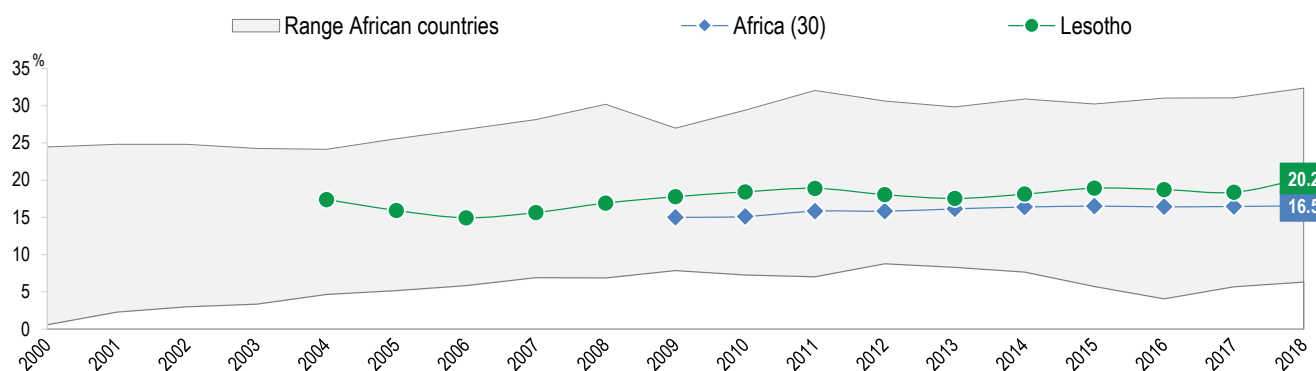


Revenue Statistics in Africa 2020 – Lesotho

Tax revenues: tax-to-GDP ratio

Tax-to-GDP ratio over time

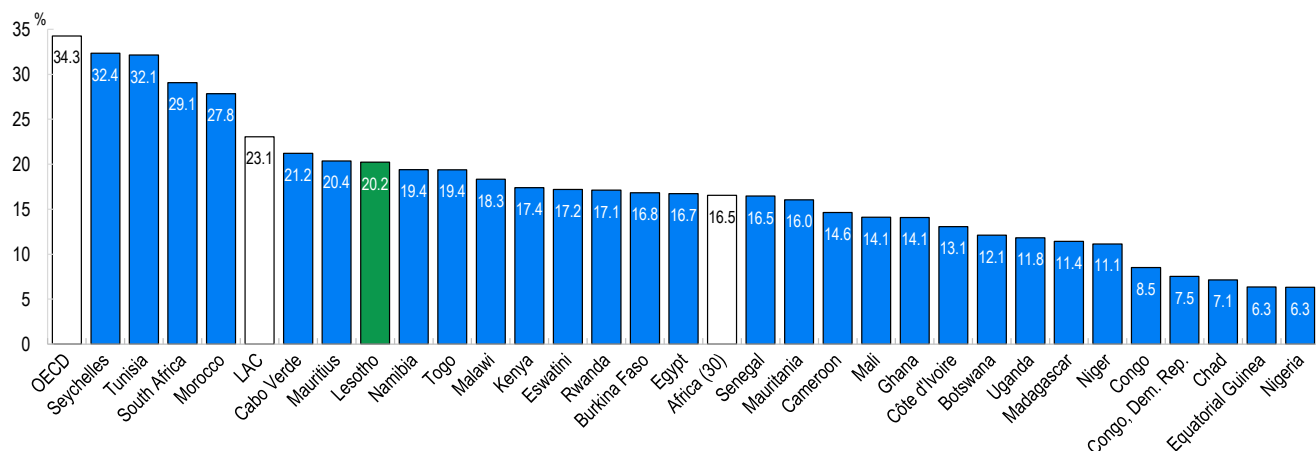
The tax-to-GDP ratio in Lesotho¹ increased by 1.8 percentage points from 18.4% in 2017 to 20.2% in 2018. In comparison, the average* for the 30 African countries increased by just under 0.1 percentage points over the same period, and was 16.5% in 2018. Since 2010, the average for the 30 African countries has increased by 1.4 percentage points, from 15.1% in 2010 to 16.5% in 2018. Over the same period, the tax-to-GDP ratio in Lesotho has increased by 1.8 percentage points, from 18.4% to 20.2%. The highest tax-to-GDP ratio in Lesotho was 20.2% in 2018, with the lowest being 15.0% in 2006.



*The Africa (30) average was 16.5% in both 2017 and 2018 due to rounding. The Africa (30) average is not available before 2009 due to missing data in some countries. In 2009, it is calculated based on estimated tax-to-GDP ratios for Chad and Nigeria in that year, as data were not available prior to 2010 in these countries.

Tax-to-GDP ratio, 2018

Lesotho's¹ tax-to-GDP ratio in 2018 (20.2%) was higher than the average of the 30 African countries in Revenue Statistics in Africa 2020 (16.5%) by 3.7 percentage points but lower than the Latin America and the Caribbean (23.1%).



¹ Social security contributions for Lesotho are deemed to be null as they do not meet the criteria to be classified as social security contributions set out in the OECD Interpretative Guide

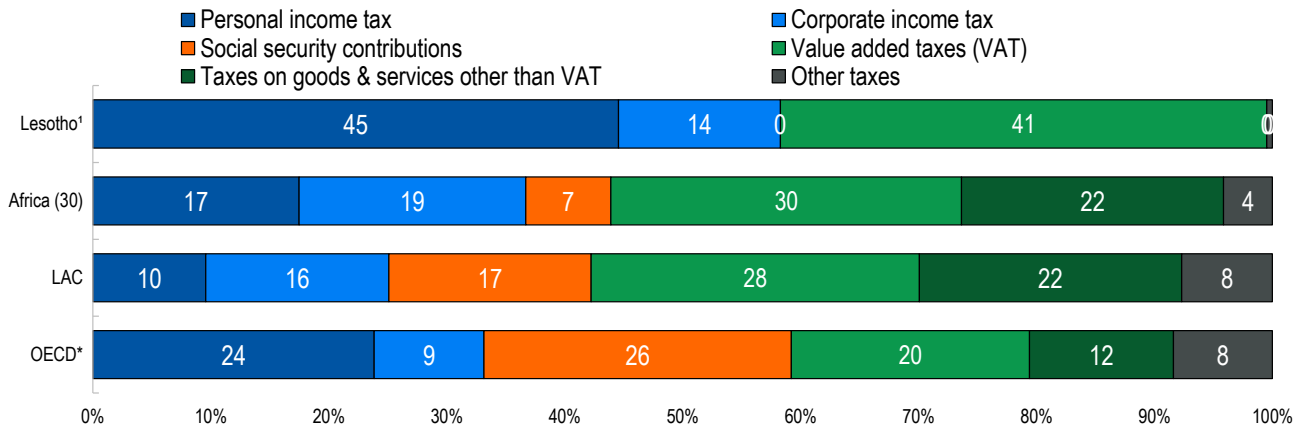
In the OECD classification the term "taxes" is confined to compulsory unrequited payments to general government. Taxes are unrequited in the sense that benefits provided by government to taxpayers are not normally in proportion to their payments. Non-tax revenues are all other government revenues that are not classified as taxes. <http://www.oecd.org/tax/tax-policy/oecd-classification-taxes-interpretative-guide.pdf>

The LAC average refers to the *Revenue Statistics in Latin America and the Caribbean 2020* publication. oe.cd/revenue-statistics-in-latin-america-and-the-caribbean



Tax revenues: structure

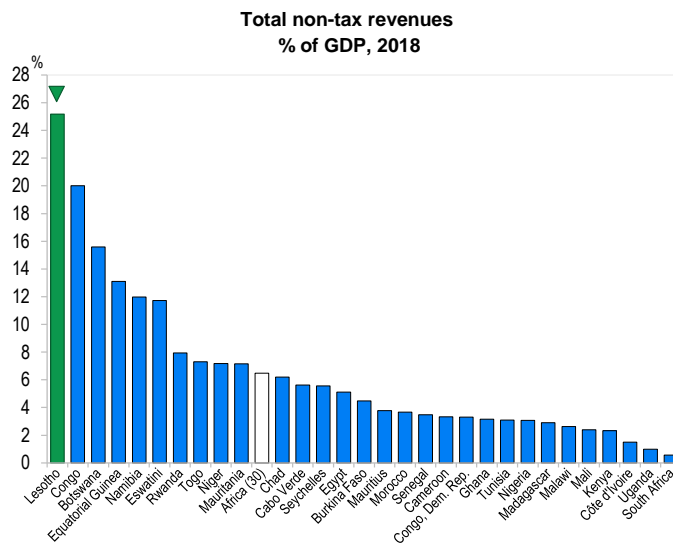
Tax structure refers to the share of each tax in total tax revenues. The highest share of tax revenues in Lesotho¹ in 2018 was contributed by personal income tax (45%). The second-highest share of tax revenues in 2018 was derived from value added taxes (VAT) (41%).



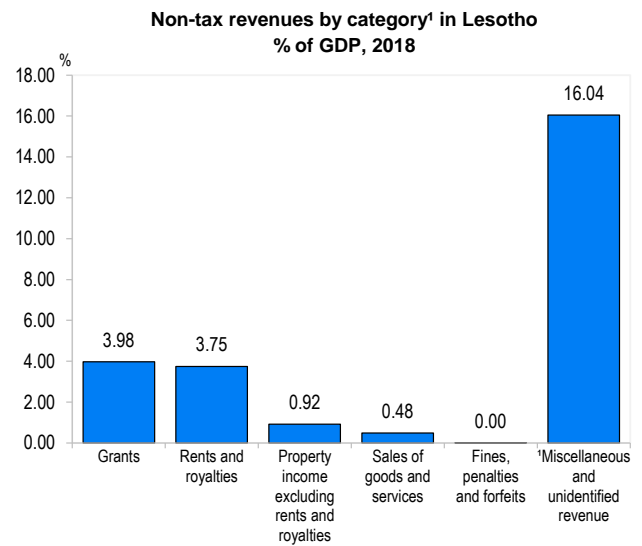
¹ Social security contributions for Lesotho are deemed to be null as they do not meet the criteria to be classified as social security contributions set out in the OECD Interpretative Guide *The data for the OECD are for 2017 as the data for 2018 are not available.

Non-tax revenues

In 2018, Lesotho's non-tax revenues amounted to 25.2% of GDP. This was higher than the average non-tax revenues for the 30 African countries (6.5% of GDP). Miscellaneous and unidentified revenue¹ represented the largest share of non-tax revenues in 2018, amounting to 16.0% of GDP and 63.7% of non-tax revenues.



Source: Revenue Statistics in Africa 2020



¹ The majority of the 'Miscellaneous and unidentified revenue' category comes from the Southern African Customs Union (SACU) revenue-sharing agreement



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For more information see oe.cd/revenue-statistics-in-africa