# Recettes de TVA: Trajectoires rétrospectives effectives, non-discrétionnaires et discrétionnaires estimées (1970-2008)

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## ABSTRACT

VAT is by far the main source of indirect tax revenue. As a result, it plays a key role when analysing the observed evolution of the overall Belgian aggregate tax burden, and in particular when evaluating the respective shares of "composition effects" (or more broadly nondiscretionary effects) on the one hand, and of discretionary impulses on the other hand. This study highlights the role played by the external trade in the refunds dynamics (and as a consequence in the net "pure" VAT dynamics), along the more traditional and straightforward approach based on narrowly defined and effectively taxable components of private and public final domestic consumption or more broadly demand, available from detailed national accounts.

By adopting econometrical specifications in terms of (logarithmic) level rather than in terms of rate of change, we could bring to the fore a double statistically significant and quantitatively important effect of those external trade variables: first a short-term transitory effect due to quarterly temporal gaps between export-linked gross VAT revenue and VAT refunds, and at the same time a more structural and permanent effect linked to a pronounced trend towards historically rising extraversion of the Belgian economy.

It also appears historically that the so-called VAT "structure effects" were rather negative during a long period, giving way to an endogenous fall in the VAT revenue/GDP ratio at constant legislation. This results essentially from the underlying reduction of the "restricted" domestic taxable base as a share of GDP. However, it seems that this underlying reduction experienced a clear slowdown for about the last twenty years, while it was simultaneously more and more compensated by the medium-term identifiable rising impact of external trade variables.

**Keywords:** value added tax (VAT), tax policy, structure effects, discretionary impulses

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