7-Aug-19

Taxation of Corporate and Capital Income (2019): Corporate Income Tax Rate [1]

Country	Central government corporate income tax rate [2]	Adjusted central government corporate income tax rate [3]	Sub-central government corporate income tax rate [4]	Combined corporate income tax rate [5]	Targeted corporate tax rates [6]
Australia*	30.0	30.0		30.0	Y
Austria	25.0	25.0		25.0	N
Belgium*	29.0	29.6		29.6	Y
Canada	15.0	15.0	11.8	26.8	N
Chile*	25.0	25.0		25.0	Y
Czech Republic	19.0	19.0		19.0	Y
Denmark	22.0	22.0		22.0	N
Estonia*	20.0	20.0		20.0	N
Finland	20.0	20.0		20.0	N
France*	32.0	32.0		32.0	Y
Germany*	15.8	15.8	14.1	29.9	N
Greece	28.0	28.0		28.0	Y
Hungary*	9.0	9.0		9.0	N
Iceland*	20.0	20.0		20.0	Y
Ireland	12.5	12.5		12.5	Y
Israel*	23.0	23.0	0.0	23.0	Y
Italy*	24.0	23.9	3.9	27.8	N
Japan*	23.2	22.4	7.4	29.7	Y
Korea	25.0	25.0	2.5	27.5	Y
Latvia	20.0	20.0		20.0	N
Lithuania	15.0	15.0		15.0	
Luxembourg*	18.2	18.2	6.8	24.9	N
Mexico	30.0	30.0		30.0	N
Netherlands*	25.0	25.0		25.0	Y
New Zealand*	28.0	28.0		28.0	N
Norway	22.0	22.0		22.0	N
Poland*	19.0	19.0		19.0	N
Portugal*	30.0	30.0	1.5	31.5	N
Slovak Republic*	21.0	21.0		21.0	N
Slovenia*	19.0	19.0		19.0	N
Spain	25.0	25.0		25.0	N
Sweden	21.4	21.4		21.4	N
Switzerland*	8.5	6.7	14.4	21.1	N
Turkey*	22.0	22.0		22.0	N
United Kingdom*	19.0	19.0		19.0	Y
United States*	21.0	19.7	6.2	25.9	N

Key to abbreviations:
n.a.: Data not provided

Explanatory notes about the content of the table
1. Corporate income tax rate - This table shows 'basic' (non-targeted) central, sub-central and combined (statutory) corporate income tax rates. Where a progressive (as opposed to flat) rate structure applies, the top marginal rate is shown. Further explanatory notes may be found in the Explanatory Annex.
2. Central government corporate income tax rate - shows the basic central government statutory (flat or top marginal) corporate income tax rate. Where surtax applies, the statutory corporate rate exclusive of surtax is shown in round brackets ( ).
3. Adjusted central government corporate income tax rate - shows the basic central government statutory corporate income tax rate (inclusive of surtax (if any)), adjusted (if applicable) to show the net rate where the central government provides a deduction in respect of sub-central income tax.
4. Sub-central government corporate income tax rate - shows the basic sub-central (combined state/regional and local) statutory corporate income tax rate, inclusive of sub-central surtax (if any). The rate should be the representative rate reported in Table II.3. Where a sub-central surtax applies, the statutory sub-central corporate rate exclusive of surtax is shown in round brackets ( ).
5. Combined corporate income tax rate - shows the basic combined central and sub-central (statutory) corporate income tax rate given by the adjusted central government rate plus the sub-central rate.
6. Targeted corporate tax rates - indicates whether targeted (non-basic) corporate tax rates exist (e.g., with targeting through a special statutory corporate tax rate applied to qualifying income, or through a special deduction determined as a percentage of qualifying income). Where a 'Y' is shown, more information can be found in Table II.2.

*** Country-specific footnotes:**
Australia: has a non-calendar tax year, the rates shown are those in effect as of 1 July.
Belgium: Starting from income year 2018 the notional allowance for corporate equity (ACE rate 0.746%) only applies to the increase of corporate equity compared to the 5 year moving average. See Explanatory Annex for more details.
Chile: See the Explanatory Annex for further details.
Estonia: from 1 January 2000, the corporate income tax is levied on distributed profits.
France: The standard corporate income tax rate is 31%, part of a gradual decrease.It is increased by a 3,3% surcharge (Contribution Sociale sur les Bénéfices) for companies with a turnover of at least EUR 7,630,000 on the part of their liable tax payments in excess of EUR 763,000 - resulting in an effective tax rate of 32,02% for companies that have profits above EUR 2,289,000 (assuming that this profit is entirely taxed at the standard rate). It does not include the local business tax (Contribution économique territoriale, which replaced the former Taxe professionnelle from January 1st 2010). The CIT rate does not include the 3% additional contribution on distributed profits.
Germany: the rates include the regional trade tax (Gewerbesteuer) and the surcharge.
Hungary: The rates do not include the turnover based local business tax, the innovation tax, bank levy and surtax on the energy sector.
Iceland: In late 2011, the Icelandic Parliament passed Act No. 165/2011 on a new financial activities tax (FAT) as part of a general set of measures aimed at increasing tax revenues. The FAT, which is collected from financial institutions and insurance companies (excluding pension funds), comprises two components: (i) i a levy on total remuneration paid to employees at a rate of 5.5% (decreased in 2014 from 6.75% previously) and (ii) a special income tax of 6% on institutions' corporate income tax base in excess of ISK 1 billion.
Israel: Within the VAT law, Financial Institutions pay taxes on the combination of their wages and salaries and their profits. These amounts are deductible from profits in the assessment of corporate income tax.
Japan: Japan has a non-calendar tax year, the rates shown are those in effect as of 1 April.The combined corporate income tax rate has been reduced from 29.97% (FY2016) to 29.74% (FY2018). For 'Corporation enterprise tax' (including 'Local special corporation surtax') which is a part of sub-central corporate income tax, the tax rate applicable to corporations with capital of over JPY 100 million is applied.
Korea: As for corporate income tax, maximum tax bracket, which imposes 25% rate for tax base exceeding 300 billion Won, has been newly established starting 2018.
Luxembourg: the contribution to the unemployment fund is 7%
Netherlands: applies to taxable income over EUR 200,000
New Zealand: has a non-calendar tax year, the rates shown are those in effect as of 1 April.
Poland: There is no sub-cental government tax, however local authorities (of each level) participate in tax revenue at a given percentage for each level of local authority.
Portugal: Since 2011 there is a State surtax. In 2011 this surtax was 2% for taxable profit above 2,000,000 euros. In 2012 it was 3% for taxable profit above 1,500,000 euros and 5% for taxable profit above 10,000,000. In 2013 it is 3% for taxable profit above 1,500,000 euros and 5% for taxable profit above 7,500,000. In 2014 it is 3% for taxable profit above 1,500,000 euros, 5% for taxable profit above 7,500,000 and 7% for taxable profit above 35,000,000 euros.
Slovak Republic: As of 2014, there is a minimum tax, called tax license, at three levels: EUR 480 for small corporations, not registered to VAT; EUR 960 for small corporations, registered to VAT and EUR 2,880 for large companies (turnover over EUR 500,000). These minimum amounts have to be paid if the tax calculated on the actual taxable income is lower. The minimum tax is paid as the ordinary CIT, i.e. when tax return is filed. The difference between the minimum tax and the tax calculated based on taxable income may be carried forward and deducted from tax liability up to 3 years. Companies in the first year of existence and non-profit organizations are exempt.
Switzerland: church taxes, which cannot be avoided by enterprises, are included.
Turkey: Corporate income tax will be applied at 22% rate on corporate earnings for three consecutive years as of 2018 (the same rule applies for those whose special accounting period stars in 2018).Taxpayers (only for income from commercial activities and agriculture in limited tax liability cases) pay advance tax at the rate of corporate tax, these payments are deducted from corporate tax of current period.
United Kingdom: has a non-calendar tax year, the rates shown are those in effect as of 6 April.
United States: The sub-central rate is a weighted average of corporate income tax rates for each of the 50 states plus the District of Columbia. See Explanatory Annex for more details.