

MENDOZA-RAZIN-TESAR EFFECTIVE TAX RATES UPDATED THROUGH 1996
(Effective tax rates on factor incomes and consumption calculated using the
method proposed in Mendoza, Razin, and Tesar (JME, 1994). We are grateful to
Yingbin Xiao for her most valuable help in updating these estimates)

Capital Income Tax Rates

	Canada	France	Germany	Italy	Japan	UK	US
1965	36.85		20.69		20.43	39.26	36.80
1966	36.06		21.10		19.50	42.39	38.66
1967	39.54		20.48		19.59	46.99	42.14
1968	41.44		20.70		20.00	47.19	39.15
1969	46.55		23.59		20.94	48.61	46.43
1970	45.49	16.98	20.64		22.31	55.78	48.84
1971	44.20	16.10	20.92		23.99	51.06	42.44
1972	44.89	16.78	23.22		25.34	48.12	43.73
1973	41.37	17.39	25.88		30.23	45.88	42.77
1974	42.43	19.77	27.47		34.94	67.35	47.03
1975	44.02	20.22	26.58		29.64	70.47	45.38
1976	41.75	24.15	26.75		29.60	60.53	43.26
1977	42.61	23.28	29.96		31.15	50.79	45.30
1978	39.63	21.77	29.03		33.20	49.73	43.70
1979	36.50	23.06	29.33		33.10	53.19	44.59
1980	37.60	27.31	32.11	20.02	35.98	64.32	46.88
1981	39.83	28.39	32.21	22.70	37.30	74.33	44.88
1982	40.91	29.44	32.03	25.06	38.25	70.86	45.77
1983	37.22	28.63	29.67	27.12	40.29	61.62	39.21
1984	35.63	28.17	29.80	26.20	41.45	63.73	37.04
1985	35.87	27.16	31.46	25.28	41.25	61.85	37.84
1986	39.91	26.04	29.14	27.80	43.26	62.70	38.97
1987	40.78	26.50	28.43	27.01	48.75	58.77	40.77
1988	39.00	25.76	27.34	26.68	50.70	58.72	39.91
1989	43.63	25.44	28.56	28.58	49.67	62.30	38.90
1990	48.17	25.82	24.93	30.47	48.47	57.05	38.51
1991	52.60	25.94	26.91	31.52	45.91	52.84	39.80
1992	52.95	23.65	28.12	37.56	42.65	45.25	39.81
1993	50.56	24.68	27.59	38.40	41.45	42.36	40.36
1994	48.05	24.45	26.79	33.13	41.51	42.34	39.76
1995	48.15	24.70	24.72	32.55	44.30	46.26	39.88
1996	50.66	26.11	23.91	33.86	42.61	47.17	39.62

Labor Income Tax Rates

	Canada	France	Germany	Italy	Japan	UK	US
1965	12.482		28.965		15.133	20.422	17.539
1966	15.066		30.171		15.375	21.158	18.197
1967	16.335		30.044		15.934	21.927	19.909
1968	17.810		30.825		16.168	23.122	19.967
1969	19.967		31.702		16.595	24.053	22.108
1970	21.195	32.597	31.540		16.954	24.664	22.628
1971	21.392	32.356	32.554		17.362	24.611	21.678
1972	22.033	32.754	34.020		18.079	23.663	22.135
1973	21.309	32.633	36.021		18.715	23.217	22.594
1974	22.823	32.880	36.567		18.478	24.845	23.984
1975	22.480	34.524	36.370		18.101	27.382	24.604
1976	23.234	35.963	37.903		18.782	29.005	24.246
1977	22.131	37.036	38.960		19.509	28.576	25.823
1978	22.154	37.101	38.529		20.672	26.307	26.034
1979	22.439	39.007	38.031		21.571	24.523	26.938
1980	22.954	40.207	38.276	33.847	22.632	25.046	27.597
1981	24.213	39.960	37.853	34.067	23.703	25.969	28.635
1982	24.434	40.941	38.292	36.712	24.165	27.950	29.172
1983	25.691	42.642	38.757	38.445	24.455	27.689	27.965
1984	24.899	44.060	39.278	37.860	24.320	27.084	27.470
1985	25.896	44.245	40.354	38.184	25.511	26.766	28.307
1986	27.165	44.624	40.726	40.624	26.090	26.893	28.261
1987	29.092	45.580	41.014	40.289	26.541	26.530	28.948
1988	28.017	45.513	41.174	40.744	26.571	26.729	28.538
1989	28.724	47.679	41.641	42.394	27.735	25.032	28.766
1990	30.156	47.491	40.195	42.627	29.604	24.506	28.722
1991	31.537	48.100	40.594	43.057	28.973	24.267	28.873
1992	31.392	48.580	41.538	44.497	28.066	23.978	28.563
1993	30.918	48.890	41.547	47.016	28.147	23.520	26.692
1994	31.750	49.158	47.447	45.623	26.666	24.770	27.096
1995	32.002	49.283	43.546	47.029	27.814	25.033	27.210
1996	32.633	50.081	42.384	49.769	27.439	24.406	27.733

Consumption Tax Rates

	Canada	France	Germany	Italy	Japan	UK	US
1965	12.932		15.870		5.802	13.330	6.392
1966	13.123		15.723		5.577	13.159	5.919
1967	13.364		16.020		5.812	13.148	5.889
1968	12.898		15.770		6.020	13.988	5.841
1969	13.122		17.494		6.119	15.546	6.154
1970	12.724		17.271	13.259	5.920	15.108	6.392
1971	13.087		17.017	13.025	5.523	13.962	6.416
1972	13.282		17.115	11.934	5.548	12.869	6.202
1973	13.745		16.791	11.581	5.190	11.793	6.198
1974	12.856		15.503	12.218	4.673	12.524	6.098
1975	11.239		14.665	10.801	4.356	12.146	5.799
1976	11.554		14.554	11.282	4.389	12.516	5.644
1977	11.253	20.841	14.399	12.034	4.521	12.562	5.525
1978	10.038	21.612	15.356	10.987	4.920	11.993	5.479
1979	10.209	22.940	15.854	10.862	5.045	12.254	5.313
1980	10.726	22.302	15.934	11.621	4.861	15.062	5.396
1981	13.855	21.277	15.681	11.217	4.973	14.792	6.073
1982	13.514	21.585	15.252	11.332	4.794	16.379	5.787
1983	12.549	21.326	15.746	12.593	4.674	16.288	5.463
1984	12.835	21.355	15.597	12.761	4.735	17.108	5.586
1985	12.456	21.711	14.924	11.837	5.117	17.677	5.497
1986	12.304	21.360	14.672	13.269	5.026	17.019	5.286
1987	12.787	21.401	14.889	13.384	5.105	17.030	5.161
1988	13.353	21.450	14.721	14.136	5.187	17.243	5.221
1989	12.619	20.970	15.316	13.726	5.340	16.262	5.035
1990	11.674	20.563	15.798	15.215	5.924	16.504	5.052
1991	11.664	19.328	15.778	15.390	5.958	17.735	5.231
1992	11.418	18.799	16.064	15.197	5.794	17.612	5.283
1993	11.451	14.595	19.897	15.078	5.848	16.941	5.410
1994	10.207	15.231	17.488	16.456	5.976	17.192	5.516
1995	10.169	15.609	16.684	15.704	5.976	17.311	5.573
1996	10.369	15.972	16.395	14.718	6.000	15.245	5.467