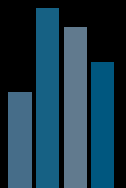




Usage of preliminary income registers, Denmark



The two income registers

The preliminary income register

- The preliminary income register is in Denmark also known as the A-income register
- Income statistics based upon the E-income register is released with in three months of the end of the tax-year / month

The final income register

- The final income register is released in Medio December following the income year.
- The final income register is the source for income data in the SILC

Questions for the next 15 minutes

- How much does quality of the data change if data is extracted from authorities sooner or later?
- How do the E-income data compare to the final income data?



Legal basis

- Statistics Denmark can request and collect any data on the Danish population from public authorities free of charge, if the data is needed for statistical purposes.

Minimizing admin costs

- We have a responsibility to keep the administrative burden for our data providers at a minimum.



The danish tax system

Prior to the tax year:

- The pre-tax assessment is made for all taxpayers, mainly based on tax incomes in previous years. From 2014, the assessment may be revised by the tax-authorities during the year, if preliminary data differs significantly from the pre-assessment.

Purpose: Taxation at the source.

- Taxes are collected from wages and transfers directly from the employer or benefactor, every time wages or transfers are being paid out.

The danish tax system

Danish Wageslip:

MULTIDATA A/S **DataLøn**

FIRMA-HANS LØNSOM A/S
LAUTRUPBJERG 10
2750 BALLERUP

LØNMODTAGER NAVN
LØNMODTAGER ADR.
2750 BALLERUP

LØNAFREGNING
SIDE 1
LØNPERIODE January 04
BILAG NR.: 5

LØNMODTAGERNR. 02720272 XXXX SE-NR. 13 66 XX XX LØBENR. 134-00001
CPR-NR. 280161-XXXX LØNTERMIN 34

01 ARBEJDS TIMER	37,00		
02 FERIEBERETTIGET LØN		12.000,00	
28 IKKE FERIEBERETTIGET LØN		1.000,00	
17 OVERTID 1 X SATS 1	10,00 x 200,00	2.000,00	
ATP-BIDRAG, LØN		39,30-	
AM-BIDRAG BEREGNINGSGRUNDLAG	14.960,70	1.197,00-	13.763,70
BENYTTET SKATTEFRADRAK	2.307		
A-SKAT 42% AF	11.450		4.809,00-
25 SKATTEFRI KM 1 X SATS	500 x 2,98		1.490,00
TIL DISP. PÅ KONTO XXXX 8474546XXX D.04.03.04			10.444,70

- The preliminary tax payments is registered in the E-Income register.

The preliminary-income register

Table: The E-Income register - simplified

Personal-id	Source of income (Company /authority ID)	Month	Amount	Preliminary tax paid	Hours worked	Misc ...	Timeliness, register
DDMMYY-XXXX	Wage1	January	14 960	4 806	37	xxx ...	March
DDMMYY-XXXX	Wage2	January	xxx	xxx	xxx	xxx ...	March
DDMMYY-XXXX	Transfer	January	xxx	xxx	-	xxx ...	March
DDMMYY-XXXX	Wage1	February	14 960	4 806	37	xxx ...	April
DDMMYY-XXXX	Wage2	February	xxx	xxx	xxx	xxx ...	April



Quality preliminary incomes

Table: Comparison of preliminary incomes in the tax registers for the previous tax-year in March & October

	2008			2011			2012		
	March	August	Diff.	March	August	Diff.	March	October	Diff.
Source	COR	COR	-	COR	E-indk	-	E-indk	E-indk	-
	billion DKK		pct.	billion DKK		pct.	billion DKK		pct.
Wages	834.5	835.5	0.12	849.3	849.9	0.08	859.2	859.7	0.06
Transfers*	265.3	265.5	0.07	320.0	320.3	0.07	335.6	335.5	-0.05

*Note: Excluding transfers not liable for taxation

Coverage preliminary incomes - 2012

Table: The differences between the preliminary to the final income register

	Preliminary incomes	Final register	Coverage
	————— billion DKK —————	—————	pct.
Wage	842	852	98,9
Entrepreneurial income	0	79	0,0
Transfers total	315	352	89,4
Capital income	0	42	0,0
Other income	3	7	40,2
Total pre-tax income	1 160	1 332	87,0
+ imputed rent	0	115	0,0
-Taxes and contributions	398	421	94,5
-Capital expenses etc.	0	96	0,0
Disposable income	762	930	81,9

Find the data here

www.statbank.dk/AINDK1

www.statbank.dk/INDKP1



The final tax assessment

- For the majority of the population the final tax-assessment for year N is completed in the beginning of march N+1.
- The final tax-assessment is however finished later for some people, mainly the self-employed
- The incomes and tax payment may be revised until the end of year N+5



The complete income register

- From the tax authorities we receive a test version only incl. people born on the 14th. Normally sampled in September N+1
- We order the available final income data for the entire population in November N+1
- Final Income statistics is published one month later in medio December

Does the data quality in previous months allow us to improve timeliness?



Quality of the final income register

Table: Comparison of incomes for people born on the 14th based on the final tax assessment ready for publication in October and December respectively

	2007			2010			2012		
	Oct	Dec	Diff.	Oct	Dec	Diff.	Oct	Dec	Diff.
	— billion DKK —		pct.	— billion DKK —		pct.	— billion DKK —		pct.
Wages	25 790	25 850	0.23	27 451	27 454	0.01	27 983	27 992	0.03
Entrepreneurial surplus	2 744	2 857	3.96	2 530	2 543	0.50	2 743	2 802	2.11
Entrepreneurial losses	189	192	1.56	169	171	0.82	166	163	-1.84
Transfers	8 048	8 049	0.01	9 821	9 820	-0.01	10 698	10 691	-0.07