Revenue Statistics 2024

Health taxes in OECD countries

OECD

BETTER POLICIES FOR BETTER LIVES

Introduction

Revenue Statistics 2024 presents detailed internationally comparable data on tax revenues of OECD countries for all levels of government. The latest edition provides final data on tax revenues for the period from 1965 up to 2022, a year marked by Russia's illegal invasion of Ukraine and the highest levels of inflation in OECD countries for over three decades. In addition, provisional estimates of tax revenues in 2023 are included for almost all OECD countries.[1] OECD countries continued to use tax policy to ease cost-of-living challenges in 2023 amid growing spending pressures related to long-term challenges such as climate change and population ageing, which will require higher revenues.

Box 1 Revenue Statistics in OECD Countries – Definitions & classifications

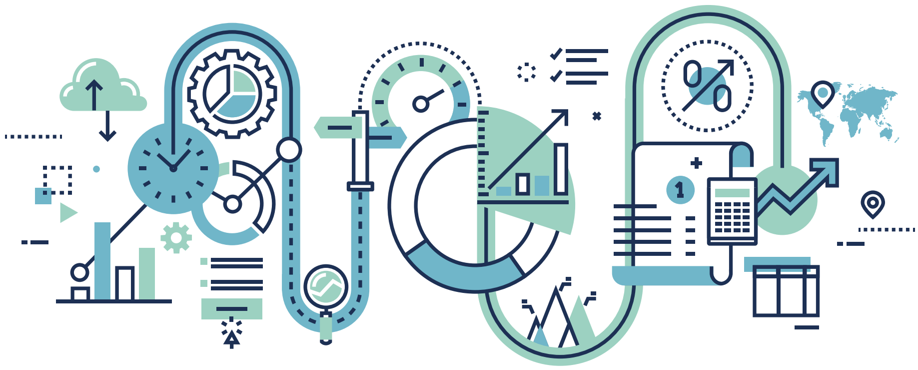
In *Revenue Statistics 2024*, taxes are defined as compulsory, unrequited payments to the general government or to a supranational authority. Taxes are unrequited in the sense that benefits provided by government are not normally in proportion to their payments.

In the OECD classification, taxes are classified by the base of the tax:

- Income and profits (heading 1000)
- Compulsory social security contributions paid to general government, which are treated as taxes (heading 2000)
- Payroll and workforce (heading 3000)
- Property (heading 4000)
- Goods and services (heading 5000)
- Other (heading 6000)

Greater detail on the tax concept, the classification of taxes and the accrual basis of reporting is set out in the OECD Interpretative Guide in Annex A of *Revenue Statistics 2024*.

All the averages presented in this summary are unweighted.



Tax-to-GDP ratios

OECD TAX RATIOS IN 2023 (PROVISIONAL DATA)

According to provisional data provided by OECD countries for this report, tax revenues as a percentage of GDP (i.e. the tax-to-GDP ratio) were 33.9% on average in 2023, a decrease of 0.1 percentage points (p.p.) of GDP relative to 2022. This was the second consecutive small decline in the OECD's tax-to-GDP ratio following a drop of 0.04 p.p. in 2022. The tax-to-GDP ratio increased in 18 of the 36 countries for which a full set of preliminary data for 2023 are available, declined in 17 and remained the same in one. However, the declines were larger than the increases on average (-1.4 p.p. versus 1.1 p.p.). The largest increases occurred in Luxembourg (2.7 p.p.), Colombia (2.6 p.p.) and Türkiye (2.5 p.p.). The largest decline in 2023 occurred in Chile, whose tax-to-GDP ratio fell by 3.2 p.p., while declines also exceeded 2.0 p.p. in Korea (3.1 p.p.), Israel (3.0 p.p.) and the United States (2.4 p.p.).

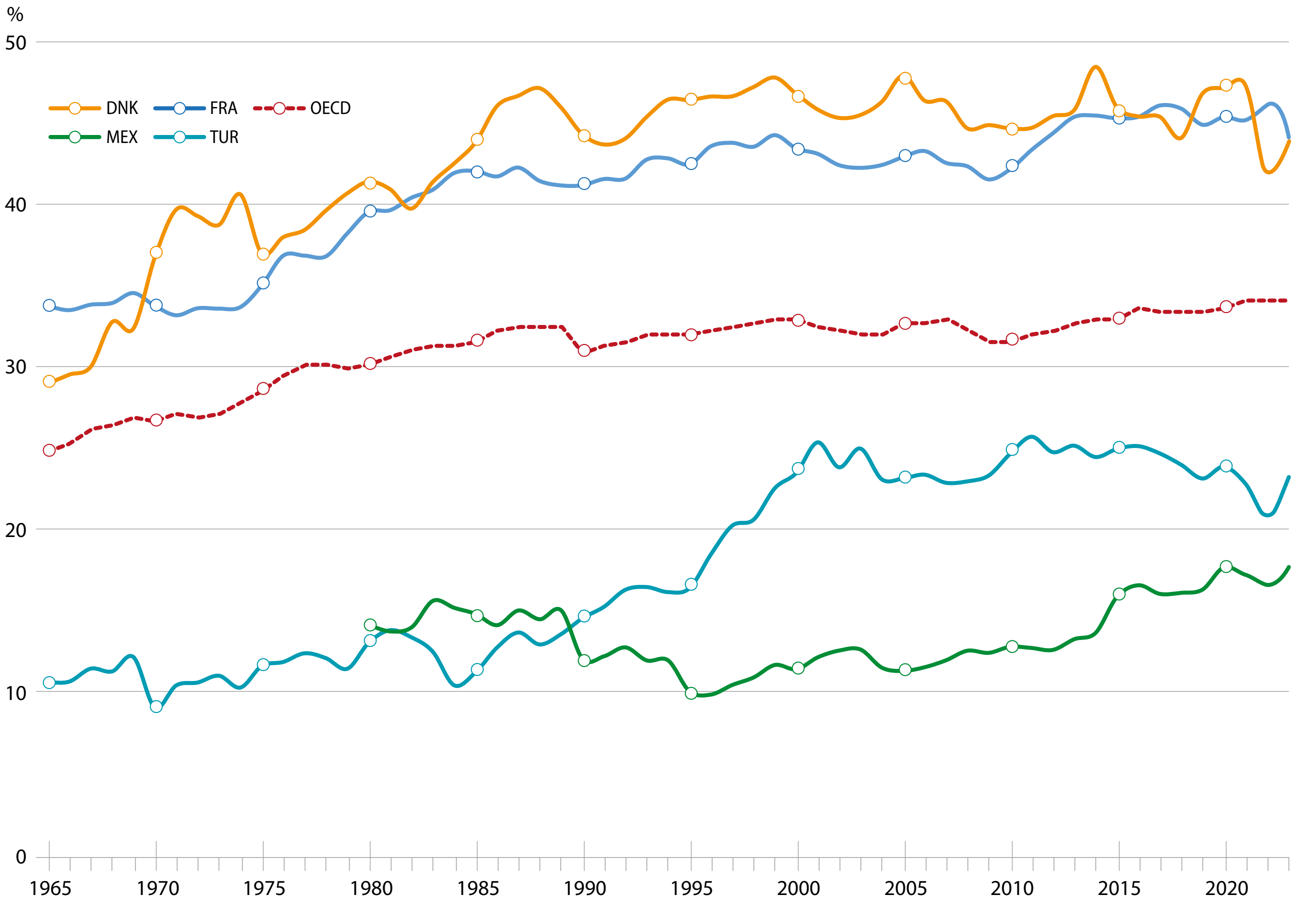
1. . At the time *Revenue Statistics 2024* was published, provisional data on tax revenues in 2023 for Australia was not available nor were provisional figures on social security contributions in Japan.

Tax-to-GDP ratios varied considerably across OECD countries in 2023 (Table 1).

Key observations include:

- France had the highest tax-to-GDP ratio among OECD countries for the second consecutive year in 2023, at 43.8%. Denmark had the second-highest tax-to-GDP ratio (43.4%) while Mexico had the lowest tax-to-GDP ratio (17.7%).
- Luxembourg observed the largest increase in its tax-to-GDP ratio in 2023, of 2.7 p.p. This was largely due to a 1.2 p.p. increase in revenues from personal income tax (PIT) and a 0.8 p.p. increase in social security contributions (Figure 2).
- The increase in Colombia's tax-to-GDP ratio (of 2.6 p.p.) was due to a 2.2 p.p. increase in revenues from corporate income tax (CIT), while the 2.5 p.p. increase in Türkiye was due to a 1.6 p.p. increase in taxes on goods and services and a rise of 1.1 p.p. in social security contributions.
- Chile observed the largest fall in the tax-to-GDP ratio across OECD countries between 2022 and 2023, with a decline of 3.2 p.p. due primarily to a drop in revenues from taxes on income and profits.
- The next-largest decline was observed in Korea (3.1 p.p.), where PIT revenues fell by 0.8 p.p., CIT revenues fell by 1.2 p.p. and revenues from taxes on goods and services fell by 0.7 p.p.

Figure 1. **Trends in selected tax-to-GDP ratios, 1965-2023p (as % of GDP)**



Notes: Data for 2023 are preliminary. The OECD average in 2023 is calculated by applying the unweighted average percentage change for 2023 in the 36 countries providing data for that year to the overall average tax to GDP ratio in 2022.

The 2016 OECD average tax-to-GDP ratio includes the one-off revenues from stability contributions in Iceland. Without these revenues included, the OECD average tax-to-GDP ratio in 2016 would have been 33.1%.

Source: Revenue Statistics 2024, https://oe.cd/revenue-statistics-2024.

Table 1. **Revenue Statistics: Key figures**

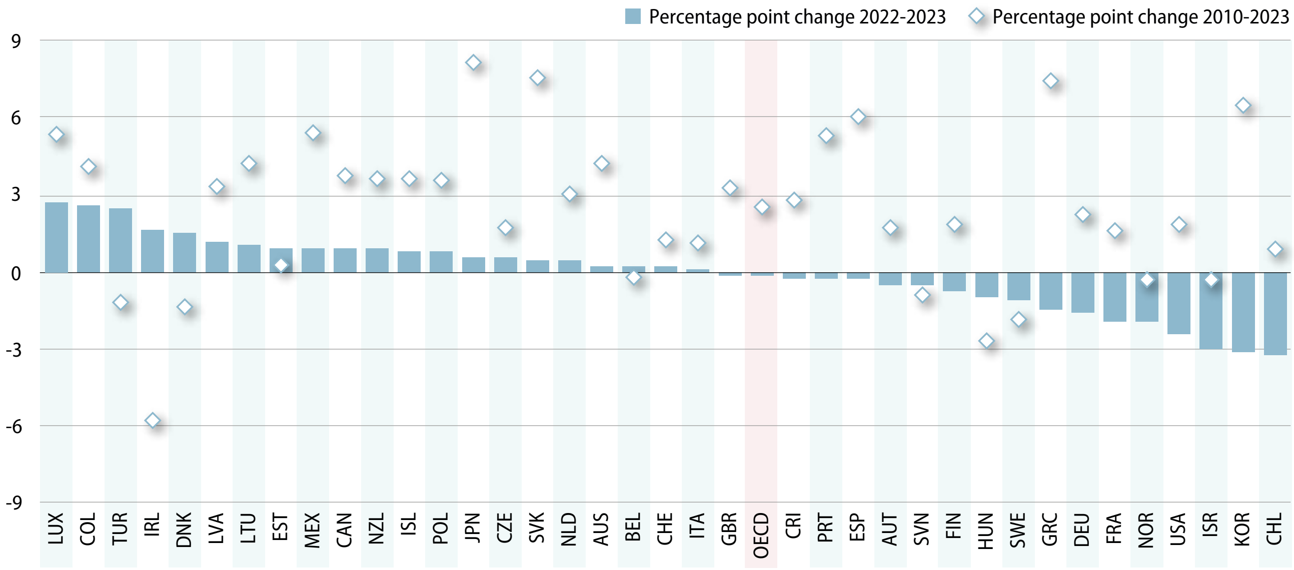
	Tax revenue as % of GDP				Tax revenue as % of total tax revenue in 2022						
	2023 (provisional)	2022	2021	2000	1100 Taxes on income, individuals (PIT)	1200 Taxes on income, corporates (CIT)	2000 social security contributions (SSC)	4000 Taxes on property	5111 Value added taxes	Other consumption taxes (3)	All other taxes (4)
OECD - Average (2)	**33.9**	**34.0**	**34.1**	**32.9**	**23.6**	**12.0**	**24.8**	**5.3**	**20.8**	**10.8**	**2.8**
Australia	–	29.4	29.2	30.4	40.4	21.8	0.0	9.3	11.5	12.3	4.7
Austria (1)	42.7	43.2	43.4	42.3	22.3	7.9	34.1	1.4	18.4	8.5	7.4
Belgium (1)	42.6	42.4	42.1	43.8	28.2	9.2	30.4	7.7	15.3	9.1	0.0
Canada	34.8	33.8	34.8	34.7	36.4	13.9	14.0	10.4	13.4	8.4	3.6
Chile	20.6	23.8	22.3	18.7	10.5	23.7	4.1	5.5	39.0	8.8	8.3
Colombia	22.2	19.7	19.2	15.7	7.0	25.4	8.3	7.8	31.8	13.0	6.7
Costa Rica	24.9	25.2	24.8	21.1	6.1	10.5	34.8	2.0	19.4	13.1	14.0
Czechia	33.7	33.2	33.7	32.2	9.2	12.9	45.9	0.5	22.9	8.6	0.0
Denmark (1)	43.4	41.9	47.2	46.8	55.8	7.9	0.2	4.1	22.0	8.4	1.7
Estonia	33.5	32.6	33.5	31.1	19.2	5.0	34.8	0.5	27.9	12.6	0.0
Finland	42.4	43.2	43.2	45.8	29.9	7.0	27.6	3.3	21.7	10.3	0.1
France (1)	43.8	45.8	45.1	43.7	21.2	6.2	32.4	8.1	16.4	9.7	6.1
Germany	38.1	39.6	39.8	36.4	26.9	6.0	36.9	2.8	18.9	8.5	0.0
Greece	39.8	41.2	40.0	33.4	13.6	6.0	29.6	6.6	21.9	21.4	0.9
Hungary	34.2	35.1	33.8	38.5	15.2	4.7	28.0	2.3	28.9	18.6	2.4
Iceland	35.9	35.2	34.8	35.9	39.9	7.4	8.5	5.6	23.7	9.0	5.9
Ireland	21.9	20.3	20.0	30.8	31.3	21.5	15.1	4.7	18.2	8.3	0.9
Israel	29.8	32.8	32.3	34.0	22.0	13.1	15.3	12.3	22.5	9.9	4.9
Italy	42.8	42.8	42.5	40.5	25.5	6.7	30.5	5.7	16.5	11.2	3.9
Japan	–	34.4	33.9	25.3	18.8	13.7	38.5	7.9	15.1	5.8	0.2
Korea	28.9	32.0	29.8	20.9	20.5	16.8	25.6	11.9	15.3	7.4	2.5
Latvia	31.9	30.8	30.7	29.0	19.2	3.3	30.6	2.5	30.8	13.6	0.0
Lithuania (1)	32.6	31.6	31.9	30.8	24.0	7.4	31.1	0.9	26.5	10.1	0.0
Luxembourg (1)	40.9	38.3	38.2	37.0	27.1	11.5	27.8	9.7	15.8	8.1	0.1
Mexico	17.7	16.8	16.7	10.9	21.6	23.0	13.8	2.1	24.7	8.1	6.8
Netherlands	38.5	38.1	38.3	36.9	20.3	12.5	32.9	3.9	18.6	11.5	0.3
New Zealand	34.0	33.1	34.5	32.5	41.6	13.7	0.0	5.8	30.3	5.7	2.9
Norway	41.4	43.4	41.3	41.8	18.7	42.3	17.3	2.2	15.0	4.5	0.1
Poland (1)	35.1	34.4	36.7	32.9	13.1	8.1	37.1	3.4	21.1	15.4	1.8
Portugal	35.8	36.0	35.2	30.9	19.4	9.3	28.3	4.3	26.0	12.2	0.5
Slovak Republic	35.5	35.0	35.4	33.6	10.7	10.4	41.6	1.2	22.0	13.3	0.8
Slovenia (1)	36.9	37.4	38.3	37.7	13.8	6.2	42.8	1.6	21.9	13.4	0.1
Spain	37.3	37.6	37.8	33.0	24.1	7.2	34.1	6.9	18.6	9.0	0.0
Sweden	41.4	42.5	42.8	50.0	28.0	8.0	20.8	2.2	22.1	6.6	12.2
Switzerland (1)	27.1	26.9	28.0	27.0	31.0	11.9	24.8	8.1	11.6	8.3	4.3
Türkiye	23.5	20.9	22.9	23.5	11.3	16.1	24.4	3.5	24.0	19.6	1.1
United Kingdom	35.3	35.4	34.2	32.7	28.6	9.2	19.9	11.3	20.7	9.9	0.4
United States	25.2	27.6	26.7	28.3	44.0	7.4	21.9	10.4	0.0	16.3	0.1

– not available

1. The total tax revenue has been reduced by the amount of any capital transfer that represents uncollected taxes.
2. The provisional average for 2023 is calculated by applying the unweighted average percentage change for 2023 in the 36 countries providing data for that year to the overall average tax-to-GDP ratio in 2022–
3. Calculated as 5000 Taxes on goods and services less 5111 Value added taxes.
4. Includes 1300 Unallocable between personal and corporate income tax, 3000 Taxes on payroll and workforce and 6000 Other taxes.

Source: Revenue Statistics 2024, https://oe.cd/revenue-statistics-2024.

Figure 2. **Changes in tax-to-GDP ratios, p.p., 2022-2023p and 2010-2023p (percentage points)**



Note: Preliminary data for 2023 was not available for Australia and Japan. For these countries the comparison shown is 2021-2022 and 2010-2022 data.

Source: Revenue Statistics 2024, https://oe.cd/revenue-statistics-2024.

The OECD average tax-to-GDP ratio was higher in 2023 than in 2010, when it was 31.5%. The tax-to-GDP ratio increased over this period in 29 countries (including data for 2022 in the cases of Australia and Japan) (Figure 2). The largest increases were seen in Japan (8.2 p.p.), the Slovak Republic (7.6%) and Greece (7.5 p.p.); increases of over 5 p.p. were also observed in Korea, Spain, Mexico, Portugal and Luxembourg. In the remaining nine countries, the tax-to-GDP ratio decreased between 2010 and 2023. The largest fall occurred in Ireland, from 27.7% in 2010 to 21.9% in 2023, largely due to an exceptional GDP increase in 2015. The next largest drop occurred in Hungary (2.6 p.p.).

Changes in the tax-to-GDP ratio are driven by the relative changes in nominal tax revenues and nominal GDP. From one year to the next, if tax revenues rise by more than GDP (or fall by less than GDP) the tax-to-GDP ratio will increase. Conversely, if tax revenues rise by less than GDP, or fall further, the tax-to-GDP ratio will fall. Therefore, a higher tax-to-GDP ratio does not necessarily mean that the amount of tax revenues has increased in nominal, or even real, terms.

In 2023, nominal tax revenues increased from the previous year in 31 out of the 36 OECD countries for which data is available, while nominal GDP increased in 33 out of 36 countries. In Denmark and Ireland, tax revenues rose in nominal terms while GDP shrunk, while the opposite was the case in the United States, Israel, Korea and Chile (Figure 3). In Norway, tax revenues and GDP both declined in nominal terms in 2023 relative to the previous year; its tax-to-GDP ratio declined because the decline in revenues was larger than the decline in GDP.

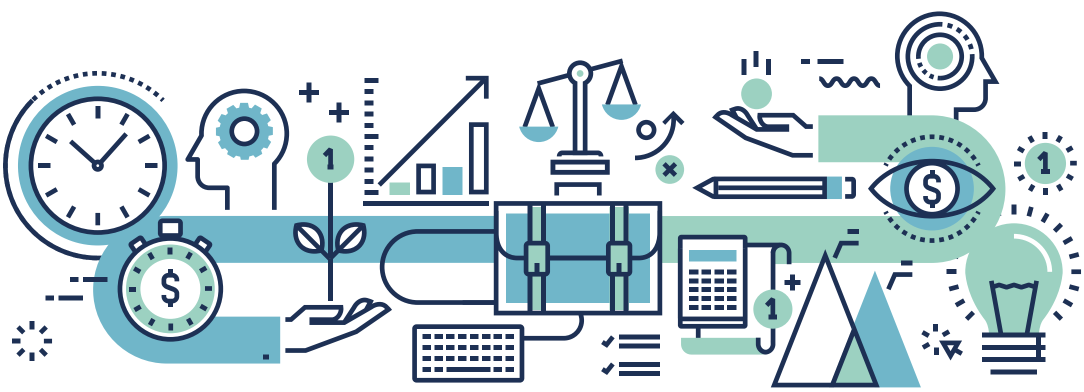
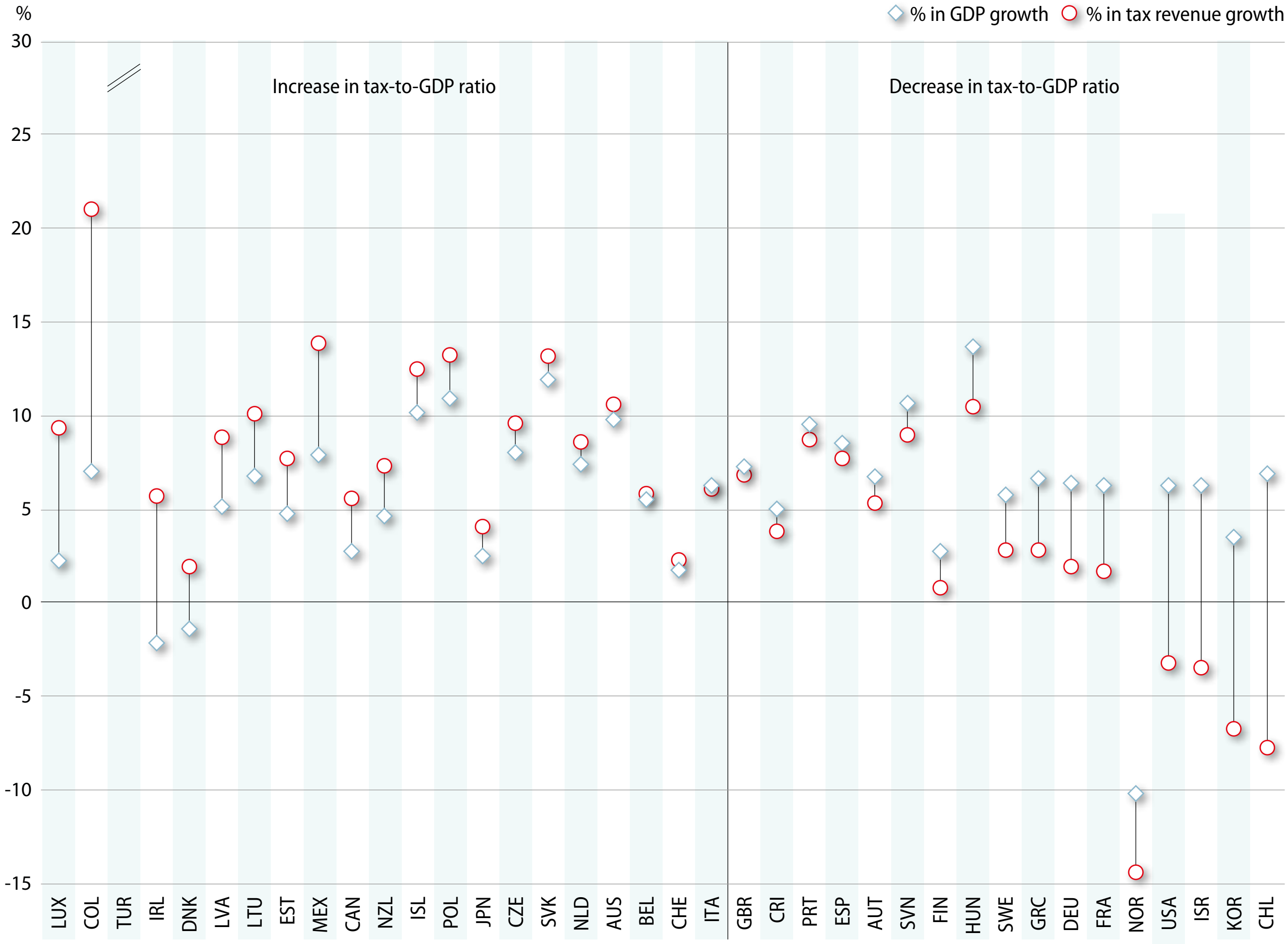


Figure 3. **Relative changes in nominal tax revenues and nominal GDP, 2022-2023p (% change)**



Note: In Türkiye, nominal tax revenues increased by 96% in 2023 while nominal GDP rose by 75%. Data for Australia and Japan show the change between 2021 and 2022, as preliminary data for 2023 was not available.

Source: Revenue Statistics 2024, https://oe.cd/revenue-statistics-2024.

Box 2 **Health taxes in OECD countries**

The Special Feature in *Revenue Statistics 2024* examines revenues from health taxes in OECD countries. Health taxes, defined by the World Health Organisation as 'taxes levied on products that have a negative public health impact', have emerged as a major focus of policy makers in public finance and health over the past two decades. This reflects the capacity of health taxes to meet two objectives: not only do they generate a modest but stable source of revenues to finance public spending but they have also been shown to be a cost-effective means of reducing consumption of unhealthy products and thus improving health outcomes. Although taxes on alcohol and tobacco are present in all OECD countries, taxes on sugar-sweetened beverages (SSBs) are relatively new and have not yet been implemented by all countries.

This Special Features uses granular data provided by countries for this edition of *Revenue Statistics* to examine revenues from excise taxes on alcohol, tobacco and SSBs between 2000 and 2022. Revenue data is a key input for designing and monitoring the effectiveness of health taxes, although revenue trends should be interpreted with caution as it may be difficult to clearly identify the underlying drivers. International comparison of revenue levels should also take into account differences in consumption patterns between countries.

On average across OECD countries, revenues from these three health taxes amounted to 0.74% of GDP and accounted for 2.24% of total tax revenues in 2022. In 27 of the 38 OECD countries, revenues from excise taxes on tobacco were the principal source of health tax revenues in that year. Revenues from health excise taxes have declined as a proportion of GDP between 2000 and 2022 on average across the OECD (especially since 2010), with the largest decline observed for excise taxes on alcohol.

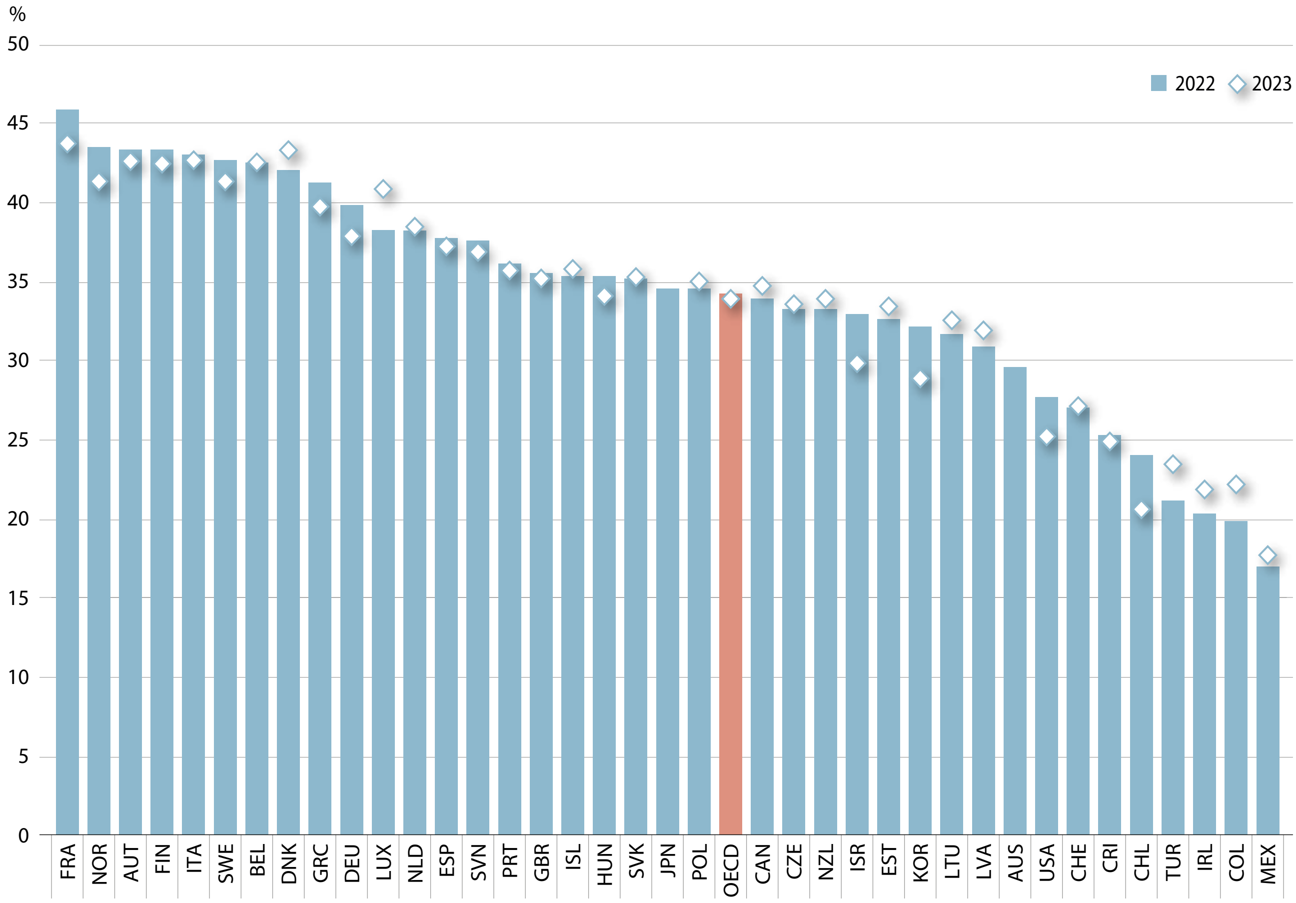
OECD TAX-TO-GDP RATIOS IN 2022 (FINAL DATA)

The latest year for which tax-to-GDP ratios are based on final data and available for all OECD countries is 2022 (Figure 4). These data show that tax ratios varied considerably across countries:

- In 2022, France had the highest tax-to-GDP ratio (45.8%), followed by Norway (43.4%). Seven other countries had tax-to-GDP ratios above 40% (Austria, Finland, Italy, Sweden, Belgium, Denmark and Greece).
- Mexico had the lowest ratio at 16.8%, followed by Colombia (19.7%), Ireland (20.3%), Türkiye (20.9%) and Chile (23.8%). Four other countries had ratios below 30% in 2022: Australia, the United States, Switzerland and Costa Rica.
- The tax-to-GDP ratio in the OECD area as a whole (unweighted average) was 34.0% in 2022, unchanged from 2021. Relative to 2021, the tax-to-GDP ratio rose in 21 countries and fell in 17.
- The largest increases in the tax-to-GDP ratio were in Korea (2.2 p.p.) and Norway (2.1 p.p.). Chile, Hungary, the United Kingdom and Greece were the only other countries where the increase exceeded 1.0 p.p.
- The largest declines occurred in Denmark (5.3 p.p.) and Poland (2.3 p.p.).

As concerns the average tax-to-GDP for OECD countries, a 0.6 p.p. increase in revenues from CIT between 2021 and 2022 was offset by declines of 0.3 p.p. in revenues from excises, of 0.2 p.p. in social security contributions and of 0.1 p.p. in revenues from PIT (Table 2).

Figure 4. **Tax-to-GDP ratios, 2022 and 2023p (% of GDP)**



Note: Preliminary data for 2023 were not available for Australia and Japan.

Source: Revenue Statistics 2024, https://oe.cd/revenue-statistics-2024.

Table 2. **Average tax structure in OECD countries, selected years (unweighted average as % of GDP)**

	1965	1990	2000	2007	2010	2015	2020	2021	2022
Total tax revenues	**24.9**	**30.9**	**32.9**	**32.9**	**31.5**	**32.9**	**33.5**	**34.1**	**34.0**
1000 Taxes on income, profits and capital gains	8.7	11.5	11.4	11.7	10.2	10.9	11.3	11.9	12.3
of which:									
1100 Taxes on income, profits and capital gains of individuals	6.8	9.3	8.5	7.8	7.2	7.8	8.3	8.3	8.2
1200 Taxes on income, profits and capital gains of corporations	2.1	2.4	3.1	3.6	2.7	2.8	2.8	3.3	3.9
2000 Social security contributions (SSC)	4.5	7.1	8.4	8.2	8.6	8.8	9.2	9.0	8.7
3000 Taxes on payroll and workforce	0.3	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5
4000 Taxes on property	1.9	1.7	1.7	1.7	1.6	1.8	1.9	1.9	1.8
5000 Taxes on goods and services	9.4	9.9	10.8	10.7	10.5	10.8	10.6	10.7	10.6
of which:									
5111 Value added taxes	0.7	5.1	6.3	6.5	6.3	6.5	6.7	6.9	7.0
5121 Excises	3.5	2.5	2.9	2.7	2.7	2.6	2.3	2.2	1.9
6000 Other Taxes	0.1	0.4	0.2	0.2	0.2	0.2	0.2	0.1	0.2

Note: Percentage share of major tax categories in GDP. Data are included from 1965 onwards for Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Türkiye, United Kingdom and United States; from 1972 for Korea; from 1980 for Mexico; from 1990 for Chile, Colombia and Costa Rica; from 1991 for Hungary and Poland; from 1993 for Czechia and from 1995 for Estonia, Israel, Latvia, Lithuania, the Slovak Republic and Slovenia.

Source: OECD (2024), "Revenue Statistics: Comparative tables", *OECD Tax Statistics (database)*, DOI: http://dx.doi.org/10.1787/data-00262-en.

TAX RATIO CHANGES BETWEEN 1965 AND 2022

Between 1965 and 2022, the average tax-to-GDP ratio in the OECD area increased from 24.9% to 34.0%, an increase of 9.2 p.p. (Figure 1).

By 1999, the average OECD tax-to-GDP ratio had risen to 32.9%, the highest recorded level at that time. It fell back slightly between 2001 and 2004 then rebounded between 2005 and 2007 before falling back during the Global Financial Crisis in 2008 and 2009. The tax-to-GDP ratio increased in all but two years between 2010 and 2022, despite the impact of the COVID-19 pandemic in 2020-21.

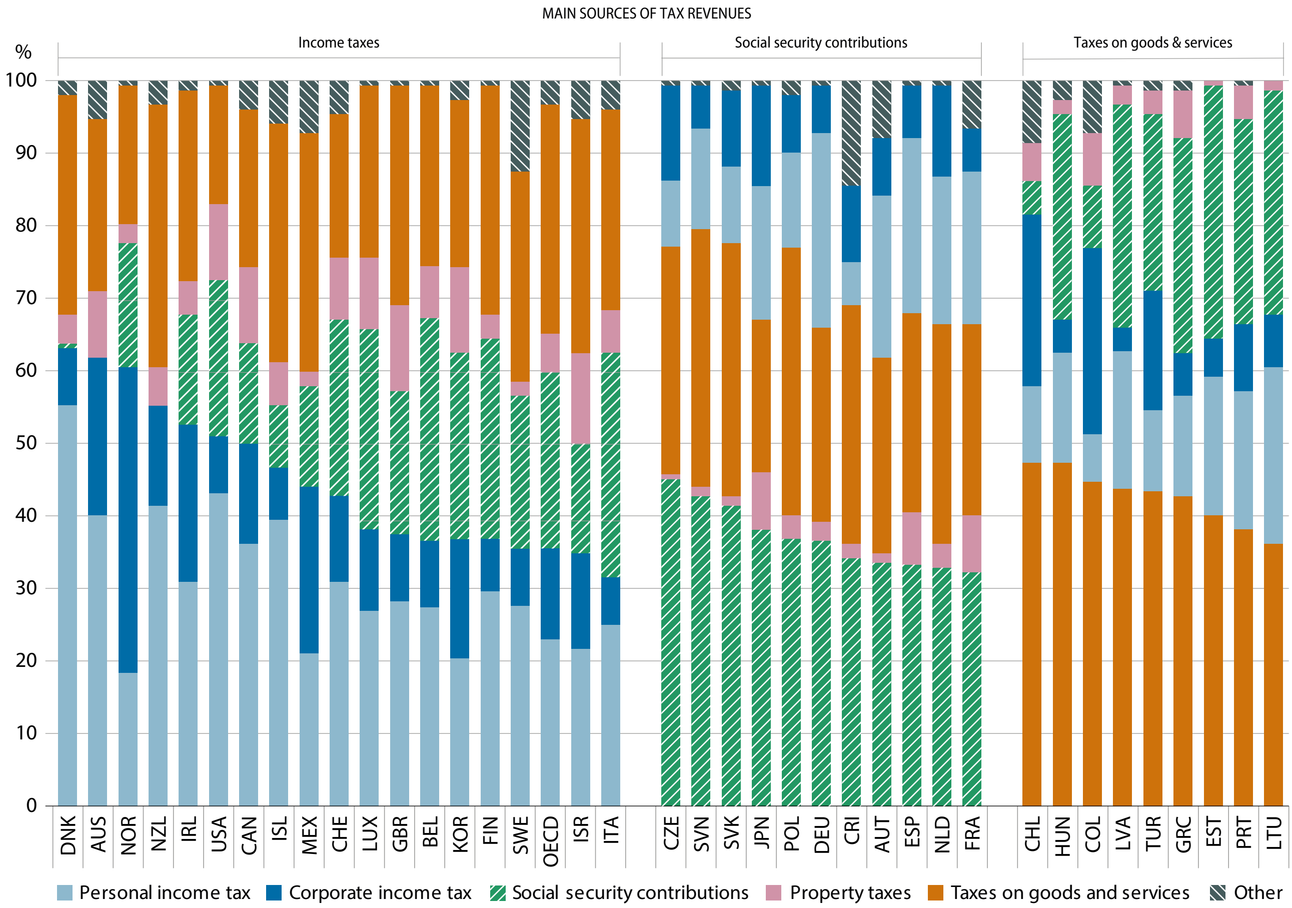
The OECD average tax-to-GDP ratio conceals great variety between countries. In 1965, tax-to-GDP ratios in OECD countries ranged from 10.6% in Türkiye to 33.9% in France. By 2022, the corresponding range was from 16.8% in Mexico to 45.8% in France. The trend towards higher tax levels over this period reflects the need to finance a significant increase in public sector outlays in almost all OECD countries.

Tax structures

Tax structures are measured by the share of major taxes in total tax revenues. In 2022, the tax structures of OECD countries varied. Eighteen countries raised the largest part of their revenues from income taxes (both corporate and personal), eleven countries raised the largest part of their revenues from social security contributions, and nine countries raised the largest part of their revenues from consumption taxes (including VAT). Taxes on property and payroll taxes played a smaller role in the revenue systems of OECD countries in 2022, both on average and within most countries (Figure 5).

While the level of tax revenues has generally been rising on average in the OECD, the tax structure (or 'tax mix') has been remarkably stable over time. Nevertheless, several trends have emerged up to 2022 – the latest year for which data is available for all 38 OECD countries.

Figure 5. **Tax structures, 2022 (% of total tax revenues)**



Note: Countries are grouped and ranked by those where income tax revenues (personal and corporate) form the highest share of total tax revenues, followed by those where social security contributions, or taxes on goods and services, form the highest share.

Source: Revenue Statistics 2024, https://oe.cd/revenue-statistics-2024.

TAXES ON INCOME AND PROFITS

On average, in 2022, OECD countries collected 36.5% of their tax revenues through taxes on income and profits (PIT and CIT combined). Taxes on personal and corporate incomes remain the most important source of revenues used to finance public spending in 18 OECD countries; in ten of these – Australia, Canada, Denmark, Iceland, Ireland, Mexico, New Zealand, Norway, Switzerland and the United States – the share of income taxes in the tax mix exceeded 40% in 2022.

Within taxes on income and profits, the share of PIT and CIT varies:

- Revenues from PIT generated 23.6% of total taxes on average in 2022 compared with around 30% in the 1980s. About two percentage points of this reduction can be attributed to the impact on the average of a number of relatively recent entrants to the OECD from Eastern Europe and Latin America, for which tax revenue data is only available from the 1990s onwards. These countries tend to have relatively low PIT revenues and high revenues from social security contributions or CIT, but this impact is only observed in data from after 1990.

- The variation in the share of PIT between countries is considerable. In 2022, the share ranged from 6.1% in Costa Rica to 44.0% in the United States and 55.8% in Denmark (Figure 5).

- CIT revenues represented between 8% and 9% of total tax revenues, on average, throughout the period from 1965 to 2003. They then increased to 11.3% in 2007 before dropping to 9.0% in 2010 after the Global Financial Crisis. They remained between 9.0% and 10.0% of total tax revenues until increasing to 10.3% in 2021 and 12.0% in 2022.

- The share of CIT in total tax revenues in 2022 varied considerably across countries, from less than 6% (Estonia, Hungary and Latvia) to over 20% in Ireland (21.5%), Australia (21.8%), Mexico (23.0%), Chile (23.7%), Colombia (25.4%) and Norway (42.3%). Apart from the spread in statutory CIT rates, these differences are partly explained by institutional and country-specific factors, including:
  - the degree to which firms are incorporated;
  - the breadth of the CIT base; for example, some narrowing may occur as a consequence of generous depreciation schemes and tax incentives;
  - the degree of cyclicality of the corporate tax system, for which one of the important elements is loss-offset provisions;
  - the degree of reliance upon tax revenues from the exploitation of oil and/or mineral deposits; or
  - other instruments to postpone the taxation of earned profits.

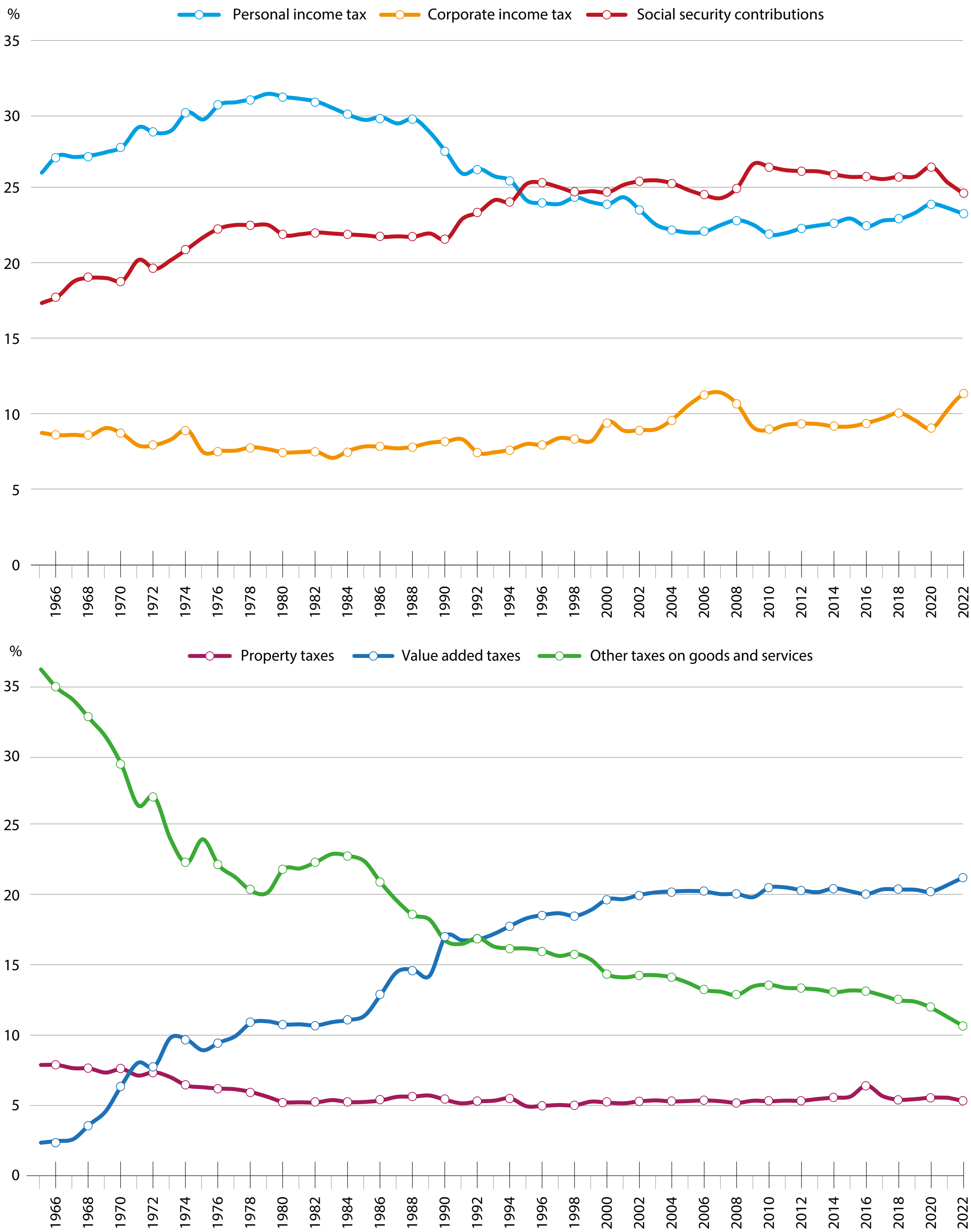
SOCIAL SECURITY CONTRIBUTIONS

Social security contributions accounted for 24.8% of total tax revenues on average across the OECD in 2022. They exceeded 40% in Czechia, Slovenia and the Slovak Republic (45.9%, 42.8% and 41.6%, respectively). Australia and New Zealand do not levy social security contributions.

PROPERTY TAXES

Between 1965 and 2022, the share of taxes on property fell from 7.9% to 5.3% of total tax revenues on average across the OECD (Figure 6). In Canada, Israel, Korea, the United Kingdom and the United States, property tax revenues amounted to more than 10% of total tax revenues in 2022. By contrast, property taxes accounted for less than 1% of total tax revenues in Czechia, Estonia and Lithuania.

Figure 6. **Trends in tax structures, 1965-2022 (% of total tax revenues)**

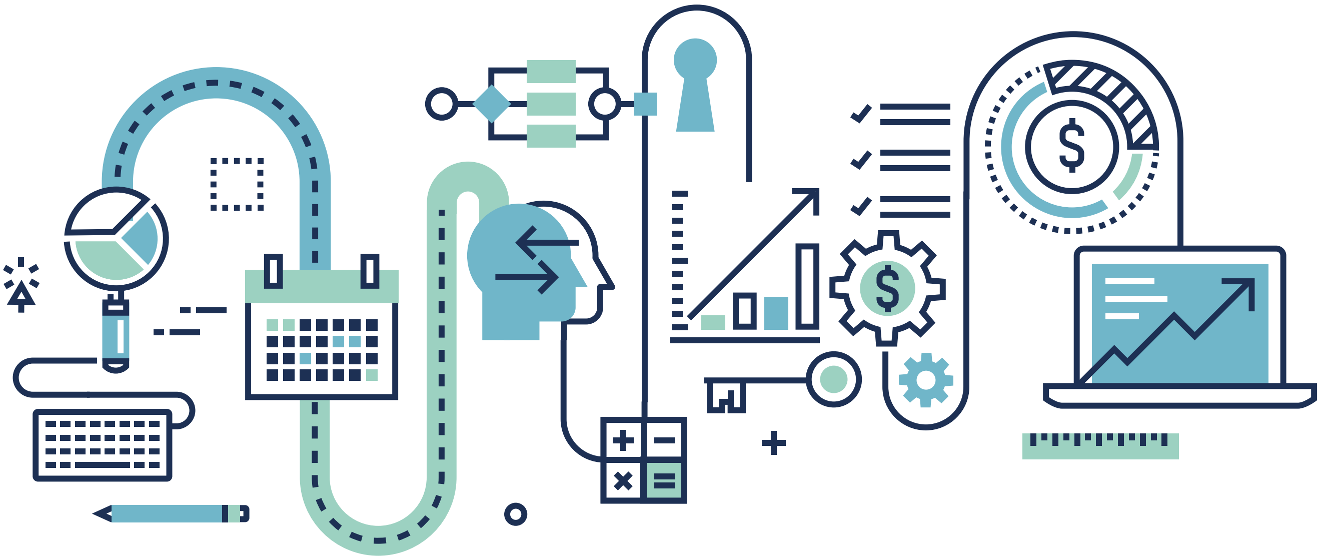


Note: The OECD average tax revenue in 2016 from main categories includes the one-off revenues from stability contributions in Iceland. This predominately affects the average revenues from property taxes, as a percentage of total tax revenues, in that year only.

Source: Revenue Statistics 2024, https://oe.cd/revenue-statistics-2024.

CONSUMPTION TAXES

- The share of taxes on consumption (general consumption taxes plus specific consumption taxes) fell from 38.4% of total tax revenues to 31.5% between 1965 and 2022 (Figure 6).
- During this period, the composition of taxes on goods and services has changed. A fast-growing revenue source has been general consumption taxes, especially VAT, which is imposed in 37 of 38 OECD countries.[2]
- General consumption taxes accounted for 21.4% of total tax revenues in 2022, compared with only 13.3% in the mid-1970s. In 2022, the vast majority of this was from VAT (20.8% of total tax revenues).
- The increased importance of VAT has counteracted the diminishing share of specific consumption taxes, such as excises and customs duties.
- Between 1975 and 2022, the share of specific taxes on consumption (mostly on tobacco, alcoholic drinks and fuels, as well as some environmentally-related taxes) more than halved, from 17.7% to 8.2% of total revenues.
- Rates of taxes on imported goods were considerably reduced across all OECD countries, reflecting a global trend to remove trade barriers.
- Nevertheless, Hungary, Latvia, Slovenia, Slovak Republic and Poland (between 10%-13%), Greece (15.6%) and Türkiye (18.8%) collected more than 10% of their tax revenues through taxes on specific goods and services in 2022.



2. The terms "value-added tax" and "VAT" are used to refer to any national tax that embodies the basic features of a value-added tax by whatever name or acronym it is known e.g. "Goods and Services Tax" ("GST").

Taxes by level of government

Eight OECD countries have a federal structure. Among these countries, central government received 53.7% of total revenues on average in 2022. The second-highest share of revenues on average was received by social security funds, which are a sub-sector of general government, at 21.0% of total revenues, followed by 17.8% at the state level and 7.3% at the local level (Table 3). Within countries with a federal structure, there was considerable variation around these averages:

- In 2022, the share of central government receipts in the eight federal OECD countries ranged from 28.9% in Germany to 80.0% in Mexico and 81.6% in Australia.
- In 2022, the share of the states ranged from 1.9% in Austria and 4.4% in Mexico to 38.9% in Canada. The share of local government varied from 1.8% in Mexico to 13.1% in the United States and 15.8% in Switzerland.
- Between 1975 and 2022, the share of central government revenues declined by over 12 p.p. in Belgium and by more than 5 p.p. in Spain.
- The share of central government revenues increased in Austria by just under 14 p.p. over the same period. There was little change in Australia.
- Of the seven federal countries with social security funds, five increased the share of revenue between 1975 and 2022. The exceptions were Canada and Mexico, where the share declined between 1975 (1980 for Mexico due to data availability) and 2022.

Colombia and Spain, which are classified as regional rather than unitary countries because of their highly decentralised political structure, have very different revenue compositions by level of government. In Colombia, the share of central government receipts was 75.2% in 2022, with regional governments receiving 4.8% of total revenues and local governments receiving 11.8%. In Spain, the share of central government receipts in 2022 was 42.5% compared with 15.1% for regional government and 8.2% for local government.

The remaining twenty-eight OECD countries have a unitary structure (Table 1.4). In these countries, an average of 64.6% of revenues were derived at the central level in 2022, with social security funds accounting for 24.6%. A further 10.3% of revenues was raised by local government. Among unitary OECD countries:

- The share of central government receipts varied from 31.1% in France to 93.6% in New Zealand in 2022.
- The local government share ranged from 0.6% in Estonia to 35.1% in Sweden.
- Between 1975 and 2022, there were increases in the local government share in excess of 5 p.p. in six countries: France, Iceland, Italy, Korea, Portugal and Sweden. Decreases of 5 p.p. or more occurred in three countries: Ireland, Norway and the United Kingdom.
- Between 1975 and 2022, there were increases in the share of social security funds of 10 p.p. or more in France and Korea and corresponding decreases in Italy and Norway.

Table 3. **Attribution of tax revenues to sub-sectors of general government as % of total tax revenue, 2022**

	Supranational	Federal or Central government	State or Regional government	Local government	Social Security Funds
Federal countries					
Australia	–	81.6	15.5	2.9	0.0
Austria (1)	0.5	65.6	1.9	3.0	29.0
Belgium (1)	1.2	52.5	10.1	4.5	31.7
Canada	–	42.9	38.9	8.6	9.6
Germany	0.7	28.9	24.7	8.9	36.9
Mexico	–	80.0	4.4	1.8	13.8
Switzerland (1)	–	33.8	25.6	15.8	24.8
United States	–	44.1	20.9	13.1	21.9
Unweighted average	*0.8*	*53.7*	*17.8*	*7.3*	*21.0*
Regional countries					
Colombia (2)	–	75.2	4.8	11.8	8.3
Spain (2)	0.8	42.5	15.1	8.2	33.4
Unitary countries					
Chile	–	89.9	–	6.9	3.2
Costa Rica	–	61.4	–	2.7	35.9
Czechia	0.5	52.5	–	1.0	45.9
Denmark (1)	0.4	73.1	–	26.5	0.0
Estonia	0.8	82.5	–	0.6	16.0
Finland	0.5	48.8	–	23.0	27.6
France (1)	0.6	31.1	–	14.4	54.0
Greece	0.6	67.2	–	2.3	29.8
Hungary	0.5	67.5	–	4.7	27.4
Iceland	–	72.5	–	27.5	0.0
Ireland	0.8	84.1	–	1.6	13.5
Israel	–	76.5	–	8.2	15.3
Italy	0.6	58.0	–	10.9	30.5
Japan	–	39.0	–	22.5	38.5
Korea	–	57.3	–	17.2	25.6
Latvia	0.8	53.2	–	16.4	29.6
Lithuania (1)	1.0	66.9	–	1.0	31.1
Luxembourg (1)	1.2	68.2	–	3.6	27.0
Netherlands	1.3	62.6	–	3.2	32.9
New Zealand	–	93.6	–	6.4	0.0
Norway	–	89.7	–	10.3	0.0
Poland (1)	0.8	50.0	–	11.8	37.3
Portugal	0.6	65.1	–	7.1	27.2
Slovak Republic	0.5	57.2	–	1.9	40.4
Slovenia (1)	0.5	48.6	–	8.5	42.4
Sweden	0.4	52.5	–	35.1	12.1
Türkiye	–	65.8	–	9.7	24.4
United Kingdom	–	75.2	–	4.9	19.9
Unweighted average	*0.7*	64.6	–	*10.3*	*24.6*

– Not available

1. The total tax revenue has been reduced by the amount of any capital transfer that represents uncollected taxes.
2. Colombia and Spain are not constitutionally federal countries but both have a highly decentralised political structure, with high autonomy of their territorial entities.

Source: Data from *Revenue Statistics 2024*, https://oe.cd/revenue-statistics-2024.

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For more information:

OECD.RevenueStatistics@oecd.org

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