Different ways to make use of VAT data for services statistics

Ulla Virtanen
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Data for Services Trade and Development Policies

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- About the VAT data in general

- Different uses in Statistics Finland
  - Turnover statistics
  - Other use cases

Starting point for using Tax data in Statistics Finland

1995
The use of tax authority data began in Structural business statistics (SBS)

1999
The use of VAT data began in short-term business statistics (STS)

Utilising VAT data

Advantages

- Almost full coverage
- Only marginal costs
- No added response burden
- Good quality in general

Challenges

- Not under NSIs control
  - Concepts
  - Reporting units vs. statistical units
  - Timeliness
  - Technical renewals
  - Law reforms
  - Data contents → only those relevant to tax authority

THE FINNISH CASE

The identification of cross-border sales is based on VAT rates. Some problems:

1. Exceptions to general VAT rules
2. VAT registrations abroad
3. The VAT special scheme for the EU (One Stop Shop)

Different uses of the VAT data

Turnover
- Monthly turnover
- Monthly production/volume

Other statistics
- Structural Business Statistics
- International trade in services
- Quarterly National Accounts
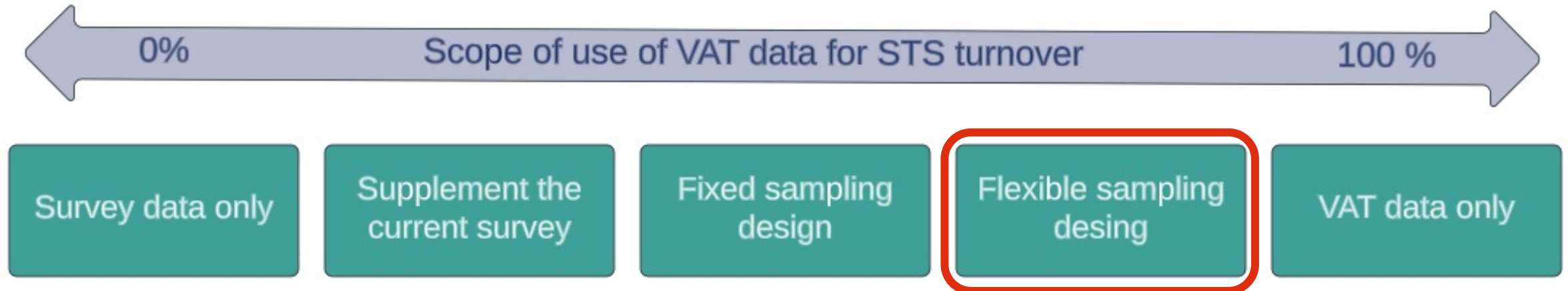
Other use
- Tailored products for customers
- Experimental statistics
- Ad hoc studies

Different uses of the VAT data

Turnover

- Monthly turnover
- Monthly production/volume

- Supplement or replace survey data

Different uses of the VAT data

Turnover

- Monthly turnover
- Monthly production/volume

- Supplement or replace survey data

- Provide aid in survey data validation

- Imputation of missing survey data

- Provide information for updating the survey sample (especially for new businesses)

Nowcasting the VAT data to improve timeliness

- The delay for VAT data in Finland is relatively long (t+51 days).

- Nowcasting is used to improve the timeliness

- Strategy
    - Monthly micro level data
        - turnover (survey)
        - wages and salaries (administrative)
    - Methods: a large set of statistical models and machine learning techniques
    - More info: [Methodological report on creating early estimates of turnover indices](#)

Different uses of the VAT data

Other statistics
- Structural Business Statistics
- International trade in services
- Quarterly National Accounts

- Imputation
  - Business tax data
  - Trade in services data

- Identify international services traders

- Determine grossing-up factors
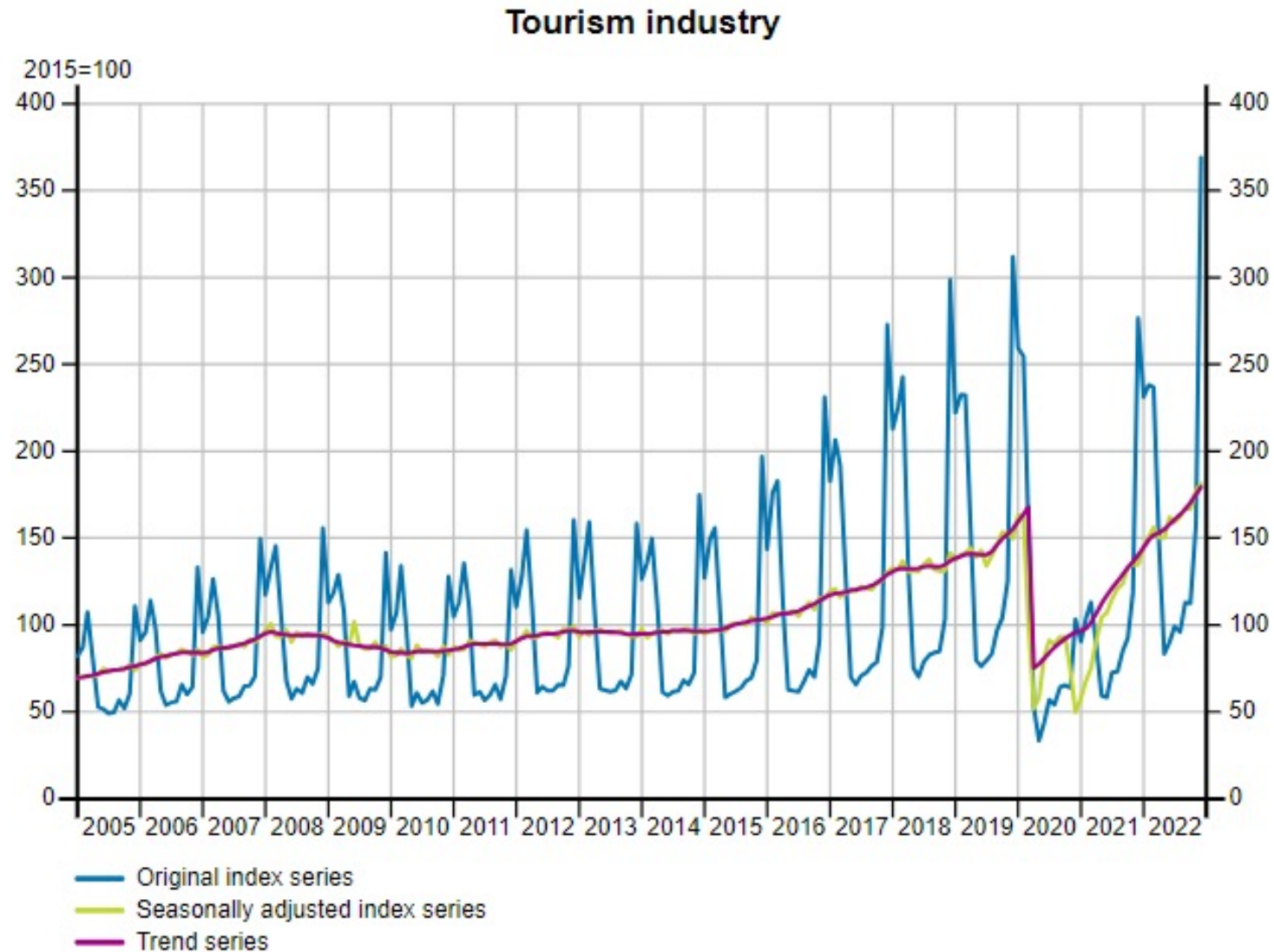
- Determine the activity status for a business

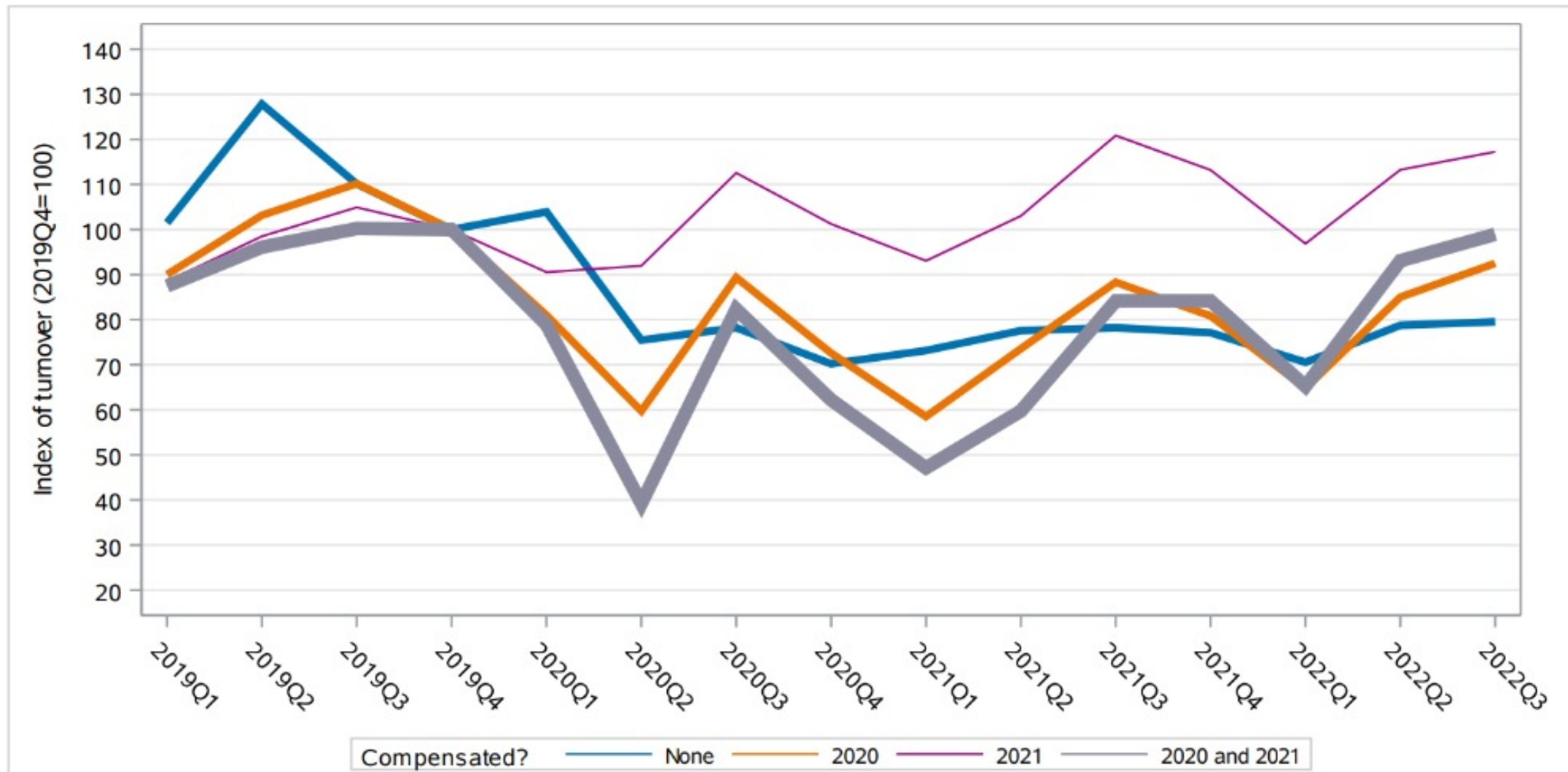# Different uses of the VAT data

Other use

- Tailored products for customers
- Experimental statistics
- Ad hoc studies

- Different categorisation by linking to the National Business Register data on
  - Economic activity or sector
  - Location
  - Enterprise size class
- Linking with other data sets, i.a.
  - Customs data
  - Subsidies data

Regional data: turnover in Lapland

Tourism industry

Enterprises' recovery from the pandemic and the effect of subsidies, food and beverage services (NACE 56)

Turnover of enterprises with Russian trade

- Experimental statistics published 4 times in 2022

- Follow up of turnover of enterprises with Russian trade in 2020

- Enterprises with Russian trade in 2020 have had highest increase of turnover in 2022

Interested in learning more?

Statistics Finland
ulla.virtanen@stat.fi