
Taxation: Tax Revenues, Direct and Indirect Taxes, Tax Harmonization

Outline

- Introduction and Tax Classification
 - Tax Revenues and the Main trends: EU, OECD
 - Direct taxes – PIT, CIT
 - Indirect taxes – VAT (GTS, ST), ED
 - Introduction to Tax Harmonization
 - Introduction to International Taxation
 - Discussion
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Tax System I.

- Legislation: National x International level (EU – EC Directives, OECD – Tax Coordination)
- Tax Coordination (OECD):
 - Ex. Bilateral or multi lateral contracts to prevent **international double taxation**
 - Prevent **Tax Evasion, Tax Avoidance** (Information exchange)
- Tax Harmonization (EU):
 - EU Member States: Tax Policy has to reflect EC Directives
 - One of access criteria for all candidate states
 - More intensive Tax Coordination – unification or approximation of Tax Structure, Tax Mechanism – collection, Tax base, Tax Rates..
 - Indirect Taxes more harmonized: VAT (End of 60 's – one of condition to entering EU)

Tax System II.

■ Social changes

- The richer people become, the more solidarity in society (Typically Europe, 2 nd mid of 20th Century), tax fairness reflects traditional values (linked with religion)
- Now – Welfare State x Liberalism (Republicans, Tea Party) – Tax quota, tax base – income x consumption
- Tax Revenues as the main Source for Social Policy

■ Progress in technologies

- What can be subject to taxation - (ex. CIT: without existence of accounting, impossible to tax profits, tax was based on the number of workers, windows..)
- Tax Administration (VAT) – applicable for developed countries only
- PIT – also difficult to tax, administer, to monitor in less developed countries – poor administration, poverty, corruption, illiteracy, so PIT more important in developed countries

Tax System III.

■ Economical issues

- GDP, inflation, Savings, Interest Rates..
- VAT- one of disadvantages: tendencies to rise inflation
- Economic recession: failure of tax revenues causes pressure on raising tax rates (ex. Hungary, Latvia, Lithuania, Estonia, UK, Spain)

■ Political changes in a long run

- Solidarity, size of Public Sector

■ Globalization

- Need of Tax Coordination to prevent Tax Evasions..
 - With increased mobility of capital, tax treatment to (multinational) firms in foreign countries influences tax policy in other countries: tax competition
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Tax Haven/Tax Island

- Country, state or autonomous area, where zero or very low tax rates are applied (mostly on income)
 - Unfair tax competition
 - Differences in the focus of tax havens
 - Sovereign areas, where the tax legislation is managed in accordance to national legislation, but are not subjected to international agreements
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„Offshore“ vs. „Onshore“

■ **Onshore company**

- ❑ Country using tax incentives to motivate companies
 - ❑ Entrepreneurs who want lower taxes and another country laws
 - ❑ Business partners and financial authorities are not suspicious
 - ❑ Established by local law
 - ❑ Obligated to keep accounting, fill tax declaration, undergo audit
- Netherlands, Luxemburg, Lichtenstein, Cyprus, Malta, Sweden, USA, Great Britain
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„Offshore“ vs. „Onshore“

■ **Offshore company**

- ❑ Countries that have benevolent relationship to business environment
- ❑ Dôvod zníženia daňových odvodov a skrytia totožnosti
- ❑ Different reasons – hide identity, avoid or decrease tax obligation
- ❑ Formed in accordance with local law, but are not developing any business activity in the country of establishment
- ❑ Revenues from business activities are not taxed
- ❑ Taxes paid in the form of annual fees
- ❑ Don't keep accounting, fill tax declaration

- **Bahamas, Belize, Bermuda, Gibraltar, Jersey, Panama, Seychelles**
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Tax classification I.

- **1000 *Taxes on income, profits and capital gains***
 - 1100 Taxes on income, profits and capital gains of individuals
 - 1200 Corporate taxes on income, profits and capital gains
 - 1300 Unallocable as between 1100 and 1200
 - **2000 *Social security contributions***
 - 2100 Employees
 - 2200 Employers
 - 2300 Self-employed or non-employed
 - 2400 Unallocable as between 2100, 2200 and 2300
 - **3000 *Taxes on payroll and workforce***
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Tax classification II.

- **4000 *Taxes on property***
 - 4100 Recurrent taxes on immovable property
 - 4200 Recurrent taxes on net wealth
 - 4300 Estate, inheritance and gift taxes
 - 4400 Taxes on financial and capital transactions
 - 4500 Other non-recurrent taxes on property
 - 4600 Other recurrent taxes on property
 - **5000 *Taxes on goods and services***
 - 5100 Taxes on production, sale, transfer, leasing and delivery of goods and rendering of
 - services
 - 5200 Taxes on use of goods, or on permission to use goods or perform activities
 - 5300 Unallocable as between 5100 and 5200
 - **6000 *Other taxes***
 - 6100 Paid solely by business
 - 6200 Paid by other than business or unidentifiable
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Tax classification III.

- Income (typically 1 + 2): CIT, PIT, SSC
 - Consumption (typically 5): VAT, GST, ED, ID
 - Property (typically 4)
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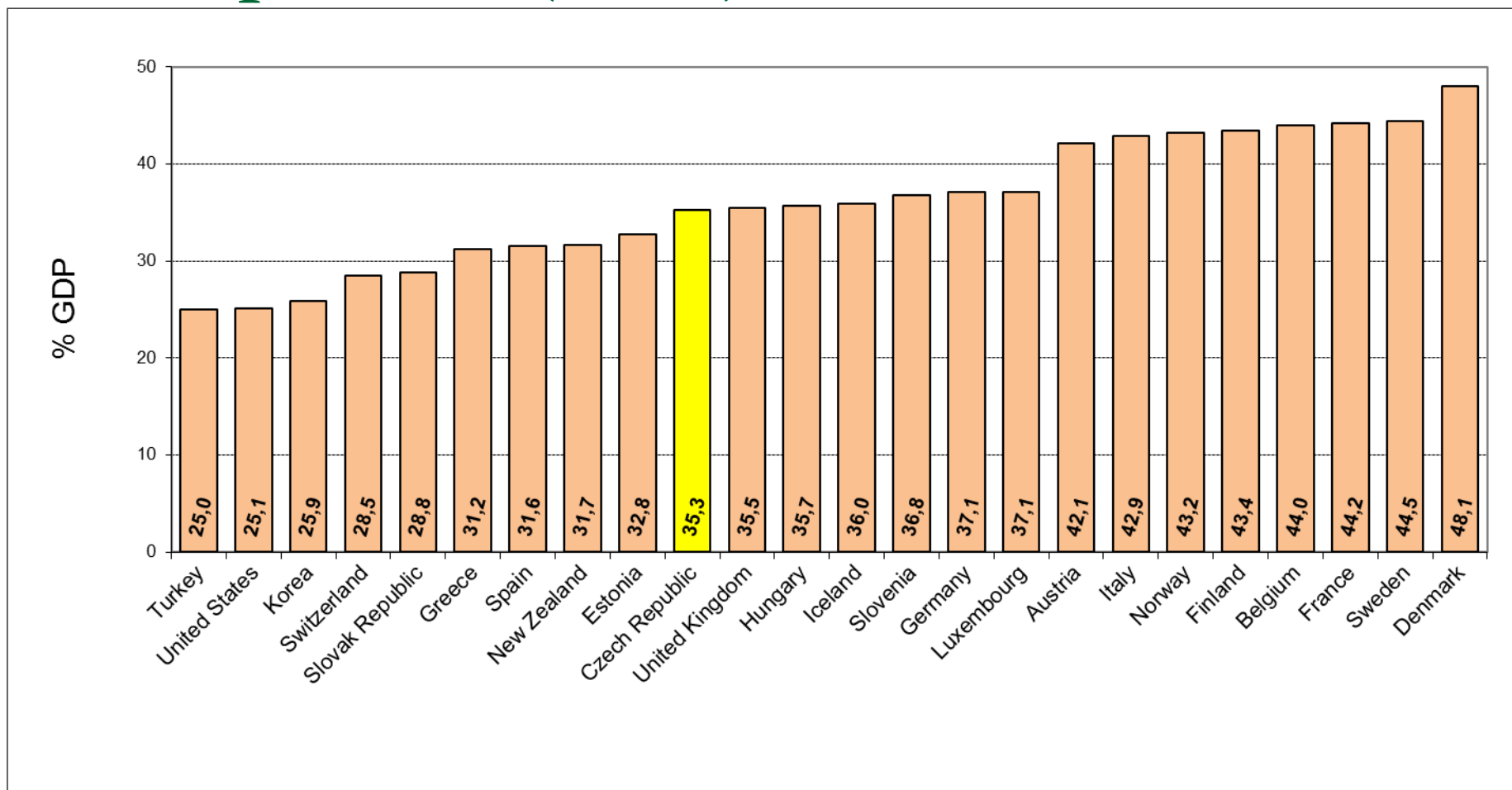
Tax Quota I.

	1975	1985	1990	1995	2000	2005	2007
OECD Total	29,4	32,6	33,7	34,7	36,0	35,7	35,8
OECD America	28,8	24,5	26,3	26,2	27,5	26,3	26,5
OECD Pacific	22,5	25,7	28,3	27,7	28,6	29,9	30,4
OECD Europe	30,9	35,3	36,0	37,7	38,4	37,9	38,0
EU 19	32,1	37,5	38,1	38,9	39,4	38,7	38,8
EU 15	32,1	37,5	38,1	39,0	40,6	39,7	39,7

Tax Quota II.

- Increase till 2000, than slight decline (average 36 %)
 - America:
 - lower taxes than OECD average (27 %), decline in 80's
 - Increase in 90's, slight decline from 2000
 - Only OECD America has lower Tax Quota in 2007 than 1975
 - Pacific
 - Lower rates than average, 30 %
 - Increase: (Exception mid 90 's), 2nd lowest, but 1975: 1 st. lowest TQ
 - Europe 15
 - High Tax area
 - Increase (Slight and short Decrease after 2000)
 - Europe 19
 - Not so different, but in can be seen that CZ, SVK, PL, HU – lower tax quota than Western Europe
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Tax Quota III. – International Comparison (2011) % GDP



Tax Mix II.

■ Increase: SSC, CIT

- SSC - social policy become „more generous“ – last decades
- CIT – slight increase, revenues 2007 – before recession, CIT sensitive to economic cycle

■ Decline: PIT, Property, Consumption

- PIT: progressive x flat tax rate, connection with labor market
 - Property x immobile – real estate
 - Consumption as total, but: General tax – VAT, GTS: became more important x revenues from ED become less important as a percentage of Tax Mix
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	1000 Income & profits	2000 Social security	3000 Payroll	4000 Property	5000 Goods and services	6000 Others	
Australia	14,6	0,0	1,3	2,4	7,3	0,0	
Austria (1)	11,9	14,5	2,9	0,5	11,8	0,3	
Belgium	14,9	14,1	0,0	3,0	11,2	0,0	
Canada	14,5	4,7	0,7	3,6	7,5	0,0	
Chile	7,5	1,4	0,0	0,7	10,1	-0,1	
Czech Republic	7,0	15,3	0,0	0,4	11,3	0,0	
Denmark (1)	29,1	1,0	0,2	1,9	15,2	0,0	
Estonia	6,8	13,1	0,0	0,4	13,7	0,0	
Finland	15,2	12,7	0,0	1,2	13,4	0,0	
France (1)	9,4	16,6	1,4	3,7	10,7	1,0	
Germany (2)	10,3	14,1	0,0	0,8	10,6	0,0	
Greece (1)	6,8	10,9	0,0	1,0	12,0	0,0	
Hungary	7,7	11,9	0,6	1,2	16,2	0,3	Tax revenue % GDP
Iceland	15,6	4,1	0,2	2,5	12,4	0,4	(2010)
Ireland	10,0	5,6	0,2	1,5	10,2	0,0	
Israel	9,5	5,6	1,3	3,1	13,0	0,0	
Italy	14,1	13,4	0,0	2,1	11,1	2,1	
Japan	8,4	11,4	0,0	2,7	5,2	0,1	
Korea	7,1	5,7	0,1	2,9	8,5	0,9	
Luxembourg	13,6	10,8	0,0	2,7	10,0	0,1	
Netherlands	10,8	14,1	0,0	1,5	11,9	0,2	
New Zealand	16,9	0,0	0,0	2,1	12,5	0,0	
Norway	20,2	9,7	0,0	1,2	11,8	0,0	
Poland	6,5	11,1	0,2	1,2	12,5	0,2	
Portugal	8,4	9,0	0,0	1,2	12,3	0,3	
Slovak Republic	5,0	12,3	0,0	0,4	10,3	0,0	
Slovenia	7,6	15,1	0,1	0,6	14,0	0,0	
Spain (1)	9,1	12,1	0,0	2,0	8,6	0,2	
Sweden	16,2	11,4	3,2	1,1	13,4	0,0	
Switzerland	13,0	6,7	0,0	2,1	6,3	0,0	
United Kingdom	13,1	6,6	0,0	4,2	10,7	0,0	
United States	10,8	6,4	0,0	3,2	4,5	0,0	
OECD-Total	11,3	9,1	0,4	1,8	11,0	0,2	

Tax revenue in % of GDP											
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
EU-27	40.7	40.1	40.1	39.9	40.2	40.7	40.6	40.4	39.7	39.6	40.0
EA-17	41.3	40.8	40.8	40.5	40.7	41.2	41.2	40.8	40.4	40.3	40.8
BE	47.3	47.5	47.0	47.1	47.0	46.7	46.2	46.6	45.9	46.3	46.7
BG	30.8	28.5	31.0	32.5	31.3	30.7	33.3	32.3	29.0	27.5	27.2
CZ	33.8	34.6	35.5	35.9	35.7	35.4	35.9	34.5	33.4	33.5	34.5
DK	49.4	48.8	49.0	50.0	51.7	50.5	49.8	48.6	48.7	48.3	48.6
DE	40.9	40.4	40.6	39.7	39.7	40.0	40.0	40.2	40.8	39.3	40.0
EE	30.3	31.1	30.8	30.6	30.7	30.8	31.5	32.0	36.1	34.3	33.0
IE	30.9	29.6	30.1	31.4	31.9	33.4	32.9	31.3	29.9	29.9	30.4
EL	35.2	35.7	34.1	33.4	34.4	33.4	34.3	34.2	32.8	34.0	34.9
ES	34.5	35.1	34.7	35.5	36.7	37.6	38.0	33.9	31.6	33.1	32.4
FR	45.6	45.1	44.9	45.1	45.6	45.9	45.2	45.0	44.1	44.5	45.9
IT	41.5	40.8	41.3	40.7	40.3	42.0	43.0	43.0	43.3	42.8	42.8
CY	30.7	30.9	32.2	33.0	35.0	35.8	40.1	38.6	35.3	35.6	35.2
LV	29.0	28.8	28.8	28.8	29.4	30.8	30.8	29.7	27.0	27.4	27.7
LT	28.6	28.3	28.0	28.4	28.7	29.6	29.9	30.4	29.6	27.4	26.4
LU	40.6	40.2	39.0	38.2	38.5	36.7	36.5	38.4	40.2	38.5	38.1
HU	38.8	38.1	38.1	37.8	37.5	37.4	40.5	40.4	40.2	38.0	37.1
MT	31.2	32.1	32.5	33.7	35.2	35.3	36.0	34.9	35.4	34.4	35.1
NL	39.4	38.7	38.4	38.5	38.6	39.8	39.5	39.9	38.9	39.5	39.0
AT	46.8	45.3	45.2	44.6	43.6	43.0	43.2	44.2	44.1	43.6	43.7
PL	32.2	32.7	32.2	31.5	32.8	33.8	34.8	34.3	31.8	31.8	32.4
PT	33.4	34.2	34.7	33.8	34.9	35.6	35.9	35.9	34.5	34.8	36.1
RO	28.9	28.5	28.1	27.7	28.5	29.2	29.8	28.8	27.7	27.6	27.3
SI	37.7	38.1	38.3	38.4	38.9	38.5	37.9	37.5	37.6	38.1	37.5
SK	33.2	33.1	33.0	31.7	31.5	29.4	29.5	29.4	29.1	28.3	28.8
FI	44.9	44.8	44.3	43.6	44.1	43.9	43.1	43.0	43.0	42.6	43.6
SE	49.9	47.9	48.3	48.5	49.3	48.7	47.8	46.9	47.1	45.9	44.9
UK	38.0	36.7	36.3	36.8	37.4	38.1	37.6	39.3	36.4	37.2	37.8
IS	35.3	35.2	36.7	37.8	40.6	41.4	40.5	36.6	33.8	35.0	35.9
NO	42.9	43.1	42.4	43.1	43.3	43.5	43.0	42.1	42.0	42.6	42.8
CH	28.5	29	28.4	28	28.3	28.1	27.6	28.0	28.7	28.0	28.4

Tax revenue % GDP

1000 tax revenues as % on GDP

	1985	1995	2000	2005	2007
OECD Total	12,2	12,4	13,1	12,8	13,2
OECD America	9,8	11,0	12,5	11,0	11,8
OECD Pacific	13,5	13,7	13,5	14,5	14,9
OECD Europe	12,4	12,3	13,2	12,7	13,1
OECD EU 19	13,0	12,7	13,1	12,4	12,8
OECD EU 15	13,0	13,3	14,5	13,7	14,0

1000 – Income Taxes

- **OECD Total:** Growing importance – 13 %
 - **OECD America:** lower average, share of indirect taxes grows – 12 %
 - **OECD Pacific:** Higher share of direct taxation (less developed countries relies typically on CIT, PIT – difficult to control and to administer)
 - **OECD Europe:** on average
 - **EU 15 x EU 19:** EU 15 relies more on Income Taxes (14 %) – different level in PL, HU, SVK, CZ (EU 19 as total - lower average)
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Table B. Taxes on income and profits as percentage of GDP

	1965	1975	1985	1995	2000	2008	2009	2010	2011 provisional
Australia	10.5	14.2	15.2	15.6	17.6	16.1	14.5	14.6	n.a.
Austria ¹	8.6	9.6	10.8	10.9	12.2	13.2	11.9	11.9	12.2
Belgium	8.6	15.6	17.9	16.6	17.2	15.8	14.6	14.9	15.3
Canada	9.9	15.1	14.4	16.5	17.8	15.9	15.1	14.5	14.5
Chile	..	..	..	4.7	4.4	8.0	5.3	7.5	8.6
Czech Republic	..	..	..	9.0	7.7	7.9	7.2	7.0	7.2
Denmark ¹	14.0	22.7	26.6	30.1	29.8	28.9	29.1	29.1	29.4
Estonia	..	..	..	10.9	7.7	7.8	7.6	6.8	6.6
Finland	12.6	15.8	16.2	16.5	20.4	16.7	15.4	15.2	15.5
France ¹	5.4	5.6	6.8	7.0	11.1	10.5	8.8	9.4	10.1
Germany ²	10.7	11.8	12.6	11.3	11.3	11.5	10.8	10.3	11.0
Greece ¹	1.6	2.6	4.5	6.5	9.4	7.5	7.5	6.8	6.9
Hungary	..	..	..	8.7	9.5	10.4	9.8	7.7	6.1
Iceland	5.6	6.8	6.4	10.6	14.8	17.8	16.0	15.6	16.4
Ireland	6.4	8.5	11.8	12.6	13.1	10.9	10.1	10.0	11.3
Israel ³	..	..	..	12.8	14.6	11.2	9.4	9.5	9.8
Italy	4.6	5.5	12.4	14.1	13.9	14.8	14.2	14.1	13.8
Japan	7.8	9.1	12.2	10.1	9.3	9.6	8.0	8.4	8.6
Korea	..	3.6	4.2	6.0	6.5	8.2	7.3	7.1	7.8
Luxembourg	9.9	14.1	17.0	14.6	14.1	12.8	13.4	13.6	13.2
Mexico	..	..	3.4	3.8	4.6	5.2	5.0	5.2	5.4
Netherlands	11.7	14.2	11.2	10.9	10.0	10.7	10.7	10.8	n.a.
New Zealand	14.5	18.9	21.5	22.2	19.9	20.4	18.0	16.9	16.8
Norway	12.9	13.5	16.9	14.4	19.2	21.2	19.4	20.2	21.0
Poland	..	..	..	11.1	6.8	8.1	6.9	6.5	n.a.
Portugal	3.9	3.3	6.3	7.7	9.2	9.3	8.6	8.4	n.a.
Slovak Republic	..	..	..	10.3	7.0	6.2	5.2	5.0	5.3
Slovenia	..	..	..	6.5	6.9	8.4	7.7	7.6	7.3
Spain ¹	3.6	4.1	6.8	9.4	9.8	10.2	9.2	9.1	9.2
Sweden	18.3	20.8	20.0	18.6	21.0	16.8	16.4	16.2	15.7
Switzerland	7.2	11.3	11.6	11.7	13.0	13.3	13.5	13.0	13.0
Turkey	3.1	5.0	4.3	4.8	7.1	5.8	5.9	5.6	5.9
United Kingdom	11.3	15.6	14.3	12.6	14.2	14.3	13.2	13.1	12.9
United States	11.9	11.8	11.6	12.8	14.9	12.0	9.9	10.8	11.8
Unweighted average:									
OECD total	8.9	11.2	12.2	11.8	12.5	12.3	11.3	11.3	n.a.

Table 8. Taxes on income and profits (1000) as percentage of total taxation
Tableau 8. Impôts sur le revenu et les bénéfices (1000) en pourcentage du total des recettes fiscales

	1965	1975	1985	1990	1995	2000	2007	2008	2009	2010
Australia / Australie	50.7	56.0	54.6	57.1	55.4	58.0	59.8	59.3	56.1	57.1
Austria / Autriche ¹	25.5	26.1	26.4	25.5	26.3	28.4	30.0	30.8	28.0	28.3
Belgium / Belgique	27.6	39.5	40.5	36.9	38.1	38.5	35.9	36.1	33.8	34.3
Canada	38.6	47.2	44.1	48.6	46.4	50.1	49.1	49.1	47.2	46.8
Chile / Chili	..	..	..	23.2	25.2	23.3	45.7	37.5	31.1	38.4
Czech Republic / République tchèque	..	..	..	..	25.0	22.8	24.8	22.7	21.2	20.4
Denmark / Danemark ¹	46.8	59.0	57.7	60.1	61.7	60.3	60.0	60.5	61.0	61.1
Estonia / Estonie	..	..	..	..	30.0	24.9	23.7	24.7	21.2	19.9
Finland / Finlande	41.4	43.3	40.8	39.2	36.1	43.1	39.3	39.0	35.9	35.7
France ¹	15.9	15.9	16.0	16.1	16.3	24.9	23.9	24.2	20.7	21.9
Germany / Allemagne ²	33.8	34.4	34.8	32.4	30.3	30.1	31.2	31.5	29.0	28.7
Greece / Grèce ¹	9.1	13.3	17.5	19.9	22.3	27.3	23.3	23.3	24.7	22.2
Hungary / Hongrie	..	..	..	..	21.0	24.3	25.2	26.0	24.5	20.4
Iceland / Islande	21.4	22.8	22.7	29.7	34.1	39.9	45.4	48.5	47.3	44.4
Ireland / Irlande	25.7	30.0	34.5	36.9	39.1	42.3	39.2	37.6	36.5	36.2
Israel / Israël	..	..	..	..	35.0	39.6	36.5	33.0	29.9	29.3
Italy / Italie	17.8	21.5	36.8	36.5	35.3	33.2	33.8	34.4	33.0	32.9
Japan / Japon	43.9	44.6	45.8	50.2	38.3	34.8	36.4	33.6	29.5	30.2
Korea / Corée	..	24.3	26.4	32.8	30.1	28.8	31.8	31.0	28.7	28.2
Luxembourg	35.9	43.1	43.2	39.4	39.3	36.1	34.8	36.0	35.4	36.6
Mexico / Mexique	..	..	22.2	27.1	24.9	27.3	27.7	24.8	28.6	27.8
Netherlands / Pays-Bas	35.8	34.8	26.4	32.2	26.3	25.3	28.2	27.2	28.1	27.9
New Zealand / Nouvelle-Zélande	60.5	66.5	69.4	59.6	61.3	60.0	62.9	60.4	56.8	53.7
Norway / Norvège	43.4	34.4	39.7	35.2	35.1	45.0	47.9	50.4	45.8	47.0
Poland / Pologne	..	..	..	..	30.6	20.9	23.0	23.5	21.8	20.4
Portugal	24.6	17.5	25.8	25.7	26.3	29.8	28.1	28.6	28.1	26.9
Slovak Republic / République slovaque	..	..	..	..	25.6	20.5	19.8	20.9	17.8	17.8
Slovenia / Slovénie	..	..	..	..	16.7	18.5	23.3	22.6	20.6	20.2
Spain / Espagne ¹	24.5	22.0	24.8	30.6	29.2	28.4	33.6	30.7	29.9	28.3
Sweden / Suède	54.9	50.5	42.2	41.6	39.3	40.9	38.8	36.2	35.3	35.6
Switzerland / Suisse	41.1	47.6	46.0	47.2	43.5	44.2	46.4	47.1	46.9	46.2
Turkey / Turquie	29.6	42.3	37.0	33.5	28.3	29.5	23.7	23.9	24.1	21.7
United Kingdom / Royaume-Uni	37.0	44.8	38.6	39.3	36.9	39.0	39.5	40.0	38.5	37.5
United States / États-Unis	48.1	46.0	45.4	46.0	46.0	50.5	48.8	45.7	41.1	43.6
Unweighted average / Moyenne non pondérée										
OECD-Total / OCDE-Total	34.7	37.1	36.9	37.1	34.0	35.0	35.9	35.3	33.5	33.2

2000 tax revenues as % on GDP

	1985	1995	2000	2005	2007
OECD Total	7,6	8,9	9,1	9,1	9,1
OECD America	4,2	4,8	4,8	4,8	4,7
OECD Pacific	2,1	2,6	3,3	3,8	4,0
OECD Europe	9,3	10,7	10,6	10,6	10,6
OECD EU 19	10,7	11,8	11,6	11,5	11,5
OECD EU 15	10,7	11,4	14,5	11,1	11,1

2000 – Social Security Contribution

- **OECD Total** - Importance slightly increases – 9 %
 - **OECD America** - since 90's remains stable, low share 5 %
 - **OECD Pacific** - the share has doubled since 1985, but still the lowest – 4 %
 - **OECD Europe** - Higher importance – ex: CZ, Sweden, France, Germany (at most 15-16 %)
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Table 13. Social security contributions (2000) as percentage of GDP
Tableau 13. Cotisations de sécurité sociale (2000) en pourcentage du PIB

	1965	1975	1985	1990	1995	2000	2007	2008	2009	2010
Australia / Australie	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Austria / Autriche ¹	8.4	10.1	13.0	13.0	14.9	14.7	14.1	14.3	14.8	14.5
Belgium / Belgique	9.8	11.9	14.0	13.9	14.3	13.8	13.5	13.9	14.4	14.1
Canada	1.4	3.2	4.4	4.4	5.0	4.9	4.8	4.8	5.0	4.7
Chile / Chili	..	..	..	1.5	1.2	1.4	1.3	1.4	1.4	1.4
Czech Republic / République tchèque	..	..	..	..	14.9	15.0	15.7	15.5	14.9	15.3
Denmark / Danemark ¹	1.1	0.2	1.4	0.9	1.1	1.8	1.0	1.0	1.0	1.0
Estonia / Estonie	..	..	..	..	12.3	10.9	10.5	11.6	13.1	13.1
Finland / Finlande	2.1	7.5	8.7	11.2	14.1	11.9	11.9	12.0	12.8	12.7
France ¹	11.7	14.4	18.5	18.5	18.4	16.0	16.2	16.2	16.7	16.6
Germany / Allemagne ²	8.5	11.7	13.2	13.0	14.5	14.6	13.2	13.4	14.4	14.1
Greece / Grèce ¹	5.7	5.8	9.2	8.0	9.4	10.6	11.2	11.2	10.4	10.9
Hungary / Hongrie	..	..	..	..	14.8	11.5	13.2	13.0	12.5	11.9
Iceland / Islande	2.1	0.8	0.7	1.0	2.5	2.9	3.0	2.8	3.1	4.1
Ireland / Irlande	1.6	3.9	5.1	4.9	4.6	4.2	4.8	5.1	5.6	5.6
Israel / Israël	..	..	..	..	5.2	5.4	5.5	5.6	5.4	5.6
Italy / Italie	8.7	11.6	11.7	12.4	12.6	12.0	12.9	13.4	13.7	13.4
Japan / Japon	3.9	5.9	8.1	7.6	8.8	9.4	10.4	11.1	11.0	11.4
Korea / Corée	..	0.1	0.2	2.0	2.4	3.8	5.5	5.8	5.8	5.7
Luxembourg	8.9	9.6	10.3	9.6	9.8	10.1	9.8	10.1	11.3	10.8
Mexico / Mexique	..	..	1.7	2.1	2.5	2.8	2.7	2.6	2.9	2.9
Netherlands / Pays-Bas	10.1	15.6	18.8	16.0	17.4	15.4	13.5	14.5	13.8	14.1
New Zealand / Nouvelle-Zélande	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norway / Norvège	3.5	9.7	8.9	10.8	9.6	8.9	8.9	8.8	10.0	9.7
Poland / Pologne	..	..	..	..	11.0	12.9	12.0	11.3	11.3	11.1
Portugal	3.5	6.6	6.3	7.3	7.8	8.0	8.5	8.8	9.0	9.0
Slovak Republic / République slovaque	..	..	..	..	15.0	14.1	11.7	12.0	12.7	12.3
Slovenia / Slovénie	..	..	..	..	16.7	14.2	13.7	14.0	14.8	15.1
Spain / Espagne ¹	4.2	8.8	11.2	11.5	11.6	11.9	12.1	12.1	12.1	12.1
Sweden / Suède	4.0	8.1	11.8	14.2	13.1	13.6	12.3	11.5	11.4	11.4
Switzerland / Suisse	2.6	5.2	5.7	5.9	7.3	7.2	6.5	6.5	6.9	6.7
Turkey / Turquie	0.6	1.1	1.6	2.9	2.0	4.5	5.2	6.1	6.0	6.1
United Kingdom / Royaume-Uni	4.7	6.1	6.6	6.0	6.1	6.2	6.6	6.8	6.7	6.6
United States / États-Unis	3.3	5.2	6.4	6.9	6.9	6.9	6.5	6.5	6.5	6.4
Unweighted average / Moyenne non pondérée										
OECD-Total / OCDE-Total	4.6	6.5	7.6	7.6	9.1	8.9	8.8	8.9	9.2	9.1

Table 14. Social security contributions (2000) as percentage of total taxation
Tableau 14. Cotisations de sécurité sociale (2000) en pourcentage du total des recettes fiscales

	1965	1975	1985	1990	1995	2000	2007	2008	2009	2010
Australia / Australie	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Austria / Autriche ¹	24.9	27.6	31.8	32.9	35.9	34.1	33.7	33.4	34.8	34.6
Belgium / Belgique	31.4	30.2	31.6	33.2	32.9	31.0	31.1	31.6	33.4	32.4
Canada	5.6	10.0	13.5	12.1	14.0	13.6	14.4	14.7	15.6	15.3
Chile / Chili	..	..	..	9.0	6.5	7.3	5.6	6.4	8.3	6.9
Czech Republic / République tchèque	..	..	..	..	41.4	44.3	43.6	44.2	44.0	44.6
Denmark / Danemark ¹	3.8	0.6	3.0	2.0	2.2	3.6	2.0	2.0	2.1	2.1
Estonia / Estonie	..	..	..	..	33.9	35.3	33.3	36.6	36.8	38.5
Finland / Finlande	6.8	20.4	21.9	25.6	30.8	25.2	27.7	28.0	29.9	29.8
France ¹	34.2	40.6	43.3	44.1	43.0	36.1	37.1	37.3	39.3	38.7
Germany / Allemagne ²	26.8	34.0	36.5	37.5	39.0	39.0	36.6	36.7	38.6	39.0
Greece / Grèce ¹	31.6	29.5	35.6	30.2	32.4	30.8	34.4	34.7	34.3	35.2
Hungary / Hongrie	..	..	..	..	35.6	29.3	32.7	32.4	31.3	31.4
Iceland / Islande	8.1	2.7	2.4	3.1	8.1	7.7	7.4	7.7	9.0	11.8
Ireland / Irlande	6.5	13.8	14.8	14.8	14.4	13.5	15.4	17.7	20.1	20.1
Israel / Israël	..	..	..	..	14.1	14.7	15.2	16.5	17.1	17.2
Italy / Italie	34.2	45.9	34.7	32.9	31.5	28.5	29.9	31.2	31.8	31.3
Japan / Japon	21.8	29.0	30.3	26.4	33.5	35.2	36.5	38.8	41.0	41.1
Korea / Corée	..	0.9	1.5	10.1	12.1	16.7	20.7	21.8	22.9	22.8
Luxembourg	32.3	29.4	26.2	27.0	26.5	25.7	27.6	28.4	30.0	29.1
Mexico / Mexique	..	..	11.3	13.4	16.6	16.5	15.3	12.7	16.7	15.4
Netherlands / Pays-Bas	30.8	38.4	44.3	37.4	41.9	39.0	34.8	37.0	36.1	36.3
New Zealand / Nouvelle-Zélande	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norway / Norvège	11.9	24.8	20.8	26.3	23.5	20.9	20.8	21.0	23.4	22.5
Poland / Pologne	..	..	..	..	30.4	39.5	34.4	33.1	35.7	34.9
Portugal	21.8	34.6	25.9	27.2	26.5	25.8	26.3	27.1	29.5	28.8
Slovak Republic / République slovaque	..	..	..	..	37.3	41.5	39.7	40.8	43.6	43.4
Slovenia / Slovénie	..	..	..	..	42.8	38.0	36.3	37.8	40.0	40.3
Spain / Espagne ¹	28.3	47.5	40.8	35.4	36.2	34.7	32.3	36.6	39.3	37.6
Sweden / Suède	12.1	19.5	25.0	27.2	27.6	26.4	26.1	24.9	24.5	25.0
Switzerland / Suisse	14.9	22.0	22.7	23.6	27.3	24.5	23.5	23.2	23.9	23.8
Turkey / Turquie	5.9	9.5	14.3	19.7	12.1	18.7	21.7	25.0	24.5	23.7
United Kingdom / Royaume-Uni	15.4	17.5	17.8	17.0	17.8	17.0	18.4	19.0	19.7	19.0
United States / États-Unis	13.3	20.5	25.2	25.2	24.9	23.4	23.3	24.9	27.0	25.7
Unweighted average / Moyenne non pondérée										
OECD-Total / OCDE-Total	17.6	22.0	22.1	22.0	25.1	24.6	24.6	25.4	26.6	26.4

5000 tax revenues as % on GDP

	1985	1995	2000	2005	2007
OECD Total	10,5	11,0	11,1	11,2	10,9
OECD America	8,4	7,4	7,5	7,9	7,4
OECD Pacific	7,4	8,2	8,6	8,5	8,2
OECD Europe	11,4	12,0	12,1	12,1	11,8
OECD EU 19	11,8	12,3	12,1	12,1	11,8
OECD EU 15	11,8	12,0	11,9	11,9	11,6

5000 – Consumption Taxes

- **OECD Total** - 11 %, remain stable, differences between groups of countries not important, compared with 1000 and 2000
 - **OECD America** – Lower share than average, a slight decrease – between 7 - 8 %
 - **OECD Pacific** – a slight increase till last years – reverse tendencies – 8 %
 - **OECD Europe** – Upper Average – 12 %
 - EU 19 higher share – PL, CZ, HU, SVK – relies more on consumption taxes
-

Observable evidence

- **Tax mix** - differ from countries/ groups of countries: America x Pacific x Europe – level of development, different, history, culture, religion – reflected in tax structure, tax burden
 - **UE 15** - Highest level of tax burden, differences within Europe – North x South x West x East – Central / post-communist countries
 - **From 60`s to 80` s** - relative importance of direct taxes increased x indirect taxes declined
 - **Today** - slight reverse movement, consumption taxes gain importance
-

Direct x indirect taxes

- **From the half of 80` s** - discussion of higher taxation of consumption
 - **Within consumption itself** - general taxes – VAT gain importance, reverse tendencies – Excise Duties, Import Duties
 - **General Consumption** – developed countries (unlike less developed countries – relies more on tax of selected consumption)
 - **Pros**
 - **Cons**
-

Indirect Taxes - Pros

- **Savings** Taxing Income – Impact Consumption + Savings, since $I = C+S$
 - **Limited possibility of tax avoidance or tax evasion** that is why states with worse tax morale rely more on consumption taxes
 - **Lower administrative costs**
 - **Bigger stimulation to work** - Income Taxation has impact on work-leisure choice
 - **Correction of external effects** – ex. Ecological taxes
 - **Easier to modify**
-

Indirect taxes - Cons

- Distortion in decision of consumers – different rates – VAT, ED
- Resentment of certain group of consumers (low income groups)
- Less progressive taxation – could have diggresiv impact
- Costs of introduction of taxes on consumption – especially VAT
- Greater increase in prices – inflation tendencies
- Do not stimulate the work supply Income effect

Consumption taxes

- Horizontal equity / ok
 - Vertical equity / disregarding income
 - Digressive character
 - Principles of tax fairness ensuring indirectly / through lower rates or allowances for commodity typically bought by low-earning tax payers
 - Tax incidence depends on elasticity of demand (the more rigid the demand is, more tax burden transferred to taxpayer: ex. tobacco)
 - Tax Effectiveness x Tax Fairness x Work supply
-

Personal income tax

- Meets Principle of Capacity to pay – the more you earn, the more you are able to pay
 - More – amount of money you pay (flat tax rate) or proportion of income you pay (progressive rate)
 - Tax revenues are flexible with economic growth (progressive taxation)
 - Economic stabilizer related with previous
 - Cause not distortions in prices
-

Personal Income Tax

- Flat tax / per capita: non-distortional tax, but regardless principle of vertical fairness
 - Proportional / flat tax rate: simple, vertical fairness, but not as accented as in case of progressive taxation. With tax allowance (supporting the principle of vertical equity) the tax became progressive!
 - Progressive / sliding scale
-

Table 9. Taxes on personal income (1100) as percentage of GDP
Tableau 9. Impôts sur le revenu des personnes physiques (1100) en pourcentage du PIB

	1965	1975	1985	1990	1995	2000	2007	2008	2009	2010
Australia / Australie	7.1	11.1	12.6	12.0	11.4	11.5	10.9	10.2	9.6	9.9
Austria / Autriche ¹	6.8	7.9	9.4	8.3	8.6	9.5	9.4	9.9	9.5	9.5
Belgium / Belgique	6.4	12.9	15.8	13.4	14.2	14.0	12.1	12.5	12.1	12.2
Canada	5.8	10.5	11.5	14.7	13.4	13.1	12.3	12.0	11.4	10.8
Chile / Chili	..	..	..	..	..	..	..	..	..	..
Czech Republic / République tchèque	..	..	..	..	4.6	4.4	4.2	3.7	3.6	3.6
Denmark / Danemark ¹	12.7	21.4	23.4	24.8	26.2	25.6	25.3	25.1	26.3	24.3
Estonia / Estonie	..	..	..	..	8.4	6.8	5.8	6.2	5.7	5.4
Finland / Finlande	10.1	14.1	14.9	15.2	14.2	14.5	13.0	13.2	13.4	12.6
France ¹	3.6	3.8	4.9	4.5	4.9	8.0	7.5	7.6	7.3	7.3
Germany / Allemagne ²	8.2	10.3	10.3	9.6	10.2	9.5	9.1	9.6	9.5	8.8
Greece / Grèce ¹	1.2	1.7	3.6	3.7	3.5	5.0	4.9	4.8	5.0	4.4
Hungary / Hongrie	..	..	..	..	6.7	7.3	7.4	7.8	7.5	6.5
Iceland / Islande	5.1	6.0	5.5	8.3	9.7	12.9	13.8	13.2	12.9	12.9
Ireland / Irlande	4.2	7.2	10.7	10.5	9.9	9.4	8.8	8.1	7.7	7.5
Israel / Israël	..	..	..	..	9.7	10.7	8.1	7.4	6.3	6.3
Italy / Italie	2.8	3.8	9.0	9.9	10.4	10.4	11.1	11.5	11.7	11.7
Japan / Japon	3.9	4.9	6.6	7.9	5.9	5.6	5.6	5.7	5.4	5.1
Korea / Corée	..	1.3	2.2	3.9	3.6	3.3	4.4	4.0	3.6	3.6
Luxembourg	6.9	9.0	10.1	8.4	8.0	7.2	7.1	7.7	7.8	7.8
Mexico / Mexique	..	..	..	..	..	..	..	..	..	..
Netherlands / Pays-Bas	9.1	11.0	8.2	10.6	7.8	6.0	7.7	7.5	8.7	8.6
New Zealand / Nouvelle-Zélande	9.4	15.4	18.7	17.7	16.3	14.3	14.6	13.8	13.0	11.9
Norway / Norvège	11.7	12.4	9.6	10.7	10.6	10.3	9.5	9.1	10.3	10.1
Poland / Pologne	..	..	..	..	8.3	4.4	5.2	5.4	4.6	4.5
Portugal	..	..	..	4.3	5.4	5.5	5.5	5.6	5.8	5.6
Slovak Republic / République slovaque	..	..	..	..	3.6	3.4	2.6	2.7	2.4	2.3
Slovenia / Slovénie	..	..	..	..	5.8	5.6	5.5	5.9	5.8	5.7
Spain / Espagne ¹	2.1	2.7	5.4	7.1	7.6	6.4	7.5	7.0	6.7	7.0
Sweden / Suède	16.2	19.0	18.4	20.1	15.9	17.1	14.6	13.8	13.4	12.7
Switzerland / Suisse	5.8	9.3	9.9	8.2	9.1	8.7	8.8	8.7	9.2	9.1
Turkey / Turquie	2.6	3.9	3.2	4.0	3.6	5.4	4.1	4.0	4.0	3.7
United Kingdom / Royaume-Uni	10.1	14.0	9.6	10.4	9.8	10.7	10.8	10.8	10.4	10.0
United States / États-Unis	7.8	8.9	9.7	10.1	9.9	12.3	10.6	10.0	8.1	8.1
Unweighted average / Moyenne non pondérée										
OECD-Total / OCDE-Total	6.9	9.3	10.1	10.3	9.3	9.3	9.0	8.9	8.7	8.4

Table 10. Taxes on personal income (1100) as percentage of total taxation
Tableau 10. Impôts sur le revenu des personnes physiques (1100) en pourcentage du total des recettes fiscales

	1965	1975	1985	1990	1995	2000	2007	2008	2009	2010
Australia / Australie	34.4	43.6	45.2	43.0	40.6	37.8	36.6	37.6	37.4	38.6
Austria / Autriche ¹	20.0	21.6	22.9	21.0	20.9	22.1	22.5	23.2	22.3	22.5
Belgium / Belgique	20.5	32.6	35.6	32.0	32.6	31.3	27.8	28.5	28.0	28.1
Canada	22.6	32.8	35.2	40.8	37.5	36.8	37.1	37.1	35.4	34.9
Chile / Chili	..	..	..	..	..	..	..	..	..	..
Czech Republic / République tchèque	..	..	..	..	12.8	12.9	11.7	10.6	10.7	10.5
Denmark / Danemark ¹	42.3	55.8	50.7	53.2	53.7	51.8	51.7	52.5	55.1	51.0
Estonia / Estonie	..	..	..	..	23.3	22.1	18.5	19.5	16.0	15.9
Finland / Finlande	33.3	38.5	37.4	34.7	31.1	30.6	30.3	30.9	31.2	29.7
France ¹	10.6	10.6	11.5	10.7	11.4	18.0	17.1	17.4	17.3	17.0
Germany / Allemagne ²	26.0	30.0	28.7	27.6	27.5	25.3	25.2	26.3	25.3	24.5
Greece / Grèce ¹	6.8	8.9	13.9	14.1	12.0	14.7	14.9	15.1	16.4	14.1
Hungary / Hongrie	..	..	..	..	16.1	18.6	18.2	19.4	18.9	17.1
Iceland / Islande	19.5	20.2	19.5	26.9	31.1	34.8	33.9	36.0	37.9	36.5
Ireland / Irlande	16.7	25.2	31.3	31.9	30.7	30.4	28.4	27.9	27.7	27.0
Israel / Israël	..	..	..	..	26.4	29.0	22.4	21.8	20.2	19.3
Italy / Italie	10.9	15.2	26.7	26.3	26.0	24.8	25.6	26.8	27.1	27.3
Japan / Japon	21.7	23.9	24.7	27.8	22.4	21.1	19.6	19.9	20.0	18.6
Korea / Corée	..	8.5	13.4	20.0	18.1	14.6	16.7	15.0	14.2	14.3
Luxembourg	24.9	27.5	25.5	23.5	21.7	18.3	20.0	21.7	20.7	21.1
Mexico / Mexique	..	..	..	..	..	..	..	..	..	..
Netherlands / Pays-Bas	27.7	27.1	19.4	24.7	18.9	15.2	19.8	19.1	22.8	22.3
New Zealand / Nouvelle-Zélande	39.4	54.3	60.5	48.0	45.0	43.1	42.1	40.7	41.0	37.7
Norway / Norvège	39.6	31.5	22.5	26.2	25.9	24.1	22.2	21.6	24.3	23.5
Poland / Pologne	..	..	..	..	22.9	13.5	15.1	15.6	14.6	14.1
Portugal	..	..	..	15.9	18.4	17.7	17.1	17.3	18.8	17.9
Slovak Republic / République slovaque	..	..	..	..	8.9	9.9	8.7	9.3	8.3	8.1
Slovenia / Slovénie	..	..	..	..	15.0	15.0	14.7	15.8	15.7	15.1
Spain / Espagne ¹	14.3	14.5	19.4	21.7	23.6	18.7	20.1	21.2	21.6	21.7
Sweden / Suède	48.7	46.1	38.7	38.5	33.5	33.3	30.9	29.8	28.9	28.0
Switzerland / Suisse	33.4	39.2	39.2	32.9	34.0	29.7	31.9	31.0	32.0	32.3
Turkey / Turquie	24.8	32.9	27.5	26.8	21.6	22.2	17.0	16.5	16.4	14.3
United Kingdom / Royaume-Uni	33.1	40.0	26.0	29.4	28.8	29.4	30.0	30.0	30.4	28.8
United States / États-Unis	31.7	34.6	37.8	37.0	35.7	41.8	38.0	38.2	33.6	32.8
Unweighted average / Moyenne non pondérée										
OECD-Total / OCDE-Total	26.2	29.8	29.7	29.4	25.9	25.3	24.6	24.8	24.7	23.9

Corporate Income Tax (CIT)

- Corporations pay for using public services (infrastructure)
 - Compensation of limited guarantee for commitments (debts)
 - Tax profits that could escape taxation on personal level
 - CIT can be useful in economic policy (support of investments)
 - Tax burden transferred to consumers
 - Double taxations: profit, dividends
-

Corporate Income Tax: readings

- Tax Competition (enormous growth since 80' s of FDI)
 - But growing international capital mobility has not significantly reduced reliance on corporate income taxation
 - Differences in taxation between small and large countries
 - Changes in statutory tax rates and tax base
 - Effective tax rate: include both, more complex indicator
-

Table 11. Taxes on corporate income (1200) as percentage of GDP
Tableau 11. Impôts sur les bénéfices des sociétés (1200) en pourcentage du PIB

	1965	1975	1985	1990	1995	2000	2007	2008	2009	2010
Australia / Australie	3.4	3.1	2.6	4.0	4.2	6.1	6.9	5.9	4.8	4.8
Austria / Autriche ¹	1.8	1.6	1.4	1.4	1.4	2.0	2.4	2.5	1.7	1.9
Belgium / Belgique	1.9	2.7	2.2	2.0	2.3	3.2	3.5	3.3	2.5	2.7
Canada	3.8	4.3	2.7	2.5	2.9	4.4	3.5	3.4	3.4	3.3
Chile / Chili	..	..	..	..	..	..	..	..	..	..
Czech Republic / République tchèque	..	..	..	..	4.4	3.4	4.7	4.2	3.6	3.4
Denmark / Danemark ¹	1.4	1.2	2.2	1.7	2.3	3.3	3.8	3.3	2.3	2.7
Estonia / Estonie	..	..	..	..	2.4	0.9	1.6	1.6	1.9	1.4
Finland / Finlande	2.5	1.7	1.4	2.0	2.3	5.9	3.9	3.5	2.0	2.6
France ¹	1.8	1.8	1.9	2.2	2.1	3.1	3.0	2.9	1.5	2.1
Germany / Allemagne ²	2.5	1.5	2.2	1.7	1.0	1.8	2.2	1.9	1.3	1.5
Greece / Grèce ¹	0.3	0.7	0.7	1.5	1.8	4.2	2.6	2.5	2.5	2.4
Hungary / Hongrie	..	..	..	..	1.9	2.2	2.8	2.6	2.3	1.2
Iceland / Islande	0.5	0.8	0.9	0.9	0.9	1.2	2.5	1.9	1.8	1.0
Ireland / Irlande	2.3	1.4	1.1	1.6	2.7	3.7	3.4	2.8	2.4	2.5
Israel / Israël	..	..	..	..	3.1	3.9	4.5	3.5	2.8	2.9
Italy / Italie	1.8	1.6	3.1	3.8	3.5	2.9	3.8	3.7	3.1	2.8
Japan / Japon	4.0	4.2	5.6	6.4	4.2	3.7	4.8	3.9	2.6	3.2
Korea / Corée	..	1.3	1.8	2.5	2.3	3.2	4.0	4.2	3.7	3.5
Luxembourg	3.1	5.1	7.0	5.6	6.6	7.0	5.3	5.1	5.6	5.7
Mexico / Mexique	..	..	..	..	..	..	..	..	..	..
Netherlands / Pays-Bas	2.6	3.1	3.0	3.2	3.1	4.0	3.2	3.2	2.0	2.2
New Zealand / Nouvelle-Zélande	4.9	3.3	2.6	2.4	4.3	4.1	4.9	4.4	3.5	3.8
Norway / Norvège	1.1	1.1	7.3	3.7	3.8	8.9	11.0	12.1	9.1	10.1
Poland / Pologne	..	..	..	..	2.8	2.4	2.8	2.7	2.3	2.0
Portugal	..	..	..	2.1	2.3	3.7	3.6	3.7	2.9	2.8
Slovak Republic / République slovaque	..	..	..	..	6.0	2.6	3.0	3.1	2.5	2.5
Slovenia / Slovénie	..	..	..	..	0.5	1.2	3.2	2.5	1.8	1.9
Spain / Espagne ¹	1.4	1.3	1.4	2.9	1.7	3.1	4.7	2.8	2.2	1.8
Sweden / Suède	2.0	1.8	1.7	1.6	2.8	3.9	3.7	3.0	3.0	3.5
Switzerland / Suisse	1.3	2.0	1.7	1.8	1.7	2.6	3.0	3.1	3.0	2.9
Turkey / Turquie	0.5	0.6	1.1	1.0	1.1	1.8	1.6	1.8	1.9	1.9
United Kingdom / Royaume-Uni	1.3	2.2	4.7	3.5	2.8	3.5	3.4	3.6	2.8	3.1
United States / États-Unis	4.0	2.9	1.9	2.4	2.9	2.6	3.0	2.0	1.8	2.7
Unweighted average / Moyenne non pondérée										
OECD-Total / OCDE-Total	2.2	2.1	2.6	2.6	2.8	3.4	3.8	3.5	2.8	2.9

Table 12. Taxes on corporate income (1200) as percentage of total taxation

Tableau 12. Impôts sur les bénéfices des sociétés (1200) en pourcentage du total des recettes fiscales

	1965	1975	1985	1990	1995	2000	2007	2008	2009	2010
Australia / Australie	16.3	12.4	9.4	14.1	14.8	20.2	23.1	21.7	18.7	18.5
Austria / Autriche ¹	5.4	4.4	3.5	3.6	3.3	4.6	5.8	5.8	4.0	4.6
Belgium / Belgique	6.2	6.9	4.9	4.8	5.4	7.2	8.0	7.6	5.8	6.2
Canada	14.9	13.6	8.2	7.0	8.2	12.2	10.6	10.4	10.6	10.7
Chile / Chili	..	..	..	..	..	..	..	..	..	..
Czech Republic / République tchèque	..	..	..	..	12.2	9.9	13.1	12.1	10.5	9.9
Denmark / Danemark ¹	4.5	3.2	4.8	3.7	4.8	6.6	7.7	6.9	4.8	5.8
Estonia / Estonie	..	..	..	..	6.7	2.9	5.2	5.1	5.2	4.0
Finland / Finlande	8.1	4.7	3.4	4.5	5.0	12.5	9.0	8.1	4.7	6.0
France ¹	5.3	5.2	4.5	5.3	4.9	6.9	6.8	6.7	3.5	5.0
Germany / Allemagne ²	7.8	4.4	6.1	4.8	2.8	4.8	6.1	5.2	3.6	4.2
Greece / Grèce ¹	1.8	3.4	2.7	5.5	6.3	12.2	7.9	7.8	8.1	7.8
Hungary / Hongrie	..	..	..	..	4.5	5.7	7.0	6.6	5.7	3.3
Iceland / Islande	1.8	2.6	3.1	2.8	3.0	3.3	6.1	5.2	5.2	2.7
Ireland / Irlande	9.1	4.8	3.2	5.0	8.5	11.8	10.9	9.7	8.7	9.1
Israel / Israël	..	..	..	..	8.6	10.6	12.5	10.3	8.8	9.0
Italy / Italie	6.9	6.3	9.3	10.0	8.7	6.9	8.8	8.6	7.2	6.6
Japan / Japon	22.2	20.6	21.0	22.4	15.9	13.8	16.8	13.7	9.6	11.6
Korea / Corée	..	8.9	11.4	12.8	11.6	14.1	15.1	15.9	14.4	13.9
Luxembourg	11.0	15.6	17.7	15.8	17.7	17.8	14.8	14.3	14.7	15.5
Mexico / Mexique	..	..	..	..	..	..	..	..	..	..
Netherlands / Pays-Bas	8.1	7.7	7.0	7.5	7.5	10.1	8.4	8.1	5.3	5.6
New Zealand / Nouvelle-Zélande	20.7	11.8	8.3	6.5	11.9	12.4	14.2	13.1	11.0	12.2
Norway / Norvège	3.8	2.9	17.2	9.0	9.2	20.9	25.7	28.8	21.5	23.5
Poland / Pologne	..	..	..	..	7.7	7.4	7.9	7.9	7.2	6.3
Portugal	..	..	..	8.0	7.8	12.1	11.1	11.3	9.3	9.1
Slovak Republic / République slovaque	..	..	..	..	15.0	7.7	10.1	10.6	8.6	8.9
Slovenia / Slovénie	..	..	..	..	1.3	3.1	8.6	6.8	4.9	5.0
Spain / Espagne ¹	9.2	6.9	5.1	8.8	5.4	8.9	12.5	8.5	7.2	5.5
Sweden / Suède	6.1	4.3	3.5	3.1	5.8	7.6	7.8	6.4	6.4	7.6
Switzerland / Suisse	7.7	8.5	6.8	7.1	6.4	8.8	10.8	11.1	10.5	10.3
Turkey / Turquie	4.8	5.1	9.5	6.7	6.7	7.3	6.8	7.3	7.7	7.4
United Kingdom / Royaume-Uni	4.4	6.2	12.6	9.9	8.1	9.7	9.4	10.0	8.1	8.8
United States / États-Unis	16.4	11.4	7.5	8.9	10.3	8.7	10.8	7.5	7.4	10.8
Unweighted average / Moyenne non pondérée										
OECD-Total / OCDE-Total	8.8	7.6	7.9	7.9	8.0	9.6	10.6	10.0	8.4	8.6

Tax Harmonization I.

- Within EU Member States
 - Consumption Taxes, than PIT
 - VAT – construction of a tax base, principle of functioning, tax rates
 - ED – minimum rates, tax base, the commodities submitted to taxation
-

Tax Harmonization II. – Positives x Negatives

- Functioning of common market – capital, services, goods, labor
- Prevents Tax Dumping
- Impossible to avoid Taxation
- Easier administration - > save costs, time and money of firms
- Taxes = Fiscal Policy tools (monetary politics is unified - €), can be used to accomplish specific goals in social policy
- Different Traditions between Member States
- Tax Competition is useful to prevent from excessive Tax Burden

Tax Harmonization III. - VAT

- Free Market as one of main goals of the EU (Directive 67/227/ES)
- „Sixth Directive“ 77/388/EHS – Subject to VAT, Main terminology
- 91/680/EHS – abolition of frontiers within ES
- 92/77/EHS – minimum rates of VAT (Standard Rate min. 15%, 1-2 Reduced Rates, minimum rate 5%)
- Replaced by 2006/112/ES – Principal Document of VAT (subject to Taxation, territorial impact, transactions submitted to VAT, Tax Base, Tax Rates, Tax reliefs...)
- Principle of Country of Consumption – temporary (Principle of Country of Origin would request closer harmonization of rates)

Tax Harmonization IV. - ED

- „Horizontal Directive“ 92/12/EHS: general rules for Collection of ED, Production, Distribution, Authorized Storage etc.
 - Minimum rates - since 1992
 - Alcohol beverages, Tobacco, Fuel – rates varies greatly among Member States – North x South Europe
 - Valorization: since 1.1.2014 – Excise Duty of Cigarettes – at least 60% of the selling price, and at the same time, min. 64 EUR z 1000 Pcs. of Cigarettes
 - Move on and set the unify prices?
 - Higher Taxes on Energy (2003)
-

Tax Harmonization V. - Energy

- „„Corrective Tax,“ Eliminate of negative External + principle „let the polluter pay“
 - Tax Revenues varies at 2,6 % GDP (EU 27)
 - Taxes on Carbon, Gas, Electricity
 - 2003/96/ES – energetic products, electricity,
-

Thank You For Your Attention 😊
