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Effective tax rates on labour income in 2022

The effective tax rates on labour income in 2022 calculated for the eight model household types are presented in Tables 3.1 to 3.13 and Figures 3.1 to 3.7. The household types vary by marital status, number of children and economic status. For each household type, the chapter presents different indicators for the average rates (tax wedge, personal tax rate, net personal tax rate, personal income tax rate and employee social security contribution rate) and marginal rates (tax wedge and net personal tax rate). The results for two measures of tax progressivity are also considered: tax elasticity on gross earnings and labour costs.

Average tax rates

Table 3.1¹ and Figure 3.1 show the average tax wedge for 2022, which combines personal income tax, employee and employer social security contributions (SSCs) while also taking into account cash benefits to which each household type was entitled. Total taxes due minus transfers received are expressed as a percentage of labour costs, defined as gross wage *plus* employers' SSCs (including payroll taxes). In the case of a single person on the average wage (AW), the tax wedge ranged from zero (Colombia) and 7.0% (Chile) to 47.8% (Germany) and 53.0% (Belgium). For a one-earner married couple with two children, at the average wage level, the tax wedge was lowest in Colombia (-4.8%) and highest in Finland and France (both at 39.2%). As stated in Chapter 1, the tax wedge tends to be lower for a married couple with two children at this wage level than for a single individual without children due to receipt of cash benefits and/or more advantageous tax treatment. The tax wedge for a single parent with two children, earning 67% of the AW, was negative in New Zealand (-16.1%) and Colombia (-7.2%). Negative tax wedges occur when the cash benefits received by families, plus any applicable non-wastable tax credits, exceed the sum of the total tax and social security contributions that are due.

Table 3.2 and Figure 3.2 combine personal income tax and employee SSCs in 2022, expressed as a percentage of gross wage earnings (the corresponding measures for income tax and employee contributions separately are shown in Tables 3.4 and 3.5). For single workers at the average wage level without children, the highest average levels of tax plus contributions were seen in Germany (38.0%) and Belgium (40.3%). The lowest average rates were in Colombia (0.0%), Chile (7.0%), Costa Rica (10.5%), Mexico (11.3%), Korea (15.8%), Estonia (18.4%), Switzerland (18.5%), Israel (19.1%) and the Czech Republic (19.6%).

Table 3.3 shows personal income tax and employee SSCs, reduced by the entitlement to cash benefits, for each household type in 2022. Figure 3.3 illustrates this for single individuals without children and one-earner married couples with two children, with both household types on average earnings. Comparing Table 3.2 and Table 3.3 the average tax rates for families with children (columns 4 -7) are lower in Table 3.3 because most countries support families with children through cash benefits.

Comparing Table 3.2 and Table 3.3 for single parents with two children earning 67% of the average wage shows that 33 countries provided cash benefits in 2022. In New Zealand and Denmark, these represented more than 25% of income (31.5% and 25.6%, respectively). Thirty-two countries provided cash benefits for a one-earner married couple with two children earning the average wage, although these were less generous relative to income, ranging up to 17.3% in Poland. The lower level of cash benefits for the married couple may be attributable to three factors: single parents may be eligible for more generous treatment; the benefits may be fixed in absolute amount; or the benefits may be subject to income testing.

Table 3.4 shows personal income tax due as a percentage of gross wage earnings in 2022. For single persons without children at the average wage (column 2), the income tax burden ranged from 0.0% (Chile, Colombia and Costa Rica) to 35.5% (Denmark). In most OECD countries, at the average wage level, the income tax burden for one-earner married couples with two children was lower than that for single persons (compare columns 2 and 5). These differences are illustrated in Figure 3.4. In eleven OECD countries, the income tax burden faced by a one-earner married couple with two children is less than half that faced by a single individual (Austria, the Czech Republic, Germany, Hungary, Luxembourg, Poland, Portugal, the Slovak Republic, Slovenia, Switzerland and the United States). There was no difference in another eleven countries: Australia, Chile, Colombia, Costa Rica, Finland, Lithuania, Mexico, New Zealand, Norway, Sweden and Türkiye. In Chile, Colombia and Costa Rica, neither the single worker on the average wage nor the one-earner married couple at the average wage paid personal income taxes.

There were three OECD countries where the personal income tax rate including SSCs for a married average worker with two children was negative in 2022. This was due to the presence of non-wastable tax credits, whereby credits were paid in excess of the taxes otherwise due. This resulted in tax burdens of -3.0% in Poland and the Slovak Republic and -7.9% in the Czech Republic. Similarly, single parents with

two children earning 67% of the average wage showed a negative tax burden in eight countries: Austria, the Czech Republic, Germany, Israel, Poland, the Slovak Republic, Spain and the United States. In three other countries – Chile, Colombia and Costa Rica– this household type paid no income tax.

Comparison of columns 5 and 6 in Table 3.4 demonstrates that if the second spouse had a job that paid 67% of the average wage, the income tax burden of the household (now expressed as 167% of the average wage) would be slightly higher in 21 countries, the largest differences being in the Czech Republic (8.3 percentage points) and Germany (9.7 percentage points). The income tax burden was lower in thirteen countries, the largest differences being in the Netherlands (-4.7 percentage points), Finland and Israel (both -3.1 percentage points). There was no impact on the tax burden in Chile, Colombia or Costa Rica.

An important consideration in the design of an income tax is the degree of progressivity – the rate at which the income tax burden increases with income. A comparison of columns 1 to 3 in Table 3.4 provides an insight into the progressivity of income tax systems of OECD countries. Comparing the income tax burden of single individuals at the average wage level with their counterparts at 167% of the average wage (columns 2 and 3), the lower-paid worker faced a lower tax burden in all countries except in Colombia and Hungary in 2022. In Colombia, neither the average single worker nor their counterparts at 167% of the average wage paid personal income tax. In Hungary, a flat tax rate was applied on labour income and all households without children paid the same percentage of income tax.

Comparing single individuals at 67% of the average wage level with their counterparts at the average wage level (columns 1 and 2), the lower-paid worker also faced a lower tax burden across all OECD countries, except Chile, Colombia, Costa Rica and Hungary. Finally, the burden faced by single individuals at 67% of the average wage level represented less than 25% of the burden faced by their counterparts at 167% in five OECD countries: Chile (0.0%), Colombia (0.0%), Costa Rica (0.0%), Greece (22.0%) and the Netherlands (21.4%).

The addition of SSCs to the average tax rate reduces this progressivity as well as the proportional tax savings (i.e. tax savings of the low-income workers relative to higher-income workers). When comparing Table 3.2 with Table 3.4, the OECD personal average tax rate including SSCs for single individuals at 67% of the average wage level was only 32.1% lower than their counterparts at 167%, compared to the OECD average tax savings of 48.1% for personal income taxes alone in 2022. The OECD average tax savings observed for one-earner married couples with two children at the average wage level relative to the average single worker fell from 32.7% for the personal income tax to 19.8% for the personal average tax rate including SSCs. These lower figures reflect that there is little variation in SSC rates across household types, as shown in Table 3.5.

Table 3.5 shows employee SSCs as a percentage of gross wage earnings in 2022. For a single worker without children at the average wage (column 2), the contribution rate varied between zero (Australia, Colombia, Denmark and New Zealand) and 22.1% (Slovenia). Australia, Denmark and New Zealand did not levy any employee SSCs paid to general government. In Colombia, most of the SSCs are paid to funds outside the general government and are considered to be non-tax compulsory payments. Therefore, they are not counted as SSCs in the *Taxing Wages* calculations. There were three other countries with very low rates: Iceland (0.1%), Mexico (1.4%) and Estonia (1.6%).

SSCs are usually levied at a flat rate on all earnings, i.e. without any exempt threshold. In a number of OECD member countries, a ceiling applies. However, this ceiling usually applies to wage levels higher than 167% of the AW. The flat rates result in a constant average burden of SSCs for most countries between 67% and 167% of average wage earnings. A constant proportional burden for employee SSCs for the eight model household types was observed in Slovenia (22.1%), Lithuania (19.5%), Hungary (18.5%), Poland (17.8%), Türkiye (15.0%), Greece (14.0%), the Slovak Republic (13.4%), the Czech Republic and Portugal (both 11.0%), Latvia and Costa Rica (both 10.5%), Norway (8.0%), the United States (7.7%), Chile (7.0%), Spain and Switzerland (both 6.4%), Ireland (4.0%) and Estonia (1.6%).

In addition, at the average wage level, Germany and the Netherlands imposed different levels of SSCs on employees according to their family status (see Figure 3.5).

Marginal tax rates

Table 3.6 and Figure 3.6 show the percentage of the marginal increase in labour costs that was deducted through the combined effect of increasing personal income tax, employee and employer SSCs (including payroll taxes) and decreasing cash transfers in 2022. It is assumed that the gross earnings of the principal earner rise by 1 currency unit. This is the marginal tax wedge.

In most cases, the marginal tax wedge absorbed 25% to 55% of an increase in labour costs for single individuals on average wage without children in 2022. However, in seven OECD countries, these individuals faced marginal wedges above 55%: Finland (56.1%), Luxembourg (58.5%), Germany (58.4%), France (57.7%), Austria (59.5%), Italy (62.7%) and Belgium (68.7%). By contrast, Chile (7.0%) had the lowest marginal tax wedge in 2022. For Colombia, no income tax was paid at the average wage level in 2022 while SSCs are considered as non-tax compulsory payments and are thus not included in the *Taxing Wages* calculations.²

In twenty-six OECD member countries, the **marginal tax wedge** for one-earner married couples at average earnings with two children was either the same as that for single persons at average wage with no children or within 5 percentage points thereof. The marginal tax wedge was more than 5 percentage points lower for one-earner married couples in eight countries: France (16.4 percentage points), Luxembourg (12.5 percentage points), the Czech Republic (11.2 percentage points), the United States (9.3 percentage points), Poland (8.9 percentage points), Slovenia (6.7 percentage points), Germany (6.5 percentage points) and Switzerland (6.2 percentage points). In contrast, the marginal rate for one-earner married couples with two children was more than 5 percentage points higher than it was for single workers with no children in Canada (5.5 percentage points), the Netherlands (5.6 percentage points), Iceland (9.0 percentage points) and New Zealand (27.0 percentage points). These higher marginal rates arise because of the phase-out of income-tested tax reliefs and/or cash benefits. When an income-tested measure is phased out, the reduction in the relief or benefit compounds the increase in the tax payable. These programmes are set out in greater detail in the relevant country chapters in Part II of the Report.

Table 3.7 and Figure 3.7 show the incremental change to personal income tax and employee SSCs less cash benefits when gross wage earnings increased at the margin in 2022. As in the case of the tax wedge, in most cases personal income tax and employee SSCs absorb 25% to 55% of a worker's pay rise for single individuals without children at the average wage level. The marginal tax rate for the average worker was higher than 60% only in Belgium (60.2%) and lower than 25% in Chile (7.0%), Costa Rica (10.5%), Mexico (19.5%) and Korea (23.4%). As previously mentioned, no income tax was paid in Colombia at the average wage while SSCs are considered as non-tax compulsory payments.

In twenty-six OECD member countries, the **net personal marginal tax rate** for one-earner married couples with two children at the average wage level was either the same as or within 5 percentage points of that for single persons with no children. The marginal rate was more than 5 percentage points lower for the one-earner married couples in nine countries: France (22.4 percentage points), the Czech Republic (15.0 percentage points), Luxembourg (14.2 percentage points), Poland (10.4 percentage points), the United States (10.0 percentage points), Slovenia and Germany (both 7.8 percentage points), Switzerland (6.6 percentage points) and Portugal (5.5 percentage points). In contrast, the marginal rate for one-earner married couples with two children was more than 5 percentage points higher than it was for single persons with no children in Canada (5.7 percentage points), the Netherlands (6.2 percentage points), Iceland (9.6 percentage points) and New Zealand (27.0 percentage points). Similar to the marginal tax wedges, these higher marginal rates arise because of the phase-out of income-tested tax reliefs and/or cash transfers.

Table 3.8 shows the percentage increase in net income relative to the percentage increase in gross wages when the latter increased by 1 currency unit in 2022, i.e. the elasticity of after-tax income.³ Under a proportional tax system, net income would increase by the same percentage as the increase in gross earnings, in which case the elasticity is equal to 1. The more progressive the system is – at the income level considered – the lower this elasticity will be. In the case of the one-earner married couples with two children at the average wage (column 5 of Table 3.8), the most progressive systems of income tax plus employee SSCs in 2022 were found in New Zealand (0.43), Belgium (0.56), Italy (0.57), Austria (0.58) and Ireland (0.59). In contrast, France (0.97) and Mexico (0.91) either implemented or were close to a proportional system of income tax plus employee SSCs for this household type. For Colombia (0.95), Chile and Costa Rica (both 1.0), no income tax was paid at that level of earnings. In Colombia, SSCs are considered as non-tax compulsory payments and not included in the *Taxing Wages* calculations. However, the household's cash benefit payment remained fixed while the gross wage increased. As a result, the percentage increase in net income was slightly less than the percentage increase in gross wage.

Table 3.9 provides a different elasticity measure: the percentage increase in net income relative to the percentage increase in labour costs (i.e. gross wage earnings plus employer SSCs and payroll taxes) when the latter rose by 1 currency unit in 2022.⁴ In this case, taxes and SSCs paid by employers are also part of the analysis. In twenty OECD countries, the value of this elasticity lay between 0.50 and 0.97 for the eight selected household types. This elasticity was below 0.50 for single parents earning 67% of the average wage level in New Zealand (0.48), the Netherlands (0.46), Luxembourg and Belgium (both 0.45), Australia (0.42), France and the United Kingdom (both 0.32), Ireland (0.29) and Canada (0.25) and for one-earner married couples at the average wage level with two children in New Zealand (0.43). In contrast, the elasticity was between 0.98 and 1.0 for most household types in Costa Rica and Chile and some household types in Canada, Colombia, Hungary and Mexico, and one household type in Estonia and Lithuania for the single worker earning 167% of the AW (1.0). Using this elasticity measure, the income tax system was regressive for a single individual at 167% of the AW in Germany (1.06) and Austria (1.1).

Table 3.10 and Table 3.11 set out gross wage earnings and net income for the eight household types in 2022, after all amounts have been converted into U.S. dollars with the same purchasing power. Single workers with the average wage took home over USD 50 000 in eleven countries: Switzerland (USD 77 082), Luxembourg (USD 56 104), the Netherlands (USD 55 373), Iceland (USD 53 060), Norway (USD 51 384), Korea (USD 50 569), Ireland (USD 50 473) and Australia (USD 50 403) (Table 3.10 column 4). The lowest levels (less than USD 20 000) were in Mexico (USD 13 489) and Colombia (USD 14 644). In the case of a one-earner married couple with two children at the average wage level, families took home over USD 60 000 in Austria, Germany, Iceland, Ireland, Luxembourg, Netherlands and Switzerland; with the lowest level again being in Colombia and Mexico (Table 3.11). With the exception of Chile, Costa Rica and Mexico, the one-earner married couple in OECD countries took home more than the single individual (with both household types at the average wage level) due to the favourable tax treatment of this household and/or the cash transfers to which they were entitled.

Table 3.12 and Table 3.13 show the corresponding figures to Table 3.10 and Table 3.11 for labour costs and net income in 2022. Thus, the 'net' columns in Table 3.10 and Table 3.11 are identical to those in Table 3.12 and Table 3.13, respectively. Usually, labour costs are significantly higher than gross wages, because any employer SSCs (including payroll taxes) are taken into account. If measured in US dollars with equal purchasing power, labour costs for single workers earning the average wage level (see Table 3.12) were highest (more than USD 80 000) in the Netherlands (USD 85 828), Luxembourg (USD 94 100) and Switzerland (USD 100 655), and lowest (less than USD 30 000) in Colombia (USD 14 644) and Mexico (USD 13 489). Annual labour costs are equal to annual gross wage in Chile, Colombia, Denmark and New Zealand. In those countries, neither compulsory employer SSCs nor payroll taxes paid to general government are levied on wages. However, employers in Chile, Colombia and Denmark are subject to non-tax compulsory payments.

Table 3.1. Income tax plus employee and employer contributions less cash benefits, 2022

As % of labour costs, by household type and wage level

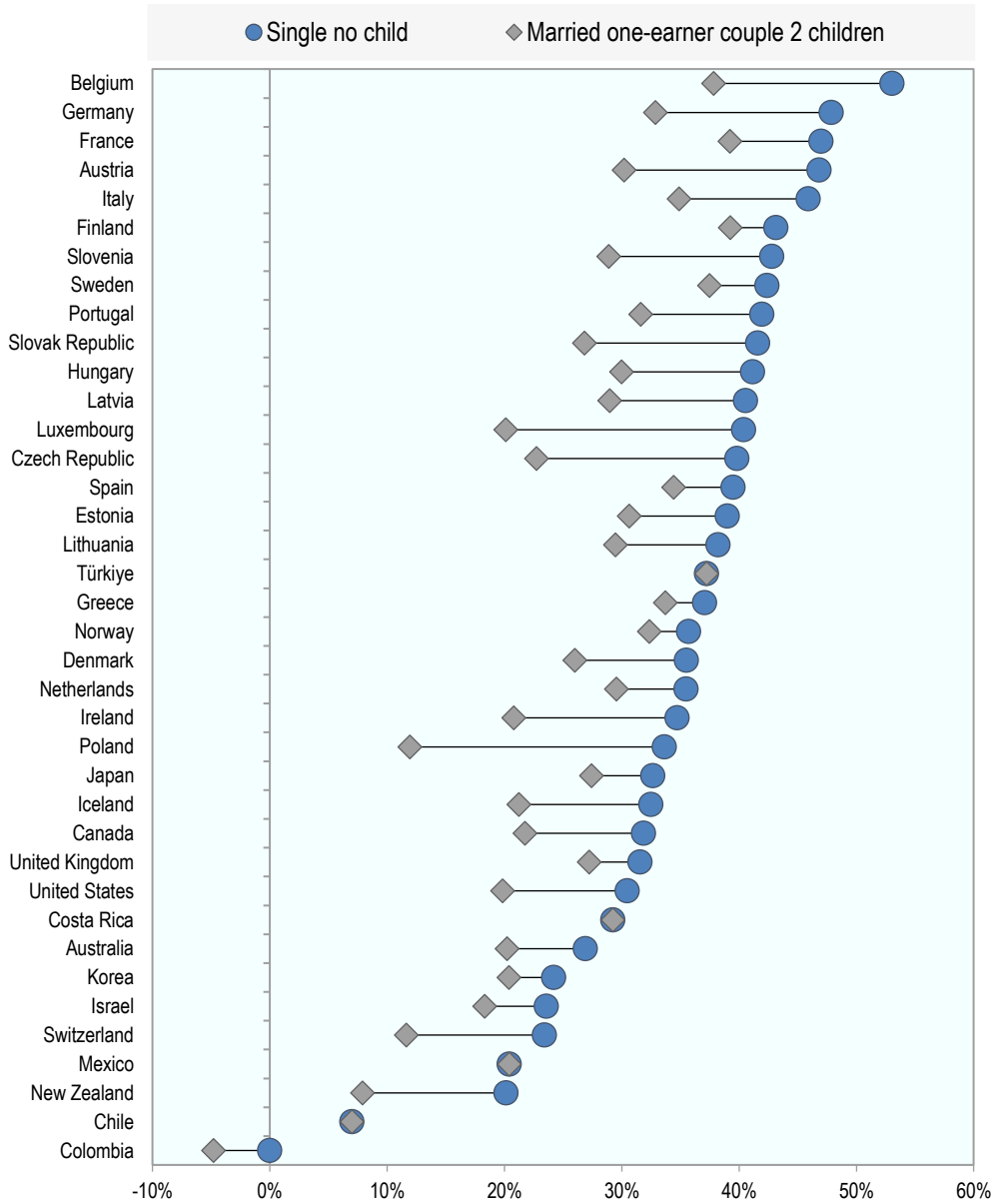
	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	21.2	26.9	33.1	0.8	20.2	24.6	26.9	24.6
Austria	41.9	46.8	50.5	19.2	30.2	36.1	39.5	45.0
Belgium	46.5	53.0	59.1	29.6	37.8	45.5	48.8	50.4
Canada	30.0	31.9	35.4	7.5	21.8	28.9	30.9	31.1
Chile	7.0	7.0	8.3	6.1	7.0	6.6	7.0	7.0
Colombia	0.0	0.0	0.0	-7.2	-4.8	-5.7	-4.8	0.0
Costa Rica	29.2	29.2	31.3	29.2	29.2	29.2	29.2	29.2
Czech Republic	37.4	39.8	41.8	17.5	22.7	33.8	35.6	38.9
Denmark	32.9	35.5	41.2	5.6	26.0	31.0	32.7	34.5
Estonia	34.5	39.0	41.2	21.8	30.6	33.1	35.6	37.2
Finland	36.8	43.1	49.4	27.3	39.2	38.2	41.2	40.6
France	40.7	47.0	53.9	20.2	39.2	40.7	44.1	44.3
Germany	43.7	47.8	50.0	28.4	32.9	40.8	43.2	46.0
Greece	32.5	37.1	42.2	25.5	33.7	35.7	37.5	36.2
Hungary	41.2	41.2	41.2	23.7	30.0	34.5	35.6	41.2
Iceland	28.7	32.5	37.8	18.1	21.2	30.2	32.5	31.0
Ireland	25.5	34.7	43.0	10.3	20.8	27.7	32.0	31.0
Israel	16.9	23.6	33.4	3.8	18.3	15.3	17.6	20.5
Italy	40.1	45.9	53.8	26.1	34.9	37.4	41.4	43.6
Japan	31.2	32.6	35.6	17.2	27.4	29.6	30.6	32.1
Korea	21.1	24.2	27.3	16.0	20.4	20.9	22.5	23.0
Latvia	37.2	40.6	42.8	19.9	29.0	32.3	34.8	39.2
Lithuania	33.8	38.2	40.6	20.7	29.5	31.2	33.8	36.5
Luxembourg	32.2	40.4	47.0	13.9	20.1	29.9	34.4	35.6
Mexico	19.4	20.4	23.4	19.4	20.4	20.0	20.4	20.0
Netherlands	27.9	35.5	40.8	6.0	29.6	28.0	31.7	32.4
New Zealand	14.7	20.1	25.3	-16.1	7.9	18.0	20.1	18.0
Norway	32.4	35.7	41.7	22.6	32.3	32.4	34.0	34.4
Poland	31.3	33.6	35.5	3.3	11.9	22.2	24.9	32.7
Portugal	38.0	41.9	47.7	25.7	31.6	37.5	39.7	40.2
Slovak Republic	39.5	41.6	43.6	25.0	26.8	34.3	36.2	40.7
Slovenia	39.7	42.8	45.8	16.1	28.9	35.6	38.7	41.5
Spain	36.0	39.5	44.0	25.5	34.4	36.6	38.2	38.1
Sweden	39.5	42.4	50.3	32.2	37.5	38.3	39.9	41.2
Switzerland	20.4	23.4	28.0	6.5	11.6	17.7	20.3	23.2
Türkiye	32.0	37.2	41.5	32.0	37.2	35.1	37.2	35.1
United Kingdom	26.6	31.5	38.4	17.7	27.2	27.3	29.6	29.6
United States	27.8	30.5	34.7	13.7	19.8	24.7	27.3	28.5
<i>Unweighted average</i>								
OECD-Average	30.7	34.6	39.0	16.6	25.6	29.4	31.6	33.0
OECD-EU 22	36.8	41.2	45.7	20.2	29.9	34.6	37.2	39.4

1. Two-earner couple.

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Figure 3.1. Income tax plus employee and employer contributions less cash benefits, 2022

As a % of labour costs, by household type



Note: The household type 'single no child' corresponds to a wage level of 100% of average wage and 'married one earner couple 2 children' corresponds to a combined wage level of 100%-0% of average wage.

Sources: OECD calculations based on country submissions and OECD Economic Outlook, Volume 2022 issue 2.

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Table 3.2. Income tax plus employee contributions, 2022

As % of gross wage earnings, by household type and wage level

	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	17.0	23.0	29.6	17.0	23.0	20.6	23.0	20.6
Austria	27.5	33.2	38.3	15.6	24.3	26.4	29.4	30.9
Belgium	32.5	40.3	48.1	27.0	28.9	35.6	38.9	37.1
Canada	22.4	25.6	31.3	16.6	22.4	24.3	25.6	24.3
Chile	7.0	7.0	8.3	7.0	7.0	7.0	7.0	7.0
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	10.5	10.5	13.1	10.5	10.5	10.5	10.5	10.5
Czech Republic	16.3	19.5	22.1	-0.7	3.1	11.4	13.8	18.2
Denmark	33.0	35.5	41.2	31.2	31.9	34.5	35.5	34.5
Estonia	12.3	18.4	21.3	9.6	14.4	14.8	17.5	16.0
Finland	23.4	31.1	38.7	23.4	31.1	28.0	31.1	28.0
France	23.5	27.7	33.5	20.8	21.0	23.3	25.6	25.6
Germany	33.3	38.0	42.5	14.9	20.0	29.7	32.4	35.8
Greece	17.3	23.0	29.2	16.4	23.5	21.3	23.5	22.0
Hungary	33.5	33.5	33.5	22.2	25.9	29.0	29.7	33.5
Iceland	24.1	28.2	33.8	24.1	22.3	26.6	28.2	26.6
Ireland	17.3	27.5	36.7	12.8	18.2	23.4	27.5	23.4
Israel	12.8	19.1	29.1	4.5	16.0	12.2	14.1	16.1
Italy	21.2	28.8	39.3	21.2	26.7	25.8	28.8	25.8
Japan	20.6	22.3	26.3	20.6	20.9	21.6	22.3	21.6
Korea	12.4	15.8	20.0	10.4	14.0	13.7	15.2	14.5
Latvia	22.4	26.5	29.3	11.7	19.4	20.6	22.9	24.8
Lithuania	32.6	37.1	39.5	32.6	37.1	35.3	37.1	35.3
Luxembourg	22.8	32.1	39.7	18.2	19.9	26.7	30.8	26.7
Mexico	8.6	11.3	15.8	8.6	11.3	10.2	11.3	10.2
Netherlands	19.1	27.7	36.1	12.6	27.4	21.7	25.5	24.3
New Zealand	15.4	20.1	25.3	15.4	20.1	18.2	20.1	18.2
Norway	23.6	27.3	34.2	21.0	27.3	25.8	27.3	25.8
Poland	20.1	22.8	24.9	13.3	14.8	19.9	21.2	21.7
Portugal	23.3	28.1	35.3	15.0	18.5	22.7	25.4	26.0
Slovak Republic	21.5	24.3	26.9	10.6	10.4	17.9	19.9	23.1
Slovenia	30.0	33.6	37.1	24.6	26.2	28.7	30.7	32.1
Spain	16.9	21.4	27.2	3.2	14.8	17.6	19.8	19.6
Sweden	20.5	24.3	34.7	20.5	24.3	22.8	24.3	22.8
Switzerland	15.3	18.5	23.5	9.4	11.9	16.0	18.2	18.3
Türkiye	20.1	26.2	31.2	20.1	26.2	23.8	26.2	23.8
United Kingdom	19.2	23.6	30.5	19.2	23.1	21.8	23.6	21.8
United States	21.7	24.8	29.5	6.5	13.3	18.5	21.4	22.6
<i>Unweighted average</i>								
OECD-Average	20.3	24.7	29.9	15.5	19.8	21.3	23.3	22.9
OECD-EU 22	23.6	28.8	34.3	17.1	21.9	24.4	26.9	26.7

1. Two-earner couple.


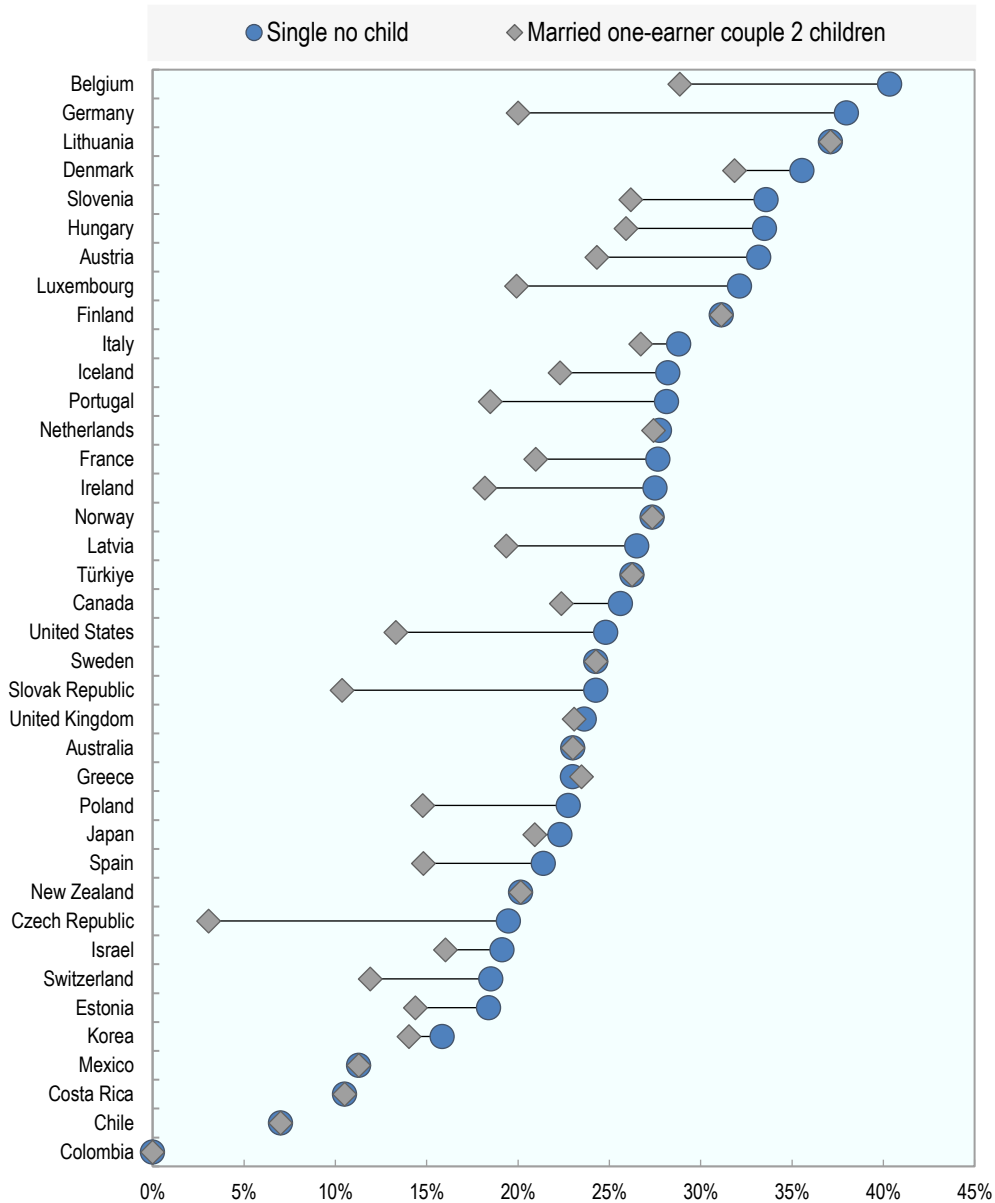
StatLink  <https://stat.link/xveg2c>

Figure 3.2. Income tax plus employee contributions, 2022

As % of gross wage earnings, by household type



Note: The household type 'single no child' corresponds to a wage level of 100% of average wage and 'married one earner couple 2 children' corresponds to a combined wage level of 100%-0% of average wage.

Sources: OECD calculations based on country submissions and OECD Economic Outlook, Volume 2022 issue 2.

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Table 3.3. Income tax plus employee contributions less cash benefits, 2022

As % of gross wage earnings, by household type and wage level

	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	17.0	23.0	29.6	-4.5	15.9	20.6	23.0	20.6
Austria	25.7	32.0	37.7	-3.4	10.7	18.2	22.6	29.6
Belgium	32.5	40.3	48.1	11.2	21.0	30.9	34.9	37.1
Canada	22.4	25.6	31.3	-2.5	14.6	21.9	24.5	24.3
Chile	7.0	7.0	8.3	6.1	7.0	6.6	7.0	7.0
Colombia	0.0	0.0	0.0	-7.2	-4.8	-5.7	-4.8	0.0
Costa Rica	10.5	10.5	13.1	10.5	10.5	10.5	10.5	10.5
Czech Republic	16.3	19.5	22.1	-10.3	-3.4	11.4	13.8	18.2
Denmark	32.9	35.5	41.2	5.6	26.0	31.0	32.7	34.5
Estonia	12.3	18.4	21.3	-4.6	7.2	10.5	13.9	16.0
Finland	23.4	31.1	38.7	11.9	26.4	25.2	28.8	28.0
France	23.5	27.7	33.5	-2.9	17.0	20.9	23.7	25.6
Germany	32.5	37.4	42.1	14.1	19.5	29.0	31.9	35.2
Greece	17.3	23.0	29.2	8.9	18.9	21.3	23.5	22.0
Hungary	33.5	33.5	33.5	13.8	20.9	25.9	27.2	33.5
Iceland	24.1	28.2	33.8	12.9	16.2	25.8	28.2	26.6
Ireland	17.3	27.5	36.7	0.4	12.0	19.7	24.4	23.4
Israel	12.8	19.1	29.1	-0.9	13.6	10.7	12.9	16.1
Italy	21.2	28.8	39.3	2.7	14.3	17.6	22.9	25.8
Japan	20.6	22.3	26.3	4.4	16.3	18.8	20.0	21.6
Korea	12.4	15.8	20.0	6.8	11.6	12.2	14.0	14.5
Latvia	22.4	26.5	29.3	1.0	12.2	16.3	19.4	24.8
Lithuania	32.6	37.1	39.5	19.3	28.2	30.0	32.7	35.3
Luxembourg	22.8	32.1	39.7	2.0	9.1	20.2	25.4	26.7
Mexico	8.6	11.3	15.8	8.6	11.3	10.2	11.3	10.2
Netherlands	19.1	27.7	36.1	-5.4	21.1	19.3	23.6	24.3
New Zealand	14.7	20.1	25.3	-16.1	7.9	18.0	20.1	18.0
Norway	23.6	27.3	34.2	12.5	23.6	23.6	25.5	25.8
Poland	20.1	22.8	24.9	-12.5	-2.5	9.5	12.6	21.7
Portugal	23.3	28.1	35.3	8.1	15.4	22.7	25.4	26.0
Slovak Republic	21.5	24.3	26.9	2.8	5.1	14.7	17.2	23.1
Slovenia	30.0	33.6	37.1	2.5	17.4	25.3	28.8	32.1
Spain	16.9	21.4	27.2	3.2	14.8	17.6	19.8	19.6
Sweden	20.5	24.3	34.7	10.9	17.8	18.9	21.1	22.8
Switzerland	15.3	18.5	23.5	0.6	6.0	12.4	15.2	18.3
Türkiye	20.1	26.2	31.2	20.1	26.2	23.8	26.2	23.8
United Kingdom	19.2	23.6	30.5	9.4	18.8	19.3	21.5	21.8
United States	21.7	24.8	29.5	6.5	13.3	18.5	21.4	22.6
<i>Unweighted average</i>								
OECD-Average	20.2	24.6	29.9	3.8	14.1	18.5	21.1	22.8
OECD-EU 22	23.5	28.8	34.3	3.6	15.0	20.7	23.9	26.6

1. Two-earner couple.


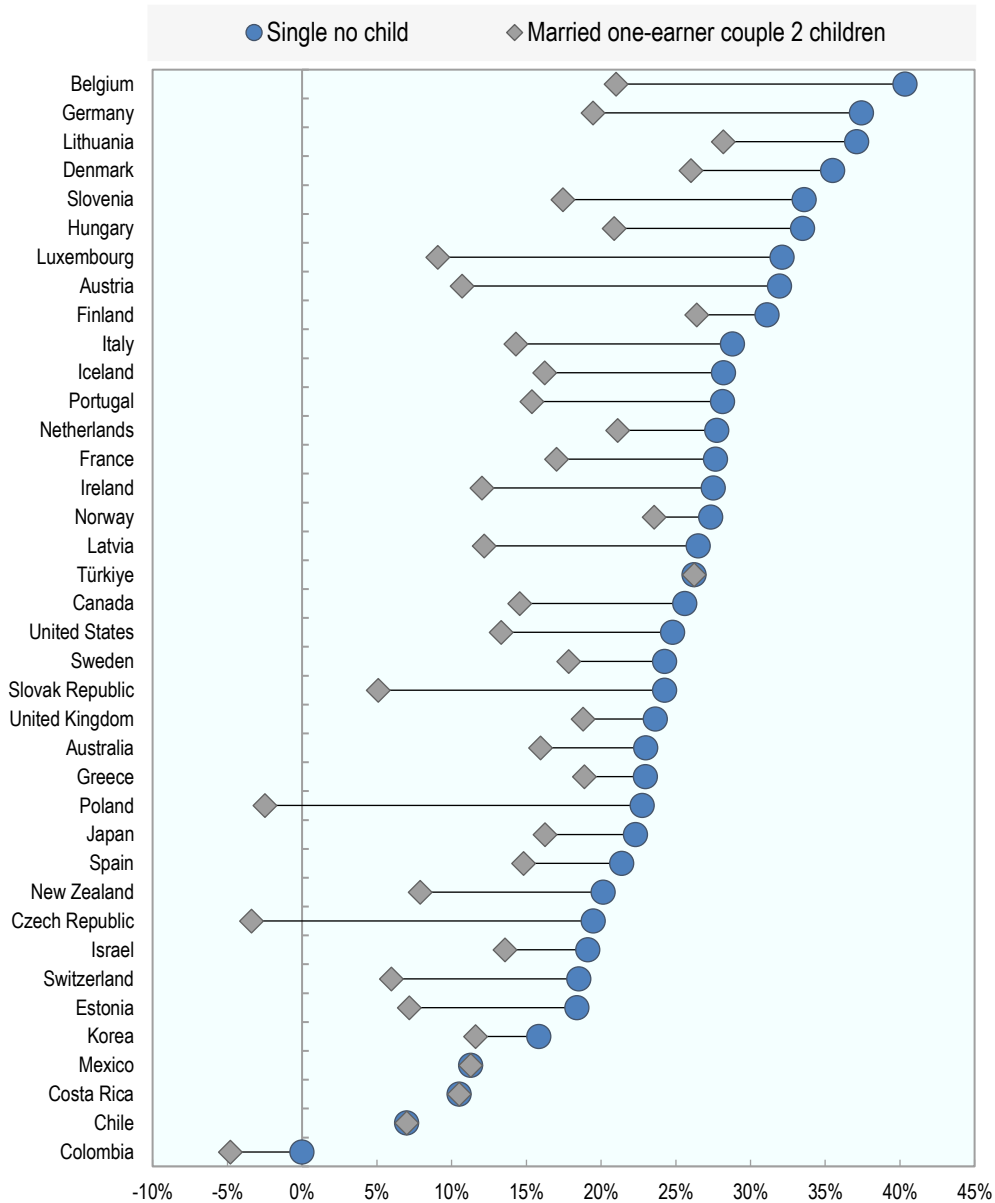
StatLink  <https://stat.link/a8vp0k>

Figure 3.3. Income tax plus employee contributions less cash benefits, 2022

As % of gross wage earnings, by household type



Note: The household type 'single no child' corresponds to a wage level of 100% of average wage and 'married one earner couple 2 children' corresponds to a combined wage level of 100%-0% of average wage.

Sources: OECD calculations based on country submissions and OECD Economic Outlook, Volume 2022 issue 2.

StatLink  <https://stat.link/wksn2g>

Table 3.4. Income tax, 2022

As % of gross wage earnings, by household type and wage level

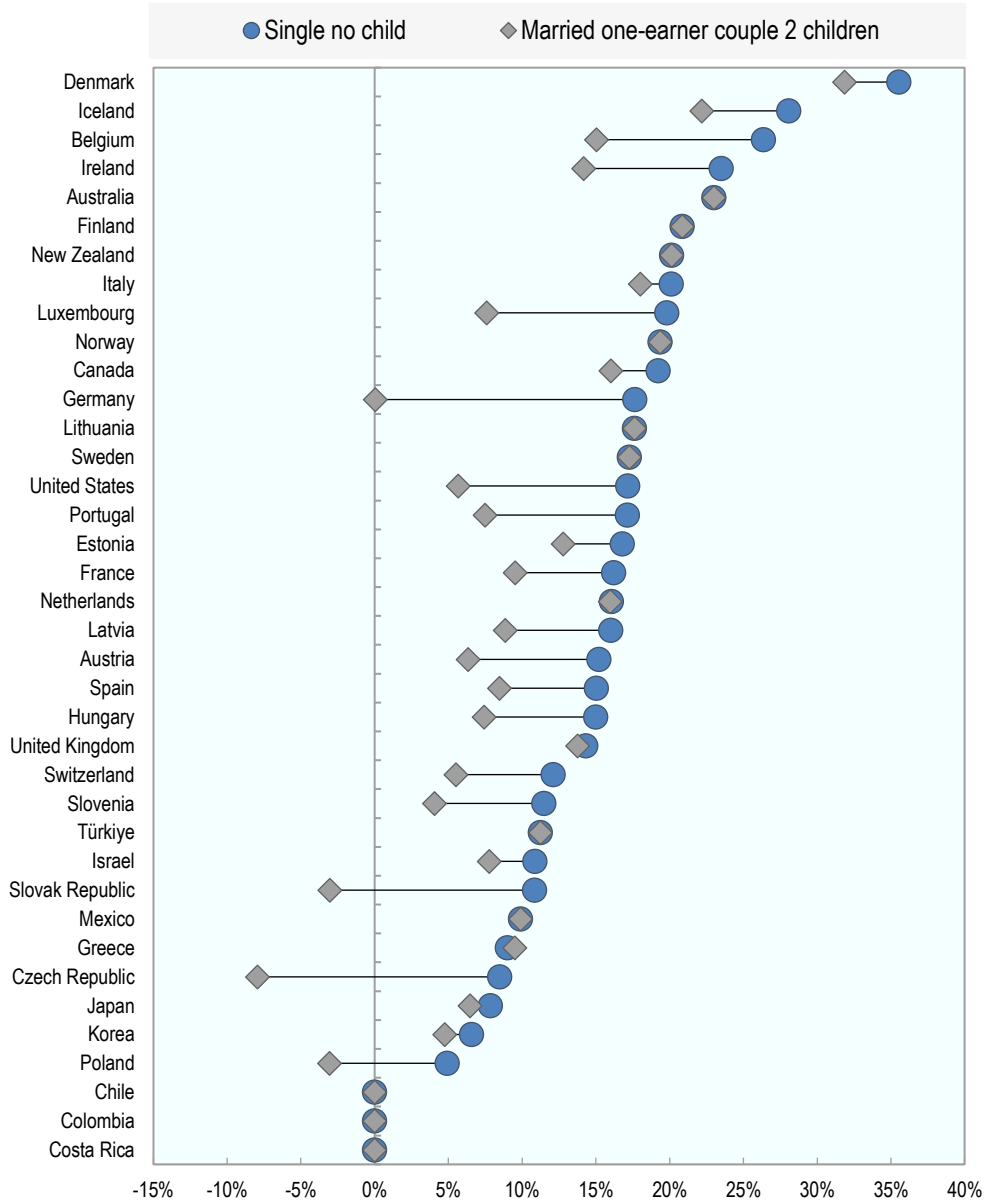
	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	17.0	23.0	29.6	17.0	23.0	20.6	23.0	20.6
Austria	9.5	15.2	22.1	-2.4	6.3	8.4	11.4	12.9
Belgium	18.9	26.4	34.2	13.4	15.0	21.9	25.1	23.4
Canada	14.4	19.2	27.4	8.5	16.0	17.3	19.2	17.3
Chile	0.0	0.0	1.3	0.0	0.0	0.0	0.0	0.0
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	0.0	0.0	2.6	0.0	0.0	0.0	0.0	0.0
Czech Republic	5.3	8.5	11.1	-11.7	-7.9	0.4	2.8	7.2
Denmark	33.0	35.5	41.2	31.2	31.9	34.5	35.5	34.5
Estonia	10.7	16.8	19.7	8.0	12.8	13.2	15.9	14.4
Finland	13.2	20.8	28.4	13.2	20.8	17.8	20.8	17.8
France	12.1	16.2	22.5	9.5	9.5	11.9	14.2	14.2
Germany	13.0	17.7	26.6	-5.1	0.0	9.7	12.4	15.5
Greece	3.4	9.0	15.2	2.4	9.5	7.3	9.5	8.0
Hungary	15.0	15.0	15.0	3.7	7.4	10.5	11.2	15.0
Iceland	24.0	28.1	33.7	24.0	22.2	26.4	28.1	26.4
Ireland	13.3	23.5	32.7	8.8	14.2	19.4	23.5	19.4
Israel	6.4	10.9	19.3	-1.9	7.8	4.6	5.8	8.6
Italy	12.5	20.1	29.8	12.5	18.0	17.1	20.1	17.1
Japan	6.2	7.9	12.7	6.2	6.5	7.2	7.9	7.2
Korea	3.2	6.6	11.8	1.1	4.7	4.4	5.9	5.2
Latvia	11.9	16.0	18.8	1.2	8.9	10.1	12.4	14.3
Lithuania	13.1	17.6	20.0	13.1	17.6	15.8	17.6	15.8
Luxembourg	10.6	19.8	27.3	6.0	7.6	14.4	18.5	14.4
Mexico	7.4	9.9	14.3	7.4	9.9	8.9	9.9	8.9
Netherlands	5.7	16.1	26.8	4.1	16.0	11.2	15.5	11.9
New Zealand	15.4	20.1	25.3	15.4	20.1	18.2	20.1	18.2
Norway	15.6	19.3	26.2	13.0	19.3	17.8	19.3	17.8
Poland	2.3	4.9	7.1	-4.6	-3.0	2.0	3.4	3.9
Portugal	12.3	17.1	24.3	4.0	7.5	11.7	14.4	15.0
Slovak Republic	8.1	10.9	13.5	-2.8	-3.0	4.5	6.5	9.7
Slovenia	7.9	11.5	15.0	2.5	4.1	6.6	8.6	10.0
Spain	10.5	15.0	20.9	-3.2	8.5	11.3	13.4	13.2
Sweden	13.5	17.3	29.8	13.5	17.3	15.8	17.3	15.8
Switzerland	8.9	12.1	17.1	3.0	5.5	9.6	11.8	11.9
Türkiye	5.1	11.2	16.2	5.1	11.2	8.8	11.2	8.8
United Kingdom	11.5	14.3	23.0	11.5	13.8	13.2	14.3	13.2
United States	14.1	17.2	21.9	-1.2	5.7	10.9	13.7	15.0
<i>Unweighted average</i>								
OECD-Average	10.7	15.0	20.6	6.0	10.1	11.7	13.7	13.2
OECD-EU 22	11.6	16.9	22.8	5.3	9.9	12.5	15.0	14.7

1. Two-earner couple.

StatLink  <https://stat.link/ajhnzx>

Figure 3.4. Income tax, by household type, 2022

As % of gross wage earnings



Note: The household type 'single no child' corresponds to a wage level of 100% of average wage and 'married one earner couple 2 children' corresponds to a combined wage level of 100%-0% of average wage.

Sources: OECD calculations based on country submissions and OECD Economic Outlook, Volume 2022 issue 2.

StatLink  <https://stat.link/8qazk7>

Table 3.5. Employee contributions, 2022

As % of gross wage earnings, by household type and wage level

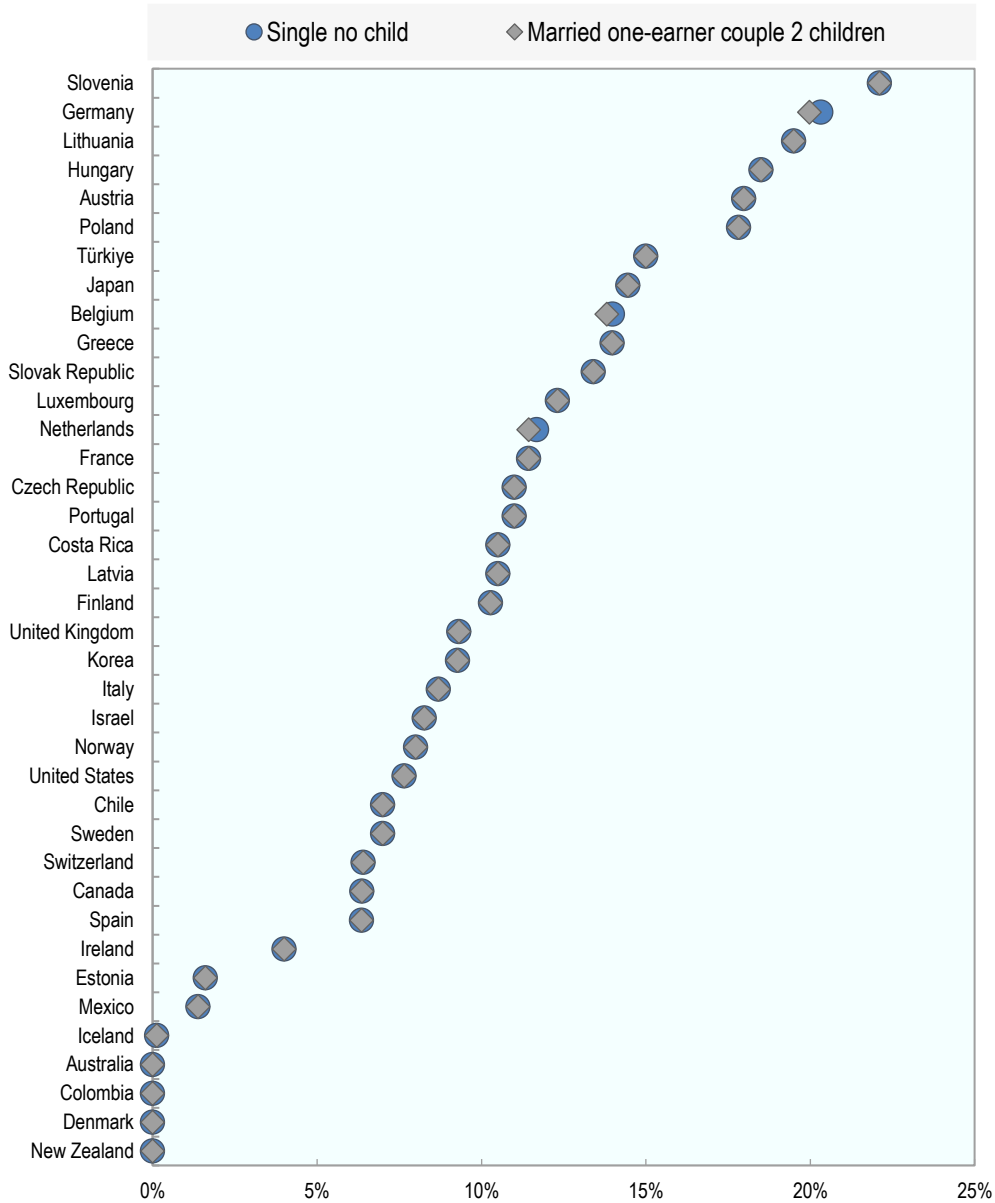
	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Austria	18.0	18.0	16.2	18.0	18.0	18.0	18.0	18.0
Belgium	13.6	14.0	13.9	13.6	13.8	13.8	13.7	13.8
Canada	8.0	6.4	3.8	8.0	6.4	7.0	6.4	7.0
Chile	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Czech Republic	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Denmark	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Estonia	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Finland	10.2	10.3	10.3	10.2	10.3	10.2	10.3	10.2
France	11.3	11.4	11.0	11.3	11.4	11.4	11.4	11.4
Germany	20.3	20.3	15.9	20.0	20.0	20.0	20.0	20.3
Greece	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Hungary	18.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5
Iceland	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.1
Ireland	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Israel	6.4	8.3	9.8	6.4	8.3	7.5	8.3	7.5
Italy	8.7	8.7	9.5	8.7	8.7	8.7	8.7	8.7
Japan	14.5	14.5	13.6	14.5	14.5	14.5	14.5	14.5
Korea	9.3	9.3	8.3	9.3	9.3	9.3	9.3	9.3
Latvia	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Lithuania	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5
Luxembourg	12.2	12.3	12.4	12.2	12.3	12.3	12.3	12.3
Mexico	1.3	1.4	1.5	1.3	1.4	1.3	1.4	1.3
Netherlands	13.4	11.7	9.3	8.5	11.4	10.4	10.0	12.4
New Zealand	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norway	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Poland	17.8	17.8	17.8	17.8	17.8	17.8	17.8	17.8
Portugal	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Slovak Republic	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4
Slovenia	22.1	22.1	22.1	22.1	22.1	22.1	22.1	22.1
Spain	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4
Sweden	7.0	7.0	4.9	7.0	7.0	7.0	7.0	7.0
Switzerland	6.4	6.4	6.3	6.4	6.4	6.4	6.4	6.4
Türkiye	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
United Kingdom	7.6	9.3	7.5	7.6	9.3	8.6	9.3	8.6
United States	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
<i>Unweighted average</i>								
OECD-Average	9.6	9.7	9.3	9.5	9.6	9.6	9.6	9.7
OECD-EU 22	12.0	12.0	11.5	11.8	11.9	11.9	11.9	12.0

1. Two-earner couple.

StatLink  <https://stat.link/eywglf>

Figure 3.5. Employee contributions, 2022

As % of gross wage earnings, by household type



Note: The household type 'single no child' corresponds to a wage level of 100% of average wage and 'married one earner couple 2 children' corresponds to a combined wage level of 100%-0% of average wage.

Sources: OECD calculations based on country submissions and OECD Economic Outlook, Volume 2022 issue 2.

StatLink  <https://stat.link/tkzdx1>

Table 3.6. Marginal rate of income tax plus employee and employer contributions less cash benefits, 2022

As % of labour costs, by household type and wage level

	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	39.2	40.7	42.1	58.2	40.7	40.7	40.7	40.7
Austria	54.3	59.5	45.7	36.5	59.5	59.5	59.5	59.5
Belgium	68.5	68.7	67.8	68.5	65.0	67.8	67.8	67.8
Canada	41.9	31.9	44.5	77.0	37.4	37.4	37.4	31.9
Chile	7.0	7.0	10.2	7.0	7.0	7.0	7.0	7.0
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	29.2	29.2	36.5	29.2	29.2	29.2	29.2	29.2
Czech Republic	44.7	44.7	44.7	44.7	33.5	44.7	44.7	44.7
Denmark	38.7	48.6	55.5	36.9	48.6	48.6	48.6	48.6
Estonia	41.2	49.5	41.2	41.2	49.5	49.5	49.5	49.5
Finland	56.1	56.1	59.0	56.1	56.1	56.1	56.1	56.1
France	64.6	57.7	60.0	74.5	41.2	50.0	57.7	47.3
Germany	54.1	58.4	47.0	52.8	51.9	56.1	55.8	56.3
Greece	45.2	46.6	50.8	45.2	46.6	46.6	46.6	46.6
Hungary	41.2	41.2	41.2	41.2	41.2	41.2	41.2	41.2
Iceland	40.2	40.2	47.7	49.3	49.3	45.6	40.2	40.2
Ireland	35.6	53.6	56.8	74.2	53.6	53.6	53.6	53.6
Israel	36.8	36.8	50.7	40.9	36.8	36.8	36.8	36.8
Italy	56.1	62.7	63.7	56.1	62.7	62.7	62.7	62.7
Japan	33.1	37.3	38.0	52.5	37.3	37.3	37.3	37.3
Korea	30.3	31.0	33.0	23.3	31.0	31.0	31.0	31.0
Latvia	47.4	47.4	44.5	47.4	47.4	47.4	47.4	47.4
Lithuania	47.2	44.1	40.6	47.2	44.1	44.1	44.1	44.1
Luxembourg	53.2	58.5	56.5	60.9	45.9	58.5	58.5	58.5
Mexico	17.4	25.2	28.4	17.4	25.2	25.2	25.2	25.2
Netherlands	51.0	51.0	51.1	56.5	56.5	51.0	51.0	51.0
New Zealand	17.5	33.0	33.0	44.5	60.0	33.0	33.0	33.0
Norway	41.6	49.9	52.6	41.6	49.9	49.9	49.9	49.9
Poland	38.3	38.3	38.3	29.4	29.4	38.3	38.3	38.3
Portugal	46.7	51.1	58.0	46.7	46.7	49.5	51.1	49.5
Slovak Republic	45.9	45.9	49.1	41.4	45.9	45.9	45.9	45.9
Slovenia	43.6	50.3	55.0	43.6	43.6	43.6	43.6	50.3
Spain	44.3	47.9	53.8	44.3	47.9	47.9	47.9	47.9
Sweden	46.2	49.3	65.9	46.2	49.3	49.3	49.3	49.3
Switzerland	26.7	32.5	39.5	20.8	26.3	31.1	36.7	32.8
Türkiye	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8
United Kingdom	41.3	41.3	50.0	73.6	41.3	41.3	41.3	41.3
United States	31.5	40.8	42.7	52.3	31.5	31.5	40.8	31.5
<i>Unweighted average</i>								
OECD-Average	40.7	43.6	45.9	45.4	42.5	43.1	43.6	42.9
OECD-EU 22	48.4	51.4	52.1	49.6	48.5	50.5	50.9	50.7

Note: It is assumed that gross earnings of the principal earner in the household rise. The outcome may differ if the wage of the spouse goes up, especially if partners are taxed individually.

1. Two-earner couple.


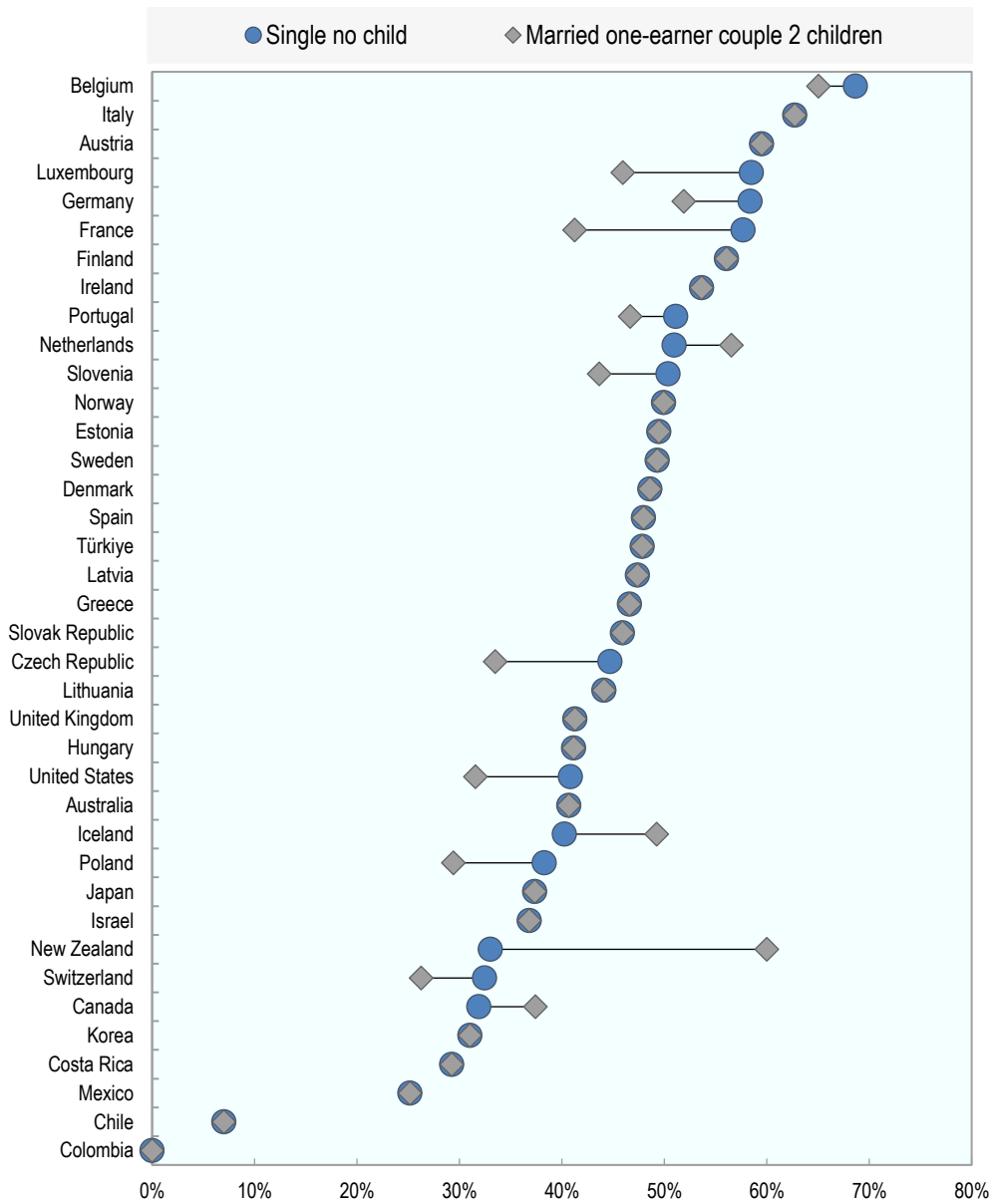
StatLink  <https://stat.link/3dhkl4>

Figure 3.6. Marginal rate of income tax plus employee and employer contributions less cash benefits, 2022

As % of labour costs, by household type



Note: The household type 'single no child' corresponds to a wage level of 100% of average wage and 'married one earner couple 2 children' corresponds to a combined wage level of 100%-0% of average wage.

Sources: OECD calculations based on country submissions and OECD Economic Outlook, Volume 2022 issue 2.

StatLink  <https://stat.link/638oqm>

Table 3.7. Marginal rate of income tax plus employee contributions less cash benefits, 2022

As % of gross wage earnings, by household type and wage level

	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	36.0	37.5	39.0	56.0	37.5	37.5	37.5	37.5
Austria	41.5	48.2	42.0	18.7	48.2	48.2	48.2	48.2
Belgium	55.6	60.2	59.0	55.6	55.6	59.0	59.0	59.0
Canada	35.4	29.7	43.4	74.4	35.4	35.4	35.4	29.7
Chile	7.0	7.0	10.2	7.0	7.0	7.0	7.0	7.0
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	10.5	10.5	19.7	10.5	10.5	10.5	10.5	10.5
Czech Republic	26.0	26.0	26.0	26.0	11.0	26.0	26.0	26.0
Denmark	38.7	48.6	55.5	36.9	48.6	48.6	48.6	48.6
Estonia	21.3	32.4	21.3	21.3	32.4	32.4	32.4	32.4
Finland	46.8	46.8	50.4	46.8	46.8	46.8	46.8	46.8
France	32.6	42.2	42.2	51.6	19.8	31.7	42.2	28.0
Germany	45.0	50.1	47.0	43.3	42.3	47.3	47.0	47.5
Greece	32.9	34.6	39.8	32.9	34.6	34.6	34.6	34.6
Hungary	33.5	33.5	33.5	33.5	33.5	33.5	33.5	33.5
Iceland	36.4	36.4	44.4	46.0	46.0	42.2	36.4	36.4
Ireland	28.5	48.5	52.0	71.4	48.5	48.5	48.5	48.5
Israel	32.0	32.0	47.0	36.4	32.0	32.0	32.0	32.0
Italy	42.3	51.0	52.2	42.3	51.0	51.0	51.0	51.0
Japan	22.8	27.7	34.1	45.2	27.7	27.7	27.7	27.7
Korea	22.6	23.4	28.6	14.9	23.4	23.4	23.4	23.4
Latvia	34.9	34.9	31.4	34.9	34.9	34.9	34.9	34.9
Lithuania	46.3	43.1	39.5	46.3	43.1	43.1	43.1	43.1
Luxembourg	46.8	52.7	50.5	55.4	38.5	52.7	52.7	52.7
Mexico	12.1	19.5	22.9	12.1	19.5	19.5	19.5	19.5
Netherlands	45.2	45.2	51.1	51.4	51.4	45.2	45.2	45.2
New Zealand	17.5	33.0	33.0	44.5	60.0	33.0	33.0	33.0
Norway	34.0	43.4	46.4	34.0	43.4	43.4	43.4	43.4
Poland	28.2	28.2	28.2	17.8	17.8	28.2	28.2	28.2
Portugal	34.0	39.5	48.0	34.0	34.0	37.5	39.5	37.5
Slovak Republic	29.9	29.9	34.0	24.0	29.9	29.9	29.9	29.9
Slovenia	34.6	42.4	47.8	34.6	34.6	34.6	34.6	42.4
Spain	27.6	32.4	40.0	27.6	32.4	32.4	32.4	32.4
Sweden	29.2	33.4	55.2	29.2	33.4	33.4	33.4	33.4
Switzerland	22.0	28.1	36.0	15.7	21.5	26.7	32.6	28.5
Türkiye	38.7	38.7	38.7	38.7	38.7	38.7	38.7	38.7
United Kingdom	32.7	32.7	42.7	69.7	32.7	32.7	32.7	32.7
United States	26.3	36.3	38.3	48.6	26.3	26.3	36.3	26.3
<i>Unweighted average</i>								
OECD-Average	31.2	35.3	38.7	36.6	33.8	34.6	35.2	34.5
OECD-EU 22	36.4	41.1	43.0	38.0	37.4	40.0	40.5	40.2

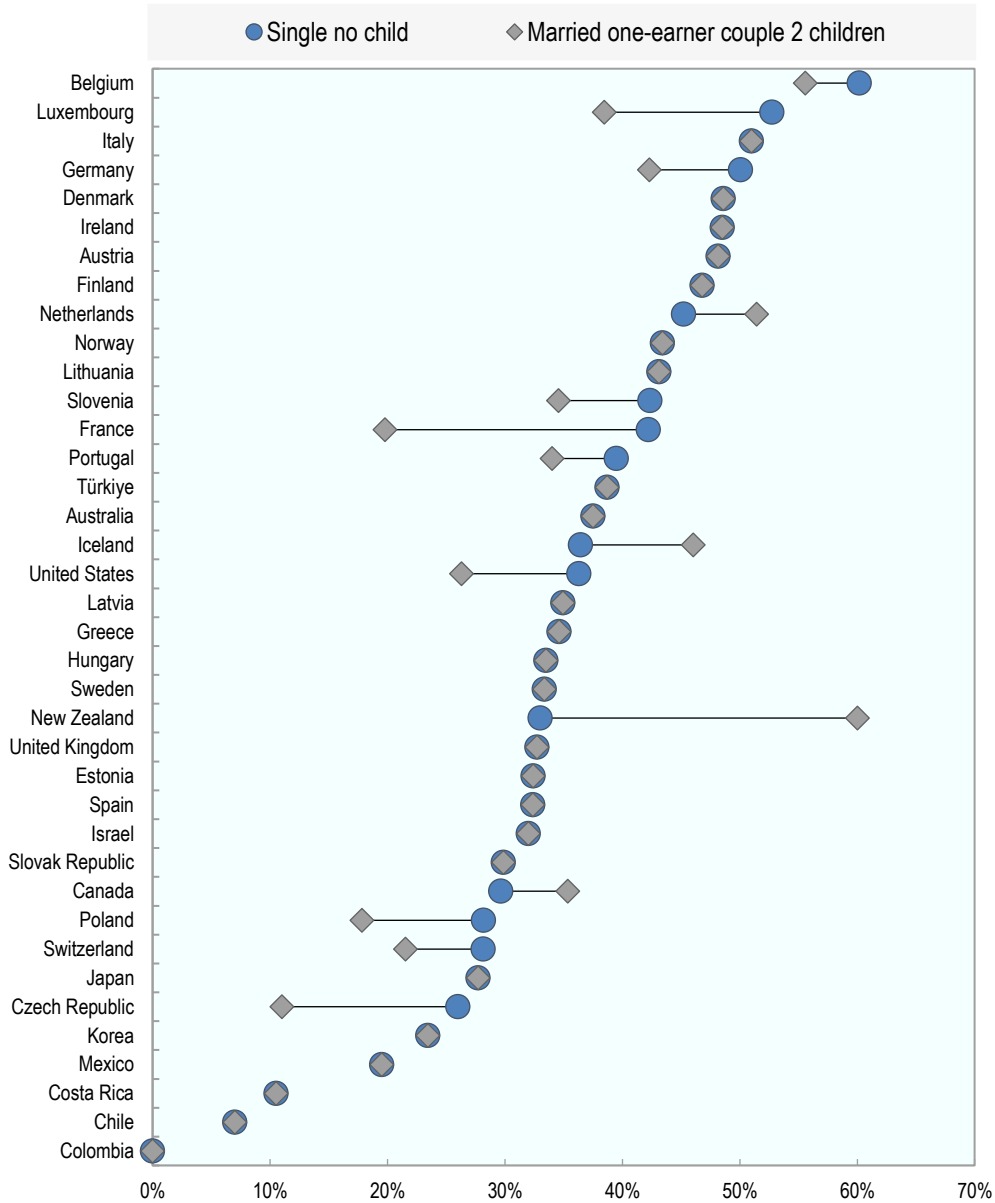
Note: It is assumed that gross earnings of the principal earner in the household rise. The outcome may differ if the wage of the spouse goes up, especially if partners are taxed individually.

1. Two-earner couple.

StatLink  <https://stat.link/e6zjhc>

Figure 3.7. Marginal rate of income tax plus employee contributions less cash benefits, 2022

As % of gross wage earnings, by household type



Note: The household type 'single no child' corresponds to a wage level of 100% of average wage and 'married one earner couple 2 children' corresponds to a combined wage level of 100%-0% of average wage.

Sources: OECD calculations based on country submissions and OECD Economic Outlook, Volume 2022 issue 2.

StatLink  <https://stat.link/4u05ar>

Table 3.8. Percentage increase in net income relative to percentage increase in gross wages, 2022
After an increase of 1 currency unit in gross wages, by household type and wage level

	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	0.77	0.81	0.87	0.42	0.74	0.79	0.81	0.79
Austria	0.79	0.76	0.93	0.79	0.58	0.63	0.67	0.74
Belgium	0.66	0.67	0.79	0.50	0.56	0.59	0.63	0.65
Canada	0.83	0.95	0.82	0.25	0.76	0.83	0.86	0.93
Chile	1.00	1.00	0.98	0.99	1.00	1.00	1.00	1.00
Colombia	1.00	1.00	1.00	0.93	0.95	0.95	0.95	1.00
Costa Rica	1.00	1.00	0.92	1.00	1.00	1.00	1.00	1.00
Czech Republic	0.88	0.92	0.95	0.67	0.86	0.84	0.86	0.90
Denmark	0.91	0.80	0.76	0.67	0.69	0.75	0.76	0.78
Estonia	0.90	0.83	1.00	0.75	0.73	0.76	0.78	0.80
Finland	0.69	0.77	0.81	0.60	0.72	0.71	0.75	0.74
France	0.88	0.80	0.87	0.47	0.97	0.86	0.76	0.97
Germany	0.81	0.80	0.92	0.66	0.72	0.74	0.78	0.81
Greece	0.81	0.85	0.85	0.74	0.81	0.83	0.85	0.84
Hungary	1.00	1.00	1.00	0.77	0.84	0.90	0.91	1.00
Iceland	0.84	0.89	0.84	0.62	0.64	0.78	0.89	0.87
Ireland	0.86	0.71	0.76	0.29	0.59	0.64	0.68	0.67
Israel	0.78	0.84	0.75	0.63	0.79	0.76	0.78	0.81
Italy	0.73	0.69	0.79	0.59	0.57	0.60	0.64	0.66
Japan	0.97	0.93	0.89	0.57	0.86	0.89	0.90	0.92
Korea	0.88	0.91	0.89	0.91	0.87	0.87	0.89	0.90
Latvia	0.84	0.89	0.97	0.66	0.74	0.78	0.81	0.87
Lithuania	0.80	0.90	1.00	0.67	0.79	0.81	0.84	0.88
Luxembourg	0.69	0.70	0.82	0.45	0.68	0.59	0.63	0.64
Mexico	0.96	0.91	0.92	0.96	0.91	0.90	0.91	0.90
Netherlands	0.68	0.76	0.76	0.46	0.62	0.68	0.72	0.72
New Zealand	0.97	0.84	0.90	0.48	0.43	0.82	0.84	0.82
Norway	0.86	0.78	0.81	0.75	0.74	0.74	0.76	0.76
Poland	0.90	0.93	0.96	0.73	0.80	0.79	0.82	0.92
Portugal	0.86	0.84	0.80	0.72	0.78	0.81	0.81	0.85
Slovak Republic	0.89	0.93	0.90	0.78	0.74	0.82	0.85	0.91
Slovenia	0.93	0.87	0.83	0.67	0.79	0.88	0.92	0.85
Spain	0.87	0.86	0.83	0.75	0.79	0.82	0.84	0.84
Sweden	0.89	0.88	0.68	0.79	0.81	0.82	0.84	0.86
Switzerland	0.92	0.88	0.84	0.85	0.83	0.84	0.80	0.88
Türkiye	0.77	0.83	0.89	0.77	0.83	0.80	0.83	0.80
United Kingdom	0.83	0.88	0.82	0.33	0.83	0.83	0.86	0.86
United States	0.94	0.85	0.88	0.55	0.85	0.90	0.81	0.95
<i>Unweighted average</i>								
OECD-Average	0.86	0.85	0.87	0.66	0.77	0.80	0.82	0.84
OECD-EU 22	0.83	0.82	0.86	0.64	0.74	0.76	0.78	0.81

Note: Net income is calculated as gross earnings minus personal income tax and employees' social security contributions plus family benefits. The increase reported in the Table represents a form of elasticity. In a proportional tax system the elasticity would equal 1. The more progressive the system at these income levels, the lower is the elasticity. The reported elasticities in Table 3.8 are calculated as $(100 - \text{METR}) / (100 - \text{AETR})$, where METR is the marginal rate of income tax plus employee social security contributions less cash benefits reported in Table 3.7 and AETR is the average rate plus employee social security contributions less cash benefits reported in Table 3.3.

1. Two-earner couple. Assumes a rise in the labour costs associated with the principal earner in the household.

Table 3.9. Percentage increase in net income relative to percentage increase in gross labour cost, 2022

After an increase of 1 currency unit in gross labour cost, by household type and wage level

	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	0.77	0.81	0.87	0.42	0.74	0.79	0.81	0.79
Austria	0.79	0.76	1.10	0.79	0.58	0.63	0.67	0.74
Belgium	0.59	0.67	0.79	0.45	0.56	0.59	0.63	0.65
Canada	0.83	1.00	0.86	0.25	0.80	0.88	0.91	0.99
Chile	1.00	1.00	0.98	0.99	1.00	1.00	1.00	1.00
Colombia	1.00	1.00	1.00	0.93	0.95	0.95	0.95	1.00
Costa Rica	1.00	1.00	0.92	1.00	1.00	1.00	1.00	1.00
Czech Republic	0.88	0.92	0.95	0.67	0.86	0.84	0.86	0.90
Denmark	0.91	0.80	0.76	0.67	0.69	0.75	0.76	0.78
Estonia	0.90	0.83	1.00	0.75	0.73	0.76	0.78	0.80
Finland	0.69	0.77	0.81	0.60	0.72	0.71	0.75	0.74
France	0.60	0.80	0.87	0.32	0.97	0.84	0.76	0.95
Germany	0.81	0.80	1.06	0.66	0.72	0.74	0.78	0.81
Greece	0.81	0.85	0.85	0.74	0.81	0.83	0.85	0.84
Hungary	1.00	1.00	1.00	0.77	0.84	0.90	0.91	1.00
Iceland	0.84	0.89	0.84	0.62	0.64	0.78	0.89	0.87
Ireland	0.86	0.71	0.76	0.29	0.59	0.64	0.68	0.67
Israel	0.76	0.83	0.74	0.61	0.77	0.75	0.77	0.79
Italy	0.73	0.69	0.79	0.59	0.57	0.60	0.64	0.66
Japan	0.97	0.93	0.96	0.57	0.86	0.89	0.90	0.92
Korea	0.88	0.91	0.92	0.91	0.87	0.87	0.89	0.90
Latvia	0.84	0.89	0.97	0.66	0.74	0.78	0.81	0.87
Lithuania	0.80	0.90	1.00	0.67	0.79	0.81	0.84	0.88
Luxembourg	0.69	0.70	0.82	0.45	0.68	0.59	0.63	0.64
Mexico	1.02	0.94	0.94	1.02	0.94	0.94	0.94	0.94
Netherlands	0.68	0.76	0.83	0.46	0.62	0.68	0.72	0.73
New Zealand	0.97	0.84	0.90	0.48	0.43	0.82	0.84	0.82
Norway	0.86	0.78	0.81	0.75	0.74	0.74	0.76	0.76
Poland	0.90	0.93	0.96	0.73	0.80	0.79	0.82	0.92
Portugal	0.86	0.84	0.80	0.72	0.78	0.81	0.81	0.85
Slovak Republic	0.89	0.93	0.90	0.78	0.74	0.82	0.85	0.91
Slovenia	0.93	0.87	0.83	0.67	0.79	0.88	0.92	0.85
Spain	0.87	0.86	0.83	0.75	0.79	0.82	0.84	0.84
Sweden	0.89	0.88	0.68	0.79	0.81	0.82	0.84	0.86
Switzerland	0.92	0.88	0.84	0.85	0.83	0.84	0.80	0.88
Türkiye	0.77	0.83	0.89	0.77	0.83	0.80	0.83	0.80
United Kingdom	0.80	0.86	0.81	0.32	0.81	0.81	0.83	0.83
United States	0.95	0.85	0.88	0.55	0.85	0.91	0.81	0.96
<i>Unweighted average</i>								
OECD-Average	0.85	0.85	0.88	0.66	0.77	0.80	0.82	0.85
OECD-EU 22	0.82	0.82	0.88	0.64	0.74	0.76	0.78	0.81

Note: Net income is calculated as gross earnings minus personal income tax and employees' social security contributions plus family benefits. The increase reported in the Table represents a form of elasticity. In a proportional tax system the elasticity would equal 1. The more progressive the system at these income levels, the lower is the elasticity. The reported elasticities in Table 3.9 are calculated as $(100 - \text{METR}) / (100 - \text{AETR})$, where METR is the marginal rate of income tax plus employee and employer social security contributions less cash benefits reported in Table 3.6 and AETR is the average rate plus employee and employer social security contributions less cash benefits reported in Table 3.1.

1. Two-earner couple. Assumes a rise in the labour costs associated with the principal earner in the household.

Table 3.10. Annual gross wage and net income, single person, 2022

In US dollars using PPP, by household type and wage level

	Single no children 67 (% AW)		Single no children 100 (% AW)		Single no children 167 (% AW)		Single 2 children 67 (% AW)	
	Total gross earnings before taxes	Net income after taxes	Total gross earnings before taxes	Net income after taxes	Total gross earnings before taxes	Net income after taxes	Total gross earnings before taxes	Net income after taxes
Australia	43 855	36 385	65 455	50 403	109 309	77 002	43 855	45 832
Austria	46 365	34 457	69 202	47 090	115 567	71 969	46 365	47 929
Belgium	49 763	33 598	74 273	44 305	124 037	64 389	49 763	44 191
Canada	43 511	33 775	64 941	48 314	108 452	74 549	43 511	44 613
Chile	17 902	16 648	26 719	24 848	44 620	40 924	17 902	16 811
Colombia	9 812	9 812	14 644	14 644	24 456	24 456	9 812	10 514
Costa Rica	18 873	16 891	28 169	25 211	47 042	40 873	18 873	16 891
Czech Republic	24 395	20 428	36 411	29 319	60 806	47 371	24 395	26 912
Denmark	46 861	31 458	69 941	45 104	116 802	68 666	46 861	44 229
Estonia	22 846	20 031	34 099	27 828	56 945	44 827	22 846	23 901
Finland	41 391	31 703	61 778	42 550	103 169	63 192	41 391	36 467
France	39 828	30 487	59 445	43 006	99 273	66 021	39 828	40 994
Germany	50 342	34 000	75 137	47 013	125 479	72 606	50 342	43 261
Greece	23 967	19 813	35 772	27 550	59 739	42 292	23 967	21 845
Hungary	26 493	17 618	39 542	26 296	66 036	43 914	26 493	22 837
Iceland	49 511	37 558	73 897	53 060	123 407	81 685	49 511	43 141
Ireland	46 648	38 593	69 624	50 473	116 272	73 550	46 648	46 475
Israel	30 833	26 893	46 020	37 219	76 853	54 519	30 833	31 123
Italy	35 844	28 232	53 498	38 087	89 342	54 270	35 844	34 869
Japan	36 025	28 601	53 769	41 776	89 794	66 174	36 025	34 426
Korea	40 260	35 254	60 090	50 569	100 350	80 254	40 260	37 520
Latvia	21 349	16 575	31 864	23 416	53 212	37 645	21 349	21 139
Lithuania	27 944	18 824	41 708	26 229	69 652	42 139	27 944	22 546
Luxembourg	55 382	42 732	82 660	56 104	138 042	83 307	55 382	54 268
Mexico	10 187	9 310	15 204	13 489	25 391	21 373	10 187	9 310
Netherlands	51 345	41 514	76 635	55 373	127 980	81 765	51 345	54 127
New Zealand	31 851	27 173	47 539	37 966	79 390	59 306	31 851	36 994
Norway	47 387	36 202	70 726	51 384	118 113	77 748	47 387	41 457
Poland	25 790	20 612	38 493	29 735	64 283	48 257	25 790	29 015
Portugal	25 826	19 808	38 546	27 699	64 371	41 653	25 826	23 736
Slovak Republic	19 237	15 101	28 711	21 748	47 948	35 045	19 237	18 706
Slovenia	27 803	19 474	41 498	27 560	69 301	43 575	27 803	27 098
Spain	31 503	26 184	47 019	36 962	78 522	57 134	31 503	30 505
Sweden	38 479	30 584	57 432	43 496	95 911	62 672	38 479	34 277
Switzerland	63 382	53 705	94 601	77 082	157 983	120 922	63 382	63 031
Türkiye	19 655	15 705	29 336	21 639	48 991	33 686	19 655	15 705
United Kingdom	42 970	34 737	64 134	48 972	107 104	74 441	42 970	38 948
United States	43 476	34 028	64 889	48 793	108 365	76 360	43 476	40 666
<i>Unweighted average</i>								
OECD-Average	34 971	27 487	52 195	38 482	87 166	59 225	34 971	33 587
OECD-EU 22	35 427	26 901	52 877	37 134	88 304	56 648	35 427	34 060

StatLink  <https://stat.link/psinrv>

Table 3.11. Annual gross wage and net income, married couple, 2022

In US dollars using PPP, by household type and wage level

	Married 2 children 100-0 (% AW)		Married 2 children 100-67 (% AW) ¹		Married 2 children 100-100 (% AW) ¹		Married no children 100-67 (% AW) ¹	
	Total gross earnings before taxes	Net income after taxes	Total gross earnings before taxes	Net income after taxes	Total gross earnings before taxes	Net income after taxes	Total gross earnings before taxes	Net income after taxes
Australia	65 455	55 015	109 309	86 788	130 909	100 805	109 309	86 788
Austria	69 202	61 802	115 567	94 526	138 404	107 159	115 567	81 350
Belgium	74 273	58 674	124 037	85 653	148 547	96 636	124 037	78 011
Canada	64 941	55 483	108 452	84 699	129 883	98 020	108 452	82 089
Chile	26 719	24 848	44 620	41 659	53 437	49 697	44 620	41 497
Colombia	14 644	15 347	24 456	25 861	29 289	30 694	24 456	24 456
Costa Rica	28 169	25 211	47 042	42 102	56 337	50 422	47 042	42 102
Czech Republic	36 411	37 643	60 806	53 884	72 821	62 775	60 806	49 746
Denmark	69 941	51 751	116 802	80 548	139 883	94 194	116 802	76 563
Estonia	34 099	31 651	56 945	50 945	68 197	58 743	56 945	47 859
Finland	61 778	45 466	103 169	77 169	123 556	88 017	103 169	74 253
France	59 445	49 325	99 273	78 520	118 890	90 758	99 273	73 849
Germany	75 137	60 511	125 479	89 071	150 275	102 399	125 479	81 328
Greece	39 349	31 921	65 713	51 730	78 698	60 219	65 713	51 288
Hungary	39 542	31 289	66 036	48 908	79 085	57 585	66 036	43 914
Iceland	73 897	61 912	123 407	91 601	147 793	106 119	123 407	90 618
Ireland	69 624	61 251	116 272	93 394	139 248	105 226	116 272	89 113
Israel	46 020	39 776	76 853	68 630	92 039	80 206	76 853	64 469
Italy	53 498	45 846	89 342	73 588	106 996	82 541	89 342	66 320
Japan	53 769	45 029	89 794	72 881	107 538	86 056	89 794	70 377
Korea	60 090	53 113	100 350	88 068	120 180	103 384	100 350	85 823
Latvia	31 864	27 980	53 212	44 555	63 728	51 396	53 212	39 992
Lithuania	41 708	29 951	69 652	48 775	83 416	56 180	69 652	45 052
Luxembourg	82 660	75 165	138 042	110 188	165 320	123 386	138 042	101 222
Mexico	15 204	13 489	25 391	22 799	30 409	26 979	25 391	22 799
Netherlands	76 635	60 463	127 980	103 313	153 269	117 172	127 980	96 888
New Zealand	47 539	43 788	79 390	65 139	95 077	75 932	79 390	65 139
Norway	70 726	54 069	118 113	90 271	141 453	105 453	118 113	87 586
Poland	38 493	39 454	64 283	58 169	76 985	67 292	64 283	50 347
Portugal	38 546	32 622	64 371	49 752	77 091	57 539	64 371	47 611
Slovak Republic	28 711	27 250	47 948	40 881	57 423	47 527	47 948	36 849
Slovenia	41 498	34 256	69 301	51 786	82 995	59 057	69 301	47 034
Spain	47 019	40 051	78 522	64 668	94 038	75 445	78 522	63 146
Sweden	57 432	47 189	95 911	77 773	114 864	90 685	95 911	74 080
Switzerland	94 601	88 956	157 983	138 325	189 201	160 370	157 983	129 095
Türkiye	29 336	21 639	48 991	37 344	58 672	43 277	48 991	37 344
United Kingdom	64 134	52 074	107 104	86 446	128 268	100 681	107 104	83 710
United States	64 889	56 250	108 365	88 291	129 778	102 040	108 365	83 838
<i>Unweighted average</i>								
OECD-Average	52 289	44 408	87 323	69 966	104 579	80 844	87 323	66 146
OECD-EU 22	53 039	44 614	88 576	69 445	106 079	79 633	88 576	64 355

1. Two-earner couple.

Table 3.12. Annual labour costs and net income, single person, 2022

In US dollars using PPP, by household type and wage level

	Single no children 67 (% AW)		Single no children 100 (% AW)		Single no children 167 (% AW)		Single 2 children 67 (% AW)	
	Total gross labour costs before taxes	Net income after taxes	Total gross labour costs before taxes	Net income after taxes	Total gross labour costs before taxes	Net income after taxes	Total gross labour costs before taxes	Net income after taxes
Australia	46 194	36 385	68 947	50 403	115 141	77 002	46 194	45 832
Austria	59 328	34 457	88 550	47 090	145 506	71 969	59 328	47 929
Belgium	62 801	33 598	94 362	44 305	157 585	64 389	62 801	44 191
Canada	48 218	33 775	70 907	48 314	115 463	74 549	48 218	44 613
Chile	17 902	16 648	26 719	24 848	44 620	40 924	17 902	16 811
Colombia	9 812	9 812	14 644	14 644	24 456	24 456	9 812	10 514
Costa Rica	23 874	16 891	35 633	25 211	59 508	40 873	23 874	16 891
Czech Republic	32 641	20 428	48 717	29 319	81 358	47 371	32 641	26 912
Denmark	46 861	31 458	69 941	45 104	116 802	68 666	46 861	44 229
Estonia	30 568	20 031	45 624	27 828	76 192	44 827	30 568	23 901
Finland	50 133	31 703	74 825	42 550	124 958	63 192	50 133	36 467
France	51 380	30 487	81 140	43 006	143 251	66 021	51 380	40 994
Germany	60 398	34 000	90 146	47 013	145 114	72 606	60 398	43 261
Greece	29 334	19 813	43 783	27 550	73 117	42 292	29 334	21 845
Hungary	29 937	17 618	44 683	26 296	74 620	43 914	29 937	22 837
Iceland	52 655	37 558	78 589	53 060	131 244	81 685	52 655	43 141
Ireland	51 803	38 593	77 318	50 473	129 121	73 550	51 803	46 475
Israel	32 356	26 893	48 697	37 219	81 873	54 519	32 356	31 123
Italy	47 163	28 232	70 393	38 087	117 556	54 270	47 163	34 869
Japan	41 559	28 601	62 028	41 776	102 816	66 174	41 559	34 426
Korea	44 690	35 254	66 702	50 569	110 387	80 254	44 690	37 520
Latvia	26 393	16 575	39 389	23 416	65 774	37 645	26 393	21 139
Lithuania	28 444	18 824	42 454	26 229	70 899	42 139	28 444	22 546
Luxembourg	63 047	42 732	94 100	56 104	157 147	83 307	63 047	54 268
Mexico	11 551	9 310	16 947	13 489	27 906	21 373	11 551	9 310
Netherlands	57 566	41 514	85 828	55 373	138 104	81 765	57 566	54 127
New Zealand	31 851	27 173	47 539	37 966	79 390	59 306	31 851	36 994
Norway	53 547	36 202	79 921	51 384	133 468	77 748	53 547	41 457
Poland	30 012	20 612	44 795	29 735	74 807	48 257	30 012	29 015
Portugal	31 959	19 808	47 700	27 699	79 659	41 653	31 959	23 736
Slovak Republic	24 950	15 101	37 239	21 748	62 189	35 045	24 950	18 706
Slovenia	32 280	19 474	48 179	27 560	80 458	43 575	32 280	27 098
Spain	40 922	26 184	61 078	36 962	102 000	57 134	40 922	30 505
Sweden	50 570	30 584	75 477	43 496	126 047	62 672	50 570	34 277
Switzerland	67 439	53 705	100 655	77 082	167 980	120 922	67 439	63 031
Türkiye	23 095	15 705	34 470	21 639	57 565	33 686	23 095	15 705
United Kingdom	47 302	34 737	71 544	48 972	120 761	74 441	47 302	38 948
United States	47 123	34 028	70 174	48 793	116 976	76 360	47 123	40 666
<i>Unweighted average</i>								
OECD-Average	40 465	27 487	60 522	38 482	100 837	59 225	40 465	33 587
OECD-EU 22	42 659	26 901	63 896	37 134	106 467	56 648	42 659	34 060

StatLink  <https://stat.link/z0lv9t>

Table 3.13. Annual labour costs and net income, married couple, 2022

In US dollars using PPP, by household type and wage level

	Married 2 children 100-0 (% AW)		Married 2 children 100-67 (% AW) ¹		Married 2 children 100-100 (% AW) ¹		Married no children 100-67 (% AW) ¹	
	Total gross labour costs before taxes	Net income after taxes	Total gross labour costs before taxes	Net income after taxes	Total gross labour costs before taxes	Net income after taxes	Total gross labour costs before taxes	Net income after taxes
Australia	68 947	55 015	115 141	86 788	137 893	100 805	115 141	86 788
Austria	88 550	61 802	147 878	94 526	177 100	107 159	147 878	81 350
Belgium	94 362	58 674	157 163	85 653	188 725	96 636	157 163	78 011
Canada	70 907	55 483	119 125	84 699	141 814	98 020	119 125	82 089
Chile	26 719	24 848	44 620	41 659	53 437	49 697	44 620	41 497
Colombia	14 644	15 347	24 456	25 861	29 289	30 694	24 456	24 456
Costa Rica	35 633	25 211	59 508	42 102	71 267	50 422	59 508	42 102
Czech Republic	48 717	37 643	81 358	53 884	97 435	62 775	81 358	49 746
Denmark	69 941	51 751	116 802	80 548	139 883	94 194	116 802	76 563
Estonia	45 624	31 651	76 192	50 945	91 248	58 743	76 192	47 859
Finland	74 825	45 466	124 958	77 169	149 651	88 017	124 958	74 253
France	81 140	49 325	132 520	78 520	162 280	90 758	132 520	73 849
Germany	90 146	60 511	150 544	89 071	180 292	102 399	150 544	81 328
Greece	48 161	31 921	80 429	51 730	96 322	60 219	80 429	51 288
Hungary	44 683	31 289	74 620	48 908	89 366	57 585	74 620	43 914
Iceland	78 589	61 912	131 244	91 601	157 178	106 119	131 244	90 618
Ireland	77 318	61 251	129 121	93 394	154 635	105 226	129 121	89 113
Israel	48 697	39 776	81 053	68 630	97 393	80 206	81 053	64 469
Italy	70 393	45 846	117 556	73 588	140 785	82 541	117 556	66 320
Japan	62 028	45 029	103 586	72 881	124 055	86 056	103 586	70 377
Korea	66 702	53 113	111 392	88 068	133 404	103 384	111 392	85 823
Latvia	39 389	27 980	65 782	44 555	78 777	51 396	65 782	39 992
Lithuania	42 454	29 951	70 899	48 775	84 909	56 180	70 899	45 052
Luxembourg	94 100	75 165	157 147	110 188	188 200	123 386	157 147	101 222
Mexico	16 947	13 489	28 498	22 799	33 894	26 979	28 498	22 799
Netherlands	85 828	60 463	143 395	103 313	171 657	117 172	143 395	96 888
New Zealand	47 539	43 788	79 390	65 139	95 077	75 932	79 390	65 139
Norway	79 921	54 069	133 468	90 271	159 842	105 453	133 468	87 586
Poland	44 795	39 454	74 807	58 169	89 589	67 292	74 807	50 347
Portugal	47 700	32 622	79 659	49 752	95 400	57 539	79 659	47 611
Slovak Republic	37 239	27 250	62 189	40 881	74 477	47 527	62 189	36 849
Slovenia	48 179	34 256	80 458	51 786	96 357	59 057	80 458	47 034
Spain	61 078	40 051	102 000	64 668	122 156	75 445	102 000	63 146
Sweden	75 477	47 189	126 047	77 773	150 954	90 685	126 047	74 080
Switzerland	100 655	88 956	168 094	138 325	201 310	160 370	168 094	129 095
Türkiye	34 470	21 639	57 565	37 344	68 940	43 277	57 565	37 344
United Kingdom	71 544	52 074	118 846	86 446	143 087	100 681	118 846	83 710
United States	70 174	56 250	117 297	88 291	140 349	102 040	117 297	83 838
<i>Unweighted average</i>								
OECD-Average	60 637	44 408	101 179	69 966	121 274	80 844	101 179	66 146
OECD-EU 22	64 095	44 614	106 887	69 445	128 191	79 633	106 887	64 355

1. Two-earner couple.

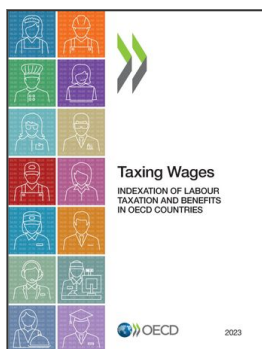
Notes

¹ Tables 3.1 to 3.7 show figures rounded to the first decimal. Due to rounding, changes in percentage points that are presented in the text may differ by one-tenth of a percentage point relative to those in the Tables.

² In Colombia, the general social security system for healthcare is financed by public and private funds. The pension system is a hybrid of two different systems: a defined-contribution, fully-funded pension system; and a pay-as-you-go system. Each of those contributions are mandatory and more than 50% of total contributions are made to privately managed funds. Therefore, they are considered to be non-tax compulsory payments (NTCPs) (further information is available in the country details in Part II of the report). In addition, in Colombia, all payments for employment risk are made to privately managed funds and are considered to be NTCPs. Other countries also have NTCPs (please see <https://www.oecd.org/tax/tax-policy/tax-database/>).

³ The reported elasticities in Table 3.8 are calculated as $(100 - \text{METR}) / (100 - \text{AETR})$, where METR is the marginal rate of income tax plus employee social security contributions less cash benefits reported in Table 3.7 and AETR is the average rate of income tax plus employee social security contributions less cash benefits reported in Table 3.3.

⁴ The reported elasticities in Table 3.9 are calculated as $(100 - \text{METR}) / (100 - \text{AETR})$, where METR is the marginal rate of income tax plus employee and employer social security contributions less cash benefits reported in Table 3.6 and AETR is the average rate of income tax plus employee and employer social security contributions less cash benefits reported in Table 3.1.



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