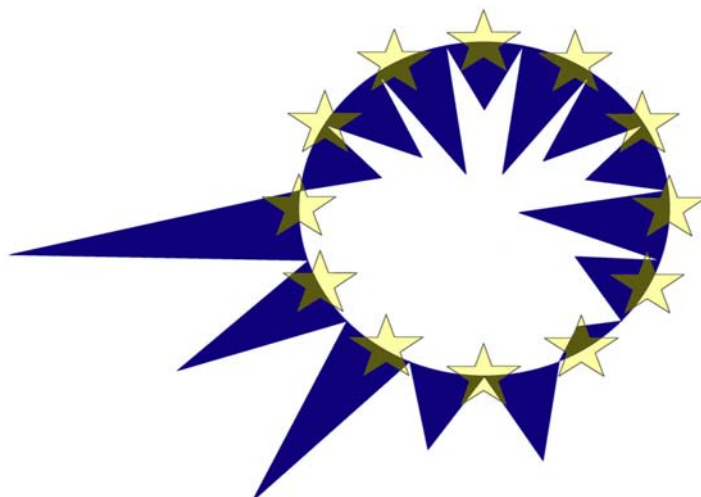


# EUROMOD

## DISTRIBUTION AND DECOMPOSITION OF DISPOSABLE INCOME IN THE EUROPEAN UNION



TAX-BENEFIT SYSTEMS: **2005**  
PUBLICATION DATE: **JUNE 2008**

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## LEGEND

Statistics for the 2005 tax-benefit systems cover only 6 countries among the EU-27: Estonia, Greece, Hungary, Poland, Slovenia and Spain.

**Pages 1-6** The first two tables in each page 'EE' to 'SP' show national distributions of household income and the tax-benefit components of these incomes by decile group for each country. An additional row shows the same for people in households at risk of poverty. The first table shows Euro-values, using July 2005 market exchange rates for non-Euro countries. The second shows Euro-values adjusted for purchasing power parities using Eurostat €PPP\* (updated June 2008)\*.

Decile groups are formed by ranking according to equivalised household disposable income using the modified OECD-equivalence-scale and weighted by household size.

All other income figures are household averages per decile group. They are monthly for 2005 and not equivalised.

The third table on **pages 1-6** indicates the redistributive nature of the tax and social security systems by showing the share of total income and each of the components that is found in each decile group and amongst households at risk of poverty.

The notes below the tables explain the national composition of the broad headings that are used in each table. The categorisation of instruments is an area where EUROMOD offers a flexibility which is needed if results are to conform to different conventions and are to be used for a range of purposes. The categories chosen for these tables are simply for illustrative purposes. Note that social insurance contributions refer only to the employees' share and that benefits also include public pensions. Also note that it is possible that model generated variables contain zero values for all individuals (for example if rules for a benefit do not apply for any individual in the data).

**Pages 7-8** provide background demographic information on households in the different deciles and households classified as being at risk of poverty for the 6 countries.

**Page 12** indicates the Gini coefficient at the individual level based on equivalised household income for those countries.

**Page 13** provides marginal effective tax rates (METRs) at the individual level for the working population.

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### **Acknowledgements:**

The preparation of these tables was carried out as part of the I-CUE (Improving the Capacity and Usability of EUROMOD) project, financed by the Infrastructures programme of the European Commission (RIDS-CT-2004-011859).

EUROMOD relies on micro-data from 5 different sources for six countries. These are the EU Statistics in Incomes and Living Conditions (SILC) made available by Eurostat; the Estonian Household Budget Survey (HBS) made available by Statistics Estonia; the Greek Household Budget Survey by the National Statistical Service of Greece; the Polish Household Budget Survey (HBS) made available by the Economic Department of Warsaw University; the Slovenian Household Budget Survey (HBS) and Personal Income Tax database made available by the Statistical Office of Slovenia. No data provider bears any responsibility for the analysis or interpretation of the data reported here.

EUROMOD is continually being improved and updated and the results presented here represent work in progress. Please send queries or comments to euromod [at] isermail.essex.ac.uk

**These statistics may be used, but on the condition that the source of the information is properly mentioned in any (electronic or print) publication in which they are quoted. Please use the following citation in your references: EUROMOD statistics on Distribution and Decomposition of Disposable Income, accessed at [www.iser.essex.ac.uk/msu/emod/statistics/](http://www.iser.essex.ac.uk/msu/emod/statistics/) using EUROMOD version no. D21 (June 2008).**

\* For a discussion about purchasing power parity indices and cross-national poverty comparisons see the appendix of Bradbury, Bruce and Markus Jäntti (1999), Child Poverty Across Industrialized Nations, UNICEF Innocenti Occasional Papers Economic and Social Policy Studies, no. 71.

## ESTONIA 2005

## Mean of Income and Income-Components per Decile Group, EURO

Exchange rate: 15.6466

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	152	52	47	104	2	3	36.0%	100.0%
2	211	75	71	144	6	2	12.9%	100.0%
3	268	130	122	154	13	3	7.9%	100.0%
4	353	215	205	167	25	5	8.5%	100.0%
5	430	289	278	185	37	7	9.6%	100.0%
6	502	447	440	130	63	11	12.1%	100.0%
7	614	590	584	127	90	13	15.0%	100.0%
8	672	720	709	83	117	14	21.9%	100.0%
9	856	912	891	126	164	18	12.1%	100.0%
10	1,395	1,635	1,592	115	325	30	14.4%	100.0%
<b>All</b>	<b>517</b>	<b>470</b>	<b>458</b>	<b>134</b>	<b>78</b>	<b>10</b>	<b>13.8%</b>	<b>100.0%</b>
Poor*	177	61	56	122	3	2	23.9%	100.0%

## Mean of Income and Income-Components per Decile Group, Euro adjusted for Purchasing Power Parities

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	257	89	80	177	4	5	36.0%	100.0%
2	357	127	120	244	10	4	12.9%	100.0%
3	454	221	207	261	23	5	7.9%	100.0%
4	597	365	347	283	43	8	8.5%	100.0%
5	728	489	471	314	63	12	9.6%	100.0%
6	850	757	745	220	107	19	12.1%	100.0%
7	1,040	999	990	215	153	22	15.0%	100.0%
8	1,139	1,220	1,201	141	198	24	21.9%	100.0%
9	1,450	1,544	1,509	213	278	31	12.1%	100.0%
10	2,363	2,770	2,697	194	551	51	14.4%	100.0%
<b>All</b>	<b>876</b>	<b>796</b>	<b>776</b>	<b>228</b>	<b>132</b>	<b>17</b>	<b>13.8%</b>	<b>100.0%</b>
Poor*	300	103	94	207	6	4	23.9%	100.0%

PPP: 0.5903

## Share of Income and Income-Components received/paid by each Decile Group

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	
1	3.2%	1.2%	1.1%	8.4%	0.3%	3.2%	
2	5.2%	2.0%	2.0%	13.6%	0.9%	2.8%	
3	6.3%	3.4%	3.2%	13.9%	2.1%	3.6%	
4	6.9%	4.7%	4.6%	12.7%	3.3%	5.0%	
5	7.6%	5.6%	5.5%	12.6%	4.4%	6.4%	
6	8.9%	8.7%	8.8%	8.8%	7.5%	10.4%	
7	10.0%	10.6%	10.7%	8.0%	9.8%	10.9%	
8	12.1%	14.3%	14.4%	5.8%	14.0%	13.3%	
9	14.8%	17.3%	17.4%	8.4%	18.9%	16.3%	
10	25.0%	32.3%	32.3%	7.9%	38.9%	28.0%	
Poor*	7.0%	2.6%	2.5%	18.6%	0.9%	5.2%	

Poor: HH at risk of poverty  
i.e. equ.disp.inc.< 60% of Median  
(see also Legend)

original income employment income + investment income + income from self-employment + royalties + rental income + maintenance payments (non-taxable) + maintenance payments (taxable)

taxes (sim.) income tax

employee sics (sim.) employee SIC + self-employed SIC

benefits (sim.) childcare allowance + large family parent allowance + child allowance + childbirth allowance + school allowance + large family allowance + subsistence benefit + unemployment assistance benefit

benefits (data) sickness benefit + child allowance abroad + single parent child allowance + disability pension + parental benefit abroad + parental benefit + maternity benefit + other social assistance + unemployment insurance benefit + unemployment retraining benefit + scholarships and grants + old age pension + old age pension abroad + survivors' pension

## GREECE 2005

## Mean of Income and Income-Components per Decile Group, EURO

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	417	245	214	215	-1	44	5.6%	100.0%
2	789	511	459	362	2	81	6.8%	100.0%
3	958	596	546	468	7	100	9.3%	100.0%
4	1,131	814	756	466	15	134	7.6%	100.0%
5	1,386	1,117	1,040	483	40	173	3.5%	100.0%
6	1,637	1,374	1,288	544	63	218	2.9%	100.0%
7	1,913	1,755	1,681	539	107	274	2.2%	100.0%
8	2,203	2,128	2,044	581	177	329	1.9%	100.0%
9	2,616	2,691	2,587	612	292	395	1.5%	100.0%
10	4,074	4,970	4,749	683	1,098	481	1.1%	100.0%
<b>All</b>	<b>1,691</b>	<b>1,597</b>	<b>1,514</b>	<b>492</b>	<b>178</b>	<b>219</b>	<b>3.9%</b>	<b>100.0%</b>
Poor*	580	354	315	285	0	59	6.4%	100.0%

## Mean of Income and Income-Components per Decile Group, Euro adjusted for Purchasing Power Parities

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	502	295	258	259	-1	53	5.6%	100.0%
2	951	615	552	436	3	98	6.8%	100.0%
3	1,154	718	657	564	8	120	9.3%	100.0%
4	1,362	981	910	561	18	161	7.6%	100.0%
5	1,670	1,345	1,253	581	48	208	3.5%	100.0%
6	1,972	1,655	1,551	656	76	262	2.9%	100.0%
7	2,304	2,114	2,025	649	128	330	2.2%	100.0%
8	2,654	2,564	2,462	700	213	397	1.9%	100.0%
9	3,151	3,242	3,116	738	352	476	1.5%	100.0%
10	4,908	5,987	5,721	822	1,322	579	1.1%	100.0%
<b>All</b>	<b>2,037</b>	<b>1,924</b>	<b>1,823</b>	<b>592</b>	<b>215</b>	<b>264</b>	<b>3.9%</b>	<b>100.0%</b>
Poor*	698	426	379	343	0	71	6.4%	100.0%
							PPP:	0.8301

## Share of Income and Income-Components received/paid by each Decile Group

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	
1	2.6%	1.6%	1.5%	4.7%	-0.1%	2.1%	
2	4.7%	3.2%	3.0%	7.4%	0.1%	3.7%	
3	6.1%	4.0%	3.9%	10.2%	0.4%	4.9%	
4	7.1%	5.4%	5.3%	10.1%	0.9%	6.5%	Poor: HH at risk of poverty
5	8.1%	6.9%	6.8%	9.7%	2.2%	7.8%	i.e. equ.disp.inc.< 60% of Median
6	9.1%	8.1%	8.0%	10.4%	3.3%	9.3%	(see also Legend)
7	10.5%	10.2%	10.3%	10.1%	5.5%	11.6%	
8	12.3%	12.6%	12.8%	11.2%	9.4%	14.2%	
9	15.1%	16.5%	16.7%	12.2%	16.0%	17.7%	
10	24.4%	31.5%	31.7%	14.0%	62.2%	22.2%	
Poor*	6.7%	4.4%	4.1%	11.4%	0.0%	5.3%	

original income employment income + investment income + maintenance payments + property income + other regular cash payments + self-employment income

taxes (sim.) national income tax

employee sics (sim.) civil servants soc.ins.contrib. + ika employee contrib. + farmer's sic + ika pensioner contrib. + scheme tebe(selfempl.)

benefits (sim.) oaed child allowance + large family benefit + third child benefit + unprotected child benefit + civil servant child allowance + farmer pension + social pension + ekas social solidarity benefit + unemployment assistance for old workers

benefits (data) student payments + housing benefits + maternity payments + disability benefit (non-contributory) + old age pension + invalidity pension (contributory) + survivor's pension + unemployment benefit

## HUNGARY 2005

### Mean of Income and Income-Components per Decile Group, EURO

Exchange rate: 246.4850

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	185	150	144	126	22	68	43.9%	100.0%
2	302	218	210	152	14	54	26.1%	100.0%
3	370	300	291	164	23	72	19.5%	100.0%
4	417	279	271	221	25	58	11.9%	100.0%
5	466	315	308	238	28	59	8.5%	100.0%
6	518	364	357	258	38	65	6.5%	100.0%
7	603	479	466	263	58	81	6.1%	100.0%
8	682	594	583	278	89	100	7.0%	100.0%
9	806	816	805	281	158	132	5.3%	100.0%
10	1,244	1,709	1,663	303	487	282	5.6%	100.0%
<b>All</b>	<b>563</b>	<b>527</b>	<b>514</b>	<b>229</b>	<b>96</b>	<b>98</b>	<b>11.1%</b>	<b>100.0%</b>
Poor*	221	168	161	135	19	63	37.3%	100.0%

### Mean of Income and Income-Components per Decile Group, Euro adjusted for Purchasing Power Parities

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	301	243	233	204	36	110	43.9%	100.0%
2	490	354	341	246	22	88	26.1%	100.0%
3	600	487	472	267	38	116	19.5%	100.0%
4	677	453	440	358	41	94	11.9%	100.0%
5	756	511	500	386	45	96	8.5%	100.0%
6	841	591	579	419	62	106	6.5%	100.0%
7	978	778	755	427	95	132	6.1%	100.0%
8	1,107	963	946	450	145	162	7.0%	100.0%
9	1,308	1,323	1,306	456	256	215	5.3%	100.0%
10	2,018	2,774	2,698	491	790	457	5.6%	100.0%
<b>All</b>	<b>914</b>	<b>855</b>	<b>834</b>	<b>372</b>	<b>155</b>	<b>158</b>	<b>11.1%</b>	<b>100.0%</b>
Poor*	359	273	262	218	31	102	37.3%	100.0%

PPP: 0.6164

### Share of Income and Income-Components received/paid by each Decile Group

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	
1	3.2%	2.8%	2.7%	5.3%	2.2%	6.7%	
2	5.2%	4.0%	4.0%	6.4%	1.4%	5.4%	
3	6.3%	5.5%	5.4%	6.9%	2.3%	7.0%	
4	7.4%	5.3%	5.3%	9.6%	2.6%	5.9%	Poor: HH at risk of poverty
5	8.6%	6.2%	6.2%	10.7%	3.0%	6.3%	i.e. equ.disp.inc.< 60% of Median
6	9.7%	7.2%	7.3%	11.8%	4.2%	7.0%	(see also Legend)
7	10.7%	9.1%	9.0%	11.4%	6.1%	8.3%	
8	12.0%	11.2%	11.2%	12.0%	9.3%	10.1%	
9	14.3%	15.5%	15.7%	12.3%	16.6%	13.6%	
10	22.7%	33.3%	33.2%	13.5%	52.3%	29.6%	
Poor*	5.9%	4.8%	4.7%	8.8%	3.0%	9.7%	

**original income** employment income + self-employment income + investment income + property income + private pensions + other private transfers + other market income

**taxes (sim.)** personal income tax + simplified business tax

**employee sics (sim.)** employee SIC + self-employed SIC

**benefits (sim.)** child raising support + child care allowance + regular child protection benefit + family allowance + maternity grant + social assistance

**benefits (data)** child care fee + disability benefits + sickness benefits + maternity allowance + unemployment benefits + old age income + survivor benefits

## POLAND 2005

## Mean of Income and Income-Components per Decile Group, EURO

Exchange rate: 4.0388

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	166	133	81	109	38	38	46.0%	100.0%
2	274	197	147	151	32	42	28.8%	100.0%
3	333	250	192	176	42	50	21.6%	100.0%
4	366	275	211	195	52	52	15.1%	100.0%
5	414	325	249	212	62	60	11.4%	100.0%
6	465	372	285	234	75	67	8.4%	100.0%
7	528	432	327	261	90	76	6.2%	100.0%
8	606	528	395	274	107	89	4.8%	100.0%
9	732	682	497	297	137	110	3.9%	100.0%
10	1,330	1,601	1,018	250	329	192	3.2%	100.0%
<b>All</b>	<b>543</b>	<b>504</b>	<b>357</b>	<b>221</b>	<b>101</b>	<b>80</b>	<b>10.9%</b>	<b>100.0%</b>
Poor*	208	155	105	125	34	39	37.3%	100.0%

## Mean of Income and Income-Components per Decile Group, Euro adjusted for Purchasing Power Parities

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	299	240	146	196	68	69	46.0%	100.0%
2	494	354	265	272	58	75	28.8%	100.0%
3	600	449	345	316	76	89	21.6%	100.0%
4	659	495	380	351	93	94	15.1%	100.0%
5	745	585	449	381	112	109	11.4%	100.0%
6	837	669	513	422	134	120	8.4%	100.0%
7	949	777	589	469	161	136	6.2%	100.0%
8	1,091	950	711	493	192	160	4.8%	100.0%
9	1,317	1,227	894	535	247	199	3.9%	100.0%
10	2,393	2,881	1,831	450	592	346	3.2%	100.0%
<b>All</b>	<b>978</b>	<b>907</b>	<b>642</b>	<b>398</b>	<b>182</b>	<b>145</b>	<b>10.9%</b>	<b>100.0%</b>
Poor*	374	280	190	225	61	70	37.3%	100.0%

PPP: 0.5557

## Share of Income and Income-Components received/paid by each Decile Group

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	
1	2.4%	2.1%	1.8%	4.0%	3.0%	3.8%	
2	4.5%	3.5%	3.7%	6.1%	2.8%	4.6%	
3	5.6%	4.5%	4.9%	7.3%	3.8%	5.6%	
4	6.8%	5.5%	5.9%	8.8%	5.1%	6.5%	Poor: HH at risk of poverty
5	7.8%	6.6%	7.1%	9.8%	6.3%	7.7%	i.e. equ.disp.inc.< 60% of Median
6	8.9%	7.7%	8.3%	11.0%	7.6%	8.6%	(see also Legend)
7	10.2%	9.0%	9.7%	12.4%	9.3%	9.9%	
8	12.1%	11.3%	12.0%	13.4%	11.4%	12.0%	
9	15.0%	15.0%	15.5%	14.9%	15.0%	15.3%	
10	26.8%	34.8%	31.2%	12.4%	35.6%	26.1%	
Poor*	5.4%	4.4%	4.2%	8.0%	4.8%	6.8%	

**original income** investment income + maintenance payments + property income + employment income + employment income + private transfers + self employment income from agriculture + self employment income from business + severance payment + other market income

**taxes (sim.)** income tax + agricultural tax + health tax + capital income tax

**employee sics (sim.)** employee SIC + SIC on maternity leave + unemployed SIC + farmer SIC + self-employed SIC

**benefits (sim.)** basic child benefit + childbirth benefit + supplement for education of disabled child + supplement for starting school year + supplement for lone parent + nursing benefit + social assistance (permanent) + social assistance (temporary) + unemployment benefit + nursing allowance + nursing supplement + housing benefit

**benefits (data)** parental leave allowance + other child benefits + benefit for unemployed lone parents + education benefits + maternity benefits + early retirement pension + disability insurance pension + social pension + old age pension + old age pension abroad + orphan pension + widow pension + other benefits

## SLOVENIA 2005

## Mean of Income and Income-Components per Decile Group, EURO

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	468	160	145	341	3	52	44.5%	100.0%
2	663	356	341	392	13	89	20.1%	100.0%
3	872	612	595	412	30	141	15.2%	100.0%
4	1,081	842	829	471	55	192	11.0%	100.0%
5	1,198	941	916	524	72	208	6.9%	100.0%
6	1,374	1,296	1,274	462	116	277	6.8%	100.0%
7	1,568	1,547	1,513	494	162	334	4.6%	100.0%
8	1,777	1,818	1,777	562	226	395	3.2%	100.0%
9	2,087	2,340	2,256	578	356	493	2.6%	100.0%
10	3,135	4,381	3,926	567	1,005	859	1.0%	100.0%
<b>All</b>	<b>1,382</b>	<b>1,376</b>	<b>1,306</b>	<b>475</b>	<b>196</b>	<b>293</b>	<b>10.7%</b>	<b>100.0%</b>
Poor*	519	207	191	358	6	59	34.7%	100.0%

## Mean of Income and Income-Components per Decile Group, Euro adjusted for Purchasing Power Parities

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	645	221	200	470	5	72	44.5%	100.0%
2	915	491	470	540	18	123	20.1%	100.0%
3	1,202	843	821	568	41	194	15.2%	100.0%
4	1,490	1,161	1,143	650	75	265	11.0%	100.0%
5	1,652	1,297	1,263	723	100	287	6.9%	100.0%
6	1,894	1,787	1,757	637	161	382	6.8%	100.0%
7	2,162	2,133	2,086	680	224	460	4.6%	100.0%
8	2,449	2,506	2,450	775	311	544	3.2%	100.0%
9	2,878	3,226	3,110	797	491	680	2.6%	100.0%
10	4,322	6,039	5,412	782	1,385	1,184	1.0%	100.0%
<b>All</b>	<b>1,906</b>	<b>1,897</b>	<b>1,800</b>	<b>654</b>	<b>270</b>	<b>404</b>	<b>10.7%</b>	<b>100.0%</b>
Poor*	716	286	264	493	8	82	34.7%	100.0%
							PPP:	0.7254

## Share of Income and Income-Components received/paid by each Decile Group

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	
1	4.0%	1.4%	1.3%	8.5%	0.2%	2.1%	
2	5.5%	3.0%	3.0%	9.5%	0.8%	3.5%	
3	6.6%	4.6%	4.8%	9.1%	1.6%	5.0%	
4	7.4%	5.8%	6.0%	9.5%	2.7%	6.2%	Poor: HH at risk of poverty
5	8.5%	6.7%	6.9%	10.8%	3.6%	7.0%	i.e. equ.disp.inc.< 60% of Median
6	9.4%	8.9%	9.2%	9.2%	5.6%	8.9%	(see also Legend)
7	10.5%	10.4%	10.7%	9.6%	7.7%	10.5%	
8	11.8%	12.1%	12.5%	10.9%	10.6%	12.3%	
9	14.1%	15.9%	16.2%	11.4%	17.0%	15.7%	
10	22.2%	31.2%	29.5%	11.7%	50.3%	28.7%	
Poor*	7.1%	2.9%	2.8%	14.3%	0.5%	3.9%	

original income employment income + self-employment income + contractual work + dividends + interests + imputed rent from land + royalties + rent

taxes (sim.) personal income tax

employee sics (sim.) employee SIC + self-employed SIC

benefits (sim.) birth grant + large family supplement + child benefit (means tested) + parental allowance + housing benefit + social assistance

benefits (data) compensation for lost income due to care for child with special needs + disability-invalidity pension + attendance supplement + childcare supplement + maternity payments + unemployment insurance benefit + unemployment assistance benefit + education benefits + holiday bonus for pensioners + old age pension + survivors' pension + disability supplement

## SPAIN 2005

## Mean of Income and Income-Components per Decile Group, EURO

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	540	306	286	282	3	45	21.5%	72.3%
2	858	492	472	429	14	49	12.9%	91.5%
3	1,154	788	755	477	44	67	8.4%	93.8%
4	1,419	1,109	1,081	483	81	93	6.3%	97.7%
5	1,649	1,318	1,273	556	126	100	4.5%	98.9%
6	1,907	1,684	1,656	529	183	123	3.7%	99.1%
7	2,192	2,091	2,034	510	265	144	3.6%	99.0%
8	2,593	2,616	2,545	531	381	174	2.7%	99.1%
9	3,003	3,315	3,231	446	550	208	3.0%	99.3%
10	4,254	5,197	4,925	570	1,257	255	2.1%	99.3%
<b>All</b>	<b>1,956</b>	<b>1,896</b>	<b>1,829</b>	<b>480</b>	<b>295</b>	<b>126</b>	<b>6.1%</b>	<b>99.0%</b>
Poor*	685	389	369	351	8	47	16.1%	86.4%

## Mean of Income and Income-Components per Decile Group, Euro adjusted for Purchasing Power Parities

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	Simulated Benefits	Simulated Taxes
1	595	337	315	311	4	50	21.5%	72.3%
2	945	542	520	473	16	54	12.9%	91.5%
3	1,272	869	832	526	48	74	8.4%	93.8%
4	1,563	1,222	1,191	532	89	102	6.3%	97.7%
5	1,817	1,453	1,403	613	138	110	4.5%	98.9%
6	2,101	1,856	1,825	583	202	136	3.7%	99.1%
7	2,416	2,305	2,241	562	292	159	3.6%	99.0%
8	2,857	2,883	2,804	586	419	191	2.7%	99.1%
9	3,310	3,653	3,560	492	606	229	3.0%	99.3%
10	4,688	5,727	5,427	628	1,385	282	2.1%	99.3%
<b>All</b>	<b>2,156</b>	<b>2,090</b>	<b>2,016</b>	<b>529</b>	<b>325</b>	<b>138</b>	<b>6.1%</b>	<b>99.0%</b>
Poor*	755	429	407	386	9	52	16.1%	86.4%
							PPP:	0.9075

## Share of Income and Income-Components received/paid by each Decile Group

Decile Group	Disposable Income	Original Income	of which Cur. Earned Inc.	All Benefits incl.Pub.Pen.	All Taxes	Social Ins. Contrib.	
1	2.8%	1.6%	1.6%	5.9%	0.1%	3.6%	
2	4.9%	2.9%	2.9%	10.0%	0.5%	4.4%	
3	6.0%	4.2%	4.2%	10.1%	1.5%	5.5%	
4	7.0%	5.6%	5.7%	9.7%	2.6%	7.1%	Poor: HH at risk of poverty
5	8.1%	6.7%	6.7%	11.1%	4.1%	7.6%	i.e. equ.disp.inc.< 60% of Median
6	9.3%	8.5%	8.7%	10.6%	6.0%	9.4%	(see also Legend)
7	10.7%	10.6%	10.7%	10.2%	8.6%	11.0%	
8	12.5%	13.0%	13.1%	10.4%	12.2%	13.1%	
9	15.2%	17.3%	17.5%	9.2%	18.5%	16.4%	
10	23.4%	29.5%	29.0%	12.8%	45.9%	21.9%	
Poor*	6.9%	4.0%	4.0%	14.4%	0.5%	7.4%	

**original income** employment income + investment income + maintenance payments + property income + other regular cash payments + self-employment income

**taxes (sim.)** national income tax

**employee sics (sim.)** agrarian employment soc.ins.contrib. + agrarian self employment soc.ins.contrib. + parttime eesic + general employee sic's + parttime eesic + self-employed sic's + sic's for the unemployed

**benefits (sim.)** child social assistance + old age social assistance + old age pension supplement + unemployed social assistance for those with family charges + widow pension supplement + working mother tax credit

**benefits (data)** student payments + housing benefits + unemployment insurance benefit + old-age (insurance an early retirement) + survivors (widows or orphans, insurance) + sickness and invalidity benefits + social assistance benefits (household social assistance, but not including child benefit) + family benefits



## HOUSEHOLD COMPOSITION 2005

## ESTONIA

## Household Average Number of ...

## Share of ...

Decile Group	...Persons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.	...% WA Econ. Act.	...Persons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.
1	2.23	0.52	1.48	0.22	0.50	29.7%	10.0%	11.0%	10.8%	5.8%	5.3%
2	1.89	0.44	0.89	0.56	0.35	19.8%	10.0%	10.7%	7.7%	17.5%	4.4%
3	1.98	0.38	0.95	0.66	0.53	32.2%	10.0%	8.9%	7.8%	19.6%	6.3%
4	2.36	0.46	1.22	0.68	0.78	44.7%	10.0%	9.0%	8.4%	17.0%	7.8%
5	2.62	0.58	1.42	0.61	0.91	49.7%	10.0%	10.3%	8.8%	13.8%	8.3%
6	2.63	0.58	1.70	0.35	1.32	72.1%	10.0%	10.3%	10.5%	7.8%	11.9%
7	2.86	0.69	1.83	0.34	1.45	75.5%	10.0%	11.3%	10.4%	7.0%	12.1%
8	2.57	0.58	1.81	0.19	1.51	82.1%	10.0%	10.4%	11.4%	4.3%	13.9%
9	2.68	0.53	1.95	0.20	1.63	79.4%	10.0%	9.2%	11.8%	4.4%	14.4%
10	2.58	0.49	1.96	0.13	1.70	84.0%	10.0%	8.8%	12.3%	2.9%	15.6%
<b>All</b>	<b>2.40</b>	<b>0.52</b>	<b>1.48</b>	<b>0.41</b>	<b>1.01</b>	<b>54.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Poor	2.07	0.48	1.21	0.37	0.42	24.8%	17.7%	19.3%	16.8%	18.7%	8.6%
% of Population							100.0%	21.5%	61.6%	16.9%	42.2%

## GREECE

## Household Average Number of ...

## Share of ...

Decile Group	...Persons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.	...% WA Econ. Act.	...Persons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.
1	2.55	0.63	1.26	0.65	0.44	21.9%	10.0%	12.6%	8.3%	12.5%	4.7%
2	2.72	0.58	1.38	0.77	0.63	30.0%	10.0%	10.7%	8.5%	13.7%	6.2%
3	2.55	0.49	1.29	0.77	0.65	31.0%	10.0%	9.7%	8.5%	14.7%	6.9%
4	2.57	0.50	1.42	0.65	0.78	35.9%	10.0%	9.9%	9.2%	12.3%	8.2%
5	2.77	0.52	1.63	0.61	0.97	44.8%	10.0%	9.6%	9.9%	10.8%	9.5%
6	2.91	0.56	1.79	0.56	1.10	50.6%	10.0%	9.7%	10.3%	9.4%	10.3%
7	2.96	0.59	1.92	0.45	1.32	58.9%	10.0%	10.1%	10.9%	7.3%	12.1%
8	2.89	0.53	1.94	0.42	1.39	65.0%	10.0%	9.3%	11.3%	7.0%	13.0%
9	2.79	0.53	1.91	0.35	1.45	70.7%	10.0%	9.6%	11.4%	6.2%	14.0%
10	2.70	0.47	1.89	0.34	1.50	73.7%	10.0%	8.8%	11.7%	6.1%	15.1%
<b>All</b>	<b>2.73</b>	<b>0.54</b>	<b>1.63</b>	<b>0.56</b>	<b>1.01</b>	<b>47.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Poor	2.63	0.61	1.30	0.71	0.52	25.1%	18.9%	22.3%	15.6%	25.0%	10.1%
% of Population							100.0%	19.8%	59.7%	20.6%	36.9%

## HUNGARY

## Household Average Number of ...

## Share of ...

Decile Group	...Persons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.	...% WA Econ. Act.	...Persons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.
1	2.55	0.74	1.73	0.09	0.83	47.3%	10.0%	14.3%	10.6%	2.1%	7.4%
2	2.55	0.75	1.53	0.26	0.91	49.7%	10.0%	14.5%	9.4%	6.5%	8.1%
3	2.57	0.71	1.54	0.33	1.00	51.1%	10.0%	13.5%	9.4%	8.1%	8.8%
4	2.47	0.58	1.41	0.48	0.85	41.0%	10.0%	11.5%	8.9%	12.4%	7.8%
5	2.39	0.46	1.42	0.51	0.93	46.2%	10.0%	9.4%	9.3%	13.6%	8.9%
6	2.35	0.42	1.38	0.55	0.95	45.0%	10.0%	8.8%	9.2%	14.7%	9.2%
7	2.49	0.38	1.60	0.51	1.18	56.0%	10.0%	7.5%	10.1%	13.1%	10.7%
8	2.48	0.40	1.61	0.47	1.25	61.0%	10.0%	7.9%	10.1%	12.1%	11.4%
9	2.47	0.31	1.75	0.41	1.40	67.0%	10.0%	6.2%	11.1%	10.6%	12.9%
10	2.40	0.32	1.83	0.26	1.57	80.4%	10.0%	6.4%	11.9%	6.8%	14.8%
<b>All</b>	<b>2.47</b>	<b>0.50</b>	<b>1.58</b>	<b>0.39</b>	<b>1.09</b>	<b>54.5%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Poor	2.55	0.75	1.65	0.15	0.85	47.8%	15.6%	22.5%	15.8%	5.6%	11.7%
% of Population							100.0%	20.3%	63.9%	15.8%	44.1%

## Definitions (see also Legend):

*Children*: persons aged 18 or younger

*Working Age*: persons aged between 19 and 64 (both included)

*Elderly*: persons aged 65 or older

*Working Aged Economically Active*: working aged persons having employment or self-employment income

*% of Working Aged Economically Active*: share of working aged persons in household who are economically active

*Poor*: households at risk of being in poverty, i.e. with equalised disposable income below 60% of median

Decile groups are formed by ranking according to equalised household disposable income using the modified

OECD-equivalence-scale and weighted by household size

## HOUSEHOLD COMPOSITION 2005

## POLAND

## Household Average Number of ...

## Share of ...

Decile Group	...Per-sons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.	...% WA Econ. Act.	...Per-sons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.
1	3.53	1.25	2.18	0.11	0.43	18.9%	10.0%	14.0%	9.8%	2.5%	4.5%
2	3.19	1.06	1.94	0.20	0.58	25.8%	10.0%	13.1%	9.7%	5.1%	6.7%
3	3.10	0.96	1.87	0.27	0.67	30.0%	10.0%	12.3%	9.6%	7.3%	7.9%
4	2.82	0.76	1.72	0.34	0.67	30.6%	10.0%	10.6%	9.8%	10.1%	8.8%
5	2.77	0.70	1.70	0.38	0.73	33.6%	10.0%	10.0%	9.8%	11.3%	9.7%
6	2.73	0.64	1.66	0.43	0.77	35.8%	10.0%	9.3%	9.7%	12.9%	10.4%
7	2.68	0.56	1.66	0.46	0.82	38.4%	10.0%	8.2%	9.9%	14.3%	11.2%
8	2.62	0.50	1.67	0.44	0.87	41.6%	10.0%	7.6%	10.2%	14.0%	12.3%
9	2.55	0.47	1.66	0.42	0.92	45.2%	10.0%	7.2%	10.4%	13.6%	13.3%
10	2.58	0.50	1.80	0.28	1.07	55.3%	10.0%	7.7%	11.1%	9.0%	15.2%
<b>All</b>	<b>2.83</b>	<b>0.72</b>	<b>1.77</b>	<b>0.34</b>	<b>0.77</b>	<b>36.4%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Poor	3.37	1.16	2.06	0.15	0.48	21.3%	16.9%	23.0%	16.5%	6.0%	8.9%
% of Pop-ulation							100.0%	25.3%	62.6%	12.1%	27.1%

## SLOVENIA

## Household Average Number of ...

## Share of ...

Decile Group	...Per-sons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.	...% WA Econ. Act.	...Per-sons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.
1	2.45	0.41	1.46	0.58	0.37	18.4%	10.0%	8.7%	9.1%	15.9%	3.8%
2	2.52	0.51	1.47	0.53	0.61	29.2%	10.0%	10.5%	8.9%	14.4%	6.0%
3	2.77	0.67	1.65	0.46	0.91	44.8%	10.0%	12.4%	9.0%	11.1%	8.2%
4	3.04	0.71	1.91	0.42	1.08	48.4%	10.0%	12.0%	9.6%	9.3%	8.9%
5	2.94	0.59	1.90	0.46	1.15	51.0%	10.0%	10.3%	9.8%	10.4%	9.7%
6	3.06	0.65	2.05	0.36	1.37	58.3%	10.0%	10.9%	10.2%	8.0%	11.2%
7	3.13	0.57	2.17	0.39	1.51	64.6%	10.0%	9.4%	10.5%	8.5%	12.1%
8	3.15	0.55	2.18	0.41	1.59	68.1%	10.0%	9.1%	10.5%	8.7%	12.6%
9	3.09	0.48	2.26	0.36	1.65	67.2%	10.0%	8.0%	11.1%	7.8%	13.3%
10	2.94	0.49	2.19	0.26	1.70	75.2%	10.0%	8.6%	11.3%	5.9%	14.3%
<b>All</b>	<b>2.89</b>	<b>0.56</b>	<b>1.90</b>	<b>0.43</b>	<b>1.16</b>	<b>51.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Poor	2.42	0.44	1.41	0.57	0.43	21.0%	15.9%	15.0%	14.1%	25.3%	7.0%
% of Pop-ulation							100.0%	19.3%	65.9%	14.8%	40.2%

## SPAIN

## Household Average Number of ...

## Share of ...

Decile Group	...Per-sons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.	...% WA Econ. Act.	...Per-sons	...Children	...Working Age (WA)	...Elderly	...WA Econ. Act.
1	2.80	0.68	1.56	0.56	0.61	29.5%	10.0%	13.2%	8.6%	11.8%	4.9%
2	2.53	0.57	1.23	0.73	0.64	30.8%	10.0%	12.3%	7.5%	16.9%	5.6%
3	2.77	0.58	1.51	0.68	0.88	40.4%	10.0%	11.3%	8.5%	14.4%	7.1%
4	2.95	0.59	1.76	0.60	1.11	50.7%	10.0%	10.9%	9.2%	11.9%	8.4%
5	2.95	0.51	1.83	0.61	1.19	54.6%	10.0%	9.4%	9.6%	12.2%	9.0%
6	2.95	0.49	1.97	0.49	1.45	65.1%	10.0%	9.0%	10.3%	9.8%	11.0%
7	2.95	0.51	2.05	0.39	1.60	72.2%	10.0%	9.3%	10.7%	7.9%	12.0%
8	3.00	0.44	2.23	0.32	1.75	74.7%	10.0%	8.0%	11.5%	6.3%	13.0%
9	2.85	0.44	2.17	0.25	1.82	82.7%	10.0%	8.3%	11.8%	5.1%	14.2%
10	2.63	0.40	2.06	0.17	1.77	85.3%	10.0%	8.2%	12.1%	3.8%	14.9%
<b>All</b>	<b>2.83</b>	<b>0.52</b>	<b>1.83</b>	<b>0.48</b>	<b>1.27</b>	<b>58.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Poor	2.66	0.62	1.40	0.64	0.62	29.8%	18.5%	23.4%	15.1%	26.3%	9.6%
% of Pop-ulation							100.0%	18.4%	64.6%	17.0%	45.0%

## Definitions (see also Legend):

*Children*: persons aged 18 or younger

*Working Age*: persons aged between 19 and 64 (both included)

*Elderly*: persons aged 65 or older

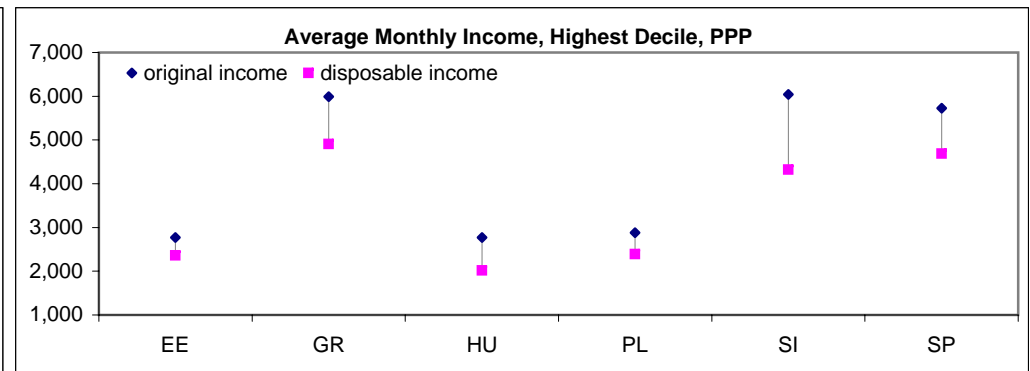
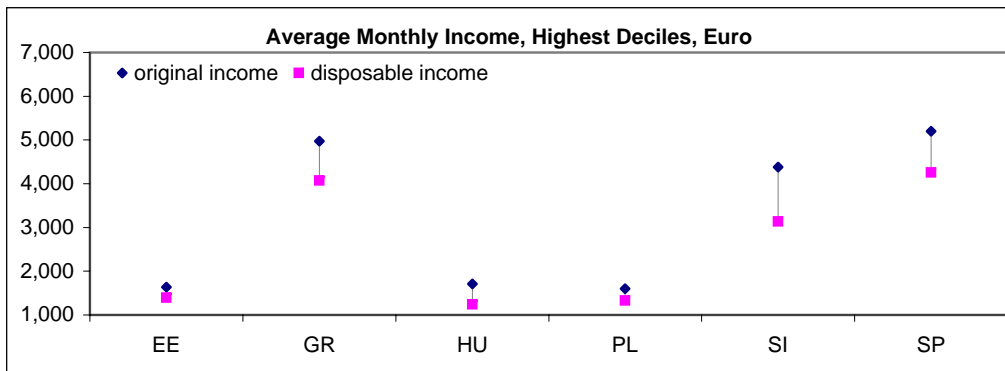
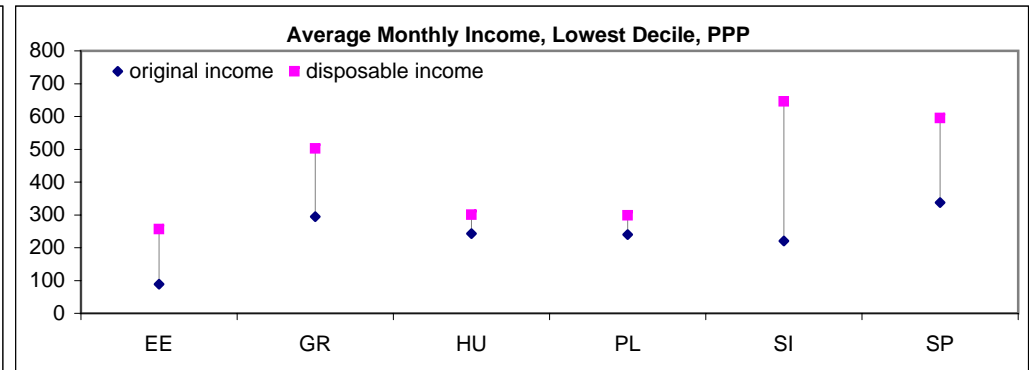
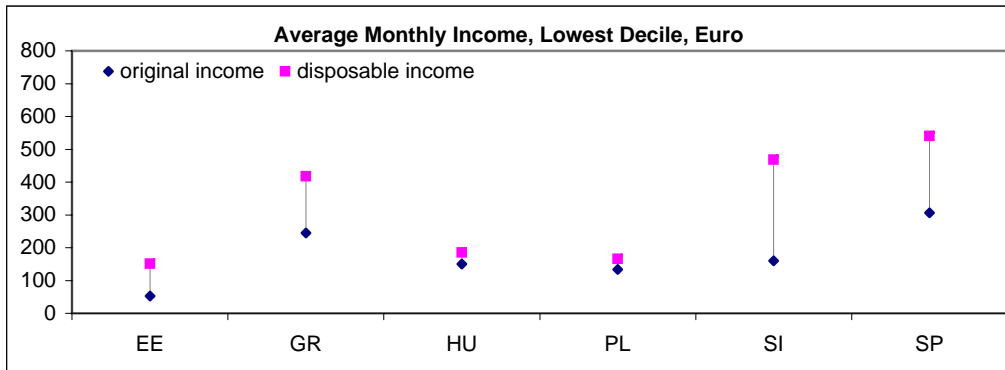
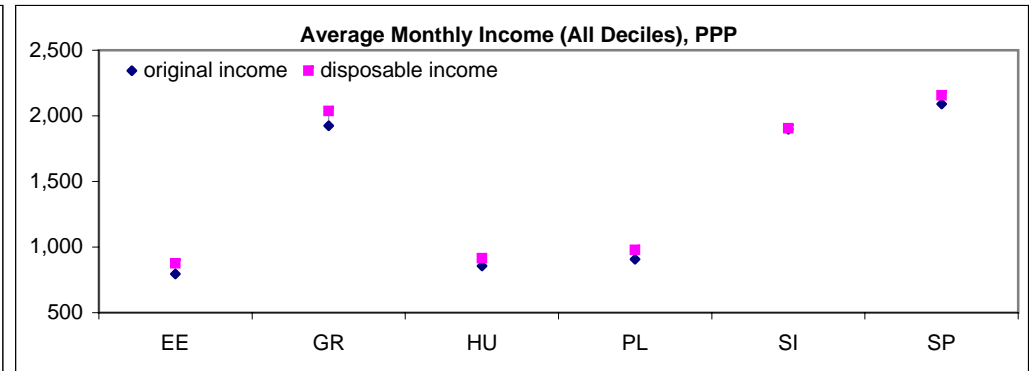
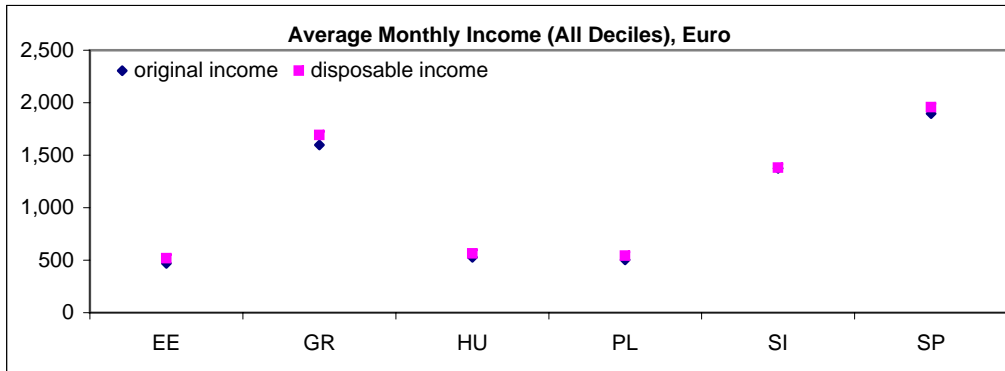
*Working Aged Economically Active*: working aged persons having employment or self-employment income

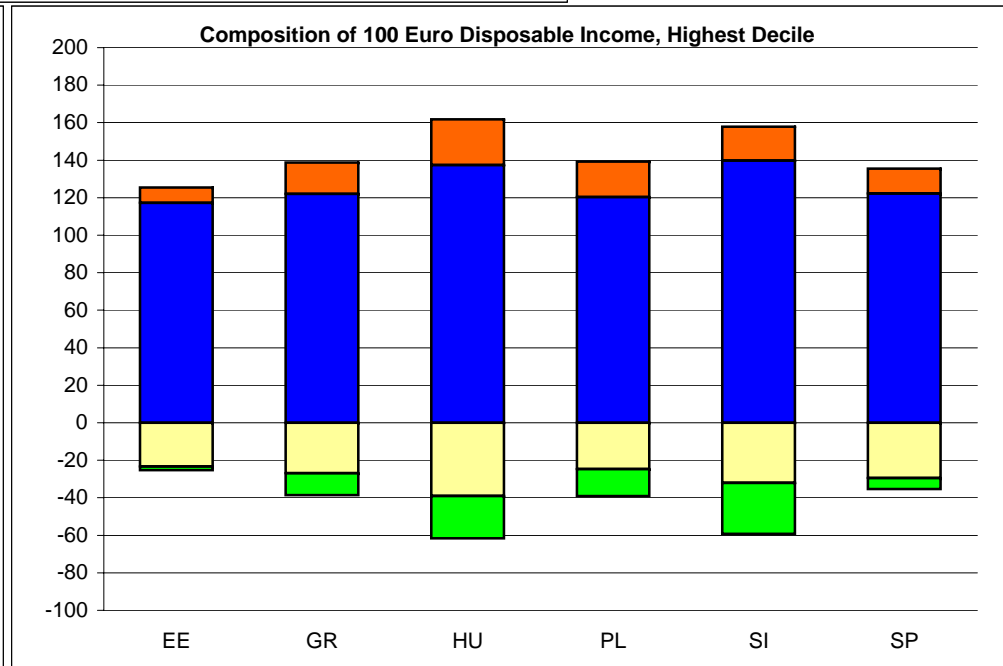
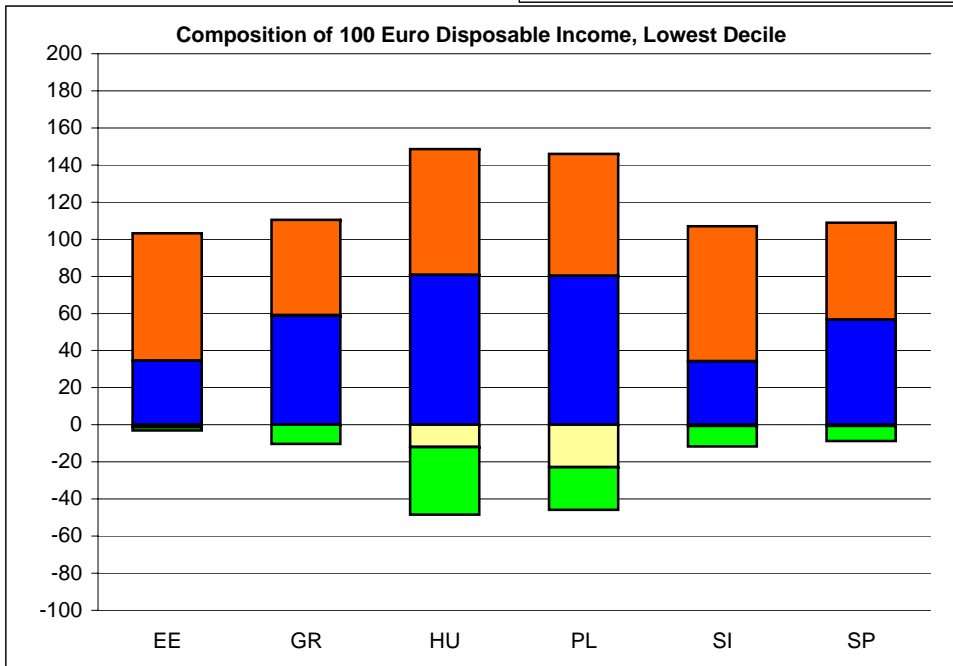
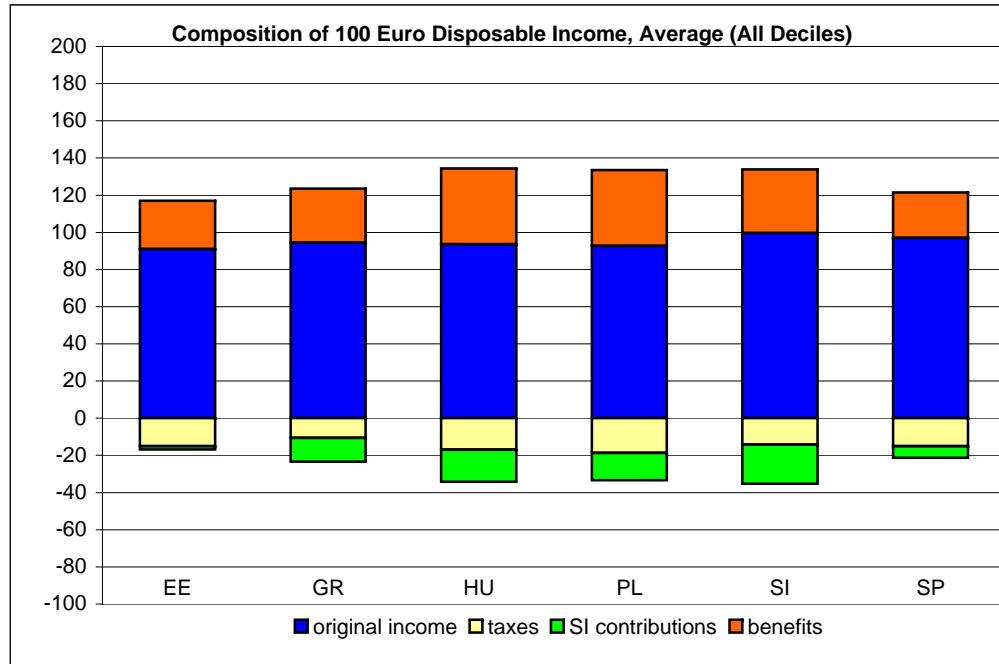
*% of Working Aged Economically Active*: share of working aged persons in household who are economically active

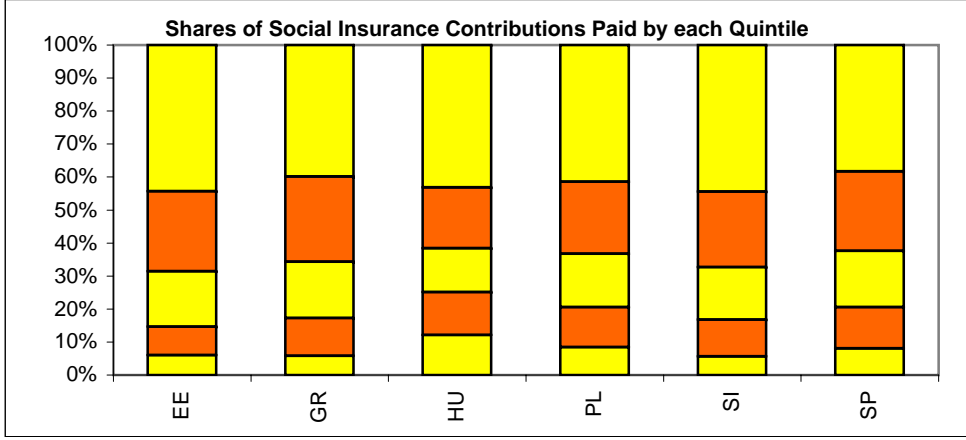
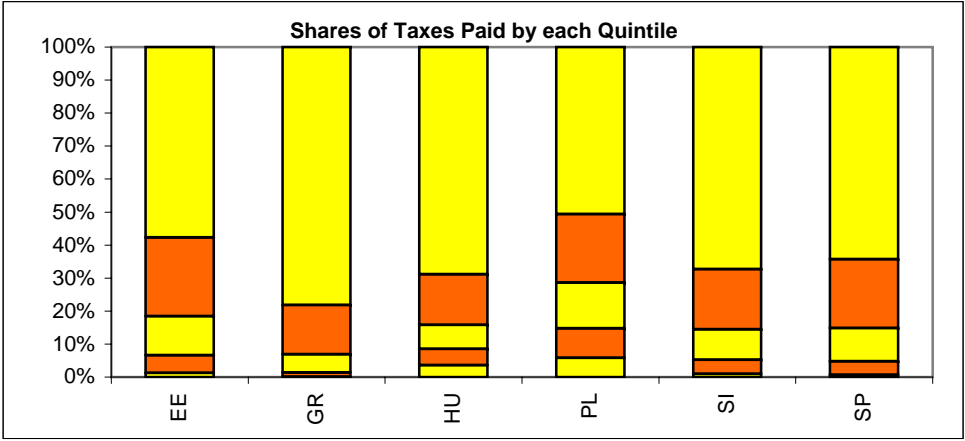
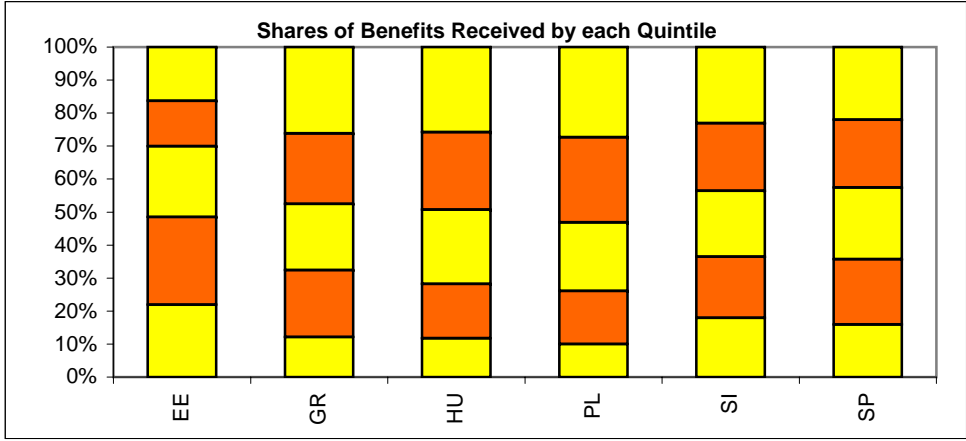
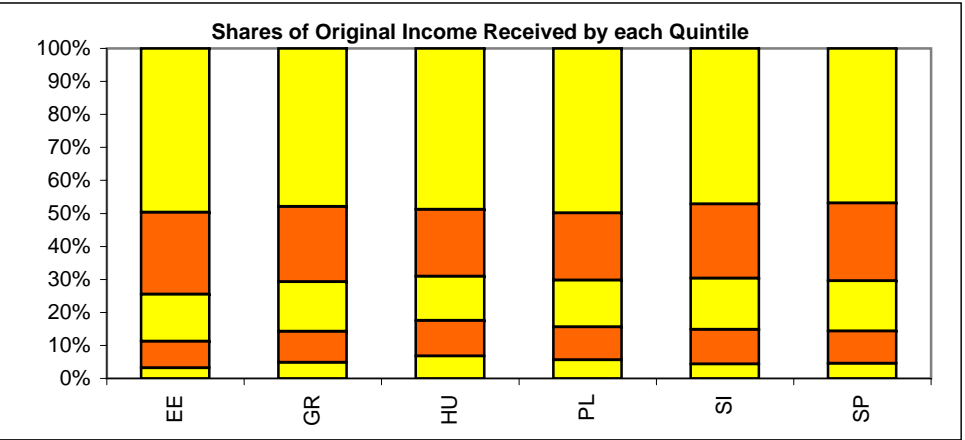
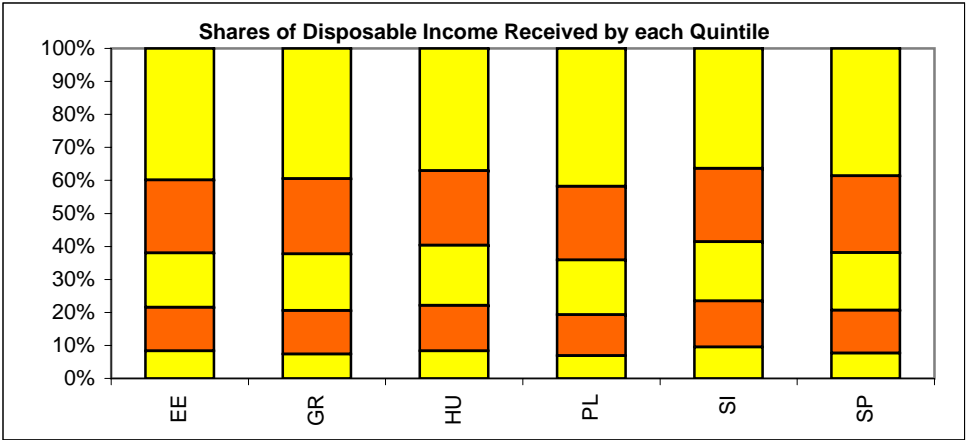
*Poor*: households at risk of being in poverty, i.e. with equalised disposable income below 60% of median

Decile groups are formed by ranking according to equalised household disposable income using the modified

OECD-equivalence-scale and weighted by household size



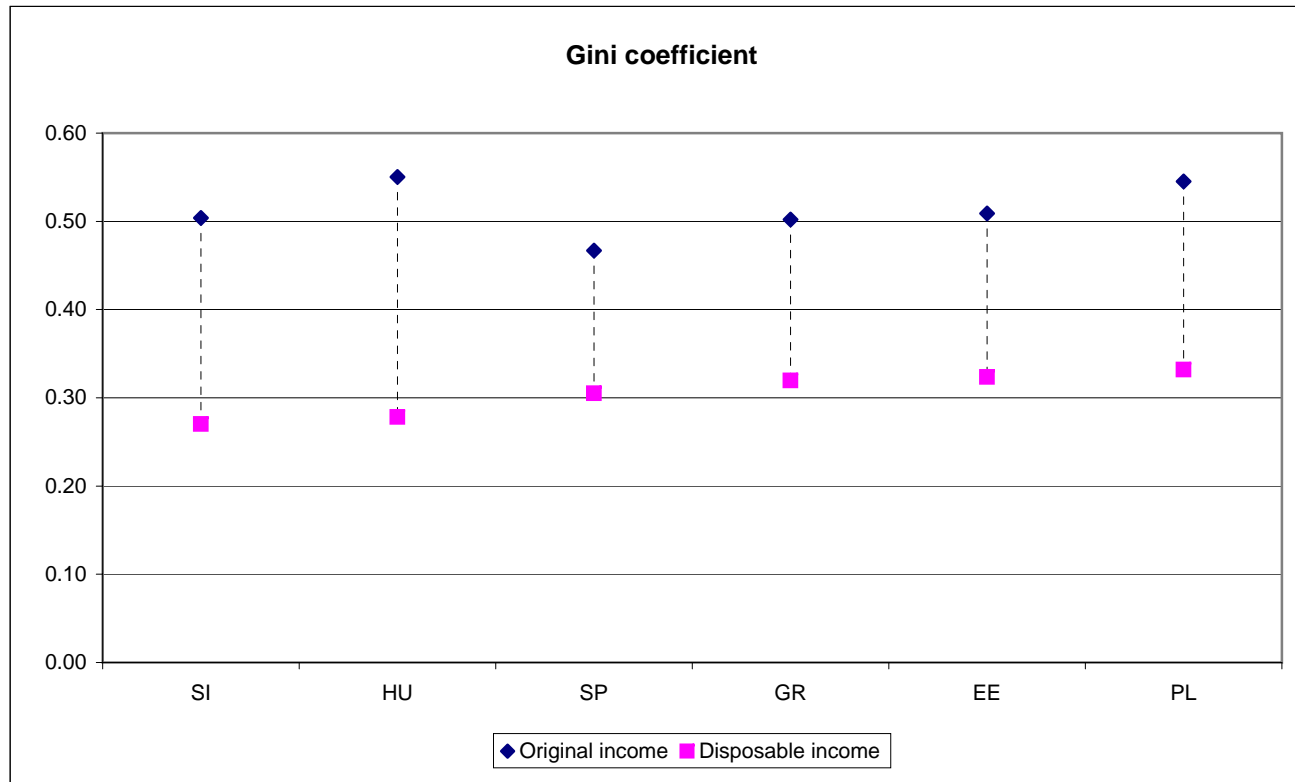




## GINI COEFFICIENTS 2005

Gini coefficients are calculated at the individual level for the whole population, based on equivalised household income (both original and disposable income) and assuming that income is shared equally between household members. The modified OECD scale is used, weighting the head of the household with 1, an other adult with 0.5 and a child with 0.3 (younger than 14 years old). Observations with zeros and negative income are included and no bottom- or top-coding has been applied.

	EE	GR	HU	PL	SI	SP
Original income	0.509	0.502	0.550	0.545	0.504	0.467
Disposable income	0.324	0.320	0.278	0.332	0.270	0.305



## MARGINAL EFFECTIVE TAX RATES (METRs) FACED BY THE WORKING POPULATION 2005

METR is the fraction of an increase in earnings that is lost due to benefits withdrawal and taxes. An increase of 3% in gross earnings has been simulated, taking into account personal direct taxes, social contributions and benefits affecting the household's current cash disposable income. Earnings are incremented for each individual in turn while the change in disposable income is observed at the household level.

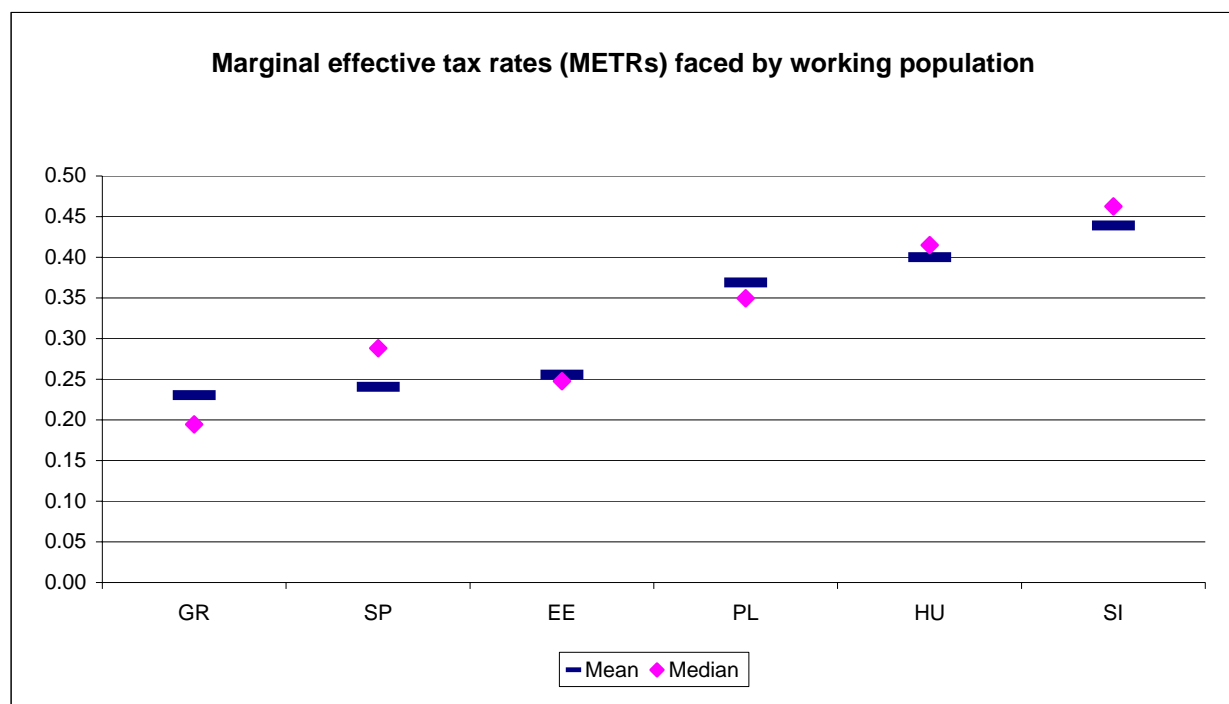
METRs are calculated for the working population, which includes individuals aged 18-64 with positive earnings (employment and/or self-employment income).

### Marginal effective tax rates (METRs) faced by the working population

	EE	GR	HU	PL	SI	SP
Mean	0.255	0.231	0.400	0.369	0.439	0.241
Median	0.248	0.195	0.415	0.350	0.463	0.288
Std. Dev.	0.130	0.163	0.398	0.291	0.277	0.124

### Distribution of marginal effective tax rates (METRs) faced by the working population (%)

Range of METR	EE	GR	HU	PL	SI	SP
< 0	6.65	23.91	1.94	0.10	0.02	0.05
[0.0 - 0.1)	0.44	29.66	31.81	0.21	0.74	17.31
[0.1 - 0.2)	89.60	8.37	1.46	3.14	2.92	7.89
[0.2 - 0.3)	0.03	10.80	13.03	4.93	5.33	44.60
[0.3 - 0.4)	1.12	26.07	15.79	81.41	37.36	27.34
[0.4 - 0.5)	0.30	1.18	17.09	7.28	30.03	2.53
[0.5 - 0.6)	1.85	.	14.17	1.50	17.00	0.00
[0.6 - 0.7)	.	.	0.97	0.05	1.15	0.05
[0.7 - 0.8)	.	.	3.74	0.01	0.75	0.22
>= 0.8	.	.	.	1.39	4.70	.



**APPENDIX 1: EUROMOD BASE DATASETS**

<b>Country</b>	<b>Base Dataset for EUROMOD</b>	<b>Date of collection</b>	<b>Reference time period for incomes</b>
Estonia	Household Budget Survey	2005	monthly 2005
Greece	Household Budget Survey	2004/5	annual 2003/2004
Hungary	EU-SILC	2005	annual 2004
Poland	Household Budget Survey	2005	monthly 2005
Slovenia	Slovenian Household Budget Survey Personal Income Tax database	2005	annual 2004
Spain	EU-SILC	2005	annual 2004



### APPENDIX 3: DECILE POINTS 2005

#### Decile Group Upper Limits, EURO

Decile Group	EE	GR	HU	PL	SI	SP
1	129	369	156	121	346	439
2	167	503	201	157	441	578
3	201	614	235	188	528	697
4	231	712	269	216	598	804
5	265	818	303	245	669	931
6	309	938	338	279	747	1,067
7	359	1,084	379	320	836	1,242
8	431	1,280	437	381	957	1,451
9	555	1,624	528	491	1,194	1,816
Poverty line	159	491	182	147	401	559

#### Decile Group Upper Limits, Euro adjusted for Purchasing Power Parities

Decile Group	EE	GR	HU	PL	SI	SP
1	219	445	253	218	478	484
2	283	606	325	283	607	637
3	341	740	382	338	728	768
4	391	858	436	388	825	886
5	450	985	491	442	922	1,026
6	524	1,130	549	502	1,029	1,176
7	608	1,306	615	577	1,153	1,369
8	730	1,542	708	685	1,319	1,599
9	940	1,956	857	884	1,647	2,001
Poverty line	270	591	295	265	553	616

Decile groups are formed by ranking according to equivalised household disposable income using the modified OECD-equivalence-scale and weighted by household size.