4. English summary

There has been some improvement in the international outlook since the end of 2011, where there was great uncertainty about the handling of the debt crisis in a number of European countries, *cf. Economic Survey, May 2012.* The growth prospects for Denmark are influenced by the improvement in the international outlook. There is nevertheless still substantial uncertainty about the strength of the recovery of the international economy, especially in the euro-area.

The economy is now expected to gain more momentum. This reflects the strong stimulus from lower interest rates, the governments fiscal stimulus package *Kick-start* and the release of early retirement contributions, but also a significant increase in consumer confidence during the spring. Even though there is expected a modest growth in GDP at 1.1 per cent in 2012 and 1.5 per cent in 2013.

The estimated general government deficit in 2012 and 2013 is noticeably better than expected in the December short term projection. The deficit is now expected to be DKK 70½bn or 3.8 per cent of GDP in 2012 and DKK 32½bn or 1.7 per cent of GDP in 2013. This is a downward adjustment of DKK 30½bn in 2012 and DKK 15½bn in 2013.

According to revised data from Statistic Denmark the general government deficit amounted to DKK 34¾bn in 2011 or 1.9 per cent of GDP. This is DKK 36½bn or 2.0 per cent of GDP lower than expected in December. The lower deficit on the general government finances is primarily due to higher revenues from the pension yield taxation.

The structural budget balance is estimated to be strengthened by 1½ per cent of GDP from 2010 to 2013. Thereby Denmark will meet the recommendation by the ECOFIN to reduce the deficit below 3 per cent of GDP.

The fiscal effect is estimated at 0.5 per cent of GDP in 2012. The ease of fiscal policy in 2012 reflects the *Kick-start*, a real growth in public consumption of 1.3 per cent and repayments of the early retirement contributions.

4.1 General government finances

The estimates for the general government finances are based on the short term projections for the Danish economy, cf. *Economic Survey, May 2012*.

The estimates for 2012 are derived from the central government budget for 2012, an updated status for the central government spending in 2012 and local government budgets for 2012. For 2013 the estimates are primarily based on the short term projections and the central government budget for 2012.

According to preliminary data on general government finances from Statistics Denmark, the general government deficit amounted to DKK 34¾bn in 2011 or 1.9 per cent of GDP, *cf. table 4.1*. Compared to the short term projection in December 2011 the deficit on the general government budget balance in 2011 is adjusted downwards by DKK 36½bn. The revision primarily reflects higher revenues from the pension yield taxation, *cf. table 4.2*.

Table 4.1
General government budget balance, 2006-2013

	2006	2007	2008	2009	2010	2011	2012	2013
DKK bn, current prices								
December 2011	82.3	81.4	57.6	-45.9	-47.4	-71.2	-100.7	-48.2
May 2012	**82.3**	**81.4**	**57.6**	**-45.9**	**-47.4**	**-34.7**	**-70.4**	**-32.6**
- Central government	89.7	85.8	65.2	-33.4	-44.1	-36.4	-	-
- Local governments	-7.8	-4.5	-7.3	-11.0	-3.2	1.4	-	-
- Social funds	0.3	0.0	-0.3	-1.5	-0.2	0.9	-	-
May 2012 (per cent of GDP)	**5.0**	**4.8**	**3.3**	**-2.7**	**-2.7**	**-1.9**	**-3.8**	**-1.7**

Note: The specification of the central and local government budget balances does not fully reflect that the central government, through transfers to the local governments, bears the risk of fluctuations in expenditure and revenues due to the business cycle.

In 2012 the general government budget deficit is estimated at DKK 70½bn corresponding to 3.8 per cent of GDP, while the deficit in 2013 is estimated at DKK 32½bn or 1.7 per cent of GDP. The expected budget deficit in 2012 and 2013 is reduced by DKK 30½bn and DKK 15½bn compared to the December estimates. This primarily reflects higher expected tax revenues, *cf. table 4.2,* especially from the pension yield taxation due to higher stock prices and lower interest rates than expected. In addition revenues from personal income taxes are higher and expenditures on income transfers lower than expected in December.

The weakening of the general government budget balance from 2011 to 2012 primarily reflects the possibility to leave the early retirement scheme and cash the payments without taxes, which in isolation increases the deficit by approx. DKK 20bn.

Table 4.2
Revision of the general government budget balance from December to May

	2011	2012	2013
DKK bn, current prices			
North Sea oil and gas exploration activities	-0.5	2.5	0.6
Corporate taxes excluding North Sea oil and gas exploration activities	0.1	0.0	-0.1
Pension yield taxation	25.4	17.3	8.1
Labour market contribution	0.0	0.4	0.3
Personal taxes etc.	4.6	6.2	6.6
Value Added Tax	1.2	2.6	2.7
Vehicle registration tax	-0.5	0.1	0.8
Other taxes and duties	-0.3	-0.1	0.0
Public consumption expenditures	3.7	0.0	1.0
Public investment expenditures	0.8	3.0	0.0
Income transfers	0.8	2.7	3.1
Net interest expenditures and dividends	1.4	0.4	-0.8
Subsidies	-1.8	-2.7	-5.0
Other expenditures and revenues	1.6	-1.9	-1.7
Total revision of general government budget balance	**36.5**	**30.4**	**15.6**

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 at approx. 56½ per cent of GDP in 2009-2011, while the expenditure burden is estimated at 50-50½ per cent of GDP in 2006-2008, *cf. table 4.3*. The increase primarily reflects a higher level of public consumption relative to GDP and higher income transfers to households. Furthermore there has been a reduction in GDP during the financial crisis.

The expenditure burden is expected to increase further from 2011 to 2012 by 1 percentage point up to 57¾ per cent of GDP, primarily reflecting the repayments in 2012 of early retirement contributions. Furthermore public investment increases by ¼ per cent of GDP from 2011 to 2012.

The reduction in the expenditure burden from 2012 to 2013 by 2 per cent of GDP is primarily due to repayments of early retirement contributions in 2012. Furthermore there is a normalization of the public investments and a moderate real growth in the public consumption.

Table 4.3
Expenditure, tax and revenue burden, 2006-2013

	2006	2007	2008	2009	2010	2011	2012	2013	Diff. 2006-2013
Per cent of GDP									
Expenditure burden[1)]	50.6	50.0	50.6	56.7	56.4	56.7	57.7	55.8	5.2
Tax burden	49.8	49.1	47.9	47.8	47.7	48.3	48.1	48.6	-1.2
Revenue burden[1)]	55.7	54.8	53.9	54.0	53.7	54.7	53.9	54.1	-1.6

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 burdens differ from the ascertained burdens based on the specifications according to Statistics Denmark.

From 2006 to 2010 the tax burden is reduced gradually from 49¾ per cent of GDP to 47¾ per cent of GDP. This should be seen in light of the reductions in personal taxes in 2010 in *Spring Package 2.0*. Furthermore the indirect taxes are reduced from 7¾ per cent of GDP in 2006 to 7 per cent of GDP in 2010 primarily due to the reduction in sales of vehicles and thereby the vehicle registration tax. From 2010 to 2011 the tax burden rises with ½ percentage-point due to tax increases in the *Spring Package 2.0* and the *Fiscal Consolidation Agreement.*

The tax burden is expected to increase by ½ per cent of GDP from 2012 to 2013. This is due to further tax increases from 2012 to 2013, including the ceiling on pensions with annuity payments, which implies an advance of future payments, and new and higher taxes on unhealthy foods etc. Furthermore there is expected a higher tax revenue from companies and firms primarily due to higher expectations of earnings in the financial sector. On the other hand there is an expected normalization of the revenues from the pension yield taxation from 2 per cent of GDP in 2010 and 2011 to 1¼ per cent of GDP in 2012 and 1 per cent of GDP in 2013.

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

4.2 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 fiscal effect is estimated at 0.5 per cent of GDP in 2012 and -0.8 per cent of GDP in 2013, *cf. table 4.4*.

Table 4.4
Fiscal effect, 2007-2013

	2007	2008	2009	2010	2011	2012	2013
Per cent of GDP							
Expenditures	0.1	0.0	0.9	0.2	-0.4	0.5	-0.4
Revenues	0.0	0.0	0.2	0.3	-0.1	0.1[1)]	-0.4
Fiscal effect, incl. early retirement contributions	**0.1**	**0.0**	**1.1**	**0.5**	**-0.5**	**0.5**	**-0.8**
Special pension scheme (SP)			0.3	0.0	-0.2	-	-

1) Incl. early retirement contributions.

The fiscal effect is estimated to -0.5 per cent of GDP in 2011. The fiscal tightening in 2011 primarily follows from the consolidation of the public economy, including a negative real growth in public consumption of 1 per cent and tax increases in *The Fiscal Consolidation Agreement* and *Spring Package 2.0*. Compared to the short term projection in December 2011 the fiscal effect is adjusted downwards from -0,2 per cent of GDP to -0,5 per cent of GDP in 2011. This is due to lower real growth in public consumption than expected.

In 2012 the fiscal effect is estimated at 0.5 per cent of GDP. The ease of fiscal policy in 2012 reflects the fiscal stimulus package *Kick-start*, a real growth in public consumption of 1.3 per cent and repayments of the early retirement contributions. As a result of the lower public consumption in 2011 the expected real growth in public consumption in 2012 is higher than expected in December. This increases the fiscal effect in 2012, while a downward adjustment of public investments reduces the fiscal effect compared to the short term projection in December 2011. In total the fiscal effect is adjusted upwards by 0.1 per cent of GDP since December

Fiscal policy is expected to have a negative effect on the economic activity in 2013 by -0.8 per cent of GDP. The tightened fiscal policy reflects an assumed normalization of the public investment level and tax increases in the *Spring Package 2.0, The Fiscal Consolidation Agreement* and the central government budget for 2012.

The contractive fiscal policy in 2013 is eased by the impact on activity from private investments in social housing and sustainable energy in the *Kick-start*. These investments are not included in the fiscal effect.

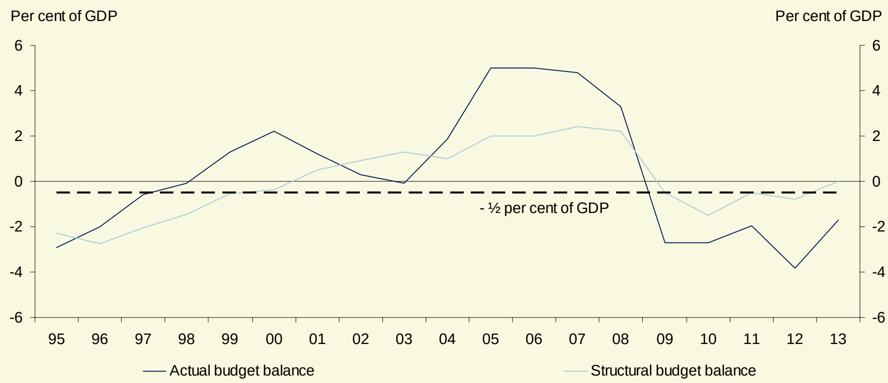
4.3 Structural budget balance

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

In 2013 structural balance between expenditures and revenues is estimated. The structural budget balance is estimated to be improved by 1.5 per cent of GDP in 2010-2013. Thereby Denmark will meet the recommendation by the ECOFIN to reduce the structural deficit by 1.5 percent of GDP in 2011-2013 and reduce the deficit below 3 per cent of GDP.

From the middle of 1990s and until 2008 the structural budget balance improved gradually, *cf. figure 4.1*. The improvement reflects among other things a significant fall in the estimated structural unemployment rate (partly derived from various labour market reforms), but also the tendency to higher revenue from North Sea activities and lover public net interest expenses. The fiscal policy was in the period from the middle of the 1990s and until 2008 overall expansionary and thereby in isolation implied a worsening of the structural budget balance.

Figure 4.1
Actual and structural balance 1995-2013



The significant easing of the fiscal policy following the financial crisis – to support the economic activity and employment – is the primary reason that the structural budget balance worsened noticeably in 2009 and 2010, *cf. table 4.5*.

The following improvement of the structural budget balance towards 2013 reflects the consolidation of the general government finances – including tax increases in *Spring Package 2.0*, *The Fiscal Consolidation Agreement* and the central government budget for 2012. Furthermore there is a normalization of the public investment level and moderate public wage increases.

Table 4.5
Structural budget balance (per cent of GDP), 2002-2013

	Structural Balance		Change due to					
	Level	Yearly change	Fiscal policy[1)]	Pension yield taxation	Net Interest	North Sea oil and gas	Special items[2)]	Other
2002	0.9							
2003	1.3	0.4	0.0	0.0	0.3	0.2	0.1	-0.2
2004	1.0	-0.3	-1.4	0.0	0.3	0.1	0.1	0.6
2005	2.0	1.0	-0.4	0.0	0.3	0.2	0.0	0.9
2006	2.0	0.0	-0.7	0.0	0.2	0.1	-0.1	0.5
2007	2.4	0.4	0.0	0.0	0.2	0.1	0.0	0.1
2008	2.2	-0.2	-0.4	0.0	0.1	0.1	-0.1	0.1
2009	-0.5	-2.7	-2.3	0.1	0.1	-0.1	-0.1	-0.4
2010	-1.5	-1.0	-1.0	0.0	0.1	-0.1	-0.1	0.1
2011	-0.5	1.0	1.0	0.1	0.0	-0.1	-0.1	0.1
2012	-0.8	-0.3	0.0	0.1	0.0	-0.2	-0.1	-0.1
2013	0.0	0.8	1.4	0.0	0.0	0.0	0.0	-0.6
Total		**-0.9**	**-3.8**	**0.3**	**1.6**	**0.3**	**-0.4**	**1.1**

1) Due to different methods of calculation the fiscal policy effects differ from the effects used in the calculation of the fiscal effect.
2) Special items include among other things various net current and capital transfers.

In 2004-2008 both cyclical conditions and the development in the financial markets contributed to higher actual budget surpluses compared to the calculated structural surpluses. Extraordinarily large revenues from the pension yield taxation in 2004 and 2005 as well as favourable cyclical conditions in 2006-2008 contributed to higher actual surpluses. In light of both employment and production being estimated lower than their structural levels in 2009-2013, the estimated actual deficit is higher than the structural budget deficit in 2009-2013.

4.4 Central government finances

The deficit on the central government budget is estimated at DKK 54bn in 2012 on the current, investment and lending account – the so-called CIL-account[1] – corresponding to 2.9 per cent of GDP*, cf. table 4.6*. The final account for the central government budget shows a deficit of DKK 33bn in 2011 corresponding to 1.9 per cent of GDP.

Table 4.6
CIL-account, 2011-2012

	2011			2012		
	December	**Final**	**Diff.**	**Budget**	**May**	**Diff.**
DKK bn, current prices						
Total revenues	634.3	635.5	1.2	616.7	647.9	31.3
Total expenditures	683.6	668.7	-15.0	704.4	702.1	-2.3
CIL-account	**-49.3**	**-33.1**	**16.2**	**-87.7**	**-54.1**	**33.6**
CIL-account (per cent of GDP)	-2.8	-1.9	0.9	-4.8	-2.9	1.8

The reduction in the CIL-account deficit in 2011 compared to the short term projection in December 2011 is primarily due to lower expenditures of DKK 15bn. This is primarily due to a technical change in the calculation of expenditures in the general residential sector.

The lower expected CIL-account deficit in 2012 compared to the December estimate reflects higher revenues of DKK 31¼bn and lower expenses of DKK 2¼bn. The former primarily reflects higher estimated revenues from the pension yield taxation of DKK 27bn due to higher capital gain on bonds and thereby a higher yield of pensions. Furthermore there is a higher expected revenue from personal taxes and labour market contributions of DKK 5½bn.

The CIL-account is affected by one-off measures from year to year. *cf. figure 4.2*. Corrected for one-off measures etc. the CIL-account deficit is estimated at DKK 60bn in 2011 and DKK 43bn in 2012 corresponding to 3.4 per cent of GDP in 2011 and 2.3 per cent of GDP in 2012.

The improvement of the CIL-account (excl. one-off measures etc.) from 2011 to 2012 shall foremost be seen in light of the underlying increase in the central government revenues derived from the tax increases in the central government budget for 2012. Furthermore there is

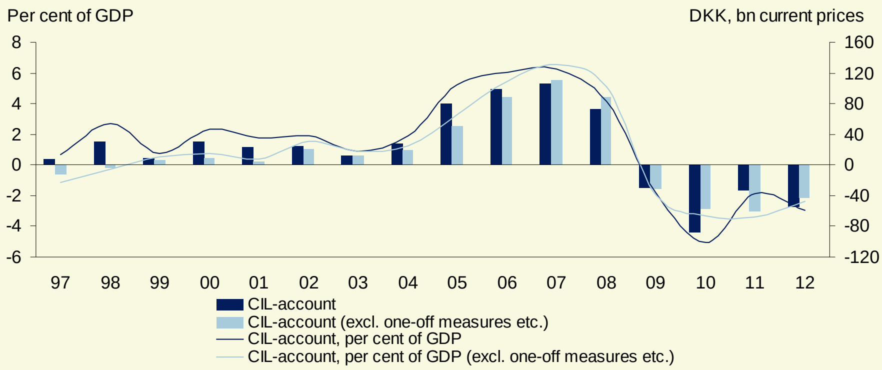
[1] The CIL-account differs from the national account based on the central government balance with respect to the accruals concept (e.g. taxes), the treatment of financial transactions etc. In addition, some institutions that are part of the central government accounts are not considered part of the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

an increase in the revenue from corporate taxes from 2011 to 2012, which among other things can be attributed to expected higher earnings in the financial sector.

An extraordinary high revenue from the pension yield taxation is the primary reason that the actual CIL-account deficit in 2011 is lower than the CIL-account deficit corrected for one-off measures etc. Furthermore the technical change in the calculation of expenditures in the general residential sector improves the actual CIL-account deficit.

The repayments of the early retirement contributions is the primary reason that the actual CIL-account deficit in 2012 is larger than the CIL-account deficit corrected for one-off measures etc.

Figure 4.2
Central government CIL-account 1997-2012



4.5 Central government financing requirement and debt

Central government debt is estimated to increase from 22 per cent of GDP in 2010 to 25 per cent of GDP in 2012 corresponding to an increase of 3 percentage points, *cf. table 4.7*. Measured in nominal terms central government debt is estimated to increase from DKK 386¼bn in 2010 to DKK 457bn in 2012 corresponding to an increase of DKK 71bn over the two years.

The increase in debt from 2010 to 2012 primarily reflects the central government deficit.

Table 4.7
Central government debt, 2010-2012

	2010	2011	2012	Diff. 2010-12
End of year nominal value, DKK bn (current prices)				
Domestic debt	576.4	645.9	649.4	73.0
Foreign debt	114.7	111.8	89.4	-25.3
The central government's account in Danmarks Nationalbank[1)]	-177.1	-222.6	-170.2	6.9
Fund holding of bonds[2)]	-127.8	-121.2	-111.5	16.3
Central government debt DKK bn	**386.3**	**413.9**	**457.1**	**70.9**
Central government debt per cent of GDP	**22.0**	**23.2**	**24.9**	**2.9**

1) The central government's account in Danmarks Nationalbank is measured according to the central government accounts for 2010 and 2011, while the account for 2012 is measured according to the monthly balance of Danmarks Nationalbank.
2) The holding of bonds by the funds as well as their deposits in Danmarks Nationalbank is 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.

The net financing requirement in 2011 amounts to DKK 30¼bn, *cf. table 4.8*. Compared to the estimate in December there is a downward adjustment of the financing requirement of DKK 3bn primarily reflecting a lower deficit on the CIL-account.

In 2012 the net financing requirement is estimated at DKK 48½bn reflecting an expected deficit on the CIL-account of DKK 54bn.

Table 4.8
CIL-account and net financing requirement, 2011-2012

	2011		2012	
	December	**Final**	**Budget**	**May**
DKK bn (Current prices)				
CIL-account	**-49.3**	**-33.1**	**-87.7**	**-54.1**
Total relending	5.3	2.8	-2.8	-5.6
Differences between posted revenues and expenditures and cash flow	11.0	0.1	11.7	11.3
Net financing requirement (-net balance)	**33.0**	**30.2**	**78.9**	**48.5**

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 is estimated at DKK 150bn in 2012. The downward adjustment of DKK 29bn compared to the December estimate reflects the lower net financing requirement while repayments of long term domestic debt is slightly increased, *cf. table 4.9*.

Table 4.9
Domestic financing requirement 2012

DKK bn	**Budget**	**May**
Net domestic financing requirement	80	49
Repayment of long term debt[1)]	55	57
Repayment of treasury bills[2)]	44	44
Domestic financing requirement	**179**	**150**

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 2012 is estimated at DKK 34bn, which is a downward adjustment of DKK 2bn compared to the estimate in December, *cf. table 4.10*.

Table 4.10
Foreign financing requirement 2012

DKK bn	Budget	May
Net foreign net financing requirement	-1	0
Repayment of long term debt[1)]	32	32
Repayment of treasury bills[2)]	5	2
Foreign financing requirement	**36**	**34**

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 1

General government finances, 2011-2013

	2011			2012			2013		
	Dec.	**May**	**Diff.**	**Dec.**	**May**	**Diff.**	**Dec.**	**May**	**Diff.**
DKK bn. Current prices									
Public consumption	515.0	511.3	-3.7	527.6	527.6	0.0	537.4	536.4	-1.0
Income transfers	312.4	311.6	-0.8	328.3	325.6	-2.7	336.5	333.5	-3.1
Investment	40.4	39.6	-0.8	46.8	43.8	-3.0	36.3	36.3	0.0
Interest expenditure	39.3	37.5	-1.8	34.7	32.9	-1.8	34.5	33.8	-0.7
Subsidies	44.7	46.5	1.8	47.0	49.7	2.7	47.3	52.4	5.0
Other expenditures[1)]	64.8	66.2	1.4	76.5	79.2	2.6	59.1	60.9	1.8
Total expenditure	1016.6	1012.7	-3.9	1060.9	1058.8	-2.2	1051.2	1053.3	2.0
Personal income taxes[2)]	366.5	371.1	4.6	378.9	385.1	6.2	399.3	405.9	6.6
Labour market Contributions	80.7	80.7	0.0	82.0	82.5	0.4	83.8	84.1	0.3
Corporate taxes	50.2	50.3	0.1	54.9	56.6	1.7	60.5	60.7	0.2
Pension yield taxation	12.0	37.4	25.4	5.3	22.6	17.3	10.6	18.7	8.1
VAT	177.8	179.0	1.2	183.5	186.1	2.6	187.5	190.2	2.7
Vehicle registration tax	14.8	14.3	-0.5	16.1	16.2	0.1	16.9	17.7	0.8
Other duties	108.7	108.3	-0.3	112.5	112.4	-0.2	119.6	118.3	-1.2
Other taxes[3)]	18.2	18.2	0.1	18.3	18.5	0.2	16.2	17.6	1.4
Interest revenues	29.4	29.0	-0.4	29.8	29.0	-0.8	30.8	31.9	1.0
Gross operating surplus	34.5	34.7	0.2	35.5	35.6	0.1	36.5	36.4	-0.1
Other revenues[4)]	52.7	55.0	2.3	43.3	43.9	0.6	41.2	39.1	-2.2
Total revenue	945.4	978.0	32.6	960.2	988.4	28.2	1003.0	1020.7	17.7

Table 1 (continued)
General government finances, 2011-2013

	2011			2012			2013		
	Dec.	May	Diff.	Dec.	May	Diff.	Dec.	May	Diff.
DKK bn. Current prices									
General government budget balance	-71.2	-34.7	36.5	-100.7	-70.4	30.4	-48.2	-32.6	15.6
Net interest Expenditure	9.9	8.5	-1.4	4.9	3.9	-1.1	3.7	1.9	-1.7
General government primary balance[5)]	-61.3	-26.2	35.1	-95.8	-66.5	29.3	-44.5	-30.6	13.9

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 2
Expenditure tax and revenue burden, 2006-2013

	2006	2007	2008	2009	2010	2011	2012	2013	Diff. 2006-13
Per cent of GDP									
Public consumption	25.9	26.0	26.5	29.8	29.1	28.6	28.7	28.4	2.5
Income transfers	15.6	15.2	15.0	17.0	17.3	17.4	17.7	17.7	2.1
Investment	2.0	1.9	1.90	2.0	2.1	2.2	2.4	1.9	0.0
Interest expenditure	2.2	2.0	1.8	2.2	2.1	2.1	1.8	1.8	-0.4
Other expenditure	4.9	4.9	5.4	5.7	5.8	6.3	7.0	6.0	1.1
Expenditure burden[1)]	**50.6**	**50.0**	**50.6**	**56.7**	**56.4**	**56.7**	**57.7**	**55.8**	**5.2**
Personal income taxes[2)]	21.2	21.5	21.3	22.3	20.4	20.8	21.0	21.5	0.4
Labour market Contributions	4.4	4.5	4.6	4.8	4.6	4.5	4.5	4.5	0.1
Pension yield taxation	0.8	0.3	0.5	0.5	2.1	2.1	1.2	1.0	0.2
Corporate taxes	4.4	3.8	3.3	2.3	2.7	2.8	3.1	3.2	-1.1
Value added tax	10.3	10.4	10.1	10.1	9.9	10.0	10.1	10.1	-0.2
Other duties	7.8	7.6	7.2	6.8	7.0	7.0	7.2	7.4	-0.4
Other taxes[3)]	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	-0.1
Tax burden	**49.8**	**49.1**	**47.9**	**47.8**	**47.7**	**48.3**	**48.1**	**48.6**	**-1.2**
Interest revenue	1.5	1.6	1.7	1.9	1.6	1.6	1.6	1.7	0.2
Other non-tax revenue	4.6	4.4	4.5	4.5	4.6	5.0	4.3	4.0	-0.6
Tariffs etc. to the EU[4)]	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	0.0
Revenue burden[1)]	**55.7**	**54.8**	**53.9**	**54.0**	**53.7**	**54.7**	**53.9**	**54.1**	**-1.6**

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 are included in the tax burden, but as the revenues accruing to EU, they are not included in the revenue ratio.