



# THE IMPACT OF TAXATION ON GENDER EQUALITY IN THE EUROPEAN UNION

How do Tax Policies impact Gender Equality?

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# Examples of historic and current explicit gender biases in EU taxation

Country	Explicit Gender Bias	Extinct?
France	Appointing the husband as the person responsible for signing the joint tax return for the household.	Yes (1983)
Greece	Mandatory joint filing in the name of the husband, thus appointed as recipients of any refund or any claim for outstanding tax balances.	Yes (2018)
Ireland	Mandatory joint filing in the name of the husband, with an option for separate assessment on labour income for the wife.	Yes (1993)
Netherlands	Granting a higher tax-free allowance to a married man than to a married woman.	Yes (1984)
Spain	Special additional credits are available for working mothers according to the income tax law.	No

# Potential sources of gender bias in tax policy

## Income levels



On average, men earn higher incomes than women, meaning that progressivity reduces the post-tax gender wage gap

## Nature of income



On average, men earn more capital income than women, so preferential taxation of capital can create a risk of bias in favour of men

## Fiscal unit



Taxing households rather than individuals can create implicit biases, leading to bias against second earners/part-time workers

## Consumption



Differences in behaviour may affect the distribution of income between men and women and between paid and unpaid work; a shift in the tax mix toward consumption taxes can disadvantage women

## Social roles



Women tend to be more involved in childcare than men, leading to some tax provisions benefitting women more in practice

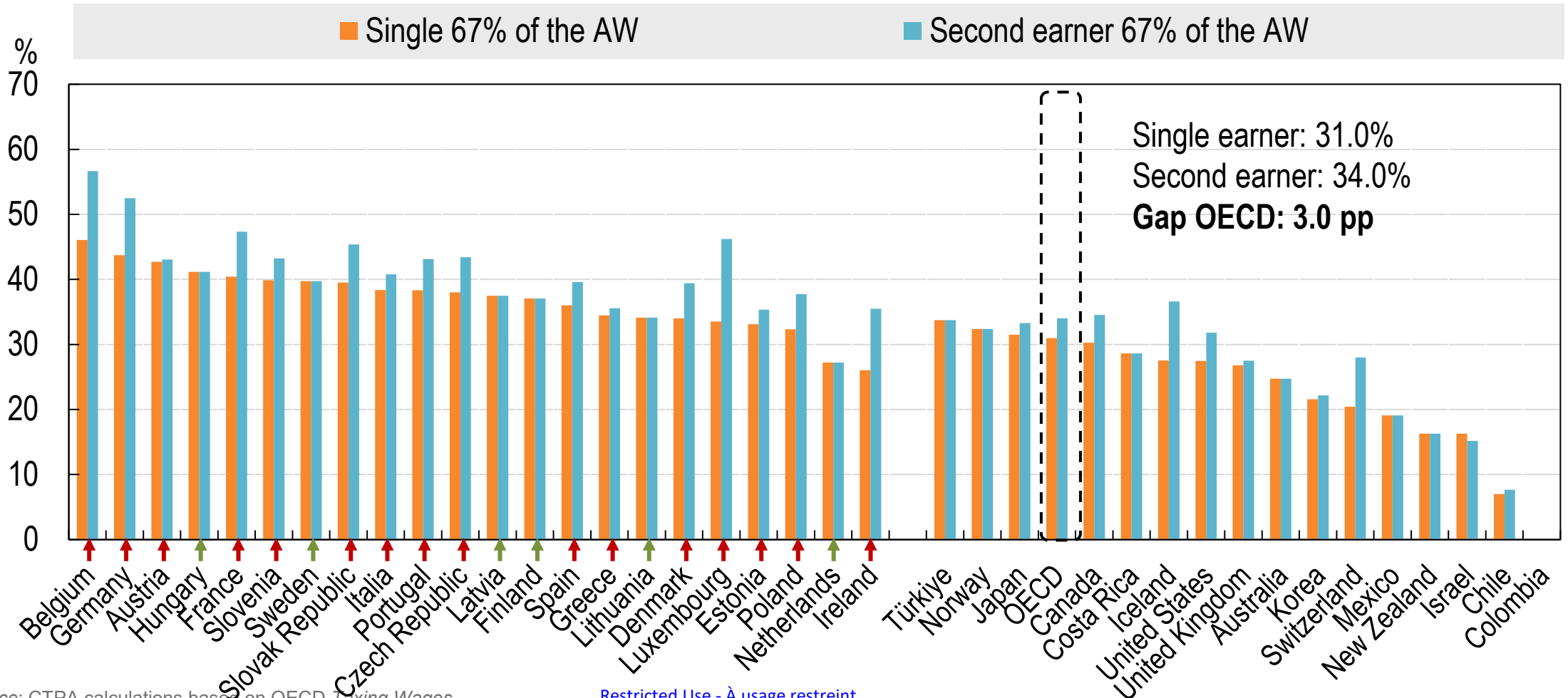
## Corporate participation



Women are less represented as shareholders, directors or executives & own smaller businesses – who benefits more from CIT rate cuts, tax incentives, or corporate tax avoidance

# Many EU tax systems discourage second earners from enter the labour force...

Average tax wedge (% of additional gross earnings) in EU/OECD countries, 2023  
 Single & second earner at 67% of the AW (primary earner at AW), without children



Source: CTPA calculations based on OECD Taxing Wages.

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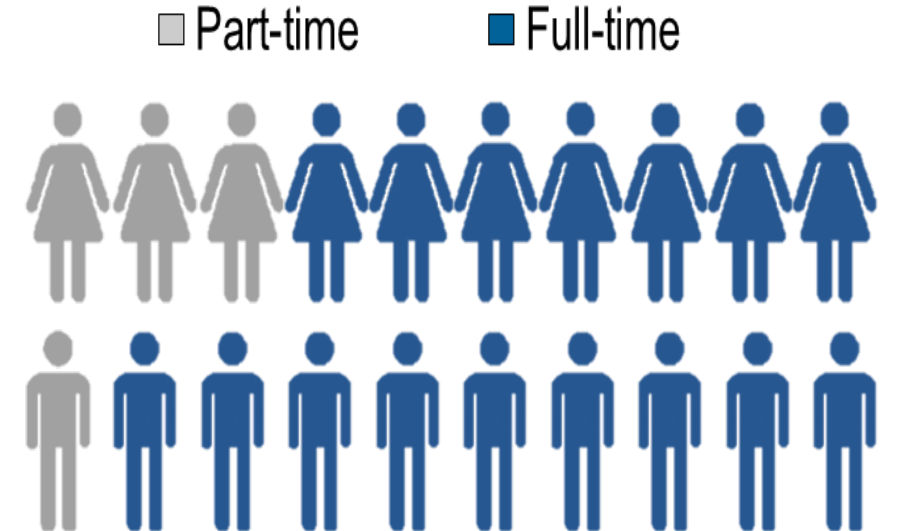




## ... and can also create a “part-time work trap”

- In 2023 in the EU (27), the share of part-time workers was higher for women than for men
- Our 2022 study, covering 23 EU countries, finds that the progressivity of tax and benefit systems:
  - reduces the post-tax gender income gap but
  - creates disincentives to work full time

### Prevalence of part-time work in the EU (27)



# Gender-differentiated effects of corporate taxation & tax avoidance

## Studies suggest women typically:

- Own fewer corporate shares & receive less dividends & capital gains
- Are under-represented in corporate boards & among senior managers
- Own smaller businesses
- Are less likely to engage in tax evasion

## Who benefits more from...?

- Reductions in the CIT rate (via post-tax distributions & bonuses)?
- PIT deductions for dividend income?
- Tax incentives granted to firms & business owners?
- Tax avoidance that reduces corporate taxation?

- Efforts to reduce tax avoidance and profit shifting – including the BEPS Actions and the Global Minimum Tax – as well as efforts to improve tax transparency, can be an important part of a tax policy strategy that promotes gender equality

# Going further: OECD work on tax & gender

## Tax Policy

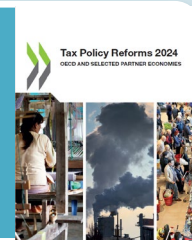
Stocktake of countries' approaches to tax and gender



Labour tax incentives for second earners & part time workers

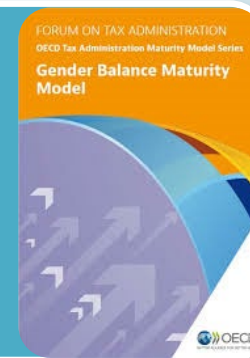


Mainstreaming



## Tax Administration

Forum on Tax Administration Gender Balance Network



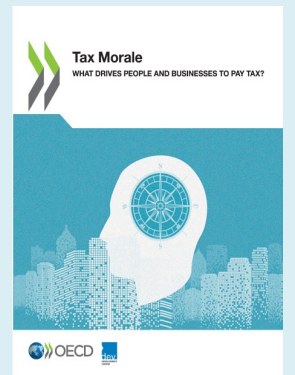
Tax & Crime: Gender Balance Action Group

## Tax Transparency

Women leaders in tax transparency programme



Tax Morale





# Thank you

[Taxation of second earners \(Taxing Wages\)](#) | 2024 (annual)

[Tax Policy and Gender Equality: A stocktake of country approaches](#) | 2022

[Taxation of part-time work in the OECD](#) | 2022

[Tax Administration Series Database | OECD](#) | Annual

[Gender Balance Maturity Model](#) | 2024

[DAC Network on Gender Equality \(Gendernet\)](#) / [Women Leaders in Tax Transparency](#)

[Tax and crime](#) / [Gender equality](#) / [Gender and development](#)