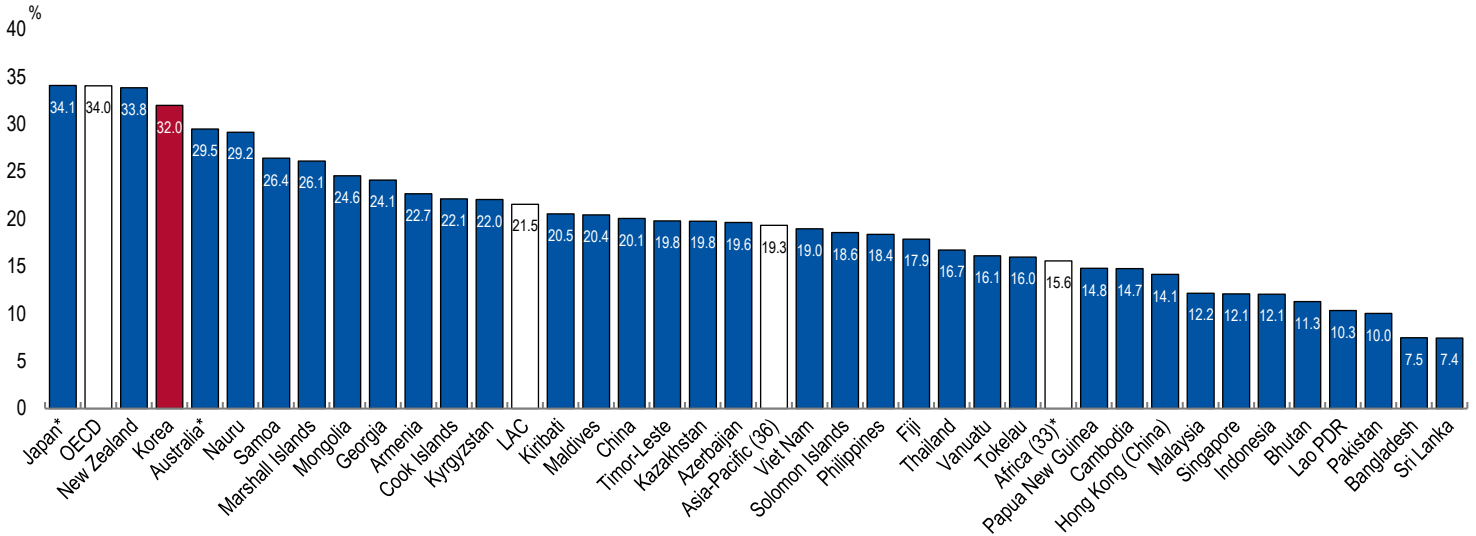


Revenue Statistics in Asia and the Pacific 2024 — Korea

Tax-to-GDP ratio

Tax-to-GDP ratio compared to other Asian and Pacific economies and regional averages, 2022

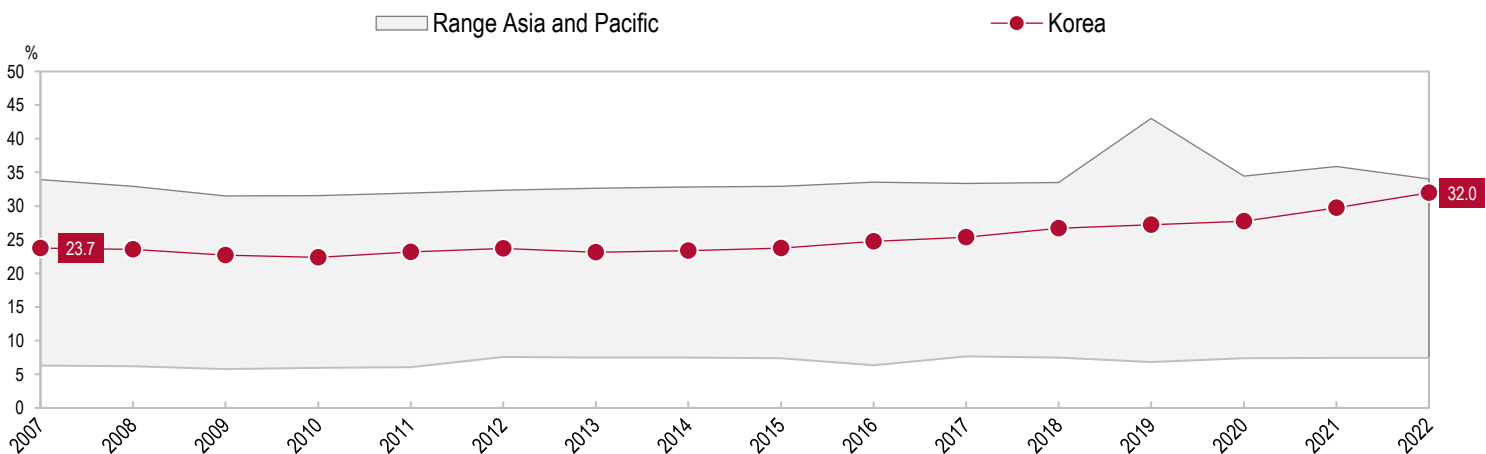
Korea's tax-to-GDP ratio was 32.0% in 2022, above the Asia and Pacific (36) average of 19.3% by 12.7 percentage points. It was below the OECD average (34.0%) by 2.1 percentage points.



* Data for 2021 are shown for Australia, Japan and Africa (33) average as 2022 data are not available. Note by the ADB: The ADB recognises "Hong Kong (China)" as "Hong Kong, China" and "Kyrgyzstan" as "Kyrgyz Republic". LAC refers to the average for Latin America and the Caribbean.

Tax-to-GDP ratio over time

The tax-to-GDP ratio in Korea increased by 2.2 percentage points from 29.8% in 2021 to 32.0% in 2022. From 2007 to 2022, the tax-to-GDP ratio in Korea increased by 8.3 percentage points from 23.7% to 32.0%. The highest tax-to-GDP ratio in this period was 32.0% in 2022, and the lowest 22.4% in 2010.



In the OECD classification the term "taxes" is confined to compulsory unrequited payments to general government. Taxes are unrequited in the sense that benefits provided by government to taxpayers are not normally in proportion to their payments. <http://www.oecd.org/tax/tax-policy/oecd-classification-taxes-interpretative-guide.pdf>

Regional averages (OECD, LAC, Africa (33)) refer to the 2024 edition of Revenue Statistics in Latin America and the Caribbean, and to the 2023 editions of Revenue Statistics (OECD), and Revenue Statistics in Africa. oe.cd/global-rev-stats-database

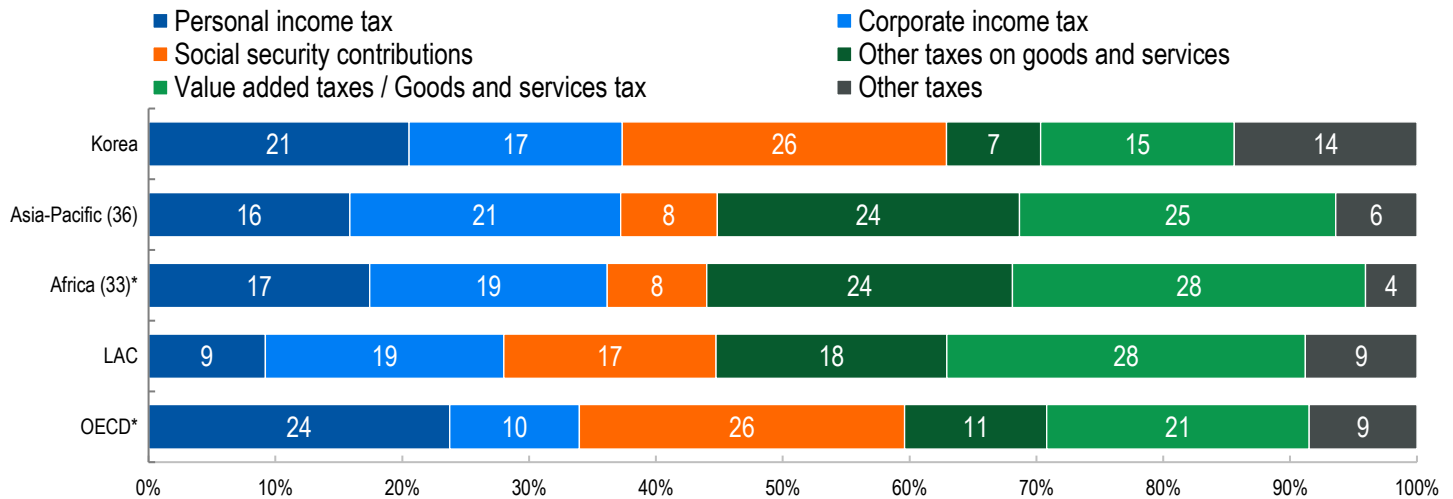


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Tax structures

Tax structure compared to the regional averages

Tax structure refers to the share of each tax in total tax revenues. The highest share of tax revenues in Korea in 2022 was derived from social security contributions (25.6%). The second-highest share of tax revenues in 2022 was derived from personal income tax (20.5%).



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

* Data for 2021 are used for the Africa (33) average and OECD average as 2022 data are not available.

Summary of the tax structure in Korea

	Tax revenues in local currency Korean Won, Billions			Tax structure in Korea % of GDP		
	2021	2022	Δ	2021	2022	Δ
Taxes on income, profits and capital gains	205 574	258 193	+ 52 619	9.9	11.9	+ 2.0
<i>of which</i>						
Personal income, profits and gains	126 210	141 926	+ 15 716	6.1	6.6	+ 0.5
Corporate income and gains	79 364	116 267	+ 36 903	3.8	5.4	+ 1.6
Social security contributions	162 209	176 747	+ 14 538	7.8	8.2	+ 0.4
Taxes on goods and services	143 100	156 778	+ 13 678	6.9	7.3	+ 0.4
<i>of which</i>						
Value added taxes / Goods and services tax	89 022	105 558	+ 16 536	4.3	4.9	+ 0.6
Taxes on specific goods and services	45 723	43 890	- 1 833	2.2	2.0	- 0.2
<i>of which</i>						
Excises	35 792	30 834	- 4 958	1.7	1.4	- 0.3
Customs and import duties	8 629	10 794	+ 2 165	0.4	0.5	+ 0.1
Other taxes	108 201	99 539	- 8 662	5.2	4.6	- 0.6
TOTAL	619 084	691 257	+ 72 173	29.8	32.0	+ 2.2

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

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

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



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