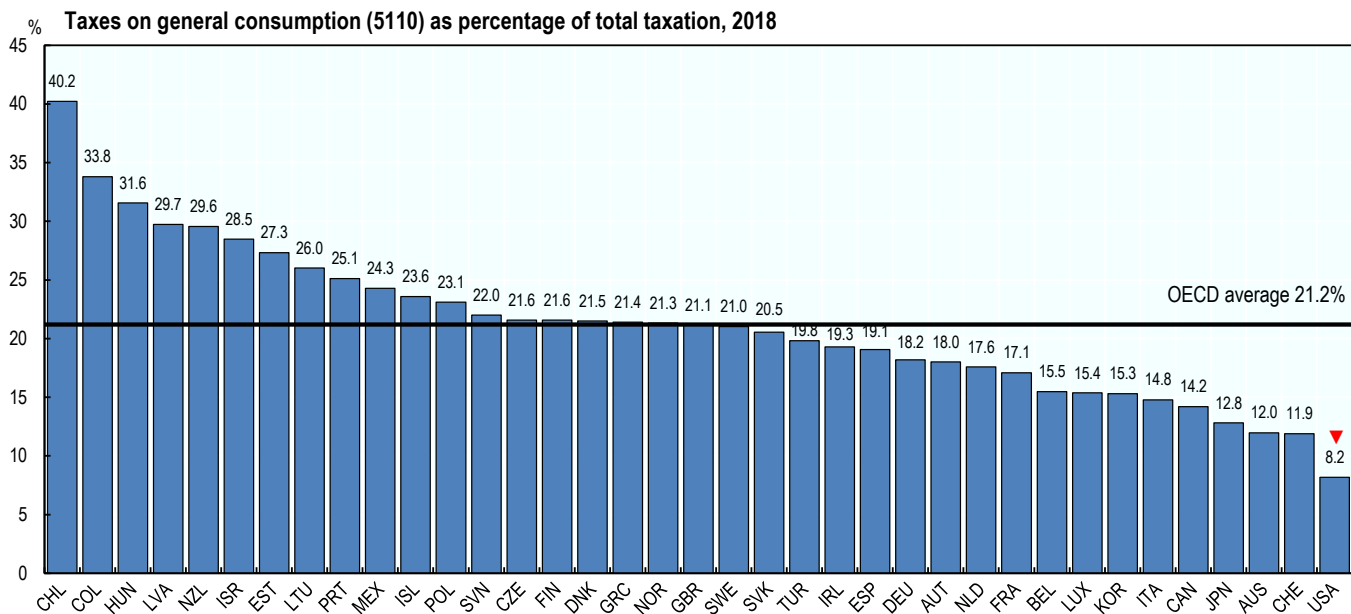


Consumption Tax Trends* - United States

The United States is the only OECD country that employs a retail sales tax rather than a value added tax (VAT)¹ as the principal consumption tax. The retail sales tax in the United States is not a federal tax. It is a tax imposed at the state and local government level.

Retail sales taxes and VAT belong to the same category (Taxes on general consumption) in the OECD classification of taxes. Compared to the other OECD countries, the United States has the lowest proportion of revenue from general consumption in its total tax revenue (8.2%), in 2018 far below the OECD average (21.2%).



1. VAT/GST refers to value added tax/goods and services tax

Source: OECD (2020), Revenue Statistics 2020, OECD Publishing, Paris, <https://doi.org/10.1787/8625f8e5-en>.

* Information presented on this page is only a summary of more detailed information available in the Tax Database and Consumption Tax Trends publication
 Source: OECD Consumption Tax Trends 2020; oe.cd/vatgst-trends; OECD Tax Database oe.cd/tax-database

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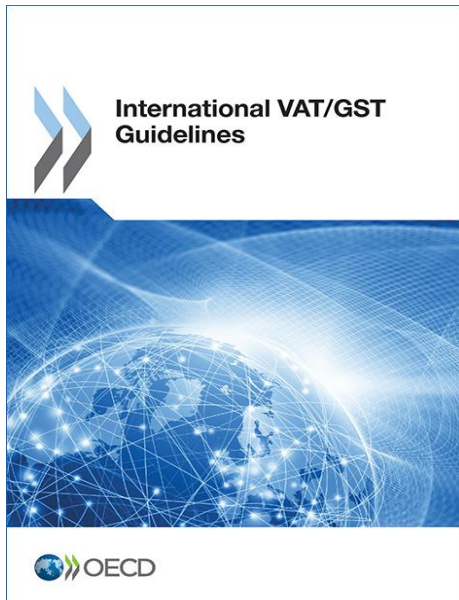
Consumption Tax Trends 2020

VAT/GST and Excise Rates, Trends and Policy Issues

oe.cd/vatgst-trends

Consumption Tax Trends provides information on Value Added Tax/Goods and Services Tax (VAT/GST) and excise duty rates in OECD member countries.

It also contains information about international aspects of VAT/GST developments and the efficiency of this tax. It describes a range of other consumption taxation provisions on tobacco, alcoholic beverages and motor vehicles.



International VAT/GST Guidelines

oe.cd/international-vat-gst-guidelines

The International VAT/GST Guidelines present a set of internationally agreed standards and recommended approaches to address the issues that arise from the uncoordinated application of national VAT systems in the context of international trade.

They focus in particular on trade in services and intangibles, which poses increasingly important challenges for the design and operation of VAT systems worldwide.

They notably include the recommended principles and mechanisms to address the challenges for the collection of VAT on cross-border sales of digital products that had been identified in the context of the OECD/G20 Project on Base and Erosion and Profit Shifting (the BEPS Project).

Source: OECD Consumption Tax Trends 2020 <http://www.oecd.org/tax/consumption-tax-trends-19990979.htm>

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