

# Budget 2014

- Key figures for the Norwegian economy
- Main figures of the Fiscal Budget
- Direct and indirect tax rates



NORWEGIAN MINISTRY OF FINANCE



## Main figures of the Fiscal Budget and the Pension Fund Global excluding borrowing and lending transactions for 2013 and 2014

(NOK million)

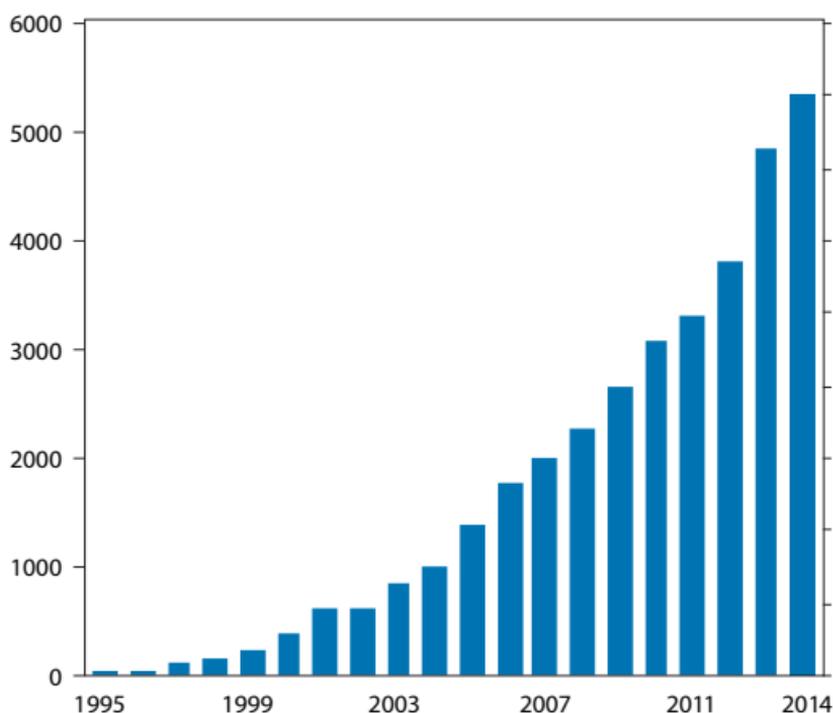
	Estimated accounts 2013	Adopted budget 2014
<i>Total revenue of the Fiscal Budget</i>	1 289 182	1 293 027
Revenue from petroleum activities	379 731	344 131
Revenue excluding petroleum revenue	909 451	948 896
<i>Total expenditure of the Fiscal Budget</i>	1 059 292	1 116 400
Expenditure on petroleum activities	32 502	30 002
Expenditure excluding petroleum expenditure	1 026 790	1 086 398
= Fiscal Budget surplus before transfers to the Pension Fund Global	229 890	176 627
- Net cash flow from petroleum activities	347 229	314 129
= Petroleum adjusted surplus	-117 340	-137 502
+ Transferred from the Pension Fund Global	117 340	137 502
= Fiscal Budget surplus	0	0
+ Net allocated to the Pension Fund Global	229 890	176 627
+ Fund revenue from interest and dividends	128 300	147 900
= <b>Total surplus of the Fiscal Budget and the Pension Fund</b>	<b>358 190</b>	<b>324 527</b>

## The borrowing and lending transactions and financing requirements of the Fiscal Budget for 2013 and 2014

(NOK million)

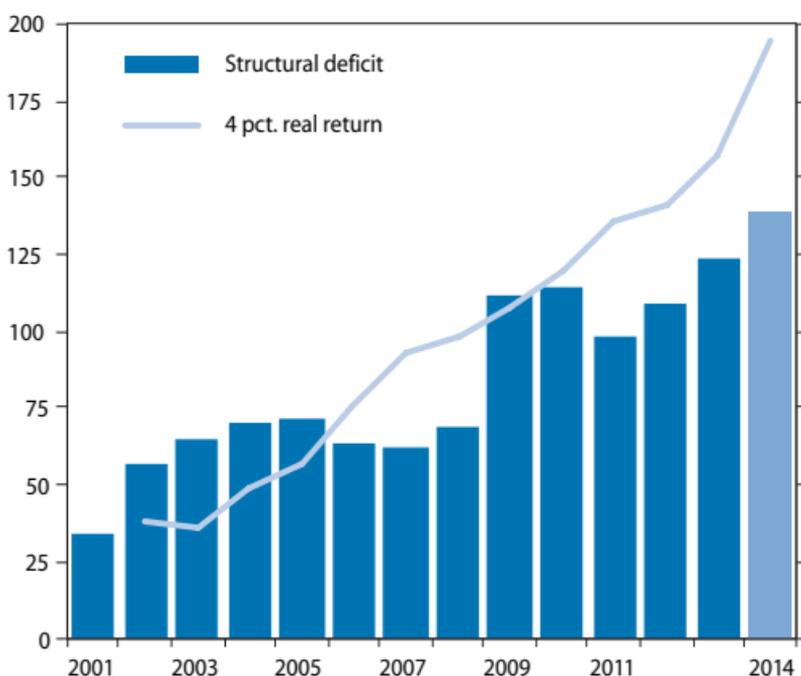
	Estimated accounts 2013	Adopted budget 2014
Lending, subscription for shares, etc.	169 970	150 636
- Repayment	95 642	87 846
- Fiscal Budget surplus	0	0
= Net financing requirements	74 328	62 790
+ Debt instalments	66 544	0
= <b>Gross financing requirements of the Fiscal Budget</b>	<b>140 872</b>	<b>62 790</b>

**Market value of the Government Pension Fund Global**  
 NOK billion. End of the year



Source: Ministry of Finance

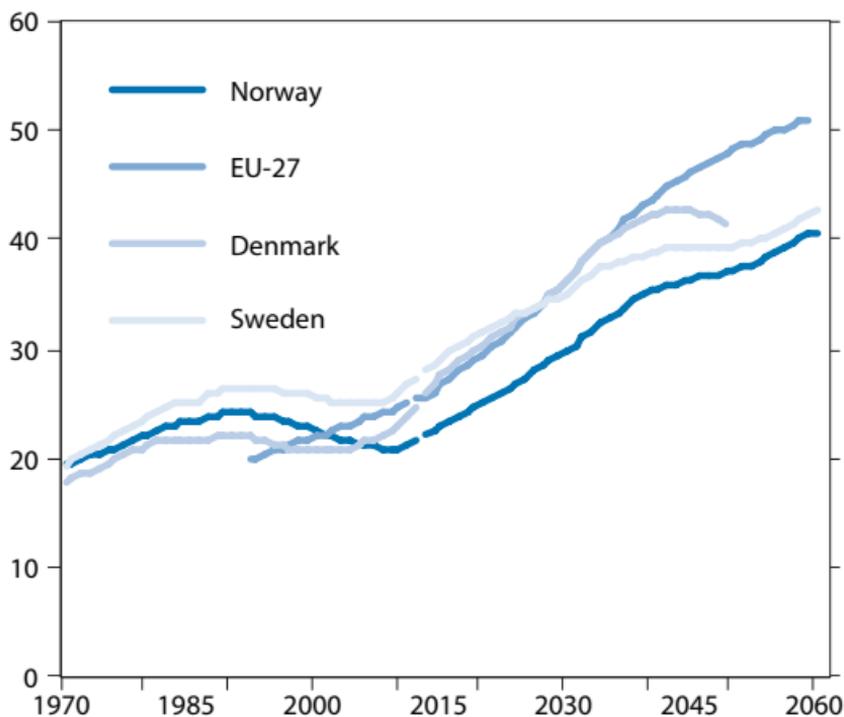
**Expected real return on the Government Pension Fund and structural, non-oil deficit.**  
 NOK billion. 2014



Source: Ministry of Finance

### Elderly (67 years and above) to working age population (20-66 years)

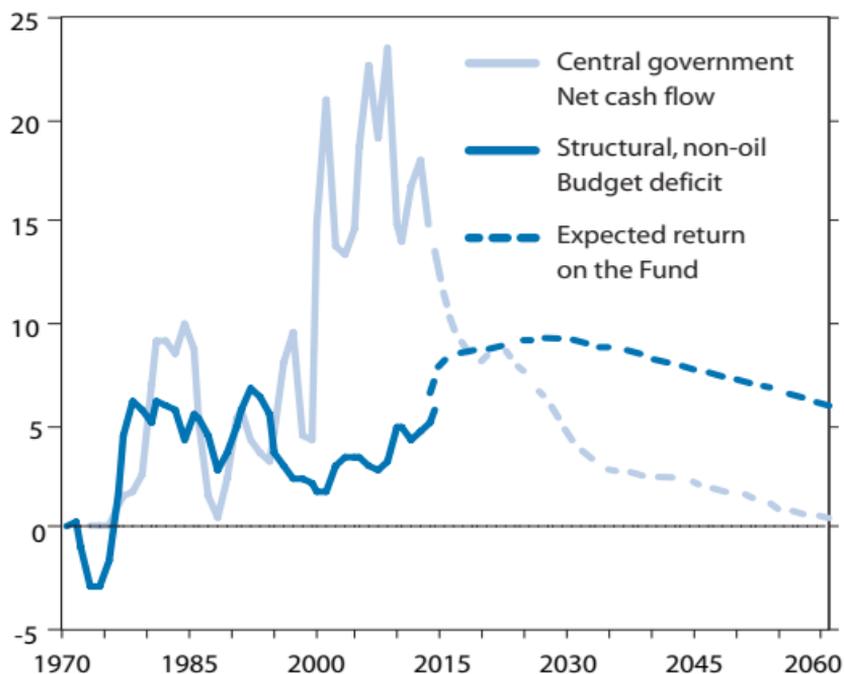
Per cent



Source: Ministry of Finance

### Government net petroleum revenues, structural non-oil budget deficit and expected real return on Government Pension Fund Global

Per cent of Mainland Norway GDP



Source: Ministry of Finance

## Key figures for the petroleum sector

	2012	2013	2014	2015	Oil price sensitivity 2014 <sup>1</sup>
<i>Assumptions:</i>					
Crude oil price, NOK per barrel	649	639	600	546	
- Crude oil and NLG	111	106	111	114	
- Natural gas	115	107	110	111	
<i>NOK billion:</i>					
Paid taxes <sup>2</sup>	233	207	187	164	2,5
Net revenues from SDØE	149	123	113	103	2,0
Net cash flow <sup>3)</sup>	395	344	314	282	4,5

<sup>1)</sup> Effects of an oil price increase of NOK 10 per barrel.

<sup>2)</sup> Income tax and special tax on petroleum income. Area fee and tax on CO<sub>2</sub> emissions etc.

<sup>3)</sup> Taxes and excise duties. Net revenues from SDØE (State Direct Financial Interest) and dividends from Statoil.

Sources: Statistics Norway, Ministry of Petroleum and Energy, Ministry of Finance and Macrobond.

## Child benefit and cash benefit for 2013 and 2014

	2013-rules	2014-rules	Change 2013-2014
Annual child benefit rate	NOK 11 640	NOK 11 640	-
Single parent rate (children 0-3 years old) <sup>1</sup>	NOK 7 920	NOK 7 920	-
Extra child benefit allowance in Finnmark, North Troms and Svalbard	NOK 3 840	NOK 0 <sup>2</sup>	NOK -3 840
Monthly full rate cash benefit for children aged 13-18 months	NOK 5 000	NOK 6 000 <sup>3</sup>	NOK 1 000
Monthly full rate cash benefit for children aged 19-23 months	NOK 3 303	NOK 6 000 <sup>3</sup>	NOK 2 697

If the child is not in kindergarden, it is given full cash benefit. If the child has partial day care in kindergarden at 19 hours or less per week, the cash benefit is 50 percent of the full rate.

<sup>1)</sup> Applicable only to single parents receiving transitional benefit.

<sup>2)</sup> From 1st April 2014.

<sup>3)</sup> From 1st August 2014.

Source: Ministry of Finance .

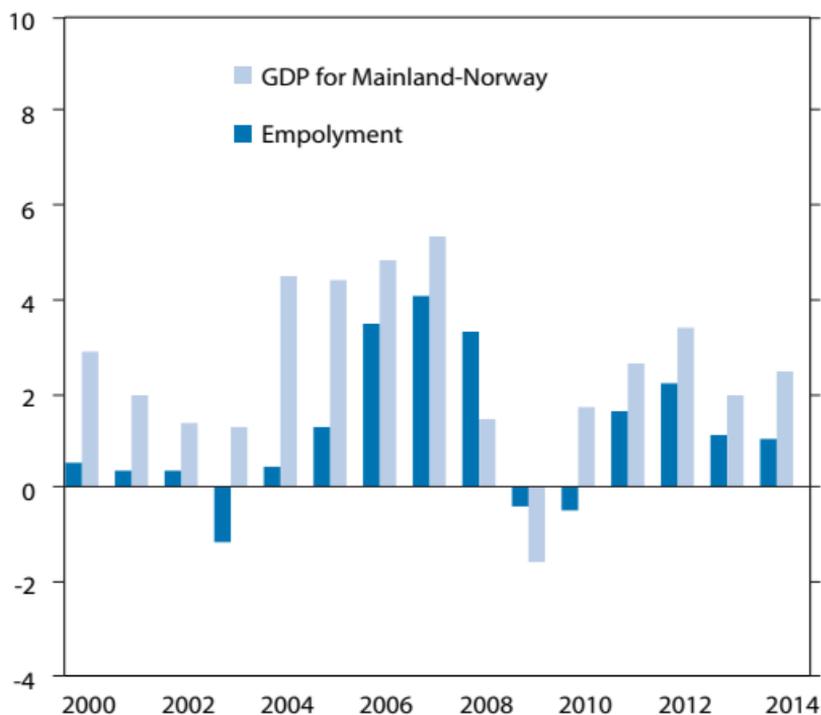
## Fiscal Budget revenue and expenditure 2013, excluding borrowing and lending transactions (NOK billion)

<b>Fiscal Budget Revenue (excl. petroleum)</b>	<b>948,9</b>
Sum direct and indirect taxes from Mainland Norway	893.0
Taxes on wealth and income	249.3
Employer's and employee's social security contributions	287.8
Value added tax	251.0
Excise duties on tobacco and alcohol	19.5
Excise duties on cars, petrol, etc.	50.7
Excise duties on electricity	7.9
Customs revenue	3.1
Other indirect taxes	23.7
Revenue from government business operations	1.9
Interest and dividends	27.9
Other revenue	26.1
<b>Fiscal Budget expenditure (excl. petroleum)</b>	<b>1 086.4</b>
Retirement pension	176.0
Sickness allowance	38.2
Other social security payouts (social causes)	113.2
Disability and medical rehabilitation	26.6
Maternity, paternity and adoption pay	18.6
Unemployment benefit and payments relating to occupational rehabilitation	11.7
Regional health enterprises (hospitals)	118.6
General grants to local governments	151.0
Higher education and tertiary vocational education	30.7
Defence	43.0
Transportation (including operation and maintenance of classified roads)	49.1
Foreign aid (ODA approved)*	30.6
Child benefits	15.1
Agricultural Agreement	14.4
Police and public prosecution	14.8
Interest on government debt	10.7
Other expenditure	224.1
Petroleum adjusted surplus	-137.5
Government net cash flow from petroleum sector	314.1

\* In addition, there are 0.9 billion NOK to Norfund primary capital that count as official development aid

## GDP for Mainland-Norway and employment Change from previous year

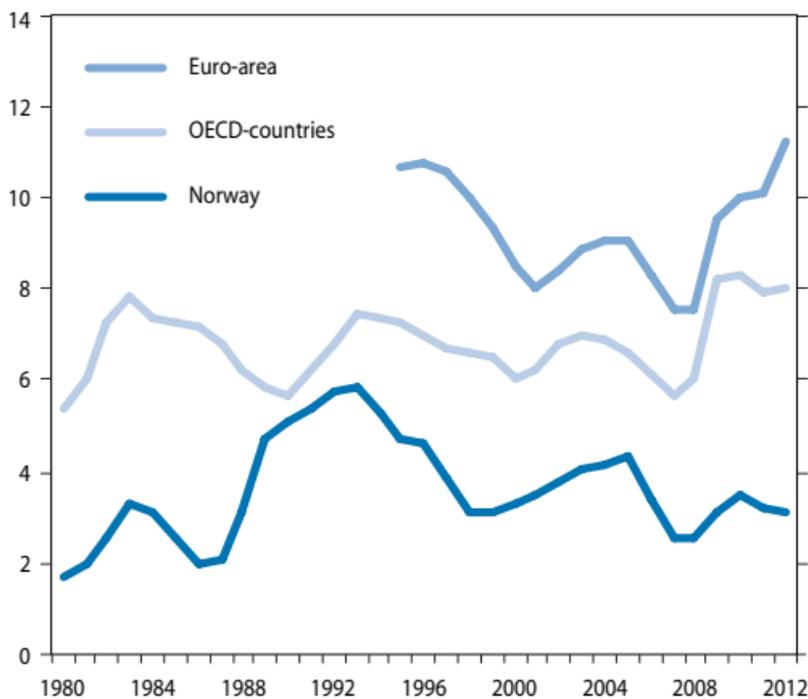
Per cent



Sources: Statistics Norway and Ministry of Finance

## Unemployment. 1980-2012

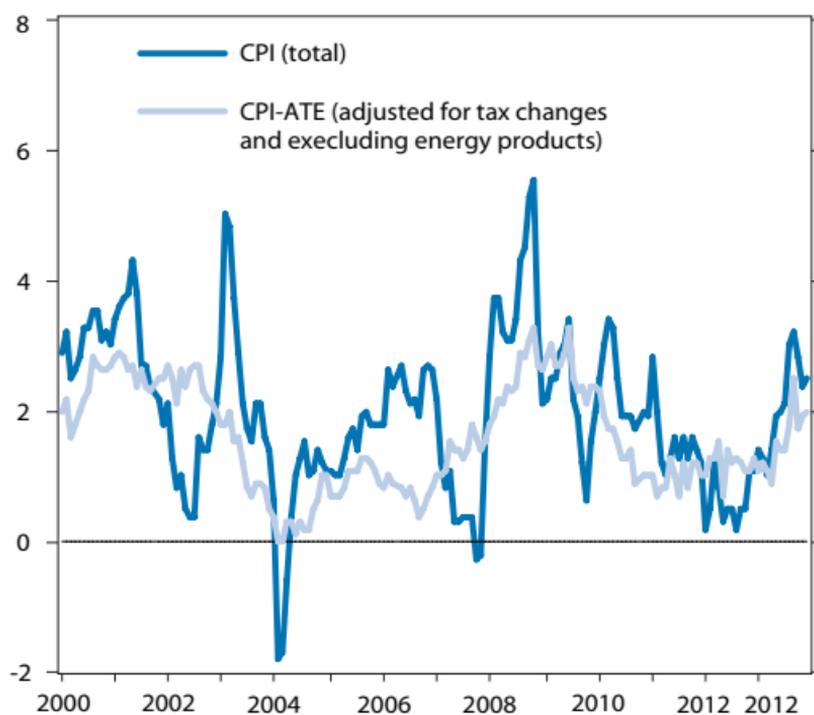
Per cent of labour force



Sources: OECD, Statistics Norway and Ministry of Finance

## Consumer prices. Jan. 2000-Nov. 2013

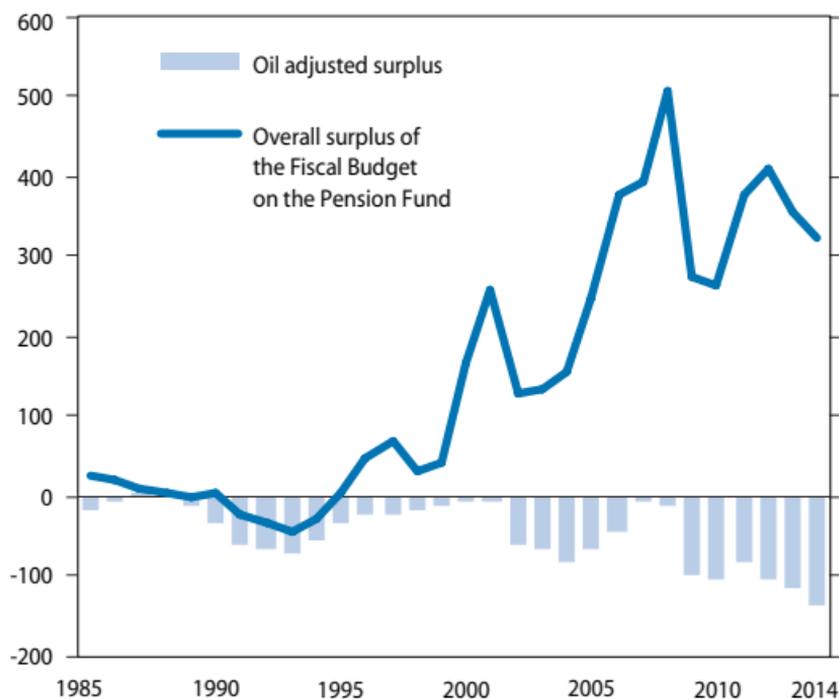
Change from previous year. Per cent



Source: Statistics Norway

## Oil adjusted Fiscal Budget surplus and overall Surplus of the Fiscal Budget and the Pension Fund

Billion NOK



Source: Ministry of Finance

# Expenditure and revenue for the fiscal year 2014

## Expenditure

	Total expenditure
Royal House	201 133
Government	328 600
Parliament	1 767 700
Supreme Court	93 158
Ministry of Foreign Affairs	35 618 165
Ministry of Education and Research	47 340 442
Ministry of Culture	12 243 247
Ministry of Justice and Public Security	33 207 806
Ministry of Local Gov't and Modernisation	171 223 796
Ministry of Labour and Social Inclusion	52 554 800
Ministry of Health and Care Services	130 987 993
Ministry of Children, Equality and Social Incl.	35 139 499
Ministry of Trade, Industry and Fisheries	9 528 551
Ministry of Agriculture and Food	17 420 009
Ministry of Transport and Communications	69 639 077
Ministry of Climate and Environment	8 202 389
Ministry of Finance	41 092 311
Ministry of Defence	43 029 086
Ministry of Petroleum and Energy	14 357 604
Various expenditure	10 800 000
State banks	116 555 763
Government petroleum activities	30 002 000
Government business operations	1 471 205
National Insurance Scheme	384 231 920
Government Pension Fund Global	314 129 000
<b>Total expenditure</b>	<b>1 581 165 254</b>

1. Revenue (ex repayments and transfers from the Government Pension Fund Global)
2. Expenditure (ex lending, debt instalments)
Operation expenditure
New construction
Transfers to others
Transfers to the Government Pension Fund
3. Surplus before borrowing and lending transactions before transfer from the Government Pension Fund Global (1-2)
4. Transfers from the Government Pension Fund Global
5. Surplus before borrowing and lending transactions (3+4)

**(1000 NOK)**

Operation expenditure	New construction	Transfers to others	Lending and borrowing transactions
19 153	-	181 980	-
328 600	-	-	-
1 411 400	176 900	179 400	-
93 158	-	-	-
5 742 818	230 187	28 722 300	922 860
3 669 201	75 117	43 596 124	-
3 005 116	35 647	9 202 484	-
28 043 562	1 740 942	3 423 302	-
4 726 872	1 251 710	165 245 214	-
22 215 010	954 960	10 984 830	18 400 000
4 717 268	18 859	126 249 366	2 500
7 336 049	60 304	27 743 146	-
3 695 741	362 000	5 470 810	-
1 594 439	10 215	15 815 355	-
18 750 017	23 198 480	7 690 580	20 000 000
2 455 920	618 950	5 127 519	-
8 629 911	228 200	32 234 200	-
31 516 164	10 859 593	653 329	-
1 393 804	10 000	4 703 800	8 250 000
10 800 000	-	-	-
682 691	118 320	12 693 817	103 060 935
2 000	30 000 000	-	-
-546 949	2 018 154	-	-
-	-	384 231 920	-
-	-	314 129 000	-
<b>160 281 945</b>	<b>71 968 538</b>	<b>1 198 278 476</b>	<b>150 636 295</b>

	Fiscal Budget ex the National Insurance Scheme	National Insurance Scheme	Fiscal Budget incl. the National Insurance Scheme
	1 003 218 371	289 808 290	1 293 026 661
	1 046 297 039	384 231 920	1 430 528 959
	160 281 945	-	160 281 945
	71 968 538	-	71 968 538
	499 917 556	384 231 920	884 149 476
	314 129 000	-	314 129 000
	-43 078 668	-94 423 630	-137 502 298
	137 502 298	-	137 502 298
	94 423 630	-94 423 630	-

## Revenue

	Total revenue
Taxes on wealth and income	249 291 200
Employer's and employee's social security contributions	287 800 000
Customs revenue	3 095 000
Value added tax	250 953 000
Excise duties on alcohol	12 540 000
Excise duties on tobacco	7 000 000
Excise duties on cars	33 472 000
Other excise duties	48 843 730
<b>Total taxes and duties</b>	<b>892 994 930</b>
Interests from government business operations	81 825
Other revenue from government business operations	1 815 347
<b>Total revenue from government business operations</b>	<b>1 897 172</b>
Interests from state banks	9 173 962
Interests from cash balance and other	5 918 904
Dividends exclusive Statoil	12 783 655
Interests and dividends (ex Government business operations and Statoil)	27 876 521
Revenue from the ministries	26 127 038
Transfer from Norges Bank	-
Return of assets from The State Bank Insurance Fund	-
<b>Total other revenue</b>	<b>26 127 038</b>
Revenue from government petroleum activities	143 200 000
Taxes and duties on extraction of petroleum	186 510 000
Dividends from Statoil	14 421 000
<b>Total petroleum revenue</b>	<b>344 131 000</b>
Repayments	87 845 922
Government Pension Fund Global	137 502 298
<b>Total revenue</b>	<b>1 518 374 881</b>

Borrowing and lending transactions:
6. Loans, debt instalments, subscription of shares overall
Loans to the state banks
Debt instalments
Other loans, subscription of shares
7. Repayments
8. Loans (net) (6-7)
9. Overall financing requirements – of cash balance and borrowing and lending assets (8-5)

Operation revenue	Revenue related to new construction	Taxes, duties and other transfers	Repayments
-	-	249 291 200	-
-	-	287 800 000	-
-	-	3 095 000	-
-	-	250 953 000	-
-	-	12 540 000	-
-	-	7 000 000	-
-	-	33 472 000	-
-	-	48 843 730	-
-	-	892 994 930	-
-	-	81 825	-
165	1 801 882	13 300	-
165	1 801 882	95 125	-
-	-	9 173 962	-
-	-	5 918 904	-
-	-	12 783 655	-
-	-	27 876 521	-
18 480 543	334 330	7 312 165	-
-	-	-	-
-	-	-	-
18 480 543	334 330	7 312 165	-
115 500 000	22 800 000	4 900 000	-
-	-	186 510 000	-
-	-	14 421 000	-
115 500 000	22 800 000	205 831 000	-
-	-	-	87 845 922
-	-	137 502 298	-
133 980 708	24 936 212	1 271 612 039	87 845 922

	Fiscal Budget ex the National Insurance Scheme	National Insurance Scheme	Fiscal Budget incl. the National Insurance Scheme
	150 636 295	-	150 636 295
	103 060 935	-	103 060 935
	-	-	-
	47 575 360	-	47 575 360
	87 845 922	-	87 845 922
	62 790 373	-	62 790 373
	-31 633 257	94 423 630	62 790 373

## Macroeconomic developments. Percentage change from previous year<sup>1</sup>

	NOK billion <sup>2)</sup>	2012	2013	2014
<i>Private consumption</i>	1 176.6	3.0	2.0	2.4
Public consumption	620.8	1.8	2.6	2.1
<i>Gross fixed capital formation</i>	603.0	8.3	5.1	4.8
Of which:				
Oil activities <sup>3)</sup>	171.8	14.6	9.0	7.5
Mainland business sector	180.8	4.9	1.6	3.7
Residential construction	134.3	7.3	5.0	3.0
Public sector	89.0	-0.4	5.9	4.8
Final demand from Mainland Norway	2 201.3	2.9	2.5	2.6
Exports	1 189.7	1.1	-1.6	3.3
Of which:				
Crude oil and natural gas	610.8	0.7	-5.5	4.2
Traditional goods	310.0	1.7	0.1	2.5
Imports	802.1	2.3	3.2	3.8
Of which:				
Traditional goods	485.6	2.4	2.9	2.9
Gross Domestic Product	2 908.9	2.9	0.8	2.6
Of which: Mainland Norway	2 190.7	3.4	2.0	2.5
Memo:				
Employment, persons	..	2.2	1.1	1.0
Unemployment rate	..	3.2	3.5	3.6
Consumer price index	..	0,8	2,1	1,9
Consumer price index adjusted for tax changes and excluding energy products (CPI-ATE)	..	1.2	1.6	2.0
Wage growth	..	4.0	3½	3½
Crude oil price (NOK per barrel) <sup>4)</sup>		649	639	600
Current account surplus, per cent of GDP)	..	14.3	11.0	10.6
Gross National Income (NOK billion) <sup>4)</sup>	..	2 971	3 027	3 167

<sup>1)</sup> Percentage change is calculated in fixed prices.

<sup>2)</sup> National accounts current prices.

<sup>3)</sup> Excl. services.

<sup>4)</sup> Current prices.

Sources: Statistics Norway and Ministry of Finance.

## Tax rates, allowances and thresholds in 2013 and in 2014

	2013- rules	2014- rules	Change 2013-2014
<b>Tax on ordinary income</b>			
Individuals <sup>1</sup>	28 pct.	27 pct.	-1 percentage point
Enterprises <sup>3</sup>	28 pct.	27 pct.	-1 percentage point
<b>Surtax</b>			
<i>Bracket 1</i>			
Threshold	NOK 509,600	NOK 527,400	3.5 pct.
Rate <sup>3</sup>	9.0 pct.	9.0 pct.	-
<i>Bracket 2</i>			
Threshold	NOK 828,300	NOK 857,300	3.5 pct.
Rate	12.0 pct.	12.0 pct.	-
<b>Employee's social security contribution</b>			
Lower threshold for the payment of employee's social security contribution	NOK 39 600	NOK 39 600	-
Levelling rate	25.0 pct.	25,0 pct.	-
<i>Rate</i>			
Wage income	7.8 pct.	8.2 pct.	0.4 percentage points
Fishing, hunting and childminding <sup>4</sup>	7.8 pct.	8.2 pct.	0.4 percentage points
Income from other self-employment	11.0 pct.	11.4 pct.	0.4 percentage points
Pension income, etc.	4.7 pct.	5.1 pct.	0.4 percentage points
<b>Employers' social security contribution<sup>5</sup></b>			
Zone I	14.1 pct.	14.1 pct.	-
Zone Ia <sup>6</sup>	10.6 pct.	10.6 pct.	-
Zone II	6.4 pct.	6.4 pct.	-
Zone III	5.1 pct.	5.1 pct.	-
Zone IV	7.9 pct.	7.9 pct.	-
Zone IVa	0.0 pct.	0.0 pct.	-
Zone V	0.0 pct.	0.0 pst.	-
<b>Maximum effective marginal tax rates</b>			
Wage income, excl. employers' social security contribution	47.8 pct.	47.2 pct.	-0.6 percentage points
Wage income, incl. employers' social security contribution	54.3 pct.	53.7 pct.	-0.5 percentage points
Pension income <sup>7</sup>	44.7 pct.	44.1 pct.	-0.6 percentage points
Income from self-employment <sup>4</sup>	51.0 pct.	50.4 pct.	-0.6 percentage points
Dividends and distributions <sup>8</sup>	48.2 pct.	46.7 pct.	-1.5 percentage points
<b>Personal allowance</b>			
Class 1	NOK 47.150	NOK 48.800	3.5 pct.
Class 2 <sup>9</sup>	NOK 94.300	NOK 72.000	-23.6 pct.

<sup>1</sup> The rate is 24.5 pct. in 2013 and 23.5 pct. in 2014 for taxpayers in Nord-Troms and Finnmark.

<sup>2</sup> The special tax on petroleum activities and the economic rent tax on hydropower plants are increased by one percentage point from 2014, to 51 and 31 pct., respectively.

<sup>3</sup> The rate is 7 pct. in bracket 1 for taxpayers in Nord-Troms and Finnmark.

<sup>4</sup> Income from self-employment within fishing and hunting, as well as from childminding in own home (children below the age of 12 years or with special care and nursing needs), is subject to a 7.8 pct. social security contribution in 2013 and 8.2 pct. in 2014. A lower social security contribution rate for hunting and fishing has to do with the fact that these sectors pay a product tax intended to, inter alia, make up the difference between the 7.8/8.2 pct. and the 11/11.4 pct. social security contribution rates.

<sup>5</sup> New EEA regulations on regional state aid will enter into effect on 1 July 2014. These may entail adjustments to the system of regionally differentiated employers' social security contributions, cf. Storting decision on contributions, etc., to the National Insurance Scheme for 2014.

<sup>6</sup> In zone Ia, employers' social security contribution shall be paid at a rate of 10.6 pct. until the difference between the employers' social security contribution actually paid by the enterprise and the employers' social security contribution the enterprise would have paid at a rate of 14.1 pct. equals the de minimis state aid threshold. For 2014, the threshold is NOK 450,000 per company. For road transport companies in zone Ia, the threshold is NOK 225,000.

<sup>7</sup> Rounded.

<sup>8</sup> For disability pension recipients, etc., who are subject to the tax limitation rule, the maximum effective marginal tax rate may be up to 55 pct.

<sup>9</sup> Including 28 pct. corporation tax in 2013 and 27 pct. corporation tax in 2014.

	2013- rules	2014- rules	Change 2013-2014
<b>Basic allowance against wage income and benefits</b>			
Rate	40.0 pct.	43.0 pct.	3 percentage points
Lower limit	NOK 4,000	NOK 4,000	-
Upper limit <sup>10</sup>	NOK 81,300	NOK 84,150	3.5 pct.
<b>Basic allowance against pension income</b>			
Rate	26.0 pct.	27.0 pct.	1 percentage point
Lower limit	NOK 4,000	NOK 4,000	-
Upper limit	NOK 68,050	NOK 70,400	3.5 pct.
<b>Special wage income allowance<sup>11</sup></b>	NOK 31,800	NOK 31,800	-
<b>Special disability allowance, etc</b>	NOK 32,000	NOK 32,000	-
<b>Special allowance for sole providers</b>	NOK 47,160	NOK 48,804	3.5 pct.
<b>Special tax credit for pensioners</b>			
Maximum amount	NOK 30,300	NOK 30,000	-1.0 pct.
<i>Downscaling, level 1</i>			
Threshold	NOK 170,750	NOK 175,900	3.0 pct.
Rate	15.3 pct.	15.3 pct.	-
<i>Downscaling, level 2</i>			
Threshold	NOK 259,800	NOK 266,900	2.7 pct.
Rate	6.0 pct.	6.0 pct.	-
<b>The tax limitation rule for disability pension beneficiaries, etc.<sup>12</sup></b>			
Levelling rate	55.0 pct.	55.0 pct.	-
<i>Tax-exempted net income</i>			
Single person	NOK 127,000	NOK 131,400	3.5 pct.
Married person <sup>13</sup>	NOK 116,700	NOK 120,800	3.5 pct.
<i>Net wealth supplement</i>			
Rate	1.5 pct.	1.5 pct.	-
Single person	NOK 200,000	NOK 200,000	-
Married person	NOK 100,000	NOK 100,000	-
<b>Special allowance in Finnmark and Nord-Troms</b>			
Class 1	NOK 15,000	NOK 15,000	-
Class 2	NOK 30,000	NOK 15,000	-50 pct.
<b>Seamen's allowance</b>			
Rate	30.0 pct.	30.0 pct.	-
Upper limit	NOK 80,000	NOK 80,000	-
<b>Fishermen's allowance</b>			
Rate	30.0 pct.	30.0 pct.	-
Upper limit	NOK 150,000	NOK 150,000	-

<sup>10</sup> The sum of the basic allowance against wage income and the basic allowance against pension income shall not exceed the maximum basic allowance against wage income, i.e. NOK 84,150 in 2014.

<sup>11</sup> A taxpayer earning wage income only qualifies for the higher of the basic allowance against wage income and the special wage income allowance.

<sup>12</sup> The tax limitation rule also applies to sole providers, but only if they receive transitional benefit. The tax limitation rule will be abolished for new transitional benefit recipients from 2014.

<sup>13</sup> The tax-exempted net income of married disabled persons who receive a spouse supplement is twice the tax-exempted net income of other married persons, i.e. NOK 241,600 for 2014.

	2013- rules	2014- rules	Change 2013-2014
<b>Special allowance against income from self-employment in agriculture, etc.</b>			
Income-independent allowance	NOK 63,500	NOK 63,500	-
Rate applicable to amounts in excess of the			
income-independent allowance	38.0 pct.	38.0 pct.	-
Maximum overall allowance	NOK 166,400	NOK 166,400	-
<b>Special allowance for high expenses due to illness<sup>14</sup></b>			
Lower limit	NOK 9,180	NOK 9,180	-
<b>Maximum annual allowance for payments to individual pension schemes</b>			
	NOK 15 000	NOK 15 000	-
<b>Allowance for travel between home and work</b>			
Rate per km	NOK 1.50/0.70	NOK 1.50/0.70	-
Lower allowance limit	NOK 13,950	NOK 15,000	7.5 pct.
<b>Maximum allowance for donations to charities</b>			
	NOK 12,000	NOK 16,800	40 pct.
<b>Maximum allowance for paid trade union subscriptions, etc</b>			
	NOK 3,850	NOK 3,850	-
<b>Home investment savings scheme for people below the age of 34 years (BSU)</b>			
Tax deduction rate	20.0 pct.	20.0 pct.	-
Maximum annual savings	NOK 20.000	NOK 25.000	25 pct.
Maximum total savings in the scheme	NOK 150.000	NOK 200.000	33.3 pct.
<b>Parental allowance for documented childminding and childcare expenses</b>			
<i>Upper limit</i>			
One child	NOK 25,000	NOK 25,000	-
Supplement per additional child	NOK 15,000	NOK 15,000	-
<b>Allowance per kilometre of work-related travel using a private vehicle</b>			
Allowance per kilometre			
up to 10,000 km	NOK 4.05	NOK 4.05	-
Allowance per kilometre			
in excess of 10,000 km	NOK 3.40	NOK 3.45	1.5 pct.
<b>Net wealth tax<sup>15</sup></b>			
<i>Local government</i>			
Threshold	NOK 870,000	NOK 1,000,000	15 pct.
Rate	0.7 pct.	0.7 pct.	-
<i>Central government</i>			
Threshold	NOK 870,000	NOK 1,000,000	15 pct.
Rate	0.4 pct.	0.3 pct.	-0.1 percentage point

<sup>14</sup> The special allowance for high expenses due to illness is continued in 2014 with same rules as in 2013.

<sup>15</sup> The thresholds apply to single taxpayers. For married couples who are assessed jointly for joint assets, the thresholds are twice the levels specified in the table.

	2013- rules	2014- rules	Change 2013-2014
<b>Inheritance tax</b>			
Threshold			
Level 1	NOK 470,000	Abolished	Abolished
Level 1	NOK 800,000	Abolished	Abolished
Rates			
Children and parents			
Level 1	6 pct.	Abolished	Abolished
Level 1	10 pct.	Abolished	Abolished
Other beneficiaries			
Level 1	8 pct.	Abolished	Abolished
Level 2	15 pct.	Abolished	Abolished
Discount applicable to shares	40 pct.	Abolished	Abolished
<b>Depreciation rates</b>			
<i>Asset group a</i>			
(office equipment, etc.)	30 pct.	30 pct.	-
<i>Asset group b</i>			
(acquired goodwill)	20 pct.	20 pct.	-
<i>Asset group c</i>			
(heavy goods vehicles, lorries, buses, vans, etc.)	20 pct.	20 pct.	-
<i>Asset group d</i>			
(passenger cars, machinery and equipment, etc.) <sup>16</sup>	20 pct.	20 (30) pct.	-
<i>Asset group e</i>			
(ships, vessels, rigs, etc.)	14 pct.	14 pct.	-
<i>Asset group f</i>			
(aircraft, helicopters)	12 pct.	12 pct.	-
<i>Asset group g</i>			
(facilities for the transmission and distribution of electricity and electrotechnical equipment in power companies)	5 pct.	5 pct.	-
<i>Asset group h</i>			
(buildings and installations, hotels, etc.) <sup>17,18</sup>	4 (6/10) pct.	4 (6/10) pct.	-
<i>Asset group i</i>			
(office buildings)	2 pct.	2 pct.	-
<i>Asset group j</i>			
(technical facilities in office buildings and other commercial buildings)	10 pct.	10 pct.	-
<b>Exemption card</b>			
A person with incomes below the exemption card limit is exempt from paying taxes. The exemption card limit for 2014 is 39 950 NOK. The exemption card limit is based on the lower limit for the payment of social security contributions, which in 2014 is 39 600 NOK. Since tax is not collected if the total tax payable is below 100 NOK, the lower limit for paying tax is 39 950 NOK.			

<sup>16</sup> 10 pct. initial depreciation for operating equipment in asset group d from 2014.

<sup>17</sup> Buildings with a design so simple that their economic life must be assumed not to exceed 20 years can be depreciated at a rate of 10 pct. The 10 pct. rate also applies to installations whose economic life must be assumed not to exceed 20 years.

## Rates of indirect tax in 2013 and 2014

Tax category	2013- rules	2014- rules	Changes in pct.
<b>Value added tax, pct. of sales value<sup>1</sup></b>			
General rate	25	25	-
Reduced rate	15	15	-
Low rate	8	8	-
<b>Tax on alcoholic beverages</b>			
Spirits-based beverages in excess of 0.7 pct. alcohol			
by volume, NOK per pct. alcohol and per litre	6.85	6.98	1.9
Other alcoholic beverages from 4.7 to 22 pct. alcohol			
by volume, NOK per pct. alcohol and per litre	4.46	4.54	1.8
Other alcoholic beverages up to 4.7 pct. alcohol			
by volume, NOK per litre			
a) 0.0 – 0.7 pct. alcohol by volume	-	-	-
b) 0.7 – 2.7 pct. alcohol by volume	3.06	3.12	2.0
c) 2.7 – 3.7 pct. alcohol by volume	11.52	11.74	1.9
d) 3.7 – 4.7 pct. alcohol by volume	19.96	20.34	1.9
<b>Tax on tobacco products</b>			
Cigars, NOK per 100 grams	235	239	1.7
Cigarettes, NOK per 100 units	235	239	1.7
Smoking tobacco, NOK per 100 grams	235	239	1.7
Snuff, NOK per 100 grams	95	97	2.1
Chewing tobacco, NOK per 100 grams	95	97	2.1
Cigarette paper, NOK per 100 units	3.58	3.65	2.0
<b>Motor vehicle registration tax</b>			
<i>Passenger cars, etc. Tax group a<sup>2</sup></i>			
Weight, NOK per kg			
first 1,150 kg	37.59	38.30	1.9
next 250 kg	81.94	83.50	1.9
next 100 kg	163.90	167.01	1.9
remainder	190.61	194.23	1.9
Engine power, NOK per kW			
first 70 kW (65 kW in 2013)	0	0	-
next 30 kW (25 kW in 2013)	275.00	240.00	-12.7
next 40 kW	790.00	695.00	-12.0
remainder	1 960.00	1 720.00	-12.2
NO <sub>x</sub> emissions, NOK per mg/km	35.00	46.14	31.8
CO <sub>2</sub> emissions, NOK per g/km			
first 105 g/km (110 g/km in 2013)	0	0	-
next 15 g/km	764.00	779.00	2.0
next 40 g/km	770.00	785.00	1.9
next 70 g/km	1 796.00	1 830.00	1.9
remainder	2 883.00	2 938.00	1.9

<sup>1</sup> Changes to value added tax rates are specified in percentage points.

<sup>2</sup> Group a: Passenger cars, class 1 vans and buses shorter than 6 metres with up to 17 seats. Piston displacement is used as the tax component for vehicles whose CO<sub>2</sub> emissions are not specified.

Tax category	2013- rules	2014- rules	Changes in pct.
allowance for emissions below 105 g/km (110 g/km in 2013), applicable down to 50 g/km and only to vehicles emitting less than 105 g/km (110 g/km in 2013)	814.00	829.00	1.8
allowance for emissions below 50 g/km, only applicable to vehicles emitting less than 50 g/km	966.00	984.00	1.9
<i>Vans class 2. Tax group b.<sup>3</sup></i>			
weight, pct. of passenger car tax	22	22	-
engine power, pct. of passenger car tax	22	22	-
NO <sub>x</sub> emissions, pct. of passenger car tax	25	30	5
CO <sub>2</sub> emissions, pct. of passenger car tax	25	30	5
<i>Camper vans. Tax group c.<sup>4</sup></i>			
pct. of passenger car tax	22	22	-
<i>Weasels. Tax group e,</i>			
pct. of value tax base	36	36	-
<i>Motorbikes. Tax group f,</i>			
tax per unit, NOK	10 837	11 043	1.9
Engine power tax, NOK per kW			
first 11 kW	0	0	-
remainder	482.28	491.44	1.9
Piston displacement tax, NOK per cm <sup>3</sup>			
first 125 cm <sup>3</sup>	0	0	-
next 775 cm <sup>3</sup>	37.22	37.93	1.9
remainder	81.62	83.17	1.9
<i>Snowmobiles. Tax group g</i>			
Weight, NOK per kg			
first 100 kg	15.27	15.56	1.9
next 100 kg	30.55	31.13	1.9
remainder	61.07	62.23	1.9
Engine power, NOK per kW			
first 20 kW	40.74	41.51	1.9
next 20 kW	81.44	82.99	1.9
remainder	162.87	165.96	1.9
Piston displacement, NOK per cm <sup>3</sup>			
first 200 cm <sup>3</sup>	3.19	3.25	1.9
next 200 cm <sup>3</sup>	6.37	6.49	1.9
remainder	12.73	12.97	1.9
<i>Taxis. Tax group h.<sup>5</sup></i>			
weight, pct. of passenger car tax	40	40	-
engine power, pct. of passenger car tax	40	40	-
NO <sub>x</sub> emissions, pct. of passenger car tax	100	100	-
CO <sub>2</sub> emissions, pct. of passenger car tax	100	100	-
<i>Vintage cars. Tax group i,</i>			
tax per unit, NOK	3 569	3 637	1.9
<i>Minibuses. Tax group j.<sup>6</sup></i>			
pct. of passenger car tax	40	40	-

<sup>3</sup> Group b: Class 2 vans. Change specified in percentage points. The highest level of the CO<sub>2</sub> component does not apply to group b, and the second-highest level will remain at 25 pct. of the tax on passenger cars in 2014 as well.

<sup>4</sup> Group c: Camper vans. Change specified in percentage points. No NO<sub>x</sub> component applicable.

<sup>5</sup> Group h: Taxis and vehicles for disabled persons. Change specified in percentage points. The two highest levels of the CO<sub>2</sub> component do not apply to group h in 2014.

<sup>6</sup> Group j: Buses shorter than 6 metres with up to 17 seats, of which at least 10 are forward-facing. Change specified in percentage points. The highest level of the CO<sub>2</sub> component does not apply to group j. No NO<sub>x</sub> component applicable.

Tax category	2013- rules	2014- rules	Changes in pct.
<b>Annual motor vehicle tax, NOK per year</b>			
Petrol vehicles and diesel vehicles with a factory-fitted particle filter	2 940	2 995	1.9
Diesel vehicles without a factory-fitted particle filter	3 425	3 490	1.9
Caravans	1 100	1 120	1.8
Motorbikes	1 800	1 835	1.9
Tractors, mopeds, etc.	415	425	2.4
<b>Annual weight-based tax, NOK per year</b>	variable	variable	12.5
<b>Re-registration tax</b>	variable	variable	-10.8
<b>Marine engine tax, NOK per hp</b>	158.50	161.50	1.9
<b>Road usage tax on engine fuel, per litre</b>			
Petrol <sup>7</sup>	4.78	4.87	1.9
Auto diesel <sup>8</sup>	3.75	3.82	1.9
Biodiesel meeting the sustainability criteria	1.87	1.91	2.1
<b>Electricity tax, NOK per kWh</b>			
General rate	11.61	12.39	6.7
Reduced rate	0.45	0.45	-
<b>Base tax on mineral oil, etc.</b>			
Mineral oil, NOK per litre	1.018	1.557	52.9
Mineral oil in the wood-processing industry, production of dyes and pigments, NOK per litre	0.126	0.126	-
<b>Tax on lubricating oil, NOK per litre</b>	1.90	1.94	2.1
<b>CO<sub>2</sub> tax</b>			
Petroleum activities, NOK per litre or Sm <sup>3</sup>	0.96	0.98	2.1
Mineral oil, general rate, NOK per litre	0.61	0.88	44.3
Mineral oil subject to road usage tax, NOK per litre	0.61	0.62	1.6
Mineral oil for domestic aviation covered by the EU ETS, NOK per litre	0.43	0.56	30.2
Mineral oil for other domestic aviation, NOK per litre	0.71	0.84	18.3
Mineral oil for the wood-processing, herring meal and fish meal industries, NOK per litre	0.31	0.31	-
Mineral oil for fishing and catching in inshore waters, NOK per litre	0.13	0.26	100.0
Petrol, NOK per litre	0.91	0.93	2.2
Natural gas, NOK per Sm <sup>3</sup>	0.46	0.66	43.5
LPG, NOK per kg	0.68	0.99	45.6
Reduced rate for natural gas, NOK per Sm <sup>3</sup>	0.05	0.05	-

<sup>7</sup> Petrol with a sulphur content of 10 ppm or lower.

<sup>8</sup> Diesel with a sulphur content of 10 ppm or lower. This rate also applies to biodiesel that does not meet the sustainability criteria.

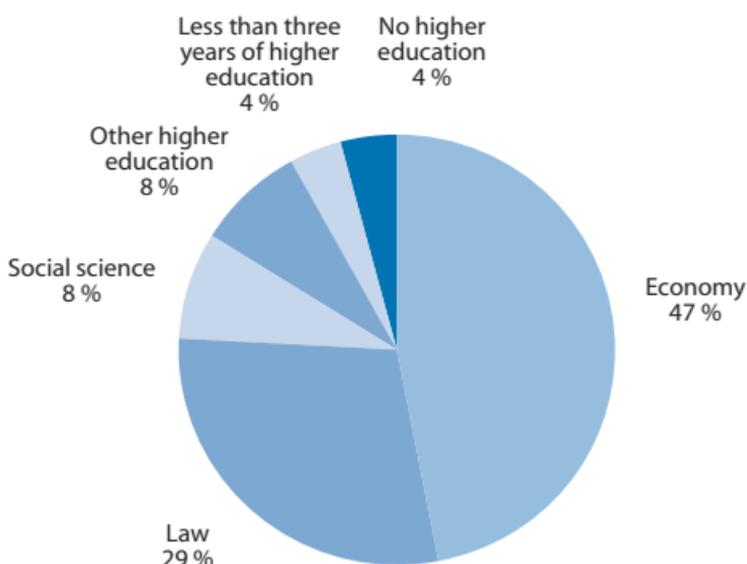
Tax category	2013- rules	2014- rules	Changes in pct.
<b>Sulphur tax</b> , NOK per litre	0.078	0.079	1.3
<b>Tax on NO<sub>x</sub> emissions</b> , NOK per kg	17.01	17.33	1.9
<b>Tax on the final disposal of waste</b> , NOK per tonne			
Tax on biodegradable waste deposited pursuant to an exemption granted by the pollution control authorities			
	479	488	1.9
Tax on the depositing of other waste	289	294	1.7
<b>Tax on trichloroethene (TRI) and tetrachloroethene (PER)</b> , NOK per kg	65.41	66.65	1.9
<b>Tax on hydrofluorocarbons (HFC) and perfluorocarbons (PFC)</b> , NOK per tonne of CO <sub>2</sub> equivalents	229	330	44.1
<b>Tax on chocolate and sugar products, etc.</b> , NOK per kg	18.56	18.91	1.9
<b>Tax on non-alcoholic beverages</b>			
Finished products, NOK per litre	3.06	3.12	2.0
Concentrate (syrup), NOK per litre	18.68	19.03	1.9
<b>Sugar tax</b> , NOK per kg	7.18	7.32	1.9
<b>Tax on beverage packaging</b> , NOK per unit			
Base tax, disposable packaging	1.08	1.10	1.9
Environmental tax			
a) Glass and metals	5.24	5.34	1.9
b) Plastics	3.16	3.22	1.9
c) Cartons and cardboard	1.30	1.32	1.5
<b>Stamp duty</b> , pct. of sales price	2.5	2.5	-



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