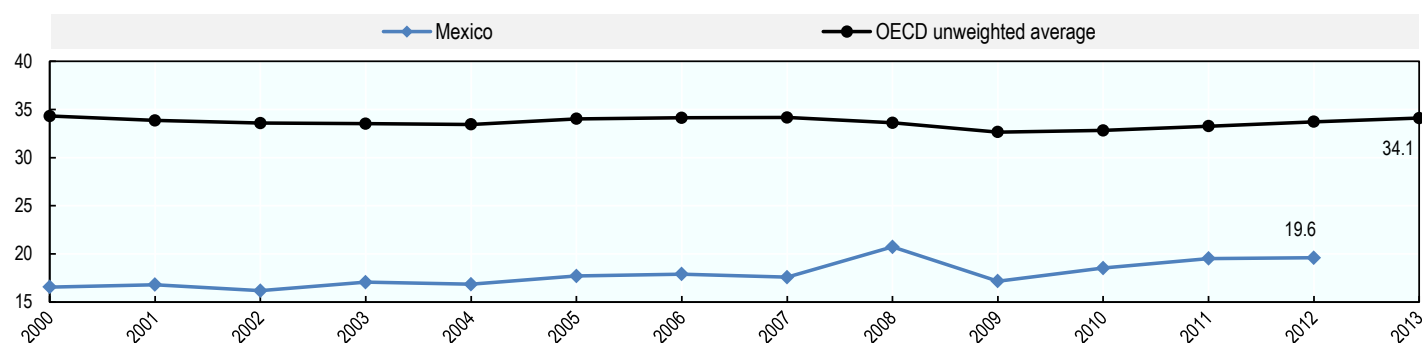


Revenue Statistics 2014 - Mexico

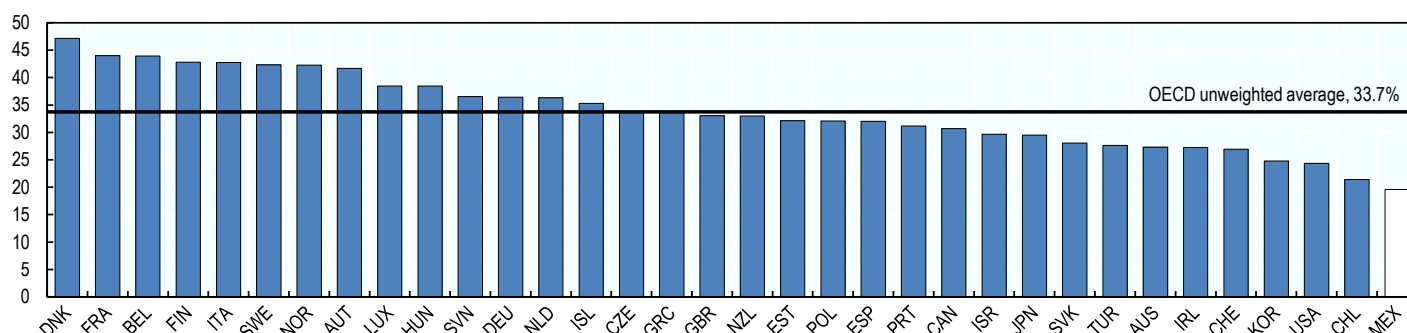
Tax burden over time

The OECD's annual *Revenue Statistics* report found that the tax burden in Mexico increased by 0.1 percentage points from 19.5% to 19.6% in 2012¹. The corresponding figure for the OECD average was an increase of 0.4 percentage points from 33.3% to 33.7%. Since the year 2000, the tax burden in Mexico has increased from 16.5% to 19.6%. Over the same period, the OECD average fell from 34.3% to 33.7%.



Tax burden compared to the OECD

Mexico ranked 34th 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 Mexico had a tax to GDP ratio of 19.6% compared with the OECD average of 33.7%.



Tax structure

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

- Higher revenues from taxes on payroll and goods and services.
- A lower proportion of revenues from taxes on income, profits and capital gains, property and social security contributions.

| | Mexico | | OECD unweighted average (%) |
|--|------------------|------------|-----------------------------|
| | Millions MXN | % | |
| Taxes on income, profits and capital gains | 803,071 | 26 | 34 |
| Social security contributions | 454,778 | 15 | 26 |
| Payroll taxes | 48,033 | 2 | 1 |
| Taxes on property | 45,185 | 2 | 6 |
| Taxes on goods and services | 1,660,413 | 55 | 33 |
| Of which VAT is | 579,988 | 19 | 20 |
| Other | 37,080 | 1 | 1 |
| TOTAL | 3,048,560 | 100 | 100 |

[1. 2013 data for Mexico are not available at the time of publication]

[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>

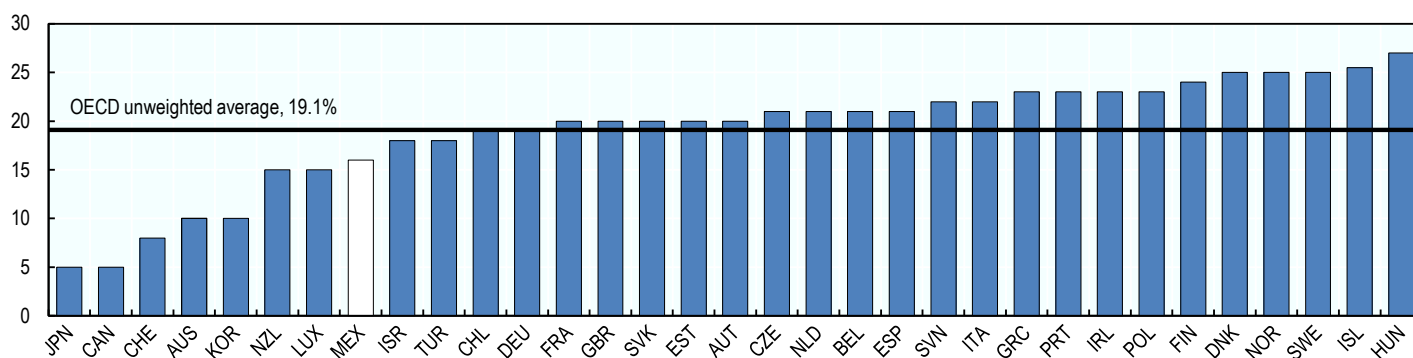
Consumption Tax Trends 2014 - Mexico

VAT share of total tax revenues

The OECD's biennial *Consumption Tax Trends* report found that VAT revenues in Mexico accounted for 19% of total tax revenue in 2012, close to the OECD average of 19.5%.

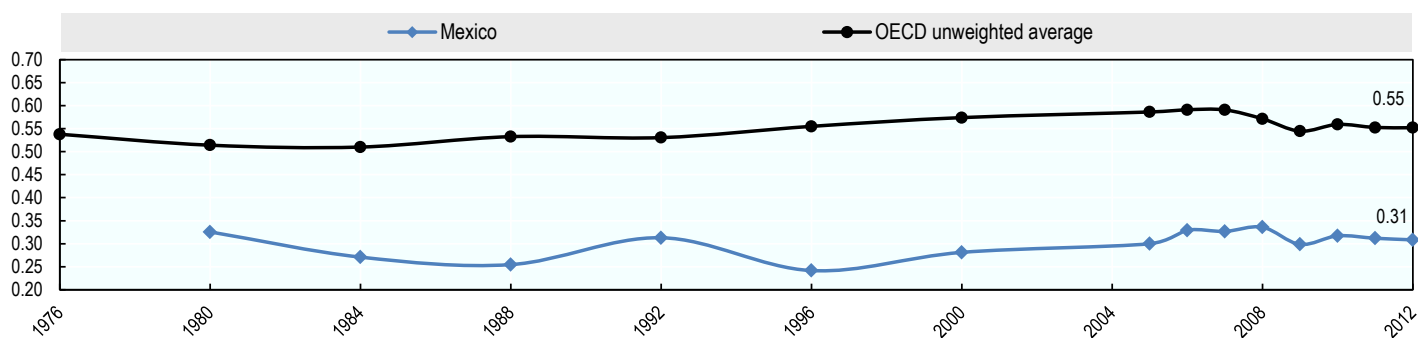
VAT rates

The Mexican standard VAT rate is 16%, which is below 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. A reduced VAT rate of 0% applies 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, Mexico increased its standard VAT rate from 15% to 16% in 2010. In addition, Mexico has taken measures to reduce the scope of application of the reduced VAT rate of 0%. As part of the 2014 tax reform, the lower VAT rate of 11% applicable in the border regions was abolished.



VAT Revenue Ratio

The VAT Revenue Ratio (VRR) for Mexico was 0.31 in 2012, one of the lowest in the OECD and well below 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. This ratio fell in Mexico from 0.34 in 2008 to 0.30 in 2009 and has remained at 0.31 since 2011.



[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>

Contacts

David Bradbury

Centre for Tax Policy and Administration
Head, Tax Policy and Statistics Division
David.Bradbury@oecd.org

OECD Revenue Statistics

Maurice Nettley

Centre for Tax Policy and Administration
Head, Tax Data & Statistical Publications
Maurice.Nettley@oecd.org

OECD Consumption Tax Trends

Stéphane Buydens

Centre for Tax Policy and Administration
VAT Policy Advisor
Stephane.Buydens@oecd.org