

Total tax revenues last year amounted to €2,484.4 million, implying a tax burden of 33.1 per cent.

Tax Revenues: 2013

Total tax revenue last year went up by €175.1 million over the previous year, to €2,484.4 million. Tax revenue may be broadly classified under three main headings: indirect taxes, direct taxes and social contributions. Table 1 illustrates the revenue stream under these broad categories.

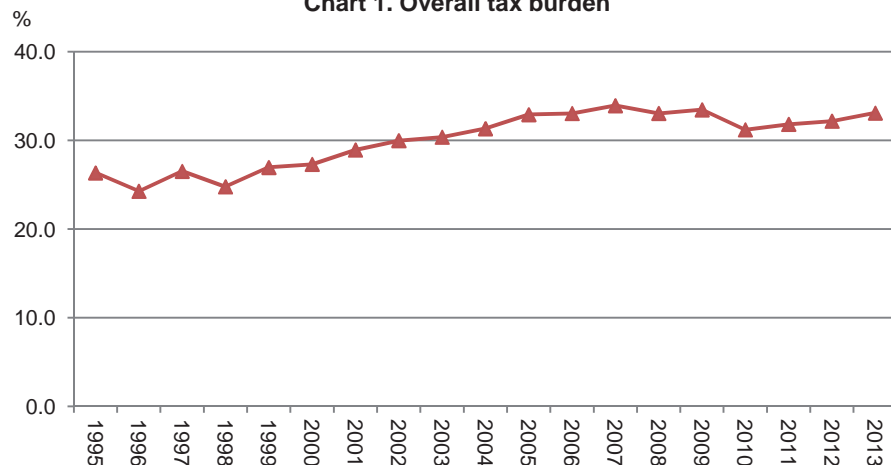
All three categories of tax revenue registered an increase. The largest rise, €105.0 million, was recorded in direct taxes, defined as current taxes on income and wealth plus capital taxes and other current taxes. In the year under review, these taxes amounted to €1,056.0 million, or 42.5 per cent of total tax revenues. The rise in direct taxes was mainly the result of additional revenues from corporate and personal income tax of €55.6 million and €50.5 million respectively. Conversely, capital taxes registered a decline of €3.4 million.

Indirect taxes are taxes linked to production and imports. During 2013, these went up by €47.0 million to €990.9 million, making up 39.9 per cent of total tax revenue. Higher returns from VAT of €50.0 million were partially offset by lower proceeds from import duties of €4.0 million. The other taxes in this category increased marginally.

Social contributions are compulsory actual payments by the employees, employers, as well as self-employed and non-employed persons. This category represents 17.6 per cent of total tax revenue, or €437.5 million, up by €23.1 million rise over 2012.

The overall tax burden denotes the total amount of taxes and actual social contributions expressed as a percentage of GDP. During 2013, the tax burden for Malta was 33.1 per cent compared to 32.2 per cent recorded in 2012 ■

Chart 1. Overall tax burden



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Table 1. Structure of Tax Revenues

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	ESA 2010	2010	2011	2012	2013
Indirect Taxes		865,351	927,940	943,879	990,866
VAT	D211	477,062	519,851	536,080	586,084
Import Duties	D2121	11,575	11,466	16,333	12,353
Taxes on Products (incl. excise duties)	D214	339,023	363,760	360,861	361,465
Other Taxes on Production	D29	37,692	32,863	30,604	30,964
Direct Taxes		822,492	864,196	951,023	1,056,019
Personal Income Tax	D51	389,847	439,272	471,542	521,995
Corporate Income Tax	D51	379,182	369,509	421,623	477,190
Other Income Tax	D51	1,151	1,876	2,488	4,075
Other Current Taxes	D59	37,591	38,731	39,249	40,010
Capital Taxes	D91	14,722	14,809	16,121	12,748
Social Contributions		370,853	400,352	414,398	437,506
Employers	D6111	167,752	182,933	189,775	202,171
Employees	D6131	167,422	181,495	187,543	198,223
Self- and non-employed	D6131	35,679	35,924	37,080	37,111
Total Tax Revenues		2,058,696	2,192,488	2,309,300	2,484,391

Table 2. Structure of Tax Burden

per cent

	ESA 2010	2010	2011	2012	2013
Indirect Taxes		13.1	13.5	13.1	13.2
VAT	D211	7.2	7.5	7.5	7.8
Import Duties	D2121	0.2	0.2	0.2	0.2
Taxes on Products (incl. excise duties)	D214	5.1	5.3	5.0	4.8
Other Taxes on Production	D29	0.6	0.5	0.4	0.4
Direct Taxes		12.5	12.5	13.2	14.1
Personal Income Tax	D51	5.9	6.4	6.6	7.0
Corporate Income Tax	D51	5.7	5.4	5.9	6.4
Other Income Tax	D51	0.0	0.0	0.0	0.1
Other Current Taxes	D59	0.6	0.6	0.5	0.5
Capital Taxes	D91	0.2	0.2	0.2	0.2
Social Contributions		5.6	5.8	5.8	5.8
Employers	D6111	2.5	2.7	2.6	2.7
Employees	D6131	2.5	2.6	2.6	2.6
Self- and non-employed	D6131	0.5	0.5	0.5	0.5
Overall tax burden		31.2	31.8	32.2	33.1

Table 3. Structure of Tax Revenues as a percentage of Total

		per cent			
	ESA 2010	2010	2011	2012	2013
Indirect Taxes		42.0	42.3	40.9	39.9
VAT	D211	23.2	23.7	23.2	23.6
Import Duties	D2121	0.6	0.5	0.7	0.5
Taxes on Products (incl. excise duties)	D214	16.5	16.6	15.6	14.5
Other Taxes on Production	D29	1.8	1.5	1.3	1.2
Direct Taxes		40.0	39.4	41.2	42.5
Personal Income Tax	D51	18.9	20.0	20.4	21.0
Corporate Income Tax	D51	18.4	16.9	18.3	19.2
Other Income Tax	D51	0.1	0.1	0.1	0.2
Other Current Taxes	D59	1.8	1.8	1.7	1.6
Capital Taxes	D91	0.7	0.7	0.7	0.5
Social Contributions		18.0	18.3	17.9	17.6
Employers	D6111	8.1	8.3	8.2	8.1
Employees	D6131	8.1	8.3	8.1	8.0
Self- and non-employed	D6131	1.7	1.6	1.6	1.5
Total Tax Revenues		100.0	100.0	100.0	100.0

Methodological Notes

1. All data in this News Release are in line with the European System of Accounts (ESA) 2010 Manual (ISBN 978-92-79-31242-7). This system of accounts is mandatory for all EU Member States. The glossary provides the necessary definitions and is available online: http://www.nso.gov.mt/docs/ESA10_Glossary.pdf
2. Total tax revenue is made up of taxes received by the Central Government (S1311) (which consists of Government Ministries and Departments and the Extra Budgetary Units) and the EU Institutions (S212). The taxes that are reported represent 'ultimately received' tax revenues, including the 'own' taxes paid to the EU.
3. The tax-to-GDP ratio measures the overall tax burden as the total amount of taxes and compulsory actual social security contributions as a percentage of GDP. GDP figures for 2010-2013 are in line with News Release 195/2014 published on 17 October 2014.
4. Revenues from VAT, Income Tax and Social Security Contributions are recorded using the time-adjusted cash method. Following a study undertaken by NSO in 2008, Eurostat approved a time adjustment of t+1 month for VAT and t+2 months for Income Taxes and Social Security Contributions.
5. Malta's National Tax List (NTL) is available on the online version of this release.
6. All data in this release should be considered as provisional and therefore subject to revision.
7. Figures may not add up due to rounding.