BETTER POLICIES FOR BETTER LIVES

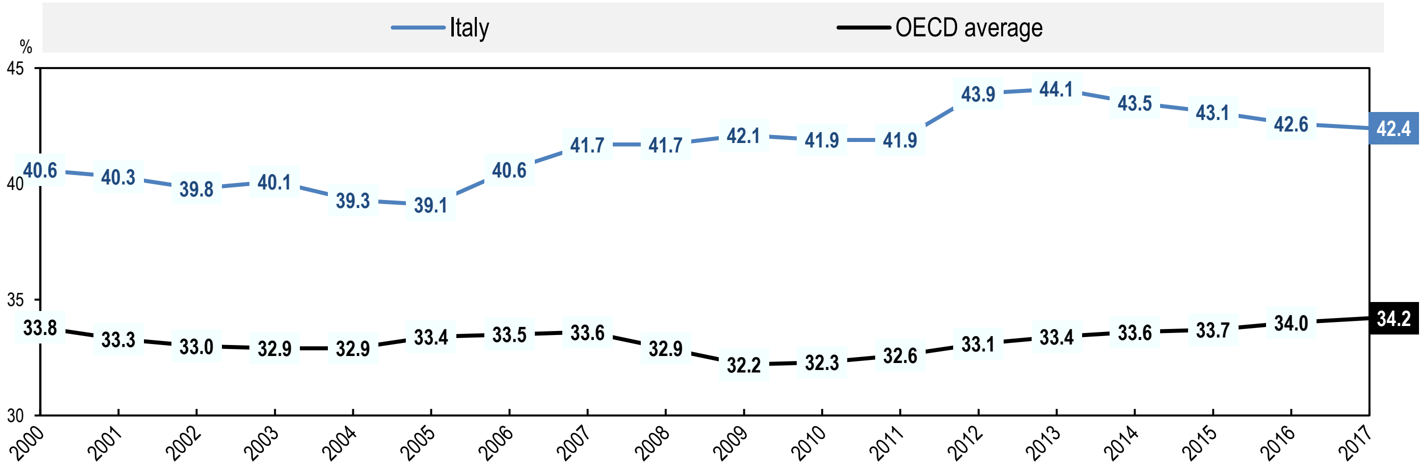
Centre for Tax Policy and Administration

Revenue Statistics 2018 - Italy

Tax-to-GDP ratio

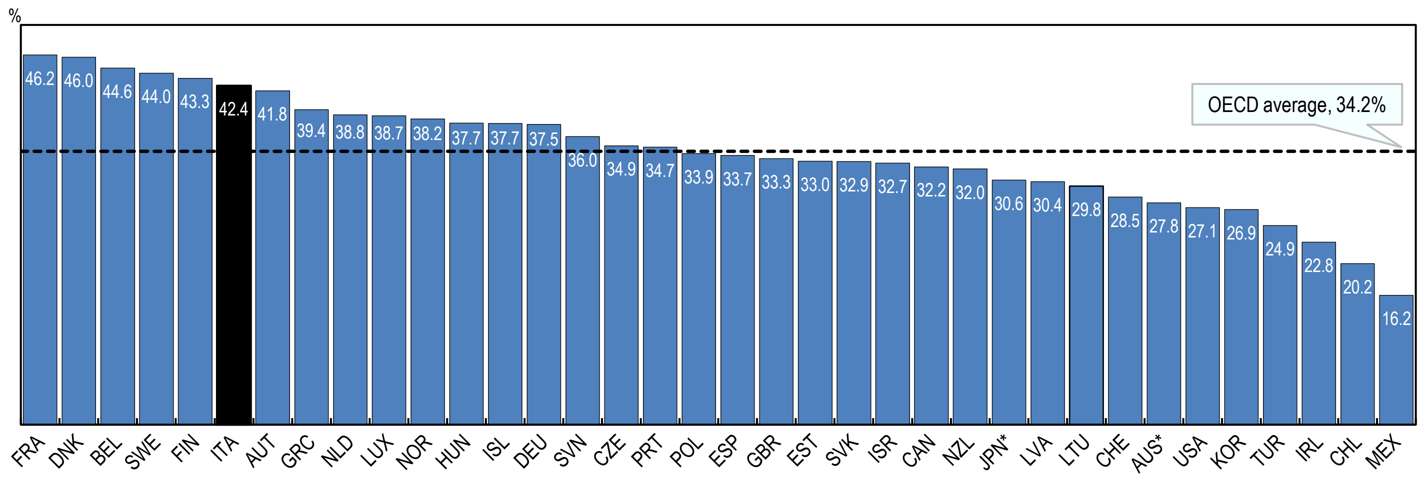
Tax-to-GDP ratio over time

The OECD's annual Revenue Statistics report found that the tax-to-GDP ratio in Italy decreased by 0.2 percentage points, from 42.6% in 2016 to 42.4% in 2017. The corresponding figures for the OECD average were an increase of 0.2 percentage points from 34.0% to 34.2% over the same period. The tax-to-GDP ratio in Italy has increased from 40.6% in 2000 to 42.4% in 2017. Over the same period, the OECD average in 2017 was slightly above that in 2000 (34.2% compared with 33.8%). During that period the highest tax-to-GDP ratio in Italy was 44.1% in 2013, with the lowest being 39.1% in 2005.



Tax-to-GDP ratio compared to the OECD, 2017

Italy ranked 6th out of 36 OECD countries in terms of the tax-to-GDP ratio in 2017. In 2017, Italy had a tax-to-GDP ratio of 42.4% compared with the OECD average of 34.2%. In 2016, Italy was ranked 7th out of the 36 OECD countries in terms of the tax-to-GDP ratio.



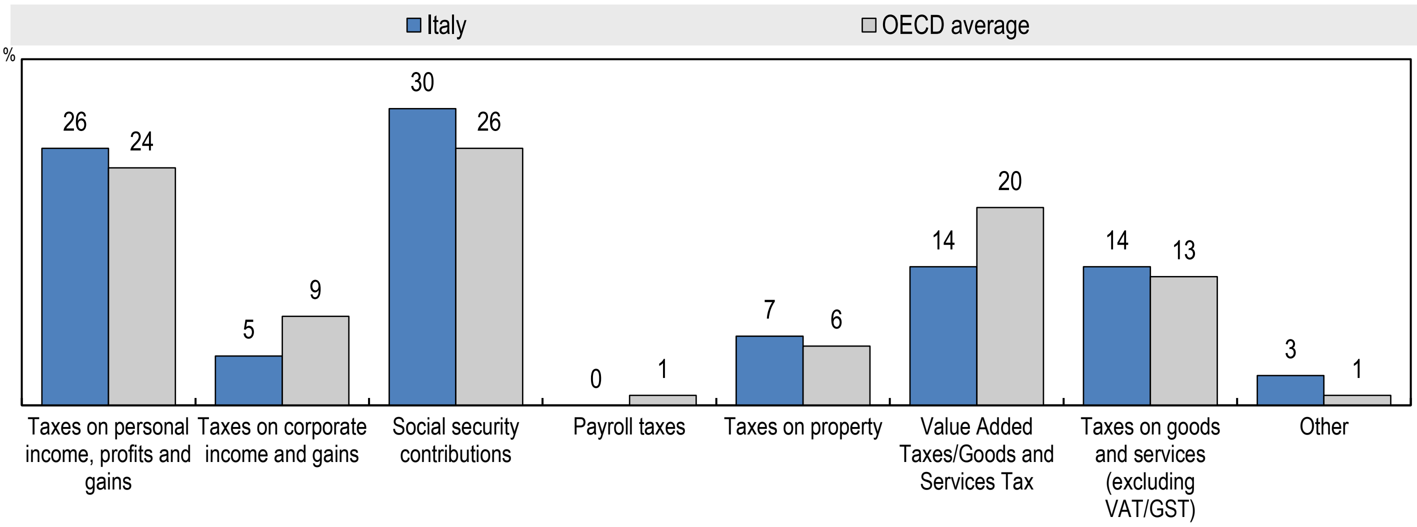
* Australia and Japan are unable to provide provisional 2017 data, therefore their latest 2016 data are presented within this country note.

In the OECD classification the term "taxes" is confined to compulsory unrequited payments to general government. Taxes are unrequited in the sense that benefits provided by government to taxpayers are not normally in proportion to their payments.

Tax structures

Tax structure compared to the OECD average

The structure of tax receipts in Italy compared with the OECD average is shown in the figure below.



Relative to the OECD average, the tax structure in Italy is characterised by:

» Higher revenues from taxes on personal income, profits & gains; social security contributions; property taxes; and goods & services taxes (excluding VAT/GST).

» A lower proportion of revenues from taxes on corporate income & gains and value-added taxes.

» No revenues from payroll taxes.

Tax structure

Tax structure	Tax Revenues in national currency			Tax structure in Italy			Position in OECD²		
	Euro, millions			%					
	2016	**2015**	**Δ**	**2016**	**2015**	**Δ**	**2016**	**2015**	**Δ**
Taxes on income, profits and capital gains¹	228 952	226 718	+ 2 234	32	32	-	17th	17th	-
of which									
Personal income, profits and gains	184 497	185 097	- 600	26	26	-	15th	15th	-
Corporate income and gains	36 110	33 839	+ 2 271	5	5	-	33rd	32nd	- 1
Social security contributions	215 864	214 376	+ 1 488	30	30	-	15th	15th	-
Payroll taxes	-	-	-	-	-	-	27th	27th	-
Taxes on property	47 094	46 383	+ 711	7	7	-	15th	14th	- 1
Taxes on goods and services	201 473	194 596	+ 6 877	28	27	+ 1	25th	29th	+ 4
of which VAT	102 957	101 061	+ 1 896	14	14	-	31st	31st	-
Other	22 857	30 411	- 7 554	3	4	- 1	1st	2nd	+ 1
TOTAL	716 240	712 484	+ 3 756	100	100	-	-	-	-

Tax revenue includes net receipts for all levels of government; figures in the table may not sum to the total indicated due to rounding.

1. Includes income taxes not allocable to either personal or corporate income.

2. The country with the highest share being 1st and the country with the lowest share being 36th.

Source: OECD Revenue Statistics 2018 http://oe.cd/revenue-statistics

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