

Indicator 17.1.2

Indicator Name, Target and Goal

Indicator 17.1.2 Proportion of domestic budget funded by domestic taxes

Target 17.1 Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

Goal 17 Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Definition and Rationale

Definition

The indicator is defined as the proportion of domestic budget funded by domestic taxes. We use central government expenditure (actual execution of the main budget) as domestic budget in the calculation.

Concepts

Government expenditure is calculated by “expense” plus the “net acquisition of nonfinancial assets”, as defined in GFSM 2014. The key concepts and terms associated with the indicator are outlined in GFSM 2014.

Rationale and Interpretation:

This Indicator shows the extent to which government expenditures are actually covered by revenues in the form of taxation. This indicator will provide a cross-country comparable dataset that highlights the relationship between the executed national budget and the tax revenue administration.

Data Sources and Collection Method

Data on central government expenditure and taxes is based on *National Accounts* published by the Cabinet office, Government of Japan.

Method of Computation and Other Methodological Considerations

Computation Method

Proportion of domestic budget funded by domestic taxes =
Central Government taxes / Central Government Expenditures

- Comments and limitations

N/A

Data Disaggregation

N/A

References

SDG Indicators Metadata repository Indicator 17.1.2 updated: November 2017.

<https://unstats.un.org/sdgs/metadata/files/Metadata-07-01-02.pdf>

Custodian Ministries of Data

Economic and Social Research Institute, Cabinet Office.

Custodian Ministries of Related Policies

Ministry of Finance

International Organizations

International Monetary Fund (IMF)