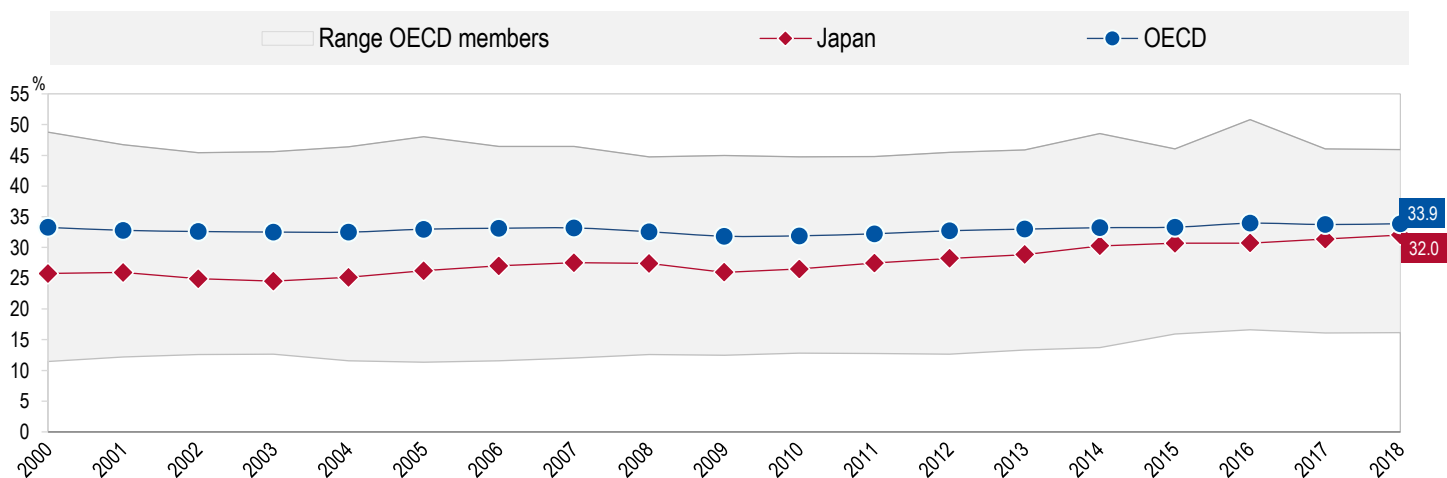


Revenue Statistics 2020 - Japan

Tax-to-GDP ratio

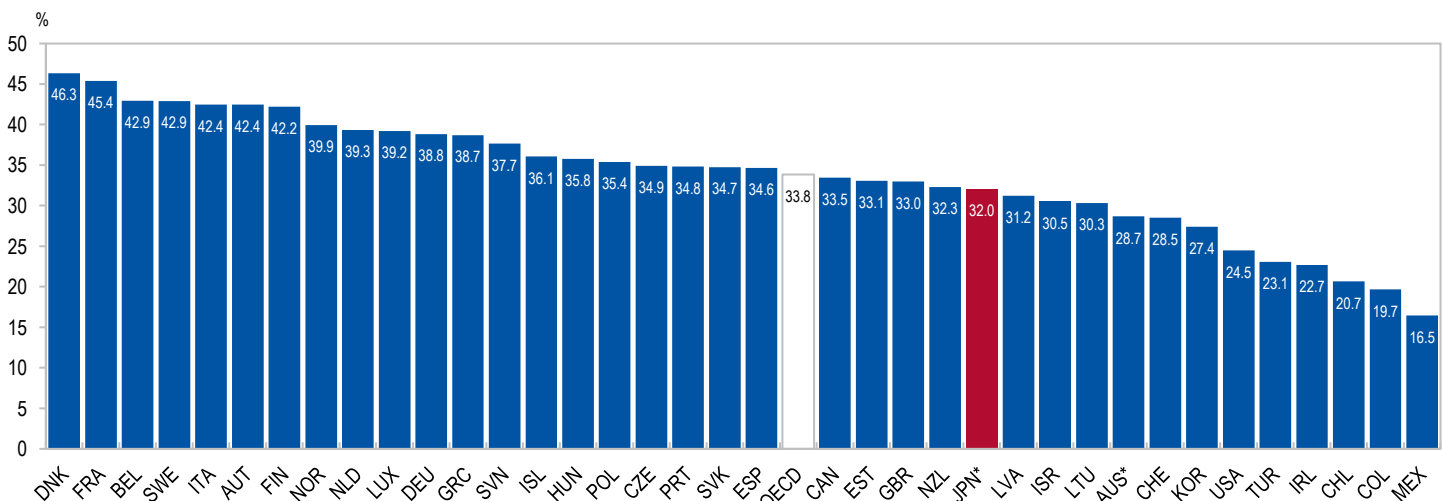
Tax-to-GDP ratio over time

The OECD's annual Revenue Statistics report found that the tax-to-GDP ratio in Japan increased by 0.7 percentage points from 31.4% in 2017 to 32.0% in 2018.* The corresponding figures for the OECD average were an increase of 0.1 percentage points from 33.7% to 33.9% over the same period. The tax-to-GDP ratio in Japan has increased from 25.8% in 2000 to 32.0% in 2018. Over the same period, the OECD average in 2018 was slightly above that in 2000 (33.9% compared with 33.3%). During that period the highest tax-to-GDP ratio in Japan was 32% in 2018, with the lowest being 24.5% in 2003.



Tax-to-GDP ratio compared to the OECD, 2019

The chart below shows tax-to-GDP ratios for 2019. As Japan is unable to provide 2019 data, the latest available data from 2018 has been used. Japan's 2018 tax-to-GDP ratio ranked it 25th out of 37 OECD countries in terms of the tax-to-GDP ratio compared with the 2019 figures. In 2018 Japan had a tax-to-GDP ratio of 32.0%, compared with the OECD average of 33.8% in 2019 and 33.9% in 2018.



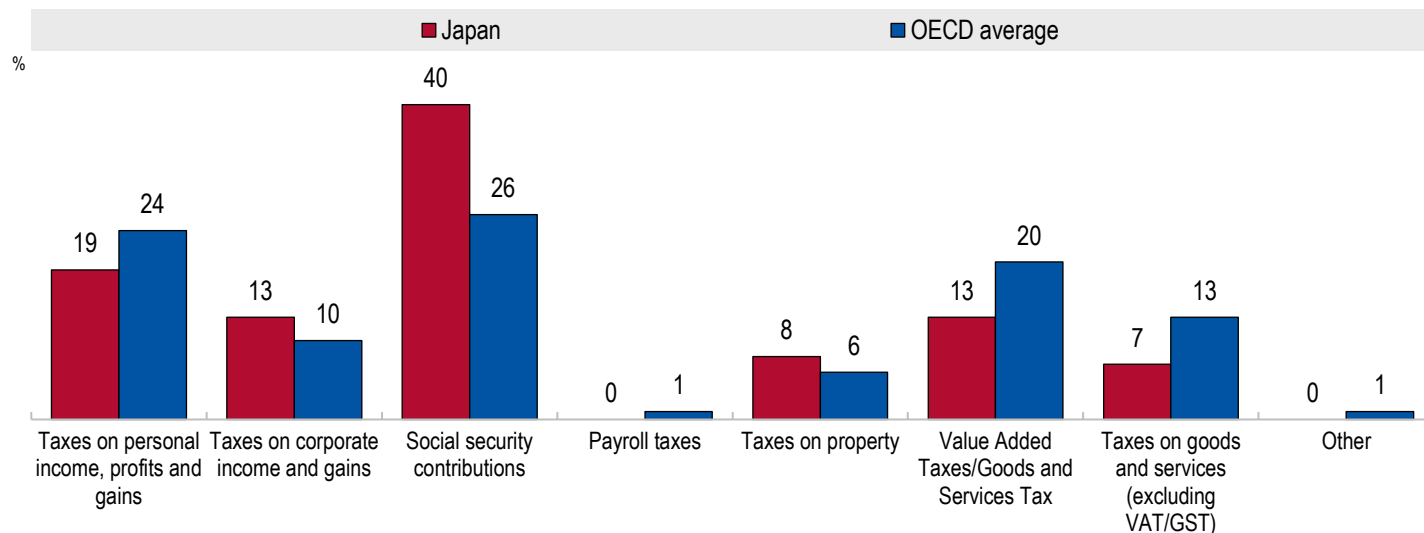
* Australia and Japan are unable to provide provisional 2019 data, therefore their latest 2018 data are presented within this country note.

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, 2018

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



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

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

Tax structure

	Tax Revenues in national currency			Tax structure in Japan			Position in OECD ²		
	Yen, billions			%					
	2017	2018	Δ	2017	2018	Δ	2017	2018	Δ
Taxes on income, profits and capital gains ¹	52 658	56 083	+ 3 425	31	32	+ 1	22nd	21st	+ 1
<i>of which</i>	-	-	-	-	-	-	0	0	-
<i>Personal income, profits and gains</i>	32 325	33 492	+ 1 167	19	19	-	24th	24th	-
<i>Corporate income and gains</i>	20 333	22 591	+ 2 258	12	13	+ 1	10th	10th	-
Social security contributions	68 616	70 588	+ 1 972	40	40	-	5th	5th	-
Payroll taxes	-	-	-	-	-	-	29th	29th	-
Taxes on property	14 073	14 196	+ 122	8	8	-	10th	9th	+ 1
Taxes on goods and services	36 031	34 252	- 1 779	21	20	- 1	36th	36th	-
<i>of which VAT</i>	22 249	22 496	+ 247	13	13	-	34th	34th	-
Other	427	445	+ 18	-	-	-	29th	28th	+ 1
TOTAL	171 806	175 564	+ 3 758	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 37th.

Source: OECD Revenue Statistics 2020 <http://oe.cd/revenue-statistics>

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