DUAL INCOME TAX - AN OPTION FOR THE REFORM OF PERSONAL INCOME TAX IN SERBIA?

ABSTRACT: Contemporary tax theory and practice provides two fundamental concepts for taxation of personal income: scheduler and global. Several systems have been derived from these basic models, including combined, flat, dual and negative income tax. Dual income tax, the subject of this paper, requires progressive taxation of income from employment and proportional taxation of income from capital. However, strict application of this system significantly violates the principle of equitability of taxation, both horizontally and vertically.

KEY WORDS: dual income tax; labour income; income from capital; equitability in taxation; personal income tax in Nordic countries.

JEL CLASSIFICATION: E62, H21, H24, K34
Introduction

Personal income tax is a fundamental element of contemporary tax systems, especially in developed countries, where it is one of the most significant drivers of tax revenue. In transition countries converting to market-based economics, the creation of a system in which direct taxes (personal and corporate income tax) are more significant is a major aim of tax reform.

Public finance theory contains two basic models of taxation of personal income – scheduler and comprehensive (or global). A scheduler personal income tax system assumes separate taxation of income from each source, often at different rates, without taking into consideration personal (family and financial) circumstances of the taxpayer. This concept is rarely applied in modern tax systems.

In contrast, under a comprehensive tax system the taxpayer’s income from different sources is aggregated. The total income is decreased for stipulated (standard and itemized) deductions and subject to taxation, typically at progressive tax rates. Most developed countries - members of OECD, use this method of taxation.

Several different taxation systems have been derived from these two basic concepts including combined, flat, dual and negative income taxes. Combined income tax is a mixture of scheduler and comprehensive. An individual’s income is taxed at source (at flat tax rates), but if the taxpayer’s total annual income exceeds a stipulated threshold, the aggregated income is taxed again, usually at progressive tax rates. This system is currently applied in Serbia.

In the flat tax model, an individual’s income from all sources is taxed at a uniform, flat rate. Most Central and East European countries in the later stages of transition have adopted this system.

Dual income tax, a combination of the comprehensive and flat models, was introduced at the end of the 20th century in four Nordic countries (Sweden, Denmark, Finland and Norway). Certain derivatives of dual income tax are still limited to these four countries, although several other European countries have undertaken or announced tax reforms which include flat taxation of income from capital.

Negative income tax is a concept created by American economist Milton Friedman in the 1960s. It combines taxation of income exceeding a stipulated threshold (guaranteed minimum income) and a system of subsidies to individuals
whose total income is below this limit. Negative income tax is a purely theoretical concept and has not yet been applied anywhere.

A thorough reform of the most significant tax elements of the Serbian tax system has been completed, with the notable exception of personal income tax. Any proposed reform of income tax in Serbia should consider the experiences of other European countries, especially those which adopted dual income tax systems.

1. Basic characteristics of the theoretical concept of dual personal income tax

The two primary sources of income for any individual are labour (employment) and capital. Income from capital comprises dividends, interest, rental income and capital gains. Income from labour includes salaries/wages and other remunerations, fringe benefits, pensions, etc. Under the comprehensive income tax system, no distinction is made between income from labour and income from capital. In contrast, the dual taxation system treats income from labour differently to income from capital.

Under the dual income tax system, an individual’s income from labour is taxed at progressive rates, as in the comprehensive model. In contrast, income from capital is taxed at a flat tax rate (Soerensen, 2004). Generally, taxation of income from capital at source is final. The rate at which income from capital is usually taxed is equal to the lowest marginal rate at which labour income is taxed. There are two reasons for this approach. Firstly, income from capital has already been taxed when the latter was accumulated or been subject to other taxes, e.g. dividends are issued after corporate income tax has been paid on a company’s profits. Secondly, capital is more mobile internationally than labour, thus more favourable treatment of income from capital discourages tax-motivated outflows of capital.

One of the fundamental questions related to dual income tax is whether an individual’s income from independent business activities (e.g. self-employment) is regarded as income from labour or income from capital. In all countries which have implemented such a system, an individual’s income from independent business activities is regarded partly as income from labour and partly as income from capital. In practice there are two methods of dividing this. With the first, income from capital is calculated by applying the expected rate of return (e.g. average rate of return) on investment, with the residual amount treated as labour income. In the second, income from labour is calculated through the computation
of expected salary to be earned by that individual in respect of work performed, and the residual amount represents the income from capital. The first method is applied more frequently (Genser, 2006).

After the total income is divided into a part related to labour and a part related to capital, the expenses incurred in the course of generating income are deductible, i.e. the tax base equals total income less deductible expenses. Additionally, the labour income tax base in certain countries is decreased by a standard personal tax allowance, as well as by a limited number of itemized deductions (e.g. interest expenses related to housing loans). In some jurisdictions, the system allows for the tax base to be reduced to account for net capital losses. In contrast to the comprehensive system, in the dual income tax model the individual is usually regarded as the taxpayer, not the whole family or married couple.

Although income from capital is subject to lower tax burden compared to labour income, additional measures aimed at reducing or eliminating double taxation of dividends, are often an inherent part of dual income tax systems. This is because dividends are paid after corporate income tax has been applied to a company’s taxable profits. Measures to reduce or eliminate double taxation of dividends in the relevant northern European countries are of three types:

a) partial or full integration – partial or total exemption of dividends from personal income tax;
b) the credit method – the corporate income tax paid on the dividends (as part of company’s taxable profit) is recognized as a tax credit against individual’s tax liability, and
c) taxation of dividends at a lower rate compared to income from other types of capital.

In practice, countries which have applied this model usually made changes to the corporate income tax as well. Corporate tax rates generally became equal to the lowest marginal rate at which labour income is taxed, i.e. equal to the income-from-capital tax rate.

2. The advantages and disadvantages of the theoretical concept of dual income tax

The key distinction between the dual and the comprehensive income tax systems is the different treatment of income depending on its source inherent in the former.
This difference is the cause of the majority of the advantages and disadvantages of the dual system in comparison with other models of taxation.

The most commonly quoted advantages of the dual income tax system are:

- Flat taxation of income from capital discourages international outflows of capital and, in certain circumstances, even attracts external capital, resulting in an increase of GDP, a broadening of the tax base and a consequent increase in tax revenues (Soerensen, 2001). Conversely, opponents of the dual system emphasise the fall in tax revenues consequent to the reduction in tax rates on income from capital.

- Separate, proportional taxation of income from capital prevents tax arbitrage, a feature of comprehensive income tax. If an individual’s total income is taxed as a single unit at progressive tax rates, it is possible to reduce the total tax burden of a married couple through simulated transfer of ownership of capital from a high-income spouse (taxed at higher marginal tax rate) to the low-income spouse (taxed at lower marginal tax rate). When income from capital is taxed separately, at a flat rate, there is no economic incentive for this type of tax arbitrage, resulting in a reduction in tax avoidance. Moreover, a relatively low tax rate on income from capital also discourages tax evasion (e.g. non-reporting of income generated abroad).

- Final taxation of income from capital, at source, without obligation to submit an annual tax return, reduces the cost of tax administration. Decreasing the number of itemized deductions also simplifies tax-compliance procedures and reduces related costs.

- In countries with high inflation rates, final taxation of income from capital at the moment of payment (at source) reduces the risk of significant falls in tax revenues which may arise due to Tanzi-Oliveira effect.

On the other hand there are several disadvantages and challenges associated with the implementation of this method of taxation.

- A major problem of the dual income tax system concerns the taxation of an individual’s income from independent business activities. The methods of splitting total income into the part related to labour and the part related to capital, described above, are quite arbitrary in respect of computation of the average rate of return on investment or assumed salary of sole proprietor adequate to her/his working efforts. Consequently, this enables tax evasion through shifting labour income to capital income (e.g. an increase in the amount of capital invested in an independent business activity implies a rise
in the amount of capital income, if capital income is calculated by applying average rates of return to the amount invested).

• Although dual income tax eliminates the possibility of tax arbitrage in respect of income from capital, the system enables tax evasion for individuals employed by their own company. Such individuals generate income from labour (salary) and income from capital (dividends). They may decide to pay themselves a modest salary but distribute significant dividends at the end of the business year - motivated by progressive taxation of salary but the flat taxation of dividends at a rate equal to the lowest marginal rate on salary. In this way a significant amount of tax may be evaded. Counteracting this evasion may considerably increase the cost of tax administration.

• Critics of the dual income tax concept stress the widely accepted unfairness of taxing labour more highly than capital. However, this standpoint is frequently challenged in contemporary public finance theory and practice. Also, different treatment of income from different sources threatens the allocative neutrality of a tax system.

• Theoretically, the concept of dual income tax violates the principle of horizontal equitability in taxation, since two taxpayers with the same economic power (ability-to-pay tax) may be exposed to different tax burdens.

• Implementation of the dual system may face significant resistance from the general public, since income from capital is taxed at a lower rate than income from labour, which is to the advantage of the richer minority. This is the problem of the violation of the principle of equitability in taxation.

3. Efficiency versus equitability

The principal aim of tax policy is to ensure the collection of sufficient tax revenues to financing public expenditures. However, taxation is also one of the instruments of overall macroeconomic policy, which is why it is used to create the preconditions for achieving basic macroeconomic goals.

The level of tax burden is negatively correlated with economic efficiency. Efficiency stands for delivering maximum results from limited resources. Unreasonably high taxes may discourage taxpayers from extra work, since the marginal gain from each additional unit of effort is decreasing. Consequently, the actual rate of economic growth is lower than the maximum possible rate that could be achieved with the available resources. In addition, taxation may create a number of other effects, such as income effect, substitution effect, redistribution effect, etc. Each of these may have an adverse influence on overall economic efficiency. Therefore,
the efficiency principle demands the lowest possible tax burden on businesses and individuals, so all economic decisions are the result of market processes, which are considered to be, per se, economically efficient.

However, the principle of equitability in taxation is opposed to the principle of efficiency. The socio-economic definition of equitability, the basis of the definition of equitability accepted by the theory of public finance, confirms the fair distribution of available resources between the various members of society. In respect to taxation, equitability stands for payment of taxes in accordance with taxpayer’s economic power (ability-to-pay principle). Equitability in taxation has two components – horizontal and vertical (Rosen, 2005).

Horizontal equitability in taxation means that individuals with equal economic power should be exposed to equal tax burdens. Vertical equitability implies that individuals who generate more income should pay, both absolutely and relatively, more tax compared to individuals who generate less income. Currently accepted public finance theory insists that a personal income tax system should be efficient as well as horizontally and vertically equitable. Taxation at a flat tax rate implies horizontal, but not vertical equitability, whereas progressive tax rates result in horizontal and vertical equitability.

Dual income tax, by definition, combines flat and progressive tax rates. Although progressive taxation of income from labour positively affects vertical equitability, the total effect of dual income tax in relation to equitability in taxation is not positive for at least two reasons. Firstly, an individual’s overall tax burden depends on the sources of her/his income, so two individuals with the same economic power are exposed to different tax burdens. Secondly, individuals who generated more income may not be exposed to a higher tax burden, either absolutely or relatively, because income from capital dominates total income, which is opposed to the principle of vertical equitability in taxation. This effect is especially important since income from capital tends to be accumulated by the rich, whereas wages represents the largest share of the total income of less well-off individuals.

The implications of dual income tax to efficiency are ambiguous. Lower taxation of income from capital would have a positive influence on capital flows. On the other hand, more stringent progressive taxation of income from labour would discourage individuals from additional work, thus slowing economic growth.

Thus although the dual income tax system has several advantages, it also has significant disadvantages concerning efficiency and equitability.
4. Experience of Nordic countries with dual income tax

Dual income tax was first implemented in four northern European countries (Denmark, Sweden, Norway and Finland) in the late 1980s and early 1990s. No other European country adopted this taxation system subsequently, although several (e.g. Germany, Belgium, Italy, etc.) are seriously considering introducing final withholding taxation of income from capital at source in order to cut administration costs and to simplify tax compliance procedures.

All four Nordic countries have recently commenced further reform of personal income tax, consequently none currently uses a pure dual income tax system.

Table 1. Elements of Dual Income Tax System in Nordic Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Denmark</th>
<th>Sweden</th>
<th>Norway</th>
<th>Finland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal income tax rates before tax reform</td>
<td>48% - 73%</td>
<td>36% - 72%</td>
<td>26.5% - 50%</td>
<td>25% - 57%</td>
</tr>
<tr>
<td>Personal income tax rates after tax reform</td>
<td>28%, 43% and 45%</td>
<td>30%</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Income from capital income</td>
<td>5.48% - 15%</td>
<td>20% - 25%</td>
<td>28%</td>
<td>8.5% - 31.5%</td>
</tr>
<tr>
<td>Complementary local/national tax on labour income</td>
<td>from 20.14% to 26.71%</td>
<td>31.6%</td>
<td>9% and 12%</td>
<td>16% - 21%</td>
</tr>
<tr>
<td>Total (national + local) labour income tax rate</td>
<td>&gt;25.62%</td>
<td>&gt;51.6%</td>
<td>&gt;37%</td>
<td>&gt;24.5%</td>
</tr>
<tr>
<td>Total capital income tax burden</td>
<td>&gt;46%</td>
<td>49.6%</td>
<td>48.2%</td>
<td>46.7%</td>
</tr>
<tr>
<td>Standard personal deduction</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

1 Effective in the year 2007. Current tax rates considerably differ from the tax rates introduced at the time of dual income tax reform in these countries. In the year 1993 capital income in Finland was subject to flat tax rate of 25%, whereas labour income was subject to progressive tax rates ceiling 63%.

2 Progressive tax rates of 28%, 43% and 45% apply to dividends and capital gains on shares. Other types of income from capital are taxed at the rates applied to labour income.

3 In Denmark, both labour income and income from capital (but not dividends and capital gains) are subject to local personal income tax.

4 Corporate income tax + personal tax on income from capital (provided that no measure for reduction or elimination of double economic taxation is implemented).
DUAL INCOME TAX - AN OPTION FOR SERBIA

<table>
<thead>
<tr>
<th>Integration of corporate income tax and personal income tax</th>
<th>Classical system</th>
<th>Classical system</th>
<th>Modified classical system</th>
<th>Classical system (partial exemption)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital gains tax</td>
<td>28%, 43% and 45%</td>
<td>30%</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Corporate income tax rate</td>
<td>before reform</td>
<td>40%</td>
<td>52%</td>
<td>50.8%</td>
</tr>
<tr>
<td></td>
<td>after reform</td>
<td>25%</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Withholding tax</td>
<td>dividend</td>
<td>28%</td>
<td>/</td>
<td>28%**</td>
</tr>
<tr>
<td></td>
<td>interest</td>
<td>/</td>
<td>30%</td>
<td>/</td>
</tr>
<tr>
<td>Net wealth tax</td>
<td>No</td>
<td>1.5% (until 2007)</td>
<td>0.9% - 1.1%</td>
<td>0.9% (until 2006)</td>
</tr>
</tbody>
</table>


The data in Table 1 show that both personal income tax rates and rates of progression were significantly lowered following initial reform in the late 20th century. Initially, the tax systems created through these reforms all had the characteristics of a pure dual income tax model, i.e. wages were taxed at progressive tax rates, whereas income from capital was taxed at flat tax rate equal to the lowest marginal labour tax rate and the rate of corporate income tax (Randjelovic, 2008). Subsequently, the tax systems of these countries have been significantly modified. Thus, as indicated in Table 1, corporate income tax rates are not the same as the lowest labour income tax rate nor the rate of capital income tax, i.e. the pure dual income tax model has been abandoned.

Because of a lack of vertical equitability in taxation is a major drawback of the dual income system, these countries have introduced a net wealth tax. This tax was calculated on resident individual’s net worldwide assets, i.e. individuals whose total wealth exceeded a stipulated threshold paid this additional tax. To improve the vertical equitability in taxation, net wealth in Norway was taxed at progressive tax rates. Currently, none of these Nordic countries, except Norway, apply net wealth tax.

Following changes effected in 2006, 2007 and 2008, the current personal income tax systems in these countries significantly differ from pure, theoretical concept of dual income tax. Thus, labour income and savings income in Denmark are

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**19% rate applied to dividends distributed by quoted companies.**
taxed at the same (progressive) tax rates (from 5.48% to 15%), whereas the income from dividends and capital gains on sale of shares are taxed at considerably higher rates (28%, 43% and 45%). Both labour income and capital income (excluding dividends and capital gains) are subject to an additional local income tax (flat rate) stipulated by the local authorities (ranging from 20.14% to 26.71%).

The concept of separate taxation of labour income and income from capital has been retained in Sweden. However, after the latest tax reform, income from capital is taxed at a flat tax rate of 30%, which is higher than the top marginal rate of tax on labour (ranging from 20% to 25%). Labour income is also subject to an additional local income tax, at the rate of 31.6%.

The most drastic changes have been made in the Norwegian personal income tax system. After the 2007-2008 tax reform, both labour income and income from capital have been subject to tax at a flat tax rate of 28%. However, labour income in Norway is also subject to an additional national tax on gross income, at progressive tax rates ranging from 9% to 12%. Thus the Norwegian personal income tax system retains elements of the dual income tax model.

The only significant change in the Finnish personal income tax system relates to a reduction in the progressive rates at which labour income is taxed, such that the flat rate of tax on income from capital (28%) is significantly higher than the bottom marginal rate of tax on labour income (8.5%).

However, as in Sweden and Denmark, labour income is subject to local income tax in Finland as well (the tax rates are flat and range from 16% to 21%, depending on the municipality).

The changes discussed above were made to improve the vertical equitability in taxation and to mitigate the effects of significantly lower taxation of income from capital compared to income from labour.

The microeconomic effects of the introduction of dual income tax may be observed through analysis of the Danish and Finnish experiences. After the 1987 reform, labour income in Denmark was still taxed at progressive rates, but the difference between the effective tax rate of low-earners and the effective tax rate of high-earners fell from 25.2% to 18.1% (Jensen, 2001). At the same time, the top statutory tax rate on capital income decreased considerably (from 48%-73.2% to 52.2%-58.2%). The introduction of dual income tax in Denmark was broadly
revenue neutral, but it triggered changes in the structure of total income, due to beneficial tax treatment of capital income.

Finnish dual income tax reform comprised the introduction of a capital income tax rate of 25% but no change in labour income progressive tax rates (top marginal tax rate amounted to 63%). Examination of the consequences of the Finnish 1993 reform reveals three significant effects: an increase in the total amount of taxable income of employed individuals, a significant increase in the capital income of self-employed individuals (labour income remained constant) and a significant increase in the share of capital income in total incomes (from 10% in 1992 to more than 15% in 1995). Thus income shifting (from labour to capital) was one of the key effects of the 1993 tax reform in Finland (Keuschnigg, Dietz, 2007).

The macroeconomic effects of dual income tax reform in these Nordic countries may be analysed through study of changes in the main macroeconomic indicators, such as unemployment rate.

**Graph 1. Unemployment Rates in Nordic Countries at the Time of the Dual Income Tax Reform**

![Graph showing unemployment rates in Nordic countries](source)

Source: www.indexmundi.com and own calculations

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6 ‘t’ is the year of introduction of dual income tax, t+1 is the year after, whereas t+2 is two years after.
The data presented in Graph 1 suggest that all counties experienced a rise in unemployment rates in the year following the introduction of dual income tax. Although this may have been influenced by other factors, it is significant that the same trend was observed in all four. If the higher unemployment rates are partially due to personal income tax reform, the underlying cause may be harsher taxation of labour income compared to income from capital. Workers may have been encouraged to terminate existing conventional employment arrangements and switch to self-employment activities. This conclusion is in line with the results of analysis of the microeconomic effects of tax reform in Denmark and, especially, Finland, which resulted in a shift from labour income to capital income.

5. Personal income tax in Serbia and the concept of dual income tax

The current Serbian income tax system comprises a dominant scheduler component with additional (complementary) taxation of a limited number of wealthier taxpayers at the end of the year. This means that an individual’s income from different sources is taxed separately, mostly at source, in the form of withholding. For those taxpayers whose total annual income does not exceed a statutory threshold, scheduler tax on income represents her/his final tax liability.

<table>
<thead>
<tr>
<th>Type of income</th>
<th>Statutory tax rate</th>
<th>Statutory deductible costs</th>
<th>Effective tax rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from independent business activities</td>
<td>10%</td>
<td>-</td>
<td>10%</td>
</tr>
<tr>
<td>Salary</td>
<td>12%</td>
<td>non-taxable threshold of RSD 5,560</td>
<td>10.51%</td>
</tr>
<tr>
<td>Income from agriculture and forestry</td>
<td>14%</td>
<td>-</td>
<td>14%</td>
</tr>
<tr>
<td>Income from authorship rights, the rights related to authorship rights and the industrial property rights</td>
<td>20%</td>
<td>40%, 50%, 60%</td>
<td>12%, 10%, 8%</td>
</tr>
</tbody>
</table>

7 Calculated on assumed monthly net salary of RSD 32,000.
8 Obligation to pay tax on income from agriculture and forestry for the year 2006 and 2007 is abolished.
Residents of Serbia whose total annual income (excluding income from capital) exceeds three times the average annual salary in Serbia in the respective year (five times - if the individual is not a citizen of Serbia) are obliged to pay annual income tax at progressive rates of 10% and 15%, applied to the amount of income exceeding the threshold. Taxpayers are entitled to standard deductions (personal and for dependent family members).

From this it may be concluded that the current personal income tax system in Serbia shares several features with the dual income tax model. The most important are being:

a) The different tax treatment of income from labour and income from capital.
b) Income from capital is taxed at a flat tax rate. Tax on income from capital paid at source represents an individual’s final tax burden for this type of income.
c) Salary is subject to indirect progression in taxation. Due to the complementary taxation of annual income, the salary of individuals who are obliged to pay annual income tax is subject to direct progression in taxation.

Since the number of individuals who are obliged to pay annual income tax is relatively low\(^9\), the majority of taxpayers in Serbia are not affected by progressive taxation of labour income. The rate of tax on income from capital (20%) is higher than the salary tax rate (12%) and corporate income tax rate (10%). Additionally, income from independent business activities is subject to a flat tax rate of 10%.

Consequently, although certain similarities exist, the Serbian personal income tax system differs significantly from the purely theoretical concept of dual income tax.

\(^9\) Income from dividend generated by individuals – residents in Serbia is subject to tax at effective rate of 10%.

\(^{10}\) Annual income tax return for the year 2007 has been filed only by 16,789 taxpayers.
The imposition of a dual income tax in Serbia would imply the introduction of progressivity in taxation of labour income, and result in an improvement of vertical equitability. However, the exclusion of capital income from a tax base subject to progressive tax rates would preclude full vertical equitability in taxation.

At the same time, significant differences in the tax treatment of labour and capital income would generate unwelcome distortions. For example, self-employed individuals and sole proprietors would try to shift income from labour to income capital, wherever possible, resulting in decreased tax revenues. Additionally, different treatment of labour and capital would threaten horizontal equitability in taxation.

From the above it can be concluded that reform of personal income tax in Serbia through imposition of dual income tax would generate more negatives than positives. This is supported by the observation that, to date, no transition country has applied the dual income tax model.

6. Conclusion

Completion of a radical overhaul of the Serbian tax system, started in 1991 and continued in 2001, requires reform of the personal income tax system. There are several options, including the introduction of dual income tax.

The disadvantages of the dual income tax concept, primarily related to problems of vertical equitability in taxation, have lead to major overhauls of the system in those countries which adopted it. Of a group of four Nordic countries, only Finland has retained most of the major features of the model, with the others effectively abandoning the concept. Given the largely negative outcome, and the failure of the dual income tax system to satisfy the principles of horizontal and, especially, vertical equitability in taxation, the introduction of dual income tax in Serbia is not the optimal solution. However, certain elements of the system could be included in any reform of personal income tax. For example, final taxation of income from capital at source would simplify the process, increase compliance and reduce administration costs. Reducing standard and itemized deductions would also help in achieving these goals. Certainly, the number of annual income tax returns would diminish.

An equitable personal income tax system, accepted to the majority, requires high-income individuals to pay more tax, absolutely and relatively, than low-income
individuals. However, progressive taxation - the most efficient instrument for achieving equitability in taxation - should not be implemented in such a way as to discourage workers (especially the middle classes) in the conventional economy and encourage tax evasion.

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Statistical data web site: www.indexmundi.com