

DOCUMENTATIEBLAD

**L'IMPOSITION EFFECTIVE DES SOCIÉTÉS
UNE ANALYSE DES MICRO-DONNÉES****Frédéric HALLEUX**

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Abstract

This paper investigates how the effective tax rate for corporate income tax varies with the size of the company in Belgium. The concept of ETR that we use in this paper is an ex-post measure based on micro-data. The ETR is defined as the ratio of the assessed CIT to the "benchmark tax base". We use a unique dataset, that merges data from the tax returns with published balance sheets and accounts. This enables us to observe directly the main determinants of any gap between the statutory tax rate and the effective tax rate (ETR).

It appears from the empirical investigation that there is no clear relation between the ETR and the size of the company. Dispersion of ETR is very high. In the final section of the paper, we use logistic models to explain the dispersion of ETR. It appears that the tax variables provide the largest part of the explanation of the dispersion in ETR. Among these variables, disregarded charges have the largest effect. Size may have an effect, but the magnitude and the sign of the effect remain unclear: the relationship between the ETR and the number of employees seems to be positive; the sign of the size variable "value added" is not robust and there is no clear relationship between the ETR and the total of the balance sheet

KEYWORDS: *Effective tax rates, tax policy, micro-data***JEL CODES:** *H20, H21, H22, H25.*