Tax revenues are increasing
Tax revenues rising in most Member States

(as % GDP – change 2011-12 in percentage points)
Labour taxes are the largest source of tax revenue

*Tax revenue by economic function - EU-28, 2012*

- Labour (51%)
- Consumption (28%)
- Capital (21%)
VAT standard rates continue to rise

EU-28 Average standard VAT rate
Top PIT rates level off in 2014
Top corporate income tax rates remain level
Environmental taxes: little movement since 2009

EU-28 (% of GDP)
Shifting taxes away from labour?

ITR on Labour
+0.3%

ITR on Consumption +1.5%

Tax revenue per unit of energy used +8.6%

<table>
<thead>
<tr>
<th>Year</th>
<th>ITR Labour</th>
<th>ITR Consumption</th>
<th>Tax Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>36.0</td>
<td>19.6</td>
<td>171</td>
</tr>
<tr>
<td>2012</td>
<td>36.1</td>
<td>19.9</td>
<td>185</td>
</tr>
</tbody>
</table>

Note: The table shows the tax revenue per unit of energy used, with a percentage increase of 8.6% from 2008 to 2012.
Main messages

Revenues
- EU tax revenues continued to recover in 2012, and estimates for 2013 suggest revenues will continue to rise

Rates
- Upward trend in VAT rates since 2009 continued in 2014
- 3-4 year trend of rising top PIT rates levelled off in 2014
- Top corporate rates remained little changed across the EU

Tax shift
- Growth-friendly taxation: increase in consumption taxes, little change in labour taxes
Additional information

The full report with the main results, country chapters and data tables is available at the following address:

http://ec.europa.eu/taxtrends

Thank you!