

## OECD TAXING WAGES DATA REQUIREMENTS

The OECD Taxing Wages database presents information on the taxes paid on wages in OECD countries. It covers personal income taxes and social security contributions paid by employees; social security contributions and payroll taxes paid by employers and cash benefits paid to in-work families. The purpose is to illustrate how these and benefits are calculated in each member country and to examine how they impact on household incomes. The results also enable quantitative cross-country comparisons of labour cost levels and the overall tax and benefit position of single persons and families on different levels of earnings.

The OECD [publication](#) "Taxing Wages" shows this information for eight household types which vary by income level and household composition and the results reported include the marginal and average tax burdens for one and two earner families and the total labour costs of employers.

The detailed data on the tax systems is collected from OECD countries in excel files and some calculations are carried with the following variables being published for each country.

Variables classification :

**1. Gross wage earnings**

**2. Standard tax allowances**

Basic allowance

Married or head of family

Dependent children

Deduction for social security contributions and income taxes

Work-related expenses

Other

Total

**3. Tax credits or cash transfers included in taxable income**

**4. Central government taxable income (1 - 2 + 3)**

**5. Central government income tax liability (exclusive of tax credits)**

**6. Tax credits**

Basic credit

Married or head of family

Children

Other

Total

- 7. **Central government income tax finally paid**
- 8. **State and local taxes**
- 9. **Employees' compulsory social security contributions**

Gross earnings

Taxable income

Total

- 10. **Total payments to general government (7 + 8 + 9)**

- 11. **Cash transfers from general government**

For head of family

For two children

Total

- 12. **Take-home pay (1-10+11)**

- 13. **Employer's compulsory social security contributions**

- 14. **Average rates**

Income tax

Employees' social security contributions

Total payments less cash transfers

Total tax wedge including employer's social security contributions

- 15. **Marginal rates**

Total payments less cash transfers: Principal earner

Total payments less cash transfers: Spouse

Total tax wedge: Principal earner

Total tax wedge: Spouse