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# **STRUCTURES OF THE TAXATION SYSTEM IN THE EU : 1995-2001**

**DRAFT : 0**

This publication is the result of the collaboration between the Directorates General Taxation and Customs Union (DG TAXUD), Eurostat and the Member States. The text is published under the responsibility of DG TAXUD. Any questions or suggestions relating to the analysis should be addressed to the Unit Economic analysis of taxation (TAXUD/C5).

## **PREFACE**

## **EXECUTIVE SUMMARY**

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## Part I. Overview of taxation in the EU

This edition of the “Structures of the Taxation Systems in the European Union” incorporates a number of changes and extensions compared to the 2000 edition<sup>1</sup>

- the most important change is the switch to new European System of accounts (ESA 95), which apart from providing new estimates of national accounts aggregates, opens new areas for the investigation of taxation issues: national accounts are more harmonised than in the past, more detailed, allowing to improve the definition of the tax base and to disaggregate further implicit tax rates by taxpayers (households/corporations), more comprehensive, providing in the future extensions such as asset accounts. The Commission services' forecasts have been used for updates and projections.
- a new classification of taxes according to economic functions: this new classification draws on the new harmonised definition of taxes adopted in the ESA 95. Capital taxes are no longer a residual category and are defined in a broad sense, with a distinction between taxes on capital income and capital stocks (or their transaction)) that result from savings investment in the overall economy. Moreover the methodology to split the personal income tax between capital and labour has been significantly improved by the use of national micro tax data.
- a first investigation of the factors underlying the developments in the tax burden: the empirical analysis aims at identifying the impact of macroeconomic changes on the tax base, effects of tax reforms and changes in the tax legislation. It includes a comparison of implicit tax rates with other effective tax rates indicators. This is a first step, which will expand when the full new ESA 95 framework will be available.

### 1. CALCULATING TAX INDICATORS IN NATIONAL ACCOUNTS

The Commission Services are frequently required to carry out comparative assessments of the tax systems, not only for the purpose of the internal market based EU tax policy but also in the perspective of co-ordination of economic policies in a broader sense. In recent years, the European Council and the Commission have put special emphasis on the need for reducing the tax burden on labour as part of the guidelines of the European Employment Strategy. The monitoring of tax revenues at the EU level has also become more systematic in the framework of the Growth and Stability Pact. The assessment and monitoring of the structures of the taxation systems and the various tax reforms in the European Union, call for a reliable, coherent and up-to-date system of tax indicators representing the structures of the various tax systems in the European Union.

The publication “Structures of the Taxation Systems in the European Union” assesses the tax burden in the EU by comparing tax revenues in the Member States. Tax revenues are classified in different groups, such as direct or indirect taxes, or level of government that ultimately receives the taxes. These technical classifications, though usual, are hard to interpret in economic terms. Therefore, the Commission Services also apply a classification across three so-called "economic

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<sup>1</sup> European Commission

functions", i.e. consumption, labour and capital. This is one way of showing on which kind of economic activity or on which type of income Member States levy taxes. In this framework capital is defined in a broad sense, encompassing taxes on capital income and on capital stocks (or their transaction) that result from savings and investments in the overall economy.

## 1.1. National Accounts Framework

National accounts enable to meet the criteria of reliability, coherence and up-to-date information set above. They are increasingly used in EU policy making (own resources for the EU budget, allocation of Cohesion and Structural Funds, Stability and Growth Pact). They provide time series to observe changes in the overall effective tax burden and a coherent framework to match tax revenues with income flow data and economic aggregates. The effective tax burden indicators derived from national accounts are backward looking aggregate measures.

### 1.1.1. *General approach*

The Structures of the taxation systems follow a top down approach to assess the economic incidence of the overall tax system. Total taxes in percentage of GDP reflect national preferences for the financing of public goods. The breakdown of taxes into taxes on consumption, labour and capital gives an indication of the link between fiscal performance and the main growth and income distribution parameters relevant for taxation. Implicit tax rates for consumption, labour and capital measure the actual or effective average tax burden directly or indirectly levied on different types of economic income or activities. In this framework capital is defined in a broad sense, encompassing all investment and saving activities. They are consistent since income and tax revenue data both stem from national accounts. They differ from most of the calculations on effective tax rates, which provide information on a given tax and can be linked to individual behaviour. But such effective rates do not allow comparing the tax burden implied by different taxes. They do not allow either identifying shift in taxation of different economic income and activities. At the EU level, implicit tax rates have been extremely useful to feed the discussion on the shift of taxation from capital to labour.

One of the great advantages of the 'Structures of the taxation systems' is the international comparability due to the consistency and harmonised computation of national accounts data (ESA 95). Tax revenue data in national accounts rely on a common classification and registration method. The switch to the harmonised European System of Accounts 1995 is a major step forward in getting a comprehensive and harmonised framework for the national economies. Moreover updates and forecasts can be built on the basis of the regular Commission services' forecast.

### 1.1.2. *Switch to ESA 95*

The ESA 95<sup>2</sup> is a major step forward in getting harmonised and more detailed national accounts for the EU. However, it introduces substantial changes in the methodology and definitions of the aggregates, in addition to the changes related to new data sources. Some changes are across the

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<sup>2</sup> A comprehensive description of the system is available in European Commission (1996)

board such as the application of the accruals accounting rule or new methods for the estimates at constant prices. Other changes affect specific GDP/GNP components and the related sectoral accounts. 23 conceptual changes from ESA 79 to ESA 95 which affect GDP or GNP have been introduced Box 1 gives an overview of the main implication of ESA 95. At the aggregate level of the economy, changes tend to offset each other. But the overall effect is a slight upward revision of GDP figures, by slightly less than 2 percentage points for the years for which the data are available in the two ESA systems. It affects all components of final demand, but particularly gross formation of fixed capital. In the new system it has been extended to computer software, military equipment, which can be used for civilian purpose, originals in the field of entertainment, literature and arts now considered as assets. Consumption, in particular government consumption, which now includes the depreciation of all public infrastructures, also increases.

**Box 1: Main changes in ESA 95 affecting the overall GDP/GNP**

23 conceptual changes from ESA 79 to ESA 95 which affect GDP or GNP have been introduced<sup>3</sup>:

1. Residence criteria
2. Financial intermediation services indirectly measured (Fisim)
3. Insurance
4. Direct investment earnings
5. Interest income
6. Cultivated natural growth of plants
7. Computer software and large database
8. Military equipment and vehicles, other than weapons
9. Work in progress on services
10. Mineral exploration expenditures
11. Consumption of fixed capital on roads, bridges, etc.
12. Government licences and fees
13. Valuation of output for own final use and output from voluntary activity
14. Value threshold for capital goods
15. Market/ non-market criteria
16. Subsidies
17. Entertainment, literary and artistic originals
18. Services associated with the license to use entertainment, literary and artistic originals
19. Garages
20. Car registration taxes paid by households
21. Wages and salaries in kind
22. Licences for the use of intangible non-produced assets
23. Stamp taxes

A preliminary assessment by EUROSTAT enables to quantify the overall impact of these changes and of new statistical sources on GDP and its components.

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<sup>3</sup> The changes from ESA 79 to ESA 95 are described in European Commission (1997)



**Box 1 (continued)**

<b>Table 1: Differences between ESA 95 and ESA 79, in % ,1995</b>							
	CGP			Final consumption expenditure	Gross capital formation	Exports	Imports
	Total	Concepts	Statistical sources and other elements				
<b>EUR-11</b>	+ 1.9	-	-	+ 1.1	+ 7.2	+ 2.5	+ 4.1
<b>EU-15</b>	+ 2.00	-	-	+ 1.1	+ 7.2	+ 2.2	+ 3.4
<b>B</b>	+ 0.8	+ 1.6	- 0.8	- 2.00	+ 14.3	+ 5.7	+ 6.6
<b>D</b>	+ 6.4	+ 4.1	+ 2.3	+ 4.3	+ 17.1	+ 5.3	+ 5.8
<b>DK</b>	+ 2.3	+ 1.1	+ 1.2	+ 1.3	+ 6.4	+ 5.1	+ 5.5
<b>EL</b>	-	-	-	-	-	-	-
<b>E</b>	+ 4.4	+ 1.5	+ 2.9	+ 3.2	+ 10.3	- 0.6	+ 0.6
<b>F</b>	+ 1.2	+ 0.2	+ 1.0	+ 1.2	+ 6.7	- 3.2	+ 1.00
<b>IRL</b>	+ 0.2	- 3.0	+ 3.2	+ 5.1	+ 5.8	+ 0.3	+ 6.9
<b>I</b>	+ 0.9	+ 1.7	- 0.8	- 0.4	+ 7.0	- 1.7	- 1.5
<b>L</b>	-	-	-	-	-	-	-
<b>NL</b>	+ 4.1	+ 3.3	+ 0.8	+ 2.7	+ 13.7	+ 12.8	+ 15.8
<b>A</b>	-	-	-	-	-	-	-
<b>P*</b>	+ 1.9	-	-	+ 0.3	+ 3.8	+ 0.9	- 1.2
<b>FIN*</b>	+ 2.1	-	-	+ 0.5	+ 12.9	+ 1.0	+ 2.2
<b>S</b>	+ 3.4	+ 2 to + 2.5	+ 1 to + 1.5	+ 1.8	+ 11.1	+ 1.6	+ 1.1
<b>UK</b>	+ 1.6	+ 0.8	+ 0.8	+ 1.0	+ 4.9	+ 0.0	+ 0.0

\* In the case of Portugal and Finland, it was not possible to calculate accurately the causes of the change.  
In Finland however, the main impact is due to concepts.  
Source: European Commission (1999)

Though small, the differences between ESA 79 and ESA 95 do not make the data fully comparable. No attempt has been made at this stage to link the long time series 1970-1997 in ESA 79 to the most recent ESA 95 series, which do not include taxation data before the nineties for most of the Member States. This edition focuses on getting series for the 1995-2001 period. Member States are committed to publish longer time series and these will be integrated in future editions. It should also be noted that the data might still change since Member States have gradually implemented ESA 95 changes and have to complete the transition to ESA 95 by 2005.

**1.2. Classification of taxes**

The ‘Structures of the taxation systems’ are based on a standard classification of taxes, splitting taxes into direct, indirect taxes and social security contributions and a classification by levels of government. The ESA 95 has broadly kept the classification of taxes that prevailed under ESA 79. Box 2 gives the breakdown of taxes that Member States have agreed to provide on a harmonised

basis and the codes used in ESA 95. This represents the smaller common denominator for tax data availability and national statistical offices provide more detail on individual taxes<sup>4</sup>.

1.2.1. *Classification of taxes by type of taxes and level of government*

Indirect taxes are defined as taxes linked to production and imports (D2), 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. It includes: VAT, import duties, excises and other specific taxes on services (transport, insurance etc.) and financial and capital transaction. It also includes taxes on production (D29) 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.

Direct taxes are defined as current taxes on income and wealth (D5) plus capital taxes (D91, including taxes such as inheritance or gift taxes). Income tax (D51) is a sub-category which includes personal income tax (PIT) and corporate income tax (CIT) as well as capital gain taxes.

Social security contributions (D611) are divided into contributions paid by employers, social contributions paid by employees and social contributions paid by self-employed and non-employed persons. They correspond to actual social contributions, excluding the imputed social contributions, which correspond to unfunded social insurance schemes provided by employers.

The ‘Structures of the Taxation Systems’ provide also a split according to the government level that ultimately receives the tax revenues. A distinction is made between central government, local government, social insurance funds and institutions of the European Communities. In ESA95, a new distinction has become available for state government (regions/provinces).

**Box 2: Schematic presentation of ESA95 classification of taxes and social contributions**

<p><b>TRD2</b></p> <ul style="list-style-type: none"> <li>TRD21</li> <li>TRD211</li> <li>TRD212             <ul style="list-style-type: none"> <li>TRD2121</li> <li>TRD2122                 <ul style="list-style-type: none"> <li>TRD2122A</li> <li>TRD2122B</li> <li>TRD2122C</li> <li>TRD2122D</li> <li>TRD2122E</li> <li>TRD2122F</li> </ul> </li> </ul> </li> <li>TRD214             <ul style="list-style-type: none"> <li>TRD214A</li> <li>TRD214B</li> <li>TRD214C</li> </ul> </li> </ul>	<p><b>Taxes on Production and Imports</b></p> <ul style="list-style-type: none"> <li>Taxes on Products             <ul style="list-style-type: none"> <li>Value added type taxes (VAT)</li> </ul> </li> <li>Taxes and duties on imports except. VAT             <ul style="list-style-type: none"> <li>Import duties</li> <li>Taxes on imports exc. VAT and import duties                 <ul style="list-style-type: none"> <li>Levies on imported agricultural products</li> <li>Monetary compensation amounts</li> <li>Excise duties</li> <li>General sales taxes</li> <li>Taxes on specific services</li> <li>Profits of import monopolies</li> </ul> </li> </ul> </li> <li>Taxes on products, except VAT and import taxes             <ul style="list-style-type: none"> <li>Excise duties and consumption taxes</li> <li>Stamp taxes</li> <li>Taxes on financial and capital transactions</li> </ul> </li> </ul>
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<sup>4</sup> Annex B gives for each Member State the degree of detail on individual taxes that Member States have agreed to provide on a voluntary basis.

TRD214D	Car registration taxes
TRD214E	Taxes on entertainment
TRD214F	Taxes on lotteries, gambling and betting
TRD214G	Taxes on insurance premiums
TRD214H	Other taxes on specific services
TRD214I	General sales or turnover taxes
TRD214J	Profits of fiscal monopolies
TRD214K	Export duties and monetary comp.amounts exports
TRD214L	Other taxes on products n.e.c.
TRD29	Other taxes on production
TRD29A	Taxes on land, buildings and other structures
TRD29B	Taxes on the use of fixed assets
TRD29C	Total wage bill and payroll taxes
TRD29D	Taxes on international transactions
TRD29E	Business and professional licenses
TRD29F	Taxes on pollution
TRD29G	Under-compensation of VAT (flat rate system)
TRD29H	Other taxes on production n.e.c.
<b>TRD5</b>	<b>Current taxes on income, wealth, etc.</b>
TRD51	Taxes on income
TRD51A	Taxes on individual or household income
TRD51B	Taxes on the income or profits of corporations
TRD51C	Taxes on holding gains
TRD51D	Taxes on winnings from lottery or gambling
TRD59	Other current taxes
TRD59A	Current taxes on capital
TRD59B	Poll taxes
TRD59C	Expenditure taxes
TRD59D	Payments by households for licenses
TRD59E	Taxes on international transactions
TRD59F	Other current taxes n.e.c.
<b>TRD9</b>	<b>Capital taxes</b>
TRD91A	Taxes on capital transfers
TRD91B	Capital levies
TRD91C	Other capital transfers
<b>D611</b>	<b>Actual social contributions</b>
D6111	Employers' actual social contributions
D61111	Compulsory employers' actual social contributions
D61112	Voluntary employers' actual social contributions
D6112	Employees' actual social contributions
D61121	Compulsory employees' actual social contributions
D61122	Voluntary employees' actual social contributions
D6113	Social contributions by self- and non-employed persons
D61131	Compulsory contributions self- and non-employed persons
D61132	Voluntary contributions self and non-employed persons

1.2.2. *Impact of the switch to ESA 95 on tax revenues*

The classification of taxes in the new ESA is broadly speaking in line with the classification derived from ESA 79. However some changes affect the data. Three main sources of change have been identified: first and foremost, the switch to the accruals principle, the treatment of some levies, stamp duties and the car registration tax, and a reclassification of some social security contributions, which are no longer considered as part of the general government. Preliminary estimates of the impact of the change show that on major aggregates, the impact of the switch to ESA 95 is limited. The overall result is a reduction in the tax burden measured as total taxes in percentage of GDP by 1 percentage point in 1995.

**Table 1: Taxes and social security contributions, 1995, in % of GDP**

ESA 79						ESA 95					
ESA codes	Taxes linked to production and imports (R20)	Income and wealth taxes (R61)	Capital taxes (R72)	Social contributions (R62)	Total		Taxes linked to production and imports (D2)	Inc. and wealth taxes (D5)	Capital taxes (D91)	Social contributions (D611)	Total
<b>EU-15</b>	12.7	13.1	0.3	15.1	<b>41.2</b>	<b>EU-15</b>	12.7	12.6	0.3	14.4	<b>40.0</b>
<b>EU-11</b>	12.4	12.0	0.3	16.8	<b>41.5</b>	<b>EU-11</b>	12.5	11.5	0.3	16.1	<b>40.4</b>
<b>B</b>	11.2	18.0	0.4	15.4	<b>45.0</b>	<b>B</b>	12.2	16.7	0.4	14.8	<b>44.1</b>
<b>D</b>	12.0	11.4	0,1	18,4	<b>41,9</b>	<b>D</b>	11,4	11,2	0,1	17,7	<b>40,4</b>
<b>DK</b>	17.2	31.3	0.2	1.6	<b>50.3</b>	<b>DK</b>	16.9	30.4	0.2	1.6	<b>49.1</b>
<b>EL</b>	-	-	-	-	-	<b>EL</b>	13.5	7.4	0.3	10.5	<b>31.7</b>
<b>E</b>	9.8	11.1	0.2	12.4	<b>33.5</b>	<b>E</b>	10.2	10.1	0.3	12.0	<b>32.6</b>
<b>F</b>	14.3	9.6	0.6	19.4	<b>43.9</b>	<b>F</b>	15.4	8.5	0.6	18.7	<b>43.2</b>
<b>IRL</b>	13.6	13.8	0.1	5.1	<b>33.1</b>	<b>IRL</b>	13.5	13.7	0.1	5.1	<b>32.4</b>
<b>I</b>	11.8	14.8	0.5	13.1	<b>42.8</b>	<b>I</b>	12.1	14.7	0.6	13.0	<b>40.4</b>
<b>L</b>	-	-	-	-	-	<b>L</b>	-	-	-	-	-
<b>NL</b>	11.7	13.1	0.3	19.0	<b>44.1</b>	<b>NL</b>	10.7	12.4	0.3	16.0	<b>39.4</b>
<b>A</b>	14.6	12.2	0.0	15.5	<b>42.3</b>	<b>A</b>	14.2	12.0	0.0	15.2	<b>41.4</b>
<b>P</b>	14.0	9.3	0.1	11.3	<b>36.0</b>	<b>P</b>	14.8	9.3	0.1	10.2	<b>34.4</b>
<b>FIN</b>	13.2	17.2	0.2	14.9	<b>45.5</b>	<b>FIN</b>	13.1	17.5	0.2	14.7	<b>45.5</b>
<b>S</b>	13.6	21.6	0.1	14.0	<b>49.3</b>	<b>S</b>	13.8	21.3	0.1	13.7	<b>48.9</b>
<b>UK</b>	13.3	15.3	0.2	7.2	<b>36.0</b>	<b>UK</b>	13.2	15.0	0.2	6.8	<b>35.2</b>

NB: the column 'total' does not correspond to the total of the sum of taxes and charges

Source: C. Ravets & C. Hublard (2000)

The impact of the switch to the accruals principle is difficult to predict. The ESA95 system applies a full accruals principle, implying that transactions are recorded when the underlying economic event/transaction takes place rather than when the payment is made (cash-based time of recording principle). Transforming cash registered transactions into accrued transactions is not straightforward. This applies in particular to taxes and other flows concerning the general government, which are often recorded on a cash basis in government accounts. National accounts record taxes and social contributions from either assessments or declarations and cash receipts. In the first case, accrual amounts are adjusted by a coefficient reflecting assessed amounts that are never collected, or alternatively, by a capital transfer to the relevant sector equal to the same adjustment. In the second case, the cash receipts are 'time-shifted' so that the cash amount is

attributed when the activity took place to generate the tax liability. The latter method works well for taxes that are collected at predictable (and fairly short) intervals, such as value added tax and social contributions. However, some taxes are only collected several months, or even years, after the time when the liability arose, such as corporate income taxes which allow for a carry over of losses over several years. In that case it is necessary to estimate the amounts that are never collected. It is hard to assess if these time shifts have an effect on the level of GDP and on taxes and social contributions. ESTAT is currently co-operating with the national statistical offices to get a full picture about the application of the full accruals principle. However, in this transition period of the switch to ESA 95, it seems that the accruals principle has only been partially applied and will require some simplifications.

ESA 95 has adopted a slightly more restrictive definition of taxes, as a result of the revision of the measure of non-market services. Some licences or fees are now considered as payments for government services: for instance licences, if they are attached to any check of quality or safety standards by the government or levies as a counterpart for public services such as waste collection are no longer recorded as tax revenue. This reduces marginally both indirect taxes and also direct taxes for licences paid by households.

The decrease in indirect taxes might be offset by the treatment of the car registration taxes and stamp duties paid by households. In ESA 79 taxes linked to production were specifically limited to taxes paid by producer units. Therefore car registration taxes and stamp duties paid by households were by default often registered under other transfers. This is no longer the case in ESA 95 and both are part of the aggregate taxes on products (D214).

ESA 95 has also reclassified some social security funds, previously part of the general government, as financial corporations. This change implies a reduction in social security contributions received by the government compared to the previous system. Table 2 shows nearly everywhere a slight reduction in the weight of social security contributions in percentage of GDP. It is particularly important in the Netherlands, where the change amounts to 3 percentage points of GDP and will significantly affect the measure of the tax burden on labour in this edition.

Finally several transactions of the government are now recorded on a net instead of on a gross basis. This implies that transactions that were previously recorded both as receipts and expenditures of national governments are now only booked as a balance. For example, tax receipts that are transferred from national governments to the European Union are no longer considered as tax receipts of national governments. This leads to a statistical reduction of total tax receipts of the government in the Member States. It does not affect the data presented in this publication which are based on totals including the European Union.

The ESA 95 is bringing major improvements with respect to harmonisation of definitions and registration rules for national accounts, including for tax revenue statistics. These changes have a relatively limited impact on large aggregates such as GDP or the overall tax to GDP ratio. Specific cases call for qualifications: the new system implies substantial upward revisions for investment or the exclusion of some social security contributions in a country like the Netherlands has a strong impact on the measure of the tax burden. Overall it has been possible to keep the standard format used in the Structures of the Taxation System. However, given the conceptual changes incorporated in ESA 95, no link between the ESA 79 1970-1995 and ESA data has been made and this edition

focuses on 1995-2001 data<sup>5</sup>. But long time series will be made available in future editions when Member States will have made progress in providing historical data in ESA 95 basis.

### 1.3. Data for recent years: use of the Commission's forecasts for the EU

Recent years are quite relevant for assessing policy developments at the EU level. Documents such as the Joint Employment Report have a heavy focus on the very recent past, i.e. the last three years. National Account data do not provide such up-to-date data and some updates would be needed. The Forecasts of the Commission Services<sup>6</sup> for the EU are ESA 95 based, calibrated on national estimates for the current years and provide a forecast for intermediate taxes and tax bases aggregates.

The data made available by EUROSTAT can be extrapolated using growth rate estimates and forecasts from the Commission services (Directorate General for economic and financial affairs). The forecasts concerning budgetary policy (including taxation) were based on the September notifications under the Excessive Deficit Procedure (Council Regulation 3605/93 as amended by Regulation 475/2000). For 2002, it takes into account the budgets adopted or presented to parliaments and all extra measures known in sufficient detail. For 2003, the no-policy change assumption used in the forecasts implies those presently known measures (if not one-offs). The fiscal measures included are summed up in table 3.

#### Table 2: Tax reform measures included in forecasts (*to be inserted*)

Tax ratios are extrapolated by applying growth rates of tax revenue and tax base components to the 2000/2001 historical levels. Growth rates are only available for the four tax aggregates:

- taxes on production and imports (D2) with a specific forecasts for the sub component for other taxes on production paid by corporations (D29\_S11-S12);
- current taxes on income and wealth (D5),
- capital taxes (D91)
- actual social contributions (D611)

Forecasting the tax base also requires some assumptions. Data in percentage of GDP, the implicit tax rates on consumption and labour rely on readily available forecast, respectively: GDP, private final consumption of households (P3\_S14-S15), compensation of employees for the whole economy (D1). The base for the implicit tax rate on capital is derived from the total gross profit and property income (B2g+D4N) for the economy (S1), for corporations (S11-S12), and for households (S14-S15). Constant consumption of fixed capital in percentage of GDP for both sub-sectors is assumed to calculate net profit and property income. Historical data validate such an assumption for year-on-year changes.

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<sup>5</sup> Even if the changes have a limited impact for levels of most aggregates, the development in time might deviate substantially due to new methodological concepts and definitions.

<sup>6</sup> European Commission (2001)

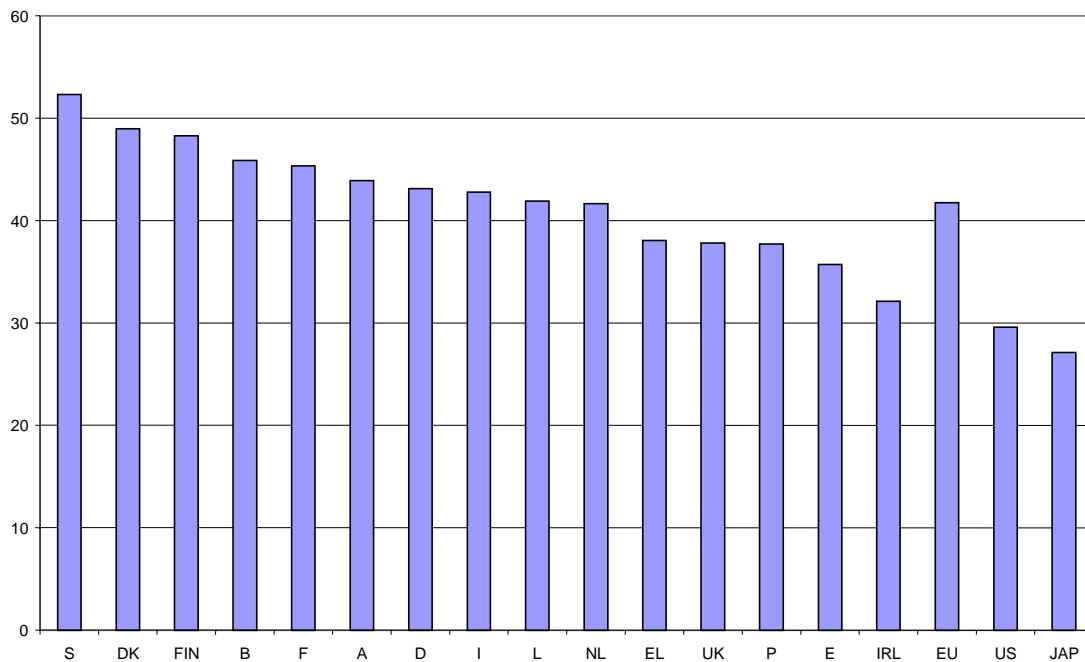
The Forecasts of the Commission Services for the EU are calibrated on national estimates for the current years and validated by the Member States, and preserve the consistency of the national accounts. Therefore, although they do not project individual taxes, the level of disaggregation provides a good basis for updates and projections of the tax burden and the implicit tax rates. This publication incorporates such estimates.

**2. TAX STRUCTURES AND RECENT DEVELOPMENTS**

**2.1. Total tax burden**

Certainly the political pendulum of the second half of the 1990s has been in favour of reducing taxes in proportion to the size of the economy. In the structures of taxation system the overall burden is measured by taxes and social security contributions in relation to GDP. But while the data for most recent years point downwards for some Member States, the average tax-to-GDP ratio in the Union as a whole has continued to go up since 1995, although its rate of change has levelled off. The average tax-to-GDP ratio (EU15, GDP weighted) rose from 40,8 per cent in 1995 to 41,8 per cent in 2000, which is still some 12 and 15 percentage points of GDP above that recorded in the United States and Japan, respectively (Graph I-2.1). With slower economic growth, provisional figures indicate a decline to around 41 per cent in 2001 and according to the Commission forecast also in two more years ahead. The tax-to-GDP ratios for the Member States and all individual years are given in annex A.

**Graph I-2.1 Tax to GDP ratio in EU countries and the US and Japan**  
2000, in %



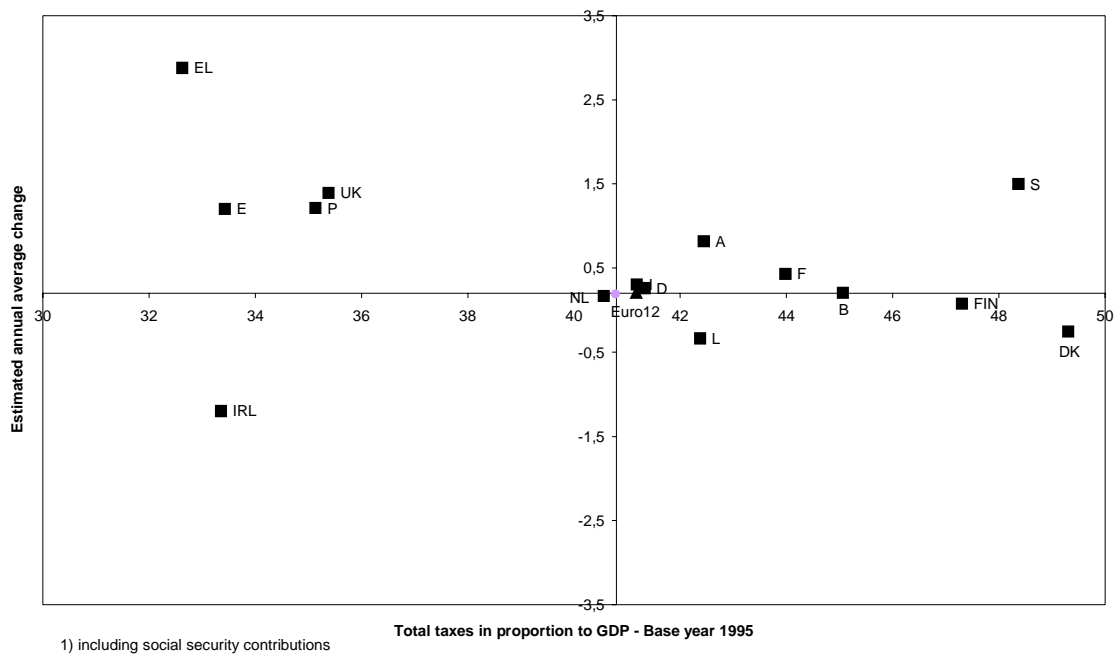
*Source:* Commission services for the EU countries, and OECD (2002A) for the US and Japan. It must be recognised that country positions may vary according to the charges that are taken into account. This is especially important as regards the inclusion or the exclusion of social security contributions. It should, for example, be noted that, as a result of the transition from ESA79 to ESA95 classification of National Accounts, the level of recorded social security contributions in the Netherlands has substantially declined. Some social arrangements provided by employers through labour contracts, for example, are not considered to belong to the government anymore. In the late 1980s and the early 1990s the Netherlands was still reported to consistently belong to the group of jurisdictions with the highest tax burden in the Union.

The data in annex A indicates that a relatively strong increase in the tax burden between the years 1995 and 2001 can be observed in Greece (4,7 percentage points), Spain (2,3 percentage points), Austria (3,4 percentage points), Portugal (2,3 percentage points), Sweden (6,2 percentage points) and the United Kingdom (2,4 percentage points). In other countries the increase is less than two



percentage points of GDP. The only countries who seem to have succeeded to decrease the overall tax burden between 1995 and 2001 are Denmark, the Netherlands Luxembourg and Ireland, although generally not by very large amounts. The largest reduction is visible for Ireland (-2,5 percentage points). Graph I-2.2 displays the projected changes in the tax-to-GDP ratios between 1995 and 2001 in percentage points of GDP in comparison to the original levels in the base year 1995. The values of the x- and y-axis in this graph cross at the level in 1995 and the change between 1995-2001 of the average tax-to-GDP ratio in the Union, respectively (40.8 per cent, 0.2 percentage points). Low-tax countries such as the United Kingdom, Spain, Portugal and Greece have faced an increase in the tax burden since 1995 (which was mostly associated with the fiscal consolidation process in the run-up to EMU; see below), while Denmark has witnessed a (slight) decrease in the tax burden. Other high-tax countries, however, such as France, Austria and Sweden, have faced an increase in the tax burden, although not always by large amounts. Ireland, on the other hand, stands for having witnessed the largest reduction in the tax burden while being a low-tax country (Ireland also witnessed uninterrupted budgetary surpluses since 1995). All in all, it appears as if the tax-to-GDP ratios within the Union have not converged since 1995<sup>1</sup>.

**Graph I-2.2 Level in 1995 and change of tax-to-GDP ratio<sup>1)</sup> until 2001**  
in %



Source: Commission services.

<sup>1</sup> Alternative convergence indicators increased between 1995 and 2001: the ratio of the standard deviation between and (weighted) mean increased from 13,8% to 14,4%; the standard deviation increased from 5,6 to 6,0; and the differences between the maximum and the minimum ratio increased from 16,7 percentage points to 23,7 percentage points.

The relatively high average tax burden that we still observe today is to a large extent the result of the persistent and largely unbroken<sup>2</sup> upward trend in the tax burden in the 1970s, and to a lesser extent also in the 1980s and early 1990s (see also European Commission (2000A, 2000B) and OECD (2002D))<sup>3</sup>. This long-run increase in the tax burden is closely related to the growing share of the public sector in the economy. Taxes and social security contributions have been pulled up to finance increasing government spending and, in particular, labour taxes appear to have been steadily rising in order to finance social welfare commitments, especially as regards to pensions, health care, education and other social benefits. The rise in unemployment also acted as a main underlying pressure to increase taxes in most EU countries between 1970 and the early 1990s<sup>4</sup>. Since the early 1990s, the Maastricht criteria of 1992 and later also the Stability and Growth Pact have created a framework in which the Member States have implemented fiscal consolidation efforts. In a number of Member States the process of fiscal consolidation relied primarily on restricting and/or scaling back primary public expenditures (e.g., by cutting or postponing public investment) and/or even (temporarily) increasing taxes. Meeting the EMU criteria and in particular reducing the debt-to-GDP ratio has also ruled out any major tax cuts in the run-up to the EMU for a number of Member States. Only in the late 1990s, quite a lot of Member States appear to have taken advantage of buoyant tax revenues to reduce taxes, most notably personal income taxes and social security contributions, but also corporate taxes.

While the general trend has been continuing upwards, provisional figures for 2001 - and also for 2002 and 2003 - show declining tax-to-GDP ratios for most Member States (see annex A for more details). The next batch of actual tax revenue figures may very well confirm these declining tax ratios. One reason is that the implemented measures to restrict public spending may take time to show up in the tax-to-GDP ratios for several countries. Also, the economic cycle of the late 1990s has lifted the measured tax burden even while cuts in statutory rates have been implemented. Strong economic growth may, for example, have moved taxpayers into higher tax brackets (“bracket creep”) in some countries, and more companies have moved from a loss making to a profit making position during recent years - and hence pay more corporate income tax<sup>5</sup>. The slower EU-wide economic growth should mean that the effect of any reductions should show up in the actual fiscal data for 2001 and also for the years ahead (see also OECD (2002C)).

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<sup>2</sup> Some marked decreases have occurred in single years, for example in 1994 as a result of the severe recession in 1993.

<sup>3</sup> European Commission (2000A) reports a long-run increase of 11 percentage points in the Euro area between 1970 and 1999, compared with a relatively small increase of 2,5% of GDP recorded in the United States.

<sup>4</sup> European Commission (2000A) presents a number of causality tests. Between 1970 and 1999, almost 75% of the changes in the tax burden in EU Member States, the US and Japan are related to changes in public expenditure. Also, more than 40% of the changes in the average effective tax rate on labour are associated with changes in current spending and over 70% of the cross-country differences in the effective rate in labour correspond to differences in the ratio of current transfers to GDP.

<sup>5</sup> It should be mentioned that a number of Member States have partly financed their statutory personal income rate cuts by reducing allowable deductions against taxable income, or by increasing indirect or “green” taxes. Also as regards corporate taxation, a number of Member States have limited incentive schemes and allowances for depreciation of capital equipment.

In addition, it should be mentioned that recent tax cuts do not immediately show up in the National Accounts data. The National Accounts figures do not follow a real accrual principle. According to the ESA95 guidelines (Regulation (EC) n° 2516/2000), taxes and social security contributions should be recorded when the underlying economic event/transaction takes place rather than when the actual tax payment is made. Personal income tax, for example, is typically levied on incomes accrued one year prior to most of the actual collection. However, most statistical offices in fact use “time shifted” cash figures for a few months, and declare them as accrual. Some Member States have been given a temporary derogation up to 30 June 2002 in order to adapt its accounting systems to the requirements of this regulation<sup>6</sup>. This means that the expected effects of the recent tax reforms are reflected in the figures with some delay.

Of course, a number of Member States may still face increased overall tax burdens in the future, while they continue the process of – fiscal - convergence in the European Union, and further develop their social protection- and health systems and infrastructure. It remains to be seen whether this results in higher taxes as a result. In the longer term, population ageing will, in the absence of reforms, further raise spending on pensions and health care.

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<sup>6</sup> In statistical terms this may result in a downward revision of revenues by the new (National Accounts’) treatment of non-recoverable tax arrears.

## 2.2. Tax structures

### 2.2.1. *By type of taxes*

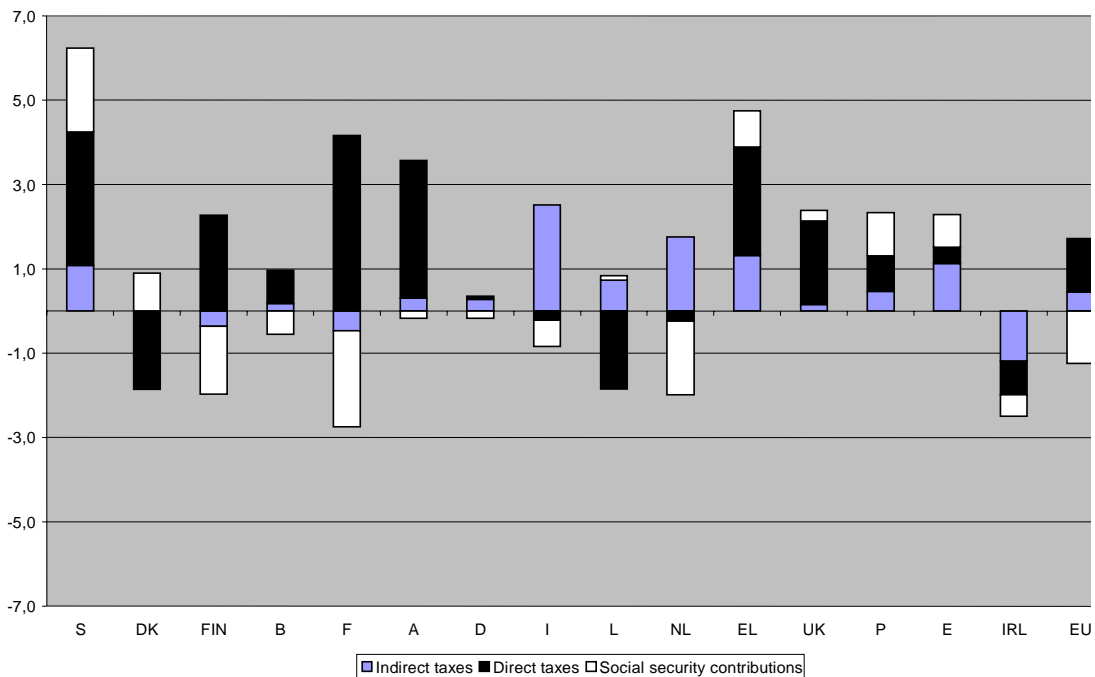
Since the late 1990s, a number of Member States have implemented reforms to their tax systems. The reforms were often financed out of buoyant tax revenues, or by reducing the level of allowable deductions against taxable income, by abolishing or scaling back of special incentive schemes, or by increasing the level of existing- (or by introducing even new) indirect taxes. The reforms clearly vary in coverage and depth, but most of them were aimed at reducing the tax burden on labour income, often at the low- to the middle end of the pay scale (paragraph II-1.3), and to achieve a general reduction in corporate income tax rates and to improve the functioning of capital markets. Reforms of indirect taxes are more diverse. Increases in indirect taxation in several countries were driven by green tax reforms, often as a counterpart to the reduction in the taxation of labour. Some Member States also extended the tax autonomies of state- or local governments. The tax measures were sometimes part of a reform-package that was stretched out over several years. Some of the tax measures will last or come into effect beyond the year 2001. The next sub-paragraph only touches upon some basic elements and examples. More details are given in the country annexes.

- Reforms of the personal income tax code mainly consist of lowering statutory rates (quite often relatively more at the low to the middle end of the income distribution), reducing the number of brackets and increasing the minimum level of tax-exempted income. Member States also increased a number of family allowances, in particular the tax relief for families with children. Some Member States replaced (basic family) tax allowances by individual tax credits (also in order to increase second-earner' work incentives). A number of Member States have also introduced additional tax credits (or tax base deductions) that are exclusively earned on labour income. Most of the tax credits phase in for lower incomes and phase out for higher incomes. Some Member States also implemented reforms to the taxation of pensions.
- Reforms of taxes on capital income were often aimed at improving capital markets. Another aim was to create incentives for risk, and venture and intangible capital. Some Member States have fundamentally changed the personal income taxation of capital income or capital gains (and thereby effectively broadened the income tax base). Member States also implemented reductions in statutory corporate income tax rates, but at the same time lowered special incentive schemes, or tax allowances granted for the depreciation of capital equipment.
- Reforms are more diverse in the area of indirect taxation. In some Member States, existing indirect taxes were increased or new “green” taxes were introduced to finance, at least partly, the reduction of the tax burden on labour income (so-called “double dividend approach”). Most Member States apply reduced rates on labour intensive service sectors. Other Member States implemented increases in the standard VAT rate, while others implemented general VAT reductions or targeted reductions for certain products and sectors. Some Member States increased certain excise duties (e.g., on tobacco, diesel fuel or petrol), while others were being reduced.
- Some implemented general reductions in social security contributions. A number of Member States put forward targeted reductions of non-wage labour costs at the low end of the pay scale,

while others aim at creating new jobs for long-term unemployed, for training or for the shift from temporary to permanent labour contracts.

Graph I-2.3 displays changes in direct and indirect taxes and social security between 1995 and 2001 in percentage points of the size of the economy. On average (EU15), it appears as if both direct taxes and indirect taxes have slightly increased (in proportion to GDP), and that this was partly offset by reductions in social security contributions. The changes are however very diverse across Member States. Some additional explanations are needed in order to obtain some insight in the main underlying changes in the taxes that seem to have induced the observed changes in the major types of taxes. For a few Member States some discretionary policy changes in the taxes are also mentioned. More details as regards to discretionary policy changes are given in the country annexes.

**Graph I-2.3 Evolution of major type of taxes**  
1995-2001 (provisional figures), differences in % points of GDP



For Sweden, Finland, Belgium, France, Austria, Greece and the United Kingdom, it appears that the observed increase in the overall tax-to-GDP ratio largely originated from increases in revenues from direct taxes (in proportion to GDP). In Sweden, Finland, Belgium, France, Austria, Greece and the United Kingdom, these increases originated mostly from increases in corporate income tax revenues. Changes in personal income tax revenues, on the other hand, appear to have been dominant in France, Austria and Greece. For France, however, it should be noted that the observed changes in the personal income tax largely originate from increases in revenues from the generalised social contribution ('CSG'), and the contribution for the reduction of the debt of social security institutions ('CRDS'), which are both booked as personal income tax in National Accounts. The base of the first contribution was extended to capital income in 1998, and the second contribution was introduced in 1996. The increases in revenues from the social security contributions have apparently to some extent offset the effects of the reductions in personal income tax and social security contributions that were implemented in recent years. In Finland and Belgium, the increases

in revenues from corporate income tax were partly offset by (most notably) decreases in revenues from the personal income tax. Finland implemented reductions in personal income tax and social security contributions, but also raised its statutory corporate tax rate. Belgium mostly implemented reductions in social security contributions for employers. Further reductions of personal income tax are planned for the years ahead.

Increases in revenues from indirect taxes were dominant in Italy, Spain and Germany. In Italy, the 1997-98 tax reform eliminated employer's compulsory health contributions, bringing the overall employer's social security contribution rate down. At the same time, a new tax, called 'IRAP', based on value added was introduced. Italy also witnessed a slight decrease in revenues from corporate income tax and other indirect taxes. In Germany, new taxes on energy consumption implemented in 1999 have been used to lower social contribution to pension systems. Germany also saw a decrease in revenues from personal income tax in proportion to GDP, but this was offset by revenue increases from its corporate income tax. In Spain, revenue increases from corporate income tax were partly offset by decreases in personal income tax (Spain implemented reductions in personal income tax in the late 1990s, and also introduced a lower statutory corporate tax rate for small and medium-sized companies).

Denmark, Luxembourg, the Netherlands and Ireland, on the other hand, have witnessed a decrease in the overall tax-to-GDP ratio, although sometimes only by slight amounts. In Denmark, the observed decrease in revenues from the personal income tax (Denmark reduced its statutory rates, most notably at the lower end of the income scale) was partly offset by increases in revenues from mostly social security contributions but also corporate income tax. In the Netherlands, the observed decrease in social security contributions (and to a lesser extent in personal income tax) was partly offset by mostly increases in revenues from VAT, but also from corporate income tax (the Netherlands has recently increased its standard VAT rate to finance, at least partly, the reductions in the combined tax rate of personal income tax and social security contributions for households). Ireland witnessed reductions in both direct and indirect taxes, but also social security contributions (Ireland implemented several reductions to personal income tax and social security contributions during recent years). Luxembourg witnessed decreases in the revenues from the personal income tax and the corporate income tax (in proportion to GDP), which were partly offset by mostly increases in other indirect taxes, and to a lesser extent also in VAT.

In the second half of the 1990s, a number of Member States have implemented comprehensive green tax reforms (Finland, Sweden, Denmark, the Netherlands, Germany, Italy, Austria and the United Kingdom). Existing indirect taxes were increased and new environmentally related taxes were introduced, often to finance, at least partly, the reduction of taxes of labour income. The 'Nordic' countries were forerunners in introducing green tax reforms.

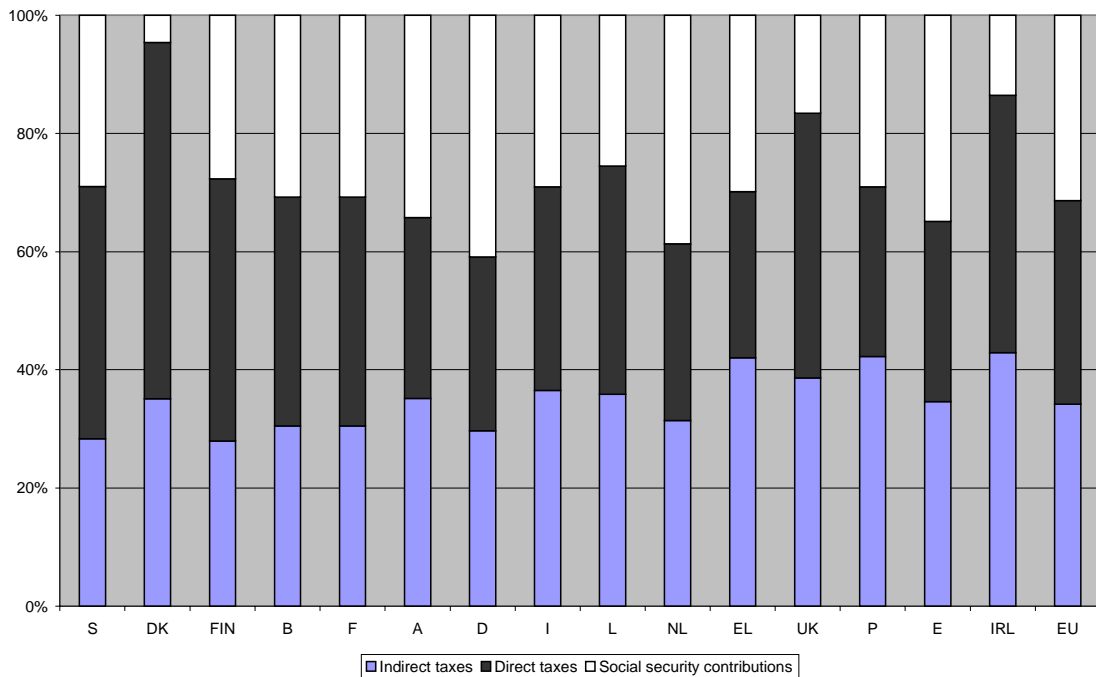
To obtain some insight in the structure of the tax revenues as it exists by today, Graph I-2.4 shows the structure of total government revenues by direct taxes, indirect taxes and social security contributions. The picture is again rather diverse across Member States. Only the most notable differences are highlighted.

The 'Nordic' countries, and to a lesser extent also the United Kingdom, rely relatively heavily on direct taxation for raising government revenues. These countries also have the highest shares of personal income tax revenues in total revenues. Portugal and Greece, on the other hand, rely heavily on indirect taxation, in particular VAT and excise duties. There are other notable differences: in

Denmark, and to a lesser extent also in the UK and Ireland, the contribution of social contributions to total government revenues is relatively low compared to the Union's average. In Denmark, most welfare spending is in fact financed out of general taxation. The contribution of direct taxation is therefore relatively high. Germany, and to a lesser extent also the Netherlands, on the other hand, stand out with the highest shares of social security contributions in total revenues. Their shares of direct tax revenues are also among the lowest in the Union, together with Portugal. In Austria and Spain, and to a lesser extent perhaps also in Italy and Luxembourg, the shares of the major type of taxes are quite similar.

**Graph I-2.4 The structure of tax revenues by major type of taxes**

2000, in % of total tax burdens



Source: Commission services

It is of course not possible to obtain a good picture of where in the economy the tax burden falls by looking solely at classifications by type of taxes. For example, direct taxes consist of income and property taxes paid by individuals and corporations. Hence the tax burden from direct taxes falls on both labour and capital, but also on transfers received by non-employed people (*e.g.*, social benefits and pensions). This also holds for the personal income tax itself. The incidence of the tax burden falling on different economic functions (*i.e.*, labour, capital and consumption) is more closely examined in the next part of this publication.

### 2.2.2. *By levels of government*

The classification of taxes and social security contributions according to the level of government who ultimately receives these revenues clearly shows substantial differences in the taxation systems across the Member States in the Union. Today, on average more than 50 per cent of total government revenues is claimed by central government, roughly 30 percent by the social security funds and more than 15% is apportioned to state- and local government. The picture is however quite diverse across Member States. In the United Kingdom and in Ireland, for example, more than 80 per cent of the total revenues goes to the central government, whereas in France, Germany and Spain the share is below 50 per cent. In Germany the share is even below 30 per cent (Graph I-2.5). Generally, the most important revenue source for central government is consumption taxes (in particular VAT and excise duties). Roughly one third is raised on labour (personal income tax) and around one fifth originates from capital (mostly capital income, corporation tax, tax on capital distributions, tax on capital yields, etc.). The shares of (only) tax revenues from sub-central government are highest in the 'Nordic' countries, in Spain and in Austria (around 30 per cent) and in particular in Germany (over 50 per cent). The shares are on the other hand low in Belgium, Luxembourg, the Netherlands, Greece, Portugal, the United Kingdom and Ireland (ranging from somewhat more than 1 percent in Greece to 10 per cent in Belgium).

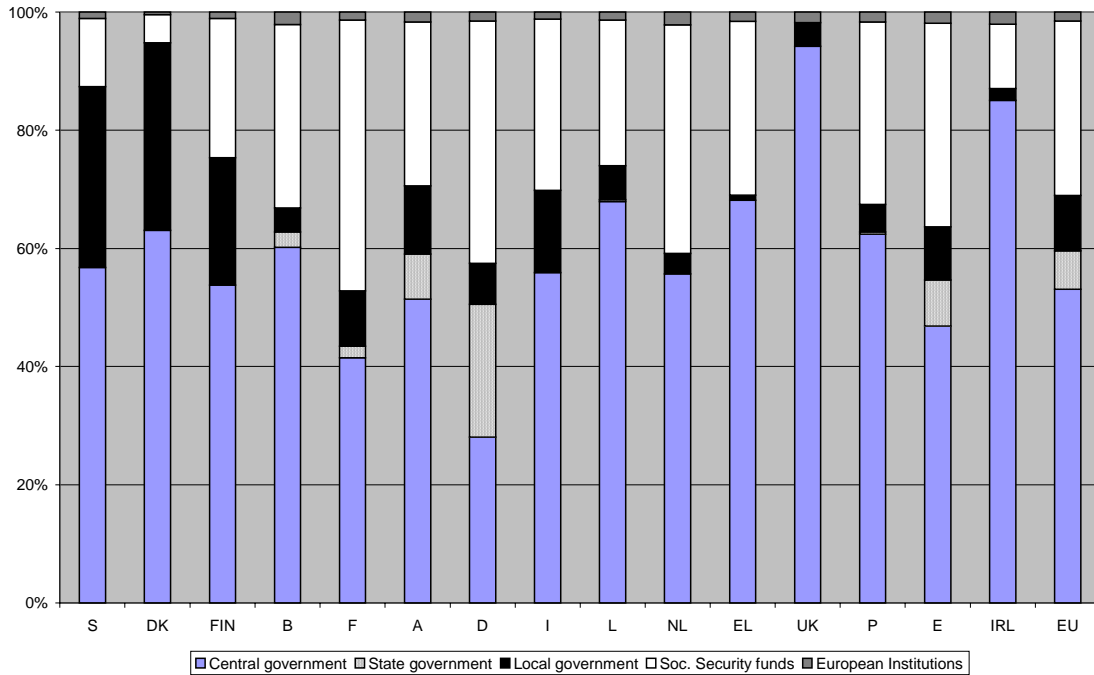
To get a first impression of the degree of fiscal decentralisation in Member States, the next part of this paragraph looks more closely at the shares of taxes of sub-central governments. It should however be noted from the outset that the differences in shares of taxes accruing to local and/or state governments are not the only indicators of the degree of fiscal autonomy. There are substantial differences in political powers and the functions of local and/or state governments, and in their ability to set taxes<sup>1</sup>

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<sup>1</sup> OECD (1999)



**Graph I-2.5 Classification of tax revenues by receiving administrative level**  
2000, in % of total tax burdens



Source: Commission services

Local taxation is often mainly a taxation of capital in Member States, in particular a tax on real estate, or surcharges on central government’s income tax. The greatest shares of revenues from local government are found in the Nordic countries and in Austria, Spain and Italy. In Austria, the majority of the taxes apportioned to local governments concern taxes that are shared with the central government (personal income tax, excise duties, VAT, land transfer tax, etc.). In Denmark, Finland and Sweden, on the other hand, local authorities also raise their own personal and/or corporate income taxes and/or receive a surcharge on central government’s income tax and/or raise certain sales taxes or dogs taxes.

An additional classification for state government has become available as a result of the new ESA95 classification of the National Accounts. Revenues from state government are significant in Belgium, France and Spain, and particularly in Austria and Germany. They are negligible in other Member States. In Germany, so-called Länder have a substantial share in the revenue of VAT, the wage withholding tax, the personal income tax collected by assessment and the withholding tax on interest distributions. The Länder are also entitled to the revenues from other taxes, such as general wealth tax (abolished in 1997), estate-, inheritance and gift taxes, taxes on transfer of property and tax on motor vehicles. In Austria, the majority of the tax revenues of the Länder concern taxes that are shared with the central government (personal income tax, excise duties, VAT, land transfer tax, etc., just as for the local authorities). In Spain, the fiscal relation between the central government and the state government is rather complicated, and is quite rapidly evolving. Between 1997 and 2001, so-called “ceded” taxes have been transferred to autonomous regional governments, such as wealth tax, inheritance and gift tax, transfer tax, stamp duties and duties on gambling. The regional governments could also obtain a given 15 per cent share of personal income tax revenues generated by the Central government. In addition, the regional governments were also directly imputed a 15 per cent share of

the personal income tax collected in their own jurisdictions. A completely new financing agreement between the central government and the regions exist from 2002 onwards. In Belgium, a substantial share of central government tax revenue (in particular income tax and VAT) is redistributed over the regions and communities according to pre-defined keys. In 2001 a constitutional reform granted further fiscal autonomy to the regions. While personal income tax, corporate income tax and VAT remain the full prerogative of the federal government, the regions are allowed to deviate from the personal income tax rates stated in the federal tax code by a margin of 3,25% as of 2001.

The shares of the social security funds generally reflect the classifications by type of taxes from paragraph 2.2.1. However, comparisons can sometimes be difficult, because some social security charges are actually booked as taxes on personal income in National Accounts. The classification sometimes also depends on the mode of the payment of the social charges. Since the main type of revenues are social security contributions, their revenues are almost exclusively paid by employed labour, and to a lesser extent, self-employed or non-employed (that is, often previously employed-) labour. In some specific cases, however, the social security funds also gain from consumption taxes or taxes on capital.

The share of the central government has increased since the mid-1990s in most Member States, notably in the Netherlands and Finland. It decreased only in Denmark, Spain and Italy. The share of revenues apportioned to local governments decreased slightly in most Member States. Only in Italy a substantial increase is visible, and to a lesser extend also in Spain. The share of revenues apportioned to state governments have remained rather stable for most Member States. The share of social security funds decreased for a number of Member States, probably reflecting the discretionary reductions that were implemented during recent years.

## **Part II. Taxation of labour, capital and consumption**

The tax to GDP ratio and the breakdown of tax revenues into standard categories such as direct, indirect taxes and social security contributions provide a first insight into cross-country differences in terms of tax burden and distribution of the tax burden across different taxes. But this tells little on the economic dimension of taxation. In tax incidence analysis, the economic burden of a tax is defined as the impact of a tax on different categories of taxpayers. Tax incidence analysis uses different groupings of taxpayers<sup>1</sup>: consumers versus producers, different production factors, capital versus labour, income groups, regional or international incidence, intergenerational effects. Without going into a tax incidence analysis, the Structures of the taxation systems use the National Accounts framework which represent the economy with a distinction between consumption and production activities, remuneration of production factors and savings and investment decisions. It takes into account as production factors, labour, and physical and financial capital as well as intangibles. A classification in three economic functions, consumption, labour and capital in a broad sense, has therefore been used to classify taxes in the Structures of the taxation systems. National accounts enable to derive the corresponding tax bases from the sectoral accounts.

This part is sub-divided into a first methodological part on how to classify taxes in economic functions and derive implicit tax rates (section II.1) and sections II.2 to II.4 review recent developments of the economic distribution of the tax burden.

### **1. METHODOLOGY FOR IMPLICIT RATES**

#### **1.1. Classification of taxes according to economic functions**

As mentioned above, the overall framework of national accounts justifies a classification of taxes according to three economic functions, consumption, capital and labour. Starting from the ESA 95 classification of taxes described in part I, some general rules could be defined to allocate taxes to the three categories. A number of border cases and approximations had to be taken into account to arrive at a final classification of taxes. Most of these cases affect the division between capital and consumption. Tax data are not always recorded in sufficient detail to identify individual taxes and allocate them to the corresponding economic categories. In addition, national specific features required a special treatment. Validation of the end result occurs through comparisons of the implicit tax rates with other tax burden indicators.

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<sup>1</sup> D. Fullerton-G.E. Metcalf (2002)

Taxes on consumption are defined as taxes levied on transactions between final consumers and producers and on the final consumption goods. In the new ESA classification, these can be identified as the following categories:

- VAT type taxes (D211),
- Taxes and duties on imports (D212),
- Taxes on products (D214), which include excise duties: those taxes on products paid by companies on products used for production have been excluded from the category of consumption taxes, whenever the detailed of taxes enabled to identify them. This was done for instance for the car registration tax paid by companies. But national tax revenue statistics do not allow such a split for excises, which are paid for a substantial part by companies. Moreover, some categories have been allocated to capital such as the stamp taxes (D214B), when they could be identified as related to stock exchange or real estate investment. Taxes on financial and capital transaction (D214C) have also been recorded as capital taxes.
- Other taxes on production (D29): 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 (D29C) have been classified as a tax on labour, taxes on land, building and other structures (D29A) have been classified as taxes on the stock of capital. But most of the other categories, such as pollution taxes (D29F) have been considered as consumption taxes.
- Some taxes defined as current tax (D5) in ESA 95 such as poll taxes, expenditure taxes, or payments of households for licenses have been included as consumption since they are expenditures by households related to the access to specific goods and services.

A particular difficulty of the ESA 95 is that the tax revenue classification is still relatively new. All Member States have not used the ESA 95 codification at the detailed level of individual taxes. The degree of disaggregation provided by national statistical offices makes it sometimes difficult to identify sub-categories. Therefore while experience with ESA 95 develops, the border cases mentioned above, which mainly affect the split between taxes on stock of capital and consumption will be reviewed.

Taxes on labour comprise all taxes, directly linked to wages, paid by employers and employees, including social security contributions. They include employers’ social security contributions (D6111) and payroll taxes (D29C), social security contributions paid by employees (D6112) and the

part of personal income tax (D51A) related to earned income. The fundamental difficulties in measuring the tax burden on labour are how to handle personal income tax and how to treat self-employed and social welfare recipients. The following method has been followed:

- The personal income tax is levied on different sources of income, labour income, but also social benefits, including pensions, dividend and interest income, self-employment income. No simple method to calculate the part of personal income tax on earned income can reflect the complexities of the progressive personal income tax and general or specific tax credits, deductions or exemptions. The next section explains how taxpayers' data have been used for this purpose.
- The question arose whether part of the self-employed income should be treated as a remuneration of labour and the related taxes included in taxes on labour. The best compromise between economic rational and data availability was to consider self-employment income as income from capital: self-employed income is genuinely a capital income since self-employed take the risk of incurring losses when exercising their activity. Personal income taxes as well as social security contributions of self-employed are allocated to the capital income sub-category for households.
- The same question arose for social welfare recipients and pensioners. They pay social security contributions, personal income tax on their pension income, and some countries also tax benefits from unemployment and health insurance. The revenue taxed is mainly related to previous labour activities and the corresponding taxes, social security contributions of non-employed and personal income tax on pensions and other transfer income, have been included in the category of labour taxes. The calculation of the implicit tax rate on labour, was, however, limited to employed labour<sup>2</sup>.

As mentioned above, capital is defined in a broad sense, including physical capital, intangibles and financial investment and savings. Corporations and households pay both taxes on capital. Capital taxes are therefore calculated for the whole private sector, allowing at some stage a split between the two groups of taxpayers. They include not only taxes on profits but also taxes and levies that could be regarded as a prerequisite to earn the profit like the real estate tax or the motor vehicle tax paid by enterprises. Companies have to pay this kind of taxes out of their annual profits. In their empirical study Desai and Hines (2001) confirmed that also these indirect taxes influence investment decisions

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<sup>2</sup> This treatment required to breakdown the category 'social security contributions by self-employed and non-employed' (D6113) between capital and labour. This was done using the harmonised Social Protection data of EUROSTAT (ESPROS)

of American multinational firms. They also include taxes on capital stocks of households or their transaction (e.g. on real estate). As mentioned above, self-employed taxes, including social security contributions. In this edition of the structures, a limited breakdown of capital taxes was introduced, with a distinction between taxes on capital income and taxes on capital stock:

- Taxes on capital income (incl. entrepreneurial income) that economic agents earn or receive from domestic resources or from abroad. This includes, most notably, taxes on income or profits of corporations and the self-employed, plus personal income tax raised on capital income of households (rents, dividends and other property income). In practice this is mainly the personal income tax paid on dividend, interest and entrepreneurial activity (part of D51A) and corporate income tax (D51B)
- Taxes on capital stock include wealth tax (D59A), capital taxes (D9), including inheritance tax (D91A), real estate tax (D29A) or taxes on the use of fixed assets (D29B), professional and business licences (D29E), and some taxes of products (from the category D214).

The split of taxes into three economic functions leads inevitably to simplifications and rather hybrid categories. However, the analysis can focus on more specific and homogenous categories of taxes and taxpayers. The exercise is currently complicated by the fact that the new harmonised classification of taxes in ESA 95 is not fully and consistently applied across Member States. This is illustrated in Annex B which gives detailed list of taxes per country . Time series are reported in part C of the country tables and in the summary tables in annex A.

## 1.2. Split of the 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 holds most notably for the recorded personal income tax, which is typically broad-based<sup>3</sup> and relates to multiple sources of income. A method had to be developed to split the personal income tax revenues according to economic functions. This section generally describes how Member States use tax return data to generate estimates of the personal income tax that could be attributed to four main taxable income sources:

- Income from employed labour
- Income from self-employed labour
- Income from capital

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<sup>3</sup> The Netherlands Ministry of Finance also provides estimates of social security contributions and wealth tax raised in respect of these income sources.

- Income in the form of transfers and pension benefits received

The estimates of the personal income tax revenue that could be attributed to these income sources are used in the numerators for the implicit tax rates on labour and capital (using relevant aggregate economic incomes as denominators) and the breakdown of taxes across the economic functions (*i.e.*, taxes on consumption, labour and capital, as percentage of GDP). The estimates are given in annex D.

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 raised in respect of labour (capital) income<sup>4</sup>. This ignores the fact that effective rates on PIT vary across different taxable income components and groups of taxpayers. Even where, say, 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<sup>5</sup>. 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. Forcing the latter assumption would however be a shortcoming to the analysis. Also, most Member States tend to tax pension benefits or social security benefits more favourably than earned income from labour, either by way of increased allowances or tax credits that are age-based, or by partial exemptions from the tax base. Using micro data-sets which 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<sup>6</sup>. Some Member States use micro-simulation

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<sup>4</sup> 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.

<sup>5</sup> See also OECD (2000, 2002), Clark (2002) and De Haan, Sturm, and Volkerink (2002).

<sup>6</sup> 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 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 would have been used, generally higher fractions would be computed for capital

models relying on samples from the total taxpayer population to compute the estimates, while others employ exhaustive tax return data-sets (*e.g.*, B, IRL).

Most Member States basically multiply individual income tax payments by proportions of the selected income sources in the total taxpayer's income (B, DK, D, F, NL, IRL, FIN, S). 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,  $PIT(labour)$  say, 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 ( $j=1,..,n$ ) 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 (E, I, EL) instead use tax return data that is aggregated at the level of a number of income classes or income tax brackets ( $j=1,..,n$ ), 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.

In most Member States the personal income tax system is comprehensive in the sense that all sub-categories 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 NL, FIN and S, for example, capital income is taxed at a relatively lower statutory rate as compared to other earned income. In these cases, however, the tax receipts data are used to isolate the amount of tax collected on that particular income category. In the UK, 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 UK calculations therefore does not assume that the individual taxpayer has the same average effective income tax rate over all income sources (see above). Instead, the UK multiplies income source specific income tax rates by the selected income sources at the taxpayer-level.

Some Member States (A, L, P) choose another approach and use tax receipts data from the wage (withholding) tax and (final) income tax statistics. 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

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income and income in the form of transfers and pensions, and generally lower fractions would be computed for income from self-employed labour.



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 security benefits (*e.g.*, unemployment benefits, widowers 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 (A). 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. Table II-1.1 presents a schematic overview of the methods used in the Member States.

**Table II-1.1 Overview of methods to estimate the allocation of the personal income tax**

Countries	Data	Basic method
B, DK, D, F, NL, IRL, FIN, S	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 <sup>1</sup>	Data-set of individual taxpayers	Income source specific income tax rates multiplied by net taxable income sources at the level of the individual taxpayer
E, I, EL	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
A, L, P <sup>2</sup>	Tax receipts data from wage- and income tax statistics	Tax receipts of wage withholding tax (net of certain corrections) allocated to labour; split for the other selected income sources on the basis of aggregate tax return data or income class data

<sup>1</sup> It should be noted that total tax liability that results from the micro data, grossed up to the total taxpayer population for sampling, does not always exactly correspond to the macro tax receipts data, because some components of the income tax are not modelled, or because certain tax repayments are made. The United Kingdom therefore makes adjustments to the estimates using macro tax receipts data.

<sup>2</sup> In Luxembourg, due to data limitations, the wage withholding tax is allocated to labour income without corrections. The final personal income tax is allocated to capital and the self-employed. Estimates of taxes raised on transfers are not available.

Table II-1.2 provides a broad overview of the definition of the main taxable income sources. More details are given in annex D. The overview is only limited to one calendar year and is purely for illustrative purposes. A complete description would require year-specific definitions. Member States have identified the selected taxable income sources on the basis of the specific structure of their personal income tax system. It is quite clear that some degree of heterogeneity because of specific features of the tax legislation might occur between Member States.

- Income from employed labour is broadly defined to include wages and salaries, fringe benefits in kind, director’s remuneration and foreign source earned income. A number of Member States also tax benefits from financial participation schemes as labour income, or the deemed income from the private use of company cars.
- Self-employment income includes income from unincorporated businesses such as profits from agriculture or forestry, profits from trade or business and/or the proceeds from independent professional services. Some Member States also choose to include taxable dividend distributions from self-employed businesses or closely held companies in this category.
- Capital income is broadly defined to include income from movable property (interest, dividends, royalties), immovable property (*e.g.*, rents earned on letting a private dwelling) and taxable capital gains. In some Member States realised capital gains are tax exempt, or they are taxed outside the personal income tax system. Some Member States also tax the (deemed) rental value of private owner-occupied housing as capital income, in which case they may also grant tax base deductions for related interest payments.
- Transfer and pension benefits are broadly defined to include all taxable benefits from social security schemes and old-age pensions. Member States such as S, DK, FI and NL tax most of their social benefits (*e.g.*, unemployment benefits, occupational injury benefits, sickness benefits, social assistance), and the tax revenues due to these social benefits are known to be quite substantial in these countries<sup>7</sup>. In the other Member States these revenues are generally much lower or negligible. As regards to old-age pensions, in most Member States the principal form of pension provision is the (first-pillar) state pension. With a few exceptions the benefits from these state schemes are taxed through the wages- and income tax as (postponed) income from labour. Benefits of (second-pillar) occupational pension schemes are also taxed through wages and income tax in most Member States as (postponed) income from labour. The participation to these schemes is often arranged through labour contracts, binding labour market arrangements, or may even be compulsory for all workers. They constitute a major component of pension provisions in DK, NL and S. The revenues from all these benefits have been allocated to the category “Non-employed labour” in the tables.

**Table II-1.2 Broad definition of the selected income sources**

<b>Income source</b>	<b>Type of taxable income components included</b>
Employed labour	Wages and salaries Benefits in kind Director’s remuneration Foreign source earned income Other ( <i>e.g.</i> , stock options, company car)
Self-employed labour	Income from unincorporated businesses Other ( <i>e.g.</i> , dividend distributions from closely-held companies)
Capital	Income from movable property ( <i>e.g.</i> , dividends, interest, <i>etc</i> ) Income from immovable property (rents, <i>etc</i> )

<sup>7</sup> Adema (2001) estimated that the taxes and social security contributions on social security benefits amount to are around 4 to 5 per cent of GDP in SE, DK, FI and NL.

	Realised capital gains Other ( <i>e.g.</i> , rental value owner-occupied housing)
Transfers and pensions	Social security benefits State pension benefits Occupational pension benefits

It should furthermore be noted that the income sources are as much as 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). In some Member States, tax concessions or tax breaks earned on income from capital can be quite substantial, for example, with the result that the estimated fraction for personal income tax raised on capital income is rather low, and in some cases even negative. Some Member States also directly incorporate the revenue effects of income-specific tax credits (*e.g.*, an additional tax credit that is earned exclusively on income from labour). Revenue effects of general tax base deductions and credits, on the other hand, are proportionately allocated across all income sources.

All in all, it is believed that the described methods generally lead to careful estimates of the allocation of the personal income tax revenue across the four main taxable income sources. Sources of inconsistency may still arise, however, due to certain data set limitations. In some Member States, for example, tax return data are only available at income class level rather than at the taxpayer level. Also, in some Member States not all taxable benefits from social security or old-age pension schemes could be identified from the tax return data. Some Member States could not incorporate the revenue effects of tax base deductions or tax credits that are specifically earned on the main income sources. Sources of inconsistency may also arise in Member States where there is a joint assessment of the taxable income of the household. For 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 rates has been applied to the tax payers jointly assessed.

Some Member States were not able to provide a 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 in the absence of major tax reforms. From 2001 onwards estimates of the breakdown of taxes and the implicit tax rates on labour and capital were calculated assuming constant fractions. In future publications these estimates will be updated.

Apart from simplifying assumptions and estimates of the share of personal income tax limited to specific years this new treatment of PIT is a major improvement to the methodology of the structures of the taxation systems. As mentioned before some test proofed that it corrects the bias in the estimation of the tax burden on non-wages income sources.

### 1.3. Implicit rates

Tax revenue data in relation to GDP is a macro-backward looking tax burden indicator that is often used in the literature. Also in this publication, taxes that are raised on economic functions are shown as percentage of total GDP in the economy. But the level of GDP does not specifically relate to these economic functions, and considering only taxes in % of GDP is limited since it does not give any information on whether for instance, a high share of capital taxes comes from high tax rates or a large tax base in the economy. Therefore so-called "implicit tax rates" (ITRs) are also presented.

They measure the actual or effective average tax burden directly or indirectly levied on different types of economic income or activities that could potentially be taxed by Member States. These ITRs on labour, capital and consumption are consistent between them since income and tax revenue data stem from the same data source of national accounts. This is in fact the only framework, which enables to assess the relative tax burden generated by various taxes in a country. Most of the other calculations on effective tax rates only provide information on a given tax but do not allow to compare the tax burden implied by different taxes. Developments over time enable to identify shifts between the taxation of different economic functions e.g. from capital to labour.

One of the great advantages of these indicators is the comparability due to the consistency and harmonised computation of ESA 95 national accounts data. This can only be exploited by using the same denominator for all countries 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 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 this 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 include also the effects of the composition of income, or the distribution of companies. Further, 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. These advantages are accompanied by some shortcomings: Any timing differences that arise because of lags in tax payments and business cycle effects may give rise to significant volatility in these measures. It is therefore sometimes not straightforward to explain trends in these measures. But this does not mean they are meaningless: they are a reduced model of all variables influencing taxation, tax rates and bases.

#### 1.3.1. *Implicit tax rate on consumption*

- The implicit tax rate on consumption is defined as all consumption taxes divided by the final consumption expenditure of private households on the economic territory (domestic concept).

Ratio	Definition
Implicit Tax Rate on Consumption (ESA95)	Taxes on Consumption / (P31_S14dom)

*Codes:* P31\_S14dom: Final consumption expenditure of households on the economic territory (domestic concept). *Source:* National Accounts in NEW CRONOS.

Compared to the previous edition of the structures the denominator of the ITR on consumption was simplified: Before, in addition to consumption of households on the economic territory, government consumption net of government salaries was included<sup>1</sup>. The computation of 'government consumption minus wages and salaries' was only a rough approximation of intermediate consumption of the government<sup>2</sup>. On these government purchases some of the 'consumption taxes' are levied on.

A rough indicator of the importance of intermediate government consumption for the implicit tax rate can be calculated from the VAT-Statements of the Member States. The statements give an overview on the shares of flows to which VAT is applied and on the different rates respectively. They result in a harmonised computation of VAT-revenues to calculate the VAT-part of the own resources of the EU. The calculations are based on national account aggregates. Table II-1.3 indicates the share of taxable intermediate consumption of the government and non profit-institutions of the total taxable VAT-base. For 1998 the lies between 4% and 16% in different Member States. But there are also other final demand components contributing to a comparable extend to the VAT-base. From the viewpoint of VAT, which is only one part of consumption taxes included in the ITR, other correction of the denominator would be justified. On the other hand there is a clear indication that by far private consumption of households is the most important component of the tax base. This is a good reason to keep an overall implicit tax rate on consumption simple and include only final domestic consumption of households in the denominator. The implication is an overestimation of the tax burden levied on private consumers.

**Table II-1.3 Share of different categories of the total taxable VAT-base**  
1998 - in %

Member States	Final consumption of house-holds	Intermediate consumption of non-profit institutions and general government	Intermediate consumption of others sectors	Gross fixed capital formation of non-profit institutions and general government	Gross fixed capital formation of others sectors	Others
B	71	4	10	3	10	2
DK	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
D	55	8	11	3	23	0
EL	85	6	4	5	1	0
E	73	6	6	5	7	3
F	66	8	10	5	10	1
IRL	65	5	9	4	15	2

<sup>1</sup> In this respect the previous edition followed the formula proposed by Mendoza, Razin and Tesar (1994).

<sup>2</sup> A better solution would be to include directly national accounts figures of intermediate consumption of the government in the denominator.

I	76	7	0	7	4	7
L	64	5	14	7	8	1
NL	63	6	16	12	2	0
A	71	13	7	1	6	2
P	66	9	17	4	4	0
FIN	62	14	8	5	8	1
S	61	16	11	5	3	4
UK	70	9	13	2	1	5
<i>Mean</i>	<i>68</i>	<i>8</i>	<i>10</i>	<i>5</i>	<i>7</i>	<i>2</i>
	<i>11</i>	<i>45</i>	<i>48</i>	<i>56</i>	<i>82</i>	<i>104</i>
<i>Min/Max</i>	<i>55/85</i>	<i>4/16</i>	<i>0/17</i>	<i>1/12</i>	<i>1/23</i>	<i>0/7</i>

*Source:* Commission Services

This holds not only for VAT. Excises are another category of "consumer"-taxes that are paid by companies to an important part. One could argue that companies would increase their prices, which would result in higher tax burdens on consumers at the end. This kind of thinking is normally subject to a secondary or final incidence analysis of the tax burden and not subject to the construction of effective tax rates since in general it disregards any shifting of taxes. To gain an accurate measurement of the tax burden for consumers it would be beneficial to split the revenues from the taxes and charges that are paid by consumers, the government and enterprises. This approach has already been achieved for taxes or duties on motor vehicle, where only payments by households are included in our tax ratio. Splitting taxes between households and companies for all excises and other 'consumer' taxes is not straightforward. For the time being, the inclusion of all taxes potentially levied on private consumption in the tax ratio leads to a simple and comparable indicator on the tax burden on consumers in different Member States, in spite of an upward bias. A way forward seems to be the split of ITR on consumption by type of taxes (VAT, Excises, others). This might be an area of investigations for future editions.

1.3.2. *Implicit tax rate on labour*

The implicit tax rate on employed labour is defined as all direct and indirect taxes and employees' and employers' social security contributions levied on employed labour income divided by the total compensation of employees working in the economic territory.

Here, 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 consists of gross wages and thus also the amount paid as social insurance contributions and wage withholding tax. In addition, the employers' contributions to social security as well as to private pension- and related schemes are included. Compensation of employees is thus a measure of the gross economic income from employment before any statutory charges are withheld.

It must be noted that the denominator of the implicit tax rate on labour has changed compared to previous issues of this publication. Following suggestions by Member States, an adjusted implicit tax rate is computed. Since the indirect taxes on labour are part of the total labour costs of employers, they are also included in the denominator of the implicit tax rate on labour. Otherwise the tax ratio would overestimate the effective tax burden on labour income for those Member States with sizeable payroll taxes (*e.g.*, Austria and Sweden).

Ratio	Definition
Adjusted Implicit tax rate on labour (ESA95)	Direct taxes, indirect taxes and social security contributions paid by employers and employees, on employed labour income/ Compensation of employees in the economic territory
<u>Numerator:</u>	
From D51	Taxes on income:
D51	Taxes on individual or household income (part raised on labour income)
D29C	Wage bill and payroll taxes
From D611	Actual social security contributions:
D6111	Employers' actual social security contributions
D6112	Employees' actual social security contributions
<u>Denominator:</u>	
D1	Compensation of employees
D29C	Wage bill and payroll taxes

The fundamental methodological problem in calculating the implicit tax rate on labour 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). Paragraph II.1.2 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 implicit tax rate 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. In some countries, for example, the recent tax reforms may have clearly more pronounced effects on low-paid, low-qualified workers or families with children.



### 1.3.3. *Implicit tax rate on capital*

Compared to the previous edition of the structures one overall implicit tax rate on capital and a sub-rate on capital income is computed. The implicit tax rate on capital income is defined as taxes levied on income earned from the economic activities saving and investment divided by a measure of potentially taxable capital income in the economy within national accounts. The broader implicit tax rate on capital includes also taxes that are related to stocks of wealth stemming from savings and investments in previous periods as well as taxes on transactions of these stocks<sup>1</sup>. Both implicit tax rates are calculated for the private sector of the economy including companies and households. The definition of the ITR on capital income will allow a split for households and corporations in future editions to get more tax policy oriented indicators.

In this edition the improvement is to move away from a residual concept of ITR on "other production factors" to an ITR on capital. Both ITR on capital and capital income use the same denominator. The definition of the tax base is fully exploiting the sectoral accounts of ESA 95, resulting in an improved measurement on the tax burden on capital<sup>2</sup>.

Capital income in national accounts is defined as profits and property income. Profits are defined as net operating surplus (B2n) of the private sector including corporations (and quasi-corporations) and private households, self-employed and non-profit institutions (incl. mixed income B3n). The net operating surplus of the government sector is excluded, because losses or profits of the government are not subject to taxation. The gross operating surplus of the private sector also includes the net operating surplus of financial institutions including interest based profits measured by the aggregate Financial Intermediation Service (FISIM) in national accounts. This aggregate nets off when the profit of the whole economy is considered, as it was done in the previous edition of the structures. This is another reason for limiting the tax base to the private sector.

There is no simple way of approximating the tax base for property income (mainly interest and dividends) for the aggregate economy. We switched from interest paid by the government in the previous ITR to a specifically defined balance of property income of the private sector (received minus paid). The objective for the definition of this balance was to approximate the taxable profit of a company and of the taxable capital income of private households. Taxable profits of companies consist of net operating profit, property income received (financial income) less certain deductible elements of property income paid. The property income deductible from the tax base includes interest (D41) and rents on land (D45) payments. Dividends (part of distributed income of corporations - D42) are part of the financial income but they can not be deducted to calculate the taxable base. For private households taxable capital income consists almost completely of interest and dividend payments received. The new definition take into account the received property income

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<sup>1</sup> For these taxes the underlying tax base is not available in national accounts for the time being. The European system of accounts 1995 foresee an integrated reporting of balances of stocks and their changing, but up to now the data is not available for most of the Member States.

<sup>2</sup> The rationality behind the new definition of the ITR on capital and exhaustive investigations of the features of this indicator are described in ....

from abroad, but leads to an overestimation of possible tax deductions related to payments of interest (households) and dividends (companies).

Table II-1.4 below presents a comparison of the ITR based on the definition of the tax base used in the 2000 edition of the Structures of the Taxation Systems (the so-called 'previous base') with the ITR derived from the tax that is used in this publication (the so-called 'new base'). The new base being generally broader, the ITR on capital is, in most of the cases, lower than the one published so far. This result stems directly from the inclusion of profits of financial institutions in our new base: profits from financial institutions account for an increase by more than 10% of the profit base.

For the component on property income, the switch from interest paid by the government in the old definition to the balance of property income of the private sector goes in the other direction with the exception of Luxembourg. But this change has quite a smaller relative weight, and does not affect the outcome on the capital ITR significantly for most of the countries. Denmark, Finland, Sweden and Ireland(?) have a very high external debt service, 2 to 3% of GDP over the period compared to less than 1% in most of the countries. The weight of interest paid abroad overcompensates the increase in the base related to the inclusion of financial institutions. For these countries the ITR on capital is revised upward with the new definition.

**Table II-1.4 Comparison previous and new ITR on Capital**

Average 1995 to 2000 - in %

	ITR on capital (old base)	ITR on capital (new base)	ITR on capital (new / old)	Denominator new/old 1)	
				Profits	Property income
B	29,2	27,1	92,9	17,8	-20,6
DK	27,3	28,6	104,6	17,8	-69,6
D	26,9	24,1	89,4	17,0	-17,7
EL	15,6	15,3	97,9	6,3	-17,9
E	22,3	20,9	93,6	13,6	-35,7
F	41,5	39,6	95,3	6,8	-6,3
IRL <sup>2)</sup>	18,4	26,0	141,1	7,4	-501,0
I	28,2	26,9	95,2	12,4	-20,2
L <sup>2)</sup>	56,1	29,7	53,0	51,0	2803,2
NL	30,5	28,3	92,6	12,4	-12,6
A	29,7	25,3	85,2	25,5	-25,7
P*	26,5	23,6	89,0	19,1	-22,3
FIN	27,3	30,2	110,7	9,1	-98,9
S** <sup>3)</sup>	27,2	28,3	104,0	15,2	-61,6
UK	36,4	30,5	83,7	17,2	30,7

\* 1998 to 1995. \*\* 1999 to 1995

1) Difference new to old in relation to old base

2) new base incl. D4net. - 3) new base incl. D43net.

**Table II-1.5 Definition implicit tax rate on capital**

Ratio	Definition
Implicit Tax Rate on Capital (ESA95)	$\frac{\text{Capital taxes/}}{\text{B2n\_S11-12} + \text{B2n\_S14-15} + \text{B3n\_S14} + \text{netD41\_S11-12} + \text{netD45\_S11-12} + \text{netD42\_S11-12} + \text{D42rec. by S13} + \text{D42rec. by S2} + \text{netD41\_S14-15} + \text{netD45\_S14-15} + \text{D42rec. by S14-15}}$
<u>Capital taxes:</u>	
From D51-Taxes on income:	
D51A	Taxes on individual or household income (part paid on capital and self-employed income)
D51B	Taxes on the income or profits of corporations
D51C	Taxes on holding gains
D51D	Taxes on winnings from lottery and gambling
From D59-Other current taxes	
D59A	Current taxes on capital
D59F	Other current taxes on capital
D9-Capital taxes	
From D214-Taxes on products, except VAT and import taxes:	
D214B	Stamp taxes
D214C	Taxes on financial and capital transactions
D214D	Car registration tax
From D29-Other taxes on production	
D29A	Taxes on land, buildings and other structures
D29B	Taxes on the use of fixed assets
D29E	Business and professional licenses
D29H	Other taxes on production n.e.c.
<u>Tax Base</u>	
B2n_S11-12	Net operating surplus of non-financial and financial corporations (incl. quasi-corporations)
B2n_S14-15	Imputed rents of private households and net operating surplus of non-profit institutions
B3n_S14	Net mixed income of self-employed
netD41_S11-12	Net interest payments of non-financial and financial corporations (received minus paid)
netD45_S11-12	Net property rents on land of non-financial and financial corporations (received minus paid)
netD42_S11-12	Net dividends of non-financial and financial corporations (received minus paid)
D42rec. by S13	Dividends received by general government
D42rec. by S2	Dividends received by rest of the world
netD41_S14-S15	Net interest payments of households, self employed and non-profit organisations (received minus paid)
netD45_S14-S15	Net rents on land of households, self employed and non-profit organisations (received minus paid)
D42rec. by S14-15	Dividends received by private households

**Table II-1.6 Definition implicit tax rate on capital income**

Implicit Tax Rate on Capital Income (ESA95)	Capital income taxes/ $B2n\_S11-12 + B2n\_S14-15 + B3n\_S14 +$ $netD41\_S11-12 + netD45\_S11-12 +$ $netD42\_S11-12 + D42rec. by S13 + D42rec. by S2 +$ $netD41\_S14-15 + netD45\_S14-15 + D42rec. by S14-15$
<u>Capital income taxes:</u> From D51-Taxes on income: D51A Taxes on individual or household income (part paid on capital and self-employed income) D51B Taxes on the income or profits of corporations D51C Taxes on holding gains D51D Taxes on winnings from lottery and gambling  <u>Tax Base</u> B2n_S11-12 Net operating surplus of non-financial and financial corporations (incl. quasi-corporations) B2n_S14-15 Imputed rents of private households and net operating surplus of non-profit institutions B3n_S14 Net mixed income of self-employed netD41_S11-12 Net interest payments of non-financial and financial corporations (received minus paid) netD45_S11-12 Net property rents on land of non-financial and financial corporations (received minus paid) netD42_S11-12 Net dividends of non-financial and financial corporations (received minus paid) D42rec. by S13 Dividends received by general government D42rec. by S2 Dividends received by rest of the world netD41_S14-S15 Net interest payments of households, self employed and non-profit organisations (received minus paid) netD45_S14-S15 Net rents on land of households, self employed and non-profit organisations (received minus paid) D42rec. by S14-15 Dividends received by private households	

**2. DISTRIBUTION OF THE TAX BURDEN ACCORDING TO ECONOMIC FUNCTIONS**

### 3. IMPLICIT TAX RATE ON LABOUR

#### 3.1. Declining tax burden on labour in recent years

Previous publications by Commission services on the Structures of taxation systems in the Union<sup>1</sup> based on ESA 79 classification, all reported a common increasing trend in the tax burden on labour income in the EU area since the beginning of the early 1970s (despite some decreases in single years). This general increase, quite marked in the 1970s and still significant in the 1980s and the first half of the 1990s, was closely related to the increasing share of the public sector in the economy, in particular social welfare spending driven by dependency ratios (especially pensions, health care and other social security benefits). The increase in the first half of the 1990s was most notably associated with increases in social security contributions related to the recession at the beginning of the decade.

Since the late 1990s, however, a number of Member States implemented fiscal measures to lower the tax burden on labour income, in order to boost the demand for labour, and to foster work incentives<sup>2</sup>. Concerns about excessive labour costs prompted initiatives in several Member States to reduce non-wage labour costs (*i.e.*, social security contributions and other payroll taxes) across-the-board. Other Member States put forward targeted reductions of social security contributions for low-paid and low-qualified workers. Reforms of personal income tax codes often consist of lowering statutory tax rates, as well as raising the minimum level of tax exempted income and/or introducing specific tax base deductions or tax liability credits for workers with relatively low levels of earnings<sup>3</sup>.

It now appears that the implicit tax rate on labour has mostly stabilised or declined slightly since late 1990s (Table II-3.1), with the exception perhaps of Austria, Greece and Portugal, where the ratio continued to increase slightly. Previous data (EU15, ESA79) displayed a steady increase in the weighted implicit tax rate on labour income in the Union as a whole (weighted by the total compensation of employees in the economy) from less than 30% in 1970 to its peak of almost 42% in 1997. New ESA95 data indicate that the weighted EU 15 implicit tax rate was subsequently reduced from around 38% in 1996 and 1997 to 37% in 2000. It is estimated to fall to around 36,4% in 2001. It thus appears as if the general increasing trend has stabilised or reversed slightly<sup>4</sup>. The pattern of the changes is rather diverse across Member States. The projected change between 1997 and 2001 in the weighted EU15 implicit tax rate is mainly influenced by the decrease in Germany (-1,7 percentage points), in France (-1,7 percentage points) in the Netherlands (-1,8) and Sweden (-1,3 percentage points). Above average reductions are also visible for Denmark (-1,6 percentage points) and Ireland (-2,4 percentage points).

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<sup>1</sup> European Commission (2000 A, B).

<sup>2</sup> Carone and Salomäki (2001).

<sup>3</sup> See the country annexes for more details.

<sup>4</sup> A markedly slower annual rate of increase in the average effective tax rate on labour is reported for the 1990-2000 period in Carey and Rabesona (2002).

**Table II-3.1 Implicit tax rates on labour in the Union**

1995-2001 (provisional estimate), in %

	1995	1996	1997	1998	1999	2000	2001		Change 1995-2001	Change 1997-2001
B	44,2	43,8	44,3	44,6	43,8	43,7	44,0	(p)	-0,3	-0,4
DK	42,8	43,1	43,0	41,9	42,8	42,5	41,5	(p)	-1,3	-1,6
D	39,5	39,7	40,5	40,5	40,2	40,4	38,8	(p)	-0,7	-1,7
EL	34,4	35,6	36,1	37,5	39,2	38,5	37,5	(p)	3,1	1,4
E	32,2	32,9	32,1	31,6	30,8	31,2	31,9	(p)	-0,3	-0,2
F	40,1	40,3	39,6	38,0	38,5	38,4	37,9	(p)	-2,2	-1,7
IRL	29,6	29,5	29,8	29,2	28,6	28,8	27,4	(p)	-2,2	-2,4
I	37,8	41,4	43,1	44,1	43,1	42,6	43,1	(p)	5,2	0,0
L	29,8	29,9	30,2	29,0	29,7	30,7	29,8	(p)	0,0	-0,4
NL	35,1	34,1	33,4	33,8	34,6	34,9	31,6	(p)	-3,5	-1,8
A	38,5	39,5	40,6	40,5	40,6	40,2	41,7	(p)	3,2	1,1
P	31,3	31,8	32,5	33,4	33,6	34,1	33,9	(p)	2,6	1,4
FIN	46,6	47,7	46,4	46,9	46,4	47,3	45,3	(p)	-1,3	-1,2
S	48,4	48,9	49,8	51,2	49,7	49,1	48,5	(p)	0,1	-1,3
UK	26,1	25,3	24,8	25,8	25,7	26,3	26,3	(p)	0,2	1,6
EU	37,3	37,7	37,5	37,4	37,1	37,0	36,4	(p)	-0,9	-1,1

(p) Provisional estimate.

Source: Commission Services

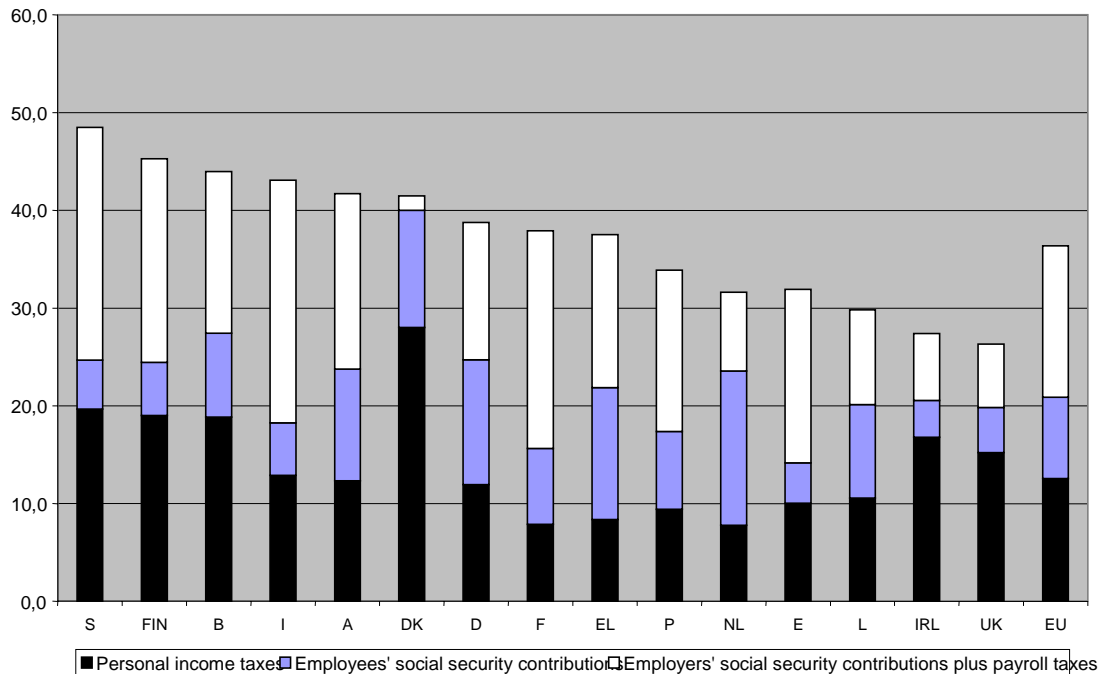
By the year 2001, labour income is estimated to be most heavily taxed in Sweden, Finland and Belgium, with implicit tax rates well above 40% of the wage bill. Luxembourg, Ireland and the United Kingdom, on the other hand, stand out with implicit tax rates below 30% (Graph II-3.1). For the majority of the countries in Union, the implicit tax rate on labour largely reflects the important role played by wage-based contributions in financing the social security system<sup>5</sup>. In the Union as a whole, somewhat more than 60% of the overall implicit tax rate on labour consists of non-wage labour costs paid by both employees and employers<sup>6</sup>. Only in Denmark, and also in Ireland and the United Kingdom, personal income taxes form a relatively large part of the total charges paid on labour income. In Denmark, the share of social security contributions in government receipts is negligible as most welfare spending is financed out of general taxation. The relatively low tax burden on labour in Ireland and the United Kingdom can largely be explained by the relatively low shares of the social security contributions in these countries. The overall rate of personal income taxation (as percentage of total labour costs) seems for example not very different from high tax countries like

<sup>5</sup> It should be noted that the categories 'personal income tax' and 'social security contributions' in the graph sometimes consist of multiple tax categories. In the 'Nordic' countries, for example, the recorded amount of personal income tax does not only consist of central government income tax, but also 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 of the debt of the social security institutions ('CRDS') are partially booked as income tax on labour income. In Austria, the tax on industry and trade and the contribution to chambers are also partially booked as income tax on labour income. In Italy, a new tax IRAP based on value added was introduced at the time in 1998 when employers' social contributions were substantially reduced. A part of its revenue has been allocated to labour and employers' social security contributions in particular (and also included in the denominator of the tax ratio).

<sup>6</sup> It is worth noting that the effective tax rate on labour in the US was estimated just 24% in 1999, with non-wage labour cost only 12% of the average gross wage. See European Commission (2000A).

Sweden, Finland and Belgium. The latter countries have a relatively high rate of both personal income tax and social security contributions.

**Graph II-3.1 Decomposition implicit tax rate on labour**  
2001 (provisional estimate), in %



Source: Commission Services.

The average implicit rate on labour (EU15) still remains relatively high in comparison with other OECD countries, in particular the US, Canada and Japan<sup>7</sup>. It should however be noted that the full effects of recent fiscal reforms are reflected in the data with some delay<sup>8</sup>. Also, a number of countries have announced further fiscal measures to improve labour market performance, which will last or come into effect well beyond the year 2001 (e.g., France, Ireland, Germany, Spain, Italy and Belgium).

To identify the main driving factors behind recent years' changes in the tax burden on labour, Graph II-3.2 decomposes the changes in implicit tax rate on labour between 1997 and 2001 further into changes of ratios of personal income tax and non-wage labour costs to total labour costs. The implicit tax rate on labour is the sum of the two ratios. Based on the comparisons of two ratios over time, it appears that the recent reductions in social security contributions were quite significant in France, and to a lesser extent also in Germany and in the Netherlands. In other Member States the reductions in social security contributions seem to have had a relatively low impact on the

<sup>7</sup> Carey and Rabesona (2002) estimated the EU average effective tax rate on labour reached some 37% in 1999, compared with 25% and 23% for the United States and Japan, respectively. Martinez-Mongay (2000) provides broadly similar differences between the EU and the United States and Japan.

<sup>8</sup> See paragraph II.3.2.



corresponding implicit tax rate on labour. This is not surprising, since the social security measures were often targeted (*e.g.*, at the low end of the pay scale, new jobs, shifting to permanent contracts) and affected only a relatively small part of the aggregate tax base. Reductions in personal income tax appear to be particularly important in Denmark, Ireland, Luxembourg and Sweden.

The underlying components of the changes in the implicit tax rates are rather diverse across Member States. The reduction in personal income tax between 1997 and 2001 in Denmark, Spain, Ireland, Luxembourg and Sweden, for example, largely offsets the observed increase in social security contributions. In Belgium, Greece France, Italy, Austria, on the other hand, observed increases in personal income tax were apparently outbalanced by reductions in social security contributions. Germany, the Netherlands and Finland implemented reductions in both personal income tax and non-wage labour costs. Portugal, on the other hand, saw increases in both personal income tax and social security contributions. Graph II-3.3 presents an overview of the main fiscal measures that seem to be – partially – reflected in the projected changes in the implicit tax rate on labour over the period 1997-2001. More details about the recent tax reforms are given in the country annexes.

**Table II-3.2 Main measures that are (partially) reflected in the tax ratio**

	<b>Personal income taxes</b>	<b>Social security contributions</b>
B	Indexing of tax brackets abandoned and introduction of ‘crisis tax’ on top of all statutory rates plus ‘solidarity levy’ on personal income (1997).	Lowering of employers’ SSC, especially for the low-paid. The scope of the reductions was widened to more SSC schemes (1997-2001).
DK	Reductions of personal income tax, especially at the bottom- to the middle end (1999-2001).	Temporary contribution to supplementary pension system made permanent. Split of unemployment SSC into two: one for unemployment insurance and the other is a voluntary contribution to early retirement scheme. Combined contribution is higher (1999).
D	Across-the-board reductions of personal income tax (1999-2001).	Reduction of SSC to the pension system (1999-2001).
EL	Reduction of highest statutory personal income tax rate, indexing of tax brackets plus increase in standard tax allowances (2000-2001).	Reductions of employers’ and employees pension contributions for new staff and at the low end of the wage scale (2000-2001).
E	Reduction of lowest and highest statutory personal income tax rate. Increase in personal allowances (1999).	Targeted reductions in SSC (1997-2000). Reduction in unemployment SSC for employers and employees (2001).
F <sup>1</sup>	Reductions of personal income tax, especially at the bottom to the middle end (2001). Introduction CRDS (1996). Increase in the rate and the contribution base of CSG (1997).	Reduction of employees’ SSC for low-paid workers in association with reduction working week (1997-2001). Reduction of employees’ sickness SSC (1998). Reduction of employees’ and employers’ unemployment SSC (2000-2001).

IRL	Personal income tax reductions, especially at the bottom- to the middle end (1996-2001).	Reductions in employers' and employees' SSC (1997-2000). Employers pay SSC on full salaries due to abolition of the ceiling from 2001 onwards. Also, national training fund levy became payable by employers. This is partly offset by cuts in employers' SSC rates.
I <sup>2</sup>	Personal income tax rate of second bracket down (2000) Reduction for the lowest bracket (2001).	Reduction of employers' SSC rate. Introduction of IRAP based on value added (1998). Reductions of SSC for new jobs and at the low end (1997-2000).
L	Across-the-board reduction of personal income tax (2000-2001).	Increase in SSC for sickness insurance (1999).
NL <sup>3</sup>	Across-the-board reduction of (combined) tax burden of personal income tax and SSC (2001).	SSC for disability insurance scheme shifted from the employee to the employer (1998). Reductions of wage tax and SSC for the long-term unemployed, the low-paid and for training (1996-2001).
P	General reduction of tax rates (2001).	Targeted reductions in employers' SSC (2001).
A <sup>4</sup>	Increase in family allowances and tax credits (1998-2000). Reduction of tax rates especially at the bottom- to the middle end (2000).	Reduction of employer's SSC for health insurance (2001).
FIN	Personal income tax reductions, especially at the bottom- to the middle end (1997-2001).	Reductions of employees' and employers' SSC (1997-2001).
S	Personal income tax reductions, especially at the bottom to the middle end (1999-2001).	Introduction of general individual pension contributions (1998).
UK <sup>5</sup>	Personal income tax reductions, especially at the bottom to the middle end (1999).	Increase in starting point for paying SSC for employers and employees. Reduction in employers' SSC (2001).

<sup>1</sup> In France, the effect of recent reductions of personal income tax were apparently offset by higher revenues from the generalised social contribution (CSG) and the contribution for the reduction of the debt of social security institutions (CRDS) since late 1990s. France also witnessed sharp increases in tax receipts in the financial year 1999, notably from direct taxes.

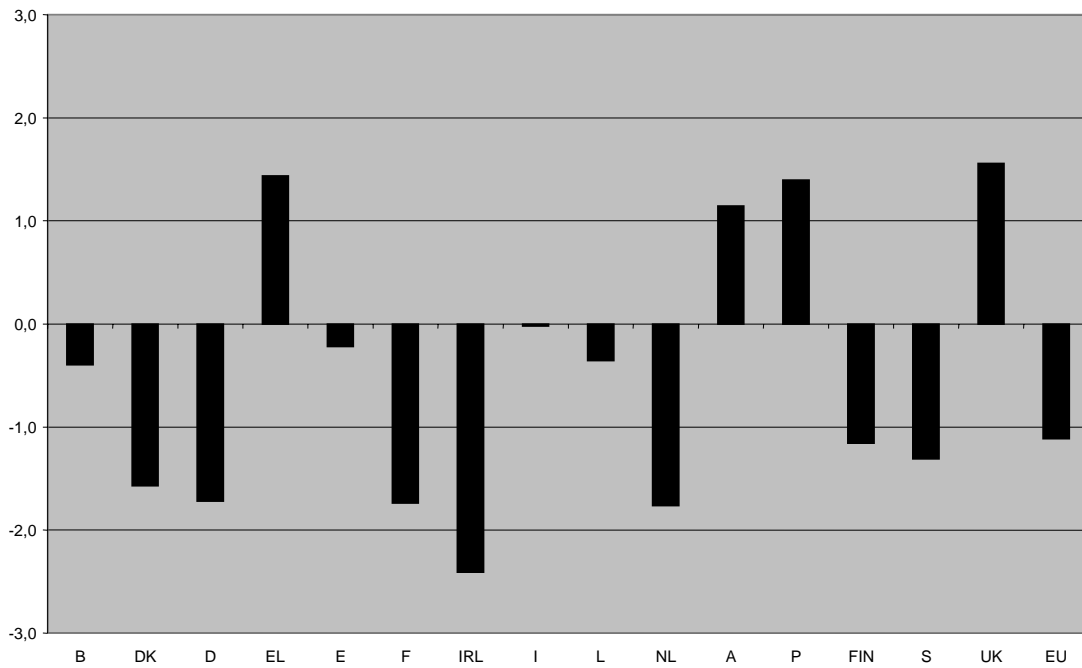
In Italy, the 1997-1998 tax reform eliminated employer's compulsory health care contributions, bringing the overall employer's social security contribution rate down substantially. At the same time, however, a new tax, called 'IRAP', based on value added was introduced. For reasons of comparability, a part of the revenue of this new tax has been allocated to labour income (and included in the denominator of the implicit tax rate) while it is not actually levied on wages and salaries as such.

<sup>2</sup> In the Netherlands, the observed reduction in non-wage labour costs hides a shift in the contribution for the general disability act from the employee to the employer in 1998.

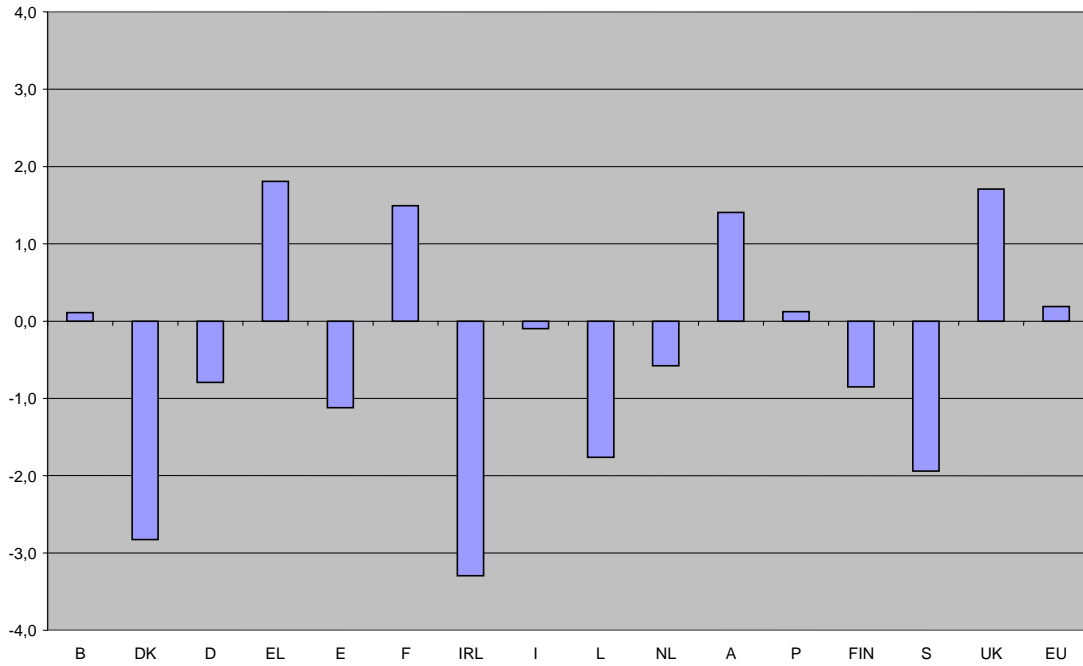
<sup>4</sup> In Austria, the effects of the recent reductions in personal income tax were apparently offset as a result of sharp (projected) increases in direct tax revenues in 2001. These increases are related to base-broadening measures and significantly increasing tax pre-payments, in reaction to the introduction of interest charges on tax arrears from October 2001 onwards.

<sup>5</sup> In the United Kingdom, the recent reductions in personal income tax were apparently offset as a result from sharp increases in personal income tax revenues. The reductions were also targeted at the bottom- to the middle end of the income distribution.

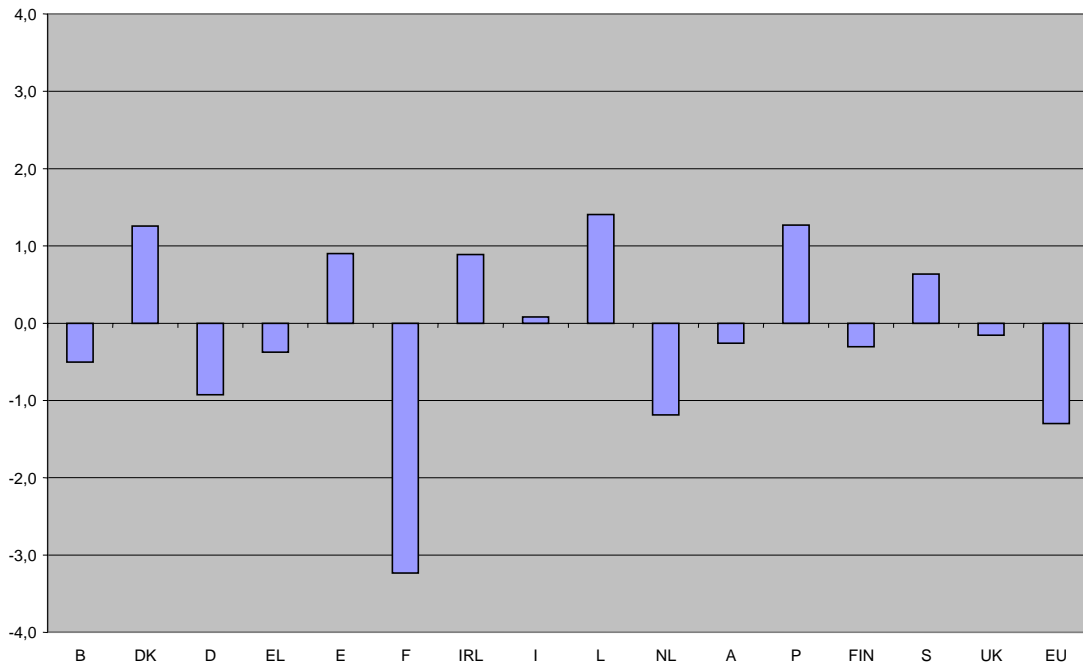
**Graph II-3.2 Overall changes in the implicit tax rate on labour**  
Difference 2001-1997, in % points



**Graph II-3.3 Changes in ratio of income tax to total labour costs**  
Difference 2001-1997, in % points



**Graph II-3.4 Changes in ratio non-wage labour costs to total labour costs**  
Difference 2001-1997, in % points



Source: Commission Services.

Slight positive changes in the implicit tax rate between 1997 and 2001 are projected for Greece, Austria, Portugal and the United Kingdom. Seen over the entire period, however, the tax burden on

labour appears to have more or less stabilised in the United Kingdom. The implicit tax rate in the United Kingdom has in fact been remarkably stable since the early 1970s, while in most countries a pronounced upward trend has been registered. The effects of the recent targeted reductions in personal income tax were apparently offset as a result of sharp increases in personal tax revenues. In Austria, the effects of the recent reductions in personal income tax appear to be offset as a result from sharp increases in direct tax revenues in 2001. These increases are related to recent base-broadening measures and significantly increasing tax pre-payments, in reaction to the introduction of interest charges on tax arrears from October 2001 onwards<sup>9</sup>.

### 3.2. A note on the properties of the implicit tax rate on labour

The implicit tax rate on labour is a macro backward-looking indicator that is mainly derived from aggregate data in National Accounts. As such, the tax ratio 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<sup>10</sup>. The decomposition of the total tax wedges, for example, may be quite different at relatively low or relatively high wages. Also, in some countries the recent fiscal reforms may, for example, have had more pronounced effects on low-paid, low-qualified workers or families with children. Also, when interpreting the time-series comparisons, it should be borne in mind that the evolution refers to an *ex-post* trend without disentangling cyclical and structural elements. This means that the observed changes may only partially reflect discretionary tax policy measures. In some Member States, for example, strong economic growth may have moved taxpayers into higher personal income tax brackets (“bracket creep”), and may have induced a cyclical swing in the implicit tax rate on labour that may to some extent offset the *ex-ante* expected fall driven by the tax reforms. In addition, it should again be noted that the figures in the National Accounts do not follow a real accrual principle. According to the ESA95 guidelines for the national accounts, the taxes should be recorded when the underlying economic event/transaction takes place rather than when the actual tax payment is made. Personal income tax, for example, is typically levied on incomes accrued one year prior to actual collection. However, most statistical offices in fact use “time shifted” cash figures for a few months, and declare them as accrual. This means that the expected (*ex ante*) effects of tax reforms are reflected in the figures with some delay.

### 3.3. A comparison with tax wedges computed for example households

Every year, the OECD releases *Taxing Wages*, a publication providing internationally comparable data on total tax wedges - between labour costs to the employer and the corresponding net take-home pay of the employee – for various example households and different representative wage levels. It is

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<sup>9</sup> Since due to the introduction of this measure the time profile of tax revenues has changed the question can be raised whether, in accordance with ESA95 rules, part of the additional tax revenue in 2001 should be time-adjusted and attributed to years other than 2001. The issue is currently being discussed with EUROSTAT and the national authorities and could lead to a (relatively small) revision of the revenue figures.

<sup>10</sup> Clark 2002

assumed that the earned income derived from employment is equal to a given fraction of the average gross earnings of adult, full-time workers in the manufacturing sector. The tax wedges are calculated on the basis of the tax legislation, by expressing the sum of personal income tax, employee plus employer social security contributions together with any payroll tax, as percentage of total labour costs. They have the theoretical possibility to disentangle discretionary tax policy measures as regards to personal income tax and social security contributions. However, because of the theoretical approach, this method does not relate to actual tax revenue, nor does it incorporate all the elements of the tax system that may be relevant, such as effects of special tax relief available on the tax base.

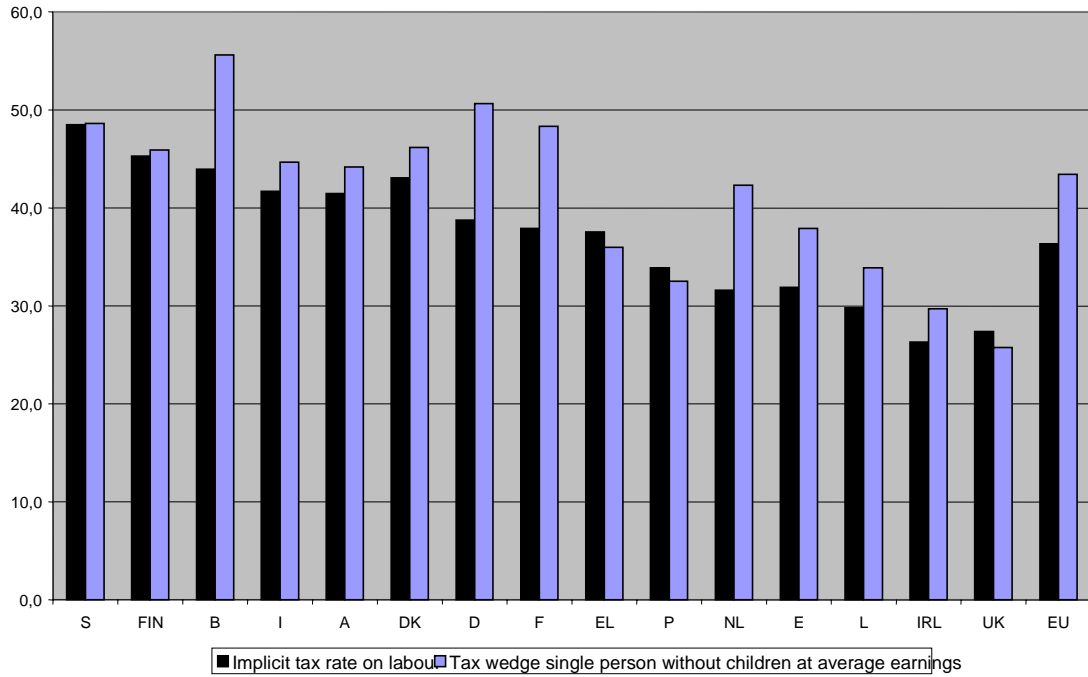
Pair-wise comparisons between the macro - backward looking implicit - tax rates on labour and the - micro example - tax wedge for a single average production worker at average earnings (without children) indicate that the tax wedges are significantly higher than the implicit tax rates on labour for some countries (Graph II-3.5). As a result, the ranking between the Member States may also be quite different. The differences are not specific to a single year. Nevertheless, the correlation between the macro and micro indicators is still moderately strong<sup>11</sup>: Member States with a high tax wedge for the average production worker generally also have relatively high implicit tax rates on labour and the other way around. For example, Sweden and Belgium are consistently in the higher group regarding the taxation of labour, and Ireland and the United Kingdom are always in the lower range (Graph II-3.6).

A complete (ranking) correlation cannot be expected, due to the conceptual and statistical differences between the macro and the micro indicators. The gross wages and salaries from National Accounts which form the basis of the implicit tax rate on labour do not correspond to the particular wage level of an average full-time production worker in the manufacturing industry. The aggregate gross compensation of employees represents the sum of all gross wages paid in a given year, *i.e.*, they include all workers, both full-time and part-time and across all economic sectors. Moreover, the denominator of the micro example tax wedge does in some cases not contain information of employer provided contributions to private pension and related schemes. Also, the numerators of the two indicators do correspond fully. The macro implicit tax rate uses the *actual* tax revenues raised on total labour income in a certain year with accrual adjustments. The diversity of different household- and wage level situations will be reflected in these actual tax revenues. Some of the observed differences between the macro and micro indicators can probably be explained by 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. Such employees with relatively low tax burden apparently have a substantial weight in the calculation of the implicit tax rate on labour. Also, the micro tax wedge indicator does not incorporate 'other' taxes, such as the 'IRAP' in Italy, which ultimately also fall on labour income, although they are not always actually levied on wages and salaries as such.

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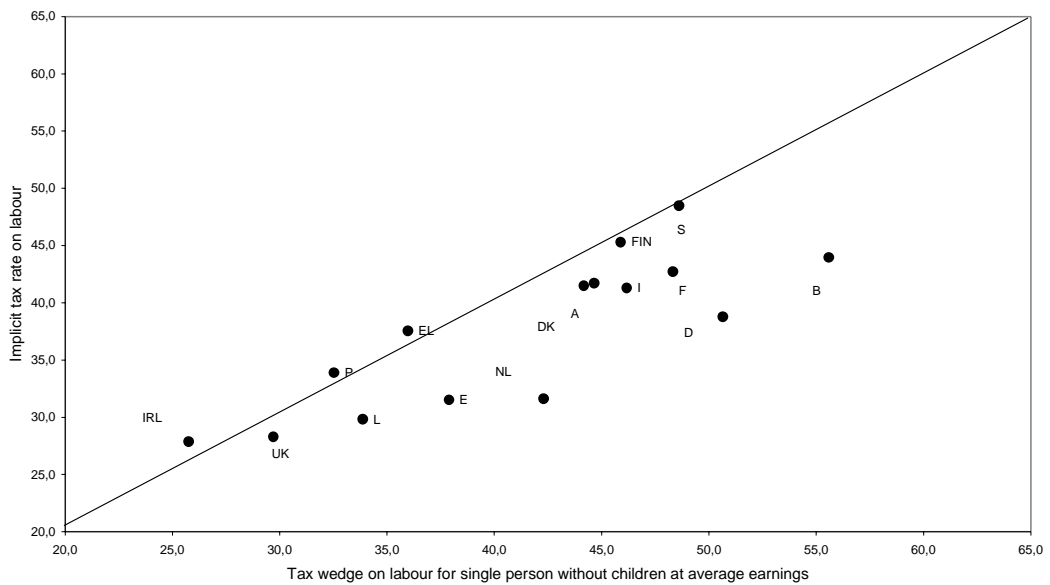
<sup>11</sup> If Spearman's Rho test is run on the different ranges of levels, it actually seems that the rankings are not method-specific. Spearman's correlation coefficient is a measure of the linear relationship between two variables. It differs from the standard Pearson correlation coefficient only in that the computations are done when the levels are converted to ranks. The actual value of the test statistic is 0,8214, while critical value for the test statistic is 0,6536 for  $\alpha = 1\%$  and  $n = 15$ .

**Graph II-3.5** Pair-wise comparisons between macro and micro indicators  
2001 (provisional estimates), in %



Source: Commission services, using data from *Taxing Wages* (OECD (2001)).

**Graph II-3.6** Correlation between macro and micro indicators  
2001 (provisional estimates), in %



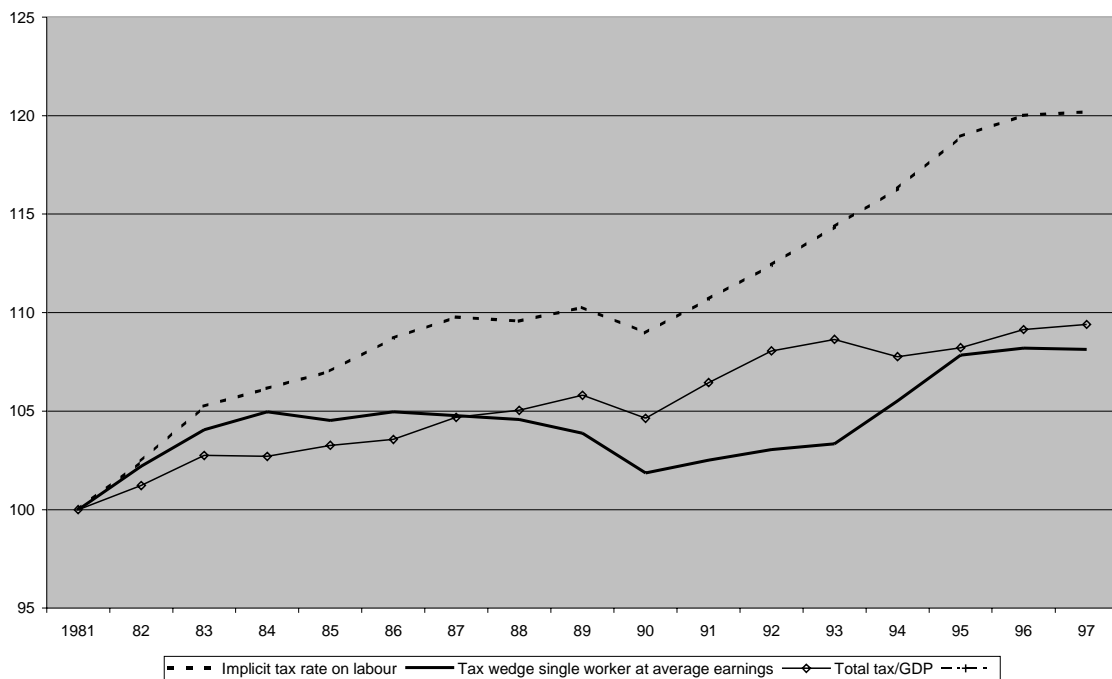
Source: Commission services, using data from *Taxing Wages* (OECD (2001)).

The following graphs compare longer time-trends between the micro tax wedge and two macro backward-looking tax ratios: the implicit tax rate on labour and the tax-to-GDP ratio. The tax-to-GDP ratio is calculated by expressing all taxes as a share of GDP. For each year GDP-weighted averages are computed. Indices representing the trend of each variable have been plotted in Graph II-3.7 for the period 1981-1997 (ESA79 data with 1981=100) and Graph II-3.8 for the period 1995-2001 (new ESA95 data with 1995=100). Available data permit only 14 countries to be included in the analysis for 1981-1997<sup>12</sup>.

During the first two decades of the period (1981-1997), the overall tax burden rose by almost 10 per cent, with some marked fluctuations. The tax burden on labour – as measured by the implicit tax rate on labour – increased more or less in line with the tax-to-GDP ratio, but clearly more sharply (by 20 per cent). After rising markedly in the early 1980s, the tax wedge for an average worker remained more or less stable during the mid-1980s. In the late 1980s the tax wedge even almost fell back to the level of 1981. During the first half of the 1990s the tax wedge stayed more or less at this level. With some important fluctuations, the tax wedge then increased more or less in line with the implicit tax rate on labour until the late 1990s.

**Graph II-3.7 Time trend micro and macro indicators**

1981-1997 (ESA79 data), GDP weighted average of fourteen countries, index 1981=100



Source: Commission services, using data from *Taxing Wages* (OECD (2001 and previous editions)).

During the second period (1997-2001), the tax burden on labour starts to decline. The reductions in the tax wedge for an average production worker are however clearly more pronounced, as they are often direct consequences of the recent tax reforms. The changes are particularly large in Ireland,

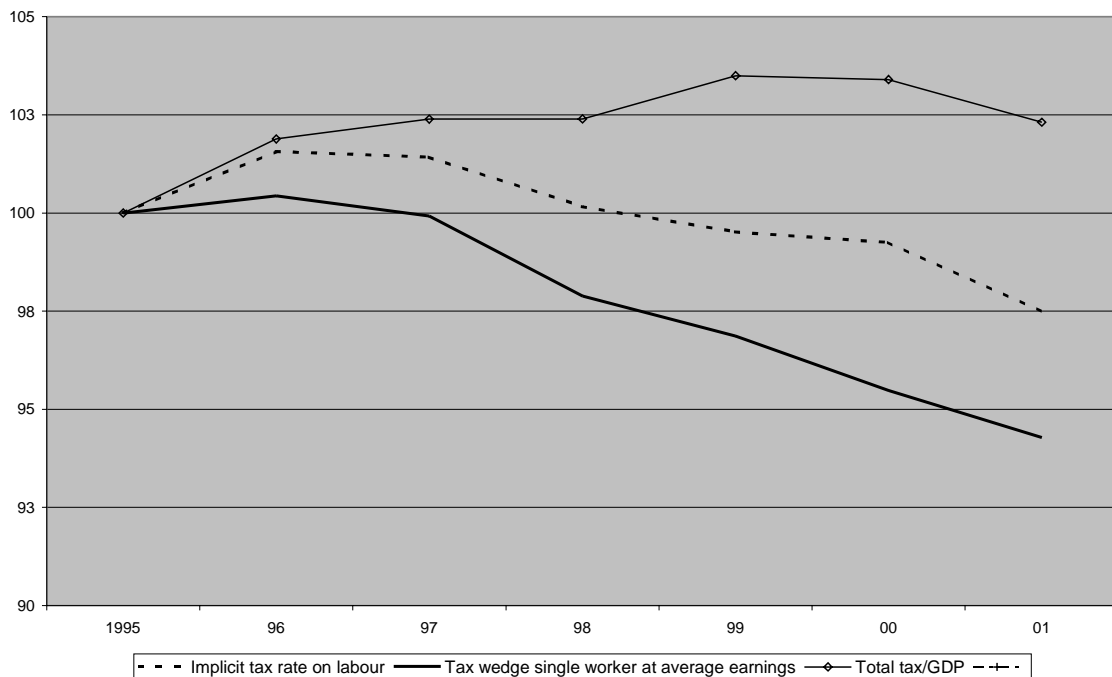
<sup>12</sup> The tax wedge indicators for France are not included.



Italy, Finland and also in the United Kingdom (see Table II-3.3). The latest edition of *Taxing Wages*<sup>13</sup> projects above average reductions in the tax wedge between 2000 and 2001 for Ireland (-3,1 percentage points) and the Netherlands (-2,8 percentage points). Ireland reduced both the standard rate and the higher rate of its personal income tax by two points each. The lower tax wedge in the Netherlands is a direct consequence of the 2001 tax reform. As part of the tax reform package, the combined rate of personal income tax and social security contributions was reduced, with personal allowances being replaced by tax credits, plus an additional non-refundable tax credit for workers.

**Graph II-3.8 Time trend micro and macro indicators (continued)**

1995-2001 (new ESA95 data), GDP-weighted average of fifteen countries



Source: Commission services, using data from *Taxing Wages* (OECD (2001 and previous editions)).

The conclusion from these brief comparisons should be that observations at the micro-level for one particular wage level can not simply be projected onto the macro-level, and conversely. However, the correlation between the micro- and macro indicators seems to be reasonably strong. Countries with a relatively high tax wedge for a production worker at average earnings should generally also have a relatively high macro implicit tax rate on labour, and the other way around. Both tax indicators should also have comparable informative content as regards to general - long-term - increasing- or decreasing trends in the tax burden on labour, although there can be sizeable differences in the level of the changes.

<sup>13</sup> OECD (2001)

**Table II-3.3 Tax wedge on labour for a single (example) worker at average earnings**  
1995-2001, in %

	1995	1996	1997	1998	1999	2000	2001		Difference	Difference
									1995-2001	1997-2001
B	56,3	56,4	56,6	56,8	56,9	56,2	55,6 (p)		-0,8	-1,0
DK	45,2	44,8	45,1	43,7	44,5	44,4	44,2 (p)		-1,0	-1,0
D	50,2	51,2	52,3	52,2	51,9	51,8	50,7 (p)		0,4	-1,7
EL	35,6	35,8	35,8	36,1	35,7	36,0	36,0 (p)		0,4	0,1
ES	38,5	38,8	39,0	39,0	37,5	37,6	37,9 (p)		-0,6	-1,1
FR	49,1	49,7	48,7	47,6	48,1	48,2	48,3 (p)		-0,8	-0,4
IRL	36,9	36,1	33,9	33,0	32,4	28,9	25,8 (p)		-11,1	-8,2
I	50,3	50,8	51,5	47,5	47,2	46,7	46,2 (p)		-4,2	-5,3
L	34,3	34,5	35,2	33,8	34,6	35,5	33,9 (p)		-0,4	-1,3
NL	44,8	43,8	43,6	43,5	44,3	45,1	42,3 (p)		-2,5	-1,3
AU	41,2	44,8	45,6	45,8	45,9	44,9	44,7 (p)		3,4	-0,9
P	33,7	33,8	33,9	33,8	33,4	33,5	32,5 (p)		-1,2	-1,4
FIN	51,2	49,4	48,9	48,8	47,4	47,3	45,9 (p)		-5,3	-3,1
SW	49,3	50,2	50,7	50,7	50,5	49,5	48,6 (p)		-0,7	-2,1
UK	33,4	32,6	32,0	32,0	30,8	30,1	29,7 (p)		-3,7	-2,3
EU	46,1	46,4	46,0	45,1	44,6	44,1	43,4 (p)		-2,7	-2,6

(p) Provisional estimate

Source: Commission services, using data from *Taxing Wages* (OECD (2001 and previous editions)).

## 4. TRENDS IN THE IMPLICIT TAX RATE ON CAPITAL

### 4.1. Increasing tax burden on capital in recent years

Although the increasing and recently more flattening trend in the tax burden on labour is an undisputed fact, empirical evidence on the tax burden on capital is more controversial. The implicit tax rate on other production factors as published in the previous edition of the structures based on national accounts ESA79 indicates for the 15 Member States of the European Union a slight decrease in the effective tax burden starting in 1981 until the mid nineties, followed by a period of stabilisation from the late eighties to the early nineties. The implicit tax rate (ITR) on capital calculated in this publication to measure the average effective tax burden on capital for companies and households of Member States economies does not show a similar pattern of development. On the contrary, in this period a sharp increase in this refined indicator can be observed<sup>1</sup>. Although this indicator incorporates the whole private sector of the economy it can be shown that the increase in the effective taxation of profits of corporation plays an important role. Four channels influence the ITR on capital income, explaining its increase in the period:

- Tax policy: Cuts in the nominal tax rates on corporations were accompanied by measures that broadened the taxable base, sometimes offsetting the reductions in the statutory rate that most of the Member States have continued even in the period 1995 to 2001 (Table II-4.1).
- The business cycle: Theoretical reasoning as well as empirical evidence suggests a pro-cyclical behaviour of the ITR on capital income, resulting in a rise partly caused in the upswing of this period.
- Structural changes in the behaviour of companies: We find empirical evidence that companies changed their way of financing (and distribution of profits) from debt to equity financing proved by less interest and more dividend payments. Most tax systems in the EU are not neutral concerning financing and allow interest payments deductions to calculate the tax base. The shift towards dividends result in a higher tax burden on companies profits.
- Tax base elements that are out of the scope of this indicator: In this time of booming stock markets capital gains and tax revenues from this income source has raised remarkably. Because this type of taxable income is not related to a production process in one or the other way but stems from changes in valuations of assets in different periods it is not part of generated or distributed income in national accounts.

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<sup>1</sup> A more pronounced increase can be observed using the indicator of the previous edition of the Structures of the taxation system. The denominator of this previous indicator is not a good approximation of taxable capital income in the economy since it neglects considerable parts of financial profits and property income. The OECD (Carey, Rabesona 2002) using a similar biased denominator reports also increases in the implicit tax rate on capital.

**Table II-4.1 Nominal corporate tax rates**

	In %, Difference in %-Points						
	1986	1991	1995	1998	2001	Difference 1986/2001	Difference 1995/2001
B	45,0	39,0	39,0	39,0	39,0	-6,0	0,0
DK	50,0	38,0	34,0	34,0	30,0	-20,0	-4,0
D	56,0	50/36	45/30	45/25	25,0	-31,0	-20/-5
EL	49,0	46,0	35/40	35/40	35,0	-9,0	-0,0
E	35,0	35,0	35,0	35,0	35,0	-0,0	-0,0
F	45,0	42,0	33,3	41,6	36,4	-8,6	3,1
IRL	50,0	43,0	40,0	32,0	20,0	-30,0	-20,0
I	36,0	36,0	36,0	37,0	36,0	-0,0	-0,0
L	40,0	33,0	33,0	30,0	30,0	-10,0	-3,0
NL	42,0	35,0	35,0	35,0	35,0	-7,0	-0,0
A	50,0	30,0	34,0	34,0	34,0	-16,0	-3,0
P	42/47	36,0	36,0	34,0	32,0	-15,0	-4,0
FIN	33,0	23,0	25,0	28,0	29,0	-4,0	4,0
S	52,0	30,0	28,0	28,0	28,0	-24,0	-0,0
UK	35,0	34,0	33,0	31,0	30,0	-5,0	-3,0
<b>EU</b>	<b>44,3</b>	<b>36,7</b>	<b>35,1</b>	<b>34,9</b>	<b>32,0</b>	<b>-12,4</b>	<b>-3,1</b>
US	46,0	34,0	35,0	35,0	35,0	-11,0	-0,0
J	50,0	50,0	47,5	46,4	46,4	-3,6	-1,1

Source: OCDE.

To determine the order of magnitude between these different channels of influence needs further investigations. With a split of this indicator between households and corporations it will be possible to test the relevance of the identified channels of influence in more detail. With the slowdown of economic growth in recent years again a decline in the ITR on capital income can be expected. However, if the structural changes in the distribution of income and in financing last in the this indicator will not decline to its initial level.

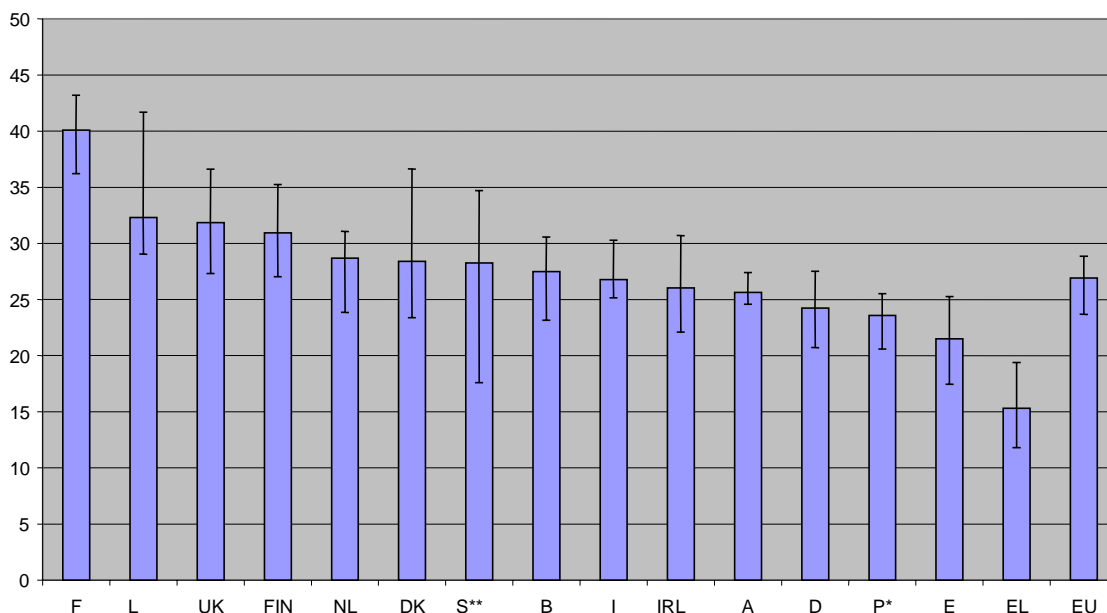
#### 4.2. New implicit tax rates on capital

The ITR on capital trying to measure the average effective tax burden on the economic activities saving and investment divides tax revenues on capital by a measure of potentially taxable capital income in the economy. The broader implicit tax rate on capital includes also taxes that are related to stocks of wealth stemming from savings and investments in previous periods as well as taxes to transactions of these stocks. This means for instance that not only taxes on profits are included but also taxes and levies that could be regarded as a prerequisite to earn the profit like the real estate tax or the motor vehicle tax paid by enterprises. Companies have to pay this kind of taxes out of their annual profits. Because national accounts do not deliver an indicator for taxes levied on capital stocks or their transactions a more narrowly defined ITR on capital income for the private sector is presented in addition. Graph II-4.1 below presents the ranking of countries according to the average for the overall ITR on capital between 1995 and 2001 and the maximum and minimum deviation. The result looks at a first sight a little bit surprising indicating the United Kingdom as a high tax and Germany as a low tax country concerning capital. One has to keep in mind that this indicator is a mixture of the tax burden on households and companies. Besides France and Greece all countries are pretty close to the European average. Table D.3 in Annex A presents the yearly rates. With the exception of Italy and Austria in all countries a relatively strong increase in the ITR on capital can be

observed. The most pronounced increases happened in Sweden, Luxembourg, United Kingdom, Ireland and Finland.<sup>2</sup>

### Graph II-4.1 Implicit tax rate on capital

Average 1995 - 2001 in % and minimum and maximum level over that period



\*1995 - 1998 \*\*1995 - 1999.

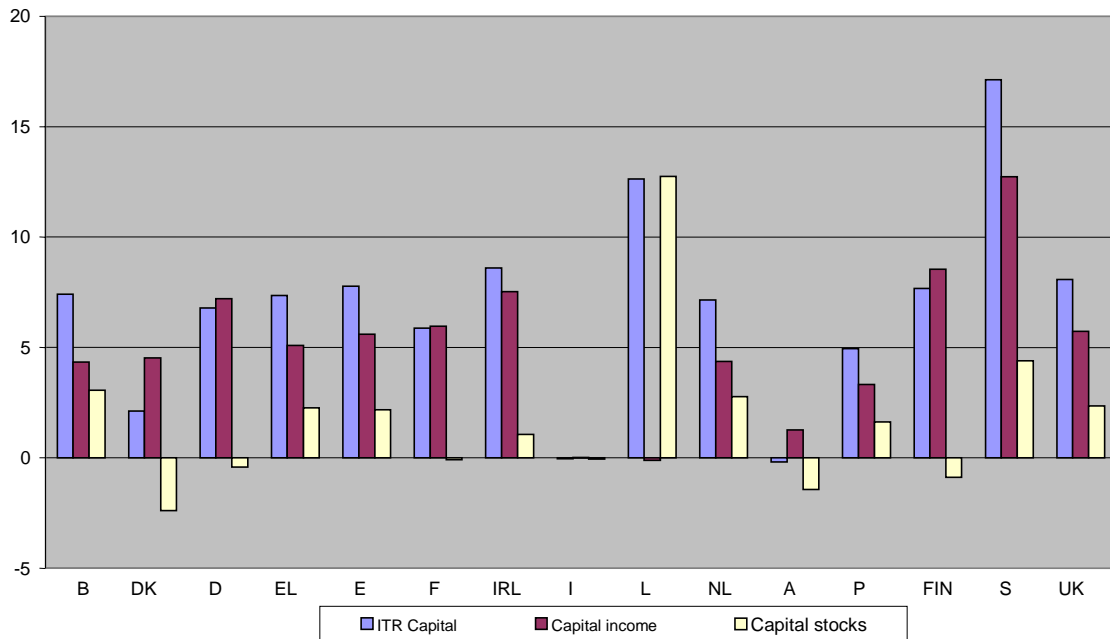
Source: Commission Services

### 4.3. Driving forces behind changes of the ITR on capital income

Graph II-4.2 shows a decomposition of the ITR on capital between capital income and the part related to capital stocks or their transactions. The columns represent the absolute difference in the ITR between 1995 and 2000 in percentage points. Given the relatively stable trend over this period, this difference is an approximation for the development of the ITR between 1995 and 2000. With the exception of Italy and Austria, the ITR on Capital increases in all countries within a range of a 4 to 17 percentage points. This increase reflects, with the exception of Luxembourg, an increase in the implicit tax rates on capital income. In Belgium, Greece, Spain, the Netherlands, Sweden and the UK, the increase of tax revenues in the category "Stocks (wealth) of capital" contribute significantly to this development. We focus below on the ITR on capital income and discuss the reasons behind the general increase in the implicit tax rate.

<sup>2</sup> For Luxembourg and Ireland we must stick to a more simplified definition of the denominator that includes the balance of all property income for the private sector. To apply the refined denominator a full set of sectoral data in national accounts is necessary that is not available for the moment in these countries. The analysis of this data for other Member States suggest that the increase in the ITR is overestimated when using this simplified denominator.

**Graph II-4.2 Decomposition ITR on Capital**  
 Difference 2000 to 1995 - in %-points



Source: Commission Services

Table II-4.2 presents the ITR on capital income until 2001. In all countries we can see continuous increases in these years. Only in Italy an up and down in this tax ratio can be observed. The preliminary figures for 2001 indicates for some countries that the peak was reached in 2000.<sup>3</sup> Large changes in backward looking measures of the tax rate on capital are not unusual. Recent tests on Belgium and Sweden<sup>4</sup> report annual changes of several percentage points for effective tax rates derived both from national accounts data or tax statistics. Our calculations have similar features.

<sup>3</sup> Also the figures for the European average shows a slight decrease. Since data or estimates for 2001 are not available for all Member States the development for Greece, Ireland, Luxembourg, Sweden, and Portugal are not included.

<sup>4</sup> Valenduc 2000; OECD 2001B.

**Table II-4.2 ITR on capital income**  
1995 to 2001 - in %

	1995	1996	1997	1998	1999	2000	2001	Differ. 01-95
B	14,3	14,8	15,6	17,2	17,8	18,6	18,1	3,8
DK	8,8	11,4	13,8	17,1	19,4	13,4	13,8	4,9
D	17,1	19,5	19,7	20,2	23,5	24,3	22,2	5,2
EL	9,0	8,5	10,1	12,2	13,8	14,1	n.a.	5,1
E	10,3	10,6	12,7	12,6	15,1	15,9	16,2	5,8
F	15,9	17,3	18,5	18,6	21,0	21,8	22,9	7,1
IRL <sup>1)</sup>	15,5	17,7	18,1	17,6	21,8	23,0	n.a.	7,5
I	17,9	19,1	21,8	17,1	19,2	17,9	18,1	0,2
L <sup>1)</sup>	22,8	22,8	22,9	23,0	23,2	28,7	n.a.	5,9
NL	16,6	19,1	19,9	20,9	21,4	21,0	21,3	4,7
A	18,8	21,1	21,1	21,3	20,9	20,1	22,7	3,8
P*	12,9	15,2	16,5	16,2	n.a.	n.a.	n.a.	3,3
FIN	21,5	22,7	23,7	25,5	26,6	30,0	30,2	8,8
S** <sup>2)</sup>	11,2	19,3	18,5	21,3	23,9	n.a.	n.a.	12,7
UK	18,3	18,7	20,8	23,1	23,5	24,0	25,0	6,7
<b>EU</b>	<b>14,8</b>	<b>16,4</b>	<b>17,5</b>	<b>18,9</b>	<b>19,8</b>	<b>20,3</b>	<b>20,1</b>	<b>5,3</b>

\* 1998 to 1995. \*\* 1999 to 1995

1) Denominator including D4net. - 2) Denominator including D43net

Source: Commission Services

#### 4.3.1. Overview of the factors affecting the development in capital ITR

The increase in the ITR over this period does not fully reflect recent policies. It reflects partly previous steps towards a broadening of the capital tax base. More recently, most Member States have introduced or have planned tax reforms that reduce the taxation of entrepreneurial income and other capital income. But these reforms are very recent and it is too early to see their impact on tax revenues. This becomes in particular reasonable if one takes into account that a certain time lag between the change of legislation and the collection of the revenues by the government exists.<sup>5</sup>

Another important explanation for this overall increase in the implicit tax rate lies in the general good condition of the European economy in that period and the position in the business cycle. This is a general feature of all indicators using backward looking data that try to measure the effective tax burden on economic agents. The first year 1995 of the period under investigation was, in almost all countries, a year of recovery from the 1993 recession. The whole period until 2000 can be characterised as an upswing with a slower pace in 1998 due the impacts of the Asian crises. At the same time the EU was preparing for the European Monetary Union and introducing the Euro.

We would expect different mechanisms to influence the ITR:

<sup>5</sup> This means that the figures in national accounts do not follow a real accrual principle. Most statistical offices uses time shifted (few month) cash figures and declare them as accrual.

- 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 increases faster.
- Corporate taxation is usually not progressive and therefore should not affect the ITR. However, some Member States apply lower rates for small and medium sized enterprises.
- A cyclical effect on the ITR could be transmitted via the asymmetric influence of losses. In the current period losses reduce profits in national accounts i.e. the denominator of our tax-ratios. Due to the possibilities of "carry forward" and "carry-back", these losses also reduce the tax liabilities of firms in other periods i.e. the nominator of our tax ratios. In the beginning of an upswing assuming that more and more firms make profits the ITR on capital would be reduced. The rise in profits affects our denominator immediately whereas due to the existence of losses from previous periods and loss carry forward rules the taxable profits rise at a slower path. Loss-carry-over possibilities diminish if the upswing goes on. When labour cost rise in a boom profits already decreases.

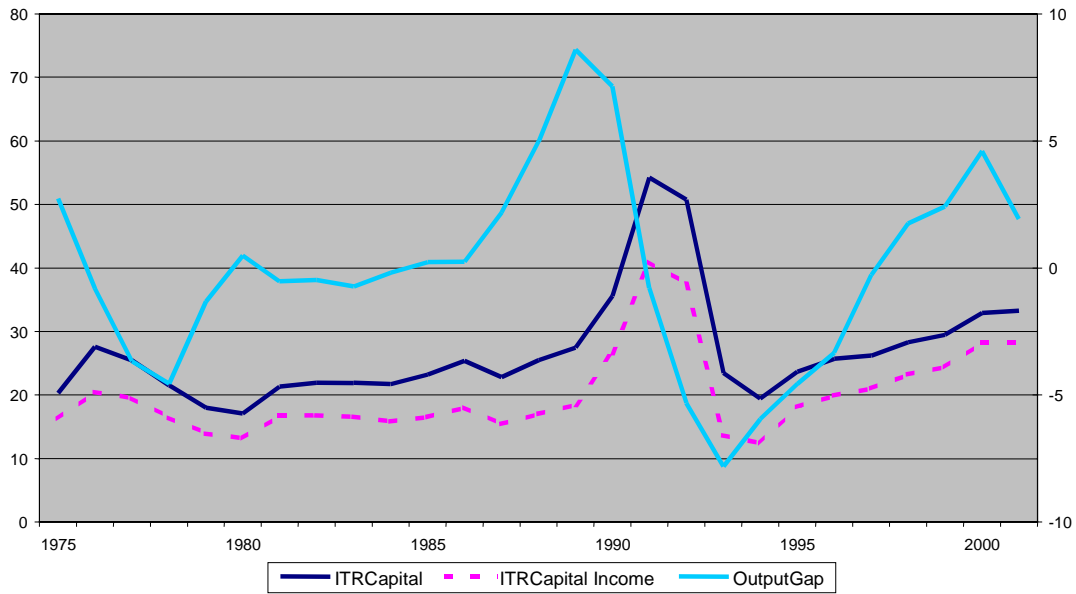
All in all, a pro-cyclical behaviour of the ITR with a certain time lag could be expected. These channels of influence point to an increase in the implicit tax rate on capital in an economic upturn. In some countries, Finland, United Kingdom, Italy and Germany, data are available for a longer period so that the ITR was calculated accordingly. Graph II-4.3 and Graph II-4.4 illustrate the sensitivity of the ITR to the business cycle, using as indicator the output gap<sup>6</sup> as calculated by the Commission Services. The graphs confirm (i) that the increase over the period 1995-2000 has indeed a cyclical component; (ii) that the suggested time-lag in the pro-cyclical behaviour of the ITR is more or less visible (less in the United Kingdom). Such a systematic pattern is not visible in all countries as the longer time series for Italy and Germany indicate.

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<sup>6</sup> It is defined as difference between the estimated trend GDP and its actual values related to the trend GDP.

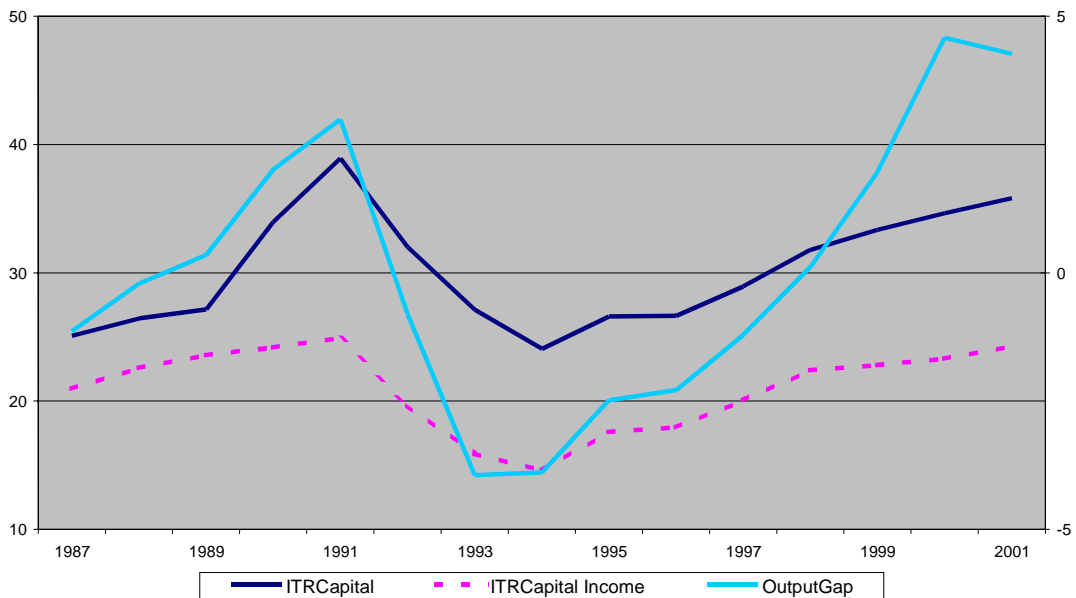


**Graph II-4.3 ITR capital and output gap - Finland**  
1975 - 2001 in %



Source: Comission Services

**Graph II-4.4 ITR capital and output gap - United Kingdom**  
1987 - 2001 in %



Source: Comission Services

Beyond the business cycle, changes might reflect more structural changes, in particular in the composition of income. Two Mechanisms are at work: different tax provisions for different sources

of income and netting off capital flows within the private sector in an aggregate measure of the tax base.

Specific tax rates or tax relieves apply to different sources of income or expenditures. A common feature of corporate tax systems, for instance, is to favour debt financing relatively to financing through new equity. For the ITR, dividend and interest payments are aggregated within the tax base. If overtime there is a shift from debt financing to equity financing, the tax base will be reduced at the beginning and roughly stable in the medium term if dividend payments replace interest payments. In this case however, the capital taxes will increase since deduction of interest is phased out. The likely overall result will be an increase in the ITR reflecting the effects of tax legislation.

Asymmetries in the taxation of company profits and household income also matter. The composition of income might change as a result of structural changes in investment and saving behaviour. If for instance, companies increase their dividend payments to households, this does not affect the base because of the netting off within the private sector. This hardly affects corporate income tax, but households pay taxes on these dividend receipts. As a result, the ITR on capital will increase. This could also be applied to interest payments. In this case, the net result on taxes is the difference between the increase in taxes households have to pay on these revenues from interest and the reduction in corporate taxes due to higher interest payments.

Overall, the implicit tax rate on capital income in an expansion phase will not only reflect the likely increase in profits but also the related changes in savings and investment behaviours. This will be investigated in detail below for the 1995-2000 period.

#### 4.3.2. *Developments in the period 1995-2000*

To identify the most important factors underlying the increase in the capital income ITR, we decompose stepwise the changes in the tax base and the tax revenues by types of income and sectors. All the calculations rely on aggregates defined in % of GDP and the changes are absolute differences of these ratios.<sup>7</sup> These calculations show that complex mechanisms are at work.

Table II-4.3 shows increasing tax revenues. This stems in most of the countries mainly from higher taxes paid by corporations. More detailed tax revenue data shows that this is more specifically the result of corporate income tax increases. In some countries like in Sweden the tax revenues increases from households play a more prominent role. Detailed information from Swedish tax statistics point out that taxes raised on capital gains were very important for that development. However, the increase in the ITR is mainly driven by a reduction in the share of the tax base in GDP. This share drops by several percentage points of GDP over the 5 years, everywhere except in Austria and Finland. This drop is not specific to households or companies and can be regarded as somewhat surprising in an expansionary phase like in the last 7 years.

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<sup>7</sup> This is a rough approximation for the actual development that seems to be applicable with the clear trends in most of the aggregates in this time period. A side effect is that trends of sub-aggregates can be summed up to get an indicator for the trend in the overall aggregate.

**Table II-4.3 Contributions of corporations and households for the development of ITR on capital income**  
Difference 2000 to 1995 - in %-Points of GDP

	ITR on capital income	Numerator			Denominator		
		Total	Corporations	Households	Total	Corporations	Households
B	4,3	0,5	0,8	-0,3	-5,4	-2,6	-2,8
DK	4,5	1,0	0,4	0,6	-0,2	2,6	-2,7
D	7,2	1,8	0,9	0,9	-0,5	-1,8	1,3
EL	5,1	2,0	0,8	1,2	-8,0	-2,5	-5,5
E	5,6	1,1	1,3	-0,2	-6,0	-1,8	-4,2
F	6,0	1,4	1,1	0,3	-0,9	-0,8	-0,1
IRL <sup>1)</sup>	7,5	1,4	1,0	0,4	-4,0	n.a.	n.a.
I	0,0	-1,1	-0,6	-0,5	-6,1	-1,3	-4,9
L <sup>1)</sup>	5,9	-1,1	0,0	-1,1	-13,9	n.a.	n.a.
NL	4,4	0,9	1,0	-0,2	-2,5	-0,5	-2,0
A	1,3	0,7	0,6	0,1	1,6	0,3	1,3
P*	3,3	0,6	0,7	0,0	-3,0	-0,6	-2,4
FIN	8,5	4,0	3,6	0,4	7,2	6,2	1,0
S** <sup>2)</sup>	12,7	2,2	0,9	1,3	-4,6	-4,4	-0,2
UK	5,7	1,3	0,9	0,4	-1,4	0,5	-1,9

\* 1998 to 1995. \*\* 1999 to 1995

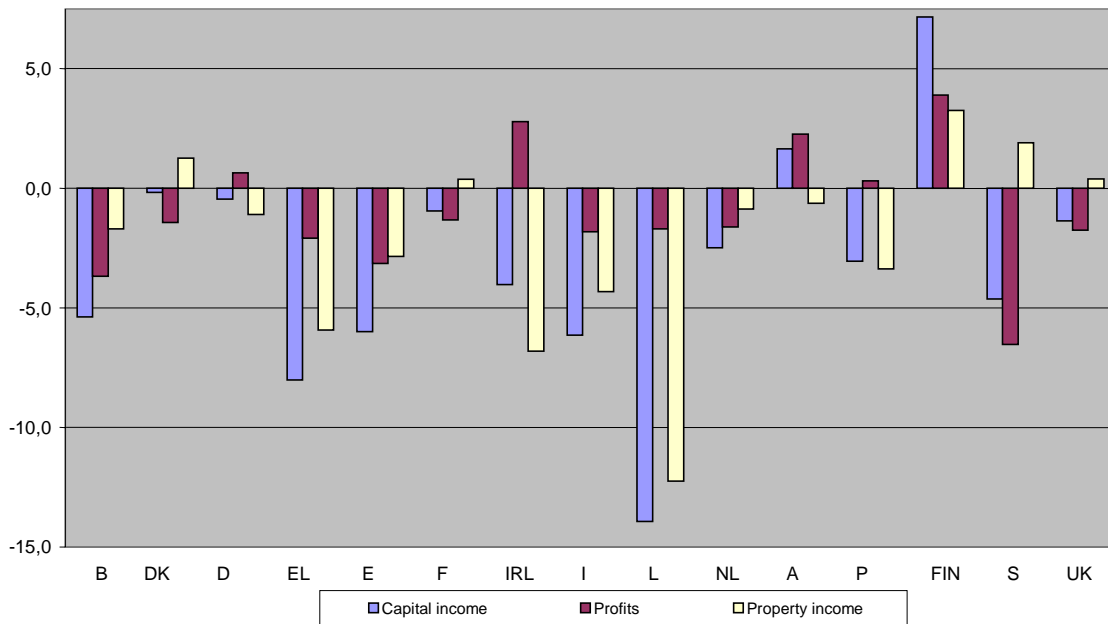
1) Denominator including D4net. - 2) Denominator including D43net

Source: Commission Services

Graph II-4.5 shows that the relative decrease in the tax base corresponds mostly to a decreasing share of profits measured by the net operating surplus of the private sector, including self-employed income. Greece, Italy, Portugal, Ireland and Luxembourg are exceptions to this pattern. In these countries, the decrease in the share of property income is the main driver. More detailed data on interest payments gives a common explanation linked to the reduction in the government interest payments to the households during the pre-EMU fiscal consolidation phase.<sup>8</sup>

<sup>8</sup> Only in Luxembourg where all net property income is included in the denominator the relative reduction in net property income can be assigned to less property income received from the rest of the world.

**Graph II-4.5 Composition of the denominator of ITR on capital income**  
 Difference 2000 to 1995 - in %-points of GDP



Source: Commission Services

More detailed data on the composition of generated profits also points to a genuine reduction in profits of market activities. The household sector's operating surplus (incl. imputed rents), where it can be calculated is not responsible for the drop in the relative tax base. This means in turn that companies including self-employed in most of the countries could not increase their profits in line with the overall economic growth. As mentioned before, this decrease in the share of profits from market activities in an upswing is somewhat unusual. Table II-4.4 identifies the main driving forces behind this pattern. Explained are the changes in the composition of GDP calculated from the side of income distribution measured by a de- or increase in %-points. Increases in indirect taxes or cuts in subsidies can be identified as explanation in the majority of countries for this unusual feature. A high competitive pressure on companies during that period that have left no room for a price increases as a response to the increased indirect taxes would be an economic interpretation explaining this statistical finding. In Sweden and the United Kingdom a rising share for the compensation of employees played a dominant role for the relative profit squeeze.

**Table II-4.4 Development of primary income distribution**

Difference 2000 to 1995 - in %-points of GDP

	Indirect taxes less	Compensation of Employees	Gross Profits	
			Government	Private Sector
B	1,0	-0,5	-0,2	-0,8
DK	0,6	-0,1	-0,4	-0,5
D	0,8	-1,5	-0,2	1,0
EL	2,5	0,3	0,0	-1,8
E	1,6	0,1	0,0	-2,6
F	-0,3	-0,3	-0,1	-1,5
IRL	1,1	-4,9	-0,1	2,7
I	3,2	-2,0	0,7	-1,9
L	1,7	-3,8	0,2	-3,9
NL	1,0	0,5	-0,3	-1,1
A	0,2	-1,9	-1,7	3,2
P*	0,0	-0,3	0,1	0,3
FIN	0,7	-2,6	-0,1	2,0
S	2,8	3,3	0,2	-7,0
UK	0,7	1,5	-0,3	-1,9

\* 1998 to 1995.

Source: Commission Services

The conclusion so far is that the net profits of the private sector have decreased in relative terms, without a corresponding reduction in the corporate tax revenues. This hides other effects than the simple impact of the business cycle. Changes in the composition of income, as described in section 4.1 might have also played a role.

Table II-4.5 points to significant shifts in the corporate property income, in particular shifts from interest to dividend payments. This happened against the background of decreasing interest rates, may be supported by a switch from debt to equity financing. In relative terms, interest tax deductions are lower and push the capital ITR upward. This change is also reflected on households' property income with a similar shift from revenues from interest to dividends.

**Table II-4.5 Elements of the development on property income of corporations**

Difference 2000 to 1995 - in %-points of GDP

	Net	Property Income						Interest paid by Government
		Total	paid		received			
			Interest (D41)	Dividends (D42)	Total	Dividends (D42)	Interest (D41)	
B	0,0	-0,2	-3,5	3,3	-0,2	4,6	-3,7	-2,4
DK	1,3	-2,4	-1,4	-1,0	-1,1	0,5	-2,1	-2,2
D	-3,3	6,6	2,3	4,3	3,3	1,9	2,1	-0,3
EL	-0,1	-1,4	-2,2	0,8	-1,5	0,3	-0,9	-4,4
E	-0,7	-6,6	-7,0	0,4	-7,3	0,6	-7,0	-2,0
F	-0,4	-0,8	-3,9	3,1	-1,2	2,4	-3,3	-0,5
IRL <sup>1)</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
I	-0,2	-5,0	-5,6	0,6	-5,2	0,5	-4,8	-5,2
L <sup>1)</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
NL	0,2	2,8	2,4	0,5	3,0	2,8	1,7	-2,3
A	-1,7	2,7	0,7	2,0	1,0	1,3	0,6	-0,8
P*	0,8	-5,2	-4,9	-0,2	-4,5	-0,1	-4,0	-2,8
FIN	1,9	-0,8	-4,2	3,5	1,2	3,7	-2,5	-1,4
S** <sup>2)</sup>	1,2	-9,7	-9,7	-0,5	-8,5	n.a.	n.a.	-1,9
UK	1,3	1,5	2,5	-1,0	2,8	0,3	2,6	-0,9

\* 1998 to 1995. \*\* 1999 to 1995

1) Denominator including D4net. - 2) Denominator including D43net

Source: Commission Services

The ITR on capital exhibits large increases over the last five years, in line with the usual business cycle effect. But the response of taxes to the expansion during these five years has been very atypical. This period was a period of fiscal consolidation and macroeconomic stabilisation. The reduction in the public debt, the increase in the tax burden through indirect taxes, the changes in savings and investment behaviour of the private sector, have resulted in significant shifts in the profit and income distribution. Overall this has led to increases in the ITR likely larger than usually experienced during an upswing. With longer ESA95 time series for sectoral accounts and a split of this indicator between households and corporations - as they will be published in the next edition of the structures - it will be possible to test the relevance of the identified channels of influence in more detail. With the slowdown of economic growth in recent years again a decline in the ITR on capital income can be expected. However, if the structural changes in the distribution of income and in financing last in the future this indicator will not decline to its initial level at the beginning of the last upswing.

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## **ANNEXES**

## **ANNEX A : TABLES**

Table Tot\_G: Total Taxes (incl. SSC) as % of GDP

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	43,4	43,7	43,2	44,8	45,1	45,1	45,3	45,7	46,3	46,0	45,9	45,5	45,5	45,2	45,7	0,2	0,4
DK		46,9	47,3	48,8	49,9	49,3	49,9	49,8	50,1	51,0	49,0	48,4	47,9	47,1	49,8	-0,3	-1,0
D		40,1	40,7	41,2	41,5	41,3	42,2	42,1	42,1	42,9	43,1	41,5	41,9	41,8	42,3	0,3	0,2
EL						32,6	33,0	33,4	35,4	37,3	38,1	37,4	37,2	37,0	35,0	2,9	4,7
E						33,4	33,8	34,2	34,5	35,1	35,7	35,7	36,2	36,3	34,5	1,2	2,3
F						44,0	45,0	45,2	45,1	45,7	45,3	45,4	45,2	44,8	45,1	0,4	1,4
IRL	29,3	34,4	34,8	34,8	35,9	33,4	33,5	32,8	32,3	32,2	32,1	30,9	30,4	30,1	32,7	-1,2	-2,5
I	38,6	39,8	42,1	43,1	40,8	41,2	42,8	44,7	43,2	43,2	42,8	42,9	42,7	42,1	43,0	0,3	1,7
L	41,1	40,1	39,5	42,8	41,9	42,4	42,4	41,2	40,3	41,2	41,9	41,4	43,3	41,7	41,6	-0,3	-1,0
NL						40,6	40,8	40,7	40,3	41,7	41,6	40,3	39,9	39,5	41,0	0,2	-0,2
A						42,4	43,9	44,7	44,6	44,5	43,9	45,8	45,5	45,2	44,0	0,8	3,4
P						35,1	35,8	35,9	36,1	37,3	37,7	37,5	37,5	37,4	36,3	1,2	2,3
FIN	45,8	47,3	47,0	46,2	48,4	47,3	48,3	47,7	47,7	47,8	48,3	47,6	46,8	45,4	47,8	0,1	0,3
S						48,4	51,3	51,7	53,1	52,6	52,3	54,6	52,2	52,0	51,6	1,5	6,2
UK	36,5	36,1	35,2	33,9	34,4	35,4	35,1	35,6	37,0	37,1	37,8	37,8	37,6	37,3	36,3	1,4	2,4
EU						40,8	41,5	41,6	41,6	41,9	41,8	41,3	41,1	40,7	41,5	0,2	0,5
Euro12						41,2	42,1	42,4	42,1	42,5	42,4	41,7	41,7	41,3	42,1	0,2	0,6
EU (arithmetic average)						40,8	41,5	41,7	41,9	42,4	42,4	42,2	42,0	41,5	41,8	0,6	1,4
Euro12 (arithmetic average)						39,9	40,6	40,7	40,7	41,3	41,4	41,0	41,0	40,5	40,7	0,5	1,1

Ratio between standard deviation and mean in %

Difference maximum and minimum ratio

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.1\_G: Indirect Taxes as % of GDP: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	13,1	13,0	13,0	13,3	13,5	13,3	13,7	13,9	13,8	14,1	14,0	13,4	13,4	13,5	13,8	0,4	0,2
DK		16,7	16,5	16,9	17,3	17,2	17,5	17,7	18,5	18,2	17,2	17,1	17,1	17,0	17,7	0,0	0,0
D		12,4	12,4	12,5	12,8	12,4	12,3	12,3	12,3	12,8	12,8	12,6	12,7	12,5	12,5	0,7	0,3
EL						14,4	14,7	14,1	14,3	15,0	16,0	15,7	15,6	15,6	14,7	1,7	1,3
E						10,9	10,9	11,2	11,8	12,3	12,4	12,0	12,2	12,3	11,6	2,3	1,1
F						16,2	16,8	16,7	16,6	16,5	16,1	15,7	15,7	15,7	16,5	-0,6	-0,5
IRL	10,7	14,9	14,9	14,2	15,0	14,6	14,6	14,2	14,0	13,9	13,8	13,5	13,2	13,1	14,2	-1,4	-1,2
I	11,4	11,9	12,0	12,7	12,5	12,7	12,5	12,9	15,9	15,6	15,6	15,3	15,4	15,3	14,2	4,2	2,5
L	13,0	13,3	13,3	14,6	14,2	13,5	13,4	13,5	13,5	14,5	15,0	14,2	14,3	14,5	13,9	1,7	0,7
NL						11,9	12,2	12,5	12,5	13,1	13,1	13,6	13,6	13,6	12,6	2,2	1,8
A						15,2	15,4	15,8	15,7	15,8	15,4	15,5	15,3	15,1	15,6	0,2	0,3
P						15,5	15,4	15,3	15,6	16,2	16,0	16,0	15,9	15,9	15,7	0,8	0,5
FIN	15,2	15,3	15,0	14,7	14,6	14,4	14,2	14,9	14,6	14,7	13,5	14,0	13,8	13,3	14,4	-0,7	-0,4
S						14,5	15,0	15,5	16,0	17,4	14,8	15,5	15,3	15,1	15,5	1,1	1,1
UK	13,3	14,1	14,1	13,7	13,8	14,1	14,0	14,2	14,3	14,5	14,6	14,3	14,2	14,0	14,3	0,5	0,2
EU						13,6	13,7	13,8	14,3	14,5	14,3	14,1	14,0	13,9	14,0	0,8	0,5
Euro12						13,4	13,5	13,6	14,1	14,3	14,2	14,0	14,0	13,9	13,9	1,0	0,6
EU (arithmetic average)						14,1	14,2	14,3	14,6	15,0	14,7	14,6	14,5	14,4	14,5	0,8	0,5
Euro12 (arithmetic average)						13,8	13,8	13,9	14,2	14,6	14,5	14,3	14,2	14,2	14,1	0,9	0,6
Ratio between standard deviation and mean in %						12,2	12,9	12,6	12,5	11,6	9,8	10,0	9,8	9,8			-2,4
Difference maximum and minimum ratio						6,2	6,5	6,5	6,7	5,9	4,8	5,1	4,9	4,7			-1,5

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.1\_T: Indirect Taxes as % of Total Taxation: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	30,1	29,9	30,0	29,5	30,0	29,5	30,2	30,3	29,9	30,6	30,5	29,6	29,4	29,9	30,2	0,6	0,1
DK		35,6	35,0	34,5	34,6	34,8	35,0	35,6	36,8	35,7	35,1	35,5	35,8	36,2	35,5	0,4	0,7
D		31,0	30,3	30,3	30,9	29,9	29,1	29,1	29,2	29,8	29,7	30,5	30,2	30,0	29,5	0,1	0,5
EL						44,1	44,7	42,2	40,2	40,2	42,0	42,0	41,9	42,0	42,2	-1,7	-2,1
E						32,6	32,4	32,7	34,2	35,1	34,6	33,7	33,6	33,9	33,6	1,7	1,0
F						36,8	37,2	37,0	36,9	36,2	35,5	34,7	34,8	35,0	36,6	-0,8	-2,2
IRL	36,5	43,3	42,8	40,7	41,8	43,9	43,6	43,4	43,5	43,1	42,9	43,6	43,3	43,6	43,4	-0,4	-0,3
I	29,5	30,0	28,6	29,6	30,7	30,9	29,1	28,9	36,8	36,2	36,5	35,6	36,0	36,3	33,1	4,9	4,7
L	31,6	33,1	33,7	34,1	33,8	31,9	31,6	32,7	33,6	35,3	35,9	34,4	33,1	34,7	33,5	2,7	2,5
NL						29,3	29,9	30,7	31,1	31,5	31,4	33,8	34,2	34,5	30,6	1,5	4,5
A						35,8	35,2	35,4	35,2	35,5	35,2	33,8	33,6	33,5	35,4	-0,2	-2,0
P						44,2	43,0	42,6	43,3	43,4	42,3	42,7	42,4	42,4	43,1	-0,5	-1,5
FIN	33,3	32,3	32,0	31,8	30,2	30,4	29,4	31,2	30,7	30,8	28,0	29,4	29,4	29,4	30,1	-0,8	-1,0
S						29,9	29,3	30,0	30,2	33,1	28,3	28,4	29,3	29,1	30,1	0,3	-1,4
UK	36,5	38,9	40,1	40,6	40,2	39,9	40,1	39,9	38,6	39,1	38,6	37,8	37,6	37,6	39,4	-0,8	-2,1
EU						33,3	32,9	33,1	34,3	34,5	34,2	34,0	34,1	34,2	33,7	0,9	0,7
Euro12						31,3	30,8	30,8	32,4	32,4	32,2	32,3	32,3	32,4	31,7	1,0	1,0

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.1.1\_G: Indirect Taxes as % of GDP: VAT

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	7,0	7,0	6,7	6,8	7,0	6,8	6,9	6,9	6,9	7,2	7,3	6,9	6,9	7,0	7,0	0,8	0,1
DK		8,6	9,5	9,5	9,6	9,5	9,7	9,8	9,9	9,8	9,6	9,4	9,3	9,2	9,7	-0,2	-0,1
D		6,4	6,3	6,7	6,9	6,7	6,6	6,6	6,7	7,0	6,9	6,9	7,0	6,9	6,7	0,9	0,3
EL						6,9	7,0	7,2	7,5	7,7	8,3	8,1	8,0	8,0	7,4	3,1	1,2
E						5,3	5,5	5,6	5,7	6,2	6,3	6,1	6,2	6,3	5,8	3,0	0,8
F						7,5	7,8	7,8	7,7	7,7	7,5	7,4	7,3	7,3	7,7	-0,6	-0,1
IRL	6,9	6,8	6,9	6,6	7,1	7,1	7,2	7,2	7,2	7,2	7,4	7,0	7,2	7,2	7,2	0,0	-0,1
I	5,6	5,6	5,7	5,6	5,5	5,7	5,5	5,8	6,2	6,2	6,7	6,4	6,4	6,4	6,0	2,9	0,7
L	5,7	6,1	5,8	6,2	5,9	5,9	5,9	5,8	5,8	6,0	6,0	6,2	6,2	6,3	5,9	0,7	0,2
NL						6,6	6,8	6,9	6,9	7,2	7,2	7,5	7,5	7,5	6,9	2,1	1,0
A						7,8	8,3	8,4	8,3	8,5	8,2	8,1	8,0	7,9	8,2	0,5	0,3
P						7,9	7,9	7,9	8,0	8,3	8,2	8,2	8,2	8,2	8,0	0,9	0,4
FIN	8,5	8,5	8,0	7,8	7,9	8,1	7,9	8,5	8,4	8,4	8,3	8,1	8,0	7,7	8,2	0,3	0,0
S						7,2	6,7	7,1	7,0	7,2	6,7	7,5	7,4	7,3	7,0	0,4	0,2
UK	6,0	6,5	6,8	6,6	6,8	6,7	6,7	6,8	6,8	6,9	6,9	6,7	6,7	6,6	6,8	0,2	0,0
EU						6,8	6,8	6,8	6,9	7,1	7,0	6,9	6,9	6,9	6,9	0,6	0,2
Euro12						6,7	6,7	6,8	6,9	7,0	7,1	6,9	7,0	6,9	6,9	0,9	0,3
EU (arithmetic average)						7,0	7,1	7,2	7,3	7,4	7,4	7,4	7,4	7,3	7,2	0,9	0,3
Euro12 (arithmetic average)						6,8	6,9	7,0	7,1	7,3	7,4	7,2	7,3	7,2	7,1	1,1	0,4
Ratio between standard deviation and mean in %						15,6	16,6	16,7	15,5	14,2	13,3	13,3	12,4	11,8			-3,8
Difference maximum and minimum ratio						4,2	4,3	4,2	4,1	3,8	3,6	3,3	3,1	2,9			-1,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.1.1\_T: Indirect Taxes as % of Total Taxation: VAT

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	16,2	16,0	15,6	15,1	15,4	15,1	15,3	15,1	14,8	15,7	15,9	15,2	15,2	15,4	15,3	1,0	0,2
DK		18,4	20,1	19,5	19,3	19,3	19,5	19,7	19,7	19,2	19,6	19,5	19,5	19,5	19,5	0,0	0,2
D		15,9	15,6	16,3	16,7	16,1	15,7	15,6	15,9	16,3	16,1	16,7	16,6	16,6	15,9	0,3	0,5
EL						21,1	21,2	21,6	21,0	20,7	21,7	21,7	21,6	21,7	21,2	0,1	0,5
E						15,9	16,1	16,3	16,6	17,7	17,7	17,2	17,2	17,3	16,7	2,4	1,3
F						17,0	17,4	17,3	17,1	16,9	16,5	16,2	16,3	16,4	17,0	-0,7	-0,8
IRL	23,5	19,7	19,9	19,0	19,8	21,3	21,6	22,0	22,4	22,3	23,0	22,5	23,9	24,0	22,1	1,5	1,3
I	14,5	14,2	13,5	12,9	13,4	13,8	12,8	12,9	14,4	14,4	15,6	14,8	15,0	15,1	14,0	3,0	1,0
L	13,8	15,2	14,6	14,4	14,0	14,0	13,9	14,0	14,4	14,6	14,3	14,9	14,3	15,0	14,2	0,8	0,9
NL						16,2	16,6	16,9	17,1	17,3	17,3	18,6	18,9	19,0	16,9	1,3	2,5
A						18,4	18,9	18,7	18,5	19,1	18,7	17,7	17,6	17,5	18,7	0,4	-0,6
P						22,5	22,1	22,1	22,0	22,2	21,8	22,0	21,9	21,9	22,1	-0,4	-0,5
FIN	18,7	18,0	17,1	17,0	16,4	17,1	16,4	17,8	17,5	17,5	17,1	17,1	17,1	17,0	17,2	0,5	0,0
S						15,0	13,1	13,7	13,1	13,6	12,8	13,7	14,1	14,1	13,5	-2,0	-1,3
UK	16,6	18,0	19,3	19,5	19,7	19,0	19,2	19,2	18,4	18,7	18,2	17,8	17,7	17,7	18,8	-1,0	-1,2
EU						16,6	16,3	16,4	16,6	16,8	16,8	16,8	16,8	16,9	16,6	0,5	0,2
Euro12						15,5	15,4	15,3	15,7	15,9	16,0	16,0	16,1	16,1	15,6	0,8	0,4

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.1.2\_G: Indirect Taxes as % of GDP: Excise duties and consumption taxes

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	2,3	2,2	2,4	2,5	2,5	2,5	2,6	2,6	2,6	2,6	2,5	2,3	2,3	2,3	2,6	-1,2	-0,2
DK		4,7	4,6	4,6	5,0	5,2	5,4	5,3	5,7	5,6	5,1	5,1	5,0	4,9	5,4	-0,4	-0,1
D		2,7	2,7	2,7	2,8	2,7	2,7	2,7	2,6	2,8	2,9	2,9	2,9	2,9	2,7	1,3	0,2
EL						4,7	4,8	4,6	4,5	4,4	3,4	3,4	3,3	3,3	4,4	-6,2	-1,4
E						2,6	2,6	2,6	2,9	2,8	2,7	2,7	2,7	2,7	2,7	1,0	0,1
F						2,8	2,8	2,7	2,7	2,7	2,7	2,5	2,5	2,5	2,7	-1,6	-0,3
IRL	0,9	5,5	5,3	5,0	5,2	4,9	4,9	4,6	4,5	4,4	4,2	4,4	3,7	3,7	4,6	-2,5	-0,5
I	3,5	3,9	3,9	3,8	3,8	3,9	3,8	3,7	3,6	3,7	3,4	3,3	3,3	3,3	3,7	-2,7	-0,7
L	3,8	4,0	4,3	5,0	5,1	4,6	4,5	4,6	4,5	4,9	4,9	4,3	4,4	4,4	4,7	0,0	-0,3
NL						2,1	2,0	2,1	2,1	2,0	1,9	2,0	2,0	2,0	2,0	-1,1	-0,1
A						2,6	2,9	3,0	2,9	2,9	2,8	2,8	2,7	2,7	2,8	0,1	0,1
P						3,9	3,8	3,6	3,7	3,5	3,5	3,5	3,5	3,5	3,7	-1,9	-0,4
FIN	4,3	4,3	4,6	4,6	4,7	4,5	4,5	4,7	4,6	4,7	4,2	4,1	4,1	3,9	4,5	-1,5	-0,4
S						3,6	3,9	3,7	3,7	3,6	3,3	3,3	3,3	3,3	3,6	-2,4	-0,3
UK	3,6	3,7	3,7	3,8	3,9	3,9	4,0	3,9	4,0	4,0	4,0	3,9	3,8	3,8	4,0	0,0	0,0
EU						3,2	3,2	3,2	3,2	3,2	3,1	3,1	3,0	3,0	3,2	-0,4	-0,1
Euro12						3,0	3,0	3,0	2,9	3,0	2,9	2,8	2,8	2,8	2,9	-0,7	-0,1
EU (arithmetic average)						3,6	3,7	3,6	3,6	3,6	3,4	3,4	3,3	3,3	3,6	-1,4	-0,3
Euro12 (arithmetic average)						3,5	3,5	3,5	3,4	3,4	3,3	3,2	3,1	3,1	3,4	-1,5	-0,3
Ratio between standard deviation and mean in %						32,4	31,9	31,0	31,7	31,6	29,0	28,5	26,8	26,3			-6,1
Difference maximum and minimum ratio						3,1	3,4	3,3	3,7	3,6	3,2	3,1	3,0	2,9			-0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP



Table A.1.2\_T: Indirect Taxes as % of Total Taxation: Excise duties and consumption taxes

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	5,2	5,2	5,6	5,5	5,6	5,6	5,8	5,7	5,6	5,6	5,4	5,1	5,1	5,2	5,6	-0,8	-0,4
DK		10,0	9,8	9,3	10,0	10,6	10,8	10,7	11,4	11,1	10,5	10,5	10,5	10,5	10,8	0,3	-0,1
D		6,7	6,6	6,4	6,7	6,5	6,4	6,3	6,1	6,5	6,6	6,9	6,9	6,9	6,4	0,4	0,4
EL						14,4	14,4	13,7	12,6	11,8	9,0	9,0	9,0	9,0	12,7	-8,8	-5,5
E						7,7	7,8	7,7	8,3	8,0	7,7	7,5	7,5	7,5	7,8	0,5	-0,2
F						6,4	6,2	6,1	6,1	5,9	5,9	5,5	5,6	5,6	6,1	-1,5	-0,8
IRL	3,1	16,0	15,3	14,3	14,6	14,8	14,6	14,1	14,0	13,6	13,1	14,3	12,2	12,3	14,0	-2,4	-0,5
I	9,2	9,8	9,2	8,8	9,4	9,5	8,9	8,4	8,3	8,5	8,0	7,6	7,7	7,8	8,6	-2,8	-1,9
L	9,1	10,1	10,8	11,7	12,1	10,9	10,6	11,2	11,0	11,8	11,6	10,4	10,1	10,5	11,2	1,7	-0,5
NL						5,3	4,9	5,1	5,1	4,9	4,6	5,0	5,1	5,1	5,0	-2,1	-0,3
A						6,2	6,5	6,7	6,5	6,5	6,3	6,0	5,9	5,9	6,5	0,2	-0,2
P						11,0	10,7	10,1	10,2	9,4	9,2	9,3	9,2	9,2	10,1	-3,7	-1,7
FIN	9,3	9,2	9,7	10,0	9,7	9,6	9,4	9,8	9,6	9,8	8,7	8,7	8,7	8,7	9,5	-1,0	-0,8
S						7,5	7,7	7,1	7,0	6,8	6,3	6,1	6,3	6,3	7,0	-3,8	-1,4
UK	9,8	10,2	10,5	11,1	11,3	11,1	11,3	11,0	10,8	10,9	10,5	10,3	10,2	10,2	10,9	-1,1	-0,8
EU						7,7	7,7	7,6	7,6	7,7	7,5	7,4	7,4	7,4	7,6	-0,5	-0,3
Euro12						7,0	6,8	6,7	6,7	6,8	6,6	6,6	6,5	6,6	6,8	-0,8	-0,4

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

**Table A.1.3\_G: Indirect Taxes as % of GDP: Other taxes on Products (incl. import duties)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	2,2	2,2	2,1	2,2	2,2	2,1	2,2	2,3	2,3	2,3	2,4	2,3	2,3	2,3	2,3	1,6	0,2
DK		1,9	1,0	0,9	0,9	0,8	0,8	0,9	1,1	1,0	0,9	0,9	0,8	0,8	0,9	1,2	0,0
D		1,4	1,3	1,2	1,2	1,2	1,0	1,1	1,0	1,0	1,0	1,0	1,0	1,0	1,0	-2,2	-0,2
EL						2,2	2,2	1,7	1,7	2,2	3,6	3,6	3,5	3,5	2,3	9,7	1,4
E						1,7	1,6	1,7	1,8	1,9	2,0	1,9	2,0	2,0	1,8	3,6	0,2
F						1,9	1,9	1,9	2,0	1,9	1,9	1,9	1,9	1,9	1,9	0,3	0,0
IRL	1,8	1,7	1,7	1,7	1,8	1,6	1,5	1,6	1,5	1,6	1,6	1,5	1,6	1,6	1,6	-1,0	-0,2
I	1,7	1,8	1,9	2,0	1,9	1,9	2,0	2,1	2,3	2,3	2,1	2,0	2,0	2,0	2,1	1,4	0,1
L	2,0	1,9	1,9	1,7	1,5	1,4	1,3	1,4	1,4	1,5	1,7	1,4	1,4	1,4	1,5	1,7	0,0
NL						2,1	2,3	2,5	2,6	2,8	2,9	3,0	3,0	3,0	2,5	6,0	0,9
A						1,3	1,2	1,3	1,3	1,3	1,3	1,2	1,2	1,2	1,3	-0,2	0,0
P						3,2	3,1	3,2	3,4	3,8	3,6	3,6	3,6	3,6	3,4	2,8	0,4
FIN	2,3	2,3	2,2	2,0	1,8	1,6	1,5	1,5	1,5	1,4	0,8	1,5	1,5	1,4	1,4	-5,3	-0,1
S						0,9	0,8	0,7	0,8	0,7	0,8	0,9	0,9	0,9	0,8	1,0	0,0
UK	1,3	1,3	1,1	1,0	1,0	1,4	1,3	1,4	1,4	1,6	1,8	1,7	1,7	1,7	1,5	5,5	0,4
EU						1,6	1,5	1,6	1,6	1,7	1,7	1,7	1,7	1,7	1,6	1,9	0,1
Euro12						1,6	1,6	1,7	1,7	1,8	1,8	1,8	1,8	1,8	1,7	1,4	0,1
EU (arithmetic average)						1,7	1,7	1,7	1,7	1,8	1,9	1,9	1,9	1,9	1,7	2,5	0,2
Euro12 (arithmetic average)						1,8	1,8	1,8	1,9	2,0	2,1	2,1	2,1	2,1	1,9	2,4	0,2
Ratio between standard deviation and mean in %						37,9	41,8	40,7	41,6	47,3	53,5	51,8	51,4	51,8			13,9
Difference maximum and minimum ratio						2,4	2,4	2,5	2,6	3,1	2,8	2,7	2,7	2,7			0,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.1.3\_T: Indirect Taxes as % of Total Taxation: Other taxes on Products (incl. import duties)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	5,1	5,0	5,0	5,0	4,9	4,6	4,8	5,0	5,1	5,1	5,1	5,0	5,0	5,1	5,0	1,9	0,4
DK		4,0	2,1	1,9	1,8	1,6	1,7	1,9	2,2	2,0	1,8	1,8	1,8	1,8	1,9	3,1	0,1
D		3,4	3,2	2,8	2,8	2,9	2,5	2,5	2,4	2,2	2,3	2,4	2,4	2,4	2,5	-3,8	-0,4
EL						6,7	6,8	5,1	4,9	6,0	9,5	9,5	9,5	9,5	6,5	3,8	2,8
E						5,1	4,7	4,9	5,3	5,5	5,6	5,4	5,4	5,4	5,2	3,0	0,3
F						4,3	4,2	4,3	4,4	4,3	4,2	4,2	4,2	4,3	4,3	0,1	0,0
IRL	6,1	5,0	5,0	4,7	4,9	4,9	4,6	4,8	4,8	5,0	4,9	4,7	5,2	5,2	4,8	0,6	-0,2
I	4,4	4,5	4,5	4,6	4,7	4,7	4,6	4,6	5,2	5,4	5,0	4,7	4,8	4,8	4,9	2,5	0,0
L	5,0	4,7	4,8	3,9	3,5	3,3	3,2	3,4	3,6	3,7	4,0	3,3	3,2	3,4	3,5	4,0	0,0
NL						5,1	5,7	6,2	6,4	6,8	6,9	7,5	7,6	7,6	6,2	5,9	2,4
A						3,0	2,8	2,8	2,9	2,8	2,9	2,7	2,7	2,7	2,9	-0,6	-0,3
P						9,1	8,7	8,9	9,4	10,2	9,5	9,6	9,5	9,5	9,3	2,1	0,5
FIN	4,9	4,8	4,8	4,4	3,8	3,4	3,2	3,2	3,1	3,0	1,7	3,2	3,2	3,2	2,9	-10,5	-0,2
S						1,9	1,5	1,4	1,4	1,4	1,6	1,7	1,7	1,7	1,5	-2,3	-0,2
UK	3,6	3,6	3,0	3,0	3,0	3,9	3,6	3,9	3,9	4,2	4,7	4,6	4,6	4,6	4,0	4,2	0,7
EU						3,9	3,7	3,8	3,9	4,0	4,1	4,1	4,2	4,2	3,9	1,7	0,3
Euro12						3,8	3,7	3,8	3,9	3,9	3,9	4,0	4,0	4,1	3,8	1,3	0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.1.4\_G: Indirect Taxes as % of GDP: Other taxes on production

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	1,6	1,6	1,7	1,8	1,8	1,9	2,0	2,0	2,0	2,0	1,9	1,9	1,9	1,9	2,0	-0,4	0,0
DK		1,5	1,5	1,8	1,7	1,6	1,5	1,6	1,8	1,7	1,6	1,8	1,9	2,1	1,6	1,7	0,2
D		2,0	2,0	1,9	1,9	1,8	1,9	2,0	2,0	2,1	2,0	1,8	1,8	1,7	2,0	0,3	0,0
EL						0,6	0,7	0,6	0,6	0,6	0,7	0,7	0,7	0,7	0,7	1,3	0,1
E						1,3	1,3	1,3	1,4	1,3	1,3	1,3	1,3	1,3	1,3	-0,1	-0,1
F						4,1	4,2	4,2	4,2	4,2	4,0	4,0	3,9	3,9	4,1	-0,6	-0,1
IRL	1,1	0,9	0,9	0,9	0,9	1,0	1,0	0,8	0,8	0,7	0,6	0,6	0,6	0,6	0,8	-8,5	-0,4
I	0,5	0,6	0,6	1,4	1,3	1,2	1,2	1,4	3,8	3,4	3,4	3,6	3,6	3,6	2,4	22,5	2,4
L	1,5	1,3	1,4	1,8	1,8	1,6	1,7	1,7	1,8	2,1	2,5	2,4	2,4	2,4	1,9	8,2	0,8
NL						1,1	1,1	1,0	1,0	1,1	1,1	1,1	1,1	1,1	1,1	0,0	0,0
A						3,5	3,0	3,2	3,2	3,2	3,2	3,4	3,4	3,3	3,2	-0,1	-0,1
P						0,5	0,5	0,6	0,6	0,6	0,7	0,7	0,7	0,7	0,6	3,7	0,1
FIN	0,2	0,2	0,2	0,2	0,2	0,1	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	5,0	0,1
S						2,7	3,6	4,0	4,6	5,9	4,0	3,8	3,7	3,7	4,1	5,9	1,1
UK	2,4	2,5	2,6	2,3	2,2	2,1	2,1	2,1	2,0	2,0	2,0	1,9	1,9	1,9	2,0	-1,4	-0,2
EU						2,1	2,2	2,2	2,6	2,5	2,4	2,4	2,4	2,3	2,3	2,4	0,3
Euro12						2,1	2,2	2,2	2,6	2,5	2,5	2,5	2,4	2,4	2,4	3,1	0,3
EU (arithmetic average)						1,7	1,7	1,8	2,0	2,1	1,9	1,9	1,9	1,9	1,9	2,9	0,3
Euro12 (arithmetic average)						1,6	1,6	1,6	1,8	1,8	1,8	1,8	1,8	1,8	1,7	2,9	0,2
Ratio between standard deviation and mean in %						50,6	52,1	54,7	53,8	61,2	51,6	52,5	52,4	52,7			2,0
Difference maximum and minimum ratio						3,9	4,0	4,0	4,4	5,7	3,8	3,7	3,7	3,7			-0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.1.4\_T: Indirect Taxes as % of Total Taxation: Other taxes on production

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	3,6	3,8	3,9	4,0	4,1	4,2	4,3	4,5	4,3	4,3	4,1	4,2	4,2	4,2	4,3	-0,6	0,0
DK		3,1	3,1	3,8	3,5	3,2	3,1	3,3	3,5	3,4	3,3	3,6	4,0	4,4	3,3	1,4	0,4
D		4,9	5,0	4,7	4,7	4,5	4,6	4,7	4,8	4,8	4,7	4,4	4,3	4,2	4,7	1,0	0,0
EL						1,9	2,3	1,9	1,7	1,7	1,9	1,9	1,9	1,9	1,9	-2,5	0,0
E						4,0	3,8	3,8	3,9	3,8	3,7	3,6	3,6	3,6	3,8	-1,0	-0,4
F						9,2	9,4	9,3	9,3	9,1	8,9	8,7	8,7	8,8	9,2	-0,8	-0,5
IRL	3,7	2,7	2,6	2,6	2,6	2,9	2,9	2,5	2,3	2,2	1,9	2,0	2,1	2,1	2,5	-8,3	-0,9
I	1,3	1,5	1,4	3,3	3,2	2,9	2,8	3,1	8,9	7,9	7,9	8,4	8,5	8,6	5,6	26,2	5,5
L	3,7	3,2	3,6	4,2	4,2	3,7	3,9	4,2	4,6	5,2	6,0	5,8	5,5	5,8	4,6	9,6	2,1
NL						2,7	2,7	2,5	2,5	2,6	2,6	2,7	2,7	2,7	2,6	-0,9	0,0
A						8,2	6,9	7,2	7,2	7,1	7,2	7,4	7,4	7,4	7,3	-1,7	-0,8
P						1,5	1,5	1,6	1,7	1,7	1,7	1,7	1,7	1,7	1,6	2,7	0,2
FIN	0,3	0,4	0,3	0,4	0,4	0,3	0,4	0,4	0,5	0,5	0,4	0,5	0,5	0,4	0,4	6,0	0,2
S						5,5	7,0	7,8	8,7	11,3	7,7	7,0	7,1	7,0	8,0	9,1	1,5
UK	6,6	7,0	7,3	6,9	6,3	6,0	6,0	5,8	5,4	5,4	5,3	5,1	5,1	5,1	5,6	-2,9	-0,8
EU						5,2	5,2	5,3	6,1	6,0	5,8	5,7	5,7	5,7	5,6	3,1	0,5
Euro12						5,0	4,9	5,0	6,1	5,8	5,7	5,7	5,7	5,6	5,4	3,9	0,7

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.2\_G: Direct Taxes as % of GDP: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	16,0	15,7	15,1	16,2	16,5	17,1	17,0	17,4	18,0	17,5	17,8	17,8	17,9	17,7	17,5	0,8	0,8
DK		28,8	29,3	30,4	31,0	30,6	30,8	30,5	30,1	30,7	29,5	28,8	28,1	27,2	30,4	-1,0	-1,8
D		11,4	11,8	11,6	11,1	11,2	11,6	11,3	11,6	12,2	12,7	11,3	11,6	11,8	11,8	1,0	0,1
EL						7,8	7,4	8,2	9,8	10,7	10,7	10,3	10,3	10,1	9,1	6,7	2,6
E						10,5	10,6	10,8	10,5	10,6	10,9	10,9	10,9	10,9	10,7	0,5	0,4
F						9,0	9,4	10,1	12,2	12,7	12,9	13,2	13,1	13,0	11,0	7,1	4,2
IRL	13,3	14,1	14,3	15,1	15,5	13,7	14,2	14,2	14,0	14,0	14,0	12,9	12,8	12,5	14,0	-0,8	-0,8
I	14,3	14,6	16,7	16,8	15,1	15,4	15,7	16,9	14,8	15,2	14,7	15,2	14,9	14,5	15,4	-1,0	-0,2
L	17,0	15,6	14,5	16,5	16,8	17,6	18,0	17,4	16,5	16,2	16,2	15,8	15,5	14,1	17,0	-2,2	-1,9
NL						12,7	13,2	12,7	12,5	12,5	12,5	12,4	12,7	12,3	12,7	-0,7	-0,2
A						12,0	13,2	13,5	13,7	13,5	13,4	15,3	15,1	15,1	13,2	2,7	3,3
P						9,5	10,1	10,1	9,9	10,5	10,8	10,4	10,4	10,4	10,2	1,5	0,8
FIN	17,7	17,9	16,9	16,0	17,4	17,6	19,2	18,6	19,1	19,0	21,4	19,8	19,6	19,2	19,1	2,2	2,3
S						20,3	21,7	21,8	22,5	22,1	22,3	23,5	21,4	21,5	21,8	1,8	3,2
UK	17,0	15,9	15,0	14,0	14,4	15,1	14,9	15,2	16,4	16,3	17,0	17,1	17,1	16,9	15,8	2,5	2,0
EU						12,8	13,2	13,5	13,9	14,1	14,3	14,1	14,0	13,9	13,6	1,8	1,3
Euro12						11,7	12,2	12,5	12,7	13,0	13,2	12,9	12,9	12,7	12,5	1,7	1,1
EU (arithmetic average)						14,7	15,1	15,2	15,4	15,6	15,8	15,6	15,4	15,1	15,3	1,1	1,0
Euro12 (arithmetic average)						12,8	13,3	13,4	13,6	13,7	14,0	13,8	13,7	13,5	13,5	1,2	0,9
Ratio between standard deviation and mean in %						44,6	44,3	41,9	39,2	37,8	36,5	37,0	34,6	34,0			-10,6
Difference maximum and minimum ratio						22,8	23,4	22,3	20,3	20,2	18,8	18,4	17,8	17,1			-5,7

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.2\_T: Direct Taxes as % of Total Taxation: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	36,8	36,0	35,0	36,2	36,7	37,8	37,6	38,1	38,9	38,1	38,7	39,2	39,3	39,2	38,2	0,5	1,4
DK		61,4	61,9	62,2	62,2	62,1	61,8	61,3	60,1	60,1	60,3	59,5	58,7	57,8	60,9	-0,7	-2,6
D		28,5	28,9	28,1	26,8	27,2	27,5	26,9	27,7	28,4	29,4	27,2	27,8	28,2	27,8	1,5	0,1
EL						23,8	22,5	24,5	27,7	28,8	28,1	27,7	27,6	27,3	25,9	4,8	3,9
E						31,3	31,4	31,6	30,6	30,2	30,5	30,4	30,1	30,1	30,9	-0,8	-0,9
F						20,5	20,9	22,3	27,0	27,8	28,4	29,1	29,1	28,9	24,5	7,6	8,5
IRL	45,6	40,9	41,3	43,3	43,0	41,1	42,5	43,3	43,4	43,5	43,5	41,9	42,1	41,7	42,9	1,0	0,7
I	37,1	36,6	39,6	39,0	37,0	37,4	36,7	37,7	34,3	35,1	34,4	35,5	34,9	34,3	35,9	-1,8	-2,0
L	41,4	38,9	36,7	38,6	40,1	41,6	42,5	42,1	41,0	39,2	38,6	38,1	35,7	33,7	40,8	-1,8	-3,5
NL						31,2	32,3	31,3	30,9	30,0	29,9	30,8	31,7	31,2	30,9	-1,3	-0,4
A						28,4	30,0	30,3	30,8	30,3	30,6	33,4	33,2	33,5	30,1	1,2	5,0
P						27,1	28,2	28,3	27,4	28,1	28,7	27,7	27,8	27,8	28,0	0,7	0,6
FIN	38,7	37,7	36,0	34,7	36,0	37,1	39,7	39,0	40,0	39,7	44,4	41,7	42,0	42,3	40,0	2,6	4,5
S						42,0	42,2	42,1	42,4	41,9	42,7	43,0	41,0	41,3	42,2	0,2	1,0
UK	46,5	44,0	42,7	41,4	41,8	42,6	42,6	42,6	44,3	44,0	44,9	45,1	45,3	45,3	43,5	1,1	2,5
EU						31,4	31,8	32,5	33,4	33,7	34,5	34,3	34,4	34,3	32,9	1,9	2,9
Euro12						26,9	27,4	27,9	28,5	29,0	29,5	29,3	29,4	29,3	28,2	1,9	2,4

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.2.1\_G: Direct Taxes as % of GDP: Personal income taxes

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	13,1	12,8	12,7	13,3	13,4	13,6	13,3	13,5	13,5	13,2	13,3	13,5	13,6	13,5	13,4	-0,2	-0,1
DK		25,1	25,5	25,7	26,8	26,6	26,6	26,2	25,9	25,8	25,6	24,9	24,2	23,3	26,1	-1,0	-1,7
D		9,4	9,8	9,6	9,4	9,6	9,6	9,5	9,7	10,0	10,4	9,3	9,5	9,6	9,8	0,4	-0,3
EL						4,1	4,1	4,5	5,5	6,0	6,0	5,8	5,7	5,6	5,0	7,4	1,7
E						7,9	7,9	7,3	7,2	6,8	6,9	6,9	6,9	6,9	7,3	-2,7	-1,0
F						5,3	5,6	6,0	8,1	8,3	8,5	8,5	8,4	8,2	7,0	9,1	3,1
IRL	11,0	11,3	11,3	11,6	11,6	10,3	10,4	10,2	9,8	9,1	9,0	8,2	8,1	7,9	9,8	-4,0	-2,2
I	10,7	10,7	11,4	11,9	10,9	10,8	11,0	11,4	11,4	11,3	10,8	11,1	10,8	10,6	11,1	0,2	0,4
L	9,6	8,6	8,6	8,8	9,0	9,2	9,2	8,5	7,7	7,8	7,7	7,3	7,2	6,5	8,3	-4,1	-1,9
NL						7,6	7,1	6,3	6,0	5,8	5,9	5,9	6,0	5,9	6,5	-4,4	-1,7
A						9,5	10,0	10,6	10,6	10,6	10,3	11,7	11,5	11,6	10,3	2,5	2,2
P						6,0	6,0	5,9	5,9	6,1	6,3	6,1	6,1	6,1	6,0	0,5	0,1
FIN	15,4	15,4	14,8	14,9	15,9	14,4	15,5	14,3	14,0	13,7	14,6	13,5	13,3	13,0	14,4	-1,3	-0,9
S						17,5	17,7	18,0	18,5	18,1	18,3	18,2	16,6	16,6	18,0	0,7	0,7
UK	11,2	11,5	11,4	10,5	10,6	10,8	10,3	9,9	10,9	11,1	11,6	11,7	11,7	11,6	10,8	2,1	0,9
EU						9,6	9,6	9,6	10,1	10,1	10,3	10,0	9,9	9,8	9,9	1,1	0,4
Euro12						8,7	8,8	8,8	9,3	9,3	9,4	9,1	9,0	9,0	9,0	1,1	0,4
EU (arithmetic average)						10,9	11,0	10,8	11,0	10,9	11,0	10,8	10,6	10,5	10,9	0,0	0,0
Euro12 (arithmetic average)						9,0	9,1	9,0	9,1	9,1	9,1	9,0	8,9	8,8	9,1	-0,1	-0,1
Ratio between standard deviation and mean in %						58,4	58,7	58,5	53,8	52,5	52,0	52,5	49,9	49,2			-9,2
Difference maximum and minimum ratio						22,5	22,5	21,7	20,4	20,0	19,8	19,1	18,5	17,7			-4,8

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP



Table A.2.1\_T: Direct Taxes as % of Total Taxation: Personal income taxes

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	30,2	29,4	29,5	29,8	29,7	30,3	29,4	29,6	29,2	28,6	29,1	29,7	29,8	29,8	29,4	-0,9	-0,5
DK		53,5	54,0	52,6	53,8	53,9	53,3	52,7	51,6	50,6	52,4	51,5	50,6	49,5	52,4	-0,9	-2,5
D		23,5	23,9	23,2	22,6	23,1	22,7	22,5	22,9	23,4	24,1	22,3	22,8	23,1	23,1	0,9	-0,8
EL						12,5	12,5	13,5	15,5	16,0	15,7	15,4	15,4	15,2	14,3	5,8	2,9
E						23,5	23,3	21,5	20,8	19,5	19,2	19,2	19,0	19,1	21,3	-4,5	-4,3
F						12,1	12,4	13,2	18,0	18,2	18,7	18,6	18,5	18,4	15,5	10,3	6,5
IRL	37,7	32,9	32,4	33,4	32,4	31,0	31,0	31,2	30,4	28,3	28,0	26,5	26,7	26,4	30,0	-2,3	-4,5
I	27,7	26,9	27,0	27,7	26,6	26,1	25,7	25,4	26,4	26,1	25,2	25,9	25,3	25,1	25,8	-0,3	-0,2
L	23,4	21,5	21,8	20,5	21,6	21,7	21,8	20,7	19,1	18,8	18,4	17,6	16,5	15,6	20,1	-3,8	-4,0
NL						18,8	17,5	15,4	14,8	14,0	14,1	14,7	15,2	14,9	15,8	-6,2	-4,1
A						22,3	22,7	23,7	23,8	23,9	23,4	25,5	25,4	25,6	23,3	1,1	3,2
P						17,1	16,8	16,5	16,2	16,3	16,7	16,2	16,2	16,2	16,6	-0,6	-0,9
FIN	33,6	32,6	31,4	32,3	32,8	30,4	32,1	30,0	29,3	28,7	30,2	28,3	28,5	28,7	30,1	-1,1	-2,1
S						36,2	34,4	34,9	34,9	34,3	34,9	33,4	31,8	32,0	34,9	-0,5	-2,8
UK	30,7	31,9	32,5	31,0	30,7	30,5	29,4	27,7	29,4	29,9	30,8	31,0	31,1	31,1	29,6	0,4	0,5
EU						23,5	23,2	23,0	24,4	24,3	24,7	24,4	24,3	24,3	23,8	1,3	0,9
Euro12						19,8	19,7	19,6	20,9	20,8	21,0	20,6	20,6	20,6	20,3	1,5	0,8

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.2.2\_G: Direct Taxes as % of GDP: Corporate income tax

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	2,1	2,1	1,6	2,1	2,3	2,6	2,7	2,9	3,4	3,3	3,3	3,2	3,2	3,2	3,0	4,4	0,7
DK		1,6	1,6	2,1	2,0	2,0	2,3	2,6	2,8	3,0	2,4	2,3	2,2	2,2	2,5	2,4	0,3
D		1,3	1,3	1,3	1,0	0,9	1,2	1,3	1,4	1,5	1,7	1,5	1,6	1,6	1,3	8,5	0,6
EL						2,6	2,3	2,6	3,1	3,4	3,4	3,3	3,3	3,2	2,9	6,5	0,7
E						1,9	2,1	2,8	2,6	3,0	3,2	3,2	3,2	3,2	2,6	8,9	1,3
F						1,8	2,0	2,3	2,3	2,7	2,9	3,1	3,1	3,1	2,3	9,3	1,4
IRL	1,7	2,0	2,3	2,8	3,1	2,8	3,1	3,2	3,4	3,9	3,8	3,6	3,5	3,5	3,4	4,7	0,8
I	3,1	3,2	2,8	3,1	3,2	2,9	3,4	3,8	2,2	2,7	2,3	2,4	2,3	2,3	2,9	-6,0	-0,5
L	6,5	6,0	5,0	6,9	6,8	7,5	7,7	7,8	7,8	7,2	7,5	7,5	7,4	6,7	7,6	-0,4	0,0
NL						3,1	4,0	4,4	4,3	4,2	4,2	4,2	4,3	4,2	4,0	3,4	1,1
A						1,7	2,2	2,2	2,3	2,0	2,2	2,5	2,5	2,5	2,1	4,2	0,9
P						3,0	3,5	3,7	3,6	4,1	4,2	4,0	4,0	4,0	3,7	4,9	1,1
FIN	1,9	2,0	1,6	0,3	0,5	2,3	2,7	3,4	4,2	4,3	5,8	5,4	5,3	5,2	3,8	15,6	3,1
S						2,1	3,1	2,8	3,1	3,0	3,1	4,4	4,0	4,0	2,9	8,1	2,3
UK	3,1	2,4	1,7	1,7	2,0	2,4	2,7	3,4	3,6	3,2	3,3	3,3	3,3	3,3	3,1	4,4	0,9
EU						1,9	2,3	2,6	2,5	2,7	2,7	2,8	2,8	2,7	2,5	5,3	0,9
Euro12						1,8	2,2	2,5	2,3	2,5	2,6	2,6	2,6	2,6	2,3	5,2	0,8
EU (arithmetic average)						2,6	3,0	3,3	3,4	3,4	3,6	3,6	3,6	3,5	3,2	4,7	1,0
Euro12 (arithmetic average)						2,7	3,1	3,4	3,4	3,5	3,7	3,7	3,7	3,6	3,3	4,6	0,9
Ratio between standard deviation and mean in %						76,2	64,3	55,8	58,5	49,0	53,9	51,8	50,7	46,4			-29,9
Difference maximum and minimum ratio						6,6	6,5	6,6	6,5	5,7	5,8	6,0	5,8	5,1			-1,4

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.2.2\_T: Direct Taxes as % of Total Taxation: Corporate income tax

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	4,9	4,9	3,8	4,6	5,1	5,7	6,0	6,3	7,4	7,1	7,2	7,1	7,1	7,1	6,6	5,4	1,4
DK		3,3	3,3	4,3	4,1	4,0	4,6	5,2	5,6	5,9	4,8	4,8	4,7	4,6	5,0	5,1	0,8
D		3,3	3,1	3,0	2,5	2,2	2,8	3,1	3,3	3,5	3,9	3,6	3,7	3,8	3,1	10,4	1,4
EL						8,0	6,8	7,7	8,8	9,1	9,0	8,9	8,8	8,7	8,2	4,4	0,8
E						5,8	6,1	8,1	7,6	8,5	9,0	9,0	8,9	8,9	7,5	9,0	3,2
F						4,0	4,5	5,0	5,1	5,9	6,3	6,9	6,9	6,8	5,1	8,8	2,9
IRL	5,7	5,8	6,7	8,0	8,7	8,3	9,3	9,8	10,5	12,0	11,7	11,6	11,7	11,6	10,3	7,3	3,3
I	8,1	8,0	6,5	7,3	7,8	7,1	8,0	8,5	5,0	6,3	5,4	5,6	5,4	5,4	6,7	-7,3	-1,5
L	15,7	15,0	12,7	16,1	16,3	17,7	18,1	19,0	19,4	17,5	17,9	18,2	17,1	16,1	18,3	-0,1	0,5
NL						7,7	9,7	10,8	10,7	10,0	10,0	10,5	10,8	10,6	9,8	4,0	2,8
A						3,9	5,0	4,9	5,2	4,5	5,1	5,5	5,5	5,6	4,8	2,9	1,6
P						8,4	9,8	10,4	10,1	10,9	11,1	10,8	10,8	10,8	10,1	4,8	2,3
FIN	4,2	4,1	3,4	0,6	1,1	4,8	5,7	7,1	8,8	9,0	12,1	11,3	11,4	11,5	7,9	17,9	6,6
S						4,4	6,1	5,4	5,9	5,7	6,0	8,1	7,7	7,7	5,6	4,2	3,7
UK	8,6	6,5	4,9	5,0	5,7	6,9	7,7	9,5	9,7	8,6	8,7	8,7	8,8	8,8	8,5	4,3	1,9
EU						4,7	5,5	6,3	6,1	6,3	6,6	6,7	6,7	6,7	5,9	5,7	2,0
Euro12						4,2	5,0	5,6	5,1	5,7	5,9	6,0	6,0	6,0	5,2	5,6	1,8

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.2.3\_G: Direct Taxes as % of GDP: Other

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	0,7	0,8	0,7	0,8	0,8	0,9	1,0	1,0	1,0	1,1	1,1	1,1	1,1	1,1	1,0	3,9	0,2
DK		2,1	2,2	2,6	2,2	2,1	1,9	1,7	1,4	1,8	1,5	1,6	1,6	1,7	1,7	-4,4	-0,5
D		0,7	0,8	0,7	0,7	0,8	0,8	0,6	0,6	0,6	0,6	0,5	0,6	0,6	0,7	-5,7	-0,2
EL						1,1	1,0	1,1	1,2	1,4	1,3	1,3	1,3	1,2	1,2	4,2	0,2
E						0,7	0,7	0,7	0,8	0,8	0,8	0,8	0,8	0,8	0,7	3,0	0,1
F						1,9	1,8	1,8	1,7	1,7	1,5	1,6	1,6	1,7	1,8	-3,5	-0,3
IRL	0,6	0,7	0,7	0,6	0,7	0,6	0,7	0,8	0,8	1,0	1,2	1,2	1,1	1,1	0,9	11,7	0,5
I	0,5	0,7	2,6	1,7	1,1	1,7	1,3	1,7	1,3	1,2	1,6	1,7	1,8	1,6	1,5	0,0	-0,1
L	0,9	1,0	0,9	0,9	0,9	0,9	1,1	1,0	1,0	1,2	1,0	1,0	0,9	0,8	1,0	-0,2	0,0
NL						1,9	2,1	2,1	2,2	2,5	2,4	2,3	2,3	2,2	2,2	3,7	0,4
A						0,9	1,0	0,8	0,8	0,8	0,9	1,1	1,0	1,0	0,9	1,7	0,2
P						0,6	0,6	0,5	0,4	0,3	0,3	0,3	0,3	0,3	0,4	-13,2	-0,3
FIN	0,4	0,5	0,6	0,8	1,0	0,9	1,0	0,9	0,9	1,0	1,0	1,0	1,0	0,9	0,9	1,1	0,0
S						0,7	0,9	0,9	0,9	1,0	1,0	0,9	0,8	0,8	0,9	2,9	0,2
UK	2,6	2,0	1,9	1,8	1,8	1,9	1,9	1,9	2,0	2,0	2,0	2,1	2,0	2,0	1,9	1,9	0,2
EU						1,3	1,3	1,3	1,2	1,3	1,3	1,3	1,3	1,3	1,3	0,0	0,0
Euro12						1,2	1,2	1,2	1,1	1,1	1,2	1,2	1,2	1,2	1,2	-1,0	-0,1
EU (arithmetic average)						1,2	1,2	1,2	1,1	1,2	1,2	1,2	1,2	1,2	1,2	0,8	0,0
Euro12 (arithmetic average)						1,1	1,1	1,1	1,1	1,1	1,2	1,1	1,1	1,1	1,1	1,3	0,1
Ratio between standard deviation and mean in %						41,6	38,6	40,3	40,5	44,5	41,4	40,9	41,7	41,8			0,2
Difference maximum and minimum ratio						1,5	1,5	1,5	1,8	2,2	2,1	2,0	2,0	1,9			0,5

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.2.3\_T: Direct Taxes as % of Total Taxation: Other

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	1,7	1,7	1,7	1,9	1,9	1,9	2,1	2,2	2,3	2,4	2,4	2,4	2,4	2,3	2,2	4,5	0,5
DK		4,5	4,6	5,3	4,3	4,2	3,9	3,5	2,8	3,6	3,1	3,3	3,4	3,7	3,5	-5,5	-0,9
D		1,8	1,9	1,8	1,8	1,8	1,9	1,4	1,5	1,4	1,4	1,3	1,3	1,3	1,6	-6,5	-0,5
EL						3,3	3,2	3,3	3,3	3,7	3,5	3,4	3,4	3,4	3,4	2,1	0,1
E						2,0	2,1	2,1	2,2	2,2	2,3	2,2	2,1	2,1	2,2	2,3	0,2
F						4,4	4,0	4,0	3,8	3,8	3,4	3,5	3,6	3,7	3,9	-4,6	-0,9
IRL	2,2	2,1	2,1	1,9	1,9	1,9	2,2	2,3	2,5	3,2	3,9	3,8	3,8	3,7	2,7	14,0	1,9
I	1,3	1,7	6,1	4,0	2,6	4,2	3,1	3,7	2,9	2,7	3,9	3,9	4,2	3,8	3,4	-3,1	-0,3
L	2,3	2,4	2,2	2,0	2,2	2,2	2,6	2,4	2,5	2,8	2,4	2,3	2,2	2,0	2,5	1,5	0,1
NL						4,7	5,1	5,1	5,4	6,0	5,8	5,6	5,7	5,7	5,3	4,8	0,9
A						2,1	2,3	1,7	1,7	1,9	2,1	2,3	2,3	2,3	2,0	-1,4	0,2
P						1,6	1,6	1,4	1,1	0,9	0,8	0,8	0,8	0,8	1,2	-15,3	-0,9
FIN	0,9	1,0	1,2	1,8	2,0	2,0	2,0	1,9	1,9	2,0	2,1	2,0	2,1	2,1	2,0	1,0	0,1
S						1,5	1,7	1,8	1,7	1,9	1,8	1,6	1,5	1,5	1,7	3,4	0,1
UK	7,2	5,6	5,4	5,4	5,4	5,3	5,4	5,3	5,3	5,4	5,4	5,5	5,4	5,4	5,4	0,4	0,2
EU						3,3	3,1	3,1	3,0	3,1	3,2	3,2	3,3	3,2	3,1	-0,7	-0,1
Euro12						2,9	2,7	2,7	2,5	2,6	2,6	2,7	2,8	2,7	2,7	-2,3	-0,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

**Table A.3\_G: Social Security Contributions as % of GDP: Total**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	14,4	14,9	15,1	15,4	15,0	14,7	14,6	14,4	14,5	14,4	14,1	14,2	14,2	14,0	14,5	-0,7	-0,6
DK		1,4	1,5	1,6	1,6	1,5	1,6	1,6	1,6	2,1	2,3	2,4	2,6	2,9	1,8	8,7	0,9
D		16,2	16,6	17,2	17,5	17,7	18,3	18,5	18,2	18,0	17,6	17,6	17,6	17,5	18,1	-0,5	-0,2
EL						10,5	10,8	11,1	11,4	11,6	11,4	11,3	11,3	11,3	11,1	1,3	0,9
E						12,0	12,2	12,2	12,1	12,2	12,5	12,8	13,1	13,1	12,2	0,8	0,8
F						18,7	18,9	18,4	16,3	16,5	16,4	16,5	16,3	16,2	17,5	-2,8	-2,3
IRL	5,3	5,4	5,6	5,6	5,4	5,0	4,6	4,4	4,2	4,3	4,3	4,5	4,4	4,4	4,5	-1,7	-0,5
I	12,9	13,3	13,4	13,5	13,2	13,0	14,6	14,9	12,5	12,4	12,4	12,4	12,4	12,4	13,3	-2,4	-0,6
L	11,1	11,2	11,7	11,7	10,9	11,2	11,0	10,4	10,2	10,5	10,7	11,3	13,5	13,2	10,7	0,0	0,1
NL						16,0	15,5	15,5	15,3	16,0	16,1	14,3	13,6	13,6	15,7	-0,8	-1,7
A						15,2	15,3	15,3	15,2	15,2	15,0	15,0	15,1	14,9	15,2	-0,3	-0,2
P						10,1	10,3	10,4	10,6	10,7	11,0	11,1	11,2	11,2	10,5	1,5	1,0
FIN	12,8	14,2	15,1	15,5	16,4	15,4	14,9	14,2	14,0	14,1	13,4	13,8	13,3	12,9	14,3	-2,0	-1,6
S						13,6	14,6	14,5	14,5	13,1	15,1	15,6	15,5	15,4	14,2	1,4	2,0
UK	6,2	6,2	6,1	6,1	6,2	6,2	6,1	6,2	6,3	6,3	6,3	6,4	6,4	6,4	6,2	0,6	0,3
EU						14,4	14,6	14,3	13,5	13,4	13,2	13,1	13,0	12,9	13,9	-2,0	-1,2
Euro12						16,0	16,4	16,3	15,3	15,2	15,0	14,9	14,8	14,7	15,7	-1,7	-1,1
EU (arithmetic average)						12,1	12,2	12,1	11,8	11,8	11,9	11,9	12,0	11,9	12,0	-0,4	-0,1
Euro12 (arithmetic average)						13,3	13,4	13,3	12,9	13,0	12,9	12,9	13,0	12,9	13,1	-0,7	-0,4
Ratio between standard deviation and mean in %						33,6	33,7	34,3	34,4	33,9	34,2	33,3	33,2	32,8			-0,8
Difference maximum and minimum ratio						17,2	17,3	17,0	16,6	15,8	15,4	15,1	15,0	14,6			-2,6

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.3\_T: Social Security Contributions as % of Total Taxation: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	33,1	34,2	35,0	34,2	33,3	32,7	32,2	31,6	31,2	31,2	30,8	31,2	31,3	30,9	31,6	-1,2	-1,5
DK		3,0	3,1	3,2	3,2	3,1	3,1	3,1	3,1	4,2	4,6	5,0	5,5	6,1	3,5	8,0	1,9
D		40,5	40,7	41,7	42,3	42,9	43,4	44,0	43,2	41,8	40,9	42,3	42,0	41,8	42,7	-1,1	-0,6
EL						32,1	32,8	33,3	32,1	31,1	29,9	30,3	30,5	30,6	31,9	-1,6	-1,8
E						36,0	36,2	35,6	35,2	34,8	34,9	35,9	36,3	36,0	35,5	-0,8	-0,1
F						42,6	41,9	40,7	36,1	36,0	36,1	36,3	36,2	36,1	38,9	-4,0	-6,3
IRL	18,0	15,8	16,0	16,1	15,2	15,0	13,9	13,3	13,1	13,4	13,5	14,5	14,6	14,7	13,7	-1,8	-0,4
I	33,4	33,4	31,8	31,4	32,3	31,6	34,2	33,4	28,9	28,8	29,0	29,0	29,1	29,4	31,0	-3,1	-2,7
L	27,0	27,9	29,6	27,3	26,1	26,5	25,9	25,2	25,4	25,5	25,5	27,4	31,1	31,6	25,7	-0,6	0,9
NL						39,5	37,9	38,0	38,0	38,5	38,7	35,4	34,0	34,4	38,4	-0,2	-4,1
A						35,8	34,8	34,3	34,1	34,2	34,2	32,8	33,2	33,0	34,6	-0,8	-3,0
P						28,7	28,8	29,1	29,3	28,5	29,0	29,6	29,8	29,8	28,9	0,1	0,9
FIN	28,1	29,9	32,1	33,6	33,8	32,5	30,9	29,7	29,3	29,5	27,7	28,9	28,5	28,3	29,9	-2,7	-3,6
S						28,1	28,5	28,0	27,3	25,0	28,9	28,5	29,7	29,6	27,6	-0,8	0,4
UK	16,9	17,1	17,2	18,0	18,0	17,4	17,4	17,5	17,1	16,9	16,5	17,0	17,0	17,1	17,1	-1,1	-0,4
EU						35,2	35,2	34,4	32,3	31,8	31,4	31,6	31,6	31,5	33,4	-2,7	-3,6
Euro12						37,5	37,7	37,2	35,0	34,5	34,2	34,4	34,3	34,2	36,0	-2,3	-3,1

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.3.1\_G: Social Security Contributions as % of GDP:Employers

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	9,0	9,4	9,4	9,4	9,2	8,9	8,8	8,7	8,8	8,8	8,5	8,5	8,5	8,4	8,7	-0,6	-0,3
DK		0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,4	0,3	0,3	0,4	0,4	0,4	0,3	2,2	0,1
D		7,3	7,4	7,5	7,7	7,7	7,7	7,8	7,7	7,7	7,6	7,6	7,6	7,5	7,7	-0,4	-0,1
EL						4,8	5,0	5,2	5,2	5,3	5,2	5,1	5,2	5,2	5,1	1,1	0,4
E						8,3	8,5	8,5	8,4	8,5	8,6	8,9	9,1	9,1	8,5	0,8	0,5
F						11,5	11,4	11,4	11,3	11,4	11,3	11,3	11,2	11,1	11,4	-0,3	-0,2
IRL	3,0	3,1	3,1	3,2	3,1	2,9	2,7	2,6	2,6	2,6	2,6	2,8	2,8	2,7	2,7	-0,5	-0,1
I	9,2	9,2	9,2	9,1	8,8	8,7	10,2	10,6	8,7	8,7	8,7	8,7	8,7	8,6	9,3	-1,9	0,0
L	5,4	5,4	5,7	5,6	5,2	5,2	5,1	4,8	4,8	4,6	4,8	5,0	5,4	5,3	4,9	-0,9	-0,1
NL						2,0	1,9	1,8	4,6	4,6	4,7	4,2	4,0	4,0	3,3	17,8	2,2
A						7,4	7,4	7,4	7,4	7,4	7,3	7,3	7,2	7,1	7,4	-0,3	-0,1
P						6,3	6,5	6,6	6,9	6,9	7,0	7,1	7,2	7,2	6,7	2,0	0,8
FIN	10,4	11,7	11,2	10,9	11,0	10,8	10,5	10,1	10,2	10,3	9,8	10,1	9,8	9,5	10,3	-1,0	-0,6
S						11,5	12,1	11,6	11,2	9,8	11,8	12,2	12,1	12,0	11,3	-0,2	0,6
UK	3,6	3,6	3,5	3,6	3,4	3,4	3,4	3,4	3,4	3,5	3,5	3,6	3,6	3,6	3,4	1,2	0,3
EU						7,6	7,9	7,8	7,5	7,5	7,4	7,4	7,4	7,3	7,6	-0,8	-0,2
Euro12						8,4	8,7	8,7	8,5	8,5	8,4	8,4	8,3	8,2	8,5	-0,4	0,0
EU (arithmetic average)						6,6	6,8	6,7	6,8	6,7	6,8	6,9	6,9	6,8	6,7	0,3	0,2
Euro12 (arithmetic average)						7,0	7,2	7,1	7,2	7,2	7,2	7,2	7,2	7,1	7,2	0,4	0,2
Ratio between standard deviation and mean in %						45,7	46,1	46,2	42,5	41,6	43,4	44,3	44,2	43,9			-1,8
Difference maximum and minimum ratio						11,2	11,8	11,2	10,9	11,0	11,4	11,8	11,7	11,6			0,4

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP



Table A.3.1\_T: Social Security Contributions as % of Total Taxation:Employers

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	20,8	21,6	21,8	21,0	20,3	19,7	19,4	19,1	19,0	19,0	18,5	18,7	18,8	18,6	19,1	-1,0	-0,9
DK		0,7	0,6	0,6	0,6	0,6	0,7	0,7	0,7	0,7	0,7	0,8	0,8	0,9	0,7	1,8	0,1
D		18,3	18,2	18,3	18,5	18,6	18,3	18,6	18,3	17,9	17,6	18,3	18,1	18,0	18,2	-1,0	-0,4
EL						14,6	15,2	15,5	14,7	14,2	13,6	13,8	13,9	13,9	14,6	-1,8	-0,8
E						24,9	25,2	24,9	24,4	24,1	24,2	24,8	25,3	25,0	24,6	-0,9	-0,1
F						26,2	25,4	25,3	25,0	24,9	24,9	25,0	24,8	24,7	25,3	-1,0	-1,3
IRL	10,3	9,1	9,0	9,2	8,5	8,7	8,0	7,9	8,1	8,1	8,2	9,0	9,1	9,1	8,1	-0,7	0,3
I	23,7	23,1	21,9	21,1	21,4	21,0	24,0	23,7	20,2	20,2	20,3	20,2	20,3	20,5	21,6	-2,4	-0,8
L	13,1	13,5	14,4	13,2	12,5	12,2	12,1	11,6	11,8	11,3	11,4	12,2	12,5	12,7	11,7	-1,6	0,0
NL						4,8	4,8	4,4	11,4	11,1	11,3	10,4	10,0	10,0	8,0	22,1	5,5
A						17,4	16,9	16,7	16,6	16,6	16,6	15,9	15,8	15,7	16,8	-0,9	-1,5
P						18,0	18,3	18,5	19,0	18,3	18,7	19,1	19,2	19,2	18,5	0,7	1,1
FIN	22,7	24,7	23,9	23,7	22,8	22,7	21,8	21,1	21,3	21,6	20,4	21,3	21,0	20,9	21,5	-1,6	-1,4
S						23,8	23,6	22,3	21,0	18,6	22,5	22,3	23,2	23,1	22,0	-3,0	-1,6
UK	9,8	10,0	10,1	10,6	9,9	9,5	9,6	9,4	9,3	9,3	9,3	9,6	9,6	9,6	9,4	-0,6	0,1
EU						18,7	19,0	18,6	18,1	17,8	17,7	18,0	17,9	17,9	18,3	-1,4	-0,8
Euro12						19,5	19,8	19,8	19,4	19,1	19,0	19,3	19,2	19,2	19,4	-0,7	-0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.3.2\_G: Social Security Contributions as % of GDP: Employees

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	4,4	4,4	4,4	4,6	4,6	4,5	4,5	4,4	4,4	4,4	4,4	4,4	4,5	4,4	4,4	-0,4	-0,1
DK		1,1	1,2	1,3	1,3	1,2	1,2	1,2	1,2	1,8	1,9	2,1	2,2	2,4	1,4	10,1	0,8
D		6,5	6,7	6,8	6,9	6,9	7,0	7,2	7,1	7,0	6,9	6,9	6,9	6,8	7,0	-0,3	0,0
EL						4,3	4,4	4,5	4,7	4,7	4,5	4,4	4,4	4,4	4,5	0,6	0,1
E						1,9	2,0	1,9	2,0	1,9	2,0	2,1	2,1	2,2	2,0	0,7	0,1
F						5,8	5,9	5,5	4,0	4,0	4,0	4,1	4,1	4,1	4,9	-7,7	-1,8
IRL	2,1	2,1	2,2	2,2	2,1	1,9	1,8	1,5	1,4	1,5	1,5	1,5	1,5	1,5	1,6	-3,3	-0,4
I	2,5	2,6	2,6	2,6	2,6	2,5	2,6	2,7	2,5	2,4	2,4	2,4	2,4	2,4	2,5	-1,3	-0,1
L	4,2	4,4	4,5	4,5	4,2	4,5	4,4	4,2	4,2	4,5	4,7	5,0	6,7	6,6	4,4	1,9	0,5
NL						10,5	10,0	10,2	7,7	8,1	8,0	7,1	6,7	6,7	9,1	-6,6	-3,4
A						6,5	6,5	6,4	6,4	6,4	6,3	6,3	6,5	6,4	6,4	-0,7	-0,2
P						3,3	3,2	3,2	3,2	3,3	3,4	3,4	3,5	3,5	3,3	1,0	0,1
FIN	1,6	1,6	2,4	3,0	3,4	3,0	3,0	2,8	2,7	2,8	2,6	2,6	2,6	2,5	2,8	-2,7	-0,4
S						1,8	2,2	2,6	3,1	3,1	3,2	3,1	3,1	3,1	2,7	9,3	1,4
UK	2,4	2,4	2,3	2,3	2,5	2,6	2,5	2,7	2,7	2,6	2,5	2,6	2,6	2,6	2,6	0,0	0,0
EU						4,9	4,8	4,7	4,3	4,3	4,2	4,1	4,1	4,1	4,5	-3,2	-0,8
Euro12						5,5	5,4	5,3	4,8	4,7	4,7	4,6	4,6	4,5	5,1	-3,3	-0,9
EU (arithmetic average)						4,1	4,1	4,1	3,8	3,9	3,9	3,9	4,0	4,0	4,0	-1,1	-0,2
Euro12 (arithmetic average)						4,6	4,6	4,6	4,2	4,2	4,2	4,2	4,3	4,3	4,4	-2,0	-0,5
Ratio between standard deviation and mean in %						51,2	49,8	51,5	45,9	46,2	46,4	43,5	45,9	45,5			-5,8
Difference maximum and minimum ratio						9,2	8,8	9,0	6,5	6,6	6,5	5,6	5,4	5,3			-3,9

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.3.2\_T: Social Security Contributions as % of Total Taxation: Employees

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	10,1	10,0	10,3	10,3	10,1	10,1	9,9	9,6	9,5	9,5	9,6	9,8	9,8	9,7	9,7	-1,1	-0,3
DK		2,4	2,5	2,6	2,5	2,5	2,5	2,4	2,4	3,5	3,9	4,3	4,7	5,1	2,9	9,3	1,8
D		16,3	16,5	16,5	16,6	16,7	16,6	17,0	16,8	16,2	16,0	16,6	16,4	16,4	16,6	-0,9	-0,2
EL						13,2	13,3	13,5	13,1	12,6	11,7	11,9	12,0	12,0	12,9	-2,3	-1,3
E						5,8	5,9	5,6	5,8	5,5	5,5	5,8	5,8	5,9	5,7	-1,1	0,0
F						13,2	13,2	12,2	8,8	8,8	8,9	9,0	9,1	9,1	10,9	-10,0	-4,3
IRL	7,1	6,2	6,4	6,3	5,9	5,6	5,3	4,7	4,3	4,7	4,8	4,9	5,0	5,0	4,9	-3,6	-0,7
I	6,4	6,6	6,1	6,1	6,4	6,1	6,1	6,0	5,7	5,6	5,6	5,6	5,6	5,7	5,8	-2,0	-0,5
L	10,3	10,9	11,4	10,4	10,0	10,6	10,3	10,2	10,4	11,0	11,2	12,1	15,5	15,7	10,6	1,4	1,5
NL						25,8	24,5	25,2	19,1	19,4	19,2	17,6	16,9	17,1	22,2	-7,0	-8,3
A						15,4	14,9	14,4	14,2	14,3	14,3	13,7	14,2	14,2	14,6	-1,3	-1,6
P						9,4	8,9	8,9	8,9	8,8	9,0	9,2	9,2	9,2	9,0	-0,7	-0,2
FIN	3,5	3,3	5,0	6,6	7,0	6,4	6,2	5,9	5,8	5,8	5,3	5,6	5,5	5,4	5,9	-3,4	-0,8
S						3,6	4,3	5,1	5,9	5,9	6,0	5,7	6,0	6,0	5,1	10,3	2,1
UK	6,5	6,5	6,6	6,8	7,4	7,3	7,2	7,5	7,2	7,0	6,7	6,9	6,9	6,9	7,2	-1,5	-0,5
EU						12,0	11,6	11,4	10,3	10,1	10,0	10,0	10,0	10,0	10,9	-4,1	-2,0
Euro12						12,8	12,5	12,2	10,9	10,7	10,6	10,6	10,6	10,6	11,6	-4,3	-2,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table A.3.3\_G: Social Security Contributions as % of GDP: Self-employed

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	4,4	4,4	4,4	4,6	4,6	4,5	4,5	4,4	4,4	4,4	4,4	4,4	4,5	4,4	4,4	-0,4	-0,1
DK		1,1	1,2	1,3	1,3	1,2	1,2	1,2	1,2	1,8	1,9	2,1	2,2	2,4	1,4	10,1	0,8
D		6,5	6,7	6,8	6,9	6,9	7,0	7,2	7,1	7,0	6,9	6,9	6,9	6,8	7,0	-0,3	0,0
EL						4,3	4,4	4,5	4,7	4,7	4,5	4,4	4,4	4,4	4,5	0,6	0,1
E						1,9	2,0	1,9	2,0	1,9	2,0	2,1	2,1	2,2	2,0	0,7	0,1
F						5,8	5,9	5,5	4,0	4,0	4,0	4,1	4,1	4,1	4,9	-7,7	-1,8
IRL	2,1	2,1	2,2	2,2	2,1	1,9	1,8	1,5	1,4	1,5	1,5	1,5	1,5	1,5	1,6	-3,3	-0,4
I	2,5	2,6	2,6	2,6	2,6	2,5	2,6	2,7	2,5	2,4	2,4	2,4	2,4	2,4	2,5	-1,3	-0,1
L	4,2	4,4	4,5	4,5	4,2	4,5	4,4	4,2	4,2	4,5	4,7	5,0	6,7	6,6	4,4	1,9	0,5
NL						10,5	10,0	10,2	7,7	8,1	8,0	7,1	6,7	6,7	9,1	-6,6	-3,4
A						6,5	6,5	6,4	6,4	6,4	6,3	6,3	6,5	6,4	6,4	-0,7	-0,2
P						3,3	3,2	3,2	3,2	3,3	3,4	3,4	3,5	3,5	3,3	1,0	0,1
FIN	1,6	1,6	2,4	3,0	3,4	3,0	3,0	2,8	2,7	2,8	2,6	2,6	2,6	2,5	2,8	-2,7	-0,4
S						1,8	2,2	2,6	3,1	3,1	3,2	3,1	3,1	3,1	2,7	9,3	1,4
UK	2,4	2,4	2,3	2,3	2,5	2,6	2,5	2,7	2,7	2,6	2,5	2,6	2,6	2,6	2,6	0,0	0,0
EU						4,9	4,8	4,7	4,3	4,3	4,2	4,1	4,1	4,1	4,5	-3,2	-0,8
Euro12						5,5	5,4	5,3	4,8	4,7	4,7	4,6	4,6	4,5	5,1	-3,3	-0,9
EU (arithmetic average)						4,1	4,1	4,1	3,8	3,9	3,9	3,9	4,0	4,0	4,0	-1,1	-0,2
Euro12 (arithmetic average)						4,6	4,6	4,6	4,2	4,2	4,2	4,2	4,3	4,3	4,4	-2,0	-0,5
Ratio between standard deviation and mean in %						51,2	49,8	51,5	45,9	46,2	46,4	43,5	45,9	45,5			-5,8
Difference maximum and minimum ratio						9,2	8,8	9,0	6,5	6,6	6,5	5,6	5,4	5,3			-3,9

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table A.3.3\_T: Social Security Contributions as % of Total Taxation: Self-employed

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	2,2	2,5	3,0	2,9	2,9	2,9	2,9	2,9	2,8	2,7	2,7	2,7	2,7	2,7	2,8	-2,3	-0,3
DK		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	#VALUE!	0,0
D		5,8	6,1	6,9	7,1	7,6	8,4	8,4	8,1	7,7	7,2	7,5	7,4	7,4	7,9	-1,5	-0,1
EL						4,3	4,2	4,4	4,3	4,2	4,6	4,7	4,7	4,7	4,3	0,9	0,4
E						5,3	5,1	5,1	5,0	5,2	5,2	5,3	5,2	5,1	5,1	-0,4	0,0
F						3,1	3,3	3,2	2,3	2,3	2,3	2,3	2,3	2,3	2,7	-8,4	-0,8
IRL	0,6	0,6	0,6	0,6	0,7	0,6	0,6	0,7	0,7	0,6	0,6	0,5	0,5	0,5	0,6	-1,5	-0,1
I	3,4	3,7	3,9	4,2	4,5	4,5	4,2	3,8	2,9	3,0	3,1	3,1	3,1	3,2	3,6	-9,0	-1,4
L	3,5	3,6	3,8	3,6	3,6	3,7	3,4	3,4	3,2	3,2	2,9	3,2	3,1	3,2	3,3	-3,8	-0,5
NL						8,8	8,6	8,5	7,4	8,0	8,2	7,5	7,2	7,3	8,3	-2,1	-1,4
A						3,0	3,1	3,2	3,3	3,3	3,3	3,2	3,2	3,1	3,2	2,0	0,1
P						1,3	1,6	1,6	1,5	1,3	1,4	1,4	1,4	1,4	1,5	-1,2	0,1
FIN	1,8	1,9	3,2	3,3	4,0	3,4	2,9	2,7	2,3	2,2	2,0	2,1	2,0	2,0	2,6	-10,5	-1,3
S						0,6	0,6	0,5	0,5	0,4	0,4	0,5	0,5	0,5	0,5	-9,3	-0,1
UK	0,6	0,6	0,6	0,7	0,6	0,6	0,7	0,6	0,6	0,5	0,6	0,6	0,6	0,6	0,6	-3,5	0,0
EU						4,5	4,6	4,4	3,9	3,8	3,7	3,7	3,7	3,7	4,2	-4,9	-0,8
Euro12						5,2	5,4	5,2	4,7	4,6	4,5	4,5	4,5	4,4	4,9	-3,8	-0,7

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.1\_G: Taxes on Consumption as % of GDP: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	11,0	11,0	10,9	10,9	11,1	10,9	11,3	11,3	11,2	11,5	11,4	10,9	10,9	11,0	11,2	0,1	0,0
DK		15,3	15,0	15,0	15,5	15,6	16,0	16,0	16,5	16,4	16,3	16,2	16,1	15,8	16,1	0,6	0,6
D		10,7	10,7	10,9	11,2	10,8	10,7	10,6	10,6	11,0	11,1	11,0	11,1	11,1	10,8	0,6	0,2
EL						13,3	13,4	12,7	12,9	13,1	13,8	13,6	13,5	13,5	13,2	0,5	0,3
E						9,0	9,1	9,3	9,8	10,3	10,3	10,0	10,2	10,3	9,6	2,5	1,1
F						12,0	12,5	12,4	12,3	12,3	11,9	11,7	10,6	10,2	12,2	-0,6	-0,3
IRL	8,9	13,3	13,3	12,7	13,5	13,1	13,0	12,7	12,5	12,3	12,2	11,9	11,5	12,5	12,6	-1,6	-1,2
I	10,0	10,4	10,5	10,3	10,2	10,6	10,2	10,5	10,9	11,1	11,2	10,7	10,8	10,7	10,7	1,0	0,1
L	10,4	11,2	11,0	12,1	11,9	11,4	11,2	11,1	11,0	11,6	11,5	11,1	11,2	11,3	11,3	0,0	-0,3
NL						10,9	11,3	11,4	11,4	11,8	11,7	12,4	12,5	12,4	11,4	1,8	1,5
A						11,8	12,6	12,6	12,5	12,7	12,5	12,4	12,2	12,1	12,4	0,6	0,7
P						13,5	13,3	13,2	13,2	13,4	13,1	13,1	13,1	13,0	13,3	-0,3	-0,3
FIN	14,3	14,5	14,3	14,0	14,2	14,0	13,8	14,5	14,2	14,3	13,2	13,7	13,4	13,0	14,0	-0,7	-0,4
S						11,6	11,4	11,5	11,4	11,4	10,7	11,6	11,4	11,3	11,3	-0,5	0,0
UK	13,5	13,0	13,1	12,8	13,1	13,4	13,4	13,5	13,5	13,7	13,6	13,3	13,2	13,1	13,5	0,1	-0,1
EU						11,5	11,5	11,6	11,7	11,9	11,8	11,6	11,4	11,3	11,7	0,4	0,1
Euro12						11,1	11,1	11,2	11,2	11,5	11,4	11,2	11,0	10,9	11,2	0,4	0,1
EU (arithmetic average)						12,1	12,2	12,2	12,3	12,5	12,3	12,2	12,1	12,1	12,3	0,2	0,1
Euro12 (arithmetic average)						11,8	11,9	11,9	11,9	12,1	12,0	11,9	11,7	11,7	11,9	0,2	0,1
Ratio between standard deviation and mean in %						14,6	14,9	14,6	14,4	13,1	13,0	13,4	13,6	13,2			-1,3
Difference maximum and minimum ratio						6,6	6,9	6,7	6,7	6,1	6,1	6,1	5,9	5,6			-1,0

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table C.1\_T: Taxes on Consumption as % of Total Taxation: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	25,3	25,1	25,1	24,4	24,6	24,2	24,9	24,7	24,1	25,0	24,8	24,0	23,9	24,2	24,6	0,3	-0,2
DK		32,6	31,7	30,8	31,1	31,6	32,0	32,2	32,9	32,2	33,4	33,5	33,6	33,6	32,4	0,9	1,9
D		26,6	26,2	26,4	27,0	26,2	25,3	25,1	25,2	25,7	25,7	26,6	26,5	26,5	25,5	-0,2	0,4
EL						40,7	40,8	38,0	36,4	35,0	36,4	36,3	36,3	36,3	37,9	-3,0	-4,4
E						26,8	26,9	27,2	28,4	29,2	28,8	28,1	28,1	28,3	27,9	1,9	1,3
F						27,2	27,7	27,4	27,3	26,9	26,3	25,7	23,5	22,8	27,1	-0,8	-1,5
IRL	30,3	38,7	38,2	36,5	37,5	39,2	38,9	38,8	38,8	38,1	38,1	38,5	37,9	41,6	38,6	-0,6	-0,8
I	25,8	26,1	25,0	23,9	25,1	25,6	23,9	23,5	25,1	25,6	26,2	24,9	25,2	25,4	25,0	1,1	-0,7
L	25,4	27,9	27,8	28,2	28,3	27,0	26,5	27,1	27,3	28,1	27,5	26,9	25,8	27,0	27,3	0,8	-0,1
NL						27,0	27,6	28,0	28,3	28,2	28,2	30,8	31,3	31,5	27,9	0,9	3,9
A						27,7	28,6	28,2	28,0	28,6	28,4	27,1	26,9	26,8	28,3	0,3	-0,6
P						38,4	37,3	36,7	36,6	35,8	34,8	35,1	34,8	34,8	36,6	-1,8	-3,3
FIN	31,2	30,5	30,4	30,4	29,3	29,7	28,6	30,4	29,7	30,0	27,3	28,7	28,7	28,7	29,3	-0,9	-1,0
S						24,1	22,2	22,2	21,4	21,7	20,5	21,3	21,9	21,8	22,0	-2,6	-2,8
UK	37,0	36,0	37,1	37,8	38,0	38,0	38,1	37,8	36,6	36,9	35,9	35,3	35,2	35,1	37,2	-1,2	-2,7
EU						28,2	27,8	27,9	28,1	28,4	28,2	28,2	27,9	27,8	28,1	0,2	0,0
Euro12						25,9	25,5	25,3	25,7	26,0	25,8	25,9	25,4	25,4	25,7	0,2	0,0

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.2\_G: Taxes on Labour as % of GDP: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	24,2	25,0	25,5	26,4	26,1	25,1	24,8	24,9	25,0	24,7	24,6	24,9	24,9	24,6	24,9	-0,2	-0,2
DK		27,0	27,5	28,0	28,9	28,5	28,4	27,9	27,6	27,8	27,0	26,5	26,0	25,4	27,9	-1,2	-2,1
D		23,7	24,3	24,7	25,0	24,9	25,2	25,3	24,9	24,8	24,7	23,8	24,1	24,0	25,0	-0,7	-1,1
EL						11,8	12,3	12,8	13,6	14,0	13,7	13,5	13,5	13,4	13,0	2,5	1,7
E						16,8	17,0	16,6	16,4	16,0	16,2	16,5	16,8	16,8	16,5	-0,7	-0,3
F						22,4	22,6	22,5	22,3	22,6	22,6	22,7	23,4	23,5	22,5	0,2	0,3
IRL	14,6	15,0	15,1	15,4	15,3	13,5	13,2	12,8	12,3	11,8	11,7	11,2	11,1	11,0	12,6	-3,1	-2,3
I	18,5	18,8	19,2	19,8	18,7	18,6	20,2	21,2	22,0	21,5	21,2	21,6	21,4	21,2	20,8	2,0	3,0
L		17,1	17,5	17,6	16,9	16,8	16,7	15,9	15,1	15,7	15,9	16,3	18,3	17,5	16,0	-0,7	-0,5
NL						22,1	21,1	20,5	20,1	20,8	20,9	19,0	18,4	18,3	20,9	-1,6	-3,1
A						23,8	24,0	24,6	24,5	24,7	24,2	25,4	25,4	25,2	24,3	0,8	1,7
P						14,2	14,3	14,3	14,4	14,7	15,1	15,1	15,2	15,1	14,5	1,2	0,9
FIN	26,6	28,0	28,3	28,8	30,6	27,5	28,2	26,2	25,7	25,4	25,3	24,8	24,3	23,6	26,4	-2,0	-2,7
S						32,2	33,3	33,5	34,8	34,0	33,8	34,2	32,6	32,5	33,6	0,8	1,9
UK	14,5	14,7	14,5	14,4	14,7	14,2	13,6	13,4	14,1	14,3	14,7	14,9	14,9	14,8	14,0	1,3	0,7
EU						21,4	21,5	21,2	21,2	21,1	20,9	20,6	20,7	20,5	21,2	-0,6	-0,8
Euro12						22,0	22,3	22,3	22,2	22,0	21,9	21,5	21,7	21,5	22,1	-0,4	-0,5
EU (arithmetic average)						20,8	21,0	20,8	20,8	20,8	20,8	20,7	20,7	20,5	20,9	-0,1	-0,1
Euro12 (arithmetic average)						19,8	20,0	19,8	19,7	19,7	19,7	19,6	19,7	19,5	19,8	-0,2	-0,2
Ratio between standard deviation and mean in %						29,0	29,7	29,9	30,3	29,8	29,2	29,9	28,2	28,2			-0,8
Difference maximum and minimum ratio						20,4	21,0	20,8	22,5	22,1	22,1	22,9	21,5	21,5			1,1

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP



Table C.2\_T: Taxes on Labour as % of Total Taxation: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	55,7	57,3	59,0	59,0	57,8	55,7	54,7	54,6	54,0	53,6	53,7	54,7	54,8	54,4	54,4	-0,7	-1,0
DK		57,6	58,2	57,3	57,9	57,9	56,9	56,1	55,0	54,5	55,1	54,8	54,3	53,8	55,9	-1,1	-3,1
D		59,0	59,7	60,0	60,1	60,2	59,6	59,9	59,2	57,7	57,4	57,4	57,4	57,5	59,0	-1,0	-2,8
EL						36,2	37,2	38,3	38,3	37,6	35,9	36,2	36,3	36,3	37,2	0,0	0,0
E						50,4	50,5	48,5	47,5	45,4	45,3	46,2	46,5	46,3	47,9	-2,5	-4,2
F						50,8	50,2	49,8	49,4	49,5	49,9	50,0	51,8	52,5	49,9	-0,4	-0,9
IRL	49,8	43,6	43,4	44,2	42,5	40,5	39,4	38,9	38,1	36,7	36,5	36,4	36,6	36,4	38,4	-2,1	-4,1
I	47,9	47,3	45,6	46,0	45,9	45,2	47,2	47,3	50,9	49,7	49,6	50,4	50,1	50,3	48,3	2,0	5,2
L		42,5	44,4	41,2	40,4	39,7	39,3	38,7	37,5	38,0	38,0	39,4	42,3	42,1	38,5	-1,0	-0,3
NL						54,5	51,8	50,3	49,9	49,9	50,2	47,2	46,2	46,3	51,1	-1,5	-7,3
A						56,0	54,6	55,1	55,0	55,5	55,2	55,5	55,8	55,8	55,2	-0,1	-0,5
P						40,3	40,0	39,9	40,0	39,3	40,1	40,3	40,5	40,5	39,9	-0,2	-0,1
FIN	58,1	59,1	60,2	62,4	63,2	58,1	58,4	54,8	53,8	53,1	52,3	52,1	52,0	52,0	55,1	-2,4	-6,1
S						66,6	64,9	64,8	65,5	64,5	64,7	62,5	62,4	62,5	65,2	-0,4	-4,1
UK	39,8	40,6	41,2	42,5	42,7	40,1	38,9	37,6	38,1	38,4	38,8	39,4	39,6	39,6	38,6	-0,5	-0,7
EU						52,5	51,9	51,0	51,1	50,3	50,1	50,1	50,3	50,4	51,2	-1,0	-2,4
Euro12						51,1	50,8	50,3	50,5	49,6	49,4	49,4	49,7	49,9	50,3	-0,7	-1,7

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.2.1\_G: Taxes on Labour as % of GDP: Employed

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	21,8	22,5	22,7	23,5	23,1	23,0	22,7	22,8	22,8	22,6	22,5	22,7	22,8	22,5	22,7	-0,2	-0,3
DK		20,7	21,1	21,5	22,8	22,7	22,8	22,8	22,6	23,1	22,4	22,0	21,7	21,2	22,7	-0,4	-0,6
D		21,0	21,5	21,6	21,7	21,9	21,8	21,9	21,7	21,6	21,7	20,9	21,1	21,1	21,7	-0,5	-1,0
EL						11,1	11,4	11,8	12,5	12,8	12,5	12,3	12,3	12,3	12,0	2,1	1,2
E						16,1	16,4	16,0	15,8	15,4	15,6	16,0	16,3	16,3	15,9	-0,6	-0,1
F						21,9	22,1	22,0	22,0	22,4	22,4	22,4	23,1	23,3	22,1	0,4	0,5
IRL	14,3	14,7	14,7	15,1	14,9	13,4	13,1	12,7	12,2	11,7	11,6	11,1	11,0	10,9	12,5	-3,1	-2,3
I	16,7	17,0	17,3	17,7	16,8	16,7	18,2	19,1	19,8	19,2	19,0	19,4	19,2	19,1	18,7	1,9	2,7
L		15,6	16,0	16,1	15,4	15,9	15,8	15,2	14,4	14,9	15,2	15,5	17,5	16,8	15,2	-0,6	-0,4
NL						17,8	17,2	16,8	17,2	17,8	17,9	16,4	15,8	15,7	17,5	-0,4	-1,5
A						21,8	21,9	22,3	22,2	22,3	22,0	22,9	22,9	22,8	22,1	0,6	1,2
P						13,8	13,9	13,9	14,0	14,2	14,7	14,6	14,7	14,7	14,1	1,1	0,9
FIN	22,2	23,5	23,3	23,8	24,9	23,3	24,0	22,6	22,5	22,4	22,3	22,1	21,6	21,0	22,8	-1,1	-1,2
S						27,3	28,7	29,1	30,3	29,7	29,8	30,1	28,9	28,8	29,2	1,4	2,8
UK	14,1	14,2	14,1	14,0	14,2	14,0	13,5	13,2	13,9	14,1	14,5	14,7	14,7	14,6	13,9	1,3	0,7
EU						19,5	19,6	19,3	19,4	19,3	19,3	19,0	19,1	19,0	19,4	-0,4	-0,4
Euro12						20,0	20,2	20,2	20,2	20,1	20,0	19,7	19,9	19,8	20,1	-0,2	-0,3
EU (arithmetic average)						18,7	18,9	18,8	18,9	18,9	18,9	18,9	18,9	18,7	18,9	0,1	0,2
Euro12 (arithmetic average)						18,1	18,2	18,1	18,1	18,1	18,1	18,0	18,2	18,0	18,1	0,0	0,0
Ratio between standard deviation and mean in %						24,1	25,3	25,8	26,4	26,0	25,6	26,6	25,3	25,4			1,2
Difference maximum and minimum ratio						16,2	17,4	17,2	18,1	18,0	18,2	19,0	17,9	17,9			1,7

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table C.2.1\_T: Taxes on Labour as % of Total Taxation: Employed

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	50,3	51,5	52,5	52,3	51,3	51,0	50,0	49,8	49,3	49,1	49,0	50,0	50,0	49,7	49,7	-0,8	-1,1
DK		44,1	44,6	44,0	45,7	45,9	45,7	45,7	45,2	45,2	45,8	45,6	45,3	45,0	45,6	-0,2	-0,4
D		52,4	52,8	52,3	52,3	52,9	51,5	51,9	51,4	50,3	50,4	50,3	50,3	50,4	51,4	-0,9	-2,6
EL						34,0	34,5	35,4	35,2	34,5	32,7	33,0	33,1	33,2	34,4	-0,6	-1,0
E						48,1	48,5	46,7	45,8	43,8	43,8	44,7	45,0	44,8	46,1	-2,3	-3,5
F						49,8	49,2	48,7	48,8	49,0	49,3	49,4	51,2	52,0	49,1	-0,2	-0,4
IRL	48,8	42,7	42,4	43,3	41,5	40,2	39,1	38,6	37,8	36,4	36,3	36,1	36,3	36,2	38,1	-2,1	-4,1
I	43,4	42,8	41,0	41,1	41,3	40,5	42,6	42,6	45,7	44,5	44,5	45,2	45,0	45,2	43,4	1,9	4,6
L		38,9	40,6	37,5	36,8	37,6	37,4	36,8	35,7	36,1	36,3	37,6	40,5	40,2	36,6	-0,9	0,0
NL						44,0	42,2	41,3	42,5	42,6	43,1	40,6	39,7	39,8	42,6	-0,1	-3,4
A						51,3	49,8	50,0	49,9	50,2	50,0	50,1	50,4	50,4	50,2	-0,3	-1,2
P						39,2	38,9	38,8	38,9	38,2	38,9	39,1	39,3	39,3	38,8	-0,3	-0,1
FIN	48,4	49,6	49,7	51,6	51,5	49,2	49,7	47,3	47,1	46,9	46,2	46,3	46,3	46,2	47,7	-1,4	-2,9
S						56,4	56,0	56,2	57,2	56,5	56,9	55,1	55,4	55,4	56,5	0,3	-1,3
UK	38,6	39,4	40,0	41,2	41,4	39,6	38,4	37,1	37,6	37,9	38,4	39,0	39,1	39,2	38,2	-0,5	-0,7
EU						47,8	47,1	46,4	46,8	46,1	46,2	46,2	46,5	46,6	46,7	-0,7	-1,6
Euro12						46,4	46,0	45,6	46,0	45,3	45,3	45,3	45,7	45,8	45,8	-0,5	-1,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.2.1.1\_G: Taxes on Labour as % of GDP: Employed paid by employers

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	9,0	9,4	9,4	9,4	9,2	8,9	8,8	8,8	8,8	8,8	8,5	8,5	8,5	8,4	8,7	-0,7	-0,3
DK		0,6	0,6	0,9	0,9	0,8	0,8	0,9	1,0	0,9	0,8	0,8	0,8	0,8	0,9	0,1	0,0
D		7,3	7,4	7,5	7,7	7,7	7,7	7,8	7,7	7,7	7,6	7,6	7,6	7,5	7,7	-0,4	-0,1
EL						4,8	5,0	5,2	5,2	5,3	5,2	5,1	5,2	5,2	5,1	1,1	0,4
E						8,3	8,5	8,5	8,4	8,5	8,6	8,9	9,1	9,1	8,5	0,8	0,5
F						11,8	11,8	11,7	11,6	11,7	11,6	11,7	11,5	11,4	11,7	-0,2	-0,1
IRL	3,0	3,1	3,1	3,2	3,1	2,9	2,7	2,6	2,6	2,6	2,6	2,8	2,8	2,7	2,7	-0,5	-0,1
I	9,3	9,3	9,3	9,2	8,9	8,8	10,3	10,6	8,8	8,8	8,7	8,7	8,7	8,6	9,3	-2,1	-0,1
L		5,4	5,7	5,6	5,2	5,2	5,1	4,8	4,8	4,6	4,8	5,0	5,4	5,3	4,9	-0,9	-0,1
NL						2,0	1,9	1,8	4,6	4,6	4,7	4,2	4,0	4,0	3,3	17,8	2,2
A						10,0	10,0	10,0	9,9	9,9	9,8	10,0	9,8	9,7	9,9	-0,2	0,0
P						6,4	6,7	6,7	6,9	6,9	7,0	7,1	7,2	7,2	6,8	1,5	0,7
FIN	10,4	11,7	11,2	10,9	11,0	10,8	10,5	10,1	10,2	10,3	9,8	10,1	9,8	9,5	10,3	-1,0	-0,6
S						13,2	14,1	13,8	14,2	14,3	14,4	14,8	14,7	14,5	14,0	1,5	1,6
UK	3,6	3,6	3,5	3,6	3,4	3,4	3,4	3,4	3,4	3,5	3,5	3,6	3,6	3,6	3,4	1,2	0,3
EU						7,8	8,1	8,0	7,8	7,7	7,6	7,6	7,6	7,5	7,8	-0,8	-0,2
Euro12						8,5	8,8	8,9	8,6	8,6	8,5	8,5	8,5	8,4	8,7	-0,4	0,0
EU (arithmetic average)						7,0	7,2	7,1	7,2	7,2	7,2	7,3	7,2	7,2	7,1	0,5	0,3
Euro12 (arithmetic average)						7,3	7,4	7,4	7,5	7,5	7,4	7,5	7,5	7,4	7,4	0,3	0,2
Ratio between standard deviation and mean in %						47,8	48,6	48,8	46,3	47,1	47,4	48,4	48,3	48,0			0,3
Difference maximum and minimum ratio						12,4	13,4	12,9	13,2	13,4	13,6	14,0	13,9	13,7			1,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table C.2.1.1\_T: Taxes on Labour as % of Total Taxation: Employed paid by employers

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	20,8	21,6	21,8	21,0	20,3	19,7	19,4	19,2	19,0	19,0	18,5	18,8	18,8	18,6	19,1	-1,0	-0,9
DK		1,3	1,3	1,8	1,7	1,6	1,6	1,8	2,0	1,8	1,6	1,6	1,6	1,7	1,7	1,3	0,1
D		18,3	18,2	18,3	18,5	18,6	18,3	18,6	18,3	17,9	17,6	18,3	18,1	18,0	18,2	-1,0	-0,4
EL						14,6	15,2	15,5	14,7	14,2	13,6	13,8	13,9	13,9	14,6	-1,8	-0,8
E						24,9	25,2	24,9	24,4	24,1	24,2	24,8	25,3	25,0	24,6	-0,9	-0,1
F						26,9	26,2	26,0	25,7	25,7	25,7	25,8	25,6	25,5	26,0	-0,9	-1,1
IRL	10,3	9,1	9,0	9,2	8,5	8,7	8,0	7,9	8,1	8,1	8,2	9,0	9,1	9,1	8,1	-0,7	0,3
I	24,0	23,5	22,1	21,4	21,8	21,3	24,1	23,8	20,4	20,2	20,3	20,2	20,3	20,5	21,7	-2,7	-1,1
L		13,5	14,4	13,2	12,5	12,2	12,1	11,6	11,8	11,3	11,4	12,2	12,5	12,7	11,7	-1,6	0,0
NL						4,8	4,8	4,4	11,4	11,1	11,3	10,4	10,0	10,0	8,0	22,1	5,5
A						23,5	22,7	22,3	22,2	22,3	22,3	21,7	21,6	21,5	22,5	-0,9	-1,7
P						18,3	18,7	18,8	19,1	18,4	18,7	19,1	19,2	19,2	18,7	0,2	0,7
FIN	22,7	24,7	23,9	23,7	22,8	22,7	21,8	21,1	21,3	21,6	20,4	21,3	21,0	20,9	21,5	-1,6	-1,4
S						27,3	27,6	26,7	26,7	27,2	27,5	27,1	28,1	28,0	27,2	0,0	-0,2
UK	9,8	10,0	10,1	10,6	9,9	9,5	9,6	9,4	9,3	9,3	9,3	9,6	9,6	9,6	9,4	-0,6	0,1
EU						19,2	19,5	19,1	18,6	18,4	18,2	18,4	18,4	18,3	18,8	-1,3	-0,8
Euro12						19,9	20,2	20,2	19,7	19,5	19,4	19,7	19,6	19,6	19,8	-0,8	-0,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.2.1.2\_G: Taxes on Labour as % of GDP: Employed paid by employees

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	12,8	13,0	13,3	14,1	14,0	14,1	13,9	14,0	14,0	13,8	14,0	14,2	14,2	14,1	14,0	0,1	0,1
DK		20,1	20,4	20,6	22,0	21,9	22,0	21,9	21,6	22,2	21,7	21,2	20,9	20,4	21,9	-0,4	-0,6
D		13,7	14,1	14,0	14,0	14,2	14,0	14,0	14,0	13,9	14,1	13,3	13,5	13,5	14,0	-0,7	-0,9
EL						6,3	6,3	6,7	7,3	7,5	7,3	7,2	7,2	7,1	6,9	2,8	0,9
E						7,8	7,9	7,5	7,4	6,9	7,0	7,1	7,2	7,2	7,4	-2,1	-0,7
F						10,1	10,4	10,3	10,4	10,6	10,7	10,7	11,6	11,9	10,4	1,1	0,7
IRL	11,3	11,6	11,6	11,9	11,8	10,5	10,4	10,1	9,6	9,1	9,0	8,3	8,3	8,1	9,8	-3,9	-2,2
I	7,5	7,7	7,9	8,5	8,0	7,9	7,9	8,4	11,0	10,5	10,3	10,7	10,5	10,4	9,3	5,9	2,8
L		10,2	10,4	10,4	10,2	10,7	10,7	10,4	9,6	10,2	10,5	10,5	12,1	11,5	10,4	-0,5	-0,2
NL						15,9	15,3	15,0	12,5	13,1	13,2	12,2	11,9	11,8	14,2	-4,3	-3,7
A						11,8	11,9	12,4	12,3	12,4	12,2	13,0	13,1	13,0	12,2	1,2	1,2
P						7,3	7,2	7,2	7,1	7,4	7,6	7,5	7,5	7,5	7,3	0,7	0,2
FIN	11,8	11,8	12,1	12,9	13,9	12,5	13,5	12,5	12,3	12,1	12,5	11,9	11,8	11,5	12,6	-1,2	-0,6
S						14,1	14,6	15,3	16,2	15,4	15,4	15,3	14,2	14,2	15,2	1,3	1,2
UK	10,5	10,6	10,5	10,4	10,8	10,7	10,1	9,9	10,5	10,6	11,0	11,1	11,1	11,0	10,5	1,3	0,4
EU						11,7	11,5	11,4	11,7	11,6	11,6	11,4	11,5	11,4	11,6	-0,1	-0,3
Euro12						11,5	11,3	11,3	11,6	11,5	11,5	11,2	11,4	11,4	11,4	-0,1	-0,3
EU (arithmetic average)						11,7	11,7	11,7	11,7	11,7	11,8	11,6	11,7	11,6	11,7	-0,1	-0,1
Euro12 (arithmetic average)						10,8	10,8	10,7	10,6	10,6	10,7	10,6	10,7	10,6	10,7	-0,3	-0,2
Ratio between standard deviation and mean in %						34,3	35,0	35,1	32,5	33,1	32,3	32,3	30,7	30,1			-4,2
Difference maximum and minimum ratio						15,5	15,7	15,2	14,5	15,2	14,7	14,2	13,7	13,3			-2,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table C.2.1.2\_T: Taxes on Labour as % of Total Taxation: Employed paid by employees

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	29,5	29,8	30,7	31,3	31,0	31,3	30,6	30,6	30,2	30,0	30,5	31,2	31,3	31,1	30,6	-0,6	-0,2
DK		42,8	43,2	42,3	44,0	44,4	44,1	43,9	43,2	43,4	44,2	43,9	43,6	43,3	43,9	-0,2	-0,4
D		34,1	34,6	34,0	33,7	34,3	33,2	33,3	33,2	32,4	32,7	32,0	32,2	32,4	33,2	-0,9	-2,2
EL						19,4	19,3	19,9	20,5	20,2	19,2	19,2	19,3	19,3	19,8	0,3	-0,2
E						23,2	23,3	21,8	21,4	19,7	19,6	19,8	19,8	19,9	21,5	-3,9	-3,4
F						22,9	23,0	22,7	23,2	23,3	23,7	23,7	25,6	26,5	23,1	0,6	0,8
IRL	38,5	33,6	33,4	34,1	33,0	31,5	31,1	30,7	29,7	28,3	28,1	27,0	27,2	27,0	29,9	-2,5	-4,4
I	19,3	19,4	18,8	19,7	19,5	19,2	18,5	18,8	25,4	24,2	24,2	24,9	24,7	24,7	21,7	6,5	5,7
L		25,4	26,2	24,3	24,3	25,3	25,3	25,3	23,9	24,8	24,9	25,4	28,0	27,5	24,9	-0,5	0,0
NL						39,1	37,4	36,9	31,1	31,5	31,8	30,3	29,8	29,8	34,6	-4,9	-8,9
A						27,8	27,1	27,7	27,7	27,9	27,7	28,3	28,8	28,8	27,7	0,2	0,5
P						20,9	20,2	20,0	19,8	19,8	20,2	20,0	20,1	20,1	20,1	-0,7	-0,8
FIN	25,7	24,9	25,8	27,9	28,7	26,5	27,9	26,1	25,8	25,4	25,8	25,0	25,2	25,3	26,3	-1,2	-1,5
S						29,1	28,4	29,5	30,5	29,3	29,4	28,1	27,3	27,4	29,4	0,5	-1,1
UK	28,8	29,4	29,9	30,6	31,5	30,1	28,8	27,7	28,3	28,6	29,1	29,4	29,6	29,6	28,8	-0,5	-0,8
EU						28,6	27,7	27,3	28,2	27,7	28,0	27,7	28,1	28,3	27,9	-0,2	-0,8
Euro12						26,5	25,7	25,4	26,3	25,8	25,9	25,6	26,1	26,3	25,9	-0,2	-0,9

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.2.2\_G: Taxes on Labour as % of GDP: self- and non employed

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	2,3	2,5	2,8	3,0	2,9	2,1	2,1	2,2	2,2	2,1	2,1	2,1	2,2	2,1	2,1	0,0	0,1
DK		6,3	6,4	6,5	6,1	5,9	5,6	5,2	4,9	4,8	4,6	4,4	4,3	4,2	5,2	-4,7	-1,4
D		2,7	2,8	3,2	3,3	3,0	3,4	3,4	3,3	3,2	3,0	3,0	3,0	3,0	3,2	-1,4	-0,1
EL						0,7	0,9	1,0	1,1	1,2	1,2	1,2	1,2	1,2	1,0	8,2	0,5
E						0,8	0,7	0,6	0,6	0,6	0,5	0,5	0,5	0,5	0,6	-5,1	-0,2
F						0,5	0,4	0,5	0,3	0,3	0,3	0,3	0,3	0,3	0,4	-12,3	-0,2
IRL	0,3	0,3	0,3	0,3	0,4	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	-4,0	0,0
I	1,7	1,8	1,9	2,1	1,9	1,9	2,0	2,1	2,2	2,3	2,2	2,3	2,2	2,1	2,1	2,7	0,3
L		1,4	1,5	1,6	1,5	0,9	0,8	0,8	0,7	0,8	0,7	0,8	0,8	0,8	0,8	-2,6	-0,1
NL						4,3	3,9	3,7	3,0	3,0	3,0	2,7	2,6	2,6	3,5	-7,7	-1,6
A						2,0	2,1	2,3	2,3	2,3	2,3	2,5	2,5	2,5	2,2	3,0	0,5
P						0,4	0,4	0,4	0,4	0,4	0,5	0,4	0,4	0,4	0,4	2,5	0,1
FIN	4,4	4,5	4,9	5,0	5,6	4,2	4,2	3,6	3,2	3,0	2,9	2,7	2,7	2,6	3,5	-7,8	-1,5
S						5,0	4,6	4,5	4,4	4,2	4,1	4,0	3,7	3,7	4,4	-3,2	-0,9
UK	0,5	0,4	0,4	0,4	0,4	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,5	0,0
EU						1,9	2,0	1,9	1,8	1,7	1,6	1,6	1,6	1,5	1,8	-3,8	-0,3
Euro12						2,0	2,1	2,1	2,0	1,9	1,8	1,8	1,8	1,8	2,0	-2,5	-0,2
EU (arithmetic average)						2,1	2,1	2,0	1,9	1,9	1,8	1,8	1,8	1,7	2,0	-2,9	-0,3
Euro12 (arithmetic average)						1,7	1,8	1,7	1,6	1,6	1,6	1,5	1,5	1,5	1,7	-2,4	-0,2
Ratio between standard deviation and mean in %						98,5	91,5	88,4	89,1	88,1	90,0	89,3	87,4	87,3			-11,2
Difference maximum and minimum ratio						5,8	5,5	5,1	4,8	4,7	4,5	4,4	4,2	4,1			-1,7

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP



Table C.2.2\_T: Taxes on Labour as % of Total Taxation: self- and non employed

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	5,4	5,8	6,5	6,6	6,5	4,6	4,7	4,8	4,8	4,5	4,6	4,7	4,7	4,7	4,7	-0,5	0,1
DK		13,5	13,6	13,3	12,2	11,9	11,2	10,4	9,8	9,3	9,4	9,2	9,0	8,9	10,3	-5,2	-2,7
D		6,6	6,9	7,7	7,8	7,3	8,1	8,1	7,8	7,4	7,0	7,1	7,1	7,1	7,6	-1,6	-0,2
EL						2,2	2,7	2,9	3,1	3,1	3,2	3,1	3,1	3,1	2,9	6,7	1,0
E						2,3	1,9	1,8	1,7	1,6	1,5	1,5	1,5	1,5	1,8	-7,5	-0,7
F						1,1	1,0	1,1	0,6	0,6	0,6	0,6	0,6	0,6	0,8	-15,4	-0,5
IRL	1,0	0,9	1,0	1,0	1,0	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	-2,3	0,0
I	4,5	4,5	4,6	4,9	4,7	4,7	4,6	4,7	5,1	5,2	5,1	5,3	5,1	5,1	4,9	2,6	0,6
L		3,6	3,8	3,6	3,6	2,1	1,9	1,9	1,8	1,9	1,7	1,8	1,8	1,8	1,9	-3,3	-0,3
NL						10,5	9,6	9,0	7,4	7,3	7,2	6,6	6,5	6,5	8,5	-8,4	-3,9
A						4,7	4,8	5,1	5,1	5,3	5,2	5,4	5,4	5,4	5,0	2,1	0,7
P						1,1	1,1	1,1	1,1	1,2	1,2	1,2	1,2	1,2	1,1	1,5	0,1
FIN	9,6	9,5	10,5	10,9	11,6	8,9	8,7	7,6	6,7	6,2	6,1	5,8	5,8	5,8	7,4	-8,6	-3,2
S						10,2	8,9	8,6	8,4	8,0	7,7	7,4	7,1	7,1	8,6	-4,9	-2,8
UK	1,3	1,2	1,2	1,3	1,2	0,5	0,5	0,4	0,5	0,5	0,5	0,5	0,5	0,5	0,5	-1,1	0,0
EU						4,8	4,8	4,6	4,3	4,2	3,9	3,9	3,9	3,8	4,4	-4,0	-0,8
Euro12						4,7	4,8	4,8	4,5	4,4	4,1	4,1	4,1	4,1	4,5	-2,8	-0,6

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.3\_G: Taxes on Capital as % of GDP: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	8,3	7,7	6,9	7,5	7,9	9,1	9,2	9,5	10,1	9,9	9,9	9,7	9,7	9,6	9,6	1,4	0,6
DK		4,6	4,8	5,8	5,5	5,2	5,5	5,8	6,1	6,8	5,6	5,7	5,8	5,9	5,8	1,7	0,5
D		5,7	5,8	5,6	5,3	5,6	6,4	6,3	6,6	7,1	7,3	6,6	6,7	6,7	6,6	3,2	1,0
EL						7,5	7,3	7,9	8,9	10,2	10,6	10,3	10,2	10,1	8,7	6,9	2,8
E						7,6	7,7	8,3	8,3	8,9	9,2	9,2	9,2	9,2	8,3	3,6	1,6
F						9,6	10,0	10,3	10,5	10,8	10,8	11,0	11,2	11,1	10,3	2,2	1,4
IRL	5,8	6,1	6,4	6,7	7,2	6,8	7,3	7,3	7,5	8,1	8,2	7,8	7,8	6,7	7,5	2,7	1,0
I	10,2	10,6	12,4	13,0	11,8	12,0	12,3	13,1	10,4	10,7	10,4	10,6	10,6	10,2	11,5	-3,3	-1,4
L		11,9	11,0	13,1	13,1	14,1	14,5	14,1	14,2	14,0	14,4	13,9	13,8	12,9	14,2	-0,2	-0,2
NL						7,5	8,4	8,9	8,8	9,1	9,0	8,9	9,0	8,8	8,6	2,3	1,3
A						6,9	7,3	7,4	7,6	7,0	7,2	8,0	7,9	7,9	7,2	1,3	1,1
P						7,5	8,1	8,4	8,5	9,3	9,5	9,2	9,3	9,2	8,5	3,7	1,8
FIN	4,9	4,9	4,4	3,3	3,6	5,8	6,3	7,1	7,8	8,1	9,9	9,2	9,0	8,8	7,5	8,7	3,4
S						4,5	6,6	6,7	6,9	7,3	7,8	8,8	8,2	8,2	6,6	8,6	4,3
UK	8,4	8,5	7,6	6,7	6,7	7,8	8,1	8,8	9,4	9,2	9,6	9,5	9,5	9,4	8,8	3,6	1,8
EU						7,8	8,4	8,8	8,7	8,9	9,1	9,0	9,0	8,9	8,6	2,0	1,1
Euro12						8,0	8,6	9,0	8,7	9,0	9,1	9,0	9,0	8,9	8,7	1,6	0,9
EU (arithmetic average)						7,8	8,3	8,7	8,8	9,1	9,3	9,2	9,2	9,0	8,7	2,7	1,4
Euro12 (arithmetic average)						8,3	8,7	9,0	9,1	9,4	9,7	9,5	9,5	9,3	9,1	2,3	1,2
Ratio between standard deviation and mean in %						32,6	28,4	26,6	23,3	21,1	22,4	21,5	21,2	20,3			-12,3
Difference maximum and minimum ratio						9,6	9,0	8,3	8,1	7,2	8,8	8,2	8,0	7,0			-2,6

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table C.3\_T: Taxes on Capital as % of Total Taxation: Total

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	19,1	17,6	15,9	16,6	17,6	20,1	20,4	20,7	21,8	21,4	21,5	21,3	21,3	21,3	21,0	1,6	1,2
DK		9,8	10,1	11,9	11,0	10,5	11,1	11,7	12,1	13,3	11,5	11,8	12,1	12,5	11,7	2,9	1,2
D		14,3	14,2	13,6	12,9	13,6	15,1	15,0	15,6	16,6	17,0	16,0	16,0	16,1	15,5	4,1	2,4
EL						23,1	22,0	23,7	25,3	27,4	27,7	27,5	27,5	27,4	24,9	4,7	4,5
E						22,8	22,7	24,3	24,1	25,4	25,9	25,7	25,4	25,4	24,2	2,8	2,9
F						21,9	22,2	22,8	23,3	23,6	23,8	24,3	24,7	24,7	22,9	1,8	2,4
IRL	19,9	17,7	18,4	19,3	20,0	20,3	21,7	22,3	23,2	25,2	25,4	25,2	25,6	22,3	23,0	4,6	4,9
I	26,4	26,6	29,4	30,1	29,0	29,2	28,8	29,3	24,0	24,7	24,3	24,7	24,7	24,3	26,7	-4,5	-4,5
L		29,7	27,8	30,7	31,3	33,3	34,2	34,2	35,2	33,9	34,4	33,7	31,9	30,9	34,2	0,5	0,4
NL						18,5	20,6	21,8	21,8	21,9	21,6	21,9	22,5	22,2	21,0	2,7	3,4
A						16,2	16,7	16,6	17,0	15,8	16,4	17,4	17,3	17,4	16,5	-0,1	1,2
P						21,3	22,7	23,3	23,4	24,9	25,1	24,7	24,7	24,7	23,5	3,1	3,4
FIN	10,7	10,4	9,4	7,2	7,5	12,2	13,0	14,8	16,4	16,9	20,5	19,2	19,2	19,3	15,6	9,9	7,1
S						9,3	13,0	13,0	13,0	13,8	14,9	16,2	15,7	15,7	12,8	7,2	6,9
UK	23,1	23,4	21,7	19,7	19,4	21,9	23,0	24,6	25,3	24,7	25,3	25,3	25,3	25,3	24,1	2,8	3,4
EU						19,2	20,3	21,1	20,8	21,3	21,7	21,7	21,8	21,7	20,7	2,1	2,4
Euro12						18,7	19,7	20,3	19,7	20,4	20,6	20,6	20,8	20,6	19,9	1,6	1,9

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table 3.1\_G: Taxes on Capital as % of GDP: Capital income (incl. entrepreneurial)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	5,5	4,9	4,1	4,4	4,7	6,0	5,9	6,0	6,5	6,3	6,4	6,2	6,2	6,2	6,2	1,1	0,3
DK		1,5	1,5	2,0	2,0	2,0	2,5	2,8	3,2	3,6	2,9	2,9	2,8	2,7	2,8	6,2	0,9
D		4,8	4,8	4,6	4,4	4,6	5,3	5,5	5,7	6,2	6,5	5,8	5,9	5,9	5,6	4,3	1,2
EL						5,7	5,2	5,7	6,9	7,5	7,7	7,5	7,4	7,4	6,4	6,8	1,8
E						5,0	5,1	5,7	5,6	6,1	6,4	6,4	6,4	6,4	5,6	4,5	1,4
F						4,2	4,6	4,8	5,0	5,4	5,6	5,9	6,1	6,1	4,9	5,4	1,6
IRL	3,6	4,0	4,4	4,7	5,1	4,7	5,2	5,3	5,5	6,0	6,1	5,8	5,7	4,7	5,5	3,8	1,0
I	8,4	8,5	8,5	9,0	8,6	8,2	8,9	9,4	7,1	7,5	7,1	7,3	7,1	7,0	8,1	-3,7	-0,9
L		8,8	7,8	9,7	9,9	11,1	11,2	10,8	10,7	9,8	9,9	9,8	9,7	8,8	10,6	-2,5	-1,2
NL						5,2	6,0	6,4	6,2	6,3	6,1	6,1	6,2	6,0	6,0	1,7	0,9
A						5,2	6,1	6,1	6,2	5,8	5,9	6,6	6,5	6,5	5,9	2,1	1,4
P						4,8	5,5	5,7	5,5	6,0	6,2	5,9	6,0	5,9	5,6	3,2	1,1
FIN	3,7	3,7	3,3	1,9	2,3	4,6	5,0	5,8	6,5	6,8	8,5	7,9	7,7	7,5	6,2	10,2	3,3
S						2,9	4,4	4,4	4,6	5,0	5,6	6,9	6,3	6,3	4,5	11,5	4,0
UK	6,0	5,4	4,7	3,9	4,0	5,2	5,5	6,1	6,7	6,3	6,5	6,5	6,5	6,5	6,1	3,8	1,3
EU						5,1	5,7	6,0	5,9	6,2	6,3	6,2	6,3	6,2	5,9	2,9	1,1
Euro12						5,3	5,9	6,2	5,9	6,3	6,4	6,3	6,3	6,2	6,0	2,5	1,0
EU (arithmetic average)						5,3	5,8	6,0	6,1	6,3	6,5	6,5	6,4	6,3	6,0	3,2	1,2
Euro12 (arithmetic average)						5,8	6,2	6,4	6,4	6,6	6,9	6,8	6,8	6,5	6,4	2,6	1,0
Ratio between standard deviation and mean in %						41,2	35,2	31,3	27,0	22,1	24,4	23,5	22,8	22,0			-19,2
Difference maximum and minimum ratio						9,1	8,8	7,9	7,4	6,2	7,0	7,0	6,9	6,2			-2,9

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table 3.1\_T: Taxes on Capital as % of Total Taxation: Capital income (incl. entrepreneurial)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	12,6	11,2	9,4	9,8	10,5	13,2	13,1	13,1	14,1	13,7	13,9	13,7	13,7	13,7	13,5	1,2	0,5
DK		3,2	3,2	4,2	4,0	4,0	4,9	5,7	6,5	7,1	6,0	5,9	5,8	5,7	5,7	9,3	1,9
D		11,9	11,8	11,3	10,5	11,2	12,7	12,9	13,6	14,6	15,0	14,0	14,1	14,2	13,3	5,5	2,9
EL						17,3	15,8	17,1	19,4	20,2	20,2	20,1	20,0	19,9	18,3	4,6	2,7
E						14,9	15,1	16,6	16,1	17,3	17,8	17,9	17,7	17,6	16,3	3,6	3,0
F						9,6	10,1	10,6	11,0	11,7	12,3	12,9	13,5	13,5	10,9	5,0	3,3
IRL	12,3	11,7	12,5	13,6	14,2	14,2	15,4	16,2	16,9	18,6	19,0	18,7	18,8	15,5	16,7	5,9	4,5
I	21,7	21,4	20,1	20,8	21,1	20,0	20,8	21,1	16,3	17,4	16,7	17,1	16,7	16,7	18,7	-4,8	-2,9
L		22,0	19,7	22,7	23,6	26,1	26,5	26,1	26,4	23,9	23,7	23,8	22,4	21,2	25,5	-2,2	-2,3
NL						12,9	14,7	15,6	15,5	15,1	14,6	15,1	15,6	15,3	14,7	2,0	2,2
A						12,3	13,9	13,6	14,0	12,9	13,4	14,4	14,3	14,4	13,4	0,7	2,1
P						13,8	15,3	15,8	15,3	16,0	16,3	15,9	15,9	15,9	15,4	2,7	2,1
FIN	8,0	7,8	7,0	4,2	4,8	9,7	10,4	12,2	13,7	14,2	17,7	16,5	16,5	16,6	13,0	11,7	6,8
S						5,9	8,6	8,4	8,8	9,5	10,6	12,6	12,0	12,1	8,7	9,3	6,7
UK	16,5	15,0	13,3	11,6	11,7	14,7	15,7	17,2	18,0	17,1	17,2	17,3	17,4	17,4	16,6	3,1	2,6
EU						12,6	13,7	14,5	14,2	14,7	15,0	15,1	15,2	15,1	14,1	3,1	2,5
Euro12						12,2	13,4	14,0	13,4	14,2	14,5	14,4	14,5	14,5	13,6	2,8	2,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.3.1.1\_G: Taxes on Capital as % of GDP: Income of Corporations

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	2,1	2,1	1,6	2,1	2,3	2,6	2,7	2,9	3,4	3,3	3,3	3,2	3,2	3,2	3,0	4,4	0,7
DK		1,5	1,5	2,0	2,0	1,9	2,3	2,5	2,8	3,0	2,4	2,3	2,2	2,1	2,5	2,6	0,3
D		2,7	2,7	2,6	2,3	2,1	2,5	2,6	2,7	2,9	3,0	2,7	2,8	2,7	2,6	4,6	0,6
EL						2,6	2,3	2,6	3,1	3,4	3,4	3,3	3,3	3,2	2,9	6,5	0,7
E						1,9	2,1	2,8	2,6	3,0	3,2	3,2	3,2	3,2	2,6	8,9	1,3
F						2,0	2,2	2,5	2,6	2,9	3,0	3,3	3,4	3,3	2,5	8,4	1,3
IRL	1,7	2,0	2,3	2,8	3,1	2,8	3,1	3,2	3,4	3,9	3,8	3,6	3,5	3,5	3,4	4,7	0,8
I	3,1	3,2	2,8	3,1	3,2	2,9	3,4	3,8	2,2	2,7	2,3	2,4	2,3	2,3	2,9	-6,0	-0,5
L		6,0	5,0	6,9	6,8	7,5	7,7	7,8	7,8	7,2	7,5	7,5	7,4	6,7	7,6	-0,4	0,0
NL						3,1	4,0	4,4	4,3	4,2	4,2	4,2	4,3	4,2	4,0	3,4	1,1
A						1,6	2,1	2,2	2,3	1,9	2,2	2,5	2,4	2,5	2,1	4,3	0,9
P						3,0	3,5	3,7	3,6	4,1	4,2	4,0	4,0	4,0	3,7	4,9	1,1
FIN	1,9	2,0	1,6	0,3	0,5	2,3	2,7	3,4	4,2	4,3	5,8	5,4	5,3	5,2	3,8	15,6	3,1
S						2,1	3,1	2,8	3,1	3,0	3,1	4,4	4,0	4,0	2,9	8,1	2,3
UK	3,1	2,4	1,7	1,7	2,0	2,4	2,7	3,4	3,6	3,2	3,3	3,3	3,3	3,3	3,1	4,4	0,9
EU						2,3	2,7	3,0	2,9	3,0	3,1	3,1	3,1	3,1	2,8	4,2	0,8
Euro12						2,3	2,7	3,0	2,8	3,0	3,1	3,0	3,1	3,0	2,8	4,1	0,7
EU (arithmetic average)						2,7	3,1	3,4	3,5	3,5	3,6	3,7	3,7	3,6	3,3	4,6	1,0
Euro12 (arithmetic average)						2,9	3,2	3,5	3,5	3,6	3,8	3,8	3,8	3,7	3,4	4,5	0,9
Ratio between standard deviation and mean in %						60,4	52,2	45,6	47,3	39,6	45,1	43,5	42,5	38,7			-21,7
Difference maximum and minimum ratio						5,9	5,6	5,7	5,7	5,3	5,3	5,2	5,2	4,6			-1,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table C.3.1.1\_T: Taxes on Capital as % of Total Taxation: Income of Corporations

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	4,9	4,9	3,8	4,6	5,1	5,7	6,0	6,3	7,4	7,1	7,2	7,1	7,1	7,1	6,6	5,4	1,4
DK		3,2	3,1	4,1	3,9	3,9	4,6	5,1	5,5	5,8	4,8	4,7	4,6	4,5	5,0	5,3	0,8
D		6,8	6,6	6,2	5,6	5,1	5,8	6,2	6,4	6,7	7,0	6,6	6,6	6,5	6,2	5,9	1,5
EL						8,0	6,8	7,7	8,8	9,1	9,0	8,9	8,8	8,7	8,2	4,4	0,8
E						5,8	6,1	8,1	7,6	8,5	9,0	9,0	8,9	8,9	7,5	9,0	3,2
F						4,5	4,8	5,5	5,7	6,4	6,7	7,3	7,5	7,4	5,6	8,1	2,8
IRL	5,7	5,8	6,7	8,0	8,7	8,3	9,3	9,8	10,5	12,0	11,7	11,6	11,7	11,6	10,3	7,3	3,3
I	8,1	8,0	6,5	7,3	7,8	7,1	8,0	8,5	5,0	6,3	5,4	5,6	5,4	5,4	6,7	-7,3	-1,5
L		15,0	12,7	16,1	16,3	17,7	18,1	19,0	19,4	17,5	17,9	18,2	17,1	16,1	18,3	-0,1	0,5
NL						7,7	9,7	10,8	10,7	10,0	10,0	10,5	10,8	10,6	9,8	4,0	2,8
A						3,8	4,9	4,8	5,1	4,4	5,0	5,4	5,4	5,4	4,7	2,9	1,6
P						8,4	9,8	10,4	10,1	10,9	11,1	10,8	10,8	10,8	10,1	4,8	2,3
FIN	4,2	4,1	3,4	0,6	1,1	4,8	5,7	7,1	8,8	9,0	12,1	11,3	11,4	11,5	7,9	17,9	6,6
S						4,4	6,1	5,4	5,9	5,7	6,0	8,1	7,7	7,7	5,6	4,2	3,7
UK	8,6	6,5	4,9	5,0	5,7	6,9	7,7	9,5	9,7	8,6	8,7	8,7	8,8	8,8	8,5	4,3	1,9
EU						5,6	6,4	7,2	7,0	7,2	7,4	7,5	7,5	7,5	6,8	4,7	1,8
Euro12						5,3	6,1	6,7	6,2	6,8	6,9	7,0	7,0	7,0	6,4	4,5	1,7

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.3.1.2\_G: Taxes on Capital as % of GDP: Income of households (incl. self-employed)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	3,3	2,8	2,4	2,3	2,4	3,4	3,2	3,1	3,1	3,0	3,0	3,0	3,0	3,0	3,1	-1,9	-0,4
DK		0,0	0,0	0,0	0,0	0,0	0,2	0,3	0,5	0,6	0,6	0,6	0,6	0,5	0,4	45,2	0,5
D		2,1	2,1	2,1	2,1	2,5	2,9	2,8	3,0	3,4	3,4	3,1	3,2	3,2	3,0	4,1	0,6
EL						3,0	3,0	3,2	3,7	4,1	4,3	4,2	4,2	4,1	3,6	7,0	1,2
E						3,1	3,0	2,9	2,9	3,1	3,2	3,2	3,2	3,2	3,0	0,9	0,1
F						2,2	2,4	2,3	2,4	2,4	2,6	2,5	2,7	2,7	2,4	2,2	0,3
IRL	1,9	2,0	2,0	1,9	2,0	2,0	2,0	2,1	2,1	2,1	2,4	2,2	2,2	1,2	2,1	2,3	0,2
I	5,3	5,3	5,7	5,8	5,4	5,3	5,5	5,6	4,9	4,8	4,8	4,9	4,8	4,7	5,2	-2,3	-0,4
L		2,8	2,7	2,8	3,0	3,6	3,5	2,9	2,8	2,6	2,5	2,3	2,3	2,1	3,0	-7,7	-1,3
NL						2,1	2,0	2,0	1,9	2,1	1,9	1,8	1,9	1,8	2,0	-1,5	-0,2
A						3,6	4,0	3,9	3,9	3,8	3,7	4,1	4,1	4,1	3,8	0,9	0,5
P						1,9	2,0	2,0	1,9	1,9	2,0	1,9	1,9	1,9	1,9	0,0	0,0
FIN	1,7	1,8	1,7	1,7	1,8	2,3	2,3	2,4	2,3	2,5	2,7	2,5	2,4	2,3	2,4	1,9	0,1
S						0,7	1,3	1,5	1,5	2,0	2,4	2,5	2,3	2,3	1,6	18,1	1,7
UK	2,9	3,0	3,0	2,2	2,1	2,8	2,8	2,7	3,1	3,1	3,2	3,2	3,2	3,2	3,0	3,2	0,5
EU						2,8	3,0	3,0	3,0	3,1	3,2	3,1	3,2	3,1	3,0	1,7	0,3
Euro12						3,0	3,2	3,2	3,1	3,3	3,3	3,2	3,2	3,2	3,2	1,1	0,2
EU (arithmetic average)						2,6	2,7	2,7	2,7	2,8	2,8	2,8	2,8	2,7	2,7	1,5	0,2
Euro12 (arithmetic average)						2,9	3,0	2,9	2,9	3,0	3,0	3,0	3,0	2,9	3,0	0,4	0,1
Ratio between standard deviation and mean in %						44,4	40,1	38,8	35,4	32,6	32,1	34,2	33,6	36,0			-8,3
Difference maximum and minimum ratio						5,3	5,3	5,3	4,4	4,2	4,2	4,3	4,3	4,2			-1,1

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP



Table C.3.1.2\_T: Taxes on Capital as % of Total Taxation: Income of households (incl. self-employed)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	7,7	6,4	5,6	5,2	5,4	7,5	7,1	6,8	6,6	6,6	6,6	6,6	6,6	6,6	6,9	-2,6	-0,9
DK		0,0	0,0	0,0	0,0	0,0	0,4	0,6	0,9	1,2	1,2	1,2	1,2	1,1	0,7	57,8	1,1
D		5,1	5,3	5,1	5,0	6,1	6,8	6,7	7,2	7,8	7,9	7,4	7,6	7,7	7,1	5,2	1,4
EL						9,3	9,0	9,5	10,5	11,1	11,2	11,2	11,2	11,1	10,1	4,8	1,9
E						9,2	9,0	8,6	8,5	8,8	8,8	8,9	8,8	8,8	8,8	-0,7	-0,3
F						5,0	5,3	5,1	5,3	5,3	5,6	5,6	6,0	6,1	5,3	1,8	0,5
IRL	6,6	5,9	5,8	5,6	5,5	5,9	6,1	6,4	6,4	6,6	7,3	7,1	7,2	4,0	6,5	3,8	1,2
I	13,7	13,4	13,6	13,5	13,3	12,9	12,9	12,5	11,3	11,1	11,3	11,5	11,3	11,3	12,0	-3,5	-1,4
L		7,0	7,0	6,6	7,3	8,5	8,4	7,1	7,0	6,4	5,9	5,6	5,3	5,1	7,2	-7,6	-2,8
NL						5,2	5,0	4,8	4,8	5,1	4,6	4,6	4,7	4,6	4,9	-1,6	-0,6
A						8,5	9,0	8,8	8,8	8,6	8,5	9,0	8,9	9,0	8,7	-0,4	0,5
P						5,4	5,5	5,5	5,3	5,1	5,2	5,1	5,1	5,1	5,3	-1,3	-0,3
FIN	3,8	3,7	3,6	3,6	3,7	4,9	4,7	5,1	4,9	5,2	5,6	5,2	5,1	5,1	5,1	2,6	0,3
S						1,5	2,6	3,0	2,9	3,8	4,6	4,5	4,4	4,4	3,1	18,9	3,0
UK	7,8	8,4	8,5	6,6	6,0	7,8	7,9	7,7	8,3	8,4	8,5	8,6	8,6	8,6	8,1	1,9	0,7
EU						6,9	7,3	7,2	7,3	7,5	7,6	7,6	7,6	7,6	7,3	1,7	0,7
Euro12						6,9	7,3	7,2	7,2	7,4	7,5	7,4	7,5	7,5	7,3	1,3	0,5

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table C.3.2\_G: Taxes on Capital as % of GDP: Stocks (wealth) of capital

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	2,8	2,8	2,8	3,1	3,2	3,1	3,3	3,5	3,6	3,6	3,5	3,5	3,5	3,5	3,4	1,8	0,4
DK		3,1	3,3	3,8	3,5	3,2	3,1	3,0	2,8	3,2	2,7	2,8	3,0	3,2	3,0	-2,1	-0,4
D		1,0	0,9	1,0	1,0	1,0	1,0	0,8	0,8	0,9	0,9	0,8	0,8	0,8	0,9	-3,5	-0,2
EL						1,9	2,0	2,2	2,1	2,7	2,9	2,8	2,8	2,8	2,3	7,4	0,9
E						2,6	2,6	2,6	2,8	2,8	2,9	2,8	2,8	2,8	2,7	1,8	0,2
F						5,4	5,4	5,5	5,5	5,4	5,2	5,2	5,1	5,0	5,4	-0,9	-0,2
IRL	2,2	2,1	2,0	2,0	2,1	2,0	2,1	2,0	2,0	2,1	2,0	2,0	2,0	2,0	2,1	-0,1	0,0
I	1,8	2,0	3,9	4,0	3,2	3,8	3,4	3,7	3,3	3,1	3,2	3,2	3,4	3,2	3,4	-2,5	-0,5
L		3,1	3,2	3,4	3,3	3,0	3,3	3,3	3,5	4,1	4,5	4,1	4,1	4,1	3,6	6,2	1,1
NL						2,3	2,4	2,5	2,6	2,8	2,9	2,8	2,8	2,8	2,6	3,7	0,5
A						1,6	1,2	1,3	1,4	1,3	1,3	1,4	1,4	1,3	1,4	-1,4	-0,3
P						2,6	2,6	2,7	2,9	3,3	3,3	3,3	3,3	3,3	2,9	4,8	0,7
FIN	1,2	1,2	1,2	1,4	1,3	1,2	1,3	1,3	1,3	1,3	1,3	1,3	1,3	1,2	1,3	1,4	0,1
S						1,6	2,2	2,4	2,3	2,3	2,2	2,0	1,9	1,9	2,2	1,8	0,3
UK	2,4	3,0	2,9	2,8	2,6	2,6	2,6	2,6	2,7	2,9	3,1	3,0	3,0	2,9	2,7	3,3	0,5
EU						2,7	2,7	2,8	2,7	2,8	2,8	2,7	2,7	2,7	2,7	0,2	0,0
Euro12						2,8	2,8	2,8	2,8	2,8	2,8	2,7	2,7	2,7	2,8	-0,3	-0,1
EU (arithmetic average)						2,5	2,6	2,6	2,6	2,8	2,8	2,7	2,7	2,7	2,7	1,6	0,2
Euro12 (arithmetic average)						2,6	2,6	2,6	2,7	2,8	2,8	2,8	2,8	2,7	2,7	1,8	0,2
Ratio between standard deviation and mean in %						41,0	40,0	41,3	41,5	41,8	41,6	41,2	41,2	41,7			0,7
Difference maximum and minimum ratio						4,4	4,4	4,7	4,7	4,5	4,3	4,4	4,3	4,2			-0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table C.3.2\_T: Taxes on Capital as % of Total Taxation: Stocks (wealth) of capital

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	6,4	6,4	6,5	6,8	7,1	6,9	7,3	7,6	7,8	7,8	7,7	7,6	7,6	7,6	7,5	2,3	0,7
DK		6,6	7,0	7,8	7,0	6,5	6,2	6,0	5,6	6,2	5,5	5,9	6,3	6,8	6,0	-2,6	-0,7
D		2,4	2,3	2,3	2,3	2,4	2,5	2,0	2,0	2,1	2,0	1,9	1,9	1,9	2,2	-4,2	-0,5
EL						5,7	6,2	6,6	5,9	7,2	7,5	7,5	7,5	7,5	6,5	4,9	1,7
E						7,9	7,6	7,6	8,0	8,1	8,1	7,8	7,7	7,7	7,9	1,0	-0,1
F						12,3	12,1	12,2	12,2	11,9	11,5	11,4	11,2	11,2	12,0	-1,1	-0,9
IRL	7,6	6,0	5,9	5,7	5,8	6,1	6,2	6,1	6,2	6,6	6,4	6,4	6,7	6,7	6,3	1,3	0,4
I	4,6	5,2	9,2	9,2	7,9	9,2	8,0	8,2	7,7	7,2	7,6	7,6	8,0	7,6	8,0	-3,7	-1,6
L		7,7	8,2	8,0	7,8	7,1	7,7	8,1	8,8	10,0	10,7	9,9	9,5	9,7	8,8	8,3	2,7
NL						5,6	6,0	6,1	6,4	6,7	7,0	6,9	7,0	7,0	6,3	4,2	1,2
A						3,9	2,8	3,0	3,1	2,9	3,0	3,0	3,0	3,0	3,1	-3,1	-0,9
P						7,5	7,4	7,5	8,1	8,9	8,8	8,8	8,8	8,8	8,0	4,1	1,3
FIN	2,7	2,5	2,5	3,0	2,7	2,5	2,7	2,7	2,7	2,7	2,8	2,7	2,7	2,7	2,7	1,7	0,2
S						3,4	4,3	4,6	4,3	4,3	4,2	3,6	3,6	3,6	4,2	2,9	0,2
UK	6,7	8,4	8,4	8,2	7,6	7,2	7,3	7,4	7,3	7,7	8,1	8,0	7,9	7,9	7,5	2,1	0,8
EU						6,7	6,6	6,6	6,6	6,6	6,7	6,6	6,6	6,6	6,6	0,0	0,0
Euro12						6,4	6,3	6,3	6,3	6,2	6,2	6,2	6,2	6,1	6,3	-0,7	-0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

**Table B.1\_G: Taxes received by administrative level as % of GDP: Central Government**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	25,5	25,0	24,5	25,7	26,0	26,3	26,6	26,8	27,4	27,3	27,6	26,9	26,9	26,9	27,0	0,6	0,6
DK						32,1	32,6	32,4	32,4	32,7	29,8	30,1	29,9	29,5	32,0	-1,3	-2,0
D		11,6	11,7	11,5	11,6	11,3	11,0	10,9	11,1	11,9	12,1	11,5	11,6	11,7	11,4	1,0	0,1
EL						21,2	21,2	22,6	24,4	25,1	26,0	25,3	25,1	25,0	23,4	3,7	4,1
E						16,3	16,5	16,0	16,0	16,4	16,5	16,1	16,3	16,5	16,3	0,0	-0,2
F	20,4	20,1	19,2			18,4	19,1	19,6	19,5	19,8	19,2	18,9	18,9	18,8	19,3	0,4	0,6
IRL	23,1	28,1	28,4	28,6	29,6	27,1	27,8	27,6	27,2	27,3	27,3	25,9	26,3	26,0	27,4	-0,6	-1,2
I	23,3	23,9	26,0	26,2	24,0	24,6	24,0	25,8	24,4	25,0	23,9	23,8	23,7	23,2	24,6	-0,5	-0,8
L	26,7	25,5	24,9	27,9	27,9	27,7	28,1	27,8	27,2	28,1	28,6	27,6	26,3	24,1	27,9	0,1	-0,1
NL						22,1	22,9	22,7	22,6	23,3	23,2	23,9	24,1	23,8	22,8	1,0	1,8
A						20,5	21,6	22,6	22,8	22,7	22,6	23,9	23,6	23,5	22,1	2,0	3,4
P						21,5	22,0	21,9	21,9	22,8	22,8	22,5	22,4	22,4	22,1	0,9	1,0
FIN						22,0	22,9	23,7	24,0	24,0	25,6	24,6	24,3	23,6	23,7	2,0	2,6
S						27,6	29,5	30,1	31,8	31,6	29,8	30,4	29,6	29,4	30,1	1,3	2,8
UK		34,4	33,2	32,1	32,8	33,6	33,4	34,1	35,3	35,5	36,3	36,4	36,2	35,9	34,7	1,6	2,8
EU						20,3	20,6	21,5	21,7	22,2	22,2	22,0	22,0	21,8	21,4	1,5	1,7
Euro12						17,6	17,9	18,4	18,2	18,8	18,6	18,3	18,3	18,2	18,2	0,8	0,7
EU (arithmetic average)						23,5	23,9	24,3	24,5	24,9	24,8	24,5	24,3	24,0	24,3	0,8	1,0
Euro12 (arithmetic average)						21,6	22,0	22,3	22,4	22,8	22,9	22,6	22,5	22,1	22,3	0,9	1,0
Ratio between standard deviation and mean in %						28,9	29,0	28,1	28,8	27,5	26,5	27,3	26,5	26,1			-2,7
Difference maximum and minimum ratio						22,2	22,4	23,1	24,2	23,6	24,3	24,9	24,6	24,3			2,1

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table B.1\_T: Taxes received by administrative level as % of Total Taxation: Central Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	58,8	57,3	56,7	57,4	57,8	58,3	58,7	58,7	59,3	59,2	60,2	59,2	59,2	59,5	59,1	0,6	0,9
DK		0,0	0,0	0,0	0,0	65,1	65,3	65,1	64,7	64,1	60,8	62,3	62,4	62,6	64,2	-1,2	-2,8
D		28,9	28,7	27,8	27,9	27,5	26,1	26,0	26,4	27,6	28,0	27,6	27,8	27,9	26,9	0,8	0,1
EL						65,1	64,4	67,5	68,8	67,3	68,2	67,7	67,5	67,4	66,9	1,1	2,6
E						48,8	48,8	46,7	46,4	46,7	46,3	45,0	45,0	45,4	47,3	-1,2	-3,7
F						41,8	42,4	43,4	43,2	43,4	42,3	41,7	41,9	42,0	42,7	0,4	-0,1
IRL	78,9	81,7	81,6	82,1	82,2	81,3	83,0	84,1	84,1	84,8	85,1	84,1	86,6	86,5	83,7	0,8	2,8
I	60,2	60,2	61,7	60,9	58,8	59,8	56,2	57,6	56,6	57,7	55,9	55,6	55,4	55,1	57,3	-0,8	-4,2
L	64,9	63,4	63,0	65,0	66,4	65,3	66,3	67,5	67,5	68,1	68,2	66,8	60,7	57,8	67,1	0,8	1,4
NL						54,5	56,2	55,9	56,1	55,9	55,7	59,2	60,5	60,2	55,7	0,3	4,7
A						48,4	49,2	50,6	51,2	51,1	51,4	52,2	51,9	52,0	50,3	1,3	3,9
P						61,1	61,4	61,0	60,6	61,0	60,6	60,0	59,8	59,8	60,9	-0,2	-1,1
FIN	0,0	0,0	0,0	0,0	0,0	46,6	47,5	49,7	50,3	50,2	53,0	51,7	51,9	51,9	49,6	2,4	5,1
S						57,2	57,4	58,2	59,9	60,0	57,0	55,7	56,6	56,4	58,3	0,4	-1,5
UK	0,0	95,1	94,3	94,8	95,5	94,9	95,4	95,7	95,6	95,5	96,1	96,3	96,2	96,2	95,5	0,2	1,4
EU						49,7	49,7	51,6	52,2	52,9	53,3	53,4	53,6	53,7	51,6	1,6	3,6
Euro12						40,2	40,1	41,0	41,0	41,8	41,5	41,6	41,7	41,8	40,9	0,8	1,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table B.2\_G: Taxes received by administrative level as % of GDP: State Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	0,8	0,7	0,8	1,0	1,0	1,0	1,1	1,1	1,2	1,2	1,2	1,2	1,2	1,2	1,1	2,7	0,2
DK						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
D		8,2	8,4	8,8	8,7	8,7	9,2	9,1	9,2	9,5	9,7	9,1	9,0	8,9	9,2	1,1	0,5
EL						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
E						1,6	1,6	2,4	2,6	2,7	2,8	2,7	2,7	2,7	2,3	10,2	1,1
F	0,4	0,4	0,5			0,4	0,7	0,8	0,8	0,8	0,9	0,9	0,9	0,9	0,7	8,8	0,5
IRL	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	#VALUE!	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	0,0	0,0	#VALUE!	0,0
L	0,2	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	0,2	-4,3	0,0
NL						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
A						3,4	3,7	3,4	3,4	3,4	3,3	3,6	3,5	3,5	3,4	-0,1	0,2
P						0,0	0,0	0,0	0,0	0,1	0,1	0,1	0,1	0,1	0,0	#VALUE!	0,1
FIN						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
S						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
UK		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	#VALUE!	0,0
EU						2,8	2,9	2,7	2,7	2,8	2,7	2,6	2,5	2,5	2,8	-1,0	-0,2
Euro12						3,4	3,5	3,5	3,5	3,6	3,6	3,4	3,3	3,2	3,5	0,1	0,0
EU (arithmetic average)						1,0	1,1	1,1	1,2	1,2	1,2	1,2	1,2	1,2	1,1	2,5	0,2
Euro12 (arithmetic average)						1,3	1,4	1,4	1,4	1,5	1,5	1,5	1,5	1,5	1,4	2,5	0,2
Ratio between standard deviation and mean in %						83,1	85,5	88,6	89,8	91,1	93,6	94,6	95,7	96,5			13,3
Difference maximum and minimum ratio						8,7	9,2	9,1	9,2	9,5	9,7	9,1	9,0	8,9			0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table B.2\_T: Taxes received by administrative level as % of Total Taxation: State Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	1,8	1,7	1,8	2,2	2,1	2,2	2,4	2,4	2,5	2,6	2,6	2,6	2,6	2,6	2,4	3,0	0,4
DK		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	#VALUE!	0,0
D		20,5	20,7	21,3	20,9	21,0	21,9	21,5	21,9	22,2	22,4	22,0	21,4	21,2	21,8	1,1	1,0
EL						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
E						4,7	4,6	7,1	7,6	7,8	7,7	7,5	7,5	7,6	6,6	11,7	2,8
F						1,0	1,7	1,8	1,8	1,8	1,9	2,0	2,0	2,0	1,6	9,9	1,0
IRL	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	#VALUE!	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	0,0	0,0	#VALUE!	0,0
L	0,5	0,5	0,5	0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,3	0,3	0,3	0,3	0,4	-3,8	-0,1
NL						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
A						8,1	8,3	7,5	7,6	7,6	7,6	7,9	7,8	7,8	7,8	-1,7	-0,3
P						0,0	0,0	0,0	0,0	0,4	0,4	0,4	0,4	0,4	0,1	#VALUE!	0,4
FIN	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	#VALUE!	0,0
S						0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	#VALUE!	0,0
UK	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	#VALUE!	0,0
EU						6,8	6,9	6,6	6,6	6,6	6,5	6,2	6,1	6,0	6,7	-1,0	-0,6
Euro12						8,2	8,3	8,1	8,2	8,3	8,3	7,9	7,7	7,7	8,2	0,3	-0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table B.3\_G: Taxes received by administrative level as % of GDP: Central Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	1,9	2,0	2,0	2,0	2,1	2,2	2,2	2,2	2,1	2,2	1,9	2,1	2,1	2,1	2,1	-2,0	-0,1
DK						15,5	15,5	15,6	15,9	16,0	15,0	16,0	15,9	15,9	15,6	0,2	0,5
D		2,7	2,8	2,8	2,7	2,6	2,7	2,7	2,9	3,0	3,0	2,8	2,7	2,6	2,8	1,7	0,2
EL						0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,3	0,2	0,0
E						2,9	2,9	3,0	3,2	3,1	3,2	3,1	3,1	3,2	3,0	1,5	0,2
F	4,4	4,5	4,5			4,6	4,7	4,7	4,7	4,7	4,3	4,3	4,3	4,2	4,6	-1,3	-0,3
IRL	0,9	0,9	0,9	0,9	0,9	0,9	0,8	0,8	0,7	0,7	0,6	0,6	0,7	0,7	0,8	-5,9	-0,2
I	2,1	2,1	2,3	2,9	3,3	3,2	3,5	3,5	5,8	5,4	6,0	6,1	6,2	6,1	4,6	12,3	2,9
L	2,5	2,6	2,1	2,5	2,4	2,7	2,8	2,5	2,5	2,4	2,4	2,3	2,2	2,0	2,5	-3,0	-0,4
NL						1,3	1,4	1,4	1,4	1,4	1,4	1,4	1,5	1,4	1,4	1,2	0,1
A						5,1	5,3	5,3	5,2	5,2	5,1	5,4	5,3	5,3	5,2	0,3	0,3
P						1,7	1,8	1,9	2,0	1,7	1,7	1,7	1,7	1,7	1,8	-1,2	-0,1
FIN						10,3	10,8	10,1	10,1	10,1	10,3	9,5	9,4	9,2	10,3	-1,2	-0,8
S						15,3	16,4	16,0	15,7	15,8	16,1	16,9	15,4	15,5	15,9	0,9	1,6
UK		1,5	1,4	1,4	1,3	1,4	1,4	1,4	1,4	1,5	1,6	1,6	1,6	1,6	1,4	2,7	0,2
EU						3,6	3,7	3,7	4,0	3,9	3,9	3,8	3,8	3,7	3,8	1,4	0,3
Euro12						3,2	3,4	3,4	3,8	3,8	3,8	3,7	3,7	3,6	3,6	2,8	0,5
EU (arithmetic average)						4,7	4,8	4,8	4,9	4,9	4,9	4,9	4,8	4,8	4,8	0,7	0,3
Euro12 (arithmetic average)						3,1	3,3	3,2	3,4	3,3	3,3	3,3	3,3	3,2	3,3	0,8	0,2
Ratio between standard deviation and mean in %						139,5	138,9	138,9	127,1	129,9	128,4	136,6	132,7	134,2			-5,3
Difference maximum and minimum ratio						15,2	16,0	15,7	15,6	15,7	15,8	16,6	15,6	15,6			0,4

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP



Table B.3\_T: Taxes received by administrative level as % of Total Taxation: Central Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	4,4	4,6	4,6	4,4	4,7	4,8	4,9	4,9	4,6	4,7	4,1	4,5	4,5	4,6	4,7	-3,0	-0,3
DK		0,0	0,0	0,0	0,0	31,4	31,1	31,3	31,8	31,3	30,6	33,1	33,2	33,7	31,2	-0,3	1,7
D		6,8	6,8	6,8	6,5	6,3	6,4	6,5	6,9	7,0	6,9	6,6	6,4	6,3	6,7	2,4	0,3
EL						0,9	1,0	1,0	0,9	0,9	0,9	0,8	0,8	0,8	0,9	-2,9	-0,1
E						8,7	8,5	8,8	9,2	8,9	8,9	8,6	8,6	8,7	8,8	0,8	0,0
F						10,4	10,5	10,5	10,5	10,2	9,6	9,4	9,4	9,5	10,3	-1,4	-1,0
IRL	3,2	2,7	2,6	2,6	2,5	2,6	2,5	2,4	2,3	2,1	2,0	2,1	2,2	2,2	2,3	-5,6	-0,6
I	5,3	5,3	5,6	6,8	8,0	7,8	8,2	7,9	13,3	12,4	13,9	14,3	14,4	14,5	10,6	13,4	6,5
L	6,2	6,4	5,3	5,8	5,7	6,4	6,5	6,1	6,1	5,7	5,8	5,5	5,0	4,8	6,1	-2,6	-0,8
NL						3,2	3,4	3,5	3,6	3,4	3,4	3,6	3,6	3,6	3,4	0,9	0,4
A						12,0	12,1	11,9	11,7	11,7	11,6	11,8	11,7	11,8	11,8	-0,8	-0,2
P						5,0	5,0	5,2	5,5	4,5	4,5	4,5	4,4	4,5	4,9	-2,2	-0,5
FIN	0,0	0,0	0,0	0,0	0,0	21,7	22,4	21,2	21,3	21,2	21,3	19,9	20,1	20,3	21,5	-0,8	-1,8
S						31,7	31,9	31,0	29,6	29,9	30,7	31,0	29,5	29,7	30,8	-1,1	-0,7
UK	0,0	4,3	4,1	4,0	3,9	3,9	3,9	3,9	3,9	4,1	4,1	4,2	4,2	4,2	4,0	1,3	0,3
EU						8,7	9,0	8,8	9,6	9,4	9,4	9,4	9,3	9,3	9,2	1,7	0,7
Euro12						7,6	7,8	7,8	8,9	8,6	8,7	8,7	8,6	8,6	8,2	3,3	1,1

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table B.4\_G: Taxes received by administrative level as % of GDP: Central Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	14,0	14,5	14,7	15,0	14,8	14,5	14,4	14,5	14,6	14,5	14,2	14,3	14,4	14,1	14,5	-0,2	-0,2
DK						1,5	1,6	1,6	1,6	2,1	2,2	2,3	1,8	1,8	1,8	7,7	0,7
D		16,2	16,6	17,2	17,5	17,7	18,3	18,5	18,2	18,0	17,6	17,6	17,6	17,4	18,1	-0,5	-0,2
EL						10,3	10,6	10,7	11,0	11,2	11,2	11,1	11,0	11,0	10,8	1,4	0,8
E						11,9	12,1	12,1	12,0	12,1	12,2	11,8	12,0	12,1	12,1	0,0	-0,1
F	20,0	20,4	20,4			20,0	20,1	20,5	20,5	20,6	21,2	21,6	21,4	21,2	20,5	1,2	1,6
IRL	4,1	4,3	4,4	4,4	4,4	4,2	3,9	3,7	3,5	3,5	3,5	3,7	3,6	3,6	3,7	-2,4	-0,5
I	12,6	12,9	13,0	13,2	12,8	12,7	14,6	14,9	12,5	12,4	12,4	12,4	12,4	12,4	13,3	-2,1	-0,3
L	10,9	11,1	11,5	11,5	10,8	11,1	10,7	10,1	10,0	10,2	10,4	11,0	13,1	12,8	10,4	-0,3	-0,1
NL						16,0	15,5	15,5	15,3	16,0	16,1	14,3	13,6	13,6	15,7	-0,8	-1,7
A						12,4	12,4	12,5	12,4	12,4	12,2	12,2	12,0	11,9	12,4	-0,4	-0,2
P						10,4	10,8	10,8	11,0	11,0	11,3	11,4	11,5	11,5	10,9	1,4	1,0
FIN						13,5	13,0	12,3	11,9	12,1	11,2	11,5	11,2	10,8	12,3	-2,8	-2,0
S						4,7	4,8	4,8	4,9	4,6	6,1	6,3	6,2	6,2	5,0	4,6	1,6
UK		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	#VALUE!	0,0
EU						13,4	13,6	13,3	12,7	12,6	12,4	12,4	12,2	12,1	13,0	-1,7	-1,0
Euro12						16,1	16,5	16,6	16,0	16,0	15,9	15,8	15,6	15,5	16,2	-0,7	-0,3
EU (arithmetic average)						10,7	10,9	10,8	10,6	10,7	10,8	10,8	10,8	10,7	10,8	-0,1	0,0
Euro12 (arithmetic average)						12,9	13,0	13,0	12,7	12,8	12,8	12,7	12,8	12,7	12,9	-0,3	-0,2
Ratio between standard deviation and mean in %						43,5	43,3	45,0	46,0	46,4	46,5	46,0	46,8	46,9			3,4
Difference maximum and minimum ratio						20,0	20,1	20,5	20,5	20,6	21,2	21,6	21,4	21,2			1,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table B.4\_T: Taxes received by administrative level as % of Total Taxation: Central Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	32,2	33,3	34,1	33,4	32,8	32,2	31,8	31,7	31,5	31,5	31,0	31,5	31,6	31,2	31,6	-0,6	-0,7
DK		0,0	0,0	0,0	0,0	3,1	3,1	3,1	3,1	4,2	4,6	4,7	3,9	3,9	3,5	7,9	1,5
D		40,5	40,7	41,7	42,3	42,9	43,4	44,0	43,2	41,8	40,9	42,3	41,9	41,7	42,7	-1,1	-0,6
EL						31,4	32,2	32,0	31,0	30,0	29,4	29,6	29,7	29,7	31,0	-1,6	-1,8
E						35,6	35,8	35,3	34,9	34,4	34,0	33,1	33,1	33,4	35,0	-1,0	-2,5
F						45,4	44,6	45,4	45,5	45,2	46,7	47,5	47,4	47,2	45,5	0,5	2,1
IRL	14,0	12,5	12,6	12,5	12,2	12,6	11,7	11,2	10,9	10,9	10,9	11,9	12,0	12,0	11,4	-2,8	-0,7
I	32,6	32,5	31,0	30,6	31,5	30,8	34,2	33,4	28,8	28,7	29,0	28,9	29,0	29,4	30,8	-2,8	-1,8
L	26,5	27,6	29,1	26,9	25,7	26,2	25,4	24,6	24,9	24,8	24,7	26,6	30,2	30,7	25,1	-1,0	0,4
NL						39,5	37,9	38,0	38,0	38,5	38,7	35,4	34,0	34,4	38,4	-0,2	-4,1
A						29,3	28,3	27,9	27,7	27,8	27,7	26,6	26,5	26,3	28,1	-0,9	-2,7
P						29,7	30,1	30,2	30,4	29,5	30,0	30,6	30,8	30,7	30,0	0,0	0,9
FIN	0,0	0,0	0,0	0,0	0,0	28,6	27,0	25,7	25,0	25,3	23,2	24,2	23,9	23,7	25,8	-3,6	-4,3
S						9,7	9,4	9,3	9,2	8,8	11,6	11,5	11,9	11,9	9,7	2,0	1,8
UK	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	#VALUE!	0,0
EU						32,7	32,8	31,9	30,6	30,0	29,6	29,9	29,6	29,6	31,3	-2,3	-2,9
Euro12						37,7	38,0	37,9	36,8	36,2	36,2	36,4	36,2	36,2	37,1	-1,1	-1,3

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

Table B.5\_G: Taxes received by administrative level as % of GDP: Central Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B	1,3	1,3	1,2	1,1	1,1	1,1	1,0	1,0	1,0	0,9	1,0	1,0	1,0	1,0	1,0	-2,0	-0,1
DK						0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	-1,2	0,0
D		1,0	1,0	0,9	0,9	0,9	0,8	0,8	0,7	0,6	0,7	0,7	0,7	0,7	0,7	-6,2	-0,3
EL						0,8	0,8	0,7	0,7	0,7	0,6	0,6	0,6	0,6	0,7	-5,6	-0,3
E						0,8	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7	-2,5	-0,1
F	0,9	1,1	1,0			0,8	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,6	0,7	-4,7	-0,2
IRL	1,2	1,1	1,1	1,0	1,1	1,2	0,9	0,8	0,9	0,7	0,7	0,7	0,7	0,7	0,9	-9,0	-0,5
I	0,7	0,8	0,7	0,7	0,7	0,7	0,6	0,5	0,6	0,5	0,5	0,5	0,5	0,5	0,6	-5,2	-0,2
L	1,0	1,1	1,0	1,0	0,9	0,9	0,8	0,7	0,6	0,6	0,6	0,5	0,4	0,4	0,7	-10,5	-0,4
NL						1,1	1,0	1,0	1,0	0,9	0,9	0,9	0,9	0,9	1,0	-3,2	-0,2
A						1,0	0,9	1,0	0,8	0,8	0,7	0,7	0,7	0,7	0,9	-5,3	-0,2
P						1,0	0,7	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,7	-6,4	-0,3
FIN						0,7	0,7	0,6	0,6	0,6	0,5	0,5	0,5	0,5	0,6	-5,9	-0,2
S						0,7	0,7	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,7	-4,7	-0,1
UK		0,9	1,0	1,0	0,8	1,0	0,9	0,7	0,7	0,7	0,7	0,7	0,6	0,6	0,8	-7,1	-0,4
EU						0,9	0,8	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,7	-5,5	-0,2
Euro12						0,9	0,8	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,7	-5,3	-0,2
EU (arithmetic average)						0,9	0,8	0,7	0,7	0,6	0,6	0,6	0,6	0,6	0,7	-5,4	-0,2
Euro12 (arithmetic average)						0,9	0,8	0,8	0,7	0,7	0,7	0,7	0,7	0,7	0,8	-5,4	-0,3
Ratio between standard deviation and mean in %						27,0	25,5	28,2	27,7	28,0	27,3	29,3	29,6	30,6			3,6
Difference maximum and minimum ratio						0,9	0,8	0,8	0,8	0,7	0,8	0,8	0,8	0,8			-0,2

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of GDP

Table B.5\_T: Taxes received by administrative level as % of Total Taxation: Central Government

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2000	Change <sup>1)</sup> 1995-2000	Difference <sup>2)</sup> 1995 to 2001
B	2,9	3,1	2,8	2,5	2,5	2,4	2,2	2,2	2,1	2,0	2,1	2,1	2,1	2,1	2,2	-3,0	-0,3
DK						0,5	0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,4	-1,3	0,0
D		2,5	2,4	2,2	2,2	2,3	1,9	1,8	1,6	1,4	1,5	1,6	1,6	1,6	1,8	-8,9	-0,7
EL						2,6	2,4	2,0	1,9	1,9	1,6	1,6	1,6	1,6	2,1	-9,1	-1,0
E						2,2	2,2	2,1	1,9	1,9	1,9	1,8	1,8	1,8	2,0	-4,1	-0,4
F						1,9	1,5	1,5	1,4	1,3	1,4	1,3	1,3	1,4	1,5	-6,5	-0,5
IRL	4,0	3,1	3,2	2,9	3,1	3,5	2,8	2,3	2,7	2,2	2,0	2,1	2,2	2,2	2,6	-9,1	-1,4
I	1,9	2,0	1,8	1,7	1,8	1,6	1,5	1,1	1,3	1,1	1,2	1,1	1,1	1,1	1,3	-6,4	-0,5
L	2,4	2,7	2,5	2,2	2,1	2,2	1,8	1,8	1,5	1,4	1,3	1,1	1,0	1,0	1,7	-9,9	-1,0
NL						2,8	2,5	2,6	2,4	2,2	2,2	2,3	2,4	2,4	2,4	-4,8	-0,5
A						2,3	2,1	2,1	1,7	1,7	1,7	1,6	1,6	1,6	1,9	-6,5	-0,7
P						2,7	2,0	2,1	1,9	1,7	1,6	1,7	1,6	1,6	2,0	-9,1	-1,1
FIN						1,5	1,4	1,3	1,2	1,2	1,1	1,1	1,1	1,1	1,3	-6,8	-0,4
S						1,5	1,4	1,4	1,3	1,2	1,1	1,0	1,1	1,1	1,3	-6,0	-0,4
UK	0,0	2,5	2,8	3,1	2,3	2,9	2,5	2,0	2,0	1,8	1,8	1,7	1,7	1,7	2,2	-10,1	-1,2
EU						2,1	1,9	1,7	1,6	1,5	1,5	1,5	1,5	1,5	1,7	-7,1	-0,6
Euro12						2,0	1,7	1,6	1,5	1,4	1,4	1,4	1,4	1,5	1,6	-7,1	-0,6

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points of Total Taxation

**Table D.1: Implicit tax rates in %: Consumption**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2001	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B						21,2	21,8	22,1	21,8	22,6	22,2	21,3	21,2	21,6	21,8	0,3	0,1
DK		31,0	30,4	30,3	30,6	31,3	32,3	32,5	32,8	33,3	34,5	34,7	34,5	34,3	33,0	1,6	3,3
D		n.a.	n.a.	n.a.	n.a.	20,1	19,6	19,3	19,4	20,1	20,1	19,9	20,1	20,0	19,8	0,2	-0,2
EL						17,4	17,5	16,6	16,9	17,5	18,6	18,5	18,5	18,7	17,6	1,3	1,1
E						14,3	14,5	14,8	15,6	16,2	16,3	16,1	16,3	16,5	15,4	2,4	1,8
F						21,5	22,3	22,5	22,4	22,5	21,9	21,3	19,3	18,6	22,0	-0,3	-0,3
IRL	15,4	22,9	23,1	22,6	24,2	25,0	25,0	25,5	26,0	26,2	26,4	26,1	25,1	27,4	25,7	0,9	1,1
I	17,3	17,9	17,8	17,6	17,2	17,7	17,4	17,6	18,1	18,3	18,3	17,6	17,7	17,7	17,9	0,4	-0,1
L						22,0	21,7	22,6	23,5	24,4	25,5	24,5	24,5	25,4	23,4	2,5	2,4
NL						22,9	23,2	23,6	23,6	24,2	24,2	25,7	25,6	25,5	23,9	1,6	2,8
A						20,9	22,1	22,0	21,9	22,4	21,9	21,7	21,1	20,9	21,8	0,4	0,8
P						20,7	20,5	20,6	20,7	20,9	20,7	21,0	21,1	21,1	20,7	0,3	0,3
FIN	29,8	28,3	27,3	26,7	27,5	28,2	27,2	29,5	29,3	29,4	27,7	28,4	27,6	27,0	28,5	0,2	0,3
S						23,8	23,3	23,5	23,4	23,6	22,0	24,2	23,8	23,7	23,4	-0,2	0,4
UK	22,4	21,3	21,1	20,6	21,2	22,0	21,8	21,9	21,9	22,0	21,8	21,3	21,2	21,1	21,8	-0,4	-0,8
EU						<b>20,4</b>	<b>20,4</b>	<b>20,5</b>	<b>20,6</b>	<b>21,0</b>	<b>20,9</b>	<b>20,6</b>	<b>20,3</b>	<b>20,2</b>	<b>20,6</b>	<b>0,3</b>	<b>0,1</b>
Euro12						<b>19,8</b>	<b>19,8</b>	<b>19,8</b>	<b>20,0</b>	<b>20,4</b>	<b>20,3</b>	<b>20,0</b>	<b>19,6</b>	<b>19,5</b>	<b>20,0</b>	<b>0,4</b>	<b>0,2</b>
Ratio between standard deviation and mean in %						<b>20,5</b>	<b>20,8</b>	<b>22,3</b>	<b>21,7</b>	<b>21,0</b>	<b>21,3</b>	<b>22,8</b>	<b>22,6</b>	<b>23,2</b>			<b>2,3</b>
Difference between maximum and minimum ratio						<b>17,0</b>	<b>17,8</b>	<b>17,6</b>	<b>17,2</b>	<b>17,0</b>	<b>18,2</b>	<b>18,6</b>	<b>18,2</b>	<b>17,8</b>			<b>1,6</b>

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points

Table D.2: Implicit tax rates in %: Labour

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2001	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B						44,2	43,8	44,3	44,6	43,8	43,7	44,0	43,9	43,6	44,1	-0,1	-0,3
DK		37,4	38,4	39,3	43,2	42,8	43,1	43,0	41,9	42,8	42,5	41,5	41,0	40,4	42,5	-0,5	-1,3
D		37,4	37,9	38,1	39,2	39,5	39,7	40,5	40,5	40,2	40,4	38,8	39,3	39,2	39,9	-0,1	-0,7
EL						34,4	35,6	36,1	37,5	39,2	38,5	37,5	37,0	36,4	37,0	1,8	3,1
E						32,2	32,9	32,1	31,6	30,8	31,2	31,9	32,7	32,8	31,8	-0,6	-0,3
F						42,0	42,5	42,4	42,7	43,2	43,2	42,7	44,0	44,4	42,7	0,4	0,7
IRL	30,8	31,0	30,8	31,6	31,6	29,6	29,5	29,8	29,2	28,6	28,8	27,4	26,8	26,6	29,0	-1,1	-2,2
I	35,6	36,1	36,6	37,7	37,0	37,8	41,4	43,1	44,1	43,1	42,6	43,1	42,8	42,6	42,2	1,6	5,2
L						29,8	29,9	30,2	29,0	29,7	30,7	29,8	33,4	32,5	29,9	0,1	0,0
NL						35,1	34,1	33,4	33,8	34,6	34,9	31,6	30,2	30,1	33,9	-0,8	-3,5
A						38,5	39,5	40,6	40,5	40,6	40,2	41,7	41,9	41,7	40,2	1,0	3,2
P						31,3	31,8	32,5	33,4	33,6	34,1	33,9	34,0	34,0	33,0	1,5	2,6
FIN	40,1	40,7	41,6	45,3	49,4	46,6	47,7	46,4	46,9	46,4	47,3	45,3	44,1	43,3	46,7	-0,4	-1,3
S						48,4	48,9	49,8	51,2	49,7	49,1	48,5	46,5	46,6	49,4	0,1	0,1
UK	24,8	24,8	24,7	25,1	26,3	26,1	25,3	24,8	25,8	25,7	26,3	26,3	26,4	26,3	25,7	0,5	0,2
EU						<b>36,2</b>	<b>36,9</b>	<b>37,1</b>	<b>37,8</b>	<b>38,5</b>	<b>38,1</b>	<b>37,3</b>	<b>37,2</b>	<b>36,8</b>	<b>37,4</b>	<b>0,7</b>	<b>1,2</b>
Euro12						<b>36,7</b>	<b>37,6</b>	<b>37,9</b>	<b>38,8</b>	<b>39,6</b>	<b>39,2</b>	<b>38,3</b>	<b>38,2</b>	<b>37,8</b>	<b>38,3</b>	<b>0,9</b>	<b>1,7</b>
Ratio between standard deviation and mean in %						<b>18,6</b>	<b>19,0</b>	<b>19,5</b>	<b>19,6</b>	<b>18,6</b>	<b>18,1</b>	<b>18,7</b>	<b>17,8</b>	<b>18,0</b>			<b>0,1</b>
Difference between maximum and minimum ratio						<b>22,3</b>	<b>23,6</b>	<b>25,0</b>	<b>25,5</b>	<b>24,0</b>	<b>22,9</b>	<b>22,2</b>	<b>20,1</b>	<b>20,3</b>			<b>-0,1</b>

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points

Table D.3: Implicit tax rates in %: Capital

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2001	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B						25,9	27,3	29,2	31,1	32,6	33,5	32,6	32,2	32,3	30,3	4,3	6,7
DK		23,0	23,1	26,7	24,1	23,4	25,6	28,2	32,0	36,6	25,5	27,4	27,8	27,5	28,4	2,6	4,0
D		20,1	20,7	20,5	20,0	20,7	23,3	22,8	23,2	26,8	27,5	25,3	26,0	26,4	24,2	3,9	4,6
EL *						12,0	11,8	14,0	15,9	18,7	19,4				15,3	11,2	-12,0
E						20,5	20,9	23,8	24,4	28,4	29,7	29,9	29,8	29,7	25,4	7,1	9,3
F *						36,2	37,9	39,8	39,3	42,3	42,1	43,2	44,9	45,2	40,1	2,9	7,0
IRL						22,1	23,7	23,9	24,4	26,6	26,6				24,6	3,7	4,6
I	22,8	23,4	27,0	28,7	26,5	26,3	26,6	30,1	25,2	27,0	26,1	26,2	26,7	25,9	26,8	-0,6	-0,1
L *						29,0	29,4	30,0	30,7	32,9	41,7				32,3	6,2	12,6
NL						23,9	26,8	27,6	29,5	30,9	31,0	31,1	32,1	31,8	28,7	4,3	7,2
A						24,8	25,3	25,8	25,9	25,6	24,6	27,4	26,9	26,9	25,6	0,9	2,6
P **						21,8	24,8	26,7	27,0						25,1	7,2	5,2
FIN	35,6	54,2	50,8	23,5	19,5	27,0	28,5	28,8	30,6	31,7	34,7	35,3	35,3	36,0	30,9	4,6	8,2
S						17,6	28,8	28,5	31,7	34,7	38,0	50,5	44,6	43,0	32,8	14,0	32,9
UK	34,0	38,9	32,0	27,1	24,1	27,3	27,4	29,7	32,5	34,1	35,4	36,6	36,6	36,0	31,8	5,5	9,3
EU						<b>25,2</b>	<b>26,8</b>	<b>28,4</b>	<b>28,4</b>	<b>31,0</b>	<b>31,3</b>	<b>31,8</b>	<b>32,3</b>	<b>32,1</b>	<b>29,0</b>	<b>3,9</b>	<b>6,6</b>
Euro12						<b>25,2</b>	<b>26,6</b>	<b>28,2</b>	<b>27,4</b>	<b>30,1</b>	<b>30,3</b>	<b>30,4</b>	<b>31,1</b>	<b>31,0</b>	<b>28,3</b>	<b>3,2</b>	<b>5,3</b>
Ratio between standard deviation and mean in %						<b>21,7</b>	<b>20,3</b>	<b>19,0</b>	<b>19,0</b>	<b>18,5</b>	<b>21,5</b>	<b>24,6</b>	<b>21,0</b>	<b>20,7</b>			<b>2,9</b>
Difference between maximum and minimum ratio						<b>24,2</b>	<b>26,1</b>	<b>25,8</b>	<b>23,3</b>	<b>23,5</b>	<b>22,7</b>	<b>25,3</b>	<b>18,9</b>	<b>19,3</b>			<b>1,1</b>

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points

\* : 95-2000

\*\* : 95-98



Table D.3.1: Implicit tax rates in %: Capital income

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>p</sup>	2002 <sup>f</sup>	2003 <sup>f</sup>	Average 1995-2001	Change <sup>1)</sup> 1995-2001	Difference <sup>2)</sup> 1995 to 2001
B						17,1	17,6	18,5	20,0	20,7	21,5	21,0	20,7	20,7	19,5	4,1	3,9
DK		7,5	7,2	9,4	8,8	8,8	11,4	13,8	17,1	19,4	13,4	13,8	13,3	12,5	14,0	7,1	4,9
D		16,8	17,3	17,1	16,4	17,1	19,5	19,7	20,2	23,5	24,3	22,2	22,9	23,3	20,9	5,0	5,2
EL *						9,0	8,5	10,1	12,2	13,8	14,1				11,3	11,1	-9,0
E						13,4	13,9	16,3	16,3	19,3	20,4	20,8	20,7	20,6	17,2	8,0	7,4
F *						15,9	17,3	18,5	18,6	21,0	21,8	22,9	24,5	24,7	19,4	6,1	7,1
IRL						15,5	16,9	17,4	17,9	19,6	20,0				17,9	5,0	4,5
I	18,8	18,9	18,5	19,8	19,3	18,0	19,2	21,7	17,2	19,1	17,9	18,1	18,1	17,8	18,7	-0,9	0,1
L *						22,8	22,8	22,9	23,0	23,2	28,7				23,9	3,5	5,9
NL						16,6	19,1	19,9	20,9	21,4	21,0	21,3	22,2	21,8	20,0	3,6	4,7
A						18,8	21,1	21,1	21,3	20,9	20,1	22,7	22,3	22,3	20,9	1,6	3,8
P **						14,1	16,7	18,1	17,7						16,7	7,6	3,6
FIN	26,6	41,0	37,5	13,7	12,4	21,5	22,7	23,7	25,5	26,6	30,0	30,2	30,2	30,9	25,7	6,1	8,8
S						11,2	19,3	18,5	21,3	23,9	27,2	39,3	34,2	33,2	23,0	16,9	28,1
UK	24,2	24,9	19,7	15,9	14,6	18,3	18,7	20,8	23,1	23,5	24,0	25,0	25,2	24,8	21,9	5,6	6,7
EU						<b>16,5</b>	<b>18,1</b>	<b>19,5</b>	<b>19,4</b>	<b>21,4</b>	<b>21,7</b>	<b>22,1</b>	<b>22,4</b>	<b>22,3</b>	<b>19,8</b>	<b>4,8</b>	<b>5,6</b>
Euro12						<b>16,5</b>	<b>18,1</b>	<b>19,4</b>	<b>18,7</b>	<b>20,9</b>	<b>21,2</b>	<b>21,2</b>	<b>21,7</b>	<b>21,7</b>	<b>19,4</b>	<b>4,1</b>	<b>4,7</b>
Ratio between standard deviation and mean in %						<b>24,6</b>	<b>21,6</b>	<b>17,9</b>	<b>16,9</b>	<b>14,2</b>	<b>22,5</b>	<b>30,2</b>	<b>25,0</b>	<b>25,5</b>			<b>5,6</b>
Difference between maximum and minimum ratio						<b>14,0</b>	<b>14,3</b>	<b>13,6</b>	<b>13,3</b>	<b>12,8</b>	<b>16,6</b>	<b>25,6</b>	<b>20,9</b>	<b>20,7</b>			<b>11,6</b>

p: partly estimated. - f: forecasted with the Spring Forecast of DG Economic and Financial Affairs.

1) Estimated annual average growth rate in %. - 2) in %-points

\* : 95-2000

\*\* : 95-98

## ANNEX D : SPLIT ON PERSONAL INCOME TAX

**Table D.1: Personal income tax revenue allocated to employed labour income**  
Estimated, in % of total revenue

	1995	1996	1997	1998	1999	2000	2001	2002	2003
B	0,753	0,745	0,751	0,744	0,743	0,743	0,743	0,743	0,743
DK	0,748	0,749	0,749	0,750	0,750	0,750	0,750	0,750	0,750
D	0,757	0,729	0,726	0,715	0,692	0,694	0,694	0,694	0,694
EL	0,497	0,477	0,477	0,477	0,477	0,477	0,477	0,477	0,477
E	0,740	0,751	0,755	0,748	0,730	0,730	0,730	0,730	0,730
F	0,740	0,740	0,740	0,740	0,740	0,720	0,720	0,720	0,720
IRL	0,834	0,834	0,834	0,834	0,834	0,834	0,834	0,834	0,834
I	0,589	0,578	0,567	0,556	0,556	0,556	0,556	0,556	0,556
L	0,681	0,686	0,729	0,709	0,734	0,747	0,756	0,756	0,756
NL 1)	0,655	0,651	0,647	0,655	0,663	0,670	0,678	0,678	0,678
A	0,629	0,604	0,624	0,623	0,625	0,629	0,629	0,629	0,629
P	0,672	0,672	0,672	0,672	0,672	0,672	0,672	0,672	0,672
FIN	0,661	0,676	0,673	0,686	0,683	0,679	0,688	0,692	0,692
S	0,705	0,702	0,699	0,706	0,681	0,670	0,670	0,670	0,670
UK	0,764	0,755	0,747	0,743	0,751	0,756	0,756	0,756	0,756

Source: Commission services on the basis of estimates by Member States.

1) The estimates for the NL relate to personal income tax, wage tax and wealth tax.

**Table D.2: Personal income tax revenue allocated to self-employed labour income**  
Estimated, in % of total revenue

	1995	1996	1997	1998	1999	2000	2001	2002	2003
B	0,127	0,130	0,122	0,129	0,132	0,132	0,132	0,132	0,132
DK	0,058	0,059	0,060	0,061	0,062	0,062	0,062	0,062	0,062
D	0,190	0,221	0,222	0,232	0,254	0,249	0,249	0,249	0,249
EL	0,281	0,264	0,264	0,264	0,264	0,264	0,264	0,264	0,264
E	0,152	0,144	0,148	0,145	0,143	0,143	0,143	0,143	0,143
F	0,180	0,180	0,180	0,180	0,180	0,200	0,200	0,200	0,200
IRL	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120	0,120
I	0,162	0,169	0,175	0,182	0,182	0,182	0,182	0,182	0,182
L	0,239	0,236	0,203	0,218	0,200	0,189	0,183	0,183	0,183
NL 1)	0,185	0,196	0,207	0,196	0,185	0,173	0,162	0,162	0,162
A	0,168	0,186	0,166	0,169	0,161	0,159	0,159	0,159	0,159
P	0,098	0,098	0,098	0,098	0,098	0,098	0,098	0,098	0,098
FIN	0,661	0,676	0,673	0,686	0,683	0,679	0,688	0,692	0,692
S	0,022	0,025	0,026	0,026	0,027	0,028	0,028	0,028	0,028
UK	0,121	0,122	0,126	0,120	0,116	0,113	0,113	0,113	0,113

Source: Commission services on the basis of estimates by Member States.

1) The estimates for the NL relate to personal income tax, wage tax and wealth tax.

**Table D.1: Personal income tax revenue allocated to capital income**

Estimated, in % of total revenue

	1995	1996	1997	1998	1999	2000	2001	2002	2003
B	-0,020	-0,019	-0,020	-0,019	-0,017	-0,017	-0,017	-0,017	-0,017
DK	-0,059	-0,053	-0,048	-0,042	-0,036	-0,036	-0,036	-0,036	-0,036
D	0,019	0,023	0,024	0,025	0,028	0,030	0,030	0,030	0,030
EL	0,103	0,103	0,103	0,103	0,103	0,103	0,103	0,103	0,103
E	0,091	0,088	0,080	0,087	0,114	0,114	0,114	0,114	0,114
F	0,080	0,080	0,080	0,080	0,080	0,080	0,080	0,080	0,080
IRL	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036	0,036
I	0,048	0,049	0,049	0,050	0,050	0,050	0,050	0,050	0,050
L	0,080	0,079	0,068	0,073	0,067	0,063	0,061	0,061	0,061
NL 1)	-0,008	-0,008	-0,008	0,005	0,017	0,030	0,042	0,042	0,042
A	0,032	0,035	0,031	0,032	0,031	0,030	0,030	0,030	0,030
P	0,147	0,147	0,147	0,147	0,147	0,147	0,147	0,147	0,147
FIN	0,661	0,676	0,673	0,686	0,683	0,679	0,688	0,692	0,692
S	-0,010	0,014	0,028	0,028	0,058	0,080	0,080	0,080	0,080
UK	0,100	0,107	0,112	0,121	0,117	0,116	0,116	0,116	0,116

Source: Commission services on the basis of estimates by Member States.

1) The estimates for the NL relate to personal income tax, wage tax and wealth tax.

**Table D.1: Personal income tax revenue allocated to transfers and pensions**

Estimated, in % of total revenue

	1995	1996	1997	1998	1999	2000	2001	2002	2003
B	0,140	0,145	0,147	0,147	0,141	0,141	0,141	0,141	0,141
DK	0,253	0,246	0,239	0,231	0,224	0,224	0,224	0,224	0,224
D	0,033	0,027	0,029	0,028	0,027	0,027	0,027	0,027	0,027
EL	0,119	0,156	0,156	0,156	0,156	0,156	0,156	0,156	0,156
E	0,016	0,017	0,017	0,020	0,012	0,012	0,012	0,012	0,012
F	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
IRL	0,010	0,010	0,010	0,010	0,010	0,010	0,010	0,010	0,010
I	0,201	0,205	0,209	0,213	0,213	0,213	0,213	0,213	0,213
L	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
NL 1)	0,168	0,161	0,154	0,145	0,136	0,127	0,118	0,118	0,118
A	0,172	0,175	0,178	0,176	0,183	0,182	0,182	0,182	0,182
P	0,056	0,056	0,056	0,056	0,056	0,056	0,056	0,056	0,056
FIN	0,082	0,074	0,079	0,075	0,074	0,074	0,075	0,075	0,075
S	0,283	0,258	0,247	0,240	0,234	0,222	0,222	0,222	0,222
UK	0,015	0,016	0,016	0,016	0,015	0,015	0,015	0,015	0,015

Source: Commission services on the basis of estimates by Member States.

1) The estimates for the NL relate to personal income tax, wage tax and wealth tax.