

# Budget Outlook 2, August 2013

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There are signs of a change in the economic sentiment in both the Danish and the international economy. Through the spillover effects from a better international economic climate, growth in the Danish economy is expected to increase in the remaining part of 2013 and into 2014. On this basis, GDP growth is estimated to 1.6 per cent in 2014, while the expectation for 2013 is a rather modest GDP-growth of 0.2 per cent.

The outlook for the Danish economy is supported by economic policies, by the means of low interest rates, the investment window, other employment enhancing initiatives and the measures in *Agreements on Growth Plan DK* from April that contributes to a strengthening of Danish companies' competitiveness.

At the same time, the *Agreement on a temporary labour market benefit* from May extends the duration of the special educational benefit with ½ years and introduces a new temporary labor market benefit for unemployed who are no longer entitled to unemployment benefit after 1 January 2014.

The central government budget proposal for 2014 and the agreements with local governments and regions for 2014 are in line with the budget law, according to which the yearly structural deficit cannot exceed ½ per cent of GDP. In 2014, fiscal policy has been planned in order to support growth and employment within the framework of a healthy and responsible economic policy. The structural deficit is estimated to 0.4 per cent of GDP in 2014 and the structural deficit is thus close to the limit in the budget law.

The weak cyclical position contributes to public deficits these years. The general government deficit is estimated to 1.7 per cent of GDP in 2013 and 2.0 in 2014. The general government deficit is thus reduced to below 3 per cent of GDP in 2013 in line with the main requirement in the EU-recommendation.

The deficits in 2013-14 are affected by temporary revenue from the reallocation of capital pension schemes that was a part of the agreement on a tax reform in June 2012, and that was extended to include 2014 with *Agreements on Growth Plan DK*. With considerable uncertainty, the temporary revenue is estimated to DKK 40 bn. in total, which is assumed to be equally distributed between 2013 and 2014.

Due to reallocation in the pension sector from schemes with a guaranteed yield in each year to schemes in which each year's yield reflects market returns, the revenue from pension yield tax includes temporary revenues of DKK 2bn in both 2013 and 2014.

Without these temporary revenues, the general government deficit is estimated to 2.9 per cent of GDP in 2013 and 3.2 per cent of GDP in 2014.

The budget law introduces expenditure ceilings for central government, local government, and regions. The first expenditure ceilings, covering the period 2014-17, were adopted in June by a broad majority in the Parliament. The budget proposal for 2014 and the agreements with local governments and regions for 2014 are in line with the agreed expenditure ceilings, *cf. table 1*.

**Table 1**  
**Expenditure ceilings, 2014**

DKK bn (2014-prices)	Central government subceiling for operating costs	Central government subceiling for income transfers	Local government expenditure ceiling	Regional subceiling for health expenditures	Regional subceiling for development expenditure
Ceiling	185.8	253.1	230.1	102.6	2.9
Budget proposal 2014 and local government budgets	185.8	251.4	230.1	102.6	2.9

## General government finances

The estimates for general government finances in 2013 and 2014 are based on the short term projection for the Danish economy, *cf. Economic Survey, August 2013*.

Furthermore, the estimate for 2013 are based on the central government budget for 2013, an updated status for central government spending in 2013, local government budgets for 2013, and the agreement between the government and Local Governments Denmark (January 2013) to increase investments by DKK 2bn in 2013 within an unchanged budget framework by lowering consumption expenditure. In addition, the effects of the collective wage agreements in the public sector, *Agreement on a temporary labor market benefit*, and the parts of *Agreements on Growth Plan DK* that have impact in 2013, have been taken into account.

For 2014, the estimate for the general government balance reflects the central government budget proposal for 2014 and the agreements with local governments and regions for 2014, which are in line with the budget law and the expenditure ceilings. In addition, the impact of *Agreement on a temporary labor market benefit* and *Agreements on Growth Plan DK* –

including the agreements on a cash benefit reform, a reform of study grants, cross-border shopping etc. – have been taken into account.

Based on economic policies and the short term projections, the general government deficit is estimated to 1.7 per cent of GDP in 2013 (DKK 31½bn) and 2.0 per cent of GDP in 2014 (DKK 38½bn), *cf. table 2*.

Detailed information about the general government finances can be found in annex 1.

**Table 2**

**General government budget balance, 2007-2014**

	2007	2008	2009	2010	2011	2012	2013	2014
<b>DKK bn current prices</b>								
May 2013	81.4	57.6	-46.1	-47.4	-34.9	-75.4	-23.0	-31.1
<b>August 2013</b>	<b>81.4</b>	<b>57.6</b>	<b>-46.1</b>	<b>-47.4</b>	<b>-34.9</b>	<b>-77.5</b>	<b>-31.2</b>	<b>-38.5</b>
<b>August 2013 (per cent of GDP)</b>	<b>4.8</b>	<b>3.3</b>	<b>-2.8</b>	<b>-2.7</b>	<b>-2.0</b>	<b>-4.2</b>	<b>-1.7</b>	<b>-2.0</b>

Compared to the short term projection in May the general government budget deficit has been upward adjusted by DKK 8¼bn in 2013 and DKK 7½bn in 2014, *cf. table 3*. The revision reflects among other things lower expected revenue from pension yield taxation in 2013 (approx. DKK 6bn) and a downward adjustment of revenues from personal taxes and labour market contributions in 2013 and 2014 (approx. DKK 1.5bn in 2013 and DKK 3bn in 2014). Furthermore, public investments have been upward adjusted by DKK 2¼bn in 2014 following the agreements with local governments and regions for 2014 and the central government budget proposal for 2014.

The structural deficit is estimated to 0.2 per cent of GDP in 2013 and 0.4 per cent of GDP in 2014, and the structural deficit in 2014 is thus close to the limit in the budget law. The structural deficit has been upward adjusted by ¼ per cent of GDP compared to the projection in May. This should among other things be seen in light of the higher level of public investments in 2014 (about 0.1 per cent of GDP).

**Table 3**  
Revision of the general government budget balance from May to August

	2012	2013	2014
<b>DKK bn, current prices</b>			
North Sea oil and gas exploration activities	0.5	1.2	0.7
Corporate taxes excluding North Sea oil and gas exploration activities	-0.4	-0.4	-0.2
Pension yield taxation	0.0	-5.9	0.1
Labour market contribution	0.0	-0.2	-0.3
Personal taxes etc.	-1.5	-1.2	-2.7
Value Added Tax	0.0	0.8	0.2
Vehicle registration tax	0.0	0.8	1.0
Other taxes and duties	-0.2	-0.5	0.5
Public consumption expenditures	-1.5	0.3	0.8
Public investment expenditures	-1.3	0.0	-2.3
Income transfers	-0.7	0.3	-0.3
Net interest expenditures and dividends	0.2	-2.8	-3.8
Subsidies	1.1	-0.2	-1.4
Other expenditures and revenues	1.8	-0.4	0.2
<b>Total revision of general government budget balance</b>	<b>-2.1</b>	<b>-8.2</b>	<b>-7.4</b>

Note: Negative numbers imply reductions of the surplus due to reduced revenues or increased expenditures, and positive numbers imply increases in the surplus due to increased revenues or decreased expenditures.

The expenditure burden, i.e. the ratio of government expenditure to GDP, is estimated to amount to approx. 56¼ per cent of GDP in 2013 and 56 per cent of GDP in 2014, cf. *table 4* and *annex 2*. In 2012 the expenditure burden was 58¼ per cent of GDP, reflecting among other things the repayment of early retirement contributions. Disregarding the effect from repayments of early retirement contributions in 2012, the expenditure burden is expected to be almost unchanged from 2012 to 2013, while the expenditure burden is reduced by around ¾ per cent of GDP from 2013 to 2014.

From 2012 to 2014 public consumption is expected to be reduced from 28.6 per cent of GDP to 28.2 per cent of GDP. This reflects a dampened development in nominal public consumption expenditures due to a moderate wage development and the effect of the agreement to increase local government investments by DKK 2bn in 2013 financed by lower consumption expenditure, *Agreements on Growth Plan DK* and *Agreement on a temporary labor market benefit*.

Furthermore, public investment as a share of GDP is expected to decrease from 2.5 per cent in 2012 to 2.3 per cent of GDP in 2014. This should be viewed in light of the fact that public

investments were exceptionally high in 2012 due to frontloading of public investments in the *Kick-start*. In 2013 and 2014 public investments remain high and public investments as a share of GDP continues to exceed the average of 1.8 per cent of GDP in 1983-2010.

**Table 4**  
**Expenditure, tax and revenue burden, 2007-2014**

	2007	2008	2009	2010	2011	2012	2013	2014
<b>Per cent of GDP</b>								
Expenditure burden	50.0	50.6	56.8	56.3	56.3	58.3	56.7	56.0
Tax burden	49.1	47.9	47.9	47.6	47.9	48.2	49.6	48.9
Revenue burden	54.8	53.9	54.1	53.6	54.4	54.0	55.0	54.0

The tax burden amounts to 48.2 per cent of GDP in 2012 and is estimated to 49.6 per cent of GDP in 2013 and 48.9 per cent of GDP in 2014. The temporary revenue from reallocation of capital pension schemes increases personal taxes (and thereby the tax burden) by approx. 1.1 per cent of GDP in 2013 and 2014.

The increase in the tax burden from 2012 to 2013 also reflects tax increases in *Spring Package 2.0*, the *Fiscal Consolidation Agreement* and in the central government budget for 2012.

From 2013 to 2014 the tax burden is reduced by approx.  $\frac{3}{4}$  per cent of GDP. The lower tax burden in 2014 mainly reflects a normalisation of the revenue from pension yield taxation. The tax burden in 2014 is also affected by the gradual reduction of the corporate tax rate and lower duties in *Agreements on Growth Plan DK*.

Detailed information about the expenditure, tax, and revenue burden can be found in annex 2.

## Fiscal stance

The *fiscal effect* is an indicator of fiscal policy stance. The fiscal effect measures the impact of fiscal policy changes on economic activity. The economic policy of 2012-14 is determined in order to support growth and employment within the fiscal framework of the budget law and the Danish EU-recommendation.

Fiscal policy and other economic policy initiatives from 2012 and onwards are estimated to increase the *GDP-level* by 0.4 per cent of GDP in both 2013 and in 2014. Thus, fiscal policy and other economic-political initiatives are approximately neutral in terms of GDP-growth for 2014. This includes a contribution of 0.1 per cent from the one-year fiscal effect, *cf. table 5*. The one-year fiscal effect in 2014, measuring the immediate effect of the fiscal policy on the economic activity, reflects among other things the growth in public investments in 2014.

**Table 5**  
**Fiscal effect, 2007-2014**

	2007	2008	2009	2010	2011	2012	2013	2014
<b>Per cent of GDP</b>								
Expenditures	0.1	0.0	1.1	0.3	-0.5	0.0	-0.1	0.1
Revenues	0.0	0.1	0.1	0.3	-0.1	0.1 <sup>1)</sup>	-0.3 <sup>1)</sup>	0.0
<b>Fiscal effect. incl. early retirement contributions</b>	<b>0.1</b>	<b>0.1</b>	<b>1.2</b>	<b>0.5</b>	<b>-0.6</b>	<b>0.2<sup>1)</sup></b>	<b>-0.4<sup>1)</sup></b>	<b>0.1</b>
Special pension scheme (SP)			0.3	0.0	-0.2	-	-	-

1) Incl. repayment of early retirement contributions.

The fiscal effect of -0.4 per cent of GDP in 2013 mainly reflects the discontinuation of the repayment of early retirement contributions in 2012. The fiscal effect in 2013 is downward adjusted by 0.1 per cent of GDP compared to the projection in May due to lower growth rates of public consumption and public investments in light of a higher level in 2012 than anticipated in May. The higher level of public consumption and public investments in 2012 contributes to an upward adjustment of the fiscal effect by 0.2 per cent of GDP in 2012.

In 2014 the fiscal effect is estimated to 0.1 per cent of GDP. The estimate for 2014 is based on the agreement with local governments and regions from June 2014 and the central government budget proposal for 2014 which includes the effects of *Agreements on Growth Plan DK* and *Agreement on a temporary labour market benefit*. Fiscal policy in 2014 is thus determined within the framework of the budget law and the expenditure ceilings. The one-year fiscal effect in 2014 should be seen in light of the planned growth in public investments.

The planned fiscal policy should be viewed in the context of a very expansionary monetary policy and very low interest rates. The responsible and credible economic policy – that complies with the Budget Law and the EU-recommendation – contributes to maintain confidence to economic policy and low interest rates for the benefit of growth and employment.

## Structural budget balance

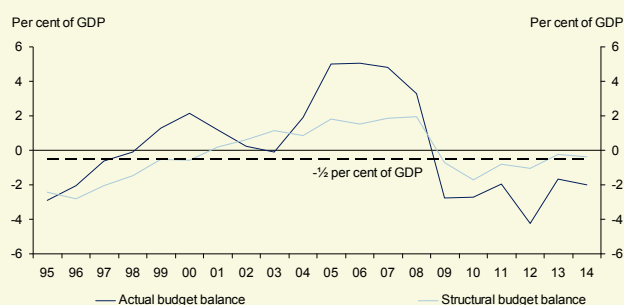
The structural budget balance is calculated by adjusting the actual general government budget balance for the estimated impact on the budget from the cyclical position of the economy and other temporary factors.

The structural budget balance is estimated to improve from a deficit of 1.7 per cent of GDP in 2010 to a deficit of 0.2 per cent of GDP in 2013, cf. *Figure 1*. Thereby, Denmark will meet the requirement in the EU-recommendation to reduce the structural deficit by 1½ per cent of GDP in 2011-2013.

In 2014, the structural budget deficit is estimated to 0.4 per cent of GDP. The structural budget deficit is thus close to the limit of the budget law, according to which the yearly structural budget deficit must not exceed ½ per cent of GDP.

The structural deficit in 2014 is upward adjusted by ¼ per cent of GDP compared to the projection in May. This should be seen in light of the higher level of public investments in 2014 (about 0.1 per cent of GDP). In addition, lower revenues are expected from personal taxes and labor market contributions as well as higher expenditures on subsidies etc. The larger expected actual deficit in 2014 therefore primarily reflects revised estimates for budget components that – with a fairly unchanged economic environment – affect the structural balance.

**Figure 1**  
Actual and structural balance, 1995-2014



## Central government finances

The general government deficit is budgeted to DKK 31.2bn on the central government budget proposal of 2014 on the current, investment, and lending account – the so-called CIL-account<sup>1</sup> – corresponding to 1.6 per cent of GDP, *cf. table 6*. The CIL-account deficit in 2013 is estimated to DKK 17.3bn corresponding to -0.9 per cent of GDP.

<sup>1</sup> The CIL-account differs from the national account based on the central government balance with respect to the accruals concept (e.g. taxes), the treatment of financial transactions etc. In addition, some institutions that are part of the central government accounts are not considered part of the central government sector in the national accounts, and some institutions that are not part of the central government accounts are considered part of the central government sector.

**Table 6**  
**CIL-account, 2013-2014**

	May	2013 August	Diff.	2014 FFL14
<b>DKK bn, current prices</b>				
Total revenues	662.0	666.7	4.7	666.1
Total expenditures	686.6	684.0	-2.6	697.2
<b>CIL-account</b>	<b>-24.6</b>	<b>-17.3</b>	<b>7.3</b>	<b>-31.2</b>
CIL-account (per cent of GDP)	-1.3	-0.9	0.4	-1.6

The higher CIL-account deficit in 2014 compared to 2013 reflects an increase in the central government expenditures as well as lower expected revenues from pension yield taxation and value added tax in 2014.

## Central government financing requirement and debt

Central government debt measured as a percentage of GDP is estimated to increase from 26¼ per cent of GDP in 2012 to 28½ per cent of GDP in 2014, corresponding to an increase of approx. 1¼ percentage points, *cf. table 6*. Measured in nominal terms, central government debt is estimated to increase from DKK 486½bn in 2012 to DKK 546bn in 2014 corresponding to an increase of DKK 59½bn over the two years.

The increase in debt from 2012 to 2014 primarily reflects the deficit on the central government finances.



**Table 6**  
Central government debt, 2012-2014

	2012	2013	2014	Diff. 2012-14
<b>End of year nominal value, DKK bn (current prices)</b>				
Domestic debt	667.3	661.4	676.0	8.7
Foreign debt	90.0	76.5	75.3	-14.7
The central government's account in Danmarks Nationalbank	-160.3	-118.4	-118.4	41.9
Fund holding of bonds <sup>1)</sup>	-110.4	-96.1	-86.8	23.6
<b>Central government debt DKK bn</b>	<b>486.6</b>	<b>523.3</b>	<b>546.0</b>	<b>59.5</b>
<b>Central government debt per cent of GDP</b>	<b>26.7</b>	<b>28.3</b>	<b>28.6</b>	<b>1.9</b>

1) The holdings of bonds by the funds, as well as their deposits in Danmarks Nationalbank, are included.

The annual change in central government debt (net of capital gains and borrowing) corresponds to the net balance. The difference between the net balance and the CIL-account reflects among other things cash flows and central government relending.

In 2013, the net financing requirement is estimated to amount to respectively DKK 32.3bn, *cf. table 7*. Compared to the estimate in May, this is a downwards adjustment of approx. DKK 5.5bn, reflecting primarily a lower deficit on the CIL-account.

In 2014 the net financing requirement is estimated to DKK 22<sup>3</sup>/<sub>4</sub>bn, based on the central government budget proposal for 2014.

**Table 7**  
CIL-account and net financing requirement, 2012-2014

	2012	2013		2014
	Final	May	Aug.	FF14
<b>DKK bn (Current prices)</b>				
<b>CIL-account</b>	-75.7	-24.6	-17.3	-31.2
Total relending	-7.7	-8.2	-12.2	13.0
Differences between posted revenues and expenditures and cash flow	1.8	-2.9	-2.8	-4.5
<b>Net financing requirement (-net balance)</b>	<b>81.6</b>	<b>35.7</b>	<b>32.3</b>	<b>22.7</b>

The financing requirement is equivalent to the net financing requirement, which depends in particular on central government deficit, plus repayment of short and long term debt. The financing requirement can be met through borrowing or by drawing on the central government account.

The domestic financing requirement in 2013 is estimated to DKK 136bn, which is DKK 3 bn less than the May estimate, *cf. table 8*. In 2014, the domestic requirement is estimated to DKK 102bn. The lower estimate is due to among other things, a lower expected amount of outstanding treasury bills at the end of 2013.

**Table 8**  
**Domestic financing requirement 2013 and 2014**

DKK bn	2013		2014
	May	August	FFL14
<b>Net domestic net financing requirement</b>	35	32	24
Repayment of long term debt <sup>1)</sup>	59	59	48
Repayment of treasury bills <sup>2)</sup>	45	45	30
<b>Domestic financing requirement</b>	<b>139</b>	<b>136</b>	<b>102</b>

- 1) Repayment of long term debt includes the net purchase of bonds by funds, net payments from currency swaps and acquisitions beyond the year.
- 2) Repayment of treasury bills corresponds to outstanding in the program at the beginning of the year.

The foreign financing requirement for 2013 is unchanged compared to the estimate in May, and the estimate remains DKK 25bn for 2013, *cf. table 9*. For 2014, the foreign requirement estimated is DKK 3bn larger, which is primarily due to larger repayments on the long-term debt of the central government.

**Table 9**  
**Foreign financing requirement 2013 and 2014**

		2013	2014
	May	August	FFL14
<b>DKK bn</b>			
<b>Net foreign net financing requirement</b>	0	0	-1
Repayment of long term debt <sup>1)</sup>	22	22	27
Repayment of treasury bills <sup>2)</sup>	2	2	2
<b>Foreign financing requirement</b>	<b>25</b>	<b>25</b>	<b>28</b>

- 1) Repayment of long term debt includes the net purchase of bonds by funds, net payments from currency swaps and acquisitions beyond the year.
- 2) Repayment of treasury bills corresponds to outstanding in the program at the beginning of the year.

## Annex 1

**Table A.1**

**General government finances, 2012-2014**

	2012			2013			2014		
	May	Aug.	Diff.	May	Aug.	Diff.	May	Aug.	Diff.
<b>DKK bn</b>									
<b>Current prices</b>									
Public consumption	520.1	521.6	1.5	529.5	529.2	-0.3	539.3	538	-0.8
Income transfers	322.3	323.0	0.7	332.7	332.3	-0.3	340.1	340	0.3
Investment	43.4	44.7	1.3	40.7	40.7	0.0	41.8	44	2.3
Interest expenditure	36.4	36.4	0.0	34.3	34.4	0.1	31.7	31	-0.6
Subsidies	47.8	46.7	-1.1	49.9	50.1	0.2	49.7	51	1.4
Other expenditures <sup>1)</sup>	91.3	90.2	-1.1	63.5	63.8	0.3	63.2	64	0.4
<b>Total expenditure</b>	<b>1061.2</b>	<b>1062.6</b>	<b>1.4</b>	<b>1050.6</b>	<b>1050.5</b>	<b>-0.1</b>	<b>1065.8</b>	<b>1069</b>	<b>2.9</b>
Personal income taxes <sup>2)</sup>	376.1	374.7	-1.5	414.9	413.8	-1.2	428.6	426	-2.7
Labour market Contributions	81.7	81.7	0.0	83.0	82.7	-0.2	85.1	85	-0.3
Corporate taxes	55.5	55.6	0.1	55.2	56.0	0.8	57.8	38	-20.0
Pension yield taxation	42.2	42.2	0.0	42.3	36.4	-5.9	25.9	26	0.1
VAT	181.6	181.6	0.0	183.7	184.5	0.8	189.3	189	0.2
Vehicle registration tax	13.8	13.8	0.0	13.8	14.7	0.8	14.2	15	1.0
Other duties	109.3	109.6	0.3	111.6	111.6	0.0	112.9	113	0.5
Other taxes <sup>3)</sup>	17.0	16.5	-0.5	16.3	15.8	-0.5	16.6	16	-0.5
Interest revenues	28.1	28.3	0.2	29.8	26.9	-2.8	26.4	22	-4.5
Gross operating surplus	35.5	35.5	0.0	36.3	36.2	-0.1	37.1	37	-0.2
Other revenues <sup>4)</sup>	45.0	45.7	0.7	40.7	40.7	0.0	40.7	63	21.8
<b>Total revenue</b>	<b>985.8</b>	<b>985.1</b>	<b>-0.7</b>	<b>1027.7</b>	<b>1019.4</b>	<b>-8.3</b>	<b>1034.7</b>	<b>1030</b>	<b>-4.6</b>

**Table A.1 (continued)****General government finances, 2012-2014**

	2012			2013			2014		
	May	Aug.	Diff.	May	Aug.	Diff.	May	Aug.	Diff.
<b>DKK bn</b>									
<b>Current prices</b>									
<b>General government budget balance</b>	-75.4	-77.5	-2.1	-23.0	-31.2	-8.2	-31.1	-38.5	-7.4
Net interest Expenditure	8.3	8.1	-0.2	4.6	7.5	2.9	5.2	9	3.9
General government primary balance <sup>5)</sup>	-67.1	-69.4	-2.3	-18.4	-23.7	-5.3	-25.8	-29	-3.6

Note: The specification of total public expenditures and revenues deviates from the specification from Statistics Denmark. Total public expenditures reflect public consumption, which includes revenues from sales and calculated depreciation expenditure, and total revenues include calculated depreciation. The specification of public expenditure from Statistics Denmark does not include public sales, which are included in total revenues, and calculated depreciation is not included in public expenditures and revenues in the specification from Statistics Denmark.

- 1) Other expenditures include capital transfers, transfers to the Faroe Islands and Greenland and Danish EU-contributions.
- 2) Personal income taxes include withholding taxes, tax on imputed income from owner occupied dwellings, specific taxes from households, tax on estates of deceased persons and other personal taxes.
- 3) Other taxes include social security contributions (labour market supplementary pension scheme contributions, unemployment insurance contributions and early retirement contributions).
- 4) Other revenues include profits from public enterprises, current and capital transfers from other domestic sectors and EU, and imputed (calculated) revenues such as contributions to civil servants' earned pension.
- 5) The general government primary balance states the balance of the general government finances before net interest expenditures.

## Annex 2

**Table A.2**

**Expenditure tax and revenue burden, 2007-2014**

	2007	2008	2009	2010	2011	2012	2013	2014
<b>Per cent of GDP</b>								
Public consumption	26.0	26.5	29.8	28.9	28.4	28.6	28.6	28.2
Income transfers	15.2	15.0	17.0	17.2	17.4	17.7	17.9	17.8
Investment	1.9	1.9	2.1	2.1	2.2	2.5	2.2	2.3
Interest expenditure	2.0	1.8	2.2	2.1	2.1	2.0	1.9	1.6
Other expenditure	4.9	5.4	5.7	5.8	6.2	7.5	6.2	6.0
<b>Expenditure burden<sup>1)</sup></b>	<b>50.0</b>	<b>50.6</b>	<b>56.8</b>	<b>56.3</b>	<b>56.3</b>	<b>58.3</b>	<b>56.7</b>	<b>56.0</b>
Personal income taxes <sup>2)</sup>	21.5	21.3	22.3	20.4	20.5	20.5	22.3	22.3
Labour market Contributions	4.5	4.6	4.8	4.6	4.5	4.5	4.5	4.4
Pension yield taxation	0.3	0.5	0.5	2.1	2.1	2.3	2.0	1.4
Corporate taxes	3.8	3.3	2.3	2.8	2.8	3.0	3.0	3.1
Value added tax	10.4	10.1	10.2	9.8	9.9	10.0	10.0	9.9
Other duties	7.6	7.2	6.8	7.0	7.1	6.9	7.0	6.9
Other taxes <sup>3)</sup>	1.0	1.0	1.0	1.0	1.0	0.9	0.9	0.8
<b>Tax burden</b>	<b>49.1</b>	<b>47.9</b>	<b>47.9</b>	<b>47.6</b>	<b>47.9</b>	<b>48.2</b>	<b>49.6</b>	<b>48.9</b>
Interest revenue	1.6	1.7	1.9	1.6	1.6	1.6	1.5	1.1
Other non-tax revenue	4.4	4.5	4.4	4.5	5.0	4.4	4.2	4.1
Tariffs etc. to the EU <sup>4)</sup>	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
<b>Revenue burden<sup>1)</sup></b>	<b>54.8</b>	<b>53.9</b>	<b>54.1</b>	<b>53.6</b>	<b>54.4</b>	<b>54.0</b>	<b>55.0</b>	<b>54.0</b>

- 1) The specification of total public expenditures and revenues deviates from the specification from Statistics Denmark. Total public expenditures reflect public consumption which includes revenues from sales and calculated depreciation expenditure and total revenues include calculated depreciation. The specification of public expenditure from Statistics Denmark does not include public sales which are included in total revenues and calculated depreciation is not included in public expenditures and revenues in the specification from Statistics Denmark. Thus the expenditure and revenue burden differ from the ascertained burdens based on the specifications according to Statistics Denmark.
- 2) Personal income taxes include withholding taxes, tax on imputed income from owner occupied dwellings, specific taxes from households, tax on estates of deceased persons and other personal taxes.
- 3) Social contributions (unemployment insurance contributions, retirement contributions, etc..).
- 4) According to the national accounting principles these income taxes is categorized and are therefore included in the tax burden, but as the revenues accruing to EU, they are not included in the revenue ratio.