



Taxation Trends Report 2020

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TAXUD.D4

The Taxation Trends Report

- Provide updated data on some key taxation indicators: Tax revenues, tax rates, revenues by economic function, Implicit Tax rates,..
- Main audience are policymakers and academia
- Focus on the indicators: what and how to measure.
- It complements with the Tax Survey, more focused on the analysis



Taxation Trends in the European Union

Data for the EU Member States,
Iceland and Norway

2020 Edition

Taxation and
Customs Union

The 'Tax policies in the EU' survey

- It's not a survey!, maybe it will change its name this year
- Analytical report with a focus on the performance of tax systems. Very relevant for the taxation work done in the European Semester
- Analysis of the national tax reforms on taxation
- Reviews the EU's taxation policy agenda



The main sections of Taxation Trends

- Part 1: Analysis on main trends
- Part 2: Country profiles
- Part 3: Detailed indicators
- Part 4: Methodology

Which are the main data sources?

Taxes in Europe Database (TAXUD)



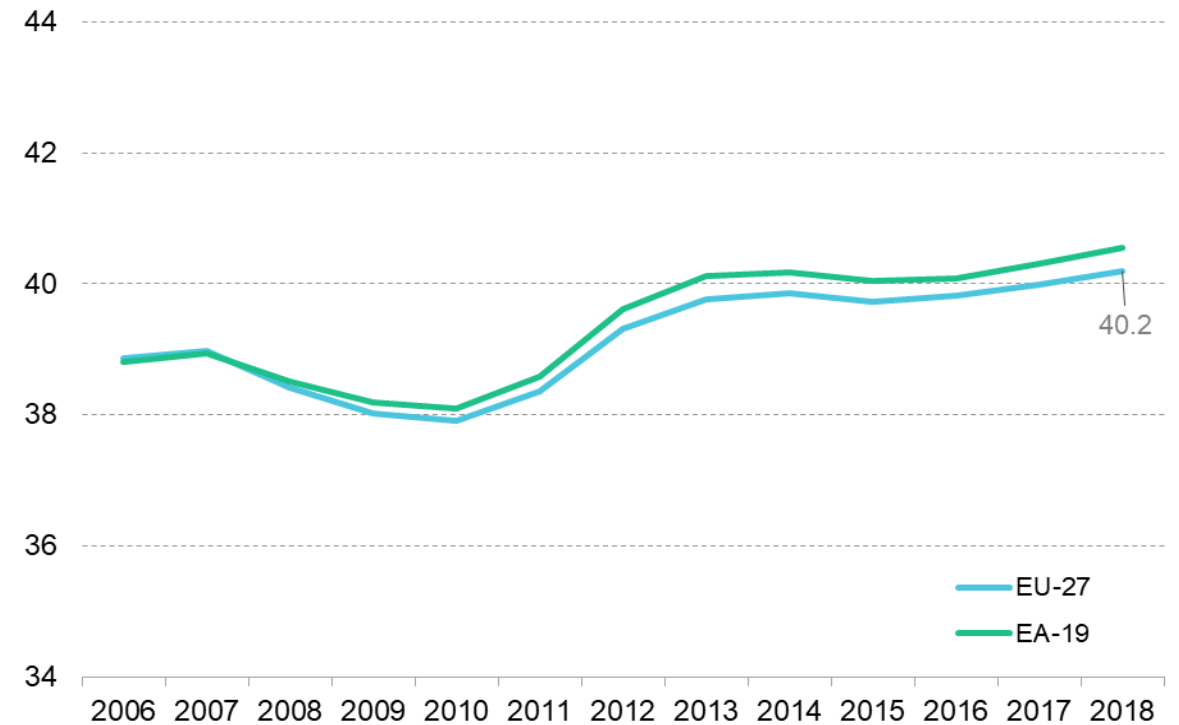
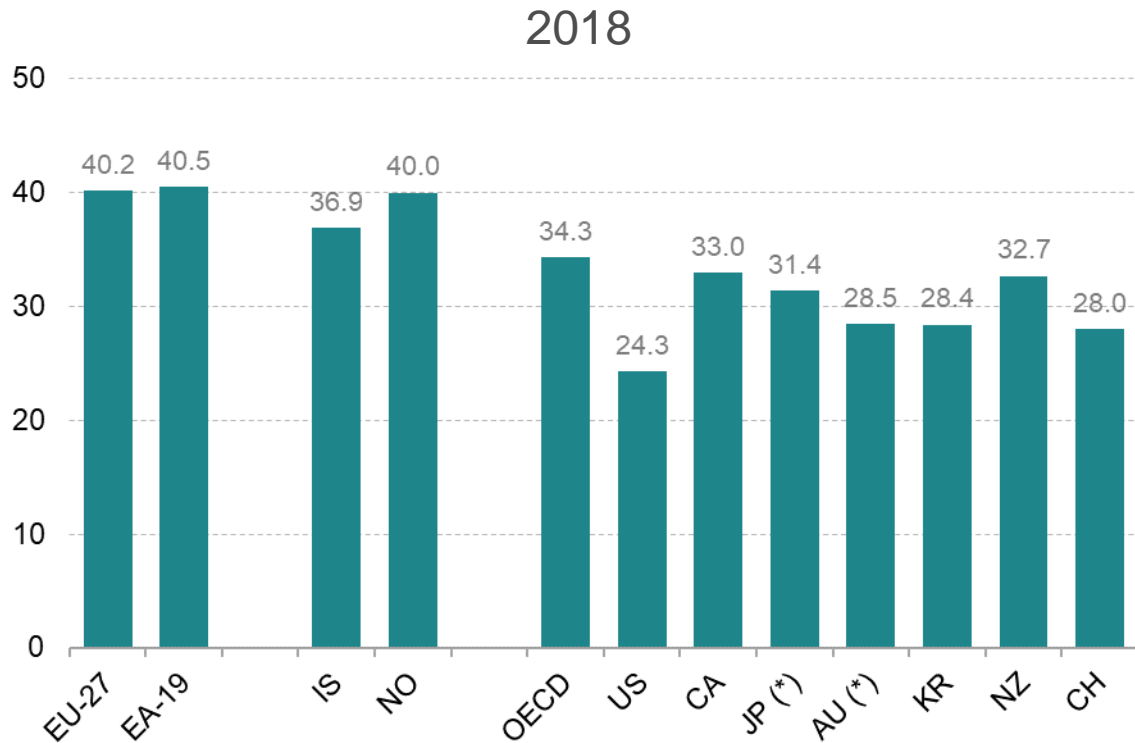
- National Accounts
- National Tax Lists (NTL) and the economic function



Member States
(Working group: Structures of taxation)

Evolution of the tax burden in the EU

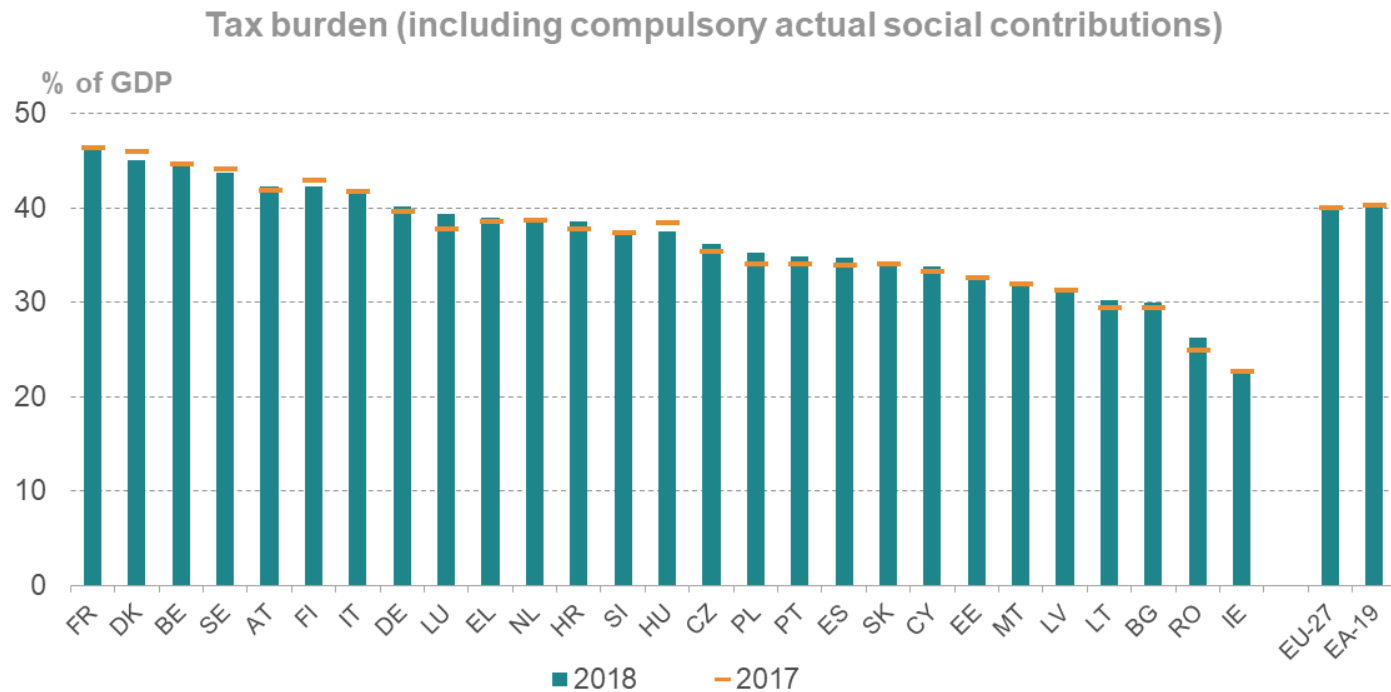
Tax burden (tax revenues as % of GDP)



Source: Eurostat
(*) data for 2017

At Member State level the evolution is diverse

The majority of Member States show increases in their tax burden over the last year and over a 5 years period.



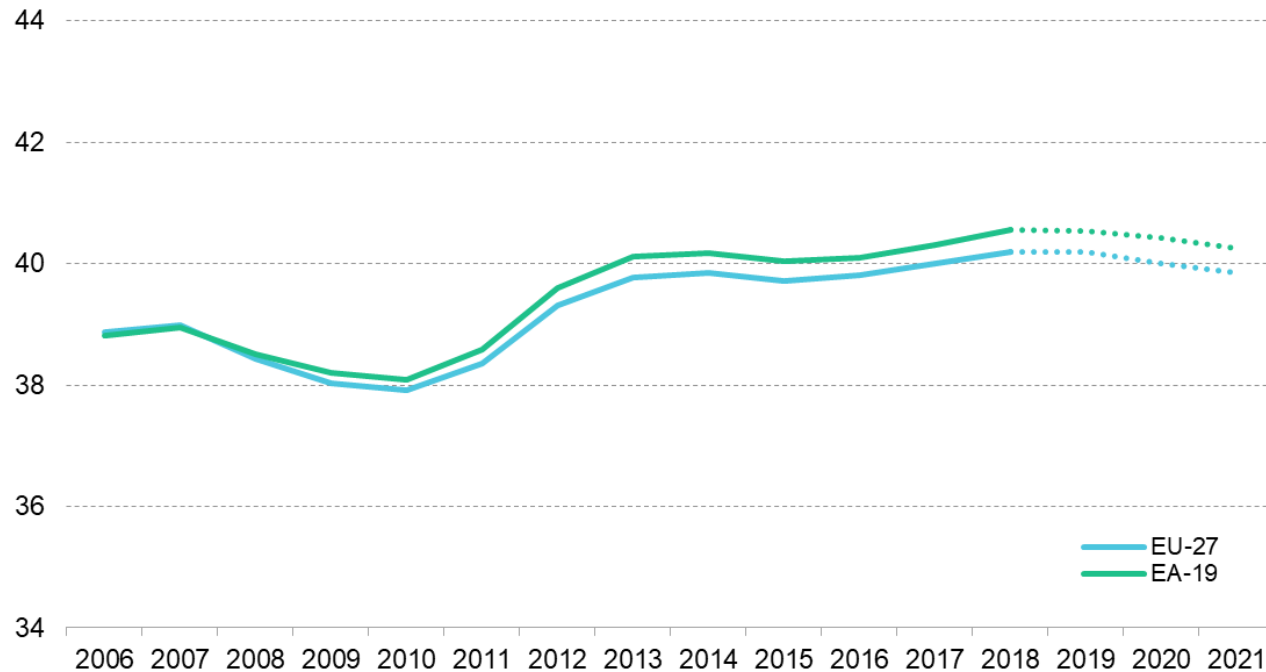
Change in tax burden (2013-2018) (pp)



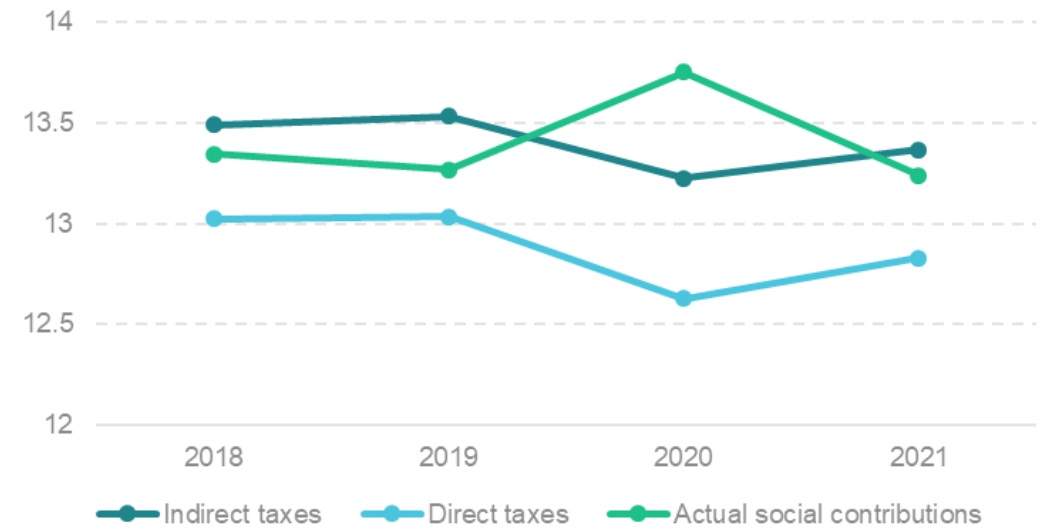
Source: Eurostat

Possible impact of COVID-19

Tax burden (tax revenues as % of GDP)



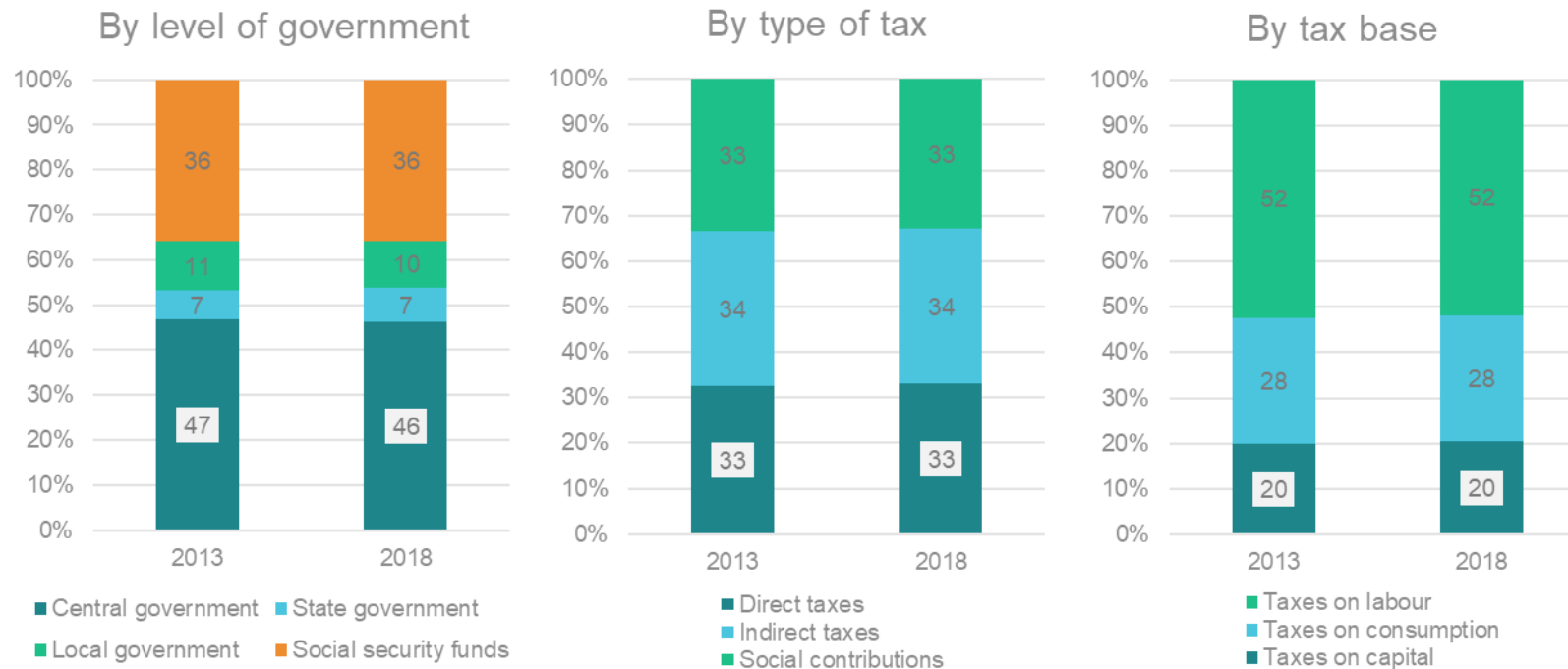
Tax revenues (% of GDP)



Source: Eurostat and ECFIN forecast (Spring)

Distributions of revenues are stable

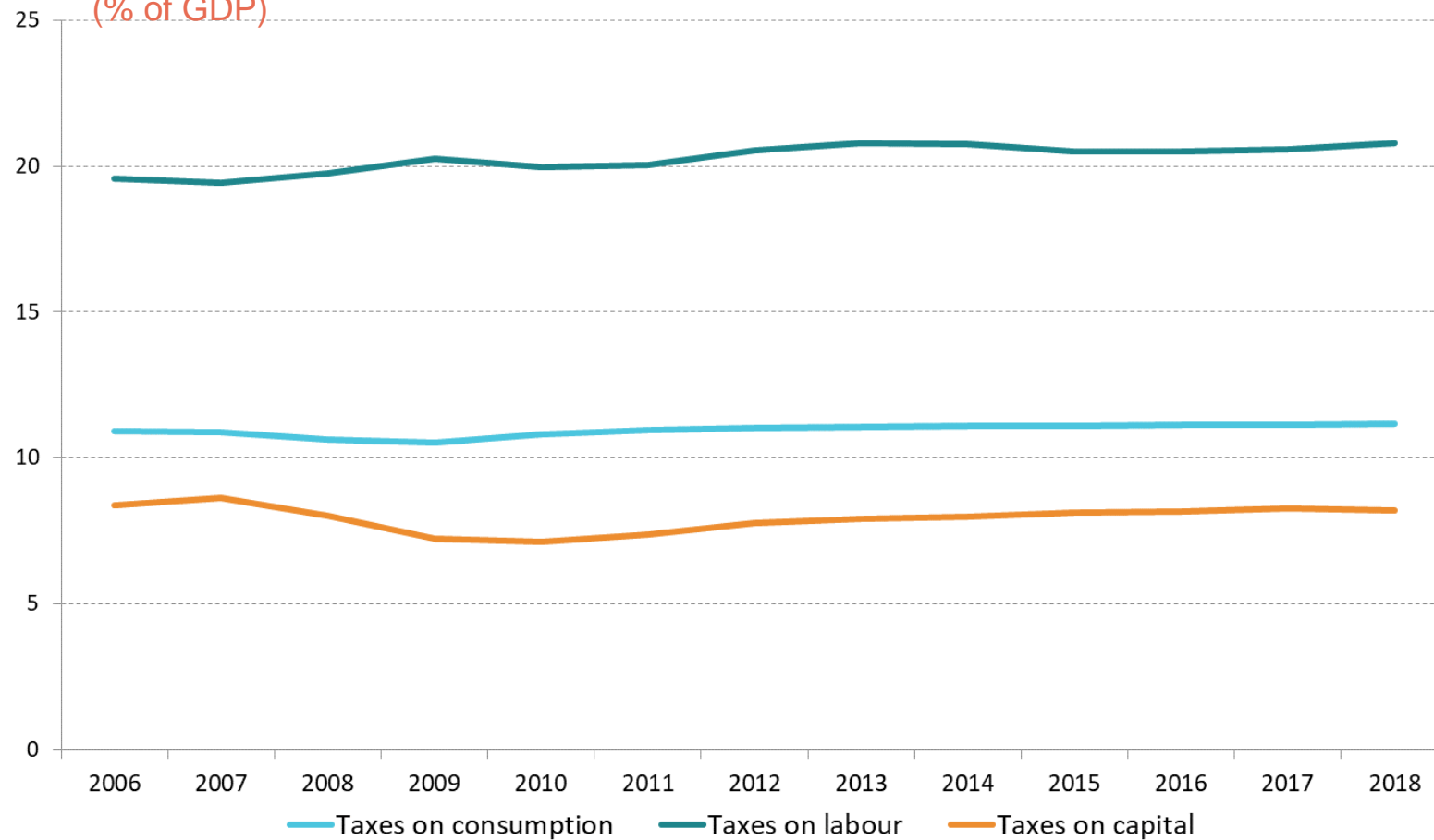
Over a 5 years period the main classifications of taxes show almost no variation at EU-27 level



Source: TAXUD based on Eurostat data

Revenues by Economic Function

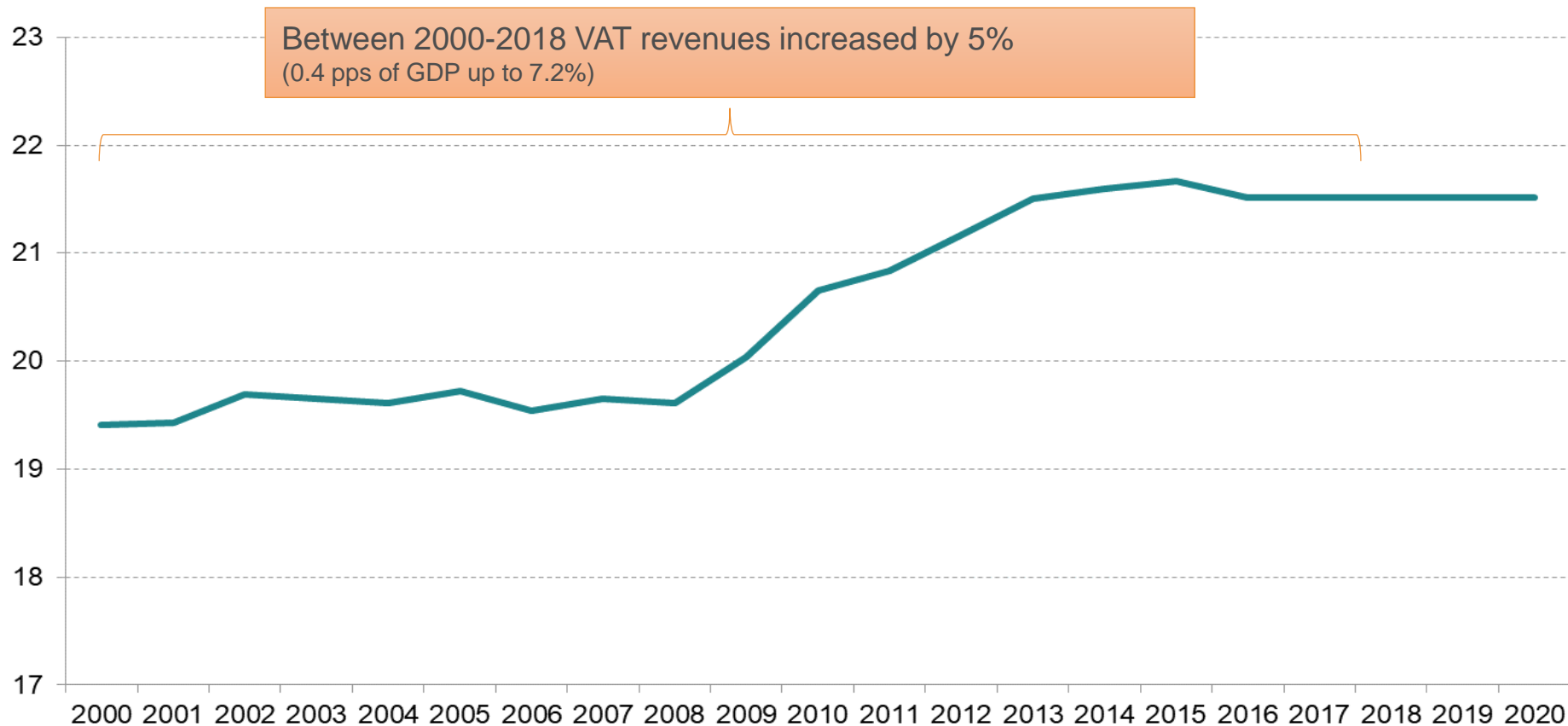
Tax revenues by economic function
(% of GDP)



Source: TAXUD based on Eurostat data

Evolution of main tax rates: standard VAT rates

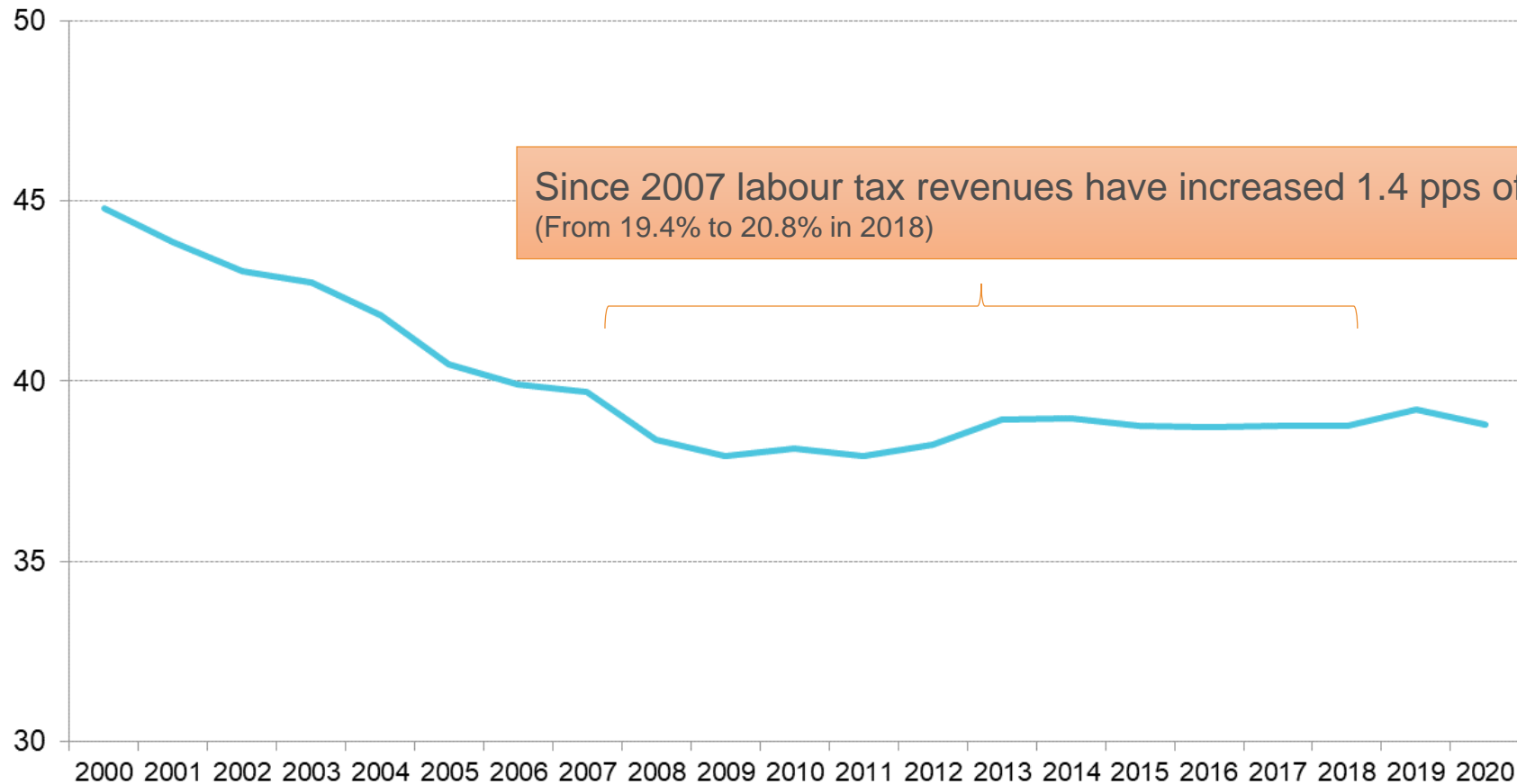
EU27 - VAT average standard rate (%)



Source: TEDB (TAXUD)

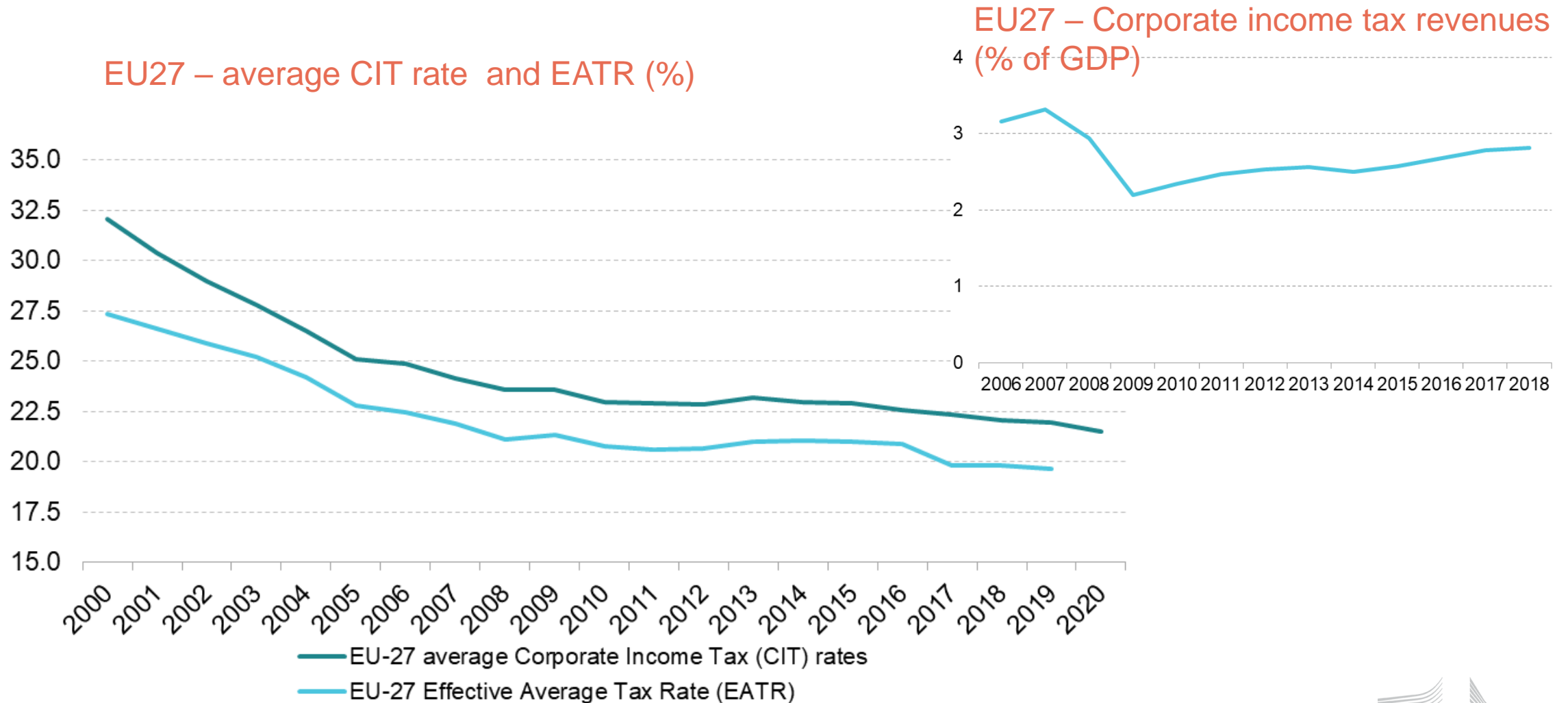
Evolution of main tax rates: Top PIT rates

EU27 – average top PIT rate (%)



Source: TEDB (TAXUD)

Evolution of main tax rates: Corporate rates



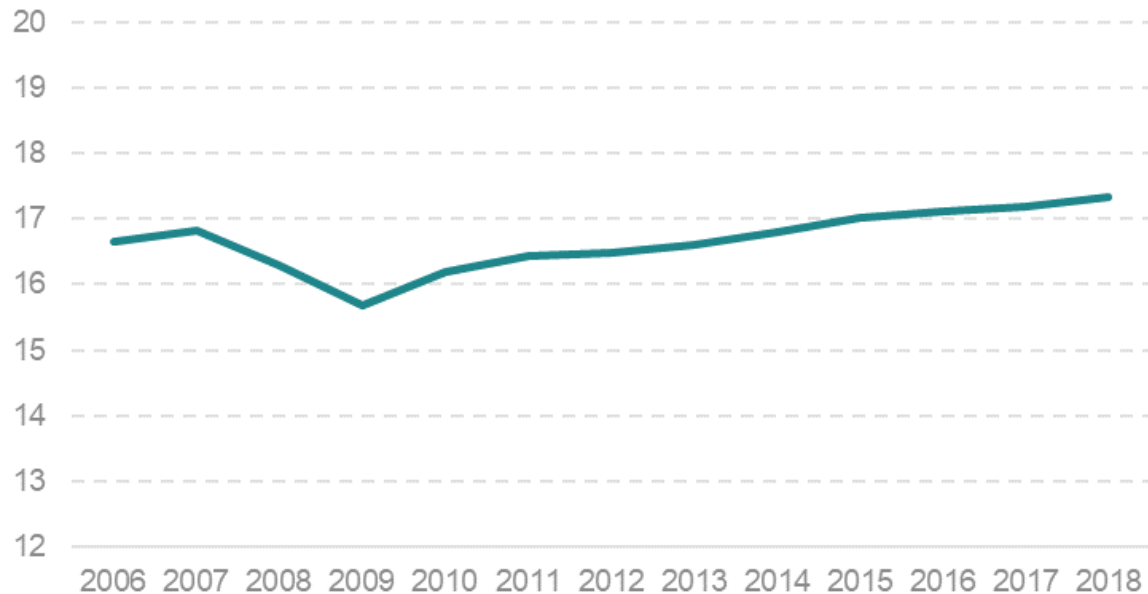
Source: TEDB (TAXUD) and ZEW study on EATR

Implicit tax rates (ITRs)

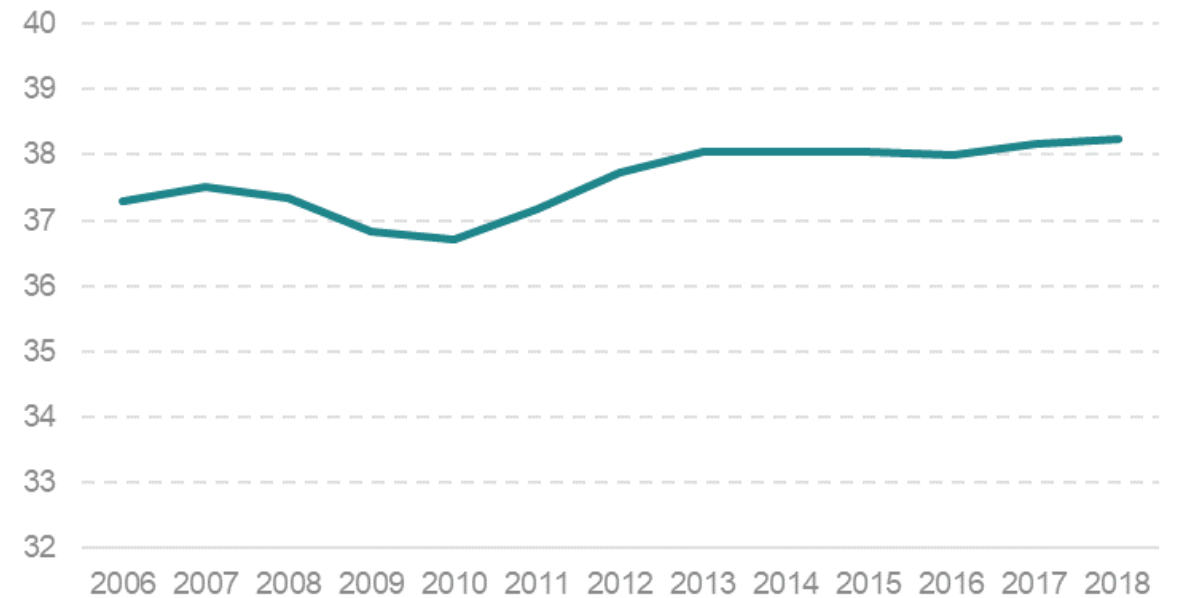
ITRs help to understand if taxes are low or high.

EU27

Implicit tax rate on consumption (%)



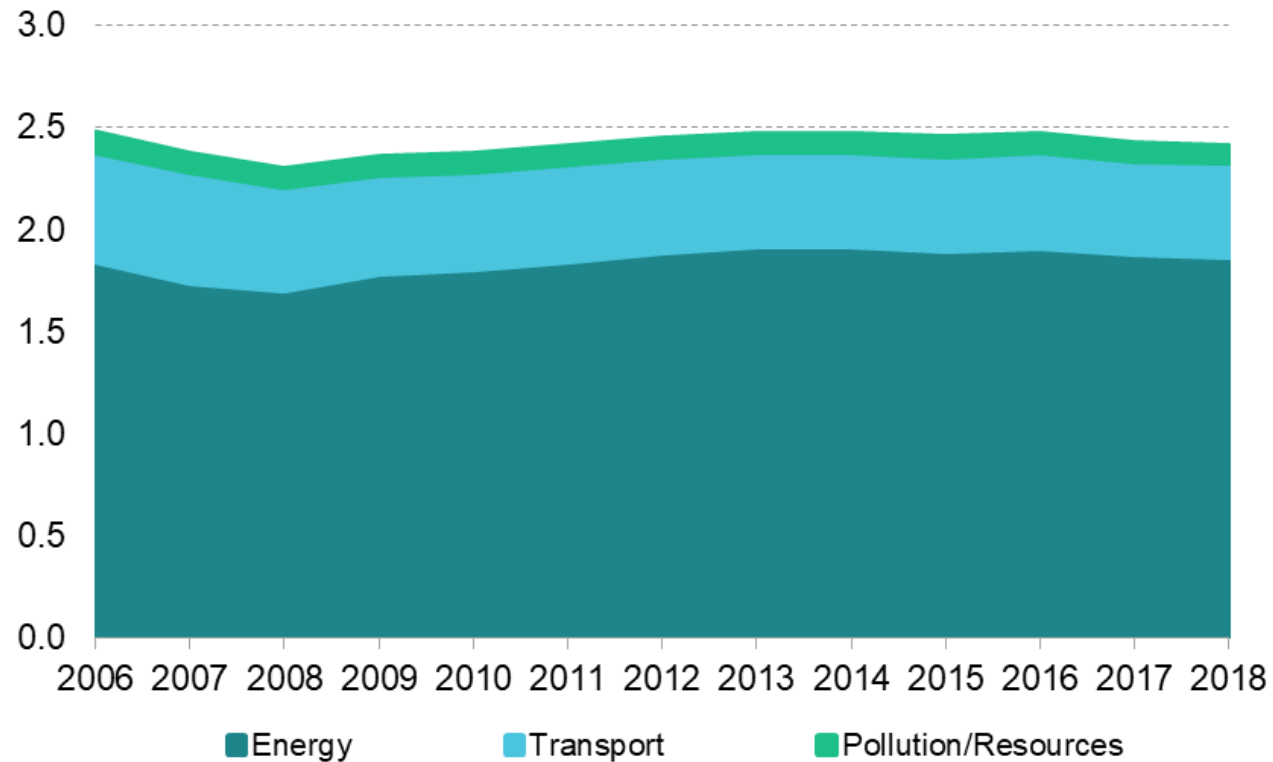
Implicit tax rate on labour (%)



Source: TAXUD based on Eurostat data

Environmental taxes

EU27 – environmental tax revenues
(% of GDP)



Source: TAXUD based on Eurostat data

Thank you



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