Main features of the Government’s tax programme for 2012:

Summary of Chapter 1 of the White Paper to the Storting (Norwegian parliament)

6 October 2011

Ministry of Finance

The main objectives for the Government’s tax and fiscal policies are to secure public revenue, help to bring about a just distribution of wealth and a better environment, promote employment throughout the entire country and improve the efficiency of the economy. Total tax revenues amounts to more than NOK 1,000 billion, more than 40 per cent of combined GDP, and forms the basis for financing welfare goods. It is therefore important both to maintain the tax bases and to regularly consider the need for adjustments and improvements of the tax system.

The tax reform of 2006 increased equity and efficiency, and brought the tax system in line with Norway's EEA commitments. The evaluation of the tax reform of 2006 shows that the reform was successful, and that the tax system is well-functioning in general; see Report no. 11 (2010-2011) to the Storting. The large difference in highest marginal tax rates on labour income and dividends has been largely evened out. The scope for tax avoidance has been reduced, and the tax system has become more progressive as a result of the pronounced tightening of the wealth tax at the top (through reduction of the discount on shares and the 80 per cent wealth tax rule) and the introduction of tax on dividends; see Figure 1.1. The evaluation also shows that different types of activity are treated more equal. The positive development following the 1992 reform, with more efficient use of resources and increased corporate tax revenues, seems to be continued. The easing of tax on wages has contributed to increased labour supply.

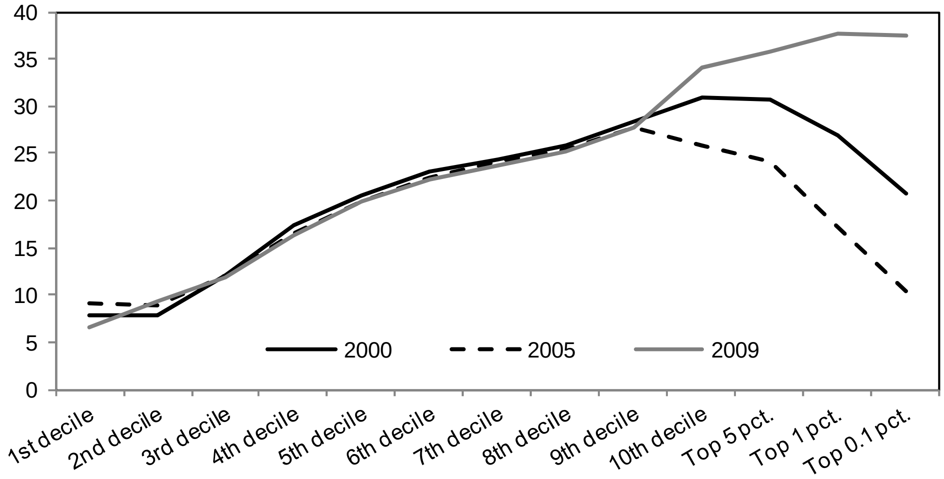

Figure 1.1 Average assessed tax[1] as a share of gross income. Persons resident in Norway aged 17 and above. Persons are ranked according to rising income and then divided into ten groups of equal size (deciles). Per cent. 2000–2009

[1] Comprises social insurance contributions, tax on ordinary income (with dividend), surtax and wealth tax.

Sources: Statistics Norway and the Ministry of Finance

It is crucial to combat tax evasion in order to achieve a fair and efficient tax system. The Government has intensified the anti-avoidance work, among other things by increasing the budgets of the Taxation Administration and the Customs and Excise authorities and through measures directed at the use of cash payment instruments. The Government is taking an active part in the international measures against tax havens.

The tax system can contribute to better use of resources in the economy. The Government has raised environmental taxes. Environmental and energy taxes have increased by almost NOK 1.8 billion from 2005 to 2011. The Government has also reduced fees that exceed the State’s cost of providing the services in question. Overpriced fees have been reduced by a total of about NOK 550 million since 2007.

The Government also continues to abide by its promise to maintain taxes at the 2004 level, in line with the tax promise in the platform for cooperation in government. No major changes in the tax system are proposed for 2012.

However, there is still a scope for improving the tax system. The Evaluation Report points to areas of corporate taxation where improvements should be made. The Government is following this up in the 2012 budget with proposals for measures that will lead to simplification, more equitable treatment of tax payers and sources of income and plugging of tax loopholes. Some changes in the depreciation rules are also proposed, for example for certain types of manufacturing plant.

Wealth tax is the key to ensuring that those with high wealth and income contribute accordingly to the community. The Government will maintain the level and design of wealth tax. The basic deduction for wealth tax is being increased from NOK 700,000 to 750,000 to take account of wealth growth. The proposal gives married couples a double basic deduction, i.e. NOK 1.5 million. The share of tax payers who pay wealth tax will remain unchanged at 17 per cent.

No major changes are proposed for personal income tax. The rate structure of wage taxation and the tax rate on share income are to be continued, so that the differences between the highest marginal tax rate on share income and wage income should not be too large. This is to avoid the serious income shifting problems in the form of labour income being presented as share income, as was the case before the 2006 tax reform. The real progression in wage taxation will be continued by increasing the surtax thresholds, personal allowance and maximum basic allowances in wages and pensions in pace with expected wage growth (4 per cent). At the same time, the Government prioritizes tax relief for those with low wage income by increasing the basic allowance from 36 to 38 per cent. This may encourage part-time workers to increase their percentage of a full-time position.

As part of the work of modernising and simplifying the tax system, the Government proposes phasing out the special tax allowance for high expenses due to illness. The allowance does not harmonise well with health professionals' assessments and priorities, excludes weak groups who do not pay tax, and inflicts disproportionately high costs on the Tax Administration for assessment and control of requirements relating to special allowances. The resources that are freed up are used to strengthen existing health subsidies on the expense side of the Fiscal Budget. The National Insurance Administration's reimbursement rates for dental treatment will be increased in the 2012 budget. At the same time, the Norwegian State Housing Bank's subsidy scheme for establishing and adapting dwellings, the car subsidy scheme for group 2 cars for children and adolescents and the Diabetes Association's work with motivation groups and early detection of diabetes will be strengthened.

Business taxation

The Government proposes some changes in business taxation, including measures that were announced in the Evaluation Report.

As described in the Evaluation Report, differences between taxation of share income by the exemption method and by the ordinary tax rules may give opportunities for tax avoidance. *Bad debts* are deductible if the claim is sufficiently related to the creditor company's operations. Companies can exploit this by investing through subsidiaries that are established with limited share capital. The bulk of the company's investments in subsidiaries take the form of loans. If the subsidiary fails to prosper, the parent company can claim bad debt deductions for much of the investment. If it prospers, the return will take the form of share appreciation or a dividend encompassed by the exemption method. To close this loophole, the Government proposes to deny deductions for bad debts between related companies.

The rule relating to correction income shall ensure that all income that forms a basis for payment of dividends is taxed on the company's holding. The rule is relevant in cases where the surplus for accounting purposes is higher than the surplus for tax-related purposes. The untaxed surplus will normally be taxable at a later point irrespective, and as a result the rule for the most part has an effect only at the time of taxation. The exception is the case where the company goes bankrupt in the interim. The revenue from the correction income rule is therefore negligible in the long run. However, the rule is complicated, and causes companies to tend to defer distribution of a dividend in order to avoid correction income. As announced in the Evaluation Report, it is therefore proposed abolishing the rule on correction income.

The three-per cent rule in the exemption method means that three per cent of tax-free share income is regarded as taxable income.. The intention is to correct for the fact that companies can claim deductions for costs associated with income that is tax-free through the exemption method. The three-per cent rule is inaccurate in many cases, and it complicates the tax system because it requires gain and loss calculation on realisation even if the shares in question are covered by the exemption method. These drawbacks can be reduced by not applying the three per cent rule to net gains. The Government therefore propose to limit the rule to dividends only. In line with the conclusions of the Evaluation Report, it is also proposed adjusting the scope of application of the rule as follows:

– The legal formulation of the rules implies that profit distributions from companies assessed as partnerships to companies limited by shares etc. are not subject to the three per cent rule. These distributions are now to be subject to the rule.
– The three per cent rule does not apply to foreign companies that receive dividends from Norwegian companies, since the foreign companies do not have a right to deduct costs associated with tax-free income in Norway. However, if the foreign company engages in taxable activities in Norway and its shares are associated with this activity, the company has the right to deductions for costs associated with the tax-free income. It is proposed changing the rule so that dividends to foreign companies are covered if their shares are associated with taxable activities in Norway.
– The three per cent rule has less impact on groups of companies since companies can choose to transfer capital as a tax-free group contribution instead of as dividend, and thereby avoid taking three per cent to income. It is therefore proposed that the three per cent rule should not apply to group situations. As a result, nor will dividend be taken to income in the amount of three per cent in these cases. The exception in group situations will apply similarly to dividend to or from companies that are domiciled in the EEA.

The Government announced in the Revised National Budget 2011 that the Ministry of Finance would continue to work on various problems associated with *the rate of depreciation of various manufacturing production facilities* and will return to the matter in the budget for 2012. It has been established in two court cases that many of the assets in question, including a sea pump, treatment plant and compressed air facility, have a life span of about 20 years. Hence neither the depreciation rate for plant (4 per cent) nor the depreciation rate for machinery (20 per cent) are very accurate for the average real loss of value of this production equipment. The ministry has placed great emphasis on administrative considerations and the interests of simplicity in considering a more differentiated treatment of production equipment within today's fixed asset group. It is proposed specifying that these fixed assets should be regarded as plant, but with a 10 per cent depreciation rate for plants with a life span of up to 20 years. It is proposed that the petroleum activities abroad of Norwegian companies should not be subject to the increase in the depreciation rate for the production facilities in question. It is similarly proposed that the depreciation rate for buildings with a life span of up to 20 years be increased from 8 to 10 per cent.

The Government proposes some *tax changes targeting agriculture, forestry and reindeer husbandry*, which on balance will improve the framework conditions for these industries.

- The Ministry stated in connection with the agricultural negotiations that the social insurance contribution on personal income from agriculture and forestry was to be increased, but compensation for this would be made in the form of a higher agricultural allowance and redeployment on the expense side. It is accordingly proposed that the social insurance contribution on agriculture and forestry be increased from 7.8 to 11 per cent. The upper and lower limit and the rate of the agricultural allowance are to be increased from NOK 54,200, NOK 142,000 and 32 per cent to NOK 63,500, NOK 166,400 and 38 per cent, respectively. It is proposed that the social insurance contribution on business income from reindeer husbandry and the reindeer husbandry allowance be increased correspondingly.
- In the agricultural allowance scheme, the upper limit for hiring out and providing services involving machinery etc. is to be increased from 20 to 40 per cent. Today’s upper limit means that machinery etc. must have been used at least 80 per cent in own activities for income from provision of services or hiring out to qualify for inclusion in the basis for the agricultural allowance. The change enables agriculturalists to use a larger part of the agricultural allowance, and may encourage better utilisation of machinery of this nature.
- It is proposed that the depreciation rate for agricultural buildings for livestock be increased from 4 to 6 per cent.
- The rules for investment in agriculture with rural development subsidies are to be changed in the area to which rural and regional policy applies so that the whole investment, including the subsidised part, can be depreciated. This means that the depreciation basis will be in line with the basis in other industries that receive funding from Innovation Norway over the budget of the Ministry of Local Government and Regional Development.

In the Evaluation Report, the Ministry stated that *the wage allowance for sole proprietorships with employees* is not well founded, and should be reconsidered in connection with the annual budgets. The wage allowance implies that when calculating an owner’s personal income due to self-employment activities, an extra allowance of 15 per cent of overall labour costs including employer’s social insurance contribution is given. The wage allowance is a vestige from the former split model. The allowance applies to a small group of self-employed persons with relatively high income, and gives sole proprietorships with employees an advantage compared with similar activities organised as limited companies. The Government proposes abolishing the wage allowance with effect from 2012. The proposal will thereby eliminate residual discrimination between the two organisational forms.

Maximum and minimum rules in property tax on power plants set an upper and lower limit to the property tax basis for large power plants. The Government discussed maximum and minimum rules in the Fiscal Budget for 2011. It was announced that there would be a hearing, and that the matter would be presented in the budget for 2012. The upper limit has remained nominally unchanged since it was introduced, which is found by the host municipalities to be unreasonable. On the other hand, abolishing the upper and lower limit rules would have major effects for revenue and distribution. The Government proposes that the upper limit be increased by 5 per cent in the 2012 property tax year and by a further 11 per cent in 2013. It is also proposed that the capitalisation rate used in valuing power plants be set at 4.5 per cent in the 2011 income year (property tax year 2013). The Government's proposal is estimated to increase the property tax income of the host municipalities by NOK 420 million over these two years, by comparison with a continuation of today's rules.

Taxes on motor vehicles and fuel

In the Fiscal Budget for 2011 the Government announced a full review of taxes on motor vehicles and fuel, and that they would revert to this in future budgets. It is important to base the individual taxes on sound principles and to assure predictability with respect to developments in future taxes.

The Government wishes to contribute to greater predictability with regard to future taxes. The Government therefore wants to change to a more general road usage tax on fuel. By 2020, road usage taxes are to be levied on all fuels according to the energy content of the fuel. The road usage tax is intended to cover external costs and provide central government income. The exceptions from the road usage taxes are to be evaluated in 2015. Emphasis is to be placed in the evaluation on central government income, climate and environmental considerations and the business sector in rural areas. The Government has no plans to change the road usage taxes for alternative fuels before the evaluation in 2015. Nor does the Government have concrete plans at this time to change the framework conditions for electric cars. However, the overall framework conditions for electric cars must be reviewed in the years ahead in the light of developments in sales of these vehicles.

The Government proposes a further strengthening of the environmental profile in the motor vehicle registration tax in the budget for 2012. The threshold values in the CO_2 component will be adjusted down, and the allowances for CO_2 emissions of under 110 g/km will be increased. The introduction of the CO_2 component into the motor vehicle registration tax in 2007 and the development of cars with lower CO_2 emissions have contributed to substantially reducing average CO_2 emissions from private cars.

Recent surveys indicate that the harm to health due to local pollution from vehicles is greater than previously assumed. The Government therefore proposed that a separate NO_x component be introduced into the registration tax. The Government furthermore proposes reducing the engine power component of the tax. This means that it will be less profitable to make illegal increases in engine power. The registration tax for vans will be changed to place greater emphasis on CO_2 and NO_x emissions. The reregistration tax for typical commercial vehicles will be reduced by 20 per cent in real terms, while it will be reduced by 5 per cent for typical private cars. The vehicle scrap deposit will be increased from NOK 1 500 to NOK 2 000. The increase will be financed by raising the vehicle scrap return tax.

Further tax proposals in the 2011 budget

– The maximum deduction for trade union subscriptions is to be increased from NOK 3,660 to 3,750.
– The allowance for travel between the home and the place of work is to be increased for those with the longest distance to travel. According to the proposal, the threshold for the transition from high per kilometre rate (NOK 1.5) to low per kilometre rate (NOK 0.70) is to be increased from 35,000 to 50,000 kilometres.
– The minimum pension level in 2011 will be higher than assumed when the tax-free net income in the tax limitation rule for disability pensioners was laid down in the budget for 2011. To allow for cases of this type, the threshold for paying tax according to the tax limitation rule was set with a margin. The threshold for married disabled persons to pay tax according to the tax limitation rule has nevertheless ended up somewhat lower than the minimum pension for 2011. To avoid married disability pensioners having to pay tax on a

minimum pension, the tax-free net income is to be increased to NOK 107,600 in 2011 and NOK 112,200 in 2012.

- Oslo has for many years practised the tax limitation rule for single providers on transitional benefits in a particularly lenient manner. It is proposed gradually discontinuing this practice in order to bring assessment practice into line with the applicable rule of law and ensure equal treatment from one municipality to the next.
- Under the present rules, owners of semi-detached houses can rent out more than half of the semi-detached house tax-free. The Government proposes changing the rules so that semi-detached houses are treated in the same way as other dwellings. This means only allowing up to half of a whole semi-detached house to be rented out tax-free.
- The assessed values of real property abroad and leisure property are to be increased by 10 per cent. It is still necessary to make an upward adjustment to the assessment values of these properties, particularly in order to take account of changes in value.
- The Property Tax Act is to be amended so that local councils are allowed to tax all property in municipalities except commercial property. This means that they can tax residential and leisure property while protecting local business.
- Some changes are proposed in the taxation rules applying to Svalbard in order to counteract tax evasion and ensure that the rules are well adapted to international framework conditions.
- On 1 January 2012 a system of trade in greenhouse gas quotas for aviation is to be introduced. The Government proposes that the CO_2 tax on domestic aviation be reduced by an amount corresponding to the expected quota price in 2012, so that the overall CO_2 price is not changed.
- The taxes on the greenhouse gases HFC and PFC are to be extended and increased to the same level as the CO_2 tax on mineral oil (light heating oil and diesel).
- The value added tax on food is to be increased from 14 per cent to 15 per cent.
- Sector taxes and overpriced fees are to be reduced by a total amount of NOK 727 million accrued and NOK 602 million booked in 2012.
- Tax exemption for AS Vinmonopolet is to be abolished and at the same time the wine and spirits monopoly tax is to be abolished.
- It is proposed that some value limits be kept unchanged from 2011 to 2012. This applies to the special wage income allowance, the lower limit for paying a social insurance contribution, special allowances in Finnmark and Nord-Troms counties, the allowance for slate producers in Finnmark and Nord-Troms, the fisherman’s and seaman’s allowance, lower limits and per kilometre rates in travel allowances, thresholds for inheritance tax and maximum saving in home investment saving schemes for people under 34 years of age (BSU).

Revenue and distribution effects

The tax readjustment pledge was fulfilled in the National Budget for 2007. In connection with later budgets and the measures introduced to mitigate the consequences of the global financial crisis, tax relief equivalent to a total of NOK 394 million has been given compared with the 2007 budget, cf. table 1.1. The tax proposal for 2012 implies a fairly unchanged tax level compared with the National Budget for 2007.

Table 1.1 Comparison of the Government's tax pledge and the tax programme for 2012. Negative figures indicate tax relief. NOK millions

	Accrued
Status of the tax pledge prior to the 2012 budget	
Change in the level of the 2011 National Budget compared to the 2007 National Budget	-310
Tax increases in the 2011 Revised National Budget with revenue effects in 2011 and 2012	6
Net tax relief as a result of the agreement with the EU on expanded trade in agricultural products pursuant to the EEA Agreement; cf. Proposition 62 (2010 - 2011) to the Storting[1]	-90
Carryover from the tax pledge (opportunity for tax rises in the 2012 budget within the constraints of the tax pledge)	**-394**
New changes in taxes in the 2012 budget	
Revenue effects in 2012, cf. Table 1.2	-169
Adjustment of long-term effects of changed depreciation rules[2]	62
Effect on revenue in years other than the budget year	362
Total new tax rises in the 2012 budget	**255**
Deviation from the tax pledge as a result of the Government's tax programme for 2012	**-139**

1 The agreement was approved by the Storting on 5 April. Net tax relief is the sum of the proposed reduction in customs revenue (NOK -120 million) and increased income from the auction of customs quotas (NOK 30 million).

2 The adjustment is due to the fact that the proposals regarding changed depreciation rules are projected to reduce the tax level differently from the revenue reduction that accrues immediately. For example, an increased depreciation rate increases the distribution of the overall depreciations over time in a manner that benefits taxpayers in the form of higher interest, and the central government thereby incurs a corresponding loss. The calculated change in tax level reflects this interest benefit for the taxpayer.

Source: Ministry of Finance.

Table 1.2 shows the calculated revenue effects of the Government's tax proposals for 2012. The revenue effects have been calculated relative to a benchmark system for 2012. The benchmark system is based on the 2011 tax rules, but where all the income figures in the general rates structure have been adjusted to the 2012 level using wage growth from 2011 to 2012 of 4 per cent. This means that a taxpayer whose "ordinary income" and "personal income" both increase by 4 per cent will have the same average income tax level in the benchmark system for 2012 as in 2011. Similarly, the tax-free allowance for net wealth tax is adjusted in the benchmark system so that a person with an average net wealth composition will have the same tax on net wealth in the benchmark system for 2012 as in 2011, measured as a share of their net wealth. Special allowances and other limits on personal taxation have been adjusted using an estimated inflation rate from 2011 to 2012 of 1.6 per cent. In the benchmark system for indirect taxes, all unit taxes have been adjusted by the estimated rate of inflation from 2011 to 2012. In real terms, the benchmark system thus entails no change in tax levels from 2011 to 2012.

Table 1.2 Estimated revenue effect of the Government's tax programme for 2012. Negative figures indicate tax relief. The figures have been calculated relative to a benchmark system for 2012. NOK millions

	Accrued	Booked
Tax base for income tax for individuals	**-113**	**-150**
Increase the basic allowance in wage income from 36 to 38 per cent	-262	-210
Phase out the special allowance for high illness-related expenses[1]	0	0
Abolish the special rule for taxation of income from renting out semi-detached houses	10	8
Increase tax-free net income in the tax limitation rule for married disabled persons to NOK 107 600 in 2011 and NOK 112 200 in 2012	-7	-29
Change the assessment practice for limiting taxation of single providers in Oslo	10	8
Increase the limit for the low per kilometre rate in the travel allowance from 35 000 km to 50 000 km	-37	-30
Increase the maximum deduction for trade union subscriptions paid to NOK 3750	-8	-6
Continue nominal amounts etc	181	109
Net wealth tax	**4**	**-11**
Increase the tax-free allowance to NOK 750 000	-48	-38
Increase the assessed values of real property abroad and leisure property by 10 per cent	52	42
Set the capitalisation rate in power plant taxation at 4.5 per cent for the property tax year 2013	0	-15

Business taxation	**-381**	**118**
Implement measures in connection with the agricultural agreement[2]	9	9
Increase the social insurance contribution on business income from 7.8 to 11 per cent and increase the reindeer husbandry allowance in the same way as the agricultural allowance	2	2
Abolish the wage allowance for sole proprietorships with employees	222	222
Abolish the correction income rule[3]	-300	0
Abolish allowances for bad debts between related companies	225	75
Limit the three per cent rule under the exemption method	-250	0
Increase the depreciation rate for certain production and other facilities with a useful life of up to 20 years from 4 to 10 per cent	-80	0
Increase the depreciation rate for buildings with a useful life of up to 20 years from 8 to 10 per cent	-27	-8
Increase the depreciation rate for agricultural buildings for livestock from 4 to 6 per cent.	-150	-150
Increase the upper limit for hiring out of and services involving machinery etc. in the agricultural allowance scheme from 20 to 40 per cent.	-20	-20
Increase the depreciation rate for agricultural investment with rural development subsidies in the area to which rural and regional policy apply	-12	-12
Environmental, energy and vehicle taxes	**-252**	**-243**
Reduce the CO_2 tax on domestic aviation[4]	-80	-70
Increase tax on HFC/PFC	13	12
Reduce the vehicle reregistration tax	-185	-185
Change the motor vehicle registration tax[5]	0	0

Other changes	**1,300**	**1,085**
Increase value added tax on food from 14 to 15 per cent	1,300	1,085
Abolish the wine and spirit monopoly tax and the tax exemption for AS Vinmonopolet[6]	0	0
Sector taxes and overpriced fees	**-727**	**-602**
Abolish tax on food production	-627	-510
Reduce the charge for customs credit declarations	-100	-92
Increase the sector tax to the Financial Supervisory Authority of Norway (Finanstilsynet)	18	18
Reduce the coastal tax	-33	-33
Introduce mandatory use of a pilot service and a pilot charge on Svalbard	15	15
Combined new direct and indirect tax changes in 2012	**-169**	**197**

[1] The special allowance for high illness-related expenses is to be phased out over three years. The tightening will be offset by increased subsidies for existing health schemes on the expenditure side of the budget. The net effect on revenue is therefore set as zero.

[2] The measures cover an increased agricultural allowance (NOK -111 million), increase in the social insurance contribution on business income from agriculture and forestry from 7.8 per cent to 11 per cent (NOK 206 million) and redeployment of the contribution over the agricultural agreement which up to the present was intended to make up the difference between 7.8 per cent and 11 per cent social insurance contribution, to income-generating measures (NOK -86 million after tax). Revenue accrues and is booked in 2012.

[3] The proposal implies that accrued revenue will increase by NOK 100 million in each of the years 2013, 2014 and 2015 as a result of the correction income allowance also lapsing when the correction income rule is abolished. The net accrued revenue effect of the proposal is therefore zero for the period 2012-2015.

[4] Including income from sale of greenhouse gas quotas to aviation.

[5] The increase in the vehicle scrap return and the vehicle scrap return tax is calculated net, i.e. no change in revenue.

[6] The proposal implies a revenue increase of NOK 5 million that accrues in 2013 and is booked in 2014. At the same time, the central government return from AS Vinmonopolet is reduced by NOK 2.5 million, given today's rules for distribution of dividend.

Source: Ministry of Finance.

Table 1.3 presents estimated booked tax revenue for 2012 and figures for the two preceding years.

Table 1.3 Booked tax revenue. NOK millions

	Accounts 2010	Estimate 2011	Proposal 2012
Taxes on wealth and income	196,959	212,000	227,000
Tax on inheritance and gifts	2,377	1,700	1,850
Direct and indirect taxes on petroleum extraction	156,982	207,800	225,400
Tax on CO_2 emissions in petroleum activities on the continental shelf	2,166	2,200	2,300
Tax on NO_X emissions in petroleum activities on the continental shelf	20	40	40
Customs duties	2,416	2,293	2,260
Auction revenue from customs quotas	105	145	135
Value added tax	196,809	210,200	222,300
Tax on alcoholic beverages	11,320	11,789	12,450
Tax on tobacco goods	7,436	7,975	8,220
Motor vehicle registration tax	19,715	20,700	21,600
Annual tax on motor vehicles	8,665	9,028	9,350
Annual weight-based tax	334	330	342
Re-registration tax	2,318	2,450	2,350
Marine engine tax	202	218	230
Road usage tax on petrol	7,389	6,984	6,850
Road usage tax on diesel	8,526	9,340	10,300
Electricity consumption tax	7,322	7,588	7,850
Base-tax on mineral oil	1,378	1,441	1,500

Lubricating oil tax,etc	98	106	112
CO_2 tax	4,603	4,800	4,900
Sulphur tax	55	45	48
Tax on the final disposal of waste	279	94	100
Tax on trichloroethene	1	1	1
Tax on tetrachloroethene	1	1	1
Tax on hydrofluorocarbons and perfluorocarbons	255	334	365
Tax on emissions of NO_X	67	48	51
Environmental tax on pesticides	53	66	50
Tax related to subsea natural resources other than petroleum	0	2	2
Tax related to prospection and excavation rights for minerals	2	3	3
Tax on chocolate, etc	1,165	1,197	1,235
Tax on non-alcoholic beverages, etc	1,736	1,811	1,862
Sugar tax, etc.	196	189	200
Tax on beverage packaging			
Base tax on disposable packaging	807	866	915
Environmental tax on carton	158	120	127
Environmental tax on plastics	72	110	116
Environmental tax on metals	163	169	179
Environmental tax on glass	61	59	62
Stamp duty	5,803	6,400	6,800
Sectoral taxes[1]	2,124	2,280	1,859

Tax on frequencies, etc.	200	191	183
Social security contribution	91,936	99,700	101,500
Employer’s social security contribution	130,415	137,500	145,200
Total direct and indirect taxes and social security system revenue, the Fiscal Budget	872,692	970,312	1,028,197

[1] This amount includes taxes under various ministries.

Source: Ministry of Finance.

Distribution effects of the tax programme for 2012

Table 1.4 shows the average tax changes for various gross income groups resulting from the proposed tax programme for 2012. The proposal to phase out the special allowance for high illness-related expenses is not included in the table.

The general picture is of virtually unchanged tax for low- and middle-income groups. The exception is those with wage income of less than NOK 217,000 who will get up to NOK 1,150 in tax relief as a result of a higher basic allowance rate. Higher tax for persons with high gross income is largely a result of the proposal to abolish the wage deduction for sole proprietorships with employees and increase the social insurance contribution on self-employed income in the primary industries excluding fishing.

The calculations were carried out using Statistics Norway's LOTTE-Skatt tax model.

Table 1.4 Average tax changes[1] for different gross income brackets when the proposed 2012 tax system is compared with 2011 rules adjusted for wage growth (benchmark figures for 2012). Persons aged 17 and older. Negative figures indicate tax relief. NOK

Gross income. NOK 1000	No. of people	Average tax, benchmark figures for 2012	Average tax under the proposal. Per cent
0 – 150	556,400	4,300	0
150 – 200	319,700	13,100	-300
200 – 250	350,400	26,200	-200
250 – 300	338,200	44,200	0
300 – 350	344,800	63,400	0
350 – 400	363,200	81,300	0

400 – 450	344,400	97,800	0
450 – 500	291,700	114,600	0
500 – 600	391,300	141,600	100
600 – 750	265,300	192,200	200
750 – 1,000	172,700	273,200	400
1,000 – 2,000	118,200	462,200	1,000
2,000 – 3,000	13,100	901,400	2,100
Over 3,000	8,700	2,227,200	3,500
In all	3 878,000	100,200	0

[1] Does not include changes in indirect taxes. Rounded to the nearest NOK 100.

Sources: Statistics Norway and the Ministry of Finance.

Tax rates and value limits

Table 1.5 provides an overview of important rates and thresholds in the Government's proposed tax programme for 2012. The table also shows the tax rates for 2011 and the change from 2011 to 2012. Because the figures here are aproximated, the proportional increase of the general allowances and thresholds from 2011 to 2012 may deviate from the estimated wage increase of 4 per cent and of the estimated price increase of 1.6 per cent.

Table 1.5 Direct tax rates and thresholds for 2011 and proposals for 2012

	2011 rules	**Proposal 2012**	**Change 2011– 2012**
Tax rate on "ordinary income"			
Personal taxpayers[1]	28 per cent	28 per cent	-
Companies	28 per cent	28 per cent	-
Surtax			
Bracket 1			
Threshold	NOK 471,200	NOK 490,000	4 per cent
Rate[2]	9.0 per cent	9.0 per cent	-
Bracket 2			
Threshold	NOK 765,800	NOK 796,400	4 per cent
Rate	12.0 per cent	12.0 per cent	-
Social security contribution			
Lower threshold for payment of employee's social security	NOK 39,600	NOK 39,600	-

contribution			
Levelling rate	25.0 per cent	25.0 per cent	-
Rate			
Wage income	7.8 per cent	7.8 per cent	-
Income from self-employment in primary sector [3]	7.8 per cent	11.0 per cent	3.2 percentage points
Income from other self-employment	11.0 per cent	11.0 per cent	-
Pension income, etc.	4.7 per cent	4.7 per cent	-
Employers’ social security contribution			
Zone I	14.1 per cent	14.1 per cent	-
Zone Ia[4]	14.1 per cent	14.1 per cent	-
Zone II	10.6 per cent	10.6 per cent	-
Zone III	6.4 per cent	6.4 per cent	-
Zone IV	5.1 per cent	5.1 per cent	-
Zone IVa	7.9 per cent	7.9 per cent	-
Zone V	0.0 per cent	0.0 per cent	-
Maximum effective marginal tax rates			
Wage income excl. employer’s social security contribution	47.8 per cent	47.8 per cent	-
Wage income incl. employer’s social security contribution	54.3 per cent	54.3 per cent	-
Pension income[5]	44.7 per cent	44.7 per cent	-
Primary sector self-employment income[3]	47.8 per cent	51.0 per cent	3.2 percentage points
Other self-employment income	51.0 per cent	51.0 per cent	-
Dividends and withdrawals[6]	48.2 per cent	48.2 per cent	-
Personal allowance			
Class 1	NOK 43,600	NOK 45,350	4 per cent
Class 2[7]	NOK 87,200	NOK 90,700	4 per cent
Basic allowance in wage income			
Rate	36.0 per cent	38.0 per cent	2 percentage points
Lower limit	NOK 4,000	NOK 4,000	-
Upper limit[8]	NOK 75,150	NOK 78,150	4 per cent
Basic allowance in pension income			
Rate	26.0 per cent	26.0 per cent	-
Lower limit	NOK 4,000	NOK 4,000	-
Upper limit	NOK 62,950	NOK 65,450	4 per cent
Special wage income allowance[9]	NOK 31,800	NOK 31,800	-
Special allowance for disability, etc.	NOK 32,000	NOK 32,000	-
Special tax allowance for pensioners, etc.			
Maximum amount	NOK 28,150	NOK 29,300	4 per cent
Downscaling, level 1			
Threshold	NOK 158,650	NOK 165,000	4 per cent
Rate	15.3 per cent	15.3 per cent	-

Downscaling, level 2			
Threshold	NOK 242,000	NOK 251,700	4 per cent
Rate	6.0 per cent	6.0 per cent	-
The tax limitation rule for the disabled, etc.[10]			
Levelling rate	55 per cent	55 per cent	-
Tax-free net income			
Single	NOK 117,400	NOK 122,100	4 per cent
Married person[11]	NOK 106,700[12]	NOK 112,200	5.2 per cent
Net wealth supplement			
Rate	1.5 per cent	1.5 per cent	-
Threshold for single	NOK 200,000	NOK 200,000	-
Threshold for married person	NOK 100,000	NOK 100,000	-
Special allowance for taxpayers in Finnmark and Nord-Troms			
Class 1	NOK 15,000	NOK 15,000	-
Class 2	NOK 30,000	NOK 30,000	-
Seamen's allowance			
Rate	30.0 per cent	30.0 per cent	-
Upper limit	NOK 80,000	NOK 80,000	-
Fishermen's allowance			
Rate	30.0 per cent	30.0 per cent	-
Upper limit	NOK 150,000	NOK 150,000	-
Special allowance for self-employed within agriculture, etc.			
Income-independent allowance	NOK 54,200	NOK 63,500	17.2 per cent
Allowance rate above income-independent allowance	32.0 per cent	38.0 per cent	6 percentage points
Maximum total allowance	NOK 142,000	NOK 166,400	17.2 per cent
Special allowance for high expenses due to illness			
Lower limit	NOK 9,180	NOK 9,180	-
Maximum annual allowance for payments to individual pension schemes	NOK 15,000	NOK 15,000	-
Allowance for travel between home and work			
Rate per km [13]	NOK 1.50/0.70	NOK 1.50/0.70	-
Lower limit for allowance	NOK 13,950	NOK 13,950	-
Maximum allowance for donations to voluntary organisations	NOK 12,000	NOK 12,000	-
Maximum allowance for paid union fees etc.	NOK 3,660	NOK 3,750	2.5 per cent
Home investment savings scheme for people under 34 (BSU)			
Tax deduction rate	20.0 per cent	20.0 per cent	-

Maximum annual savings	NOK 20,000	NOK 20,000	-
Maximum total savings in the scheme	NOK 150,000	NOK 150,000	-
Parental allowance for documented expenses for childminding and childcare			
Upper limit			
One child	NOK 25,000	NOK 25,000	-
Supplement per additional child	NOK 15,000	NOK 15,000	-
Tax-free per kilometre allowance for business driving with private car[14]			
Per kilometre rate up to 10 000 km	NOK 3.65	NOK 3.90	6.8 per cent
Per kilometre rate over 10 000 km	NOK 3.00	NOK 3.25	8.3 per cent
Tax on net wealth[15]			
Municipal			
Threshold	NOK 700,000	NOK 750,000	7.1 per cent
Rate	0.7 per cent	0.7 per cent	-
State			
Threshold	NOK 700,000	NOK 750,000	7.1 per cent
Rate	0.4 per cent	0.4 per cent	-
Inheritance tax			
Threshold			
Level 1	NOK 470,000	NOK 470,000	-
Level 2	NOK 800,000	NOK 800,000	-
Rates			
Children and parents			
Level 1	6 per cent	6 per cent	-
Level 2	10 per cent	10 per cent	-
Other beneficiaries			-
Level 1	8 per cent	8 per cent	-
Level 2	15 per cent	15 per cent	-
Discount on shares[16]	40 per cent	40 per cent	-
Wage allowance under the risk free rate of return allowance for sole proprietorships	15.0 per cent	-	Abolished
Depreciation rates			
Asset group a (office equipment, etc.)	30 per cent	30 per cent	-
Asset group b (acquired goodwill)	20 per cent	20 per cent	-
Asset group c (lorries, buses, vans, etc.)	20 per cent	20 per cent	-
Asset group d (passenger cars, machinery and equipment, etc.)	20 per cent	20 per cent	-
Asset group e (ships, vessels, rigs, etc.)	14 per cent	14 per cent	-

Asset group f (aircraft, helicopters)	12 per cent	12 per cent	-
Asset group g (systems for transfer and distribution of electricity and electro technical equipment in power companies)	5 per cent	5 per cent	-
Asset group h (buildings and facilities, hotels, etc.)[17, 18]	4 (8) per cent	4 (6/10) per cent	-
Asset group i (business buildings)	2 per cent	2 per cent	-
Asset group j (technical installations in business and other commercial buildings)	10 per cent	10 er cent	-

[1] For taxpayers in Nord-Troms and Finnmark, the rate is 24.5 per cent.

[2] For taxpayers in Nord-Troms and Finnmark, the rate is 7 per cent in bracket 1.

3 Self-employed in fishing, hunting and child care in own home (children under 12 or with special needs for care and nursing) will still have a 7.8 per cent social insurance contribution on self-employed income. A lower social insurance rate for hunting and fishing relates to the fact that these industries pay a product tax intended to make up the difference between the 7.8 per cent and 11 per cent social insurance contribution.

[4] In zone Ia, employers' social security contribution shall be paid at a rate of 10.6 per cent until the difference between what the enterprise actually pays and what the enterprise would have paid at a rate of 14.1 per cent equals the de minimis state aid threshold. In 2012, the threshold is NOK 530,000 per enterprise. For road transport companies in zone Ia, the threshold is NOK 265,000.

[5] For the disabled etc. who are subject to the tax limitation rule, the maximum effective marginal tax rate may reach 55 per cent.

[6] Including 28 per cent corporation tax.

[7] Taxpayers who support their spouse and single parents are taxed in class 2.

[8] The sum of the basic allowance in wage income and of the basic allowance in pension income is limited upwards to the maximum basic allowance in wage income, i.e. NOK 78,150 in this proposal.

[9] Taxpayers who only have wage income shall have the higher of the basic allowance in wage income and the special wage income allowance.

[10] The tax limitation rule also applies to single parents, but only if they receive transitional support.

[11] Married disabled persons who receive a spouse's supplement have a tax-free net income that is equivalent to twice the tax-free net income of other married persons, i.e. NOK 224,400 in 2012.

[12] This is the limit for 2011 adopted in connection with the budget for 2011. The Government proposes increasing the limit to NOK 107,600 in 2011.

[13] The rate is NOK 1.50 per km up to a mileage limit and NOK 0.70 per km over the mileage limit. It is proposed that the mileage limit be increased from 35,000 km to 50,000 km in 2012.

[14] With effect from 2011, the tax rules have been disconnected from the government per kilometre allowance scale etc.; cf. the Budget Bill (2010-2011).

[15] The threshold values are for single taxpayers. For married couples who are assessed together for joint assets, the threshold values are double of those shown in the table.

[16] The discount applies to non-listed shares and shares in general partnerships and limited partnerships. The discount is limited to an inheritance tax basis for these kinds of shares of up to NOK 10 million per beneficiary.

[17] Buildings with a design so simple that the economic life is assumed not to exceed 20 years can be depreciated by 8 per cent in 2011 and by 10 per cent according to the proposal for 2012. It is proposed that the rate of 10 per cent for 2012 should also apply to facilities whose economic life must be assumed not to exceed 20 years.

[18] It is proposed that a higher rate of 6 per cent be introduced in 2012 for agricultural buildings for livestock.

Source: Ministry of Finance.

Table 1.6 presents current rates for the value added tax and for other indirect taxes as well as rate proposals for 2012. All rates have in principle been adjusted 1.6 per cent upwards from 2011 to 2012 to account for anticipated price increases. Small deviations from this are due to rounding.

Table 1.6 Indirect tax rates for 2011 and proposed rates for 2012

Tax category	Current rate	Proposal 2012	Percentage change
Value-added tax, per cent of sales value[1]			
General rate	25	25	-
Reduced rate	14	15	1
Low rate	8	8	-
Tax on alcoholic beverages			
Spirits-based beverages in excess of 0.7 pct. alcohol by volume, NOK per pct. alcohol and per litre	6.61	6.72	1.7
Other alcoholic beverages from 4.7 to 22 pct. alcohol by volume, NOK per pct. alcohol and per litre	4.31	4.38	1.6
Other alcoholic beverages up to and including 4.7 pct. alcohol by volume, NOK per litre			
a) 0.0-0.7 pct. alcohol by volume	-	-	-
b) 0.7–2.7 pct. alcohol by volume	2.95	3.00	1.7
c) 2.7–3.7 pct. alcohol by volume	11.13	11.31	1.6
d) 3.7–4.7 pct. alcohol by volume	19.28	19.59	1.6
Tax on tobacco products			
Cigars, NOK per 100 gram	227	231	1.8
Cigarettes, NOK per 100 unit	227	231	1.8
Smoking tobacco, NOK per 100 gram	227	231	1.8
Snuff, NOK per 100 gram	92	93	1.1
Chewing tobacco, NOK per 100 gram	92	93	1.1
Cigarette paper, NOK per 100 units	3.45	3.51	1.7
Motor vehicle registration tax			

Passenger cars, etc. Tax group a[2]			
Weight, NOK per kg			
first 1,150 kg	36.31	36.89	1.6
next 250 kg	79.14	80.41	1.6
next 100 kg	158.31	160.84	1.6
remainder	184.11	187.06	1.6
Engine power, NOK per kW			
first 65 kW	0.00	0.00	-
next 25 kW	466.00	315.00	-32.4
next 40 kW	1 320.68	895.00	-32.2
remainder	2 751.42	2 220.00	-19.3
NO_x emissions, NOK per mg/km	-	22.00	-
CO_2 emissions, NOK per g/km			
first 110 g per km (115 g per km in 2011)	0.00	0.00	-
next 20 g per km	738.00	750.00	1.6
next 40 g per km	744.00	756.00	1.6
next 70 g per km	1 735.00	1 763.00	1.6
remainder	2 784.00	2 829.00	1.6
deduction per gram emissions under 50 g per km, valid only for vehicles emitting under 50 g per km	738.00	850.00	15.2
deduction per gram emissions under 110 g per km, valid down until 50 g per km and only for vehicles emitting less than 110 g per km (115 g per km in 2011)	620.00	750.00	21.0
Vans class 2. Tax group b[3]			
self-weight, per cent of private car tax	22	22	-
engine power, per cent of private car tax	22	22	-
NO_x emissions, per cent of private car tax	-	25	-
CO_2 emissions, per cent of private car tax	22	25	3
Camper vans. Tax group c[4]			
per cent of car tax	22	22	-
Weasels. Tax group e			
per cent of basis for value tax	36	36	-
Motorbikes. Tax group f			
tax per unit, NOK	10,468	10,635	1.6
Engine power, NOK per kW			
first 11 kW	0	0	-
remainder	465.84	473.29	1.6
Piston displacement tax, NOK per cm^3			
first 125 cm^3	0	0	-
next 775 cm^3	35.95	36.53	1.6

remainder	78.84	80.10	1.6
Snowscooters. Tax group g			
Weight, NOK per kg			
first 100 kg	14.75	14.99	1.6
next 100 kg	29.51	29.98	1.6
remainder	58.99	59.93	1.6
Engine power, NOK per kW			
first 20 kW	39.35	39.98	1.6
next 20 kW	78.66	79.92	1.6
remainder	157.31	159.83	1.6
Piston displacement, NOK per cm^3			
first 200 cm^3	3.08	3.13	1.6
next 200 cm^3	6.15	6.25	1.6
remainder	12.29	12.49	1.6
Taxis. Tax group h[5]			
self-weight, per cent of private car tax	40	40	-
engine power, per cent of private car tax	40	40	-
NO_x emissions, per cent of private car tax	-	100	-
CO_2 emissions, per cent of private car tax	100	100	-
Veteran cars. Tax group i			
tax per unit, NOK	3,447	3,502	1.6
Minibuses. Tax group j[6]			
per cent of car tax	40	40	-
Annual tax on motor vehicles, NOK per year			
Petrol vehicles and diesel vehicles with factory-fitted particle filter	2 840	2 885	1.6
Diesel cars without factory-fitted particle filter	3 305	3 360	1.7
Caravans	1 065	1 080	1.4
Motorbikes	1 735	1 765	1.7
Tractors, mopeds, etc.	400	405	1.3
Annual weight based tax, NOK per year	variable	variable	1.6
Re-registration tax	variable	variable	-6.5
Tax on marine engines, NOK/hp	153.00	155.50	1.6
Road usage tax on petrol, NOK per litre			
Sulphur-free[7]	4.62	4.69	1.5
Low-sulphur[8]	4.66	4.73	1.5
Road usage tax on auto diesel, NOK per litre			
Sulphur-free[9]	3.62	3.68	1.7
Low-sulphur[10]	3.67	3.73	1.6
Bio diesel	1.81	1.84	1.7
Electricity consumption tax, NOK 0.01 per kWh			

General rate	11.21	11.39	1.6
Reduced rate	0.45	0.45	-
Base tax on mineral oil, etc.			
Mineral oil, NOK per litre	0.983	0.999	1.6
Mineral oil in the wood processing industry, production of colorants and pigments, NOK per litre	0.126	0.126	-
Lubricant oil tax, NOK per litre	1.83	1.86	1.6
CO_2 tax			
Petroleum activities, NOK per litre or Sm^3	0.48	0.49	2.1
Mineral oil, NOK per litre	0.59	0.60	1.7
Mineral oil, high rate, NOK per litre	0.69	0.70	1.4
Mineral oil for domestic aviation, NOK per litre	0.69	0.42	-39.1
Mineral oil in the wood processing, herring meal and fish meal industry, NOK per litre	0.31	0.31	-
Petrol, NOK per litre	0.88	0.89	1.1
Natural gas, NOK per Sm^3	0.44	0.45	2.3
LPG, NOK per kg	0.66	0.67	1.5
Reduced rate for natural gas, NOK per Sm^3	0.05	0.05	-
Sulphur tax, NOK per litre	0.076	0.077	1.3
Tax on NOx emissions, NOK per kg	16.43	16.69	1.6
Tax on the final disposal of waste			
Landfills, NOK per tonne	280	284	1.4
Landfills with exemption from the ban on dumping waste, NOK per tonne	463	470	1.5
Tax on health and environmentally damaging chemicals			
Trichloroethene, NOK per kg	63.18	64.19	1.6
Tetrachloroethene, NOK per kg	63.18	64.19	1.6
Environmental tax on greenhouse gases HFC and PFC			
NOK per tonne of CO_2 equivalents	212.44	225.00	5.9
Tax on chocolate, etc, NOK per kg	17.92	18.21	1.6
Tax on non-alcoholic beverages			
Finished products, NOK per litre	2.81	2.85	1.4
Concentrate (syrup), NOK per litre	17.13	17.40	1.6
Sugar tax, NOK per kg	6.94	7.05	1.6
Tax on beverage packaging, NOK per unit			
Basic tax on disposable packaging	1.04	1.06	1.9
Environmental tax			
a) Glass and metal	5.06	5.14	1.6
b) Plastic	3.05	3.10	1.6
c) Cardboard and cartons	1.26	1.28	1.6
Stamp duty, per cent of sale price	2.5	2.5	-

[1] The change in value-added tax is expressed in percentage points.

[2] Group a: Cars, class 1 vans and buses shorter than 6 metres with up to 17 seats. Piston displacement is used as the tax component for vehicles whose carbon dioxide emissions are not stated.

[3] Group b: Class 2 vans. The change is expressed in percentage points. The highest level of the CO_2 component is to be removed for Group b as of 1 January 2012.

[4] Group c: Camper vans. The change is expressed in percentage points. NO_x component not added.

[5] Group h: Taxis and transport for disabled persons. The change is expressed in percentage points.

[6] Group j: Buses shorter than 6 metres with up to 17 seats, of which at least 10 are forward-facing. The change is expressed in percentage points. The highest level of the CO_2 component is to be removed for Group j as of 1 January 2012. NO_x component not added.

[7] Petrol with a sulphur content of 10 ppm or lower.

[8] Petrol with a sulphur content between 10 ppm and 50 ppm.

[9] Diesel with a sulphur content of 10 ppm or lower.

[10] Diesel with a sulphur content between 10 ppm and 50 ppm.

Source: Ministry of Finance

Allocation of tax revenues

Table 1.7 provides a general overview of the main groups of taxes and shows which parts of the public sector that receive revenue from each main group. In total, tax revenues are estimated to amount to NOK 1,183 billion in 2011, of which approx. 88 per cent accrues to central government, just less than 10 per cent to local government and just less than 2 per cent to regional government.

Most of the local and county authorities’ tax revenues come from income tax and tax on net wealth from personal taxpayers. Approx. 30 per cent of the central government’s tax revenues comes from VAT, excise duties and customs duties. Approx. 23 per cent comes from personal taxpayers, while approx. 20 per cent is income tax and tax on net wealth from non-personal taxpayers and employers’ social security contributions in mainland Norway. Approx. 23 per cent of the central government’s revenues in 2011 comes from direct and indirect taxes in the petroleum sector. Other taxes constitute approx. 3 per cent.

Table 1.7 Accrued taxes distributed according to creditors. Estimate for 2011. NOK billions

	In total	Central government	Local government	Regional government
Individual taxpayers	*375.9*	*244.9*	*107.7*	*23.3*
Tax on ”ordinary income”	245.3	122.7	99.3	23.3
Surtax	19.8	19.8	-	-
Employee’s and self-employed’s social insurance contributions	97.7	97.7	-	-
Tax on net wealth	13.2	4.8	8.4	-
Businesses (whose taxes are payable the year after the income year)	*71.8*	*70.2*	*1.3*	*0.2*
Income tax (including power stations)	71.4	69.8	1.3	0.2
Tax on net wealth	0.4	0.4	-	-
Property tax	*7.2*	-	*7.2*	-
Employers’ social security contributions	*139.3*	*139.3*	-	-
Indirect taxes	*314.2*	*314.2*	-	-
VAT	212.3	212.3	-	-
Excise duties and customs duties	101.9	101.9	-	-
Petroleum	*244.8*	*244.8*	-	-
Tax on income	241.1	241.1	-	-
Extraction tax	3.7	3.7	-	-
Other direct and indirect taxes	*30.3*	*29.6*	*0.6*	-
Social security and pension premiums. other central government and social security accounts [1]	21.9	21.9	-	-
Tax on dividends to foreign shareholders	2.1	2.1	-	-
Inheritance and gift tax	1.7	1.7	-	-

Other taxes [2]	4.6	3.9	0.6	-
Total direct and indirect taxes	**1,183.4**	**1,043.1**	**116.9**	**23.5**
Of which direct taxes	**869.2**	**728.8**	**116.9**	**23.5**

[1] Including the Norwegian Public Service Pension Fund

[2] Includes some income items that are grouped as tax income in the national accounts, but which are not entered as tax income in the Fiscal Budget.

Source: Ministry of Finance.