

Revenue Statistics in Latin America and the Caribbean 2023

XXXV Regional Seminar on Fiscal Policy

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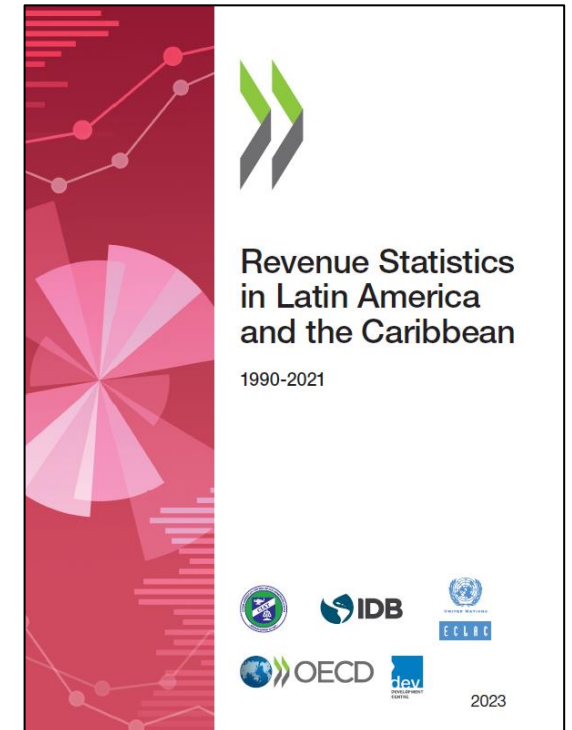
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OECD Development Centre



Revenue Statistics in Latin America & the Caribbean 2023

- ***Revenue Statistics in Latin America and the Caribbean*** (LAC) provides comprehensive, detailed and harmonised statistics on tax revenues in the LAC region since 1990
- The report, data, interactive charts, country notes (English & Spanish) and other material for analysis are freely available online
- The data is included in the **OECD's Global Revenue Statistics dataset** <http://oe.cd/globalrevstats>, which contains comparative tax revenue data for over 120 economies according to a common classification





Revenue Statistics in Latin America & the Caribbean 2023

- **12th edition** of the publication is published in two monolingual reports (English and Spanish) for the first time
- **Covers 27 countries**; regional averages exclude Cuba and Venezuela due to data issues
- **Data & analysis** on tax revenues in the LAC region up to 2021
- **Analysis** of the recovery in tax revenues following the COVID-19 shock in 2020
- **A special feature** on the impact of the global recovery and Russia's invasion of Ukraine on natural resource revenues in the LAC region
- **A special feature** detailing the widespread use of tax expenditures in the LAC region

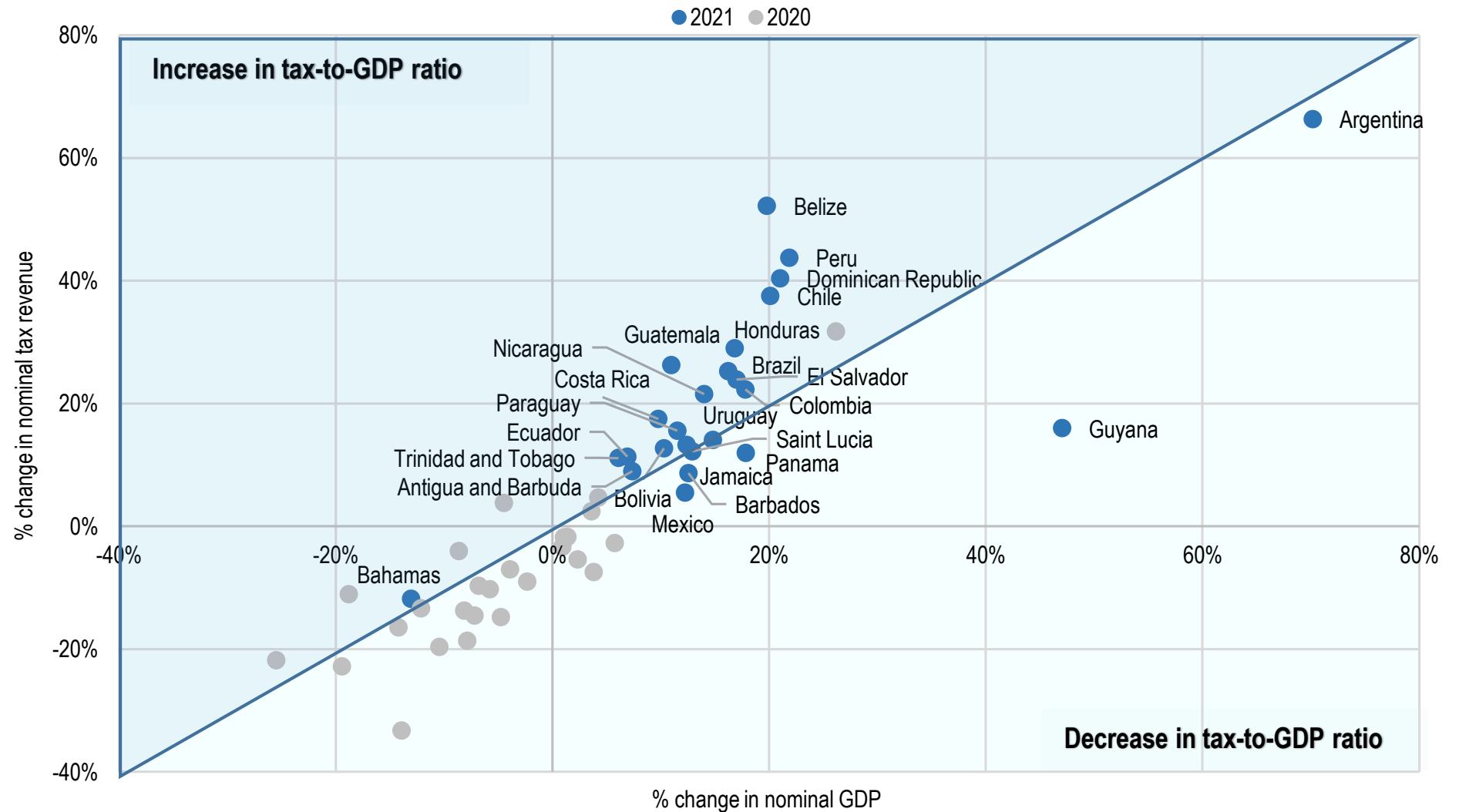
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Key messages

- Tax revenues in the LAC region **rebounded** to their pre-crisis level in 2021
- The **recovery** in tax revenues in 2021 was driven by:
 - **economic recovery**
 - **higher commodity prices**
 - the end of **temporary COVID-19 tax reliefs**
- The COVID-19 pandemic has **exacerbated** a number of challenges, underlining the **need for higher tax revenues**

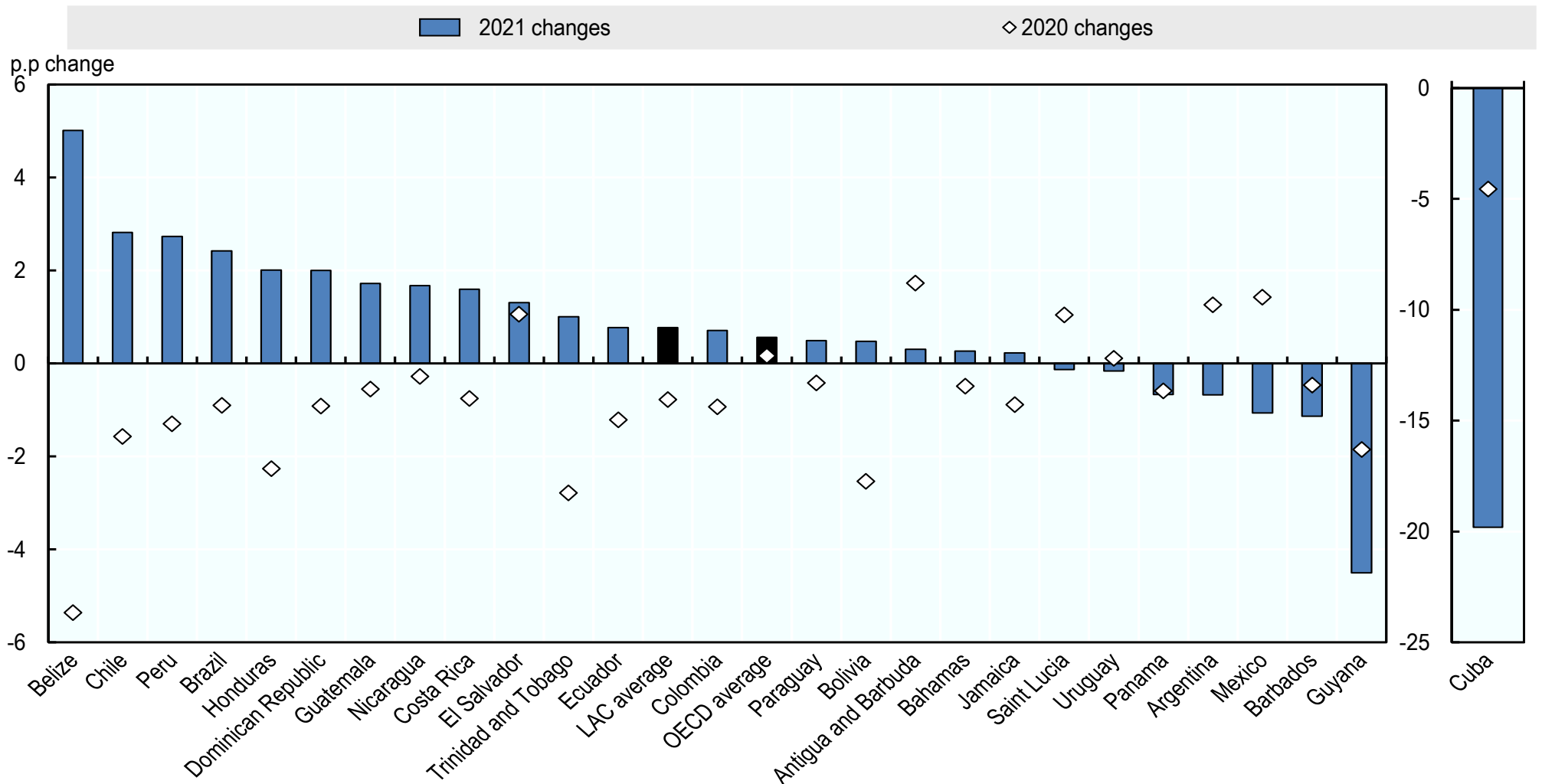
GDP & tax revenues rebounded in 2021 across the LAC region

Annual changes in nominal tax and nominal GDP, 2020 & 2021



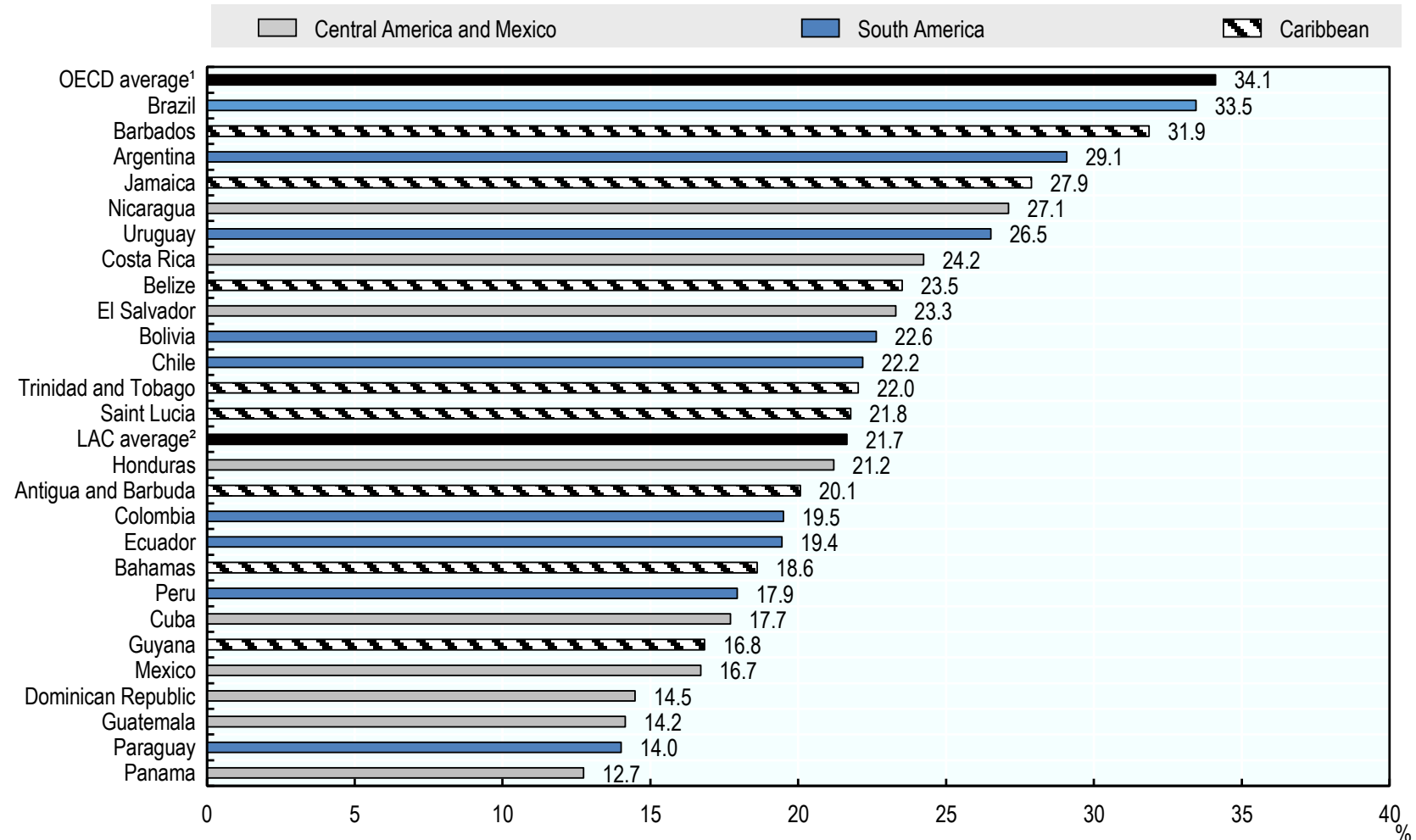
Tax-to-GDP ratios rose in 18 out of 26 LAC countries in 2021

Change in tax-to-GDP ratio by country in 2020 and 2021



Tax-to-GDP ratios varied across the LAC region in 2021

Tax-to-GDP ratio by country, 2021



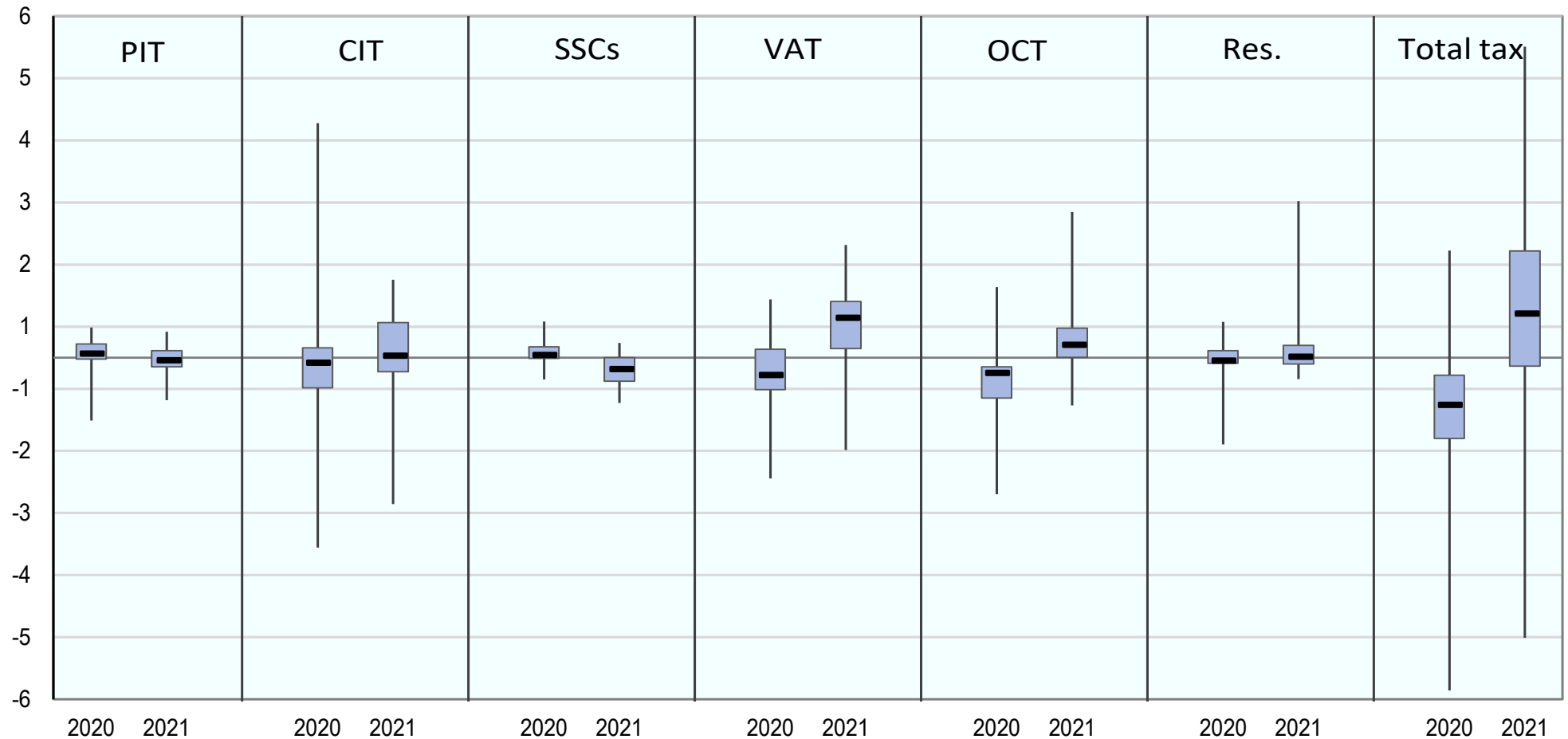
1. Represents the unweighted average of the 38 OECD member countries. Chile, Colombia, Costa Rica and Mexico are also part of the OECD (38).

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

Note: The classification of countries into different sub-regions follows ECLAC's classification and is based on the spoken language of countries.

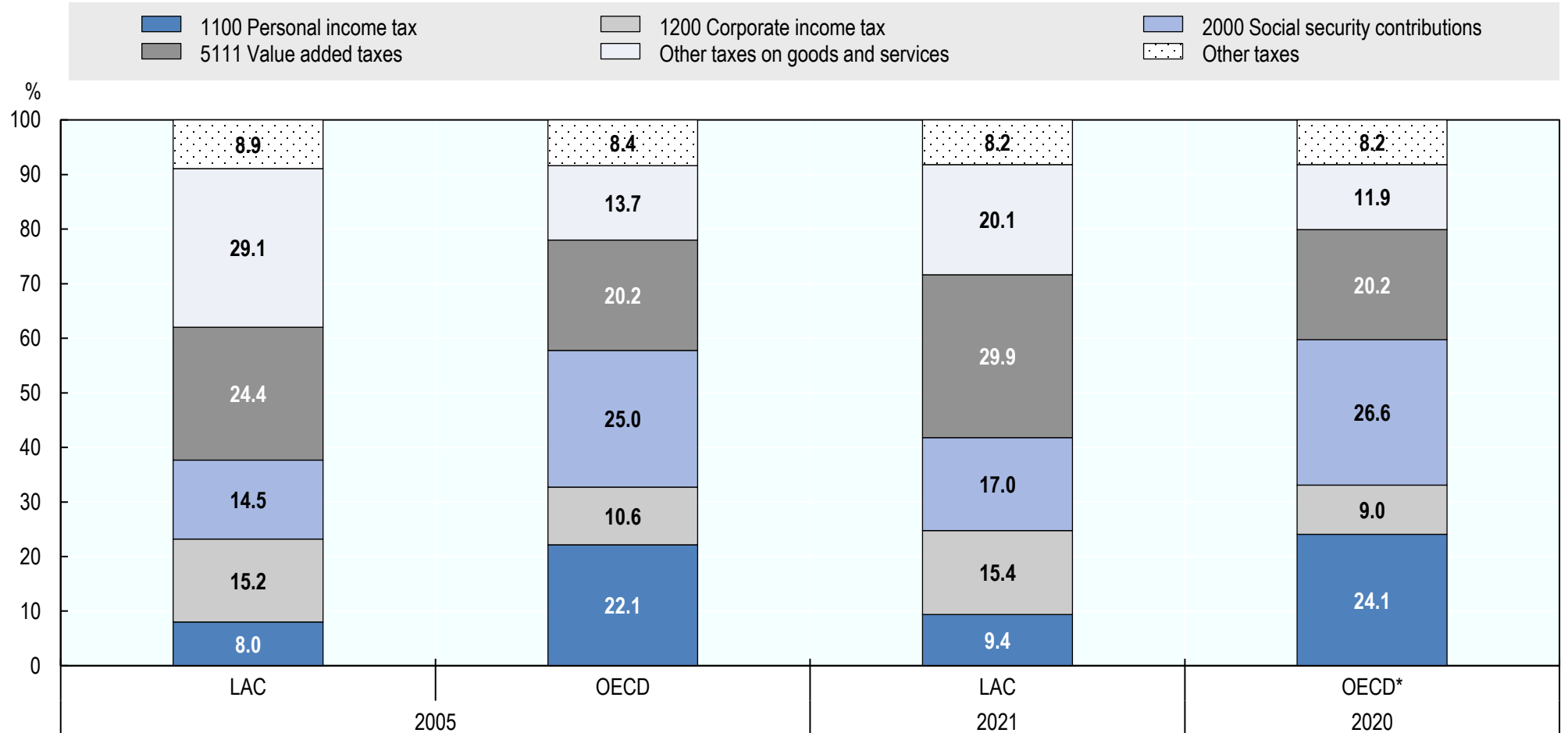
Taxes on goods and services bounced back strongly in the LAC region in 2021 after a sharp fall in 2020

Changes in tax revenues by category in 2020 and 2021 (% of GDP)



Taxes on goods and services accounted for half of tax revenues in the LAC region in 2021

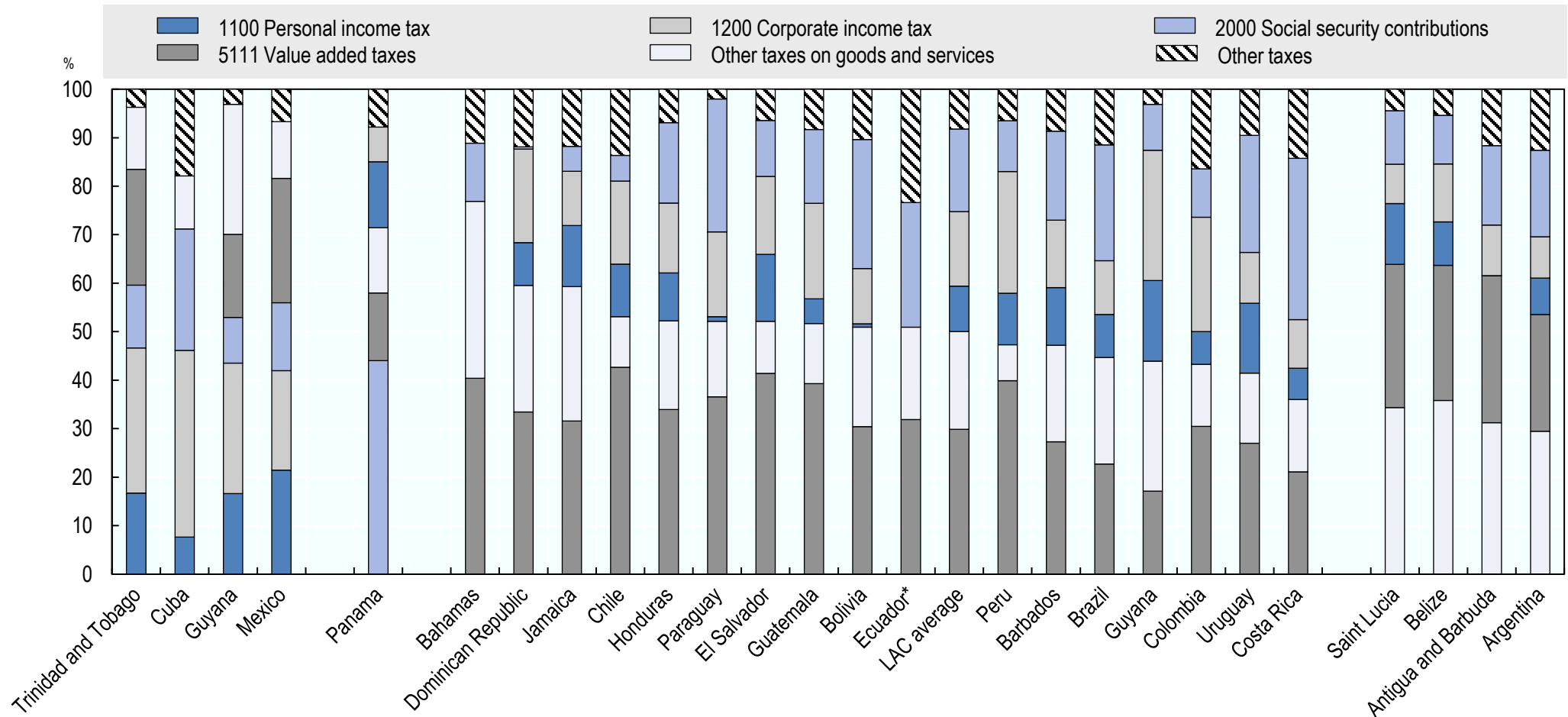
Average tax structure in LAC & OECD (% of total revenue)



* OECD data refer to the latest year available.

Taxes on goods and services accounted for half of tax revenues in the LAC region in 2021

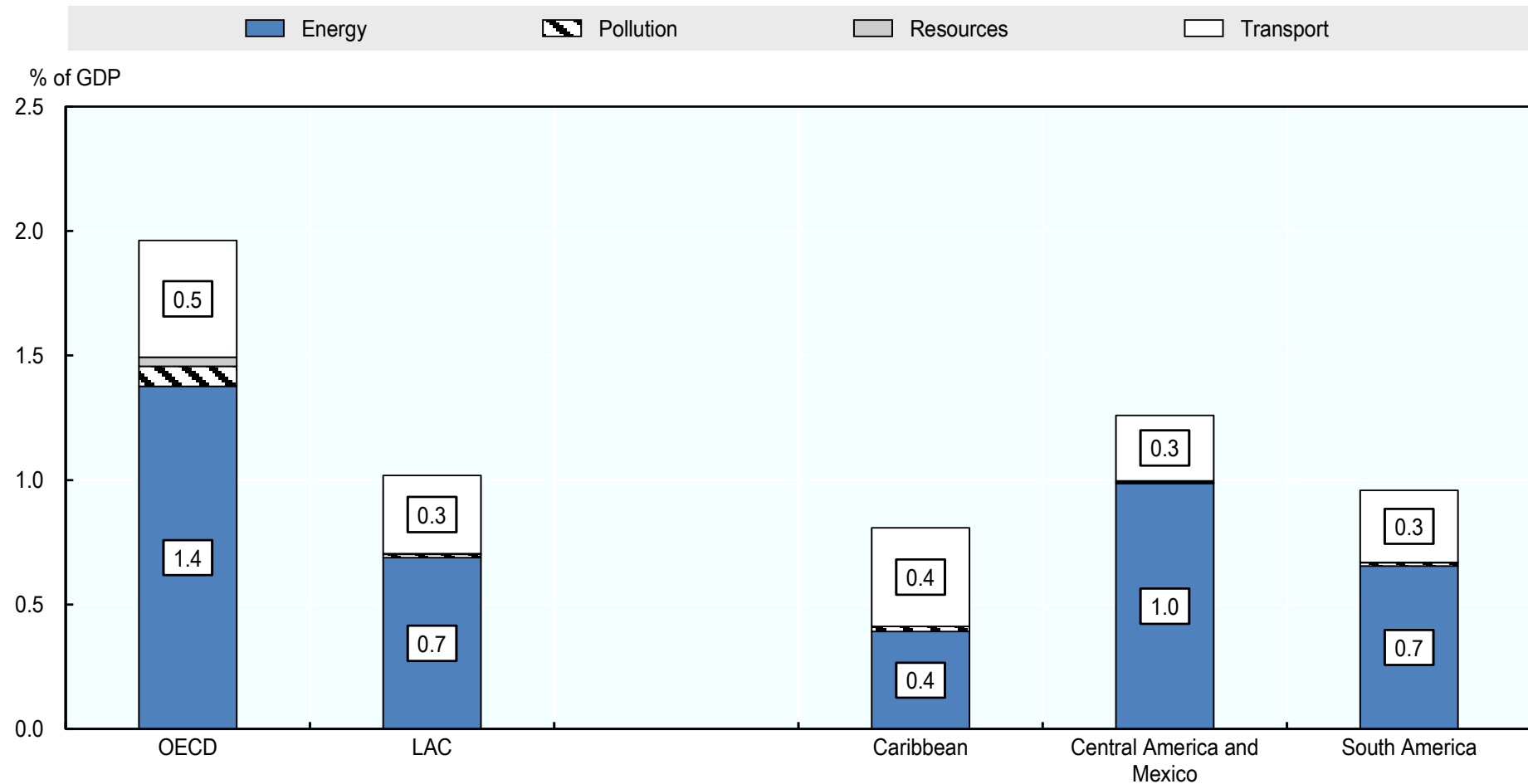
Tax structures in LAC countries, 2021



* Other taxes of Ecuador include income taxes as disaggregation is not possible.

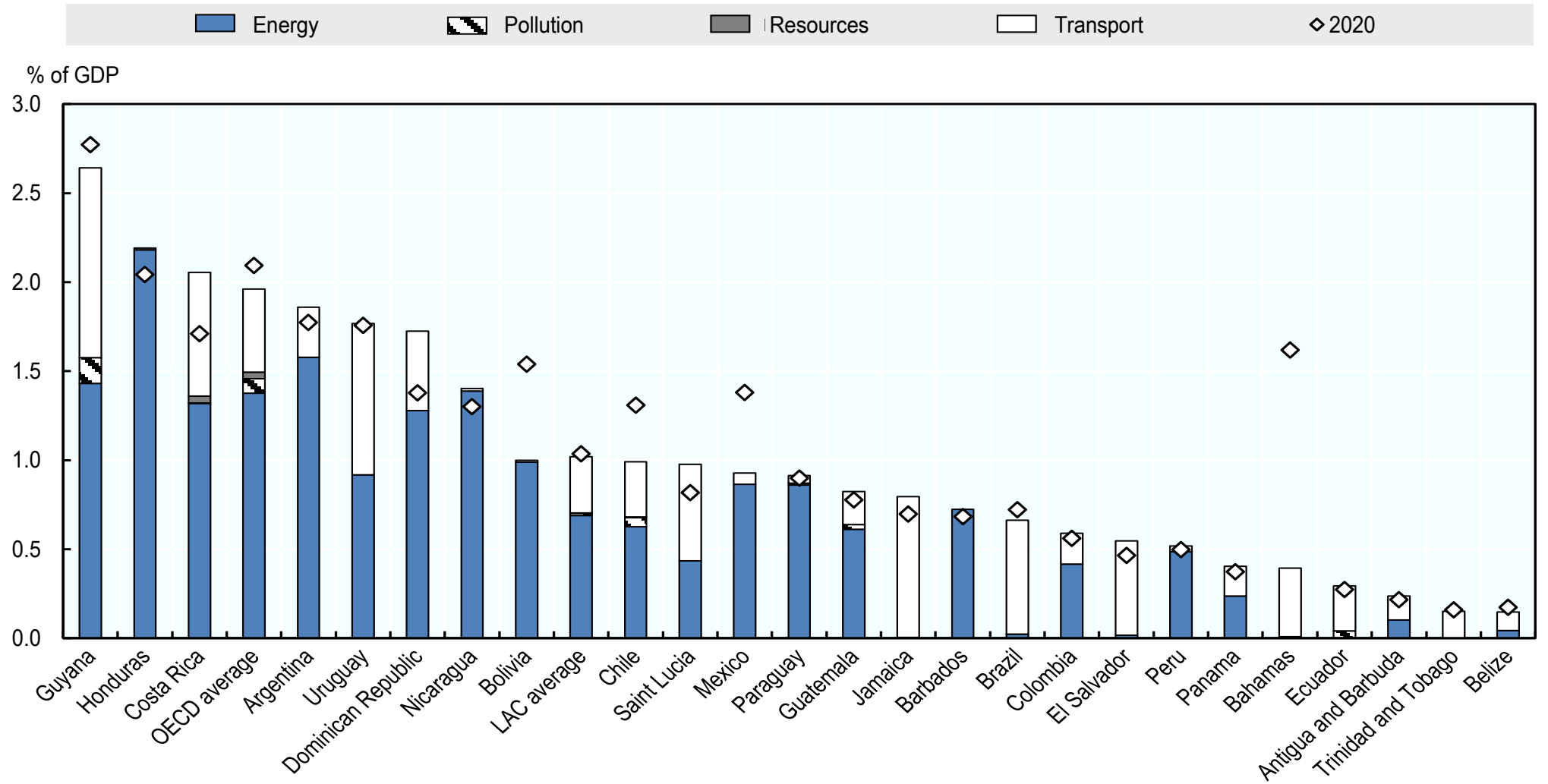
Environmentally related tax revenues remain lower than in the OECD

Environmentally related tax revenues in the OECD, LAC and sub-region averages by main tax base, 2021



Environmentally related taxes range widely across the LAC region

Environmentally related tax revenues in LAC countries by main tax base, 2021



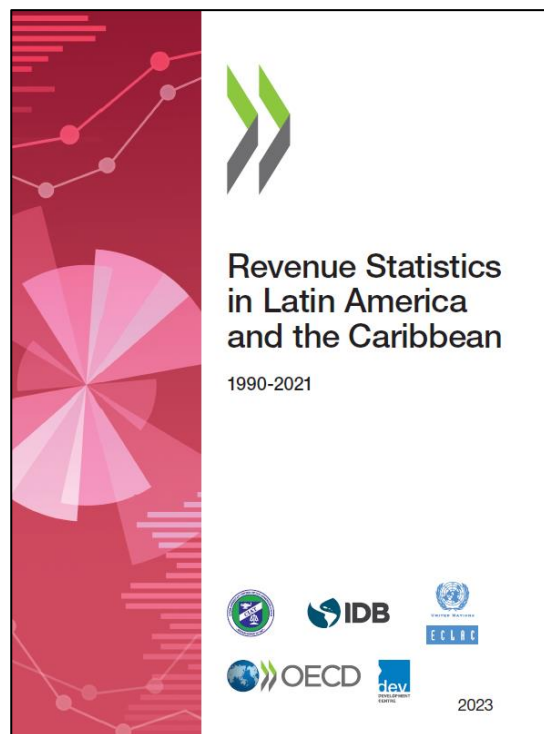
Key messages

- **Tax revenues in the LAC region rebounded to their pre-crisis level in 2021**
 - LAC's tax-to-GDP ratio increased by 0.8 percentage points (p.p.) in 2021 to 21.7%, the same level as in 2019
 - Tax revenues and GDP rose in absolute terms across the LAC region, while tax-to-GDP ratios rose in 18 of the 26 LAC countries
- **The recovery in tax revenues in 2021 was driven by an economic recovery, higher commodity prices and the end of temporary COVID-19 tax reliefs**
 - Taxes on goods and services, representing half of total tax revenues, increased by 0.8% of GDP on average in the LAC region
 - Taxes on income and profits rose by 0.1% of GDP

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Key messages

- **The COVID-19 pandemic has exacerbated a number of challenges, underlining the need for higher tax revenues**
 - Poverty and inequality worsened
 - Debt levels have risen sharply
 - Higher levels of investment are required to finance an inclusive recovery and support the green transition in the LAC region



Gracias!



www.latameconomy.org/es/revenue-statistics/

www.oecd.org/ctp/revenue-statistics-in-latin-america-and-the-caribbean-24104736.htm