Revenue Statistics 2017 - Canada

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 Canada decreased by 0.3 percentage points, from 32.0% in 2015 to 31.7% in 2016. The corresponding figures for the OECD average were an increase of 0.3 percentage points from 34.0% to 34.3% over the same period. The tax-to-GDP ratio in Canada in 2016 has decreased from 34.8% in 2000 to 31.7% in 2016. Over the same period, the OECD average in 2016 was slightly above that in 2000 (34.3% compared with 33.9%). During that period the highest tax-to-GDP ratio in Canada was 34.8% in 2000, with the lowest being 30.5% in 2011.

Tax-to-GDP ratio compared to the OECD, 2016

Canada ranked 24th out of 35 OECD countries in terms of the tax-to-GDP ratio in 2016.* In 2016, Canada had a tax-to-GDP ratio of 31.7% compared with the OECD average of 34.3%. In 2015, Canada was also ranked 24th out of the 35 OECD countries in terms of the tax-to-GDP ratio.

* Australia and Japan are unable to provide provisional 2016 data, therefore their latest 2015 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 compared to the OECD average

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

Relative to the OECD average, the tax structure in Canada is characterised by:
- Substantially higher revenues from taxes on personal income, profits & gains, and higher revenues from taxes on corporate income & gains; payroll taxes; and property taxes.
- A lower proportion of revenues from value-added taxes and goods & services taxes (excluding VAT/GST), and
- Substantially lower revenues from social security contributions.

### Tax Revenues in national currency

<table>
<thead>
<tr>
<th></th>
<th>Canadian Dollar, millions</th>
<th>OECD average</th>
<th>%</th>
<th>Position in OECD²</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Taxes on income, profits and capital gains¹</strong></td>
<td>305 247</td>
<td>298 781</td>
<td>+ 6 466</td>
<td>48</td>
</tr>
<tr>
<td><strong>Personal income, profits and gains</strong></td>
<td>235 214</td>
<td>226 203</td>
<td>+ 9 011</td>
<td>37</td>
</tr>
<tr>
<td><strong>Corporate income and gains</strong></td>
<td>63 289</td>
<td>65 941</td>
<td>- 2 652</td>
<td>10</td>
</tr>
<tr>
<td><strong>Social security contributions</strong></td>
<td>96 220</td>
<td>93 405</td>
<td>+ 2 815</td>
<td>15</td>
</tr>
<tr>
<td><strong>Payroll taxes</strong></td>
<td>13 036</td>
<td>12 758</td>
<td>+ 278</td>
<td>2</td>
</tr>
<tr>
<td><strong>Taxes on property</strong></td>
<td>75 564</td>
<td>72 822</td>
<td>+ 2 741</td>
<td>12</td>
</tr>
<tr>
<td><strong>Taxes on goods and services</strong></td>
<td>147 141</td>
<td>141 524</td>
<td>+ 5 616</td>
<td>23</td>
</tr>
<tr>
<td><strong>of which VAT</strong></td>
<td>84 165</td>
<td>81 595</td>
<td>+ 2 570</td>
<td>13</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>711</td>
<td>696</td>
<td>+ 15</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>637 919</td>
<td>619 987</td>
<td>+ 17 932</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: 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 35th.


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