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Treasury Chambers, Parliament Street, SW1P 3AG
01-270 3000

22 January 1988

Paul Gray Esq
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Dear Paul

Prime Minister

*Broadly supports
what Terry Burns
said.*

*ACG
22/1*

TAXES AS A PERCENTAGE OF MONEY GDP

... The Prime Minister asked for a break-down of the aggregate figures for the ratio of taxes and NICs to GDP. I attach a table showing the figures from 1973-74 to 1987-88.

*Yours
A C S*

A C S ALLAN
Principal Private
Secretary

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TAXES AS A PERCENTAGE OF MONEY GDP.

	Income Tax	Employ- ees NICs	Employer NICs and NIS	Corp. tax non NS	North Sea revenue	Excise duties and VED	VAT	LA rates	Other	TOTAL
1973 - 74	10.1	2.6	2.9	2.9	0.0	5.5	3.0	3.6	2.6	33.2
1974 - 75	12.4	2.6	3.4	3.1	0.0	5.1	3.1	3.6	2.3	35.7
1975 - 76	13.9	2.6	3.9	1.7	0.0	5.1	3.2	3.8	2.0	36.2
1976 - 77	13.3	2.7	4.1	2.0	0.1	5.4	2.9	3.6	1.8	35.8
1977 - 78	11.6	2.6	4.8	2.2	0.2	5.0	2.9	3.5	2.0	34.7
1978 - 79	11.1	2.4	4.8	2.2	0.3	4.8	3.0	3.4	1.9	33.8
1979 - 80	10.2	2.3	4.9	2.1	1.1	4.4	4.7	3.3	2.0	35.1
1980 - 81	10.5	2.5	5.1	1.8	1.7	4.4	4.8	3.7	1.9	36.3
1981 - 82	11.2	2.9	4.9	1.7	2.5	4.9	5.0	4.2	2.1	39.4
1982 - 83	10.7	3.2	4.2	1.9	2.8	4.9	4.9	4.3	2.1	38.9
1983 - 84	10.3	3.4	4.1	1.8	2.9	5.0	5.0	4.0	2.1	38.5
1984 - 85	10.1	3.4	3.7	2.1	3.7	5.0	5.4	3.9	1.8	39.1
1985 - 86	9.9	3.4	3.4	2.3	3.1	4.8	5.7	3.8	2.0	38.5
1986 - 87	10.0	3.4	3.5	2.9	1.2	4.9	5.7	4.0	2.2	37.9
1987 - 88*	9.7	3.3	3.5	3.6	1.1	4.6	5.8	4.0	2.6	38.1

* January forecast