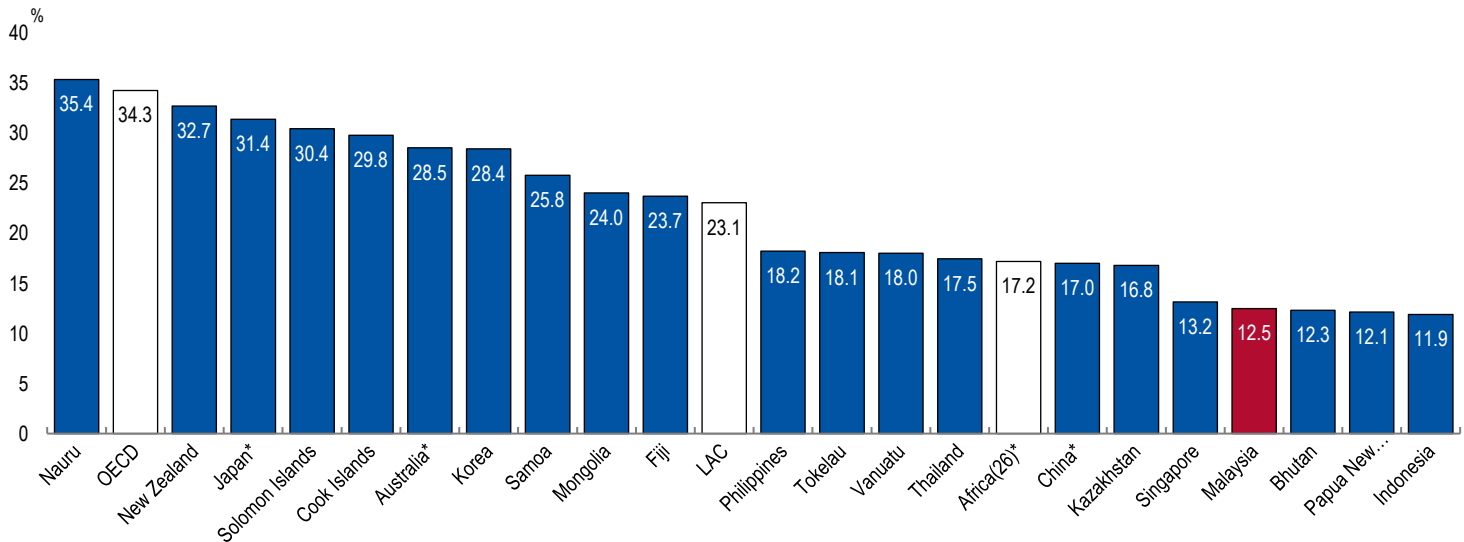


Revenue Statistics in Asian and Pacific Economies 2020 – Malaysia

Tax-to-GDP ratio

Tax-to-GDP ratio compared to other Asian and Pacific economies and regional averages, 2018

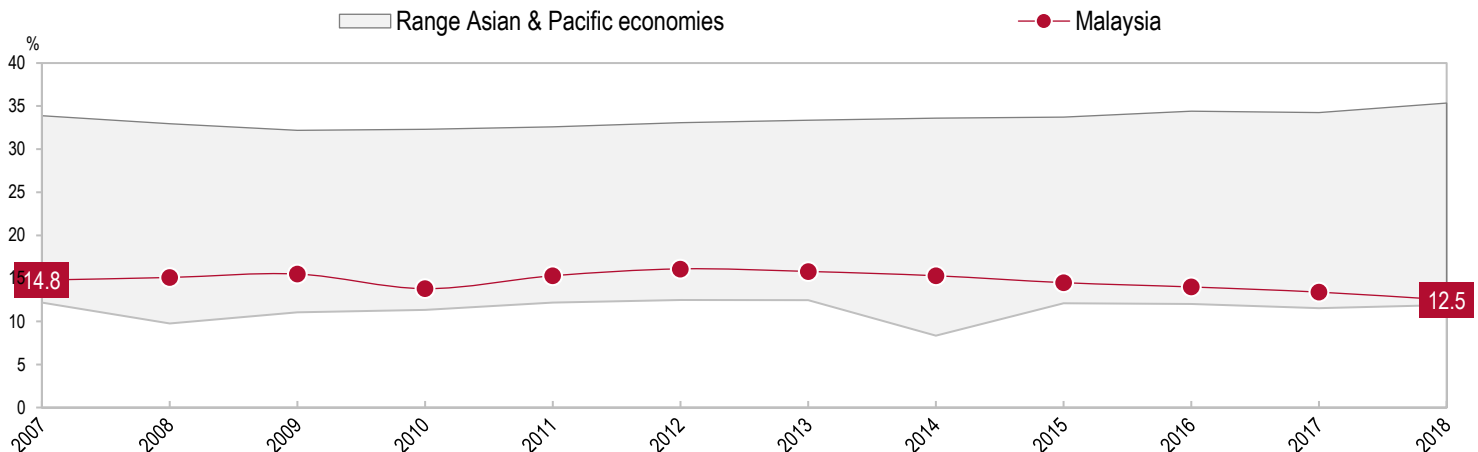
Malaysia's tax-to-GDP ratio was 12.5% in 2018, below the OECD average (34.3%) by 21.8 percentage points, and also below the LAC and Africa (26)* averages (23.1% and 17.2%, respectively).



* Data for 2017 are used for the Africa (26) average, Australia and Japan as the 2018 data are not available. The tax-to-GDP ratio for China does not include revenue from social security contributions (SSCs) as detailed data were not available.

Tax-to-GDP ratio over time

The tax-to-GDP ratio in Malaysia decreased by 0.9 percentage points from 13.4% in 2017 to 12.5% in 2018. From 2007 to 2018, the tax-to-GDP ratio in Malaysia decreased by 2.3 percentage points from 14.8% to 12.5%. The highest tax-to-GDP ratio in this period was 16.1% in 2012, and the lowest 12.5% in 2018.



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

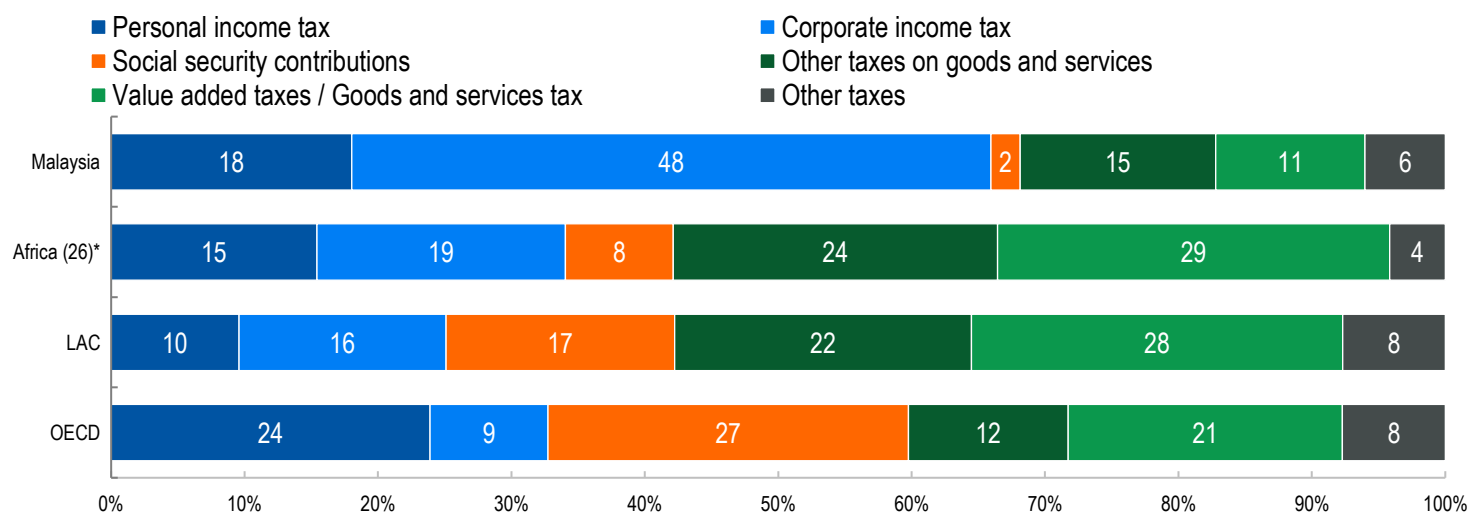
Regional averages (OECD, LAC, AFRICA (26)) refer to the 2020 edition for Revenue Statistics in Latin America and the Caribbean, and to the 2019 editions of the Revenue Statistics (OECD), and Revenue Statistics in Africa. [oe.cd/global-rev-stats-database](http://www.oecd.org/global-rev-stats-database)



Tax structures

Tax structure compared to the regional averages

Tax structure refers to the share of each tax in total tax revenues. The highest share of tax revenues in Malaysia in 2018 was derived from corporate income tax (47.9%). The second-highest share of tax revenues in 2018 was derived from personal income tax (18.0%).



* Data for 2017 are used for the Africa (26) average as the 2018 data are not available. All figures within the chart are rounded.

Summary of the tax structure in Malaysia

	Tax Revenues in national currency			Tax structure in Malaysia		
	Malaysian Ringgit, Millions			% in GDP		
	2018	2017	Δ	2018	2017	Δ
Taxes on income, profits and capital gains	124	110	+ 14	8.6	8.0	+ 0.5
<i>of which</i>	-	-	-	-	-	-
Personal income, profits and gains	33	29	+ 4	2.3	2.1	+ 0.1
Corporate income and gains	87	76	+ 10	6.0	5.6	+ 0.4
Social security contributions	4	4	-	0.3	0.3	+ 0.0
Taxes on goods and services	47	64	- 17	3.2	4.7	- 1.4
<i>of which</i>	-	-	-	-	-	-
Value added taxes / Goods and services tax	20	44	- 24	1.4	3.2	- 1.8
Taxes on specific goods and services	17	14	+ 3	1.2	1.0	+ 0.1
<i>of which</i>	-	-	-	-	-	-
Excises	11	10	+ 1	0.7	0.7	+ 0.0
Customs and import duties	3	3	-	0.2	0.2	- 0.0
Other taxes	6	6	-	0.4	0.4	- 0.0
TOTAL	181	184	- 3	12.5	13.4	- 0.9

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

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

For further information, please see: [oe.cd/revenue-statistics-in-asia-and-pacific](https://www.oecd.org/revenue-statistics-in-asia-and-pacific/)

