

ANNEX A

Overall Tax Levels and Tax Structures in OECD Member Countries, 1990-2002

Table A. Tax revenues expressed as a percentage of GDP at market prices, 1990-2002

	Total tax revenue			Personal income taxes			Social security contributions						All other taxes		
	1990	1995	2002	1990	1995	2002	Employees			Employers			1990	1995	2002
							1990	1995	2002	1990	1995	2002			
Australia	29	30	32	13	12	12	0	0	0	0	0	0	17	18	19
Austria	40	42	44	9	9	10	6	6	6	7	7	7	20	19	21
Belgium	43	45	46	14	15	15	4	5	5	9	9	9	16	17	18
Canada	36	36	34	15	13	12	2	2	2	3	3	3	17	17	17
Czech Republic	-	40	39	-	5	5	-	4	4	-	11	11	-	20	19
Denmark	47	49	49	25	27	26	1	1	1	0	0	0	21	21	21
Finland	44	46	46	15	14	14	1	3	2	9	10	9	18	19	20
France	43	44	44	5	5	8	6	6	4	12	11	11	21	22	21
Germany	36	38	36	10	11	9	6	7	6	7	7	7	13	14	14
Greece	29	32	36	4	4	5	4	4	5	4	5	6	16	19	21
Hungary	-	42	38	-	7	8	-	2	2	-	12	9	-	21	19
Iceland	32	32	38	8	10	15	0	0	0	1	3	3	22	19	20
Ireland	34	33	28	11	10	7	2	2	1	3	3	3	18	18	17
Italy	39	41	43	10	11	11	3	3	2	9	9	9	17	19	21
Japan	30	28	26	8	6	5	3	4	4	5	5	5	14	13	12
Korea	18	19	24	3	4	3	0	0	3	1	1	2	14	14	17
Luxembourg	41	42	42	10	9	7	4	5	5	5	5	5	22	23	25
Mexico	17	17	18	-	-	-	-	-	-	-	-	-	17	17	18
Netherlands	43	42	39	11	8	7	10	11	7	3	3	5	19	20	21
New Zealand	38	37	35	17	16	15	0	0	0	0	0	0	20	21	20
Norway	42	41	44	11	11	11	4	3	3	7	6	6	20	21	23
Poland ^a	-	37	33	-	9	8	-	11	10	-	-	-	-	17	16
Portugal	29	34	34	5	6	-	3	3	-	5	6	-	17	18	34
Slovak Republic	-	-	33	-	-	3	-	-	3	-	-	8	-	-	19
Spain	33	33	36	7	8	7	2	2	2	8	8	9	16	15	18
Sweden	53	49	50	21	16	15	0	2	3	14	12	12	19	19	20
Switzerland	26	28	30	10	10	10	3	4	4	3	3	4	10	11	13
Turkey	20	23	31	5	5	6	2	1	2	2	1	3	11	15	21
United Kingdom	37	35	36	11	10	11	2	3	2	4	3	3	20	19	19
United States	27	28	27	10	10	10	3	3	3	4	4	3	11	11	10

a) Total social security contributions.

Source: Revenue Statistics 1965-2003, 2004 Edition.

Table B. Tax revenues from personal income taxes as a percentage of GDP and total taxation, 1990-2002
(Countries with non-central government income taxes)

	Central government						:	State and local government ¹					
	GDP		Percentage of		Total			GDP		Percentage of		Total	
	1990	1995	1995	2002	2002	1990		1995	1995	2002	2002	2002	
Belgium	9	20	8	17	8	17	:	5	12	7	15	6	14
Canada	9	25	8	23	7	22	:	6	16	5	15	4	13
Denmark	12	25	12	25	11	22	:	13	28	14	29	15	32
Finland	7	15	6	12	6	13	:	9	19	9	19	8	18
Iceland	5	15	5	16	7	19	:	4	11	5	15	8	20
Japan	6	19	4	14	3	12	:	2	8	2	7	2	7
Korea	3	18	3	18	3	12	:	0	1	0	1	0	1
Norway	4	9	4	10	6	13	:	7	17	7	16	5	11
Spain ²	7	20	7	22	5	13	:	1	2	1	2	2	6
Sweden	5	9	1	3	-1	-2	:	15	29	15	31	16	32
Switzerland	3	10	2	7	2	7	:	7	29	8	29	8	27
United States	8	30	8	29	8	30	:	2	7	2	7	2	7

1. Income-tax sharing arrangements exist in Austria, Germany, Greece, Luxembourg, Portugal and Spain.

2. Spain has introduced an income tax of the Autonomous Regions as of 1997; pro memoria.

Source: Revenue Statistics 1965-2003, 2004 Edition.

ANNEX B

Source of Earnings Data

	Type of sample	Source
Australia	Representative sample of employers and employees in each industry. Carried out in May	Bureau of Statistics "Distribution and composition of employee earnings and hours"
Austria	Annual Wage Tax Statistics	"Lohnsteuerstatistik"
Belgium	Annual survey by National Bureau of Social Security	"Rapport Annuel d'Office National de Sécurité Sociale"
Canada	Monthly survey of all firms	Statistics Canada, "Employment Earnings and Hours"
Czech Republic	Employer survey data	National Statistical Office
Denmark	Danish Employers Confederation survey of earnings	Annual Report Danish Employers Confederation (Dansk Arbejds Giverforening)
Finland	Finnish Employers Federation survey of hourly earnings	"Wages Statistics" published by the Central Statistical Office
France	Update of file based upon "annual declarations of salaries"	"Economie et Statistiques"
Germany	Survey carried out by the Federal Statistical Office	"Statistical Yearbook"
Greece	Survey carried out by National Statistics Service and Social Security Institutions	National Statistical Service Labour Statistics
Hungary	Monthly surveys among enterprises with over ten employees	Central Statistical Office
Iceland	Quarterly survey of weekly earnings by the Wage Investigation Committee which extends to members of the Icelandic Employers' Confederation all over the country	
Ireland	Quarterly surveys of industrial employment, earnings and hours worked by Central Statistical Office	
Italy	Monthly Statistics Bulletin	National Institute of Statistics
Japan	Basic survey of wage structure of all establishments with more than 10 employees	Ministry of Labour, Annual Report
Korea	Major Labour Statistics	Ministry of Labour
Luxembourg	Monthly survey and annual "Social Security Trends"	Statistics Office and Ministry of Labour
Mexico	Manufacturing sector of the economy	Mensual, Instituto Nacional de Estadística, Geografía e Informática (INEGI)
Netherlands	April and October sample of non-agricultural wage-earners	Central Bureau of Statistics, Monthly Bulletin of social statistics
New Zealand	Department of Statistics PCInfos	
Norway	Norwegian Employers Confederation quarterly survey	Norsk arbeidsgiverforenings kvartalsvise lønns-og frauærstøtatistikk
Portugal	April and October survey of earnings carried out by the Ministry of Labour	Ministry of Labour
Poland	Estimates for different sectors	Monthly Statistical Bulletin
Slovak republic	Quarterly and annual statistical data	Slovak Statistical Office
Spain	Monthly survey of firms	Instituto Nacional de Estadística "Indicadores de Salarios"
Sweden	Second quarter survey of Swedish employers	Statistics Sweden
Switzerland	Statistics of the Federal Office for Industry, the Arts and Professions	La vie économique, Département fédéral de l'Economie Publique à Berne
Turkey	Annual Manufacturing Industry Survey	State Institute of Statistics
United Kingdom	Annual sample of weekly earnings in PAYE (new earnings survey)	Department of Employment "Employment Gazette"
United States	Monthly surveys by Department of Labour on the basis of a questionnaire covering more than 30 million non-agricultural wage and salary-workers	"Employment and Earnings"

ANNEX C

Exchange Rates and Purchasing Power Parities of National Currencies, 2004

	Monetary unit	2004	
		Exchange rates *	Purchasing power parities
Australia	AUD	1.37	1.39
Austria	EUR	1.23	0.94
Belgium	EUR	1.23	0.91
Canada	CAD	1.33	1.20
Czech Republic	CZK	26.23	14.87
Denmark	DKK	6.07	8.71
Finland	EUR	1.23	0.98
France	EUR	1.23	0.91
Germany	EUR	1.23	0.97
Greece	EUR	1.23	0.72
Hungary	HUF	206.79	130.38
Iceland	ISK	71.37	93.90
Ireland	EUR	1.23	1.00
Italy	EUR	1.23	0.86
Japan	JPY	108.94	134.82
Korea	KRW	1 162.47	768.93
Luxembourg	EUR	1.23	1.03
Mexico	MXN	11.27	7.30
Netherlands	EUR	1.23	0.95
New Zealand	NZD	1.53	1.48
Norway	NOK	6.88	9.55
Poland	PLZ	3.77	1.85
Portugal	EUR	1.23	0.68
Slovak Republic	SKK	32.80	17.44
Spain	EUR	1.23	0.80
Sweden	SEK	7.48	9.64
Switzerland	CHF	1.26	1.87
Turkey	TRL	1 422 146.81	830 360.87
United Kingdom	GBP	0.55	0.64
United States	USD	1.00	1.00

* Average of 9 months daily rates.

Table of Contents

Part I

Basic Methodology and Main Results

1. Basic methodology	12
2. Review of results for 2004	12
3. Results for 2003	23
4. Historical trends	25
<i>Special Feature.</i> Broadening the Definition of the Average Worker	33

Part II

Comparative Tables and Charts

1. Tax Burdens, 2004 (Tables)	44
II.1. Income tax, by family-type and wage level (as % of gross wage), 2004	44
II.2. Employee contributions, by family-type and wage level (as % of gross wage), 2004	45
II.3. Income tax plus employee contributions, by family-type and wage level (as % of gross wage), 2004	46
II.4. Income tax plus employee contributions less cash benefits, by family-type and wage level (as % of gross wage), 2004	47
II.5. Income tax plus employee and employer contributions less cash benefits, by family-type and wage level (as % of labour costs), 2004	48
II.6. Marginal rate of income tax plus employee contributions less cash benefits, by family-type and wage level (as % of gross wage), 2004	49
II.7. Marginal rate of income tax plus employee and employer contributions less cash benefits, by family-type and wage level (as % of labour costs), 2004	50
II.8. Increase in net income after 1% increase in gross wage, by family-type and wage level (%), 2004	51
II.9. Increase in net income after 1% increase in labour costs, by family-type and wage level (%), 2004	52
II.10. Annual gross wage and net income, by family-type and wage level (in US dollars), 2004	53
II.11. Annual labour costs and net income, by family-type and wage level (in US dollars), 2004	55

2. Tax Burdens, 2003 (Tables)	57
II.12. Income tax, by family-type and wage level (as % of gross wage), 2003	57
II.13. Employee contributions, by family-type and wage level (as % of gross wage), 2003	58
II.14. Income tax plus employee contributions, by family-type and wage level (as % of gross wage), 2003	59
II.15. Income tax plus employee contributions less cash benefits, by family-type and wage level (as % of gross wage), 2003	60
II.16. Income tax plus employee and employer contributions, less cash benefits, by family-type and wage level (as % of labour costs), 2003	61
II.17. Marginal rate of income tax plus employee contributions less cash benefits, by family-type and wage level (as % of gross wage), 2003	62
II.18. Marginal rate of income tax plus employee and employer contributions less cash benefits, by family-type and wage level (as % of labour costs), 2003	63
II.19. Increase in net income after 1% increase in gross wage, by family-type and wage level (%), 2003	64
II.20. Increase in net income after 1% increase in labour costs, by family-type and wage level (%), 2003	65
II.21. Annual gross wage and net income, by family-type and wage level (in US dollars), 2003	66
II.22. Annual labour costs and net income, by family-type and wage level (in US dollars), 2003	68
3. Tax Burdens, 2003 (Charts)	70
II.1. Income tax, by family-type (as % of gross wage), 2004	70
II.2. Employee contributions, by family-type (as % of gross wage), 2004	71
II.3. Income tax plus employee contributions less cash benefits, by family-type (as % of gross wage), 2004	72
II.4. Income tax plus employee and employer contributions less cash benefits, by family-type (as % of labour costs), 2004	73
II.5. Marginal rate of income tax plus employee contributions less cash benefits, by family-type (as % of gross wage), 2004	74
II.6. Marginal rate of income tax plus employee and employer contributions less cash benefits, by family-type (as % of labour costs), 2004	75

Part III

Historical Trends, 1979-2004

III.1a. Evolution of the tax burden, 1996-2004. Single persons without children at 67% of average earnings. Income tax as a % of gross earnings	78
III.1b. Evolution of the tax burden, 1996-2004. Single persons without children at 67% of average earnings. Income tax plus employee contributions less cash benefits as a % of gross earnings	79
III.1c. Evolution of the tax burden, 1996-2004. Single persons without children at 67% of average earnings. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings	80

III.2a. Evolution of the tax burden, 1996-2004. Single persons without children at 100% of average earnings. Income tax as a % of gross earnings	81
III.2b. Evolution of the tax burden, 1996-2004. Single persons without children at 100% of average earnings. Income tax plus employee contributions less cash benefits as a % of gross earnings.	82
III.2c. Evolution of the tax burden, 1996-2004. Single persons without children at 100% of average earnings. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings	83
III.3a. Evolution of the tax burden, 1996-2004. Single persons without children at 167% of average earnings. Income tax as a % of gross earnings	84
III.3b. Evolution of the tax burden, 1996-2004. Single persons without children at 167% of average earnings. Income tax plus employee contributions less cash benefits as a % of gross earnings.	85
III.3c. Evolution of the tax burden, 1996-2004. Single persons without children at 167% of average earnings. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings	86
III.4a. Evolution of the tax burden, 1996-2004. Single parent with two children at 67% of average earnings. Income tax as a % of gross earnings	87
III.4b. Evolution of the tax burden, 1996-2004. Single parent with two children at 67% of average earnings. Income tax plus employee contributions less cash benefits as a % of gross earnings.	88
III.4c. Evolution of the tax burden, 1996-2004. Single parent with two children at 67% of average earnings. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings	89
III.5a. Evolution of the tax burden, 1996-2004. One-earner married couple with two children at 100% of average earnings. Income tax as a % of gross earnings	90
III.5b. Evolution of the tax burden, 1996-2004. One-earner married couple with two children at 100% of average earnings. Income tax plus employee contributions less cash benefits as a % of gross earnings	91
III.5c. Evolution of the tax burden, 1996-2004. One-earner married couple with two children at 100% of average earnings. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings.	92
III.6a. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 33%. Income tax as a % of gross earnings	93
III.6b. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 33%. Income tax plus employee contributions less cash benefits as a % of gross earnings	94
III.6c. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 33%. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings.	95
III.7a. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 67%. Income tax as a % of gross earnings	96

III.7b. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 67%. Income tax plus employee contributions less cash benefits as a % of gross earnings	97
III.7c. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 67%. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings.	98
III.8a. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 33%, with no children. Income tax as a % of gross earnings	99
III.8b. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 33%, with no children. Income tax plus employee contributions less cash benefits as a % of gross earnings.	100
III.8c. Evolution of the tax burden, 1996-2004. Two-earner married couple, one at 100% average earnings and the other at 33%, with no children. Income tax plus employee and employer contributions less cash benefits as a % of gross earnings.	101
III.9. Income tax (in % of gross wage), 1979-2004, single persons without children . . .	102
III.10. Income tax plus employee contributions (in % of gross wage), 1979-2004, single persons without children.	103
III.11. Income tax plus employee and employer contributions (as % of labour costs), 1979-2004, single persons without children	104
III.12. Income tax (as % of gross wage), 1979-2004, one-earner family with two children	105
III.13. Income tax plus employee contributions less cash benefits (as % of gross wage), 1979-2004, one-earner family with two children	106
III.14. Income tax plus employee and employer contributions less cash benefits (as % of labour costs), 1979-2004, one-earner family with two children	107

Part IV

Country Details, 2004

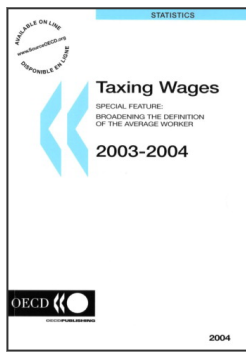
Australia (2004-2005 Income Tax Year)	111
Austria	125
Belgium (French only)	137
Canada	147
Czech Republic	163
Denmark	173
Finland	183
France (French only)	191
Germany	205
Greece	215
Hungary	225
Iceland	235
Ireland	245
Italy	255

Japan	267
Korea	279
Luxembourg (French only)	289
Mexico	299
Netherlands	309
New Zealand (2004-2005 Income Tax Year)	321
Norway	329
Poland	339
Portugal (French only)	349
Slovak Republic	361
Spain	371
Sweden	381
Switzerland (French only)	391
Turkey	405
United Kingdom (2004-2005 Income Tax Year)	413
United States	421

Part V

Methodology and Limitations

Methodology	433
1. Introduction	434
2. Calculation of gross wage earnings	434
3. Estimating gross wage earnings in 2004	439
4. Coverage of taxes and benefits	440
5. Taxpayer characteristics	441
6. Calculation of personal income taxes	442
7. State and local income taxes	443
8. Social security contributions	448
9. Payroll taxes	448
10. Church tax	449
11. Family cash benefits from general government	449
12. Non-wastable tax credits	450
Limitations	453
1. General limitations	454
2. Some specific limitations on the income tax calculation	454
3. Limitations to time-series comparisons	455
4. Limitations to marginal rates	456
A Note on the Tax Equations	459
Annex A. Overall Tax Levels and Tax Structures in OECD Member Countries, 1990-2002	463
Annex B. Source of Earnings Data	466
Annex C. Exchange Rates and Purchasing Power Parities of National Currencies, 2004	467



From:
Taxing Wages 2004

Access the complete publication at:
https://doi.org/10.1787/tax_wages-2004-en

Please cite this chapter as:

OECD (2006), "Annexes", in *Taxing Wages 2004*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/tax_wages-2004-37-en

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.