

3

Effective tax rates on labour income in 2023

The effective tax rates on labour income in 2023 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 OECD countries in 2023, 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* employer SSCs (including payroll taxes). In the case of a single person on the average wage (AW), the tax wedge ranged from zero (Colombia) and 7.1% (Chile) to 47.9% (Germany) and 52.7% (Belgium). For a one-earner married couple with two children, at the average wage level, the tax wedge was lowest in Colombia (-4.9%) and highest in France (39.1%) and Finland (39.8%). 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 (-12.1%) and Colombia (-7.3%). 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 2023, 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 SSCs were seen in Lithuania (37.8%) and Belgium (39.9%). The lowest average rates were in Colombia (0.0%), Chile (7.1%), Costa Rica (10.7%), Mexico (11.0%), Korea (16.2%), Switzerland (18.6%), Israel (18.8%), Estonia (18.9%) and Czechia (20.0%).

Table 3.3 shows personal income tax and employee SSCs, reduced by the entitlement to cash benefits, for each household type in 2023. 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 2023. In New Zealand, France and Estonia, these represented more than 25% of gross earnings (28.4%, 27.9% and 26.5%, 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 14.2% 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 means testing.

Table 3.4 shows personal income tax due as a percentage of gross wage earnings in 2023. For single persons without children at the average wage (column 2), the income tax burden ranged from 0.0% (Colombia and Costa Rica) to 36.0% (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, Chile, Czechia, Germany, Luxembourg, Poland, Portugal, the Slovak Republic, Slovenia, Switzerland and the United States). There was no difference in a further ten countries: Australia, Colombia, Costa Rica, Finland, Lithuania, Mexico, New Zealand, Norway, Sweden and Türkiye. In Colombia and Costa Rica, neither a single worker on the average wage nor a one-earner married couple at the average wage paid personal income taxes.

There were three OECD countries where the personal income tax rate for a married worker at the average wage with two children was negative in 2023: Poland (-1.1%) Czechia (-6.4%) and Slovak Republic (-14.1%). This was due to the presence of non-wastable tax credits, whereby credits were paid in excess of

the taxes otherwise due. Similarly, single parents with two children earning 67% of the average wage showed a negative tax burden in eight countries: Austria, Czechia, 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 was employed at 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 20 countries, the largest differences being in Germany (9.3 percentage points [p.p.]) and the Slovak Republic (12.0 p.p.). The income tax burden was lower in fifteen countries, the largest differences being in the Netherlands (-4.7 p.p.), Finland and Israel (both -3.1 p.p.). 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 counterpart 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 2023. In Colombia, neither the average single worker nor their counterpart 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 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 three OECD countries: Chile (0.0%), Costa Rica (0.0%), and the Netherlands (23.1%).

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 31.8% lower than their counterparts at 167%, compared to the OECD average tax savings of 47.3% for personal income taxes alone in 2023. 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 20.2% 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 2023. 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 on all earnings, without a minimum earnings threshold. Although a number of OECD member countries apply a ceiling to SSCs, this usually applies to wage levels higher than 167% of the AW. As a result, the contribution on earnings tends to be flat between 67% and 167% of average wage for most countries. A constant proportional burden for employee SSCs for the eight household types was observed in Slovenia (22.1%), Lithuania (19.5%), Hungary (18.5%), Poland (17.8%), Türkiye (15.0%), Greece (13.9%), the Slovak Republic (13.4%), Czechia and Portugal (both 11.0%), Costa Rica (10.7%), Latvia (10.5%), Norway (7.9%), the United States (7.7%), Chile (7.0%), Spain (6.5%), Ireland (4.0%) and Estonia (1.6%). In addition, at the average wage level, Belgium and Germany imposed different levels of SSCs on employees according to their family status (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 2023. 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 earning the average wage without children in 2023. However, in six OECD countries, these individuals faced marginal wedges above 55%: Finland (57.2%), Luxembourg (57.9%), France (58.2%), Austria (58.8%), Italy (62.6%) and Belgium (65.0%). By contrast, Chile (10.3%) had the lowest marginal tax wedge in 2023. For Colombia, no income tax was paid at the average wage level in 2023 while SSCs are considered as non-tax compulsory payments and are thus not included in the *Taxing Wages* calculations.²

In twenty-seven OECD member countries, the **marginal tax wedge** for a one-earner married couple at average earnings with two children was either the same as that for a single worker at average wage with no children or within 5 p.p. thereof. The marginal tax wedge was more than 5 p.p. points lower for one-earner married couples in seven countries: France (16.2 p.p.), Luxembourg (12.5 p.p.), the United States (9.3 p.p.), Germany (7.4 p.p.), Slovenia (6.7 p.p.), Switzerland (6.2 p.p.) and Portugal (6.1 p.p.). In contrast, the marginal rate for one-earner married couples with two children was more than 5 p.p. higher than for single workers with no children in Canada (5.5 p.p.), the Netherlands (5.6 p.p.), Iceland (9.0 p.p.) and New Zealand (27.0 p.p.). 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 2023. As with the marginal tax wedge (Table 3.6), personal income tax and employee SSCs absorb between 25% and 55% of a worker's pay rise for single individuals without children at the average wage level in most countries. The marginal tax rate for the average worker was higher than 55% only in Belgium (55.6%) and lower than 25% in Chile (10.3%), Costa Rica (10.7%), Mexico (19.4%) and Korea (23.5%). 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-seven 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 p.p. of that for single persons with no children. The marginal rate was more than 5 p.p. lower for the one-earner married couples in seven countries: France (22.1 p.p.), Luxembourg (14.3 p.p.), the United States (10.0 p.p.), Germany (8.2 p.p.), Slovenia (7.8 p.p.), Portugal (7.5 p.p.) and Switzerland (6.6 p.p.). In contrast, the marginal rate for one-earner married couples with two children was more than 5 p.p. higher than it was for single persons with no children in Canada (5.7 p.p.), the Netherlands (6.2 p.p.), Iceland (9.6 p.p.) and New Zealand (27.0 p.p.). Similar to the marginal tax wedges, these higher net personal 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 2023, 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 2023 were found in New Zealand (0.45), Belgium and Italy (both 0.56), Ireland (0.59)

and the Netherlands (0.60). In contrast, Chile (0.99), France (0.95) and Mexico (0.90) either implemented or were close to a proportional system of income tax plus employee SSCs for this household type. For Colombia (0.95) and Costa Rica (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 2023.⁴ 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. The elasticity was below 0.50 for single parents earning 67% of the average wage level in Spain (0.5), Luxembourg (0.47), Australia and the Netherlands (both 0.45), Belgium (0.44), New Zealand (0.38), the United Kingdom (0.32), France (0.31) and Canada (0.22) and for one-earner married couples at the average wage level with two children in New Zealand (0.45). 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, Germany and Hungary, and one household type in Estonia and Lithuania for the single worker earning 167% of the average wage (1.0). Using this elasticity measure, the income tax system was regressive for a single individual at 167% of the average wage in Mexico (1.01), Germany (1.04) and Austria (1.08), and for a single individual at 100% of the average wage in Mexico (1.01).

Table 3.10 and Table 3.11 set out gross wage earnings and net income for the eight household types in 2023, after all amounts have been converted into U.S. dollars with the same purchasing power. Single workers earning the average wage had a net income above USD 50 000 in fourteen countries: Switzerland (USD 81 465), Norway (USD 59 594), the Netherlands (USD 56 816), Korea (USD 55 956), Luxembourg (USD 55 929), Iceland (USD 55 620), Ireland (USD 55 475), Canada (USD 54 408), the United Kingdom (USD 52 790), Denmark (USD 52 734), Australia (USD 52 668), Austria (USD 51 228), Germany (USD 50 959) and the United States (USD 50 954) (Table 3.10 column 4). The lowest levels (below USD 20 000) were in Mexico (USD 14 998) and Colombia (USD 16 615). In the case of a one-earner married couple with two children at the average wage level, families had net incomes above USD 60 000 in Austria, Belgium, Canada, Denmark, Germany, Iceland, Ireland, Korea, Luxembourg, the Netherlands, Norway and Switzerland, with the lowest level again being in Colombia and Mexico (Table 3.11). With the exceptions of Costa Rica, Mexico and Türkiye, the net income for the one-earner married couple in OECD countries was higher than for 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 2023. 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 Iceland (USD 81 460), Denmark (USD 82 890), France (USD 83 034), Ireland (USD 85 515), the Netherlands (USD 87 599), Norway (USD 93 654), Luxembourg (USD 95 331), Austria (USD 97 182), Germany (USD 97 722), Belgium (USD 103 494) and Switzerland (USD 106 452), and lowest (less than USD 30 000) in Colombia (USD 16 615), Mexico (USD 18 743) and Chile (USD 29 325). Annual labour costs are equal to annual gross wage in Chile, Colombia 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 and Colombia are subject to non-tax compulsory payments.

Table 3.1. Income tax plus employee and employer contributions less cash benefits, 2023

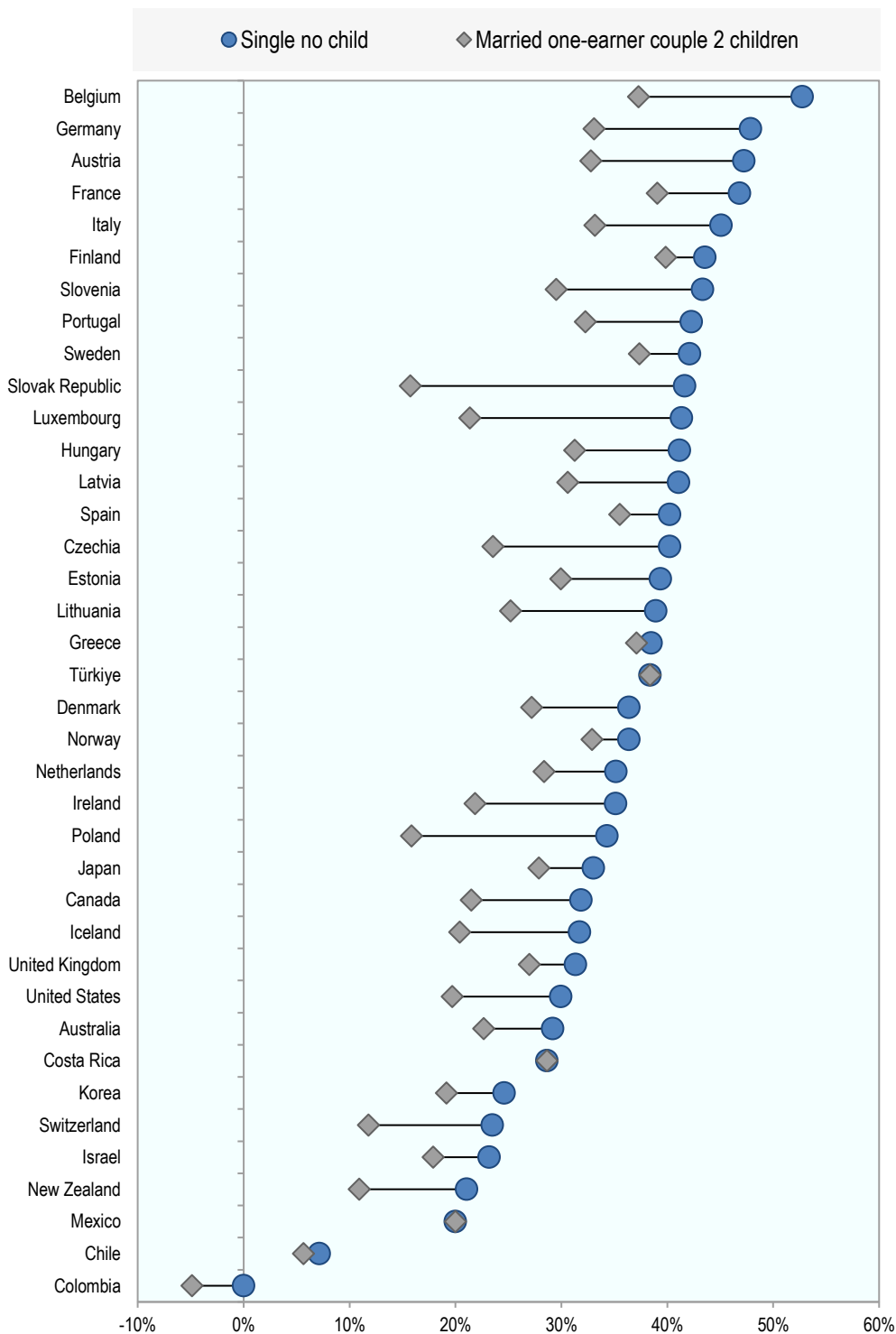
As % of labour costs, by household type and wage level

	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	24.7	29.2	34.0	5.0	22.7	27.4	9.2	27.4
Austria	42.7	47.2	49.9	22.0	32.8	37.5	40.6	45.4
Belgium	46.1	52.7	58.9	29.1	37.3	45.1	48.4	50.0
Canada	30.3	31.9	35.4	6.4	21.5	28.8	30.7	31.2
Chile	7.0	7.1	8.4	2.2	5.7	5.1	6.6	7.1
Colombia	0.0	0.0	0.0	-7.3	-4.9	-5.8	-4.9	0.0
Costa Rica	28.6	28.6	30.1	28.6	28.6	28.6	28.6	28.6
Czechia	38.0	40.2	42.0	18.5	23.5	34.6	36.2	39.3
Denmark	34.0	36.4	42.0	18.3	27.2	32.1	33.6	35.4
Estonia	33.1	39.4	41.2	11.4	29.9	32.1	35.4	36.8
Finland	37.1	43.5	49.9	27.7	39.8	38.7	41.7	40.9
France	40.4	46.8	53.3	16.7	39.1	40.6	43.9	44.1
Germany	43.7	47.9	49.2	28.4	33.1	40.7	43.3	46.0
Greece	34.5	38.5	44.0	28.6	37.1	37.5	39.2	38.0
Hungary	41.2	41.2	41.2	25.7	31.3	35.2	36.2	41.2
Iceland	27.5	31.7	36.8	17.6	20.4	29.6	31.7	30.0
Ireland	26.0	35.1	43.5	14.3	21.8	28.8	32.9	32.0
Israel	16.3	23.2	33.1	3.8	17.9	14.9	17.2	20.0
Italy	38.4	45.1	53.8	23.0	33.2	35.4	39.9	42.4
Japan	31.5	33.0	35.9	18.2	27.9	30.0	31.0	32.4
Korea	21.6	24.6	27.6	13.7	19.1	20.4	22.1	23.4
Latvia	37.5	41.1	42.9	21.9	30.6	33.4	35.8	39.6
Lithuania	34.1	38.9	40.6	13.6	25.2	31.8	34.6	37.0
Luxembourg	33.5	41.3	47.4	14.2	21.4	31.3	35.6	36.8
Mexico	19.1	20.0	23.1	19.1	20.0	19.6	20.0	19.6
Netherlands	27.2	35.1	41.0	3.0	28.3	27.4	31.4	32.0
New Zealand	16.3	21.1	25.8	-12.1	10.9	19.1	21.1	19.1
Norway	32.4	36.4	43.4	21.9	32.9	32.7	34.6	34.8
Poland	32.4	34.3	36.0	7.2	15.8	24.6	26.9	33.5
Portugal	38.3	42.3	48.0	23.1	32.3	38.1	40.2	40.5
Slovak Republic	39.5	41.6	43.7	11.7	15.7	27.6	30.6	40.8
Slovenia	39.9	43.3	46.7	21.4	29.5	37.2	39.4	41.9
Spain	36.0	40.2	44.7	26.1	35.5	37.1	39.1	38.5
Sweden	39.7	42.1	49.3	32.7	37.4	38.3	39.7	41.1
Switzerland	20.4	23.5	28.0	6.7	11.8	17.8	20.4	23.3
Türkiye	33.7	38.4	42.2	33.7	38.4	36.5	38.4	36.5
United Kingdom	26.8	31.3	38.3	17.2	27.0	27.2	29.4	29.5
United States	27.5	29.9	34.3	12.8	19.7	24.6	26.9	28.2
OECD-Average	31.0	34.8	39.1	16.5	25.7	29.5	31.8	33.3
OECD-EU 22	37.0	41.6	45.9	19.9	29.9	34.8	37.5	39.7

1. Two-earner couple.

Figure 3.1. Income tax plus employee and employer contributions less cash benefits, 2023

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 2023 issue 2.

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Table 3.2. Income tax plus employee contributions, 2023

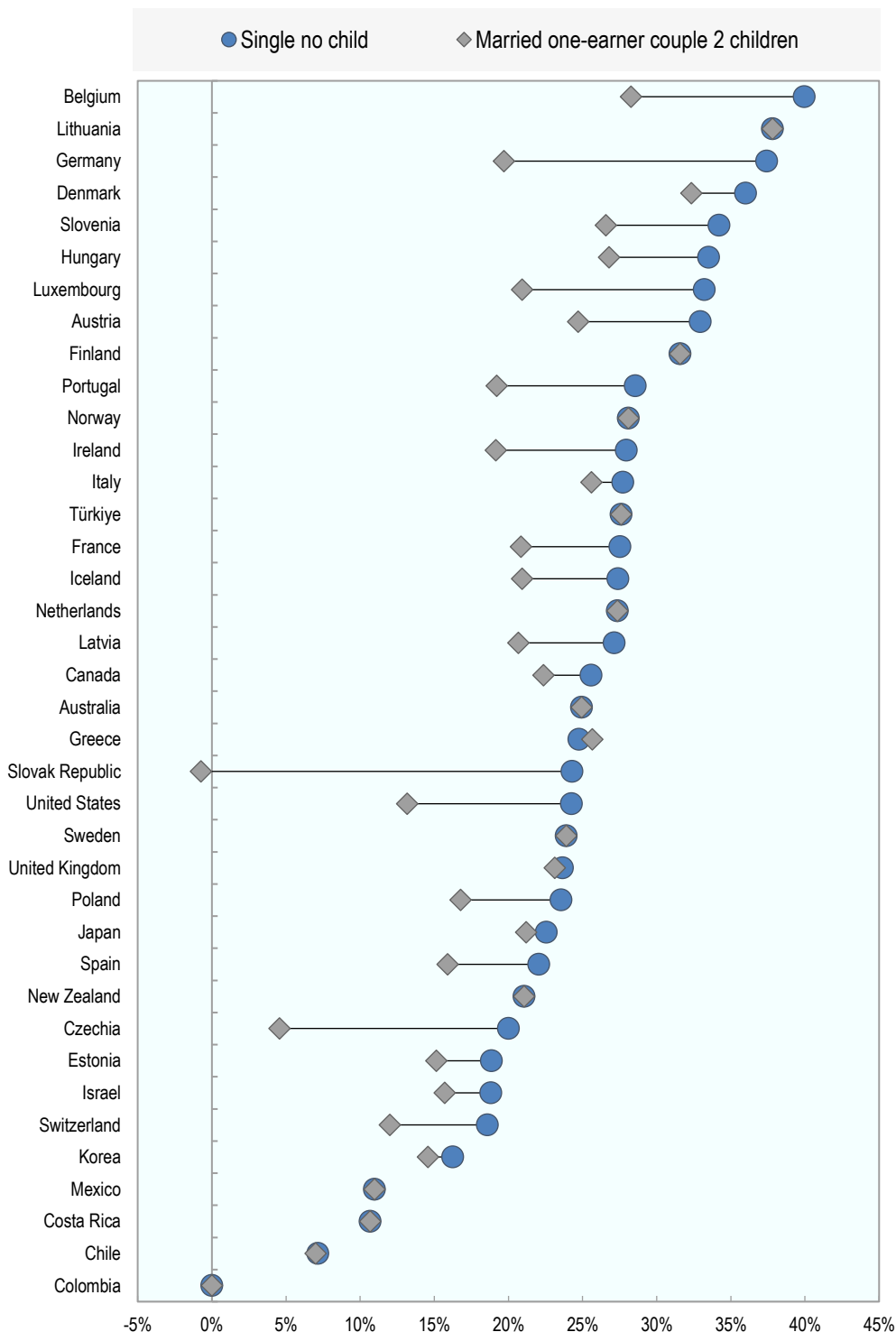
As % of gross wage earnings, by household type and wage level

	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	20.2	24.9	30.0	20.2	24.9	23.0	24.9	23.0
Austria	27.3	32.9	37.6	15.6	24.7	26.5	29.4	30.7
Belgium	32.0	39.9	47.8	26.4	28.3	35.1	38.4	36.6
Canada	22.5	25.6	31.1	16.6	22.4	24.3	25.6	24.3
Chile	7.0	7.1	8.4	7.0	7.0	7.0	7.0	7.1
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	10.7	10.7	12.5	10.7	10.7	10.7	10.7	10.7
Czechia	17.1	20.0	22.4	1.2	4.6	12.5	14.7	18.8
Denmark	33.4	36.0	41.8	31.6	32.3	35.0	36.0	35.0
Estonia	10.5	18.9	21.3	7.9	15.1	14.5	18.0	15.5
Finland	23.7	31.6	39.3	23.7	31.6	28.4	31.6	28.4
France	23.4	27.5	33.5	20.8	20.8	23.2	25.5	25.5
Germany	32.6	37.4	41.6	14.2	19.7	28.9	32.0	35.2
Greece	19.8	24.8	31.5	19.1	25.6	23.6	25.6	24.1
Hungary	33.5	33.5	33.5	23.5	26.8	29.5	30.1	33.5
Iceland	22.9	27.4	32.8	22.9	20.9	25.6	27.4	25.6
Ireland	17.8	28.0	37.2	13.7	19.2	24.5	28.5	24.5
Israel	12.3	18.8	28.8	4.8	15.7	11.8	13.7	15.7
Italy	18.9	27.7	39.2	18.9	25.6	24.2	27.7	24.2
Japan	20.8	22.6	26.6	20.8	21.2	21.9	22.6	21.9
Korea	12.9	16.2	20.4	10.7	14.6	14.2	15.6	14.9
Latvia	22.7	27.1	29.5	13.1	20.7	21.5	23.9	25.4
Lithuania	32.9	37.8	39.5	32.9	37.8	35.9	37.8	35.9
Luxembourg	24.3	33.2	40.1	17.9	20.9	28.1	31.9	28.1
Mexico	8.5	11.0	15.6	8.5	11.0	10.0	11.0	10.0
Netherlands	18.4	27.3	36.1	11.9	27.3	21.2	25.2	23.8
New Zealand	16.3	21.1	25.8	16.3	21.1	19.1	21.1	19.1
Norway	23.6	28.1	34.9	23.2	28.1	26.3	28.1	26.3
Poland	21.3	23.6	25.5	14.0	16.8	21.1	22.3	22.6
Portugal	23.7	28.6	35.6	16.1	19.2	23.4	26.0	26.4
Slovak Republic	21.6	24.3	27.0	-1.8	-0.7	11.2	14.3	23.2
Slovenia	30.2	34.2	38.1	25.0	26.6	29.3	31.5	32.6
Spain	16.6	22.1	27.9	3.7	15.9	18.0	20.5	19.8
Sweden	20.8	23.9	33.4	20.8	23.9	22.6	23.9	22.6
Switzerland	15.3	18.6	23.5	9.5	12.0	16.1	18.3	18.3
Türkiye	22.1	27.6	32.1	22.1	27.6	25.4	27.6	25.4
United Kingdom	19.5	23.7	30.8	19.5	23.1	22.0	23.7	22.0
United States	21.4	24.2	29.1	5.5	13.2	18.4	20.9	22.3
OECD-Average	20.5	24.9	30.0	15.5	19.9	21.4	23.5	23.1
OECD-EU 22	23.8	29.1	34.5	16.8	21.9	24.5	27.0	26.9

1. Two-earner couple.

Figure 3.2. Income tax plus employee contributions, 2023

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 2023 issue 2.


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Table 3.3. Income tax plus employee contributions less cash benefits, 2023

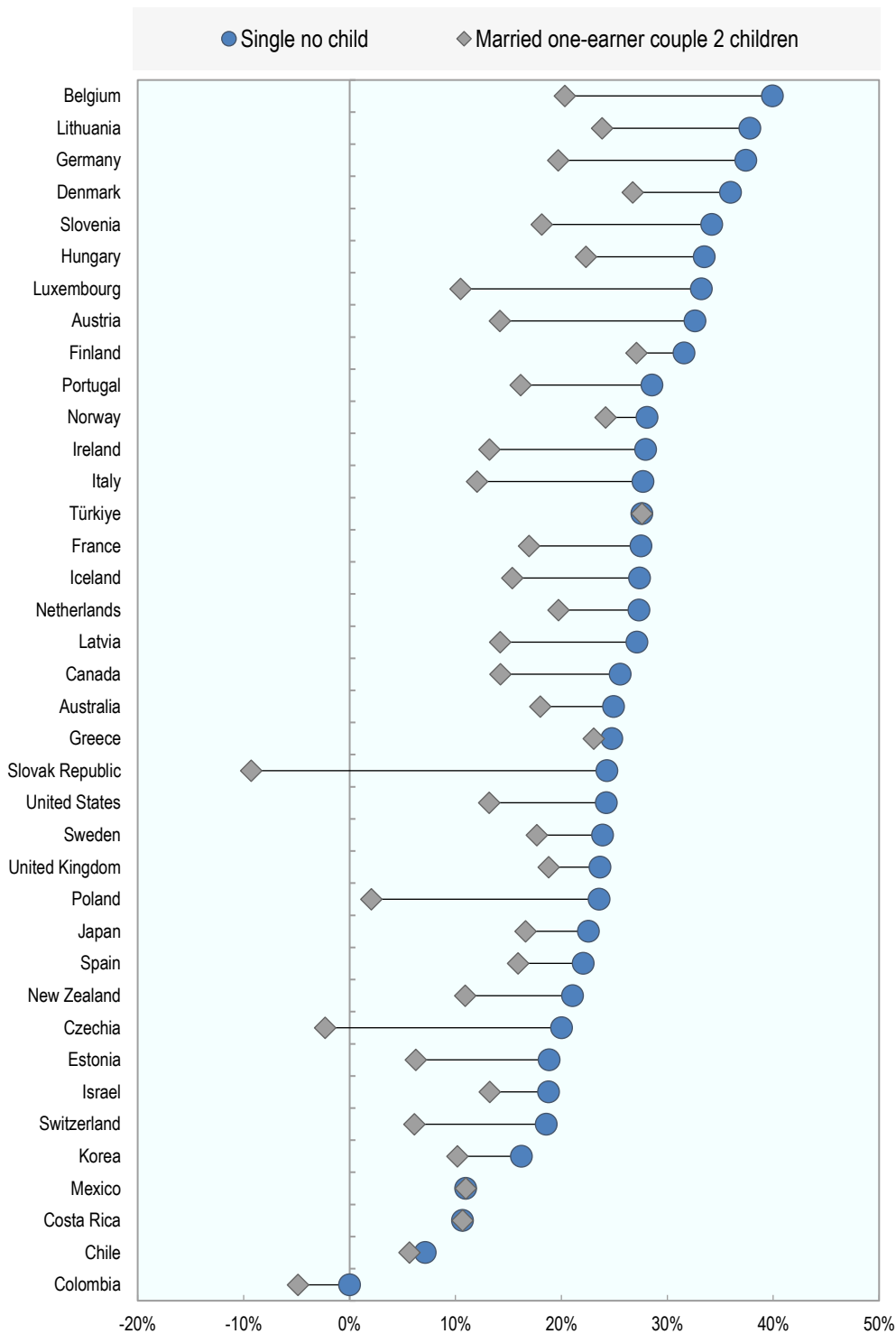
As % of gross wage earnings, by household type and wage level

	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	20.2	24.9	30.0	-0.7	18.0	23.0	24.9	23.0
Austria	26.9	32.6	37.5	0.4	14.2	20.2	24.2	30.3
Belgium	32.0	39.9	47.8	10.6	20.3	30.4	34.5	36.6
Canada	22.5	25.6	31.1	-4.0	14.3	21.7	24.3	24.3
Chile	7.0	7.1	8.4	2.2	5.7	5.1	6.6	7.1
Colombia	0.0	0.0	0.0	-7.3	-4.9	-5.8	-4.9	0.0
Costa Rica	10.7	10.7	12.5	10.7	10.7	10.7	10.7	10.7
Czechia	17.1	20.0	22.4	-9.0	-2.3	12.5	14.7	18.8
Denmark	33.4	36.0	41.8	17.6	26.7	31.6	33.2	35.0
Estonia	10.5	18.9	21.3	-18.6	6.3	9.2	13.6	15.5
Finland	23.7	31.6	39.3	12.4	27.1	25.7	29.3	28.4
France	23.4	27.5	33.5	-7.1	16.9	20.8	23.5	25.5
Germany	32.6	37.4	41.6	14.2	19.7	28.9	32.0	35.2
Greece	19.8	24.8	31.5	12.7	23.1	23.6	25.6	24.1
Hungary	33.5	33.5	33.5	16.1	22.3	26.8	27.9	33.5
Iceland	22.9	27.4	32.8	12.4	15.4	25.1	27.4	25.6
Ireland	17.8	28.0	37.2	4.8	13.2	21.0	25.5	24.5
Israel	12.3	18.8	28.8	-0.7	13.2	10.3	12.5	15.7
Italy	18.9	27.7	39.2	-1.3	12.0	15.1	21.0	24.2
Japan	20.8	22.6	26.6	5.4	16.6	19.1	20.3	21.9
Korea	12.9	16.2	20.4	4.1	10.2	11.5	13.4	14.9
Latvia	22.7	27.1	29.5	3.4	14.2	17.6	20.7	25.4
Lithuania	32.9	37.8	39.5	12.1	23.8	30.6	33.4	35.9
Luxembourg	24.3	33.2	40.1	2.3	10.5	21.8	26.7	28.1
Mexico	8.5	11.0	15.6	8.5	11.0	10.0	11.0	10.0
Netherlands	18.4	27.3	36.1	-8.7	19.7	18.7	23.1	23.8
New Zealand	16.3	21.1	25.8	-12.1	10.9	19.1	21.1	19.1
Norway	23.6	28.1	34.9	11.8	24.2	23.9	26.1	26.3
Poland	21.3	23.6	25.5	-8.0	2.1	12.3	14.9	22.6
Portugal	23.7	28.6	35.6	4.8	16.2	23.4	26.0	26.4
Slovak Republic	21.6	24.3	27.0	-14.6	-9.3	6.1	10.0	23.2
Slovenia	30.2	34.2	38.1	8.7	18.2	27.1	29.6	32.6
Spain	16.6	22.1	27.9	3.7	15.9	18.0	20.5	19.8
Sweden	20.8	23.9	33.4	11.5	17.7	18.9	20.8	22.6
Switzerland	15.3	18.6	23.5	0.7	6.1	12.5	15.3	18.3
Türkiye	22.1	27.6	32.1	22.1	27.6	25.4	27.6	25.4
United Kingdom	19.5	23.7	30.8	9.0	18.8	19.4	21.5	22.0
United States	21.4	24.2	29.1	5.5	13.2	18.4	20.9	22.3
OECD-Average	20.5	24.9	30.0	3.6	14.2	18.7	21.3	23.1
OECD-EU 22	23.7	29.1	34.5	3.1	14.9	20.9	24.1	26.9

1. Two-earner couple.

Figure 3.3. Income tax plus employee contributions less cash benefits, 2023

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 2023 issue 2.

Table 3.4. Income tax, 2023

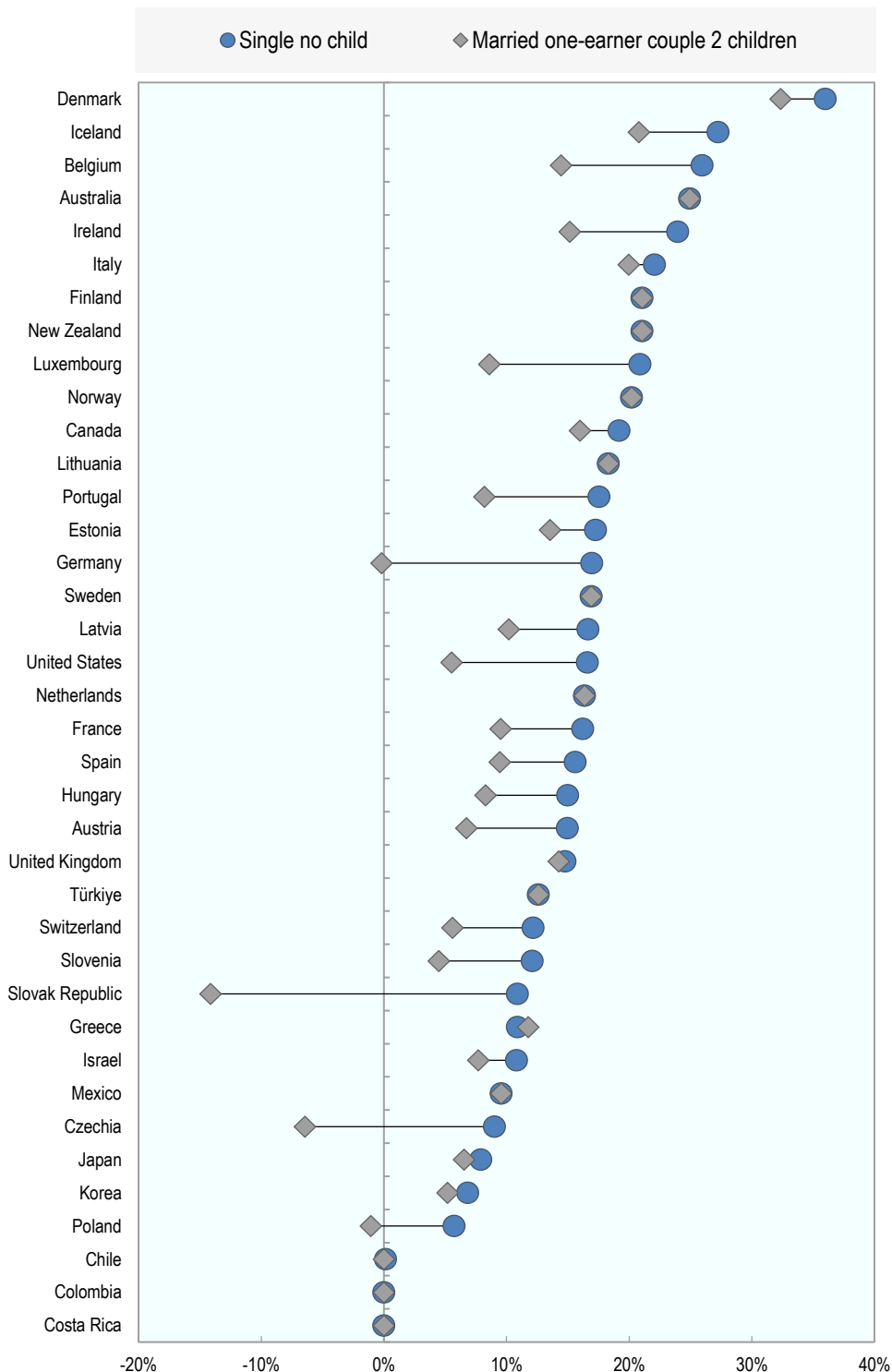
As % of gross wage earnings, by household type and wage level

	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	20.2	24.9	30.0	20.2	24.9	23.0	24.9	23.0
Austria	9.3	15.0	22.2	-2.3	6.7	8.5	11.5	12.7
Belgium	18.4	26.0	34.0	12.7	14.4	21.4	24.7	22.9
Canada	14.2	19.2	27.3	8.4	16.0	17.2	19.2	17.2
Chile	0.0	0.1	1.4	0.0	0.0	0.0	0.0	0.1
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	0.0	0.0	1.8	0.0	0.0	0.0	0.0	0.0
Czechia	6.1	9.0	11.4	-9.8	-6.4	1.5	3.7	7.8
Denmark	33.4	36.0	41.8	31.6	32.3	35.0	36.0	35.0
Estonia	8.9	17.3	19.7	6.3	13.5	12.9	16.4	13.9
Finland	13.2	21.1	28.8	13.2	21.1	17.9	21.1	17.9
France	12.1	16.2	22.5	9.5	9.5	11.9	14.2	14.2
Germany	12.2	17.0	26.5	-5.5	-0.2	9.1	12.1	14.8
Greece	6.0	10.9	17.7	5.2	11.8	9.7	11.8	10.3
Hungary	15.0	15.0	15.0	5.0	8.3	11.0	11.6	15.0
Iceland	22.7	27.3	32.7	22.7	20.8	25.4	27.3	25.4
Ireland	13.8	24.0	33.2	9.7	15.2	20.5	24.5	20.5
Israel	6.3	10.8	19.2	-1.2	7.7	4.6	5.8	8.5
Italy	14.3	22.1	29.6	14.3	20.0	18.9	22.1	18.9
Japan	6.2	7.9	13.0	6.2	6.5	7.2	7.9	7.2
Korea	3.5	6.8	12.1	1.3	5.2	4.8	6.2	5.5
Latvia	12.2	16.6	19.0	2.6	10.2	11.0	13.4	14.9
Lithuania	13.4	18.3	20.0	13.4	18.3	16.4	18.3	16.4
Luxembourg	12.1	20.9	27.7	5.6	8.6	15.8	19.6	15.8
Mexico	7.2	9.6	14.1	7.2	9.6	8.6	9.6	8.6
Netherlands	6.3	16.4	27.1	4.6	16.4	11.7	15.8	12.3
New Zealand	16.3	21.1	25.8	16.3	21.1	19.1	21.1	19.1
Norway	15.7	20.2	27.0	15.3	20.2	18.4	20.2	18.4
Poland	3.5	5.7	7.7	-3.9	-1.1	3.3	4.4	4.8
Portugal	12.7	17.6	24.6	5.1	8.2	12.4	15.0	15.4
Slovak Republic	8.2	10.9	13.6	-15.2	-14.1	-2.2	0.9	9.8
Slovenia	8.1	12.1	16.0	2.9	4.5	7.2	9.4	10.5
Spain	10.1	15.6	21.5	-2.8	9.4	11.6	14.1	13.4
Sweden	13.8	16.9	28.5	13.8	16.9	15.6	16.9	15.6
Switzerland	8.9	12.2	17.2	3.1	5.6	9.7	11.9	11.9
Türkiye	7.1	12.6	17.1	7.1	12.6	10.4	12.6	10.4
United Kingdom	12.2	14.8	24.4	12.2	14.3	13.8	14.8	13.8
United States	13.8	16.6	21.4	-2.1	5.5	10.7	13.3	14.7
OECD-Average	11.0	15.4	20.9	6.1	10.4	11.9	14.0	13.6
OECD-EU 22	12.0	17.3	23.1	5.3	10.2	12.8	15.3	15.1

1. Two-earner couple.

Figure 3.4. Income tax, by household type, 2023

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 2023 issue 2.

StatLink  <https://stat.link/12hd90>

Table 3.5. Employee contributions, 2023

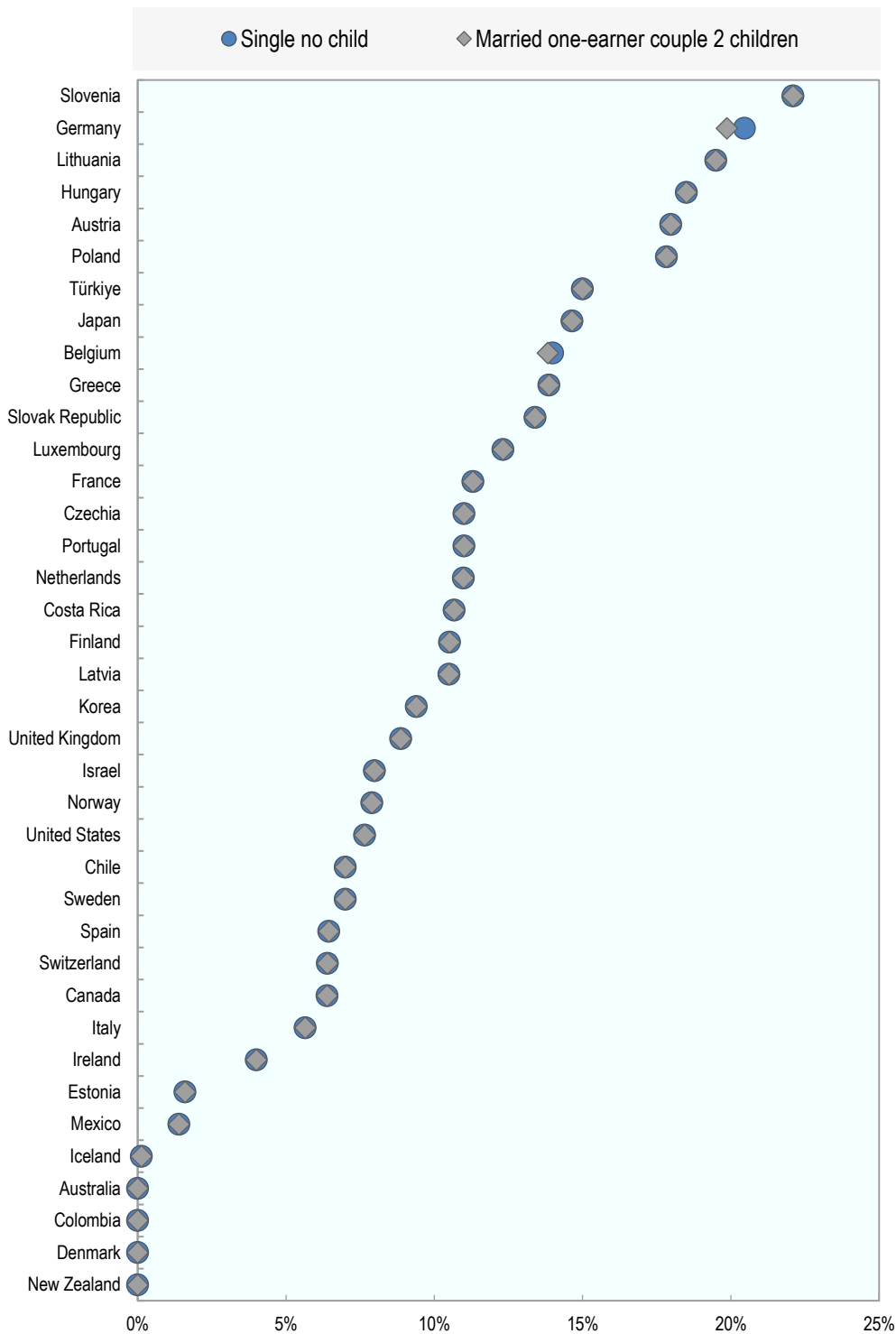
As % of gross wage earnings, by household type and wage level

	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	15.4	18.0	18.0	18.0	18.0	18.0
Belgium	13.6	14.0	13.8	13.6	13.8	13.7	13.7	13.7
Canada	8.3	6.4	3.8	8.3	6.4	7.1	6.4	7.1
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	10.7	10.7	10.7	10.7	10.7	10.7	10.7	10.7
Czechia	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	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
France	11.3	11.3	11.0	11.3	11.3	11.3	11.3	11.3
Germany	20.3	20.5	15.1	19.7	19.9	19.8	19.9	20.4
Greece	13.9	13.9	13.9	13.9	13.9	13.9	13.9	13.9
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	6.0	8.0	9.6	6.0	8.0	7.2	8.0	7.2
Italy	4.6	5.6	9.6	4.6	5.6	5.2	5.6	5.2
Japan	14.7	14.7	13.6	14.7	14.7	14.7	14.7	14.7
Korea	9.4	9.4	8.3	9.4	9.4	9.4	9.4	9.4
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	12.1	11.0	9.0	7.3	11.0	9.5	9.4	11.4
New Zealand	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norway	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9
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	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
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	7.3	8.9	6.4	7.3	8.9	8.3	8.9	8.3
United States	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
OECD-Average	9.5	9.6	9.2	9.4	9.5	9.5	9.5	9.5
OECD-EU 22	11.8	11.8	11.4	11.5	11.8	11.7	11.7	11.8

1. Two-earner couple.

Figure 3.5. Employee contributions, 2023

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 2023 issue 2.

StatLink  <https://stat.link/zaj1id>

Table 3.6. Marginal rate of income tax plus employee and employer contributions less cash benefits, 2023

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

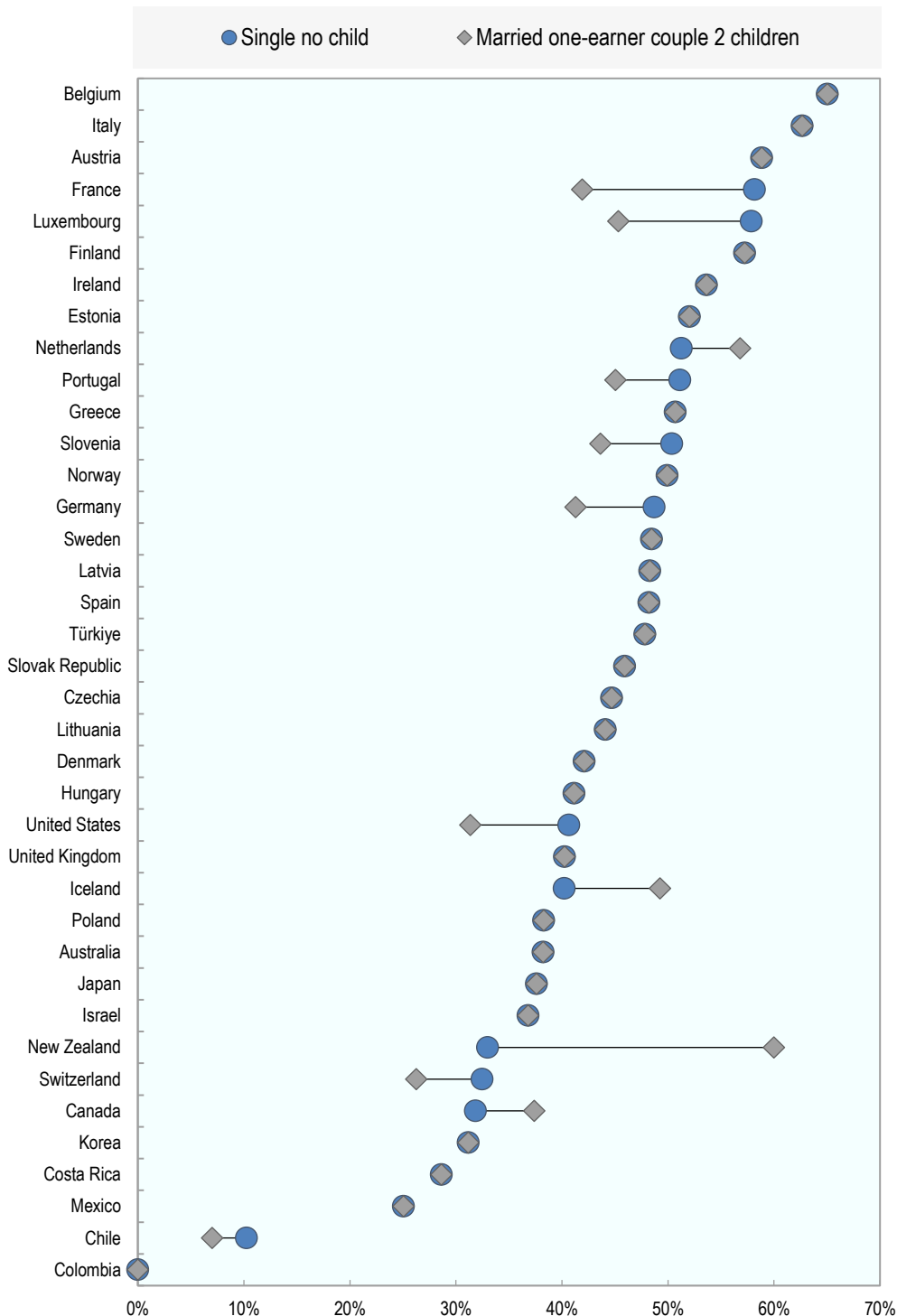
	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	38.2	38.2	42.5	57.1	38.2	38.2	38.2	38.2
Austria	52.8	58.8	45.6	36.3	58.8	58.8	58.8	58.8
Belgium	68.5	65.0	67.8	68.5	65.0	65.1	64.1	65.1
Canada	42.2	31.9	44.5	79.4	37.4	37.4	37.4	31.9
Chile	7.0	10.3	10.3	7.0	7.0	7.0	7.0	10.3
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	28.6	28.6	36.0	28.6	28.6	28.6	28.6	28.6
Czechia	44.7	44.7	44.7	44.7	44.7	44.7	44.7	44.7
Denmark	39.1	42.1	55.9	37.3	42.1	42.1	42.1	42.1
Estonia	52.0	52.0	41.2	52.0	52.0	52.0	52.0	52.0
Finland	48.5	57.2	59.5	48.5	57.2	57.2	57.2	57.2
France	64.6	58.2	59.5	74.5	41.9	50.6	58.2	47.9
Germany	54.1	48.7	47.0	52.7	41.3	46.2	46.0	46.1
Greece	46.5	50.7	56.3	46.5	50.7	50.7	50.7	50.7
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	53.6	53.6	56.8	35.6	53.6	53.6	53.6	53.6
Israel	36.8	36.8	50.7	34.4	36.8	36.8	36.8	36.8
Italy	55.3	62.6	64.1	55.3	62.6	66.7	66.7	62.6
Japan	33.4	37.6	38.2	52.7	37.6	37.6	37.6	37.6
Korea	30.5	31.2	33.1	23.5	31.2	31.2	31.2	31.2
Latvia	48.3	48.3	44.5	48.3	48.3	48.3	48.3	48.3
Lithuania	48.8	44.1	40.6	48.8	44.1	44.1	44.1	44.1
Luxembourg	54.7	57.9	56.5	59.7	45.3	57.9	57.9	57.9
Mexico	18.6	25.1	28.4	18.6	25.1	25.1	25.1	25.1
Netherlands	51.3	51.3	51.5	56.8	56.8	51.3	51.3	51.3
New Zealand	30.0	33.0	33.0	57.0	60.0	33.0	33.0	33.0
Norway	41.5	49.9	54.6	41.5	49.9	49.9	49.9	49.9
Poland	38.3	38.3	53.1	29.4	38.3	38.3	38.3	38.3
Portugal	49.5	51.1	54.7	49.5	45.1	49.5	51.1	49.5
Slovak Republic	45.9	45.9	49.1	27.9	45.9	45.9	45.9	45.9
Slovenia	50.3	50.3	55.0	43.6	43.6	50.3	50.3	50.3
Spain	63.1	48.2	54.0	63.1	48.2	48.2	48.2	48.2
Sweden	46.2	48.4	65.9	46.2	48.4	48.4	48.4	48.4
Switzerland	26.7	32.5	38.9	20.8	26.3	30.3	35.9	32.8
Türkiye	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8
United Kingdom	40.2	40.2	49.0	73.1	40.2	40.2	40.2	40.2
United States	31.4	40.6	42.5	52.1	31.4	31.4	40.6	31.4
OECD-Average	42.4	43.2	46.4	45.0	42.7	42.9	43.4	42.6
OECD-EU 22	50.8	50.9	52.9	48.5	48.9	50.5	50.9	50.2

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.

Figure 3.6. Marginal rate of income tax plus employee and employer contributions less cash benefits, 2023

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 2023 issue 2.

StatLink <https://stat.link/g857lh>

Table 3.7. Marginal rate of income tax plus employee contributions less cash benefits, 2023

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

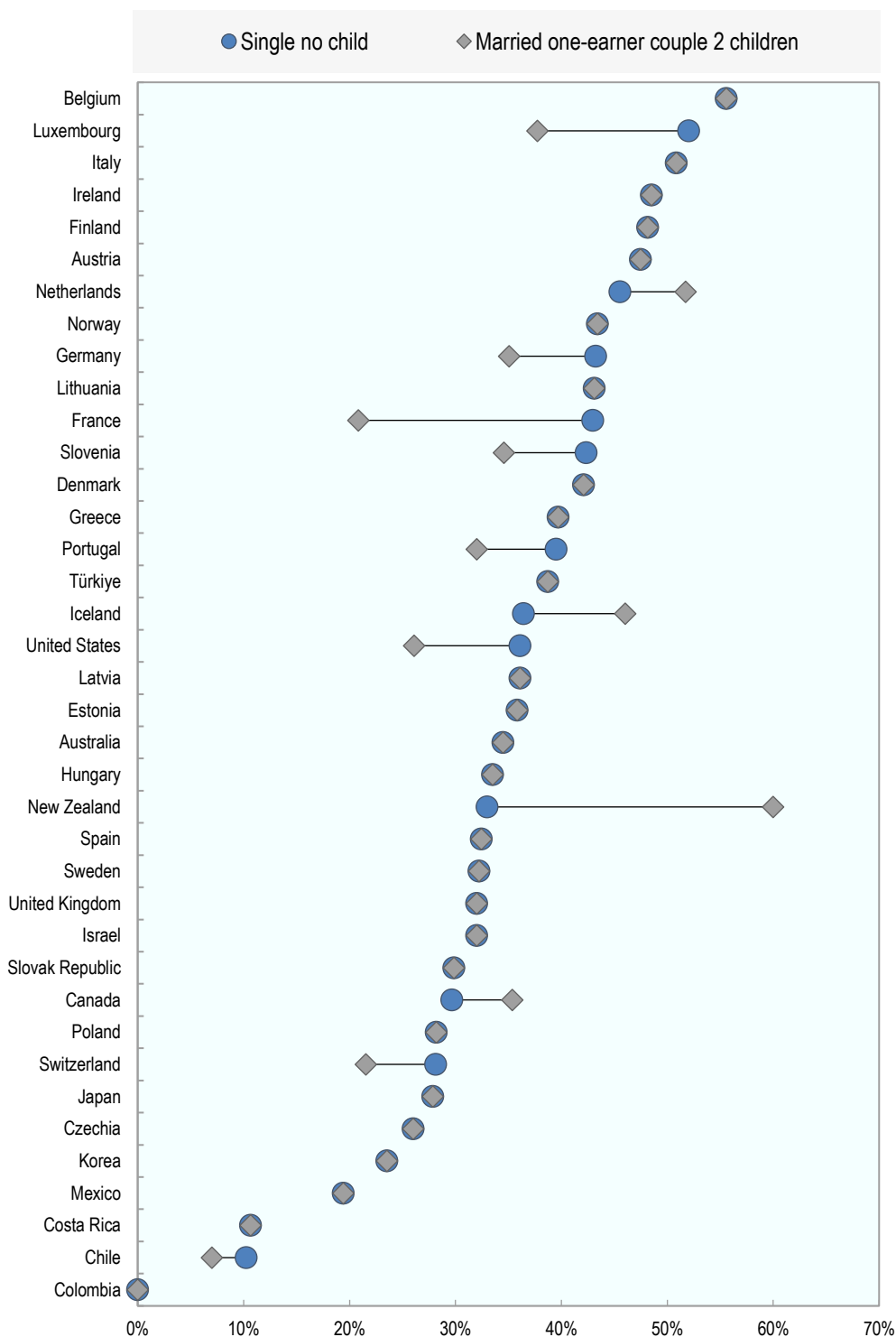
	Single no children 67 (% AW)	Single no children 100 (% AW)	Single no children 167 (% AW)	Single 2 children 67 (% AW)	Married 2 children 100-0 (% AW)	Married 2 children 100-67 (% AW) ¹	Married 2 children 100-100 (% AW) ¹	Married no children 100-67 (% AW) ¹
Australia	34.5	34.5	39.0	54.5	34.5	34.5	34.5	34.5
Austria	39.7	47.5	42.0	18.7	47.5	47.5	47.5	47.5
Belgium	55.6	55.6	59.0	55.6	55.6	55.6	54.4	55.6
Canada	35.6	29.7	43.4	77.0	35.4	35.4	35.4	29.7
Chile	7.0	10.3	10.3	7.0	7.0	7.0	7.0	10.3
Colombia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costa Rica	10.7	10.7	19.8	10.7	10.7	10.7	10.7	10.7
Czechia	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
Denmark	39.1	42.1	55.9	37.3	42.1	42.1	42.1	42.1
Estonia	35.8	35.8	21.3	35.8	35.8	35.8	35.8	35.8
Finland	37.5	48.2	50.9	37.5	48.2	48.2	48.2	48.2
France	32.6	43.0	42.2	51.6	20.8	32.6	43.0	29.0
Germany	44.8	43.2	47.0	43.1	35.1	40.5	40.2	40.4
Greece	34.5	39.7	46.6	34.5	39.7	39.7	39.7	39.7
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	48.5	48.5	52.0	28.5	48.5	48.5	48.5	48.5
Israel	32.0	32.0	47.0	29.4	32.0	32.0	32.0	32.0
Italy	41.2	50.9	52.8	41.2	50.9	56.1	56.1	50.9
Japan	23.0	27.9	34.2	45.3	27.9	27.9	27.9	27.9
Korea	22.8	23.5	28.7	15.0	23.5	23.5	23.5	23.5
Latvia	36.1	36.1	31.4	36.1	36.1	36.1	36.1	36.1
Lithuania	47.9	43.1	39.5	47.9	43.1	43.1	43.1	43.1
Luxembourg	48.4	52.0	50.5	54.1	37.7	52.0	52.0	52.0
Mexico	12.4	19.4	23.0	12.4	19.4	19.4	19.4	19.4
Netherlands	45.5	45.5	51.5	51.7	51.7	45.5	45.5	45.5
New Zealand	30.0	33.0	33.0	57.0	60.0	33.0	33.0	33.0
Norway	33.9	43.4	46.4	33.9	43.4	43.4	43.4	43.4
Poland	28.2	28.2	45.4	17.8	28.2	28.2	28.2	28.2
Portugal	37.5	39.5	43.9	37.5	32.0	37.5	39.5	37.5
Slovak Republic	29.9	29.9	34.0	6.5	29.9	29.9	29.9	29.9
Slovenia	42.4	42.4	47.8	34.6	34.6	42.4	42.4	42.4
Spain	51.9	32.5	40.0	51.9	32.5	32.5	32.5	32.5
Sweden	29.2	32.2	55.2	29.2	32.2	32.2	32.2	32.2
Switzerland	22.0	28.1	35.7	15.7	21.5	25.8	31.8	28.5
Türkiye	38.7	38.7	38.7	38.7	38.7	38.7	38.7	38.7
United Kingdom	32.0	32.0	42.0	69.4	32.0	32.0	32.0	32.0
United States	26.1	36.1	38.1	48.4	26.1	26.1	36.1	26.1
OECD-Average	33.2	35.0	39.3	36.1	34.2	34.7	35.2	34.3
OECD-EU 22	39.4	40.7	44.0	36.8	38.3	40.2	40.7	39.8

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.

Figure 3.7. Marginal rate of income tax plus employee contributions less cash benefits, 2023

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 2023 issue 2.


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

Table 3.8. Percentage increase in net income relative to percentage increase in gross wages, 2023
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	0.82	0.87	0.87	0.45	0.80	0.85	0.87	0.85
Austria	0.82	0.78	0.93	0.82	0.61	0.66	0.69	0.75
Belgium	0.65	0.74	0.78	0.50	0.56	0.64	0.70	0.70
Canada	0.83	0.95	0.82	0.22	0.75	0.83	0.85	0.93
Chile	1.00	0.97	0.98	0.95	0.99	0.98	1.00	0.97
Colombia	1.00	1.00	1.00	0.93	0.95	0.94	0.95	1.00
Costa Rica	1.00	1.00	0.92	1.00	1.00	1.00	1.00	1.00
Czechia	0.89	0.93	0.95	0.68	0.72	0.85	0.87	0.91
Denmark	0.92	0.90	0.76	0.76	0.79	0.85	0.87	0.89
Estonia	0.72	0.79	1.00	0.54	0.68	0.71	0.74	0.76
Finland	0.82	0.76	0.81	0.71	0.71	0.70	0.73	0.72
France	0.88	0.79	0.87	0.45	0.95	0.85	0.75	0.95
Germany	0.82	0.91	0.91	0.66	0.81	0.84	0.88	0.92
Greece	0.82	0.80	0.78	0.75	0.78	0.79	0.81	0.79
Hungary	1.00	1.00	1.00	0.79	0.86	0.91	0.92	1.00
Iceland	0.82	0.88	0.83	0.62	0.64	0.77	0.88	0.85
Ireland	0.63	0.71	0.76	0.75	0.59	0.65	0.69	0.68
Israel	0.78	0.84	0.74	0.70	0.78	0.76	0.78	0.81
Italy	0.72	0.68	0.78	0.58	0.56	0.52	0.56	0.65
Japan	0.97	0.93	0.90	0.58	0.87	0.89	0.90	0.92
Korea	0.89	0.91	0.90	0.89	0.85	0.86	0.88	0.90
Latvia	0.83	0.88	0.97	0.66	0.74	0.78	0.81	0.86
Lithuania	0.78	0.92	1.00	0.59	0.75	0.82	0.85	0.89
Luxembourg	0.68	0.72	0.83	0.47	0.70	0.61	0.65	0.67
Mexico	0.96	0.90	0.91	0.96	0.90	0.89	0.90	0.89
Netherlands	0.67	0.75	0.76	0.44	0.60	0.67	0.71	0.71
New Zealand	0.84	0.85	0.90	0.38	0.45	0.83	0.85	0.83
Norway	0.87	0.79	0.82	0.75	0.75	0.74	0.77	0.77
Poland	0.91	0.94	0.73	0.76	0.73	0.82	0.84	0.93
Portugal	0.82	0.85	0.87	0.66	0.81	0.82	0.82	0.85
Slovak Republic	0.89	0.93	0.90	0.82	0.64	0.75	0.78	0.91
Slovenia	0.83	0.88	0.84	0.72	0.80	0.79	0.82	0.86
Spain	0.58	0.87	0.83	0.50	0.80	0.82	0.85	0.84
Sweden	0.89	0.89	0.67	0.80	0.82	0.84	0.86	0.88
Switzerland	0.92	0.88	0.84	0.85	0.84	0.85	0.81	0.88
Türkiye	0.79	0.85	0.90	0.79	0.85	0.82	0.85	0.82
United Kingdom	0.85	0.89	0.84	0.34	0.84	0.84	0.87	0.87
United States	0.94	0.84	0.87	0.55	0.85	0.91	0.81	0.95
OECD-Average	0.84	0.86	0.86	0.67	0.77	0.80	0.82	0.85
OECD-EU 22	0.80	0.84	0.85	0.66	0.73	0.76	0.78	0.82

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, 2023

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	0.82	0.87	0.87	0.45	0.80	0.85	0.87	0.85
Austria	0.82	0.78	1.08	0.82	0.61	0.66	0.69	0.75
Belgium	0.58	0.74	0.78	0.44	0.56	0.64	0.70	0.70
Canada	0.83	1.00	0.86	0.22	0.80	0.88	0.90	0.99
Chile	1.00	0.97	0.98	0.95	0.99	0.98	1.00	0.97
Colombia	1.00	1.00	1.00	0.93	0.95	0.94	0.95	1.00
Costa Rica	1.00	1.00	0.92	1.00	1.00	1.00	1.00	1.00
Czechia	0.89	0.93	0.95	0.68	0.72	0.85	0.87	0.91
Denmark	0.92	0.91	0.76	0.77	0.80	0.85	0.87	0.90
Estonia	0.72	0.79	1.00	0.54	0.68	0.71	0.74	0.76
Finland	0.82	0.76	0.81	0.71	0.71	0.70	0.73	0.72
France	0.59	0.79	0.87	0.31	0.95	0.83	0.75	0.93
Germany	0.82	0.98	1.04	0.66	0.88	0.91	0.95	1.00
Greece	0.82	0.80	0.78	0.75	0.78	0.79	0.81	0.79
Hungary	1.00	1.00	1.00	0.79	0.86	0.91	0.92	1.00
Iceland	0.82	0.88	0.83	0.62	0.64	0.77	0.88	0.85
Ireland	0.63	0.71	0.76	0.75	0.59	0.65	0.69	0.68
Israel	0.75	0.82	0.74	0.68	0.77	0.74	0.76	0.79
Italy	0.72	0.68	0.78	0.58	0.56	0.52	0.56	0.65
Japan	0.97	0.93	0.96	0.58	0.87	0.89	0.90	0.92
Korea	0.89	0.91	0.92	0.89	0.85	0.86	0.88	0.90
Latvia	0.83	0.88	0.97	0.66	0.75	0.78	0.81	0.86
Lithuania	0.78	0.92	1.00	0.59	0.75	0.82	0.85	0.89
Luxembourg	0.68	0.72	0.83	0.47	0.70	0.61	0.65	0.67
Mexico	1.01	0.94	0.93	1.01	0.94	0.93	0.94	0.93
Netherlands	0.67	0.75	0.82	0.45	0.60	0.67	0.71	0.72
New Zealand	0.84	0.85	0.90	0.38	0.45	0.83	0.85	0.83
Norway	0.87	0.79	0.80	0.75	0.75	0.74	0.77	0.77
Poland	0.91	0.94	0.73	0.76	0.73	0.82	0.84	0.93
Portugal	0.82	0.85	0.87	0.66	0.81	0.82	0.82	0.85
Slovak Republic	0.89	0.93	0.90	0.82	0.64	0.75	0.78	0.91
Slovenia	0.83	0.88	0.84	0.72	0.80	0.79	0.82	0.86
Spain	0.58	0.87	0.83	0.50	0.80	0.82	0.85	0.84
Sweden	0.89	0.89	0.67	0.80	0.82	0.84	0.86	0.88
Switzerland	0.92	0.88	0.85	0.85	0.84	0.85	0.81	0.88
Türkiye	0.79	0.85	0.90	0.79	0.85	0.82	0.85	0.82
United Kingdom	0.82	0.87	0.83	0.32	0.82	0.82	0.85	0.85
United States	0.95	0.85	0.87	0.55	0.85	0.91	0.81	0.96
OECD-Average	0.83	0.87	0.88	0.66	0.77	0.80	0.82	0.86
OECD-EU 22	0.78	0.84	0.87	0.65	0.73	0.76	0.79	0.83

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, 2023

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	47 003	37 504	70 154	52 668	117 157	81 988	47 003	47 320
Austria	51 005	37 302	76 127	51 288	127 131	79 504	51 005	50 782
Belgium	54 579	37 116	81 461	48 922	136 040	71 055	54 579	48 786
Canada	48 978	37 955	73 102	54 408	122 080	84 056	48 978	50 940
Chile	19 648	18 272	29 325	27 228	48 972	44 862	19 648	19 212
Colombia	11 132	11 132	16 615	16 615	27 747	27 747	11 132	11 944
Costa Rica	18 556	16 576	27 695	24 740	46 251	40 473	18 556	16 576
Czechia	25 542	21 183	38 122	30 492	63 664	49 393	25 542	27 850
Denmark	55 197	36 751	82 383	52 734	137 580	80 106	55 197	45 504
Estonia	24 155	21 618	36 052	29 254	60 206	47 394	24 155	28 646
Finland	43 438	33 141	64 833	44 359	108 271	65 684	43 438	38 049
France	40 818	31 252	60 922	44 152	101 739	67 670	40 818	43 696
Germany	54 564	36 800	81 439	50 959	136 004	79 425	54 564	46 797
Greece	29 373	23 543	43 840	32 983	73 213	50 118	29 373	25 650
Hungary	26 744	17 785	39 916	26 544	66 660	44 329	26 744	22 446
Iceland	51 320	39 552	76 597	55 620	127 916	85 986	51 320	44 959
Ireland	51 594	42 388	77 006	55 475	128 600	80 697	51 594	49 120
Israel	32 987	28 926	49 235	39 975	82 222	58 517	32 987	33 227
Italy	35 332	28 652	52 734	38 114	88 066	53 588	35 332	35 801
Japan	35 961	28 474	53 673	41 562	89 634	65 801	35 961	34 025
Korea	44 760	38 994	66 806	55 956	111 567	88 861	44 760	42 928
Latvia	23 479	18 142	35 043	25 533	58 522	41 280	23 479	22 674
Lithuania	30 903	20 724	46 124	28 683	77 027	46 602	30 903	27 166
Luxembourg	56 106	42 461	83 741	55 929	139 847	83 787	56 106	54 815
Mexico	11 286	10 330	16 845	14 998	28 131	23 748	11 286	10 330
Netherlands	52 394	42 757	78 201	56 816	130 595	83 421	52 394	56 968
New Zealand	34 270	28 686	51 149	40 381	85 419	63 341	34 270	38 427
Norway	55 529	42 432	82 880	59 594	138 409	90 038	55 529	49 002
Poland	28 606	22 517	42 696	32 636	71 302	53 129	28 606	30 891
Portugal	27 502	20 987	41 048	29 328	68 549	44 146	27 502	26 180
Slovak Republic	20 014	15 699	29 872	22 614	49 886	36 434	20 014	22 934
Slovenia	30 462	21 269	45 465	29 918	75 927	47 008	30 462	27 804
Spain	32 720	27 304	48 836	38 064	81 557	58 789	32 720	31 513
Sweden	38 347	30 382	57 235	43 556	95 583	63 672	38 347	33 938
Switzerland	67 032	56 769	100 048	81 465	167 081	127 851	67 032	66 537
Türkiye	30 828	24 008	46 011	33 314	76 839	52 209	30 828	24 008
United Kingdom	46 326	37 274	69 143	52 790	115 470	79 958	46 326	42 159
United States	45 067	35 420	67 264	50 954	112 331	79 690	45 067	42 566
OECD-Average	37 725	29 528	56 306	41 332	94 032	63 746	37 725	36 110
OECD-EU 22	37 858	28 626	56 504	39 471	94 362	60 329	37 858	36 273

Table 3.11. Annual gross wage and net income, married couple, 2023

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	70 154	57 529	117 157	90 172	140 308	105 336	117 157	90 172
Austria	76 127	65 320	127 131	101 449	152 253	115 435	127 131	88 590
Belgium	81 461	64 907	136 040	94 635	162 922	106 750	136 040	86 227
Canada	73 102	62 683	122 080	95 533	146 203	110 615	122 080	92 363
Chile	29 325	27 667	48 972	46 484	58 650	54808	48 972	45 501
Colombia	16 615	17 427	27 747	29 370	33 230	34 853	27 747	27 747
Costa Rica	27 695	24 740	46 251	41 316	55 391	49 480	46 251	41 316
Czechia	38 122	38 997	63 664	55 732	76 244	65 041	63 664	51 675
Denmark	82 383	60 350	137 580	94 096	164 766	110 080	137 580	89 484
Estonia	36 052	33 798	60 206	54 695	72 103	62 331	60 206	50 873
Finland	64 833	47 274	108 271	80 415	129 666	91 633	108 271	77 500
France	60 922	50 606	101 739	80 537	121 843	93 151	101 739	75 762
Germany	81 439	65 404	136 004	96 665	162 879	110 776	136 004	88 098
Greece	48 224	37 107	80 534	61 550	96 448	71 710	80 534	61 092
Hungary	39 916	31 005	66 660	48 789	79 832	57549	66 660	44 329
Iceland	76 597	64 837	127 916	95 833	153 193	111 240	127 916	95 172
Ireland	77 006	66 833	128 600	101 617	154 012	114 704	128 600	97 040
Israel	49 235	42 720	82 222	73 725	98 470	86 147	82 222	69 284
Italy	52 734	46 381	88 066	74 800	105 468	83 363	88 066	66 766
Japan	53 673	44 749	89 634	72 489	107 346	85 577	89 634	70 036
Korea	66 806	60 010	111 567	98 701	133 613	115 663	111 567	94 950
Latvia	35 043	30 065	58 522	48 207	70 087	55 597	58 522	43 675
Lithuania	46 124	35 124	77 027	53 462	92 248	61 420	77 027	49 407
Luxembourg	83 741	74 970	139 847	109 320	167 482	122 718	139 847	100 578
Mexico	16 845	14 998	28 131	25 328	33 689	29 996	28 131	25 328
Netherlands	78 201	62 765	130 595	106 188	156 401	120 246	130 595	99 573
New Zealand	51 149	45 564	85 419	69 067	102 298	80 761	85 419	69 067
Norway	82 880	62 851	138 409	105 283	165 760	122 445	138 409	102 026
Poland	42 696	41 814	71 302	62 538	85 392	72 657	71 302	55 154
Portugal	41 048	34 414	68 549	52 517	82 095	60 732	68 549	50 440
Slovak Republic	29 872	32 648	49 886	46 830	59 744	53 745	49 886	38 312
Slovenia	45 465	37 211	75 927	55 345	90 931	63 994	75 927	51 187
Spain	48 836	41 073	81 557	66 851	97 673	77 611	81 557	65 368
Sweden	57 235	47 112	95 583	77 494	114 470	90 668	95 583	73 937
Switzerland	100 048	93 919	167 081	146 128	200 097	169 430	167 081	136 427
Türkiye	46 011	33 314	76 839	57 322	92 023	66 628	76 839	57 322
United Kingdom	69 143	56 145	115 470	93 057	138 287	108 573	115 470	90 063
United States	67 264	58 405	112 331	91 709	134 529	106 375	112 331	87 243
OECD-Average	56 422	47 704	94 224	75 138	112 843	86 838	94 224	71 029
OECD-EU 22	56 704	47 508	94 695	73 806	113 407	84 632	94 695	68 412

1. Two-earner couple.

Table 3.12. Annual labour costs and net income, single person, 2023

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	49 834	37 504	74 379	52 668	124 213	81 988	49 834	47 320
Austria	65 112	37 302	97 182	51 288	158 541	79 504	65 112	50 782
Belgium	68 837	37 116	103 494	48 922	172 835	71 055	68 837	48 786
Canada	54 420	37 955	79 844	54 408	130 038	84 056	54 420	50 940
Chile	19 648	18 272	29 325	27 228	48 972	44 862	19 648	19 212
Colombia	11 132	11 132	16 615	16 615	27 747	27 747	11 132	11 944
Costa Rica	23 226	16 576	34 666	24 740	57 892	40 473	23 226	16 576
Czechia	34 175	21 183	51 007	30 492	85 182	49 393	34 175	27 850
Denmark	55 703	36 751	82 890	52 734	138 086	80 106	55 703	45 504
Estonia	32 319	21 618	48 237	29 254	80 556	47 394	32 319	28 646
Finland	52 647	33 141	78 577	44 359	131 224	65 684	52 647	38 049
France	52 461	31 252	83 034	44 152	144 989	67 670	52 461	43 696
Germany	65 403	36 800	97 722	50 959	156 205	79 425	65 403	46 797
Greece	35 920	23 543	53 612	32 983	89 532	50 118	35 920	25 650
Hungary	30 221	17 785	45 105	26 544	75 326	44 329	30 221	22 446
Iceland	54 578	39 552	81 460	55 620	136 039	85 986	54 578	44 959
Ireland	57 295	42 388	85 515	55 475	142 810	80 697	57 295	49 120
Israel	34 553	28 926	52 035	39 975	87 530	58 517	34 553	33 227
Italy	46 490	28 652	69 388	38 114	115 877	53 588	46 490	35 801
Japan	41 574	28 474	62 051	41 562	102 718	65 801	41 574	34 025
Korea	49 719	38 994	74 208	55 956	122 690	88 861	49 719	42 928
Latvia	29 026	18 142	43 318	25 533	72 336	41 280	29 026	22 674
Lithuania	31 456	20 724	46 950	28 683	78 406	46 602	31 456	27 166
Luxembourg	63 871	42 461	95 331	55 929	159 202	83 787	63 871	54 815
Mexico	12 766	10 330	18 743	14 998	30 879	23 748	12 766	10 330
Netherlands	58 759	42 757	87 599	56 816	141 348	83 421	58 759	56 968
New Zealand	34 270	28 686	51 149	40 381	85 419	63 341	34 270	38 427
Norway	62 748	42 432	93 654	59 594	159 052	90 038	62 748	49 002
Poland	33 286	22 517	49 681	32 636	82 967	53 129	33 286	30 891
Portugal	34 034	20 987	50 796	29 328	84 830	44 146	34 034	26 180
Slovak Republic	25 958	15 699	38 744	22 614	64 702	36 434	25 958	22 934
Slovenia	35 366	21 269	52 785	29 918	88 152	47 008	35 366	27 804
Spain	42 667	27 304	63 683	38 064	106 350	58 789	42 667	31 513
Sweden	50 396	30 382	75 218	43 556	125 615	63 672	50 396	33 938
Switzerland	71 323	56 769	106 452	81 465	177 533	127 851	71 323	66 537
Türkiye	36 223	24 008	54 063	33 314	90 286	52 209	36 223	24 008
United Kingdom	50 917	37 274	76 883	52 790	129 602	79 958	50 917	42 159
United States	48 836	35 420	72 731	50 954	121 246	79 690	48 836	42 566
OECD-Average	43 610	29 528	65 214	41 332	108 603	63 746	43 610	36 110
OECD-EU 22	45 518	28 626	68 176	39 471	113 412	60 329	45 518	36 273

Table 3.13. Annual labour costs and net income, married couple, 2023

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	74 379	57 529	124 213	90 172	148 758	105 336	124 213	90 172
Austria	97 182	65 320	162 294	101 449	194 364	115 435	162 294	88 590
Belgium	103 494	64 907	172 331	94 635	206 988	106 750	172 331	86 227
Canada	79 844	62 683	134 264	95 533	159 688	110 615	134 264	92 363
Chile	29 325	27 667	48 972	46 484	58 650	54 808	48 972	45 501
Colombia	16 615	17 427	27 747	29 370	33 230	34 853	27 747	27 747
Costa Rica	34 666	24 740	57 892	41 316	69 332	49 480	57 892	41 316
Czechia	51 007	38 997	85 182	55 732	102 015	65 041	85 182	51 675
Denmark	82 890	60 350	138 593	94 096	165 779	110 080	138 593	89 484
Estonia	48 237	33 798	80 556	54 695	96 474	62 331	80 556	50 873
Finland	78 577	47 274	131 224	80 415	157 155	91 633	131 224	77 500
France	83 034	50 606	135 494	80 537	166 068	93 151	135 494	75 762
Germany	97 722	65 404	163 125	96 665	195 444	110 776	163 125	88 098
Greece	58 973	37 107	98 485	61 550	117 947	71 710	98 485	61 092
Hungary	45 105	31 005	75 326	48 789	90 211	57 549	75 326	44 329
Iceland	81 460	64 837	136 039	95 833	162 921	111 240	136 039	95 172
Ireland	85 515	66 833	142 810	101 617	171 030	114 704	142 810	97 040
Israel	52 035	42 720	86 588	73 725	104 071	86 147	86 588	69 284
Italy	69 388	46 381	115 877	74 800	138 775	83 363	115 877	66 766
Japan	62 051	44 749	103 625	72 489	124 102	85 577	103 625	70 036
Korea	74 208	60 010	123 927	98 701	148 416	115 663	123 927	94 950
Latvia	43 318	30 065	72 344	48 207	86 637	55 597	72 344	43 675
Lithuania	46 950	35 124	78 406	53 462	93 900	61 420	78 406	49 407
Luxembourg	95 331	74 970	159 202	109 320	190 661	122 718	159 202	100 578
Mexico	18 743	14 998	31 509	25 328	37 486	29 996	31 509	25 328
Netherlands	87 599	62 765	146 358	106 188	175 197	120 246	146 358	99 573
New Zealand	51 149	45 564	85 419	69 067	102 298	80 761	85 419	69 067
Norway	93 654	62 851	156 402	105 283	187 308	122 445	156 402	102 026
Poland	49 681	41 814	82 967	62 538	99 362	72 657	82 967	55 154
Portugal	50 796	34 414	84 830	52 517	101 593	60 732	84 830	50 440
Slovak Republic	38 744	32 648	64 702	46 830	77 488	53 745	64 702	38 312
Slovenia	52 785	37 211	88 152	55 345	105 571	63 994	88 152	51 187
Spain	63 683	41 073	106 350	66 851	127 365	77 611	106 350	65 368
Sweden	75 218	47 112	125 615	77 494	150 437	90 668	125 615	73 937
Switzerland	106 452	93 919	177 774	146 128	212 903	169 430	177 774	136 427
Türkiye	54 063	33 314	90 286	57 322	108 127	66 628	90 286	57 322
United Kingdom	76 883	56 145	127 800	93 057	153 767	108 573	127 800	90 063
United States	72 731	58 405	121 567	91 709	145 463	106 375	121 567	87 243
OECD-Average	65 355	47 704	109 059	75 138	130 710	86 838	109 059	71 029
OECD-EU 22	68 420	47 508	114 101	73 806	136 839	84 632	114 101	68 412

1. Two-earner couple.

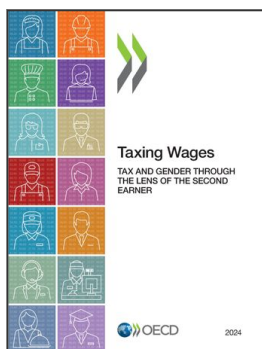
Notes

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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