Revenue Statistics in Africa 2020 — Lesotho

Tax revenues: tax-to-GDP ratio

Tax-to-GDP ratio over time

The tax-to-GDP ratio in Lesotho\(^1\) 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.

### Tax-to-GDP ratio, 2018

Lesotho’s\(^1\) tax-to-GDP ratio in 2018 (20.2%) was lower than the average of the 30 African countries in Revenue Statistics in Africa 2020 (16.5%) by 2.8 percentage points but higher than the Latin America and the Caribbean (23.1%).

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\(^1\) 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

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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](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%).

![Tax structure chart](image)

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.

**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.

![Non-tax revenues chart](image)

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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*Source: Revenue Statistics in Africa 2020*