

Belgium

Table BE.1: Tax Revenue

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
A. Structure by type of tax															
as % of GDP															
Indirect taxes	13.3	13.2	13.1	13.4	13.5	13.8	13.8	13.7	13.5	13.8	13.7	13.8	13.8	17	65.7
VAT	6.9	6.9	6.8	7.0	6.9	7.0	6.9	6.8	6.6	6.7	6.7	6.7	6.7	22	31.7
Taxes and duties on imports excluding VAT	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	9	2.9
Taxes on products, except VAT and import duties	3.9	3.8	3.8	3.9	4.0	4.0	4.0	4.0	4.1	4.2	4.3	4.3	4.4	11	20.7
Other taxes on production	1.7	1.8	1.9	1.9	2.0	2.3	2.3	2.3	2.2	2.2	2.1	2.1	2.2	7	10.3
Direct taxes	16.6	17.0	15.8	16.1	16.7	17.1	17.8	17.7	17.3	16.9	17.5	17.7	16.5	4	78.4
Personal income taxes	11.8	12.3	12.0	12.1	12.4	12.5	13.0	12.9	12.4	12.0	12.0	11.9	11.3	5	54.0
Corporate income taxes	3.4	3.3	2.3	2.5	2.8	3.0	3.1	3.1	3.3	3.4	4.1	4.3	3.7	4	17.7
Other	1.4	1.4	1.4	1.5	1.5	1.6	1.7	1.7	1.6	1.5	1.5	1.5	1.4	5	6.7
Social contributions	13.4	13.9	14.4	14.0	14.2	14.3	14.4	14.2	14.2	13.6	13.5	13.3	13.3	8	63.4
Employers'	8.2	8.5	8.7	8.5	8.7	8.8	8.8	8.7	8.7	8.2	8.1	7.9	7.9	7	37.7
Households'	5.2	5.4	5.6	5.5	5.5	5.6	5.6	5.5	5.5	5.4	5.4	5.4	5.4	14	25.7
Less: capital transfers⁽¹⁾	0.1	0.2	0.3	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1		
Total	43.3	44.0	43.2	43.6	44.4	45.3	46.0	45.7	45.0	44.2	44.8	44.8	43.6	3	207.5
B. Structure by level of government															
as % of total taxation															
Central government	30.6	29.7	26.7	28.6	26.7	29.1	29.5	29.7	33.0	29.2	28.7	29.5	27.1	27	56.3
State government⁽²⁾	24.4	24.8	25.0	24.1	25.0	24.7	24.7	24.6	24.2	27.1	26.7	26.3	26.8		55.7
Local government	5.2	4.6	5.5	5.2	5.1	4.7	4.8	4.7	5.0	5.1	4.9	4.6	5.0	15	10.3
Social security funds	38.4	39.6	41.6	40.9	42.0	40.4	40.0	40.0	36.6	37.2	38.3	38.3	39.7	4	82.4
EU institutions	1.3	1.4	1.2	1.2	1.2	1.1	1.0	1.1	1.3	1.4	1.3	1.3	1.4	1	2.8
C. Structure by economic function															
as % of GDP															
Consumption	10.8	10.7	10.6	10.9	10.8	10.9	10.9	10.8	10.6	10.9	10.9	10.9	10.8	22	51.5
Labour	22.8	23.6	24.0	23.7	24.2	24.2	24.4	24.2	23.7	22.6	22.6	22.4	21.9	6	104.5
of which on income from employment	21.1	21.7	22.1	21.8	22.2	22.2	22.4	22.1	21.6	20.6	20.5	20.3	19.9	5	94.8
Paid by employers	8.2	8.5	8.8	8.5	8.7	8.8	8.9	8.7	8.7	8.2	8.1	7.9	7.9	10	37.8
Paid by employees	12.8	13.3	13.3	13.3	13.5	13.4	13.6	13.3	12.9	12.4	12.4	12.3	12.0	5	57.0
Paid by non-employed	1.7	1.9	1.9	1.9	2.0	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.0	10	9.7
Capital	9.6	9.6	8.5	8.8	9.2	10.1	10.6	10.6	10.5	10.5	11.1	11.3	10.6	3	50.6
Income of corporations	3.4	3.3	2.3	2.5	2.8	3.0	3.1	3.1	3.3	3.4	4.1	4.3	3.7	4	17.7
Income of households	0.5	0.4	0.3	0.2	0.2	0.4	0.7	0.7	0.6	0.6	0.5	0.5	0.5	20	2.2
Income of self-employed	2.1	2.2	2.2	2.3	2.2	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.3	5	11.1
Stock of capital	3.6	3.7	3.6	3.8	3.9	4.3	4.4	4.4	4.3	4.2	4.1	4.1	4.1	3	19.7

Table BE.1: Tax Revenue (continued)

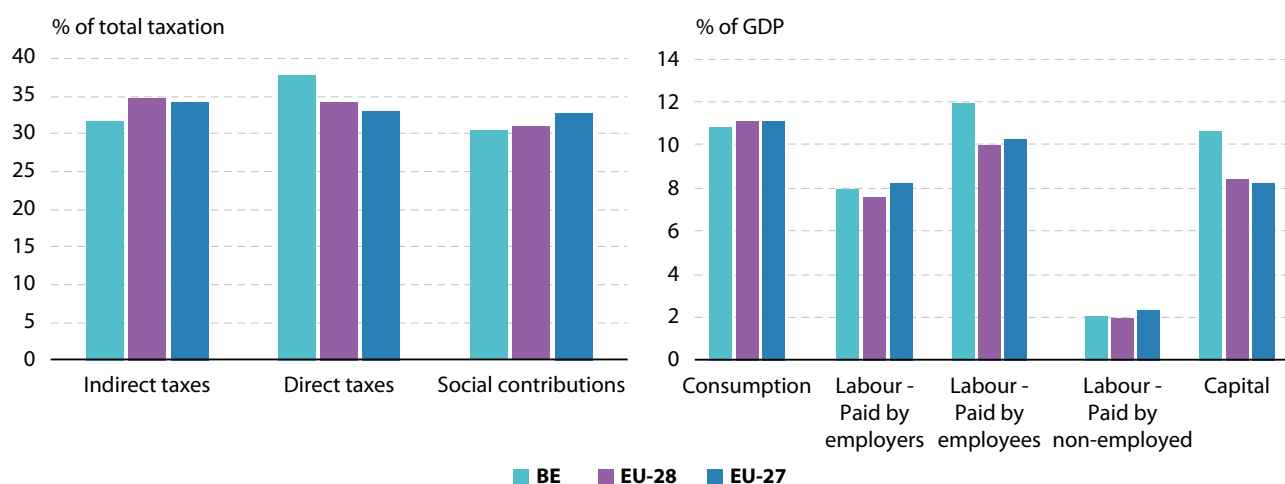
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
D. Environmental taxes	as % of GDP														
Environmental taxes	2.3	2.3	2.4	2.4	2.6	2.5	2.5	2.5	2.5	2.7	2.7	2.7	2.6	12	12.6
Energy	1.4	1.4	1.5	1.6	1.7	1.7	1.7	1.7	1.7	1.9	1.9	1.9	1.9	16	8.9
of which transport fuel taxes	1.2	1.1	1.2	1.2	1.2	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	18	
Transport	0.8	0.7	0.8	0.7	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	9	3.1
Pollution and resources	0.15	0.14	0.15	0.15	0.14	0.13	0.13	0.13	0.12	0.13	0.12	0.13	0.11	8	0.5
E. Property taxes	as % of GDP														
Taxes on property	3.0	3.0	2.9	3.1	3.3	3.5	3.6	3.6	3.6	3.6	3.5	3.5	3.5	2	16.8
Recurrent taxes on immovable property	1.2	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.3	5	6.1
Other taxes on property	1.8	1.8	1.6	1.8	2.0	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.2	2	10.7
F. Implicit tax rates	%														
Consumption	18.4	17.7	17.2	17.6	17.4	17.4	17.4	17.4	17.3	17.8	17.7	17.8	17.7	18	
Labour	42.5	42.6	42.3	42.9	43.2	43.0	43.2	43.1	43.3	41.7	41.6	41.2	40.4	3	
G. Payable tax credits	as % of GDP														
Total payable tax credits	0.1	0.1	0.3	0.3	0.4	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2		1.0
Tax expenditure component	0.0	0.0	0.1	0.2	0.3	0.3	0.3	0.2	0.1	0.1	0.2	0.2	0.2		0.8
Transfer component	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0		0.2
Total tax revenue adjusted for payable tax credits	43.3	44.0	43.2	43.4	44.1	45.0	45.8	45.5	44.9	44.1	44.6	44.6	43.4		206.7

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

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

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

Figure BE.1: Tax revenues by main taxes, 2019
(in % of total taxation (left graph) and in % of GDP (right graph))



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

Table BE.2: Latest tax reforms

Description of measure	Change	Date
Personal income tax: Earned income		
The percentage of the tax credit for donations from private individuals to accredited associations is increased from 45% to 60% and applies to donations of EUR 40 or more.	Rate increase	Announcement: 13-06-2020 Legislation: 15-07-2020 In force from: 01-01-2020
Indexation suspension for some PIT tax credits or exoneration	Neutral	Announcement: 24-10-2020 Legislation: 20-12-2020 In force from: 01-01-2020
Increased of the maximal amount of child care expenses eligible to PIT tax credit	Neutral	Announcement: 24-10-2020 Legislation: 20-12-2020 In force from: 01-01-2020
Personal income tax: Unincorporated businesses/Self employment income		
Increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Base decrease	Announcement: 12-06-2020 Legislation: 15-07-2020 In force from: 12-03-2020
Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of EUR 20 million	Base decrease	Announcement: 17-05-2020 Legislation: 23-06-2020 In force from: 01-01-2019
Corporate income tax		
Increased investment deduction	Base decrease	Announcement: 24-10-2020 Legislation: 20-12-2020 In force from: 01-01-2021
120h Increase of maximum number of voluntary hours of overtime for hours performed between 01/10/2020 and 31/03/2021 in critical sectors	Base decrease	Legislation: 28-12-2020 In force from: 1-10-2020
Increasing the benefits of early payments of the third and fourth deadlines. Thanks to this measure of help, the report of their early payments is less disadvantageous.	N/A	Announcement: 03-04-2020 Legislation: 29-05-2020 In force from: 11-06-2020
Full deductibility of restaurant expenses as business expenses for PIT and CIT	Base decrease	Announcement: 06-06-2020 Legislation: 15-07-2020 In force from: 08-06-2020
Exemption of the "reconstitution reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of EUR 20 million	Base decrease	Announcement: 17-05-2020 Legislation: 19-11-2021 In force from: 01-01-2021
Exemption of the "reconstruction reserve". Temporary exemption from taxable income for the accounting years from 13 March 2019 to 12 March 2020. This amount to be claimed to amortize the losses of 2020 with a maximum limit of EUR 20 million.	Base decrease	Announcement: 17-05-2020 Legislation: 23-06-2020 In force from: 01-01-2019
Introduction of a CIT loss carry-back exemption of EUR 20 millions maximum. Firms which could be considered to be in difficulty on 18 March 2020 are not eligible for this tax advantage.	Base decrease	Announcement: 17-05-2020 Legislation: 23-06-2020 In force from: 01-01-2019
Increase of the investment deduction percentage to 25% for investments made between 12/03/2020 and 31/12/2020	Base decrease	Announcement: 12-06-2020 Legislation: 15-07-2020 In force from: 12-03-2020
Value-added tax		
Increase excise duty tobacco	Base increase	Announcement: 24-10-2020 Legislation: 20-12-2020 In force from: 01-01-2021
Reduced VAT rate of 6% for the demolition of a building to rebuild a private house is temporarily extended to all of Belgium.	Rate decrease	Announcement: 24-10-2020 Legislation: 20-12-2020 In force from: 01-01-2021
Introduction of a reduced VAT rate of 6% for the restaurant sector (compared to 12% at present)	Rate decrease	Announcement: 06-06-2020 Legislation: 08-06-2020 In force from: 08-06-2020
Health-related taxes		
Increase excise duty tobacco	Rate increase	Announcement: 24-10-2020 Legislation: 20-12-2020 In force from: 01-01-2021
Recurrent taxes on (net) wealth		
Annual tax on the holding of a securities account, levied at the rate of 0.15% on the average value of the account in excess of EUR 1 000 000	New tax	Announcement: 24-10-2020 Legislation: 07-01-2021