



European Commission —
Taxation and customs union

Taxation trends in the European Union

Data for the EU Member States and Norway



2009 edition

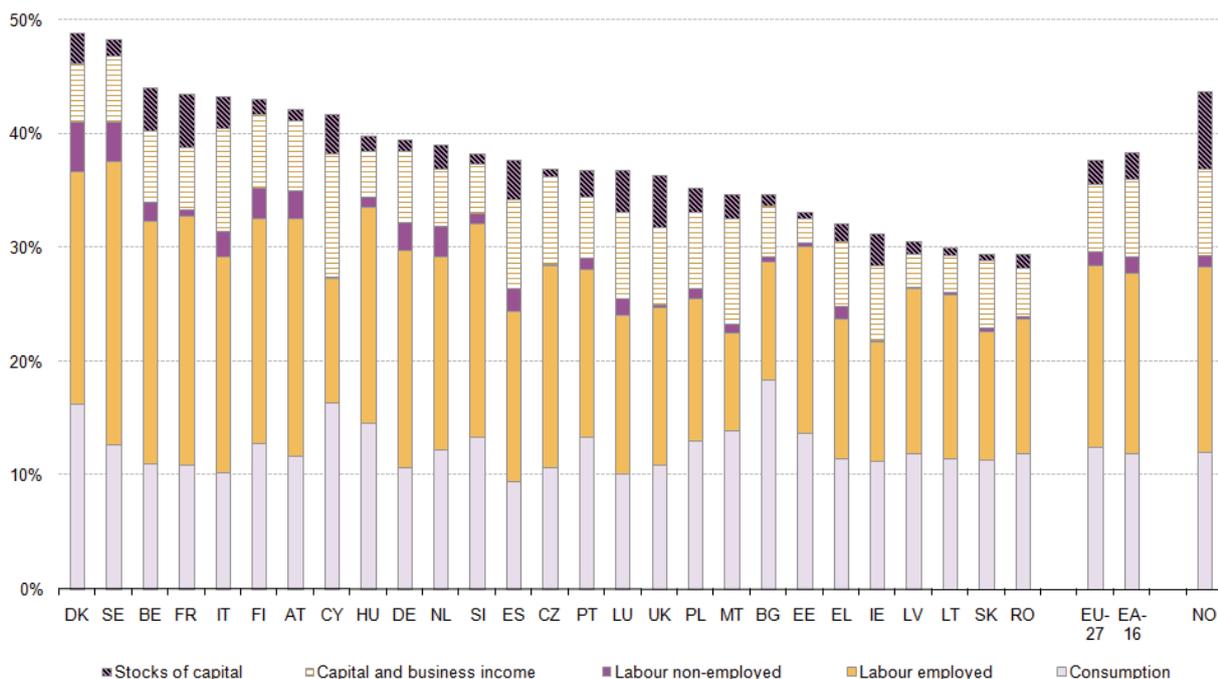
1. DISTRIBUTION OF THE TAX BURDEN BY ECONOMIC FUNCTION

Breakdown of revenue by economic function: significant differences between Member States

Graph II-1.1 ranks Member States by overall tax burden and displays a breakdown of revenue by economic function for the year 2007. The graph shows quite a lot of variation both in terms of the overall level and in its composition. In particular, despite the fact that most indirect taxes are harmonised at EU level, there is substantial variation in the amount of revenues raised from consumption taxes. Even greater variation is visible in revenues from capital and business income, while some smaller revenue sources, such as taxation of stocks of capital/wealth and taxation of non-employed labour (essentially pensions and social security benefits) range from significant to negligible. Overall, the taxes levied on (employed) labour income, which are usually withheld at source (i.e. personal income tax levied on wages and salaries income plus social contributions), represent the most prominent source of revenue, contributing over 40 % of overall receipts on average, followed by consumption at roughly one third and then capital at just over one fifth.

Graph II-1.1 Distribution of the total tax burden by economic function

Taxes on labour (employed and non-employed), consumption and capital (capital and business income and stocks) 2007, in % of GDP



Source: Commission services

The three panels in Graph II-1.2 show the share of the revenue from the three different economic functions.

The results shown in the first panel, on the share of consumption taxes in overall revenues, are interesting in several respects; first, there is a clear outlier, Bulgaria, where the share of consumption taxes is more than 12 percentage points higher than in the second-ranking country, Estonia. Second, it is a distinctive feature of the new Member States to display a high reliance on consumption taxes: the first 10 positions in the ranking refer to countries that joined the Union in the last two enlargement rounds. Of the two remaining new Member States, Slovenia and the Czech Republic, only in the latter is the share of consumption taxes below the EU average.

Overall trends in implicit tax rates

Graph II-1.4 displays the evolution of the three main implicit tax rates, on labour, on consumption and capital, between 1995 and 2007. These ITRs are commented in detail in the next chapters. They are here juxtaposed to highlight four main facts: first, that implicit tax rates on labour remain well above those for capital and consumption; second, that the decline in labour taxation stopped in 2005; third, that effective taxation of capital is on the increase; and finally, that since 2001 consumption taxation has been trending upwards slowly.

Graph II-1.4 Development of implicit tax rates

EU-25 average, 1995-2007, in %



Source: Commission services

Table II-2.1 Implicit tax rates on consumption in the Union
1995–2007, in %

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Difference	
														1995-2007	2000-2007
BE	20.6	21.3	21.6	21.4	22.5	21.8	21.0	21.4	21.3	22.0	22.2	22.3	22.0	1.4	0.1
BG	-	-	-	-	17.6	19.7	18.9	18.7	20.6	23.2	24.4	25.5	25.4	-	5.8
CZ	22.1	21.2	19.4	18.6	19.7	19.4	18.9	19.3	19.6	21.8	22.2	21.1	21.4	-0.7	2.0
DK	30.5	31.6	31.9	32.7	33.7	33.4	33.5	33.7	33.3	33.3	33.9	34.0	33.7	3.2	0.3
DE	18.8	18.3	18.1	18.3	19.0	18.9	18.5	18.5	18.6	18.2	18.1	18.3	19.8	1.0	0.9
EE	21.3	19.8	20.5	18.6	17.9	19.8	19.9	20.0	19.9	19.8	22.2	23.4	24.4	3.1	4.6
IE	24.8	24.7	25.2	25.4	25.7	25.9	23.9	24.9	24.7	25.9	26.4	26.5	25.6	0.8	-0.3
EL	-	-	-	-	-	16.5	16.7	16.1	15.5	15.3	14.8	15.2	15.4	-	-1.1
ES	14.2	14.4	14.6	15.3	15.9	15.7	15.2	15.4	15.8	16.0	16.3	16.4	15.9	1.7	0.3
FR	21.5	22.1	22.2	22.0	22.1	20.9	20.3	20.3	20.0	20.1	20.1	19.9	19.5	-2.0	-1.4
IT	17.4	17.1	17.3	17.8	18.0	17.9	17.3	17.1	16.6	16.8	16.7	17.4	17.1	-0.3	-0.8
CY	12.6	12.3	11.3	11.5	11.3	12.7	14.3	15.4	18.9	20.0	20.0	20.4	21.4	8.8	8.6
LV	19.4	17.9	18.9	21.1	19.5	18.7	17.5	17.4	18.6	18.5	20.2	20.1	19.6	0.2	0.9
LT	17.7	16.4	20.4	20.7	19.2	18.0	17.5	17.9	17.0	16.1	16.5	16.7	17.9	0.2	-0.1
LU	21.1	20.8	21.6	21.6	22.5	23.1	22.8	22.8	23.9	25.3	26.2	26.3	26.9	5.8	3.8
HU	30.8	29.5	27.2	27.6	27.9	27.5	25.6	25.4	26.0	27.6	26.4	25.8	27.1	-3.7	-0.4
MT	14.8	14.0	14.8	13.8	14.8	15.9	16.5	18.1	16.5	17.6	19.7	19.9	20.3	5.5	4.5
NL	23.3	23.4	23.6	23.5	23.9	23.7	24.4	23.9	24.2	24.8	25.0	26.5	26.8	3.5	3.0
AT	20.5	21.1	22.1	22.3	22.8	22.1	22.1	22.5	22.2	22.1	21.7	21.2	21.6	1.1	-0.5
PL	20.7	20.7	19.7	18.9	19.5	17.8	17.2	17.9	18.3	18.4	19.5	20.2	21.4	0.6	3.6
PT	19.2	19.6	19.3	19.9	20.0	19.2	19.3	19.9	19.8	19.7	20.6	21.0	20.3	1.2	1.1
RO	-	-	-	-	15.9	16.8	15.5	16.2	17.7	16.4	17.9	17.7	18.1	-	1.3
SI	24.6	24.1	22.9	24.4	25.1	23.5	23.0	23.9	24.0	23.9	23.6	23.8	24.1	-0.5	0.6
SK	26.4	24.6	23.6	23.0	21.4	21.7	18.8	19.4	21.1	21.5	22.2	20.2	20.6	-5.9	-1.1
FI	27.6	27.4	29.3	29.1	29.4	28.6	27.6	27.7	28.1	27.7	27.6	27.2	26.5	-1.2	-2.1
SE	27.6	26.9	26.7	27.2	26.9	26.3	26.6	26.8	26.9	26.9	27.5	27.4	27.8	0.2	1.6
UK	20.0	19.9	19.9	19.7	19.9	19.4	19.1	19.0	19.2	19.1	18.7	18.6	18.4	-1.5	-1.0
NO	-	-	-	-	-	-	-	29.3	27.9	28.2	28.8	29.9	30.3	-	-
EU-27	-	-	-	-	21.1	20.9	20.4	20.7	21.1	21.4	21.9	22.0	22.2	-	1.3
EU-25	21.4	21.1	21.2	21.3	21.5	21.1	20.7	21.0	21.2	21.5	21.9	22.0	22.2	0.8	1.1
EA-16	20.3	20.2	20.3	20.5	20.8	20.5	20.1	20.5	20.7	21.1	21.3	21.4	21.5	1.2	1.0

Source: Commission services

The trend increase has involved most of the Union. Compared to 2000 levels, only 10 countries have experienced declines. The most notable *declines* in the ITR were in Finland (- 2.1 percentage points) and in France (- 1.4), followed by more moderate ones in Greece and Slovakia (both - 1.1 percentage points), the United Kingdom (- 1.0), Italy (- 0.8), Austria (- 0.5), Hungary (- 0.4), Ireland (- 0.3) and Lithuania (- 0.1). However, the majority of the new Member States show gradual increases in their ITRs on consumption. In the period 2000–07, the most remarkable increase of ITR on consumption is noticed in Cyprus (by 8.6 percentage points), in Bulgaria (by 5.8 percentage points), in Estonia (by 4.6 percentage points) and in Malta (by 4.5 percentage points).

Graph II-2.2 gives an indication of the degree of convergence by showing the minimum and maximum values for the ITRs on consumption for the relevant years, followed by the third extreme values; the respective lines form 'external' and 'internal' bands. The external bands depict the maximum deviation of the ITRs, within which all the rates are located, while the internal bands give a good picture of the majority of Member States. The graph clearly shows that since 1999 the lowest ITRs on consumption are strictly converging upwards to the average, while the highest ones are almost stable with slight tendency to decrease from 2006. Both the low consumption taxing and high consumption taxing countries have experienced a slow increase in the ITRs, which is reflected in the upward trend of the EU-25 arithmetic average. The same picture of increasing convergence is shown by the two other indicators shown in Table D.1 in Annex A, namely the difference between the maximum and minimum value and the ratio between the standard deviation and the mean; both indicators show convergence over the examined period, particularly since 1999. The increasing convergence in the ITRs is mostly due to the rise in the ITRs in most of the New Member

Table II-2.2 VAT rates in the Member States
2007, in %

Member State	Standard rate	Reduced rate	Super reduced rate	Parking
BE	21	6/12	-	12
BG	20	7	-	-
CZ	19	9	-	-
DK	25	-	-	-
DE	19	7	-	-
EE	18	5	-	-
IE	21.5	13.5	4.8	13.5
EL	19	9	4.5	-
ES	16	7	4	-
FR	19.6	5.5	2.1	-
IT	20	10	4	0
CY	15	5/8	-	-
LV	21	10	-	-
LT	19	5/9	-	-
LU	15	6/12	3	12
HU	20	5	-	-
MT	18	5	-	-
NL	19	6	-	-
AT	20	10	-	12
PL	22	7	3	-
PT	20	5/12	-	12
RO	19	9	-	-
SI	20	8.5	-	-
SK	19	10	-	-
FI	22	8/17	-	-
SE	25	6/12	-	-
UK	15	5	-	-

Note: Before 2007, in Bulgaria the reduced rate was applied by way of reducing the tax base to 35 % and then applying the 20 % standard rate.

Source: Commission services

2.4. Excise duty on tobacco and alcohol component of the ITR on consumption

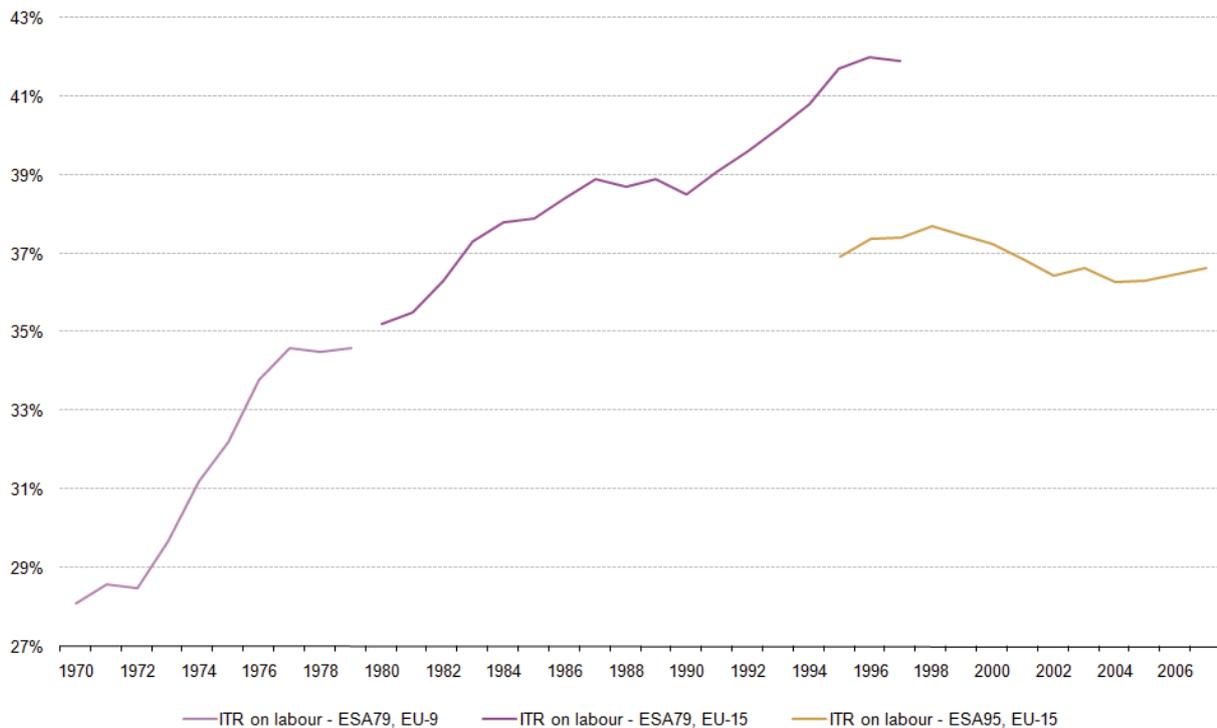
The average of the excise duty on tobacco and alcohol component of the ITR on consumption is generally stable throughout the observed period. This stability may appear somewhat surprising since it is often asserted that the fact that many excises are specific, i.e. expressed as a fixed nominal amount per physical measure of product, and the already recalled generally low income and price elasticity of excisable goods should lead to revenue lagging behind inflation, and therefore to a gradual erosion of the excise component. This is not borne out by our data; at least as far as the EU-25 average is concerned.

3. TRENDS IN THE IMPLICIT TAX RATE ON LABOUR

3.1. Up to late 1990s, a very strong long-run increase in labour taxation

The tax burden on labour in the European Union started growing strongly in the early 1970s. The increase was very marked in the 1970s, decelerating only slightly in the 1980s and the first half of the 1990s. As shown in Graph II-3.1, the weighted EU-15 average implicit tax rate on labour employed (ITR on labour) increased from about 28 % (1970) to almost 42 % (1997)¹. Now only five countries in the EU have ITRs below the 30 % mark. Labour taxes rose so forcefully because they were the only ones that could provide the volume of funds necessary to finance the additional government expenditure and because unlike consumption taxes, they could be made progressive in line with the social and political demands of the time. In the first half of the 1990s, further increases were due to the rise in unemployment caused by the recession at the beginning of the decade. Finally, in the second half of the decade, budgetary consolidation in the run-up to EMU forced several Member States to increases in the tax burden.² Available data indicate that the ITR did not stop increasing until 1998.

Graph II-3.1 Time trend of ITR on labour
in % (weighted averages)



Note: The average ITRs on labour based on ESA79 system of national accounts are weighted by the total compensation of employees in the economy, whereas for ESA95 the GDP-weighted average is used. Data based on ESA79 are only available for the EU-9 and EU-15 Member States (1970–79 and 1980–97, respectively).

Source: Commission services

1) See European Commission (2000a, 2000b).

2) Data for the 1995–2007 period is based on ESA95 and not fully comparable with previous ESA79 data. ITRs on labour computed on the basis of ESA95 data are generally lower than those on the basis of ESA79 data over the same period. This is notably due to the numerator of the indicator, as taxes on labour employed (as % of GDP) are generally lower in the new series. This is attributable to improved methods for estimating the allocation of personal income tax across different income sources. In many cases compensation of employees, as the main component of the denominator, was revised upwards.

Table II-3.1 Implicit tax rates on labour in the Union
1995–2007, in %

														Difference	
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	1995-2007	2000-2007
BE	43.8	43.4	43.9	44.3	43.6	43.9	43.5	43.6	43.4	44.0	43.8	42.7	42.3	-1.5	-1.6
BG	-	-	-	-	35.9	38.7	34.3	32.9	35.5	36.3	34.7	30.6	29.9	-	-8.9
CZ	40.5	39.5	40.3	40.7	40.5	40.7	40.3	41.2	41.4	41.8	41.7	41.1	41.4	0.9	0.7
DK	40.2	40.2	40.7	38.9	40.2	41.0	40.8	38.8	38.1	37.5	37.1	37.1	37.0	-3.2	-4.0
DE	39.4	39.6	40.6	40.6	40.4	40.7	40.5	40.4	40.4	39.2	38.8	39.0	39.0	-0.5	-1.8
EE	38.6	37.8	37.6	38.9	39.3	37.8	37.3	37.8	36.9	36.1	34.1	33.9	33.8	-4.8	-4.0
IE	29.7	29.3	29.5	28.6	28.7	28.5	27.4	26.0	25.0	26.3	25.4	25.4	25.7	-4.0	-2.8
EL	-	-	-	-	-	34.5	34.6	34.4	35.6	33.7	34.2	35.1	35.5	-	1.0
ES	29.0	29.5	28.7	28.6	28.3	28.7	29.5	29.8	29.9	29.9	30.3	30.8	31.6	2.6	2.9
FR	41.2	41.5	41.8	42.3	42.6	42.1	41.7	41.2	41.5	41.4	41.9	41.9	41.3	0.1	-0.8
IT	38.0	41.8	43.4	44.8	44.2	43.7	43.6	43.5	43.4	43.1	42.9	42.5	44.0	6.0	0.3
CY	22.1	21.3	21.5	22.5	21.8	21.5	22.8	22.2	22.7	22.7	24.5	24.1	24.0	1.8	2.4
LV	39.2	34.6	36.1	37.2	36.9	36.7	36.5	37.8	36.6	36.7	33.2	33.1	31.0	-8.2	-5.7
LT	34.5	35.0	38.4	38.3	38.7	41.2	40.2	38.1	36.9	36.0	34.9	33.6	32.3	-2.2	-8.9
LU	29.3	29.6	29.3	28.8	29.6	29.9	29.6	28.3	29.3	29.5	30.4	30.7	31.2	2.0	1.3
HU	42.6	43.0	43.7	42.8	42.6	41.4	40.9	41.2	39.3	38.3	38.4	38.8	41.2	-1.4	-0.2
MT	19.0	17.8	19.9	18.2	19.2	20.6	21.4	20.8	20.4	21.0	21.3	21.3	20.1	1.1	-0.5
NL	34.6	33.6	32.8	33.2	34.1	34.5	30.6	30.9	31.5	31.4	31.6	34.6	34.3	-0.4	-0.3
AT	38.5	39.4	40.7	40.3	40.5	40.1	40.6	40.8	40.8	41.0	40.8	40.8	41.0	2.5	0.9
PL	36.8	36.3	35.9	35.6	35.8	33.6	33.2	32.4	32.7	32.7	33.1	34.2	35.0	-1.9	1.4
PT	26.5	26.4	26.3	26.2	26.6	27.0	27.4	27.6	27.8	27.9	28.1	28.6	30.0	3.5	3.0
RO	-	-	-	-	37.6	32.2	31.8	31.1	29.5	28.9	28.0	30.4	30.1	-	-2.1
SI	38.5	36.8	37.0	37.5	37.8	37.7	37.5	37.6	37.7	37.5	37.6	37.4	36.9	-1.6	-0.7
SK	38.5	39.4	38.3	38.0	37.4	36.3	37.1	36.7	36.1	34.5	32.9	30.5	30.9	-7.6	-5.4
FI	44.3	45.3	43.6	43.8	43.3	44.1	44.1	43.8	42.5	41.5	41.5	41.6	41.4	-2.9	-2.7
SE	46.8	48.0	48.4	49.4	48.5	47.2	46.2	44.8	44.7	44.7	45.0	44.5	43.1	-3.7	-4.1
UK	25.7	24.8	24.4	25.0	25.1	25.3	25.0	24.1	24.3	24.8	25.5	25.8	26.1	0.3	0.8
NO	-	-	-	-	-	-	-	38.7	39.0	39.2	38.5	37.9	37.8	-	-
EU-27	-	-	-	-	36.1	35.9	35.5	35.1	35.0	34.8	34.5	34.4	34.4	-	-1.5
EU-25	35.7	35.6	36.0	36.1	36.1	35.9	35.7	35.4	35.2	34.9	34.7	34.8	34.8	-0.9	-1.1
EA-16	34.2	34.4	34.6	34.7	34.7	34.6	34.5	34.2	34.3	34.1	34.1	34.2	34.3	0.2	-0.3

Source: Commission services

3.4. Implicit tax rate on labour in the EU-27: large differences in levels

There are large differences in the level of labour taxation among the Member States (see Table II-3.1). At one extreme, Malta (20.1 %) and Cyprus (24.0 %) stand out with the lowest ITR on labour in the Union. This might be linked with their historical ties to Britain, as the United Kingdom and Ireland are the only other two countries whose ITR on labour is more than eight percentage points below the EU-27 average. Other countries, too, have low taxes on labour. Bulgaria has a below 30 % ITR (see Map II-1), while the rate in Portugal and Romania is very close to the 30 % mark. In contrast to these geographically more peripheral Member States, most 'continental' European Member States (Italy, Belgium, Czech Republic, France, Hungary, Austria, Germany, Slovenia) exhibit above average ITRs. The same applies to the Nordic countries. Within these two groups of countries Italy, Sweden, Belgium, Finland, Czech Republic France, Hungary and Austria stand out for reporting an ITR on labour which exceeds 40 %. When comparing the ITR on labour with the overall tax-to-GDP ratio, it is noticeable that those Member States that exhibit a high ITR on labour in most cases also have a high tax-to-GDP ratio. The same applies to low-tax countries. This result is in line with the high share of labour taxes in overall tax revenues.

have cut the rate over the time period covered whereas only one country (Portugal) increased it slightly⁹⁾. In just four cases the rate has not changed (in Austria, Latvia, Malta and the United Kingdom). The EU-27 average went down by 10.6 percentage points since 1995 and 7.3 percentage points since 2000. The reduction since 2000 is most noticeable in the central and eastern European countries that joined the union in 2004 and 2007, with the biggest cuts having taken place in four countries that moved to flat rate systems, Bulgaria (– 40.0 percentage points), the Czech Republic (– 28.0), Romania (– 24.0) and Slovakia (– 23.0). On average, these countries have reduced the top PIT rate by more than 11 percentage points since 2000, whereas the former EU-15 countries have reduced the top rate by a mere 3.5 percentage points.

Table II-3.2 Top personal income tax rates
1995–2008 income

															Difference	
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	1995-2008	2000-2008
BE	60.6	60.6	60.6	60.6	60.6	60.6	60.1	56.4	53.7	53.7	53.7	53.7	53.7	53.7	-6.9	-6.9
BG	50.0	50.0	40.0	40.0	40.0	40.0	38.0	29.0	29.0	29.0	24.0	24.0	24.0	10.0	-40.0	-30.0
CZ	43.0	40.0	40.0	40.0	40.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0	15.0	-28.0	-17.0
DK	63.5	62.0	62.9	61.4	61.1	59.7	59.6	59.8	59.8	59.0	59.0	59.0	59.0	59.0	-4.5	-0.7
DE	57.0	57.0	57.0	55.9	55.9	53.8	51.2	51.2	51.2	47.5	44.3	44.3	47.5	47.5	-9.5	-6.3
EE	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	24.0	23.0	22.0	21.0	-5.0	-5.0
IE	48.0	48.0	48.0	46.0	46.0	44.0	42.0	42.0	42.0	42.0	42.0	42.0	41.0	41.0	-7.0	-3.0
EL	45.0	45.0	45.0	45.0	45.0	45.0	42.5	40.0	40.0	40.0	40.0	40.0	40.0	40.0	-5.0	-5.0
ES	56.0	56.0	56.0	56.0	48.0	48.0	48.0	48.0	45.0	45.0	45.0	45.0	43.0	43.0	-13.0	-5.0
FR	59.1	59.6	57.7	59.0	59.0	59.0	58.3	57.8	54.8	53.4	53.5	45.8	45.8	45.8	-13.3	-13.2
IT	51.0	51.0	51.0	46.0	46.0	45.9	45.9	46.1	46.1	46.1	44.1	44.1	44.9	44.9	-6.1	-1.0
CY	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	30.0	30.0	30.0	30.0	30.0	30.0	-10.0	-10.0
LV	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	0.0	0.0
LT	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	27.0	27.0	24.0	-9.0	-9.0
LU	51.3	51.3	51.3	47.2	47.2	47.2	43.1	39.0	39.0	39.0	39.0	39.0	39.0	39.0	-12.3	-8.2
HU	44.0	44.0	44.0	44.0	44.0	44.0	40.0	40.0	40.0	38.0	38.0	36.0	40.0	40.0	-4.0	-4.0
MT	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	0.0	0.0
NL	60.0	60.0	60.0	60.0	60.0	60.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0	-8.0	-8.0
AT	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	0.0	0.0
PL	45.0	45.0	44.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	-5.0	0.0
PT	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	42.0	42.0	42.0	2.0	2.0
RO	40.0	40.0	40.0	48.0	40.0	40.0	40.0	40.0	40.0	40.0	16.0	16.0	16.0	16.0	-24.0	-24.0
SI	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	41.0	41.0	-9.0	-9.0
SK	42.0	42.0	42.0	42.0	42.0	42.0	42.0	38.0	38.0	19.0	19.0	19.0	19.0	19.0	-23.0	-23.0
FI	62.2	61.2	59.5	57.8	55.6	54.0	53.5	52.5	52.2	52.1	51.0	50.9	50.5	50.1	-12.2	-4.0
SE	61.3	61.4	54.4	56.7	53.6	51.5	53.1	55.5	54.7	56.5	56.6	56.6	56.6	56.4	-4.9	4.9
UK	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	0.0	0.0
NO	41.7	41.7	41.7	41.7	41.5	47.5	47.5	47.5	47.5	47.5	43.5	40.0	40.0	40.0	-1.7	-7.5
EU-27	47.3	47.1	46.4	46.1	45.3	44.7	43.7	42.9	42.2	41.2	39.9	39.3	39.1	37.8	-9.5	-6.9
EU-25	47.5	47.3	46.9	46.3	45.7	45.0	44.1	43.6	42.8	41.8	41.4	40.9	40.6	39.8	-7.7	-5.3
EA-16	50.4	50.4	50.2	49.4	48.8	48.4	47.1	46.1	44.9	43.4	43.0	42.7	42.1	42.1	-8.3	-6.3

Note: BE: including crisis tax (1993-2002) and local surcharge, DK: state taxes plus municipality taxes and including church tax. DE: including solidarity surcharge, FR: including general social welfare contribution and welfare debt repayment levy (since 1996), which are partly deductible from PIT, HU: including solidarity tax in 2007 and 2008, IT: including regional surcharge and local surcharge, LU: including solidarity surcharge for Unemployment Fund (since 2002), FI, SE: state taxes plus municipality taxes, NO: including surtax.

Source: Commission services

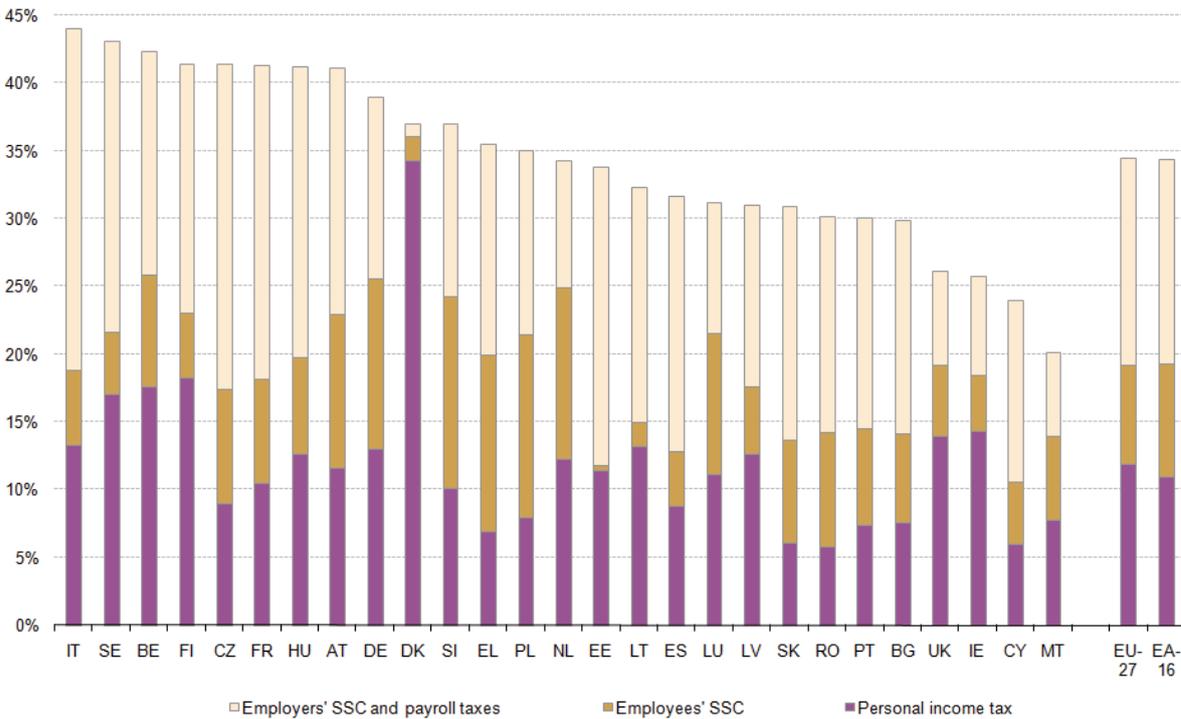
8) The interested reader can find a complete description of the rate system and the brackets in force in the Member States in the 'Taxes in Europe' database on the EU website at the following url: <http://ec.europa.eu/tedb>. The database is accessible free of charge and updated annually.

9) Portugal introduced a new top PIT rate on 2006 income.

The average top PIT rate on 2008 income of the newly acceded central and eastern European countries is, at 22.82 %, less than half the average of the former EU-15 countries (46.95 %), with the EU-27 average standing at 37.79 %.

Of course, the picture given by the rates is incomplete. Not only the level and change of the top PIT rate is relevant but also the income level at which they are applied. Moreover, the progression of PIT rates applied, the structure of allowances and tax credits, and the definition of the tax base play a key role in defining the effective tax burden. This is very aptly illustrated by the fact that the ITR on labour only marginally declined in the 1995–2007 period, despite the strong reduction in the top PIT rates. Moreover, in the majority of the Member States social security contributions have a higher impact on the level of the ITR than the PIT. On average, nearly two thirds of the overall ITR on labour consist of non-wage labour costs paid by both employees and employers (see Graph II-3.2). Only in Denmark, Ireland and the United Kingdom do personal income taxes have an above 50 % share in the total charges paid on labour income. In Denmark, the share of social contributions in government receipts is very low as most welfare spending is financed by general taxation¹⁰. As a result, Denmark has only the 10th highest ITR on labour in the EU, although the ratio of PIT (as a percentage of total labour costs) is, at around 34 % in 2007, by far the highest of all Member States (see Graph II-3.2). In some of the Member States, namely Romania, Greece and Slovakia less than 20 % of the ITR on labour consists of personal income tax.

Graph II-3.2 Composition of the implicit tax rate on labour
2007, in %



Source: Commission services

Between 2000 and 2007 the components of the ITR on labour have changed markedly in several Member States (see Graph II-3.3). For the EU-27 average the following development can be observed: personal income taxation of labour as well as employers' SSC and payroll taxes have gone down, while employees' SSC have very slightly

10) A large part of employees' social contributions in Denmark comes from an 8 % contribution paid on the basis of employees' gross earnings. Some studies classify this revenue as a social security contribution, while others report it as a separate type of personal income tax.

Table II-4.1 Adjusted top statutory tax rate on corporate income
1995-2009, in %

																Difference	
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1995-2009	2000-2009
BE	40.2	40.2	40.2	40.2	40.2	40.2	40.2	40.2	34.0	34.0	34.0	34.0	34.0	34.0	34.0	-6.2	-6.2
BG	40.0	40.0	40.2	37.0	34.3	32.5	28.0	23.5	23.5	19.5	15.0	15.0	10.0	10.0	10.0	-30.0	-22.5
CZ	41.0	39.0	39.0	35.0	35.0	31.0	31.0	31.0	31.0	28.0	26.0	24.0	24.0	21.0	20.0	-21.0	-11.0
DK	34.0	34.0	34.0	34.0	32.0	32.0	30.0	30.0	30.0	30.0	28.0	28.0	25.0	25.0	25.0	-9.0	-7.0
DE	56.8	56.7	56.7	56.0	51.6	51.6	38.3	38.3	39.6	38.3	38.7	38.7	38.7	29.8	29.8	-27.0	-21.8
EE	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	24.0	23.0	22.0	21.0	21.0	-5.0	-5.0
IE	40.0	38.0	36.0	32.0	28.0	24.0	20.0	16.0	12.5	12.5	12.5	12.5	12.5	12.5	12.5	-27.5	-11.5
EL	40.0	40.0	40.0	40.0	40.0	40.0	37.5	35.0	35.0	35.0	32.0	29.0	25.0	25.0	25.0	-15.0	-15.0
ES	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	32.5	30.0	30.0	-5.0	-5.0
FR	36.7	36.7	41.7	41.7	40.0	37.8	36.4	35.4	35.4	35.4	35.0	34.4	34.4	34.4	34.4	-2.2	-3.3
IT	52.2	53.2	53.2	41.3	41.3	41.3	40.3	40.3	38.3	37.3	37.3	37.3	37.3	31.4	31.4	-20.8	-9.9
CY	25.0	25.0	25.0	25.0	25.0	29.0	28.0	28.0	15.0	15.0	10.0	10.0	10.0	10.0	10.0	-15.0	-19.0
LV	25.0	25.0	25.0	25.0	25.0	25.0	25.0	22.0	19.0	15.0	15.0	15.0	15.0	15.0	15.0	-10.0	-10.0
LT	29.0	29.0	29.0	29.0	29.0	24.0	24.0	15.0	15.0	15.0	15.0	19.0	18.0	15.0	20.0	-9.0	-4.0
LU	40.9	40.9	39.3	37.5	37.5	37.5	37.5	30.4	30.4	30.4	30.4	29.6	29.6	29.6	28.6	-12.3	-8.9
HU	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	17.6	17.5	17.5	21.3	21.3	21.3	1.6	1.6
MT	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	0.0	0.0
NL	35.0	35.0	35.0	35.0	35.0	35.0	35.0	34.5	34.5	34.5	31.5	29.6	25.5	25.5	25.5	-9.5	-9.5
AT	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	25.0	25.0	25.0	25.0	25.0	-9.0	-9.0
PL	40.0	40.0	38.0	36.0	34.0	30.0	28.0	28.0	27.0	19.0	19.0	19.0	19.0	19.0	19.0	-21.0	-11.0
PT	39.6	39.6	39.6	37.4	37.4	35.2	35.2	33.0	33.0	27.5	27.5	27.5	26.5	26.5	26.5	-13.1	-8.7
RO	38.0	38.0	38.0	38.0	38.0	25.0	25.0	25.0	25.0	25.0	16.0	16.0	16.0	16.0	16.0	-22.0	-9.0
SI	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	23.0	22.0	21.0	-4.0	-4.0
SK	40.0	40.0	40.0	40.0	40.0	29.0	29.0	25.0	25.0	19.0	19.0	19.0	19.0	19.0	19.0	-21.0	-10.0
FI	25.0	28.0	28.0	28.0	28.0	29.0	29.0	29.0	29.0	29.0	26.0	26.0	26.0	26.0	26.0	1.0	-3.0
SE	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	26.3	-1.7	-1.7
UK	33.0	33.0	31.0	31.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	28.0	-5.0	-2.0
EU-27	35.3	35.3	35.2	34.1	33.5	31.9	30.7	29.3	28.3	27.0	25.5	25.3	24.5	23.6	23.5	-11.8	-8.4
EU-25	35.0	35.0	34.9	33.9	33.3	32.2	31.1	29.7	28.7	27.4	26.3	26.0	25.5	24.4	24.4	-10.7	-7.8
EA-16	37.5	37.6	37.7	36.4	35.8	34.9	33.5	32.1	30.7	29.8	28.4	28.0	27.1	26.0	25.9	-11.7	-9.0

Note: Only the 'basic' (non-targeted) top rate is presented here. Existing surcharges and averages of local taxes are included. Some countries also apply small profits rates or special rates, e.g., in case the investment is financed through issuing new equity, or alternative rates for different sectors. Such targeted tax rates can be substantially lower than the effective top rate. **Belgium:** a) A 3 % 'crisis' surcharge is applicable since 1993; b) since 1/1/2006 Belgium, applies a system of notional interest (ACE) which reduces the 'effective tax rate' with several percentage points, depending on the difference between the rate of return and the rate of the notional interest deduction. **Germany:** The rate includes the solidarity surcharge of 5.5 % and the average rate for the trade tax ('Gewerbesteuer', which is also an allowable expense for the purpose of calculating the income on which corporation tax is payable). From 1995 to 2000 the rates for Germany refer only to retained profits. For distributed profits lower rates applied. As from 2008 enterprises are subject to an overall tax burden of 29.8 % nominally. This is the result of the reduction of the corporate tax rate from 25 % to 15 % and the reduction of the base measure for trade tax from 5 % to 3.5 %. The adjusted top statutory tax rate is calculated with an average multiplier of 400 % for the trade tax. **Estonia:** As from 2000 the rate for Estonia refers only to the gross amount of distributed profits; the tax rate on retained earnings is zero. **France:** France applies a standard CIT rate of 33.5 %. Large companies (turnover over € 7 630 000 and taxable profit over € 2 289 000) are subject to an additional surcharge of 3.3 % levied on the part of aggregate corporate tax which exceeds € 763 000. An annual minimum lump-sum tax (IFA) based on turnover is payable when turnover is more than € 400 000. **Hungary:** From 1 September 2006, a solidarity surtax of 4 % is levied on most of the resident companies. A local business tax is maximum 2 %. An 'Innovation tax' of 0.3 % is due on the same base as the local business tax, but not for all companies. The corporate income tax in Hungary consists of three components: the standard CIT rate of 16 %, a local tax of maximum 2 % that applies on the gross operating profit (turnover minus costs) and which is deductible from the tax base, and a surcharge of 4 %. Starting from a gross operating profit of 100, companies would pay the local tax of 2. The tax base for the surcharge of 4% is the profit before tax, that is 98 (100 minus the local tax paid of 2). The surcharge amounts then to 3.92. Finally, the CIT base is calculated as the profit before tax of 98 minus the deductible local tax of 2, that is 96. the CIT rate of 16 % gives a tax of 15.36. In total, the tax paid is 15.36 + 3.92 + 2 = 21.28. This represents 21.714 % of the profit before tax of 98. **Ireland:** 25 % for non-trading income, gains and profits from mining petroleum and land dealing activities. Until 2003, Ireland applied a 10 % CIT rate to qualifying manufacturing and services companies. **Italy:** As from 1998 the rates for Italy include IRAP (rate 3.90 %), a local tax levied on a tax base broader than corporate income. The rate may vary up to 1 percentage point depending on location. **Lithuania:** a 'social tax' (applied as a surcharge) has been introduced in 2006 and 2007 (at 4 % and 3 % respectively). **Luxembourg:** basic local tax (municipal business tax) is 3% to be multiplied by a municipal factor ranging from 2 to 3.5. The rate in the table is for Luxembourg City. **Portugal:** As from 2007 the rate for Portugal includes the maximum 1.5 % rate of a municipal surcharge.

Source: Commission services

Table II-4.2 Adjusted top statutory tax rate on corporate income - EU v. third countries
1995-2009, in %

																Difference	
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1995-2009	2000-2009
EU-27	35.3	35.3	35.2	34.1	33.5	31.9	30.7	29.3	28.3	27.1	25.5	25.3	24.5	23.6	23.5	-11.8	-8.4
Non-EU countries																	
OECD-6	37.6	38.1	38.1	38.0	37.0	35.3	34.2	33.5	33.2	32.8	32.4	32.4	32.4	32.5	32.5	-5.1	-2.8
AU	33.0	36.0	36.0	36.0	36.0	34.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	-3.0	-4.0
CA	44.6	44.6	44.6	44.6	44.6	44.6	42.1	38.6	36.6	36.1	36.1	36.1	36.1	34.6	34.6	-10.0	-10.0
CH	28.5	28.5	28.5	27.5	25.1	24.9	24.7	24.4	24.1	24.1	21.3	21.3	21.3	21.3	21.3	-7.2	-3.6
JP	51.6	51.6	51.6	51.6	48.0	40.9	40.9	40.9	40.9	39.5	39.5	39.5	39.5	42.0	42.0	-9.6	1.1
NO	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	0.0	0.0
US	40.0	40.0	40.0	40.0	40.0	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.3	39.0	39.0	-1.0	-0.3
BRIC	38.9	34.9	34.9	34.9	34.0	35.9	35.4	31.7	31.9	31.7	31.9	31.2	31.2	29.2	28.3	-10.7	-7.6
BR	47.7	31.5	31.5	31.5	33.0	37.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	-13.7	-3.0
RU	35.0	35.0	35.0	35.0	35.0	35.0	35.0	24.0	24.0	24.0	24.0	24.0	24.0	24.0	20.0	-15.0	-15.0
IN	40.0	40.0	40.0	40.0	35.0	38.5	39.6	35.7	36.8	35.9	36.6	33.7	34.0	34.0	34.0	-6.0	-4.5
CN	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	25.0	25.0	25.0	-8.0	-8.0

Note: Rates are those applicable in capital city (e.g. Washington DC for the USA); Brazil applies a variant of an Allowance for Corporate Equity (only allowing the tax deduction of notional interest when it is actually paid out to shareholders as “interest on equity”).

Source: Commission services; OECD Tax Database; KPMG Corporate Tax survey; IBFD; Deloitte domestic rates database; Ministries websites; World Tax database at office of tax policy research; Klemm, A. (2007), Allowances for Corporate Equity in Practice, CES

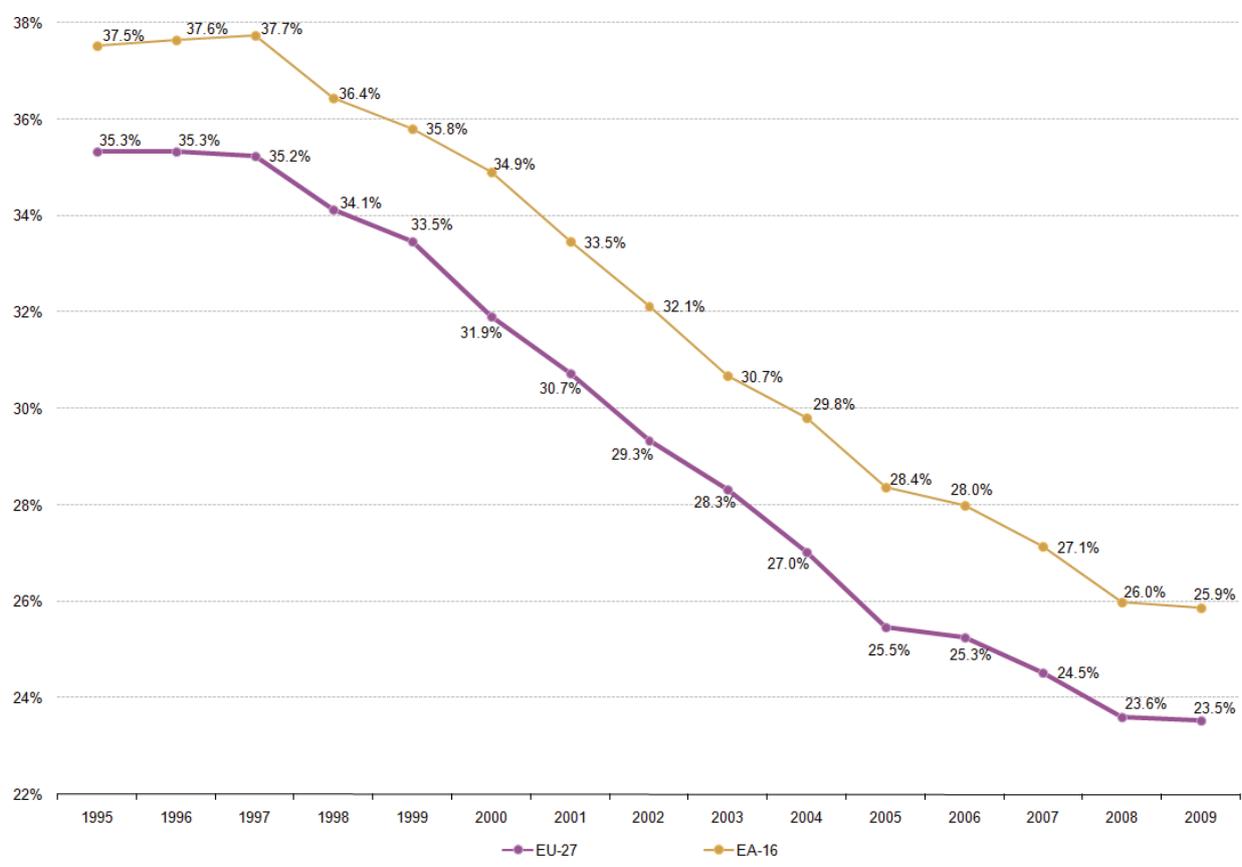
Table II-4.1 shows the statutory corporate tax rates for the EU Member States, while Table II-4.2 shows the statutory rate for six non-EU OECD countries and the BRIC (Brazil, Russia, India and China). Two trends were prominent in corporate taxation in the Union in the last decade:

- Firstly, the European Union countries moved towards lowering CIT rates, in one case even abolishing the tax altogether on retained earnings (Estonia). Taking local taxes and surcharges into account, the average general corporate tax rate in the EU-27 was reduced by 11.8 percentage points in the period 1995 to 2009. This reduction is however not a new phenomenon as cuts in corporate tax rates started as early as in the 1980s. We can however also see that the same trend towards lower statutory corporate tax rates also occurred — albeit less dramatically — in many third countries.
- Secondly, the scale of deductions and exemptions was reduced. This trend was also due to the Code of Conduct for business taxation (which has played a role in limiting preferential tax regime and therefore encouraged Member State to prefer adjusting the tax rate rather than the base) and to the necessity to conform to EU rules limiting State aid to enterprises (as some State aid may be in the form of tax breaks). There was also a tendency in many Member States in recent years to enlarge the corporate tax base via less generous depreciation rules and deductions⁵⁾. The Belgian ACE (allowance for corporate equity) forms a striking exception on the base broadening trend.
- Finally, the EU has by and large become a low-tax area when it comes to statutory corporate tax rates. The EU average of 23.5 % is lower than the statutory tax rate in all selected OECD countries and the BRIC, bar Switzerland and Russia.

An analysis of the combined impact of these changes based on the use of simple metrics, such as statutory tax rates or simple tax-to-GDP ratios, would however not give an accurate picture. National provisions for computing the taxable base to which the statutory tax rates are applied differ greatly across countries. The simple tax-to-GDP ratio, while superior to the statutory tax rates in describing the effective tax burden, fails to capture changes in the capital tax base⁶⁾. Moreover, the weight of the base (total taxable capital) on GDP may differ considerably between

5) Devereux et al. (2002) and Griffith and Klemm (2004) provide ground for this latter policy development. Their computations show that fiscal depreciation rules have indeed become less generous during the past two decades, especially for buildings.

Graph I-5 Development of adjusted statutory tax rate on corporate income
EU-27 and euro area averages; in %



Note: Methodological notes: see note to Table II-4.1.

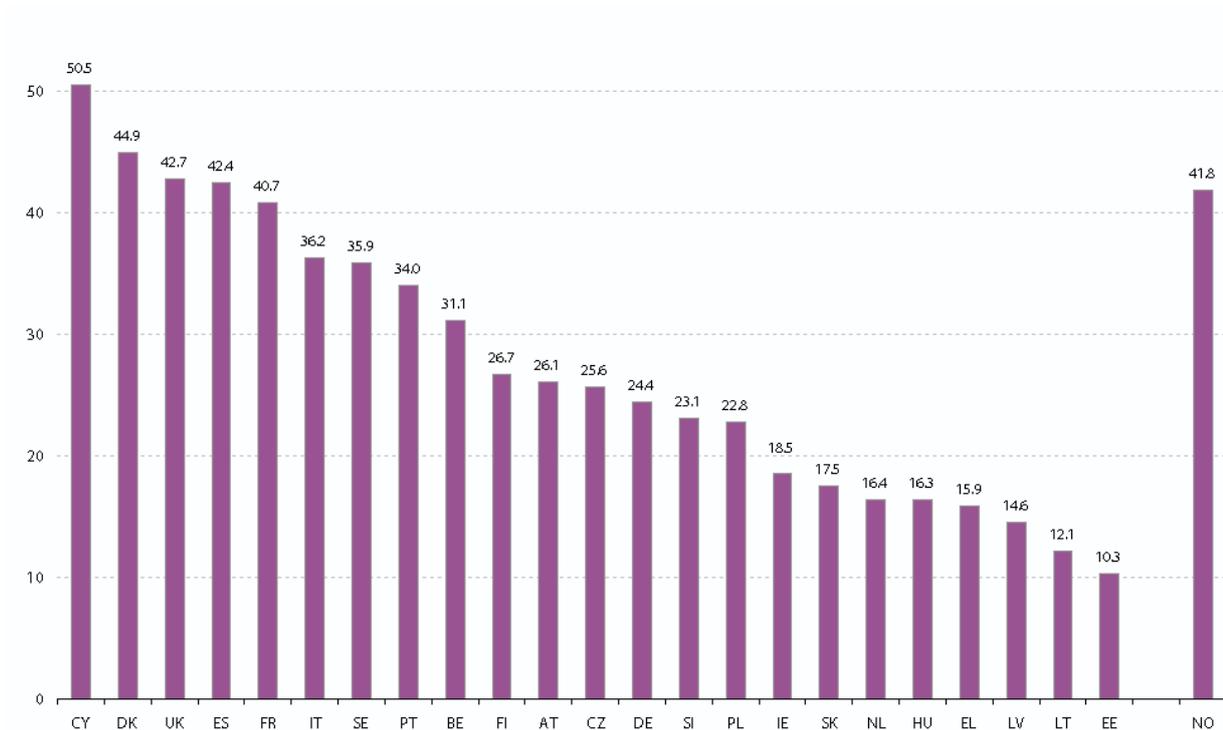
Source: Commission services

Since the end of the 1990s there has been a strong trend towards lower corporate tax rates (see Graph I-5). Tax cuts were often coupled with limitations in special tax regimes, or their outright abolition. This trend started in the new Member States, but the old Member States followed suit and reduced their statutory corporate tax rates substantially⁷⁾. Overall all Member States except Malta, Hungary and Finland show lower statutory rates in 2009 than in 1995. The downward trend is ongoing: in 10 countries rate cuts were introduced in 2008 or 2009 (Czech Republic, Germany, Estonia, Spain, Italy, Lithuania, Luxembourg, Slovenia, Sweden, United Kingdom⁸⁾, see Table II.4-1 in Part II.4). The average corporate tax rate in the EU-27 is now 23.5 % (see Graph I-5), while in the euro area, comprising mostly old Member States, the average is around two and a half percentage points higher.

7) See European Commission (2006).

8) In Luxembourg the national tax was reduced. In Lithuania the decline in 2008 is due to the expiry of a temporary tax; in 2009 however, it increased by five percentage points

Graph II-4.3 Implicit tax rate on capital
2007, in %



Note: No data for Bulgaria, Luxembourg, Malta and Romania; data for Greece, Hungary and Poland refer to 2006.

Source: Commission services

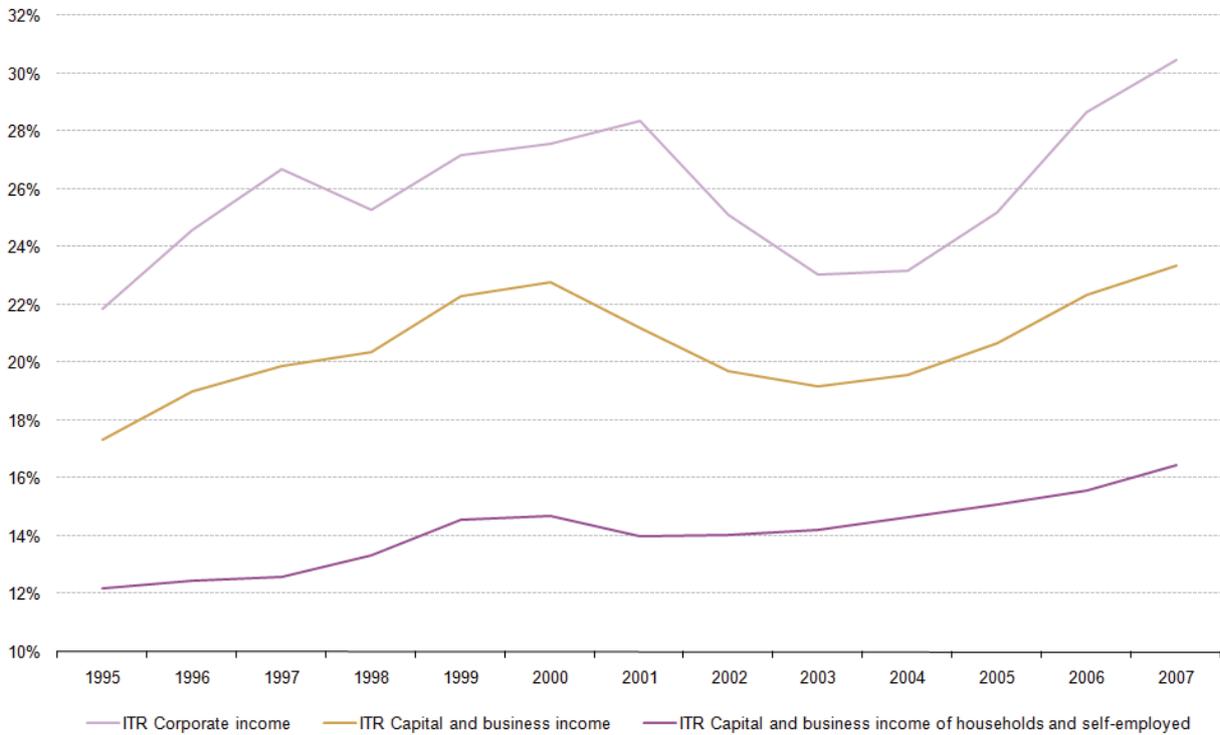
In terms of levels for 2007, Cyprus tops the ranking with an ITR on capital of 50.5 %. The values for Denmark, the United Kingdom, Spain, and France are above 40 %. At the other extreme of the scale, Estonia at 10.3 %, Lithuania at 12.1 % and Latvia at 14.6 % display very low levels of ITR on capital.

4.3. Implicit tax rates on capital and business income.

As explained in the introduction and detailed in the appendix, the implicit tax rate on capital and business income differs from the ITR on capital as it excludes the taxes on the stock of wealth. It can be broken down further into corporate income or capital and business income of households and the self-employed (in the form of rents, dividends, interest, insurance income, etc.)¹²⁾.

12) No data are available for Bulgaria, Luxembourg, Malta and Romania. Data coverage for Greece, Hungary and Poland stops in 2006. In addition, the coverage of the last two ITRs is lower than for the ITR on capital and business income and some adjustments are necessary. In particular, estimates for Germany and Ireland are not available. For Austria and Portugal the ITR on corporate income represents the tax burden on all companies including the self-employed. This correction is necessary because of the sectoral mismatch in the recording of unincorporated partnerships in national accounts. The profits of partnerships, treated as quasi-corporations in national accounts, are booked in the corporations sector while the corresponding tax payments are recorded in the households sector, given that the owners of the partnership are taxed under the personal income tax scheme. In theory, also for Germany, where partnerships are an important part of companies, a similar correction could be calculated. However, owing to reservations regarding comparability with other Member States, it has been decided not to publish these results.

Graph II-4.4 Implicit tax rate on capital and business income in EU-25
1995–2007



Note: GDP-weighted averages of available sample.

Source: Commission services

The ITR on capital and business income for the EU-25 rose from 17.3 % in 1995 to 23.4 % in 2007. The increases for the ITRs for corporations and for households have been respectively from 21.9 % to 30.5 % and from 12.2 % to 16.5 %. From tables D.3.1 to D.3.1.2 in Annex A, the developments in the ITR on capital and business income for the period 2000-2007 show no clear general pattern in the 21 Member States for which data are available. Rather, one can distinguish five groups of countries:

Portugal and Sweden are the only two Member States that record a decrease in the ITR on capital and business income and its two components over the 2000-2007 period. In both cases, the ITR has however increased between 2006 and 2007.

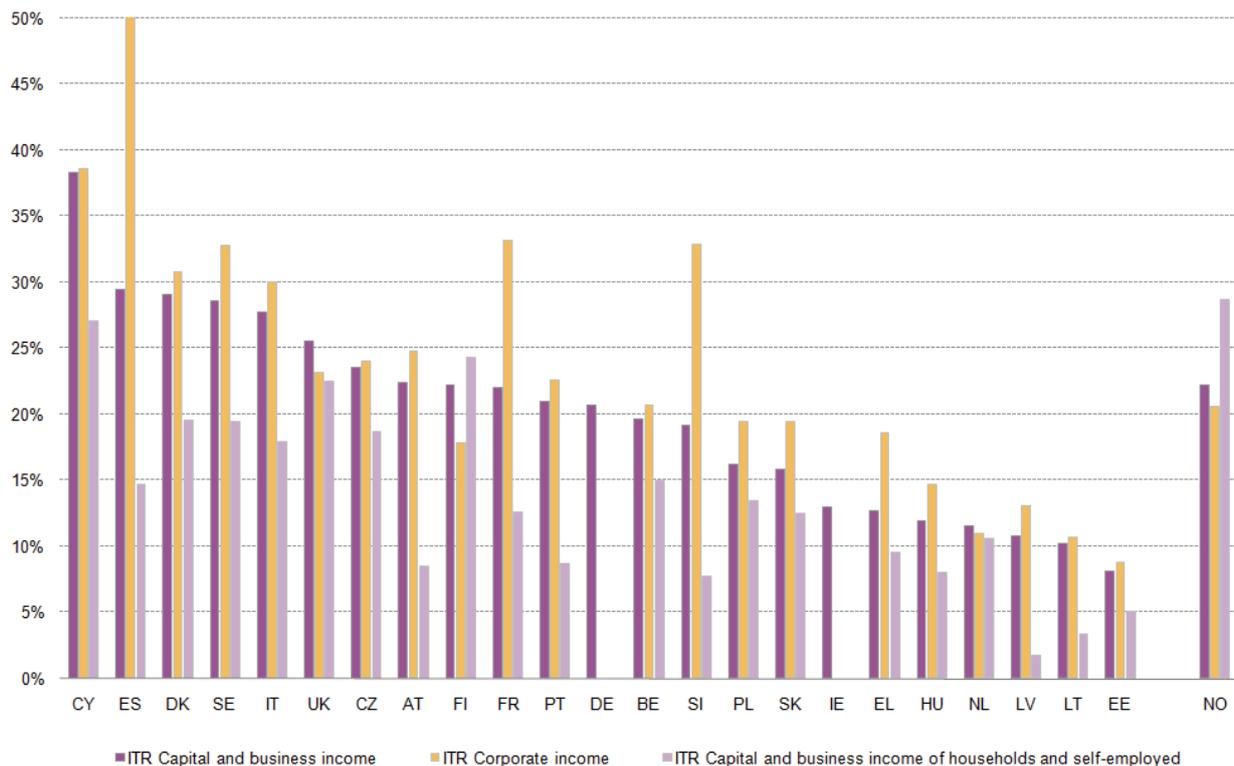
A second group of Member States have shown an increase in the ITR on capital and business income and its two components over the 2000-2007 period. Denmark, Estonia, Spain, Italy, Cyprus, Latvia, Lithuania and Slovenia widely differ however in their levels and trends.

The ITR on capital and business income has also risen in Belgium, Czech Republic and Poland, but it reflects an increase in the ITR on capital and business income of households and self-employed and a decrease in the ITR on corporate income between 2000 and 2007.

The opposite situation characterises France as its increased ITR on capital and business income is the conjunction of an increase in the ITR on corporate income and a decrease in the ITR on households.

Finally, the decrease in the ITR on capital and business income in Greece, Hungary, the Netherlands, Austria, Slovak Republic, Finland and the United Kingdom between 2000 and 2007 reflects an increase in the ITR on households and a decrease in the ITR for corporate income.

Graph II-4.5 Implicit tax rate on capital and business income
2007



Note: No data for Bulgaria, Germany, Luxembourg, Malta and Romania; data for Greece, Hungary, Poland and Portugal refer to 2006.

Source: Commission services

In terms of absolute levels, the most striking features are the very high levels of the ITR on corporate income in Spain, France, Slovenia and Cyprus, and its very low levels in the three Baltic Member States and the Netherlands. Interestingly, with a few exceptions, the ITR on corporate income is always higher than the ITR in capital and business income of households and self-employed.

4.4. Developments of the capital base

Finally, it is interesting to analyse the evolution of the capital base in the various Member States. Table II-4.3 provides the evolution of the denominator of the ITR on capital in percentage of GDP for each Member State. A first element is that this ratio varies for most Member States between 25 % and 35 % of GDP. At the low end, Denmark provides a low and constant ratio of about 20 % while at the high end the ratio of capital base to GDP in Ireland, Greece and the Netherlands is above 40 %.

Comparing this table with Table C.3_G on taxes on capital as percentage of GDP offers explanations for the evolution of the ITR on capital in the Member States for the most recent period.

A first group of countries have experienced a relatively stable ITR on capital over the most recent period 2000-2007. This is because both the taxes collected and the base have been increasing at the same pace (Belgium, Poland and to some extent France). A second group of countries has seen its ITR declining as the result of a growth in collection of taxes on capital as percentage of GDP that was inferior to the growth of the capital tax base in percentage of GDP. Those Member States are Germany, Austria and the United Kingdom. A third group of countries has also seen its ITR on capital decreased, but the cause was a decrease in the collection of taxes on capital in percentage of GDP, while the capital base in percentage of GDP was either stable or increasing. Those Member States are Greece, Netherlands, Slovakia, Finland and Sweden. Next, a fourth group has seen its ITR on capital increasing thanks to an increase in the ratio of capital taxes to GDP which was larger than the increase in the ratio of the capital tax base to GDP. This is the case for Check Republic, Ireland, Lithuania, Hungary, and Slovenia. Finally, some Member States have recorded increases in their ITR on capital, which is the combination of increased tax collection combined with stagnant or declining capital tax base in percentage of GDP. This situation occurred in Denmark, Estonia, Spain, Italy, Cyprus, and Latvia. In Portugal, both ratios decreased but a slower decrease in tax collection allowed the ITR to rise.

Table II-4.3 Capital tax base to GDP
1995-2007, in %

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
BE	34.4	33.5	33.1	32.8	30.9	32.5	31.8	30.3	28.9	29.6	30.6	31.8	32.2
BG	-	-	-	-	-	-	-	-	-	-	-	-	-
CZ	27.8	27.3	27.1	29.9	29.9	29.5	30.1	29.0	29.1	29.8	30.8	31.9	32.6
DK	21.3	20.4	20.1	17.8	17.9	20.1	19.4	20.0	17.9	17.8	20.2	19.9	17.3
DE	24.9	24.9	25.6	25.6	24.5	24.0	24.2	24.7	25.2	26.7	28.1	29.5	29.8
EE	23.5	27.0	27.1	30.0	31.3	31.2	32.0	32.2	32.0	31.2	30.8	29.2	25.5
IE	-	-	-	-	-	-	-	50.2	50.0	48.4	45.9	48.5	50.6
EL	-	-	-	-	-	49.0	47.2	46.4	46.5	46.1	45.8	45.0	-
ES	-	-	-	-	-	29.4	29.4	29.2	28.7	28.3	27.7	26.7	26.5
FR	25.5	25.0	25.4	26.1	25.4	25.7	25.8	24.9	24.6	24.5	24.1	24.5	24.9
IT	41.7	42.4	39.9	37.9	36.7	37.0	37.4	35.7	35.1	35.1	33.9	32.8	32.7
CY	39.3	39.5	36.0	39.3	40.4	41.6	41.7	39.5	33.9	33.6	33.4	32.8	28.2
LV	18.2	20.7	22.5	19.1	20.5	25.9	29.0	31.9	30.6	31.5	28.9	27.6	27.2
LT	39.2	37.8	35.3	32.5	30.5	32.0	34.3	34.5	35.8	36.2	36.3	34.3	31.8
LU	-	-	-	-	-	-	-	-	-	-	-	-	-
HU	-	-	-	-	-	27.3	27.2	28.1	27.4	27.4	27.2	29.5	-
MT	-	-	-	-	-	-	-	-	-	-	-	-	-
NL	32.5	33.4	36.1	35.2	35.1	37.5	37.3	31.6	32.4	34.0	40.5	41.5	43.3
AT	23.5	23.9	24.2	24.7	24.0	25.2	24.0	24.7	24.9	26.1	28.0	27.9	27.7
PL	36.1	34.0	33.6	34.1	32.4	34.9	34.0	34.6	35.7	39.3	38.8	38.2	-
PT	29.5	28.4	26.6	25.8	25.4	23.8	23.6	23.1	23.5	23.9	22.6	22.0	22.5
RO	-	-	-	-	-	-	-	-	-	-	-	-	-
SI	-	-	-	-	-	18.9	18.6	19.9	20.8	20.7	21.1	22.5	22.9
SK	30.8	29.3	28.7	28.4	29.9	30.1	32.4	31.3	30.6	33.9	33.1	35.9	37.1
FI	20.6	20.7	22.9	24.3	25.0	27.6	30.8	27.9	26.4	27.1	26.5	29.9	29.4
SE	24.2	21.7	21.9	20.7	19.7	19.3	18.0	17.6	17.4	21.1	19.7	25.2	20.3
UK	25.8	27.3	27.9	27.6	25.3	24.4	23.9	24.3	26.5	26.1	26.3	26.6	26.8
NO	-	-	-	-	-	-	-	27.3	29.0	31.9	36.2	36.5	34.3

Source: Commission services