

Table III.4a. **Evolution of the tax burden, 2000-2005**
Single parent with two children at 67% of average earnings
Income tax plus employee and employer contributions less cash benefits as a % of labour costs

	2000	2001	2002	2003	2004	2005
Australia	0.9	-7.1	-6.6	-4.4	-10.0	-5.5
Austria	25.1	24.8	25.5	26.0	25.0	24.6
Belgium	36.3	36.2	36.1	35.4	34.8	35.2
Canada	0.5	6.3	0.0	-1.4	-0.8	-0.4
Czech Republic	13.2	14.5	14.9	16.5	18.3	18.1
Denmark	15.3	14.8	14.3	14.1	13.4	13.8
Finland	28.8	27.7	27.8	27.3	26.3	26.9
France	39.1	38.9	38.9	36.4	33.4	32.4
Germany	33.8	33.4	33.6	31.5	34.8	33.8
Greece	34.8	34.5	34.3	34.4	34.4	34.4
Hungary	30.0	28.1	29.6	25.9	27.1	25.4
Iceland	-2.9	-2.5	0.9	3.2	4.4	5.1
Ireland	-0.9	-1.5	-12.8	-18.3	-9.1	-11.7
Italy	27.8	27.3	26.4	25.1	25.8	25.7
Japan	21.0	21.2	27.0	23.7	23.7	24.1
Korea	14.5	14.6	14.3	14.7	15.0	15.2
Luxembourg	8.1	7.9	5.1	5.5	5.7	6.3
Mexico	11.0	10.3	12.1	12.8	11.0	14.1
Netherlands	25.8	22.6	21.9	22.5	21.8	22.0
New Zealand	-3.3	-1.7	-0.6	0.7	1.3	-5.0
Norway	16.2	17.7	18.4	18.4	19.0	18.7
Poland	37.8	37.3	37.1	37.4	42.2	42.4
Portugal	26.5	22.5	22.5	22.8	22.9	22.2
Slovak Republic	24.8	26.9	26.1	27.0	26.9	22.0
Spain	28.4	29.0	29.5	29.1	29.5	30.0
Sweden	39.9	38.5	37.9	38.2	38.5	38.1
Switzerland	13.3	13.4	13.4	13.1	12.9	13.1
Turkey	39.1	42.6	41.5	41.0	41.9	41.9
United Kingdom	10.9	8.8	8.7	9.0	8.3	9.6
United States	1.7	0.6	0.5	0.6	-1.7	-1.2
<i>Unweighted average:</i>						
OECD	19.9	19.5	19.3	18.9	19.2	19.0
EU-15	25.2	24.3	23.3	22.6	23.0	22.9
EU-19	25.5	24.8	24.1	23.5	24.2	23.7

StatLink: <http://dx.doi.org/10.1787/713527683643>

Table III.4c. Evolution of the tax burden, 2000-2005
 Single parent with two children at 67% of average earnings
 Income tax plus employee contributions less cash benefits as a % of gross wage earnings

	2000	2001	2002	2003	2004	2005
Australia	-5.4	-13.9	-13.2	-10.6	-16.6	-11.8
Austria	1.8	2.9	3.7	4.4	3.2	2.6
Belgium	15.9	17.0	17.1	16.5	16.4	16.9
Canada	-10.9	-4.4	-11.6	-12.9	-12.6	-12.1
Czech Republic	-17.2	-15.5	-14.9	-12.8	-10.3	-10.6
Denmark	14.7	14.0	13.5	13.4	12.7	13.1
Finland	10.3	9.6	9.8	9.8	8.7	9.4
France	14.0	13.6	13.8	14.2	14.3	14.5
Germany	20.2	19.7	19.9	17.1	21.2	20.0
Greece	16.5	16.2	15.9	16.0	16.0	16.0
Hungary	4.8	3.6	2.1	-1.8	0.0	-2.0
Iceland	-7.8	-7.9	-4.3	-2.3	-1.0	-0.4
Ireland	-9.5	-10.2	-22.4	-28.4	-20.8	-23.7
Italy	3.2	2.6	2.1	0.3	1.3	1.1
Japan	12.8	12.9	16.0	14.1	14.2	14.4
Korea	6.9	7.1	6.9	7.4	7.5	7.6
Luxembourg	-4.6	-4.5	-7.7	-7.3	-7.1	-6.6
Mexico	-2.4	-1.7	-1.5	-1.2	-1.1	2.3
Netherlands	13.9	10.1	9.2	10.0	8.7	8.9
New Zealand	-3.3	-1.7	-0.6	0.7	1.3	-5.0
Norway	5.5	7.2	7.9	8.0	8.5	8.1
Poland	25.1	24.5	24.3	24.6	30.4	30.7
Portugal	9.0	4.0	4.1	4.4	4.6	3.7
Slovak Republic	-3.9	-1.0	-2.1	-0.9	1.2	1.6
Spain	6.5	7.3	7.9	7.4	7.9	8.6
Sweden	20.1	18.4	17.5	17.9	18.4	18.1
Switzerland	3.3	3.4	3.4	3.3	3.3	3.5
Turkey	27.2	29.7	28.9	28.4	29.4	29.4
United Kingdom	3.1	0.9	0.9	0.4	-0.4	1.0
United States	-6.1	-7.3	-7.4	-7.2	-9.7	-9.2
<i>Unweighted average:</i>						
OECD	5.4	5.2	4.6	4.4	5.0	5.0
EU-15	8.9	8.0	7.0	6.4	7.0	6.9
EU-19	7.5	6.9	6.0	5.5	6.7	6.5

StatLink: <http://dx.doi.org/10.1787/624675838350>

Table III.5a. Evolution of the tax burden, 2000-2005

One-earner married couple with two children at 100% of average earnings
Income tax plus employee and employer contributions less cash benefits as a % of labour costs

	2000	2001	2002	2003	2004	2005
Australia	22.7	18.3	18.4	19.6	15.2	16.0
Austria	35.2	34.9	35.3	35.7	35.3	35.5
Belgium	42.6	42.6	42.4	41.6	42.7	40.3
Canada	23.9	22.4	22.3	21.5	21.5	21.5
Czech Republic	22.7	24.5	24.5	27.1	29.0	27.1
Denmark	31.0	30.6	30.0	29.9	29.4	29.6
Finland	40.7	39.5	39.4	38.7	38.0	38.4
France	40.7	40.5	40.9	41.3	41.5	41.7
Germany	37.3	36.8	36.7	33.8	36.6	35.7
Greece	39.8	39.7	39.5	38.1	38.7	39.2
Hungary	41.5	41.6	42.2	39.4	41.0	39.9
Iceland	5.7	5.8	8.3	9.7	10.6	11.0
Ireland	15.5	12.8	9.1	6.4	8.5	8.1
Italy	38.0	37.1	35.7	35.0	35.6	35.2
Japan	21.1	21.3	27.1	23.8	24.6	24.9
Korea	15.7	15.7	15.5	15.8	16.1	16.2
Luxembourg	14.7	13.2	11.3	11.6	11.7	12.2
Mexico	16.8	15.9	17.5	18.1	16.2	18.2
Netherlands	29.6	28.2	28.3	27.8	29.1	29.1
New Zealand	13.5	14.9	15.9	17.2	18.0	14.5
Norway	28.4	29.3	29.7	29.6	29.9	29.6
Poland	38.8	38.4	41.3	41.6	41.8	42.1
Portugal	30.2	27.1	27.1	27.3	27.4	26.6
Slovak Republic	30.5	32.1	31.3	31.9	28.1	23.2
Spain	32.1	32.7	33.1	32.5	32.9	33.4
Sweden	44.3	42.9	41.8	42.4	42.7	42.4
Switzerland	18.7	18.8	19.0	18.6	18.4	18.6
Turkey	40.4	43.6	42.5	42.2	42.8	42.7
United Kingdom	27.0	24.9	25.1	26.6	26.8	27.1
United States	15.9	15.1	14.3	11.8	11.8	11.9
<i>Unweighted average:</i>						
OECD	28.4	28.0	28.2	27.9	28.1	27.7
EU-15	33.1	32.1	31.7	31.2	31.8	31.6
EU-19	33.2	32.5	32.4	32.0	32.5	31.9

StatLink: <http://dx.doi.org/10.1787/754568432102>

Table III.5c. **Evolution of the tax burden, 2000-2005**
One-earner married couple with two children at 100% of average earnings
Income tax plus employee contributions less cash benefits as a % of gross wage earnings

	2000	2001	2002	2003	2004	2005
Australia	17.7	13.2	13.4	14.8	10.1	10.9
Austria	15.1	15.9	16.4	16.9	16.5	16.7
Belgium	23.7	24.5	24.4	23.4	21.9	22.2
Canada	15.0	13.5	13.1	12.5	12.2	12.3
Czech Republic	-4.3	-2.0	-1.9	1.5	4.1	1.5
Denmark	30.7	30.2	29.6	29.5	29.0	29.2
Finland	25.3	24.4	24.2	23.9	23.2	23.6
France	16.3	15.9	16.6	16.9	17.0	17.1
Germany	24.5	23.8	23.6	19.9	23.3	22.3
Greece	23.0	22.8	22.6	20.7	21.5	22.1
Hungary	20.4	21.8	20.7	17.5	19.7	18.4
Iceland	1.2	0.8	3.5	4.5	5.4	5.9
Ireland	5.4	2.3	-0.7	-3.7	-1.3	-1.8
Italy	16.9	15.8	14.5	13.5	14.3	13.7
Japan	12.9	13.0	16.1	14.2	15.1	15.3
Korea	8.2	8.3	8.3	8.6	8.7	8.6
Luxembourg	2.9	1.6	-0.5	-0.2	-0.1	0.3
Mexico	4.5	5.1	5.4	5.5	5.6	7.9
Netherlands	22.1	20.5	20.5	20.8	21.8	21.7
New Zealand	13.5	14.9	15.9	17.2	18.0	14.5
Norway	19.3	20.3	20.7	20.6	20.8	20.4
Poland	26.3	25.8	29.4	29.6	29.9	30.3
Portugal	13.6	9.8	9.8	10.0	10.2	9.1
Slovak Republic	4.0	6.2	5.1	5.9	2.8	3.0
Spain	11.4	12.1	12.6	11.8	12.4	13.0
Sweden	26.0	24.2	22.7	23.5	23.9	23.7
Switzerland	9.3	9.5	9.6	9.4	9.4	9.6
Turkey	28.7	30.9	30.1	29.8	30.5	30.4
United Kingdom	19.8	17.6	17.9	18.9	19.0	19.4
United States	9.3	8.5	7.6	4.9	4.9	5.0
<i>Unweighted average:</i>						
OECD	15.3	14.9	15.0	14.7	15.0	14.9
EU-15	18.3	17.2	16.9	16.4	16.8	16.8
EU-19	16.9	16.3	16.2	15.8	16.3	16.1

StatLink: <http://dx.doi.org/10.1787/243610622837>

Table III.6a. **Evolution of the tax burden, 2000-2005**
Two-earner married couple, one at 100% of average earnings and the other at 33%
Income tax plus employee and employer contributions less cash benefits as a % of labour costs

	2000	2001	2002	2003	2004	2005
Australia	24.1	20.6	21.0	21.5	18.2	20.5
Austria	36.3	35.8	36.1	36.4	36.6	36.7
Belgium	44.3	44.0	43.7	42.3	43.5	40.3
Canada	27.4	26.2	26.3	25.6	25.6	25.3
Czech Republic	31.6	32.9	32.9	34.2	35.7	35.2
Denmark	36.2	35.6	34.9	34.8	34.3	34.5
Finland	39.7	38.3	38.1	37.3	36.6	36.8
France	41.0	40.6	40.7	41.1	40.2	40.3
Germany	42.8	42.0	42.1	39.5	42.0	40.9
Greece	38.6	38.5	38.4	37.3	37.7	38.1
Hungary	41.5	41.7	42.8	39.1	40.4	39.4
Iceland	14.6	15.1	17.6	19.1	19.8	19.9
Ireland	20.3	16.8	13.6	11.2	12.3	11.5
Italy	41.0	40.4	38.1	37.2	38.2	38.2
Japan	22.5	22.6	28.4	25.2	25.2	25.5
Korea	15.3	15.6	15.4	15.6	15.9	16.0
Luxembourg	18.7	17.2	14.5	15.0	15.4	16.2
Mexico	13.6	13.0	14.7	15.4	13.5	15.8
Netherlands	34.0	31.2	31.2	31.4	31.9	31.9
New Zealand	18.5	18.6	18.7	18.9	19.2	19.6
Norway	30.8	32.0	31.9	31.6	31.9	31.3
Poland	40.0	39.5	41.7	41.9	42.2	42.4
Portugal	30.6	28.2	28.1	28.2	28.6	27.9
Slovak Republic	35.0	36.2	35.3	35.7	33.6	29.0
Spain	34.9	35.2	35.4	34.9	35.1	35.4
Sweden	44.7	43.4	42.2	42.6	42.9	42.4
Switzerland	21.1	21.3	21.5	21.1	20.9	21.0
Turkey	39.7	42.9	41.8	41.4	42.2	42.2
United Kingdom	24.5	22.7	23.0	24.5	24.6	25.0
United States	22.4	21.9	21.9	19.3	19.4	19.6
<i>Unweighted average:</i>						
OECD	30.8	30.3	30.4	30.0	30.1	30.0
EU-15	35.1	33.9	33.3	32.9	33.3	33.1
EU-19	35.5	34.7	34.4	33.9	34.3	33.8

StatLink: <http://dx.doi.org/10.1787/227070734080>

Table III.6c. **Evolution of the tax burden, 2000-2005**
Two-earner married couple, one at 100% of average earnings and the other at 33%
Income tax plus employee contributions less cash benefits as a % of gross wage earnings

	2000	2001	2002	2003	2004	2005
Australia	19.2	15.6	16.1	16.8	13.2	15.7
Austria	16.5	17.0	17.4	17.8	18.1	18.3
Belgium	29.3	29.6	29.2	27.5	25.7	25.6
Canada	19.1	17.8	17.7	17.2	17.0	16.6
Czech Republic	7.7	9.4	9.4	11.2	13.2	12.6
Denmark	35.7	35.0	34.3	34.2	33.8	33.9
Finland	24.0	22.8	22.6	22.2	21.3	21.7
France	19.4	18.8	18.4	18.6	18.6	18.8
Germany	31.0	30.1	30.1	26.8	29.9	28.5
Greece	21.5	21.3	21.2	19.7	20.3	20.8
Hungary	20.4	21.8	20.4	16.2	18.2	17.2
Iceland	10.5	10.7	13.3	14.5	15.2	15.3
Ireland	11.4	7.5	4.8	2.2	3.4	2.5
Italy	20.9	20.2	17.7	16.4	17.7	17.7
Japan	14.4	14.5	17.6	15.8	15.8	16.0
Korea	7.8	8.2	8.1	8.4	8.5	8.5
Luxembourg	7.5	6.1	3.0	3.5	4.0	4.8
Mexico	-0.4	0.5	0.8	1.0	1.2	3.7
Netherlands	26.2	23.1	23.0	23.8	23.9	23.8
New Zealand	18.5	18.6	18.7	18.9	19.2	19.6
Norway	22.0	23.3	23.2	22.9	23.0	22.4
Poland	27.7	27.2	29.8	30.1	30.4	30.7
Portugal	14.1	11.1	11.0	11.2	11.6	10.8
Slovak Republic	10.1	11.9	10.5	11.1	10.2	10.4
Spain	15.0	15.3	15.6	15.0	15.3	15.6
Sweden	26.5	24.8	23.3	23.8	24.2	23.7
Switzerland	12.0	12.2	12.4	12.1	12.1	12.3
Turkey	28.0	30.1	29.3	28.8	29.8	29.8
United Kingdom	17.9	16.1	16.4	17.4	17.5	17.9
United States	16.3	15.7	15.7	12.9	13.0	13.2
<i>Unweighted average:</i>						
OECD	18.3	17.9	17.7	17.3	17.5	17.6
EU-15	21.1	19.9	19.2	18.7	19.0	18.9
EU-19	20.1	19.4	18.8	18.4	18.8	18.7

StatLink: <http://dx.doi.org/10.1787/606874436082>

The national currency is the króna (plural: krónur) (ISK). In 2005, ISK 62.82 was equal to USD 1 (average of eleven months of daily exchange rates). In that year, the average worker earned ISK 2 949 759 (Secretariat estimate).

1. 1. Personal income tax system

1.1. Central government income taxes

1.1.1. Tax unit

Income is taxed on an individual basis, except for capital income of married couples which is taxed jointly.

1.1.2. Tax allowances and credits

1.1.2.1. Standard reliefs

- *Basic tax credit*: A fixed tax credit, amounting to ISK 339 846 in 2005, is granted to all individuals 16 years and older, regardless of their marital status. The tax credit is deducted from levied central and local government taxes as well as net wealth taxes. Unutilised tax credits or portions thereof are wastable, i.e. non-refundable and non-transferable between tax years.
- *Standard marital status relief*: Married couples may utilise up to 100 per cent of each spouses' unutilised portion of his/her basic tax credit.
- *Relief(s) for children*: None.
- *Relief(s) for compulsory pension contributions*: Since January 2000, the compulsory payment to pension funds, which amounts to 4 per cent of wages, is deductible. In addition, an optional payment of up to 4 per cent of wages may also be deducted. As the additional 4% contribution is optional, it is considered to be a non-standard relief in this Report.

1.1.2.2. Main non-standard tax reliefs applicable to an AW

- *Interest payment relief*: A fully refundable tax credit is granted to purchasers of personal dwellings (homes) to recuperate a part of mortgage-related interest expenses. The maximum tax-related interest credit in 2005 is ISK 169 541 for a single person, ISK 218 042 for a single parent and ISK 280 372 for a married couple. The following constraints apply to interest rebates: 1) They can not exceed 5.5 per cent of the remaining debt balance incurred in buying a home for one's own use. 2) The maximum amount of interest payments that qualify for an interest rebate calculation is ISK 494 782 for an individual, ISK 649 544 for a single parent and ISK 804 304 for a couple. 3) Six per cent of taxable income is subtracted from the interest expense. 4) The rebates begin to be curtailed at a net worth threshold of ISK 3 721 542 for a single individual and ISK 6 169 097 for a couple and are eliminated altogether at a 60 per cent higher amount.
- Seamen are entitled to a special credit against income tax of ISK 768 per day at sea in 2005.

1.1.3. Tax schedule

The income tax base is composed of *personal income* (e.g. wages, salaries, fringe benefits, pensions, etc.), which is taxed on an individual basis, and *capital income* which is taxed jointly for married couples.

The tax on personal income is single-rated. The central government income tax rate in 2005 is 24.75 per cent and applies to all personal income in excess of ISK 75 061 per month (ISK 900 732 per year). The tax relief is provided by the basic credit described in Section 1.1.2.1.

A special 4 per cent income surtax is levied in 2005 on individuals with a monthly personal income in 2004 above ISK 4 191 686 for a single person and ISK 8 383 372 for a couple. For 2006, the surtax will be lowered further, to 2 per cent and will be applied to 2005-incomes of ISK 4 191 686 and ISK 8 383 372 for single persons and couples, respectively.

The tax on capital income is 10 per cent. It is levied on all capital income of individuals, such as interest, dividends, rents etc. Such capital income is not subject to the personal income tax described above.

1.2. Local government income tax

The local government income tax base is the same as the central government's income tax base.

The local governments' income tax is single-rated, but the rate varies from 11.24 to 13.03 per cent between municipalities. The average rate in 2005 is 12.98 per cent.

2. Compulsory social security contributions to schemes operated within the government sector

2.1. Employees' contributions

Fee to the Retiree Investment Fund: Individuals, age 16-70, are subjected to a fixed tax of ISK 5 738 in 2005, provided the individual's taxable income was at least ISK 855 231 in 2004.

2.2. Employers' contributions

Employers have to pay a social security tax on total wages of 5.73 per cent. In addition a 0.65 per cent is levied on the wages of fishermen as a premium for their government accident insurance.

3. Universal cash transfers

3.1. Marital status related transfers

None.

It should, however, be noted that there are a number of additional limitations which apply to the interpretation of the results for the period from 1979-2004 (Tables in Annex D).

- For technical reasons, the procedures countries follow to determine the benchmark earnings level of the national average production worker may change over time. For instance, in the time-series from 1979 onwards one needs to be aware of the fact that the average worker wage level in France as of 1997 is based on improved statistical data, which lead to a one-off additional increase in the average worker's wage level of 5 to 7 per cent in that year. In the same vein, starting with the 1999 edition, the Netherlands assumes that the wage for manual workers in industry is on average equal to 90 per cent of the wage for all industrial workers, including white collar workers and supervisors.
- In certain cases, the taxes covered for a given country may differ over the years. For example, in the time-series from 1979 onwards one needs to be aware of the fact that Korea extended the coverage of its social security contributions as of 1997. This extended coverage largely explains why the wedge between labour costs and net take-home pay of a single average production worker in the case of Korea doubles from 6.3 per cent (1996) to 12.4 per cent (1997). Another example is the reporting of payroll taxes. In Australia, payroll taxes are included in calculations from 1996; and in Austria from 1998.
- In some of the countries with state and/or local income taxes, the rates of tax applied to an average worker refer to a typical region (see Table V.7). Consequently, if movements in tax rates in this region are unrepresentative of changes in income taxes elsewhere in the country, they will provide a poor indication of how country-wide average rates of taxes are evolving.

Particular care is required in interpreting the results where many of the limitations set out above apply to one particular country since, while taken individually, each limitation may not significantly distort the results, cumulatively the impact may be important.

To conclude, the data are comparable for the specific situations referred to and the results show the proportion of gross wage earnings retained. This net cash income (including universal cash benefits) is the amount over which the household is able to exercise a free choice in the allocation of its expenditure.

ANNEX D

Historical Series under the Old Definition of Average Worker, 1979-2004

Warning

The tables contained in this annex reproduce data published in *Taxing Wages 2003-2004*,* for the convenience of the reader as the main body of this Report only presents data for 2000-2005. However, any user of the data should be aware of its limitations. First, it is based on the previous definition of the wage – the average production worker (APW) wage. Second, there were changes in the reporting practices of some countries over the period 1979-2004 and so the times series cannot be regarded as completely consistent. The most important breaks in the series for recent years are the following:

- Austria: From 1998 payroll taxes included in calculations. They are excluded in earlier years.
- France: From 1997 earning figure based on improved statistical data.
- Italy: From 2002 there is a change in the methodology used to calculate family cash transfers.
- Japan: From 2002 improvements were made in the reporting of social security contributions.
- Korea: From 1997 the coverage of social security contributions is extended.
- The Netherlands: From 1999 average wage level for manual workers assumed to be equal to 90% of the wage for all industrial workers, including white collar workers and supervisors.

* The data for Australia have been revised to provide a consistent time series. Data before 1996 are not available on the same basis.

Table D.4. **Income tax plus employee and employer contributions less cash benefits (as % of labour costs), 1979–2004**
one-earner family with two children

	1979	1981	1983	1985	1987	1989	1991	1993	1995	1997	1999	2000	2001	2002	2003	2004
Australia	-	-	-	-	-	-	-	-	-	21.2	22.4	18.6	19.2	20.4	16.1	17.2
Austria	20.5	23.9	24.3	25.6	24.4	23.3	24.7	24.3	27.2	32.2	31.6	29.5	29.0	29.5	29.5	28.8
Belgium	33.1	36.0	35.3	38.4	41.6	36.1	37.3	38.6	40.3	40.8	41.2	40.5	40.3	39.7	39.1	35.6
Canada	11.7	13.5	13.3	15.2	17.4	15.7	18.5	20.6	21.7	23.4	21.2	22.2	20.4	23.1	23.1	23.0
Czech Republic	-	-	-	-	-	-	-	23.1	28.5	31.2	24.4	22.7	24.5	24.5	27.1	29.5
Denmark	30.9	33.6	37.5	37.7	35.5	32.4	32.5	32.5	30.9	31.3	31.1	31.0	30.7	30.1	30.1	29.8
Finland	32.4	33.2	32.7	35.6	35.8	34.8	32.5	38.1	42.1	40.8	39.6	39.9	38.8	38.3	37.6	36.8
France ¹	-	-	-	-	-	-	-	-	39.5	39.5	38.9	39.8	39.4	39.5	39.9	39.0
Germany	30.7	30.9	33.3	34.2	32.7	34.0	34.3	33.6	37.3	35.6	34.4	33.3	32.7	32.2	33.4	32.2
Greece	9.3	9.3	14.5	22.9	30.3	32.0	30.5	34.3	34.9	36.2	35.8	36.1	35.9	35.0	34.4	34.9
Hungary	-	-	-	-	-	-	-	-	37.4	40.8	35.9	35.0	32.8	33.9	30.3	31.3
Iceland	-	6.2	4.6	-3.0	-4.8	-11.4	-14.0	-11.2	-10.9	-2.8	5.8	7.6	7.8	9.5	10.4	11.7
Ireland	20.4	22.7	27.4	30.0	30.6	30.0	29.4	29.9	26.8	23.8	20.1	15.5	12.8	9.1	6.4	5.9
Italy ²	40.9	41.1	42.3	43.9	44.6	43.9	40.7	42.4	44.9	43.3	37.0	36.5	35.4	36.0	35.7	36.2
Japan	11.2	11.9	12.3	16.0	15.9	14.8	15.3	16.0	15.1	15.6	19.8	20.2	20.4	26.2	22.9	23.8
Korea	-	-	-	-	-	-	-	-	6.0	11.6	15.4	15.8	15.9	15.5	15.8	15.8
Luxembourg	20.1	19.5	18.1	18.1	15.3	14.0	14.3	12.5	12.7	13.0	10.7	11.4	11.5	9.2	9.2	9.3
Mexico	-	-	-	-	-	23.5	24.4	26.6	27.2	20.8	14.1	15.4	14.4	16.1	17.2	15.4
Netherlands	39.4	39.7	43.6	41.2	41.1	38.7	40.1	35.7	34.9	33.0	34.1	35.5	33.0	25.1	24.5	34.3
New Zealand	10.4	16.8	17.5	15.5	24.3	18.0	20.8	22.2	22.4	16.2	14.1	15.5	16.7	18.8	19.4	20.7
Norway	32.6	30.1	28.5	28.0	28.4	28.0	26.4	23.0	24.4	24.9	26.2	26.9	26.9	27.3	27.5	27.8
Poland ³	-	-	-	-	-	-	-	36.8	39.3	38.9	38.1	38.2	37.8	41.2	37.9	41.5
Portugal	24.3	25.8	27.5	31.4	29.7	26.5	25.4	25.3	26.6	26.8	26.0	26.2	24.1	23.6	23.7	22.5
Slovak Republic	-	-	-	-	-	-	-	-	-	-	-	25.2	28.5	28.2	32.3	27.2
Spain	31.9	32.7	33.4	32.4	34.1	31.6	32.6	32.9	33.3	33.7	30.4	30.6	31.1	31.5	30.9	31.6
Sweden	42.5	42.9	43.2	42.5	43.0	45.5	37.7	37.7	42.2	45.2	44.4	42.6	41.1	40.3	40.8	41.2
Switzerland	19.2	20.6	19.9	19.0	18.3	18.6	18.0	17.3	18.9	17.7	17.8	17.7	17.9	18.1	17.5	17.2
Turkey	53.9	47.7	44.8	37.0	40.2	40.1	41.2	40.0	35.3	40.7	30.3	40.4	43.6	42.5	42.2	42.7
United Kingdom	25.2	26.8	26.6	26.2	25.6	25.1	24.3	23.8	26.1	24.8	23.3	21.4	18.1	17.3	17.4	18.0
United States	23.5	26.8	27.7	26.7	25.5	24.7	24.8	24.7	24.4	24.1	21.1	21.3	18.3	17.8	15.6	16.4

Note: For Australia, from 1996 to 2001, data have been revised to include payroll taxes and so produce a consistent series. Data for earlier years are not available on the same basis.

1. Employers' social security contributions not reported by France for period 1979 to 1993.
2. As from 1990 on, data on wages have been revised to include only production workers.
3. A submission for 2004 was not received from this country and consequently the tax/benefit structure for this country has been updated using external sources. Given the potential for error, the reader should use caution in interpreting the results for this country.

Table D.6. **Income tax plus employee contributions less cash benefits (as % of gross wage), 1979-2004**
one-earner family with two children

	1979	1981	1983	1985	1987	1989	1991	1993	1995	1997	1999	2000	2001	2002	2003	2004
Australia	-	-	-	-	-	-	-	-	-	15.8	17.5	13.5	14.2	15.6	11.1	12.2
Austria	4.2	7.1	7.8	8.6	7.3	5.6	6.9	6.5	9.5	10.7	10.0	7.6	8.2	8.9	8.9	8.0
Belgium	5.0	9.1	19.8	22.6	22.1	14.5	16.0	17.8	19.5	20.2	20.7	21.1	21.6	21.0	20.4	16.4
Canada	9.0	10.4	9.4	11.0	13.1	11.8	14.0	15.5	16.6	18.2	15.9	16.9	14.8	14.3	14.2	14.4
Czech Republic	-	-	-	-	-	-	-	-4.5	3.3	7.1	-2.1	-4.3	-2.0	-1.9	1.5	4.9
Denmark	30.3	33.1	35.5	35.9	33.5	32.4	32.5	32.5	30.9	31.1	30.7	30.7	30.2	29.7	29.7	29.4
Finland	18.2	18.9	19.7	22.6	22.5	20.0	17.0	21.5	26.3	25.7	23.9	24.3	23.5	22.8	22.6	21.7
France	6.8	6.6	6.4	7.7	9.3	10.9	11.2	13.1	13.8	15.3	15.0	15.0	14.4	14.6	15.0	15.1
Germany	19.9	19.8	22.2	23.1	21.2	22.5	22.4	21.5	25.0	22.1	20.7	19.6	18.9	18.3	19.4	18.1
Greece	-7.7	-7.7	-4.1	-4.1	15.1	16.9	14.2	16.3	16.7	18.4	17.8	18.2	17.9	16.8	16.0	16.6
Hungary	-	-	-	-	-	-	-	-	7.3	12.9	9.1	11.6	9.9	8.5	4.4	6.1
Iceland	-	4.5	2.7	-5.2	-6.8	-14.2	-16.9	-14.0	-14.5	-6.8	1.3	3.2	3.0	4.7	5.3	6.6
Ireland	13.4	14.9	19.0	21.5	22.1	21.5	20.8	21.3	17.9	14.6	10.5	5.4	2.3	-0.7	-3.7	-4.2
Italy ¹	12.1	11.5	13.6	18.1	20.3	15.8	15.5	15.9	19.6	17.0	15.5	14.8	13.5	14.9	14.4	15.2
Japan	6.7	7.6	8.0	9.8	9.7	8.9	9.4	9.8	8.6	9.6	11.5	12.0	12.0	15.1	13.2	14.3
Korea	-	-	-	-	-	-	-	-	3.8	4.7	8.0	8.4	8.5	8.3	8.7	8.4
Luxembourg	8.1	7.3	5.9	5.5	2.8	1.2	1.6	-0.6	1.2	1.3	-1.3	-0.8	-0.7	-3.0	-3.0	-2.9
Mexico	-	-	-	-	-	11.1	10.9	11.3	7.7	1.4	1.6	2.9	3.4	3.7	4.4	4.5
Netherlands	24.8	25.1	29.9	27.2	27.0	25.5	33.2	31.1	29.8	27.9	23.6	25.0	22.1	17.1	17.3	23.6
New Zealand	10.4	16.8	17.5	15.5	24.3	18.0	20.8	22.2	22.4	16.2	14.1	15.5	16.7	18.8	19.4	20.7
Norway	21.8	18.8	17.0	16.7	17.1	16.8	15.2	13.1	14.9	15.4	16.8	17.6	17.5	18.0	18.2	18.4
Poland ²	-	-	-	-	-	-	-	6.4	10.1	9.5	25.4	25.6	25.0	29.2	25.3	29.5
Portugal	9.9	10.5	12.3	13.9	12.5	8.6	7.1	7.0	9.2	9.4	8.4	8.7	6.1	5.4	5.6	4.1
Slovak Republic	-	-	-	-	-	-	-	-	-	-	-	-3.2	1.4	0.9	6.6	1.2
Spain	9.8	10.6	12.0	11.3	13.8	10.8	12.2	11.7	12.8	13.2	8.9	9.3	10.0	10.5	9.8	10.6
Sweden	25.9	25.9	25.9	24.6	25.2	27.5	17.0	19.1	23.1	27.2	26.0	23.7	21.8	20.8	21.4	21.9
Switzerland	11.0	12.5	11.7	10.6	9.9	10.1	9.6	8.8	9.5	8.2	8.4	8.2	8.4	8.6	8.1	8.0
Turkey	49.0	41.4	38.2	31.3	31.8	32.6	34.8	34.3	30.5	33.1	22.9	28.7	30.9	30.1	29.8	30.4
United Kingdom	17.7	19.4	19.0	18.5	17.8	17.3	16.5	15.9	18.6	17.3	16.2	14.1	10.7	9.9	9.3	9.8
United States	17.7	21.0	21.9	21.6	20.2	19.0	19.0	18.9	18.6	18.3	15.0	15.3	12.0	11.5	9.2	10.0

Note: For Australia, from 1996 to 2001, data have been revised to include payroll taxes and so produce a consistent series. Data for earlier years are not available on the same basis.

1. As from 1990 on, data on wages have been revised to include only production workers.

2. A submission for 2004 was not received from this country and consequently the tax/benefit structure for this country has been updated using external sources. Given the potential for error, the reader should use caution in interpreting the results for this country.