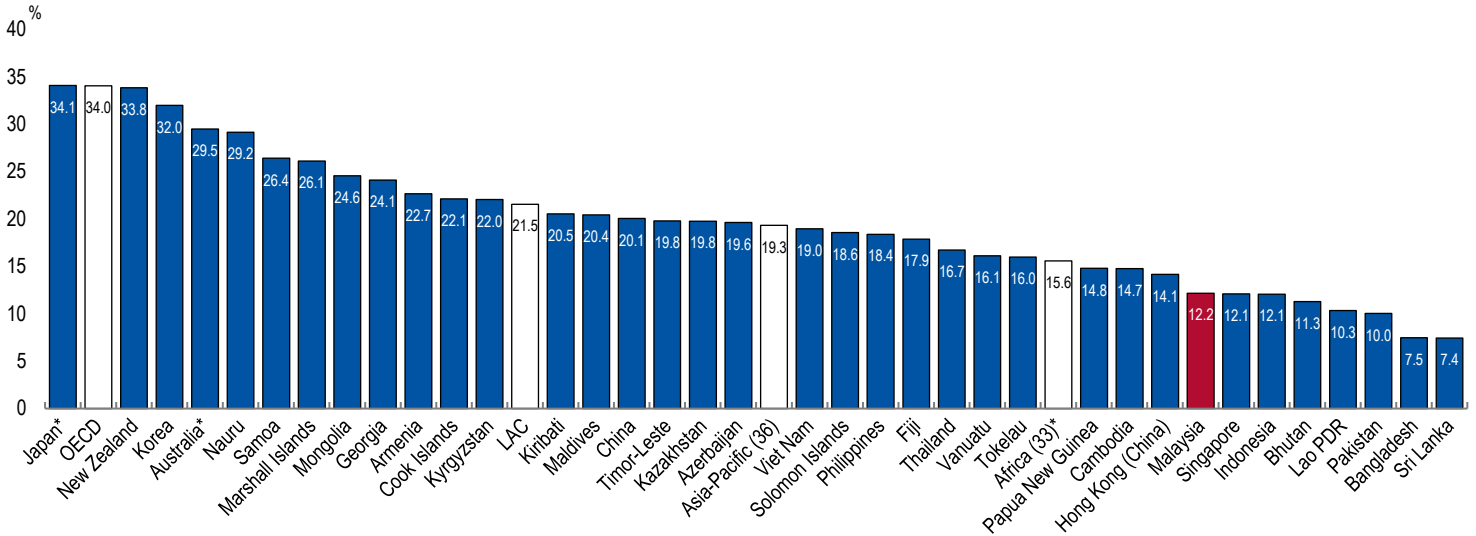


Revenue Statistics in Asia and the Pacific 2024 — Malaysia

Tax-to-GDP ratio

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

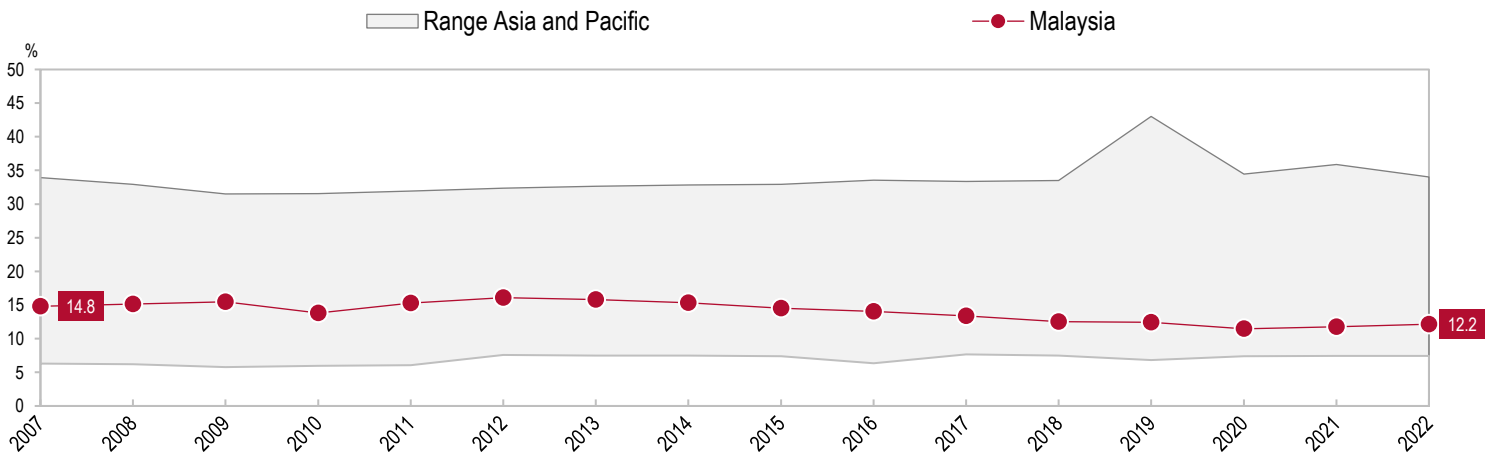
Malaysia tax-to-GDP ratio was 12.2% in 2022, below the Asia and Pacific (36) average of 19.3% by 7.2 percentage points. It was also below the OECD average (34.0%) by 21.9 percentage points.



* 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 Malaysia increased by 0.5 percentage points from 11.7% in 2021 to 12.2% in 2022. From 2007 to 2022, the tax-to-GDP ratio in Malaysia decreased by 2.6 percentage points from 14.8% to 12.2%. The highest tax-to-GDP ratio in this period was 16.1% in 2012, and the lowest 11.5% in 2020.



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

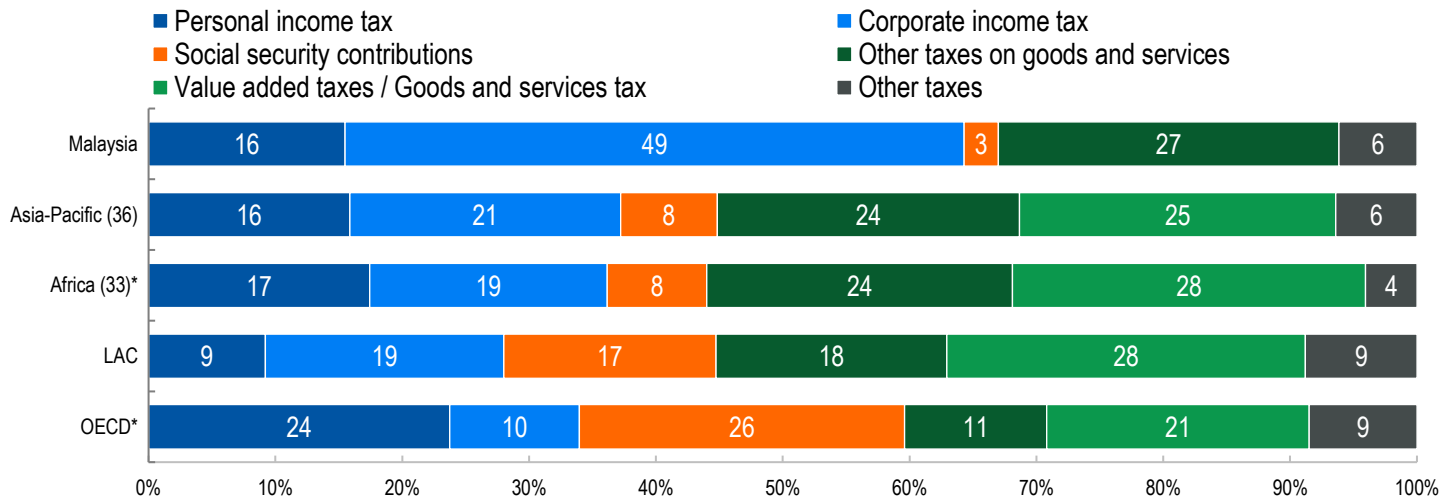


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Tax structures

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 Malaysia in 2022 was derived from corporate income tax (48.8%). The second-highest share of tax revenues in 2022 was derived from other taxes on goods and services (26.8%).



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 Malaysia

| | Tax revenues in local currency Malaysian ringgit, Millions | | | Tax structure in Malaysia % of GDP | | |
|--|---|----------------|-----------------|---------------------------------------|-------------|--------------|
| | 2021 | 2022 | Δ | 2021 | 2022 | Δ |
| Taxes on income, profits and capital gains | 123 477 | 145 424 | + 21 947 | 8.0 | 8.1 | + 0.1 |
| <i>of which</i> | | | | | | |
| Personal income, profits and gains | 27 051 | 33 776 | + 6 725 | 1.7 | 1.9 | + 0.2 |
| Corporate income and gains | 91 399 | 106 290 | + 14 891 | 5.9 | 5.9 | 0.0 |
| Social security contributions | 5 195 | 5 889 | + 694 | 0.3 | 0.3 | 0.0 |
| Taxes on goods and services | 46 649 | 58 484 | + 11 836 | 3.0 | 3.3 | + 0.3 |
| <i>of which</i> | | | | | | |
| Value added taxes / Goods and services tax | 0 | 0 | 0 | 0 | 0 | 0.0 |
| Taxes on specific goods and services | 29 018 | 36 701 | + 7 683 | 1.9 | 2.0 | + 0.1 |
| <i>of which</i> | | | | | | |
| Excises | 10 241 | 12 556 | + 2 315 | 0.7 | 0.7 | 0.0 |
| Customs and import duties | 2 645 | 3 192 | + 547 | 0.2 | 0.2 | 0.0 |
| Other taxes | 6 639 | 8 052 | + 1 413 | 0.4 | 0.5 | + 0.1 |
| TOTAL | 181 959 | 217 849 | + 35 890 | 11.7 | 12.2 | + 0.5 |

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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