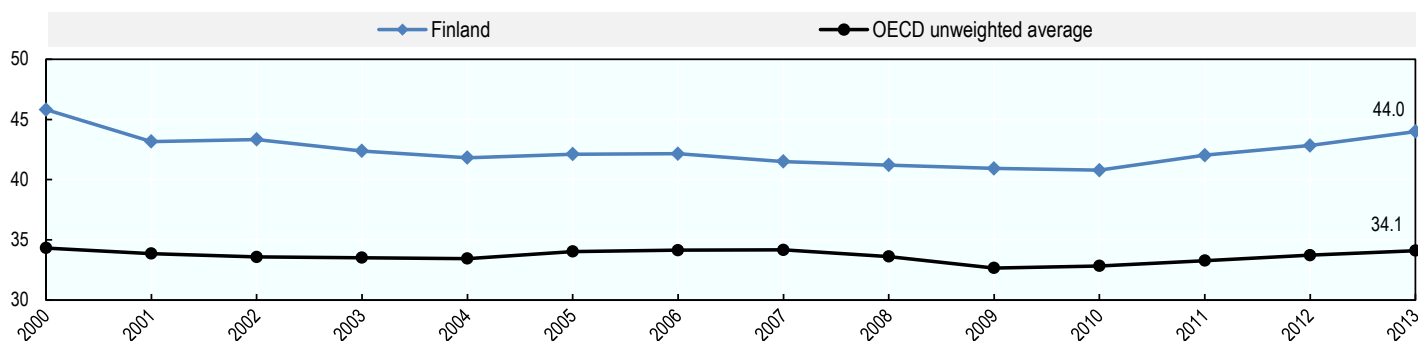


## Revenue Statistics 2014 - Finland

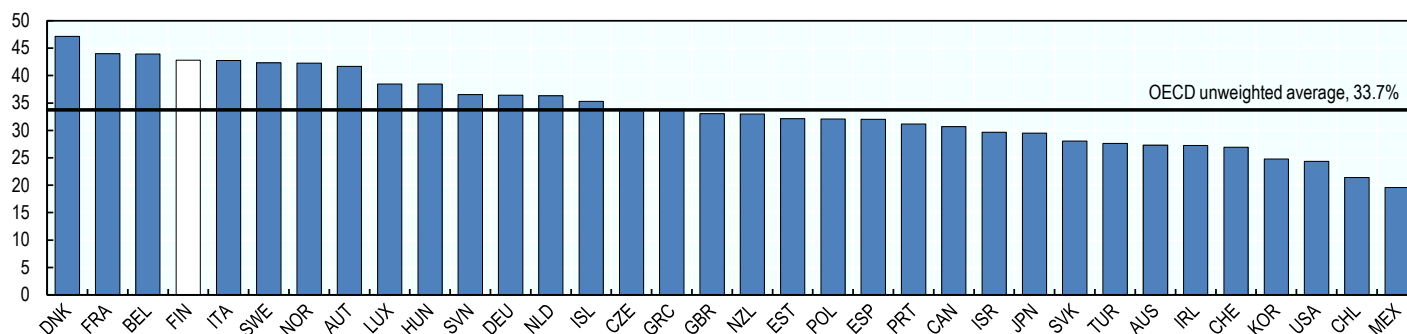
### Tax burden over time

The OECD's annual *Revenue Statistics* report found that the tax burden in Finland increased by 1.2 percentage points from 42.8% to 44.0%, the fifth largest increase amongst member countries in 2013. The corresponding figure for the OECD average was an increase of 0.4 percentage points from 33.7% to 34.1%. Since the year 2000, the tax burden in Finland has declined from 45.8% to 44.0%. Over the same period, the OECD average in 2013 was slightly less than in 2000 (34.3% compared with 34.1%).



### Tax burden compared to the OECD

Finland ranked 4th out of 34 member countries in terms of the tax to GDP ratio in 2012 (the latest year for which tax revenue data is available for all OECD countries). In that year Finland had a tax to GDP ratio of 42.8% compared with the OECD average of 33.7%.



### Tax structure

The structure of tax receipts in Finland compared with the OECD average is characterised by:

- Higher revenues from taxes on personal income and social security contributions.
- A lower proportion of revenues from taxes on corporate income and property.
- Taxes on goods and services equal to the OECD average.
- No revenues from payroll taxes.

	Finland Millions EUR	%	OECD unweighted average (%)
Taxes on personal income, profits and gains	24,989	29	25
Taxes on corporate income and gains	4,213	5	9
Social security contributions	25,261	30	26
Payroll taxes	-	0	1
Taxes on property	2,361	3	6
Taxes on goods and services	28,186	33	33
Of which VAT is	17,987	21	20
Other	259	0	1
<b>TOTAL</b>	<b>85,269</b>	<b>100</b>	<b>100</b>

[Tax revenue includes net receipts for all levels of government; figures in the table may not sum to the total indicated due to rounding]  
Source: OECD Revenue Statistics 2014 <http://www.oecd.org/tax/tax-policy/revenue-statistics.htm>

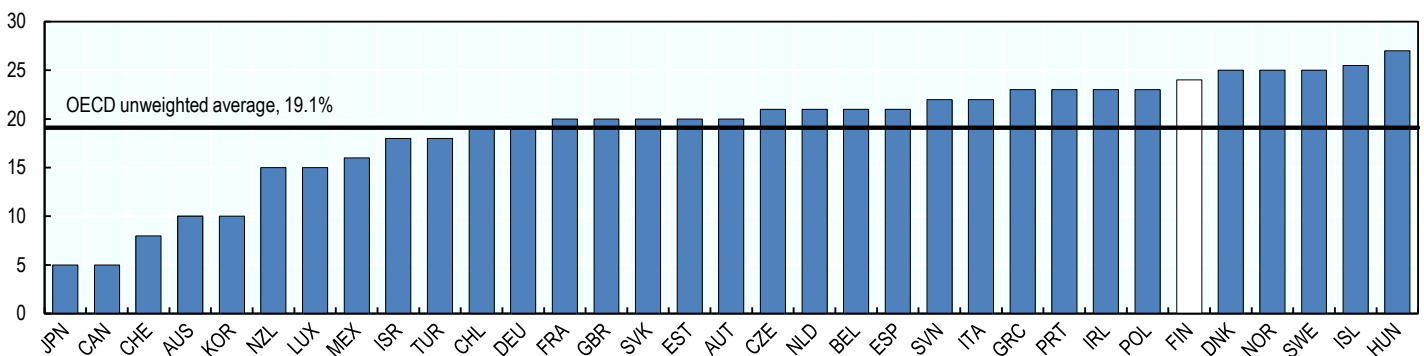
## Consumption Tax Trends 2014 - Finland

### VAT share of total tax revenues

The OECD's biennial *Consumption Tax Trends* report found that VAT revenues in Finland accounted for 21.1% of total tax revenue in 2012, above the OECD average of 19.5%.

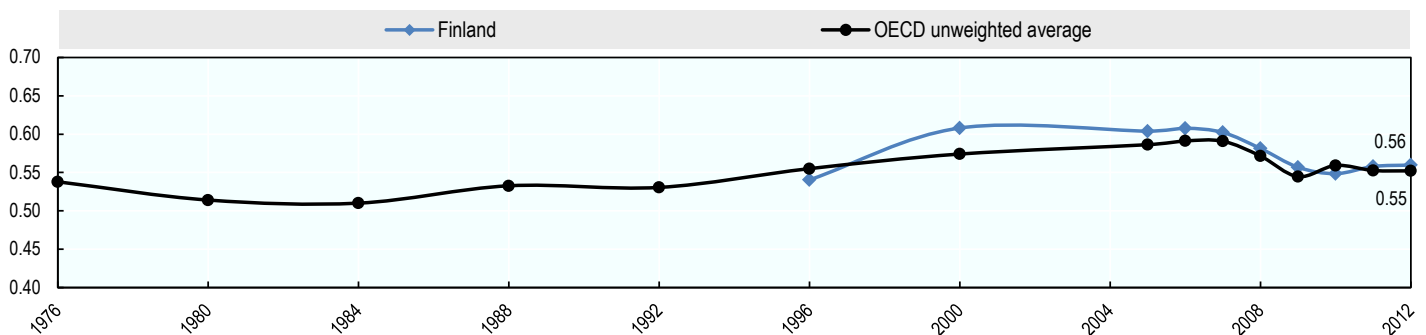
### VAT rates

The Finnish standard VAT rate is 24%, which is above the OECD average. The average VAT/GST standard rate in the OECD was 19.1% on 1 January 2014, up from 17.6% on 1 January 2009. Reduced VAT rates of 0%, 10% and 14% apply to a number of goods and services. In the last five years, 20 of the 34 OECD countries have raised their standard VAT/GST rate at least once. In line with this trend, Finland increased its standard VAT rate from 22% to 23% in 2010 and to 24% in 2013. Also in 2013, Finland increased its reduced rates from 9% to 10% and 13% to 14% respectively.



### VAT Revenue Ratio

The VAT Revenue Ratio (VRR) for Finland was 0.56 in 2012, slightly above the OECD average of 0.55. The VRR is a measure of the revenue raising performance of a VAT system. A ratio of 1 would reflect a VAT system that applies a single VAT rate to a comprehensive base of all expenditure on goods and services consumed in an economy - with perfect enforcement of the tax. In Finland this ratio decreased between 2008 and 2010, coinciding with the advent of the global economic crisis. It has stabilised at 0.56 since 2009, below the pre-crisis level of 0.60.



[VAT: value added tax. GST: goods and services tax]

Source: OECD Consumption Tax Trends 2014 <http://www.oecd.org/tax/consumption/consumption-tax-trends-19990979.htm>

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