

Working Papers

ISSN 2219-780X

3

DECEMBER
2023

REVENUE REPORT CIAT (RRC)

1st Semester year 2023



CIAT

Santiago Díaz de Sarralde Miguez

Julio López

Gaspar Maldonado

Revenue Report CIAT (RRC) 1st Semester year 2023

**Santiago Díaz de Sarralde Miguez,
Julio López and Gaspar Maldonado**

December 2023

Serie: Working Papers
ISSN 2219-780X

Revenue Report CIAT (RRC)
1st Semester year 2023
WP-03-2023

© 2023, Inter-American Center of Tax Administrations - CIAT

Diagramming: CIAT Communication and Publications Coordination

Copyright

The Inter-American Center of Tax Administrations –CIAT, authorizes the total or partial reproduction of this work by any means or procedure, whether known or to be known, provided that the source and copyright holders are properly quoted. www.ciat.org

CONTENT

Acknowledgments	4
Executive Summary	5
Methodological introduction	7
1. Evolution of tax collection during the first semester of year 2023	9
1.1 Evolution of global tax collection (Total)	9
1.2 Evolution of Income Tax collection (IT)	13
1.3 Evolution of Value Added Taxes collection (VAT)	16
1.4 Evolution of Excise Taxes collection	18
1.5 Evolution of Other Revenue collection	20
2. Overview by region or group of countries	22
3. Final comments	27
Annex: RRC-CIAT Database (Online)	28

ACKNOWLEDGMENTS

The authors would like to thank all the tax administrations and their professionals for their collaboration in compiling the information analyzed in these reports. Furthermore, special gratitude to Dalmiro Morán for his relevant role in previous editions of this report.

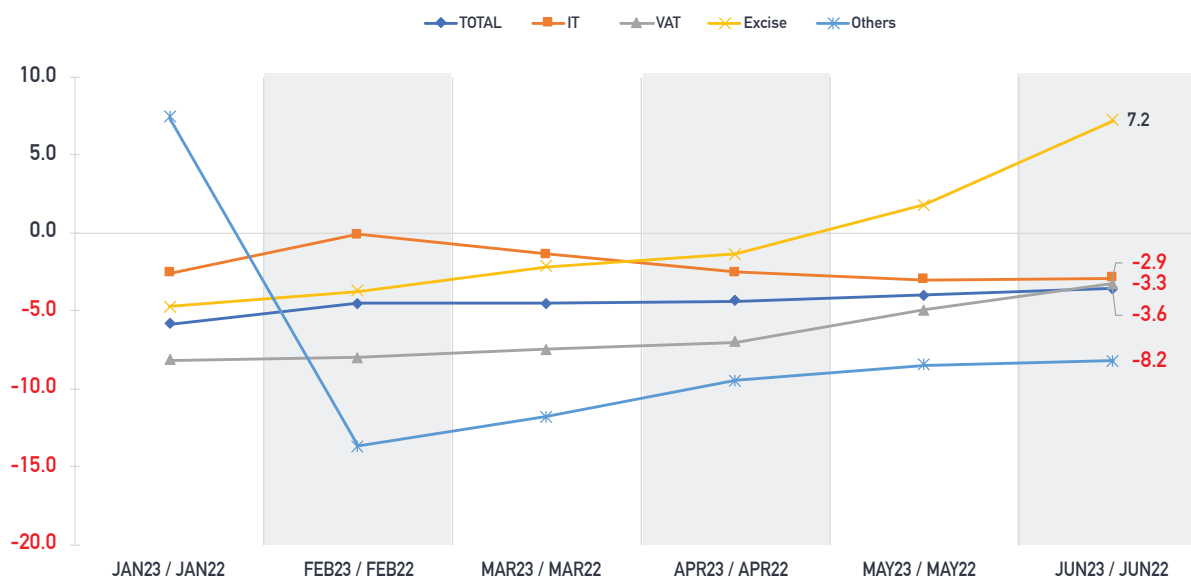
EXECUTIVE SUMMARY

- The total collection of CIAT member countries analyzed in the 2022 RRC recorded, on average and in constant values, a recovery of 8.6% compared to the same period of the previous year, 2021, and 16.8% compared to 2019, although there was a slowdown in collection throughout the year, reflecting the impact of the new crisis factors that emerged in 2022. **This slowdown, which began in 2022, has clearly shown its effects on revenue collection in the first half of 2023, with an average cumulative decrease in constant values of -3.6% compared to the same period of the previous year, led by the fall in VAT and income taxes (-3.3% and -2.9%, respectively), while all excise taxes - the hardest hit during the pandemic - have recorded an average growth of 7.2% (although most countries remain in negative ground also in this tax).**
- **By region, the results for the first half of 2023 are similar, with some nuances, to those already mentioned. Latin America and the Caribbean recorded a -2.9% drop in revenues compared to the first half of 2022, somewhat lower than the average for all CIAT countries** included in our database. The Other aggregate shows the largest drop (-6.3% compared to 2022). The Mercosur+Mexico and Andeans+Chile groups follow with decreases of -5.7% and -4%, respectively; while the Caribbean (-1.6%) and, above all, Central America+Dominican Republic (0.0%) show the best relative performance in the first half of 2023.
- **By country, heterogeneity continues to be very high.** Compared to the first half of 2022 (Table 1), fourteen countries show a drop in total cumulative revenue collection in real terms, although in a wide range of values from -29.9% in Argentina to -0.5% in Brazil. Seven other countries remain in positive ground, with growth ranging from 15.4% in Colombia to 1.2% in Guatemala.
- The **Revenue Reports CIAT (RRC)** compile available information on the evolution of **the global collection of tax administrations** and their main components (income taxes, VAT, excise taxes and other tax revenues with their monthly variations with respect to the same month of a previous year as a reference and cumulatively throughout the year in constant values. This ninth edition of the publication analyzes the data available **from January to June 2023** and incorporates information corresponding to a set of 21 CIAT member countries, which has been compiled and processed within a database built specifically for this purpose, thus providing a complete perspective on the evolution of tax collection at the international level and, in turn, allows visualizing and analyzing a significant number of particular cases.

- Additional detailed information on the monthly and cumulative evolution -in constant and current values- of all CIAT member countries analyzed is

available on the CIAT website (<https://www.ciat.org/recaudacion/>, "Monthly Collection Database (Annex)").

FIGURE 0. Evolution of total tax cumulative collection of tax administrations by type of tax (in percentage change compared to the same month of 2022; simple averages; constant prices; January to June 2023)



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

METHODOLOGICAL INTRODUCTION

The crisis arising from the COVID-19 pandemic created an unprecedented situation that made the collection of quantitative information more necessary than ever to gain knowledge of the relative situation and facilitate the design of policy responses to contain and mitigate its most negative effects. The Revenue Reports COVID-19 (RRC) prepared by CIAT collaborated in this task through the development of a statistical database of international scope, which would make it possible to monitor the monthly evolution of tax collection.

Once the recovery of revenues with respect to the pre-pandemic scenario is confirmed in 2022, CIAT considers that monthly tax statistics are still necessary, so we continue their preparation, now under the name of Revenue Report CIAT (RRC), focusing on the annual variation of revenues (without the need to refer to the pre-pandemic base scenario of 2019), both in current and constant terms.

The information collected comes from the tax administrations of CIAT member countries, most of the time published in the form of monthly or quarterly¹ bulletins, and should be interpreted for its advantages in terms of temporal proximity but also with its particularities given its origin and the context in which it is framed (the different responsibilities among institutions - internal taxes, customs, social security²-; the different monthly collection and accounting schedules; the effects of deferrals granted to taxpayers; publication times and formats; etc.). In turn, in some cases where the information is available, the figures are supplemented with information from other public institutions to incorporate, for example, the performance of subnational tax resources, given their crucial relevance in certain countries.

1 In any case, the information presented in these reports should not be considered official, and the corresponding sources should be referred to for such purposes. Any error in the processing of this data is the sole responsibility of the authors of the Report.

2 In this regard, please refer to: [Díaz de Sarralde, S. \(2019\) "Panorama de las administraciones tributarias: estructura, ingresos, recursos y personal; funcionamiento y digitalización. ISORA \(International Survey on Revenue Administration\)", CIAT.](#)

The RRCs summarize the main information available up to their publication³, including summary tables of the evolution of overall government revenue and its main components (income taxes, VAT, excise taxes and other taxes levied) with their monthly variations with respect to the same month of the previous year and cumulatively throughout the year. In general, the figures are presented in constant values to avoid distortions derived from the evolution of prices. Given the dynamic nature of the process of obtaining and processing statistical information from different sources, various CIAT

member countries have been incorporated throughout the successive editions of this Report, which has provided considerable robustness to the general trends identified based on the averages calculated.

In addition to the information presented here, the complete data in Excel format (RRC Database) will be made available to the interested public, with a wide detail by tax figures, in constant and current values, detailing the structure of the monthly collection⁴.

3 Updates to the RRC are published in the CIAT Books and Working Papers series and are also available on CIATData: <https://www.ciat.org/reporte-de-recaudacion-covid-19-ciat/>

4 See link <https://www.ciat.org/reporte-de-recaudacion-covid-19-ciat/>, "Revenue Report Covid-19 CIAT (Annex)".

1. EVOLUTION OF TAX COLLECTION DURING THE FIRST SEMESTER OF YEAR 2023

This first section of the Report analyzes the evolution of global tax collection in constant terms (deflated by the evolution of consumer price indexes in each country) and its breakdown into income taxes (IT), value added taxes (VAT), Excise taxes and a group that includes other tax revenues.

This new edition of the RRC contains information available for the first semester of 2023, making it possible to identify general trends in advance.

1.1. Evolution of global tax collection (Total)

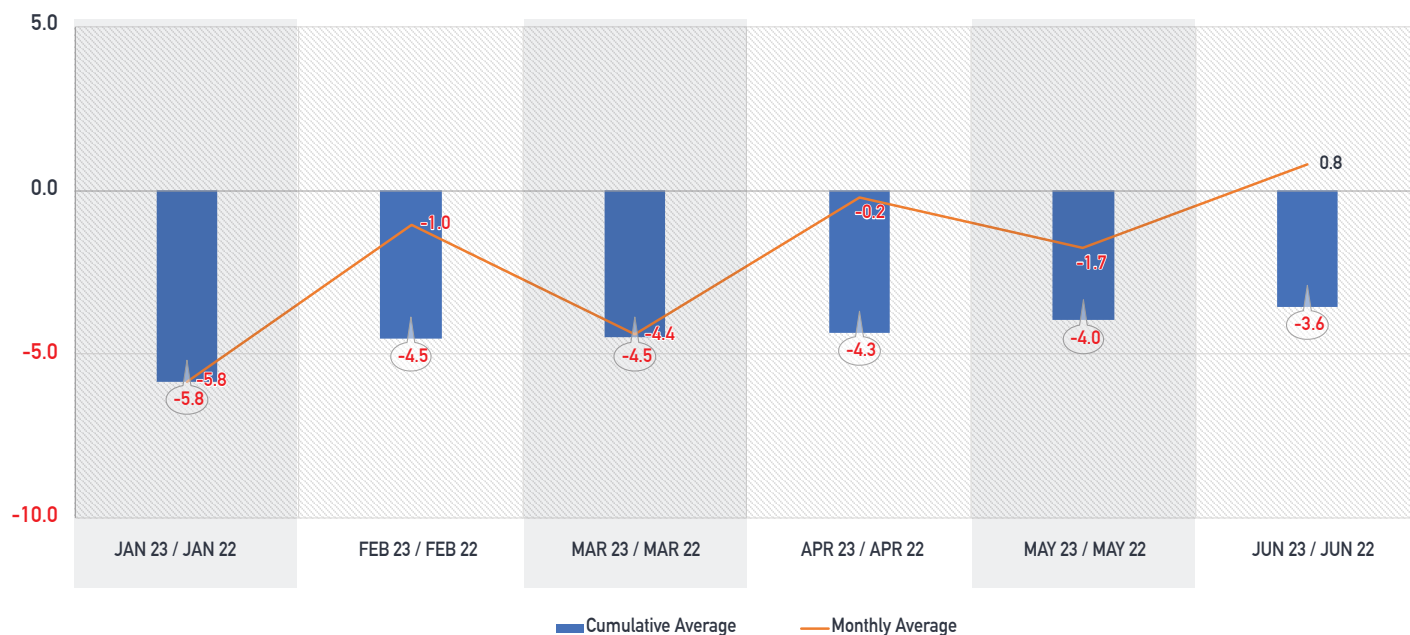
The evolution of the overall year-on-year collection in constant values for the twenty-one countries for which

data⁵ are available shows a negative outlook in the first semester of 2023. Continuing the slowing trend recorded throughout 2022, the monthly and cumulative growth rates are negative, albeit with a slight upward trend.

In the first semester of 2023, there is a cumulative average decrease in constant values of -3.6% compared to the same period of the previous year, 2022 - Figure 1 - (recall that in 2022 the cumulative recovery from January to December was 8.6% compared to the same period of the previous year, 2021, and 16.8% compared to the baseline scenario of 2019), while the monthly variation rates remain negative until May, with a slight recovery (+0.8%) in June.

5 Data collection for this report closed on November 15, 2023.

FIGURE 1. Evolution of total tax collection of tax administrations in 2023 in percentage changes with respect to the same month of 2022 (simple averages; constant prices; January to June)



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

The information updated at the individual level for the first semester of 2023 shows the wide heterogeneity of the evolution of total collection in the analyzed countries, although the negative data prevails.

When compared to the first half of 2022 (Table 1), fourteen countries show a drop in total cumulative collection in real terms, although in a wide range of values from -29.9% in Argentina to -0.5% in Brazil. Seven other countries remain in positive ground, with growth ranging from 15.4% in Colombia to 1.2% in Guatemala.

TABLE 1. Evolution of total tax cumulative collection of tax administrations in 2023 (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Countries	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
Argentina	-35.3	-39.9	-42.9	-40.4	-34.5	-29.9
Brazil	-0.1	-0.4	-0.9	-0.0	0.1	-0.5
Chile	-0.7	-3.5	-5.8	-18.2	-24.4	-22.4
Colombia	11.5	9.3	6.4	13.6	12.7	15.4
Costa Rica	2.5	-2.3	-1.2	1.1	4.8	4.6
Dominican Republic	3.7	3.4	5.5	4.4	4.0	6.1
Ecuador	5.4	5.6	1.3	4.0	3.7	4.1
El Salvador	-10.0	-5.1	-6.7	-8.7	-6.7	-5.0
Guatemala	4.2	2.5	1.8	0.7	1.3	1.2
Italy	1.1	-4.6	-3.8	-1.7	-2.1	-1.7
Jamaica	13.4	13.7	10.7	11.0	11.0	9.7
Mexico	5.5	4.3	-4.2	2.5	2.9	4.0
Morocco	0.4	1.3	-3.5	-4.5	-3.3	-4.2
Nicaragua	-5.3	-6.2	-4.3	-3.1	-2.3	-0.7
Panama	-50.4	-30.1	-16.4	-11.8	-9.3	-6.3
Paraguay	2.1	1.0	2.6	-2.0	-3.0	-1.5
Peru	-5.7	-3.9	-9.1	-14.3	-13.8	-13.4
Spain	-12.6	-4.2	-2.9	0.4	-0.7	-0.9
Trinidad and Tobago	-43.7	-23.7	-10.1	-4.7	-3.9	-14.5
United States	-9.6	-11.6	-9.8	-18.5	-19.4	-18.2
Uruguay	1.3	-0.2	-1.1	-1.0	-0.3	-0.6
Average	-5.8	-4.5	-4.5	-4.3	-4.0	-3.6

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

Finally, it should be emphasized that the results are presented in constant values to consider the effect of price variations in the different countries, which is

particularly relevant in times of high inflation and with notable differences between countries. Table 2 and Figure 2 provide a comparison for illustrative purposes between

the cumulative year-on-year rates of change at the end of the first half of 2023 in current and constant terms. Thus, while the average collection grows by 8.5% in current terms, in constant values it falls by 3.6%, while all countries

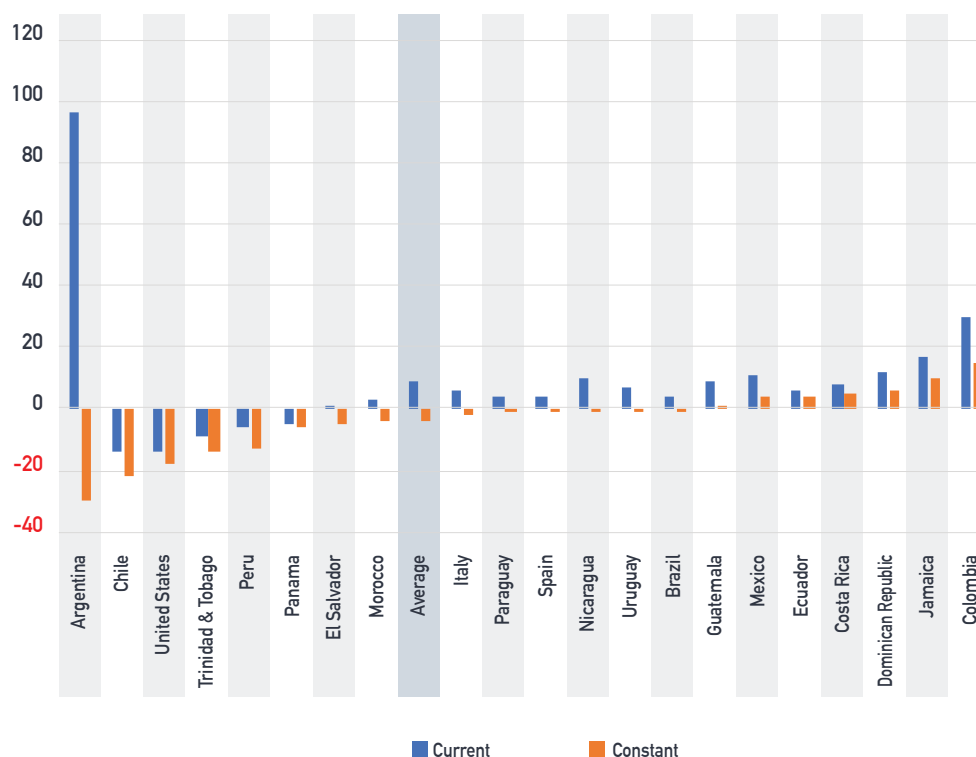
see their rates of evolution reduced when converting to constant values discounting the loss of purchasing power of the respective currencies due to inflation.

TABLE 2. Evolution of total tax cumulative collection of tax administrations to June 2023 (in percentage changes with respect to the same month of 2022; current and constant prices)

Countries	Current	Constant
Argentina	96.8	-29.9
Brazil	4.1	-0.5
Chile	-14.5	-22.4
Colombia	30.3	15.4
Costa Rica	8.2	4.6
Dominican Republic	11.9	6.1
Ecuador	5.5	4.1
El Salvador	0.4	-5.0
Guatemala	9.4	1.2
Italy	6.1	-1.7
Jamaica	16.9	9.7
Mexico	10.9	4.0
Morocco	3.2	-4.2
Nicaragua	9.5	-0.7
Panama	-5.3	-6.3
Paraguay	4.2	-1.5
Peru	-6.3	-13.4
Spain	3.8	-0.9
Trinidad and Tobago	-8.8	-14.5
United States	-14.2	-18.2
Uruguay	6.7	-0.6
Average	8.5	-3.6

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

FIGURE 2. Evolution of total tax cumulative collection of tax administrations to June 2023 (in percentage changes with respect to the same month of 2022; current and constant prices)



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

The following is an analysis of the year-on-year changes in revenue collection in 2023 by type of tax, which evolved in a fairly homogeneous manner, albeit with some nuances, which, given the different tax structures and the unique time distribution of their revenues throughout the year⁶ in each country, provides more detailed information on the different rates of evolution of their overall collection.

1.2. Evolution of Income Tax collection (IT)

Income taxation, considering jointly the share of personal and corporate⁷ income tax, recorded an average cumulative decrease in revenues of -2.9% during the first half of 2023.

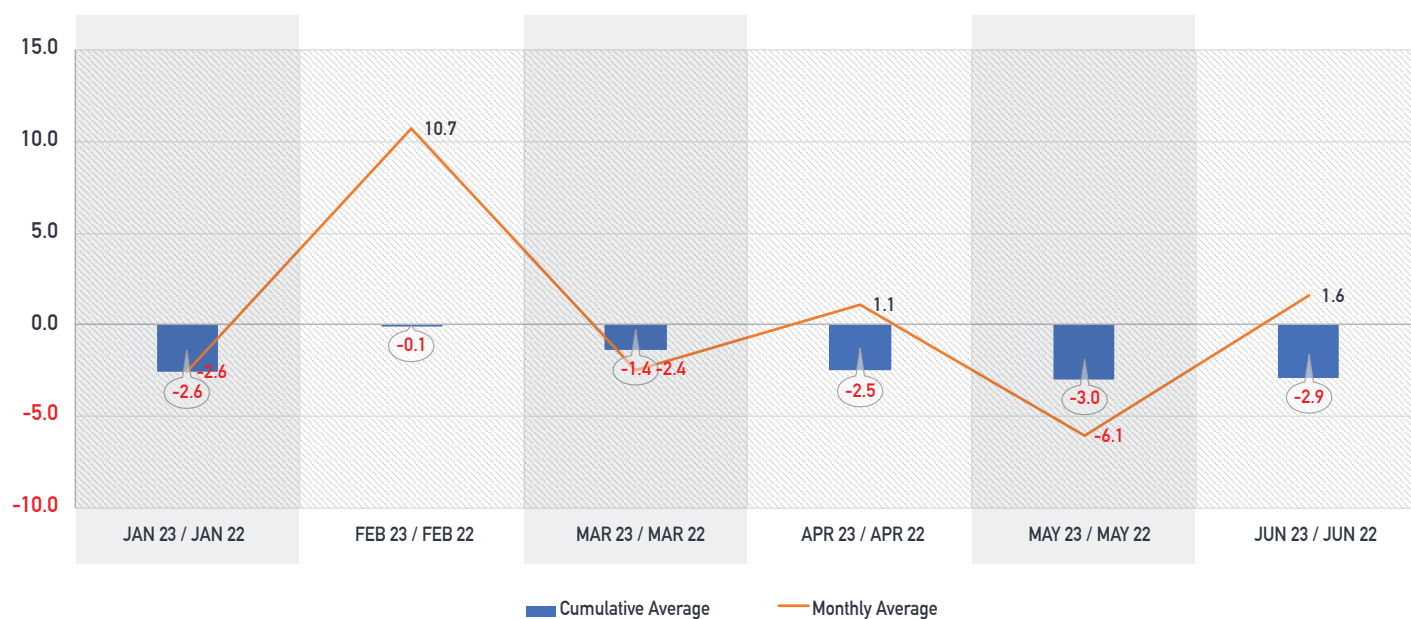
6 The "RRC Database" includes the detail of the monthly composition of the total collection by tax figures and the temporal distribution patterns of the collection for each of the countries in 2019 (<https://www.ciat.org/recaudacion/>).

7 In these Reports we have opted for the aggregation of personal and corporate income taxes given the difficulty for separating them in many cases. The information by country will allow for a more detailed analysis when information is available. In the work of [Morán, D. y Rojas A. \(2019\) "La presión fiscal equivalente en América Latina y el Caribe: Un análisis de los hechos estilizados durante la última década"](#), [Documentos de Trabajo de CIAT 5-2019](#) the possibility of disaggregation between personal and corporate income tax in the different countries can be consulted.

The accumulated decreases have been stable throughout the semester, although with some irregular monthly variations, especially in February because of the atypical rate recorded in Trinidad and Tobago⁸. Especially in the

case of this tax, it should be noted that the collection schedule is very different depending on the country and period considered⁹.

FIGURE 3. Evolution of Income Tax (IT) collection in 2023 (in percentage changes with respect to the same month of 2022; simple averages; constant prices; January to June)



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

8 Trinidad and Tobago's data for this month is the main cause of the irregularity, with a variation rate of +191.7% compared to the same month of 2022 (February 2022's collection was very low after a sharp increase in January 2022's collection).

9 Likewise, when considering averages, individual outlier results can be "compensated". For example, between April and June, Chile's extraordinary negative results are offset by Colombia's equally atypical positive results.

As was observed for global tax collection, the general trends are the result of uneven year-on-year variations among the countries analyzed.

In the case of IT, establishing year 2022 as a reference (Table 3), ten countries show a growth in collection,

although with evident differences, reaching cumulative maximums in June of +30.9% in Colombia and +28.4% in Jamaica, compared to eleven countries that recorded decreases, with -35.4% in Argentina and -34.4% in Chile being the most striking ones.

TABLE 3. Evolution of Income Tax cumulative collection in 2023 (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Countries	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
Argentina	-34.0	-38.0	-41.3	-45.2	-38.8	-35.4
Brazil	11.5	11.1	8.1	7.7	7.0	4.0
Chile	18.8	13.4	3.4	-23.3	-36.1	-34.4
Colombia	18.9	17.3	13.7	27.3	26.0	30.9
Costa Rica	8.7	0.6	-1.2	-0.8	-1.1	0.7
Dominican Republic	9.5	14.3	16.1	11.5	10.0	17.0
Ecuador	13.4	10.8	12.1	13.9	12.6	11.9
El Salvador	-11.0	4.1	-0.6	-7.5	-5.3	-4.1
Guatemala	8.4	6.1	5.4	2.7	3.0	2.7
Italy	-5.3	-3.6	-3.0	2.8	2.5	2.2
Jamaica	25.8	27.3	29.8	30.9	31.5	28.4
Mexico	9.9	8.3	-4.3	3.7	2.9	2.7
Morocco	2.8	0.6	-6.3	-5.7	-4.1	-3.2
Nicaragua	-11.4	-11.1	-7.5	-6.1	-6.2	-3.0
Panama	-57.6	-33.7	-20.1	-14.0	-11.7	-7.1
Paraguay	0.3	-3.7	-4.1	-14.2	-13.8	-13.0
Peru	-0.9	4.4	-10.0	-19.5	-19.2	-19.2
Spain	-16.2	-9.1	-5.8	1.6	0.4	0.4
Trinidad and Tobago	-38.0	-3.9	-0.3	6.2	3.0	-15.8
United States	-12.1	-18.1	-14.5	-25.4	-27.0	-26.6
Uruguay	4.3	1.3	1.8	0.9	1.6	1.2
Average	-2.6	-0.1	-1.4	-2.5	-3.0	-2.9

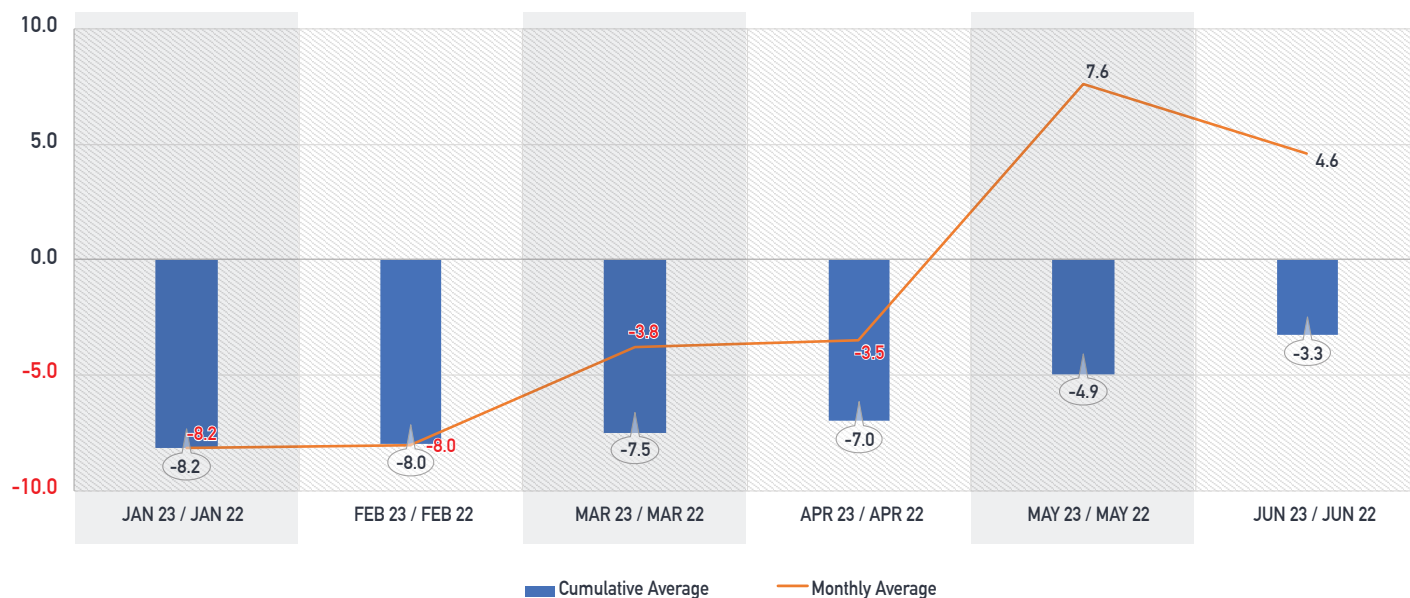
Source: Prepared by the authors based on official information from the tax administrations.

1.3. Evolution of Value Added Taxes collection (VAT)

VAT, being the main instrument for tax collection in most of the countries analyzed, has been one of the main tax instruments that partially cushioned the deep fall in global tax collection since the second quarter of 2020 and subsequently led the recovery. In the first half of 2023, however, its performance has been negative in constant values. The average accumulated collection in constant values ends the first half of 2022 with a drop of -3.3% with respect to 2022 (Figure 4).

In terms of its monthly evolution, when compared to 2022, an “apparent” recovery profile appears, which is transferred to the accumulated behavior; however, these average figures should be analyzed with great attention, since they are very much affected by the individual and atypical figures in the general panorama of Trinidad and Tobago (with sharp drops in the first two months of the semester followed by equally high recoveries in the last two months) and Costa Rica (with monthly growth of between 50 and 60% in the months of April to June), when compared to the same months in 2022, when normal VAT collection procedures were virtually paralyzed by the computer attacks suffered by various public entities in the country).

FIGURE 4. Evolution of Value Added Tax (VAT) collection in 2023 (in percentage changes with respect to the same month of 2022; simple averages; constant prices; January to June)



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

In addition to the general trends, the heterogeneity that characterizes all the countries included in the database leads to differences in the magnitude of the year-on-year changes in tax revenues.

When comparing the first half of 2023 with the same period in 2022, seven countries show growth in revenues (led by Costa Rica, +17.4%), while the rest, fourteen, end the period in negative ground.

TABLE 4. Evolution of VAT cumulative collection in 2023 (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Countries	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
Argentina	-32.2	-34.9	-36.4	-39.4	-32.2	-26.3
Brazil	-13.8	-11.6	-11.8	-10.6	-10.5	-9.7
Chile	-17.1	-18.0	-16.3	-14.9	-13.6	-13.9
Colombia	3.4	1.4	1.0	0.1	-0.4	-0.9
Costa Rica	-0.4	-3.3	-4.7	5.1	12.1	17.4
Dominican Republic	1.7	1.4	5.2	4.6	4.0	2.8
Ecuador	4.5	6.5	5.6	5.3	5.2	5.8
El Salvador	-9.9	-11.5	-11.3	-11.0	-9.4	-6.4
Guatemala	2.8	1.1	-0.2	-1.1	-0.3	-0.4
Italy	23.5	10.9	6.5	3.8	1.0	0.3
Jamaica	10.7	13.5	-4.5	-1.6	0.2	0.6
Mexico	1.8	-0.1	-6.4	-3.3	-5.1	-7.9
Morocco	-0.5	-0.4	-2.5	-5.8	-4.9	-7.0
Nicaragua	1.8	2.9	2.9	3.2	4.4	4.1
Panama	-46.0	-26.6	-15.2	-11.0	-6.6	-5.7
Paraguay	2.4	3.4	6.6	9.2	10.0	11.6
Peru	-7.0	-7.1	-7.9	-10.1	-10.7	-10.8
Spain	-7.0	1.2	1.5	0.8	-0.0	-1.0
Trinidad and Tobago	-83.5	-89.4	-60.4	-60.1	-40.4	-16.0
United States	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Uruguay	1.5	1.2	-1.3	-2.8	-1.4	-1.5
Average	-8.2	-8.0	-7.5	-7.0	-4.9	-3.3

Source: Prepared by the authors based on official information from the tax administrations. "n.a." = not available.

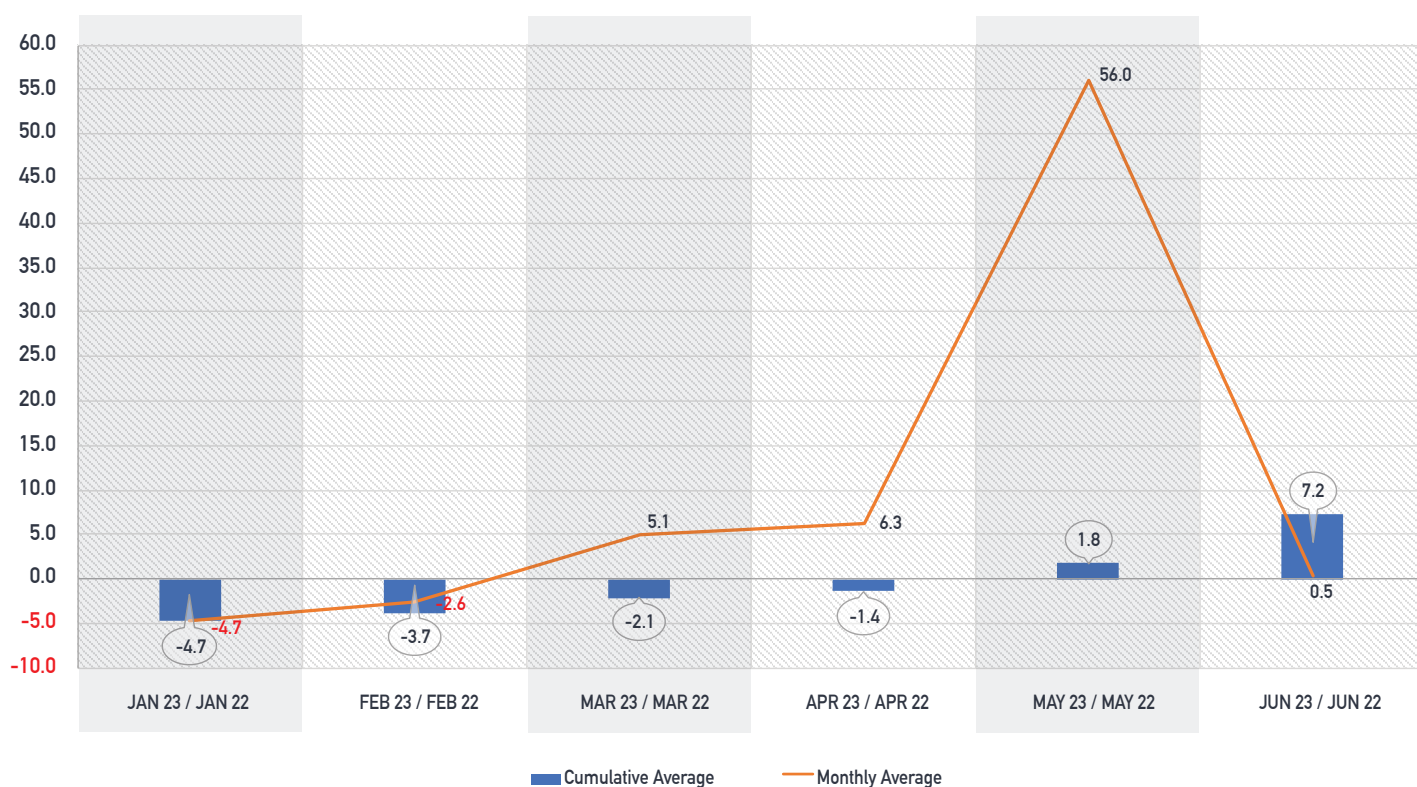
Note: The United States and Brazil are two unique cases in this regard. In the first case, there is no VAT at the federal level but various retail sales taxes applied at the level of each sub-national state (the collection of which is not considered here). In the second case, although there is a multiplicity of general consumption taxes -simultaneously for the three levels of government-, for the purposes of this Report the figures corresponding to the state ICMS are considered.

1.4. Evolution of Excise Taxes collection

In previous editions of this Report it was pointed out that, according to the information available, the initial restrictions on mobility and the paralysis of commercial and industrial activities adopted to prevent the spread of the COVID-19 pandemic in the context of the different countries were determinant for the Excise taxes (fuel, tobacco, beverages, various services, among others) to be the tax instruments most affected in their collection during 2020, 2021 and 2022, both in monthly and cumulative terms, even though the year-on-year decreases were cushioning.

During this first half of 2023, the average evolution of Excise taxes has continued to improve, ending June with an accumulated increase of 7.2% with respect to 2022, largely because of some atypical data, such as those recorded for Mexico (+136.8% accumulated up to June; after monthly variations in May of +886.5% and -325.8% in June¹⁰¹¹). However, it should be noted that the majority (14) of the countries remained in negative territory, while only seven experienced growths at the end of the six-month period.

FIGURE 5. Evolution of Excise taxes collection in 2023 (in percentage changes with respect to the same month of 2022; simple averages; constant prices; January to June)



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

¹⁰ These results are due to the changes in excise tax collection recorded in 2022 between May and August, with large drops in May and negative figures between June and August. In 2023, collections are stable and without anomalies up to June.

¹¹ Costa Rica also recorded monthly year-on-year growth of more than two hundred percent in May and June, for the same reasons mentioned above for this country in the case of VAT.

TABLE 5. Evolution of Excise Taxes cumulative collection in 2023 (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Countries	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
Argentina	-48.1	-48.6	-51.0	-52.5	-48.1	-43.8
Brazil	-25.8	-27.9	-24.9	-20.9	-18.4	-16.6
Chile	28.9	40.1	48.2	59.3	67.1	64.1
Colombia	36.2	27.4	18.8	17.1	11.2	11.7
Costa Rica	-29.1	-21.5	-4.6	-3.3	16.3	30.6
Dominican Republic	-0.4	-3.1	-2.7	-3.3	-2.5	-2.8
Ecuador	2.6	1.1	-3.6	-3.1	-2.0	-1.0
El Salvador	-11.2	-11.3	-11.1	-8.8	-8.2	-6.8
Guatemala	-7.8	-4.5	-0.8	-2.0	-0.7	2.1
Italy	-16.3	-11.3	-7.7	-9.1	-4.3	-0.7
Jamaica	13.1	3.9	-5.1	3.4	0.1	-3.1
Mexico	-6.6	-3.3	12.4	27.3	57.0	136.8
Morocco	-15.4	1.4	-3.9	-5.5	-6.7	-9.7
Nicaragua	-0.7	-2.7	-5.4	-4.7	-2.7	-3.1
Panama	-25.4	-8.0	-7.8	-5.9	-4.7	0.4
Paraguay	46.4	28.1	36.0	26.9	22.9	23.3
Peru	-18.7	-16.4	-10.0	-13.1	-9.0	-3.8
Spain	-7.7	-10.3	-9.6	-8.6	-8.3	-6.7
Trinidad and Tobago	7.7	6.8	4.8	-0.1	-1.5	-2.4
United States	-8.4	-0.3	-0.4	-14.0	-11.2	-9.4
Uruguay	-13.0	-18.1	-16.0	-7.6	-7.9	-7.6
Average	-4.7	-3.7	-2.1	-1.4	1.8	7.2

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

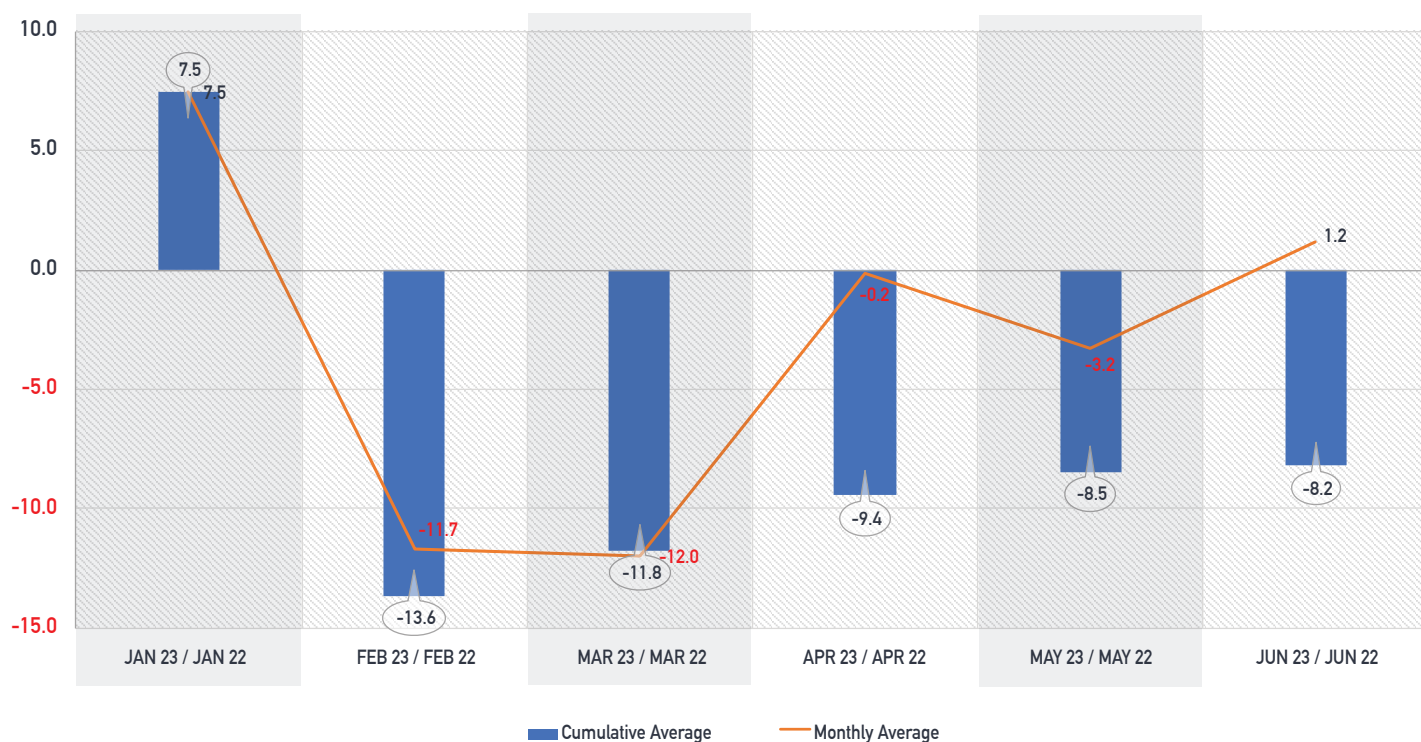
1.5. Evolution of Other Revenue collection

Finally, the set of Other tax revenues is of less analytical importance given its high heterogeneity and residual nature by definition. However, in some countries its weight is much more relevant than the average, given the extended collection powers of tax administrations -especially those related to social security contributions-, which can significantly affect the aggregate evolution of total tax revenues. Specifically, in Argentina the weight of Other ranged between 49% and 54% of the total during 2021, in Brazil between 47% and 54%, and in the United

States between 23% and 50% depending on the calendar month, while in the other countries the representativeness of this component of the tax structure is generally below 20%¹².

During the first half of 2023, the average performance of the Other Tax Revenues shows in its main features the same trends recorded for the previous revenue chapters, with an average cumulative drop of -8.2% and fifteen countries in negative territory at the end of the semester.

FIGURE 6. Evolution of Other Revenue collection in 2023 (in percentage changes with respect to the same month of 2022; simple averages; constant prices; January to June)



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

¹² The percentage structures of monthly tax collection for each country can be consulted at the following link: <https://www.ciat.org/recaudacion/>, "Monthly tax collection database (Annex)".

TABLA 6. Evolution of Other Revenue cumulative collection in 2023 (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Countries	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
Argentina	-36.5	-42.6	-46.4	-37.6	-32.6	-28.1
Brazil	0.2	0.4	1.1	2.2	2.8	2.6
Chile	203.7	-167.4	-97.2	-61.1	-58.7	-40.5
Colombia	30.2	9.7	1.2	1.3	10.2	6.8
Costa Rica	37.1	20.1	15.7	2.0	-9.0	-31.9
Dominican Republic	-0.7	-6.2	-3.8	-3.4	-2.5	-1.1
Ecuador	-10.7	-8.0	-27.1	-22.0	-20.6	-18.1
El Salvador	-5.4	-6.2	-5.6	-3.2	-0.2	-1.4
Guatemala	7.4	7.1	4.0	5.4	5.6	5.5
Italy	0.1	-33.9	-27.7	-26.1	-22.9	-18.6
Jamaica	5.5	5.8	5.9	1.5	3.6	2.6
Mexico	4.6	-2.3	-14.5	-10.7	-9.0	-7.0
Morocco	6.0	6.0	4.7	3.3	5.7	3.6
Nicaragua	-8.9	-4.1	-8.3	-6.1	-3.3	-3.0
Panama	-53.7	-39.8	-12.5	-10.1	-9.0	-7.8
Paraguay	-25.2	-35.0	-30.0	-25.8	-27.8	-27.4
Peru	-7.3	-6.6	-9.5	-8.8	-7.8	-7.1
Spain	-7.5	-1.4	-2.8	-2.6	-5.0	-3.6
Trinidad and Tobago	15.7	7.8	2.1	-1.7	0.2	-0.2
United States	-4.8	-1.5	-3.4	-4.0	-4.6	-2.2
Uruguay	7.0	11.7	7.5	9.2	7.1	4.9
Average	7.5	-13.6	-11.8	-9.4	-8.5	-8.2

Note: The average has been calculated excluding the values corresponding to Nicaragua.

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

2. OVERVIEW BY REGION OR GROUP OF COUNTRIES

As can be seen from the previous sections, the large amount of information collected, organized, and systematized for a wide range of CIAT member countries makes it possible to identify certain general trends such as those presented in the previous sections. However, as is usually the case and has been recurrently highlighted, within the averages calculated there is a high degree of heterogeneity and variety of cases.

One option for observing these particularities is to group all the countries for which official information is available according to generally accepted geographic-economic criteria. This complementary approach to the data contained in the RRC Database aims to visualize and identify similarities and/or differences at the level of regions or groups of countries in the recent evolution of variables related to tax collection, enhancing the potential variants of the information collected. Based on the statistical information available, the following country groupings will be considered here:

- **Mercosur + Mexico:** Argentina, Brazil, Paraguay, Uruguay and Mexico¹³.
- **Andeans + Chile:** Chile, Ecuador, Colombia and Peru.
- **The Caribbean:** Jamaica and Trinidad and Tobago.
- **Central America + Dom. Rep.:** Costa Rica, El Salvador, Guatemala, Nicaragua, Panama and Dominican Republic.

- **Others:** The United States, Spain, Italy and Morocco.
- **Latin America and The Caribbean:** Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Trinidad and Tobago, and Uruguay.

By region, the results for the first half of 2023 are similar to those already mentioned, albeit with some nuances. Latin America and the Caribbean recorded an average drop in revenues of -2.9% with respect to the first half of 2022, somewhat lower than the average for all CIAT countries included in our database.

The aggregate Other, on average, is the one with the largest average drop (-6.3%, compared to 2022), mainly due to the negative data from the United States. The Mercosur+Mexico and Andeans+Chile groups follow with declines of -5.7% and -4%, respectively (in these cases it is the negative results of Argentina and Chile that condition the averages); while the Caribbean countries (-1.6%) and, above all, Central America+Dominican Republic (0.0%) are the best performers in the first half of 2023.

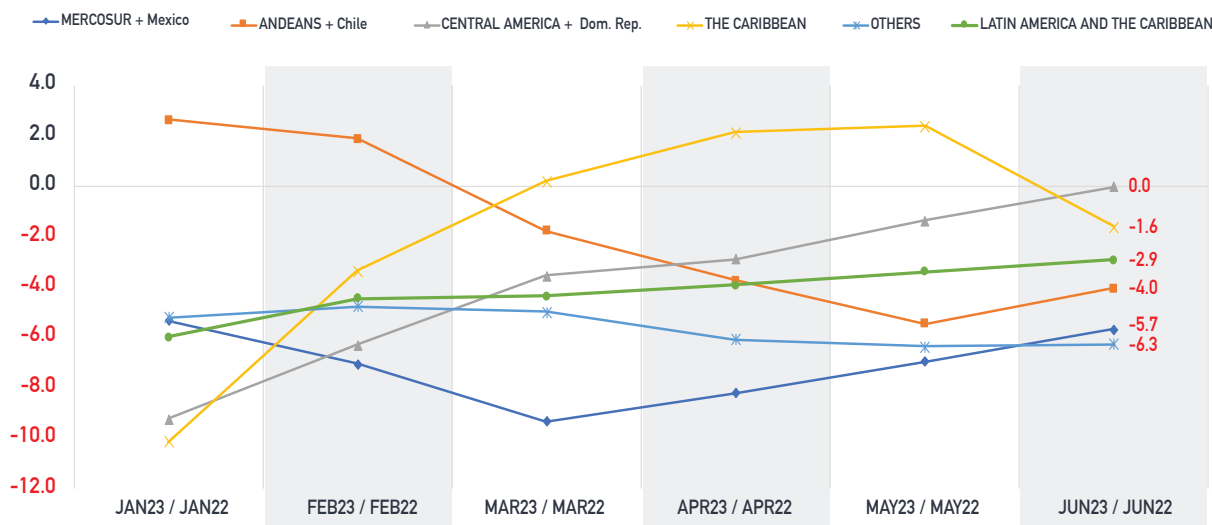
13 Although Mexico's geographic location could group it with the Central American countries, its macroeconomic and tax characteristics make it more comparable to the Mercosur countries, mainly Argentina and Brazil.

TABLE 7. Evolution of total tax cumulative collection of tax administrations in 2023 by country groups (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Regions or country groups	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
MERCOSUR + Mexico	-5.3	-7.0	-9.3	-8.2	-7.0	-5.7
ANDEANS + Chile	2.6	1.9	-1.8	-3.7	-5.4	-4.0
CENTRAL AMERICA + Dominican Rep.	-9.2	-6.3	-3.5	-2.9	-1.4	-0.0
THE CARIBBEAN	-10.1	-3.4	0.2	2.1	2.4	-1.6
OTHERS	-5.2	-4.8	-5.0	-6.1	-6.4	-6.3
LATIN AMERICA AND THE CARIBBEAN	-6.0	-4.4	-4.4	-3.9	-3.4	-2.9

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

FIGURE 7. Evolution of total tax cumulative collection of tax administrations by country groups in 2023 (in percentage changes with respect to the same month in 2022; constant prices; January to June)



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

The analysis by region or group of countries can be extended to the different categories of main taxes identified in the tax structures of the analyzed countries.

In the case of IT, the average figures obtained for the percentage variations of the accumulated tax collection are in line with the results discussed for the total collection of the countries (Table 8).

Latin America and the Caribbean recorded an average drop in revenues somewhat lower than that of the average for CIAT countries as a whole, while the aggregate Others recorded a greater decline. The Mercosur+Mexico and Andeans+Chile groups remain in negative territory, while the Caribbean and Central America+Dominican Republic countries show revenue increases in the first half of 2023.

TABLE 8. Evolution of Income Tax cumulative collection in 2023 by country groups (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Regions or country groups	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
MERCOSUR + Mexico	-1.6	-4.2	-8.0	-9.4	-8.2	-8.1
ANDEANS + Chile	12.5	11.5	4.8	-0.4	-4.2	-2.7
CENTRAL AMERICA + Dominican Rep.	-8.9	-3.3	-1.3	-2.4	-1.9	1.0
THE CARIBBEAN	-4.1	7.8	9.8	12.4	11.5	4.2
OTHERS	-7.7	-7.6	-7.4	-6.7	-7.0	-6.8
LATIN AMERICA AND THE CARIBBEAN	-1.4	1.7	0.0	-1.5	-2.0	-1.9

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

As for VAT, the average drop in LAC (-3.4%) is greater than that of the countries in the Others category (-2.6%), being the tax with the worst figures in the region (excluding the Other revenues category). Once again, the Mercosur+Mexico group of countries leads the declines

(-6.8%), followed by the Caribbean (-5.1%) and the Andeans+Chile (-5%). Only Central America+Dominican Republic was in positive territory (+2%), followed by the Caribbean (-5.1%) and the Andean Countries+Chile (-5%).

TABLE 9. Evolution of VAT cumulative collection in 2023 by country groups (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Regions or country groups	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
MERCOSUR + Mexico	-8.1	-8.4	-9.9	-9.4	-7.8	-6.8
ANDEANS + Chile	-4.0	-4.3	-4.4	-4.9	-4.9	-5.0
CENTRAL AMERICA + Dominican Rep.	-8.3	-6.0	-3.9	-1.7	0.7	2.0
THE CARIBBEAN	-24.2	-25.3	-21.6	-20.6	-13.4	-5.1
OTHERS	5.4	3.9	1.9	-0.4	-1.3	-2.6
LATIN AMERICA AND THE CARIBBEAN	-10.5	-10.1	-9.1	-8.2	-5.6	-3.4

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

After several years as the laggard in the post-pandemic recovery, the Excise taxes chapter is the best performing in LAC in the first half of 2023, with a 10.5% growth, led

by Mercosur+Mexico (+18.4%) and the Andeans+Chile (+17.7%).

TABLE 10. Evolution of Excise taxes cumulative collection in 2023 by country groups (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Regions or country groups	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
MERCOSUR + Mexico	-9.4	-14.0	-8.7	-5.4	1.1	18.4
ANDEANS + Chile	12.2	13.1	13.3	15.0	16.8	17.7
CENTRAL AMERICA + Dominican Rep.	-12.4	-8.5	-5.4	-4.7	-0.4	3.4
THE CARIBBEAN	6.9	3.6	-0.1	1.1	-0.5	-1.9
OTHERS	-11.9	-5.1	-5.4	-9.3	-7.6	-6.6
LATIN AMERICA AND THE CARIBBEAN	-3.1	-3.4	-1.3	0.5	4.1	10.5

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

Finally, Table 11 shows the evolution of the year-on-year variations of the accumulated collection of Other Revenues, on average for each of the groups of countries

analyzed. All groups or regions ended the first half of 2023 with negative year-on-year variations when compared to the figures for 2022, with the exception of the Caribbean.

TABLE 11. Evolution of Other Revenue cumulative collection in 2023 by country groups (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Regions or country groups	Jan 23/22	Feb 23/22	Mar 23/22	Apr 23/22	May 23/22	Jun 23/22
MERCOSUR + Mexico	-10.0	-13.6	-16.5	-12.5	-11.9	-11.0
ANDEANS + Chile	4.0	-1.6	-11.8	-9.8	-6.1	-6.1
CENTRAL AMERICA + Dom. Rep.	-4.1	-4.9	-1.8	-2.6	-3.1	-6.6
THE CARIBBEAN	7.1	4.5	2.6	-0.1	1.3	0.8
OTHERS	-1.6	-7.7	-7.3	-7.3	-6.7	-5.2
LATIN AMERICA AND THE CARIBBEAN	-2.6	-5.5	-7.5	-6.7	-5.8	-6.9

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

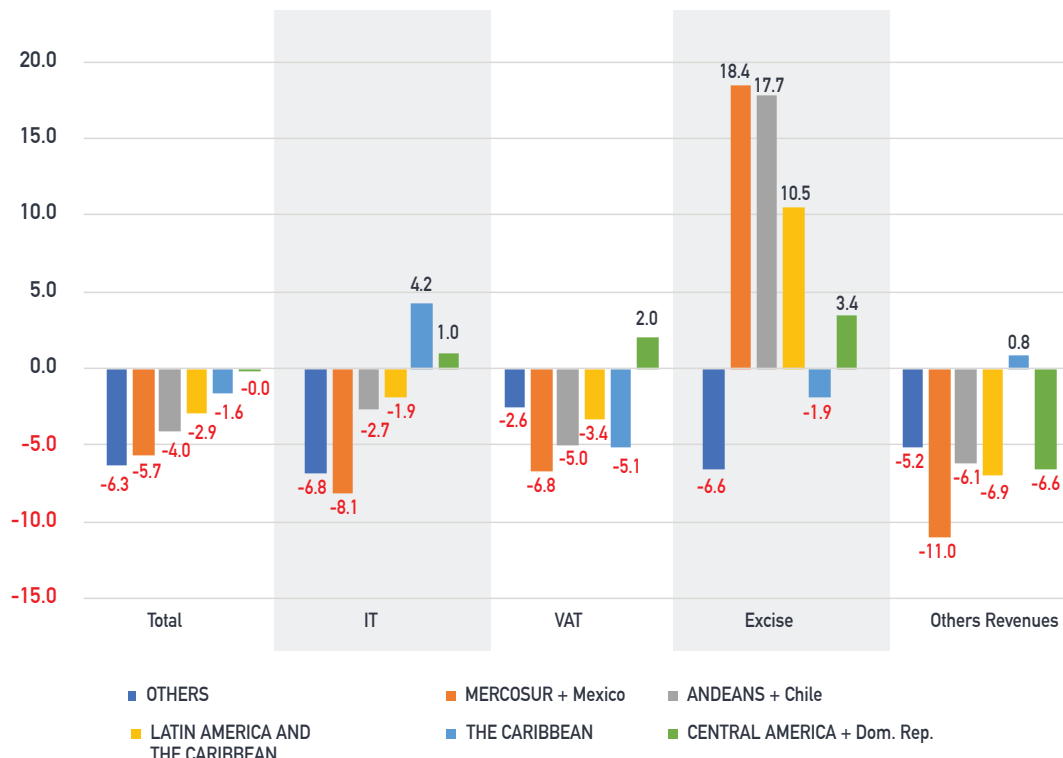
As a final summary, Table 12 and Figure 8 show the cumulative evolution of average tax revenues by region and type of tax as of June 2023.

TABLE 12. Evolution of cumulative collection in 2023 by country groups and type of tax (in percentage changes with respect to the same month of 2022; constant prices; January to June)

Regions or country groups	Total	IT	VAT	Excise	Others Revenue
OTHERS	-6.3	-6.8	-2.6	-6.6	-5.2
MERCOSUR + Mexico	-5.7	-8.1	-6.8	18.4	-11.0
ANDEANS + Chile	-4.0	-2.7	-5.0	17.7	-6.1
LATIN AMERICA AND THE CARIBBEAN	-2.9	-1.9	-3.4	10.5	-6.9
THE CARIBBEAN	-1.6	4.2	-5.1	-1.9	0.8
CENTRAL AMERICA + Dom. Rep.	-0.0	1.0	2.0	3.4	-6.6

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

FIGURE 8. Evolution of cumulative collection in 2023 by country groups and type of tax (in percentage changes with respect to the same month of 2022; constant prices; January to June)



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

3. FINAL COMMENTS

With data updated up to June 2023, the monthly monitoring of tax administrations' revenue collection initiated at the beginning of the pandemic unleashed in 2020 has been consolidated as a useful tool to monitor the evolution of revenues in the Latin American and Caribbean region and in developed countries of reference (such as the United States, Spain, and Italy), differentiating between countries, sub-regions and tax categories. For this reason, we have decided to continue its preparation, now under the name of Revenue Report CIAT (RRC).

As usual, it is necessary to be cautious when interpreting these results, since the rates of evolution of revenue collection vary greatly from region to region and country to country, and that the post-pandemic effects are compounded by the influence of inflation, which has once again become a concern for the macroeconomic policies of the countries.

ANNEX: RRC-CIAT DATABASE (ONLINE)

As a fundamental complement to this Report, a Monthly Collection Database has been built based on official information from the different tax administrations of a wide range of CIAT member countries. The tax revenue series obtained were duly processed and deflated using retail price indexes available at the national statistical institutes of each country. Additional detailed information

on the monthly and cumulative evolution -in constant and current values- of the total and main tax collection of all tax administrations considered is available on the CIAT web page (<https://www.ciat.org/recaudacion/> "Monthly Collection Database (Annex)").



Working Papers *Serie*



CIAT

CIAT Executive Secretary

P.O. Box: 0834-02129, Panama, Republic of Panama

Phone: (507) 307.2428

Fax: (507) 264.4926

E-mail: ciat@ciat.org

Web: www.ciat.org