	17.5	1	52.2
Paid by non-employed	4.6	4.6	4.6	6.2	4.9	5.0	5.1	6.9	8.3	5.9	5.1	5.0	5.0	1	15.1
Capital	8.1	7.2	6.3	5.2	7.7	7.6	8.2	7.5	9.3	8.6	8.6	8.8	7.6	11	22.6
Income of corporations	3.7	3.1	2.5	1.9	2.3	2.2	2.6	2.8	2.8	2.8	2.9	3.3	2.9	11	8.7
Income of households	0.7	0.3	0.1	-0.2	1.9	1.9	2.2	1.1	2.8	1.5	2.0	1.9	1.0	9	2.9
Income of self-employed	1.0	1.0	0.8	0.7	0.8	0.8	0.7	0.8	0.9	0.9	0.9	0.9	0.9	14	2.8
Stock of capital	2.7	2.7	2.8	2.8	2.7	2.8	2.7	2.8	2.8	3.4	2.8	2.7	2.8	8	8.2

Table DK.1: Tax Revenue (continued)

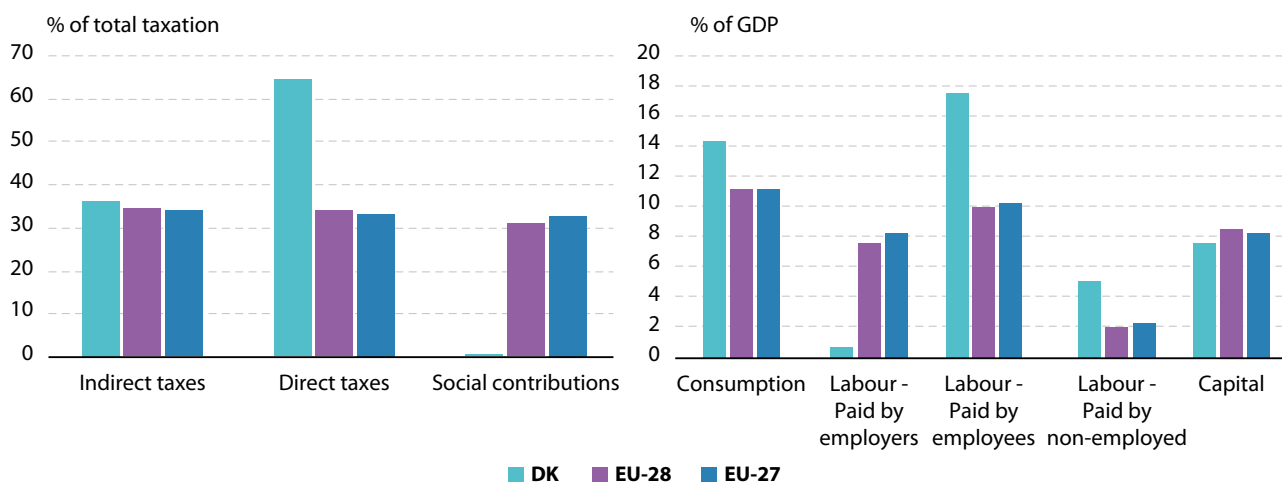
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Ranking 2018	Revenue 2018 (billion euros)
D. Environmental taxes as % of GDP															
Environmental taxes	4.7	4.7	4.2	4.0	4.0	4.0	4.0	4.1	4.0	4.0	3.9	3.7	3.7	2	10.9
Energy	2.2	2.3	2.1	2.3	2.4	2.4	2.4	2.4	2.3	2.2	2.2	2.0	2.0	13	5.9
of which transport fuel taxes	1.1	1.1	1.1	1.1	1.0	1.0	0.9	0.9	0.9	0.9	0.9	0.8	0.7	27	
Transport	2.2	2.1	1.8	1.4	1.4	1.4	1.3	1.5	1.5	1.5	1.6	1.5	1.5	1	4.5
Pollution and resources	0.29	0.29	0.28	0.26	0.21	0.21	0.23	0.25	0.21	0.23	0.20	0.17	0.18	5	0.5
E. Property taxes as % of GDP															
Taxes on property	2.5	2.5	2.6	2.5	2.5	2.6	2.5	2.6	2.6	2.7	2.5	2.5	2.5	6	7.6
Recurrent taxes on immovable property	1.8	1.8	1.9	2.0	2.0	2.0	2.0	2.1	2.0	2.0	2.0	2.0	2.0	4	5.9
Other taxes on property	0.7	0.7	0.7	0.5	0.5	0.5	0.5	0.6	0.6	0.7	0.5	0.5	0.6	18	1.6
F. Implicit tax rates %															
Consumption	27.6	28.2	26.3	25.2	25.4	25.4	25.4	25.1	24.8	24.8	25.0	24.9	25.0	2	
Labour	35.7	35.6	35.6	33.8	33.6	33.6	34.1	33.6	33.1	34.0	34.6	34.7	34.6	13	
G. Payable tax credits as % of GDP															
Total payable tax credits	0.0	0.0	0.0	0.0	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2		0.5
Tax expenditure component	0.0	0.0	0.0	0.0	0.3	0.3	0.2	0.3	0.3	0.2	0.2	0.2	0.2		0.5
Transfer component	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
Total tax revenue adjusted for payable tax credits	46.5	46.4	44.8	45.0	44.7	44.8	45.5	46.0	48.6	46.2	45.7	45.8	44.9		133.9

(¹) Representing taxes assessed but unlikely to be collected.

(²) This level refers to the *Länder* in Austria and Germany, the *gewesten and gemeenschappen / régions et communautés* in Belgium, and the *comunidades autónomas* in Spain.

Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Figure DK.1: Tax revenues by main taxes, compared to EU-28 and EU-27, 2018
(in % of total taxation (left graph) and in % of GDP (right graph))



Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Note: EU-27 represents EU Member States without UK

Table DK.2: Latest tax reforms

Description of measure	Change	Date
Personal income tax: Earned income		
Implement an extra tax allowance on pension payments, new employment relief, increase the base and the limit for the employment relief and decrease the bottom-bracket tax.	Base increase	Announcement: 02-05-2018 Legislation: 01-06-2018 In force from: Decrease in bottom-bracket tax: 01-01-2018 or 01-01-2019 Rest: 01-01-2018
Other corporate taxes		
Abolishment of the tax reduction for interest expenditures on hybrid core capital for financial institutions	Rate increase	Announcement: 02-10-2019 Legislation: 14-11-2019 In force from: 01-01-2020
Other excise duties		
As a part of an initiative to foster the growth of entrepreneurship, a large reform encompassing duty on energy, consumption and capital, and other improvements for the conditions for companies, was agreed on. <ul style="list-style-type: none"> • The excise duties on sugar, wine and duties on some other consumables are lowered. • The excise duty on tea and alcopops are removed. • The duty on electric heating is lowered with 0,15 dkk for every kWh. • The creation of a Share Savings account, where the effective average tax on returns, is lowered. • The duty on PVC and PVC-foil is removed. • A general triviality limit on 10.000 dkk on excise duties for companies is instated. • A investor-deduction is implemented for investments into small and medium sized startups. • A increase in the free allowance for the income from renting of seasonal dwellings, short-time renting of residential houses and the renting out of cars, auto campers etc. 	Rate decrease	Announcement: 12-11-2017 Legislation: (The package was adopted through several different legislative acts) In force from: 01-01-2019
Other taxes		
Change in how the public media is financed. Formerly it was financed through a yearly check; send out to every Danish citizen above 18 with access to any public media. With this reform the public media will now fully be financed through taxation.	Neutral	Announcement: 03-10-2018 Legislation: 29-11-2018 In force from: 01-01-2019
Abolish exhibit 1 in the electric heating law, restructuring of the rules of waste heat, Decrease the tax on electric heating, lower rates on the ordinary tax on electric heating and expediting the reduction of The Green Check.	Rate decrease	Announcement: 01-11-2018 Legislation: 18-12-2018 In force from: 01-01-2019
The conditions for small startups to offer shares to their employees is improved. The conditions for Danes to invest their savings in Danish investment banks is also improved.	N/A	Announcement: 20-11-2018 Legislation: 24-01-2019 In force from: 24-01-2019
National budget compromise for 2019: reduction of excises on wine and beer abolishment of the aeroplane registration tax, abolishment of the fodder phosphate excise duty, increase of the tax rate on residual taxes for corporations, extensions of the transport reduction	Rate decrease	Announcement: 30-11-2018 Legislation: 14-03-2019 In force from: 01-01-2019
National budget compromise for 2020: repeal of the reduction in the inheritance tax for business owners, repeal of the abolishment of the tax on employer-provided phones, increase of the excise duties on shopping bags and disposable tableware, increase in excise duties on tobacco, increase in various other excise duties and decrease in the bottom bracket tax	Rate increase; base increase	Announcement: 20-11-2019 Legislation: 20-12-2019 In force from: 01-04-2020