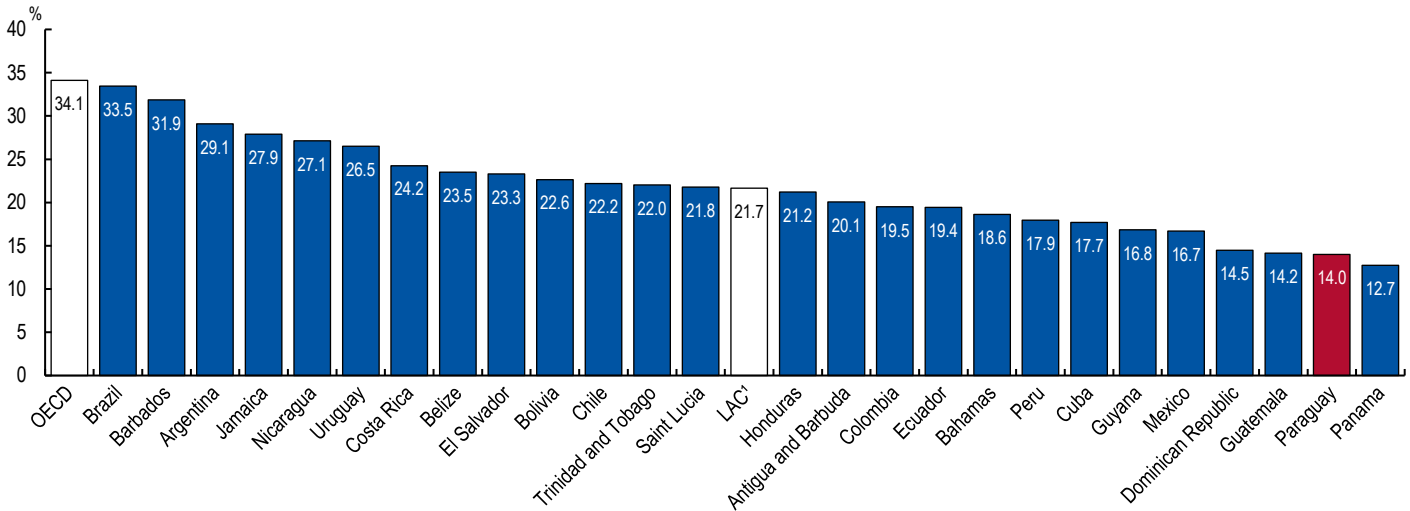


Revenue Statistics in Latin America and the Caribbean 2023 - Paraguay

Tax-to-GDP ratio

Tax-to-GDP ratio compared to other Latin American and Caribbean (LAC) countries and regional averages, 2021

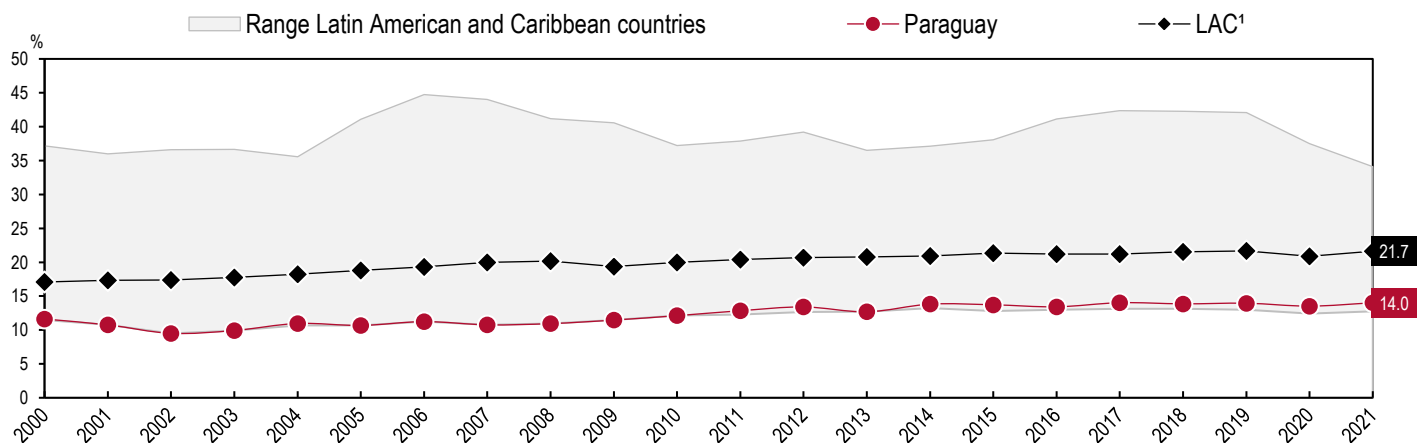
Paraguay's tax-to-GDP ratio in 2021 (14.0%) was below the LAC average (21.7%)¹ in this year's Revenue Statistics in Latin America and the Caribbean publication by 7.6 percentage points and below the OECD average (34.1%).



1. Represents the unweighted average of 25 Latin American and Caribbean countries included in this publication and excludes Cuba and Venezuela due to data issues.

Tax-to-GDP ratio over time

The tax-to-GDP ratio in Paraguay increased by 0.5 percentage points from 13.5% in 2020 to 14.0% in 2021. In comparison, the LAC average increased by 0.8 percentage points between 2020 and 2021 to 21.7%. Over a longer time period, the LAC average has increased by 4.6 percentage points, from 17.1% in 2000 to 21.7% in 2021, whereas the tax-to-GDP ratio in Paraguay has increased by 2.4 percentage points, from 11.6% to 14.0%. Since 2000, the highest tax-to-GDP ratio in Paraguay was 14.0% in 2017, and the lowest was 9.5% in 2002.



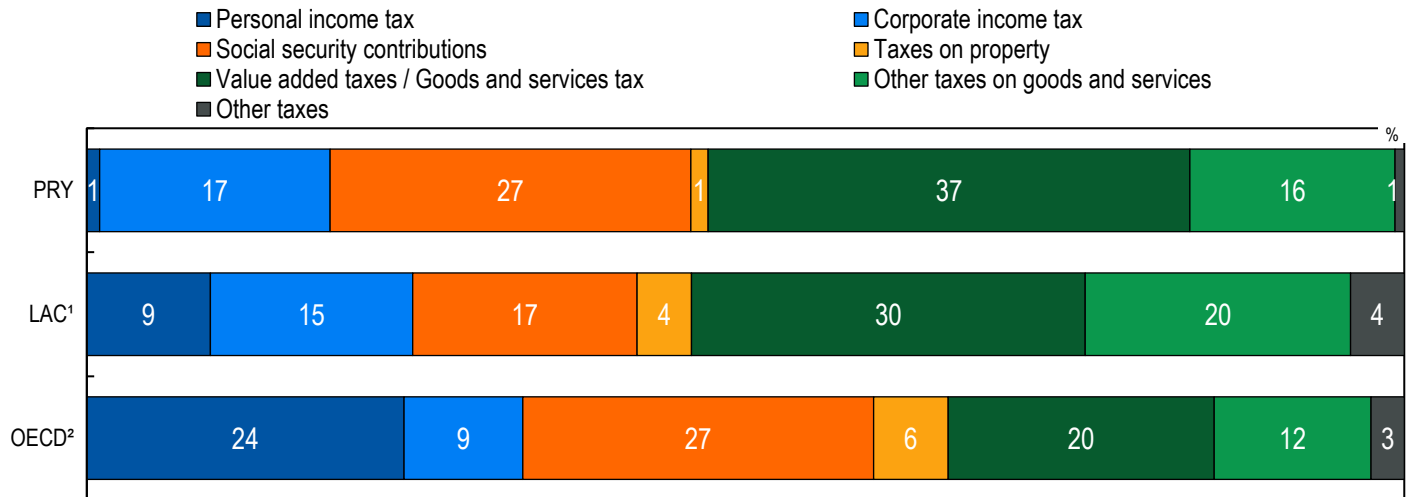
1. Represents the unweighted average of 25 Latin American and Caribbean countries included in this publication and excludes Cuba and Venezuela due to data issues.

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>

Tax structures

Tax structure compared to the regional averages

Tax structure refers to the share of each tax revenue category in total tax revenues. The highest share of tax revenues in Paraguay in 2021 was derived from value added taxes / goods and services tax (36.6%). The second-highest share of tax revenues in 2021 was derived from social security contributions (27.4%).



1. Represents the unweighted average of 25 LAC countries included in this publication and excludes Cuba and Venezuela due to data issues. Ecuador is excluded from the LAC average for CIT and PIT revenue as a sufficient breakdown is not available.

2. Data for 2020 are used for the OECD average as the 2021 data are not available.

Summary of the tax structure in Paraguay

	Tax revenues in national currency			Tax structure in Paraguay		
	Paraguayan Guarani, Millions			% in GDP		
	2020	2021	Δ	2020	2021	Δ
Taxes on income, profits and capital gains ¹	6 010 196	6 920 734	+ 910 537	2.5	2.6	+ 0.1
<i>of which</i>						
Personal income, profits and gains	536 357	364 990	- 171 368	0.2	0.1	- 0.1
Corporate income, profits and gains	5 473 839	6 555 744	+1 081 905	2.3	2.5	+ 0.2
Social security contributions	8 954 858	10 273 367	+1 318 509	3.7	3.8	+ 0.1
Taxes on property	401 222	488 894	+ 87 672	0.2	0.2	0.0
Taxes on goods and services	16 929 091	19 548 577	+2 619 486	7.1	7.3	+ 0.2
<i>of which</i>						
Value added taxes / Goods and services tax	11 787 033	13 705 814	+1 918 781	4.9	5.1	+ 0.2
Taxes on specific goods and services	4 770 635	5 417 784	+ 647 149	2.0	2.0	0.0
<i>of which</i>						
Excises	2 773 235	2 989 115	+ 215 880	1.2	1.1	- 0.1
Customs and import duties	1 984 697	2 409 292	+ 424 595	0.8	0.9	+ 0.1
Other taxes ²	145 946	262 599	+ 116 654	0.1	0.1	0.0
TOTAL	32 441 314	37 494 171	+5 052 857	13.5	14.0	+ 0.5

1. The revenue from taxes on income, profits and gains may not add up to the sum of revenue from personal income tax and corporate income tax due to revenue that could not be allocated to these categories.

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

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

