

Organisation for Economic Co-operation and Development

CTPA/CFA/WP9(2020)4/REV1

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5 October 2020

CENTRE FOR TAX POLICY AND ADMINISTRATION

COMMITTEE ON FISCAL AFFAIRS

Working Party No. 9 on Consumption Taxes

CONSUMPTION TAX TRENDS 2020 – REVISED TABLES FOR FINAL VALIDATION

Note by the Secretariat

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| This document is submitted to Delegates of Working Party No.9 on Consumption Taxes FOR FINAL VALIDATION AND APPROVAL by Monday 19 October 2020. |

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JT03466306

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# CONSUMPTION TAX TRENDS2020 REVISED TABLES FOR FINAL VALIDATION

## Background

1. Working Party No.9 (WP9) agreed on the contents and the development process for the 2020 edition of Consumption Tax Trends at its meeting on 18-20 November 2019. In accordance with the agreed process, the Secretariat now presents the pre-filled tables containing the data for the 2020 edition of Consumption Tax Trends for validation and/or updating to delegates in the Annex C to this document.
2. As agreed by WP9, and in light of the outcomes of the Consumption Tax Trends Quality Review process [[CTPA/CFA/WP9(2019)12](https://one.oecd.org/document/CTPA/CFA/WP9(2019)12/en/pdf)], the overall structure and content of the publication will remain globally unchanged. It was agreed, however, to move the data and analysis on excise on road fuels from Chapter 3 to Chapter 4 recognising that these excises have increasingly the same objective as vehicle taxes, i.e. to influence consumer behaviour and include environmental costs in the price of these commodities. It was also agreed to complement these tables in Chapter 4 with a table on aviation fuel taxes, since taxation of air transport fuels is scrutiny matter of rising interest.
3. A summary overview of VAT/GST policy measures taken in response to the coronavirus (COVID-19) crisis will be included in Chapter 1 of the 2020 edition of Consumption Tax Trends. The outbreak of COVID-19 in early 2020 resulted in a health and economic crisis without precedent in recent history. Governments around the world introduced expansive containment measures to slow down and reduce infection rates, which had sudden and profound economic impacts. Together with the overall health crisis, these necessary containment measures have reduced production as well as business and household demand. Countries have acted forcefully to limit the hardship caused by pandemic and to limit the damage it causes to the economy. These short-term fiscal policies have focused on maintaining business liquidity and supporting household income, through a mix of spending and tax policies as determined by country policy architecture and speed of delivery of support. VAT/GST policy and administration measures have been a key component of these short-term policy responses. At the request of countries worldwide, the OECD Secretariat undertook to take stock of countries’ tax and fiscal policy responses to the COVID-19 crisis, to provide analysis of these measures and to organise the sharing of this information and analysis among tax authorities. VAT/GST measures are an important component in most governments’ fiscal policy responses, particularly to support business activity. These will be discussed in Chapter 1 of the 2020 edition of Consumption Tax Trends.

## Process and timetable

### Step 1 Data preparation and data capture

1. The Secretariat has prepared draft updated (where possible) tables containing data for the 2020 Edition, drawn from previous edition (2018) and further adjustments. The draft tables are attached in Annex C to this document. Delegates are asked to check and adjust as necessary the tables **showing data as of 1 January 2020** and provide the appropriate information to the Secretariat. Delegates are asked to report **major changes** since 1 January 2020 or with implementation in the near future, in the country note to the related table.
2. The Guidelines for completing these tables are in the Annex B to this document. Delegates are invited to read these Guidelines carefully. The normal physical WP9 meeting was cancelled due to the COVID-19 pandemic and delegates did not have the chance to discuss and raise any questions they may have concerning the tables. Delegates are therefore invited to provide any comments or raise any questions they might have on the completion of the tables in the Annex C to this document in writing to [stephane.buydens@oecd.org](mailto:stephane.buydens@oecd.org).

### Step 2 Production of updated tables

1. The Secretariat will produce the revised tables in light of the feedback received from delegates. Changes requested by delegates are shown in tracked changes to ease the validation process.

### Step 3 Preparation of analysis and comments

1. The Secretariat will prepare the draft analysis and commentaries on the updated tables to be presented for validation to WP9 delegates under the written procedure. Delegates will be given approximately two weeks to provide any comment or suggestion on this draft.

### Step 4 Edition and publication process

1. In order to be able to issue the publication in December 2020, the final version should be sent to the editor by early November 2020.

## Action required

**Delegates are requested to approve and adjust as still necessary the revised tables in the Annex C** showing data as at 1 January 2020 and provide the appropriate information to the Secretariat ([stephane.buydens@oecd.org](mailto:stephane.buydens@oecd.org)) **by Monday 19 October 2020**.

**PLEASE READ CAREFULLY THE GUIDELINES FOR COMPLETING THE TABLES PROVIDED IN ANNEX B**

Draft list of tables for the 2020 Edition of Consumption Tax Trends

Please note that tables *in italics* below are not included in Annex C for update/validation since data is collected from other sources, mainly Revenue Statistics.

*Table 1.1. Consumption taxes (5100) as a percentage of GDP and total taxation.*

*Table 1.2. General taxes on goods and services (5110) as a percentage of GDP and total taxation*

*Table 1.3. Taxes on specific goods and services (5120) as a percentage of GDP and total taxation*

*Table 1.4. Value added taxes (5111) as a percentage of GDP and total taxation*

*Table 1.5. Excises (5121) as percentage of GDP and Total Taxes*

*Table 1.6. Tax structures in the OECD area*

Table 2.1. VAT rates

Table 2.2. Application of reduced VAT rates

Table 2.3. VAT Exemptions

Table 2.4. Restrictions to the right to deduct VAT on specific inputs

Table 2.5. Annual turnover concessions for VAT registration and collection

Table 2.6. Usage of margin schemes

*Table 2.7. VAT Revenue Ratio (VRR)*

Table 2.8. Mechanisms for collecting VAT on cross-border supplies of services and intangibles from non-resident suppliers ("inbound supplies")

Table 2.9. VAT treatment of imports of low-value goods

Table 2.10. Availability of VAT relief or refund to foreign taxpayers

Table 2.11. Electronic transaction reporting obligations

Table 2.12. Application of domestic reverse charge and split payment mechanisms

Table 3.1. Taxation of beer

Table 3.2. Taxation of wine

Table 3.3. Taxation of alcoholic beverages

Table 3.4. Taxation of tobacco

Table 3.5. Tax burden as a share of total price for cigarettes

Table 3.6. Taxation of heating fuel oil for households

Table 4.1. Taxes on sale and registration of motor vehicles

Table 4.2. Taxes on ownership or use of motor vehicles

Table 4.3. Taxation of premium unleaded gasoline (per litre)

Table 4.4. Taxation of automotive diesel (per litre)

Table 4.5. Taxation of aviation fuels

Guidelines for completing the tables

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| Please note that a number of tables to be included in Consumption Tax Trends should not be filled by Delegates since data is collected from other sources, mainly Revenue Statistics.  Except when stated otherwise, data in the tables should show the situation in your country **as at 1 January 2020**. If major changes happened since then or will happen in the near future, such information should be included in the country note to the related table.  In checking the tables, delegates should **not** make the conversion from the national currencies into USD since the currency conversion will be made by the Secretariat on the basis of private consumption Purchase Power Parity (PPP) rates (Chapters 1 and 2) or market rates (Chapter 3) taken from the OECD Economic Database.  For ease of reading, in this publication the terms “value added tax” and “VAT” are used to refer to any national tax that embodies the basic features of a value added tax as described in Chapter 1 of the OECD International VAT/GST Guidelines, by whatever name or acronym it is known *e.g.* “Goods and Services Tax” (“GST”). |

**Table 2.1 VAT Rates**

This table shows VAT rates applicable **on 1 January of each year up to and including 1 January 2020**.

Reduced rates include all the VAT rates below the standard rate, including the possible **domestic zero-rate** (i.e. exemption with right to deduct input tax/ “free of VAT”/subject to 0% rate). For the purpose of this table, **domestic zero rate** means zero-rate applicable to domestic supplies only. It does **not** include zero-rate applied to exports, supplies of goods or services used or consumed abroad or other supplies subject to similar treatment such as international transport or supplies to embassies, international organisations and diplomatic missions.

VAT rates changes or adoption of new VAT rates introduced **after the 1 January 2020** (incl. as part of Covid-19-related measures) are mentioned in the Country notes *in italics*. The extension of the scope of existing reduced rates to certain categories of products introduced after the 1 January 2020 is mentioned *in italics* in Table 2.2. (see below).

Detailed history of the VAT rates is available on the OECD Tax Database (see Excel table provided to delegates for validation/update in separate annex to this document).

**Table 2.2. Application of reduced VAT rates**

This table shows VAT rates applicable **on 1 January of each year up to and including 1 January 2020**.

**“Reduced VAT rates”** means all rates below the standard rate, including the domestic zero rate as described for the purpose of Table 2.1 above.

This table lists **broad categories of products** rather than detailed list of goods and services.

New reduced VAT rates or extension of the scope of existing reduced rates to certain categories of products introduced **after 1 January 2020** (incl. Covid-19-related measures) are mentioned in the Country Notes to the table.

**Table 2.3 VAT exemptions**

***Common exemptions,*** which are referred toin footnote 2 to the table, cover the most common exemptions in most member countries. Countries that apply additional exemptions are requested to list them after the term “Standard exemptions” in the left-hand column.

Where no “Standard exemptions” are mentioned for a specific country, this means that it does not generally exempt the operations listed in footnote 2. The right-hand column should be filled out **only** when the country taxes these listed operation with a positive VAT rate.

***Exempt*** means, in this context, supplies for which VAT/GST is not levied on the amount charged by the taxpayer while the latter is not allowed to deduct related input tax. In some countries these supplies are called “Input Taxed Supplies”.

This table lists **broad categories of products** rather than detailed list of goods and services e.g. “certain agricultural products” stands for “agricultural products, live animals of the porcine, ovine or caprine species, poultry, unroasted coffee beans, oats, corn, seeds for sowing (sunflower, walnuts, cotton, flax, turnip, mustard), sugar cane, fertilisers, harvesting and threshing machines and apparatus, etc.”.

**Table 2.4 Restrictions to the right to deduct VAT on specific inputs**

The purpose of this table is to give an overview of the limitations to the right to deduct the input VAT on specific goods, services and intangibles **because of their nature** with a view to ensure (input) taxation of their **deemed** final consumption. The table may include for example input tax blockings on food, drinks, luxuries, cigarettes, restaurants, entertainment, accommodation, travel and vehicles.

The table should **NOT** include:

* Input tax blockings related to the exemption of outputs (e.g. limited right of deduction for inputs used to provide financial and insurance services, medical care, education, etc. listed in Table 3.11. VAT exemptions); and
* Input tax blockings for goods, services and intangibles actually used for the private consumption of the business owner or its employees.

**Table 2.5 Annual turnover concessions for VAT registration and collection (domestic businesses)**

Registration/collection thresholds identified in this table are general concessions that relieve domestic suppliers from the requirement to register for and/or to collect VAT until such time as they exceed the turnover threshold. Delegates are also invited to indicate the specific collection and/or registration threshold applicable to specific industries or types of traders.

In Column “Registration or collection threshold”, the "R" indicates countries where registration threshold applies i.e. where suppliers having a turnover below the threshold should not register for VAT and are relieved from any VAT obligation. The "C" indicates countries where a collection threshold applies i.e. where all suppliers are required to register for VAT but will not be required to charge and collect VAT until they exceed the collection threshold.

Thresholds shown in this table apply to businesses established in the country. They should **NOT** include possible **registration thresholds for foreign businesses** not established in the country.

Should your country apply a different threshold for registration of foreign businesses (i.e. not established in the country), can you please provide this information in the country notes to the table.

**Table 2.6. Usage of margin schemes**

For the purpose of this table, a margin scheme means a scheme where the tax base is calculated on the difference between the price paid by the taxpayer for an item and the price of resale rather than on the full selling price. The reseller is not allowed to deduct the input VAT embedded in the buying price of the items resold under the margin scheme.

**Table 2.8. Mechanisms for collecting VAT on inbound supplies of services and intangibles from non-resident suppliers ("inbound supplies")**

This table shows the extent to which jurisdictions have adopted legislation that implement Guidelines 3.1 to 3.4. of the International VAT/GST Guidelines for both B2B and B2C supplies of services and intangibles made by a foreign supplier and that are taxable in the jurisdiction where the customer is located. Supplies that are subject to other place of taxation rules (such as e.g. on-the-spot supplies or connected with immovable property) are not covered in this table.

Compared to 2018 Edition, a line has been added under “B2C supplies” to mention the liability (or not) of the digital platforms in collecting the VAT on inbound digital supplies. **Please indicate whether digital platforms facilitating a B2C supplies of inbound services or intangibles:**

* **Are liable to collect the VAT on that supply**
* as a “deemed supplier” (i.e. is considered by the jurisdiction of taxation as the supplier instead of the underlying supplier)
* as a VAT collector on behalf of the supplier
* **Or whether it has any other responsibility** with respect to the collection of VAT on that supply in the customer’s jurisdiction (e.g. information sharing obligations or voluntary roles).

If your country has implemented new VAT collection regimes on inbound supplies of services and intangibles or is planning or considering to do so, please briefly describe the new regime in your country note.

**Table 2.9. VAT treatment of imports of low-value goods**

This table lists the countries which exempt (E) or tax (T) under the VAT the importation of low-value goods as part of B2C cross-border supplies. For countries where such imports are exempt from VAT, the collection threshold is indicated in column 3. This table **does not cover** other import scenarios such as imports of **goods exchanged between private individuals** or imports of goods **in the personal luggage of travellers**.

**Table 2.10. Availability of VAT refunds to foreign businesses**

This table shows how jurisdictions have legislation in place reflecting Guidelines 2.5 and 2.6 of the International VAT/GST Guidelines to ensure that suppliers that are not located in the jurisdiction of taxation do not incur irrecoverable VAT, including when they are subject to a simplified registration and compliance regime.

**Table 2.11. Electronic transaction reporting obligations**

This table shows to what extent jurisdictions have implemented legislation imposing/allowing taxpayers to

* Use electronic invoicing (i.e. the automated exchange of invoice information directly between accounting systems of parties to a transaction), in particular
  + Whether paper or digitised copies of paper invoices should be used
  + Whether electronic invoicing is mandatory, permitted or forbidden
  + In case where electronic invoicing is mandatory or permitted, is the use of a specific format/technology/software mandatory

***For the purpose of this table, “electronic invoice” means the automated exchange of invoice information directly between accounting systems of parties to a transaction; “digitised invoice” means a copy of an invoice (e.g. in pdf format) sent by electronic means (e.g. by email) between parties to a transaction***.

* Use electronic cash registers to record details of receipts for sales (in particular in a B2C environment), in particular
  + Whether it is mandatory, permitted or forbidden
  + In case where it is mandatory or permitted, is the use of a specific format/technology/software mandatory
  + Whether they are off-line or online (i.e. directly connected with the tax administration).
* Provide accounting information to the tax authorities under electronic format, in particular the obligation to provide transaction information (i.e. on each individual taxable transaction made or received by the taxpayers). This table does **not** cover the electronic provision of bulk data such as total sales/turnover or deductible amounts e.g. in periodic returns or statements.

**Table 2.12 Application of domestic reverse charge and split payment mechanisms**

For the purpose of this table, are considered “***domestic reverse charge***” situations where the customer rather than the supplier of goods, services or intangibles is liable to remit the VAT to the tax authorities on a domestic supply (i.e. a supply where both the supplier and the customer are established in the same jurisdiction, where the supply takes place). The supplier does not charge the VAT to the customer.

For the purpose of this table, a “***domestic split payment mechanism***”, is a mechanism whereby, on a domestic supply of goods, services or intangibles, the supplier remains liable to charge the VAT to the customer, but where the customer directly remits (part of) the VAT directly to the tax authorities rather than to the supplier.

**Table 3.1 Taxation of beer**

This table shows the excise rates per hectolitre per degree of absolute alcohol. Countries where legislation provides excise rates per hectolitre per degree Plato are asked to convert tax amounts into rates per degree alc. per hectolitre. Although there is no precise conversion between degrees Plato and degrees of absolute alcohol it is assumed for tax purposes that 1% alcohol is equivalent to 2.5 degrees Plato (tax rates expressed in degree Plato should be multiplied by 2.5 to obtain the rates in degree alcohol). Specific regimes should be described in the Country notes to the table.

**Table 3.2. Taxation of wine**

This table shows the taxes on wine imposed in jurisdictions. Specific regimes should be described in the Country notes to the table.

**Table 3.3. Taxation of alcoholic beverages**

This table shows the taxes on alcoholic beverages other than those included in Table 3.A3.1 and 3.A3.2. Specific regimes should be described in the Country notes to the table.

**Table 3.4 Taxation of tobacco**

This table shows the excise rates on three main categories of tobacco products: cigarettes, cigars and rolling tobacco. In order to provide a better comparability this table is complemented with Table 4.A4.5 showing the total tax burden in a pack of 20 cigarettes. Specific regimes should be described in the Country notes to the table.

**Table 3.5 Taxation of cigarettes as a share of retail selling price**

This table shows the total tax burden expressed as a percentage of all taxes in the retail selling price (RSP) of a pack of 20 cigarettes.

This table is pre-populated with data showing the total tax burden as a share of the price of the most sold brand on their markets (MSB). These data are taken from the World Health Organisation (World Health Organisation Report on the Global Tobacco Epidemic, 2019). The table with the MSB in OECD countries is in Annex D to this document.

Column 2 shows the pre-tax price for a pack of 20 cigarettes. This pre-tax price is an estimate calculated from the retail selling price (= price to the consumer all taxes included - RSP) and the total tax share as a percentage of this RSP i.e. ex-tax price = RSP-[RSP x total tax share/100].

***Delegates are asked:***

* ***To update, as necessary, the figures presented for their country for the year 2018***
* ***To check whether, in their country, the VAT base includes the excise duties and other possible taxes such as import or stamp duties (as presented in Box 1)***

The values in **USD** (last column) should **not** be completed by delegates. They are calculated on the basis of OECD indexes.

### Additional explanations on Table 3.5.

The individual rates or amount of each tax (ad valorem/ad quantum excise, VAT, duties, etc.) on tobacco products shown separately (provided in Table 3.5) do not provide sufficient information to assess the overall tax burden on those products.

Indeed, a high ad valorem tax can be balanced with a low specific excise (or vice versa) when a mixed excise tax structure applies (i.e. made of both a specific and an ad valorem excise). Ad valorem excise can be assessed on different bases (producer price, import price, retail price) and specific excise represents a lower share of the price for premium and low-price brands. In addition, the combined effect of the VAT rate with excise duties will not be reflected.

Measuring the total tax burden (TTB) expressed as a percentage of taxes in the retail selling price (RSP) of a tobacco product provides a clearer picture of tobacco taxation in countries. Given the limited resources, this publication shows the TTB for the main category of tobacco products only: a pack of 20 cigarettes.

TTB measurement involves the definition of a reference retail price on the market for the product and a methodology to assess the total tax burden in that price. In the European Union, the TTB is calculated as the *weighted average selling price* (WSP) i.e. i.e. the average consumer price of a tobacco product based on the prices of individual brands and weighted by sales of each brand in the country. The WAP is considered more appropriate given the dynamics of the market with several popular brands and regular changes in cigarette prices. However, the WAP is not available beyond the European Union. Therefore, for comparability purposes, it was decided to use, for the purpose of Table 3.6 an RSP is defined as the average price of the most sold brand of cigarettes on the market (MSB). The MSB is used as a reference in the WHO studies from which data in this table is taken.

The total tax burden calculation **only includes indirect taxes levied on cigarettes** (i.e. excise duties or similar taxes, VAT and import duties), which usually have the most significant impact on the price of tobacco products. Certain other taxes, in particular direct taxes such as corporate taxes, can potentially impact tobacco prices to the extent that producers pass them on to final consumers. However, because of the practical difficulty of obtaining information on these taxes and the complexity in estimating their potential impact on price in a consistent manner across countries, they are not considered.

**In the case of Canada and the United States**, national average estimates calculated for prices and taxes reflect the fact that different rates are applied by state/province over and above the applicable federal tax.

The import duty was only used in the calculation of tax shares if the most sold brand of cigarettes was imported into the country.

Taxes are converted to the same base i.e. the tax inclusive retail selling price (hereafter referred to as RSP). For example, the impact of a same ad valorem tax rate on the RSP can be different depending on whether it is applied to the manufacturer’s price or to the RSP itself (the total tax will be lower in the first case than in the latter since the tax base is lower).

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| Box.1. Calculation of the TTB  For comparison purposes, the chosen reference product is a pack of 20 cigarettes with filter.  **Price = [MID + (MID x Tav) + Tse + π] x [1 + VAT%]**  where  MID = manufacturer/distributor/import price import duties (a) included  Tav = statutory rate of ad valorem excise (b)  Tse = specific excise amount (c)  π = Retailer’s, wholesaler’s and importer’s profit per pack of 20 cigarettes (sometimes expressed as a mark-up)  VAT% = statutory rate of VAT (d)  And  **Share of total tax = share of import duties (a) + share of ad valorem excise (b) + share of specific excise (a) + share of VAT (d).**  (a) Import duties: import duties are ad valorem or specific taxes on a selected good imported into a country to be consumed in that country.  (b) Ad valorem excise: excise tax expressed as a percentage of a certain base value (e.g. the retail selling price, the manufacturer’s price or the cost insurance freight (CIF) price for imported cigarettes.  (c) Specific excise: excise tax charged as a fixed amount per unit of product (e.g. EUR 0.25 per cigarette).  (d) Value Added Tax (VAT): VAT a broad-based tax on consumption of all goods and services by households collected by businesses through a staged process and applied proportionally to the price the consumer pays for a product. |

**Tables 3.6 Taxation of heating fuel for households**

Data shown in this table is extracted from the International Energy Agency publication *Energy prices and taxes* and from European Commission Excise duty tables (Ref 1044). Prices are average prices for the year 2019. Tax rates shown should be those applicable as at 1 October 2019.

The values in **USD** (last column) should **not** be completed by delegates. They are calculated on the basis of OECD indexes.

**Tables 4.1 and 4.2. on Taxes on sale and registration of motor vehicles and on Taxes on ownership or use of motor vehicles**

The purpose of these tables is to give an overview of the taxes on vehicles in member countries, in particular to show the level of taxes and the criteria for assessing the tax base (e.g. cylinder capacity, weight, type, utilisation, CO² emissions, etc.). Rebates and exemptions mentioned in the last column should **not** include those that are granted to vehicles used by embassies and other diplomatic missions, international organisations and under a specific customs regime.

**Tables 4.3. and 4.4.** Taxation of premium unleaded gasoline and Taxation of automotive diesel

Data shown in this table is extracted from the International Energy Agency publication *Energy prices and taxes* and from European Commission Excise duty tables (Ref 1044). Prices reflect the average prices for the year 2019. Tax rates shown should be those applicable as at 1 October 2019.

The values in **USD** (last column) should **not** be completed by delegates. They are calculated on the basis of OECD indexes.

**Table 4.5. Taxation of aviation fuels**

This table shows the excise and VAT rates applicable **as at 1 January 2020** to commercial and private aviation fuels. This table only includes two types of fuels:

* JET A-1 used in turbine engines. In this table, it is assumed that commercial flights (passenger and cargo) only use JET A-1 fuel
* AVGAS used in piston-engine aircrafts.

For the purpose of this table, it is assumed that commercial flights (passenger and cargo) only use JET A-1 fuels. For private/pleasure flights, please differentiate (where needed) JET A-1 and AVGAS tax rates.

Should you wish to add specific information regarding the data in this table for your country, please add them in the Box for country notes added to the table. This box includes *in italics* the tax relief measures taken as part of the Covid-19 crisis after the 1 January 2020.

**This table does not include** fuels on board of aircrafts when they land in a jurisdiction covered by the ICAO Chicago Convention, specific fuels for military use or for use in Nordic areas.

The table has been prefilled for a few number of countries where data was available, for illustrative purposes.

Tables to be completed/validated

Table2.1. VAT rates1

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| Countries  Implemented | | 2005 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 20203 | Reduced rates² | Regional rates |
| Australia | 2000 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 0 | - |
| Austria\* | 1973 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 10.0/13.0 | 19 |
| Belgium\* | 1971 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 0.0/6.0/12.0 | - |
| Canada\* | 1991 | 7 | 6 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 0 | 13.0/15.0 |
| Chile | 1975 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | - | - |
| Colombia | 1983 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 19 | 19 | 19 | 19 | 0.0/5.0 | - |
| Czech Republic\* | 1993 | 19 | 19 | 19 | 19 | 20 | 20 | 20 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 10.0/15.0 | - |
| Denmark\* | 1967 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 0 | - |
| Estonia\* | 1992 | 18 | 18 | 18 | 18 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 0.0/9.0 | - |
| Finland\* | 1994 | 22 | 22 | 22 | 22 | 22 | 23 | 23 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 0.0/10.0/14.0 | - |
| France\* | 1968 | 19.6 | 19.6 | 19.6 | 19.6 | 19.6 | 19.6 | 19.6 | 19.6 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 2.1/5.5/10.0 | 0.9/2.1/10.0/13.0 & 1.05/1.75/2.1/8.5 |
| Germany\* | 1968 | 16 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 0.0/7.0 | - |
| Greece\* | 1987 | 18 | 19 | 19 | 19 | 19 | 23 | 23 | 23 | 23 | 23 | 23 | 24 | 24 | 24 | 24 | 6.0/13.0 | 4.0/ 9.0/17.0 |
| Hungary\* | 1988 | 25 | 20 | 20 | 20 | 25 | 25 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 5.0/18.0 | - |
| Iceland | 1990 | 24.5 | 24.5 | 24.5 | 24.5 | 25.5 | 25.5 | 25.5 | 25.5 | 25.5 | 24 | 24 | 24 | 24 | 24 | 24 | 0.0/11.0 | - |
| Ireland\* | 1972 | 21 | 21 | 21 | 21.5 | 21 | 21 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 0.0/4.8/9.0/13.5 | - |
| Israel\* | 1976 | 17 | 15.5 | 15.5 | 15.5 | 16 | 16 | 16 | 17 | 18 | 18 | 17 | 17 | 17 | 17 | 17 | 0 | 0 |
| Italy\* | 1973 | 20 | 20 | 20 | 20 | 20 | 20 | 21 | 21 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 4.0/5.0/10.0 | - |
| Japan\* | 1989 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 8 | 8 | 8 | 8 | 8 | 10 | 8 | - |
| Korea | 1977 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 0 | - |
| Latvia\* | 1995 | 18 | 18 | 18 | 21 | 21 | 22 | 22 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 5.0/12.0 | - |
| Lithuania\* | 1994 | 18 | 18 | 18 | 19 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 5.0/9.0 | - |
| Luxembourg\* | 1970 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 17 | 17 | 17 | 17 | 17 | 17 | 3.0/8.0/14.0 | - |
| Mexico | 1980 | 15 | 15 | 15 | 15 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 0 | 8 |

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| Netherlands\* | 1969 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 9 | - |
| New Zealand | 1986 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 0 | - |
| Norway\* | 1970 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 0.0/12.0/15.0 | - |
| Poland\* | 1993 | 22 | 22 | 22 | 22 | 22 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 5.0/8.0 | - |
| Portugal\* | 1986 | 19 | 21 | 21 | 20 | 20 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 6.0/13.0 | 4.0/9.0/18.0 & 5.0/12.0/22.0 |
| Slovak Republic\* | 1993 | 19 | 19 | 19 | 19 | 19 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 10 | - |
| Slovenia\* | 1999 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 5.0/9.5 | - |
| Spain\* | 1986 | 16 | 16 | 16 | 16 | 16 | 18 | 18 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 4.0/10.0 | 0.0/2.75/3.0/7.0/9.5/13.5/20.0 & 0.5 to10.0 |
| Sweden\* | 1969 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 0.0/6.0/12.0 | - |
| Switzerland | 1995 | 7.6 | 7.6 | 7.6 | 7.6 | 7.6 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 7.7 | 7.7 | 7.7 | 0.0/2.5/3.7 | - |
| Turkey\* | 1985 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 1.0/8.0 | - |
| United Kingdom\* | 1973 | 17.5 | 17.5 | 17.5 | 15 | 17.5 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 0.0/5.0 | - |
| Unweighted average |  | 17.8 | 17.7 | 17.7 | 17.7 | 18.1 | 18.6 | 18.8 | 19.0 | 19.1 | 19.2 | 19.2 | 19.3 | 19.3 | 19.3 | 19.3 |  |  |

\* See country notes.

1. Yearly data: the rates shown in the table are rates applicable on 1 January of each year. Reduced rates and specific regional rates are those applicable as at 1 January 2020.

2. Reduced rates include zero-rates applicable to domestic supplies (i.e. an exemption with right to deduct input tax). They do not include zero-rated exports or other supplies subject to similar treatment such as international transport or supplies to embassies, international organisations and diplomatic missions. Detailed history of the VAT rates is available on the OECD Tax Database.

3. VAT rates changes or adoption of new VAT rates introduced after 1 January 2020 are mentioned in the Country notes to this table. Specific or temporary VAT rates applicable in the context of the Covid-19 crisis are shown *in italics* in the country notes.

*Source*: national delegates - position as at 1 January 2020.

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| Country notes to Table 2.11.  **Austria\***. A standard rate of 19% applies in Jungholz and Mittelberg. *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Belgium\*.** *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Canada.** The following provinces have harmonised their provincial sales taxes with the federal Goods and Services Tax and therefore levy a rate of GST/HST of: New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island: 15%; and Ontario: 13%. Québec applies GST at a rate of 5% and Québec Sales Tax at a rate of 9.975% (applied on the same tax base as the GST). With the exception of Canada’s territories (Yukon, Northwest Territories and Nunavut) and the province Alberta other Canadian provinces apply a provincial sales tax to certain goods and services in addition to the Federal GST.  **Czech Republic\*.** *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Denmark\*.** *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2..*  **Estonia\*.** *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Finland\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **France\***. Rates of 0.9%; 2.1%; 10.0%; 13.0% and 20.0% apply in Corsica; rates of 1.05%; 1.75%; 2.1% and 8.5% apply to overseas departments (DOM) excluding French Guyana and Mayotte.  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Germany\*.** *The standard VAT rate is reduced from 19% to 16% and the reduced VAT rate from 7% to 5% from 1 July to 31 December 2020. Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Greece\***. Specific regional rates of 4.0%; 9.0% and 17.0% apply in the islands of Leros, Lesbos, Kos, Samos and Chios until 31 December 2020. *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Hungary\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Ireland\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Israel.** The rate of 0% applies when an Eilat resident dealer buys goods from Eilat non-residents. Supplies made by an Eilat resident supplier (to be consumed in Eilat) are exempt from VAT. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Italy\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Japan.** The standard VAT rate was increased from 8% to 10% on 1 October 2019. In the same time, a reduced VAT rate of 8% was introduced for the supply of food, beverages (excluding alcoholic beverages and eating-out services) and certain newspapers under subscription (see Table 2.2).  **Latvia\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Lithuania\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Luxembourg\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Mexico.** A reduced VAT rate of 8% applies in the northern border region (Ensenada, Playas de Rosarito, Tijuana, Tecate and Mexicali in the state of Baja California; San Luis Río Colorado, Puerto Peñasco, General Plutarco Elías Calles, Caborca, Altar, Sáric, Nogales, Santa Cruz, Cananea, Naco and Agua Prieta in the state of Sonora; Janos, Ascensión, Juárez, Praxedis G. Guerrero, Guadalupe, Coyame del Sotol, Ojinaga and Manuel Benavides in the state of Chihuahua; Ocampo, Acuña, Zaragoza, Jiménez, Piedras Negras, Nava, Guerrero and Hidalgo in the state of Coahuila de Zaragoza; Anáhuac in the state of Nuevo León; and Nuevo Laredo, Guerrero, Mier, Miguel Alemán, Camargo, Gustavo Díaz Ordaz, Reynosa, Río Bravo, Valle Hermoso and Matamoros in the state of Tamaulipas) from 1 January 2019 until 31 December 2020.  **Netherlands\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Norway.** *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Poland\*.** *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Portugal\***. In the Islands of Azores, the standard VAT rate is 18% and the reduced rates are 4% and 9%. In the Islands of Madeira the standard rate is 22% and reduced rates are 5% and 12%.  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Slovak Republic\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Slovenia\*.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Spain\*.** Rates of 0.0%, 2.75%; 3.0%; 7.0%, 9.50%; 13.50% and 20% apply in the Canary Islands. Rates of 0.5%; 1.0%, 2.0%; 4.0%; 6.0%; 8.0%; 9.0% and 10% apply in either Ceuta and Melilla.  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Sweden.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **Turkey.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  **United Kingdom.**  *Specific reduced VAT rates apply in the context of the Covid-19 – See country note to Table 2.2.*  \**Member States of the European Union exempt from customs duties and VAT the importation of certain goods needed to combat the effects of the COVID-19 outbreak during 2020 See Table 2.2.*  1. Specific or temporary VAT rates applicable in the context of the Covid-19 crisis are shown *in italics. Specific reduced VAT rates applicable in the context of the Covid-19 – are shown in country notes to Table 2.2.* |

Table 2.2. Application of reduced VAT rates1

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| **Country** | **Reduced VAT rates, including domestic zero rate2** |
| Australia | 0%: most food and beverages for human consumption (excl. prepared food); most health and medical supplies; some education courses and students accommodation; some child care services; some religious services; some activities of charitable institutions; water (except supplied in, or transferred to, a container less than 100L); sewerage and drainage; sales of businesses as going concerns; precious metals (first supply after refinement); grants of freehold and similar interests by governments; farm land; cars for use by disabled people subject to a (general) threshold of AUD 57 466; supplies of accommodation and meals to residents of retirement villages by certain operators; certain government services; some telecommunication supplies made under arrangements for global roaming in Australia; international mail; certain menstrual products. |
| Austria\* | 10%: food; water supply; pharmaceuticals; passenger transport (except domestic flights); books; newspapers and periodicals; e-books and e-publications; pay television; some supplies of artists, writers and composers; forestry; restaurants (except beverages); collection of domestic waste and street cleaning; sewage.  13%: hotel accommodation, supply of wine by producing farmers; agricultural supplies; some supplies of artists, writers and composers; admission to cultural, sporting events and cinemas; domestic flights. |
| Belgium\* | 0%: cars for disabled persons; certain newspapers and periodicals, certain recovered materials and by products.  6%: food; some beverages; water supply; pharmaceuticals; feminine hygiene products and external defibrillators; equipment for the disabled; passenger transport; books; newspapers and periodicals; certain electronic publications and e-books; culture; sport; works of art, collectors’ items and antiques; works of art delivered by their authors/creators; agriculture; hotel accommodation and camping sites; renovation of dwellings over 10 years old; private homes and establishments for disabled; subsidised social housing; some labour intensive services (small repair services); reconstruction subsequent to demolition works leading to the construction of new private housing (under strict conditions and specific limitations as to the amount); funeral services; cut flowers and plants.  12%: restaurants (except beverages); certain energy products (coal, coke; lignite); certain social housing. |
| Canada | 0%: prescription medicine, basic groceries; certain financial services provided by financial institutions (usually to non-residents); certain agricultural and fishing products; certain medical devices; international bridge or tunnel authorities (on certain purchases only); precious metals; sales of 25 cents or less made through mechanical coin-operated devices. |
| Chile | – |
| Colombia | 0%: food for human consumption; health products and services such as medicines, medical consultations, laboratory tests, orthopedic devices, diagnostic images; gas, electric power, water, sewage, urban cleaning, books, newspapers.  5%: certain agricultural products, agricultural equipment, electric or hybrid cars and some personal hygiene products; insurance, safety and cleaning services. |
| Czech Republic\* | 10%: essential child nutrition; gluten-free products; certain pharmaceutical products; certain printed books.  15%: food; pharmaceutical products and printed books (when not subject to the lower rate of 10%) some beverages; water supply; medical services (if not exempt); equipment and repair for the disabled; passenger transport; art; cultural services; newspapers and periodicals; construction of private dwellings and social housing; renovation and repair of private dwellings; collection and treatment of waste and waste water; hotel accommodation; health care and domestic care services; cleaning in households; funeral services; sport activities; agricultural products; cut flowers and plants; heating; hairdressing and clothing repair. |
| Denmark\* | 0%: newspapers and periodicals.  5%: first time sale of products of artistic work valued over DKK 300 000 (the standard rate of 25% applies to 20% of the tax base resulting in an effective rate of 5%). |

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| Estonia\* | 0%: certain commercial aircraft and sea-going vessels and certain supplies of goods and services related to them; international transport of passengers.  9%: pharmaceuticals; medical equipment or devices for disabled; books; newspapers and periodicals; hotel accommodation. |
| Finland\* | 0%: printing services for certain membership publications; certain vessels.  10%: pharmaceuticals; passenger transport; books, subscribed newspapers and periodicals; certain electronic publications and e-books; hotel accommodation; admission to cultural, entertainment and sporting events and cinema performances; use of sports facilities; works of art supplied by their creators or imported; copyrights to literary and artistic works; TV licence fees; *supply of services by athletes and performing artists, provided that they have opted for VAT liability.*  14%: food; non-alcoholic drinks; animal food; restaurants (except alcoholic beverages). |
| France\* | 2.1%: newspapers and periodicals; pharmaceuticals.  5.5%: most food products and beverages (except alcoholic beverages); water supply; equipment for the disabled; books and e-books; admission to cultural services; work on dwellings over 2 years old under certain conditions; domestic care services; subscription fees to natural gas and electricity networks; district heating; supplies of works of art by their creators; women's sanitary products; some social housing  10%: passenger transport; social housing; admission to exhibitions, sites and facilities of a cultural, recreational, educational or professional nature; pay TV; domestic care services; restaurant services and catering (except alcoholic beverages); hotel accommodation; farm products; gardens, plants and flowers; treatment of waste; sewage; passenger transport; author's rights. |
| Germany\* | 7%: food; water supply; equipment for the disabled; medical services (if not exempt); books and newspapers; certain electronic publications and e-books; plants; flowers; certain cultural events; museums; zoos; circuses; charitable work (if not exempt); author's rights; local public passenger transport within a municipality or if the distance covered is not more than 50 km; hotel accommodation; cut flowers and plants; works of art supplied by their creator or successors in title and importation of collector’s items; feminine hygiene products; long-distance travel by rail. |
| Greece\* | 6%: pharmaceutical drugs and vaccines for human medicine; books; children’s picture books; newspapers, journals and periodicals; admission to theatres (theatrical plays) and concerts, supply of natural gas and electricity and district heating.  13%: water, basic food goods (meat and abattoir by-products; meat preparations; fish, squid, octopus and cuttlefish excluding livers, eggs and semen; milk and dairy products; birds’ eggs; natural honey; vegetables, plants, some types of roots and tubers; animal food falling within CN code 230990, oil cake, seeds for sowing; fruit and nuts; cereal; flour and flour products; olive oil; ; pasta not baked or stuffed or otherwise processed; bread; fruit and vegetable juices excluding the undermentioned subject to the standard rate: most types of processed food, ; farm supplies that are usually intended to be used as intermediate inputs by farmers and farm industries; live plants and their roots, cuttings and slips; pharmaceutical products (besides those subject to 6%); medical equipment and other appliances for the disabled persons; intrauterine contraceptives; catheters; feeding syringes; «talking» sphygmomanometers; needles for insulin pens and dialysis needles; water supply; ; accommodation provided in hotels and similar establishments, including the provision of holiday accommodation and the letting of places on camping or caravan sites; services provided by restaurants and similar businesses, excluding nightclubs, and with the exception of the disposal of alcoholic and non-alcoholic beverages, juices and beverages; domestic care services such as home help and care of young, elderly, sick or disabled; retirement home services that are subject to VAT; the provision of services for farming production (excluding capital goods such as machinery or buildings); infant food and other baby products, such as diapers and car seats;,bicycle helmets. |

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| Hungary\* | 5%: pharmaceuticals for humans; certain equipment for the blind; books, newspapers and sheet music; live pigs and carcasses of pig; certain live cattle, sheep, lamb, goat, and their meat in bulk; meat of domestic pig; meat and edible offal of poultry; fresh eggs; fresh milk; edible offal and inner parts of domestic swine; live fish (excluding ornamental fish) and the body/parts/fillet of fish for human consumption; district heating; services supplied by performing artists; internet access services; restaurant meals and supply of non-alcoholic beverages prepared on site; provision of accomodation.  18%: milk and dairy products; products containing cereals, flour, starch or milk; certain open-air concerts. |
| Iceland | 0%: shipbuilding and maintenance of ships and aircraft; services to foreign fishing vessels related to landing and sale of fish in Iceland; direct payments to farmers.  11%: food and beverages; passenger transport (if not exempted); services of travel agencies, travel organisers and touring associations; travel guidance; books including music books and e-books; audio recordings of books. CD’s and similar media with text as well as electronic version of such books; magazines, newspapers and countryside- and district newspapers with text as well as electronic version of such papers and magazines; periodicals with text as well as electronic version of such periodicals; subscriptions to radio and TV; rental of hotels, guestrooms and other guest services; hot water, electricity and fuel oil used for the heating of houses and swimming pools; admission tolls to land transportation projects; CD disks, records, magnetic tapes and other similar means of music recordings, other than visual records. Electronic version of music other than visual; condoms; diapers for children; admission fees to bathhouses, bathings, saunas and spas (if not exempted). |
| Ireland\* | 0%: books; children's clothing and footwear; oral medicine; certain medical equipment; certain food products; seeds for food production; fertilisers; certain aircraft and sea-going vessels  4.8%: livestock and horses for food or agricultural production.  9%: newspapers and certain periodicals, e-books; certain electronic publications; provision of sporting facilities;  13.5%: waste disposal; energy for heating and light; fuel for certain purposes; gas; electricity; building services; immovable goods; repair services; tour guide services; photographic prints; works of art; short-term car and boat hire; driving instruction; veterinary services; certain plants and flowers; medical services (if not exempt); seeds for plants and flowers; admission to cinemas/certain musical performances; holiday accommodation; restaurant/hotel meals; certain agricultural services; hairdressing. . |
| Israel3 | 0%: hotel accommodation for foreign tourists and another hotel services (serving food and beverage, laundry, pool, gym, etc.); sale of, to a foreign tourist, tickets for an international conference in which more than 50 foreign tourists are in attendance; rental of a private motor vehicle to a tourist to drive himself; transportation of tourists in a private motor vehicle, a bus or an airplane; hospitalization of a foreign tourist; sale of fruits and vegetables; sale of dealer's/dealers' assets to a company in exchange for the company's stock only, provided that the dealer/dealers owns 90%, or more, of the voting power immediately after the assets transfer; sale of all of the company's assets to its shareholders in a liquidation process, in which, the assets are divided amongst the said shareholders in proportion to the shares respectively held by them; supplies of goods to who would be exempted from sales tax due to entry to Israel (supplies of certain goods to new immigrants and to students returning from study abroad); sale of a real estate by a non-profit organization or by a financial institution to a non-profit organization or to a financial institution as part of restructuring; renting exhibition space by non-resident; services given by an Israeli production company to a non-resident for film production in Israel; services given to a non-resident in respect of human clinical trials; an Eilat resident dealer buys goods from an Eilat non-resident. |
| Italy\* | 4%: certain food; medications and health products/services and equipment for the disabled; supply of services for certain residential housing constructions; books; newspapers; weekly magazines; supply of food by schools, canteens and “soup kitchens”.  5%: aromatic herbs, fresh or chilled truffles, social and health service for the elderly, drug addicts, migrants, prisoners, handicapped, AIDS patients, transport services on urban waterways (see, river, lake or lagoon); compostable feminine hygiene products.  10%: certain food and beverage, water supply; pharmaceutical products (for humans and animals); medical services (if not exempt); passenger transport; combustible gas for cooking; mineral oil; electricity; gas; urban waste; purification stations; livestock meat and fish; renewable-source energy; works of art; admission to shows and cultural events; letting of immovable property by building enterprises; renovation and maintenance work for residential housing; restaurants; construction of urban development; hotel and similar accommodation services. |

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| Japan | 8% food, beverages (excluding alcoholic beverages and eating-out services) and certain newspapers under subscription. |
| Korea | 0%: supply of certain machinery and materials for agriculture; fishery; livestock and forestry; supply of mineral oil used for certain purposes in agriculture, fishery and forestry; certain equipment for the disabled. |
| Latvia\* | 12%: medicinal products; medical devices; food for infants; pharmaceutical products; inland passenger transport services; books, newspapers and periodicals; hotel accommodation; district heating, transport of passengers.  5%: Certain supplies of fresh fruits, berries and vegetables. |
| Lithuania\* | 9%: heating power used for heating residential premises, hot water (including cold water used for preparing hot water and to heating power used for preparation of hot water) supplied to residential premises; books, non-periodical information; inland regular passenger transport; accommodation services; firewood and wood products for heating supplied for domestic energy consumers.  5%: certain medicines and medical aid equipment (including prescription drugs); technical aids for disabled persons and repairs of such aids; newspapers, magazines and periodical publications. |
| Luxembourg\* | 3%: food for human and animal consumption; water supply; pharmaceutical products including products used for contraception and sanitary protection; certain medical equipment; certain aids and other appliances normally intended to alleviate or treat disability; passenger transport; accommodation; books, newspapers and periodicals supplied on physical means of support or electronically, but excluding material with predominantly adult content; admission to cultural and sporting events; use of sporting facilities; restaurant services but excluding alcoholic beverages; services by writers, composers and performing artists, or of the royalties due to them; goods and services of a kind normally intended for use in agricultural production; services supplied in connection with waste collection and treatment; children’s clothing and footwear; housing used by the owner, for his own use, as principal dwelling; substantial works on housing used as principal dwelling and (i) constructed more than 20 years prior to the start of the works (ii) newly acquired, the works to be completed in the five years following the acquisition; funeral services; reception of radio and television broadcasting services but excluding exclusively adult content services.  8%: certain labour intensive services; works of art delivered by their authors/creators or by their heirs or imported; gas; electricity; firewood; district heating; flowers and ornamental plants; certain plant protection products allowed for organic production.  14%: certain wines; certain fuels; washing and cleaning products; printed advertising; heat and air conditioning; certain financial services. |
| Mexico | 0%: sale of non-industrialised animals (except dogs, cats and small species used as home pets) and vegetables (except rubber); patent medicines; milk; bottled water; juices, nectar and concentrated fruits and vegetables; ice; food (except sale of processed food in restaurants and food establishments, chewing gum, caviar, smoked salmon, eels, pet food and soft drinks); agricultural equipment; machinery and fishing boats; wholesale of gold; gold bullion (with a content of at least 80% of gold) and jewelry; some agricultural and fishing services; magazines, books and newspapers printed by the taxpayer himself; domestic water supply; hotel services provided to foreign tourists participating in congresses, conventions and trade shows; use of convention centres by event organisers who are residents abroad; call centre services for telephone calls originated abroad, as long as the services are contracted and paid a foreign resident without a permanent establishment in Mexico.  8%: sale of goods, provision of independent services, and granting of the temporary use or enjoyment of goods in the premises or establishments located in the northern border region. This reduced rate does not apply with respect to certain digital commerce transactions, sale of real estate and intangible assets, and imports. |

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| Netherlands\* | 9%: food; catering; goods and services for the disabled; medicine; accommodation; books; certain electronic publications and e-books; lending of books; newspapers; magazines; passenger transport (except passenger transport by air); water supply; entrance fees for sports events; amusement; parks; museums; cinemas; zoos and circuses; cut flowers and plants; restaurant and hotel meals; aids for the visually disabled; use of sports accommodation; art and antiques; hotel and holiday accommodation; certain labour intensive services like some specific services for the maintenance and isolation of dwellings; cleaning of dwellings and hairdressing. |
| New Zealand | 0%: supply of taxable activity (business) as a going concern; supply of fine metal (gold, silver or platinum) from a refiner in fine metal to a dealer in fine metal; supply by local authorities of the local authorities petroleum tax; supply of financial services to GST registered businesses. Supply of land by and to a GST registered person when the recipient intends to use it to make taxable supplies and it is not intended to be used as a principal place of residence (this zero-rating between GST-registered persons is equivalent to the domestic reverse charge).  Long‑term stay in a commercial dwelling; certain services provided as part of the right to occupancy (taxed at the standard rate on 60% of the value of the supply). |
| Norway | 0%: books; newspapers; certain periodicals and publications; certain electronic publications and e-books; electronic news services; electricity and energy supplied from alternative energy sources for household use in the counties of Finnmark, Troms and Nordland; the purchase and leasing/hiring of electric motor vehicles and batteries; second‑hand vehicles covered by re-registration tax; supply of certain ships, aircrafts and drilling platforms and hiring out such vessels; services that are directly related to the construction of embassy buildings (to final consumer); goods and services to specific international military forces and command units; supply of taxable activity (business) as a going concern; supply of human organs, blood; supply by funeral directors of services relating to the transportation of deceased persons.  12%: accommodation, passenger transport and transport of vehicles by ferries or other vessels in connection with the domestic road network; public broadcasting; admission to sporting events, museums, cinemas and amusement parks.  15%: food and non-alcoholic beverages. |
| Poland\* | 5%: certain food; certain beverages; certain books and periodicals; certain electronic publications and e-books.  8%: certain food; treatment, distribution and trade services of water through water mains; pharmaceutical products; certain goods for disabled; veterinary services; passenger transport; certain newspapers; services (other than electronic services) enabling the reception of television and radio programmes with the exclusion of VOD; admission to cultural and sporting events; author’s rights; supply, construction, repairs, modernisation, thermo-modernization and reconstruction of social housing; hotel accommodation; restaurant services except beverages; cemetery services; collection and treatment of waste; some labour intensive services; certain live animals and certain products of animal origin; animal feeding stuffs; certain agricultural means of production; certain agriculture services; children's car seats. |
| Portugal\* | 6%: essential food; water supply; pharmaceutical products; devices for the disabled; medical services (if not exempt); books, newspapers and periodicals; certain electronic publications and e-books; passenger transport; hotels and similar services; social housing; some goods used in agriculture; certain agriculture products and certain agriculture services; home care services for elderly people, children and drug addicts, as well as phone assistance services to elderly people or chronically ill people; assistance services by telephone to the elderly and chronic patients, admission to cultural events as well as to admissions to exhibitions, zoos, parks, aquariums, museums and buildings of national interest.  13%: some other food; still wine; diesel fuel for agriculture; machinery mainly used in agricultural production; restaurant services. . |

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| Slovak Republic\* | 10%: certain food; radioactive elements and isotopes and compounds for health service; pharmaceutical products; diagnostic or laboratory reagents; certain medical and sanitarian means; printed books and newspapers, brochures, leaflets and similar printed matter; music; orthopedic appliances; contact and spectacle lenses; certain means for blind and partly blind persons, hard-of-hearing persons and hard health-disabled persons; accommodation services. |
| Slovenia\* | 9.5%: foodstuff (for human and animal consumption); preparation of food; water supply; medicine, devices for the disabled; passenger transport; admission to cultural and sporting events; author’s rights; import and supply of certain works of art, collectors’ items or antiques; social housing; renovation and maintenance work of residential housing not provided as part of a social policy; livestock and certain supplies in connection with agricultural production; hotel accommodation; restaurant (except beverages); use of sporting facilities; supplies by undertakers and cremation services; public hygiene services; window-cleaning and cleaning in private households; minor repairing of bicycles, shoes and leather goods; domestic care services; hairdressing; cut flowers and plants.  5.0%: books, including books form libraries, newspapers and periodicals. |
| Spain\* | 4%: basic foodstuff ( bread, flour, milk, cheese, eggs, vegetables and fruit); certain supplies to the disabled (e.g. wheelchairs); ; medicines and other medical devices for human use (e.g. lenses); books, newspapers and periodicals; supply of new buildings for social housing and social accommodation; supply of dwelling to certain house lease entities.  10%: foodstuff (for human or animal consumption); water supply; medicines for animal use; certain medical equipment and certain pharmaceutical products; passengers transport; sale (also restoration or construction works under conditions) of building or parts of buildings susceptible of use as private housing; minor works on private housing; restaurants and catering; certain cultural and entertainment services; hotel accommodation and alike; amateur sport events; commercial fairs; animals as well as agriculture and forestry products for obtaining foodstuffs; goods and services used in agricultural, livestock and forestry undertakings, including flowers and plants; waste treatment; cleaning of public sewage; burial services; cleaning and maintenance services of public areas. |
| Sweden\* | 0%: commercial aircraft and ships and certain services related to these; aircraft fuel; prescribed medicine; printing of certain membership publications.  6%: passenger transport; books, newspapers and magazines, including in electronic format; certain electronic publications and e-books; culture (theatre, cinema, etc.); author’s rights; zoos; commercial sports events; commercial museums, exhibition of natural areas.  12%: food and restaurants services; accommodation; works of art owned by the originator; import of antiques, collector’s items and works of art; repair of bikes, shoes and other leather goods and household linen. |
| Switzerland | 0%: Supply of services by travel agents and organisers of events, if they make use of supplies of goods and services by third parties that are provided abroad; certain supplies of goods and services to international airlines; state minted gold coins, fine gold for investment purposes and gold destined for refining or recovery.  2.5%: tap water; food; cattle; poultry; fish; grains; seeds; planting roots and bulbs; living plants; cuttings; scions and cut flowers and branches; animal feed; silage acids; scatterings for animals; fertilisers; pesticides; mulch; medication; books, newspapers and magazines, including in electronic format; non‑commercial services of radio and television companies, certain supplies in connection with agricultural production. The 2.5% rate also applies to certain cultural services supplied directly to the public, considerations demanded for sporting events, cultural services and the supply of works by their creators when the suppliers have opted for taxation (otherwise those supplies are exempt without right of deduction).  3.7%, accommodation services. |
| Turkey | 0%: supply of ships, aircraft, and rail transportation vehicles; supply of services related to the manufacture, repair, maintenance of such vehicles; supply of services to ships and aircraft at harbours or airports; supply of goods and services for the exploration, management and refining of gold, silver, platinum, and oil; supply of machinery and equipment to persons who have an investment incentive document; goods and construction works for the construction, restoration and enlargement of seaports and airports; some goods and services related to national security; international roaming services supplied in Turkey according to the reciprocity principle; supply of goods that are listed in the second list of excise duty tax law to the Presidency central organisation; the first supply of product certificate that are drawn up according to agricultural product license warehousing law via commodity exchange market; exemption for delivery of equipment produced for the disabled; deliveries and services made to Turkey Red Crescent Society; fertilizer and feed deliveries; resident or workplace deliveries to non-residents in Turkey; deliveries of goods and services made in the scope of construction of organized industrial zones and small industrial sites; deliveries and services made to donators in the scope of facilities that are donated to general and special budget public administrations, special provincial administrations, municipalities and villages by these donators; health services provided to foreigners; new machinery and equipment deliveries to those that perform R & D, innovation and design activities; printed books and periodicals.  1%: some agricultural products; second-hand cars; funeral services; supply of residential housing under 150 m2 in cities other than metropolitan ones and in metropolitan cities if land value per m² lower than TRY 500 for building permit delivered between 1/1/2013 and 31/12/2016 and lower than TRY 1000 for building permits delivered since 1/1/2017; lease of specified machinery and equipment; seeds.  8%: basic food; books; blood and blood component; cinema; theatre; opera and ballet tickets; private educational service; vaccines; some medical products and services; ambulance services; medicine; medical equipment; textile and confection products and custom manufacturing of them; accommodation services; meal services at non-luxury restaurants (excluding alcoholic beverages); services provided by orphanage and nursing homes; some constructional and agricultural machines; some furniture; clothing; stationery goods; waste water services; supply of residential housing under 150 m² in metropolitan cities and with land value per m² is between TRY 500 and TRY 999 for building permits delivered between 1/1/2013 and 31/12/2016 and with land value per m² between TRY 1000 and TRY 2000 for for building permits delivered since 1/1/2017 . |
| United Kingdom\* | 0%: food; certain services and goods supplied to charities; children's clothing; passenger transport; books; newspapers; domestic sewage and water; prescribed drugs; medicine; certain aids and services for disabled people; new housing, including the construction of new houses; residential and some charitable buildings.  5%: fuel and power for domestic and charity use; certain energy saving materials supplied together with fitting services to recipient of benefits; certain grant-funded installations of heating equipment; children car seats; certain pharmaceutical products. |
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1. VAT rates changes introduced after 1 January 2020 are mentioned in the country notes to this table.

2.For the purpose of this table, reduced rates also include “domestic zero rates” (0%) i.e. instances where VAT is not charged by the supplier on domestic supplies while related input VAT is deductible. In some countries, these supplies are called “exempt with right of deduction” and in others “GST free”. They do not include zero-rate applied to exports, supplies of goods or services used or consumed abroad or other supplies subject to similar treatment such as international transport or supplies to embassies, international organisations and diplomatic missions.

3*.* Israel: The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

*Source*: National delegates. Data as of 1 January 2020

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| Country notes to Table 2.2.1  **Austria\***. *A rate of 0% applies to imports of goods needed to combat the Covid-19 from 30 January until 31 October 2020. The same applies to supplies and Intra-Community acquisition of some of these goods from 14 April until 31 July 2020. From 30 June 2020 to 31 December 2020 a rate of 5% applies to restaurants, some supplies of artists, writers and composers; admission to cultural events and cinemas, hotel accomodation, books, newspapers and periodicals (both physical and electronic).*  **Belgium\*.** *To combat Covid-19, a rate of 0% applies from 13 March until 31 October 2020 to imports of certain goods needed; a rate of 6% applies to the supply, intra-Community acquisition and import of masks and hydro alcoholic gels from 4 May until 31 December 2020; a rate of 6% applies to the restaurant and catering services, excluding alcoholic beverages from 8 June 2020 until 31 December 2020.*  **Czech Republic\*.** From 1 May 2020 the reduced rate of 10 % applies to supplies of certain e-publications and e-books, passenger transport, water, collection and treatment of waste and waste water, restaurant and catering services, domestic care services, cleaning in private households, domestic care services, hairdressing, and repairs of clothing, shoes and leather goods. From 1 July 2020, the reduced rate of 10 % applies to supplies of passenger transport, accommodation, admission to cultural events and facilities, admission to sporting events and use of sporting facilities. *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 October 2020.*  **Denmark\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Estonia\*.** Certain electronic publications and e-books are subject to the reduced rate of 9% from 1 May 2020*A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Finland\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **France\***. Rates of 0.9%; 2.1%; 10.0%; 13.0% and 20.0% apply in Corsica; rates of 1.05%; 1.75%; 2.1% and 8.5% apply to overseas departments (DOM) excluding French Guyana and Mayotte. *Reduced rates of 0% or 5.5% apply to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020. A rate of 5.5 % also applies to supplies of certain goods needed to combat the Covid-19 from 1 march 2020 until 31 December 2021.*  **Germany\*.** *A rate of 0% applies to donations of certain medical material and equipment to hospitals from 1 March 2020 to 31 July 2020.* *A rate of 0% also applies to imports of goods needed to combat the Covid-19 from 1 January until 31 July 2020. Restaurant and Catering Services are subject to the reduced rate of 5% from 1 July 2020 until 31 December 2020 and 7% from 1 January 2021 until 30 June 2021.*  **Greece\***. Specific regional rates of 4.0%, 9.0% and 17.0% apply in the islands of Leros, Lesbos, Kos, Samos and Chios until 31 December 2020. *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020. Sanitary products essential for the protection of public health during the COVID-19 Pandemic (masks, gloves, etc.) are subject the reduced rate of 6% from 20 March until 31 December 2020. Between 1 June 2020 and 31 October 2020, the reduced rate of 13% applies to admission to cinemas; transport of passengers and their accompanying luggage. In the same period, the reduced rate applies to the supply of non-alcoholic beverages in restaurants and similar businesses, excluding nightclubs.*  **Hungary\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Ireland\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Israel.** The rate of 0% applies when an Eilat resident dealer buys goods from Eilat non-residents. Supplies made by an Eilat resident supplier (to be consumed in Eilat) are exempt from VAT. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Italy\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 30 January until 31 December 2020. A rate of 0% applies to the supplies of same goods from 19 May until until 31 December 2020. From 1 January 2021 a VAT rate of 5% will apply to the supplies of goods deemed necessary to fight the spread of COVID-19.*  **Japan.** The standard VAT rate was increased from 8% to 10% on 1 October 2019.  **Latvia\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Lithuania\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Luxembourg\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 October 2020.*  **Mexico.** A reduced VAT rate of 8% applies to sale of goods, provision of independent services, and granting of the temporary use or enjoyment of goods in the premises or establishments located in the northern border region from 1 January 2019 until 31 December 2020.  **Netherlands\*.** *A rate of (effectively) 0% applies to the hiring of healthcare workers by healthcare facilities or institutions qualifying for the VAT exemption of medical services. The measure applies from 16 March to 1 January 2021. The rate of (effectively) 0% also applies to donations of Covid-19 related medical material and equipment to to healthcare facilities or institutions and to general practitioners from 16 March 2020 to 1 January 2021. A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 30 January to 1 November 2020. A rate of 0% applies to the purchase in the Netherlands of mouth masks (medical and non-medical) from 25 May to 1 January 2021. The reduced rate of 9% applies to online fitness classes from 16 March to 1 July 2020.*  **Norway.**  *The reduced rate of 12% is temporarily reduced to 6% from 1 April to 1 November 2020.*  **Poland\*.** *A rate of 0% applies to donations of certain medical material and equipment to hospitals from 1 February to 31 August 2020. A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Portugal\***. In the Islands of Azores, the standard VAT rate is 18% and the reduced rates are 4% and 9%. In the Islands of Madeira the standard rate is 22% and reduced rates are 5% and 12%. *A rate of 0% applies to donations of certain medical material and equipment to hospitals from 1 March 2020. A rate of 0% applies to supplies, intra-community acquisition and imports of certain goods needed to combat the Covid-19 acquired by the State and other public entities, the national health service, private hospitals contracted by the State to fight COVID-19 and NGOs, from 1 January until 31 July 2020. A rate of 6% applies to imports, supplies and intra-community acquisitions of protective masks and disinfectant gel, from 8 May until 31 December 2020.*  **Slovak Republic\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Slovenia\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Spain\*.** Rates of 0.0%, 2.75%; 3.0%; 7.0%, 9.50%; 13.50%, 20% apply in the Canary Islands. Rates of 0.5%; 1.0%, 2.0%; 4.0%; 6.0%; 8.0%; 9.0% and 10% apply in either Ceuta and Melilla. Certain electronic publications and e-books are subject to the reduced rate of 4% from 23 April 2020 *A rate of 0% applies to the supply of medical equipment from national producers to public entities, NGOs and hospitals until 31 October 2020. A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Sweden\*.** *A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 1 January until 31 July 2020.*  **Turkey.** *A rate of 1% applies to the supply of domestic air transport from 1 April to 30 June 2020.*  **United Kingdom.** Certain electronic publications are subject to the reduced rate of 0% from 1 May 2020.*A rate of 0% applies to imports of certain goods needed to combat the Covid-19 from 30 January until 31 July 2020.*  *\** According to the European Commission DecisionC(2020)4936, a rate of 0% for VAT and import duties applies to the importation in the European Union of goods needed to combat the effects of the COVID-19 outbreak during 2020.  1. Specific or temporary VAT rates applicable in the context of the Covid-19 crisis are shown *in italics* |

Table 2.3. VAT Exemptions

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| **Country** | **Exemptions** | **Taxation of “common exemptions” in the country** |
| Australia | Financial services; residential rent and residential premises (other than new residential premises); certain supplies of precious metals; school canteens operated by non-profit bodies (optional); certain fund raising events conducted by charitable institutions. | Domestic postal services; sporting services; cultural services excluding religious services (zero rate); insurance and reinsurance excluding health insurance (zero rate); gambling (including lottery tickets and betting); supplies of land and buildings (except certain supplies of farm land and supplies of going concerns– zero rate and existing residential premises – exempt). |
| Austria | Common exemptions2 | Letting (private housing) |
| Belgium | Common exemptions2 | - |
| Canada | Common exemptions2; legal aid; public transit; ferry, road and bridge tolls; child and personal care services; certain regulatory/administrative supplies by a government or a municipality. | Most betting, lotteries and gambling; supply and leasing of commercial land and buildings; sales of newly constructed or substantially renovated housing; domestic postal services; most cultural and sporting services e.g. adult programmes; services provided by other than public sector bodies; most admissions to a place of amusement (e.g. museums, films, professional performances and sporting events, etc.); human blood and certain biologicals (zero rate). |
| Chile | Services not specifically listed in the law are out of scope of VAT (e.g. legal, accounting, engineering, architecture and other professional services). VAT Exemptions apply to:used motor vehicles; goods provided by the employer to dependant employees; domestic raw materials used in the production, processing or manufacture of goods for export; some imports by the Ministry of Defence, the Army and other related organisms; some imports by the firefighting organisations (Cuerpos de Bomberos) and the Junta Nacional de Cuerpos de Bomberos; some imports by the Chilean Mint (Casa de Moneda de Chile S.A.) and other persons provided that the import is made in the context of operations with the Central Bank of Chile; capital goods imported and assigned to projects involving investments of USD 5 000 000 or more; income received from tickets to shows and meetings; international freight, passenger transport including the transport of passenger within the national territory; premiums and disbursements of reinsurance contracts; commissions earned by the Regional and Metropolitan Housing and Urbanisation Services and Social Security Institutions on mortgages; non-taxable income; income subject to additional income tax; income such as wages, salaries, pensions, income obtained by independent workers and directors fees if taxed with income tax; insertions and notices to be published and disseminated under the right of reply; certain insurance premiums; financial interests; commissions coming from guarantees issued by financial institutions; letting and lease with a purchase option of immovable property; remunerations linked to exports; income obtained from services rendered to persons domiciled or resident abroad and qualified as exportable services by Customs; income of hotels relating to services rendered to foreign tourists and income from letting of furnished immovable properties rented to foreign tourists; fees paid for managing retirement savings earned by specific authorized institutions; income obtained by independent professionals, where the physical effort is more relevant than the capital or materials used; construction contracts and finance lease of a house financed with a housing subsidy granted by the Ministry of Housing and Urban Development; broadcasting and television enterprises excluding income from advertisement; news agencies; educational services; health services; health contributions paid to Private Health Insurance Companies; manufacturing of currency by Casa de Moneda de Chile; postal services rendered by Servicio de Correos y Telégrafos de Chile; interests, premiums, commissions or other forms of remunerations paid by authorized lotteries (Polla Chilena de Beneficencia and Lotería de Concepción to individual) or legal entities for business services; other minor exemptions. | Income from artistic shows or plays not sponsored by the Ministry of Culture, Arts and Heritage; income from certain circus and sports events if certain requirements are not met. Postal services are subject to VAT if they are not provided by “Correos de Chile” (Chilean postal service company). The transport of cargo within national territory is subject to VAT. Payments to be done when using a private health insurance if these payments exceed amount normally covered by the public health insurance. Educational services are exempted as long as they cover teaching activities only. Letting of immovable properties is exempted to the extent that the immovable property is not furnished and there is no commercial or industrial equipment to carry out any commercial or industrial activity. |
| Colombia | Interest and financial income from credit operations; education services provided by recognised establishments; medicines and vitamins, public transport, human and animal blood, contraceptives, certain agricultural products and inputs, live animals, salt, natural or artificial mineral water. | Insurance services, postal services |
| Czech Republic | Common exemptions2; public television and radio. | Certain cultural services (e.g. admission to theatres, cinemas, concerts, etc. subject to reduced rates); sporting services provided by others than by non-profit making organisations; supply of construction land; supply of new building and building land (subject for the option to taxation). |
| Denmark | Hospital and medical care; dental care; social service; education; non-commercial activities of some non-profit making organisations; non-profit sport activities etc.; cultural services (some exceptions); literary and composing activities; creative artist; letting of immovable property; supply of immovable property; insurance and reinsurance; financial services; lotteries and gambling; postal service; stamps; transport of persons; funeral service; certain fund-raising events; charitable work | Cultural services as radio, television broadcasting, cinema, theatre, concerts etc.; short term letting of immovable property; option to tax commercial letting; supply of new building and building land; some commercial postal service |
| Estonia | Common exemptions2 | Immovable property, except dwellings (optional); financial services (optional); cultural services |
| Finland | Common exemptions2; services of performers; copyright to literary and artistic works (excluding payments to or from an organisation representing the copyright holders); certain transactions by blind people; public cemetery services; self-picked natural berries. | Cultural services; letting of commercial buildings in certain cases (optional) |
| France | Common exemptions2; construction, improvement, repair and maintenance work on monuments, cemeteries and graves commemorating war victims undertaken for public authorities and non-profit bodies; commodity futures transactions carried out on a regulated market; services rendered by resource consortia to their members composed of natural or legal persons that are VAT exempt or not subject to VAT. | Letting of immovable property (full taxation for letting of developed immovable property and land for professional use; option to tax for letting of undeveloped immovable property for professional use in certain circumstances and letting of land and buildings for agricultural use); transport services for sick/injured persons in vehicles not specially equipped for this purpose and/or carried out by persons who do not have administrative certification; recreational and sporting services; cinemas, concerts and theatres. |
| Germany | Common exemptions2 |  |
| Greece | Common exemptions2; national radio and TV broadcasting activities other than those of commercial nature; remunerative contributions imposed by Organizations of Territorial Improvements to their members for the supply of irrigating water and relative supplies directly connected thereto; services provided by dental technicians and the supply of dental prosthetics by dentists and dental technicians; supply of breast milk; supply of goods of an enterprise, in whole or in part, to an existing legal person or one being set up against a consideration, or as a gift or as contribution, provided that the goods were used until then exclusively in an exempt from (or out of scope of) VAT activity (or supply of goods to special scheme farmers) and the supplier was not granted or exercised input tax deduction. | Postal services not rendered by the Greek Post Office (ELTA.); charitable work when provided by organisations without state recognition; hospital and medical care supplied by profit organisations or by non-profit private organisations under distortion of competition; sporting, cultural, religion related or philosophy related etc. services supplied by profit organisations or subject to distortion of competition; supply of new buildings; letting of immovable property for professional use (optional taxation). |
| Hungary | Common exemptions2; public radio and TV broadcasting (except for commercial activities). | Supply of building land, supply of new buildings (taxation of further supplies and letting of immovable property is optional); certain cultural services (e.g. admission to theatres, cinemas, concerts), certain sporting services (e.g. swimming pool services, entrance tickets to sporting events). |
| Iceland | Common exemptions²; sports, admission fees to athletic events and health facilities; public transportation, organized transportation of disabled, elderlies and school children, taxi services; authors, composers, burials and church-related services; medical and social services; cultural services; operation of schools and educational institutions; rental of real properties and parking spaces; lotteries and betting pools, charities. |  |
| Ireland | Common exemptions² ; passenger transport; national broadcasting; supply of water by public authorities; admissions to sporting events; funeral undertaking. | Letting of commercial immovable property (subject to the option for taxation by the landlord); supply of undeveloped land and buildings that are not new (subject to a joint option for taxation); recreational and sporting services. |
| Israel3 | Rentals for residential purposes for a period of not more than 25 years; the sale of a part of a building which was approved as a rental building; transactions of an exempt dealer, other than transactions that are sales of real estate; the sale of an asset, on which input tax in respect of its acquisition or importation could not be deducted lawfully at the time of its acquisition or importation; deposits in a financial institution or giving a loan to a financial institution; goods whose import is tax exempt in certain cases; supplies made by an Eilat resident supplier(to be consumed in Eilat); the sale of residential dwelling to Real Estate Investment Trust (REIT) by a person who is not a dealer and the sale of that dwelling by the REIT. | Non-commercial activities of non-profit making organisations; financial services (specific regime). |
| Italy | Common exemptions²; taxi; funeral services. | Supply and letting of land; supplies of buildings are taxed in the first five years when sold by building enterprises within five years from their construction or after five years if the latter has opted for non-exemption. This scheme applies in the case of commercial buildings, while for residential housing taxation only applies when let by building enterprises which have opted for non-exemption. Rates are 4% for non-luxury owner-occupied dwelling, 10% for other non-luxury houses and 22% for luxury housing. Certain social assistance services provided by public bodies and non-profit organisations; welfare services to employees. |
| Japan | Common exemptions²; social welfare services; sale of certain kinds of equipment for the disabled people; administrative services; alienation of securities, textbooks, tuition fees. | Postal services; supply of buildings; cultural and sporting services provided by others than non-profit organisations; letting of immovable property by business. |
| Korea | Common exemptions2; certain public transport; supply of water and certain coal; mineral oil used for certain purposes in agriculture and fishery; funeral undertaking; certain personal services similar to labour; books, newspapers and magazines; broadcasting services; supply of farm, marine and forest products. | Rental and supply of commercial buildings; commercial cultural services; gambling in licensed clubs. |
| Latvia | Common exemptions²; royalty received by the author. | Supply of used immovable property (only a registered taxable person has the right to apply tax on the supply thereof). |
| Lithuania | Common exemptions²; public television and radio, sale of postal and fiscal stamps, social welfare services and goods related to it, services supplied to members. | Supply of building land and new (24 months) buildings, short-term (up to 2 months) letting of residential premises, letting of parking spaces and similar, supply of land and used buildings when option to tax is exercised. |
| Luxembourg | Common exemptions². | - |
| Mexico | Common exemptions²; gold and silver coins; shares; foreign currency; retailing of gold bullion with a content of at least 99 % gold; authors’ rights; urban, suburban and metropolitan public transport of passengers by land including by train (with the exception of public transport that is contracted through digital intermediation service platforms and the vehicles with which the service is provided for private use); sale of used movable property (with exception of those sold by companies); professional medical services. | Postal services; insurance services (except life and agricultural insurance); transport of sick/injured persons; public hospital and medical care, sports services; financial services for consumer and personal credits; certain kinds of public spectacles like movie tickets; supplies of land and buildings (except housing); certain fund raising events and sale of goods, provision of services and granting of the temporary use or enjoyment of goods carried out by non-profit institutions authorized for receive deductible donations for effects the CIT. |
| Netherlands | Common exemptions²; burials; cremations; public broadcasting; sports clubs; the services of composers, writers and journalists. | Cultural services (mostly lower rate); letting of immovable property other than houses (only at combined request by letter and hirer); supply of immovable property (only at the combined request of supplier and purchaser); the use of sports accommodation; recreational and sporting services; admission to cinemas, concerts and theatres; sporting events; museums and zoological gardens. |
| New Zealand | Financial services; supply of residential accommodation in a dwelling; fine metal; supply by a non-profit body of donated goods and services. | Postal services; human blood, tissues and organs; hospital and medical care; transport of sick/injured persons; dental care; charitable work; certain fund raising events; education; non-commercial activities of non-profit making organisations (other than unconditional gifts); cultural services; sporting services; insurance and reinsurance (other than life insurance and reinsurance); letting of immovable property (other than residential accommodation); betting, lotteries and gambling; supply of land and buildings (other than land and buildings which have been used for the provision of residential accommodation for five years or more). |
| Norway | Common exemptions²; certain alternative treatments/fringe medicine; burials; stamps and coins for collection purposes; management services by a housing association to an affiliated housing cooperative; services in the form of membership of a board, supervisory board, committee, council or similar if the consideration is included in the employer’s National Insurance contributions; services in the form of offsetting emission allowances | Postal services; infrastructural services within the passenger transport sector; admission to sporting events, museums, cinemas and amusement parks; letting of commercial buildings (optional). |
| Poland | Common exemptions2; public radio and television. | Rental or tenancy of the dwelling buildings used for commercial purposes; supply of building land or land for development and buildings. |
| Portugal | Common exemptions², burials and cremations, copyright to the literature and works of art. | Option to tax the supply and letting of immovable property; option to tax training services |
| Slovak Republic | Common exemptions²; public television and radio; services supplied to members; sale of postal and fiscal stamps. | Supply of a construction, including the supply of building land, on which the structure is constructed, provided that the supply is made within five years after the first approval of the building or a part thereof based on which the building or a part thereof was approved for use or within five years from the day when the building or a part thereof was put in use for the first time; option to tax supply and letting of immovable property; training, educational, sporting and cultural services provided by others than by non-profit making organisations. |
| Slovenia | Common exemptions²; public television and radio. | Supply of new buildings; admission to cultural and sporting events; educational, sporting and cultural services provided by profit making organisations; option to tax letting of immovable property. |
| Spain | Common exemptions²; copyright to literature and works of art; services provided by associations, entities, groups (including "economic interest groupings) and other legal persons to their members when they are exclusively integrated by taxable persons carrying out economic activities exempted or not subject to VAT; certain social assistance services provided by public bodies or not-for-profit organisations. | Cultural and sporting services provided for taxable persons different from public bodies and non-profit making organisations; letting of commercial buildings; building land; supply of new buildings. |
| Sweden | Common exemptions²; public television and radio; public cemetery services; social services; creative artists. | Most cultural services; letting of commercial buildings in certain cases (optional). |
| Switzerland | Common exemptions2; cultural services and the supply of cultural works by their creators, such as authors, composers, film makers, painters, sculptors and services supplied by publishers and collecting societies in order to circulate these works; the supply of used movable goods, which were used exclusively for the provision of supplies exempt from the tax without credit; the sale of agricultural, forestry and market garden products cultivated in their own business by farmers, foresters or gardeners, the sale of cattle by cattle dealers, and the sale of milk by milk collection points to milk processing plants; publicity services, which charitable organisations provide for the benefit of third parties or third parties for the benefit of charitable organisations; the exercise of arbitration functions. supplies between organisational units within the same public authority, between private or public law companies owned wholly by public authorities and the public authorities that own them or their organisational units, between institutions or foundations that were founded exclusively by public authorities and the public authorities that founded them or their organisational units; the provision of staff by public authorities to other public authorities; supplies between education and research institutions that are involved in education and research cooperation, provided those supplies are made as part of the cooperation, irrespective of whether the education and research cooperation is liable to value added tax. | The dispensing of artificial limbs and orthopaedic equipment; renting of exhibition stands and individual rooms in exhibition and congress buildings. |
| Turkey | Importation of goods for cultural and educational purposes or for social purposes; restoration project related to cultural object; delivery of goods and provision of services to military factories, shipyards and factory plants; exempted taxpayers according to Income Tax Law; mergers and transfer according to Corporate Tax Law; transactions on leasing of real properties not included in economic enterprises; banking and insurance transaction; transactions of the Mint House and the Stamp Printing House; supply of precious mine and waste; supply of water used in agriculture; services supplied in free trade area; transportation of foreign oil and gas by pipelines; supply of land and workplace for organised industrial zone; supply of goods within the scope of financial restructuring; the transactions of Savings Deposit Insurance Fund; news service provided to General Directorate of Press and Information; renting work place in customs area; delivery and leasing of immovable property by the Treasury ; transfers and deliveries resulting from the sales of shares and real properties that have been included for at least two years in the assets of institutions; transfer of movable and immovable assets and intangible assets to the asset leasing company and the leasing of assets by asset leasing company; services provided by “Insurance Arbitration Commission” about settling disputes; roaming services received from abroad in the scope of international roaming agreements and reflection of these services to customers in Turkey. | Private education; private cultural services and sporting services; private hospital and medical care and dental care; human blood; transport of sick/injured persons(lower rate); postal services; sale of commercial buildings; letting; radio and television broadcasting; betting, lotteries and gambling; financial services that made by financial corporation; supply of land and buildings included in economic enterprises (standard rate); public hospital and medical care and dental care; public education; public cultural services and sporting services; tissues and organs; certain charitable work that is made by public organization or certificated institution; insurance and reinsurance; letting of immovable property not included in economic enterprises (exemption); non-commercial activities of non-profit making organisations; certain fund-raising events(non-taxable). |
| United Kingdom | Common exemptions2; burials and cremations; sports competitions;; works of art. | Standard rated: freehold sales of new commercial buildings (standard rated for three years from completion date) and “option to tax” for other ordinarily exempted supplies of commercial buildings; gaming machines and certain gambling in licensed clubs  Zero-rated: New housing, including construction of new houses; residential and some charity buildings. |

1. Exemptions: for the purposes of this table, “exemption” refers to supplies for which VAT is not levied on the amount charged by the supplier while the latter is not allowed to deduct related input tax. In some countries, such supplies are called “input taxed supplies”.

2. Common exemptions: in this table, “Common exemptions" refer to exemptions generally applied in most OECD countries i.e. postal services; transport of sick/injured persons; hospital and medical care; human blood, tissues and organs; dental care; charitable work; education; non-commercial activities of non-profit making organisations; sporting services; cultural services (except radio and television broadcasting); insurance and reinsurance; letting of immovable property; financial services; betting, lotteries and gambling; supply of land and buildings; certain fund-raising events

3. Israel: the statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

*Source:* National delegates; position as at 1 January 2020.

Table 2.4. Restrictions to the right to deduct VAT on specific inputs

|  |  |
| --- | --- |
| Country | Inputs on which the right to deduct VAT is denied or limited |
| Australia | **Entertainment:** recreational club leisure facility, entertainment, meal entertainment, family maintenance, relative's travel  **Vehicles:** the amount of GST recoverable on the acquisition of a car is limited to that applicable to the car depreciation limit for the income year, currently AUD 57 466.  **Others:** penalties, non-compulsory uniforms.  GST is not recoverable on the expenses above to the extent they are not eligible for a deduction under the income tax law. |
| Austria | **Entertainment:** all entertainment expenses.  **Vehicles:** vehicles, except used for commercial passenger transport, for leasing purposes or used at least 80% for driving schools. |
| Belgium | **Entertainment:** full input tax block for restaurant and hotel (with a number of strict exceptions), certain alcoholic beverages (with a number of strict exceptions) and reception and hospitality costs.  **Vehicles:** Expenses relating to vehicles for transport of persons and/or goods by road. The right to deduct input tax may in principle not exceed 50% (with a number of strict exceptions).  **Others:** supplies relating to special VAT scheme (e.g. margin scheme, special VAT scheme for tobacco). |
| Canada | **Entertainment**: deduction restrictions apply to memberships in dining, recreational or sporting facilities clubs; deduction for food, beverages, and entertainment expenses generally limited to 50% of the GST/HST payable. Food and beverage expenses for long-haul truck drivers are limited to 80%.  **Vehicles:** deduction is limited on passenger vehicles acquired as capital property to the GST/HST payable on the capital cost value (CAD 30 000); a higher deduction limit is available for zero emission passenger vehicles (CAD 55 000); deduction is limited on passenger vehicles leases to the GST/HST payable on CAD 800 monthly lease payments.  **Others:** home office expenses restriction to the extent that the consumption or use of a property or service of such quality, nature, or cost is unreasonable given the person’s commercial activity. |
| Chile | **Vehicles:** automobiles, station wagons and similar vehicles as well their lubricants, spare parts, repairs or maintenance unless the regular business activity of the taxpayer is the sale, rental or lease of automobiles or unless the Commissioner of the Internal Revenue Service consider the relevant expenses as deductible for income tax purposes.  **Fuels**: products or components that have any form of subsidy for end consumers. |
| Colombia |  |
| Czech Republic | **Entertainment:** representation expenditures as defined in the income tax law for which there is no tax allowance according to the income tax law (except small gifts). |
| Denmark | **Entertainment:** expenses of entertainment, restaurant and presents.  Vehicles: supply of vans with a weight of 3000kg or less used for both taxable and non-taxable purpose; cars with room for less than 10 persons; leased cars.  **Others:** employee telephones paid by employer; board of employees and owner of the company; other objects in favour of the employees. |
| Estonia | **Entertainment**: goods or services relating to the reception of guests or the provision of meals or accommodation for employees. This restriction does not apply to accommodation services received during a business trip.  **Vehicles**: the right of deduction is limited to 50% on purchase, import, lease or hire of passenger cars not wholly used for business purposes and on the related expenditures, except for cars purchased for resale, hire or lease, for cars used for the transportation of passengers (e.g. taxis) and for cars used for driving lessons. |
| Finland | **Entertainment:** representation and entertainment expenses.  **Vehicles,** boats and aircraft: used for sporting and leisure purposes, cars, motorcycles and caravans. However, any means of transport which are to be resold, rented out or used in professional passenger transport or in driving lessons as well as passenger cars used only for taxable transactions are deductible.  **Others:** travelling costs of personnel between home and workplace; goods and services related to dwellings or buildings provided for the recreation of personnel. |

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| France | **Vehicles**: vehicles or equipment, whatever their nature, designed to carry persons or mixed-use, except those for resale as new; leased, having in addition to the driver's seat more than eight seats used by companies to bring their staff on the workplace, assigned exclusively to the driving instruction, all type of road vehicles exclusively for the operation of ski lifts and ski areas, vehicles acquired by companies of public passenger transport and assigned exclusively to the realisation of such transport. Components, parts and accessories of vehicles and machines previously referred.  **Others:** goods and services used by taxable persons for more than 90% for a non-business purpose; gifts above a certain value; goods or services linked to the free supply of housing to officers or employees of a company, except when it’s for the security staff on construction sites or in company premises; goods or services used for advertising alcoholic beverages; supply of passenger transport and services ancillary to such transport, except those produced either on behalf of an enterprise of public passenger transport, or under a permanent contract of transport by companies to bring their staff on the workplace; most fuels not subsequently delivered or sold as is or as other petroleum products.  **Partial restrictions**: The right of deduction is limited to 50% for gas oil and other hydrocarbons in gaseous state and kerosene used as fuel, when such products are used for vehicles and equipment mentioned above..  The right of deduction is limited to 80% for gas oils and bio ethanol E85 used as fuel for vehicles and equipment mentioned above, except those used for testing for the purposes of making engines of motorised equipment and insofar as they are not subsequently delivered or sold as is or as other petroleum products. The right of deduction is limited to 60% for petrol used as fuel for vehicles. |
| Germany | **Entertainment:** representation expenditures as defined in the income tax law for which there is no tax allowance according to the income tax law (e.g. gifts except small gifts, restaurant, catering, entertainment expenditure except appropriate ones, expenditures on hunting and fishing, sailing yacht or motor yachts and expenditures of similar nature). |
| Greece | **Entertainment:** receptions, recreation and hospitality in general; accommodation, food, drinks, transport and recreation for the personnel or representatives of the business.  **Means of transport:** motor passenger vehicles of “private use” of up to 9 seats; motorcycles and mopeds, vessels and aircrafts of “private use” intended for recreation or sports, and the related supplies of fuel, repair, maintenance, rental/leasing and circulation in general. The restriction does not apply to the aforementioned means of transport when they are intended for sale, rental/leasing or transport of persons for a fare.  **Others:** spirituous or alcoholic beverages intended to be used in non-taxable activities. |
| Hungary | **Entertainment**: services of restaurants and other public catering services; entertainment services; food and beverages.  **Vehicles:** passenger cars (except hearses), motorcycles above 125 cubic centimetres; yachts and vessels.  **Others**: supplies of motor fuels, other fuels, other goods used in connection with the operation or maintenance of passenger cars; residential properties, goods and services used for the construction or remodelling of residential properties; taxi services, parking services, highway toll services; 30% of input tax regarding fixed phone, mobile phone and VOIP service; 50% of input tax regarding the services used for the operation or maintenance of passenger cars. |
| Iceland | **Entertainment**: all expenses related to catering and food for the taxable person.  Vehicles: supply, running and rental of passenger cars; delivery trucks, trucks and off-road vehicles with a weight of 5.000 kg or less, unless used for specially regulated taxable purpose.  **Others**: all expenses related to residential property for the owner and the employees of the taxable person. All expenses which come instead of salaries to the owner and the employees of the taxable person. All expenses related to summer houses and similar entertainment for the owner and the employees of the taxable person; presents. |
| Ireland | **Entertainment:** food, drink, accommodation (except for qualifying conferences), personal services, entertainment.  **Vehicles:** purchase or hire of passenger vehicles (up to 20% of the VAT cost is allowed where the car meets certain conditions regarding business use and emission levels).  **Others**: petrol (unless part of stock in trade). |
| Israel2 | None |
| Italy | **Entertainment**: entertainment expenses, food and beverages.  **Vehicles**: means of transport and services of transport (motor vehicles, aircraft and yachts) – for means of transport 60% of the input VAT is not deductible; passenger transport.  **Others**: luxury goods and connected services, buildings. |
| Japan | None |
| Korea | **Entertainment**: entertainment expenses and similar expenditures.  **Vehicles**: purchase and maintenance of non-business small automobiles |

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| Latvia | **Entertainment**: 60 % shall not be deductible from the tax as input tax from the tax amount to be paid into the State budget for the goods acquired and services received for the representation needs.  **Vehicles:** 50 % shall not be deductible from the tax as input tax from the tax amount to be paid into the State budget for an acquired, leased or imported passenger car the number of seats of which, not including the driver’s seat, does not exceed eight seats, as well as the costs related to the maintenance of such car, including expenses for repair of the car and purchase of fuel.  Fully non-deductible is the tax amount to be paid into the State budget for buying, renting and importing passenger car the number of seats of which, not including the driver’s seat, does not exceed eight seats and value higher than EUR 50 000 (exclusive of VAT), as well as the costs related to the maintenance of such car, including expenses for repair of the car and purchase of fuel. |
| Lithuania | **Entertainment**: representation and entertainment expenditures as defined in the income tax law for which there is no tax allowance according to the income tax law and 50 % expenditures of representation and entertainment as defined in the income tax law for which there is tax allowance according to the income tax law.  **Vehicles**: passenger cars (up to 8 passengers excluding driver), except in cases where the cars are supplied, leased, used for taxi services or where the cars are classified as special purpose vehicles |
| Luxembourg | **Entertainment**: not strictly business expenditures such as luxuries, entertainment or amusements. |
| Mexico | No restrictions list. The law establishes that deductions must come from goods and services that are “strictly indispensable” for the principal activity. The expenses deductible for VAT purposes must be deductible in terms of the Income Tax Law. The Income Tax Law has list of “Authorized deductions” for each type of regime. |
| Netherlands | **Entertainment**: restaurant services. Also certain representation and gift expenditures. |
| New Zealand | **Entertainment**: entertainment expenses are in effect only 50% deductible. Businesses may claim a full deduction when the goods and services are acquired and must annually calculate and repay the deemed 50% private portion. |
| Norway | **Entertainment**: catering and hiring of locations related to catering; entertainment expenses; the construction, maintenance, renting or operation of real property for accommodation or welfare needs.  **Vehicles**: procurement, operation or maintenance of passenger vehicles.  **Others**: works of art or antiques; accommodation of- and remuneration in kind to the owner, management, employees or pensioners of an enterprise; business gifts, goods and services for distribution for advertising purposes; cash payments above NOK 10 000 (USD 1040). |
| Poland | **Entertainment**: restaurant services and accommodation.  **Vehicles**: limitation to 50% of the right to deduct VAT on the purchase, intra- Community acquisition, import, hire or lease of motor vehicles as well as VAT charged on expenditure related to those vehicles, where the vehicle is not entirely used for business purposes.  **Others**: limitation to 50% of the right to deduct VAT on the purchase of motor fuels, fuel oil &and natural gas used by aforementioned vehicles. |
| Portugal | **Entertainment**: transport, accommodation or meals (except connected with conferences, seminars, fairs or exhibitions, which, under certain conditions, are deductible in 25% or 50%). Luxury and entertainment expenses.  **Vehicles**: acquisition or hiring of light vehicles deemed to be used for non-business purposes, as well as pleasure boats, helicopters, aircrafts and motorcycles (except if intended for sale or constitute the core of the business activity).  **Others**: fuel used in motor vehicles are deductible at 50%. Full deduction is possible if used in public transport vehicles, certain heavy vehicles, macines or tractors. |
| Slovak Republic | **Entertainment**: goods and services for the purposes of treat and entertainment  **Others**: suspense items (Suspense items means expenses paid on behalf and for the account of the purchaser or the customer, which the supplier charges to the purchaser or the customer. |
| Slovenia | **Entertainment**: entertainment expenses (where entertainment expenses shall include only the costs of entertainment and amusement during business or social contacts); meals (including drinks) and accommodation expenses, except expenses incurred by taxable person in connection with these supplies in the ordinary course of his business.  **Vehicles**: yachts and boats intended for sport and recreation; aircrafts other than those used for transport of passengers and goods, leasing, renting and resale. Passenger cars and motorcycles other than: vehicles used for transport of passengers and goods, leasing, renting and resale, vehicles used in driving schools for the provision of the driver's training program in accordance with the regulations in force and combined vehicles for carrying out an activity of a public line and special line transport, and special vehicles adapted exclusively for the transport of deceased people.  **Others**: fuels, lubricants, spare parts and services which are closely linked to vehicles above. |

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| --- | --- |
| Spain | **Entertainment:** access to shows and services of a recreational character; travel, accommodation and catering services, unless they are deductible as a cost in income taxes.  **Others**: jewelry, gold and platinum objects, pearls, precious stones; food, drinks and tobacco; goods or services used as gifts to clients, employees or third parties; |
| Sweden | **Entertainment:** representation expenditures as defined in the income tax law for which there is no tax allowance according to the income tax law (costs of a maximum of a taxable amount of SEK 300 per person and occasion regarding restaurant services).  **Vehicles:** cars with a weight of 3500 kg or less used for both taxable and non-taxable purposes unless the purpose is for taxi, car renting, car sales or driving school. Limitation to 50 % of the right to deduct VAT on the purchase of fuel used by those vehicles.  **Others**: Expenses connected to a permanent residence. |
| Switzerland | None |
| Turkey | **Cars**: purchases of cars except when used by car renting companies  **Others**: Missing and stolen stocks (excluding those lost due to earthquake, flood and fire in places of compelling reason declared by Ministry of Treasury and Finance). |
| United Kingdom | **Entertainment**: business entertainment; in general terms the free provision of any hospitality to business contacts is not recoverable. The exception is where the entertainment is provided to non-UK customers. However, it is likely that if recovery is granted it would be off-set by a private use charge that would effectively cancel out any credit obtained.  **Vehicles**: motor cars in general, except motor cars that are stock in trade (car dealers etc.); tools of the trade (driving schools etc.) or exclusively used for business purposes with no availability for private use (leasing companies etc.); lease of a motor car (right to deduction is limited to 50%). |

1. Restrictions to the right to deduct VAT on specific inputs: this table includes limitations of the right to deduct input VAT on specific goods, services and intangibles because of their nature, generally with a view to achieving the (input) taxation of their deemed final consumption. The table does not include input tax blockings related to the exemption of outputs (e.g. limited right of deduction for inputs used to provide financial and insurance services, medical care, education, etc. listed in Table 2.3 on VAT exemptions) or to VAT inputs that are not connected with the business taxable activity.

2. Israel: the statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

*Source:* National delegates; position as at 1 January 2020

Table 2.5. Annual turnover concessions for VAT registration and collection

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Country | National currency | Registration/collection thresholds**1** | | | | | | | Voluntary registration or collection2 | | Minimum registration period3 | | Limitations or specific rules for application of the thresholds5 | |
| Registration or collection threshold | General threshold | | | Other thresholds | | |
| Nat. curr. | | USD**4** | Nat. curr. | USD**4** |  | |  | |  | |
| Australia\* | AUD | R | 75 000 | | 52 090 | 150 000 | 104 180 | Yes | | 1 year | | See note | |
| Austria6 | EUR | R | 35 000 | | 46 065 |  |  | Yes | | 5 years | |  | |
| Belgium6\* | EUR | C | 25 000 | | 33 102 |  |  | Yes | | None | | See note | |
| Canada\* | CAD | R | 30 000 | | 25 130 | 50 000 | 41 884 | Yes | | 1 year | | See note | |
| Chile\* | CLP | None | None |  | |  |  | |  | |  | | See note | |
| Colombia\* | COP | R | None |  | | 122 844 150 | 91 062 | | Yes | |  | | See note | |
| Czech Republic6\* | CZK | R | 1 000 000 | 80 365 | |  |  | | Yes | | 1 year | |  | |
| Denmark6\* | DKK | R | 50 000 | 7 498 | | 170 000 | 25 493 | | Yes | | 2 years | | See note | |
|  |  |  |  |  | | 300 000 | 44 987 | |  | |  | |  | |
| Estonia6 | EUR | R | 40 000 | 73 454 | |  |  | | Yes | | None | |  | |
| Finland6\* | EUR | R | 10 000 | 11 801 | | 30 000 | 35 404 | | Yes | | None | | See note | |
| France6\* | EUR | R | 85 800 | 117 259 | | 34400 | 47 013 | | Yes | | 2 years | | See note | |
|  |  |  |  |  | | 44500 | 60 816 | |  | |  | |  | |
| Germany6\* | EUR | C | 22 000 | 29 843 | | 50 000 | 67 824 | | Yes | | 5 years | | See note | |
| Greece6\* | EUR | C | 10 000 | 17 950 | |  |  | | Yes | | 1 year | | See note | |
| Hungary6 | HUF | C | 12 000 000 | 85 145 | |  |  | | Yes | | 1 year | |  | |
| Iceland | ISK | R | 2 000 000 | 14 635 | |  |  | | Yes | | None | |  | |
| Ireland6\* | EUR | R | 75 000 | 94 186 | | 37 500 | 47 093 | | Yes | | None | |  | |
| Israel\* | ILS | C | 100 491 | 27 257 | |  |  | | No | | None | | See note | |
| Italy\* | EUR | C | 65 000 | 96 898 | |  |  | | Yes | | None | | See note | |
| Japan\* | JPY | R | 10 000 000 | 98 547 | |  |  | | Yes | | 1 year | | See note | |
| Korea | KRW | C | 30 000 000 | 34 875 | |  |  | | No | | None | |  | |
| Latvia6 | EUR | R | 40 000 | 80 851 | |  |  | | Yes | | None | |  | |
| Lithuania6\* | EUR | R | 45 000 | 98 949 | |  |  | | Yes | | None | | See note | |
| Luxembourg6\* | EUR | C | 30 000 | 35 513 | |  |  | | Yes | | None | | See note | |
| Mexico | MXN | None | None |  | |  |  | |  | |  | |  | |
| Netherlands6\* | EUR | C | 20 000 | 25 480 | |  |  | | Yes | | 3 years | |  | |
| New Zealand | NZD | R | 60 000 | 41 284 | |  |  | | Yes | | None | |  | |
| Norway\* | NOK | R | 50 000 | 5 035 | | 3 000 000 | 302 091 | | Yes | | 2 years | | See note | |
|  |  |  |  |  | | 140 000 | 14 098 | |  | |  | |  | |
| Poland6 | PLN | R | 200 000 | 114 295 | |  |  | | Yes | | None | | See note | |
| Portugal6\* | EUR | C | 10 000 | 17 640 | |  |  | | Yes | | 5 years | | See note | |
| Slovak Republic6 | EUR | R | 49 790 | 98 558 | |  |  | | Yes | | 1 year | |  | |
| Slovenia6 | EUR | R | 50 000 | 88 414 | |  |  | | Yes | | 5 years | |  | |
| Spain6 | EUR | None | None |  | |  |  | |  | |  | |  | |
| Sweden6 | SEK | R | 30 000 | 3 430 | |  |  | | Yes | | 3 years | | See note | |
| Switzerland\* | CHF | R | 100 000 | 87 121 | | 150 000 | 130 682 | | Yes | | 1 year | | See note | |
| Turkey\* | TRY | R | None |  | | See note |  | |  | |  | | See note | |
| United Kingdom6 | GBP | R | 85 000 | 124 935 | |  |  | | Yes | | None | |  | |
|  |  |  |  |  | |  |  | |  | |  | |  | |

\* See country notes

1. Registration/collection thresholds identified in this table are general concessions that relieve domestic suppliers from the requirement to register for and/or to collect VAT until such time as they exceed a specific annual turnover threshold. Except where specifically identified, registration thresholds also relieve suppliers from the requirement to charge and collect VAT on supplies made within a particular jurisdiction. Relief from collection and/or registration may be available to specific industries or types of traders (for example non-resident suppliers) under more detailed rules, or a specific industry or type of trader may be subject to more stringent registration and collection requirements. The "R" indicates countries where a registration threshold applies, i.e. where suppliers having a turnover below the threshold are not required to register for VAT and are relieved from any VAT obligation. The "C" indicates countries where a collection threshold applies, i.e. where all suppliers are required to register for VAT but are not required to charge and collect VAT until they exceed the collection threshold. Thresholds shown in this table apply to businesses established in the relevant country. In most countries, the registration threshold does not apply to foreign businesses, i.e. businesses having no seat, place of business, fixed establishment, domicile or habitual residence within the country.

2. "Yes" means a supplier is allowed to voluntarily register and collect VAT where its total annual turnover is less than the registration threshold.

3. Minimum registration/collection periods apply to general concessions. This period is the minimum term during which the concession is applied to taxpayers that have opted for it.

4. Exchange rates for conversion into USD are Purchase Parity Rates (PPPs) for GDP 2019.

5. Restrictions or conditions to the application of the tax relief for businesses below the threshold

6. Limitations for member states of the European Union. Directive 2006/112/EC excludes from the application of the threshold the supply of new buildings or building land, certain supplies of new means of transport and disposals of the assets of the enterprise. The threshold does not apply to non-resident businesses. Specific thresholds also apply for certain intra-EU supplies.

Source: National delegates; position as at 1 January 2020.

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| Country notes to Table 2.5.  **Australia.** For taxi drivers, including chauffeur driven limousines and hire cars, there is no registration threshold. The applicable registration threshold to not-for-profit organisations is AUD 150 000.  **Belgium**. The registration threshold for Belgium does not apply to several sectors: real estate; hotels and restaurants; sale of used and waste materials. A number of specific supplies are also excluded from the application of the threshold: several supplies of new real estate, supplies of certain products subject to excise duties and undeclared and illicit activities.  **Canada**. The registration threshold does not apply to certain selected listed financial institutions, non-residents who enter Canada to make taxable supplies of admissions to a place of amusement, a seminar, an activity or an event, and persons who carry on a taxi or limousine business (which include a commercial ride-sharing business). These persons are required to register for and collect GST/HST. An alternative threshold applies to charities and public institutions. A charity or public institution is not required to register if either its revenue from worldwide taxable supplies is CAD 50 000 or less in a calendar quarter and over the last four consecutive calendar quarters, or its gross revenue in either of its two preceding fiscal years is CAD 250 000 or less.  **Chile.** All taxpayers are required to register and obtain a taxpayer’s identification number (this TIN is not required for VAT purposes only, but also for any other tax purpose). However, small businesses, craftsmen and small service providers may be eligible for a special simplified regime according to which they account, for output VAT purposes, a monthly fixed amount based on an average level of earnings. This special regime has to be calculated by taking into account the earnings from the last 12 months and there is a threshold of 20 Monthly Tax Units (CLP 940 380 - USD 1 530). This simplified tax regime does not apply to legal entities but to individuals only. This system must be adopted for at least for 12 months after which the taxpayer can return back to the ordinary regime..  **Colombia.** The VAT exemption threshold is mentioned in Tax Units (Unidad de Valor Tributario - TVU) in the tax code. The VAT exemption threshold is 3 450 TVU. The value of the TVU in Colombian Pesos (COP) is set every year by decree. The value for 1 TVU is COP 35 607 for fiscal year 2020. The VAT registration threshold for individuals is therefore 3 450 x 35 607 = 122 844 150 COP. There is no VAT registration thresholds for incorporated businesses.  **Czech Republic**. A taxable person that is not established in the Czech Republic should register immediately once he starts to provide any taxable supply within the territory of the country, except for supplies being subject to the reverse charge mechanism or to the mini one-stop shop (MOSS).  **Denmark**. A higher threshold of DKK 170 000 (EUR 22 840) applies to the blind, and a threshold of DKK 300 000 (EUR 40 300) applies to the first sale of works of art by their creator or his successors in title. For the purposes of the latter exemption, the threshold of DKK 300 000 must not have been exceeded in the current or preceding year.  **Finland.** Where a business has exceeded the registration threshold of EUR 10 000, it must register and is subject to VAT, but a graduated relief is available until they reach a second threshold of EUR 30 000. On 1 January 2021, the registration threshold will be increased to EUR 15 000  **France**. The VAT relief applies to businesses whose annual turnover does not exceed EUR 85 800 or when their turnover does has not exceeded EUR 94 300 the preceding calendar year (when the turnover has not exceeded EUR 85 800 the penultimate year). For supplies of services (except hotel accommodation and food and drink in restaurants), the annual turnover must not exceed EUR 34 400 or EUR 36 500 the preceding calendar year (when the turnover has not exceeded EUR 34 400 the penultimate year). For lawyers (in the furtherance of their regulated business), writers and artists, the turnover must not exceed EUR 44 500 (the threshold is EUR 18 300 for their supplies outside the normal framework of their affairs). Experimentally, for a period of five years, a specific threshold of EUR 100000 has been implemented in Guadeloupe, Martinique and La Réunion.  **Germany**. Taxpayers are relieved from VAT obligations if their annual turnover does not exceed EUR 22 000 and their expected turnover for the current calendar year will not exceed EUR 50 000.  **Greece**. If the annual turnover (only taxable supplies are taken into account) is less than EUR 10 000, the business can voluntarily enter the Special Scheme for small businesses under which no VAT is collected. New businesses may also enter the Special Scheme upon registration. Farmers under the flat-rate scheme are not eligible to enter the Special Scheme for small businesses. Small businesses that have entered the Special Scheme will be obliged to enter the “normal” scheme and collect VAT from the moment they perform a taxable supply on account of which they exceed the threshold (and for the full value of that supply).  **Ireland**. While the general turnover threshold for the supply of goods is EUR 75 000, persons supplying goods liable at the reduced or standard rates which they have manufactured or produced from zero-rated materials must register if their turnover is EUR 37 500 or more. While the general turnover threshold for the supply of services is EUR 37 500, for persons supplying both goods and services where 90% or more of the turnover is derived from supplies of goods (other than of the kind referred to in the previous sentence) then the threshold for Goods applies.  **Israel.** Self-employed persons with annual revenue below NIS 100 491 are considered "Exempt Dealers". Some professions are not allowed to be Exempt Dealers: agronomist, architect, technician, private investigator, rabbinical attorney, dental technician, organizational consultant, management consultant, scientific consultant, economist, engineer, surveyor, bookkeeper, translator, insurance agent, lawyer, accountant or appraiser, chemical or medical laboratory owner, artistes, various others in show business, doctor, psychologist, physiotherapist, veterinary surgeon, dentist, driving school owner, school owner, real estate agent or dealer. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Italy.** The micro-sized taxpayers’ scheme (“Regime forfetario”) applies to individual businesses if, in the previous year, they earned revenues or received remuneration, calculated per year, not exceeding EUR 65 000. (in addition, the gross expenses for employees must not exceed EUR 20 000)The regime does not apply to persons who are members of partnerships, professional associations or SRLs (limited liability companies) and are subject to the "regime di trasparenza" for income tax; persons who carry out sale of buildings or land or intra-EU supplies of new cars and trucks. Are also excluded foreign businesses not established in Italy, except for those who are established in one of the EU Member States, or in a State party of the European Economic Area, and produce in Italy at least 75 percent of their total revenue.  **Japan.** Domestic and foreign businesses (both companies and individuals) whose taxable sales in Japan are less than 10 million yen, as well as new businesses of up to 2 years (except for the subsidiary of a certain large corporation) are exempt from JCT return. Exempted businesses can opt to be liable for Consumption Tax, in which case they shall remain liable for at least two years.  **Luxembourg.** Taxpayers established in Luxembourg are entitled to opt for the special scheme; the exemption only applies to goods and services supplied in Luxembourg. Taxpayers can opt out of the special scheme but have then to apply the normal VAT rules for at least five years.  **Netherlands**. The special scheme for small businesses applies to all businesses, irrespective of their legal form and including corporate businesses (e.g. foundations, private and limited companies)..  **Norway**. The higher threshold of NOK 3 000 000 applies for admission to sporting events. The higher threshold of NOK 140 000 applies to charitable institutions and organisations.  **Poland.** The registration threshold does not apply to taxpayers supplying (a) certain types of silver, gold, platinum, knives, cutlery, jewelry, non-hazardous metal waste, museum collections and coins; (b) goods subject to excise duty with a number of exceptions; (c) certain buildings, structures and their parts; (d) building land; (e) new means of transport. The threshold does also not apply to taxpayers supplying (a) legal services; (b) consulting and expert services with certain exceptions; (c) jeweler services and taxpayers not established in Poland.  **Portugal**. The collection threshold does not apply to commercial legal entities. The threshold has been raised to EUR 11 000 from the 1st April 2020 and will be raised to EUR 12 500 from the 1st January 2021.  **Sweden.** The threshold does not apply to taxable persons not established in Sweden, taxable persons voluntarily registered for VAT for rental of immovable property, trade with investment gold and artists.  **Switzerland**. The thresholds refer to the worldwide turnover. The higher threshold of CHF 150 000 applies to non-for-profit sport and cultural associations and to public interest institutions.  **Turkey.** Certain small individual taxpayers who are exempt from Individual Income Tax are also exempt from VAT. |

Table 2.6. Usage of margin schemes

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| --- | --- |
| **Country** | **Usage of margin schemes1** |
| Australia | A margin scheme can be used on certain sales of new residential or commercial property. It is generally based on the difference between the tax inclusive sale price and the original purchase price. Special rules apply in certain cases, such as sales between associates or members of the same GST group.  Gambling: GST applies to the gambling margin calculated based on the total amount wagered less total monetary prizes awarded.  Second hand goods when second-hand dealers adopt a special 'global' accounting method. It applies when (1) second-hand goods are acquired from an unregistered supplier and are divided up for re-supply and (2) the dealer exercises the option to apply the global method over a specified category of second-hand good. |
| Austria | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Belgium | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Canada | - |
| Chile | Used real estate property in which no value added tax has been paid, made by a professional seller. The tax base is the difference between the sale and purchase prices. For these purposes, the acquisition value of the property must be readjusted in accordance with the variation percentage experienced by the consumer price index in the period between the month prior to the acquisition and the month prior to the sale date. However, in the determination of the referred tax base, the value of the land included in both operations must be deducted from the purchase price and the sale price. For these purposes, the seller must deduct from the sale price the commercial value of the land at the date of the operation. Once this deduction has been made, the seller must deduct from the purchase price of the property an amount equivalent to the percentage that represents the commercial value assigned to the land in the sale price. |
| Colombia | Sale of used cars, sale of fixed assets made by an intermediary, sale of gasoline. |
| Czech Republic | Travel agencies; second- hand goods; works of art; collector’s items and antiques (EU Directive) |
| Denmark | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Estonia | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Finland | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| France | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive); supply of building land; supply of a building completed more than five years ago, when taxed (option). |
| Germany | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Greece | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive); sales by public auction |
| Hungary | Travel agencies; second-hand goods; works of art, antiques, collectors’ items (EU Directive) |
| Iceland | - |
| Ireland | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive). Mandatory margin scheme for auctioneers and travel agents. |
| Israel2 | Sale of used furniture by a dealer whose business is the sale of such furniture;  Sale of used vehicle, motorcycle or cross-country vehicle by a dealer whose business is a purchase and sale of used vehicles;  Sale of dwellings by a real estate dealer who acquired it from a person who is not a non-profit organisation, a financial institution nor a dealer.  Sale of coins and medals, which the seller has purchased such coins and medals from a non-licensed dealer (i.e. not VAT registered business).  Sale of postage stamps and revenue stamps by a person whose business is the sale of such stamps (deemed to be a service).  Sale of foreign currency, securities or other negotiable instruments, including the acquisition of aforesaid securities and instruments in order to collect their redemption or retirement price, by a dealer whose business is the sale of such assets or the sale of foreign currency, shall be deemed to be a brokerage service rendered by the dealer, between the dealer's supplier and the dealer's customer. |
| Italy | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Japan | - |
| Korea | - |
| Latvia | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Lithuania | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Luxembourg | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |
| Mexico | Sale of used cars, previously acquired by a company from an individual. |
| Netherlands | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive). |
| New Zealand | - |
| Norway | Voluntary margin scheme for second hand goods, works of art, collectors’ items and antiques. |
| Poland | Travel agencies; second-hand goods; works of art; collector's items and antiques (EU Directive). |
| Portugal | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) and fuel retailers. |
| Slovak Republic | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive). |
| Slovenia | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive). |
| Spain | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive). |
| Sweden | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive). |
| Switzerland | Collector’s items such as works of art, antiques and suchlike. |
| Turkey | Travel agencies (commission taken from tour sold abroad is exempt; commission taken from tour sold in Turkey is subject to tax.) Deliveries of second hand motor vehicles or immovable properties (without making any fundamental changes in their nature) by taxpayers that are in second hand motor vehicles or immovable property business after purchasing them from non-VAT-Taxpayers (including purchases from taxpayers in the scope of exemption); The tax base in the delivery and import of gold jewelry and coins is the amount remaining after the gold ingot is deducted. |
| United Kingdom | Travel agencies; second-hand goods, works of art, collector's items and antiques (EU Directive) |

1. Margin scheme: In this context, a margin scheme means a scheme where the tax base is calculated on the difference between the price paid by the taxpayer for an item and the resale price rather than on the full selling price. The reseller is not allowed to deduct the input VAT embedded in the buying price of the items resold under the margin scheme.

2. Israel: The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

*Source:* national delegates; position as at 1 January 2020

Table 2.8. Mechanisms for collecting VAT on cross-border supplies of services and intangibles1 from non-resident suppliers ("inbound supplies")

|  |  |  |  |
| --- | --- | --- | --- |
| Country5 | Regime for the collection of VAT on inbound supplies of services and intangibles by foreign suppliers2 | Proxies for determining place of taxation3 | Threshold4 |
| **Australia** | **VAT collection mechanism**:  ***B2C supplies***: the foreign supplier is required to register and collect the GST.   * Simplified "pay-only" registration and reporting is available; full standard GST registration is allowed. * Fully digital registration is available for the simplified "pay-only" registration * The appointment of a tax representative is not required. * Digital platforms (Electronic Distribution Platforms) are liable to collect GST on inbound supplies made through them.   ***B2B supplies***: the customer is liable to account for GST under the reverse-charge mechanism only if the business customer cannot claim a full GST credit.  **Criteria for distinguishing B2C from B2B supplies:** Australian Business Number (ABN) of the customer; and a statement that the business is registered for GST  **Supplies covered by the B2C rule3**: Inbound supplies of services and intangibles (anything other than goods or real property), including services such as architectural or legal services.  **Implementation:** as of 1 July 2017 | B2C: Customer’s location  B2B: Customer’s tax residence status | AUD 75 000  (USD 52 000)  Same as for domestic suppliers |
| **Austria** | European Union scheme (see below) |  |  |
| **Belgium** | European Union scheme (see below) |  |  |
| **Canada** | **VAT collection mechanism:**  ***B2C and B2B supplies***: the customer is liable to account for GST under the reverse charge mechanism. For B2B supplies, the reverse-charge mechanism applies only if the customer cannot claim a full GST credit.  **Criteria for distinguishing B2C from B2B supplies:** no distinction is made  **Supplies covered4**: supplies of services and intangible properties  **Implementation:** as of 1 January 1991 | B2C and B2B: recipient’s usual residence or location | Not applicable |
| **Chile\*** | **VAT collection mechanism:**  ***B2C and B2B supplies***: the customer is liable to account for VAT under the reverse-charge mechanism  **Criteria for distinguishing B2C from B2B supplies**: no distinction made  **Supplies covered**3: selected services of a non-professional, consultancy and technical nature  **Implementation**: as of 1975 |  | No threshold |
| **Colombia** | **VAT collection mechanism**:  ***B2C supplies***: the foreign supplier is required to register and collect the VAT.   * Simplified "pay-only" registration and reporting is available; full standard VAT registration is allowed. * Fully digital registration is available for the simplified "pay-only" registration * The appointment of a tax representative is not required. * Digital platforms are liable to collect the VAT on inbound supplies made through them.   ***B2B supplies***: the customer is liable to account for VAT under the reverse-charge mechanism.  **Criteria for distinguishing B2C from B2B supplies:** the Colombian VAT registration number of the customer  **Supplies covered by the B2C rule3**: Inbound supplies of services and intangibles (anything other than goods or real property).  **Implementation:** as of 1 July 2018 |  |  |
| **Czech Republic** | European Union scheme (see below) |  |  |
| **Denmark** | European Union scheme (see below) |  |  |
| **Estonia** | European Union scheme (see below) |  |  |
| **Finland** | European Union scheme (see below) |  |  |
| **France** | European Union scheme (see below) |  |  |
| **Germany** | European Union scheme (see below) |  |  |
| **Greece** | European Union scheme (see below) |  |  |
| **Hungary** | European Union scheme (see below) |  |  |
| **Iceland** | **VAT collection mechanism**:  ***B2C supplies***: the foreign supplier is required to register and collect the VAT.   * Simplified "pay-only" registration and reporting is available; full standard registration is allowed. * Fully digital registration is available for the simplified "pay-only" registration * The appointment of a tax representative is not required * Digital platforms are liable to collect the VAT on inbound supplies made through them   ***B2B supplies***: exempt if the customer has a full right of deduction. If not, the same procedure as for B2C supplies applies.  **Criteria for distinguishing B2C from B2B supplies**: VAT registration number of the customer  **Supplies covered**3: electronically supplied services and non-digital services such as services of consultants, lawyers, accountants and other similar specialised services.  **Implementation**: 1 November 2011 | B2C: customer’s usual residence  B2B: customer’s location (permanent place of business) | ISK 2 million  (USD 14 600)  Same as for domestic suppliers |
| **Ireland** | European Union scheme (see below) |  |  |
| **Israel5** | **VAT collection mechanism:**  ***B2C supplies***: self-assessment by customer.  ***B2B supplies***: reverse-charge mechanism applies.  **Supplies covered**3**:** Services, including digital services.  **Criteria for distinguishing B2C from B2B supplies:** VAT registration number of the customer.  **Implementation:** 1 November 2011 | **B2C and B2B**: the residence of the customer is in Israel or the supply is connected to an asset in Israel. | N.A. |
| **Italy** | European Union scheme (see below). |  |  |
| **Japan** | **VAT collection mechanism:**  ***B2C supplies***: the non-resident service provider, which does not maintain a branch or an office in Japan, must appoint a tax agent to register under the standard registration procedure.  ***B2B supplies*:** reverse charge mechanism applies A foreign business shall notify its Japanese customers that they (customers) shall account for VAT under the reverse charge mechanism.  **Criteria for distinguishing B2C from B2B supplies:** the nature of the services provided.  **Supplies covered by B2C rule3:** “Electronic services” as defined by law (e.g. online e-books, online game, music movies, cloud services, Internet shopping or auction site).  **Implementation:** 1 October 2015 | **B2C and B2B:** the place where the customer is located (i.e., address or domicile for private customers and head office or principal office for businesses). | JPY 10 million  (USD 98.500)  Same as for domestic suppliers |
| **Korea** | **VAT collection mechanism:**  ***B2C supplies*:** the foreign supplier is required to register and collect the VAT.   * Simplified "pay-only" registration and reporting is available; full standard registration is allowed. * Fully digital registration is available for the simplified "pay-only" registration * The appointment of a tax representative is not required * Digital platforms are liable to collect the VAT on inbound supplies made through them   ***B2B supplies*:** out of the scope.  **Criteria for distinguishing B2C from B2B supplies:** the nature of the services provided.  **Supplies covered by the B2C rule3:** “Electronic services” as defined by law (e.g. applications, games, music, films, electronic documents, software, etc.).  **Implementation:** 1 July 2015 | **B2C**: customer location  **B2B:** not applicable | No threshold |
| **Latvia** | European Union scheme (see below) |  |  |
| **Lithuania** | European Union scheme (see below) |  |  |
| **Luxembourg** | European Union scheme (see below) |  |  |
| **Mexico\*** | **VAT collection mechanism:**  ***B2C supplies*:** final consumers are required to report transactions for statistical purposes.  ***B2B supplies*:** the customer should self-assess the VAT (reverse-charge mechanism).  **Criteria for distinguishing B2C from B2B supplies:** No distinction is made  **Supplies covered**4**:** All services  **Implementation:** 1980 | **B2C and B2B:**  Services: consumption or physical presence of the customer;  Intangibles: residence of the acquirer or place of use | No threshold |
| **Netherlands** | European Union scheme (see below) |  |  |
| **New Zealand** | **VAT collection mechanism:**  ***B2C supplies*:** the foreign supplier is required to register and collect the GST.   * Simplified "pay-only" registration and reporting is available; full standard GST registration is allowed. * Fully digital registration is available for the simplified "pay-only" registration * The appointment of a tax representative is not required. * Digital platforms (Electronic Distribution Platforms) are liable to collect GST on inbound supplies made through them.   ***B2B supplies*:** out of scope but if the purchaser’s taxable supplies are mostly supplies that are exempt from GST (e.g. financial services) or the services are partly used for personal consumption a reverse-charge mechanism applies.  **Criteria for distinguishing B2C from B2B supplies:** New Zealand GST registration number or business number. The Commissioner of Inland Revenue can prescribe or agree to an alternative method taking into account the nature of the supply;the value of the supply; and the terms and conditions of the provision of services.  **Supplies covered by the B2C rule**3**:** Remote services, including digital services such as e-books, music, videos and software downloads and non-digital services such as general insurance, consulting, accounting and legal services**.**  **Implementation:** 1 October 2016 | **B2C:** customer's tax residence  **B2B:** Customer’s tax residence | NZD 60 000  (USD 41 200)  Same as for domestic suppliers |
| **Norway** | **VAT collection mechanism:**  ***B2C supplies*:** the foreign supplier is required to register and collect the VAT.   * Simplified "pay-only" registration and reporting is available; full standard VAT registration is allowed. * Fully digital registration is available for the simplified "pay-only" registration * The appointment of a tax representative is not required. * Digital platforms (Electronic Distribution Platforms) are liable to collect VAT on inbound supplies made through them.   ***B2B supplies***: the reverse charge mechanism applies.  **Supplies covered by the B2C rule**3**:** Telecommunication, radio and television broadcasting and electronically supplied services (TBE services).  **Criteria for distinguishing B2C from B2B supplies:** VAT registration number of the customer  **Implementation**: 1 July 2011 | B2C: Customer’s usual residence  B2B: Customer’s location | NOK 50 000  (USD 5 000)  Same as for domestic suppliers |
| **Poland** | European Union scheme (see below) |  |  |
| **Portugal** | European Union scheme (see below) |  |  |
| **Slovak Republic** | European Union scheme (see below) |  |  |
| **Slovenia** | European Union scheme (see below) |  |  |
| **Spain** | European Union scheme (see below) |  |  |
| **Sweden** | European Union scheme (see below) |  |  |
| **Switzerland\*** | **VAT collection mechanism:**  ***B2C supplies***: the foreign supplier must register for VAT under the standard registration procedure   * No simplified registration procedure is available * The appointment of a tax representative is required.   ***B2B supplies***: most of the inbound supplies of services and intangibles are taxed under the reverse charge mechanism, unless the foreign supplier is registered for VAT (e.g. to account for B2C supplies).  **Supplies covered by the B2C rule**3**:** Information and communication technology (ICT) services.  **Criteria for distinguishing B2C from B2B supplies:** VAT registration number of the customer.  **Implementation**: 1 January 2010 | B2C: Customer’s usual residence  B2B: Customer’s location | CHF 100 000  (USD 87 100)  The threshold refers to the global turnover of the supplier |
| **Turkey** | **VAT collection mechanism:**  ***B2C supplies***: the foreign supplier is required to register and collect the VAT.   * Simplified registration and reporting is available, with right to input VAT deduction * Fully digital registration is available for the simplified registration * The appointment of a tax representative is not required. * Digital platforms (Electronic marketplaces) are liable to collect GST on inbound supplies made through them.   ***B2B supplies***: reverse-charge mechanism applies.  **Supplies covered by the B2C rule**3**:** electronic services  **Criteria for distinguishing B2C from B2B supplies**: VAT registration number of the customer  **Implementation**: 1 January 2018 | B2C: Customer’s usual residence  B2B: Customer’s location | No threshold |
| **United Kingdom** | European Union scheme (see below) |  |  |
| **European Union\*** | **VAT collection mechanism:**  **B2C supplies**: the foreign supplier is required to register and collect the VAT.   * Simplified "pay-only" registration and reporting is available; full standard GST registration is allowed * Non-EU suppliers can opt to register for VAT under the “One Stop Shop” mechanism to collect and remit VAT due on their B2C supplies in all EU Member States. * Fully digital registration is available for the simplified "pay-only" registration * The appointment of a tax representative is not required   **B2B supplies:** the reverse charge mechanism applies.  **Criteria for distinguishing B2C from B2B supplies:** VAT registration number of the customer.  **Supplies covered by the B2C rule3:** telecommunication, electronic and broadcasting services.  **Implementation**: 2003: non-EU suppliers; 2015: intra-EU suppliers. | B2C: Customer’s usual residence  B2B: Customer’s location | No threshold  (EUR 10 000 for intra-EU supplies) |

*\** See Country note

1. In the context of this table:

“services and intangibles” refer to any supply of service or intangible by a non-resident supplier (with no establishment whatsoever in the customer’s country).

“pay only registration” refers to a VAT registration regime for non-resident suppliers that seeks only the collection of VAT on inbound supplies of services and intangibles from these suppliers, without granting the right for these suppliers to deduct any VAT incurred in the taxing jurisdiction (although a refund or other relief procedure may be available).

2. The supplies covered in this table are those covered by the International VAT/GST Guidelines 3.1 to 3.4 and Guideline 3.6. Are therefore not covered in this table, the on-the sport supplies (Guideline 3.5), and supplies of services and intangibles subject to specific place of taxation rules including supplies directly connected to a specific immovable property, which are covered by Guidelines 3.7 and 3.8. For the purpose of this table, the term “digital platform” refers to platforms that enable, by electronic means, direct interactions between buyers and sellers.

3. Some jurisdictions may limit the application of the International VAT/GST Guidelines 3.1 to 3.4 and/or Guideline 3.6 to certain categories of service supplies. Other place of taxation or VAT collection methods may therefore apply to supplies that are not covered by this definition.

4. The threshold applies for the registration of foreign suppliers in the jurisdiction of taxation. The amount in local currency is converted into USD according to the OECD Purchasing Power Parity price for GDP (PPPs) for 2019 (see Annex B).

5. Only national taxes are included in this table. Sub-national VATs are not included.

*Source:* national delegates; position as at 1 January 2020

|  |
| --- |
| Country notes to Table 2.8.  **Chile.** From 1 June 2020, foreign (non-established) suppliers providing digital services to final consumers (B2C) in Chile (i.e. customers that are not registered for VAT purposes in Chile) are required to register under a simplified “pay only” registration and collection regime. Registration under the standard registration procedure is also available. Digital platforms are liable to collect the VAT on inbound supplies made through them The services covered include notably the supply of digital entertainment content, software and data storage. Such supplies are taxable in Chile provided if they are “consumed within the country”. Foreign suppliers are able to use proxies as evidence to identify the place of consumption. These proxies include: the location of the IP address of the device used by the customer (or another geolocation mechanism) at the time of contracting or paying the services; the country of issuance or registration of the card, bank account or other method of payment used; the invoicing address; and/or the country code of the mobile phone´s SIM card being used. Two items of non-contradictory evidence are required. There is no registration threshold and foreign suppliers are in principle requested to register from the first sale to Chilean Consumers. B2B supplies continue to be subject to a reverse charge mechanism if the customer is registered for VAT in Chile.  **Israel.** The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Mexico.** From 1 June 2020, foreign (non-established) suppliers providing digital services to consumers (B2C and B2B) in Mexico are required to register under a simplified “pay only” registration and collection regime. The registration is not a permanent establishment in Mexico. Digital platforms are liable to collect the VAT on inbound supplies made through them without granting the right for these suppliers to deduct any VAT incurred in the taxing jurisdiction. The digital services covered include notably downloads or access to images, movies, text, information, videos, audio, music, games, as well as other multimedia content, but not e-books or electronic versions of newspapers and magazines. The defined digital services also include distance learning, tests, and exercises and online clubs. Such supplies are taxable in Mexico provided if they “take place” in the country. Foreign suppliers are able to use proxies as evidence to identify the place where they take place. These proxies include: the location of the customer, the location of the IP address of the device used by the customer; the country of issuance or registration of the card, bank account or other method of payment usedor the country code of the mobile phone´s SIM card being used. There is no registration threshold and foreign suppliers are in principle requested to register 30 days after the first sale to Mexican Consumers. B2B supplies continue to be subject to a reverse charge mechanism if foreign suppliers are not registered for VAT in Mexico. Foreign suppliers provide information to the tax administration quarterly on the number of services provided, classified by type of services and their price, as well as number of recipients and they must keep the records. Foreign suppliers issue and send proof of payment of his country with the VAT transferred expressly and separately, when requested by the consumers (B2B), identifying the provider and the recipient.  **European Union.** Since 2003 (for non-EU suppliers) and 2015 (for intra-EU suppliers) foreign suppliers of B2C telecommunication, electronic and broadcasting (TBE) services are liable to account, collect and remit the VAT on those supplies in the Member State where the consumer has his residence. Under the VAT MOSS (Mini-One-Stop-Shop scheme), EU and non-EU businesses that are not established in the Member State where the consumer is resident can opt to register and account for the VAT due on those supplies in only one Member State of their choice. This simplification measure avoids the need to register for VAT in all the Member States where the foreign supplier has its customers. From July 2021 onwards, this system will be adjusted. It will not be limited to TBE services any more and will be applicable to all B2C supplies of services. In addition, digital platforms (“marketplaces”) will become liable to collect, report and remit the VAT on inbound B2C supplies they facilitate. They will be able register and account for VAT though the MOSS. |

Table 2.9. VAT treatment of imports of low-value goods1

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Country | VAT treatment2 | Exemption threshold | | |
|  |  | Currency | In local currency3 | In USD4 |
| Australia\* | T | - | - | - |
| Austria | E | EUR | 22 | 29 |
| Belgium5 | E | EUR | 22 | 29 |
| Canada\* | E | CAD | 20 | 17 |
| Chile | E | USD | 30 | 30 |
| Colombia | T | USD | 200 | 200 |
| Czech Republic5 | E | EUR | 22 | 45 |
| Denmark5 | E | EUR | 10 | 11 |
| Estonia5 | E | EUR | 22 | 41 |
| Finland5 | E | EUR | 22 | 26 |
| France5\* | T | EUR | (22) | (30) |
| Germany5 | E | EUR | 22 | 30 |
| Greece5 | E | EUR | 22 | 39 |
| Hungary5 | E | EUR | 22 | 51 |
| Iceland\* | E | ISK | 2 000 | 15 |
| Ireland5 | E | EUR | 22 | 28 |
| Israel\* | E | USD | 75 | 75 |
| Italy5 | E | EUR | 22 | 33 |
| Japan | E | JPY | 10 000 | 99 |
| Korea\* | E | USD | 150 | 150 |
| Latvia5 | E | EUR | 22 | 45 |
| Lithuania5 | E | EUR | 22 | 49 |
| Luxembourg5 | E | EUR | 22 | 26 |
| Mexico\* | E | USD | 50 | 50 |
| Netherlands5 | E | EUR | 22 | 28 |
| New Zealand\* | T | NZD | - |  |
| Norway\* | E | NOK | 350 | 35 |
| Poland5\* | T | EUR | (22) | (54) |
| Portugal5 | E | EUR | 22 | 38 |
| Slovak Republic5 | E | EUR | 22 | 43 |
| Slovenia5 | E | EUR | 22 | 38 |
| Spain5 | E | EUR | 22 | 35 |
| Sweden5\* | T | EUR | (22) | (27) |
| Switzerland\* | E | CHF | 65 | 57 |
| Turkey | T | TRY | - | - |
| United Kingdom5\* | E | GBP | 15 | 22 |
| European Union\* | E | EUR | 0-10-22 |  |

\* See country notes

1. This table shows VAT collection thresholds for the import of low-value goods dispatched by a foreign supplier to a buyer in the given country. It does not cover other import scenarios such as imports of goods exchanged between private individuals or imports of goods in the personal luggage of travellers. Imports of excisable goods are generally excluded from the tax reliefs.

2. VAT treatment: this column shows situations where goods as described under 1. above are imported free of VAT (E) or taxed (T).

3. Amounts in local currency: for Member States of the European Union, the threshold is mentioned in Euro (EUR) even for those that do not have the Euro as national currency (i.e. Czech Republic, Denmark, Hungary, Poland and Sweden), with the exception of the United Kingdom. The threshold applied in EU countries is determined in EUR by common EU legislation (Directive 2009/132/EC). The amount in EUR is converted into USD as follows: it is first converted into local currency at market exchange rate (Eurostat average 2015) and then into USD at PPP exchange rate. For Israel, Korea and Mexico, the threshold is not provided in local currency in national legislation but in USD. Except stated otherwise in the country notes, the amount reflects the intrinsic value of the goods (excluding freight, insurance and other costs and taxes).

4. Amounts are converted into USD at Purchase Parity Rates (PPPs) for GDP. PPPs are the rates of currency conversion that equalise the purchasing power of different countries by eliminating differences in price levels between countries. They show the specified number of monetary units needed in each country to buy the same representative basket of consumer goods and services, which costs USD 1 in the United States. The currency conversion rates used in Consumption Tax Trends are the PPP rates for GDP (see Annex A).

5. Members of the EU are bound by EU VAT and Customs legislation.

*Source:* national delegates; position as at 1 January 2020.

|  |
| --- |
| Country notes to Table 2.9  **Australia**. From 1 July 2018, foreign suppliers shipping low-value goods (i.e. whose value is AUD 1 000 or less) to consumers in Australia are required to register, collect and remit the GST on those supplies if the volume of such supplies (and any other taxable supplies) exceeds the GST registration threshold of AUD 75 000 per annum. Digital platforms (Electronic Distribution Platforms) are liable to collect GST on inbound supplies made through them. Foreign suppliers/ Electronic Distribution Platforms can register for GST under the simplified “pay-only” registration procedure. For goods whose value exceeds AUD 1 000 the GST is collected by the Customs at the border.  **Canada.** From July 1, 2020, the threshold is CAD 40 for goods that are imported by courier from Mexico or the United States. The threshold is CAD 20 for all other courier and postal importations.  **France.** An exemption threshold of EUR 22 applies for imports of low-value goods that are imported outside the conditions of the distance sales (mail order).  **Iceland**. The threshold applies only to the importation of goods via "express deliveries". An exemption threshold of ISK 1 500 applies to imports of goods by importers registered for VAT purposes in Iceland.  **Israel**. The threshold is given in USD in national legislation. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Korea**. The threshold is given in USD in national legislation. Postal parcels and express consignments are exempt if their value does not exceed USD 150 and the quantity is such that the customs authorities recognise the goods as for personal use.  **Mexico**. The threshold is given in USD in national legislation. The threshold of USD 50 applies on the importation made either by the postal service or by courier services.  **New Zealand**. From 1 December 2019, foreign suppliers shipping low-value goods (i.e. whose value is NZD 1 000 or less) to consumers in New Zealand are required to register, collect and remit the GST on those supplies if the volume of such supplies (and any other taxable supplies) exceeds the GST registration threshold of NZD 60 000 per annum. Digital platforms (online marketplaces and platforms) are liable to collect GST on inbound supplies made through them. Foreign suppliers/online marketplaces and platforms can register for GST under the simplified “pay-only” registration scheme. For goods whose value exceeds NZD 1 000 the GST is collected by the Customs at the border.  **Norway.** From 1 April 2020,foreign suppliers selling low-value goods (i.e. goods with value below NOK 3 000) imported and delivered to consumers in Norway are required to register, collect and remit VAT on those supplies. There is no registration threshold and foreign suppliers must register and account for VAT from the first supply. Digital platforms (Marketplaces) are liable to collect VAT on inbound supplies made through them. Foreign suppliers/online marketplaces can register for under a simplified “pay only” registration scheme (VOEC). For goods with value at or above NOK 3 000, foodstuffs, restricted goods, and goods subject to excise duties, the VOEC is not available. These goods will be subject to border collection of VAT, excise and customs duties.  **Poland**. The threshold does not apply to goods imported on mail order.  **Sweden.** The threshold does not apply to goods imported on mail order (including via digital platforms).  **Switzerland**. The importation of goods in Switzerland is exempt from the VAT when the amount of the VAT due on such imports is CHF 5 or less per declaration. For ease of comparison, the equivalent threshold under the standard VAT rate is shown in the table above i.e. CHF 65 x 7.7% VAT = CHF 5. For goods taxed under the reduced rate of 2,5 % (e.g. books) the value of the threshold would be max. CHF 200 till the tax amount of 5 CHF is reached. However, anyone shipping such goods to consumers in Switzerland for an annual value of CHF 100 000 is considered as making taxable supplies of goods in Switzerland and must register, collect and remit the VAT on those supplies.  **United Kingdom.** There is no low value consignments relief on imports of goods into the UK from the Channel Islands purchased as part of a mail order/distance sale transaction.  **European Union**. From July 2021, the exemption threshold for the import of low-value goods will be removed. Foreign suppliers or digital platforms (Marketplaces) selling low-value goods (i.e. goods with value below EUR 150) imported and delivered to consumers in the EU will be required to register, collect and remit VAT on those supplies. There will be no registration threshold and foreign suppliers will have to register and account for VAT from the first supply. Foreign suppliers/online marketplaces will be able to register under a simplified “pay only” registration scheme (One-Stop-Shop – OSS) in the Member State of their choice their choice. This simplification measure avoids the need to register for VAT in all the Member States where the foreign supplier deliver low-value goods to customers. For goods with value at or above EUR 150 and goods subject to excise duties, the OSS will not be available. These goods will be subject to border collection of VAT, excise and customs duties. |

Table 2.10. Availability of VAT relief or refund to foreign taxpayers1

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| --- | --- | --- | --- | --- |
| **Country** | **Availability of VAT relief/refund mechanism for foreign businesses** | **Approach** | **Reciprocity requirement** | **Availability of VAT deduction as part of the simplified registration and compliance regime2** |
| Australia | Yes | Refund available for those registered other than as Limited Registration Entities | No | No (“pay-only” registration) |
| Austria | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | No (“pay-only” registration) |
| Belgium | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | No (“pay-only” registration) |
| Canada | Yes | Relief through zero-rating where appropriate. If not available, the following forms of relief may be available (facts and circumstances test):  No VAT to be charged to a foreign business on an otherwise taxable supply of goods in Canada provided the supplier to the foreign business receives a “drop shipment certificate” from a VAT registered person who is physically receiving the goods;  Allows a foreign business to “flow through” VAT paid on the importation of goods into Canada or paid to a VAT registered person to its VAT registered customer or supplier, who will in turn recover that VAT through its VAT returns. | No | N/A |
| Chile | No | N/A | N/A | No (“pay-only” registration) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Colombia | No | N/A | | N/A | | No (“pay-only” registration) |
| Czech Republic | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds are available only to businesses established in the EU and in countries that refund VAT to Czech businesses | | No (“pay-only” registration) | | |
| Denmark | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | | No (“pay-only” registration) | | |
| Estonia | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds are available only to businesses established in the EU and countries that refund VAT to Estonian businesses | | No (“pay-only” registration) | | |
| Finland | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | | No (“pay-only” registration) | | |
| France | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | | No (“pay-only” registration) | | |

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| Germany | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to businesses established in the EU, and in countries with which Germany has signed a reciprocity agreement | No (“pay-only” registration) |
| Greece | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC (electronic-based system); * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive (paper-based system). | Yes refunds available only to businesses established in the EU, Norway and Switzerland | No (“pay-only” registration) |
| Hungary | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to business established in the EU, Liechtenstein, Switzerland and Norway |  |
| Iceland | Yes | Refund available through direct refund mechanism (without registration or tax representative). | No | N/A |
| Ireland | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | No (“pay-only” registration). |
| Israel3 | No | N/A | N/A | N/A |
| Italy | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to businesses established in the EU, Israel, Norway and Switzerland | No (“pay-only” registration) |

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| Japan | Yes | A non-established business must appoint a resident tax representative and elect to be treated as a taxable business. | No | No |
| Korea | Yes | Refund available through direct refund mechanism (without registration or tax representative). | Yes: Refunds available only to businesses established in foreign countries on a reciprocal basis | No |
| Latvia | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to businesses established in the EU and in countries that refund VAT to Latvian businesses. | No (“pay-only” registration) |
| Lithuania | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds are available only to businesses established in the EU and in countries that refund VAT to Lithuanian businesses. Also refunds are available to businesses established in OECD member countries that do not have VAT or similar tax. | No (“pay-only” registration)² |
| Luxembourg | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | No (“pay-only” registration) |
| Mexico | No | N/A | N/A | No (“pay-only” registration) |

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| --- | --- | --- | --- | --- |
| Netherlands | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | No (“pay-only” registration) |
| New Zealand | Yes | Most supplies to non-residents are zero-rated.  However, non-resident businesses that do not make taxable supplies in New Zealand may register for GST to recover GST incurred in New Zealand under several conditions: (1) the non-resident business must be registered for GST or VAT in its own country; (2) the GST refund resulting from the first GST return must be more than NZD 500; (3) the GST input tax credits only arise when the non-resident has paid for the expenditure; (4) The non-resident cannot form a New Zealand GST group with New Zealand resident entities unless the non-resident is registered for GST under the ordinary rules; (5) the non-resident must not be making supplies of services that are likely to be received by a person in New Zealand who is not registered for GST; (6) the tax authority will not be legally obliged to refund the GST until 90 days after the GST return has been lodged. | No | No (“pay-only” registration). However, foreign suppliers may elect to do a full registration allowing them to claim GST back on New Zealand-based costs. |
| Norway | Yes | Refund available through direct refund mechanism (without registration or tax representative). | No | No (“pay-only” registration) |
| Poland | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to businesses established in the EU and countries that refund VAT to Polish businesses | No (“pay-only” registration) |

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| Portugal | Yes | Refund available through direct refund mechanism:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive through the appointment of a VAT representative in Portugal. | Yes: refunds available only to businesses established in the EU and countries that refund VAT to Portuguese businesses | No (“pay-only” registration). |
| Slovak Republic | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to businesses established in the EU and countries that refund VAT to Slovakian businesses | No (“pay-only” registration) |
| Slovenia | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to businesses established in the EU and countries that refund VAT to Slovenian businesses | No (“pay-only” registration) |

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| --- | --- | --- | --- | --- |
| Spain4 | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | Yes: refunds available only to businesses established in the EU, Canada, Israel, Japan, Monaco, Norway and Switzerland through an appointment of a VAT representative in Spain. | No (“pay-only” registration) |
| Sweden | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:   * Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC; * Businesses established outside the EU: refunds made under the terms of the EU 13th Directive.   Non-established businesses may claim Swedish VAT to the same extent as VAT-registered businesses (effective as of 1 January 2010). | No | No (“pay-only” registration) |
| Switzerland | Yes | Switzerland refunds VAT incurred by businesses that are neither established nor registered for VAT in Switzerland or Liechtenstein and that have not made any supplies in Switzerland or Liechtenstein (subject to supplies that are exempt from the tax, services whose place of supply is the place of the recipient or supplies of electricity in cables, gas via the natural gas distribution network and district heating to persons liable to the tax on Swiss territory). | Yes  Refunds are made on the condition of reciprocity | N/A |
| Turkey | Yes | Refund available through direct refund mechanism (without registration or tax representative) for certain transactions. | Yes  (partially dependent on reciprocity) | Yes |
| United Kingdom | Yes | Refund available through direct refund mechanism (without registration or tax representative) or direct VAT registration:  Businesses established in the EU: refunds made under the terms of EU Directive 2008/9/EC;  Businesses established outside the EU: refunds made under the terms of the EU 13th Directive. | No | No  (“pay-only” registration) |

1. The VAT relief or refund mechanisms presented in this table do not include the mechanisms associated with the exports of goods or tourists schemes.

2. The absence of input VAT deduction availability for foreign suppliers as part of the simplified registration and compliance regime generally does not prevent such foreign suppliers from exercising the right to obtain a relief of this input VAT under the standard procedure. For example, in the EU non-established suppliers registered under the MOSS can still apply for VAT refunds under the terms of the EU 13th Directive.

3. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

4. Spain: A direct VAT relief is provided on the purchase of moulds, designs and equipment for the manufacturing in Spain of goods to be dispatched out of the EU to the non-established and for any service acquired for the assistance to commercial or professional fairs, expositions or congresses organised in Spain .

*Source*: national delegations; position as at 1 January 2020

Table 2.11. Electronic transaction reporting obligations1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Country** | **Electronic invoicing2** | **Mandatory electronic transaction reporting** | **Reporting format** | **Reporting provision** | **Reporting timing** |
| Australia\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed (with accredited service providers) | Transaction data: yes  (1 January 2000)  Electronic cash register: allowed  (1 January 2000) | No specific format is required  No specific format is required | On request (based on risk assessment)  On request | -  - |
| Austria\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed (mandatory for B2G4 supplies) | Transaction data: yes  (1 January 2000)  Electronic cash register: yes – offline  (1 April 2017) | No specific format is required (SAF-T3 is allowed since 2009)  No specific format is required | On request  Systematic (periodically) and on request | -  Annual |
| Belgium\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : no  Electronic cash register : yes  (1 July 2016) | -  Certified software | -  On request | -  - |
| Canada | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : no  Electronic cash register : no | -  - | -  - | -  - |
| Chile\* | Paper invoices: allowed for B2C  Digitised invoices: not allowed for B2C  E-invoices: Mandatory for B2B and B2G supplies under XML format | Transaction data : yes  (January 2003)  Electronic cash register : optional  (January 2014) | XML format determined by the tax authority  Subject to approval by the tax authorities. | Systematic (real time direct automated access) | At the time the invoice is emitted (real time invoice reporting)  Monthly |
| Colombia | Paper invoices: not allowed for B2C  Digitised invoices: not allowed for B2C  E-invoices: Mandatory for B2B and B2G supplies under XML format | Transaction data : yes  (January 2017)  Electronic cash register : optional  (January 2014) | XML format determined by the tax authority  Subject to approval by the tax authorities. | Systematic (real time direct automated access) | At the time the invoice is emitted (real time invoice reporting)  Monthly |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Czech Republic | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : yes - offline  (1 January 2020) | Control Statement  No specific format is required | Systematic (periodically)  On request | At the same time as VAT return is lodged  - |
| Denmark\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (1 March 2015)  Electronic cash register : no | No specific format is required  - | On request  - | -  - |
| Estonia | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : no  Electronic cash register : no | -  - | -  - | -  - |
| Finland | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : no  Electronic cash register : no | -  - | -  - | -  - |
| France | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed (mandatory for B2G4 supplies) | Transaction data : yes  (1 January 2014)  Electronic cash register : yes - offline  (1 January 2014) | SAF-T3  No specific format is required | On request  On request | -  - |
| Germany | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (1 January 2014)  Electronic cash register : no | No specific format is required  - | On request  - | -  - |
| Greece\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : yes | No specific format is required  No specific format is required | Systematic (periodically)  Systematic (periodically) | Annual  Annual |
| Hungary\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : yes | No specific format is required  - | Systematic (real time)  - | At the time the invoice is emitted (real time invoice reporting) |
| Iceland | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : no  Electronic cash register : no | -  - | -  - | -  - |
| Ireland | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : no | No specific format is required  - | On request  - | 1 January 2014 |
| Israel\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (1 January 2010)  Electronic cash register : yes  (1 January 2010) | Specific format required: PCN874  No specific format is required | Systematic (periodically)  Systematic (periodically) | Monthly  Monthly |
| Italy\* | Paper invoices: not allowed  Digitised invoices: not allowed  E-invoices: mandatory for all transactions (with few exceptions) | Transaction data : yes  (1 January 2019)  Electronic cash register : yes | XML format  - | Systematic (real time)  - | At the same time the invoice is emitted (real time invoice reporting)  1 January 2020 |
| Japan | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : no  Electronic cash register : no | -  - | -  - | -  - |
| Korea\* | Paper invoices: not allowed for B2B transactions  Digitised invoices: not allowed for B2B transactions  E-invoices: mandatory for B2B transactions | Transaction data : yes  (1 January 2011)  Electronic cash register : Yes  (1 January 2005) | Electronic Tax Invoicing format  No specific format is required | Systematic (near real time)  Systematic | One day after the invoice is emitted  Daily |
| Latvia\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (26 0ctober 2011)  Electronic cash register : yes  (1 July 2017) | No specific format is required  No specific format is required | On request  On request | -  - |
| Lithuania | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (1 October 2016)  Electronic cash register : optional | SAF-T3  Certified software | Systematic  On request | Monthly |
| Luxembourg\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : no | SAF-T3  - | On request  - | -  - |
| Mexico\* | Paper invoices: not allowed for B2B and B2G transactions  Digitised invoices: not allowed for B2B and B2G transactions  E-invoices: Mandatory for B2B and B2G transactions | Transaction data : yes  (1 January 2015)  Electronic cash register : no | XML format  - | Systematic (automated, periodic and on request)  - | E-invoices: at the same time the invoice is emitted (real time invoice reporting)  Transaction data: monthly |

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| --- | --- | --- | --- | --- | --- |
| Netherlands | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (1 January 2000)  Electronic cash register : no | SAFT3  - | On request  \_ | -  - |
| New Zealand | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (1 January 2000)  Electronic cash register : no | No specific format is required  - | On request  - | -  - |
| Norway\* | Paper invoices: not allowed for B2B and B2G4 transactions  Digitised invoices: not allowed for B2B and B2G transactions  E-invoices: Mandatory for B2B and B2G4 transactions | Transaction data : yes  (1 January 2020)  Electronic cash register : Yes  (1 January 2019) | SAF-T3  Software approved by the tax administration | On request  On request | -  - |
| Poland | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  (1 January 2018)  Electronic cash register : yes | SAF-T3  Certified software | Systematic and on request  On request | Monthly  -  - |
| Portugal | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: Mandatory for 2B and B2G4 transactions | Invoicing data : yes  (1 January 2013)  Electronic cash register : optional | Web-service format (real time) or Structured file based on SAF-T3/Direct upload on the tax administration (monthly)  Mandatory invoice software certification (1 January 2011)  Certified software | Systematic (until the 12th day following each month  On request for audit purposes | Real time / Monthly  - |
| Slovak Republic | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: alloweds | Transaction data : yes  (1 January 2014)  Electronic cash register : yes  (1 January 2012) | Specific software is required  Certified software | Systematic (in the same time as VAT return)  Systematic | Monthly/quarterly  In real time |
| Slovenia | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : yes | SAF-T3  Certified software | On request  Systematic | -  In real time |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Spain\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : no | XML  - | Systematic (near real time)  - | Within four days of issuance of the invoice (near real time) |
| Sweden\* | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : yes | No specific format is required  Certified software | On request  On request | -  - |
| Switzerland\* |  | Transaction data : yes  Electronic cash register : no | No specific format is required | On request | - |
| Turkey | Paper invoices: allowed for B2C  Digitised invoices: not allowed for B2C  E-invoices: Mandatory for B2B and B2G supplies under XML format | Transaction data : yes  (January 2020)  Electronic cash register : no | XML format determined by the tax authority  - | Systematic (real time) | Daily  - |
| United Kingdom | Paper invoices: allowed  Digitised invoices: allowed  E-invoices: allowed | Transaction data : yes  Electronic cash register : no | Functional compatible software | On request | - |

1. For the purpose of this table, electronic transaction reportingmeans the transmission by registered businesses of detailed information under electronic format concerning individual taxable transactions, including accounting information, invoicing information or any other information allowing tax authorities to obtain information on each taxable supply made or received by a taxpayer. This does *not* include the electronic provision of bulk data such as total sales/turnover or deductible amounts e.g. in periodic returns or statements.

2. For the purpose of this table, “electronic invoice” or “e-invoice” means the automated exchange of invoice information directly between accounting systems of parties to a transaction; “digitised invoice” means a copy of an invoice (e.g. in pdf format) sent by electronic means (e.g. by email) between parties to a transaction.

3. SAF-T stands for Standard Audit File for Tax, a mechanism that was developed by the OECD Forum on Tax Administration. It involves the use of accounting software to create an electronic file (the SAF-T) containing accounting data. The SAF-T enables the transfer of data from the taxpayer to the tax authorities in a standardised, electronic format. (Guidance for Developers of Business and Accounting Software Concerning Tax Audit Requirements available here <http://www.oecd.org/tax/administration/guidancenote-guidancefordevelopersofbusinessandaccountingsoftwareconcerningtaxauditrequirements.htm>). In most cases, a local version of the SAF-T is created to respond to local needs.

4. B2G means supplies made by VAT registered businesses to government or public authorities or agencies.

*Source:* National delegations; position as at 1 January 2020.

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| Country notes to Table 2.11  **Australia. *Electronic transaction information*** may be required from the taxpayer only when a risk assessment of activities reveals a need for further information. This may be simple a copy of invoices (possibly in pdf format), other substantiating document, or an electronic spreadsheet of transactions. It would be rare for the Australian Tax Administration to access the actual electronic records within the business system.  **Austria.** ***Electronic transaction information:*** from 2000, there is an obligation to provide transaction data on data carriers at the request of tax authorities (in the course of an audit). From 2009 data transmission under the SAF-T format is allowed. ***Electronic cash registers:*** the use of electronic cash registers is mandatory for taxpayers with a net annual turnover of EUR 15 000 or more, provided that the cash turnover exceeds EUR 7 500 per year. The applicable annual turnover is of EUR 30 000 for businesses in the following areas: outdoor sales; sales of alpine – mountain ski and refuge hunts; sales in specific kinds of wine taverns (“Buschenschank”); sales in canteens of non-profit organisations. General exemption from the cash register obligation applies to non-profit organisations, charitable and ecclesiastic bodies; self-service automates with single sales of less than EUR 20. As from 1 January 2020, a special reporting obligation applies to platforms, in respect of goods and services of other suppliers facilitated by the platform.  **Belgium.** ***Electronic cash registers:*** the obligation to issue cash receipts delivered by a cash registered system (CRS) is imposed on taxpayers supplying meals or catering services on a regular basis when their annual turnover, excluding VAT, related to the restaurant and catering services, exclusive of the supply of drinks, exceeds EUR 25 000. If the threshold is exceeded, CRS cash receipts must be issued for all their supplies relating to the provision of meals and drinks (supplied during the meal or not), including all sales of food and drinks.  **Chile.** The obligation to use electronic invoicing and to provide B2B transaction information electronically to tax authorities started in 2003. In 2017, this obligation was extended to the provision of other accounting data to an electronic record kept by the tax authority. Transaction data must be transmitted to tax authorities in real time. Invoicing data must be cleared by tax authorities to be considered as a valid accounting document (incl. for the right to deduct input VAT). This obligation is imposed on all taxpayers. Cash registers can be used by any VAT taxpayer. Prior authorization of the tax authority is required when its vouchers replaces non-electronic VAT receipts. In this case, the tax authority requires the model of the cash register to be certified according to certain criteria. Authorization is issued on a per-case basis, upon request of the taxpayer. As from July 2020, the Law 21210 has introduced the obligation to issue B2C invoices electronically. The electronic invoice can be sent through any electronic method (cellphone, email, etc) provided that it is accessible to the consumer and the business. Some minor exceptions may apply where no internet connection neither electricity exist, but an authorization by the tax authority is needed.  **Denmark.** Legislation has been passed to require taxpayers to use electronic cash registers when they belong to a category considered at risk. The implementation date is still to be decided.  **France. *Electronic invoicing*** is not mandatory, except for B2G supplies. Electronic invoicing should become mandatory for all B2B supplies by 2025 at the latest. ***Electronic transaction information:*** taxpayers keeping electronic accounts must provide them in the form of digital files upon request by tax administration for control purposes (these files should meet specific standards). ***Electronic cash registers:*** VAT registered taxpayers making sales to final consumers, which record payments using electronic cash registers must use certified software meeting several technical conditions (inalterability, security, preservation) for tax control purposes. However, the use of electronic cash registers is not mandatory.  **Greece.** Issuance of retail receipts through electronic cash registers (“tax machines”) is mandatory, except for those listed by the tax administration regulation (e.g. solicitors, accountants, farmers, etc.). All entities subject to the provisions of the Greek Accounting Standards have to digitally transmit to the tax administration’s e-books platform named myDATA (my Digital Accounting & Tax Application): (1) a summary of issued and received sales documents (invoices, retail receipts etc.). (2) the characterisation of the transactions covered by these sales documents classifying them to revenue and expenses categories. (3) data of the additional adjustment accounting entries (e.g. payroll, depreciation) that form their accounting/tax base for the export of the accounting/tax result of each fiscal year. Such data shall be transmitted through: an interoperable accounting/commercial software, special Data Entry Form, connected Electronic Tax Register Machines (ETRMs) for retail sale transactions (Online Cash Registers, OCR) or . Electronic Invoicing through Licensed Providers. Furthermore, apart from the above-mentioned obligation, businesses-petrol stations have to report on-line each purchase/sale regarding fuel (petrol, oil).  **Hungary.** Invoicing information for invoices emitted by an invoicing programme (for invoices from HUF 100 000) must be transmitted to the tax authorities at the same time the invoice is emitted by the taxpayer (real time reporting). Information on ‘paper invoices’ must be provided to the tax authorities within a 1 or 5 days deadline (depending on whether the value of VAT figuring in the invoice surpasses – respectively – HUF 500 000 or HUF 100 000). The customer who wishes to deduct VAT has certain reporting obligations too. Further reporting obligations apply for the modification or cancellation of invoices, as well. As of 1 July 2020, the HUF 100 000 threshold is eliminated and information must be provided concerning all invoices emitted in respect of domestic transactions supplied to taxable persons registered in Hungary (B2B relation). Such reporting must be either real time (invoicing programme) or must be accomplished within a 1 or 4 days deadline (‘paper invoices’, depending on the value of VAT figuring in the invoice). Detailed rules apply for the modification or cancellation of invoices and for the reporting obligation of the customer, as well. These reporting rules do not apply to invoices emitted in relation to exempt Intra-Community (i.e. within the EU) supply of goods.  **Israel.** ***Transaction data transmission:*** taxpayers (“licenced dealers”) whose turnover exceeds ILS 2 500 000 or that are obliged to implement the double-entry bookkeeping system; or those whose turnover exceed ILS 1 500 000 and are required by law to prepare balance sheets and to appoint an auditor must transmit invoicing information every month (i.e. by the 23rd of the following month) to the tax administration under the prescribed format (PCN874). ***Certified electronic cash registers:*** the obligation to use certified electronic cash registers is imposed on/available to certain taxpayers depending on their activity and turnover. For example, all retailers must use certified electronic cash registers (no threshold applies but under ILS 350 000 annual turnover, the retailer can choose to use sales book instead). Wholesalers with turnover up to ILS 10 100 000 can use certified electronic cash registers as an option for cash transaction up to ILS 710 instead of invoices. Transportation service providers can use certified electronic cash registers (no threshold). For other services, electronic cash registers can be used (no threshold); if a transaction is recorded with a receipt, the receipt replaces the electronic cash registers. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Italy.** All VAT-registered businesses established in Italy are obliged to accept and issue invoices in electronic format through the Italian Revenue Agency’s e-invoicing platform, Sistema di Interscambio (SdI), for the operations that take place between taxable persons established on the Italian territory, excluding those carried out by taxable persons subject to VAT exemption regimes. For businesses engaged in the retail trade and similar activities, the issuance of the invoice is not mandatory if it is not requested by the customer no later than at the time of the supply. With regard to these taxpayers, from 1 January 2020 and with a few exceptions, taxpayers engaged in the retail trade and similar activities must register their supplies electronically and transmit them to the Italian Revenue Agency, regardless of their turnover.  **Korea. *Transaction data transmission***: all business operators and individual businesses whose total value of supplies of goods and services for the immediately preceding taxable year is at least KRW 300 million are required to issue electronic invoices under a prescribed format for all B2B supplies. The tax administration must have a direct automated access to invoicing information (only) 1 day after the invoice is emitted through the Electronic Tax Invoicing System. The invoicing information must be available to the tax administration for clearance before it can be considered as a valid accounting document, including as a supporting evidence for deduction of input VAT. ***Electronic cash receipts:*** individual businesses who supply goods or services mainly to final consumers must issue electronic cash receipts and transaction data must be transmitted daily to the tax authority.  **Latvia. *Transaction data transmission***: if a taxpayer maintains accounting registers in electronic form, it must, at the request of the tax administration, provide access to any information related to its economic activities, stored in electronic form. The accounting computer programme shall ensure the recording of accounting data in such formats: *MS Excel, dBase/FoxPro, Text Report files, Flat files, Excel, Access, PDF, Adobe PDF, XML or ODBC data sources.* ***Electronic cash receipts:*** in street trading venues, taxpayers shall use a cash register stipulated by law if the combined value of its supplies of goods and services does reach EUR 150 000 within the period of previous 12 months.For passenger transport activities, taxpayers shall use cash-register systems stipulated by law if the combined value of transactions performed in a particular structural unit or passenger transport vehicle exceeds EUR 1 500 000 during the period of previous 12 months. The use a cash register stipulated by law is mandatory for taxpayers registered with the Value Added Tax Payers Register of the State Revenue Service, petrol stations and taxi.  **Luxembourg.** The ***transaction information transmission*** obligation was implemented for the fiscal year 2011. The requirement to make transaction information available to the tax administration under the SAF-T format is not imposed on taxpayers who: are not liable to the *plan comptable normalisé* (standardised chart account); or benefit from the simplified regime; or whose turnover is below EUR 112 000; or having no reasonable volume of booking transactions (under +/- 500).  **Mexico.** Electronic invoicing is mandatory since 1 January 2014. The transmission of transaction data to the tax authority is mandatory since 1 January 2015. Invoicing information must transmitted totax authorities at the time the invoice is emitted (real time transmission). This obligation applies to all taxpayers and covers the domestic supplies of goods and services for both B2B and B2C transactions. Periodic transmission of transaction information is also imposed to all taxpayers. Federative entities, municipalities, trade unions and entities of the parastatal public administration; certain small taxpayers and non-profit legal persons are relieved from that obligation.  **Norway. *Transaction data transmission:*** the Norwegian Bookkeeping Regulation includes a requirement to disclose accounting data in the SAF-T format for all businesses with annual turnover of NOK 5 million or more. This requirement also applies to businesses with an annual turnover of less than NOK 5 million if they have bookkeeping information available electronically. The companies subject to bookkeeping obligations are only obliged to submit accounting information in SAF-T format on request by the tax authorities. ***Cash registers:*** from 1 January 2017, cash register systems that are placed on the Norwegian market must meet the requirements laid down in the Norwegian Cash Register Systems Act with regulations. The suppliers have to declare the systems to be in compliance with the new rules. Companies subject to a bookkeeping obligation have to start using new cash register systems from 1 January 2019.  **Poland. *Transaction data provision:*** taxable persons must provide transaction data to the tax authorities under the SAF-T format on a monthly basis. Taxable persons carrying out only supplies exempt from VAT or those benefiting from the VAT exemption for the small enterprises whose annual turnover does not exceed PLN 200 000 (the registration threshold), are exempt from this obligation. The tax authority can also obtain electronic transaction information on request only from taxpayers who keep accounting books using computer programs. This obligation also applies to stock movement, invoicing and bank statement programs. ***Electronic cash registers:*** taxable persons whose annual turnover on B2C supplies, exclusive of VAT, does not in the current tax year exceed PLN 20 000 and did not do so in the course of the preceding tax year are exempt from the obligation to use certified electronic cash registers (the exemption does not apply to certain categories of goods /services). Are also exempt certain categories of supplies e.g. when an invoice is emitted and/or the payment is made by bank transfer.  **Portugal. *Transaction data provision:*** Taxpayers with a permanent establishment in Portugal providing supplies subject to VAT must systematically (at the latest 12 days after the end of each month) transmit invoicing data to the tax administration. This can be done in real time (via web-service) or on a monthly basis through a structured file based on SAF-T format or by filing it directly in the Tax Authority Web portal. The tax administration can also request for audit purposes a SAF-T file , which includes accounting and invoicing data Taxpayers with a turnover above EUR 50 000 during the previous taxation period are required to use, exclusively, computer invoicing programs previously certified by the Tax and Customs Authority (AT). ***Common Simplified Report*** (IES): accounting and financial reporting information to different government bodies is provided through one single common declaration. ***Electronic cash registers:*** the use of certified ECR it’s not mandatory but given the obligation to issue an invoice for any transaction and the obligation for taxpayers to use certified invoicing programs, most taxpayers use certified invoicing software instead of electronic cash registers.  **Slovak Republic. *Transaction data provision:*** all taxable persons registered for VAT purposes in the Slovak Republic are obliged to submit a special VAT Control Statement, together with their VAT returns to the Financial Administration (FA). VAT listings are submitted separately and are not dependant on the VAT return. Some crosschecking between VAT listings and VAT returns are built into the analytical system. ***Electronic cash registers:*** the use of certified cash registers is mandatory for all suppliers that receives payments in cash or by other payment methods replacing cash at the point of sale and those providing sole services listed in the law. Data from these electronic cash registers must be transmitted to the tax authorities in real time.  **Spain. *Transaction data provision:*** taxpayers registered in the monthly VAT refund register; those whose annual turnover exceed EUR 6 million and company groups for VAT purposes are required to provide the tax administration with invoicing data in XML format within four calendar days after the invoice is issued or received (Immediate Supply of Information – SII). Information on investment goods should also be provided within the submission deadline of the last settlement period of the year.  **Sweden. *Electronic cash registers:*** the use of certified electronic cash registers is mandatory for taxpayers above the annual turnover threshold of SEK 182 000. It is not imposed on certain taxpayers such as taxi drivers and sales from vending machines. Taxpayers can apply for an exemption of the obligation to use certified electronic cash registers.  **Switzerland. *Electronic cash registers:*** data on individual transactions must be transmitted to the tax administration on request or during an audit.  **Turkey.** From 1 January 2020 paper invoices are no longer legally valid. All invoices must be sent under electronic format via the *e-arşiv fatura* system. Every time an electronic invoice is issued, the recipient receives a notification by email. All businesses must file a daily statement with a summary list with all the *e-arşiv fatura* and send it to the tax administration.  **United Kingdom.** Under the Making Tax Digital initiative, VAT registered businesses with taxable turnover above the VAT registration threshold need to keep digital records and submit VAT Returns to HMRC using functional compatible software. |

Table 2.12. Application of domestic reverse charge and split payment mechanisms

|  |  |  |
| --- | --- | --- |
| **Country** | **Domestic reverse charge system** | **Domestic split payment mechanism** |
| Australia | Supplies of new residential premises |  |
| Austria | Supply of laptops, tablets, PCs, game consoles, mobile phones and integrated circuit devices if the amount of the invoice is at least EUR 5,000;  Supply of gas and electric energy to taxable dealers;  Supply of gas and electric energy certificates;  Supply of CO2 emission allowances;  Supply of certain metals and of taxable investment gold;  Supply of scrap and industrial and non-industrial waste and recyclable waste;  Construction services if the recipient is acting as general contractor or if he usually is rendering construction services;  Supplies of staff engaged in the construction sector;  Supply of goods provided as security by a VAT taxable person to another person in execution of that security;  Supply of goods following the cession of the reservation of ownership to an assignee and the exercising of this right by the assignee;  Supply of immovable property sold by the judgment debtor in a compulsory sale procedure to another person. |  |
| Belgium | Some supplies of investment gold and of gold products of a purity of at least 325 thousands;  Supply of work on immovable property under several conditions;  Supplies of staff engaged in the construction sector;  Supply of CO2 emissions allowances. |  |
| Canada | Certain purchasers of real property are required to self-assess (e.g. when the supplier is a non-resident; or when the purchaser is registered for GST/HST and, if he is an individual, the property is not a residential complex);  Self-assessment is generally required with respect to supplies of carbon emission allowances;  In certain circumstances, persons may be required to self-assess the provincial part of the HST when certain property or services are moved from one province to another. |  |
| Chile | Supplies of rice, construction works, waste, marine species, livestock, legumes, wood, wild products, wheat and berries. The customer (who must be a VAT taxpayer) acts as a withholding agent. |  |
| Colombia | Rendering of services. The customer should act as a withholding agent if it is registered as VAT responsible before the Colombian Tax Authority. |  |
| Czech Republic | Supply of taxable investment gold and gold material of purity equal to or greater than 333 thousandths;  Supply of designated categories of scrap and waste;  Supply of CO2 emission allowances;  Supply of construction and assembly services provided between taxable persons registered for Czech VAT;  Supply of mobile phones, integrated circuit devices, notebooks, tablets and videogame consoles;  Supply of certain metals and basic products from metals;  Supply of cereals and industrial crops, including oil seeds and sugar beet;  Supply of immovable property under the option for taxation;  Supply of gas and electric energy to taxable dealers;  Supply of gas and electric energy certificates;  Supply of goods following the cession of a reservation of ownership to an assignee and the exercising of this right by the assignee;  Supply of immovable property sold by a judgment debtor in a compulsory sale procedure;  Supply of staff engaged in construction and assembly services;  Supply of certain telecommunication services. | There is a special method for securing the payment of VAT that can be used when a recipient of a taxable supply wants to avoid being declared joint and severally liable for the unpaid taxes by the supplier. Similarly to the split payment mechanism, for these cases the recipient can pay the VAT due directly to the account of the supplier's tax office. |
| Denmark | Supply of CO2 emission allowances;  Supply of scrap metals;  Supply of investment gold;  Supply of mobile phones, integrated circuit devices, games consoles, tablets PCs and laptops. |  |
| Estonia | Supply of immovable property and investment gold, where the supplier has opted for taxation;  Supply of gold material, including semi-finished gold products (purity of at least 325 thousandths);  Supply of scrap metal and precious metals. |  |
| Finland | Supply of taxable investment gold as well as gold material and semi-manufactured gold products of purity equal to or greater than 325 thousandths;  Supply of CO2 emission allowances;  Supply of scrap metal and waste;  Construction services, including supply of staff engaged in the construction sector. |  |
| France | Supply of CO2 emission allowances;  Supply of used materials, scrap and waste;  Supply of investment gold and gold products of a purity of at least 325 thousandths;  Construction services (limited to certain services provided on a building when performed by a subcontractor on behalf of a taxable person);  Supply of gas and electric energy to taxable dealers;  Supply of certain telecommunication services.  Supply of certificates/guarantees of origin of electricity from renewable energy sources;  Supply of certificate of performance guarantee of the public power transport system operator. |  |
| Germany | Supplies of pledged assets by the guarantor to the recipient of the security outside the framework of judicial liquidation;  Supplies covered by the Real Property Transfer Tax Law (in particular transfers of real estate).  If the customer is an entrepreneur: supplies of work or other services serving the construction, repair, maintenance, alteration or removal of structures (except for planning, engineering and supervision) and cleaning of buildings when the customer himself supplies such services;  Supply of gold (unwrought or semi-finished of a purity of at least 325 thousandths);  Supply of CO2 emissions allowances;  Supply of industrial scrap, ferrous and non-ferrous waste and other waste;  Supply of mobile devices, integrated circuit devices, game consoles and tablet PC if the transaction value is or exceeds EUR 5 000;  Supply of electricity (generally applicable only if supplier and recipient are both treated as resellers) and supply of gas (generally applicable only if the recipient is to be treated as reseller);  Transfer of gas and electricity certificates;  Supply of precious metals as well as certain ignoble metals (e.g. copper, nickel, aluminium, lead, zinc), unwrought or semi-manufactured, if the transaction value is or exceeds EUR 5 000. |  |
| Greece | Construction work on immovable property assigned to public works' contractors by public authorities (that are not necessarily public law entities), provided the public authorities are owners of the works and taxable persons with the right to input tax deduction. Major projects as defined by EU Regulations are exempt from the reverse charge system.  Provided the supply is intended for recycling, the following supplies of recyclable waste:  Supply of ferrous and non-ferrous waste metals, scrap(clippings) and other used materials  Supply of semi-finished products made of ferrous and non-ferrous metals,  Supply of residues and other recyclable materials consisting of ferrous and non-ferrous metals, alloys, slag, scales or ashand industrial residues containing metals or metal alloys  Supply of scrapings and scrap (clippings), waste and used recyclable material consisting of glass fragments, glass, paper, cardboard, rags, bone, leather (natural or artificial), diphtheria, raw hides and skins, tendons and sinews, twine, rope and head rope , cables, rubber and plastic materials,  Supply of scrap (clippings) and waste from the working of base materials  Supply of the aforementioned materials after cleaning, polishing, selection, cutting, fragmenting and pressing  Supply of greenhouse gas emissions allowances according to EU Directive 2003/87/EC.  Supply of mobile phones, videogame consoles, tablets and laptops provided the acquirer is a taxable person entitled to input tax deduction (that is if registered under the normal VAT scheme). |  |
| Hungary | Supply of construction works regarded as a supply of goods;  Construction or other alteration or repair activity qualifying as service, directed at the construction, expansion, rearrangement or other modification (including demolition) of immovable property and subject to acquiescence or authorisation by the building authority;  Hiring-out of employees and the supply of staff;  Supply of scrap and waste products;  Supply of a building and the land on which it stands or of an inbuilt plot of land (with certain exceptions) if the supplier opted for taxation;  In relation with debtors and creditors, the supply of goods that were pledged as collateral security to cover an overdue claim in execution of that security;  Supply of goods with an open market value of more than HUF 100,000 (EUR 334) used by the taxable person for the purposes of his business if the supplier is adjudicated in liquidation proceedings or any similar insolvency proceedings;  Supply of CO2 emissions allowances;  Supply of certain specific agricultural products such as wheat and meslin, rye, barley, oats, maize, triticale, soya beans whether or not broken; rape and colza seeds whether or not broken; sunflower seeds whether or not broken.  Supply of certain iron and non-alloy steel products such as flat-rolled products of iron or non-alloy steel, bars and rods of iron or non-alloy steel, angles, shapes and sections of iron or non-alloy steel, wire of iron or non-alloy steel, tubes, pipes and hollow profiles of iron or non-alloy steel. |  |
| Iceland | - |  |
| Ireland | Supply of construction services supplied by sub-contractors to principal contractors;  Supply of immovable property under the option for taxation (including sale by receiver, liquidator or mortgagee in possession;  Supply of used material and scrap metal;  Supply of CO2 emissions allowances;  Supply of gas and electricity by a business in Ireland to a taxable dealer carrying on business in Ireland;  Supply of gas certificates or electricity certificates by a business in Ireland to another business in Ireland. |  |
| Israel3 | A person not liable for payment of the tax may, with the Director's consent and on conditions prescribed by him, take the payment upon himself, and after the date of that consent he shall be treated as the person liable for its payment;  The tax levied on a buyer, if the buyer is a dealer, a non-profit organisation or a financial institution and has committed a real estate sale which is an occasional transaction;  Sale of metal debris;  A dealer, a non-profit organisation or a financial institution receives services of the types specified below from a person, whose main income is from wage, benefit or pension, shall pay the tax in respect of that service, unless a tax invoice was received from the person rendering the service; these are the services:  Artistic performance; construction or preparation of stage sets; preparation, checking, conducting and supervising exams; lectures etc.  Services of the following professionals: agronomist, architect, ; practical engineer; private investigator; rabbinical pleader; technician; dental technician; organizational, management, scientific or tax consultant; economist; engineer etc. |  |
| Italy | Supplies carried out by subcontractors in the building sector;  Supply of staff engaged in the construction sector;  Supply of immovable property under the option for taxation;  Supply of used materials, scrap, waste and specific services;  Supply of investment gold, including supply of semi-finished products and of gold of a purity of at least 325 thousandths(so called industrial gold);  Supply of scrap iron;  Supply of mobile phones, tablets, personal computers and integrated circuit devices under certain conditions;  Supply of CO2 emission allowances;  Supply of gas and electric energy to taxable dealers;  Supply of gas and electric energy certificates. | Supplies of goods and services made to public authorities or government bodies, public owned companies, companies listed on the Italian Stock Market (FITSE-MIB) |
| Japan |  |  |
| Korea | - | For supplies of gold bullion (99.5% or higher purity) and second hand gold products (with 58.5% or higher purity), copper, gold and iron scrap, the supplier must open a bank account designated for the gold or scrap transactions and the purchase price (without VAT) must be transferred to the supplier using the designated bank account. At the same time, the recipient must also deposit the relevant VAT amount into an account designated by the Director of the National Tax Services. |
| Latvia | Supply of timber and services related to the supply of timber;  Supply of construction services;  Supply of scrap metals and services related to the supply of scrap metals  Supply of mobile telephones, integrated circuit devices, tablet PC’s and laptops;  Supply of cereals and industrial crops (including oil seeds), including mixtures of these goods, that are not normally used in the unaltered state for final consumption;  Supply of raw and semi-finished precious metals, where they are not covered by special scheme for investment gold, raw and semi-finished precious metal alloys and precious metal clad, as well as precious metal or precious metal clad scrap and debris;  Supply of game consoles;  Supply of metal products;  Supply of construction products;  Supply of household electronic appliances and household electrical appliances. |  |
| Lithuania | Supply of timber  Supply of construction services  Supply of ferrous waste and scrap, residues and other recyclable materials consisting of ferrous and non-ferrous metals  Supplies by a taxable person under insolvency procedure  Supply of essential (material) improvement to the owner of the building  VAT calculated on assets taken over as a contribution in kind or due to reorganisation of another person registered for VAT purposes. |  |
| Luxembourg | Supply of CO2 emission allowances; supply of gas and electricity certificates. |  |
| Mexico | Domestic reverse charge applies to:  Corporations that receive independent personal services from individuals or rent goods from them; acquire waste to be used for commercial or industrial activities; receive services rendered by commissionaires who are individuals; and receive land motor transportation services of goods lent to both individuals and corporations;  Credit institutions acquiring assets through payments in kind or through legal or trust adjudication;  Individuals or entities acquiring or having temporary use or enjoyment of tangible assets transferred or granted by foreign residents who do not have a permanent establishment in Mexico;and  Individuals or corporations who receive services through which personnel are made available directly to the contractor to carried out their duties at their facilities, regardless of the name given to the contractual obligation. |  |
| Netherlands | Supply of construction work (including shipbuilding), including repair, cleaning, maintenance, alteration and demolition services in relation to immovable property, including the handing over of construction works;  Supply of staff engaged in the construction sector;  Supply of immovable property under the option for taxation;  Supply of used materials, scrap, waste and specific services;  Supply of goods provided as security by one taxable person to another in execution of that security;  Supply of immovable property sold by a judgement debtor in a compulsory sale procedure;  Supply of CO2 emission allowances;  Supply of mobile phones, integrated circuit devices, laptops, game consoles and tablet pc’s provided that the value of the transactions exceeds EUR 10,000.  Supply of gas- and electricity certificates (e.g. green certificates, guarantees of origin |  |
| New Zealand | If the supply of land has been incorrectly zero-rated and the incorrect treatment is discovered after settlement, the recipient of the supply is made responsible for paying GST. |  |
| Norway | Supply of CO2 emission allowances;  Supply of investment gold (with purity equal to or greater than 325 thousandths). |  |
| Poland | Supply of metal scrap, metal waste and metal materials;  Supply of CO2 emission allowances;  Supply of mobile phones (including smart phones), video game consoles, tablets, notebooks, and laptops;  Supply of microprocessors;  Construction services supplied by subcontractors;  Supply of unwrought non-ferrous metals (aluminium, lead, zinc, tin, nickel);  Supply of raw and semi-finished metals, including gold materials and intermediate products containing gold, investment gold and selected steel products. | For B2B supplies, the customer can choose to pay the VAT on a supply on the “VAT account” of the customer (all taxpayers have automatically a VAT account associated with their bank account) separately from the net amount. |
| Portugal | Supply of used material, scrap metal, waste and specific services;  Supply of immovable property under the option for taxation;  Work on immovable property (such as repair, cleaning, maintenance, alteration and demolition services, including the handing over of construction works);  Supply of taxable investment gold and gold material of purity equal to or greater than 325 thousandths;  Supplies of CO2 emission allowances;  Supplies of cork, wood, pine cones and pine kernels in their shell. |  |
| Slovak Republic | Supply of certain construction works including supply of building (construction) and the supply of certain goods requiring installation or assembly;  Supply of immovable property under the option for taxation;  Supply of goods which are pledged as a security of a receivable of a creditor within the enforcement of such pledge;  Supply of a building or a part of a building in the Slovak Republic which the supplier as a debtor recognised by a court or another relevant state authority sold within the statutory enforcement proceedings;  Supply of goods following the cession of a reservation of ownership to an assignee and the exercising of this right by the assignee;  Supply of investment gold and of gold material or semi-manufactured products of gold of a purity of at least 325 thousandths between taxable persons;  Supply of metal scrap and metal waste;  Supply of CO2 emission allowances;  Supply of cereals and oil seeds, grains, straw and fodder crops, which are not typically intended in the unaltered state for final consumption;  Supplies of iron and steel;  Supply of mobile phones, being devices made or adapted for use in connection with a licensed network and operated on specified frequencies, whether or not they have any other use, if the taxable amount in the invoice for the supply of mobile telephones is EUR 5 000 and more;  Supply of integrated circuit devices such as microprocessors and central processing units in a state prior to integration into end user products, if the taxable amount in the invoice for the supply is EUR 5 000 and more;  Supply of construction work, including repair, cleaning, maintenance, alteration and demolition services in relation to immovable property as well as the handing over of construction works regarded as a supply of goods. |  |
| Slovenia | Supply of construction work (including repair, cleaning, maintenance, alteration and demolition services in relation to immovable property);  Supply of staff engaged in the mentioned activities;  Supply of certain immovable property, where the supplier has opted for taxation of the supply;  Supply of certain waste, scrap, used material and services;  Supply of allowances to emit greenhouse gases. |  |
| Spain | Construction works, including the supply of staff for its performance, in the framework of development, construction or renovation of immovable property;  Supply of CO2 emission allowances;  Supply of metal scrap and metal waste;  Supply of investment gold and supply of gold material or semi-finished products of a purity of at least 325 thousandths;  Supply of buildings in certain situations;  Supply of immovable property within bankruptcy proceedings;  Supply of immovable property made under enforcement of a security or with the obligation for the acquirer to settle the securitized debt;  Supply of mobile phones, videogame consoles, laptop and tablet PCs, only where the customer is a reseller of the goods (traders habitually engaging in the resale of these goods) or, otherwise, where the total amount of supplies to one trader exceeds EUR 10,000.  Supply of silver, platinum and palladium. |  |
| Sweden | Supply of construction work, including repair, cleaning, maintenance, alteration and demolition services in relation to immovable property, including the handing over of construction works;  Supply of staff engaged in the construction sector;  Supply of CO2 emissions allowances;  Supply of used materials, scrap, waste and specific services;  Supply of investment gold and gold products of a purity of at least 325 thousandths. |  |
| Switzerland | - | - |
| Turkey | Supply of lease of movable property by non-taxable persons to taxable persons;  Supply of scientific, artistic and literary works provided to taxable persons.  Supply of advertisement services provided by non-taxable persons to taxable persons. | Certain recipients of a number of specified services are required to withhold a percentage of the VAT charged to them by the service provider and remit it directly to the tax authorities (*partial withholding*). Among others, these services are (a) supervisory services for building construction, (b) scrap metal, glass, plastic and paper (in cases where the supplier waives the VAT exemption), (c) advisory, supervisory and audit services maintenance and (d) repair services for machinery, equipment and other fixed assets. |
| United Kingdom | Supply of investment gold and of gold products of a purity of at least 325 thousandths;  Supply of CO2 emissions allowances;  Supply of mobile telephones and integrated circuit devices if the value of the goods supplied exceeds GBP 5,000 (VAT inclusive). The value limit does not apply to services;  Supply of gas through a natural gas system situated in the United Kingdom or any network connected to such a system and to electricity;  Wholesale supply of electronic communication services;  Supply of renewable energy certificates. |  |

1. For the purpose of this table, are considered as a “domestic reverse charge” regime, regimes whereby the customer rather than the supplier of goods, services or intangibles is liable to remit the VAT to the tax authorities on a domestic supply (i.e. a supply where both the supplier and the customer are established in the same jurisdiction, where the supply takes place). The supplier does not charge the VAT to the customer.

2.For the purpose of this table, a “domestic split payment mechanism” is a mechanism whereby, on a domestic supply of goods, services or intangibles, the supplier remains liable to charge the VAT to the customer, but where (part of) this VAT is directly transferred to the tax authorities or to a specific (blocked) “VAT account” that may belong to the supplier or customer.

*Source:* national delegates; position as at 1 January 2020

Table 3.1. Taxation of beer

Type the subtitle here. If you do not need a subtitle, please delete this line.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Country | Currency | Specific excise per hectoliter per % abv1 | | Lower excise for small independent breweries | | | Excise duty on low alcohol beer  Excise on hectoliter of product | | VAT rate | Excise rate progressive by strength |
| National currency | USD | Annual production (hl) | National currency | USD | National currency | USD | % |  |
| Australia\* | AUD | Country note |  | Country note |  |  | Country note |  | 10.0 | Yes |
| Austria | EUR | 5.00 | 5.62 | < 12 500 | 3 | 3.37 | \_ | \_ | 20.0 | No |
|  |  |  |  | < 25 000 | 3.5 | 3.93 |  |  | 20.0 |  |
|  |  |  |  | < 37 500 | 4 | 4.49 |  |  | 20.0 |  |
|  |  |  |  | = 50 000 | 4.5 | 5.06 |  |  | 20.0 |  |
| Belgium | EUR | 5.01 | 5.63 | ≤ 12 500 | 4.36 | 4.90 | \_ | \_ | 21.0 | No |
|  |  |  |  | ≤ 25 000 | 4.50 | 5.06 |  |  | 21.0 |  |
|  |  |  |  | ≤ 50 000 | 4.65 | 5.22 |  |  | 21.0 |  |
|  |  |  |  | ≤ 75 000 | 4.79 | 5.38 |  |  | 21.0 |  |
|  |  |  |  | ≤ 200 000 | 4.94 | 5.55 |  |  | 21.0 |  |
| Canada\* | CAD | Country note |  | Country note |  |  | Country note |  | 5.0/13.0  15.0 | Yes |
| Chile\* | CLP | Country note |  | Country note |  |  | Country note |  | 19.0 | No |
| Colombia |  | Country note |  | Country note |  |  | Country note |  | 19.0 |  |
| Czech Republic | CZK | 80.00 | 3.42 | ≤ 10 000 | 40.00 | 1.71 | \_ | \_ | 21.0 | No |
|  |  |  |  | ≤ 50 000 | 48.00 | 2.06 |  |  | 21.0 |  |
|  |  |  |  | ≤ 100 000 | 56.00 | 2.39 |  |  | 21.0 |  |
|  |  |  |  | ≤ 150 000 | 64.00 | 2.74 |  |  | 21.0 |  |
|  |  |  |  | ≤ 200 000 | 72.00 | 3.08 |  |  | 21.0 |  |
| Denmark\* | DKK | 48.74 | 7.31 | ≤ 3 700 | Country note |  | 0.00 | 0.00 | 25.0 | No |
|  |  |  |  | ≤ 20 000 | Country note |  |  |  | 25.0 |  |
|  |  |  |  | < 200 000 | Country note |  |  |  | 25.0 |  |
| Estonia | EUR | 12.70 | 14.27 | ≤ 15 000 | 6.35 | 7.15 | \_ | \_ | 20.0 | No |
| Finland\* | EUR | 36.50 | 41.01 | ≤ 5 000 | 18.25 | 20.51 | 11.40 | 8.88 | 24.0 | No |
|  |  |  |  | ≤ 30 000 | 25.55 | 28.71 |  |  | 24.0 |  |
|  |  |  |  | ≤ 55 000 | 29.2028.44 | 32.81 |  |  | 24.0 |  |
|  |  |  |  | ≤ 100 000 | 32.85 | 36.85 |  |  | 24.0 |  |
| France\* | EUR | 7.42 | 8.34 | ≤ 200 000 | 3.71 | 4.17 | 3.70 | 4.16 | 20.0 | No |
| Germany\* | EUR | 1.97 | 2.21 | ≤ 5 000 | 1.10 | 1.24 | \_ | \_ | 19.0 | No |
|  |  |  |  | ≤ 10 000 | 1.32 | 1.48 |  |  | 19.0 |  |
|  |  |  |  | ≤ 20 000 | 1.54 | 1.73 |  |  | 19.0 |  |
|  |  |  |  | ≤ 40 000 | 1.65 | 1.85 |  |  | 19.0 |  |
| Greece | EUR | 12.50 | 14.04 | ≤ 200 000 | 6.25 | 7.02 | \_ | \_ | 24.0 | No |
| Hungary | HUF | 1620.00 | 5.90 | ≤ 200 000 | 810.00 | 2.95 | - | - | 27.0 | No |
| Iceland\* | ISK | Country note |  | \_ | \_ | \_ | Country note | \_ | 11.0 | Yes |
| Ireland\* | EUR | 22.55 | 25.34 |  | Country note |  | Country note |  | 23.0 | No |
| Israel\* | ILS | 235.00 | 66.01 | \_ | \_ | \_ | Country note |  | 17.0 | No |
| Italy\* | EUR | 7.78 | 8.48 | ≤ 40 000 | 4.67\_ | \_ | Country note | \_ | 22.0 | No |
| Japan\* | JPY | Country note |  |  |  |  | \_ | \_ | 10.0 | No |
| Korea\* | KRW | Country note |  |  |  |  | Country note |  | 10.0 | No |
| Latvia\* | EUR | 7.40 | 8.31 | ≤ 10 000 | 3.70 | 4.16 | - | - | 21.0 | No |
| Lithuania | EUR | 7.11 | 7.99 | - | - | - | - | - | 21.0 | No |
| Luxembourg\* | EUR | 1.98 | 2.22 | ≤ 50 000 | 0.98 | 1.10 | \_ | \_ | 17.0 | No |
|  |  |  |  | ≤ 200 000 | 1.12 | 1.26 | \_ | \_ | 17.0 |  |
| Mexico\* | MXN | 26.50% |  |  |  |  | \_ | \_ | 16.0 | Yes |
| Netherlands\* | EUR | Country note |  | \_ | \_ | \_ | \_ | \_ | 21.0 | No |
| New Zealand\* | NZD | 29.05 | 20.61 |  |  |  | Country note |  | 15.0 | No |
| Norway\* | NOK | See note |  |  |  |  | Country note |  | 25.0 | Yes |
| Poland\* | PLN | 21.43 | 5.64 | Country note |  |  | \_ | \_ | 23.0 | No |
| Portugal\* | EUR | See note |  | Country note |  |  | Country note |  | 23.0 | No |
| Slovak Republic | EUR | 3.59 | 4.03 | ≤ 200 000 | 2.65 | 2.98 | \_ | \_ | 20.0 | No |
| Slovenia\* | EUR | 12.10 | 13.60 | ≤ 20 000 | 6.05 | 6.80 | \_ | \_ | 22.0 | No |
| Spain\* | EUR | Country note |  | \_ | \_ | \_ | Country note |  | 21.0 | No |
| Sweden | SEK | 202.00 | 23.63 | \_ | \_ | \_ | \_ | \_ | 25.0 | No |
| Switzerland\* | CHF | Country note |  |  |  |  | Country note |  | 7.7 | Yes |
| Turkey\* | TRY | 204.42 | 3.59 | \_ | \_ | \_ | \_ | \_ | 18.0 | No |
| United Kingdom\* | GBP | 19.08 | 24.46 | Country note |  |  | 8.42 | 10.79 | 20.0 | No |
| United States\* | USD | Country note |  | ≤ 2 347 000 | Country note |  | \_ | \_ |  | No |

\* See Country notes

*Note*: Conversion of national currency in USD: conversion rates are average market rates (2019) published in OECD Monthly Monetary Statistics (*stats.oecd.org*).

1. % abv = percentage of pure alcohol by volume at 20°C. In some countries, the excise rate on beer is calculated per hectolitre per degree Plato. For ease of reading, all amounts have been converted in % abv. There is no precise conversion between degrees Plato and % abv but for tax purposes it is often assumed that 1% abv is equivalent to 2.5 degrees Plato. As a result, tax rates expressed in degree Plato have been multiplied by 2.5 to obtain the % abv.

*Source*: national delegates; position as at 1 January 2020.

|  |
| --- |
| Country notes to Table 3.1.  **Australia**. The excise rates for beer in individual containers of less than 8 litres; or individual containers of at least 8 litres but not exceeding 48 litres and not designed to connect to a pressurised gas delivery system or pump delivery system are: AUD 43.53 per litre of alcohol where the alcohol volume does not exceed 3%, AUD 50.70 where the alcohol volume exceeds 3% but does not exceed 3.5%, and AUD 50.70 where the alcohol volume exceeds 3.5%. The excise rates for beer in individual containers exceeding 48 litres; or individual containers of at least 8 litres but not exceeding 48 litres and designed to connect to a pressurised gas delivery system or pump delivery system are: AUD 8.71 per litre of alcohol where the alcohol volume does not exceed 3%, AUD 27.26 where the alcohol volume exceeds 3% but does not exceed 3.5%, and AUD 35.71 where the alcohol volume exceeds 3.5%. Lower rates also apply for beer produced for non-commercial purposes using commercial facilities or equipment, being AUD 3.06 per litre of alcohol for beer where the alcohol volume does not exceed 3% and 3.53 per litre of alcohol for beer where the alcohol volume is 3% or more. Excise duty on beer is calculated on the amount by which the alcohol content exceeds 1.15% by volume of alcohol. Beer that does not contain more than 1.15% by volume of alcohol is not subject to excise duty. These rates are indexed to inflation in February and August each year. Eligible manufacturers can receive a refund of 60% of the excise duty paid up to a maximum of AUD 100 000 per financial year.  **Canada.** Excise duty rates for beer are imposed per hectolitre of product (not per hectolitre per degree alcohol). Provincial and territorial governments also charge taxes and mark-ups on beer. Federal excise duty rates, on all beer or malt liquor containing: (1) more than 2.5% abv, CAD 33.03 per hectolitre; (2) more than 1.2% abv but not more than 2.5% abv, CAD 16.52 per hectolitre; (3) not more than 1.2% abv, CAD 2.742 per hectolitre. Reduced rates of excise duty apply on the first 75 000 hectolitres of beer and malt liquor brewed in Canada per year by licensed brewers: the aforementioned rates are reduced by (1) 90%, on the first 2 000 hectolitres, (2) 80%, on the next 3 000 hectolitres, (3) 60%, on the next 10 000 hectolitres, (4) 30%, on the next 35 000 hectolitres, and (4) 15%, on the next 25 000 hectolitres. Automatic inflationary adjustments on duty rates for beer occur annually on April 1.  **Chile**. The sale of alcoholic beverages (including wine, beer, distilled alcoholic beverages and other alcoholic beverages) is subject to 19% VAT and also to a surtax on the sale or import of alcoholic beverages. The rate applied to beer is of 20.5% and does not depend upon the degree of alcohol that the beer contains. The tax is applied to the VAT base, that is the sale`s price (excluding VAT itself) and levies sales made between wholesale dealers. For sales between wholesalers, the tax paid to the vendor is creditable against the tax applied on sales at each stage of the value chain (including imports) until the last sale to the final retailer. The sale from the retailer to the final consumer is not subject to the surtax and the retailer cannot deduct the input tax.  **Colombia**. The sale of beer is subject to an excise tax of 48% for beers produced in Colombia and an additional VAT of 19% after reducing the taxable base with the excise tax. Regarding foreign produced beers, the excise tax is determined by the Ministry of Finance on a semester basis.  **Denmark**. Lower rates on small independent breweries: production ≤ 3 700 hl receives a tax reduction of DKK 77.08 per hl; production ≤ 20 000 (X) receives a tax reduction of DKK 259.81/X + 6.83 per hl; production < 200 000 hl receives a tax reduction of DKK 22.02 - X/9083 per hl. An additional duty is placed on products which contain a mixture of beer and non-alcoholic drinks. Rates: DKK 9.38/l. of mixture with alcohol content ≤ 10% vol. in the final product and DKK 16.39/l. of mixture with alcohol content >10% vol. in the final product. Beer with alcohol content less than 2.8% vol. is free of excise tax.  **Finland**. Beer with an alcoholic content less than 0.5 % vol. is free of excise.  **France**. Beer with alcoholic content above 18% support an additional taxation for social budget : EUR 2.97/degree of alcohol/hectolitre  **Germany**. From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.  **Iceland**. The duty in Iceland is ISK 125.65 per centilitre of alcohol per litre minus 2.25 centilitres. For example, one litre of beer that has 6% abv has 6 centilitres alcohol per litre. Therefore, the duty for one litre of beer that contains 6% abv would be as follows: (6-2.25) \* 125.65 = ISK 472.2 per litre. As a result of this formula, beer with less than 2.25% abv is not taxed.  **Ireland**. There is remission or repayment of 50% alcohol products tax (excise duty) on beer brewed in independent small breweries producing up to 30 000 hl a year. Budget 2017 increased the qualifying production level from 30 000 to 40 000 hectolitres but maintained the current 30 000 hectolitre limit for remission/repayment of APT. For low alcohol beer, the rate is 0.00 (beer ≤ 1.2% abv) and EUR 11.27 (beer > 1.2% abv up to 2.8% abv).  **Israel**. The duty was set as ILS 235 on 1 January 2020. The amount is updated each year according to the change in the Consumer Price Index (CPI). There is no duty on beer under 2% alcohol (or under 3.8% alcohol if marketed in reusable bottles). The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Italy**. Beer with volume of alcohol does not exceed 0.5 percent is not taxed. For small breweries with an annual production of no more than 10 000 hectoliters, the excise duty rate for beer is reduced by 40 percent.  **Japan**. Excise rates are JPY 22 000 per hl of product. Reduced rates for small brewers (annual production of liquor up to 100 000 hl) apply for the first 2 000 hl of beer per year at the following rates: (a) if annual production of beer is less than or equal to 10 000 hl JPY 18 700/hl; (b) if annual production of beer is more than 10 000 hl or less than or equal to 13 000 hl, JPY 20 350/hl (temporary measure).  **Korea**. The tax rate of beer is KRW 830.300 per 1000l (as for beer sold in the container sized 8 litre or bigger that uses a separate dispensing tap before December 31, 2021, KRW 664.200 of tax rate applied). Each year, the beer tax rate is determined in accordance with the changes in consumer price index.  **Latvia**. Starting from 1 March 2020 the excise per hectolitre per % abv is EUR 7.8; excise per hectolitre per % abv for small independent breweries is EUR 3.9 (not less than EUR 14.4 per hectolitre of beer). The reduced rate for small independent breweries (annual production up to 50 000 hl) is applied for the first produced 10 000 hl of beer.  **Lithuania**. Beer with an alcoholic content of less than 0.5% vol. is free of excise.  **Luxembourg**. Rates for small breweries (annual production up to 200 000 hl) range from EUR 0.40 to EUR 0.45. Additional rate for alcopops: EUR 600 per hectolitre.  **Mexico**. The rates apply to the value of the goods as follows: 26.5% for beer and other alcoholic beverages up to 14° Gay-Lussac (GL); 30% for beverages above 14° G.L. and up to 20° G.L.; 53% for beverages above 20° G.L.  **Netherlands**. Excise duty rates are as follows per hectolitre of product: a) Up to 7° Plato EUR 8.83; b) 7°-11° Plato EUR 28.49; c) 11°-15° Plato EUR 37.96; d) 15 or more degrees Plato EUR 47.48. Rates for small breweries (annual production up to 200 000 hl) are as follows: a) up to 7° Plato the above mentioned rate; b) 7°-11° Plato EUR 26.35; c) 11-15 degrees Plato EUR 35.11; d) 15 or more degrees Plato EUR 43.92. For beer with a maximum alcohol content of 0.5% a consumer tax of EUR 8.83 per hectolitre is applicable and a VAT rate of 9%.  **New Zealand**. The excise rate for beer containing more than 2.5% abv is NZD 29.054 per litre of alcohol in finished product. The rate for beer containing more than 1.15% abv but not more than 2.5% abv is NZD 0.43573 per litre of product. There is no excise duty on beer containing less than 1.15% abv.  **Norway**. Excise rates are as follows per hectolitre of product: a) 0.0-0.7% abv: NOK 0; b) 0.7-2.7% abv: NOK 351; c) 2.7-3.7% abv: NOK 1 318; d) 3.7-4.7% abv: NOK 2 283. The excise rate for beer with an alcoholic content of more than 4.7% abv is NOK 511 per degree of alcohol and hectolitre.  **Poland**. Exemptions from excise for small breweries: 1) production ≤ 200 000 hl a year – 50% of the amount of excise duty calculated with the standard rate of excise duty on beer; if producers produce more than 200 000 hl a year – to all beer produced in a year is applied the standard rate of excise duty on beer with no possibility of excise tax exemption; the above rules also apply to producers who cooperate with each others; 2) intra-Community purchase or import of beer by entities that meet the conditions specified in law – 50% of the amount of excise duty calculated with the standard rate of excise duty on beer.  **Portugal**. Excise rates for beer are as follows per hectolitre of product: (a) >0.5. ≤ 1.2% abv EUR 8.34; (b) >1.2 ≤2.8% abv EUR 10.44; (c) > 2.8 ≤ 4.4% abv EUR 16.70; (d) > 4.4 ≤ 5.2% abv EUR 20.89; (e) > 5.2 ≤ 6% abv EUR 25.06; (f) >6% abv EUR 29.30 (rates as at 01 January 2020 . Rates for small breweries (annual production up to 200 000 hl) are 50% of the normal rates.  **Slovenia.** Reduced rate for small breweries (yearly production ≤ 20 000 hl): EUR 6.05 per hl per % abv. Exemption for natural person use of beer if yearly production is less than 500 l. Reduced rate for small breweries (yearly production ≤ 20 000 hl) is 50% of the standard rate of excise duty for beer: EUR 6.05.  **Spain**. Excise rate according to strength is: beer < 1.2% abv is free of excise; beer between 1.2% and 2.8% abv is EUR 2.75/hl; beer between 2.8% abv and 11° Plato is EUR 7.48/hl; beer with a degree Plato > 11 and not > 15 = EUR 9.96/hl; beer with a degree Plato > 15 and not > 19 = EUR 13.56/hl; beer with a degree Plato > 19 = EUR 0.91/hl and per degree Plato. There is no tax on Beer in Ceuta and Melilla (Spanish cities situated in the North of Africa).  **Sweden**. The excise duty for beer with an alcoholic content below 2.8 % abv is SEK 0.  **Switzerland**. Rates per hectolitre: light beer (up to 10.0° Plato): CHF 16.88, regular and special beer (10.1 to 14.0° Plato): CHF 25.32, strong beer (from 14.1° Plato): CHF 33.76. Reductions for small breweries from 40 % (annual production max. 15 000 hl) to 0 % (annual production min. 55 000 hl). Beer with more than 15 % vol. is taxed as an alcoholic beverage (CHF 2900 per hectolitre of absolute alcohol).  **Turkey**. The minimum tax amount is TL 134.98 per hectolitre/degree. If the amount computed according to the tax rate (63%) is lower than the minimum tax amount, the minimum tax amount is paid.  **United Kingdom**.Beer with an alcoholic content below 1.2% abv is free of excise duty.  Lower strength beer duty applies to beer with a strength between 1.2% to 2.8% abv.  High strength beer duty was introduced on 1 October 2011 and is a duty applied to all beer exceeding 7.5% abv. It is charged in addition to general beer duty.  Reduced duty rates apply for independent breweries making ‘Small Brewery Beer’. The rates are as follows;   * producing no more than 5 000 hl:  50% of the standard duty rate of duty * producing more than 5 000 hl but no more than 30 000 hl – duty is  calculated using the formula:  Annual production minus 2500 /annual production x standard rate of duty * producing more than 30 000 hl but no more than 60 000 hl – duty is calculated using the formula: Annual production minus (2500 minus 8.33% of annual production in excess of 30 000 hl)/annual production x standard rate of duty   Breweries making ‘Small Brewery Beer’ cannot claim a reduction in the rate of lower strength beer duty’.  **United States**. The weighted average Federal and State excise tax rate is USD 20 per hectolitre of product. The Federal tax is USD 16.00 per barrel (31 gallons) for the first 6 million barrels of beer and then USD 18.00 per barrel for each barrel after . 1 barrel = 1.1735 hectolitres. Small domestic brewers who produce less than 2 million barrels of beer per calendar year pay USD 3.50 in federal tax per barrel on the first 60 000 barrels and then USD 16.00 for each barrel over 60 000. There is no progressive rate structure based on alcohol content and no Federal VAT.  **European Union.** According to Directive 92/83/EEC, beer with an alcoholic content less than 0.5% abv. is not a beer and is not taxed in the EU. |

Table 3.2.Taxation of wine

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Country | Currency | Still wine | | | Sparkling wine | | | Low-alcohol wine (< 8.5% abv) | | |
| Excise per hectolitre of product | | VAT | Excise per hectolitre of product | | VAT | Excise per hectolitre of product | | VAT |
| National currency | USD | % | National currency | USD | % | National currency | USD | % |
| Australia\* | AUD | Country note | - | 10.00 | Country note | - | 10.00 | Country note | - | 10.00 |
| Austria | EUR | 0.00 | 0.00 | 20.00 | 100.00 | 112.36 | 20.00 | 0.00 | 0.00 | 20.00 |
| Belgium | EUR | 74.91 | 84.17 | 21.00 | 256.32 | 288.40 | 21.00 | 23.91 | 26.87 | 21.00 |
| Canada\* | CAD | 65.30 | 49.10 | 5.0/13.0  15.0 | 65.30 | 49.10 | 5.0/13.0  15.0 | Country note | - | 5.0/13.0 15.0 |
| Chile\* | CLP | Country note | - | 19.00 | Country note | - | 19.00 | Country note | - | 19.00 |
| Colombia | COP | Country note |  | 5.0 | Country note |  | 5.0 | Country note |  | 5.0 |
| Czech Republic | CZK | 0.00 | 0.00 | 21.00 | 2340.00 | 100.04 | 21.00 | 0.00 | 0.00 | 21.00 |
| Denmark\* | DKK | 1126.00 | 168.82 | 25.00 | 1461.00 | 219.04 | 25.00 | 518.00 | 77.66 | 25.00 |
| Estonia\* | EUR | 147.82 | 166.09 | 20.00 | 147.82 | 166.09 | 20.00 | 63.35 | 71.18 | 20.00 |
| Finland\* | EUR | 397.00 | 446.07 | 24.00 | 397.00 | 446.07 | 24.00 | Country note | - | 24.00 |
| France\* | EUR | 3.78 | 4.25 | 20.00 | 9.35 | 10.51 | 20.00 | 3.78 | 4.25 | 20.00 |
| Germany\* | EUR | 0.00 | 0.00 | 19.00 | 136.00 | 152.81 | 19.00 | 0.00 | 0.00 | 19.00 |
| Greece | EUR | 0.00 | 0.00 | 24.00 | 0.00 | 22.47 | 24.00 | 0.00 | 0.00 | 24.00 |
| Hungary\* | HUF | 0.00 | 0.00 | 27.00 | 16460.00 | 59.97 | 27.00 | 0.00 | 0.00 | 27.00 |
| Iceland\* | ISK | Country note | - | 11.00 | Country note | - | 11.00 | Country note | - | 11.00 |
| Ireland\* | EUR | 424.84 | 477.35 | 23.00 | 849.68 | 954.70 | 23.00 | 141.57 | 159.07 | 23.00 |
| Israel\* | ILS | 0.00 | 0.00 | 17.00 | See note | - | 17.00 | 0.00 | 0.00 | 17.00 |
| Italy | EUR | 0.00 | 0.00 | 22.00 | 0.00 | 0.00 | 22.00 | 0.00 | 0.00 | 22.00 |
| Japan | JPY | 8000.00 | 73.33 | 10.00 | 8000.00 | 73.33 | 10.00 | 8000.00 | 73.33 | 10.00 |
| Korea\* | KRW | Country note | - | 10.00 | Country note | - | 10.00 | Country note | - | 10.00 |
| Latvia\* | EUR | 101.00 | 113.48 | 21.00 | 101.00 | 113.48 | 21.00 | Country note |  | 21.00 |
| Lithuania\* | EUR | 164.67 | 185.02 | 21.00 | 164.67 | 185.02 | 21.00 | 65.46 | 73.55 | 21.00 |
| Luxembourg\* | EUR | 0.00 | 0.00 | 14 or 17 | 0.00 | 0.00 | 17.00 | 0.00 | 0.00 | 14.00 |
| Mexico\* | MXN | 26.5%/30% | - | 16.00 | 26.5%/30% | - | 16.00 | 26.5% | - | 16.00 |
| Netherlands\* | EUR | 88.30 | 99.21 | 21.00 | 88.30 | 99.21 | 21.00 | 44.24 | 49.71 | 21.00 |
| New Zealand\* | NZD | 290,54 | 191.14 | 15.00 | 290,54 | 191.14 | 15.00 | 290,54 | 191.14 | 15.00 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Norway\* | NOK | 6132.00 | 696.82 | 25.00 | 6132.00 | 696.82 | 25.00 | Country note | - | 25.00 |
| Poland | PLN | 174.00 | 45.31 | 23.00 | 174.00 | 45.31 | 23.00 | 174.00 | 45.31 | 23.00 |
| Portugal | EUR | 0.00 | 0.00 | 13.00 | 0.00 | 0.00 | 23.00 | 0.00 | 0.00 | 23.00 |
| Slovak Republic\* | EUR | 0.00 | 0.00 | 20.00 | 79.65 | 89.49 | 20.00 | 0.00 | 0.00 | 20.00 |
| Slovenia | EUR | 0.00 | 0.00 | 22.00 | 0.00 | 0.00 | 22.00 | 0.00 | 0.00 | 22.00 |
| Spain\* | EUR | 0.00 | 0.00 | 21.00 | 0.00 | 0.00 | 21.00 | 0.00 | 0.00 | 21.00 |
| Sweden\* | SEK | Country note | - | 25.00 | Country note | - | 25.00 | Country note | - | 25.00 |
| Switzerland\* | CHF | 0.00 | 0.00 | 7.70 | 0.00 | 0.00 | 7.70 | 0.00 | 0.00 | 7.70 |
| Turkey\* | TRY | 1005.11 | 177.27 | 18.00 | 6790.74 | 1197.66 | 18.00 | 1005.11 | 177.27 | 18.00 |
| United Kingdom\* | GBP | 288.65 | 370.06 | 20.00 | 369.72 | 474.00 | 20.00 | 88.93 | 114.01 | 20.00 |
| United States\* | USD | 37.00 | 37.00 | - | 110.00 | 110.00 | - | Country note | - | - |

\* See Country notes

*Note*: Conversion of national currency in USD: conversion rates are average market rates (2019) published in OECD Monthly Monetary Statistics (*stats.oecd.org*).

*Source:* National delegates; position as at 1 January 2020

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| Country notes to Table 3.2.  **Australia.** All wine (which includes grape wine, grape wine products, fruit or vegetable wine, cider or perry, mead and sake – subject to specific definitions) is generally subject to the wine equalisation tax (WET). WET applies at 29% of the wholesale value of the wine, and generally only applies when an entity is registered or required to be registered for goods and services tax (GST). The WET producer rebate, calculated as the amount of WET paid, or the amount of WET that would have been paid had the purchaser not quoted, applies to eligible producers in certain circumstances, up to a maximum of AUD 350 000 per financial year.  **Canada.** (1) A rate of CAD 0.653 per litre applies to wine with more than 7% abv. The rate is CAD 0.313 per litre on wine of more than 1.2% abv, but not more than 7%abv; and for all wine with 1.2% abv or less the rate is CAD 0.021 per litre. (2) Fortified wine in excess of 22.9% abv would not be included in the definition of "wine" (and, therefore, fall within the definition of "spirits"). Provincial and territorial governments also charge taxes and mark-ups on wine. Automatic inflationary adjustments on duty rates for wine occur annually on April 1.  **Chile.** The sale of alcoholic beverages is subject to a surtax of 20.5% on the sale or import of wine, sparkling wine, champagne, cider and other alcoholic beverages (among others). The tax is applied to the VAT base, that is the sale`s price (excluding VAT itself), and levies sales made between wholesale dealers. For sales between wholesalers, the tax paid to the vendor is creditable against the tax applied on sales at each stage of the value chain (including imports) until the last sale to the final retailer. The sale from the retailer to the final consumer is not subject to this surtax and the retailer cannot deduct the input tax nor is levied with this tax the sale of wine in bulk made by producers to a taxpayer seller subject to this surtax.  **Colombia.** The sale of wines is subject to a VAT of 5%, an ad valorem tax of 20% and a consumption tax of COP 150 per litre for each degree of alcohol (abv).  **Denmark.** The rate for high-alcohol wine > 15 % abv – maximum 22 % abv is DKK 1 508 per hectolitre. Medium-alcohol wine < 6% abv – maximum 15 % abv is DKK 1 126 per hectolitre. Low-alcohol wine < 1.2 % abv – maximum 6 % abv is DKK 518 per hectolitre. The rates for sparkling wine correspond to the rates for still wine plus DKK 335 per hectolitre. An additional duty is placed on products that contain a mixture of wine and non-alcoholic drinks. Rates: DKK 7.13 per litre of mixture with alcohol content ≤10 % abv in the final product and DKK 11.50 per litre of mixture with alcohol content > 10 % abv in the final product.  **Estonia.** Low alcohol wine means wine with alcohol content up to 6% abv.  **Finland.** Excise rates for low alcohol wine are as follows: a) over 1.2% abv and up to 2.8% abv EUR 32.00; b) over 2.8% abv and up to 5.5% abv EUR 191.00; c) over 5.5% abv and up to 8.0% abv EUR 275.00.  **France.** A reduced rate applies to the following categories of low-alcohol wine: cider, perry, mead, grapes juice lightly sparking.  **Germany.** Excise rate for low alcohol sparkling wine < 6 % abv is EUR 51.00. Intermediate products with a volume of alcoholic degree between 1.2 % and 22 % abv are taxed according to the following rates: > 15 % abv - 22 % abv = EUR 153/hl; <= 15 % abv = EUR 102/hl; <= 15 % abv and sparkling = EUR 136/hl. Wine is not subject to an excise duty. Nevertheless, wine is subject to excise duty supervision in the German tax territory. *From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.*  **Hungary.** The rates for other fermented beverages (mostly fruit wines) are as follows: a) still: HUF 9870 per hectolitre of product, b) sparkling: HUF 16460 per hectolitre of product. c) low alcohol: HUF 0 per hectolitre of still blend of more than 50% wine and sparkling mineral water without added flavouring and not exceeding 8.5% vol. The rate for intermediate products is HUF 25520 per hectolitre of product.  **Iceland.** The duty rate is ISK 114.45 per centilitre of alcohol per litre minus 2.25 centilitres for wine up to 15% abv. For example, one litre of wine that has 15% abv has 15 centilitres alcohol per litre. So the duty for one litre of wine that contains 15% abv would be as follows: (15-2.25) \* 114.45 = ISK 1459.2 per litre.  **Ireland.** The rate for low alcohol wine applies to wine with an alcoholic content of less than 5.5% abv. The rate for still wine with alcoholic content > 15% abv is EUR 616.45. The rate for still wine exceeding 5.5% vol but not exceeding 15% volume is EUR 424.84.  **Israel.** The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Korea.** The rate of liquor tax on wine is 30% on the manufacturer’s price (or imported price). In addition, Education Tax (10% of the amount of Liquor tax levied) is also levied. These rates are applicable to both still and sparkling wine regardless of alcohol content.  **Latvia.** Starting from 1 March 2020 the excise for wine (still and sparkling) is EUR 106 per hectolitre. There is no specific rate for low-alcohol (still) wine (<8.5% abv).  **Lithuania.** Low-alcohol wine covers still and sparkling wine < 8.5% abv.  **Luxembourg.** The reduced VAT rate (14%) applies to still wine with alcoholic content ≤ 13% abv. Additional rate for alcopops: EUR 600 per hectolitre.  **Mexico.** All rates apply to the value of the goods, and not per hectolitre of product, as follows: 26.5% for beer and other alcoholic beverages up to 14° Gay-Lussac (GL); 30% for beverages above 14° G.L. and up to 20° G.L.; 53% for beverages above 20° G.L.  **Netherlands.** For low alcohol wine < 1.2% abv the VAT rate is 9%.  **Norway.** The rate shown in the table is the rate for wine with an alcoholic content of 12% abv. Excise rates for wine with an alcoholic content of 4.7%-22% abv = NOK 511 per vol. pct. alcohol and per hectolitre.  **Slovak Republic.** The rate of EUR 54.16/hl applies to sparkling fermented beverages with an alcoholic strength by volume not exceeding 8.5 % abv. The rate for intermediate products is EUR 84.24/hl.  **Spain.** Intermediate products - products to which distilled alcohol has been added - and with a volume of alcoholic degree between 1.2% abv and less than 22% abv are taxed according to the following rates: alcoholic degree > 1.2% abv and less than 15% abv = EUR 338.48/hl. Others = EUR 64.13/hl (in the Canary Islands rates are 30.14% and 50.21% respectively).  **Sweden.** Excise rates for alcohol wine (still and sparkling) are as follows: a) < 2.25%abv SEK 0; b) 2.25%-4.5% abv SEK 919; c) 4.5%-7% abv SEK 1358; d) 7%-8.5% abv SEK 1869; e) 8,5-15% abv SEK 2618; f) 15,0-18,0% abv SEK 5479.  **Switzerland.** In general natural wines made from fresh grapes with more than 18% abv and other wines with more than 15% abv are taxed as an alcoholic beverage (CHF 1 450 per hectolitre of absolute alcohol). All wines with more than 22% abv are taxed as an alcoholic beverage (CHF 2 900 per hectolitre of absolute alcohol).  **Turkey.** The excise rate is 0%.  **United Kingdom.** Reduced Rates for lower strength drinks (wine categories)are as follows; 5A exceeding 1.2% but not exceeding 4% abv = GBP 88.93; (b) exceeding 4% but not exceeding 5.5% abv = GBP 122.30; (c) low strength sparkling wine exceeding 5.5% but less than 8.5% abv = GBP 279.46; (d) sparkling wine and made wine at least 8.5% abv but not exceeding 15% abv = GBP 369.72. Rate for the band exceeding 15% abv but not exceeding 22% abv = GBP 384.82. The duty rates on wine changed on 13 March 2017 to excise duty rate on still wine 288.65, reduced rate for lower strength drinks (wine categories) (a) exceeding 1.2% but not exceeding 4% abv = GBP 88.93 (b)exceeding 4% but not exceeding 5.5% abv = GBP 122.30 and (c) low strength sparkling wine exceeding 5.5% but less than 8.5% abv = 279.46 (d) sparkling wine and made wine at least 8.5% abv but not exceeding 15% abv = 369.72. Rate in the band exceeding 15% abv but not exceeding 22% abv = GBP 384.82.  **United States.** The weighted average Federal and State excise tax rate is USD 37 per hectolitre of product for still wine up to 16% abv and USD 110 for sparkling wine. The Federal excise rates are as follows: a) up to 16% abv: USD 0.07 per gallon for the first 30 000 wine gallons, USD 0.17 for each wine gallon over 30 000 up to 130 000, USD 0.535 for each wine gallon over 130 000 up to 750 000, and USD 1.07 per gallon over 750 000 gallons; b) 16%-21% abv: USD 0.57 per gallon for the first 30 000 wine gallons, USD 0.67 for each wine gallon over 30 000 up to 130 000, USD 1.035 for each wine gallon over 130 000 up to 750 000 gallons, and USD 1.57 per gallon over 750 000 gallons; c) 21%-24% abv: USD 2.15 for the first 30 000 wine gallons, USD 2.25 for each wine gallon over 30 000 up to 130 000, USD 2.615 for each wine gallon over 130 000 up to 750 000, and USD 3.15 per gallon over 750 000 gallons; d) artificially carbonated wine: USD 2.30 for the first 30 000 gallons, USD 2.40 for each gallon over 30 000 up to 130 000, USD 2.765 for each gallon over 130 000 up to 750 000, and USD 3.30 per gallon over 750 000 gallons; and e) sparkling wine: USD 2.40 for the first 30 000 gallons, USD 2.50 for each gallon over 30 000 up to 130 000, USD 2.865 for each gallon over 130 000 up to 750 000, and USD 3.40 per gallon over 750 000 gallons.. 26.42 US gallons = 1 hectolitre.There is no Federal VAT. |

Table 3.3. Taxation of alcoholic beverages1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Currency | | Tax per hectolitre of absolute alcohol | | | |
| Excise | | VAT rate  % | Small distillery rate |
| National currency | USD |
| Australia\* | AUD | 8587.00 | 5628.47 | 10.00 | No |
| Austria\* | EUR | 1200.00 | 1348.31 | 20.00 | Yes |
| Belgium | EUR | 2992.79 | 3362.69 | 21.00 | No |
| Canada\* | CAD | 1237.50 | 930.45 | 5.0/13.0/15.0 | No |
| Chile\* | CLP | Country note | - | 19.00 | No |
| Colombia | COP | Country note |  | 5.00 | No |
| Czech Republic | CZK | 32250.00 | 1406.45 | 21.00 | No |
| Denmark\* | DKK | 15000.00 | 2272.73 | 25.00 | No |
| Estonia | EUR | 1881 | 2113.48 | 20.00 | No |
| Finland\* | EUR | 4880.00 | 5483.15 | 24.00 | No |
| France\* | EUR | 1741.04 | 1956.22 | 20.00 | No |
| Germany\* | EUR | 1303.00 | 1464.04 | 19.00 | Yes |
| Greece\* | EUR | 2450.00 | 2752.81 | 24.00 | No |
| Hungary\* | HUF | 333385.00 | 1214.61 | 27.00 | Yes |
| Iceland\* | ISK | 1549000.00 | 12633.55 | 11.00 | No |
| Ireland\* | EUR | 4257.00 | 4783.15 | 23.00 | No |
| Israel\* | ILS | 8551.00 | 2340 | 17.00 | No |
| Italy\* | EUR | 1035.52 | 1160.13 | 22.00 | No |
| Japan\* | JPY | Country note | - | 10.00 | No |
| Korea\* | KRW | See note | - | 10.00 | No |
| Latvia\* | EUR | 1564.00 | 1757.30 | 21.00 | No |
| Lithuania\* | EUR | 1832.00 | 2401.97 | 21.00 | No |
| Luxembourg | EUR | 1041.15 | 1169.83 | 17.00 | No |
| Mexico\* | MXN | 53% | - | 16.00 | No |
| Netherlands\* | EUR | 1686.00 | 1894.38 | 9.0/21.0 | No |
| New Zealand\* | NZD | Country note | - | 15.00 | No |
| Norway | NOK | 78400.00 | 8909.09 | 25.00 | No |
| Poland | PLN | 6275.00 | 1634.11 | 23.00 | No |
| Portugal\* | EUR | 1386.93 | 1558.35 | 23.00 | Yes |
| Slovak Republic\* | EUR | 1080.00 | 1213.48 | 20.00 | No |
| Slovenia\* | EUR | 1320.00 | 1483.15 | 22.00 | Yes |
| Spain\* | EUR | 958.94 | 1077.46 | 21.00 | Yes |
| Sweden | SEK | 51659.00 | 6031.46 | 25.00 | No |
| Switzerland\* | CHF | 2900.00 | 2929.29 | 7.70 | Yes |
| Turkey\* | TRY | 27929.02 | 4925.75 | 18.00 | No |
| United Kingdom\* | GBP | 2874.00 | 3684.62 | 20.00 | No |
| United States\* | USD | 909.00 | 909.00 | - | No |

\* See Country notes

*Note*: Conversion of national currency in USD: conversion rates are average market rates (2019) published in OECD Monthly Monetary Statistics (*stats.oecd.org*).

1. Alcoholic beverages other than those included in Tables 3.1. and 3.2.

*Source*: national delegates. Position as at 1 January 2020.

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| Country notes to Table 3.3.  **Australia.** The excise duty of AUD 85.87 per litre of alcohol applies to spirits and other excisable beverages (except beer). A lower rate of AUD 80.20 per litre of alcohol applies to brandy (distilled from grape wine). These rates apply as of 1 August 2019 and are indexed to inflation in February and August of each year. Independent distillers receive an excise refund of 60% of the excise paid up to a maximum of AUD 100 000 per financial year.  **Austria.** For small distilleries producing not more than 4hl pure alcohol per year the rate is EUR 648.(54% of the standard rate).  **Canada.** (1) Spirits are subject to excise duty at the rate of CAD 12.375 per litre abv. Spirits containing not more than 7% abv are subject to excise duty at the rate of CAD 0.313 per litre. (2) Beer with an alcoholic strength in excess of 11.9% abv and fortified wine with an alcoholic strength in excess of 22.9% abv are deemed to be Spirits. Provincial and territorial governments also charge taxes and mark-ups on spirits. Automatic inflationary adjustments on duty rates for alcoholic beverages occur annually on April 1.  **Chile.** Alcoholic beverages are subject to a surtax on the sale or import. The rates applied are the following: 31.5% on liquors, brandy, vermouth, pisco, whiskey and other distilled alcoholic beverages; 20.5% on beer, wine, sparkling wine, champagne, cider and other alcoholic beverages. The tax is applied to the VAT base, that is the sale`s price (excluding VAT itself) and levies sales made between wholesale dealers. For sales between wholesalers, the tax paid to the vendor is creditable against the tax applied on sales at each stage of the value chain (including imports) until the last sale to the final retailer. The sale from this retailer to the final consumer is not subject to the surtax and the retailer cannot deduct the input tax nor is levied with this tax the sale of wine in bulk made by producers to a taxpayer seller subject to this surtax.  **Colombia**. Alcoholic beverages are subject to a 5% VAT, and ad valorem tax of 25% and a consumption tax of COP 236 pesos per litre for each degree of alcohol.  **Czech Republic**. The reduced rate of CZK 16 200 per hectolitre of pure alcohol applies for small fruit grower's distilleries producing no more than 30 litres of fruit spirit per year per household. The excise duty of CZK 2 340 per hectolitre of product is applicable for intermediate products.  **Denmark.** An additional duty is placed on products which contain a mixture of spirits and non-alcoholic drinks, Rates: DKK 4.21 per litre of mixture.  **Finland.** Excise rates are as follows: (a) CN - code 2208 alcoholic content between 1.2% abv and 2.8% abv. EUR 1140; (b) Other products EUR 4 880.  **France.** Additional taxation for social budget : EUR 559.02 per hectolitre of absolute alcohol.  **Germany**. The rates for small distilleries are EUR 730 or EUR 1 022. Additional rate for alcopops: EUR 5 550 per hectolitre of absolute alcohol. From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.  **Greece.** The rate for ouzo is EUR 1225 per hectolitre of pure alcohol.  **Hungary.** A reduced rate of 50% applies to ethyl-alcohol produced by fruit growers' distilleries from fruit supplied to them by private fruit growers. The application of reduced rate is limited to 43 litres of pure alcohol for private consumption per fruit grower household per year.  **Iceland.** Excise rate shown in the table is the rate for other alcohol than beer or wine up to 15% abv. The rate is ISK 154.9 per each centilitre of alcohol.  **Ireland.** This table illustrates the tax per hectolitre of absolute alcohol for spirits. However, other fermented beverages and intermediate beverages are taxed as follows: other fermented beverages (cider and perry) still and sparkling ≤ 2.8% abv EUR 47.23/hl; still and sparkling > 2.8% avb but not exceeding 6.0% avb EUR 94.46/hl; still and sparkling >6.0% avb but not exceeding 8.5% avb EUR 218.44/hl; still >8.5% avb EUR 309.84/hl and sparkling >8.5% avb EUR 619.70/hl. Other fermented beverages (other than cider and perry) still and sparkling ≤ 5.5% abv EUR 141.57/hl; still >5.5% avb EUR 424.84/hl and sparkling >5.5% avb EUR 849.68/hl. Intermediate beverages: still ≤ 15% abv EUR 424.84/hl; still >15% avb EUR 616.45/hl; sparkling EUR 849.68/hl.  **Israel.** The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Italy.** Taxation applies for beverages of alcoholic strength exceeding 1.2% abv. The rate of EUR 88.67 applies to intermediate products.  **Japan.** Excise rates are as follows: a) Whiskey and brandy (40% abv) JPY 40 000; b) Spirits (37% abv) JPY 37 000; c) Shochu Group A and B (25% abv) JPY 25 000.  **Korea.** As Excise Tax for liquor is based on the value of the product, the rate does not vary with alcohol content. For whiskey, brandy, general distilled spirits, liquor, diluted soju and distilled soju, the Liquor tax is 72% and the Education tax is 30%.  **Latvia.** Starting from 1 March 2020 the excise rate is EUR 1642 per hectolitre of absolute alcohol.  **Lithuania.** Intermediate products below 15% abv are taxed at 185.82 per hectolitre of product; intermediate products above 15% abv are taxed at 264.52 per hectolitre of product. Ethyl alcohol is taxed at EUR 2025.00 per hectolitre of product at 1 March 2020.  **Luxembourg.** Additional rate for alcopops: EUR 600 per hectolitre.  **Mexico.** The excise tax is set at an ad valorem rate and not per hectolitre of product. The rates for alcoholic beverages apply to the value of the goods as follows: 26.5% up to 14° Gay-Lussac (G.L.); 30% above 14° G.L. and up to 20° G.L.; 53% above 20° G.L.  **Netherlands.** For low alcohol spirits with an alcoholic content <1.2% the VAT rate is 9%.  **New Zealand.** For alcoholic beverages with 9-14% abv, the excise rate is NZD 2.9054 per litre. For alcoholic beverages above 14% abv, the excise rate is NZD 52.916 per litre of absolute alcohol (with the exception of unfortified wine and vermouth which has the rate of NZD 2.7870 per litre of product).  **Portugal.** Intermediate products are taxed at EUR 76,10/hl; Ethyl alcohol/spirits: EUR 1 386,93/hl (rates as at 01 January 2020 . A reduced rate of 50% applies to small distilleries.  **Slovak Republic.** A reduced rate of 50 % of the national rate of excise duty on ethyl alcohol, applies to ethyl alcohol produced by fruit growers´ distilleries. The application of the reduced rate is limited to 43 litres of ethyl alcohol for personal consumption of the fruit growers´ household per year.  **Slovenia.** Tax per hectolitre of absolute alcohol is EUR 1 320. For small producers not producing more than 150 litres of pure alcohol per year, the rate is EUR 660 per hl.  **Spain.** The excise rate in the Canary Islands is EUR 750.36 per hl of pure alcohol. There is a special regime for small distilleries for which the rate is EUR 839.15 per hl (or EUR 653.34 in the Canary Islands).  **Sweden.** Excise rates for alcoholic beverages (other then beer and wine) are as follow: a) <2.25% abv SEK 0; b) 2.25%-4.5% abv SEK 919; c) 4.5%-7% abv SEK 1358; d) 7%-8.5% abv SEK 1869; e) 8.5%-15% abv SEK 2618. Intermediate products, a) 1.2%-15% abv SEK 3299; b) 15%-22% abv SEK 5479. Ethyl alcohol, 100 % abv SEK 51659.  **Switzerland.** Under certain conditions farmers do not pay tax on the alcohol produced for their personal consumption. A reduced rate of 30 % is applied to the first 30 litres of pure alcohol produced per year by small producers. Normal rate: CHF 2900 per hectolitre. Special rate for certain types of wines: CHF 1450 per hectolitre. Special rate for alcopops: CHF 11 600 per hectolitre (Alcopop -also called ready to drink (RTD) or designer drink) is a mix of alcohol and soda.  **Turkey.** The excise rate is 0%. If the tax amount computed according to the tax rate is lower than the minimum tax amount specified in the table, then the minimum tax amount is paid.  **United Kingdom.** All drinks over 22% are taxed as spirits. Most other mixtures of spirits with other types of alcohol are also taxed as spirits. The duty rates for cider and perry are: still cider and perry exceeding 1.2% but not exceeding 7.5% abv =GBP 40.38; still cider and perry exceeding 7.5% but less than 8.5% abv = GBP 61.04; sparkling cider and perry exceeding 1.2% abv but not exceeding 5.5% abv = GBP 279.46; sparkling cider and perry exceeding 5.5% but not exceeding 8.5% abv = GBP 279.46.  **United States.** The weighted average Federal and State excise tax rate is USD 909 per hectolitre. The Federal excise rate is USD 2.70 per proof gallon for the first 100 000 proof gallons, USD 13.34 on the next 22 130 000 proof gallons, and USD 13.50 for every proof gallon over 22 230 000.A proof gallon is a US gallon (3.785 litres) containing 50% alcohol. There is no Federal VAT. |

Table 3.4. Taxation of tobacco

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Currency | | Cigarettes | | | Cigars2 | | | Rolling tobacco for cigarettes | | | VAT |
| Specific excise  per 1 000 | | Excise on value | Specific excise  per 1 000 | | Excise on value | Specific excise  per 1 000 grams | | Excise on value |
| National currency | USD | % of RSP1 | National currency | USD | % of RSP1 | National currency | USD | % of RSP1 | % |
| Australia\* | AUD | 936.53 | 650.37 | 0.00 | Country note | - | 0.00 | 1291.77 | 897.06 | 0.00 | 10.00 |
| Austria\* | EUR | 58.00 | 65.17 | 37.50 | 0.00 | 0.00 | 13.00 | 0.00 | 0.00 | 56.00 | 20.00 |
| Belgium | EUR | 66.47 | 72.58 | 40.04 | 0.00 | 0.00 | 10.00 | 48.31 | 47.58 | 31.50 | 21.00 |
| Canada\* | CAD | 121.89 | 91.65 | 00.00 | Country note | - | Country note | 152.36 | 114.56 | 00.00 | 5.0/13.0/15.0 |
| Chile\* | CLP | 46323.00 | 71.41 | 30.00 | 0.00 | 0.00 | 52.60 | 0.00 | 0.00 | 59.70 | 19.00 |
| Colombia | COP | 35056.23 | 10.69 | 10.00 | 35056.23 | 10.69 | 10.00 | 35056.23 | 10.69 | 10.00 | 19.00 |
| Czech Republic | CZK | 1610.00 | 70.21 | 30.00 | 1880.00 | 81.99 | - | 2460.00 | 107.28 | - | 21.00 |
| Denmark\* | DKK | 1737.90 | 260.55 | 1.00 | 500.00 | 75.76 | 10.00 | 1350.90 | 202.53 | 0.00 | 25.00 |
| Estonia\* | EUR | 81.95 | 92.08 | 30.00 | 151.00 | 169.66 | 10.00 | 89.63 | 100.71 | 0.00 | 20.00 |
| Finland\* | EUR | 69.75 | 78.37 | 52.00 | 30.00 | 33.71 | 34.00 | 46.50 | 52.25 | 52.00 | 24.00 |
| France | EUR | 48.75 | 54.78 | 49.70 | 19.00 | 21.35 | 23.00 | 67.50 | 75.84 | 37.74 | 20.00 |
| Germany\* | EUR | 98.20 | 110.34 | 21.69 | 14.00 | 15.73 | 1.47 | 48.49 | 54.48 | 14.76 | 19.00 |
| Greece | EUR | 82.50 | 92.70 | 26.00 | 0.00 | 0.00 | 35.00 | 170.00 | 191.01 | 0.00 | 24.00 |
| Hungary\* | HUF | 20 500.00 | 70.53 | 23.00 | 0.00 | 0.00 | 14.00 | 20 000.00 | 68.81 | 0.00 | 27.00 |
| Iceland\* | ISK | 257.97.50 | 210.40 | 0.00 | Country note | - | 0.00 | 28700.00 | 234.08 | 0.00 | 24.00 |
| Ireland\* | EUR | 346.04 | 388.81 | 8.91 | Country note | - | 0.00 | 379.83 | 426.78 | 0.00 | 23.00 |
| Israel\* | ILS | 400.94 | 112.62 | Country note | 0.00 | 0.00 | Country note | 1138.04 | 319.67 | 0.00 | 17.00 |
| Italy | EUR | 19.36 | 21.75 | 59.10 | 0.00 | 0.00 | 23.00 | 0.00 | 0.00 | 58.50 | 22.00 |
| Japan\* | JPY | 13244.00 | 121.49 | 0.00 | 13244.00 | 121.49 | 0.00 | 13244.00 | 112.32 | 0.00 | 10.00 |
| Korea\* | KRW | 145450.00 | 128.64 | 64.64 | Country note | - | 0.00 | 103200.00 | 91.28 | 0.00 | 10.00 |
| Latvia\* | EUR | 78.70 | 88.43 | 20.00 | 95.20 | 106.97 | - | 75.00 | 88.55 | - | 21.00 |
| Lithuania\* | EUR | 62.25 | 69.94 | 25.00 | 42.00 | 47.19 | - | 68.60 | 84.27 | - | 21.00 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Luxembourg | EUR | 18.89 | 21.22 | 46.65 | 0.00 | 0.00 | 10.00 | 16.50 | 18.54 | 33.15 | 17.00 |
| Mexico\* | MXN | 494.4 | 25.67 | 39.07 | Country note | - | Country note | Country note | - | Country note | 16.00 |
| Netherlands | EUR | 219.25 | 246.35 | 5.00 | 0.00 | 0.00 | 6.00 | 155.97 | 175.25 | 0.00 | 21.00 |
| New Zealand\* | NZD | Country note | - | 0.00 | Country note | - | 0.00 | Country note | - | 0.00 | 15.00 |
| Norway | NOK | 2680.00 | 304.55 | 0.00 | 2680.00 | 304.55 | 0.00 | 2590.00 | 294.32 | 0.00 | 25.00 |
| Poland\* | PLN | 228.10 | 59.40 | 32.05 | 433.00 | 112.76 | - | 155.70 | 40.55 | 32.05 | 23.00 |
| Portugal\* | EUR | 96.12 | 108.00 | 15.00 | 0.00 | 0.00 | 25.00 | 81.00 | 91.01 | 15.00 | 23.00 |
| Slovak Republic\* | EUR | 64.10 | 72.02 | 23.00 | 76.70 | 86.18 | - | 76.70 | 86.18 | 0.00 | 20.00 |
| Slovenia\* | EUR | 73.64 | 82.74 | 21.88 | 0.00 | 0.00 | 6.30 | 43.00 | 46.62 | 37.00 | 22.00 |
| Spain | EUR | 24.70 | 27.75 | 51.00 | 0.00 | 0.00 | 15.80 | 23.50 | 26.40 | 41.50 | 21.00 |
| Sweden | SEK | 1600.00 | 169.13 | 1.00 | 1410.00 | 149.05 | 0.00 | 1957.00 | 206.87 | 0.00 | 25.00 |
| Switzerland\* | CHF | 118.32 | 119.52 | 25.00 | 5.60 | 5.66 | 1.00 | 38.00 | 38.38 | 25.00 | 7.70 |
| Turkey\* | TRY | 485.1 | 85.56 | 67.00 | 500.80 | 88.32 | 80.00 | 485.10 | 85.56 | 40 | 18.00 |
| United Kingdom\* | GBP | 228.29 | 292.68 | 16.50 | 284.76 | 365.08 | 0.00 | 234.65 | 300.83 | 0.00 | 20.00 |
| United States\* | USD | 141.00 | 141.00 | Country note | Country note | - | - | Country note | - | - | - |

\* See Country notes

*Note*: Conversion of national currency in USD: conversion rates are average market rates (2019) published in OECD Monthly Monetary Statistics (*stats.oecd.org*).

1. RSP. Retail selling price.

2. Cigars. Denmark and Japan tax cigars at a rate per 1 000 pieces and not according to weight. In Denmark it is assumed that a cigar weighs 3 grams and in Japan 1 gram.

*Source*: national delegates. Position as at 1 January 2020.

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| Country notes to Table 3.4.  **Australia**. The excise rate of AUD 0.93653 per stick applies to cigarettes or cigars (in stick form) not exceeding in weight 0.8 grams per stick actual tobacco content. Other tobacco products are subject to an excise rate of AUD 1291.77 per kilogram of tobacco content. These rates apply from 1 January 2020.  **Austria.** The excise duty on cigars is 13% of RSP, at least EUR 100 for 1 000 pieces. Minimum excise duty on rolling tobacco for cigarettes is EUR 100 per kg. The minimum excise duty on cigarettes is 98% of the total excise duty burden on cigarettes falling under the WAP.  **Canada**. The excise duty on cigars is CAD 26.5294 per 1 000 cigars plus an additional excise duty based on the greater of CAD 0.09536 per cigar and 88% of the sale price. Each province and territory also levies a tobacco tax at varying rates on all tobacco products. Retail sales prices are subject to GST/HST and, in some cases, when the HST is not applicable, to a provincial sales tax. Automatic inflationary adjustments on tobacco duty rates occur annually on April 1.  **Chile**. The sale of tobacco products is subject to 19% VAT. There is also a tax levied on the sale or import of processed tobacco, cigarettes and cigars. The tax rate applied on the sale price of processed tobacco is 59.7%. Cigars are taxed at a rate of 52.6%. Cigarettes are taxed at a rate of 30% on the pack’s sale price and an additional rate of 0,0010304240 is levied on a Monthly Tax Unit for each cigarette in a cigarette’s pack (Monthly Tax Unit: CLP 47 019 or USD 76.48 approx.). The tax base of the excise tax considers the sale price to the final consumer, the VAT and the tax levied on tobacco, cigarettes and cigars.  **Denmark**. The excise tax for other smoking tobaccos is DKK 1300.90 / 1 000 g. for coarse-cut tobacco  **Estonia**. For cigarettes, the minimal excise amount to be paid is EUR 138.65 per 1000 items. For cigars and cigarillos, the minimal excise amount to be paid is EUR 211 per 1000 items.  **Finland**. Excise rates shown as of 1 January 2020. Cigarette paper: excise 60% of RSP. Other smoking tobacco: EUR 65.00 /kg and 48 % of RSP. Minimum excise tax for cigarettes is EUR 282.75 per 1000 pieces and EUR 173.50 /kg for fine cut rolling tobacco for cigarettes.  **France**. The minimal excise amounts to be paid are EUR 210 per 1000 items for cigarettes, EUR 92 per 1000 items for cigars and EUR 167 per 1000 g for rolling tobacco for cigarettes.  **Germany**. Minimum excise duty is EUR 163.6 per 1 000 cigarettes. Minimum excise duty is EUR 70.97 /kg of rolling tobacco for cigarettes. Other smoking tobacco is subject to excise duty at a rate of EUR 15.66/kg and 13.13% of RSP. Minimum excise duty is EUR 22/kg for other smoking tobacco. *From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.*  **Hungary.** Minimum excise tax is HUF 33 500 per 1000 pieces for cigarettes, HUF 4 180 per 1000 pieces for cigar and cigarillo. VAT as % of tax included retail selling price is 21.26%.  **Iceland.** There is no specific excise rate for a piece of cigar. The rate is ISK 28 700 per 1000 grams of cigars (i.e. the same rate as for rolling tobacco).  **Ireland.** The rate of excise duty on cigarettes is EUR 346.04 per 1000 cigarettes together with an amount equal to 8.91% of the price at which the cigarettes are sold by retail or EUR 395.05 per 1000 cigarettes, whichever is the greater. The rate of excise duty on cigars is EUR 394.811 per kilogram. The rate of excise duty on fine-cut tobacco for the rolling of cigarettes is EUR 379.831 per kilogram. Other smoking tobacco is subject to excise duty at a rate of EUR 273.903 per kilogram.  **Israel**. Excises on value for cigarettes are 270% of the wholesale price plus ILS 400.94 per 1000 cigarettes and for cigars the excise is 90% of the wholesale price.. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Japan.** The tax consists of a national element, a prefectural element and a municipal element. As of 1 October 2018, the excise rate is JPY 13 244 per 1 000 pieces (cigarettes, cigars) or per 1 000 grams (rolling tobacco for cigarettes).  **Korea**. The excise tax on cigars is KRW 294800/1000g. National tax (Individual Consumption Tax) levies on tobacco since 2015.  **Latvia**. Starting from 1 July 2019 minimum excise is EUR 114.70 per 1000 cigarettes.  **Lithuania.** Minimum excise for cigarettes is EUR 102.00 per 1000 pieces from 1 March 2019. Starting from 1 March 2020 the specific excise for cigarettes is EUR 65.70 per 1000 pieces; minimum excise is EUR 108.50 per 1000 cigarettes. The excise rate for cigars and cigarillos is set per kilogram. Starting from 1 March 2020 excise for cigars and cigarillos is EUR 48.00 per kilogram. For smoking tobacco (rolling tobacco for cigarettes and other smoking tobacco) the excise is EUR 78.50 per kilogram. From 1 March 2019 liquids for e-cigarettesare subject to excise duty and the excise duty rate for them is EUR 0.12 per ml of the product. From 1 March 2019 heated tobacco products are subject to excise duty as a separate category at a rate of EUR 68.60 per kilogram. From 1 March 2020, this rate is increased to EUR 113.2 per kilogram. Until 28 February 2019, the rate of smoking tobacco was applied for heated tobacco products.  **Luxembourg.** Change of excise duties on tobacco products is generally applicable starting 1st February. Minimum excise duty is EUR 116 per 1 000 cigarettes. Minimum excise duty is EUR 50 per kilo of rolling tobacco for cigarettes. Minimum excise duty for cigars is EUR 23.50 per 1 000.  **Mexico**. An ad-valorem rate of 160% on the producer or importer price applies for all categories. A reduced rate of 30.4% applies for cigars or rolling tobacco as long as these products are fully handmade. The ad-valorem tax applies at the stage of the producer or importer but on the retail price. In addition a charge of MXN 0.494 should be paid for each sold or imported cigarette. This charge also applies for cigars and other tobacco (MXN 0.494 per each 0.75 grams), with the exemption of those that are fully handmade.  **New Zealand.** The excise rate for 1 000 cigarettes with actual tobacco content not exceeding in weight of 0.8 kg is NZD1 030,90 per kilo tobacco content. The excise rate for cigarettes exceeding 0.8 kg in actual tobacco content per 1 000 cigarettes and for rolling tobacco for cigarettes is NZD 1 469,03 per kilo tobacco content. The excise rate for other tobacco products, such as snuff, cigars, cheroots and cigarillos isNZD 1 288,59 per kilo of tobacco content..  **Poland.** Since 1 January 2015 the excise duty rate for cigars is calculated on per kilogramme basis.  **Portugal.**  Rates applicable on 1 January 2020. Excise tax on cigarettes is reduced to (1) EUR 34.00 and 42% for cigarettes sold in Azores Islands and made by small producers from the Azores and Madeira Islands; (2) 78.37 and 20% for cigarettes sold in Madeira Island and made by small producers from the Azores and Madeira Islands. Since 1 April 2020, tax rates are as follows: Cigarettes: Specific excise per 1000 – EUR 101.00; Excise on value % - 14.00. Cigars: Excise on value % - 25.00. Rolling tobacco for cigarettes: Specific excise per 1000 grams – EUR 81.00; Excise on value % - 15.00. VAT % - 23.00. Excise tax on cigarettes is reduced to (1) EUR 34.00 and 42% for cigarettes sold in Azores Islands and made by small producers from the Azores and Madeira Islands; (2) 82.34 and 18% for cigarettes sold in Madeira Island and made by small producers from the Azores and Madeira Islands.  **Slovak Republic.** Tax on rolling tobacco for cigarettes includes other smoking tobacco. The excise for cigars is EUR 73.90/kg.  **Slovenia.** Minimum excise duty is EUR 114 per 1 000 cigarettes. Minimum excise duty is EUR 94 per kilo of rolling tobacco for cigarettes. Minimum excise duty for cigars is EUR 43 per kilo.  **Sweden.** Cigarettes with a length over 8 cm up to 11 cm should be taxed as two cigarettes. If the cigarette is longer than 11 cm every started additional 3 cm is considered a cigarette.  **Switzerland.** If the Retail Selling Price for 1 000 cigarettes is CHF 375.00 or less, minimum excise duty (specific + on value) yields CHF 212.10 for 1 000 pieces. Specific excise per 1 000 grams of rolling tobacco for cigarettes: the minimum excise duty (specific + on value) yields CHF 80.00 per 1 000 grams.  **Turkey.** Minimum tax amount per 1000 cigarettes is TL 488.30. Specific tax amount is TL 0.4851 for 1 pack of cigarettes. Tax on cigarettes and other tobacco products computed according to the tax rate cannot be less than the minimum tax amount. After calculating the tax according to minimum tax amount system, specific tax amount is added to the tax for 1 pack of cigarettes.  **United Kingdom.** Specific excise rate for cigars is given per kilogramme and not for 1 000 units. Specific rates exist for "other smoking tobacco and chewing tobacco" and “Tobacco for heating” which at 1 January 2020 were set at GBP 125.20 and GBP 234.65 per kilo respectively.  **United States.** State taxes vary widely. The weighted average of Federal and State taxes per thousand cigarettes is USD 141.00. Federal specific excise tax rates on tobacco are: USD 50.33 per thousand for small cigarettes (no more than 3 pounds per thousand); USD 105.69 per thousand for large cigarettes; USD 50.33 per thousand for small cigars weighing no more than 3 pounds per thousand; 52.75% of the manufacturers price but not more than USD 402.60 per thousand for large cigars; and USD 24.78 per pound (54.63 per kg) for roll-your-own tobacco. Some states also tax on an ad valorem basis. |

Table 3.5. Tax burden as a share of total price for cigarettes1

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Country | Ex-tax price (USD)2 | Specific excise  % RSP3 | Excise on value  % RSP4 | VAT/GST/RST  % RSP5 | Total tax share  % RSP | Price of a 20 cigarettes pack6 | | |
| Currency | Price  (RSP in local currency) | Price (RSP in USD)7 |
| Australia | 3.36 | 68.43 | 0.00 | 9.09 | 77.52 | AUD | 20.75 | 14.93 |
| Austria | 1.60 | 21.09 | 37.50 | 16.67 | 75.26 | EUR | 5.50 | 6.47 |
| Belgium | 1.79 | 19.58 | 40.04 | 17.36 | 76.98 | EUR | 6.60 | 7.76 |
| Canada\* | 3.20 | 55.65 | 0.00 | 8.40 | 64.05 | CAD | 11.57 | 8.90 |
| Chile | 0.74 | 36.39 | 30.00 | 15.97 | 82.36 | CLP | 2700.00 | 4.21 |
| Colombia | 0.29 | 52.46 | 10.00 | 15.97 | 78.43 | COP | 4003.00 | 1.35 |
| Czech Republic | 0.73 | 35.31 | 30.00 | 17.36 | 82.69 | CZK | 91.2 | 4.20 |
| Denmark | 1.82 | 53.15 | 1.00 | 20.00 | 74.15 | DKK | 44.50 | 7.04 |
| Estonia | 1.03 | 32.71 | 30.00 | 16.67 | 79.38 | EUR | 4.25 | 5.00 |
| Finland\* | 1.07 | 16.06 | 52.00 | 19.35 | 87.41 | EUR | 7.22 | 8.49 |
| France | 1.65 | 14.98 | 50.80 | 16.67 | 82.45 | EUR | 8.00 | 9.41 |
| Germany | 2..16 | 32.27 | 21.69 | 15.97 | 69.92 | EUR | 6.09 | 7.16 |
| Greece | 1.02 | 35.87 | 26.00 | 19.35 | 81.22 | EUR | 4.60 | 5.41 |
| Hungary | 1.45 | 28.47 | 23.00 | 21.26 | 72.73 | HUF | 1440.00 | 5.33 |
| Iceland | 5.59 | 36.13 | 0.00 | 19.35 | 55.49 | ISK | 1359.00 | 12.55 |
| Ireland | 3.10 | 50.66 | 9.04 | 18.70 | 78.40 | EUR | 14.35 | 14.35 |
| Israel\* | 1.98 | 23.20 | 41.30 | 14.53 | 79.1 | ILS | 34.00 | 9.47 |
| Italy | 1.55 | 7.01 | 51.00 | 18.03 | 76.04 | EUR | 5.50 | 6.47 |
| Japan | 1.47 | 55.65 | 0.00 | 7.41 | 63.06 | JPY | 440.00 | 3.98 |
| Korea | 1.07 | 64.76 | 0.00 | 9.09 | 73.85 | KRW | 4500.00 | 4.09 |
| Latvia | 0.82 | 42.63 | 20.00 | 17.36 | 79.99 | EUR | 3.59 | 4.22 |
| Lithuania | 1.15 | 31.47 | 25.00 | 17.36 | 73.83 | EUR | 3.75 | 4.41 |
| Luxembourg | 1.98 | 7.13 | 46.65 | 14.53 | 68.31 | EUR | 5.30 | 6.24 |
| Mexico | 1.03 | 15.69 | 39.07 | 13.79 | 68.55 | MXN | 63.02 | 3.28 |
| Netherlands | 2.32 | 49.46 | 5.00 | 17.36 | 71.81 | EUR | 7.00 | 8.24 |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| New Zealand\* | 2.93 | 69.17 | 0.00 | 13.04 | 82.21 | NZD | 23.90 | 16.48 |
| Norway | 5.22 | 43.97 | 0.00 | 20.00 | 63.97 | NOK | 117.80 | 14.49 |
| Poland | 1.00 | 26.68 | 31.41 | 18.70 | 76.79 | PLN | 15.50 | 4.29 |
| Portugal | 1.67 | 37.96 | 15.00 | 18.70 | 71.66 | EUR | 5.00 | 5.88 |
| Slovak Republic | 0.90 | 37.23 | 23.00 | 16.67 | 76.90 | EUR | 3.32 | 3.91 |
| Slovenia | 1.24 | 35.06 | 21.88 | 18.03 | 74.97 | EUR | 4.20 | 4.94 |
| Spain | 1.28 | 9.88 | 51.00 | 17.36 | 78.24 | EUR | 5.00 | 5.88 |
| Sweden | 2.37 | 47.38 | 1.00 | 20.00 | 68.38 | SEK | 65.00 | 7.48 |
| Switzerland | 3.49 | 27.51 | 25.00 | 7.15 | 60.27 | CHF | 8.60 | 8.78 |
| Turkey | 0.52 | 3.11 | 63.00 | 15.25 | 81.37 | TRY | 13.50 | 2.80 |
| United Kingdom | 2.58 | 46.22 | 16.50 | 16.67 | 79.39 | GBP | 9.40 | 12.53 |
| United States\* | 4.14 | 36.12 | 0.00 | 5.52 | 39.47 | USD | 6.90 | 6.90 |

\* Canada and the United States, national average estimates calculated for prices and taxes reflect the fact that different rates are applied by state/province over and above the applicable federal tax.

\* Finland: the MSB is not available. The Weighted Average Price (WAP) is used.

\* Israel: The statistical data are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

*Notes*:

1. The share of taxes are presented as a % of Retail Selling Price (RSP) for a pack of 20 cigarettes. The RSP is defined as the average price of the most sold brand of cigarettes on the market (MSB - see Annex C). This table reflects the situation in 2018 since it is based on annual average prices and taxes that are not available for the year 2019 at the time of this publication.

2. The pre-tax price includes the producer and distributor margins. It is estimated by the deduction of the total tax share from the RSP.

3. Specific excise: a specific excise tax is a tax on a specific good produced or imported in a country charged as a fixed amount per unit of the product. The amount shown in this table is as a percentage of RSP.

4. Excise on value: an excise on value or ad valorem is a tax on a product produced or imported in a country charged as a percentage of the value of a transaction. Example: 50% of the RSP.

5. VAT/GST: Value added tax or Goods and services tax (see Chapter 1). RST: Retail sales taxes for Canada (in some provinces) and the United States. The amount is shown as a percentage of RSP.

6. Price of a 20 cigarettes pack of the Most Sold Brand (see Annex D).

7. In this table, amounts in local currency are converted in USD using the average market exchange rate 2019 published in OECD Monthly Monetary Statistics (*stats.oecd.org*).

*Source*: WHO Report on the Global Tobacco Epidemic, 2019  and national delegates. Situation for the year 2018

Table 3.6. Taxation of fuel oil for households (per litre, 2019)1

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Country |  | Ex-tax price2 | | Excise3 | VAT rate4 | VAT amount | Total tax | Total price | | Total tax as % of total price |
| Currency | National currency | USD | National currency | % | National currency | National currency | National currency | USD |
| Australia\* | AUD | see note |  |  | 10.00 |  |  |  |  |  |
| Austria\* | EUR | 0.551 | 0.617 | 0.109 | 20.00 | 0.132 | 0.241 | 0.792 | 0.887 | 30.4 |
| Belgium | EUR | 0.536 | 0.600 | 0.019 | 21.00 | 0.117 | 0.135 | 0.672 | 0.753 | 20.1 |
| Canada\* | CAD | 1.127 | 0.849 | 0.000 | 9.93 | 0.112 | 0.112 | 1.239 | 0.934 | 9.0 |
| Chile\* | CLP | 560.406 | 0.797 | 0.000 | 19.00 | 106.477 | 106.477 | 666.884 | 0.948 | 16.0 |
| Colombia | COP |  |  | 30.111 | 19.00 |  |  |  | 0.000 |  |
| Czech Republic\* | CZK | 13.549 | 0.591 | 0.660 | 21.00 | 5.145 | 5.805 | 19.354 | 0.844 | 30.0 |
| Denmark\* | DKK | 5.063 | 0.759 | 2.988 | 25.00 | 2.013 | 5.000 | 10.064 | 1.509 | 49.7 |
| Estonia | EUR | 0.678 | 0.759 | 0.058 | 20.00 | 0.147 | 0.205 | 0.883 | 0.989 | 23.2 |
| Finland\* | EUR | 0.542 | 0.607 | 0.249 | 24.00 | 0.190 | 0.439 | 0.981 | 1.099 | 44.8 |
| France | EUR | 0.618 | 0.692 | 0.156 | 20.00 | 0.155 | 0.311 | 0.929 | 1.040 | 33.5 |
| Germany\* | EUR | 0.507 | 0.568 | 0.061 | 19.00 | 0.108 | 0.169 | 0.676 | 0.757 | 25.0 |
| Greece\* | EUR | 0.515 | 0.577 | 0.280 | 24.00 | 0.191 | 0.471 | 0.986 | 1.104 | 47.8 |
| Hungary\* | HUF | 52.646 | 0.181 | 112.855 | 27.00 | 78.420 | 201.275 | 210.186 | 0.723 | 95.8 |
| Iceland\* | ISK | see note |  |  | 24.00 |  |  |  | 0.000 |  |
| Ireland\* | EUR | 0.527 | 0.594 | 0.102 | 13.50 | 0.085 | 0.187 | 0.714 | 0.805 | 26.2 |
| Israel\* | ILS | 2.773 | 0.778 | 2.945 | 17.00 | 0.972 | 3.917 | 6.690 | 1.877 | 58.6 |
| Italy | EUR | 0.668 | 0.748 | 0.403 | 22.00 | 0.236 | 0.639 | 1.306 | 1.462 | 48.9 |
| Japan\* | JPY | 80.988 | 0.743 | 2.800 | 10.00 | 7.121 | 9.921 | 90.909 | 0.834 | 10.9 |
| Korea\* | KRW | 801.786 | 0.688 | 72.450 | 10.00 | 87.424 | 159.874 | 961.660 | 0.825 | 16.6 |
| Latvia | EUR | 0.607 | 0.680 | 0.057 | 21.00 | 0.139 | 0.196 | 0.803 | 0.899 | 24.4 |
| Lithuania | EUR | 0.397 | 0.498 | 0.021 | 21.00 | 0.088 | 0.109 | 0.506 | 0.567 | 21.5 |
| Luxembourg\* | EUR | 0.542 | 0.607 | 0.010 | 14.00 | 0.077 | 0.087 | 0.694 | 0.777 | 12.5 |
| Mexico\* | MXN | see note |  |  |  |  |  |  |  |  |
| Netherlands | EUR | 0.406 | 0.455 | 0.800 | 21.00 | 0.191 | 0.695 | 1.101 | 1.233 | 63.1 |
| New Zealand\* | NZD | see note |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Norway | NOK | 6.576 | 0.747 | 3.000 | 25.00 | 2.394 | 5.394 | 11.970 | 1.360 | 45.1 |
| Poland | PLN | 2.507 | 0.653 | 0.232 | 23.00 | 0.630 | 0.862 | 3.369 | 0.878 | 25.6 |
| Portugal | EUR | 0.606 | 0.679 | 0.362 | 13.00 | 0.222 | 0.584 | 1.190 | 1.333 | 49.1 |
| Slovak Republic\* | EUR | see note |  |  |  |  |  |  |  |  |
| Slovenia | EUR | 0.549 | 0.615 | 0.222 | 22.00 | 0.170 | 0.392 | 0.941 | 1.054 | 41.7 |
| Spain\* | EUR | 0.540 | 0.605 | 0.097 | 21.00 | 0.134 | 0.230 | 0.771 | 0.863 | 29.8 |
| Sweden\* | SEK | 4.910 | 0.519 | 4.247 | 25.00 | 2.289 | 6.536 | 11.446 | 1.210 | 57.1 |
| Switzerland | CHF | 0.581 | 0.585 | 0.259 | 8.00 | 0.065 | 0.324 | 0.905 | 0.910 | 35.8 |
| Turkey | TRY | 3.564 | 0.628 | 1.137 | 18.00 | 0.846 | 1.983 | 5.547 | 0.977 | 35.7 |
| United Kingdom | GBP | 0.449 | 0.573 | 0.111 | 20.00 | 0.028 | 0.139 | 0.589 | 0.751 | 23.6 |
| United States\* | USD | 0.793 | 0.793 | 0.035 | 0.00 | 0.000 | 0.039 | 0.832 | 0.832 | 4.7 |

\* See Country notes.

*Note*: Conversion of national currency in USD: conversion rates are average market rates (2019) published in OECD Monthly Monetary Statistics (stats.oecd.org). See also Annex B.

1. Prices are average prices for the year 2019. Tax rates are those applicable as at 1 October 2019.

2. Ex-tax price is the price excluding VAT and excise.

3. Excise taxes are expressed in local currency per litre. They include all non-VAT taxes levied on the product. For the purposes of this table, payments made to specific bodies that use all the amounts collected to accomplish specific missions (e.g. some emergency stock fees) are not considered as "taxes" and are included in the ex-tax price. When different rates apply to the same product depending e.g. on its biofuel or sulphur content, the rate shown is the one applicable to the most commonly used fuel in the country.

4. GST for Australia, and New Zealand; volume-weighted GST-HST/retail sales taxes for Canada; sales taxes for the United States and Consumption Tax for Japan. VAT for all other countries.

*Source*: International Energy Agency, IEA Energy Prices, 2020 edition [https://www.iea.org/reports/world-energy-prices-2020](https://eur02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.iea.org%2Freports%2Fworld-energy-prices-2020&data=02%7C01%7CStephane.BUYDENS%40oecd.org%7C977304b6483f4e28f3a208d80d3a9e0c%7Cac41c7d41f61460db0f4fc925a2b471c%7C0%7C0%7C637273892703524880&sdata=wvI4ddgJvo00Plvr1NHqS%2BTOX0QgSg7zPT%2BTUBF4Pxg%3D&reserved=0) and country delegates.

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| Country notes to Table 3.6.  **Australia**. No data is available.  **Austria**. Tax amount of EUR 0.098/l applies to light fuel oil with sulphur content ≤ 10mg/kg. Otherwise the excise duty is EUR 0.128/l.  **Canada**. Fuel oil is assumed to be heating oil. There is no federal or provincial fuel tax on heating oil. The federal GST rate is 5%. Most provinces do not apply their provincial GST/retail sales tax on heating oil. The volume weighted GST/sales tax rate was 9.93%. Municipal taxes and carbon pollution pricing are not included in the excise taxes. Average consumer price from Statcan.gc.ca.  **Chile**. Domestic Kerosene is covered by the Oil Price Stabilisation Fund (*Fondo de Estabilización de Precios del Petróleo* or FEPP, Law 19.030) which applies as a tax or as a fiscal credit/subsidy weekly, and it is measured in USD per m3. This tax cannot be included in the VAT base at any stage of the value chain (import, production, refining, distribution or sale to the consumer). On the contrary, the fiscal credit may be deducted from the taxable base either on the first sale or importation.  **Czech Republic**. Fuel oil marked in accordance with Directive 95/60/EC is subject to reimbursement of an excise duty amount of CZK 10 290/1000 l when it has been duly proved that the fuel oil has been used for heating purposes. The excise amount shown in the table includes the reimbursement.  **Denmark**. The amount of DKK 2.406/l includes the Excise tax of DKK 1.955/l; the Environment tax of DKK 0.455/l and the NOx tax of DKK 0.0009/l.  **Finland**. The excise amount of EUR 0.2488/l includes the energy content tax EUR 0.0763, CO2 tax EUR 0.1690 and the strategic stockpile fee (EUR 0.0035).  **Germany**. The excise amount is for properly marked gas oil with a sulphur content ≤ 50mg/kg. Otherwise the excise amount is EUR 0.0764/l. *From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.*  **Greece**. The excise of EUR 0.280/l for heating oil for households applies during the winter season (15 October - 30 April). Otherwise the excise is 0.410/l.  **Hungary**. Excise amount depends on the world market price of crude oil. If the world market price of crude oil is higher than 50 USD/barrel the excise amount is HUF 112.588/l (including the excise duty of HUF 110.35/l and the strategic stock fee of HUF 2.505/l). If the world market price of crude oil is 50 USD/barrel or less the excise amount is HUF 122.588 (including the excise duty of HUF 125/l and the strategic stock fee of HUF 2.505/l).  **Iceland**. No data is available  **Ireland**. The 'Ex-tax price' includes a National Oil Reserves Agency (NORA) levy which is charged at a rate of EUR 0.02 per litre. The Excise rate of EUR 0.102per litre applies to marked gas oil (marked diesel). Marked kerosene is also widely used for heating (including domestic heating) and the rate for that is EUR 0.05073per litre. From 1 May 2020 the ‘Excise’ rate for marked gas oil increased to EUR 0.117 per litre and marked kerosene increased to EUR 0.06574 per litre.  **Israel.** The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Japan**. Kerosene for households.  **Korea.** Kerosene for households  **Latvia.** Excise tax of EUR 0.021/litre for marked fuel for heating purposes applies if it contains at least 5% biodiesel of total volume of product.  **Luxembourg**. A reduced VAT rate of 14% applies to heating gas oil.  **Mexico**. No data is available  **Netherlands**. For gasoline a stockpiling tax of 0.008/l applies, this is not included in the mentioned excise rate.  **New Zealand**. No data is provided because the product is not consumed in significant quantities.  **Norway**. The amount of NOK 2.803/l includes base tax of NOK 1.603/l and CO2 tax of NOK 1.20/l.  **Slovak Republic**. No data is provided because the product is not consumed in significant quantities.  **Slovenia**. The amount of EUR 222 per 1 000 litres includes the excise duty of EUR 157.50, EUR 8.00 surcharge on energy end-use efficiency on gasoil used for heating purposes, EUR 9.90 surcharge for the promotion of electricity generation from renewable energy sources and high-efficiency cogeneration on gasoil used for heating purposes, and EUR 46.71 CO2-tax.  **Spain**. The excise amount of EUR 0.088/l includes the Excise tax (EUR 0.085/l) and the average Regional authorities' tax (EUR 0.003/l).  **Sweden**. Price data are not available in IEA statistics. Price data is extracted from economic information available on ec.europa.eu/energy/observatory/reports. Excise tax includes the Energy Tax (SEK 0.887/l) and CO2 Tax (SEK 3.360/l).  **Turkey.** Kerosene for households.  **United States**. Average federal and state taxes - there is no VAT  **European Union**. Directive 2003/96/EC sets minimal excise rates for energy products and electricity. |

Table 4.1. Taxes on sale and registration of motor vehicles1

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| Country | **Taxes** | **Criteria** | **Rebates/Exemptions3** |
| Australia | GST: 10%  Luxury Car Tax: 33% calculated on the value of most cars that exceed the luxury car tax threshold. The luxury car tax threshold is generally AUD 67 525 (in 2019-20), tax inclusive (including GST) or AUD 75 526, tax inclusive (including GST) if the car’s fuel consumption is less than 7 litres per 100 kilometres.  Registration fee – varies between states/territories – may be calculated on the tare weight, value or type of vehicle  Stamp duty - varies between states/territories - calculated on the tare weight (heavy vehicles) or value (light vehicles) | Value  Fuel efficiency  Weight (registration or stamp duty only) | Some exemptions apply from luxury car tax including:  - emergency vehicles such as ambulances etc  - sale of vehicle is more than 2 years after manufacture or importation  - vehicles modified to transport a person in a wheelchair (provided it is not GST-free)  - commercial vehicles primarily used for carrying goods in business or trade  - imported by museum for public display  Eligible tourism operators and primary producers are eligible to claim a refund of Luxury Car Tax paid up to AUD 10 000 for certain cars.  GST: exemption is provided to veterans and persons with a disability that fulfil legal requirements. |
| Austria | VAT: 20%.  New Car Registration Tax: while the tax base is the selling price, the tax rate depends on the CO2-emissions of the car\* i.e. CO2 emissions in gram/km, reduced by 115 grams WLTP (90 NDEC), divided by 5. The rate cannot exceed 32% . For CO2 emissions above 275g/km WLTP (250 g/km NDEC), the tax increases by EUR 40 for each g/km exceeding the limit of 275g/km WLTP (EUR 20 for each g/km exceeding the limit of 250g/km NDEC. An amount of up to EUR 350 has to be deducted from the amount of tax calculated following the above rules. \*Starting from 1.1.2020 the relevant CO2-emissions are determined by WLTP (NEDC before that).  Registration fee (tax): fixed rate of Registration fee: motor vehicles registered for the state or local authorities EUR 119.80 per motor vehicle (+ up to EUR 49,70 processing fee for the registration office + approx. EUR 20 for other expenditures) | Value  CO2 emissions | New Car Registration Tax: exemptions for demonstration vehicles, motor vehicles for driving schools, vehicles that are hired, used for guests or as taxis, motor vehicles used for short time hiring out, motor vehicles used for the transport of sick persons and for rescue services, vehicles used for the transport of corpses, vehicles used by fire brigades and accompanying vehicles for special transports, vehicles used for disabled persons.  Registration fee: exemption for motor vehicles registered for the state or local authorities |

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| Belgium | **VAT**: 21%  Entry into Service Tax  *Flemish Region*: for non-leasing passenger cars, the tax rate depends on vehicle age, environmental characteristics (including CO2 emissions), the type of fuel and the euro standard. The tax for leased vehicles is still calculated based on the engine power of the vehicle.  *Walloon Region*: the tax rate depends on engine power or the fiscal power (which is derived from the combustion engine capacity). When the tax, determined on the bases of one parameter exceeds the tax determined on the bases of the other, the highest tax is retained. For motorcycles the amount is calculated with respect to the kilowatt. For electric cars and electric motorcycles,, the tax is set at EUR 61.50 as of fiscal year 2019. For all hybrid vehicles (cars and motorcycles), the power taken in consideration is the one supplied by the combustion engine. Cars and mixed cars are also subject to a second constitutive element of the tax on registration of vehicles, the so-called “ecomalus”, which is based on the CO2- emission of the vehicle.  *Brussels Capital Region*: for passenger cars the tax rate depends on engine power expressed in fiscal horsepower and is set according to a degressive scale based on the age of the vehicle (fuel and gasoil from EUR 61.50 to EUR 4.957 and Liquefied Gas Petroleum from EUR 61.50 to EUR 4.659). If the engine power corresponds to different amounts expressed in hp than in kilowatt, the highest amount has to be taken into consideration. For electric cars, the tax is set at EUR 61.50. | Age  Engine power  Cylinder capacity  Environmental characteristics (incl. CO2 emissions)  Type of fuel/gas | *Flemish Region*: exemption for certain fuel types (pure electric, hydrogen-powered, plug-in hybrid (until 2021), powered by CNG/LNG (until 2021).  Vehicles of more than 28 years old are subject to a uniform rate of EUR 45.56. As from fiscal year 2022 this uniform rate is only applicable to cars of 30 years of age or older. An age correction will be accorded within the tariff formula for used cars (in a progressive scale from 90% to 10% of the registration tax or a lump sum depending on the age of the vehicle). There is also a rebate for cars entirely or partially powered by Liquefied Gas Petroleum. All regions provide exemptions for some vehicles used by public authorities and vehicles for disabled people and war invalids. |
| Canada | GST: 5%  HST: 13% or 15% for sales in the participating provinces.  The following provinces have harmonized their provincial sales taxes with the federal Goods and Services Tax and therefore levy a rate of GST/HST of: New Brunswick, Newfoundland and Labrador, Prince Edward Island, Nova Scotia 15%; Ontario: 13%; Québec applies GST at a rate of 5% and Québec Sales Tax at a rate of 9.975%.  Provincial tax rates are applicable for sales made in provinces not applying HST  Automotive Air Conditioning Tax: CAD 100 per unit.  Excise tax on Fuel Inefficient Vehicles: vehicles with a weighted fuel consumption rating of 13 or more litres per 100 kilometres (55 % city and 45% highway) are subject to an excise tax at the following rates:  at least 13 but less than 14 litres per 100 kilometres, CAD 1 000;  at least 14 but less than 15 litres per 100 kilometres, CAD 2 000;  at least 15 but less than 16 litres per 100 kilometres, CAD 3 000; and  16 or more litres per 100 kilometres, CAD 4 000. | Value  Fuel efficiency  Air conditioning | Rebate of GST/HST – Specially Equipped Motor Vehicle: to purchasers of specially equipped motor vehicles for persons with disabilities. The rebate is only available on the GST/HST paid on the portion of the purchase price that is attributable to the special features.  Rebate of Excise Tax on Fuel Inefficient Vehicles – Specially Equipped Van: to end-users of vans equipped with a device designed exclusively to assist in placing a wheelchair in the van without having to collapse the wheelchair |
| Chile | **VAT:** 19% (used cars are exempt with some exceptions)  Registration fees payable to Civil Registry: first registration fee, new plate fee, fee for transfer and registration of vehicles.  Tax on transfer of used motor vehicles (levied by municipalities): 1.5% of the value of the vehicle. | Value  Fixed fee |  |

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| Colombia | **VAT: 1**9% only applicable to certain types of vehicles.  **Vehicle registration fee:** COP 152 000 for cars and COP 74 000 for motorcycles.  **National Consumption Tax:** The 16% national consumption tax rate applies to family-type motor vehicles, camper vehicles and pick-ups whose FOB value (or the equivalent) is greater than or equal to USD 30 000 and Pick-ups whose FOB value (or the equivalent) is greater than or equal to USD 30.000.  The 8% national consumption tax rate applies to family-type motor vehicles, camper vehicles and pick-ups and whose FOB value (or the equivalent) is less than USD 30.000 and to motorcycles with cylinder capacity greater than 200cc. | Type of vehicle  Value |  |
| Czech Republic | **VAT**: 21%  **Registration fee**: motorcycles CZK 300 or 500 (depending on cylinder capacity); other motor vehicles CZK 800. The fee includes the registration plate.  Permit fee on non-standard motor vehicles | Value  Cylinder capacity |  |
| Denmark | **VAT**: 25%  **Vehicle registration tax:** payable on first registration of the vehicle. Graduated tax rates according to the value of the vehicle (with lower rates for commercial vehicles) from 105% to 150% (on the remainder above DKK 82 800) for private vehicles and from 0% to 50% (on the remainder above DKK 17 500) for commercial vehicles. | Value  Utilisation  Safety equipment  Anti-pollution equipment | **Rebate for low fuel consumption vehicles**: Registration tax is reduced by DKK 4 000 for every kilometre the vehicle can run in excess of 16 km with 1 litre of petrol or in excess of 18 km with 1 litre of diesel. A supplement of DKK 1 000 is payable for cars for every kilometre less than 16 km (petrol) or 18 km (diesel) they can run on one litre of fuel.  **Traffic Safety Equipment:** Motor vehicles with major traffic safety equipment receive a deduction in the value liable to registration duty up to DKK 13 370. Motor vehicles with minor traffic safety equipment receive a deduction between DKK 200 and DKK 600. |
| Estonia | **VAT:** 20%  **Vehicle registration fee (State fee):** Vehicle- EUR 130; Temporarily imported vehicle- EUR 335 | Value  Type of vehicle |  |
| Finland | **VAT**: 24%  **Vehicle Registration Tax** is based on CO2 emissions. Rates vary from 2.7% of the general consumer price of the vehicle for cars emitting 0g/km or less to 48.9% for cars emitting 360g/km or more.  **For delivery vans** there is a deduction based on maximum laden weight of the vehicle for vans over 2 500 kg.  **For motor cycles** rates vary according to the cylinder capacity, between 9.8% and 24.4%, and the base is general retail value. | Value  CO2 emissions  Utilisation  Cylinder capacity  Type | Exemption for disabled people, taxis, motor homes, cars used for veterinary purposes, rescue vehicles and funeral cars. |
| France | **VAT**: 20%  **Tax on Registration Certificates** or regional tax on certificates **i**s based on horsepower. Rates vary between EUR 33 and EUR 51.20 per horsepower according to the region.The rate is reduced by half for some vehicles depending on their nature (trucks weighing more than 3.5 tons, motorcycles) or age (more than 10 years old).  **Additional tax on Registration certificates for first registration in France:** CO2 emission component of the tax varies from EUR 0 for vehicles emitting less than 138g CO2/km to EUR 20 000 for vehicles emitting more than 212g CO2/ km. (CO2 emissions are determined according to the Worldwide harmonized light-duty vehicles test procedure 6 WLTP) Horsepower component of the tax (vehicles that have not been subject to a Community-type approval) varies from EUR 3000 (6HP) to EUR 10 500 (16HP). The tax is not applicable to vehicles belonging to disabled people.  **Additional tax on Registration certificates for registration after first registration in France:** the tax is based on horsepower. Horsepower component of the tax varies from EUR 100 (10HP) up to EUR 1000 (15HP) The tax is not applicable to vehicles belonging to disabled people.  **Additional tax on Registration certificates for cars with horsepower of 36HP or more**: the tax is EUR 500 per horsepower from 36HP with a maximum of EUR 8 000. Collection vehicles are exempt from this tax.  **Additional Lorries Tax** is levied on the regional certificate tax for lorries according to their weight (from EUR 38 for less than 3.5 tons to EUR 305 for more than 11 tons or trailers and buses for public transport of passengers);  **Company car tax** is based on CO2 emissions. Tax rates vary from EUR 1 for each gram emitted for cars emitting 20g CO2/km or less to EUR 29 for each gram emitted for cars emitting more than 250g CO2/km. | Value  Engine power  Weight  Utilisation  Age  CO2 emissions  Type of fuel  Electric propulsion | **Exemption for new demonstration models** weighing less than 3.5 tons, state vehicles, certain motorcycles  **Rebate for electricity or gas propelled cars:** from 50% or 100% of the Tax on Registration Certificates.  **Rebate for Ethanol propelled cars:** the Tax on Registration Certificates is reduced by 50% or 100% for cars that run with E85 fuel (super ethanol).  **Bonus system:** a premium is granted for the purchase of a new car when its CO2 emissions are 125 g/km or less**.** The maximum premium is EUR 5000 (below 60 g/km). |
| Germany | **VAT**: 19%  *From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.* | Value |  |

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| Greece | **VAT**: 24%  **Registration tax:** rate varies   * from 3.8% up to 64,00% of the taxable value, according to the retail price before taxes and to the CO2 emissions for passenger cars that belong to the current emissions standard. * from 5.7% to 96.00% of the taxable value, according to the retail price before taxes and to the CO2 emissions for passenger cars that belong to the previous emissions standard. * from 11.40% to 192.00% of the taxable value, according to the retail price before taxes and to the CO2emissions for passenger cars that belong to other emissions standard. * from 48.00% to 384.00% of the taxable value, according to the retail price before taxes and to the CO2 emissions for conventional technology cars. * from 5% to 13% of the taxable value, for lorries-trucks etc (less or more than 3.5 tones), according to emissions standard. * from 0% to 25% of the taxable value for motorcycles according to cylinder capacity.   **Registration tax for buses** depends on the number of seats etc. | **Cars:** value (retail price before taxes), CO2 emissions, “Euro” emissions standards, electric propulsion  **Lorries: w**eight, emissions standards, body type.  **Motorcycles:** cylinder capacity | **Exemptions from registration tax:**  Hybrid cars are relieved from the registration tax by 50%.  Electric cars are not subjected to registration tax  Cars used by public authorities  Cars used by disabled persons.  Cars used by parents having at least three (3) children.  Ambulances used by public hospitals  Cars used by people who have moved their normal residence to Greece  Cars donated to the Greek Police, Fire Brigade or Greek Coast Guards. |
| Hungary | **VAT**: 27%  **Registration Tax**: from HUF 45 000 to HUF 400 000 on new passenger cars according to engine type (diesel or petrol) and engine cylinder capacity, and from HUF 15 000 to HUF 230 000 on motorcycles according to engine cylinder capacity. For cars with lower environmental category of engine higher rates are levied (400, 600, 800 or 1200% higher), but rate is reduced according to a scale based on age (until 90%). Reduced rate is levied to hybrid cars and HUF 0 is levied to electric cars.  **Transfer of motor vehicles**: the rate of duty shall be determined based on the capacity of motor vehicle’s engine (in kW). The tax rate is from HUF 300/kW to HUF 850/kW depending on the age of the vehicle (the older the vehicle, the less is due). | Engine type  Cylinder capacity  Engine power  Polluting emissions  Type of fuel  Age  Electric propulsion | **Reduced registration tax** for cars with hybrid engines or with gas-powered engines (HUF 76 000) and for cars with electric engines as well as for hybrid and electric motorcycles (HUF 0). |
| Iceland | **VAT**: 24%  **Vehicle Registration Fee** of ISK 5 000 on initial registration and ISK 2 130 for subsequent changes.  **Motor vehicle excise duty:** based on CO2 emissions ranging from 0-65%  **Excise duties on motor vehicles other than private automobiles:** % of value  **Large goods vehicles**, large special purpose vehicles, tractors, agriculture trailers, large snow-mobiles, amphibious vehicles, competition cars and motorbikes, vehicles for transport of disabled persons, rescue vehicles and large coaches is exempt.  **Small goods vehicles**, small special purpose vehicles, vehicles over 40 years old, motor vehicle bodies13%  **Small coaches**, motorbikes, other vehicles30%. | Value  CO2 emissions  Electric propulsion | **Temporary VAT exemption** with a cap at import and domestic sales of electric-, hydrogen or plug-in hybrid vehicles, including busses. |
| Ireland | **VAT**: 23%  **Registration Tax**: based on CO2 emissions and NOx emissions for passenger vehicles with not more than 9 seating positions and certain commercial vehicles with greater than 4 seats. For the CO2 element of the charge, rates vary from 14% of the value of such a vehicle with CO2 emissions of up to 80 g/km to 36% for such a vehicle with CO2 emissions above 225 g/km. The NOx element of the charge is EUR 5 per mg/km for the first 60 mg/km, EUR 15 per mg/km for the next 20 mg/km, and EUR 25 per mg/km thereafter. The NOx element of the charge is capped at EUR 4 850 for diesel vehicles and EUR 600 for other vehicles.  Flat rate applies to vehicles designed and constructed for the carriage of goods and having a maximum laden mass not exceeding 3.5 tonnes not included above and motor caravans (13.30% of the value).  Motor cycles are charged EUR 2 per cc up to and including 350cc and EUR 1 per cc above.  Large vehicles designed and constructed for the carriage of goods (maximum laden mass over 3.5 tonnes), buses, tractors and “vintage” (over 30 years old) vehicles are charged EUR 200.  Special purpose vehicles such as ambulances and fire engines (NIL Rate). | Value  CO2 emissions  NOx emissions  Type  Age  Max laden mass  Body type | **Relief for hybrid electric vehicles**: age dependent with a maximum tax relief of EUR 1500 for a new vehicle.  **Relief for plug-in hybrid electric vehicle**s: age dependent with a maximum tax relief of EUR 2500 for a new vehicle.  **Relief for new series production electric vehicle**s: subject to a maximum of EUR 5000  **Remission/repayment for vehicles specially adapted for persons with certain severe and permanent physical disabilities:** subject to a maximum of EUR 10 000, EUR 16 000 and EUR 22 000 for a disabled driver and EUR 16 000 and EUR 22 000 for a disabled passenger. The amount is depended on the adaptations carried out on the vehicle. Relief for certain charitable organisations is subject to a maximum of EUR 16 000 when the vehicle is adapted to carry less than five such persons.  **Exemptions:** Transfers of permanent residence, transfers of permanent business undertakings, inheritances, donations by certain organisations, international air services, diplomatic agents and EU officials, vehicles for use by EU or UN organisations |
| Israel2 | **VAT**:17%  **Purchase Tax**: private and commercial vehicle weight not exceeding 3500 kg are taxed at 83% of the value; Additional luxury tax is levied on the value of the vehicle that exceeds 300 000 NIS, according to the following formula:  20%\*(vehicle price - 300 000)/vehicle price; Taxi < 3 500 kg – 8%; Taxi >3 500 kg – 0%; Commercial vehicles over 3500 kg are taxed at 72% of their value but not eligible for a rebate. | Weight  Polluting emissions  Electric propulsion  Safety system  Engine power | **Rebates according to the polluting emissions:** vehicles weighing up to 3500 kg benefit of a rebate on the Purchase Tax according to their degree of pollution. There are 15 levels of polluting emissions according to a "Green Score" (weighting the emission of five major pollutants). Rebate is up to the amount of NIS 16 629  **Hybrid vehicles** - Pollution level 1 or 2 –  battery capacity > 3 KWH and green score < 100 – 20% are taxed at a rate of 45% but the tax benefit is capped at ILS 20 000.  **Plug-in Hybrid vehicles** are taxed at a rate of 25% but the tax benefit is capped at ILS 60 000  **Electricity powered vehicles** are taxed a rate of 10% of their value depending on the customs and purchase tax rate.  Since June 2018 luxury tax is also levied on hybrid vehicles and electric vehicles.  Vehicles weighing up to 3500 kg benefit of a rebate on the Purchase Tax (up to 2400 NIS) according to their safety level. There are 9 safety levels (0-8) depending on the number of safety systems. |
| Italy | **VAT**: 22%  Anyone who buys, even in financial leasing, and registers a new M1 vehicle (i.e. vehiclesdesigned and constructed for the carriage of passengers and comprising no more than eight seats in addition to the driver’s seat) in Italy, as well as registers in Italy an M1 vehicle already registered in another State, is required to pay a tax based on the number of grams of CO2 emitted per km exceeding the threshold of 160 CO2 g/km as follows: 161-175 CO2 g/km: EUR 1100; 176-200 CO2 g/km: EUR 1600; 201-250 CO2 g/km: EUR 2000; above 250 CO2 g/km: EUR 2500. | CO2 semissions | **Exemption from the tax** : s special purpose vehicles such as vehicles for disabled people. |
| Japan | **VAT:** 10%  **Environmental performance excise (automobile tax - light motor vehicle tax):** 0-3% of acquisition price (0-2% for commercial and light vehicles) according to environmental criteria (e.g. vehicle type, fuel efficiency, etc.) | Value  Fuel efficiency | **Extension of temporary reduction of environmental performance excise (automobile tax - light motor vehicle tax)**: Reduced tax rate (environmental performance excise) of private passenger cars acquired between October 2019 and March 2021 by 1%  Special measures of reduced **environmental performance excise (automobile tax)** (automobile tax)  Vehicles with small burden of environment, barrier-free buses and taxis, trucks with collision damage alleviation brake control device, etc., buses for ordinary passengers used on the bus routes provided for in prefectural ordinance. |
| Korea | **VAT**: 10%  **Special Excise Tax:** from zero to 5% of the manufacturer’s price according to cylinder capacity  **Education Tax**: 30% on the amount of Excise Tax  **Acquisition Tax**: 2-7% of the retail price excluding VAT | Value  Cylinder capacity  Electric propulsion | **Exemptions from special excise tax and education tax**  Cars used by disabled persons; ambulances used by hospitals;  cars used for transportation business(public passenger transportation only); cars used for car-rental business.  **Exemptions from acquisition tax**  Cars used by disabled persons, cars used by parents having at least 3 children, small cars for non-commercial activities  **Rebate for hybrid and electricity powered vehicles :** relief of the Special excise tax(not exceed KRW 1 000 000(hybrid), KRW 2 000 000(electricity powered)) |
| Latvia | **VAT:** 21%  **Vehicle registration (state fee):** for registration, registration certificate and registration number plates - EUR 43.93  **Natural resource tax:** EUR 55 per vehicle | Value | - |
| Lithuania | VAT**: 21 %**  **Registration fee:** a flat rate fee of EUR 14.48 is payable on the first registration of new vehicle (passenger cars, heavy vehicles) and a flat rate fee of EUR 12.45 is payable on the first registration of other vehicle – e.g. used cars (passenger cars, heavy vehicles) From 1 July 2020, a car registration tax will come into force in Lithuania and will be paid by all car owners (individuals and legal entities) when registering the car. The fee will vary depending on CO2 emissions and fuel type and will range from 15 Euro to 540 Euro. | Value  Age of vehicle  CO2 Emissions | Rebate for disabled people **(only owners of passenger cars (once every 3 years):**  **-90% rebate on registration fee for owner who has a disability percentage of 75-100%**  **-75% rebate on registration fee for owner who has a disability percentage of 60-70%**  **-50% rebate on registration fee for owner who has a disability percentage of 45-55%** |
| Luxembourg | **VAT**: 17%  **Registration Tax**: the tax is calculated per 100 cm3 according to the following formula:  Tax = a \* b \* c, where a = CO2 emissions component; b = multiplier (= 0.9 for cars using gasoil & 0.6 for cars not using gasoil). c= additional multiplier when CO2 emissions >90 g/km (= 0.5 plus 0.1 per additional 10 g/km ). | Value  CO2 Emissions  Type of fuel  Electric propulsion | **Bonus system** : purchasers of new hybrid cars emitting less than 60g CO2/km and electricity powered vehicles are entitled to a bonus of EUR 5 000. |
| Mexico | **VAT**: 16%  **New vehicles tax**: from 2% to 17% plus a no movable fee according to vehicle value.  For vehicles whose price is higher than MXN 782 125.30 (for 2020), there is an additional discount consisting in the reduction of the tax according to the 7% of the difference between the sales price and the threshold mentioned above.  The update of the limits of the tax tariff is made every year. | Value  Electric propulsion | Exemption of 100% in New Vehicles Tax to vehicles with value up to MXN 263 690.54  Exemption of 50% in New Vehicles Tax to vehicles with value from MXN 263 690.55 to MXN 334 008.02  Exemption of 100% in New Vehicles Tax for hybrid electricity powered vehicles. |
| Netherlands | **VAT**: 21%  **Registration Tax:** for passenger cars, it is fully based on CO2 emissions and the type of motor fuel used.  Vehicles with a CO2 emission of 0g/km are in any case exempt from the registration tax. For passenger cars, the registration tax is progressive and varies between EUR 356 and EUR 458 per g/km exceeding the level of 1g/km.  Passenger cars using diesel are charged with an additional EUR 86.43 per g/km exceeding the level of 67 g/km.  Registration tax for motorcycles and delivery vans is based on the value of the vehicle | CO2 Emissions  Motor fuel  Value  Electric propulsion | **Zero-emission (e.g. electricity powered vehicles)** are exempt from Registration Tax  **Other examples of exemption are:** delivery vans owned by entrepreneurs and used for business purposes for at least 10%;.  **Tax refunds are provided for vehicles such as**: vehicles used by fire brigades, vehicles used by the police, funerary vehicles, vehicles used for the transport of prisoners, vans used by disabled persons, (animal) ambulances, taxis and vehicles that are used for secure transport |
| New Zealand | **GST:** 15%  **Registration Fee on initial registration**: the registration fee varies depending on the type of vehicle being registered. The base registration fee for a private passenger vehicle varies from NZD 74.00 to NZD 232.00 depending on the size of the engine.  Road user charges: all diesel vehicles and any vehicle with a GVM of 3.5 tonnes or more are required to pay road user charges. Road user charges are distance based (purchased in 1000 kilometre increments) and charges vary based on the weight and configuration of the vehicle. | Vehicle type  Cylinder capacity  Electric propulsion | Electric vehicles are currently exempt from road user charges. |
| Norway | **VAT**: 25%  **Registration Tax**: rates vary according to weight, CO2-emissions and NOx- emissions. When CO2-emissions information is not stated, the tax is calculated based on cylinder capacity instead of CO2-emissions. | Weight  CO2 emissions  NOx emissions  Type of fuel  Electric range | **Electricity powered vehicles** are exempt from the Registration Tax  Plug-in hybrid vehicles (both electric and combustion engine, with external charging) have a rebate in the Registration Tax. 23% of the total weight is not included in the tax base. From 1 July 2018 the weight deduction is differentiated by electric range.  **Flexifuel vehicles** (can use fuel with at least 85 pct. Ethanol) have a rebate of NOK 10 000 NOK per vehicle. |
| Poland | **VAT**: 23%  **Excise-Duty** is levied on passenger cars prior to their first registration due to their sale, intra-community acquisition and import. The excise tax base is the sale price or the customs value (in case of import). Rates for passenger cars depend on engine capacity i.e. 18.6% for cars with engine cubic capacity over 2000 cm³ and 3.1% for the others.  For hybrid fueled passenger cars that combine a conventional internal combustion engine system with an electric propulsion system (hybrid electric vehicle - HEV) the excise tax rate is reduced by half (compared to standard rate). As a result, for passenger cars with combustion engine capacity of 2 000 cubic centimetres or less, excise tax is paid according to rate of 1,55% of the tax base and for passenger cars with engine capacity exceeding 2 000 cubic centimetres but not exceeding 3 500 cubic centimetres excise tax is paid according to rate of 9,3% of the tax base. A reduced tax rate of 9,3% of the tax base for hybrid fuelled vehicles (plug-in) with combustion engine capacity higher than 2 000 cubic centimetres but not exceeding 3 500 cubic centimetres also applies. | Value  Cylinder capacity  Electric/hydrogen propulsion | Are exempt from the Excise duty: certain types of ambulance vehicles; electric, hybrid (plug-in) with engine capacity of 2 000 cubic centimeters or less and hydrogen fueled vehicles (the exemption for hybrid vehicles is temporary and shall apply until 1 January 2021; passenger cars introduced in Poland for permanent stay or returning from a temporary stay in the EU or EFTA (under certain conditions). |
| **Portugal** | **VAT**: 23%  **Motor vehicle tax release for consumption (ISV)** is based on cylinder capacity and CO2 emissions,(light passengers vehicles) or only on cylinder capacity (other light vehicles, and cycles with two, three or four wheels). There are other rate brackets for light commercial vehicles and some segments of combined (passenger and freight) vehicles. | Value  Engine capacity  CO2 Emissions  Particles emissions  Electric propulsion | Are exempt: vehicles owned by the State (central, regional or local administration), fire brigades, foreign States, diplomatic and consular missions, international organisations and European agencies. Are also exempt: vehicles for disable persons, passenger vehicles for rental or taxi services.  Non-motorized vehicles that are purely electric vehicles or moved by renewable energies, and ambulances and heavy vehicles (above 3.500 kg) are out of motor vehicle tax incidence.  From 1st April 2020, a tax exemption also applies to certain vehicles with less than 30 years old, considered of historic interest and whose annual circulation does not exceed 500 kilometres. |
| **Slovak Republic** | **VAT**: 20%  **Administrative fees**: registration in the vehicle register is subject to a registration fee payable by the holder of a motor vehicle (applies to new, imported and used cars). The fee is calculated by formula with given parameters: RP = Pkw x RV1-n where RP is fee rate, Pkw is power of engine, RV1-n is coefficient of vehicle residual value, but the rate shall not be lower than EUR 33. Pkw values vary in 16 brackets from EUR 33 (engine capacity up to 80kw) to EUR 3900 (engine capacity above 254kw). RV1-n coefficient varies in 17 brackets from 1 (first registration) to 0.06 (vehicles over 16 years old). First record of electric car in the cars register is subject to a fee of EUR 33 payable by the holder of the vehicle.  **Plate fee: release** of a licence plate number: EUR 16.50 per plate i.e. EUR 33 for 1 vehicle. | Value  Engine power  Residual value  Type of fuel  Electric propulsion | **Disabled persons:** 50% rebate (max. 100 EUR) in administrative fee are applied for disabled persons**.**  **Hybrids,** CNG, LNG vehicles: 50% rebate in administrative fee for vehicle holder**.**  Family vans: 50% rebate in administrative fee for vehicle holder with maximum power of engine of 110 kW; holder has at least 4 children in parenting.  **Other exemptions:** 100% rebate for state authorities, higher territorial units, budget organisation, diplomats, court of justice, prosecution, police, Slovak red cross and legal person owned by state authority (100% of shares). |
| Slovenia | **VAT**: 22%  **Motor vehicle tax** is paid for passenger motor vehicles, motorcycles and camper vans put into circulation for the first time; imports and acquisitions from other EU Member States are also taxed. The tax base is the selling price of an individual motor vehicle, excluding VAT and this tax. The tax rate is determined according to environmental criteria (CO2, Euro emission standards) and the rates are determined from 0.5% to 28% for petrol cars and from 1% to 31% for diesel cars. Passenger cars with cylinder capacity over 2500 cm³ are subject to the additional tax. Rates vary from 8% (2500 cm³ and more) to 16% (4000 cm³ and more). For diesel cars particulate matter (PM) emissions are also considered. Tax rates for motorcycles and camper vans are set upon engine power in the range from 1.5% to 5% for motorcycles and 6% to 18% for camper vans. Motorcycles with cylinder capacity over 1000 cm³ are subject to the additional tax of 5%. Motor vehicle tax is levied only at the time of first registration of a vehicle and not on an annual basis. | Value  Selling price  CO2 emissions  Particulate matter emissions  EURO emissions standards  Engine power  Cylinder capacity  Weight | **Motor vehicle tax exemptions**: vehicles acquired for transport of families with three or more children; vehicles purchased for carrying disabled people; vehicles intended for (1) official use by diplomatic and consular representations accredited to Slovenia; (2) official use by international organisations, if so stipulated by international treaties binding on Slovenia; (3) personal use by foreign staff of diplomatic and consular missions, accredited to Slovenia, including their family members; (4) personal use by foreign staff of international organisations, including their family members, if so stipulated by international treaties binding on Slovenia.  **Are also exempt**: used vehicles (old-timers); vehicles imported on a temporary basis (the temporary change of residence of the vehicle's proprietor who does not maintain his permanent residence in Slovenia); sports vehicles that have not been adapted for road use and are intended only for driving on circuits; transfer of vehicles in the case of reorganizations of vehicle’s proprietor; emergency rescue motor vehicles used for transport of victims and patients; financial leasing of the vehicles (All of listed tax exemptions in this box can be used for financial leasing of the vehicles)  Environmental tax: no exemptions |
| Spain | **VAT**: 21%  Vehicle Registration Tax (VRT) is based on CO2 emissions. Rates vary from 0% (up to 120 g CO2/km) to 14.75% (200 g CO2/km and more). | Value  CO2 emissions | VRT exemptions: taxis, driving school vehicles, rental service vehicles; vehicles acquired and used by disabled people; vehicles with special diplomatic registration; transfer of vehicles in the case of change of residence of vehicle’s owner. |
| Sweden | **VAT**: 25% | Value |  |
| Switzerland | **VAT**: 7.7%  Automobile duty: 4% of the vehicle's value is levied on light commercial vehicles with a unit weight of no more than 1600 kg, as well as on passenger vehicles. The duty is payable on the importation of automobiles into the domestic territory and the delivery and own use of automobiles produced domestically.  No registration tax (but small fees for number plates and registration papers) | Value  Electric propulsion | Electrically powered vehicles are exempt from acquisition tax |
| **Turkey** | **VAT**: 18%.  Special Consumption Tax (SCT) is collected once on first acquisition of vehicles.  Criteria: engine capacity, SCT tax base, motor power for electric and hybrid vehicles in kw. | Value  Cylinder capacity  Electric propulsion | Exemption: vehicles for diplomatic use, vehicles for people with disabilities, acquisition of aircraft and helicopters by T.A.A., the first acquisition of vehicles by the headquarters of the pRESIDENCY, the vehicles acquired exclusively for use in petroleum exploration activities, the exemption for vehicle purchases of relatives of martyrs, exemption for renewed of commercial vehicles.  Rebate: discounted SCT rate applied for only electric vehicles in the 87.03 and 87.11 tariff positions and motor vehicles that have electric motors along with fuel engines (hybrids) in the 87.03 tariff position. |
| **United Kingdom** | **VAT**: 20%  Vehicle First Registration Fee: a flat rate fee of GBP 55.0 is payable on the first registration or licensing of a motor vehicle in the United Kingdom | Value | Rebate for disabled people: disabled people are exempt from the Vehicle First Registration Fee.  Other exemptions: Vehicles previously registered in Northern Ireland; vehicles registered for off road use; Crown Exempt Vehicles; historic vehicles previously registered with the old Local Authorities (late conversions); imported vehicles previously registered under the Personal Export Scheme and New Means of Transport Scheme; Visiting Forces Vehicles. |
| United States | **A gas guzzler tax** is imposed on the sale, use, or lease by the manufacturer or importer of an automobile of a model type that does not meet certain standards for fuel economy. Automobiles imported for business or personal use are subject to the tax. Automobile (including limousines) means any four-wheeled vehicle rated at 6,000 pounds or less unloaded gross weight that is propelled by an engine powered by gasoline or diesel fuel and is intended for use mainly on public streets, roads, and highways. In 2017, the tax applied to motor vehicles that achieved less than 22.5 miles per gallon. The tax was USD 1 000 for automobiles that got between 21.5 and 22.5 miles per gallon and increased in stages, reaching USD 7 700 for vehicles that got less than 12.5 miles per gallon. A tax of 12 percent of the sales price is imposed on the first retail sale of a truck chassis or body, a truck trailer and semitrailer chassis or body, and tractors that are primarily used for highway transportation in combination with a trailer or semitrailer. The tax is known as the retail tax on heavy trucks, trailers, and tractors.  A tax is imposed on taxable tires sold by the manufacturer, producer, or importer at the rate of USD 9.45 cents (USD 4.725 cents in the case of a biasply tire or super single tire not designed for steering) for each 10 pounds of the maximum rated load capacity over 3 500 pounds. The tax is known as the taxable tire tax. | Fuel efficiency  Value  Weight  Tires | **The gas guzzler tax** is widely applied and must be paid by vehicles sold to the federal government, state and local governments, and non-profit educational organizations. Vehicles used for police, other law enforcement purposes, or firefighting purposes or as ambulances are exempt. Limousines weighing more than 6 000 pounds or designed to carry more than 10 people are exempt.  Tires for use on local and school buses or for the exclusive use of the Department of Defense or the Coast Guard are exempt. |

*Note:*

1. This table does not include customs duties; specific regimes for second-hand cars (e.g. margin scheme, old timers); diplomatic sales; export/import and transit schemes and insurance premium tax.

2. Israel: The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

3. Rebates and exemptions mentioned in this table do not include those that are granted to vehicles used by embassies and other diplomatic missions, international organisations and under a specific customs regime.

*Source*: national delegates. Position as at 1 January 2020

Table 4.2. Taxes on ownership or use of motor vehicles1

|  |  |  |  |
| --- | --- | --- | --- |
| Country | Taxes | Criteria | Rebates/Exemptions3 |
| Australia | **Annual registration fees**. States and Territories levy fees for annual registration, third party compulsory insurance and drivers’ licenses. Fees for commercial vehicles are generally higher than the fees for private vehicles. In most States, fees for trucks vary depending on the type of vehicle and the gross vehicle mass. Licence renewal fees vary to reflect validity periods from one to five years. | Commercial/private use  Gross vehicle mass |  |
| Austria | **Motor Vehicles Tax**: motor vehicles above a permissible gross weight of 3.5 tonnes: Motor Vehicle Tax based on the weight of the vehicle (from EUR 1.55 to EUR 1.90 per month and ton depending on the weight).  Motor vehicles up to and including a maximum permissible gross weight of 3,5 tons: Motor Vehicle Insurance tax based on first registration before 1.10.2020: engine power in kilowatt (cars) or cubic capacity (motorbikes), first registered after 1.10.2020: in addition to engine power/cubic capacity also the CO2-emssions. For cars: (engine power in kilowatt – 65) \* 0,72 EUR + (CO2 emissions – 115) \* EUR 0,72 per month . For motorbikes: (cubic capacity – 52) \*0,014 + (CO2-emissions – 52) \* EUR 0,20 per month | Weight  Engine power  Cubic capacity  CO2 emissions | Vehicles used by diplomatic missions and consular offices; armed forces; police; fire brigade; ambulances; mountain rescue; electrically propelled vehicles; self-propelled working machines; trial moving vehicles; taxi services; mopeds and motorcycles with a cubic capacity of maximum 100 CC; vehicle used solely in agricultural production and forestry; vehicles used for disabled persons. |
| Belgium | **Federal tax**: the use of a company car tax is based on C02 emissions. The deductibility of expenses, except for fuel costs, related to the use of the car (50 to 120%) is linked to CO2 emissions.  **Annual Road Tax:**  *Walloon Region*: the tax rate depends on fiscal hp. and cylinder capacity and is set according to a progressive scale from EUR 80.52 to EUR 2060.92. For vehicles above 20 h.p. (more than 41 cylinder capacity) an additional amount of EUR 112.33 by h.p. is levied. Vehicles of more than 30 years old (25 years old in the Brussels Capital Region) are subject to an annual tax of EUR 36.53.  *Flemish Region:* As for passenger cars, dual-use cars and minibuses that were registered in the DIV register as from 1 January 2016 as well as for vehicles, intended for the transport of goods, hearses, tractors or trailers of an MMA of less than or equal to 2500 kg that were registered in the DIV register after 30 June 2017, the tax rate depends on fiscal h.p. and cylinder capacity, but includes ecoboni and ecomali. This implies that the tax is modulated depending on the C02 emission, the euro standard and the type of fuel (except for leasing cars).  For leasing vehicles and other non-leasing vehicles, the tax rate depends only on fiscal h.p. and cylinder capacity and is set according to a progressive scale from EUR 80.52 up to EUR 2060.92. For vehicles above 20 h.p. (more than 41 cylinder capacity) an additional amount of EUR 112.33 h.p. is levied. Vehicles of more than 28 years old are subject to an annual tax of EUR 38.08. As from the fiscal year 2022 this annual tax is only applicable for cars of 30 years of age or older.  *Brussels Capital Region*: for passenger cars the tax rate depends on engine power expressed in fiscal hp and is set according to a progressive scale from EUR 83,56 to EUR 2.138. For vehicles with an engine power exceeding 20 hp (more than 41 cylinder capacity) an additional amount of EUR 116.56 per hp is levied. For electric cars the minimum rate applies. Vehicles of more than 25 years old are subject to an annual tax of EUR 38,08. (The age at which a vehicle is considered to be an “old-timer” is to be increased gradually from 25 to 30 years by 2025.). For motorcycles an annual flat-rate tax of EUR 59,27 applies. For light goods vehicles up to and including a maximum permissible laden weight of 3,5 tons, as well as for camping cars the tax rate depends on the maximum permissible laden weight. For heavy goods vehicles with a maximum permissible laden weight of over 12 tons the tax rate depends on the maximum permissible laden weight, the number of axles and the suspension type.  **All the regions**: an "additional annual road tax" is levied on cars entirely or partially powered by Liquefied Gas Petroleum. This tax is based on a progressive scale depending on the engine power from EUR 89.16 to EUR 208. 20  **Kilometre charge**: a kilometre charge is levied in all the Regions on motor vehicles or articulated vehicle combinations intended or used for the carriage by road of goods having a maximum permissible laden weight of over 3,5 tonnes. | Engine power  Cylinder capacity  Fuel used  Environmental characteristics  C02 emissions | **All regions** provide exemptions for cars used by public authorities, vehicles for disabled people and war invalids, agricultural vehicles, rescue vehicles, trial moving vehicles, ships and little boats, taxi services, mopeds and motorcycles with a cylinder capacity of maximum 250 CC.  **Flemish Region**: as of fiscal year 2016 a tax reduction of EUR 100 is applicable to cars running on Liquefied Gas Petroleum. Exemption is provided to cars using certain fuels: pure electric, hydrogen-powered, plug-in hybrid (until 2021), CNG/LNG (until 2021). |
| Canada | **Annual fees**. All provinces impose annual fees for the use of motor vehicles. In general, the fees depend on the type of vehicles and in most cases on the weight of the vehicle | Type  Weight |  |
| Chile | **Annual Motor Vehicle Tax** (levied by municipalities) for the use of motor vehicles on public roads depending on the commercial value of the vehicle.  Lightweight vehicles: depending on the commercial value of the vehicle  Passenger vehicles: fixed fee  Cargo vehicles: according to loading capacity | Commercial value  Fixed fee  Loading capacity (trucks) |  |
| Colombia | Annual Motor Vehicle Tax. This tax is levied by municipalities for the use of motor vehicles on public roads and the rates depend on the commercial value of the vehicle, as follows:  (a) 1,5% of the commercial value of the vehicle when the value of the vehicle is less than COP 48 029 000;  (b) 2,5% of the commercial value of the vehicle when the value of the vehicle is greater than COP 48 029 000 and less than COP 108 063 000;  (c) 3,5% of the commercial value of the vehicle when the value of the vehicle is greater than COP 108 063 000. | Commercial value |  |
| Czech Republic | **Road tax** is imposed on all road motor vehicles and their trailers registered and operated in the Czech Republic if they are used by:  - taxpayers of corporate income tax (except of vehicles used by public benefit taxpayer for activities which are not subject to corporate income tax);  - taxpayers of personal income tax to the activities or in direct connection with that activities from which he has income from an independent activity under the Act on income tax.  Vehicles with a total permitted weight above 3.5t registered in the Czech Republic and determined solely for freight transport are always liable to road tax.  As regards passenger cars the tax base shall be the engine’s cylinder capacity in cubic centimetres, with the exception of electric-driven passenger cars;  As regards semi-trailers and other motor vehicles the tax base shall be:  the total of the maximum permitted weight on axles in tonnes and the number of axles of semi-trailers; in the case of other vehicles the maximum permitted weight in tonnes and the number of axles. The annual tax rate of passenger cars varies from CZK 1 200 to CZK 4 200 and in the case of other vehicles vary from CZK 1 800 to CZK 33 100. | Cylinder capacity (passenger cars)  Type of propulsion  Type of fuel  Total max. permitted weight on axles and number of axles (semi-trailers)  Max. permitted weight and number of axles (other vehicles) | Tax Exemption:vehicles usually with less than four wheels (motorcycles); vehicles used by diplomatic missions and consular offices (where there is a reciprocal arrangement); vehicles ensuring domestic line passenger transport, vehicles operated by the armed forces and civil defence; vehicles which are state mobilisation reserve or emergency reserve; vehicles of the Police of the Czech Republic; fire protection vehicles; ambulances; mining and mountain rescue vehicles; gas emergency service and power engineering emergency service vehicles. Special road sweeping vehicles; special single-purpose vehicles (e.g. vehicles used in road marking) and vehicles belonging to road authorities or to persons authorized by road authorities exclusively used to maintain land communications, except for passenger cars, electrically propelled vehicles, hybrid driven vehicles, vehicles using as fuel either LPG or CNG or vehicles equipped with an engine determined by his producer for combustion of E85.  Tax reduction (25% to 100%) for vehicle exclusively used for carriage in the combined transport for which railway transport or inland waterway transport is made use of.  The tax rate is reduced for the period of 108 months from the date of the first registration of vehicle (for the first 36 months by 48%, for the next 36 months by 40% and for the next 36 months by 25%. |
| Denmark | **Passenger cars semi-annual tax**: the tax is based on fuel consumption, with different rates for petrol/diesel. Rates range from DKK 310 (>20km/l) up to DKK 10830 (<4.5km/l) for petrol cars, and from DKK 130 (>32.1km/l) up to 16 100 (<5.1km/l) for diesel cars.  **Lorries’ annual tax**: Vehicles registered for the first time until 24 April 2007: the charge for private use is DKK 1 060 annually for cars with total permissible weight (tpw) up to 2000 kg and DKK 5 920 annually for cars with tpw between 2000 and 4000 kg.  **Charge for private use**. Vehicles registered on 25 April 2007 or after: the charge for private use is DKK 5920 annually for cars with total permissible weight (tpw) up to 3000 kg and DKK 17 590 annually for cars with tpw between 3000 and 4000 kg. For cars used for both private and commercial purposes the rates are 50%. Cars used exclusively for commercial purposes are free of charge. | Fuel efficiency  Weight (for lorries) |  |
| Estonia | **Heavy goods vehicle tax**. Varies from 0 to 232,60 (per quarter) EUR depending on the combination of following factors: weight range (12 tonnes to 40 and more tonnes), axel combination (2, 3, 4, 2+1, 2+2, 2+3, 3+2, 3+3), type of suspension (air, other).. | Weight range,  Axle combination,  Type of suspension | Exemptions apply for Defence Force, Defence League, Enforcement Force and Rescue Service Heavy goods vehicles and Local Authority, NGO, Foundation and Business vehicles intended for rescue operations. |
| Finland | **The annual tax for passenger cars and delivery vans** is based on CO2 emissions. If the car does not have emission data in the Vehicular and Driver Data Register, the tax is based on the total mass of the vehicle. Tax rates vary from EUR 53.29 for vehicles emitting from 0g CO2/km up to EUR 654.44 for vehicles emitting 400g CO2/km or more.  For diesel passenger cars and vans there is a tax on driving power based on total mass of the vehicle. Tax on driving power also applies to other cars and vans using less taxed fuels than petrol. For lorries there is an annual tax based on maximum gross weight, number of axles and use of trailer | CO2 emissions  Weight  Number of axles (lorries) |  |
| France | **Tax on business passenger cars**: Company car tax is based on two components: CO2 emissions and other air pollutants. For CO2 emissions, rates vary from EUR 1 for each gramme emitted for cars emitting from 20g CO2/km up to 60g CO2/km, to EUR 29 for each gramme emitted for cars emitting more than 250g CO2/km. For other air pollutant, the rate is EUR 20 for unleaded gasoline and EUR 40 for diesel fuel.  **Annual tax on polluting vehicles**. An annual tax is payable by owners of vehicles emitting from 250g CO2/km for car registered in 2009 to 190g CO2/km for cars registered as of 2012. The rate is EUR 160 a year.. | Engine power  Electric propulsion  Type of fuel  CO2 emissions | **Exemptions**: cars more than 10 years old; cars used for public passenger transport and cars used for leasing or sale; electrically or gas propelled cars (for mixed oil and gas propelled vehicles exemption is reduced by half). Vehicles using both petrol and GPL are exempt at rate of 50%. |
| Germany | **Motor Vehicle Tax**. For passenger cars being firstly registered since 1 July 2009, the Motor Vehicle Tax is based mainly on CO2 emissions. It consists of a base tax (according to cylinder capacity) and a CO2 tax. The rates of the base tax are EUR 2 per 100 cc (petrol) and EUR 9.50 per 100 cc (diesel) respectively. The CO2 tax is linear at EUR 2 per g CO2/km.  Cars being firstly registered before 1 July 2009 are taxed according to their polluting emissions (EURO-Norm) and cylinder capacity. | Polluting emissions  Cylinder capacity  CO2 emissions  Electric propulsion | Cars with CO2 emissions below 95 g/km are exempt from the CO2-element. Only the base tax is due.  Exemption for pure electric cars for ten years after the first registration, if the car is registered between 18 May 2011 and 31 December 2020. |
| Greece | **Annual road tax on private passenger cars** registered for the first time in Greece/European Union/ European Economic Space before 31.10.2010 (as well as those with international initial registration before 2002), and also motorcycles regardless of their date of registration: based on cylinder capacity from EUR 22 to EUR 1 380. For the above category, there is an extra criterion of years of circulation of cars. Private passenger cars and taxis registered for the first time in Greece/European Union/ European Economic Space after 1.11.2010: based on CO2 emissions from EUR 0 to EUR 3.72 per gram of CO2. Annual road tax on trucks based on gross weight and on buses on the number of seats. | Cylinder capacity  CO2 emissions  Electric propulsion  Gross weight (trucks)  Number of seats (buses) | The main exemptions are: cars used by public authorities, municipalities, ambulances etc., cars used by disabled persons and members of foreign diplomatic services; electric cars, hybrid cars registered until 31.10.2010, with engine displacement under 1.549 cc; private passenger cars, registered after 1.11.2010 with CO2 emissions under 90g/km Motorcycles up to 300 cc cylinder capacity used in order to replace old technology ones (replacement should take place up to 31.12.2009). For motorcycles with cylinder capacity over 300 cc used in order to replace old technology motorcycles exemption applies for 5 years only following the date of first registration of the new motorcycle. Cars and motorcycles, registered with a valid permission of circulation, may be imported for a limited period up to six months per year, by the customs procedure of temporary importation. |
| Hungary | **Motor vehicle tax** levied according to capacity of engine (in Kw) of passenger cars and motorcycles. The tax base for busses, semi-trailers and caravans is the unladen weight of the vehicle. For lorries the tax is based on net weight plus 50 % of cargo weight. The tax rate for passenger cars and motorcycles is from HUF 140/kW to HUF 345/kW depending on the age of the vehicle (the older the vehicle, the less is due). For lorries, busses, semi-trailers the tax rate is HUF 850/100 kg of the tax base, if the vehicle is equipped with road-saving axles. The tax rate for other lorries, trailers is HUF 1380/100 kg. | Engine capacity  Weight (for lorries)  Type of axles (for high-duty vehicles)  Electric propulsion | Exemption for vehicles: owned by budgetary agencies and religious organisations; owned by social organisations, foundations not subject to profit tax, used for public transport or fire service; owned by persons seriously disabled or by persons who regularly transport seriously disabled persons up to 13 000 HUF. The tax exemption is available for one vehicle, if its engine capacity does not exceed 100 kW; passenger cars equipped with environment- saving engine. |
| Iceland | **A disposal charge** of ISK 900 is levied on each vehicle for each six-month period. This charge is payable for fifteen years from the date of the first registration of the vehicle in Iceland, except when the vehicle is already 25 years old at the beginning of the payment year. The charge is an environmental tax that is intended to finance the disposal of the vehicle at the end of its useful life. Once the vehicle is delivered for scrap, a ISK 20 000 refund will be paid to the owner.  Motor vehicles fuelled with diesel in excess of 10 tonnes are subject to a special weight/distance tax, calculated on the basis of the weight of the vehicle and the number of kilometers driven. Owners of diesel vehicles that weigh less than 10 tonnes do not pay a weight/distance tax.  **A semi-annual road tax on passenger cars** is levied based on the vehicle's carbon dioxide emissions declared by the car manufacturer for combination of city and road driving. Where emission data are not available, the tax rate is based on the weight of the vehicle. The semi-annual road tax is ISK 150 for each gram of carbon dioxide emission for emission above 121 grams, in addition to the minimum fee which is ISK 6 225. | Weight  Distance  CO2 emissions | . |
| Ireland | **Road Tax on private cars** based on CO2 emissions. Rates vary from EUR 120 (for 0g CO2/km) to EUR 2350 (above 225g CO2/km).  Tax on commercial vehicles based on net weight: from EUR 333 (<3000 kg) up to EUR 5195 (>20 000 kg) | CO2 emissions  Weight  (commercial vehicles)  Electric propulsion | Electrically propelled vehicles: EUR 120 flat rate – private and  EUR 92 flat rate – commercial not over 1 500kg |
| Israel2 | **Annual licensing fees**: private and commercial vehicles weighing up to 3500 kg total:the vehicles are sorted into seven groups (generally the price). The annual licensing fees are reliant upon the year of vehicle production, and the group the vehicle belongs to The annual licensing fees range between NIS 720 to NIS 4 548. Commercial vehicles above 3 500 kg,with diesel engine are subject to a different tariff. | Price  Age  Category | Vehicles for disabled person, diplomats, United Nations Organisations, specific charity institutions. |
| Italy | **Annual Ownership Tax**: From EUR 2.58 per KW to EUR 4.95 per KW according to engine cylinder capacity and polluting emissions. Regions are entitled to vary the national rate.  A surtax on use of cars and vehicles intended for the transport of persons or goods applies at a rate of EUR 20.00 for each KW exceeding 185 KW in engine power. Such surtax is reduced after five, ten or fifteen years from the construction of the vehicle by 40%, 70% and 85%, respectively | Engine power  Polluting emissions  Electric propulsion | Exemption for historical vehicles over 30 years old recognised as having special historical or collectors’ interest; flat rate road tax on other vehicles over 30.  An exemption of 100% from ownership tax is allowed for electric, LPG and CNG vehicles in the first 5 years (from the first registration) and an exemption of 75% afterwards in many regions. 100% exemption also applies to vehicles for disabled persons. |
| Japan | **Motor Vehicle Tonnage Tax** (National) (N.B. \*Commercial vehicles): levied according to weight , the tax rate are for passenger vehicles from JPY 4 100 per 0,5 ton up to JPY 6 300 per 0,5 ton (from JPY 2 600 up to JPY 2 800); for lorries from JPY 3 300 per ton up to JPY 6 300 per ton(from JPY 2 600 up to JPY 2 800)  **Automobile Tax** (Prefecture) (N.B. \*Commercial vehicles): levied according to cylinder capacity for passenger vehicle from JPY 25 000 up to JPY 110 000 (from JPY 7 500 up to JPY 40 700); for lorries: (e.g.4-5 tons maximum load) JPY 25 500 (JPY 18 500); for buses: (e.g.41-50 passengers capacity) JPY 49 000 (JPY 17 500).  **Light Vehicle Tax** (Local): levied on light vehicles and motorcycles according to cylinder capacity and standards. | Weight  Cylinder capacity  Impact on the environment | Special measures of reduced Motor Vehicle Tonnage Tax  Vehicles with low impact on the environment, barrier-free buses and taxis, trucks with collision damage alleviation brake control device, etc.  Special measures of refunded Motor Vehicle Tonnage Tax  Used vehicles properly scrapped or destroyed by certain disasters before the expiry date of valid period of inspection certificate.  Special measures of reduced Automobile Tax and Light Vehicle Tax  Vehicles with low impact on the environment. |
| Korea | **Automobile Tax**: rates are applicable according to cylinder capacity from KRW 80 per cc up to KRW 200 per cc for non-commercial vehicles; and from KRW 18 per cc to KRW 24 per cc for commercial vehicles. | Cylinder capacity | Full exemption for disabled persons |
| Latvia | **Annual tax for passenger cars:** cars with first registration after 31 December 2008 , is based on CO2 emissions. For cars with first registration from 2005 till 2008, the tax is based on gross weight, motor capacity and maximum motor power. Annual tax for passenger cars registered before 2005 is based only on gross weight.  **Annual tax for motorcycles**: based on motor capacity, for heavy goods vehicle is based on gross weight and number of axes and type of suspension if gross weight exceeds 12 000 kg. | CO2 emissions  Weight (passenger cars and heavy goods vehicles)  Motor capacity (passenger cars and motorcycles)  Maximum motor power (passenger cars)  Number of axes and type of suspension (heavy good vehicles)  Electric propulsion | The main exemptions are for:  -a car, motorcycle, tricycle or quadricycle, the owner, holder or driver of which is a disabled person  -a vehicle, the owner, holder or driver of which is a representative of a diplomatic, consular or international organisation or a person who has diplomatic or consular privileges and immunities  -an emergency vehicle  - vehicles having been registered or being registered with the status of historic motor vehicle  - electric mobiles |
| Lithuania | **Charge for busses and heavy vehicles** (vignettes).  Applicable annual tax rate threshold - from EUR 304 (for busses) up to EUR 1071 (for heavy vehicles of more than 12 tonnes of gross laden weight). | Vehicle type, category, class and group, emission class, gross laden weight. | Exemptions: vehicles used by public authorities; vehicles specially designed for the use and (or) transport of disabled persons; vehicles of health care institutions (ambulance and resuscitation cars); buses on local (city and suburban) regular routes. |
| Luxembourg | **Automobile Tax**: the annual circulation tax is based on CO2 emissions. Tax rates are calculated by multiplying the CO2 emissions in g/km with 0.9 for diesel cars and 0.6 for cars using other fuels respectively and with an exponential factor (0.5 below 90 g/km and increased by 0.1 for each additional 10 g of CO2 /km).  Tax on heavy vehicles (also known as “Eurovignette”) is levied on vehicles (lorries) with a gross weight of 12 tons or more for the use of motor ways. Tax also varies according to Euro norms. | CO² emissions  Electric propulsion | Exemptions: vehicles for disabled people; historical vehicles; cars used by public authorities; electrically propelled cars |
| Mexico | Starting 2012, the tax on ownership was eliminated as a Federal Tax. State governments may impose a tax on ownership and/or periodic registration.  Registration fee is MXN 990 on average and Tax on ownership usually goes from 3.0% to 19.1% based on value, type of vehicle and number of passengers. | Value  Type of vehicle  Number of passengers  Electric propulsion | States exempt hybrid and electric vehicles used for public passenger transport; Some states provide exemptions for particular uses.  Some states provide a subsidy of 100% for vehicles of any value. |
| Netherlands | **Motor vehicle tax** is based on the dead-weight and the type fuel used. There is a Provincial surtax. Tax on heavy vehicles (also known as “Eurovignette”) is levied on vehicles (lorries) with a gross weight of 12 tons or more for the use of motor ways in the Netherlands. Tax also varies according to Euro norms (diesel category) | For motor vehicle tax:  Fuel used  Weight  Region (province)  CO2 emissions  For tax on heavy vehicles:  Number of axles  Polluting emissions | Vehicles with a CO2 emission of 0 are exempt. Low-emissions vehicles (CO2 is not exceeding a level of 50 g/km) pay 50% of the taxes.  Other examples of exemptions are:  (Animal) ambulances; vehicles used by fire brigades and by the police/defence; funerary vehicles; vehicles used to clean, maintain or construct roads; taxis and vehicles older than 40 years.  Other special regimes apply such as reduced tax rate for delivery vans owned by entrepreneurs and used for business purposes for at least 10% and for vans equipped for and used by disabled persons. |
| New Zealand | **Vehicle license fees**. Most vehicles are required to be continuously licensed in order to operate on public roads. Vehicle licenses are valid for up to 12 months. Fees vary depending on the type of vehicle being licensed. For a private passenger vehicle, the base fee for a 12 month license is NZD 52.11. | Vehicle type |  |
| Norway | **The traffic insurance tax** replaced the annual motor vehicle tax from 2018.  Daily tax: NOK 9,47 for diesel cars without factory-fitted particle filter and NOK 8.12 for other cars, NOK 5,65 for motorbikes. NOK 1,31 for moped, tractors etc. | Vehicle type  Electric propulsion  Particle filter | **Electricity powered vehicles** are exempt from the Traffic insurance tax. |
| Poland | **Annual Motor Vehicles Tax** levied at municipal level on heavy goods vehicles of maximum permissible gross laden weight over 3.5 tons, road and ballast tractors, trailers and semi-trailers and buses. | Weight  Type of vehicle  Number of passengers for busses | Vehicles under possession of diplomatic representations, consular offices and other foreign missions. Transport vehicles constituting mobilisation supply. Special vehicles and vehicles used for special purposes. Historic vehicles. |
| Portugal | **Annual State and municipal tax** due by the ownership of the vehicle, it was reformed on 1st of July of 2007 for passengers vehicles and mixed use cars with gross weight not exceeding 2500 Kg, if registered after the reform, tax rate is based on motor capacity and CO2 emissions and for vehicles registered since 1981 up to the reform rates vary depending on motor capacity or voltage, date of registration and fuel type.  Vehicle excise duty on lorries above 2.5 tonnes used in public and private transport of merchandise. | Motor capacity  CO2 emissions  Electric propulsion  Weight  Number of axels  Vehicle type and fuel  Type of suspension | Vehicles owned by the State (central, regional or local administration), fire brigades, foreign States, diplomatic and consular missions, international organizations, specialized European agencies and disabled persons; vehicles seized by the State for as part of a criminal procedure.  Are also exempt ambulances, passengers vehicles destined to rental or taxi services, tractors, funerary vehicles, non-motorized vehicles that are purely electric or moved by renewable energies. |
| Slovak Republic | **Motor Vehicle Tax** is imposed only on vehicles that are registered in the Slovak Republic and are used to conduct business activities in the tax period. Rates vary depending on type, weight, cylinder capacity, number of axles (for utility vehicles and buses) of the vehicle and type of engine. | Usage  Vehicle type  (passenger cars)  Weight  Cylinder capacity  (utility vehicles and buses)  Number of axles  Type of engine | **Exemption:** vehicles for Diplomats - vehicles used by diplomatic missions and consular offices, vehicles used for emergency services (first aid), vehicles for Public Services - public buses, vehicles used solely in agriculture or forestry.  **Tax reduction (50%)** for hybrid motor vehicles or hybrid electric vehicles, vehicles using compressed natural gas (CNG) or liquefied natural gas (LNG), hydrogen-powered vehicles, vehicles which were used for combined transport at least 60 times.  The tax rate is reduced for the period of 108 months from the date of the first registration of vehicle (for the first 36 months by 25%, for the next 36 months by 20% and for the next 36 months by 15%). |
| Slovenia | **Circulation tax** (levied on an annual basis) – an annual fee for the use of road transport vehicles is paid once a year for the use of motor vehicles and trailers in Slovenia by vehicle owners. The fee is paid at the time of renewal of registration certificate. By paying an annual duty a person acquires the right to use a registered vehicle in road traffic for the next 12 months. The amount of tax depends on the category of the vehicle and is proportionate to the duration of the registration period in a certain year. Vehicle deregistration duty is paid for motor vehicle category M1, N1 and L2e for the first time after 1 year of vehicle deregistration and then every year at vehicle deregistration date. Duty is paying for 10 years from the last deregistration. The duty is 25% of circulation tax, but not less than EUR 25. The duty for three-wheeled cycles with electric engine, is EUR 20. Old-timers are exempt of this duty. | Cylinder capacity,  Engine power,  Weight  Polluting emissions  Electric propulsion  Type of suspension  Number of seats | Tax exemptions:  Vehicles exclusively using electricity for power, tractors and tractor trailers, motorcycles, three-wheeled cycles with engine capacity up to 50 cc and light four-wheeled cycles, light trailers with maximum permissible weight up to 750 kg, motor vehicles registered to the Slovenian Army, Civil Protection, Mountain Rescue Service, Cave Rescue Service, Underwater Rescue Service, Disaster Response Service for Ecological and other Disasters and for Search Operations at Sea, Ecological Laboratory with mobile unit, police and fire-fighting vehicles, ambulances, motor vehicles and trailers registered for diplomatic and consular missions, vehicles owned by certain international organizations, and vehicles used for the transport of disabled persons.  Tax reduction for low polluting trucks  Trucks of category N1: tax reduction for EURO 5 (-25%) and EURO 6 and higher (-35%) and tax increase for EURO 3 (+10%), EURO 2 (+20%), EURO 1 (+30%) and EURO 0 or lower (+40%);  Trucks of category N2, N3 and buses (M2, M3): tax reduction for EURO 5 (-25%) and EURO 6 and higher (-35%) and tax increase for EURO 3 (+10%) EURO 2 (+20%), EURO 1 (+30%) and EURO 0 or lower (+40%)  Tax reduction for buses and trucks with air suspension (-15%)  Tax reduction for old-timers (-80%) and vehicles acquired for transport of families with four or more children (-50%). |
| Spain | **Motor Vehicle Tax** (levied by municipalities) based on engine power for passenger cars, passenger capacity for buses, loading capacity for trucks and cylinder volume for motorcycles. | Vehicle type  Engine power  Cylinder capacity | **Tax exemptions:**  Official vehicles belonging to public bodies of diplomatic offices, ambulances, vehicles adapted to disabled people, public transport vehicles over nine seats, tractors and other vehicles of agricultural use; historic vehicles. |

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| Sweden | The annual circulation tax for cars from 2006 and later or, older cars that meet at least Euro 4 exhaust emission standards, is based on CO2 emissions. Also campers, light goods vehicles and light buses that are taken in to use in 2011 or later are taxed based on the CO2 emissions. The tax consists of a basic rate of SEK 360 plus SEK 22 for each gram CO2 the vehicle emits above 111 g/km. If the vehicle can be driven with diesel fuel this sum is multiplied by 2.37. For vehicles that can be driven with alternative fuels, the tax is SEK 360 plus SEK 11 for each gram CO2 the vehicle emits above 111 g/km. New vehicles taxable for the first time after the 1 of July 2018, vehicle model year 2018 or later, with high emissions of CO2 will be taxed at a higher rate for the first three years. Vehicles driven by bensin (gasoline) fuel, the tax consists of a basic rate of SEK 360 plus SEK 22 for each gram CO2 the vehicle emits above 111 g/km, plus a CO2 amount consisting of SEK 82 for each gram of CO2 the vehicle amits above 95 g/km up to 140 g/km and SEK 107 for each gram of CO2 the vehicle emits above 140 g/km. If the vehicle can be driven with diesel fuel the same principles apply plus that the amount of CO2 g/km the vehicle emits is multiplied with 13.52 plus SEK 250. | Weight  CO2 emissions  Type of fuel.  Electric propulsion  Electric consumption | An exemption from annual circulation tax applies to green cars during the first five years. That set of rules has expired but still applies regarding vehicles that are taxable for the first time before the 1 of July 2018. New rules entered into force the 1 July 2018 for new vehicles taxable for the first time after the 1 of July 2018 and classified as green vehicles with low emissions of CO2 qualifying for a bonus at purchase. The exemption applies to cars, campers, light goods vehicles and light buses with low emissions of CO2 in proportion to the vehicle’s weight. The vehicle’s emissions of CO2 shall not exceed a calculated value of (95 + 0,0457 x (the vehicle’s weight in kg – 1 372)). For alternative fuel vehicles the value is calculated; (150 + 0,0457 x (the vehicle’s weight in kg – 1 372)). Electric cars shall not consume more electricity than 37 kWh/100 km. |
| Switzerland | **Cantonal (provincial) tax**. The annual motor vehicle tax depends on the weight or engine volume of the vehicle.  **Federal tax**: Use of Swiss motorways (first and second-class motorways) has been generally subject to charge. The charge is levied in the form of the motorway charge sticker, which costs CHF 40. The obligation to display a motorway charge sticker generally applies to motor vehicles and trailers with a total weight of up to 3.5 tons each. This group comprises primarily passenger vehicles, motorbikes, vans, trailers, etc. Motor vehicles and trailers with a total weight exceeding 3.5 tons (so-called heavy vehicles) require a motorway charge sticker if they are not subject to the heavy vehicle charge. These include, for example, heavy utility vehicles (e.g. crane lorries).  The performance-related heavy vehicle charge (LSVA) depends on the total weight, polluting emissions and kilometres driven in Switzerland. It is levied on all motor vehicles and trailers that have a total permissible laden weight of more than 3.5 tons, are used to transport goods, are registered in Switzerland or abroad and are driven on the Swiss public road network.  The lump-sum heavy vehicle charge (PSVA) is levied in the form of a lump sum on heavy motor vehicles for the following vehicle types that are driven on the Swiss public road network: heavy passenger vehicles, heavy campervans, motor-homes and caravans, vehicles used for transporting passengers (coaches, buses), tractors and motor carriages, motor vehicles for fun fairs and circuses. Other motor vehicles for the carriage of goods and with a maximum speed of 45 km/h. | Weight  Engine volume  Kilometres driven  Polluting emissions  Electric propulsion | A reduced rate of the motor vehicle tax usually applies to electric and agricultural vehicles. |

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| Turkey | Motor Vehicle Tax. Motor vehicles that are in scales specified in the Law and registered at the related government institution are subject to motor vehicle tax. The tax is paid in two instalments. Scales: automobiles, off road vehicles and similar vehicles and motorcycles which are registered after 31/12/2017 are taxed under the scale No 1, Automobiles, off road vehicles and similar vehicles which are registered before 31/12/2017 (this day included) are taxed under the scale No 1/A, Minibuses, vans, motor caravans, buses and similar vehicles, small trucks, trucks, tow trucks and similar vehicles are taxed under the scale No II,-Planes and helicopters are taxed under the scale No IV. | Weight  Number of seats  Age  Value  Vehicle type  Cylinder capacity  Engine power  Electric propulsion | Vehicles in scales No I, I/A and II that have only electric motors are taxed over 25% of the tax amounts applied to the same type of vehicles.  Vehicles that are registered in the name of government institutions under general budget, government institutions under special budget, social security institutions, special provincial administrations, municipalities, village legal personalities, Turkish Red Crescent Society and Disabled people are exempt from motor vehicle tax. |
| United Kingdom | **Vehicle Excise Duty (VED).** on lorries is set according to the number of axles, weight and type of vehicle.  Cars that are presented for registration in the UK on or after 1 March 2001 – and before 01/04/17, on the basis of a type approval certificate specifying a carbon dioxide (CO2) emission figure, attract a rate of VED according to the amount of CO2 emitted and the type of fuel used. These cars fall within a 13-banded graduated VED system. The bands are labelled A-M, with band A containing the least polluting vehicles and band M comprising of vehicles that have high CO2 emissions. Full details can be found at [www.direct.gov.uk/Motoring](http://www.direct.gov.uk/Motoring)  Cars registered on or after 01/04/18 on the basis of a type approval certificate specifying a carbon dioxide (CO2) emission figure, attract a rate of VED for its first vehicle licence according to the amount of CO2 emitted and fuel used. For the second vehicle licence, vehicles with a list price exceeding GBP 40 000 attract a standard rate of VED plus an additional rate of VED. Vehicles with a list price of GBP 40 000 or less attract a standard rate of VED.  For private cars which do not fall into the above graduated VED system there is a two-tier threshold: vehicles not over 1549cc pay an annual rate of duty of GBP 145, and those over 1549cc pay a rate of duty of GBP 230. | Vehicle type  CO2 emissions  Type of fuel  Electric propulsion | Tax exemption applies to vehicles for disabled people, historic vehicles, which are 40 years old, limited use vehicles, agricultural machines, mowing machines, steam powered vehicles, electrically propelled vehicles, and electrically assisted pedal cycles.  Vehicles belonging to public bodies such as ambulances, fire engine, police cars, etc. |
| United States | **Heavy Highway Vehicle Use Tax** is imposed on the use of trucks weighing 55 000 pounds or above. For those trucks (except logging trucks) weighing no more than 75 000 pounds, the tax is USD 100 per year plus USD 22 for each 1 000 pounds in excess of 55 000 pounds. For those trucks weighing more than 75 000 pounds, the tax is USD 550. For logging trucks, the tax is USD 75 per year for trucks weighing at least 55 000 pounds plus USD 16.50 per 1 000 pounds in excess of 55 000 pounds. For logging trucks weighing more than 75 000 pounds the tax is USD 412.50. A credit may be claimed for the tax in the following year if the vehicle was driven 5 000 miles or less (7 500 miles or less for agricultural vehicles.).  **State and local** **taxes**. State and local governments may impose a periodic registration, operators’ license, parking and inspection fees as well as property taxes. | Weight (for trucks) |  |

*Note:*

1. Excluding insurance premium tax.

2. Israel: The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

3. Rebates and exemptions mentioned in this table do not include those that are granted to vehicles used by embassies and other diplomatic missions, international organisations and under a specific customs regime.

*Source*: national delegates; position as at 1 January 2020

Table 4.3. Taxation of premium unleaded (94-96 RON) gasoline (per litre, 20191)

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| Country |  | Ex-tax price2 | | Excise3 | VAT rate4 | VAT amount | Total tax | Total price | | Total tax as % of total price |
| Currency | National currency | USD | National currency | % | National currency | National currency | National currency | USD |
| Australia | AUD | 0.998 | 0.694 | 0.418 | 10.00 | 0.142 | 0.560 | 1.558 | 1.083 | 35.9 |
| Austria\* | EUR | 0.538 | 0.602 | 0.482 | 20.00 | 0.204 | 0.686 | 1.224 | 1.371 | 56.0 |
| Belgium | EUR | 0.617 | 0.691 | 0.600 | 21.00 | 0.256 | 0.856 | 1.473 | 1.650 | 58.1 |
| Canada\* | CAD | 0.814 | 0.613 | 0.254 | 12.14 | 0.132 | 0.386 | 1.200 | 0.904 | 32.2 |
| Chile\* | CLP | 411.618 | 0.585 | 315.799 | 19.00 | 78.207 | 394.006 | 805.624 | 1.145 | 48.9 |
| Colombia | COP |  |  |  | 19.00 |  |  | 3186.630 | 0.971 | 0.0 |
| Czech Republic | CZK | 13.315 | 0.581 | 12.840 | 21.00 | 5.493 | 18.333 | 31.343 | 1.367 | 58.5 |
| Denmark\* | DKK | 4.835 | 0.725 | 4.673 | 25.00 | 2.377 | 7.050 | 11.885 | 1.782 | 59.3 |
| Estonia | EUR | 0.450 | 0.504 | 0.563 | 20.00 | 0.244 | 0.807787 | 1.360 | 1.523 | 59.3 |
| Finland\* | EUR | 0.529 | 0.592 | 0.703 | 24.00 | 0.295 | 0.998 | 1.527 | 1.710 | 65.4 |
| France\* | EUR | 0.563 | 0.630 | 0.691 | 20.00 | 0.251 | 0.942 | 1.505 | 1.685 | 62.6 |
| Germany\* | EUR | 0.559 | 0.626 | 0.655 | 19.00 | 0.231 | 0.885 | 1.444 | 1.617 | 61.3 |
| Greece | EUR | 0.573 | 0.641 | 0.700 | 24.00 | 0.305 | 1.005 | 1.578 | 1.767 | 63.7 |
| Hungary | HUF | 178.394 | 0.614 | 122.670 | 27.00 | 81.287 | 203.957 | 382.351 | 1.316 | 53.3 |
| Iceland\* | ISK | 82.330 | 0.671 | 82 350 | 24.00 | 39.520 | 121 870 | 204.200 | 1.665 | 59.7 |
| Ireland | EUR | 0.551 | 0.621 | 0.588 | 23.00 | 0.262 | 0.850 | 1.405 | 1.584 | 62.3 |
| Israel\* | ILS | 2.209 | 0.620 | 3.074 | 17.00 | 0.897 | 3.971 | 6.180 | 1.734 | 64.3 |
| Italy | EUR | 0.562 | 0.629 | 0.728 | 22.00 | 0.284 | 1.012 | 1.574 | 1.763 | 64.3 |
| Japan\* | JPY | 79.155 | 0.726 | 56.600 | 10.00 | 13.675 | 70.725 | 149.420 | 1.370 | 47.0 |
| Korea | KRW | 878.146 | 0.754 | 745.890 | 10.00 | 162.404 | 908.294 | 1786.440 | 1.533 | 50.8 |
| Latvia | EUR | 0.553 | 0.619 | 0.509 | 21.00 | 0.219 | 0.732 | 1.285 | 1.439 | 57.0 |
| Lithuania | EUR | 0.516 | 0.578 | 0.434 | 21.00 | 0.200 | 0.634 | 1.150 | 1.288 | 55.1 |
| Luxembourg\* | EUR | 0.621 | 0.695 | 0.472 | 17.00 | 0.186 | 0.658 | 1.279 | 1.432 | 51.4 |
| Mexico\* | MXN | 16.681 | 0.868 | 0.000 | 16.00 | 2.669 | 2.669 | 19.350 | 1.007 | 13.8 |
| Netherlands | EUR | 0.581 | 0.651 | 0.7802 | 21.00 | 0.286 | 1.066 | 1.647 | 1.844 | 64.7 |
| New Zealand\* | NZD | 1.212 | 0.798 | 0.754 | 15.00 | 0.295 | 1.048 | 2.260 | 1.489 | 46.4 |

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| Norway\* | NOK | 6.222 | 0.707 | 6.430 | 25.00 | 3.163 | 9.593 | 15.815 | 1.797 | 60.3 |
| Poland\* | PLN | 2.394 | 0.624 | 1.673 | 23.00 | 0.935 | 2.608 | 5.002 | 1.303 | 52.1 |
| Portugal | EUR | 0.570 | 0.638 | 0.643 | 23.00 | 0.279 | 0.921 | 1.491 | 1.670 | 61.8 |
| Slovak Republic\* | EUR | 0.579 | 0.648 | 0.514 | 20.00 | 0.219 | 0.733 | 1.312 | 1.469 | 55.9 |
| Slovenia\* | EUR | 0.506 | 0.567 | 0.535 | 22.00 | 0.229 | 0.764 | 1.270 | 1.422 | 60.2 |
| Spain\* | EUR | 0.600 | 0.671 | 0.473 | 21.00 | 0.225 | 0.698 | 1.298 | 1.453 | 53.8 |
| Sweden\* | SEK | 6.016 | 0.636 | 6.570 | 25.00 | 3.147 | 9.717 | 15.733 | 1.664 | 61.8 |
| Switzerland | CHF | 0.728 | 0.732 | 0.754 | 8.00 | 0.114094 | 0.868 | 1.596 | 1.605 | 54.4 |
| Turkey | TRY | 3.418 | 0.602 | 2.377 | 18.00 | 1.043 | 3.420 | 6.837 | 1.205 | 50.0 |
| United Kingdom | GBP | 0.461 | 0.588 | 0.580 | 20.00 | 0.20813 | 0.788 | 1.249 | 1.593 | 63.1 |
| United States\* | USD | 0.636 | 0.636 | 0.121 | - | - | 0.145 | 0.757 | 0.757 | 19.2 |

\* See Country notes.

*Note:* Conversion of national currency in USD: conversion rates are average market rates (2019) published in OECD Monthly Monetary Statistics (stats.oecd.org). See also Annex B.

1. Prices are average prices for the year 2019. Tax rates are those applicable as at 1 October 2019.

2. Ex-tax price is the price excluding VAT and excise.

3. Excise taxes include all non-VAT taxes levied on the product. For the purposes of this table, payments made to specific bodies that use all the amounts collected to accomplish specific missions (e.g. some emergency stock fees) are not considered as "taxes" and are included in the ex-tax price. When different rates apply to the same product depending e.g. on its biofuel or sulphur content, the rate shown is the one applicable to the most commonly used fuel in the country.

4. GST for Australia, and New Zealand; volume-weighted GST-HST/retail sales taxes for Canada; sales taxes for the United States and Consumption Tax for Japan. VAT for all other countries.

*Source:* International Energy Agency, IEA Energy Prices, 2020 edition [https://www.iea.org/reports/world-energy-prices-2020](https://eur02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.iea.org%2Freports%2Fworld-energy-prices-2020&data=02%7C01%7CStephane.BUYDENS%40oecd.org%7C977304b6483f4e28f3a208d80d3a9e0c%7Cac41c7d41f61460db0f4fc925a2b471c%7C0%7C0%7C637273892703524880&sdata=wvI4ddgJvo00Plvr1NHqS%2BTOX0QgSg7zPT%2BTUBF4Pxg%3D&reserved=0) and country delegates.

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| Country notes to Table 4.3  **Austria.** The excise amount of EUR 0.482/l applies to unleaded gasoline with minimum 4.6% biofuel content and sulphur content ≤ 10mg/kg. Otherwise the excise duty is EUR 0.515/l.  **Canada.** The excise rate includes federal and provincial taxes (the federal excise rate is CAD 0.1 per litre). The federal GST rate is 5%. The volume weighted GST/HST rate including the provincial component was 10.69% and the volume weighted GST/HST retail sales tax rate was 12.14%. Municipal taxes and carbon pollution pricing are not included in the excise taxes. Average consumer price from nrcan.gc.ca  **Chile.** The Fuel Price Stabilisation Mechanism (*Mecanismo de Estabililización de Precios de los Combustibles* or MEPCO, introduced in 2014 by Law 20.765) has incorporated a variable component to the excise. In order to stabilise consumer price where there are international market price variations, this mechanism operates weekly either as a tax or as a tax credit. The excise is not included in the VAT base.  **Colombia.** The prices and taxes shown in this table are for “mid-grade” gasoline at 89 MON i.e. 95 RON. The excise tax includes the National Gasoline Tax (Impuesto Nacional a la Gasolina), the National Carbon Tax (Impuesto Nacional al Carbono) and the Local Surcharge on Gasoline and Diesel (Aceite Combustible Para Motores – Sobretasa a la Gasolina y al ACPM) collected by local authorities (Bogota).  **Denmark.** The excise amount is for fuel with a minimum amount of 4.8% of biofuels. It includes the Excise Tax, the Environment Tax and the NOx Tax.  **Finland.** The excise amount for premium unleaded gasoline includes taxes of energy and CO2 components and strategic stockpile fee of EUR 0.0068/l.  **France.** Tax rate is reduced by EUR 0.01/l in Corsica. An additional tax of max. EUR 0.0073/l is applied by region councils (except in Corsica) to finance sustainable, railway or river navigation substructure. In addition, in the Ile-de-France region, tax rate is inflated up to EUR 0.0102/l.  **Germany.** The excise amount is for unleaded gasoline with sulphur content ≤ 10mg/kg. Otherwise the excise amount is EUR 0.6698/l. *From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.*  **Hungary.** Excise amount depends on the world market price of crude oil. If the world market price of crude oil is higher than 50 USD/barrel the excise amount is HUF 122.674/l (including the excise duty of HUF 120/l and the strategic stock fee of HUF 2.674/l). If the world market price of crude oil is 50 USD/barrel or less the excise amount is HUF 127.674/l (including the excise duty of HUF 125/l and the strategic stock fee of HUF 2.674/l).  **Iceland.** Since this country is not member of the IEA or the EU, price data is taken from European Automobile Manufacturers Association. The excise rate of ISK 82.35/l includes the general excise on petrol (ISK 28.05/l), the special excise (ISK 45.02) and the carbon tax (ISK 9.2/l).  **Ireland.** The 'Ex-tax price' includes a National Oil Reserves Agency (NORA) levy which is charged at a rate of EUR 0.02 per litre. From 9 October 2019 the ‘Excise’ rate on unleaded gasoline increased to EUR 0.602 per litre.  **Israel.** The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Japan.** This amount includes the Gasoline Tax (JPY 48.6/l), the Local Gasoline Tax (JPY 5.2/l) and the Petroleum and Coal Tax (JPY 2.8/l). The prices and taxes are given for the Tokyo prefecture.  **Mexico.** There are no excise duties on volume. A tax (Impuesto Especial sobre Producción y Servicios) is charged as a percentage of the value of the product at wholesale level. It is included in the ex-tax price.  **Netherlands.** For gasoline a stockpiling tax of 0.008/l applies, this is not included in the mentioned excise rate  **New Zealand.** The excise amount includes the National Land Transport Management Fund excise tax, the Accident Compensation Commission Levy, the Petroleum or Engine Fuels Monitoring Levy and the Local Authority Fuel Tax.  **Norway.** The excise amount includes the Excise tax and the CO2 tax.  **Poland.** The excise amount includes excise tax and fuel charge.  **Slovak Republic**. The excise amount is EUR 0.554/l for gasoline with biofuel content lower than the minimum of 5.9%.  **Slovenia.** The excise duty amount of EUR 534.55 per 1000 litres includes: the excise duty of EUR 478.29; EUR 7.36 surcharge on energy end-use efficiency on petrol; EUR 9.11 surcharge for the promotion of electricity generation from renewable energy sources and high-efficiency cogeneration on petrol and EUR 39.79 CO2-tax.  **Spain**. The excise amount of EUR 0.462/l includes the Excise tax (EUR O.424/l) and the average Regional authorities tax (EUR 0.038/l).  **Sweden**. The excise tax amount includes the Energy Tax (SEK 3.950/l) and CO2 Tax (SEK 2.620/l)..  **United States**. Average federal and state taxes - there is no VAT  **European Union**. Directive 2003/96/EC sets minimal excise rates for energy products and electricity |

Table 4.4.Taxation of automotive diesel (per litre, 20191)

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| Country |  | Ex-tax price2 | | Excise3 | VAT rate4 | VAT amount | Total tax | Total price | | Total tax as % of total price |
| Currency | National currency | USD | National currency | % | National currency | National currency | National currency | USD |
| Australia | AUD | 0.915 | 0.636 | 0.418 | 10.00 | 0.133 | 0.551 | 1.466 | 1.019 | 37.5 |
| Austria\* | EUR | 0.595 | 0.667 | 0.410 | 20.00 | 0.201 | 0.611 | 1.206 | 1.351 | 50.6 |
| Belgium | EUR | 0.657 | 0.736 | 0.600 | 21.00 | 0.265 | 0.864 | 1.522 | 1.704 | 56.8 |
| Canada\* | CAD | 0.869 | 0.655 | 0.192 | 12.147 | 0.129 | 0.321 | 1.190 | 0.897 | 27.0 |
| Chile\* | CLP | 425.903 | 0.606 | 77.410 | 19.00 | 84.953 | 166.656 | 592.559 | 0.843 | 28.1 |
| Colombia | COP |  |  |  | 19.00 |  |  | 2336.600 | 0.712 | 0.0 |
| Czech Republic | CZK | 15.232 | 0.664 | 10.950 | 21.00 | 5.509 | 16.448 | 31.681 | 1.382 | 51.9 |
| Denmark\* | DKK | 4.996 | 0.749 | 3.184 | 25.00 | 2.055 | 5.229 | 10.225 | 1.533 | 51.1 |
| Estonia | EUR | 0.470 | 0.526 | 0.372 | 20.00 | 0.2005 | 0.572 | 1.000 | 1.120 | 57.2 |
| Finland\* | EUR | 0.604 | 0.677 | 0.530 | 24.00 | 0.275 | 0.802 | 1.407 | 1.575 | 57.0 |
| France\* | EUR | 0.590 | 0.660 | 0.609 | 20.00 | 0.241 | 0.849 | 1.439 | 1.611 | 59.0 |
| Germany\* | EUR | 0.617 | 0.691 | 0.470 | 19.00 | 0.207 | 0.677 | 1.294 | 1.449 | 52.3 |
| Greece | EUR | 0.698 | 0.781 | 0.410 | 24.00 | 0.268 | 0.676 | 1.373 | 1.538 | 49.2 |
| Hungary | HUF | 201.622 | 0.694 | 112.860 | 27.00 | 86.542 | 197.770 | 399.392 | 1.374 | 49.5 |
| Iceland\* | ISK | 88.770 | 0.724 | 73.250 | 24.00 | 38.880 | 112.130 | 200.900 | 1.638 | 55.8 |
| Ireland | EUR | 0.593 | 0.669 | 0.479 | 23.00 | 0.247 | 0.726 | 1.324 | 1.492 | 54.9 |
| Israel\* | ILS | 2.775 | 0.779 | 2.945 | 17.00 | 0.972 | 3.915 | 6.690 | 1.877 | 58.5 |
| Italy | EUR | 0.595 | 0.667 | 0.617 | 22.00 | 0.266 | 0.884 | 1.480 | 1.657 | 59.8 |
| Japan\* | JPY | 84.552 | 0.775 | 34.900 | 10.00 | 8.700 | 42.323 | 126.875 | 1.163 | 33.4 |
| Korea | KRW | 689.905 | 0.592 | 528.750 | 10.00 | 121.870 | 650.616 | 1340.520 | 1.150 | 48.5 |
| Latvia | EUR | 0.607 | 0.680 | 0.414 | 21.00 | 0.214 | 0.628 | 1.235 | 1.383 | 50.9 |
| Lithuania | EUR | 0.612 | 0.685 | 0.347 | 21.00 | 0.201 | 0.548 | 1.160 | 1.299 | 47.2 |
| Luxembourg\* | EUR | 0.594 | 0.665 | 0.355 | 17.00 | 0.162 | 0.509 | 1.102 | 1.234 | 46.1 |
| Mexico\* | MXN | 32.780 | 1.706 | 0.000 | 16.00 | 5.250 | 5.250 | 38.030 | 1.979 | 13.8 |
| Netherlands | EUR | 0.627 | 0.702 | 0.494 | 21.00 | 0.239 | 0.729 | 1.356 | 1.519 | 53.8 |
| New Zealand\* | NZD | 1.219 | 0.803 | 0.044 | 15.00 | 0.185 | 0.232 | 1.451 | 0.956 | 16.0 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Norway\* | NOK | 6.832 | 0.776 | 5.160 | 25.00 | 2.998 | 8.138 | 14.990 | 1.704 | 54.3 |
| Poland\* | PLN | 2.637 | 0.687 | 1.469 | 23.00 | 0.935 | 2.413 | 5.050 | 1.316 | 47.8 |
| Portugal | EUR | 0.622 | 0.697 | 0.486 | 23.00 | 0.256 | 0.741 | 1.363 | 1.526 | 54.3 |
| Slovak Republic\* | EUR | 0.649 | 0.727 | 0.368 | 20.00 | 0.203 | 0.571 | 1.220 | 1.366 | 46.8 |
| Slovenia\* | EUR | 0.556 | 0.623 | 0.457 | 22.00 | 0.223 | 0.680 | 1.236 | 1.384 | 55.0 |
| Spain\* | EUR | 0.625 | 0.700 | 0.379 | 21.00 | 0.211 | 0.590 | 1.215 | 1.361 | 48.5 |
| Sweden\* | SEK | 7.832 | 0.828 | 4.625 | 25.00 | 3.114 | 7.739 | 15.571 | 1.647 | 49.7 |
| Switzerland | CHF | 0.837 | 0.842 | 0.782 | 8.00 | 0.124 | 0.907 | 1.743 | 1.754 | 52.0 |
| Turkey | TRY | 3.624 | 0.638 | 1.795 | 18.00 | 1.001 | 2.770 | 6.394 | 1.126 | 43.3 |
| United Kingdom | GBP | 0.516 | 0.658 | 0.580 | 20.00 | 0.218 | 0.799 | 1.315 | 1.677 | 60.7 |
| United States\* | USD | 0.648 | 0.648 | 0.141 | - | .. | 0.163 | 0.811 | 0.811 | 20.1 |

\* See Country notes

Note: Conversion of national currency in USD: conversion rates are average market rates (2019) published in OECD Monthly Monetary Statistics (stats.oecd.org). See also Annex B.

1. Prices are average prices for the year 2019. Tax rates are those applicable as at 1 October 2019.

2. Ex-tax price is the price excluding VAT and excise.

3. Excise taxes are expressed in local currency per litre. They include all non-VAT taxes levied on the product. For the purposes of this table, payments made to specific bodies that use all the amounts collected to accomplish specific missions (e.g. some emergency stock fees) are not considered as "taxes" and are included in the ex-tax price. When different rates apply to the same product depending e.g. on its biofuel or sulphur content, the rate shown is the one applicable to the most commonly used fuel in the country.

4. GST for Australia, and New Zealand; volume-weighted GST-HST/retail sales taxes for Canada; sales taxes for the United States and Consumption Tax for Japan. VAT for all other countries.

Source: International Energy Agency, IEA Energy Prices, 2020 edition [https://www.iea.org/reports/world-energy-prices-2020](https://eur02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.iea.org%2Freports%2Fworld-energy-prices-2020&data=02%7C01%7CStephane.BUYDENS%40oecd.org%7C977304b6483f4e28f3a208d80d3a9e0c%7Cac41c7d41f61460db0f4fc925a2b471c%7C0%7C0%7C637273892703524880&sdata=wvI4ddgJvo00Plvr1NHqS%2BTOX0QgSg7zPT%2BTUBF4Pxg%3D&reserved=0) and country delegates.

|  |
| --- |
| Country notes to Table 4.4.  **Austria**. The excise amount of EUR 0.397/l applies to automotive diesel with minimum 6.6% of biofuel and sulphur content ≤ 10mg/kg). Otherwise the excise amount is EUR 0.425/l.  **Canada**. The excise rate includes federal and provincial taxes (the federal rate is CAD 0.04 per litre). The federal GST rate is 5%. The volume weighted GST rate, including provincial GST rates, was 10.58% and the volume weighted GST/sales tax rate was 11.97%. Municipal taxes and carbon pollution pricing are not included in the excise taxes.  **Chile**. The Fuel Price Stabilisation Mechanism (*Mecanismo de Estabililización de Precios de los Combustibles* or MEPCO, introduced in 2014 by Law 20.765) has incorporated a variable component to the excise. In order to stabilise consumer price where there are international market price variations, this mechanism operates weekly either as a tax or as a tax credit. The excise is not included in the VAT base.  **Colombia.** The excise tax includes the National Gasoline Tax (Impuesto Nacional a la Gasolina), the National Carbon Tax (Impuesto Nacional al Carbono) and the Local Surcharge on Gasoline and Diesel (Aceite Combustible Para Motores – Sobretasa a la Gasolina y al ACPM) collected by local authorities (Bogota).  **Finland**. The excise includes energy content tax, CO2 tax and strategic stockpile fee EUR 0.0035/l.  **France**. An additional tax of max. EUR 0.0135/l is applied by region councils (except in Corsica) to finance sustainable, railway or river navigation substructure. In addition, in the Ile-de-France region, tax rate is inflated up to EUR 0,0189/l.  **Germany**. The excise amount is for unleaded gasoline with sulphur content ≤ 10mg/kg. Otherwise the excise amount is EUR 0.48517/l. From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.  **Hungary.** Excise amount depends on the world market price of crude oil. If the world market price of crude oil is higher than 50 USD/barrel the excise amount is HUF 112.588/l (including the excise duty of HUF 110.35/l and the strategic stock fee of HUF 2.505/l). If the world market price of crude oil is 50 USD/barrel or less the excise amount is HUF 122.588/l (including the excise duty of HUF 120.35/l and the strategic stock fee of HUF 2.505/l).  **Iceland**. Since this country is not member of the IEA or the EU, price data is taken from European Automobile Manufacturers. The excise rate of ISK -73.25/l includes the excise on diesel (ISK 62.85/l) and the carbon tax (ISK 10.04/l).  **Ireland.** The 'Ex-tax price' includes a National Oil Reserves Agency (NORA) levy which is charged at a rate of EUR 0.02 per litre.  **Israel**. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Lithuania**. As of 1st January 2020 there was an increase in excise rate: rate for automotive diesel used for agriculture was set at EUR 0.06/l, normal rate for automotive diesel was set at EUR 0.372/l.  **Mexico**. Excise taxes on gasoline and diesel in 2015 had three components: (1) the excise-carbon tax, set proportionally to the carbon content of the fuel and implemented through a fixed amount per litre, whose main purpose is to send a carbon price signal to contribute to Climate Change commitments; (2) the excise tax specifically earmarked as transfers to the State’s governments, proportional to their consumption, also implemented as a fixed amount per litre; and (3) the main excise tax, which, changed each month in value according to a set of criteria which essentially subtracted from the fuel’s controlled price the cost of importing or producing fuel, plus the costs of distribution, logistics, related items, and the retail profit for gas station owners. This general excise tax could even become a negative tax (a subsidy) if domestic prices for fuel were low and international reference prices were high, and this was the case for the first 3 years of the decade. The 2016 excise tax reforms changed completely this latter component. Now, the general excise tax on gasoline and diesel is also a fixed quota tax per litre. During the transition period before full price liberalisation of fuels in 2018, the fixed quota of the excise tax will have a complementary quota component (positive or negative) to ensure that the final fuel prices do not vary outside a price band of +/- 3% of the price they had in 2015. This complementary quota can never become equal in size to the excise tax, so general fossil fuel subsidies would be precluded from happening again.  **Netherlands**. For diesel a stockpiling tax of 0.008/l applies, this is not included in the mentioned excise rate.  **New Zealand.** The excise tax on diesel is a local authorities fuel tax and diesel vehicle owners are also required to pay road user charges.  **Norway.** The excise amount includes the Excise tax and the CO2 tax.  **Poland.** The excise amount includes excise tax and fuel charge.  **Portugal**. Automotive diesel used for agriculture is taxed at a lower VAT rate of 13%.  **Slovak Republic**. The excise amount is EUR 0.393/l for diesel with biofuel content lower than minimum of 6.9%.  **Slovenia**. The excise duty of EUR 457.33 per 1000 litres includes the excise duty of EUR 392.72; EUR 8.00 surcharge on energy end-use efficiency on gasoil used as propellant, EUR 9.90 surcharge for the promotion of electricity generation from renewable energy sources and high-efficiency cogeneration on gasoil used as propellant, EUR 46.71 CO2 tax.  **Spain**. The excise amount of EUR 0.368/l includes the Excise tax (EUR O.331/l) and the average Regional authorities tax (EUR 0.037/l).  **Sweden**. The tax amount of SEK 4.625/l relates to Class 1 automotive diesel (aromatic content < 5%vol.; max sulphur content of 10 wppm. Higher taxes apply to Class 2 (SEK 4.930/l) and Class 3 (SEK 5.088/l) diesel.  **United States**. Average federal and state taxes - there is no VAT  **European Union**. Directive 2003/96/EC sets minimal excise rates for energy products and electricity. |

Table 4.5. Taxation of aviation fuel1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Country | Tax | Commercial aviation2 (JET A-1)3 | | Private/pleasure flights4 (JET A-1/AVGAS)5 | |
|  |  | Domestic flights | International flights | Domestic flights | International flights |
| Australia\* | Excise (AUD) per litre | 0.03556 | 0 | 0.03556/0.03556 | 0 |
|  | GST (%) | 10 | 0 | 10 | 0 |
|  | Other | - | - | - | - |
| Austria | Excise (EUR) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 20 | 0 | 20 | 0 |
|  | Other | - | - | - | - |
| Belgium | Excise (EUR) per litre | 0 | 0 | 0.6325307 / 0.6678350 | 0.6325307 / 0.6678350 |
|  | VAT (%) | 21 | 0 | 21 | 0 |
|  | Other | - | - | - | - |
| Canada | Excise (CAD) per litre | 0.04 | 0 | 0.04/0.1 | 0 |
|  | GST (%) | 5 | 0 | 5 | 0 |
|  | Other | - | - | - | - |
| Chile\* | Excise (CLP) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 19 | 19 | 19 | 19 |
|  | Other | - | - | - | - |
| Colombia | Excise (COP) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 0 | 0 | 0 | 0 |
|  | Other | - | - | - | - |
| Czech Republic | Excise (CZK) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 21 | 0 | 21 | 0 |
|  | Other | - | - | - | - |
| Denmark | Excise (DKK) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 25 | 0 | 25 | 0 |
|  | Other | - | - | - | - |
| Estonia | Excise (EUR) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 20 | 0 | 20 | 0 |
|  | Other | - | - | - | - |
| Finland | Excise (EUR) per litre | 0 | 0 | 0.7635/6959 | 0 |
|  | VAT (%) | 24 | 0 | 24 | 0 |
|  | Other | 0 | 0 | 0 | 0 |
| France | Excise (EUR) per litre | 0 | 0 | 0.4549 | 0 |
|  | VAT (%) | 20 | 0 | 20 | 0 |
|  | Other | - | - | - | - |
| Germany | Excise (EUR) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 19 | 0 | 19 | 0 |
|  | Other | - | - | - | - |
| Greece | Excise (EUR) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 24 | 0 | 24 | 0 |
|  | Other | - | - | - | - |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Hungary | Excise (HUF) per litre | 0 | 0 | 126.432 | 126.432 |
|  | VAT (%) | 27 | 0 | 27 | 0 |
|  | Other | - | - | - | - |
| Iceland | Excise (ISK) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 24 | 0 | 24 | 0 |
|  | Other | 4.10 | 4.10 | 4.10 | 4.10 |
| Ireland | Excise (EUR) per litre | 0 | 0 | 0.495/0.602 | 0.495/0.602 |
|  | VAT (%) | 23 | 0 | 23 | 0 |
|  | Other | - | - | - | -- |
| Israel\* | Excise (ILS) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 17 | 0 | 17 | 0 |
|  | Other | - | - | - | - |
| Italy | Excise (EUR) per litre | 0 | 0 | 0.3375 / 0.7284 | 0 |
|  | VAT (%) | 22 | 0 | 22 | 0 |
|  | Other | - | - | - | - |
| Japan | Excise (JPY) per litre | 26 | 0 | 26/26 | 0 |
|  | VAT (%) | 10 | 0 | 10 | 0 |
|  | Other | - | - | - | - |
| Korea | Excise (KRW) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 0 | 0 | 0 | 0 |
|  | Other | - | - | - | - |
| Latvia | Excise (EUR) per litre |  |  |  |  |
|  | VAT (%) | 21 | 0 | 21 | 0 |
|  | Other | - | - | - | - |
| Lithuania | Excise (EUR) per litre | 0 | 0 | 0,33017 / 0,57924 | 0,33017 / 0,57924 |
|  | VAT (%) | 21 | 0 | 21 | 0 |
|  | Other | - | - | - | - |
| Luxembourg | Excise (EUR) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 17 | 0 | 17 | 0 |
|  | Other | - | - | - | - |
| Mexico | Excise (MXN) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 16 | 0 | 16 | 0 |
|  | Other | - | - | - | - |
| Netherlands | Excise (EUR) per litre | 0 | 0 | 0.20 |  |
|  | VAT (%) | 0 | 0 | 21 | 0 |
|  | Other |  |  |  |  |
| New Zealand | Excise (NZD) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 15 | 0 | 15 | 0 |
|  | Other | - | - | - | - |
| Norway | Excise (NOK) per litre | 1.30 | 0 | 1.28/1.28 | 0 |
|  | VAT (%) | 25 | 0 | 25 | 0 |
|  | Other (CO2 Tax) | 4.91 | 0 | 4.91/4.91 | 0 |
| Poland | Excise (PLN) per litre | 0 | 0 | 1,446/1,822 | 1,446/1,822 |
|  | VAT (%) | 23 | 0 | 23 | 0 |
|  | Other | - | - | - | - |
| Portugal\* | Excise (EUR) per litre | 0 | 0 | 0.396/0.667 | 0.396/0.667 |
|  | VAT (%) | 23 | 0 | 23 | 0 |
|  | Other |  |  |  |  |
| Slovak Republic | Excise (EUR) per litre |  |  |  |  |
|  | VAT (%) | 20 | 0 | 20 | 0 |
|  | Other | - | - | - | - |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Slovenia | Excise (EUR) per litre |  |  |  |  |
|  | VAT (%) | 22 | 0 | 22 | 0 |
|  | Other | - | - | - | - |
| Spain | Excise (EUR) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 21 | 0 | 21 | 0 |
|  | Other | - | - | - | - |
| Sweden | Excise (SEK) per litre | 0 | 0 | 5.187/6.720 | 5.187/6.720 |
|  | VAT (%) | 25 | 0 | 25 | 0 |
|  | Other | - | - | - | - |
| Switzerland | Excise (CHF) per litre | 0.7395 | 0 | 0.7395/0.7312 | 0 |
|  | VAT (%) | 7.7 | 0 | 7.7 | 0 |
|  | Other | - | - | - | - |
| Turkey | Excise (TRY) per litre | 0 | 0 | 0 | 0 |
|  | VAT (%) | 18 | 0 | 18 | 0 |
|  | Other | - | - | - | - |
| United Kingdom | Excise (GBP) per litre | 0 | 0 | 0.5795/0.3770 | 0 |
|  | VAT (%) | 20 | 0 | 20 | 0 |
|  | Other | - | - | - | - |
| United States\* | Excise (USD) per litre | 0.0116 | 0 | 0.0579/0.0512 | 0 |
|  | Sales taxes (%) |  |  |  |  |
|  | Other | - | - | - | - |

*\** See Country notes.

1. Fuels considered in this table are JET A-1 used in turbine engines and AVGAS used in piston-engine aircrafts. This table does not include fuels on board of aircrafts when they land in a jurisdiction covered by the ICAO Chicago Convention and specific fuels for military use or for use in Nordic areas

2. For the purpose of this table, “commercial aviation” means aviation for the transport of goods or passengers for consideration, whatever the type of plane

3. For the purpose of this table, it is assumed that commercial flights (passenger and cargo) only use JET A-1 fuels.

4. For the purpose of this table, “private/pleasure flights” means flights that are not considered as commercial flights

5. For private/pleasure flights, both rates for JET A-1 and AVGAS fuels are shown.

Source: national delegates. Situation as at 1 January 2020.

|  |
| --- |
| Country notes to Table 4.5  **Country.** Comment  **Australia.** *As part of measures to combat the Covid-19 crisis, the excise tax on jet fuel used in commercial aviation is suspended from 1 February 2020.*  **Canada.** The federal Goods and Services Tax is levied at a rate of 5% on aviation fuel and gasoline used in domestic flights. The federal excise rate, when applicable, is CAD 0.04 per litre of aviation fuel and CAD 0.10 per litre of aviation gasoline. Provinces and territories may also impose additional sales taxes and excise rates over and above the applicable federal rate.  **Chile.** Commercial services provided by aviation companies (notably, international cargo and/or passenger flights) and services provided to non-residents are considered exports. The aviation companies are therefore entitled to claim the refund of the input VAT, including on the fuel. In those cases, the practical effect can be similar to the application of a zero-rate.  **Germany.** *From 1 July to 31 December 2020 the VAT rate is reduced from 19% to 16% to offset the economic impact of the Covid-19 pandemic.*  **Hungary**. Excise amount depends on the world market price of crude oil. If the world market price of crude oil is higher than 50 USD/barrel the excise amount is HUF 126.432/l (including the excise duty of HUF 124.2/l and the strategic stock fee of HUF 2.232/l). If the world market price of crude oil is 50 USD/barrel or less the excise amount is HUF 131.432 (including the excise duty of HUF 129.2/l and the strategic stock fee of HUF 2.232/l).  **Iceland.** Aviation fuel is exempt from excise tax. A carbon tax of ISK 4.10/l is applicable to aviation fuel and kerosene.  **Ireland.** AVGAS used for commercial aviation is partially relieved from excise. The rate of relief is EUR 0.232 per litre giving an effective ‘Excise’ rate of EUR 0.369 per litre.  **Israel.** The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  **Portugal.** Aviation fuels used for commercial flights (i.e. flights for the transport of goods or passengers for consideration, whatever the type of plane) are exempt from excise duties. Fuels used for pleasure private flights are taxed at an excise rate of EUR 667.29 per 1000 litres for aviation gasoline (AVGAS) and EUR 395.54 per 1 000 litres for jet fuel (JET A-1).  **United States**. For commercial aviation, the federal tax rate in the US is USD 0.044 per gallon (€ 0.010 per litre). For non-commercial aviation, kerosene is generally taxed at USD 0.244 per gallon. In addition, states or local authorities can levy additional taxes on aviation fuel varying from USD 0 (Texas, Ohio and Delaware) and USD 0.328 (Illinois) per gallon. There is no federal sales tax; States and local sales rates vary from 0% (Delaware, Montana, New Hampshire and Oregon) to more than 9.5% (Tennessee and Louisiana). *As part of measures to combat the Covid-19 crisis, the federal fuel excise tax on jet fuel used in commercial aviation is suspended from 28 March to 31 December 2020.* |

Most sold brands of cigarettes in OECD countries

|  |  |
| --- | --- |
| Country | Most sold brand (MSB) |
| Australia | John Player Special |
| Austria | Marlboro Red |
| Belgium | Marlboro |
| Canada² | - |
| Chile | Pall Mall |
| Colombia | Boston |
| Czech Republic | L&M |
| Denmark | Prince Red |
| Estonia | Marlboro |
| Finland2 | - |
| France | Marlboro |
| Germany | Marlboro |
| Greece | Marlboro |
| Hungary | Marlboro |
| Iceland | Winston |
| Ireland | Silk Cut |
| Israel3 | Marlboro |
| Italy | Marlboro |
| Japan | Mevius |
| Korea | Esse |
| Latvia | Winston |
| Lithuania | Marlboro |
| Luxembourg | Marlboro |
| Mexico | Marlboro |
| Netherlands | Marlboro |
| New Zealand | Pall Mall |
| Norway | Prince |
| Poland | L&M Red |
| Portugal | Marlboro |
| Slovak Republic | L&M Red |
| Slovenia | West Red |
| Spain | Marlboro Red Duro |
| Sweden | Marlboro Red |
| Switzerland | Marlboro |
| Turkey | Parliament |
| United Kingdom | Mayfair |
| United States² | - |

1. Data as at 1 July 2019.

2 Canada, Finland and the United States: MSB is unavailable.

3. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

*Source*: WHO Report on the Global Tobacco Epidemic, 2019.

Exchange rates

|  |  |  |  |
| --- | --- | --- | --- |
| Country | Currency | PPP exchange rate for GDP 20191 | Market exchange rate for 2019² |
| Australia | AUD | 1.44 | 1.44 |
| Austria | EUR | 0.76 | 0.89 |
| Belgium | EUR | 0.76 | 0.89 |
| Canada | CAD | 1.19 | 1.33 |
| Chile | CLP | 416.25 | 702.90 |
| Colombia | COP | 1 349.01 | 3 280.83 |
| Czech Republic | CZK | 12.44 | 22.93 |
| Denmark | DKK | 6.67 | 6.67 |
| Estonia | EUR | 0.54 | 0.89 |
| Finland | EUR | 0.85 | 0.89 |
| France | EUR | 0.73 | 0.89 |
| Germany | EUR | 0.74 | 0.89 |
| Greece | EUR | 0.56 | 0.89 |
| Hungary | HUF | 140.94 | 290.66 |
| Iceland | ISK | 136.66 | 122.61 |
| Ireland | EUR | 0.80 | 0.89 |
| Israel3 | ILS | 3.69 | 3.56 |
| Italy | EUR | 0.67 | 0.89 |
| Japan | JPY | 101.47 | 109.01 |
| Korea | KRW | 860.21 | 1 165.50 |
| Latvia | EUR | 0.49 | 0.89 |
| Lithuania | EUR | 0.45 | 0.89 |
| Luxembourg | EUR | 0.84 | 0.89 |
| Mexico | MXN | 9.31 | 19.26 |
| Netherlands | EUR | 0.78 | 0.89 |
| New Zealand | NZD | 1.45 | 1.52 |
| Norway | NOK | 9.93 | 8.80 |
| Poland | PLN | 1.75 | 3.84 |
| Portugal | EUR | 0.57 | 0.89 |
| Slovak Republic | EUR | 0.51 | 0.89 |
| Slovenia | EUR | 0.57 | 0.89 |
| Spain | EUR | 0.63 | 0.89 |
| Sweden | SEK | 8.75 | 9.46 |
| Switzerland | CHF | 1.15 | 0.99 |
| Turkey | TRY | 1.84 | 5.67 |
| United Kingdom | GBP | 0.68 | 0.78 |
| United States | USD | 1.00 | 1.00 |

1. Purchase Parity Rates (PPP) for GDP 2019. Accessed on 28 August 2020. For further detail, see *www.oecd.org/std/ppp.*

2. Average market rates 2019. OECD Monthly Monetary Statistics. For further details see *stats.oecd.org*.

3. Israel: the statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Note on exchange rates: Cross-country comparisons of thresholds or tax amounts expressed in national currency require their conversion into one single currency. By convention, the currency used in this publication is the United States Dollar (USD). Two exchange rates can generally be used for converting national currencies into USD: (1) market exchange rates, which are currency exchange rates observed on the markets. The rate used in this publication is the average rate for 2019 as published in the OECD Monetary and Financial Statistics. However, the rate used for Table 3.5 is the average market exchange rate for 2018 as prices and taxes refer to the year 2018. (2) The purchasing power parity rates (PPP) for GDP, which equalise the purchasing power of different countries by eliminating differences in price levels between them; they show the specified number of monetary units needed in each country to buy the same representative basket of consumer goods and services that costs USD 1 in the United States. PPP exchange rates (for 2019) are used for Tables 2.5, 2.8 and 2.9 as they provide for a better comparison of the value of VAT relief thresholds. Market exchange rates are used for the other tables as they allow easier comparison of prices and the level of taxes in countries.

*Source*: OECD.