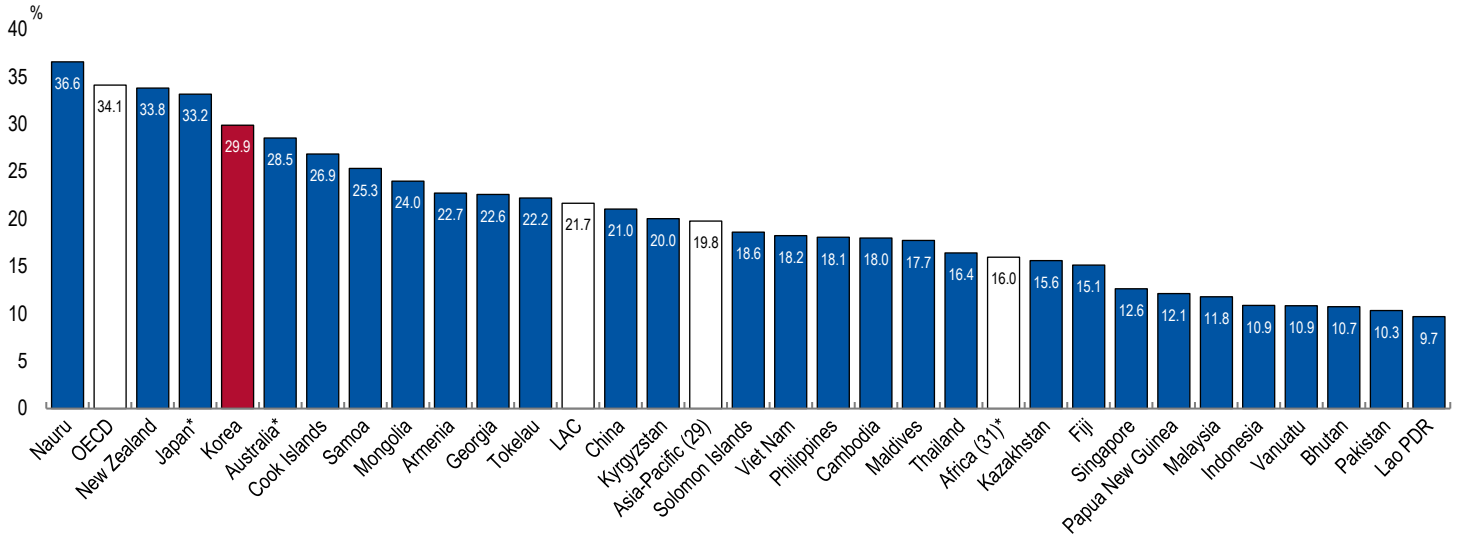


Revenue Statistics in Asia and the Pacific 2023 — Korea

Tax-to-GDP ratio

Tax-to-GDP ratio compared to other Asian and Pacific economies and regional averages, 2021

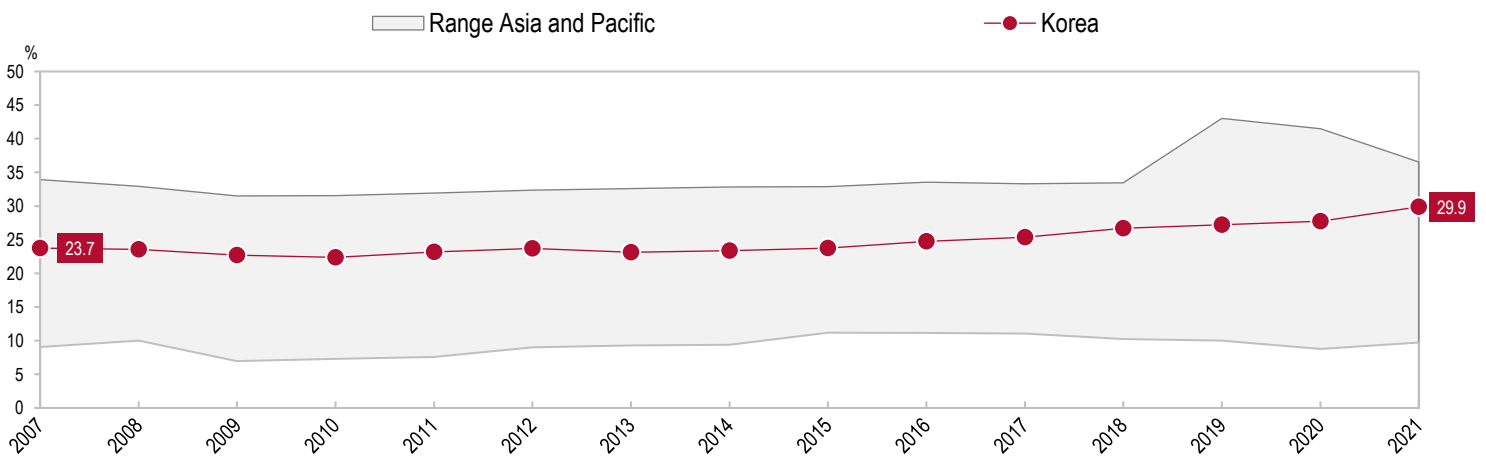
Korea's tax-to-GDP ratio was 29.9% in 2021, above the Asia and Pacific (29) average of 19.8% by 10.1 percentage points. It was below the OECD average (34.1%) by 4.2 percentage points.



* Data for 2020 are shown for Australia, Japan and Africa (31) average as 2021 data are not available. Note by the ADB: The ADB recognises "Kyrgyzstan" as the "Kyrgyz Republic". LAC refers to the average for Latin America and the Caribbean.

Tax-to-GDP ratio over time

The tax-to-GDP ratio in Korea increased by 2.1 percentage points from 27.7% in 2020 to 29.9% in 2021. From 2007 to 2021, the tax-to-GDP ratio in Korea increased by 6.2 percentage points from 23.7% to 29.9%. The highest tax-to-GDP ratio in this period was 29.9% in 2021, and the lowest 22.4% in 2010.



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. <http://www.oecd.org/tax/tax-policy/oecd-classification-taxes-interpretative-guide.pdf>

Regional averages (OECD, LAC, Africa (31)) refer to the 2023 edition of Revenue Statistics in Latin America and the Caribbean, and to the 2022 editions of Revenue Statistics (OECD), and Revenue Statistics in Africa. oe.cd/global-rev-stats-database

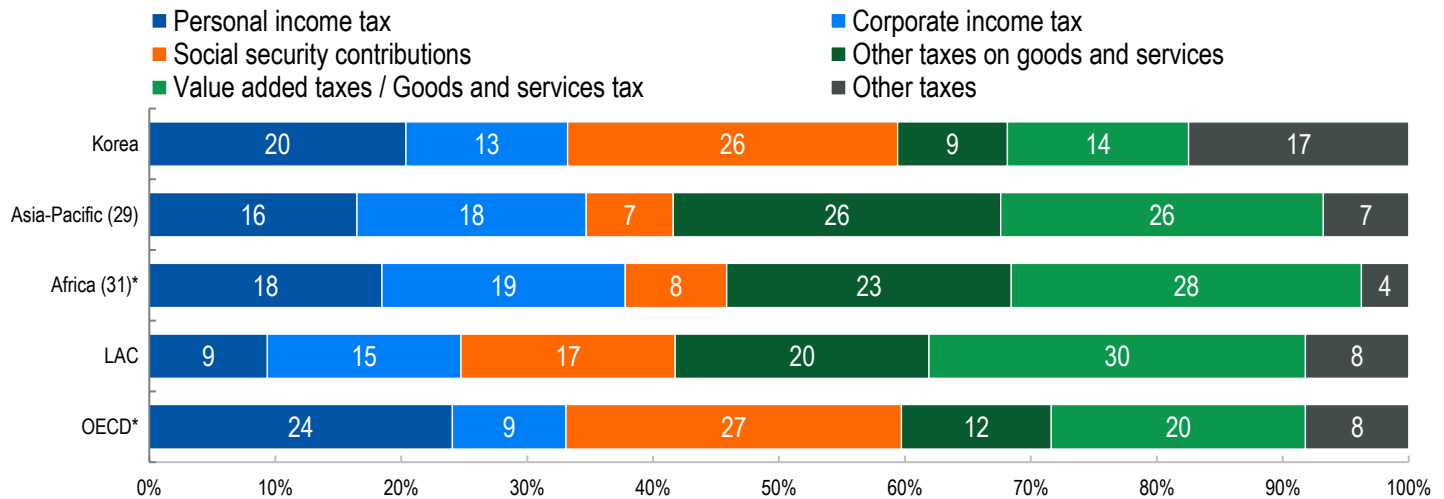


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Tax structures

Tax structure compared to the regional averages

Tax structure refers to the share of each tax in total tax revenues. The highest share of tax revenues in Korea in 2021 was derived from social security contributions (26.2%). The second-highest share of tax revenues in 2021 was derived from personal income tax (20.4%).



Other taxes may include income taxes unallocable to PIT or CIT.

* Data for 2020 are used for the Africa (31) average and OECD average as 2021 data are not available.

Summary of the tax structure in Korea

	Tax revenues in local currency Korean Won, Billions			Tax structure in Korea % of GDP		
	2020	2021	Δ	2020	2021	Δ
Taxes on income, profits and capital gains	166 564	205 574	+ 39 010	8.6	9.9	+ 1.3
<i>of which</i>						
Personal income, profits and gains	101 286	126 210	+ 24 924	5.2	6.1	+ 0.9
Corporate income and gains	65 278	79 364	+ 14 086	3.4	3.8	+ 0.4
Social security contributions	150 854	162 209	+ 11 355	7.8	7.8	0.0
Taxes on goods and services	131 353	143 100	+ 11 747	6.8	6.9	+ 0.1
<i>of which</i>						
Value added taxes / Goods and services tax	81 452	89 022	+ 7 570	4.2	4.3	+ 0.1
Taxes on specific goods and services	41 767	45 723	+ 3 956	2.2	2.2	0.0
<i>of which</i>						
Excises	33 013	35 792	+ 2 779	1.7	1.7	0.0
Customs and import duties	7 413	8 629	+ 1 216	0.4	0.4	0.0
Other taxes	89 679	108 201	+ 18 522	4.6	5.2	+ 0.6
TOTAL	538 450	619 084	+ 80 634	27.7	29.9	+ 2.2

Tax revenue includes net receipts for all levels of government; figures in the table may not sum to the total indicated due to rounding.

In this country note, "other taxes" is calculated as total tax minus taxes on income, profits and capital gains, social security contributions and taxes on goods and services. It includes taxes on payroll and workforce, taxes on property and other taxes (as defined in the OECD Interpretative Guide).

For further information, please see: oe.cd/revenue-statistics-in-asia-and-pacific



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