

Foreword

This report provides an overview of the tax measures introduced during the COVID-19 crisis since the outbreak of the pandemic. It is an update to the report that was presented at the G20 Finance Ministers' Meeting held on 15 April 2020. The aim of the report is to provide an overview of how tax measures have evolved since last year and identify the key tax policy trends across countries.

The report is primarily based on countries' responses to a questionnaire that was circulated in January 2021 by the OECD to all members of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting.¹ The questionnaire requested information on countries' tax responses to the COVID-19 crisis across corporate income taxes (CIT) and other business taxes, personal income taxes (PIT) and social security contributions (SSC), value added taxes (VAT) and excise duties, environmentally related taxes and property taxes. Data was collected from 66 countries, including all OECD and G20 countries, and 21 additional Inclusive Framework members that replied to the OECD questionnaire.²

The report also offers some policy guidance as to how tax policy responses could be adapted to address short term challenges. It identifies guiding principles on how countries can improve the targeting of emergency relief and carefully withdraw it as they emerge from the grip of the pandemic and loosen mobility and other restrictions. It also provides some guidance on how to design and implement effective stimulus-oriented tax measures.

The report contains three chapters: Chapter 1 provides an overview of the macroeconomic background and forecast across OECD and G20 countries. Chapter 2 gives an update on the tax measures introduced by countries in response to the COVID-19 crisis. Chapter 3 provides some forward-looking guidance on ways to address tax policy challenges in the short run and a brief overview of the work that the OECD will be undertaking in the future to help countries reassess their tax and spending policies in the longer run.

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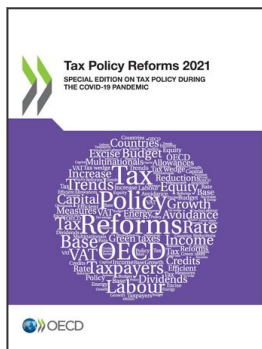
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