Revenue Statistics 2023

Tax Revenue Buoyancy in OECD Countries

OECD

BETTER POLICIES FOR BETTER LIVES

Introduction

Revenue Statistics 2023 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 2021, the second year of the COVID-19 pandemic. In addition, provisional estimates of tax revenues in 2022 are included for almost all OECD countries.[1]

Box 1 Revenue Statistics in OECD Countries – Definitions & classifications

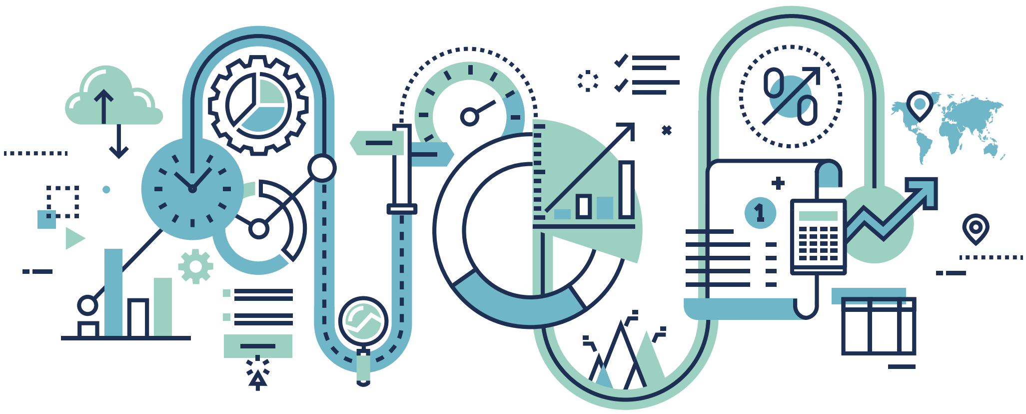
In *Revenue Statistics 2023*, taxes are defined as compulsory, unrequited payments to the general government or to a supranational authority. Taxes are unrequited in the sense that benefits provided by government are not normally in proportion to their payments.

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 2023*.

All the averages presented in this summary are unweighted.



Tax-to-GDP ratios

OECD TAX RATIOS IN 2022 (PROVISIONAL DATA)

According to provisional data provided by OECD countries for the annual *Revenue Statistics 2023* publication, tax revenues as a percentage of GDP (i.e. the tax-to-GDP ratio) were 34.0% on average in 2022, a decrease of 0.15 percentage points (p.p.) of GDP relative to 2021. This decline in the OECD's average tax-to-GDP ratio was the first since 2019 and followed two consecutive years of increases in 2020 and 2021 against the backdrop of the COVID-19 pandemic. The tax-to-GDP ratio decreased in 21 of the 36 countries for which full data for 2022 are available, increased in 14 and remained the same in one. The largest change in 2022 occurred in Denmark, whose tax-to-GDP ratio declined by 5.5 p.p., having been the highest in the OECD in all but two years since 2002. The Netherlands, Poland, Sweden, Switzerland and Türkiye also recorded a decline in their tax-to-GDP ratio of larger than 1 p.p.

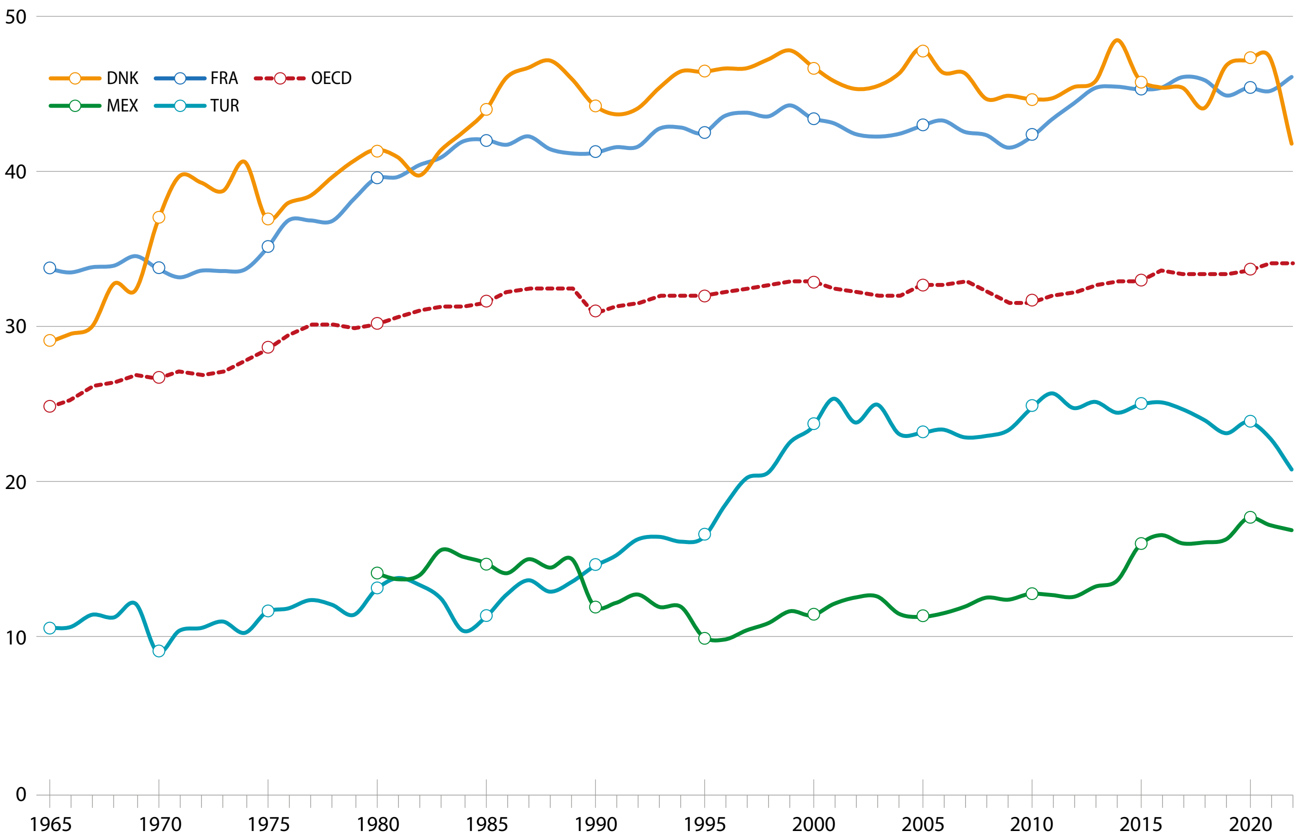
1. At the time *Revenue Statistics 2023* was published, provisional data on tax revenues in 2022 for Australia was not available nor were provisional figures on social security contributions in Japan.

Tax-to-GDP ratios varied considerably across OECD countries in 2022 (Table 1).

Key observations include:

- France had the highest tax-to-GDP ratio in 2022 (46.1%), a position it last held in 2018. Norway had the second-highest tax-to-GDP ratio (44.3%) while Mexico had the lowest tax-to-GDP ratio (16.9%).
- Denmark observed the largest fall in its tax-to-GDP ratio between 2021 and 2022. Revenues fell by 5.5 p.p. due to declines in revenues from income taxes (4.5 p.p.) and from taxes on goods and services (0.9 p.p.).
- The next-largest decline was observed in Türkiye (2.0 p.p.), where social security contributions fell by 1.6 p.p. and revenues from personal income tax (PIT) fell by 0.7 p.p.
- Between 2021 and 2022, the largest increase in the tax-to-GDP ratio occurred in Korea, at 2.2 p.p. This was largely due to a 1.6 p.p. increase in revenues from corporate income tax (CIT) and a 0.6 p.p. increase in revenues from value added tax (VAT).
- The second-largest increase was in Norway (1.9 p.p.), where an increase of 8.8 p.p. in revenues from CIT related to exceptional profits in the energy sector offset declines in revenues from PIT, social security contributions and taxes on goods and services. Chile and Greece were the other countries whose tax-to-GDP ratio increased by more than 1.5 p.p. in 2022 (Figure 2).

Figure 1. **Trends in tax-to-GDP ratios, 1965-2022p (as % of GDP)**



Notes: Data for 2022 are preliminary. The OECD average in 2022 is calculated by applying the unweighted average percentage change for 2022 in the 36 countries providing data for that year to the overall average tax to GDP ratio in 2021.

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 33.2%.

Source: Revenue Statistics 2023, https://oe.cd/revenue-statistics.

Table 1. **Key tax revenue ratios in the OECD**

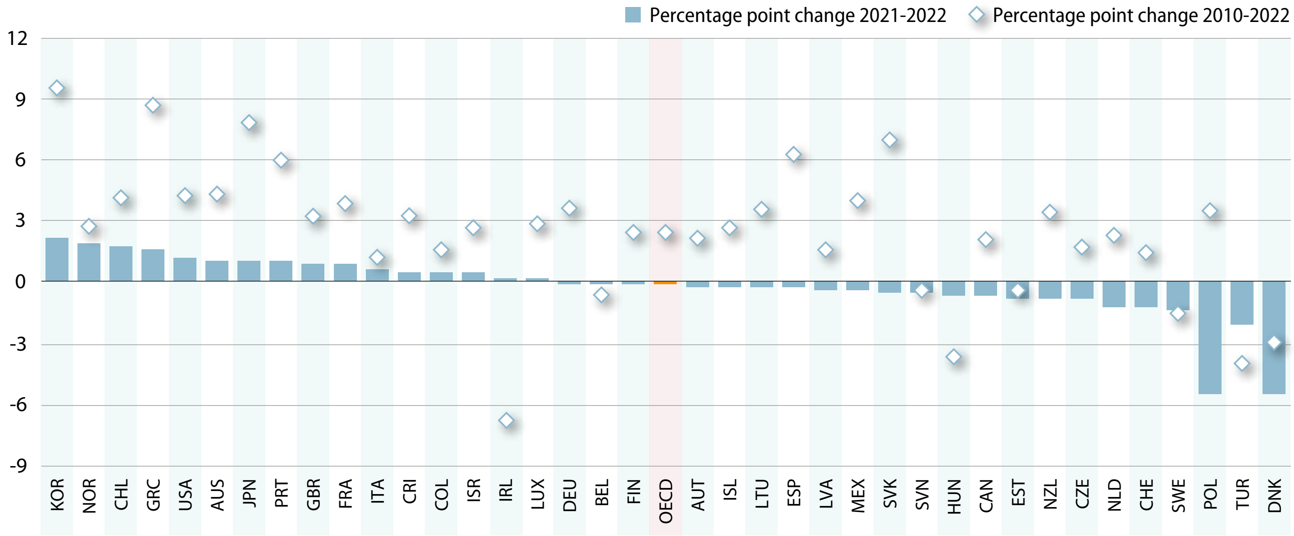
	Tax revenue as % of GDP				Tax revenue as % of total tax revenue in 2021						
	2022 (provisional)	2021	2020	2000	1100 Taxes on income, individuals (PIT)	1200 Taxes on income, corporates (CIT)	2000 social security contributions (SSC)	4000 Taxes on property	5111 Value added taxes	Other consumption taxes (3)	All other taxes (4)
OECD - Average (1)	**34.0**	**34.2**	**33.6**	**32.9**	**23.7**	**10.2**	**25.6**	**5.6**	**20.7**	**11.2**	**2.5**
Australia	..	29.5	28.4	30.4	39.0	22.5	0.0	10.9	11.1	12.2	4.3
Austria (2)	43.1	43.3	42.1	42.3	22.4	6.4	35.4	1.5	17.5	9.2	7.6
Belgium (2)	42.4	42.5	42.3	43.8	26.7	9.0	30.6	8.4	16.0	9.2	0.0
Canada	33.2	33.9	34.7	34.7	36.3	13.5	14.0	11.3	13.1	8.3	3.5
Chile	23.9	22.2	19.3	18.7	10.8	17.1	5.3	4.9	42.6	10.4	8.9
Colombia	19.7	19.2	18.8	15.7	6.9	23.7	10.0	8.7	30.5	12.8	7.5
Costa Rica	25.5	25.0	22.6	21.1	6.2	9.7	36.0	2.1	20.4	14.5	11.2
Czechia	33.9	34.7	34.8	32.3	9.3	11.4	47.3	0.6	21.8	9.5	0.0
Denmark (2)	41.9	47.4	47.3	46.9	52.8	8.3	0.1	3.9	20.1	8.8	5.8
Estonia	32.8	33.5	33.3	31.1	20.4	4.6	34.7	0.6	27.3	12.5	0.0
Finland	43.0	43.2	41.8	45.8	29.8	6.3	27.9	3.5	21.7	10.7	0.1
France (2)	46.1	45.2	45.4	43.4	21.0	5.6	32.8	8.5	16.4	10.7	5.0
Germany	39.3	39.3	37.9	36.4	26.6	6.0	37.6	3.2	18.3	8.4	0.0
Greece	41.0	39.4	38.8	33.4	15.2	4.5	32.8	7.4	20.9	18.3	1.0
Hungary	33.2	33.7	36.0	38.5	12.1	4.1	31.0	2.6	29.3	17.9	3.1
Iceland	34.9	35.1	36.4	35.9	41.4	5.7	8.5	5.9	24.4	9.2	4.8
Ireland	20.9	20.7	19.7	30.8	32.7	17.1	15.2	5.4	18.5	10.2	0.9
Israel	32.9	32.5	29.7	34.1	22.0	11.0	15.5	12.1	23.2	10.5	5.7
Italy	42.9	42.4	42.6	40.5	25.9	4.4	31.2	5.8	15.7	12.5	4.5
Japan	..	34.1	33.0	25.3	18.9	13.1	39.2	7.9	14.9	5.8	0.3
Korea	32.0	29.8	27.7	20.9	20.4	12.8	26.2	15.1	14.4	8.7	2.4
Latvia	30.2	30.5	30.9	29.0	19.6	2.8	31.1	2.9	28.1	15.5	0.0
Lithuania (2)	31.9	32.1	31.2	30.8	23.4	6.4	31.8	0.9	26.0	11.4	0.0
Luxembourg (2)	38.6	38.4	38.2	37.0	26.3	11.8	27.5	10.5	15.4	8.4	0.1
Mexico	16.9	17.3	17.7	11.5	21.1	20.2	13.7	2.0	25.2	11.8	5.9
Netherlands	38.0	39.2	40.0	36.9	21.8	9.8	33.0	4.1	19.2	11.8	0.3
New Zealand	33.8	34.6	33.7	32.5	40.9	15.7	0.0	5.5	29.3	6.6	2.0
Norway	44.3	42.4	38.7	41.6	25.4	23.6	22.5	3.0	19.0	6.5	0.1
Poland (2)	35.2	36.7	35.6	32.9	14.6	7.1	35.3	3.5	23.3	14.5	1.6
Portugal	36.4	35.3	35.2	30.9	19.8	6.8	29.5	4.3	25.2	13.8	0.6
Slovak Republic	34.8	35.4	34.8	33.6	10.6	10.2	43.0	1.3	21.1	12.9	0.8
Slovenia (2)	37.4	37.9	37.2	37.7	14.3	6.5	43.2	1.6	21.7	12.5	0.1
Spain	37.5	37.8	36.8	33.0	22.8	7.0	35.5	7.2	18.1	9.4	0.0
Sweden	41.3	42.7	42.4	50.0	29.1	7.8	20.9	2.2	21.3	6.5	12.1
Switzerland (2)	27.2	28.5	28.0	27.0	30.3	10.9	24.2	8.0	11.3	8.3	6.9
Türkiye	20.8	22.8	23.9	23.5	13.3	10.8	28.6	4.2	23.3	18.8	1.0
United Kingdom	35.3	34.4	32.8	32.6	29.2	8.5	19.9	11.5	20.3	10.3	0.4
United States	27.7	26.5	25.7	28.3	42.9	6.1	22.9	11.6	0.0	16.6	0.1

– not available

1. The 2021 provisional average is calculated by applying the unweighted average percentage change for 2022 in the 36 countries providing data for that year to the overall average tax-to-GDP ratio in 2021.
2. The total tax revenue has been reduced by the amount of any capital transfer that represents uncollected taxes.
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 2023, https://oe.cd/revenue-statistics.

Figure 2. **Changes in tax-to-GDP ratios, 2021-2022p and 2010-2022p (percentage points)**



Note: Preliminary data for 2022 was not available for Australia and Japan. For these countries, the comparison shown is 2020-2021 and 2010-2021.

Source: Revenue Statistics 2023, https://oe.cd/revenue-statistics.

The OECD average tax-to-GDP ratio was higher in 2022 than in 2010, when it was 31.5% of GDP. The tax-to-GDP ratio increased over this period in 30 countries (including data for 2021 in the case of Australia and Japan) (Figure 2). The largest increases were seen in Korea (9.6 p.p.) and Greece (8.7 p.p.); increases of over 5 p.p. were also observed in Japan, the Slovak Republic, Spain and Portugal. In the remaining eight countries, the tax-to-GDP ratio decreased between 2010 and 2022. The largest fall occurred in Ireland, from 27.7% in 2010 to 20.9% in 2022, largely due to an exceptional increase in GDP in 2015. The next largest decrease occurred in Türkiye (3.9 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) 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 2022, nominal tax revenues increased from the previous year in 35 out of the 36 OECD countries for which data is available, while nominal GDP increased in all 36 countries. In 20 countries, the tax-to-GDP ratio declined because revenues rose by less than GDP, while in Denmark it declined because tax revenues fell in nominal terms and GDP increased (Figure 3). In the 14 countries whose tax-to-GDP ratio increased relative to 2021, nominal tax revenues increased by more than nominal GDP. Changes between 2020 and 2021 are shown for Australia and Japan in Figure 3 because the tax-to-GDP ratio is not available in 2022. In both countries, the tax-to-GDP rose by 1.1 p.p. between 2020 and 2021, with nominal tax revenues increasing by more than GDP in each case.

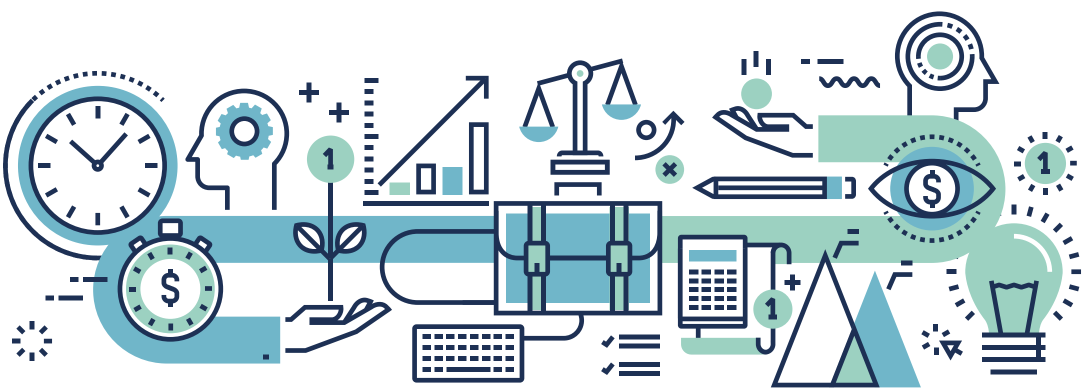
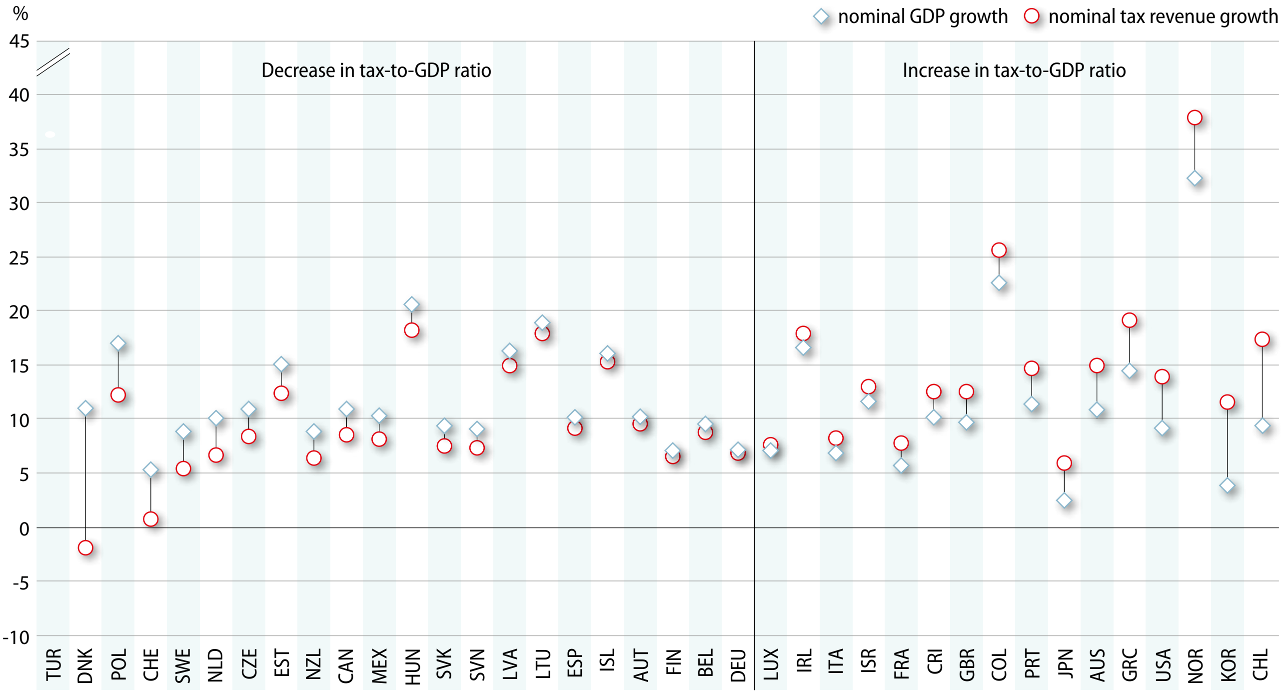


Figure 3. **Relative changes in nominal tax revenues and nominal GDP, 2021-2022p (% change)**



Note: In Türkiye, nominal tax revenues increased by 89% in 2022 while nominal GDP rose by 107%. Data for Australia and Japan show the change between 2020 and 2021.

Source: Revenue Statistics 2023, https://oe.cd/revenue-statistics.

Box 2 **Tax revenue buoyancy in OECD countries**

Since the OECD began publishing the *Revenue Statistics* report, tax-to-GDP ratios have gradually risen in most OECD countries. However, there have been numerous downturns in revenues during this period, some of which have been related to major external events including the oil shock, the Global Financial Crisis and, most recently, the COVID-19 pandemic. These downturns have affected different taxes in different ways.

The special feature in the 2023 edition of the report uses *Revenue Statistics* data to examine the volatility of revenues in OECD countries, with a specific focus on tax buoyancy, which measures changes in tax revenues with respect to changes in the tax base. It estimates the buoyancy of total tax revenues and revenues from six main tax types for all 38 OECD countries with respect to GDP between 1980 and 2021. By providing insights into the factors behind short- and long-run changes in revenues from different tax types, the chapter aims to inform strategies to optimise fiscal policy over the business cycle and to ensure fiscal sustainability over the longer term. It may also help governments to enhance the resilience of public finances in the event of future shocks.

The special feature finds that tax revenues in the OECD typically increased at the same pace as GDP growth over the long term and had similar volatility to the business cycle in the short run. Revenues from CIT and VAT were more buoyant than revenues from other tax types. Social security contributions (SSCs) and excises were more stable revenue sources during short-term economic fluctuations.

The long-run buoyancy of total tax revenues and most tax types has increased since 1980, with the exceptions of CIT and SSCs. The short-run buoyancy for all taxes except excises rose sharply in 2000-2010, likely due to the asymmetric impact of the Global Financial Crisis on revenues and GDP in 2008-09. Short-run tax buoyancy tended to be higher during periods of economic contraction than economic growth, and higher during periods of high inflation for most taxes. Tax revenues appear to be more stable over the business cycle in countries with an older population.

The results of the tax buoyancy analysis should be taken with caution as the estimates are affected by tax policies implemented over the sample period; estimates may change once the impact of tax policies is removed.

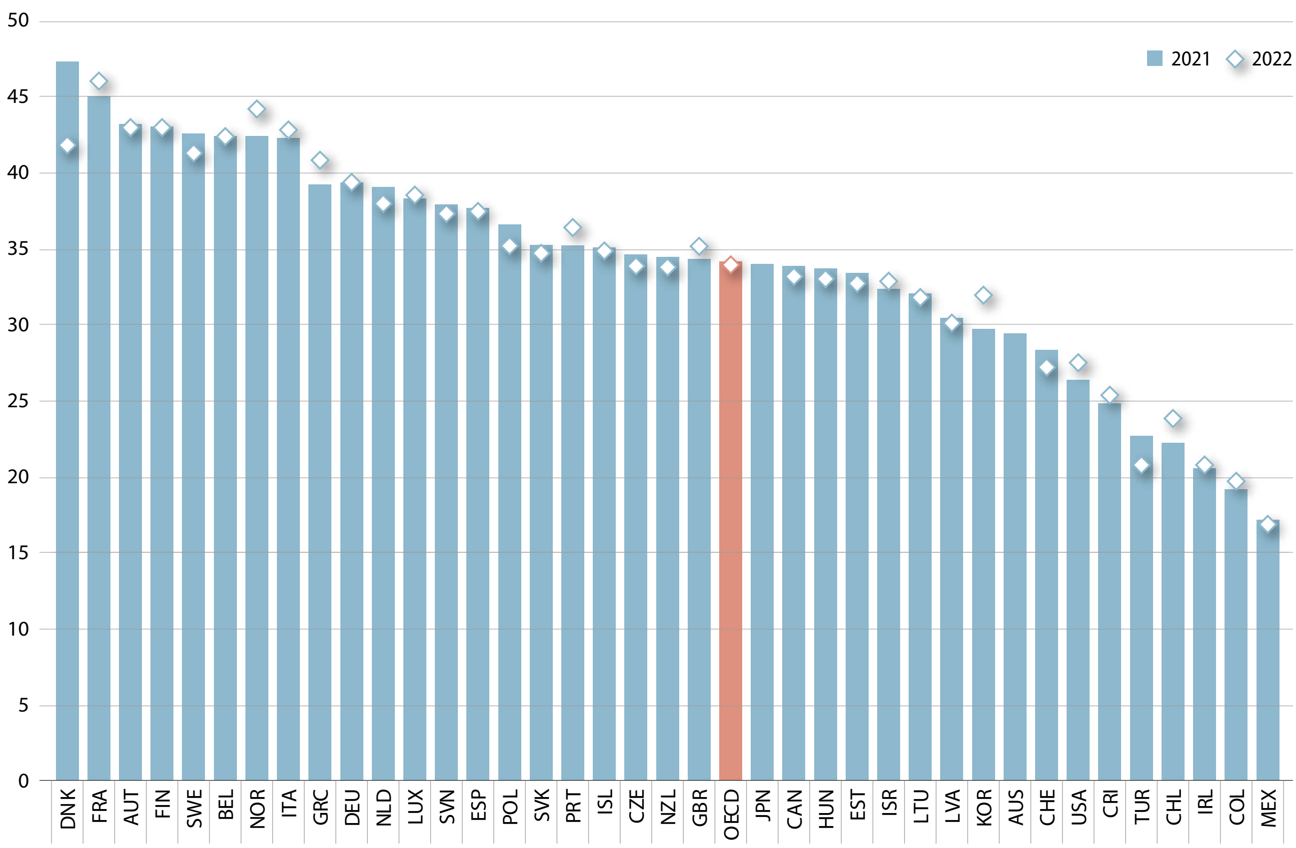
OECD TAX-TO-GDP RATIOS IN 2021 (FINAL DATA)

The latest year for which tax-to-GDP ratios are based on final data and available for all OECD countries is 2021 (Figure 4). These data show that tax ratios varied considerably across countries:

- In 2021, Denmark had the highest tax-to-GDP ratio (47.4%), followed by France (45.2%). Six other countries had tax-to-GDP ratios above 40%: Austria, Finland, Sweden, Belgium, Norway and Italy.
- Mexico had the lowest ratio at 17.3%, followed by Colombia (19.2%), Ireland (20.7%), Chile (22.2%) and Türkiye (22.8%). Five other countries had ratios below 30% in 2021: Costa Rica, the United States, Switzerland, Australia and Korea.
- The average tax-to-GDP ratio in OECD countries was 34.2% in 2021. In 2020, it was 33.6%.
- Relative to 2020, the tax-to-GDP ratio rose in 28 countries, fell in nine and stayed the same in one in 2021.
- The largest increases in the tax-to-GDP ratio were in Norway (3.7 p.p.) and Chile (3.0 p.p.). Korea, Costa Rica and Israel all recorded increases in excess of 2.0 p.p.
- The largest declines in 2021 were in Hungary (2.2 p.p.) and Iceland (1.2 p.p.).

Between 2020 and 2021, the increase in the average tax-to-GDP ratio was driven by increases in revenues from CIT and VAT (of 0.5 p.p. and 0.3 p.p. respectively), which more than offset a decline in social security contributions of 0.2 p.p. (Table 2).

Figure 4. **Tax-to-GDP ratios, 2021 and 2022p (% of GDP)**



Note: Preliminary data for 2022 were not available for Australia and Japan.

Source: Revenue Statistics 2023, https://oe.cd/revenue-statistics.

Table 2. **Tax structures in the OECD area, 2020 and 2021 (unweighted average as % of GDP)**

	2020	2021
Total tax revenues	**33.6**	**34.2**
1000 Taxes on income, profits and capital gains	11.3	12.0
of which:		
1100 Taxes on income, profits and capital gains of individuals	8.3	8.3
1200 Taxes on income, profits and capital gains of corporations	2.8	3.3
2000 Social security contributions (SSC)	9.2	9.0
3000 Taxes on payroll and workforce	0.5	0.5
4000 Taxes on property	1.9	1.9
5000 Taxes on goods and services	10.6	10.7
of which:		
5111 Value added taxes	6.7	7.0
5121 Excises	2.3	2.1
6000 Other Taxes	0.2	0.1

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 (2023), "Revenue Statistics: Comparative tables", *OECD Tax Statistics (database)*, DOI: http://dx.doi.org/10.1787/data-00262-en (accessed on 16 November 2023).

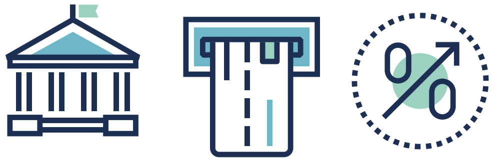
TAX RATIO CHANGES BETWEEN 1965 AND 2021

Between 1965 and 2021, the average tax-to-GDP ratio in OECD countries rose from 24.9% to 34.2%, an increase of 9.3 p.p. (Figure 1).

By 1999, the average OECD tax-to-GDP ratio had risen to 33.0%, the highest recorded level at that time. It fell back slightly between 2001 and 2004, but then rose again between 2005 and 2007 before declining during the Global Financial Crisis in 2008 and 2009. The tax-to-GDP ratio increased in all but two years between 2010 and 2021, despite the impact of the COVID-19 pandemic in 2020-21.

The OECD average tax-to-GDP conceals great variety between countries. In 1965, tax-to-GDP ratios in OECD countries ranged from 10.6% in Türkiye to 33.7% in France. By 2021, the corresponding range was from 17.3% in Mexico to 47.4% in Denmark. 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.

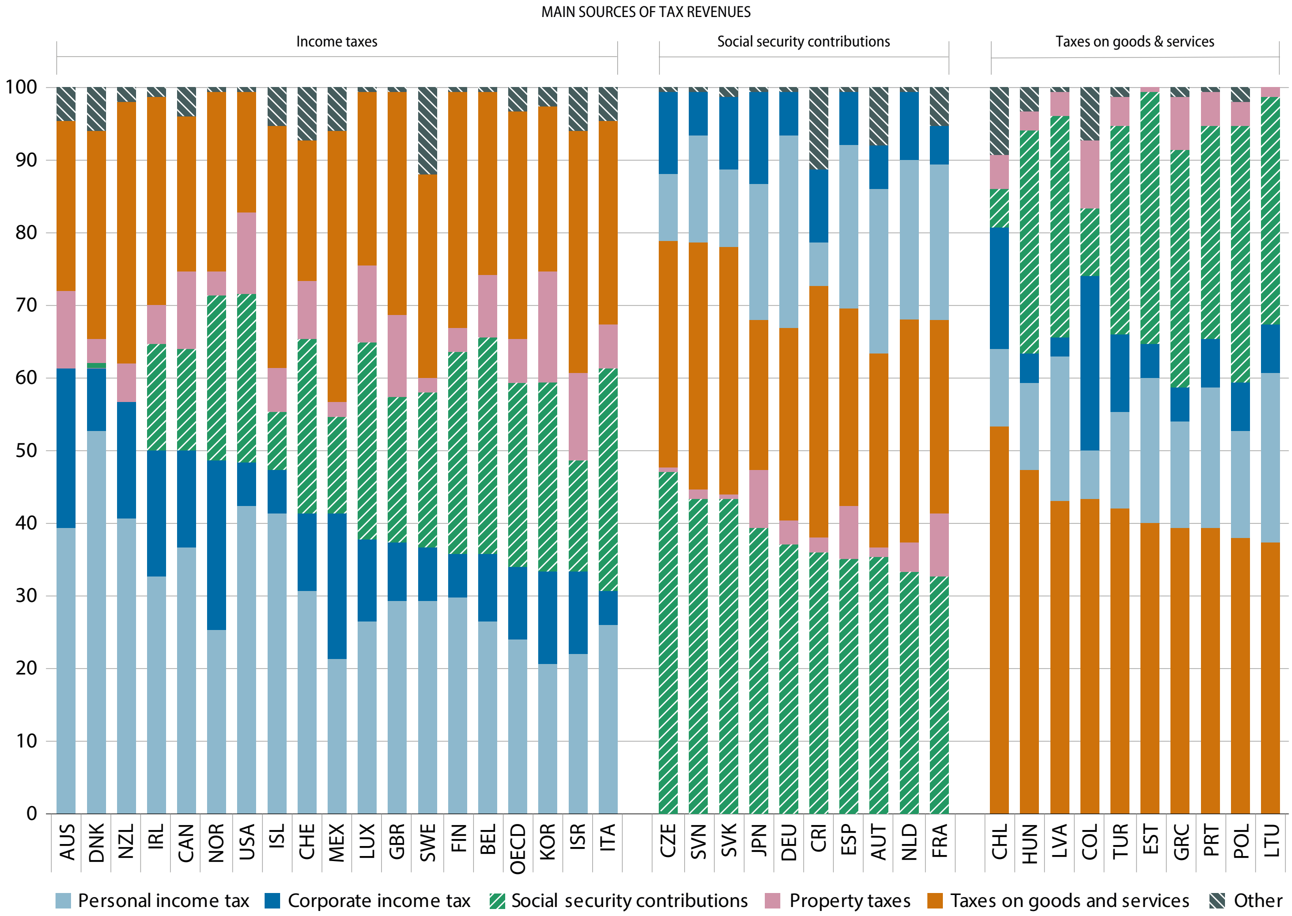
Tax structures



Tax structures are measured by the share of major taxes in total tax revenues. In 2021, the tax structures of OECD countries varied. Eighteen countries raised the largest part of their revenues from income taxes (both corporate and personal), ten countries raised the largest part of their revenues from social security contributions and ten 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 2021, both on average and within most countries (Figure 5).

While the level of tax revenues has generally risen on average in the OECD, the tax structure (or tax 'mix') has been remarkably stable over time. Nevertheless, several trends have emerged up to 2021 – the latest year for which data is available for all 38 OECD countries.

Figure 5. **Tax structures, 2021 (% 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 2023, https://oe.cd/revenue-statistics.

TAXES ON INCOME AND PROFITS

On average, OECD countries collected 34.0% of tax revenues through taxes on income and profits (personal and corporate income taxes taken together) in 2021. Taxes on personal and corporate incomes remain the most important source of revenues 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 2021.

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

- Revenues from PIT generated 23.7% of total taxes on average in 2021 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 observed in the post-1990 data only.

- The variation in the share of PIT between countries is considerable. In 2021, it ranged from 6.2% in Costa Rica to 42.9% in the United States and 52.8% in Denmark (Figure 5).

- CIT revenues represented between 8% and 9% of total tax revenues, on average, throughout the period 1965 to 2003. They then increased to a high of 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 thereafter, except in 2018 and 2021, when they accounted for 10.1% and 10.2% respectively.

- The share of CIT in total tax revenues in 2021 varied considerably across countries, from less than 5% (Estonia, Greece, Hungary, Italy and Latvia) to over 20% in Mexico (20.2%), Australia (22.5%), Norway (23.6%) and Colombia (23.7%). 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.

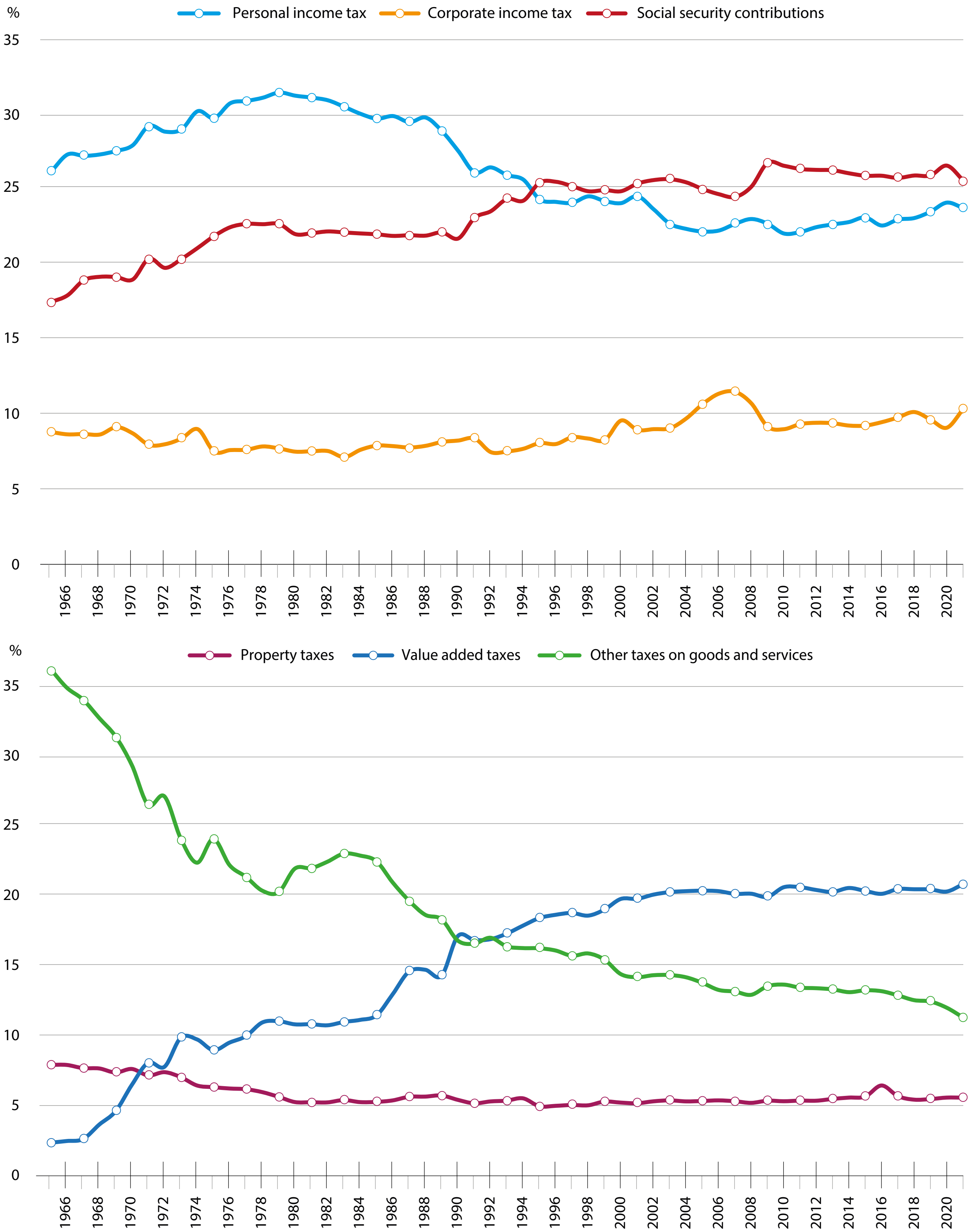
SOCIAL SECURITY CONTRIBUTIONS

Social security contributions accounted for 25.6% of total tax revenues on average across the OECD in 2021. They were highest in Czechia, Slovenia and the Slovak Republic (47.3%, 43.2% and 43.0%, respectively). In contrast, Australia and New Zealand do not levy social security contributions.

PROPERTY TAXES

Between 1965 and 2021, the share of taxes on property fell from 7.9% to 5.6% of total tax revenues on average across the OECD (Figure 6). In Australia, Canada, Israel, Korea, Luxembourg, the United Kingdom and the United States, property tax revenues amounted to more than 10% of total tax revenues in 2021. By contrast, property taxes accounted for less than 1% of total tax revenues in Czechia, Estonia and Lithuania.

Figure 6. **Trends in tax structures, 1965-2021 (% of total tax revenues)**

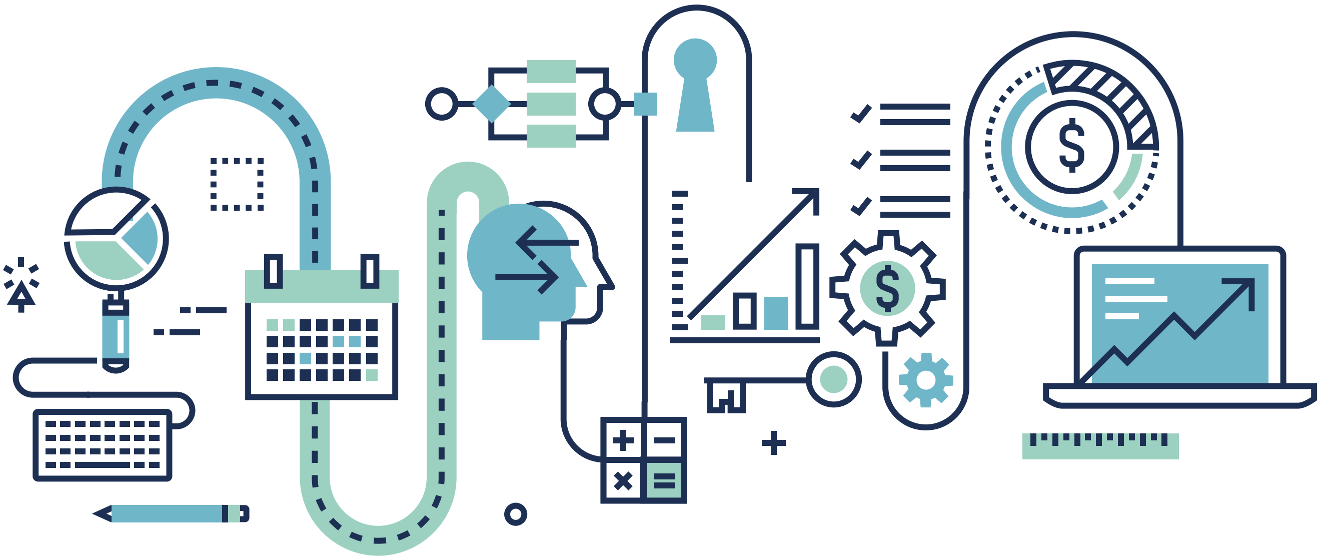


Note: The OECD average tax revenue in 2016 from main categories includes the one-off revenues from stability contributions in Iceland. This predominately affects the average revenues from property taxes, as a percentage of total tax revenues, in that year only.

Source: Revenue Statistics 2023, https://oe.cd/revenue-statistics.

CONSUMPTION TAXES

- The share of taxes on consumption (general consumption taxes plus specific consumption taxes) fell from 38.4% to 31.9% between 1965 and 2021 (Figure 6).
- Over 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 2021, compared with only 13.4% in the mid-1970s. In 2021, the vast majority of this was from VAT (20.7% of total tax revenues).
- The growing importance of VAT has counteracted the diminishing share of specific consumption taxes, such as excises and customs duties.
- Between 1975 and 2021, 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 8.5% 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, countries such as Greece, Hungary, Latvia, Mexico, Poland and Portugal (between 11%-12%) and Türkiye (17.6%) still collected a relatively large proportion of their tax revenues through taxes on specific goods and services in 2021.



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 53.3% of total revenues in 2021 on average. The second-highest share of revenues on average was received by social security funds, which are a sub-sector of general government, at 21.2% of total revenues, followed by 17.7% at the state level and 7.5% at the local level (Table 3). Within countries with a federal structure, there was considerable variation around these averages:

- In 2021, the share of central government receipts in the eight federal OECD countries varied from 28.3% in Germany to 80.4% in Australia and Mexico.
- In 2021, the share of the states ranged from 2.0% in Austria and 4.1% in Mexico to 39.6% in Canada. The share of local government varied from 1.8% in Mexico to 14.5% in the United States and 15.3% in Switzerland.
- Between 1975 and 2021, the share of central government revenues declined by over 12 p.p. in Belgium and by more than 5 p.p. in Canada.
- The share of central government revenues increased in Austria by over 12 p.p. during this period.
- Of the seven federal countries with social security funds, five increased the share of revenue between 1975 and 2021. The exceptions were Canada and Mexico, where the share declined between 1975 (1980 for Mexico due to data availability) and 2021.

Colombia and Spain, which are classified as regional rather than unitary countries because of their highly decentralised political structure, have very different compositions of revenues by level of government. In Colombia, the share of central government receipts was 72.7% in 2021, with regional governments receiving 5.1% of total revenues and local governments receiving 12.3%. In Spain, the share of central government receipts in 2021 was 40.3% compared with 15.7% for regional governments and 8.6% for local governments.

The remaining twenty-eight OECD countries have a unitary structure. In these countries, an average of 63.6% of revenues were derived at the central level in 2021, with social security funds accounting for 25.2%. A further 10.8% of revenues were raised by local government. Among unitary OECD countries:

- The share of central government receipts varied from 30.8% in France to 93.8% in New Zealand in 2021.
- The local government share ranged from 0.7% in Estonia to 35.3% in Sweden.
- Between 1975 and 2021, 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.[3]
- Between 1975 and 2021, there were increases in the share of social security funds of 10 p.p. or more in three countries (France, Japan and Korea) and corresponding decreases in two countries (Italy and Norway).

3. For 1975, please see table 1.4 of *Revenue Statistics 2023*.

Table 3. **Tax revenues of sub-sectors of general government, 2021 (% of total tax revenue)**

	Supranational	Central government	State or Regional government	Local government	Social Security Funds
Federal countries					
Australia	–	80.4	16.5	3.1	0.0
Austria (1)	0.4	64.5	2.0	3.0	30.0
Belgium (1)	0.9	52.4	10.2	4.5	32.1
Canada	–	41.7	39.6	9.3	9.5
Germany	0.5	28.3	24.7	8.8	37.6
Mexico	–	80.4	4.1	1.8	13.7
Switzerland (1)	–	36.0	24.5	15.3	24.2
United States	–	42.4	20.2	14.5	22.9
Unweighted average	*0.6*	*53.3*	*17.7*	*7.5*	*21.2*
Regional countries					
Colombia (2)	–	72.7	5.1	12.3	10.0
Spain (2)	0.7	40.3	15.7	8.6	34.7
Unitary countries					
Chile	–	88.7	–	7.0	4.3
Costa Rica	–	60.1	–	3.0	37.0
Czechia	0.5	51.2	–	0.9	47.3
Denmark (1)	0.3	73.9	–	25.7	0.1
Estonia	0.7	82.2	–	0.7	16.4
Finland	0.4	47.8	–	23.9	27.9
France (1)	0.5	30.8	–	14.4	54.3
Greece	0.5	64.2	–	2.3	32.9
Hungary	0.4	64.2	–	5.1	30.4
Iceland	–	70.1	–	29.9	0.0
Ireland	0.8	84.5	–	1.2	13.4
Israel	–	76.2	–	8.3	15.5
Italy	0.5	57.5	–	10.8	31.2
Japan	–	38.3	–	22.6	39.2
Korea	–	55.6	–	18.2	26.2
Latvia	0.7	51.8	–	17.2	30.2
Lithuania (1)	1.0	66.2	–	1.0	31.8
Luxembourg (1)	1.0	68.3	–	4.0	26.8
Netherlands	1.2	62.4	–	3.4	33.0
New Zealand	–	93.8	–	6.2	0.0
Norway	–	84.1	–	15.9	0.0
Poland (1)	0.6	52.0	–	11.9	35.5
Portugal	0.5	64.1	–	7.3	28.2
Slovak Republic	0.4	55.8	–	2.0	41.8
Slovenia (1)	0.5	48.1	–	8.7	42.7
Sweden	0.3	52.2	–	35.3	12.1
Türkiye	–	61.9	–	9.5	28.6
United Kingdom	–	73.0	–	5.3	19.9
Unweighted average	*0.6*	63.6	–	*10.8*	*25.2*

– 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 2023*, https://oe.cd/revenue-statistics

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