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REVENUE REPORT COVID-19 (RRC)

CIAT

Santiago Díaz de Sarralde, Dalmiro Morán, Julio López and Gaspar Maldonado

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CONTENT

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- The **Revenue Report COVID-19 (RRC)** compiles the available information regarding the evolution of the global collection of tax administrations and its main components (income taxes, VAT, excise taxes and other revenues) with their variations monthly with respect to the same month of the preceding year and accumulated through the year in constant values. This third edition of this publication (RRC) analyzes the data available for the January-September 2020 period and incorporates information from an additional country (Jamaica) to the twenty-one CIAT members already included in the database built specifically for this purpose, which provides a complete perspective on the evolution of tax collection at the international level and, in turn, allows observing and analyzing a greater number of individual cases[1].

- **Global collection** of tax administrations registers monthly drops (compared to the same month of the previous year) starting in March, coinciding with the time when most countries began to apply different confinement and social distancing measures to prevent the spread of the COVID-19 virus within their territories. After slight increases in constant values during the first two months of the year (4.2% in January and 2.4% in February), in March the average global collection decreased by 4.9% year-on-year, with deeper decreases in April (-29.9%), in May (-27.6%) and in June (-22.3%). In April, there were significant declines in Bolivia, the United States,

Panama, Paraguay, and the Dominican Republic (with relative negative variations around or even greater than 50%), which moderated only slightly in the months of May and June revealing the depth of the crisis faced by the countries. However, as of July there has been a strong rise in the average global collection which, while remaining in negative territory, reduced its relative monthly drops to 3.9% in that month, 7.5% in August and 3.4% in September. At the country level, while in May all the countries surveyed showed strong interannual decreases, in September, 9 of the 20 countries with available information already show monthly increases compared to the same month of 2019.

- In terms of **global collection accumulated** up to September of this year (Graph 0), the simple average for the countries surveyed has followed a clearly downward pattern from the positive data of the first quarter (4.2% in January; 3.3% in February and 0.03% in March) until entering negative territory from April (-9.3%), accentuating its year-on-year decline accumulated until June (-14.3%) and recovering slightly during the last quarter reaching -11.1% in the month of September. At the level of each country, after the deep drops observed between the months of April to June of this year, a certain change in trend can be identified during the last quarter for most cases. As of September, the greatest accumulated drops were observed in Bolivia (-34.7% until July), Panama (-30.9%), Honduras (-25.7%) and Peru

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1 Although this may affect the figures presented in previous versions of the RRC, IT should not affect the general trends.

(-18.1%); although some countries (Colombia, Guatemala, Italy and Mexico) have shown a decline in the accumulated variations with respect to the figures registered in the month of June, the vast majority of the countries showed a moderation in the accumulated declines up to that month, even when all countries - except Morocco - remain in negative territory.

- The **Income Tax (IT)** had shown, on average, repeated decreases in collection between the months of March and June (-6.1%; -27.2%; -14.8% and -20.1%, respectively), so the month of July appears as a turning point in the declining trend that had taken shape since the beginning of the pandemic and the multiple and changing measures of isolation and social distancing implemented by each country. On average, there were year-on-year increases to the tune of 9.7% in July, 1.2% in August and 2.4% in September. To a large extent, this is linked to the income, throughout the most recent quarter, of resources whose collection had been subject to the postponement or deferment of the deadlines for filing or paying the tax, as one of the main mitigation measures of the negative effects of the pandemic. By country, the most significant increases during the last quarter were in the US (+225.0% in July), Panama (+85.5% in July), Paraguay (+68.0% in August and 36.6% in September), Honduras (+31.8% in August), Ecuador (+72.1% in September) and El Salvador (+33.8% in September).

- The accumulated IT collection, after the slight increases in January and February (5.5% and 5.5%) entered negative territory in March (-0.1%), accentuating the drop in the following months until reaching -14.9% in the month of June. The last three months show a change in the trend towards a gradual recovery regarding this tax, which is associated with income postponed from previous months. This has made the main support and driver of the recovery

observed in the last quarter for average global collection (Graph 0). Honduras (-31.7%), Panama (-24.8%) and Chile (-21.5%) are the countries that maintain the greatest accumulated drops after the first three quarters of this year, while Morocco (12.3%), Italy (2.9%) and Mexico (0.2%) are the only three countries in the surveyed group with a positive accumulated variation as of September.

- **The Value Added Tax (VAT)**, having partially cushioned the deep drop in global tax collection during the month of April with a subsequent sharp drop in May (-30.2%), shows more limited inter-annual relative decreases in the following months, reaching an average of -17.5% in June, -14.8% in July, -11.5% in August, and -6.9% in September, all compared to the same month last year. At the country level, the high heterogeneity of cases remains, but there is a clear trend towards recovery, at least with respect to the deep declines in the months of April and May. On one end we see the cases with the greatest decrease in the month of September, such as Panama (-44.2%), Honduras (-18.9%), Colombia (-17.8%) and Jamaica (-15.0%), contrasting with the much more limited increases or decreases observed in Paraguay (11.6%), Italy (9.7%), Morocco (8.8%), Brazil (6.6%), El Salvador (-0.9%) and Uruguay (-1.7%).

- In accumulated figures up to the month of September, the decrease in VAT revenues (-12.6%) is aligned with that of global collection (-11.2%), although the latter shows a slightly better performance in the last two months pushed, as already mentioned, by the rise in income tax collection (-8.9%). As can be seen from Graph 0, the deepest drops in accumulated terms occur with a certain lag in the months of August and September. The cumulative decreases in Bolivia (-42.4% as of July), Panama (-39.6%), Honduras (-22.8%), Ecuador (-21.4%), and Peru (-19.3%) stand out. In the opposite direction, we can

mention the cases of Morocco (+3.4%), Trinidad and Tobago (+11.6% as of July), Paraguay (-1.1%), Mexico (-2.0%), Uruguay (-3.1%) and Brazil (-3.6% for the subnational ICMS).

- Since mid-March, restrictions on mobility and the stoppage of commercial and industrial activities have caused **Excise Taxes** to register the largest monthly drops in collection, reaching -37.9% in April, -41.2% in May and -29.9% in June. As of July, the interannual collection of Excise Taxes shows a recovery, limiting the interannual decreases but continuing in negative territory -15.5% in July; -14.6% in August and -8.4% in September). Among the countries surveyed, in September sharp drops continue to be observed in Colombia (-49.3%), Jamaica (-42.9%), Panama (-39.1%), Paraguay (-32.3%) and Peru (-28.5%) On the contrary, some countries have registered notable increases in recent months, for example Argentina (with a 58.1% jump in July and more limited positive variations in August and September), Brazil and Uruguay (from August) and, as of September, Mexico and the US.

- Despite a moderation in the reductions observed in the inter-annual collection of these taxes, in cumulative terms up to September the average collection continues to register decreases like those observed in May, which are of greater magnitude (negative) compared to what is observed in the collection evolution of other taxes analyzed. Regarding the countries, Panama continues to register the biggest drop in accumulated collection (-43.8% as of September), followed by Colombia (-34.6%) and Italy (-30.0%). In general, although all the countries in the sample show decreases in their accumulated collections from May to September, in some of them a certain recovery is perceived (even while in negative territory) with smaller accumulated variations, as in Argentina (-2.0%), Morocco (-2.1%), Mexico (-3.7%), El Salvador (-5.9%) and Uruguay (-7.5%).

- The aggregate chapter of **Other Revenue** has less analytical importance due to its high heterogeneity among the countries considered with available information. However, in some cases its weight is much more relevant than the average given the expanded collection powers of their respective Tax Administrations (for example, in Argentina, Brazil and the US).

- The average monthly evolution of "Other Revenue" is in line with the other taxes previously analyzed, with a biggest drop in May (-35.5%) and more limited year-on-year decreases in recent months: -22.5% in June; -16.1% in July; -10.6% in August; and -2.7% in September. By country, the marked decreases began to be observed early in the month of March in some cases such as Panama (-55.2%), with strong declines becoming general in the months of April and May. Since the month of August, a slight recovery has been perceived in isolated cases (Argentina, Morocco, Mexico, Italy, and Spain), becoming, in the month of September 9 (out of 20 with available information) the countries of the surveyed group that show positive inter-annual monthly variations in this category of fiscal revenues.

- Cumulatively, the drop in collection linked to Other Revenue, on average, was like the overall collection amount as of June (-15.2%). However, as in the case of Excise Taxes, the recovery of the collection contributed by these taxes has been slower and weaker during the last quarter, which has determined little improvement in relative terms, accumulating a loss as of September of -14.2, compared to the same period in 2019 (Graph 0). At the country level, Paraguay is the country with the largest cumulative drop as of September (-33.1%), followed by the Dominican Republic (-29.6%), Honduras (-27.8%), Costa Rica (-27.2%), Panama (-26.3%), Bolivia (-22.1% as of July) and Jamaica (-20.8%). The countries where the "Other Revenue" category is more relevant show, as of September,

more moderate falls (Argentina -4.3%, Brazil -13.9%) and even relative increases in the case of the USA (+5.8%) which has allowed them to cushion, in part, the significant collection losses registered for the IT and the Excises throughout the year.

- The CIAT website, The Revenue Report COVID-19 l (ciat.org), "Monthly collection database (Annex)" offers additional detailed information on the monthly and accumulated evolution -in constant and current values- of all the tax administrations analyzed.

Graph 0. Evolution of accumulated average global collection (interannual variations; constant prices; in percentages)
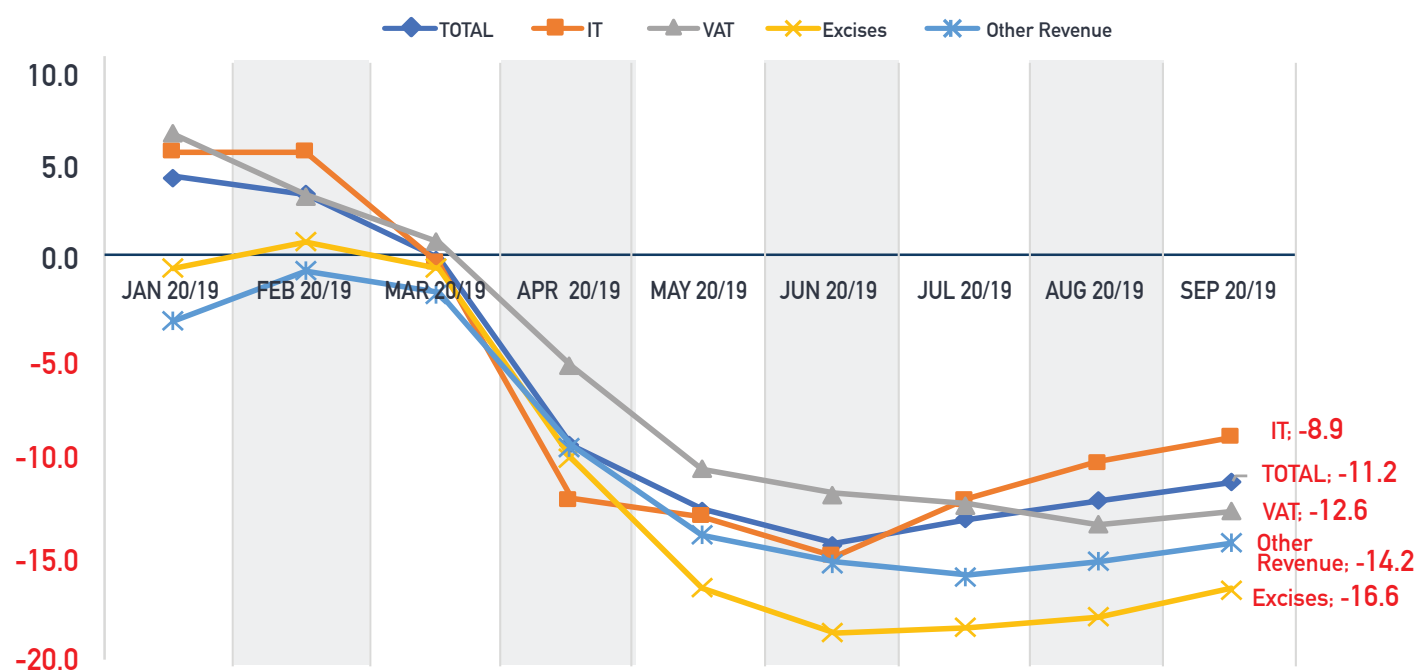
Source: *Drafted by the authors based on official information from the tax administrations.*

- To contrast the effects of the activity control measures implemented in the fight against the pandemic, this Report uses the **mobility data provided by Google**, which provides the possibility of inferring or anticipating, at least to a certain approximate extent, the prospects for the evolution of tax revenues for the following months.

- After the collapse of economic activity in April, the available data shows, on average, a slow recovery in the movements of people during the last months in four different categories. As could already be seen in the previous RRC (September 2020), **business activity in retail and recreation venues and visits to transit stations** were the most affected by the effect of the pandemic. Although until May both categories showed similar activity, as of June there is a greater movement of people on public roads with the purpose of making purchases in stores and leisure places, while transit stations, on average, show more dynamism only from August.

- From the weighting of the behavior observed in tax collection and in the mobility indices of people (as an approximate variable of the level of economic activity) a clear correlation between both variables is deduced. After the sharp drop in average monthly collection and business activity in retail and recreation places between February and April, a gradual and slow improvement is observed for the second variable and a notable rebound in the first variable in the month July which, after a slight decline in August, was consolidated in September, still in negative territory. In this sense, the continuation of a general reduction in the negative figures in tax collection levels during the coming months would be expected due to the greater activity of people in various areas.

- The country data reflects the different routes adopted in terms of mobility, which are linked to the different strategies of national and sub-national

governments to face the COVID-19 pandemic. Although in all cases the greatest relative drops were observed in the month of April, regarding visits to retail and recreation activities, the Northern Hemisphere countries have shown a faster recovery in activity, highlighting the cases from Spain and Italy between the months of April and June. However, the appearance of a "second wave" of massive infections in these countries has forced the reestablishment of several compulsory confinement measures that led to a reduction in the levels of mobility more linked to commercial activities (Retail and Recreation).

- Although the statistics collected on the mobility of people in its different dimensions maintain some general patterns, the detailed analysis can provide some useful conclusions. For example, the evolution of mobility in Workplaces shows some coincidences with what was observed in the commercial sector (Retail and Recreation), such as the deep drop in April and the subsequent recovery in the following months. However, there are also very noticeable differences between countries: Uruguay ranks with the smallest reductions in this area throughout the period analyzed, even less than those registered in countries such as Italy and Spain (where a reduction was perceived in August due to holiday periods) or in the US and much more when compared to some Latin American countries. Beyond the differences, there is a reduction in the gaps between countries and a gradual normalization of the levels of business activity of people, which allows us to maintain hope about economic recovery and tax collection for the coming months.

- Finally, to take advantage of the possibilities offered by the large volume of statistical information collected, a final section was prepared to provide an **overview by groups of selected countries**, according to generally accepted geographic-economic criteria. To visualize and identify similarities and/or differences

at the regional level in the recent evolution of the variables related to tax collection and population activity, five groups of countries were formed: "Mercosur + Mexico", "Andean + Chile", "Caribbean", "Central America + Dom. Rep.", and "Other Countries" (which includes CIAT member countries in the northern hemisphere, included in the RRC Database and that do not belong to the Latin American and Caribbean region). Additionally, the grouping "Latin America and the Caribbean (LAC)" was considered to provide a more conventional regional perspective.

- Regarding **global tax collection by groups of countries,** clear differences have been observed since March, where the Andean countries, the Caribbean countries and, especially, the Central American countries are the most affected by the contractionary effects of the pandemic. The evolution of the three groups mentioned contrasts with that corresponding to the Mercosur countries (including Mexico) and the "Other Countries" group, whose average total collection has been more resilient during the first quarter, with more vigorous and sustained recoveries from May and June and moving to positive year-on-year variations from August.

- In terms of accumulated global collection, all groups remain in negative territory as of September. However, there is a weak gradual recovery in the Mercosur groups, Others and even in the Caribbean, especially from July or August according to each group, not so in the Andean and Central American countries where a deepening of the relative drops is observed as of the most recent months. The evolution observed in the different groups (except "Other Countries") is combined in the average for Latin America and the Caribbean (LAC) where significant monthly reductions occur during the second quarter of over -20%, with a rebound from the month July that, however, is not enough to avoid

reaching an accumulated decline in global collection to the tune of -13% as of September.

- Additionally, it has been possible to identify similarities and differences in terms of the temporal evolution of the **activity indicators of people by groups of countries**. Regarding Retail and recreation, all groups of countries show a deep drop in March and April, followed by a gradual recovery, at least until July. As of August, a convergence in this activity indicator is observed, determined by (i) a gradual improvement for the Andean and Central American countries, (ii) a stabilization of the levels for the Mercosur + Mexico countries, and (iii) a contraction of activity in the Caribbean and Other Countries groups. The average for the LAC countries is within these margins, following the trends indicated and below the group of Mercosur and Mexico and the Caribbean. Something similar can be pointed out with respect to mobility to Workplaces, since in all the groups of countries analyzed the strong drop is confirmed in the months of March and April, followed by a generalized rebound in relative levels of mobility during May and June. At a slower pace and remaining in negative territory, for all groups of countries a slight recovery trend is observed in the subsequent months until November.

- This type of analysis can also be extended to the **different main tax categories by groups of countries**. In the case of **Income Tax**, it is confirmed that all groups of countries experienced a strong negative impact on their average collection in the second quarter, with a gradual recovery in the third quarter led by the countries of Mercosur + Mexico, Central America + Dom. Rep., and Other Countries (with a particularly important prevalence of the US). For the average of LAC countries, the monthly income tax collection result ends up being approximately neutral for the last quarter, although it remains in

negative territory (-11.1%) in the accumulated until September. Despite this, the IT appears in recent evolution as the main stabilizing and buffering instrument of tax collection (in the short term) of the different countries and groups considered in the face of the drastic impacts derived from the COVID-19 pandemic.

- In relation to **VAT**, when the effects of the pandemic and restrictions on mobility began to fully manifest themselves, VAT was the tax whose collection was most resilient, within a context of strong generalized drops. However, in recent months, a prolongation of these impacts has been observed, which has translated into negative figures (lower than those observed in March-April) for the LAC region and for all groups, almost without exception.

- For its part, the average collection of **Excise Taxes by groups of countries** reveals the uneven intensity and depth of the negative impacts of the economic crisis associated with the pandemic. This set of taxes has been, in relative terms, the worst hit in terms of the tax revenue they generate in all cases, with deep reductions during the second quarter of the year and recoveries (only partial) in the "Mercosur + México" and "Other Countries" groups. At the regional level (LAC), the accumulated variations of the last quarter show some stagnation in clear negative territory (-17.5% in September).

- In line with what was observed with the Excise Taxes and after the deep drops during the second quarter, a slow recovery of the collection associated with **Other Revenue** is observed, which can be classified as slight in the average of the Mercosur + Mexico countries, and moderate in the "Other Countries" group. On the other hand, the rest of the groups considered, as well as the average calculated for the LAC countries surveyed in the RRC Database, shows successive relative drops since April with a slight easing of these setbacks in recent months. This has prevented a recovery of these resources in accumulated terms up to September, remaining in clear negative territory during the last five months analyzed.

INTRODUCTION

The crisis derived from COVID-19 has created an unprecedented situation in history that makes information more necessary than ever for understanding the situation and designing responses.

The Revenue Report COVID-19 (RRC) prepared by CIAT intend to collaborate in this task by preparing an international database for monitoring the monthly evolution of collection and its corresponding analysis.

The information collected comes from the tax administrations of the CIAT member countries, in most cases published in the form of monthly or quarterly bulletins[2], and must be interpreted for its advantages in terms of time proximity but also with its particularities given its origin and the context in which it is framed (the different responsibilities between institutions - internal and external taxes, social security[3]-; the different monthly collection and accounting calendars; the effects of the deferrals granted to taxpayers[4]; the times and formats of publication; etc.). In turn, in some cases where the information is available, the figures are complemented with information from other public institutions that allow incorporating, for example, the performance of

subnational tax resources given their crucial relevance in certain countries.

The RRC briefly compile the main information available as of its publication, which follows a generally monthly[5] periodicity, including summary tables of the evolution of the global collection of the administrations and its main components (income taxes, VAT, excise taxes and the rest of other revenues) with their monthly variations with respect to the same month of the previous year and accumulated throughout the year, focusing, in general, on constant values to avoid distortions derived from price evolution. Given that this is a dynamic process of obtaining and processing statistical information from different sources, for this edition of the RRC (December 2020) the case of Jamaica has been incorporated, which will allow obtaining greater robustness of the general trends identified from the averages calculated as well as greater detail on the information collected particularly from the Caribbean countries.

Next, the most outstanding evolution by country will be briefly addressed, including information on the structure of tax collection, its monthly distribution, and an overview

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2   In any case, the information contained in these reports should not be considered official and should be sent to the corresponding sources for validation. Any errors contained in the processing of these data are the sole responsibility of the authors of this Report.

3   In this regard you can consult Díaz de Sarralde, S. (2019) "Overview of Tax Administrations: structure; income, resources and personnel; operation and digitalization ISORA (International Survey on Revenue Administration) / 2019"

4   On this matter, see: CIAT, OCDE, IOTA (2020) "Tax Administration Responses to COVID-19: Measures Taken to Support Taxpayers".

5   The RRC updates are published in the CIAT Working Papers series: Publications | (ciat.org)

of the evolution of the activity in the different territories supported by the mobility reports provided by the large mobile phone technology companies.

In addition to the information presented here, the complete information base will be made available to the interested public in Excel format (RRC Database), with detailed information on tax figures, constant and current values, and structure of the monthly collection[6].

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6   See the link: The Revenue Report COVID-19 | (ciat.org), "Monthly collection database (Annexes)."

1. RECENT EVOLUTION OF MONTHLY AND ACCUMULATED TAX COLLECTION

This section analyzes the evolution of the total collection of the tax administrations, in general, in constant terms (deflated by the evolution of the consumer price indices of each country) and its breakdown into income taxes (IT), the value added tax (VAT), the excise taxes and a set that includes other types of revenue.

1.1   Global collection (Total)

The information available as of the month of September of this year allows confirming the continuation of a slight recovery trend in tax collection levels in recent months, unlike what was observed in previous editions of the RRC. Although the year-on-year global collection for the twenty-two countries for which data[7] is available shows a strong monthly drop from March mainly on, worsening after

lockdown measures were implemented, this situation began to reverse slightly in July (mainly because of the notable recovery of the United States, Morocco, and Panama, which is linked to tax deferrals granted in previous months). This occurred in other countries in September, even despite a small decline in August. Indeed, in July the average global collection decreased by only 3.86% in year-on-year terms, showing a clear recovery compared to what was observed in June, with a 7.53% drop in August and 3.39% drop in September (Table 1). This would be somewhat related to a resurgence in activity levels, a limited but greater degree of openness and slightly more lax movement restriction measures, at least compared to those observed during the onset of the pandemic.

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7   Data collection for this report closed on November 30, 2020, so data after this date will appear in future editions of the RRC.

Table 1. Evolution of the global collection of the tax administrations (in percentages of monthly variation with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sep 20/19
Argentina	-5.48	-5.02	-8.16	-23.39	-20.15	-15.15	-12.48	-5.26	4.44
Bolivia /1	-24.54	-3.65	-13.42	-80.96	-43.92	-34.73	-9.68		
Brazil	4.42	-2.92	-1.96	-25.71	-30.40	-23.75	-12.05	1.97	3.39
Chile	13.50	-2.50	-0.97	-39.81	-29.83	-34.23	-5.76	-23.74	-7.55
Colombia	9.45	7.18	0.74	-25.97	-19.45	-15.20	-22.63	-15.25	-16.51
Costa Rica	-4.26	14.04	2.65	-24.12	-30.39	-36.56	-9.84	-12.31	-11.22
Ecuador	5.24	-7.60	6.15	-35.59	-35.33	-26.44	-23.00	-20.21	15.63
El Salvador	4.07	5.69	0.49	-30.48	-29.23	-2.17	-7.50	0.79	7.60
Spain	7.92	3.46	15.91	-31.46	-26.96	-29.50	-14.13	1.63	0.39
USA	6.85	9.80	1.91	-54.99	-25.17	-28.35	122.00	-3.35	-1.58
Guatemala	8.06	7.41	-29.48	9.56	-25.68	-18.64	-14.96	-15.55	-4.94
Honduras	4.39	-1.25	-13.97	-36.55	-42.09	-47.87	-30.34	-14.97	-26.81
Italy	3.57	8.86	-4.51	-20.35	-27.48	-19.65	-5.36	8.60	6.67
Jamaica	0.26	1.47	2.19	-26.81	-28.91	-22.55	-19.05	-20.79	-21.73
Morocco	7.08	12.32	11.95	-21.21	-16.01	12.71	2.56	12.79	15.18
Mexico	10.88	-1.89	30.08	-15.27	-14.58	-10.01	-6.66	1.55	-3.94
Panama*	4.48	10.32	-41.93	-53.80	-51.93	-63.99	24.50	-37.78	-28.55
Paraguay	1.33	4.61	-10.03	-54.66	-34.02	0.34	-3.04	17.44	22.55
Peru	4.02	-0.42	-15.86	-36.56	-21.01	-38.61	-19.63	-15.33	-15.37
Dominican Rep.	3.96	3.31	-15.61	-49.42	-39.15	-21.76	-8.02	-8.27	-6.84
Trinidad and Tobago*	-3.17	-12.97	-35.20	-22.15	-11.92	-24.17	-15.44		
Uruguay	1.28	-3.36	2.91	-9.88	-19.24	-3.36	-0.30	-2.61	1.48
Average /2	**4.18**	**2.41**	**-4.89**	**-29.93**	**-27.57**	**-22.33**	**-3.86**	**-7.53**	**-3.39**

Source: Drafted by the authors based on official information from the tax administrations.

/1 The data from January to July for Bolivia, in this table and in the following ones, include customs tax revenues although only up to the month of May inclusive. No information is available as of August 2020.

/2 Because it shows variations outside the general range of the other countries surveyed, the averages in this table and the following tables do not consider Bolivia information for its calculation. Notwithstanding this, the averages calculated in the Annex to this Report The Revenue Report COVID-19 l (ciat.org) *do include Bolivia information.*

* The data for Panama and Trinidad and Tobago are, in this table and the following tables, expressed in current values as they do not have the most recent evolution of prices, however, large variations are not expected given the low inflation registered the period with availability of information. In Trinidad and Tobago, there is no information regarding tax collection as of August 2020.

The updated information makes it possible to see that, at a general level, September was the month that registered the lowest year-on-year drop in total tax collection compared to pre-pandemic levels. This is mainly due to important year-on-year increases observed in Paraguay (22.6%), Ecuador (15.6%) and Morocco (15.2%). Other countries such as El Salvador, Italy, Argentina, Brazil, Uruguay, and Spain also showed year-on-year increases in that period, although of lesser magnitude. Despite this, the other countries analyzed continued to show significant drops in their collections, with losses reaching 20% or more in the cases of Jamaica, Honduras, and Panama.

These results suggest a certain recovery at the regional level or, at least, a moderation of the negative effects of the pandemic and the lockdown and fiscal relief measures that countries were forced to adopt, reaching levels like those observed in March in September, when these measures were implemented. In fact, although the Report does not contain graphs and tables, it has been possible to access some preliminary tax collection figures for the month of October for a limited sample of countries, allowing to verify the continuation of a gradual recovery of these variables,

in some cases returning to positive interannual variations (Argentina, Brazil, Guatemala) and in others limiting the relative drops accumulated in previous months (Costa Rica, Ecuador, Panama and Peru). However, there is a high diversity of cases (Graph 1) and the different evolutions still do not allow us to draw general conclusions in this regard, especially considering the depth of the crisis that the countries still face.

Graph 1. **Evolution of the global collection of the tax administrations (in percentages of monthly variation with respect to the same month of the previous year; constant prices; July, August and September 2020)**
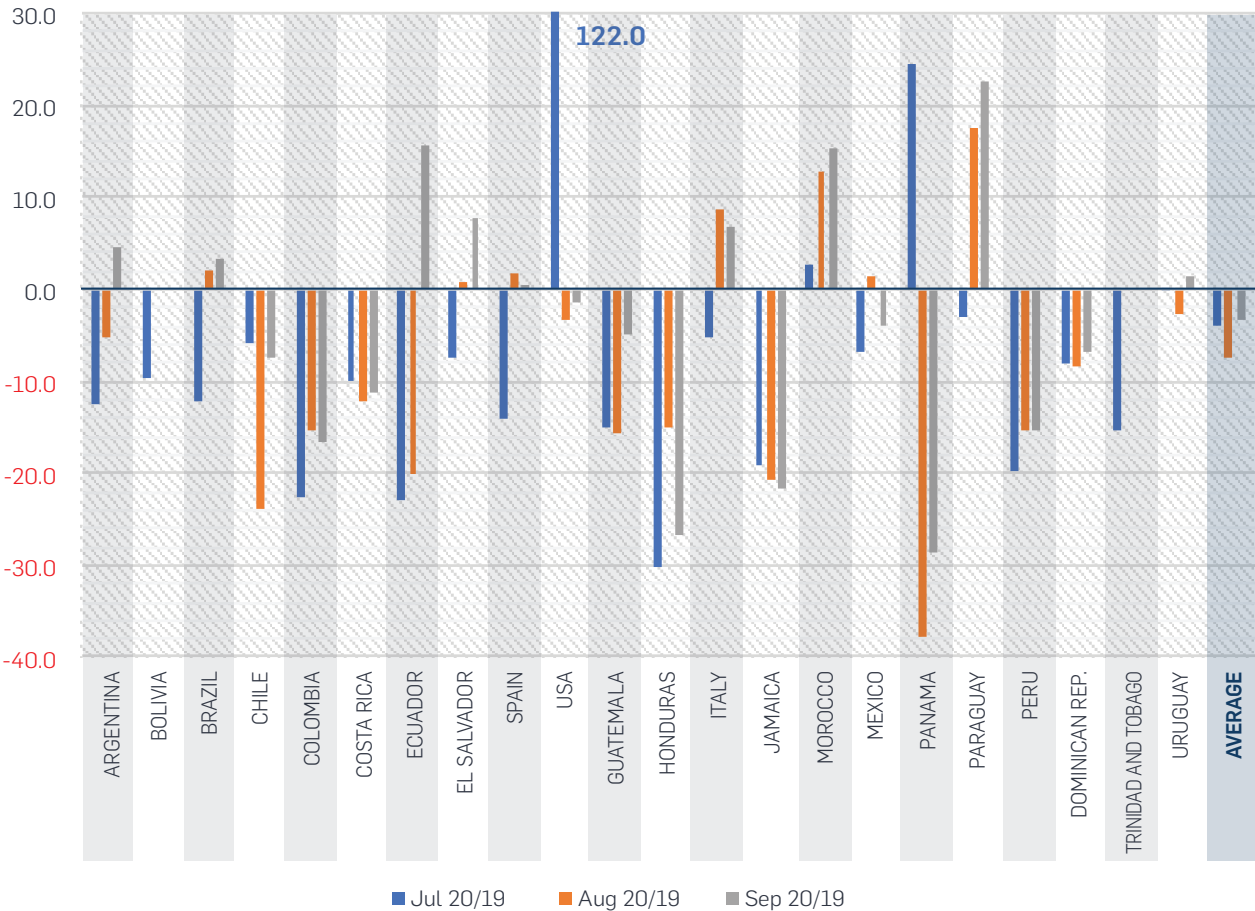
Source: *Drafted by the authors based on official information from the tax administrations.*

In terms of accumulated collection per month as of September of this year[8], the average global collection (Table 2) has followed a clearly downward trend since the positive data of the first two months (4.2% in January and 3.3% in February) until entering barely negative territory during March (-0.03%) and accentuating the year-on-year decline accumulated in the months of April, May, and June (-9.3%, -12.6% and -14.3%). However, as of July, this trend begins to slowly reverse. Despite showing negative values, one can see that the accumulated variation of global collection reached -13.1%, -12.1% and -11.2% in the months of July, August, and September, respectively.

Table 2. Evolution of the global collection of the tax administrations (in percentage of accumulated variation with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sep 20/19
Argentina	-5.48	-5.27	-6.15	-10.37	-12.55	-13.02	-12.94	-11.95	-10.29
Bolivia	-24.54	-16.44	-15.59	-38.23	-39.35	-38.80	-34.68		
Brazil	4.42	1.23	0.30	-6.17	-10.57	-12.63	-12.55	-10.81	-9.33
Chile	13.50	5.92	3.77	-13.78	-14.54	-17.13	-15.61	-16.59	-15.63
Colombia	9.45	8.67	6.20	-2.25	-6.14	-7.70	-9.85	-10.34	-11.22
Costa Rica	-4.26	3.06	2.90	-3.03	-7.44	-12.73	-12.38	-12.37	-12.22
Ecuador	5.24	-0.18	1.84	-12.26	-16.18	-17.57	-18.28	-18.50	-15.09
El Salvador	4.07	4.77	3.43	-10.34	-13.28	-11.81	-11.27	-9.99	-8.33
Spain	7.92	5.24	7.57	-4.99	-9.00	-11.02	-11.86	-10.12	-9.33
USA	6.85	7.82	5.99	-19.52	-20.39	-21.83	-4.64	-4.51	-4.11
Guatemala	8.06	7.81	-4.85	-0.64	-5.07	-6.96	-8.46	-9.23	-8.83
Honduras	4.39	1.77	-3.52	-16.16	-20.58	-26.19	-26.69	-25.49	-25.68
Italy	0.26	0.84	1.43	-4.51	-8.84	-11.33	-12.29	-13.24	-14.28
Jamaica	3.57	5.98	2.72	-2.99	-8.31	-10.26	-9.30	-6.64	-5.42
Morocco	7.08	9.28	10.54	3.82	0.76	3.02	2.96	3.93	5.39
Mexico	10.88	5.15	13.27	5.62	2.04	0.13	-0.78	-0.52	-0.86
Panama	4.48	7.25	-14.88	-23.68	-28.57	-37.23	-30.60	-31.33	-30.94
Paraguay	1.33	2.82	-1.72	-18.92	-22.65	-19.17	-16.44	-13.08	-8.44
Peru	4.02	2.01	-4.01	-13.98	-15.27	-18.75	-18.86	-18.45	-18.12
Dominican Rep.	3.96	3.67	-2.58	-16.58	-20.78	-20.93	-19.04	-17.77	-16.65
Trinidad and Tobago	-3.17	-6.99	-21.89	-21.96	-20.58	-21.32	-20.39		
Uruguay	1.28	-0.85	0.36	-2.18	-5.90	-5.52	-4.79	-4.52	-3.86
Average	4.18	3.33	0.03	-9.28	-12.56	-14.28	-13.05	-12.08	-11.16

Source: Drafted by the authors based on official information from the tax administrations.

8   When moving from the analysis of monthly variations to that of accumulated variations, it must always be borne in mind that the weight of the collection is not distributed evenly among the different months (nor with homogeneous patterns in the different countries). The RRC Database, used as the basis for the analysis, includes as a reference the guidelines for the temporary distribution of collection for each of the countries in 2019.

As in the monthly analysis, the identification of certain general trends such as those mentioned above is not enough to hide the high heterogeneity of realities among the countries analyzed. As of April, the countries that showed the greatest accumulated drops were Bolivia (-38.2%), Panama (-23.7%), US (-19.5%), Trinidad and Tobago (-22.0%) and Paraguay (-18.9%). When the data as of June are analyzed, it is observed that, in addition to these countries, some others such as Honduras (-26.2%), Dominican Republic (-20.9%), Peru (-18.8%), Ecuador (-17.6%) and Chile (-17.1%) join the group with the largest accumulated drops in the first half of the year. However, these drops tend to show a lower magnitude in September, particularly in the cases of the United States (-4.1%), Paraguay (-8.4%), Jamaica (-5.4%) and the Dominican Republic (-16.7%). In general, if the collection as of June is compared with accumulated collection though September, all the other countries show a gradual improvement, despite being in negative territory, except for Colombia, Italy, Guatemala and, slightly, Mexico. Indeed, these cases are the countries that continue to register a deterioration in their tax revenues. For its part, Morocco is the only country under analysis that shows positive cumulative variations (Graph 2).

Graph 2. Evolution of the global collection of the tax administrations (in accumulated variation percentages with respect to the same month of the previous year; constant prices; July, August and September 2020)

■ Jul 20/19 ■ Aug 20/19 ■ Sept 20/19
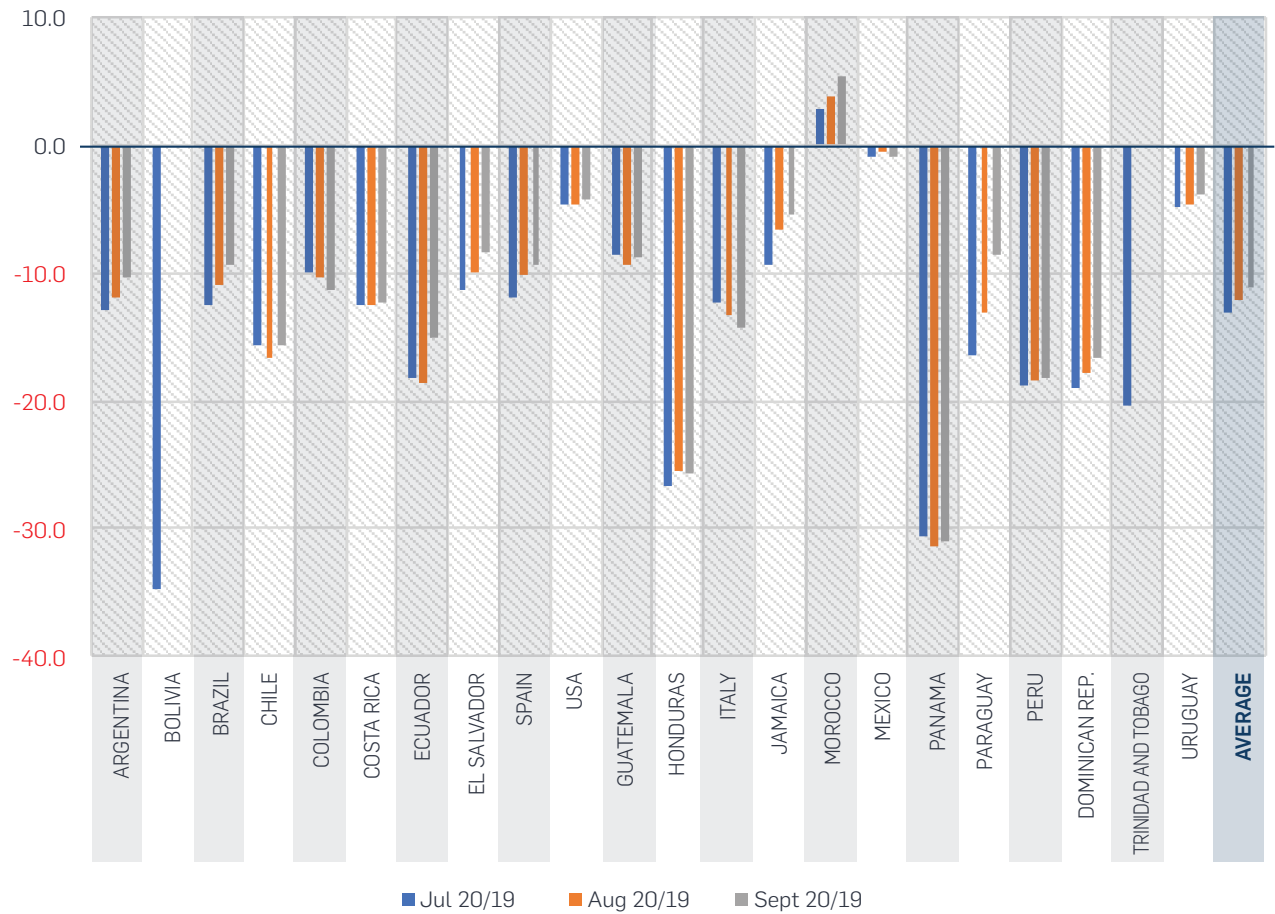
Source: Drafted by the authors based on official information from the tax administrations.

As can be seen below, the global decline has affected the different taxes unequally, which, given the different tax structures and the temporary distribution of their income throughout the year[9], offers much more detailed information on the impacts of the crisis.

1.2 Income Taxes (IT)

Income tax, jointly considering the contribution of individuals and corporations[10], registers an average increase in collection in the first two months of the year (5.5% in January and 6.5% in February), which confirms the trends identified in the previous RRC (September 2020) with the addition of new countries in the database. As of March, the resources associated with IT moved into negative territory, extremely high in April and somewhat less pronounced in May and June (-6.1%; -27.2%; -14.8% and -20.1%, respectively). Especially in the case of this tax, it should be considered that the collection calendar is quite different for months and, in many countries, one of the strongest periods of income is usually April (among them Bolivia; Dominican Republic, Peru, Mexico, US, El Salvador, Ecuador, Colombia, Chile, Paraguay)[11].

Consequently, the sharp average drop observed in said month is largely explained by the deferral or lengthening of the deadlines for filing or paying the tax, which has been one of the most widely used tax relief measures in most of the countries analyzed in response to the crisis caused by the COVID-19 pandemic. This, in turn, implied an increase in global IT collection in subsequent months, which was reflected in an increase of 9.7% in July (variation higher than that observed in January), 1.2% in August and 2.4% in September (Table 3). Although the United States is the key country to understand mainly the outstanding average increase observed in July (with a jump of 225% year-on-year), in September several countries registered positive variations of over 20% (Ecuador, Paraguay, El Salvador and Morocco, in order of importance).

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9   The "RRC Database" includes the information of the monthly composition of total collection by tax figures in 2020 and 2019 and, as we have already mentioned, the guidelines for the temporary distribution of collection for each of the countries in 2019.

10   We have opted for the aggregation of personal and corporate income taxes given the difficulty of separating sources in many of the cases. Information by country will allow a more detailed analysis when information is available. Recent paper "Equivalent fiscal pressure in Latin America and the Caribbean: An analysis of the stylized facts in the past decade / 2019," CIAT Working Papers 5-2019" provides figures about the possible disaggregation between personal and business income taxes in the different countries.

11   There are clear exceptions such as Spain (July, October), Italy (December) or Brazil (between August and December). The rest usually have a peak of tax collection in March (Panama, Costa Rica, Morocco) or May (Argentina).

Table 3. Evolution of income tax collection (in monthly variation percentages with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-11.78	-10.77	-11.75	-30.64	-23.65	-23.10	-23.66	-2.31	5.51
Bolivia	-66.63	-2.62	-7.19	-90.47	3.39	140.59	-29.77		
Brazil	10.96	-8.76	3.79	-19.51	-14.30	-1.29	-11.91	-9.98	9.97
Chile	19.16	4.56	4.94	-52.45	-23.90	-54.30	5.30	-21.69	-6.15
Colombia	18.33	6.37	4.32	-28.14	0.12	-11.46	-12.65	-9.32	-8.33
Costa Rica	-26.61	14.22	-4.51	10.41	18.58	-38.62	-6.56	2.86	-9.18
Ecuador	5.47	-1.25	-6.58	-33.60	-6.86	-2.83	-12.13	-13.92	72.06
El Salvador	5.01	10.51	-3.72	-36.25	-17.21	24.20	18.02	25.83	33.76
Spain	14.99	6.19	25.50	-38.16	-18.96	-26.69	-4.48	6.01	12.28
USA	8.71	17.95	0.97	-79.09	-55.90	-49.49	225.01	-13.57	-14.39
Guatemala	16.52	5.73	-36.59	30.63	-14.13	-17.67	-5.41	-18.68	-17.36
Honduras	24.28	-4.85	-29.60	-33.87	-27.31	-63.64	-22.70	31.84	-34.21
Italy	2.64	3.93	-0.86	-8.86	-13.79	-5.93	0.83	26.78	12.20
Jamaica	3.25	14.90	1.67	3.87	8.03	-10.15	-8.26	-9.96	-15.04
Moroccos	3.22	8.71	12.73	-25.43	7.86	28.77	15.82	5.20	24.05
Mexico	0.74	-2.74	39.89	-26.20	2.26	1.72	0.80	0.27	-9.01
Panama	12.96	41.16	-45.39	-33.13	-28.60	-66.70	85.45	-26.45	-24.53
Paraguay	-9.30	33.13	-12.26	-68.18	-61.91	7.21	-8.11	68.03	36.58
Peru	4.25	6.70	-24.44	-33.96	22.03	-45.43	-18.28	-14.90	-21.52
Dominican Rep.	16.14	7.76	-6.98	-43.24	-26.05	-29.97	6.60	5.58	4.40
Trinidad and Tobago	-5.09	-11.57	-43.71	-21.31	-17.76	-38.71	-23.63		
Uruguay	0.84	-6.37	5.23	-4.26	-19.61	1.28	3.99	-6.92	-2.65
Average	**5.46**	**6.45**	**-6.06**	**-27.21**	**-14.81**	**-20.13**	**9.72**	**1.24**	**2.42**

Source: Drafted by the authors based on official information from the tax administrations.

Meanwhile, while Argentina, Brazil, Ecuador, Panama, and Peru show a drop in tax collection in almost every month, the first three cases show a clear trend change in September[12]. This is particularly significant in the case of Ecuador, which registers the highest positive variation of the countries under analysis (72.1%). In contrast, Honduras, Panama, and Peru show the most relevant decreases in September, being equivalent to -34.2%, -24.5% and -21.5%, respectively (Graph 3). Mexico constitutes a case to be highlighted because, unlike other countries, from May to August the information available reflects positive interannual variations. However, this country shows a decreasing trend in the performance of the tax, registering a decrease of 9.0% in September.

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12   In the cases of Argentina and Brazil, preliminary figures for the month of October confirm this trend.

Graph 3. Evolution of IT collection (in monthly variation percentages with respect to the same month of the previous year; constant prices; July, August, and September 2020)

■ Jul 20/19   ■ Aug 20/19   ■ Sept 20/19
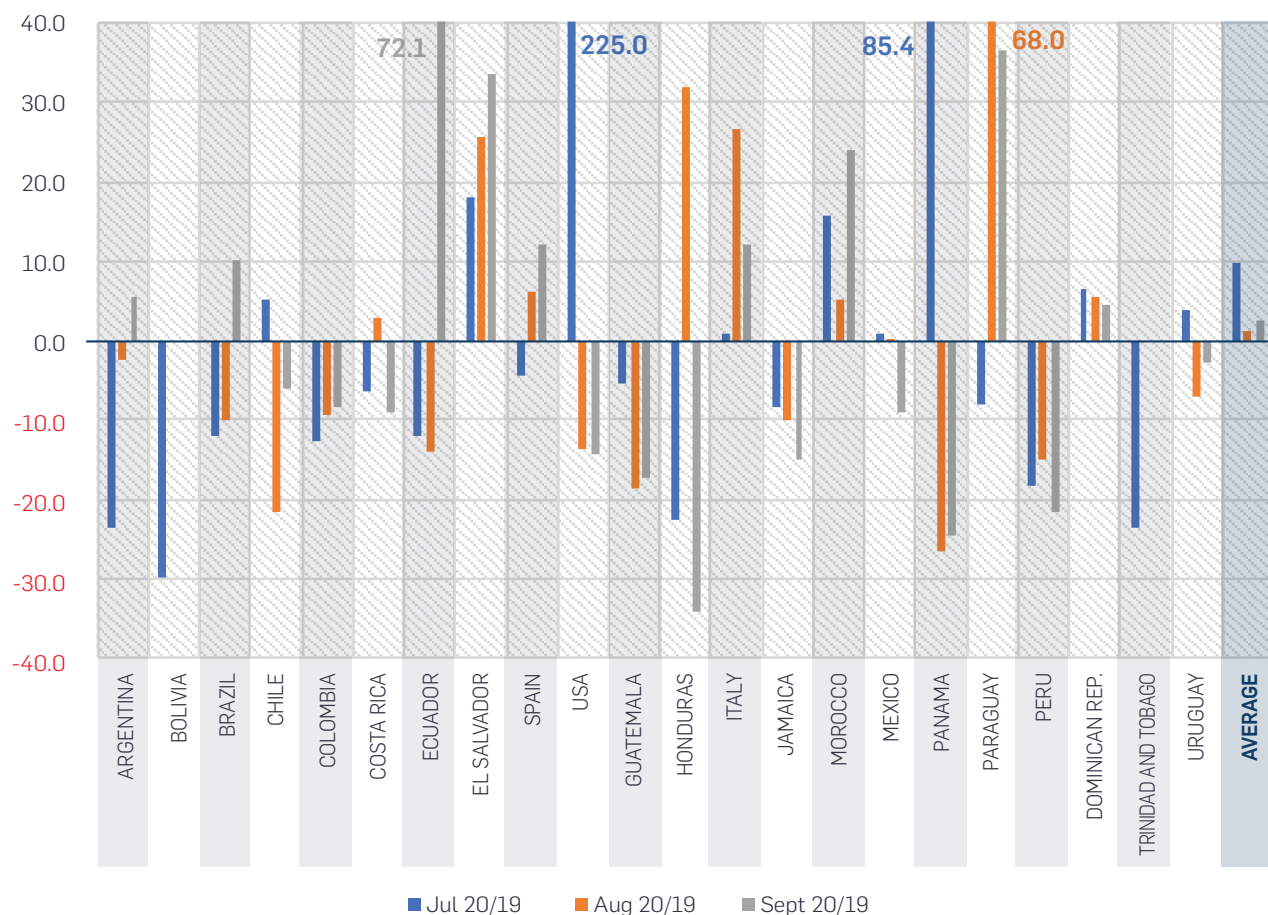
Source: Drafted by the authors based on official information from the tax administrations.

The accumulated IT collection, after the slight increases in January and February (5.5% in both periods) entered slightly negative territory in March (-0.1%), accentuating the decline in the following months until reaching its lowest minimum (-14.9%) in the month of June (Table 4), showing slightly higher reductions (but in the same trend line) than those reported in the overall revenue due to the collection calendar and the deferments adopted by countries. These changes in the calendars, in turn, had as a correlation an increase in the collection of this tax in subsequent months, causing the decreasing trend that had been observed since March to reverse from July, despite continuing to record decreases in the accumulated collection (although to a lesser extent than in previous months).

Table 4. Evolution of IT collection (in accumulated variation percentages with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-11.78	-11.29	-11.42	-16.23	-18.46	-19.56	-20.15	-17.91	-15.85
Bolivia	-66.63	-55.49	-45.80	-69.70	-55.28	-45.15	-42.67		
Brazil	10.96	3.67	3.70	-2.64	-4.44	-3.95	-5.17	-5.71	-4.33
Chile	19.16	12.18	9.91	-23.96	-23.97	-27.57	-23.42	-23.24	-21.53
Colombia	18.33	12.43	10.35	-4.85	-3.97	-5.84	-6.55	-6.84	-6.99
Costa Rica	-26.61	-14.30	-9.52	-6.07	-3.43	-11.46	-10.91	-9.84	-9.74
Ecuador	5.47	3.05	-0.44	-19.34	-17.82	-16.42	-15.97	-15.77	-8.27
El Salvador	5.01	7.23	3.85	-17.42	-17.40	-12.98	-9.80	-6.61	-3.46
Spain	14.99	11.58	14.90	-5.96	-8.31	-9.81	-7.98	-5.72	-4.59
USA	8.71	10.69	7.89	-36.02	-38.45	-40.48	-10.30	-10.56	-11.17
Guatemala	16.52	12.06	-10.28	2.74	0.25	-1.95	-2.66	-4.08	-5.19
Honduras	24.28	10.72	-5.27	-23.52	-23.96	-35.69	-34.81	-31.06	-31.71
Italy	2.64	3.10	2.06	-0.20	-2.57	-3.08	-2.25	1.89	2.88
Jamaica	3.25	8.90	4.13	4.10	4.50	1.32	0.51	-0.29	-2.48
Morocco	3.22	5.48	9.88	3.36	3.91	9.79	10.41	10.03	12.29
Mexico	0.74	-0.79	12.98	1.02	1.21	1.29	1.23	1.13	0.15
Panama	12.96	26.03	-12.35	-16.42	-18.38	-35.24	-24.65	-24.80	-24.75
Paraguay	-9.30	5.90	-1.62	-32.11	-41.53	-34.74	-29.35	-23.57	-14.13
Peru	4.25	5.30	-6.80	-16.49	-10.70	-14.59	-14.96	-14.96	-15.53
Dominican Rep.	16.14	12.62	6.30	-12.94	-15.00	-17.19	-13.65	-11.65	-10.20
Trinidad and Tobago	-5.09	-7.18	-30.85	-28.34	-27.30	-30.09	-29.16		
Uruguay	0.84	-2.53	-0.06	-1.19	-5.16	-4.25	-3.16	-3.61	-3.51
Average	**5.46**	**5.47**	**-0.13**	**-12.02**	**-12.90**	**-14.88**	**-12.04**	**-10.16**	**-8.91**

Source: Drafted by the authors based on official information from the tax administrations.

In the analysis at the country level, Honduras, Panama, and Chile report the largest accumulated drops, reaching -31.7%, -24.8% and -21.5% in September respectively, although to a lesser extent than observed until June. Bolivia would also join this group although the available data is only available until the month of July (-42.7%). Some countries accumulate drops throughout the analyzed period, such as Argentina (-15.9%), Peru (-15.5%) and the United States (-11.2%). Only a couple of countries in the surveyed sample still show positive figures (Morocco and Mexico), including Italy since August within this group (Graph 4).

Graph 4. Evolution of IT collection (in accumulated variation percentages with respect to the same month of the previous year; constant prices; July, August, and September 2020)

Jul 20/19   Aug 20/19   Sept 20/19
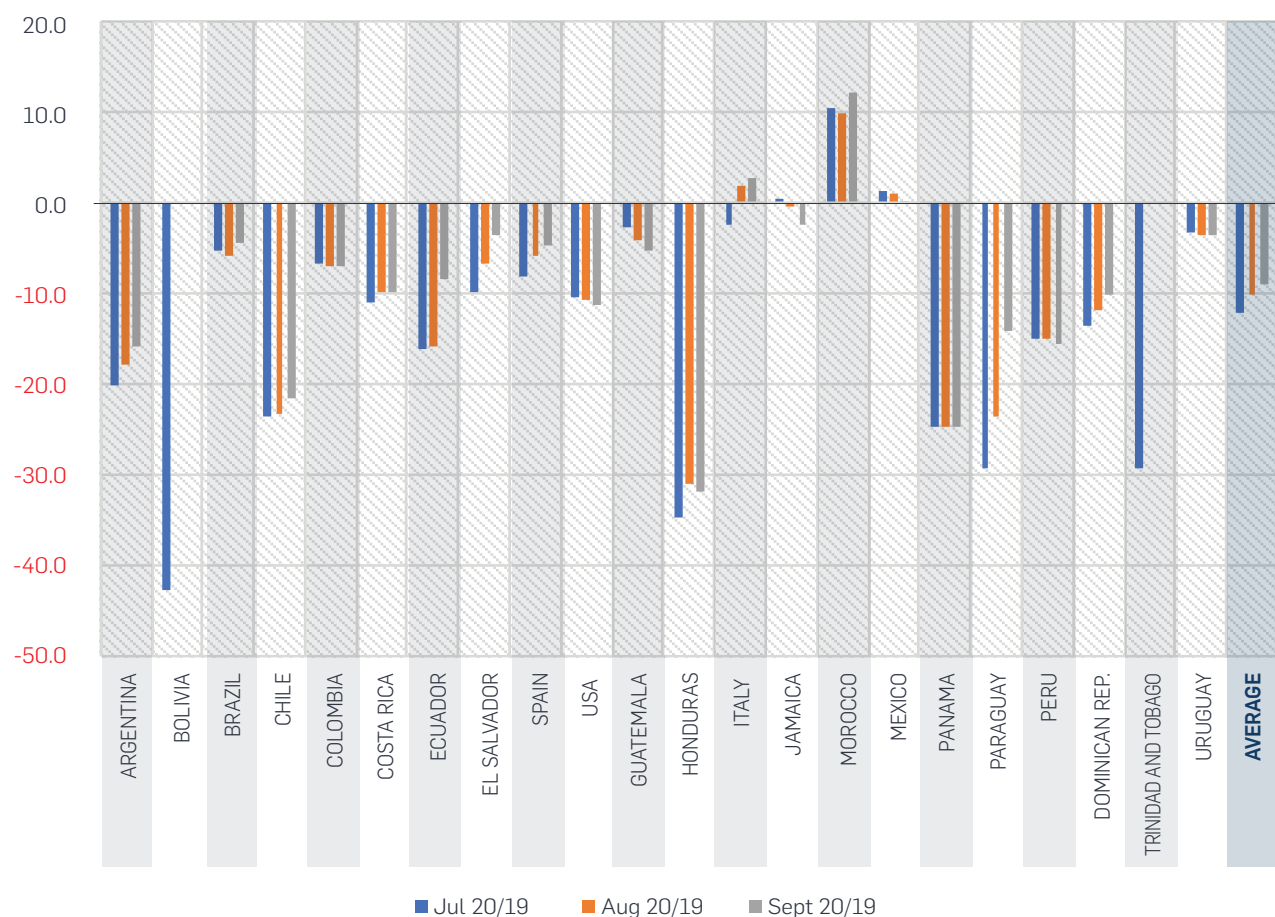
1.3   Value Added Tax (VAT)

VAT, being the main instrument of tax collection in most of the countries analyzed and having partially cushioned the deep decline in global collection during the month of April, since July has registered an improvement in global inter-annual collection, although still negative terrain. Indeed, after the greater decline observed in May (-30.1%), it is observed that the relative falls in recent months with available information have been narrowing to -17.5% in June, -14.8% in July, -11.5% in August, and -6.9% in September, all compared to the same month of 2019 (Table 5).

Table 5. Evolution of VAT collection (in percentages of monthly variation with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-2.68	-8.95	-15.32	-25.62	-27.74	-22.21	-22.71	-20.59	-10.13
Bolivia	-11.60	-17.10	-20.14	-79.86	-65.23	-82.26	-26.24		
Brazil	4.73	2.89	2.83	-14.82	-24.26	-11.27	-3.05	3.41	6.60
Chile	18.09	-13.10	-14.79	-20.15	-39.95	-27.98	-9.24	-18.51	-7.14
Colombia	6.76	8.76	-1.32	-12.18	-29.94	-24.60	-27.00	-21.51	-17.76
Costa Rica	16.31	26.04	16.48	-36.13	-41.51	-22.34	-4.30	-9.24	-9.73
Ecuador	6.62	-10.72	-6.77	-38.61	-46.94	-37.92	-31.96	-25.14	-4.86
El Salvador	8.63	3.22	4.39	-20.75	-33.60	-22.26	-19.66	-9.64	-0.94
Spain	-5.93	2.23	16.09	-28.73	-28.75	-31.58	-32.28	-5.16	-7.77
USA									
Guatemala	7.36	4.83	-28.19	7.55	-23.52	-14.56	-15.85	-13.33	-3.38
Honduras	0.15	-0.42	-11.58	-41.32	-44.39	-34.32	-33.25	-23.21	-18.87
Italy	5.87	-1.03	-14.97	-32.65	-29.30	-25.24	-8.09	-7.12	9.71
Jamaica	2.87	-5.44	3.64	-30.46	-41.39	-24.58	-21.83	-17.30	-14.99
Morocco	22.60	9.65	14.08	-7.30	-23.42	-5.08	0.96	11.35	8.77
Mexico	20.86	8.96	24.44	8.28	-36.45	-26.31	-19.50	14.15	-3.73
Panama	-6.80	-12.18	-21.29	-62.08	-68.28	-63.70	-32.62	-48.79	-44.19
Paraguay	9.48	-2.74	-6.66	-35.38	4.36	-2.09	6.50	3.50	11.62
Peru	0.76	-3.33	-11.13	-35.60	-39.50	-35.90	-22.94	-17.25	-12.07
Dominican Rep.	4.52	5.61	-24.42	-46.40	-34.56	-12.50	-18.45	-9.47	-10.63
Trinidad and Tobago	1.49	-18.03	5.90	-12.23	22.37	94.94	17.19		
Uruguay	6.24	-3.82	-0.31	-9.27	-16.23	-0.70	2.12	-4.15	-1.65
Average	**6.40**	**-0.38**	**-3.45**	**-24.69**	**-30.15**	**-17.51**	**-14.80**	**-11.47**	**-6.90**

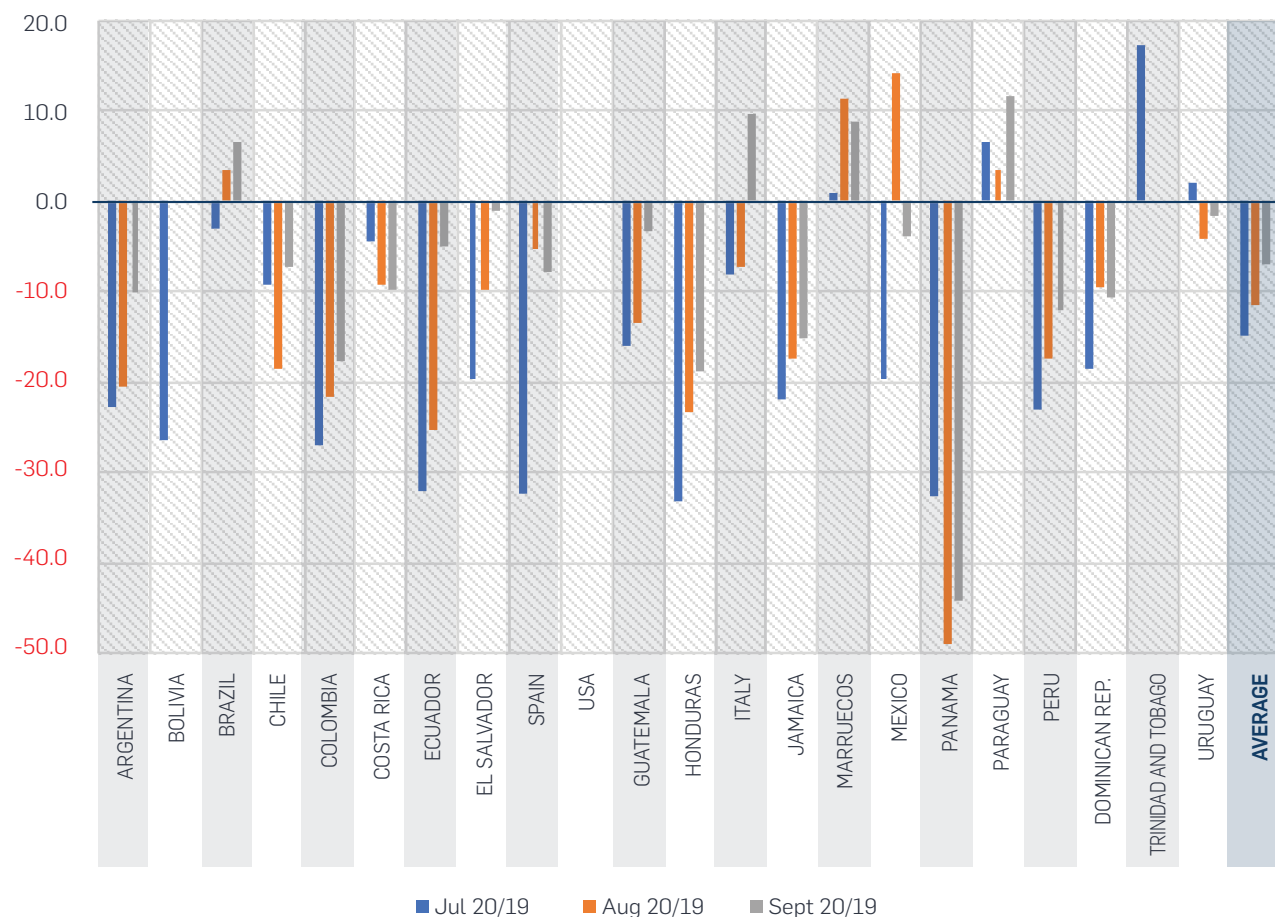*Source: Drafted by the authors based on official information from the tax administrations.*

NOTE: *In the USA and Brazil there is no VAT at the federal level. In the second case, however, the figures corresponding to the state ICMS are considered. Therefore, the calculated average does not include the USA.*

Despite the heterogeneity that characterizes the set of countries included in the database that provides information to this Report, the general trends are also confirmed in the case of VAT. In this sense, unlike what was observed in the previous edition of the RRC (September 2020), the latest data available shows a recovery in the year-on-year VAT collection in most of the countries under analysis, even though many of them continue to show negative values[13]. However, the magnitude of these variations shows clear differences between countries (Graph 5). On one extreme are cases with the greatest decrease in the month of September, such as Panama (-44.2%), Honduras (-18.9%), Colombia (-17.8%) and Jamaica (-15.0%). This contrasts sharply with the much more limited increases or drops observed in countries such as Paraguay (11.6%), Italy (9.7%), Morocco (8.8%) and Brazil (6.6%), on the one hand, or El Salvador (-0.9%) and Uruguay (-1.7%), on the other.

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13   For the month of October and on a preliminary basis, except for Argentina, which reported its first positive real monthly variation throughout the current year, most countries continue to show relative drops in VAT collection, although with some moderation in its magnitude.

Graph 5. Evolution of VAT collection (in percentages of monthly variation with respect to the same month of the previous year; constant prices; July, August, and September 2020)

Source: Drafted by the authors based on official information from the tax administrations.

In accumulated values up to the month of September, the decrease in VAT revenues is aligned with that of total collection, reaching almost 13%, after the first three months of the year in positive territory although with limited variations. As can be seen from Table 6, and unlike what is observed regarding IT, the deepest relative falls in accumulated terms occurred with a certain lag in the months of August and September of this year. At the country level, the cumulative decreases of Bolivia (-42.4%

as of July), Panama (-39.6%), Honduras (-22.8%), Ecuador (-21.4%), and Peru (-19.3%). On the contrary, the relative resilience of this tax in terms of its collection stands out despite the contractionary effects of the pandemic -which also helped the drop in global collection to be no greater than that registered- in cases such as Morocco (+3.4%), Trinidad and Tobago (+11.6% as of July), Paraguay (-1.1%), Mexico (-2.0%), Uruguay (-3.1%) and Brazil (-3.6% for the subnational ICMS)[14].

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14   Both in this and in most of the cases surveyed, VAT revenues in the domestic market and those derived from effective imports of goods and services are considered jointly.

Table 6. Evolution of VAT collection (in accumulated variation percentages with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-2.68	-5.60	-8.68	-12.90	-15.97	-17.02	-17.85	-18.20	-17.33
Bolivia	-11.60	-14.14	-15.97	-31.86	-38.19	-45.04	-42.41		
Brazil	4.73	3.85	3.52	-1.13	-5.70	-6.61	-6.10	-4.88	-3.57
Chile	18.09	2.56	-3.02	-7.15	-13.56	-15.70	-14.82	-15.30	-14.38
Colombia	6.76	7.16	4.22	2.21	-6.49	-8.01	-11.49	-12.15	-13.13
Costa Rica	16.31	20.63	19.32	6.59	-2.80	-5.77	-5.55	-6.06	-6.53
Ecuador	6.62	-0.91	-2.61	-11.25	-18.52	-21.58	-23.08	-23.34	-21.36
El Salvador	8.63	6.15	5.59	-0.96	-7.46	-9.84	-11.32	-11.12	-10.02
Spain	-5.93	0.55	3.15	-4.93	-9.12	-11.17	-15.87	-14.97	-14.41
USA									
Guatemala	7.36	6.21	-4.86	-1.78	-6.30	-7.62	-8.84	-9.42	-8.75
Honduras	0.15	-0.11	-3.80	-13.03	-19.09	-21.49	-23.27	-23.26	-22.76
Italy	5.87	1.64	-4.68	-12.22	-16.98	-18.35	-16.88	-15.12	-13.01
Jamaica	2.87	-1.24	0.27	-7.68	-15.12	-16.65	-17.40	-17.38	-17.13
Morocco	22.60	16.42	15.64	9.55	2.87	1.62	1.52	2.76	3.41
Mexico	20.86	15.47	18.33	16.17	4.50	-0.61	-3.68	-1.80	-2.00
Panama	-6.80	-9.24	-12.85	-25.21	-33.64	-38.52	-37.72	-39.07	-39.62
Paraguay	9.48	3.46	0.22	-8.31	-5.83	-5.22	-3.52	-2.61	-1.05
Peru	0.76	-1.05	-3.99	-11.70	-17.23	-20.26	-20.63	-20.21	-19.28
Dominican Rep.	4.52	5.00	-4.48	-14.99	-19.10	-18.03	-18.09	-17.01	-16.32
Trinidad and Tobago	1.49	-7.08	-3.79	-5.58	0.25	10.25	11.59		
Uruguay	6.24	1.62	0.99	-1.38	-4.60	-4.00	-3.12	-3.24	-3.06
Average	**6.40**	**3.27**	**0.92**	**-5.28**	**-10.49**	**-11.73**	**-12.31**	**-13.28**	**-12.65**

Source: Drafted by the authors based on official information from the tax administrations.

In general, when observing the evolution of accumulated VAT collection, one can see that the recovery has been very minor during the last quarter with available data (Graph 6). This stylized fact could be associated both with the depth of the drops in previous months (which are difficult to compensate) as well as with a relatively slower reopening of people's mobility (as will be evaluated in the next section of the Report) and a level of economic activity still well below pre-pandemic levels that slows VAT collection in most countries.

Graph 6. Evolution of VAT collection (in accumulated variation percentages with respect to the same month of the previous year; constant prices; July, August, and September 2020)

Jul 20/19   Aug 20/19   Sept 20/19
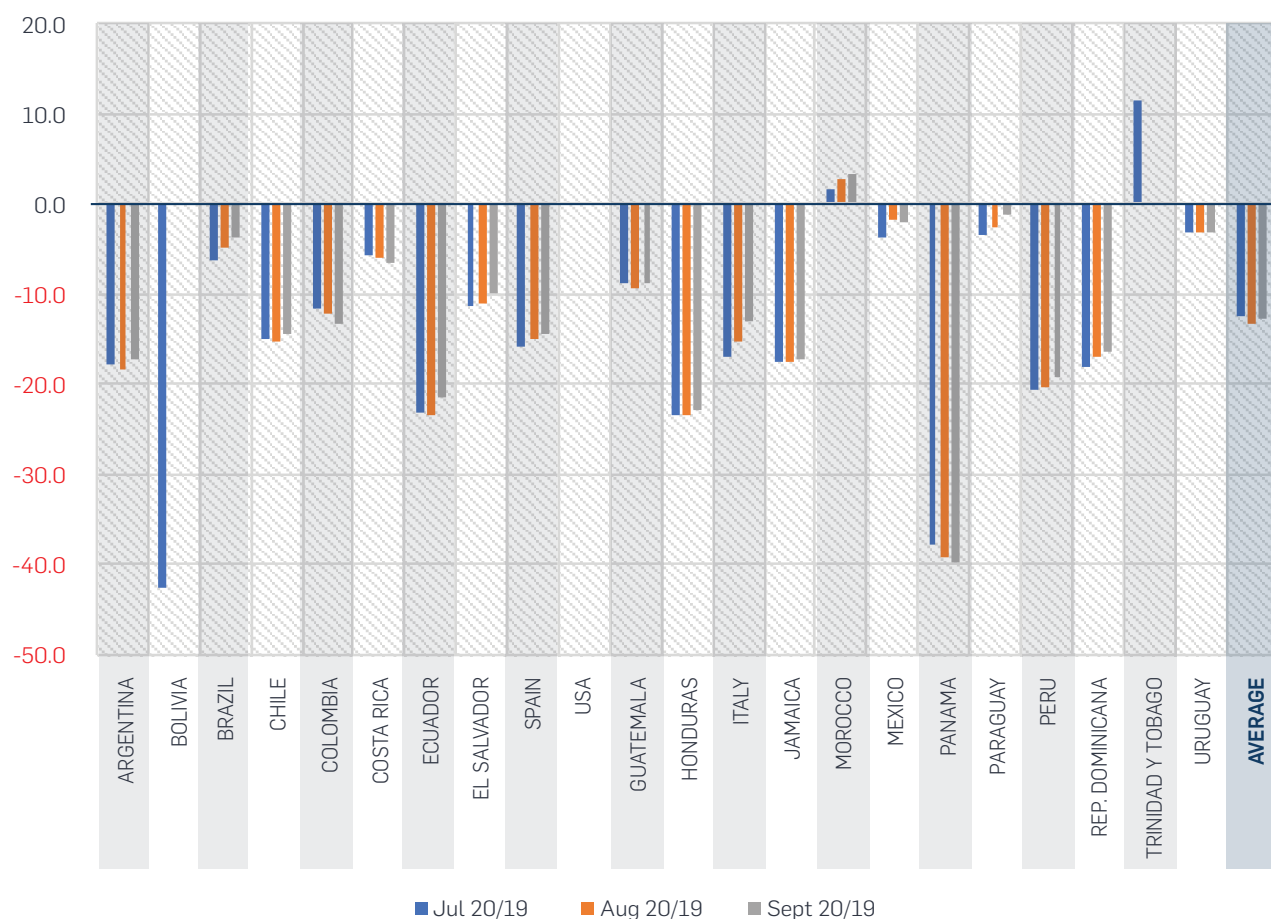
Source: Drafted by the authors based on official information from the tax administrations.

1.4   Excise Taxes

As indicated in the previous Report, the initial restrictions on mobility and the shutdown of commercial and industrial activities adopted to prevent the spread of the COVID-19 pandemic in the context of the different countries (which, even with some gradual slowdown, were also maintained or extended in several cases until September) have been determining factors for the Excise Taxes to register the largest monthly collection drops, especially since April

(-37.9%) and continuing until May (-41.2%) and June (-29.9%). As observed with other taxes, as of July the interannual collection of Excises shows a recovery, limiting the interannual decreases but continuing in negative territory (Table 7). On average, for the last quarter analyzed, the Excise Taxes group shows declines of -15.5% in July, -14.6% in August, and -8.4% in September.

Table 7. Evolution of Excise Taxes collection (in monthly variation percentages with respect to the same month of the previous year; constant prices; January - September 2020)

| Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-20.77	1.07	-20.37	-40.63	-7.30	6.53	58.13	5.13	5.83
Bolivia	10.45	11.10	-4.35	-97.81	-92.30	-96.44	109.30		
Brazil	-7.80	-3.76	-10.93	-27.62	-34.19	-26.79	-11.33	6.26	12.66
Chile	-15.38	-14.50	16.37	34.70	-8.76	-4.88	-11.85	-51.93	-22.21
Colombia	-2.88	13.26	-12.18	-63.07	-67.21	-28.71	-56.27	-14.98	-49.29
Costa Rica	11.85	4.39	10.80	-41.31	-51.60	-48.12	-9.36	-28.05	-19.82
Ecuador	3.96	-4.56	5.32	-48.94	-58.78	-35.39	-29.57	-20.77	-20.87
El Salvador	-4.69	16.68	5.27	-14.79	-18.13	-24.15	-1.77	2.19	-11.88
Spain	4.19	3.46	4.44	-7.06	-45.64	-33.56	-12.16	-10.88	-15.38
USA	-9.17	22.03	-19.43	-95.04	-64.47	-48.60	-21.64	-3.98	115.61
Guatemala	6.18	21.58	-14.70	-29.60	-41.19	-30.02	-11.62	-22.42	-2.22
Honduras	1.19	-0.91	1.91	-29.76	-46.97	-32.06	-26.95	-26.85	-20.53
Italy	1.91	2.42	2.84	-52.47	-65.78	-51.73	-37.83	-31.26	-19.66
Jamaica	-2.45	13.63	1.85	-43.02	-11.23	-42.35	-1.53	-34.56	-42.87
Morocco	-14.74	30.46	-4.15	-31.39	-12.44	4.40	-12.20	35.79	-8.21
Mexico	33.09	-19.82	-3.78	-0.27	-25.69	-14.72	-0.69	-15.33	10.25
Panama	2.93	1.03	-27.52	-78.45	-80.22	-72.80	-45.68	-53.65	-39.12
Paraguay	9.36	-6.85	-18.81	-49.37	-20.23	-19.87	-13.06	-21.38	-32.34
Peru	20.73	-1.15	15.10	-51.65	-61.62	-57.11	-24.20	-21.59	-28.54
Dominican Rep.	-9.65	-0.25	-4.48	-51.58	-44.97	-17.60	-7.42	-17.51	-13.72
Trinidad and Tobago	-4.42	-11.58	14.59	-48.43	-54.41	-9.42	-23.50		
Uruguay	-12.28	12.27	16.06	-26.65	-45.09	-39.04	-25.03	33.92	33.84
Average	**-0.42**	**3.76**	**-1.99**	**-37.92**	**-41.23**	**-29.81**	**-15.50**	**-14.59**	**-8.42**

Source: Drafted by the authors based on official information from the tax administrations.

At the country level, despite observing large gaps that respond in part to different tax structures on specific consumption (fuel, tobacco, beverages, various services, among others), in September significant drops continued to be observed in cases such as Colombia (-49.3%) and Jamaica (-42.9%); Bolivia had reported one of the biggest drops in June (-96.4%) with a notable recovery in July (+109.3%); the drops reported during September in Panama (-39.1%), Paraguay (-32.3%) and Peru (-28.5%) are also important[15]. On the contrary, some countries reported notable increases in the last surveyed months (Graph 7). For example, Argentina has shown a sustained growth in the interannual collection of Excises since June, with a jump of 58.1% in July and more limited positive variations in August and September. Meanwhile, both Brazil and Uruguay reported higher Excise Taxes revenue since August, while this increase is observed only in the month of September in Mexico and the United States, although the latter presents an exceptional variation (+115.6%).

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15   In several of these cases, based on preliminary information for the month of October, these profound reductions in the collection levels of all Excises was confirmed.

Graph 7. Evolution of Excise Taxes collection (in monthly variation percentages with respect to the same month of the previous year; constant prices; July, August, and September 2020)
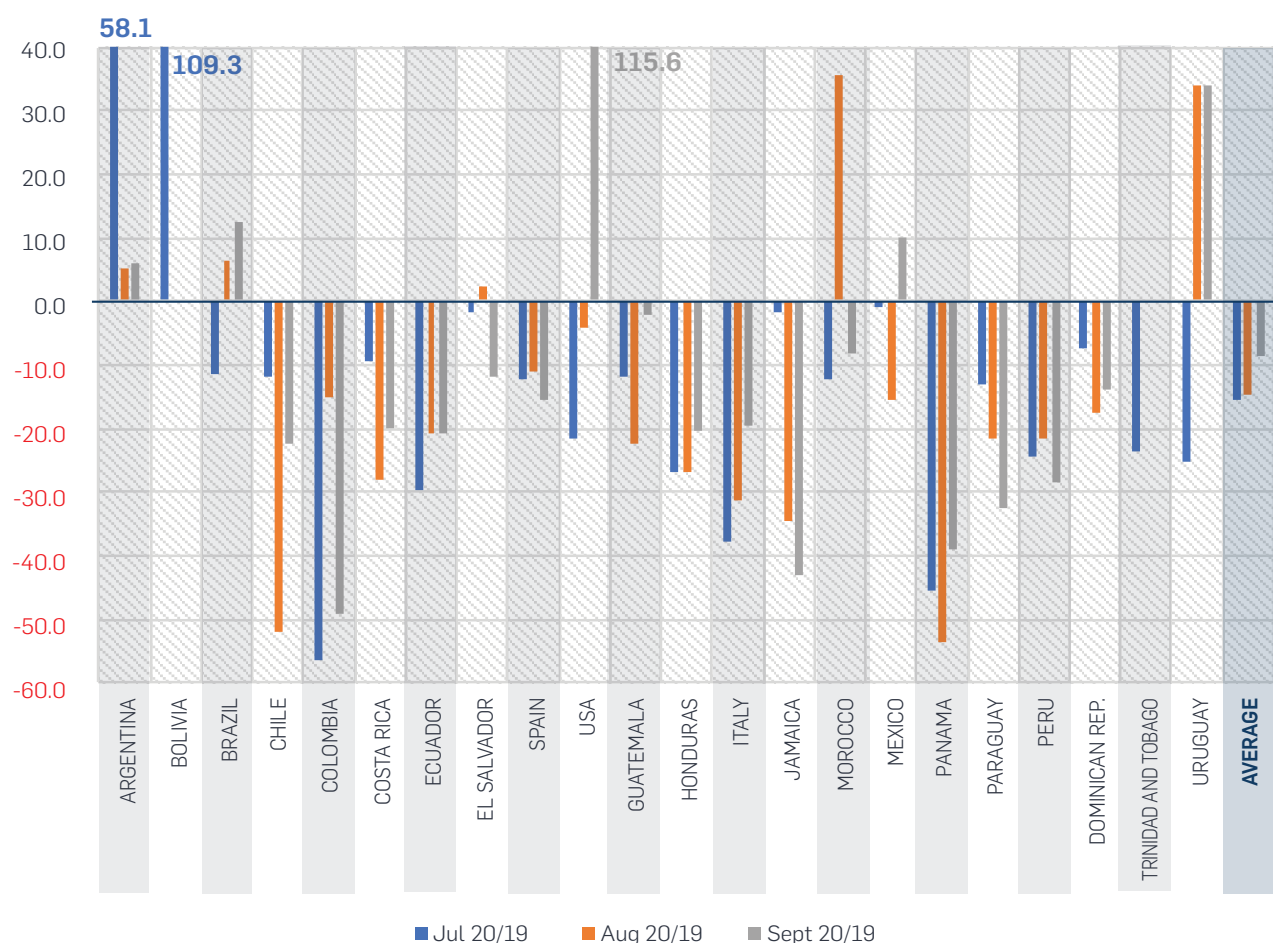
Source: Drafted by the authors based on official information from the tax administrations.

Despite a slowdown in the reductions observed in the inter-annual collection of these taxes, in cumulative terms up to September the average collection continues to register decreases like those observed in May (Table 8). In fact, on average the decline as of the month of September is around 17%, above the average decrease evidenced in VAT (-12.7%) and in the average value of global tax revenue (-11.2%). According to Graph 8, Panama continues to report the biggest decrease in accumulated collection (-43.8% as of September), followed by Colombia (-34.6%) and Italy

(-30.0%). In general, all the countries in the sample show decreases in their accumulated collections from May to September; some countries like Argentina, Brazil, Chile, or the Dominican Republic show declines throughout the year 2020. In the last quarter, a large group of countries shows some recovery (even in negative territory) and smaller accumulated variations, as in the cases of Argentina (-2.0%), Morocco (-2.1%), Mexico (- 3.7%), El Salvador (-5.9%) and Uruguay (-7.5%).

Table 8. Evolution of Excise Taxes collection (in accumulated variation percentages with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-20.77	-9.67	-13.03	-20.26	-18.11	-14.20	-4.41	-3.17	-2.04
Bolivia	10.45	10.74	5.93	-19.13	-31.99	-41.70	-22.43		
Brazil	-7.80	-5.94	-7.60	-12.61	-16.89	-18.52	-17.52	-14.58	-11.46
Chile	-15.38	-14.96	-7.96	-1.60	-2.78	-3.00	-4.24	-10.15	-11.42
Colombia	-2.88	0.15	-4.82	-11.06	-26.11	-26.28	-32.54	-31.64	-34.61
Costa Rica	11.85	8.03	8.94	-7.04	-16.16	-21.08	-19.94	-21.10	-20.97
Ecuador	3.96	0.22	1.83	-10.32	-20.26	-22.83	-23.83	-23.45	-23.17
El Salvador	-4.69	4.23	4.56	-0.27	-3.69	-7.01	-6.26	-5.15	-5.94
Spain	4.19	3.82	4.01	1.04	-8.46	-12.84	-12.73	-12.47	-12.81
USA	-9.17	4.57	-4.81	-28.28	-36.15	-38.25	-35.64	-31.33	-6.12
Guatemala	6.18	13.02	3.21	-4.86	-12.95	-15.63	-15.09	-16.10	-14.59
Honduras	1.19	0.19	0.73	-7.05	-15.08	-17.80	-19.07	-20.05	-20.11
Italy	1.91	2.20	2.42	-14.06	-25.39	-30.19	-31.36	-31.34	-30.04
Jamaica	-2.45	4.76	3.78	-7.21	-8.00	-14.99	-13.28	-16.19	-19.64
Morocco	-14.74	4.26	1.12	-6.89	-7.74	-5.80	-6.90	-1.27	-2.10
Mexico	33.09	8.14	4.65	3.57	-1.96	-3.99	-3.53	-5.25	-3.70
Panama	2.93	2.02	-7.93	-26.44	-37.10	-42.71	-43.11	-44.36	-43.78
Paraguay	9.36	0.23	-5.81	-15.99	-16.78	-17.23	-16.74	-17.29	-19.02
Peru	20.73	10.53	11.88	-3.94	-14.67	-22.41	-22.63	-22.50	-23.20
Dominican Rep.	-9.65	-5.44	-5.15	-16.24	-22.52	-21.76	-19.72	-19.44	-18.82
Trinidad and Tobago	-4.42	-8.32	-1.43	-14.90	-23.63	-21.56	-21.90		
Uruguay	-12.28	-2.66	2.93	-4.43	-11.53	-15.83	-17.16	-12.30	-7.50
Average	**-0.42**	**0.92**	**-0.40**	**-9.94**	**-16.47**	**-18.76**	**-18.46**	**-17.96**	**-16.55**

Source: *Drafted by the authors based on official information from the tax administrations.*

Graph 8. Evolution of the collection of Excise Taxes (in accumulated variation percentages with respect to the same month of the previous year; constant prices; July, August, and September 2020)

■ Jul 20/19   ■ Aug 20/19   ■ Set 20/19
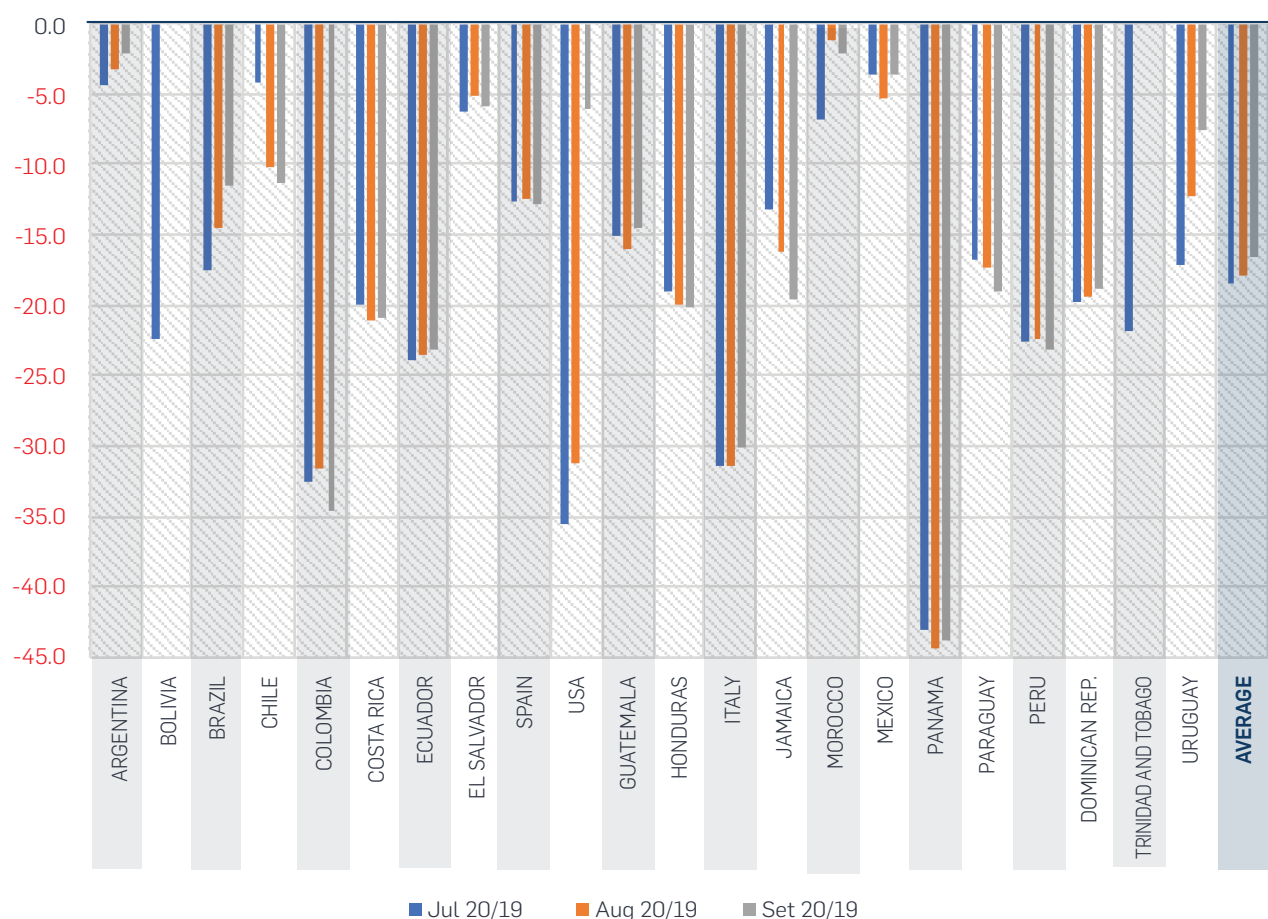
Source: Drafted by the authors based on official information from the tax administrations.

1.5   Other Revenue

The aggregate chapter of Other Revenue has less analytical importance given its high heterogeneity and residual character. However, in some administrations its weight is much more relevant than the average given their expanded collection powers -especially those referring to social security contributions-, and they may significantly affect the aggregate evolution of tax collections. Specifically, in Argentina the weight of Other Revenue has fluctuated between 48% and 55% of the total in the first nine months

of 2020, in Brazil between 41% and 54% of the total, and in the United States between 21% and 72%, while in the other countries surveyed, the representativeness of this tax structure component is generally below 20%[16].

The average monthly evolution of "Other Revenue" is in line with the other taxes previously analyzed, with a biggest drop in May (-35.5%) and more limited year-on-year decreases in recent months: -22.5% in June; -16.1% in July; -10.6% in August; and -2.7% in September, all with respect to the same month of 2019 (Table 9). By country,

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16   The monthly tax collection percentage structures for each country can be consulted at the following link: The Revenue Report COVID-19 | (ciat.org), "Monthly collection database (Annexes)."

except in the unique case of Chile (see the explanatory note at the bottom of Table 9), the marked decreases began to be observed early in the month of March in some cases such as Panama (-55.2%), with declines becoming widespread in April with examples such as Bolivia (-60.3%), Costa Rica (-50.9%), Honduras (-51.9%), Panama (-60.7%), Paraguay (-63.0%) and the Dominican Republic (-74.1%), with Guatemala (-74.5%) and El Salvador (-50.4%) in May joining the list of countries most affected in this set of taxes. Although Morocco and Spain also belonged to

this group of affected countries, since August they have reported a recovery, reaching increases of 12.1% and 16.2% in September, respectively (Graph 9). In turn, this recovery also occurs, among others, in the cases of Argentina, Brazil, Italy, Mexico and Uruguay, countries that previously recorded insignificant losses in collection. Consequently, in the month of September 9 countries (out of 20 with available information) of the surveyed group displayed positive interannual monthly variations in the category of "Other Revenue".
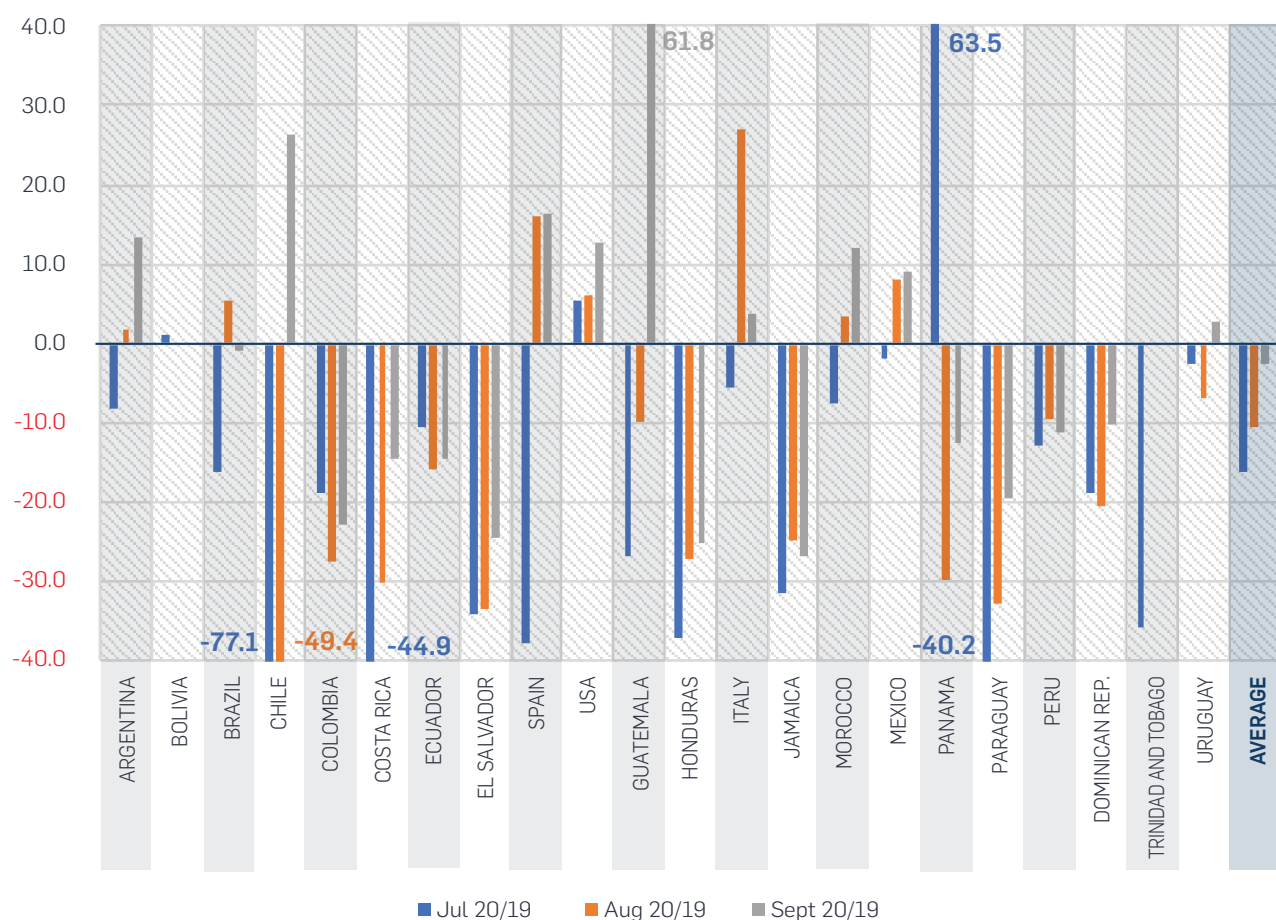
Table 9. Evolution of the collection of Other Revenue (in percentages of monthly variation with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-3.46	-0.97	-1.09	-17.10	-14.26	-7.51	-8.20	1.83	13.43
Bolivia	-1.64	7.37	-11.31	-60.27	-56.83	-17.84	1.10		
Brazil	1.69	-3.42	-5.69	-33.90	-38.70	-38.78	-16.32	5.58	-1.03
Chile	-27.40	-110.36	306.35	12.69	141.59	88.82	-77.07	-49.40	26.29
Colombia	-4.38	6.80	7.48	-34.60	-14.92	-24.67	-18.78	-27.56	-22.80
Costa Rica	-3.62	-7.78	-10.88	-50.93	-54.80	-49.81	-44.92	-30.23	-14.44
Ecuador	-0.32	-7.39	73.06	-35.30	-37.67	-22.84	-10.62	-15.85	-14.61
El Salvador	4.75	4.88	4.23	7.17	3.89	2.98	5.46	5.96	12.84
Spain	-14.93	-1.89	-4.31	-23.05	-50.39	12.96	-33.96	-33.44	-24.31
USA	-3.30	7.79	-32.76	-15.06	-41.50	-17.38	-37.72	16.11	16.23
Guatemala	1.33	20.68	-4.53	-5.64	-74.53	-49.41	-26.71	-9.83	61.77
Honduras	-2.43	0.26	-23.26	-51.90	-51.30	-20.47	-37.00	-27.06	-25.11
Italy	7.82	71.77	7.01	2.36	-31.45	-21.70	-5.60	26.91	3.91
Jamaica	-3.97	-5.33	2.09	-33.00	-41.17	-26.13	-31.54	-24.66	-26.73
Morocco	5.93	9.62	16.97	-36.95	-50.05	-22.45	-7.50	3.45	12.13
Mexico	-5.10	1.06	41.13	-0.42	21.43	-24.98	-1.75	7.97	9.03
Panama	12.45	0.42	-55.17	-60.67	-49.26	-41.60	63.49	-29.62	-12.56
Paraguay	-42.86	-17.05	-22.85	-63.04	-35.27	-19.46	-40.19	-32.87	-19.35
Peru	7.66	-4.28	-14.54	-40.50	-31.06	-30.53	-12.98	-9.68	-11.28
Dominican Rep.	-6.41	-6.31	-24.58	-74.11	-65.10	-33.25	-18.93	-20.49	-10.15
Trinidad and Tobago	-5.07	-4.59	4.45	-28.90	-41.38	-19.21	-35.63		
Uruguay	-6.51	-3.92	-5.31	-23.80	-11.48	4.80	-2.41	-6.91	2.79
Average[1]	**-3.04**	**3.02**	**-2.43**	**-30.97**	**-35.45**	**-22.47**	**-16.09**	**-10.55**	**-2.65**

Source: *Drafted by the authors based on official information from the tax administrations.*

/1 For the calculation of the average under "Other Revenue" (in the tables and graphs referred to this item), the data for Chile are not considered because they present too extreme variations (in addition to Bolivia, for the same reason), although it has been observed that the Other Revenue item represents only 1% of the total collection of this country.

Graph 9. Evolution of the collection of Other Revenue (in percentages of monthly variation with respect to the same month of the previous year; constant prices; July, August and September 2020)

Legend: ■ Jul 20/19   ■ Aug 20/19   ■ Sept 20/19

Source: Drafted by the authors based on official information from the tax administrations.

If the accumulated variations between January and September of this year are analyzed (Table 10), one can see that the drop in the collection of Other Revenue, on average, is somewhat higher than the global amount collected (-14.2%). As of the month of June, the decline of "Other Revenue", on average, was like that of the overall collection amount (-15.2%). However, as in the case of Excises, the recovery of the collection contributed by these taxes has been slower and weaker during the last quarter, which has resulted in little improvement in relative terms. At the country level, Paraguay is the country with the biggest cumulative drop as of September (-33.1%), followed by the Dominican Republic (-29.6%), Honduras (-27.8%), Costa Rica (-27.2%), Panama (-26.3%), Bolivia (-22.1% as of July) and Jamaica (-20.8%). The countries where this heterogeneous set of taxes is more relevant report, as of September 2020, more moderate declines (Argentina -4.3%, Brazil -13.9%) and even relative increases in the case of the United States (+5.8%), which has allowed them to cushion, in part, the significant collection losses reported in IT throughout the year (Graph 10).

Table 10. Evolution of the collection of Other Revenue (in accumulated variation percentages with respect to the same month of the previous year; constant prices; January - September 2020)

Countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
Argentina	-3.46	-2.34	-1.96	-5.57	-7.34	-7.37	-7.51	-6.31	-4.33
Bolivia	-1.64	2.39	-1.66	-18.72	-26.71	-25.49	-22.10		
Brazil	1.69	-0.58	-2.08	-9.58	-14.96	-18.64	-18.31	-15.45	-13.93
Chile	-27.40	-183.32	-664.12	111.21	120.32	116.19	77.96	55.16	52.85
Colombia	-4.38	0.81	2.98	-6.79	-8.75	-11.30	-12.44	-14.41	-16.17
Costa Rica	-3.62	-5.27	-6.71	-15.07	-21.60	-25.71	-28.20	-28.40	-27.19
Ecuador	-0.32	-3.74	21.90	7.89	-0.73	-4.39	-5.29	-6.54	-7.42
El Salvador	4.75	4.81	4.62	5.38	5.10	4.72	4.81	4.95	5.79
Spain	-14.93	-9.04	-7.57	-14.57	-19.76	-15.77	-17.92	-19.49	-19.94
USA	-3.30	2.37	-10.12	-12.00	-18.27	-18.15	-21.14	-18.11	-14.33
Guatemala	1.33	3.25	2.65	-0.99	-6.09	-8.79	-15.07	-14.90	-13.13
Honduras	-2.43	-1.12	-8.56	-22.31	-28.00	-26.86	-28.25	-28.11	-27.76
Italy	7.82	41.01	29.05	20.27	8.74	0.93	-0.99	1.69	1.86
Jamaica	-3.97	-4.62	-2.40	-9.86	-15.90	-17.48	-19.49	-20.10	-20.83
Morocco	5.93	7.18	10.99	3.33	-4.68	-7.00	-7.06	-6.13	-4.55
Mexico	-5.10	-2.22	11.74	8.59	11.14	3.92	3.10	3.73	4.32
Panama	12.45	6.09	-26.49	-34.40	-36.63	-37.34	-27.29	-27.57	-26.28
Paraguay	-42.86	-32.23	-28.27	-36.25	-36.08	-33.78	-34.80	-34.57	-33.14
Peru	7.66	1.51	-3.70	-17.06	-20.11	-21.94	-20.61	-19.21	-18.27
Dominican Rep.	-6.41	-6.36	-12.90	-29.25	-36.32	-35.88	-33.53	-31.96	-29.57
Trinidad and Tobago	-5.07	-4.85	-1.91	-8.95	-15.90	-16.46	-20.18		
Uruguay	-6.51	-5.20	-5.24	-9.50	-10.08	-7.55	-6.84	-6.85	-5.75
Average[1]	**-3.04**	**-0.53**	**-1.70**	**-9.34**	**-13.81**	**-15.24**	**-15.85**	**-15.14**	**-14.24**

Source: Drafted by the authors based on official information from the tax administrations.

/1 For the calculation of the average under "Other Revenue" (in the tables and graphs referred to this item), the data for Chile are not considered because they present too extreme variations (in addition to Bolivia, for the same reason), although it has been observed that the Other Revenue item represents only 1% of the total collection of this country.

Graph 10. Evolution of the collection of Other Revenue (in accumulated variation percentages with respect to the same month of the previous year; constant prices; July, August, and September 2020)

Jul 20/19   Aug 20/19   Sept 20/19
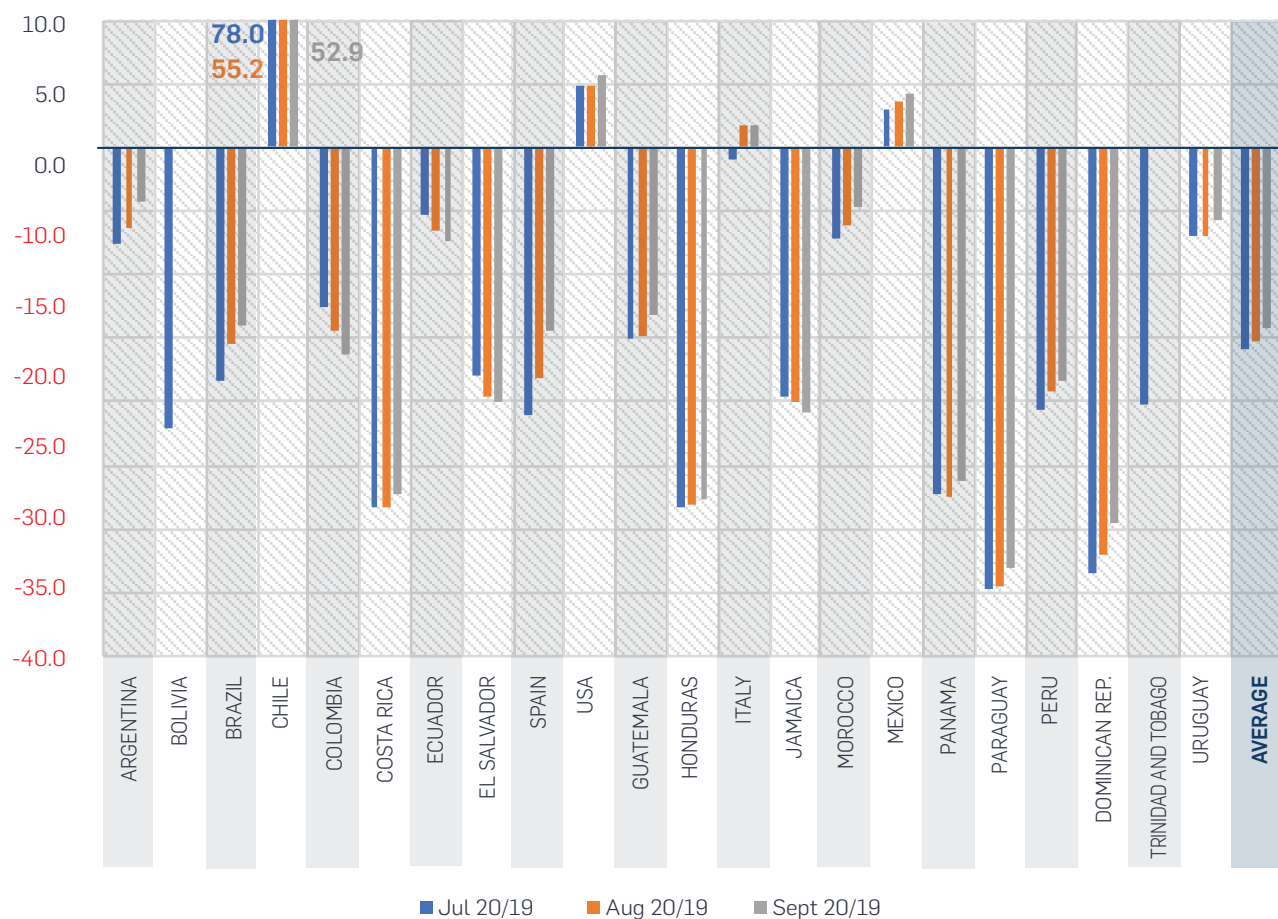
Source: Drafted by the authors based on official information from the tax administrations.

2. EVOLUTION OF THE ACTIVITY (MOBILITY OF PEOPLE) IN THE DIFFERENT COUNTRIES

About nine months (or three quarters) after the World Health Organization (WHO) began to characterize the COVID-19 situation as a global pandemic[17], the succession of events, occurrences, consequences, and policy responses has shown a frenetic, erratic, and uncertain pace in most of the countries of the planet. In general, although with different criteria, governments have been forced to implement various measures to control and restrict activity in all its forms, which has had an extremely negative impact on tax collection. To contrast its effects, we have used the mobility data collected and disseminated by the Google company, which also allows us to anticipate to a certain extent the revenue prospects for the following months.

On the one hand, Graph 11 shows a slight recovery in people's movements since mid-April in four different categories[18]. Although this growing trend in mobility could indicate an incipient rebound in economic activity in the countries under analysis, it should be noted that in November of this year the movement of people is still limited compared to the massive movements prior to the pandemic. However, travel to groceries and pharmacies, which in April reflected a reduction of 44.8%, have shown

a gradual improvement, falling to -9.2% in mid-November. It is followed in order of importance by the travel of people to their workplace, where a recovery is observed from April (-57.0%) to June (-32.5%), even though since October it seems to have remained around the -21.0%. As could be seen in the previous RRC (September 2020)[19], business activity in retail and recreation venues and visits to transit stations were the most affected by the effect of the pandemic. Although until May both categories showed practically the same level of activity, as of June there is a greater movement of people on public roads to make purchases in stores and visit leisure places, while transit stations, on average, show more activity from August. Since October, once again, the mobility related to the above activities display the same trend, showing values like those observed during March, around -33%.

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17   According to the speech made on March 11, 2020 by the Director of the WHO (Dr. T.A. Ghebreyesus).

18   The data used shows the rate of change in the number of visitors in the categorized places (or the time they spend in them) compared to a "reference day," which represents a normal value on that day of the week and is calculated as the mean value of the five-week period between January 3 and February 6, 2020. This paper considers the monthly average of the daily data for each of the countries analyzed.

19   Díaz de Sarralde, S., Morán, D., López, J., y Maldonado, G. (2020); "Revenue Report Covid-19 (RRC)," Working Document Series (ISSN 2219-780X), WP-02-2020, CIAT, Panama, September. WP-02-2020: Revenue Report COVID - 19 (RRC). September... | OPAC - CIAT

Graph 11. Variations in the mobility of people (monthly average by item; average of the countries analyzed; in percentages)
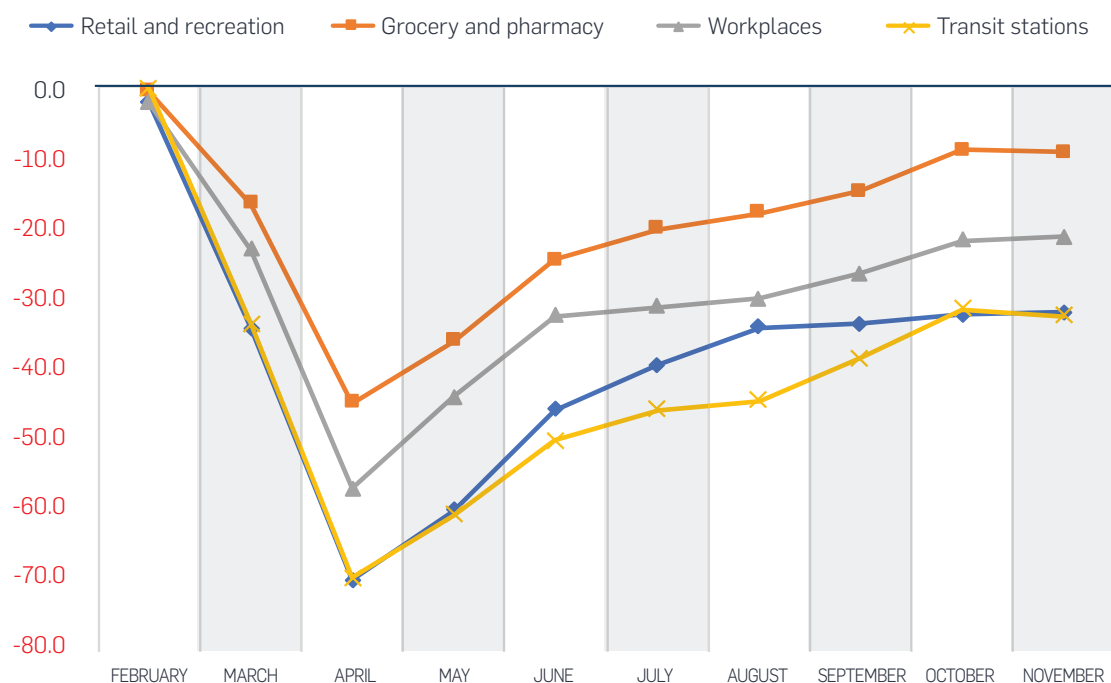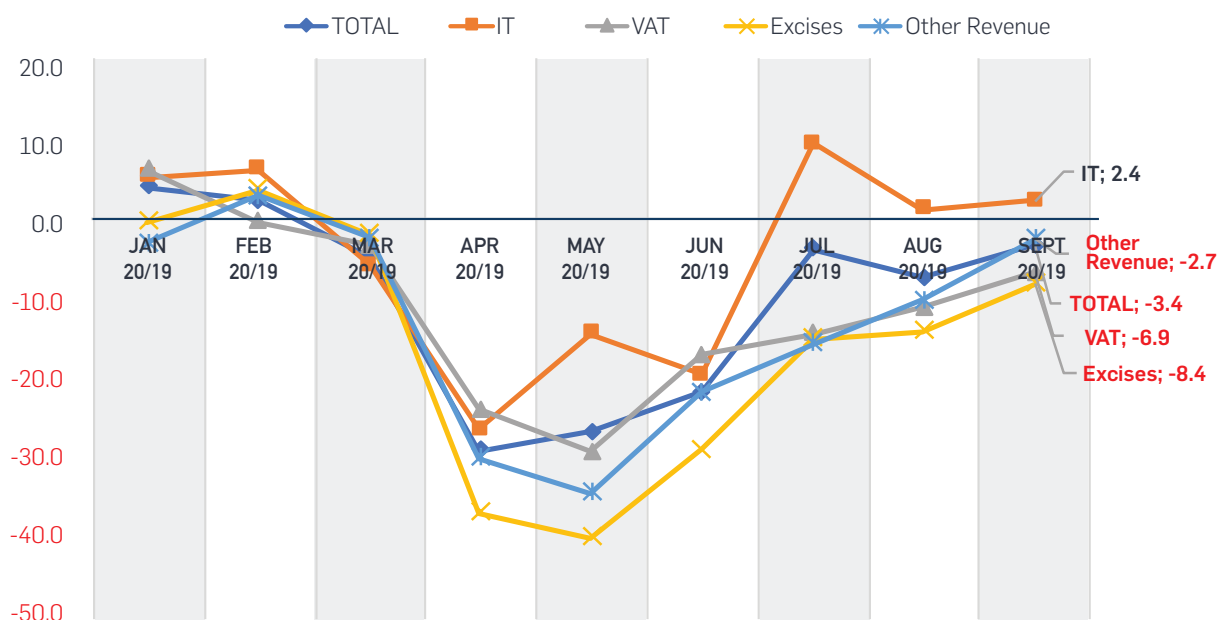

Source: Drafted by the authors using Google LLC "Google COVID-19 Community Mobility Reports." https://www.google.com/covid19/mobility/ *(Accessed on: November 15, 2020).*

As can be seen from the previous section addressing the behavior of tax revenues, the monthly average global collection data as of the month of September (Graph 12) shows the continuation of a slow recovery from the levels observed since May, as mentioned in the previous RRC (September 2020). This general improvement in tax collection, although it occurs in all the main taxes applied, is supported especially by the evolution of income taxes (IT) which, as of July, begins to show positive variations, managing to offset drops much more relevant (although somewhat lower than those that had been recorded in previous months) in taxes more intricately linked to economic activity such as VAT or, particularly, Excise Taxes.

Graph 12. Evolution of the monthly average global collection (interannual variations; constant prices; in percentages)

Legend: TOTAL, IT, VAT, Excises, Other Revenue

Labels: IT; 2.4, Other Revenue; -2.7, TOTAL; -3.4, VAT; -6.9, Excises; -8.4
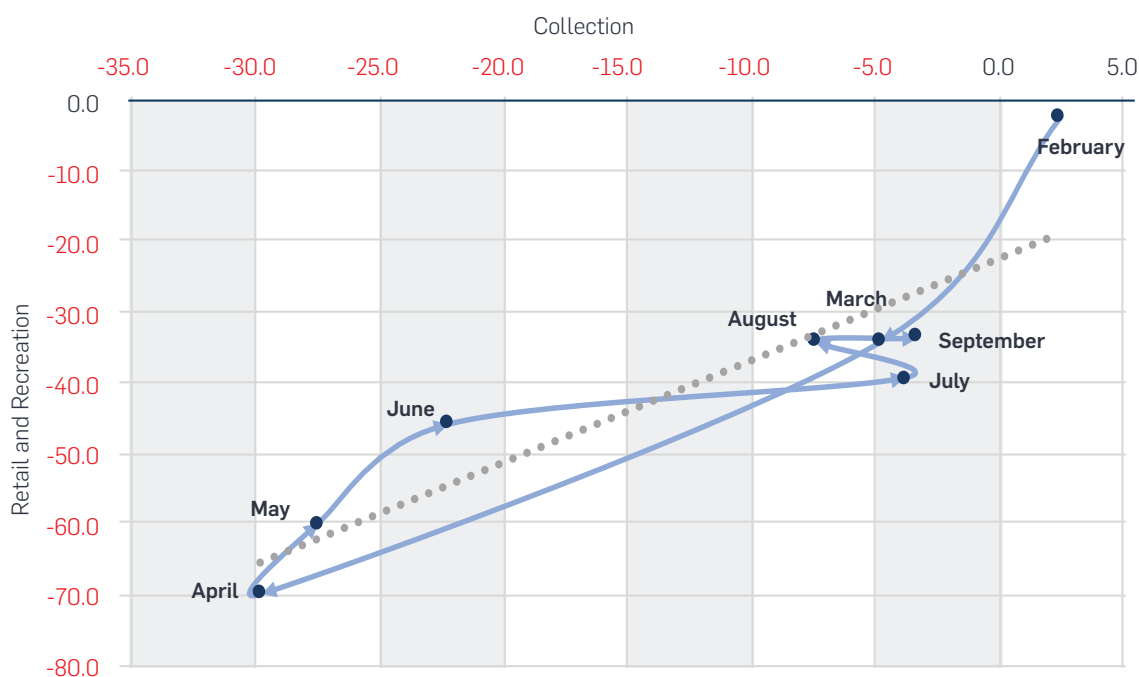
Source: Drafted by the authors based on official information from the tax administrations.

From the weighting of the behavior observed in tax collection and in the mobility indices of people (as an approximate variable of the level of economic activity) one can infer a clear correlation between both variables (Graph 13) - even with a slight time lag due to the collection mechanism - which allows anticipating, to some extent, the evolution of collection in subsequent months. After the sharp drop in average monthly collection and mobility in retail and recreation places between February and April, one can observe a gradual and measured improvement in the levels of the second variable and a notable rebound in the first variable in the month July which, after a slight decline in August, was consolidated in September, still in negative territory. Therefore, following the trends indicated in both Graph 11 and Graph 13, the continuation of a slight general reduction in the negative figures in the collection levels during the coming months should be expected due to the greater mobility of people in various dimensions (although in retail and recreation facilities it remains relatively stable), which will also depend on the effect derived from the tax relief measures that are still in force in most of the countries analyzed.

Graph 13. Average monthly variations in global collection and mobility of people in Retail and recreation (monthly average; in percentages)

Collection

The data by country for Retail and recreation (Graph 14) and Workplaces (Graph 15) -ordered from highest to lowest according to the decline in activity in November, the latest month with information available- show the wide heterogeneity in terms scope of restrictions and degree of reduction. Except in the cases of Spain and Italy (where a "second wave" of infections was evidenced, forcing countries to implement mandatory confinements again) and, slightly, in other cases such as the Dominican Republic, Morocco and the United States, all the countries displayed slight improvements in terms of mobility, still with figures lower than those registered in February
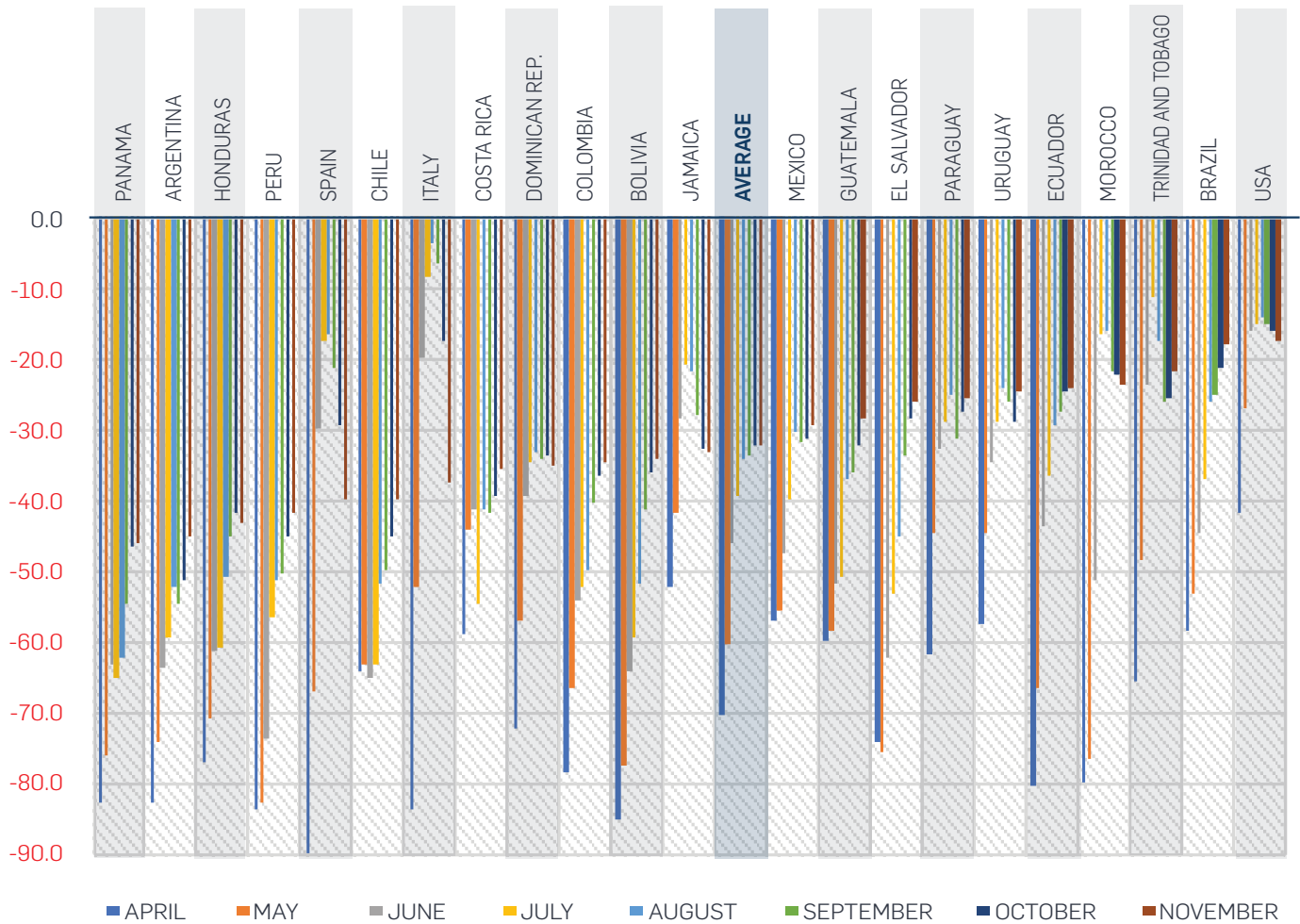
of this year but much higher than the minimum levels registered in April-May of this year.

On average, these data correspond to what is observed in the collection and can serve to guide the forecasts for the coming months. Thus, although there are some significant exceptions, such as, for example, the case of Morocco (with a sustained increase in collection despite showing signs of setbacks in people's mobility) that limit their individualized projection, a slow but concrete recovery of collection during the months of October and November is expected -in line with greater

mobility of people- in most of the countries analyzed. As explained in the previous section, this was confirmed in a preliminary fashion in a sample of cases with provisional tax collection data, such as, for example, in Argentina, Brazil and Guatemala, which had positive interannual variat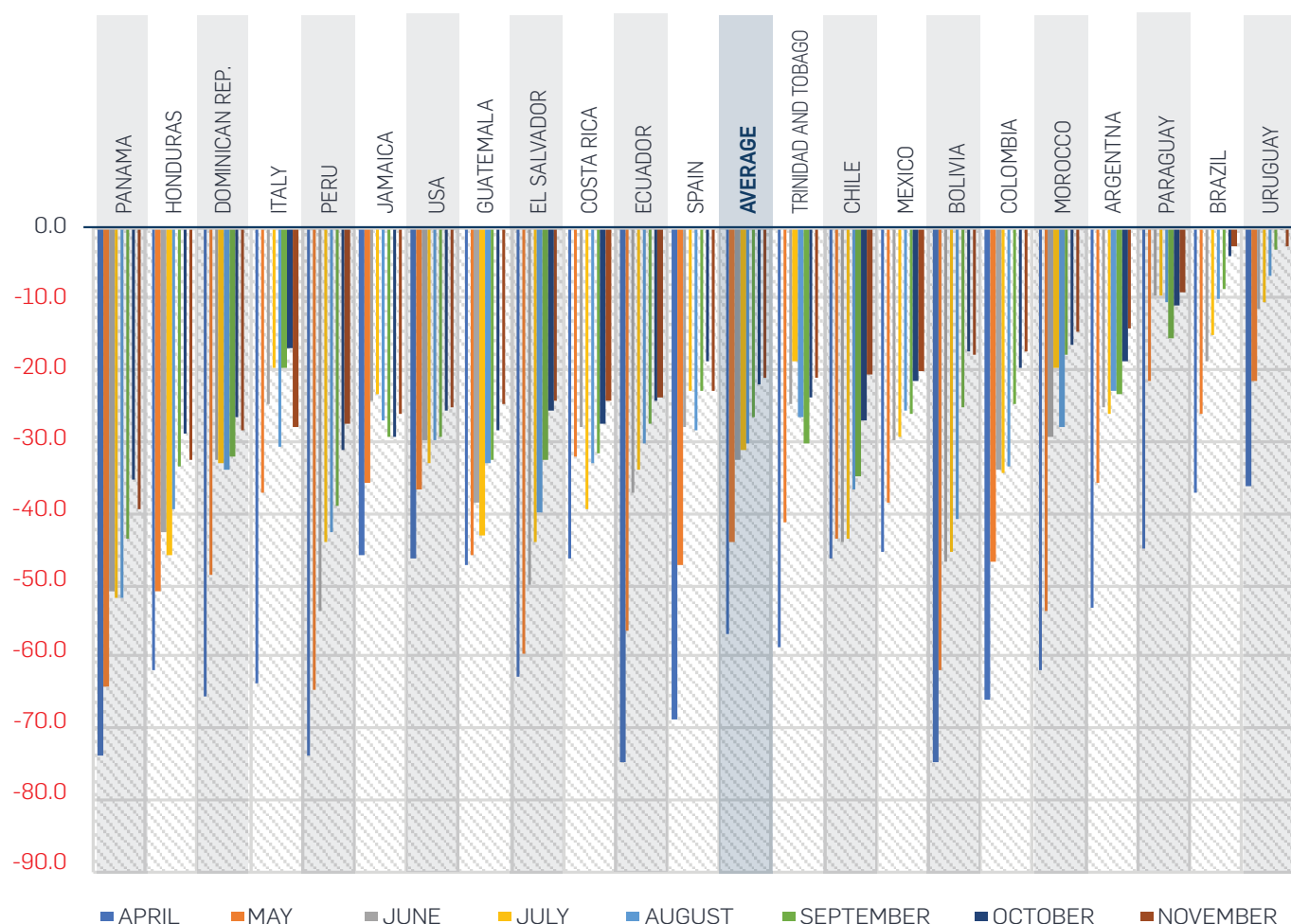ions for the month of October, together with more limited reductions (compared to previous months) in countries that have experienced deeper and more profound declines, such as Costa Rica, Ecuador, Panama, and Peru.

Graph 14. Variations in mobility by country - Retail and Recreation (monthly average; in percentages)

Legend: APRIL, MAY, JUNE, JULY, AUGUST, SEPTEMBER, OCTOBER, NOVEMBER

Graph 15. Variations in mobility by country - Workplaces (monthly average; in percentages)

Countries (left to right): PANAMA, HONDURAS, DOMINICAN REP., ITALY, PERU, JAMAICA, USA, GUATEMALA, EL SALVADOR, COSTA RICA, ECUADOR, SPAIN, AVERAGE, TRINIDAD AND TOBAGO, CHILE, MEXICO, BOLIVIA, COLOMBIA, MOROCCO, ARGENTNA, PARAGUAY, BRAZIL, URUGUAY

Legend: ■ APRIL ■ MAY ■ JUNE ■ JULY ■ AUGUST ■ SEPTEMBER ■ OCTOBER ■ NOVEMBER

Going into greater detail about the evolution of mobility in the countries analyzed, one can see the different paths adopted in this regard, which respond, as already mentioned, to the different strategies of national and subnational governments to face the COVID-19 pandemic. Although in all cases the greatest relative drops were observed in April (Graph 16), regarding visits to retail and recreation activities, countries in the northern hemisphere have shown a faster recovery in mobility. The cases of Spain and Italy stand out, which recovered around 60 percentage points between April and June and continued, at a slower pace, returning to levels of

mobility closer to those reported last February. However, the emergence of a "second wave" of massive infections in these countries, and in Europe in general, has resulted in new compulsory confinement measures leading to a reduction in the levels of mobility more closely related to commercial and social entertainment activities (Retail and recreation). This declining trend intensified in October and November, posing greater questions about the speed of the future recovery of tax collection, at least in these countries. In the case of the United States, one can observe that the rapid rebound in this dimension of people's mobility after April has been halted from July to

November, at levels that are approximately 15% below those registered at the beginning of the year.

The general average of the countries analyzed in this study, despite what was observed in European countries, shows a trend of slight recovery from the minimum values of April. However, within Latin America there are also different levels of evolution with respect to the level of commercial activity indicator. At one extreme are Brazil, Paraguay, and Uruguay, with the lowest reductions in mobility in the Retail and recreation sector for the region (although in April they fell by 60% on average), being, in addition, three of the countries of the region that show a greater recovery both in activity levels and in tax revenues in the last two months, as explained in the previous section of the Report. In clear contrast, there is the cases of Panama, Honduras, and Peru, which still show the biggest decline in this indicator, although with a slow but sustained trend towards a recovery of activity and, therefore, of tax collection. The case of Argentina is paradoxical in this sense, registering, to date, one of the lowest and most affected levels in terms of mobility in Retail and recreation activities and a slow and prolonged recovery of this indicator (in November it showed a decrease around the -45% with respect to pre-pandemic values). Despite this, Argentina turns out to be one of the countries in the region that shows clearer signs of recovery in tax collection levels, at least during the last quarter surveyed.

Graph 16. Variations in mobility in selected countries - Retail and Recreation (monthly average; in percentages)
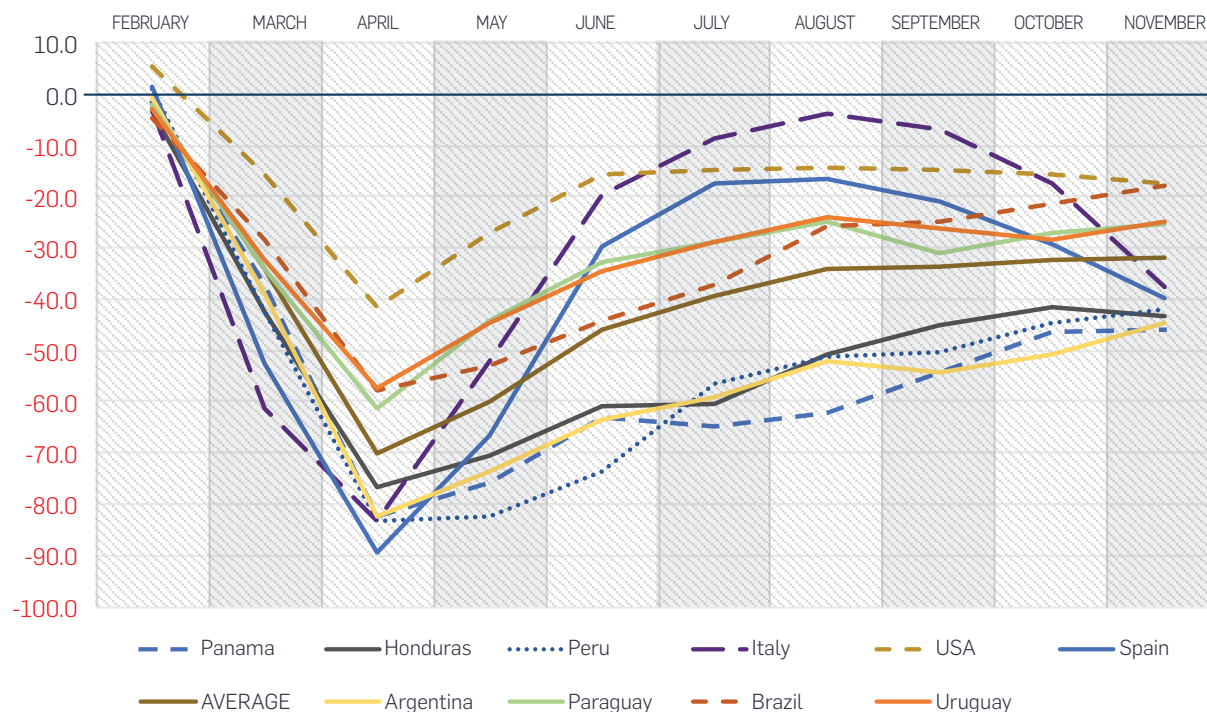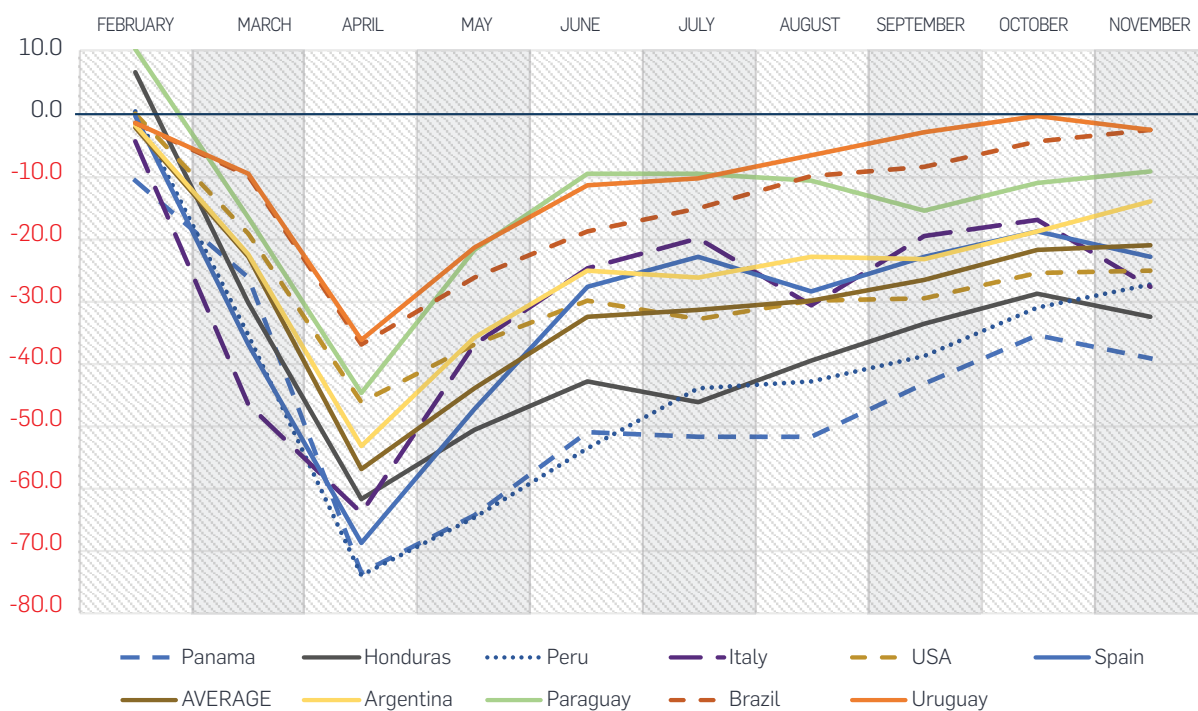

Source: *Drafted by the authors using Google LLC "Google COVID-19 Community Mobility Reports."* https://www.google.com/covid19/mobility/ *(Accessed on: November 15, 2020).*

Although the statistics collected on the mobility of people in its different dimensions maintain some general patterns, the detailed analysis can provide some useful conclusions. For example, the evolution of mobility in Workplaces (Graph 17) shows some similarities with observations in the commercial sector (Retail and Recreation), such as the deep drop in April and the subsequent recovery in the following months. However, there are also very noticeable differences: Uruguay ranks with the smallest reductions in this item throughout the period analyzed, even to a lesser extent than those reported in countries such as Italy and Spain (where a reduction was perceived in August due to holiday periods) or in the US and much more when compared to some Latin American countries. On the one hand, Brazil, Paraguay and even Argentina showed a similar trend even with some fluctuations and ups and downs. In the cases of Peru, Panama, and Honduras there is also a gradual improvement trend in this indicator, although starting from much deeper drops since last April. Beyond the differences, there is a reduction in the gaps between countries and a gradual normalization of the observed levels, which allows us to remain hopeful about economic recovery and tax collection for the coming months.

Graph 17. **Variations in mobility in selected countries - Workplaces (monthly average; in percentages)**

Source: *Drafted by the authors using Google LLC "Google COVID-19 Community Mobility Reports."* https://www.google.com/covid19/mobility/ *(Accessed on: November 15, 2020).*

3. REGIONAL OVERVIEW BY GROUPS OF SELECTED COUNTRIES

As has been seen, the large volume of information compiled, ordered, and systematized for a broad set of CIAT member countries offers the possibility of identifying certain general trends such as those presented in the previous sections, both regarding tax revenues and the mobility indicators of people (used as a variable for effective levels of economic activity). However, as is often the case and has been highlighted previously, the calculated averages hide a high heterogeneity and variety of cases.

One option to observe these particularities is to carry out an analysis by selected countries, as presented in previous versions of the RRC. Another extremely useful alternative is the one adopted in this section of this Report, which aims to group all the countries for which there is official information according to generally accepted geographic-economic criteria. This complementary form of approaching the data contained in the RRC Database has the objective of visualizing and identifying similarities and/or differences at the regional level in the recent evolution of the variables related to tax collection and population mobility, highlighting thus the potential variants of use of the information collected so far.

For this purpose, based on the statistical information available, the following groupings of countries are considered:

- **Mercosur + Mexico:** Argentina, Brazil, Paraguay, Uruguay, and Mexico[20].

- **Andean[21] + Chile:** Chile, Ecuador, Colombia, and Peru.

- **Caribbean:** Jamaica and Trinidad and Tobago.

- **Central America + Dom. Rep.:** Costa Rica, El Salvador, Guatemala, Honduras, Panama, and the Dominican Republic.

- **Other Countries:** USA, Spain, Italy, and Morocco.

- **Latin America and the Caribbean:** Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Panama, Paraguay, Peru, Dominican Republic, Trinidad and Tobago, and Uruguay.

Taking the grouping criteria of the surveyed countries, we must first observe the evolution of global tax collection according to the averages calculated for each of the groups formed (Graph 18). It can then be seen how the tax revenues of countries that share certain characteristics have been affected by the pandemic and the extraordinary measures of confinement and social isolation that all of them were forced to adopt in response to this tragic and uncertain global context.

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20   Although by geographical location it could be grouped with the Central American countries, the macroeconomic characteristics of Mexico make it more like the Mercosur countries such as Argentina and Brazil.

21   In this group, as well as in the one corresponding to the entire Latin American and Caribbean (LAC) region, Bolivia should also be included although, to maintain consistency with the averages calculated in the first section of the Report, we have chosen to exclude it to avoid biases in the average values given the sharp variations observed in its collection throughout the period considered.

As for the monthly interannual variations for the first three quarters of 2020, clear differences are observed since March, where the Andean countries (plus Chile), the Caribbean countries and, especially, the Central American countries (plus the Dominican Republic) are the most affected by the contractionary effects of the pandemic. In particular, the Andean countries show the largest monthly drop for the month of April (-34.5%) and then began a fluctuating recovery until September (-5.9%), although always in negative territory. The Caribbean countries (at least those surveyed in the RRC Database) show much more limited average drops, totaling -16.3% in April and showing a slower and weaker recovery until reaching -10.9% in September. For its part, the average calculated for Central America shows deeper and longer drops during the March-June period (-36.4% in May), with a significant rebound in July (-7.7%) and a relapse in August (-14.7%) and September (-11.8%). As was foreseeable, these evolutions have had a concrete influence on the average variations for Latin America and the Caribbean (LAC), with significant monthly reductions during the second quarter of more than -20%. However, as of July, a rebound in global tax collection at the regional level begins to emerge.

In fact, beyond the global scope of the harmful consequences of the COVID-19 pandemic, the evolution of the three groups mentioned in the previous paragraph contrasts notably with that of the Mercosur countries (including Mexico) and Other Countries (all of them from the Northern Hemisphere), whose average total collection has been more resilient to the impacts of the pandemic (remaining in positive territory until March inclusive), with more vigorous and sustained recoveries from May and June and going to year-on-year variations of positive sign from August of the current year. It should be noted that under "Other Countries" the strong rebound in July, as explained in the first section of the Report, is related to the extraordinary result of the US from the delayed entry of tax resources associated with the IT. In September, the "Mercosur + Mexico" group also exhibited a slight year-on-year increase of 5.6%, which caused the average calculated for the LAC region to consolidate its gradual improvement in the last quarter, reaching close to -5%, namely a relatively similar level to that observed last March.

Graph 18. Evolution of the monthly average global collection by groups of countries (interannual variations; constant prices; in percentages)
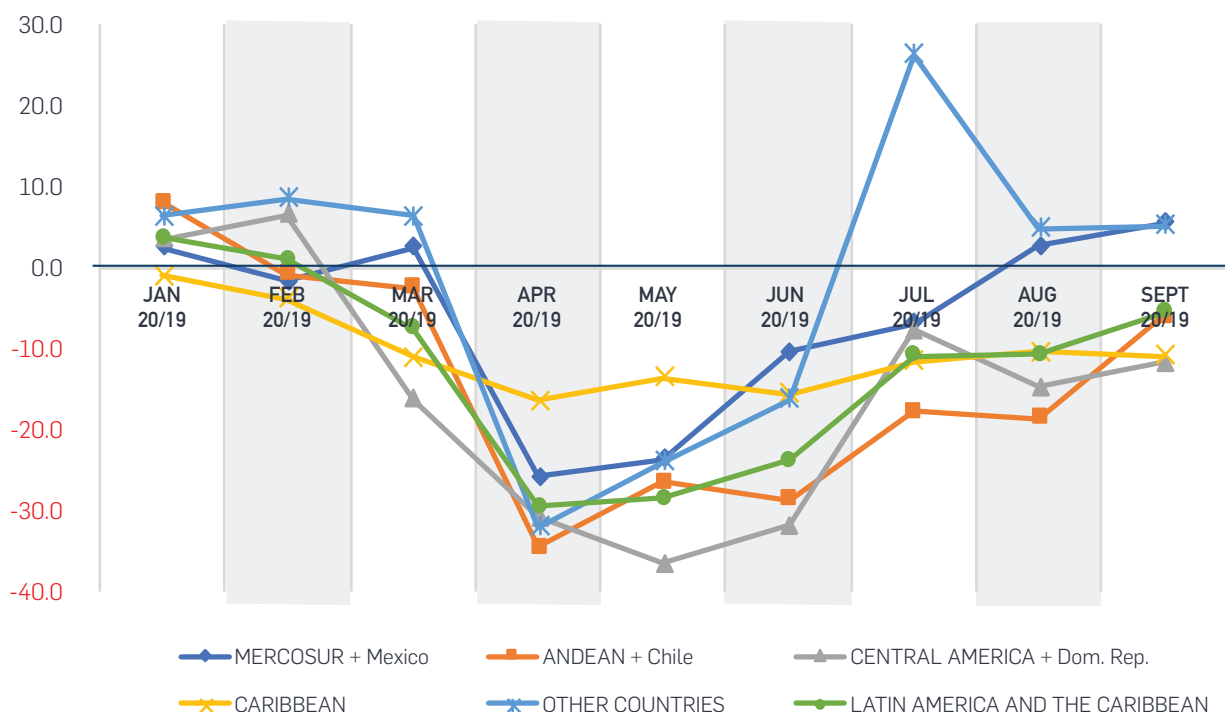
Source: Drafted by the authors based on official information from the tax administrations.

In terms of the accumulated collection up to September, the analysis by groups of countries allows us to disaggregate the general average calculated in the first section of the Report and confirm the different intensity of the impacts of the pandemic according to the countries considered. In principle, despite the uneven recovery observed in recent months in some countries, all the groups made up remain in negative territory after nine months of this year (Graph 19).

However, even though all of them show the strong impact on global tax collection last April, the evolution in subsequent months is quite different in terms of the

levels and trends that are identified in the short term. It is possible to observe a weak but concrete gradual recovery[22] in the "Mercosur", "Other Countries" and even in the "Caribbean" groups, especially from July or August according to each group. For them, the accumulated drops in global collection never fell more than -11% compared to the same periods of the previous year. On the other hand, for the Andean and Central American countries, which are, on average, those that fell the most in the month of April, a deepening of the relative drops in accumulated global tax collection up to the most recent months (-15.0% and -17.1% in September, respectively) can be seen, with a clearly greater difficulty

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22   In fact, throughout the Report we speak of recoveries when the relative drops for any given month decline compared to previous periods, even when this means remaining in negative territory in most of the cases analyzed.

in recovering the levels reported before the pandemic (for the first quarter they showed positive interannual variations). These strong reductions drag down the average calculated for the LAC region, which reported in September a cumulative decline of 13.1% in global collection, still below the cumulative decline shown in May of this year (-13.4%).

Graph 19. Evolution of the accumulated average global collection by groups of countries (interannual variations; constant prices; in percentages)
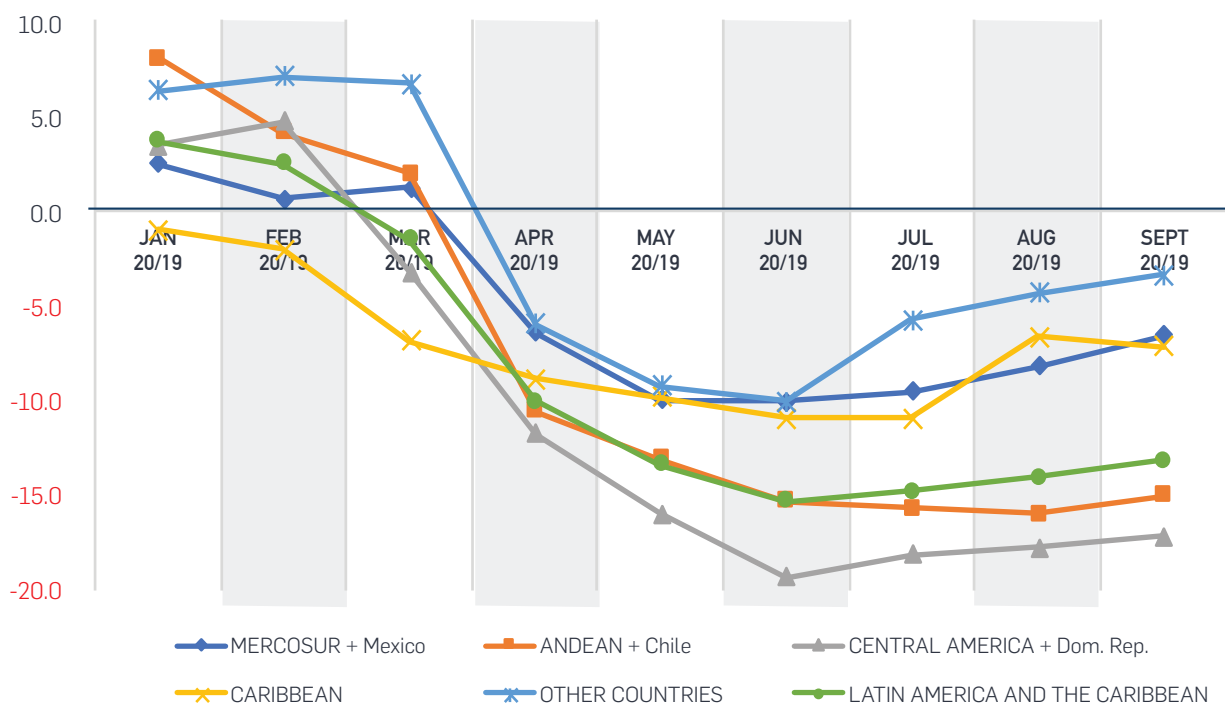
Source: Drafted by the authors based on official information from the tax administrations.

Regarding the mobility of people, one can also identify similarities and differences in the temporary evolution of these indicators for the different groups of countries considered. For example, regarding visits to retail and recreation venues, all groups of countries showed a deep drop in the months of March and April of this year (the group "Andean + Chile" fell 78.1% in that last month), at which point they all began a gradual recovery, at least until July (Graph 20). It should be noted that the speed of recovery was considerably higher in the Other Countries group (northern hemisphere countries) and in the Caribbean, being slower and more gradual in the groups comprising Latin American countries (Mercosur + Mexico, Andean + Chile and Central America + Dom. Rep.).

As of August and until November, a merging is observed in the interannual variations of mobility in Retail and

Recreation, determined by (i) a gradual improvement for the Andean and Central American countries, (ii) a stabilization of the levels, in negative territory around -30%, for the Mercosur countries and Mexico, and (iii) a decline of mobility in the "Other Countries" and Caribbean group, despite having been the ones with the fastest recovery in terms of mobility from the slowest values registered in the month of April. This last result is influenced by the notable setbacks of the European countries (Spain and Italy) included in "Other Countries" due to the emergence of a "second wave" of massive infections and the consequent restrictions on mobility imposed to prevent the undesirable spread of COVID-19 throughout their respective national territories. The resulting average for LAC countries is within these margins, following the trends indicated and below the group of Mercosur and Mexico and the Caribbean countries.

Graph 20. Variations in mobility by groups of countries - Retail and Recreation (monthly average; percentage variation rates)
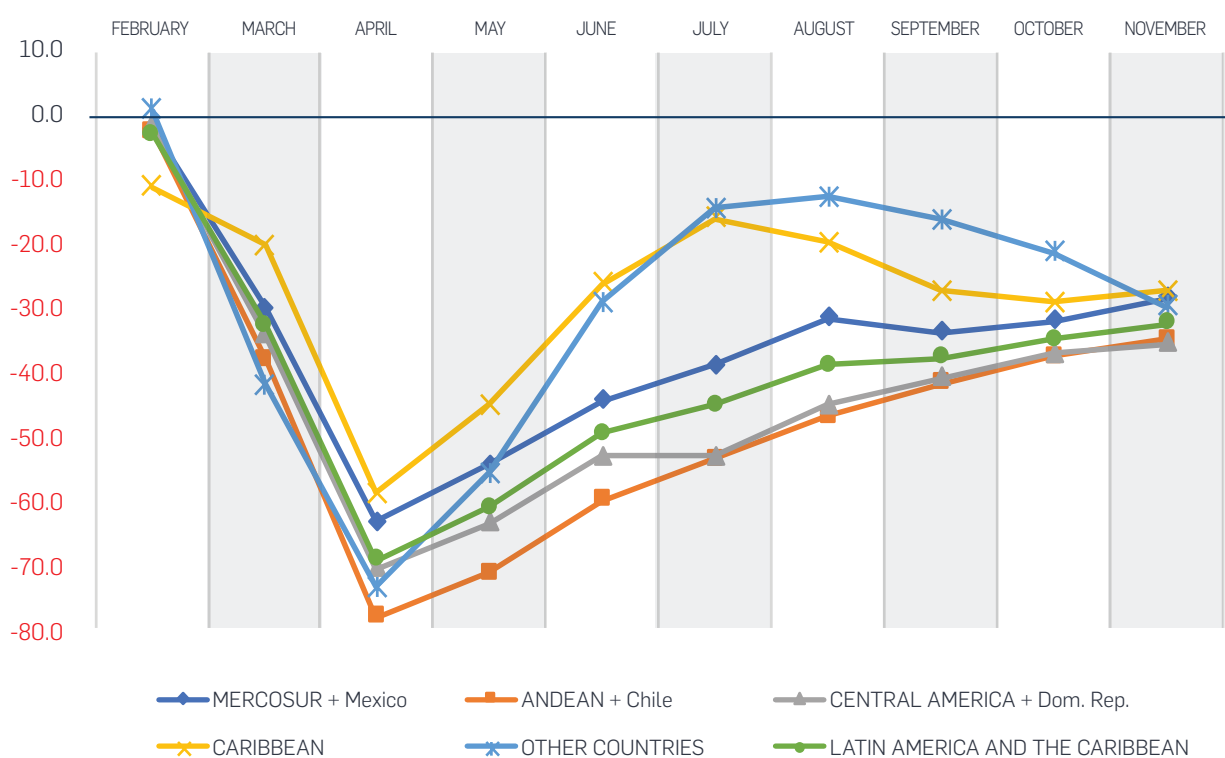
Something similar can occur with respect to the interannual relative variations in mobility to Workplaces when the groups of selected countries are weighted (Graph 21). All of them experienced the above sharp drop in the months of March (except the Caribbean[23]) and April (between -43.3% and -67.2% compared to the beginning of the year), followed by a practically unanimous rebound in the relative levels of mobility during May and June.

Although at a slower pace and always remaining in negative territory, for all groups of countries (including the regional average for LAC) there is a slight recovery trend in mobility levels in the following months and up to November. Unlike what was observed regarding mobility in Retail and Recreation, the Mercosur + Mexico group shows a recovery of the indicator for Workplaces that even exceeds that of the countries of the northern hemisphere (Other Countries) and the Caribbean.

Graph 21. **Variations in mobility by groups of countries - Workplaces (monthly average; percentage variation rates)**
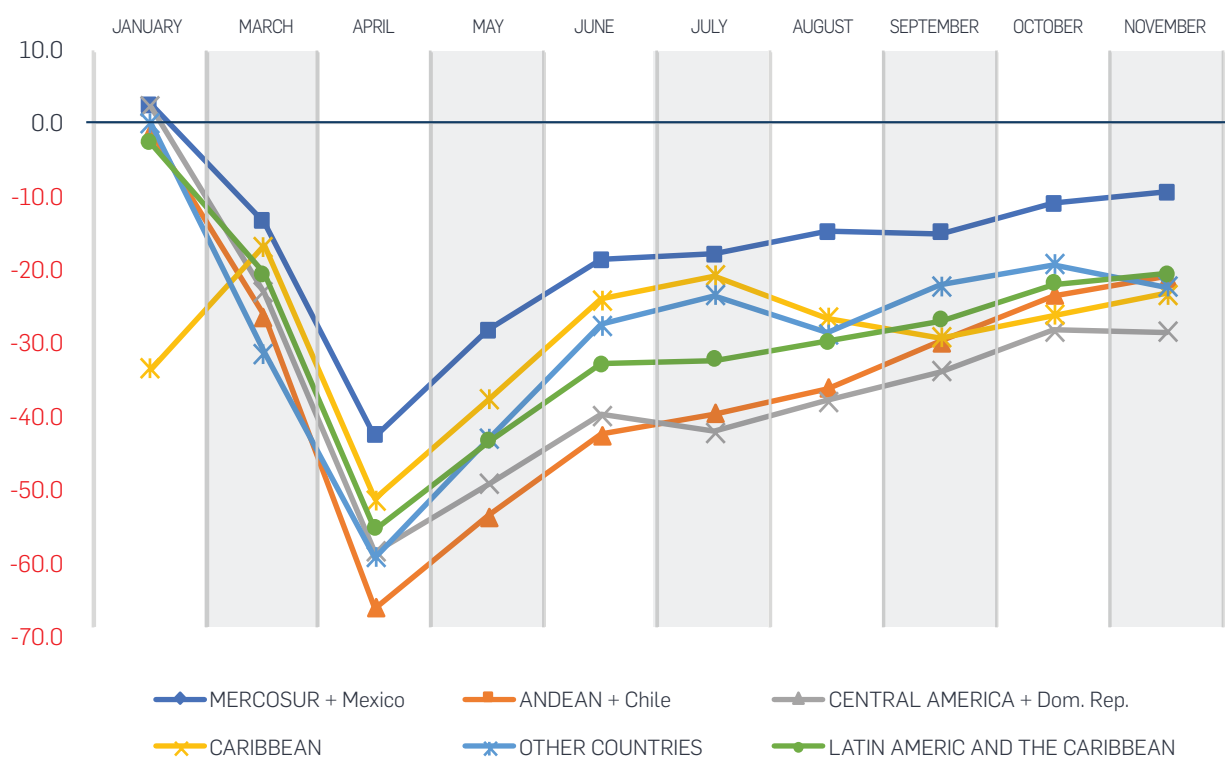
Source: *Drafted by the authors using Google LLC "Google COVID-19 Community Mobility Reports."* https://www.google.com/covid19/mobility/ *(Accessed on: November 15, 2020).*

23   The "Caribbean" group shows a singular reduction in mobility (very significant in Workplaces) during the month of February which may be linked to the effects derived from the earthquake that affected Jamaica on January 28, 2020.

Just as certain trends and normalization can be seen for groups of countries in relation to total tax collection and the selected indicators of people's mobility, the analysis carried out can be extended to the different main tax categories identified in the tax structures of the countries surveyed. For example, in the case of IT, one can see that all groups of countries experienced a strong negative impact on the average collection of this tax during the second quarter of the year (Table 11).

Then, in the most recent third quarter, the monthly percentage variations began to move into positive territory for the Mercosur countries and Mexico (9.8% in August and 8.1% in September), Central America and the Dominican Republic (12.6% in July and 3.5% in August) and the "Other Countries" group, where the strong recovery is led by the US in July (+59.3%) and continued in the months of August (+6.1%) and September (+8.5%). The Andean countries, including Chile and in simple average, just showed a slight recovery in September (+9.0%) and the Caribbean countries saw a continuous series of year-on-year reductions from March to the last month with available information. For the average

of LAC countries, these disparate trends in the different groups of countries determine an approximately neutral monthly IT collection result for the last quarter, after the deep relative drops especially observed in April (-24.7%) and in June (-21.7%).

In sum, and despite the recent rises in some of the groups and countries, the average accumulated variations for IT resulted in drops of varying magnitude until September for all groups analyzed, within a range of -0.2% for the "Other Countries" group and -14.2% for the Central American countries. The biggest relative weight and number of countries with strong cumulative reductions in IT means that the average for the LAC region remains at -11.1% in September, even recovering some ground from the -15.8% it showed in June of the current year. Despite all this, observing what happened with other taxes, the IT appears in recent evolution as the main stabilizing instrument of the tax collection of the different countries and groups considered, cushioning in some way the drastic impacts derived from the COVID-19 pandemic.

Table 11. Evolution of Income Taxes collection according to groups of countries (in percentages compared to the same month of the previous year; constant prices; January - September 2020)

Monthly Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	-1.71	0.90	4.98	-29.76	-23.44	-2.84	-7.78	9.82	8.08
ANDEAN + Chile	11.80	4.09	-5.44	-37.04	-2.15	-28.50	-9.44	-14.96	9.02
CENTRAL AMERICA + Dom. Rep.	8.05	12.42	-21.13	-17.58	-15.79	-32.07	12.57	3.50	-7.86
CARIBBEAN	-0.62	1.11	-14.01	-5.81	-3.24	-16.29	-10.63	-4.98	-7.52
OTHER COUNTRIES	7.39	9.19	9.59	-37.88	-20.20	-13.33	59.29	6.10	8.53
LATIN AMERICA AND THE CARIBBEAN	**5.01**	**5.81**	**-9.75**	**-24.70**	**-13.55**	**-21.73**	**-1.95**	**0.02**	**0.89**

Acummulated Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	-1.71	-1.01	0.72	-10.23	-13.68	-12.24	-11.32	-9.93	-7.54
ANDEAN + Chile	11.80	8.24	3.25	-16.16	-14.11	-16.11	-15.23	-15.20	-13.08
CENTRAL AMERICA + Dom. Rep.	8.05	9.06	-4.54	-12.27	-12.99	-19.09	-16.08	-14.67	-14.17
CARIBBEAN	-0.62	0.57	-8.91	-8.08	-7.60	-9.59	-9.55	-0.14	-1.24
OTHER COUNTRIES	7.39	7.71	8.68	-9.70	-11.35	-10.90	-2.53	-1.09	-0.15
LATIN AMERICA AND THE CARIBBEAN	**5.01**	**4.94**	**-2.20**	**-12.57**	**-13.27**	**-15.82**	**-14.27**	**-12.43**	**-11.10**

Source: *Drafted by the authors based on official information from the tax administrations.*

In relation to VAT, the evolution of its average collection according to the groups of selected countries shows some unique characteristics. When the effects of the pandemic and the restrictions on mobility began to fully manifest themselves, VAT was the tax whose collection was most resilient, in a context of strong generalized drops.

However, in recent months there has been a prolongation of these impacts, which has resulted in negative figures (lower than those observed in March-April) for all groups almost without exception (Mercosur + Mexico show a neutral average result in September and "Other Countries" a slight rise of 3.6% in the same month). In this sense, the strong consecutive decreases experienced from March to September, on average, by the Andean and Central American countries should be highlighted. In line with these trends, the average variations in VAT collection in LAC countries have remained in negative territory since February, with a maximum relative drop of -30.7% in May and a slowdown of these collection losses during the third quarter of the year. Consequently, it is not surprising that the average accumulated variations for all groups of countries analyzed, and even for the LAC region, remain in negative territory since last April, within a range that goes from -5.4% in the Mercosur + Mexico to just over -17% in the Caribbean and Central America (Table 12).

Table 12. Evolution of VAT collection according to groups of countries (in percentages with respect to the same month of the previous year; constant prices; January - September 2020)

Monthly Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	7.73	-0.73	0.99	-15.36	-20.06	-12.52	-7.33	-0.73	0.54
ANDEAN + Chile	8.06	-4.60	-8.50	-26.63	-39.08	-31.60	-22.78	-20.60	-10.46
CENTRAL AMERICA + Dom. Rep.	5.03	4.52	-10.77	-33.19	-40.98	-28.28	-20.69	-18.95	-14.62
CARIBBEAN	1.46	-7.82	3.18	-14.23	-6.34	23.45	-1.55	-8.65	-7.49
OTHER COUNTRIES	7.51	3.62	5.07	-22.90	-27.16	-20.63	-13.14	-0.31	3.57
LATIN AMERICA AND THE CARIBBEAN	**6.20**	**-1.09**	**-4.95**	**-25.01**	**-30.68**	**-16.96**	**-15.09**	**-13.57**	**-8.87**

Acummulated Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	7.73	3.76	2.88	-1.51	-5.52	-6.69	-6.85	-6.15	-5.40
ANDEAN + Chile	8.06	1.94	-1.35	-6.97	-13.95	-16.39	-17.51	-17.75	-17.04
CENTRAL AMERICA + Dom. Rep.	5.03	4.77	-0.18	-8.23	-14.73	-16.88	-17.47	-17.66	-17.33
CARIBBEAN	1.46	-2.77	-1.17	-4.42	-4.96	-2.13	-1.93	-8.69	-8.57
OTHER COUNTRIES	7.51	6.20	4.70	-2.53	-7.74	-9.30	-10.41	-9.11	-8.01
LATIN AMERICA AND THE CARIBBEAN	**6.20**	**2.76**	**0.26**	**-5.77**	**-10.98**	**-12.16**	**-12.64**	**-14.07**	**-13.52**

Source: Drafted by the authors based on official information from the tax administrations.

As mentioned in the case of IT, the average collection of Excise Taxes by groups of countries shows the uneven intensity and depth of the negative impacts of the economic crisis associated with the COVID-19 pandemic. According to Table 13, one can see that this set of taxes has been, in relative terms, the hardest hit in terms of the tax revenue they generate in all cases, with deep reductions during the second quarter of the year. For the LAC average, the interannual drops in the months of April (-35.9%) and May (-39.9%) should be noted. As of July and August, the variations observed in each group began to show some deviation: on the one hand, the average relative drops were significant or increased (Andean, Central America and the Caribbean) while, on the other hand, a substantial improvement was perceived in the collection performance of these taxes in the Mercosur +

Mexico and "Other Countries" groups (again with a very important impact from the USA). Furthermore, the drops in the accumulated collection of Excises for the groups analyzed are, on average, the deepest and longest in time, standing until September within a range of -8.8% for Mercosur (plus Mexico) and -23.1% for the Andean countries (plus Chile). At the regional level (LAC), in line with the evolution of VAT, the accumulated variations of the last quarter showed some stagnation in clear negative territory (-17.5% in September) which highlights the fragility and narrowness of the recovery observed so far, especially in the taxation linked to consumption and production so severely affected by the COVID-19 pandemic.

Table 13. Evolution of Excise Taxes collection according to groups of countries (in percentages compared to the same month of the previous year; constant prices; January - September 2020)

Monthly Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	0.32	-3.42	-7.56	-28.91	-26.50	-18.78	1.60	1.72	6.05
ANDEAN + Chile	1.61	-1.74	6.15	-32.24	-49.09	-31.52	-30.47	-27.32	-30.23
CENTRAL AMERICA + Dom. Rep.	1.30	7.09	-4.79	-40.91	-47.18	-37.46	-17.13	-24.38	-17.88
CARIBBEAN	-2.29	0.69	5.48	-30.48	-21.88	-17.26	-8.34	-17.28	-21.44
OTHER COUNTRIES	-4.45	14.59	-4.07	-46.49	-47.08	-32.37	-20.96	-2.58	18.09
LATIN AMERICA AND THE CARIBBEAN	**0.53**	**1.21**	**-1.50**	**-35.91**	**-39.86**	**-29.20**	**-14.22**	**-17.59**	**-15.05**

Acummulated Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	0.32	-1.98	-3.77	-9.94	-13.05	-13.95	-11.87	-10.52	-8.75
ANDEAN + Chile	1.61	-1.02	0.23	-6.73	-15.96	-18.63	-20.81	-21.94	-23.10
CENTRAL AMERICA + Dom. Rep.	1.30	3.67	0.73	-10.32	-17.92	-21.00	-20.53	-21.03	-20.70
CARIBBEAN	-2.29	-1.19	0.78	-7.37	-10.54	-12.18	-11.73	-8.10	-9.82
OTHER COUNTRIES	-4.45	3.71	0.68	-12.05	-19.43	-21.77	-21.66	-19.10	-12.77
LATIN AMERICA AND THE CARIBBEAN	**0.53**	**0.27**	**-0.66**	**-9.45**	**-15.78**	**-18.05**	**-17.70**	**-17.67**	**-17.50**

Source: Drafted by the authors based on official information from the tax administrations.

Finally, Table 14 shows the evolution of the interannual, monthly and accumulated variations of the collection linked to Other Revenue, in averages for each of the groups of countries analyzed. In line with observations on the Excise Taxes, after the deep drops in the collection during the second quarter, the different reactions of each group of countries in the last three months was corroborated.

On the one hand, a recovery of the resources associated with Other Revenue began to be identified, which can be classified as slight in the average of the Mercosur + Mexico countries (1.0% in September) and moderate in the "Other Countries" group (13.1% in August and 11.3% in September). On the other hand, the remaining groups considered showed successive relative declines since April (in "Central America + Dom. Rep." since March even) with a slight slowdown of these declines during the last months although always in clear negative territory. The average calculated for the LAC countries showed a similar trend, with maximum interannual decreases of -36.1% in April and -36.9% in May, which gradually moderate to -6.4% in September. In cumulative terms as of the last month surveyed, despite some rebounds, all groups of countries experienced year-on-year decreases with respect to the same periods of the previous year, without a clear trend of improvement or worsening of the collection result for "Other Revenue" in the most recent months. In fact, the accumulated average for the region (LAC) has remained around -16% to -18% during the last five months analyzed (May-September).
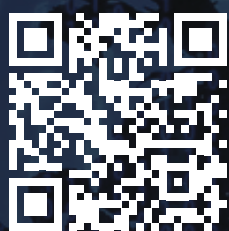
Table 14. Evolution of the collection of Other Revenue according to groups of countries (in percentages with respect to the same month of the previous year; constant prices; January - September 2020)

Monthly Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	-11.25	-4.86	1.24	-27.65	-15.66	-17.18	-13.77	-4.88	0.97
ANDEAN/1	0.98	-1.62	22.00	-36.80	-27.88	-26.01	-14.13	-17.70	-16.23
CENTRAL AMERICA + Dom. Rep.	-2.27	0.90	-20.46	-44.38	-57.56	-30.26	-16.34	-25.11	-4.13
CARIBBEAN	-3.01	-3.31	2.18	-20.63	-27.52	-15.11	-22.39	-12.33	-13.37
OTHER COUNTRIES	3.80	23.52	-1.14	-10.62	-29.78	-14.64	-11.34	13.11	11.27
LATIN AMERICA AND THE CARIBBEAN/1	**-4.75**	**-2.11**	**-2.75**	**-36.05**	**-36.87**	**-24.43**	**-17.28**	**-16.85**	**-6.36**

Acummulated Percentage Variation

Regions or groups of countries	Jan 20/19	Feb 20/19	Mar 20/19	Apr 20/19	May 20/19	Jun 20/19	Jul 20/19	Aug 20/19	Sept 20/19
MERCOSUR + Mexico	-11.25	-8.51	-5.16	-10.46	-11.46	-12.68	-12.87	-11.89	-10.57
ANDEAN/1	0.98	-0.47	7.06	-5.32	-9.86	-12.55	-12.78	-13.39	-13.95
CENTRAL AMERICA + Dom. Rep.	-2.27	-2.08	-9.93	-19.43	-24.73	-25.06	-25.04	-25.07	-23.98
CARIBBEAN	-3.01	-3.16	-1.44	-6.27	-10.60	-11.31	-13.22	-10.05	-10.41
OTHER COUNTRIES	3.80	13.84	8.64	4.25	-2.28	-4.87	-6.09	-4.40	-2.81
LATIN AMERICA AND THE CARIBBEAN/1	**-4.75**	**-4.12**	**-4.28**	**-12.73**	**-16.69**	**-17.83**	**-18.29**	**-18.01**	**-17.29**

Source: Drafted by the authors based on official information from the tax administrations.

/1 For the calculation of the average under "Other Revenue" (in the tables and graphs referred to this item), the data for Chile are not considered because they present too extreme variations (in addition to Bolivia, for the same reason), although it has been observed that the Other Revenue item represents only 1% of the total collection of this country.

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