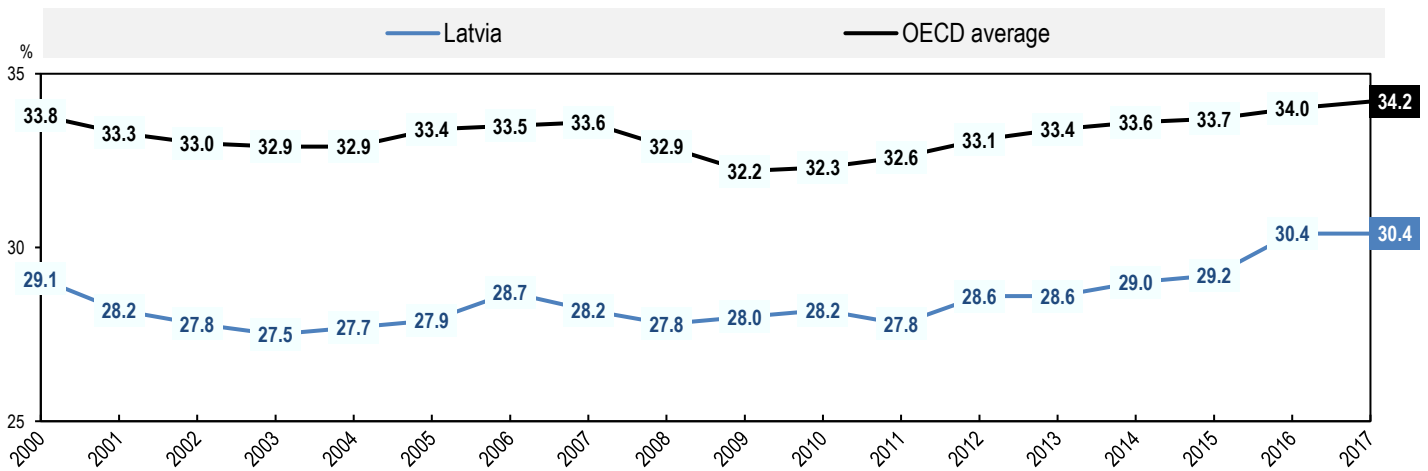


Revenue Statistics 2018 - Latvia

Tax-to-GDP ratio

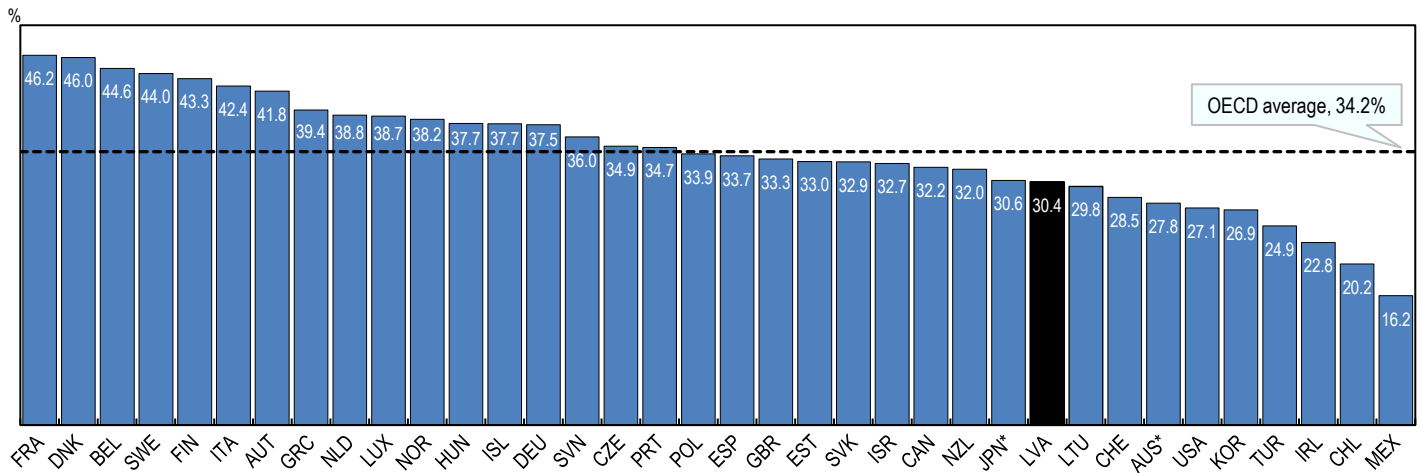
Tax-to-GDP ratio over time

The OECD's annual Revenue Statistics report found that the tax-to-GDP ratio in Latvia did not change between 2016 and 2017. The tax-to-GDP ratio remained at 30.4%. The corresponding figures for the OECD average were an increase of 0.2 percentage points from 34.0% to 34.2%. Since the year 2000, the tax-to-GDP ratio in Latvia has increased from 29.1% to 30.4%. 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 Latvia was 30.4% in 2016 and 2017, with the lowest being 27.5% in 2003.



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

Latvia ranked 27th out of 36 OECD countries in terms of the tax-to-GDP ratio in 2017. In 2017, Latvia had a tax-to-GDP ratio of 30.4% compared with the OECD average of 34.2%. In 2016, Latvia was also ranked 27th out of the 36 OECD countries in terms of the tax-to-GDP ratio.



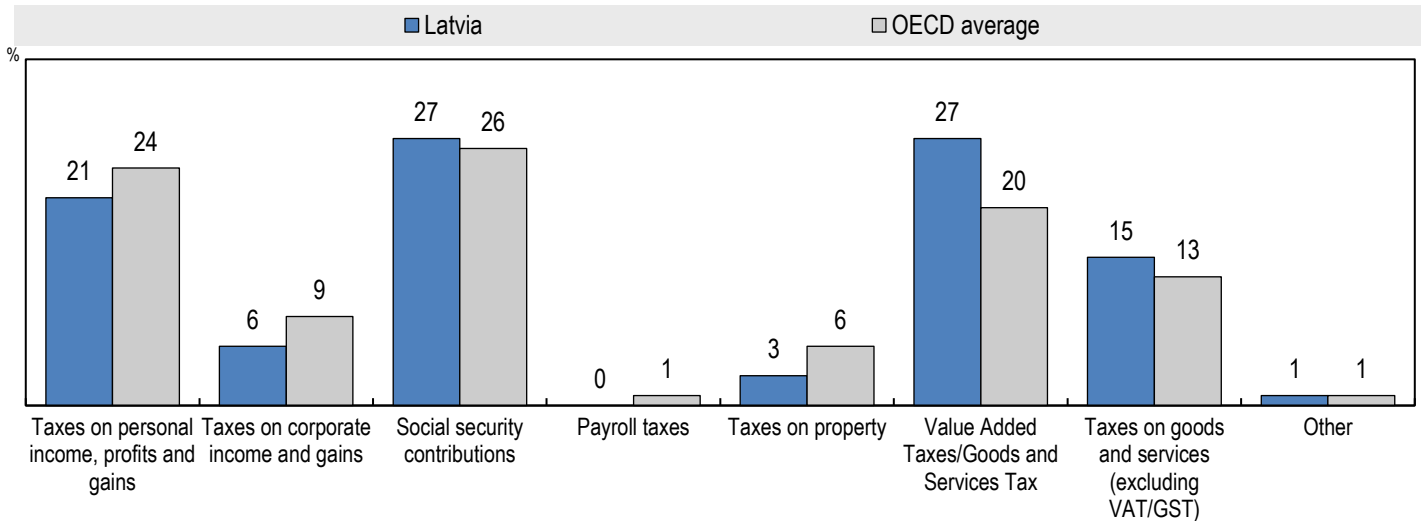
* Australia and Japan are unable to provide provisional 2017 data, therefore their latest 2016 data are presented within this country note.

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 Latvia compared with the OECD average is shown in the figure below.



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

- » Higher revenues from social security contributions; value-added taxes; and goods & services taxes (excluding VAT/GST).
- » A lower proportion of revenues from taxes on personal income, profits & gains; taxes on corporate income & gains; and property taxes.
- » No revenues from payroll taxes.

Tax structure

	Tax Revenues in national currency			Tax structure in Latvia			Position in OECD ²		
	Euro, millions			%					
	2016	2015	Δ	2016	2015	Δ	2016	2015	Δ
Taxes on income, profits and capital gains ¹	2 011	1 833	+ 178	27	26	+ 1	26th	26th	-
<i>of which</i>									
<i>Personal income, profits and gains</i>	1 587	1 445	+ 143	21	20	+ 1	19th	22nd	+ 3
<i>Corporate income and gains</i>	424	389	+ 36	6	5	+ 1	27th	28th	+ 1
Social security contributions	2 067	2 030	+ 37	27	29	- 2	21st	20th	- 1
Payroll taxes	3	3	-	-	-	-	15th	15th	-
Taxes on property	263	241	+ 22	3	3	-	24th	24th	-
Taxes on goods and services	3 178	2 959	+ 220	42	42	-	5th	5th	-
<i>of which VAT</i>	2 032	1 876	+ 156	27	26	+ 1	4th	5th	+ 1
Other	47	40	+ 7	1	1	-	14th	15th	+ 1
TOTAL	7 570	7 107	+ 464	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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