HELLENIC REPUBLIC
National and Kapodistrian University of Athens
DEPARTMENT OF ECONOMICS

Research Seminar Series in Economic Sciences, 2026 – 2027

Speaker: Yota D. Deli, *Assistant Professor of Economics at University College Dublin (UCD)*

Title: "Taxing What You Cannot See: Hidden Income and Measured Inequality in Greece"
Date & Time: Wednesday, October 7th, 2026, 14:00 – 15:30
Place: Grypario Megaro (Sofokleous 1) | 4th floor | Lecture Hall "Kosmas Psychopedis" (416)
Live streaming of the event: https://uniflix.uoa.gr/events/
URL Ερευνητικά Σεμινάρια 2026-2027

Abstract: We examine how the structure of the income tax affects measured inequality when a large share of income is hidden. Using a stratified administrative sample of 930,054 Greek tax filers for 2019, matched person by person to the social security registers, together with the income tax tabulations the tax authority publishes every year, we: (a) reconcile the three sources, (b) measure hidden income at the intensive and the extensive margin, and (c) decompose the redistribution the income tax delivers into the rate schedule, the personal credit and the presumptive income floor. The reconciliation reproduces the published statistics at every resolution. Aggregates agree within 1 percent, and ratios of observed to published values sit at 0.99 across all 67 published brackets for declared income, taxable income, the personal credit and total tax. The tax computation is reproducible from the statutes and the published tables alone, which carries the distributions and each redistributive step across 2013 to 2023. We find that true income of the self employed is approximately 1.8 times declared income and that 46 percent of business and farm income is not reported. We further find that 74 percent of the self employed registered with social security declare no business profit at all, hiding a further 1.2 to 1.8 billion euro, and that owner managers of incorporated firms spend approximately 3.3 times their declared income, 3.1 times among those reporting no dividend. The first result is in line with existing estimates, while the others are missed by designs that scale up reported income. Turning to inequality, social contributions raise the Gini, the presumptive income floor lowers it by more than the income tax does, and within the income tax the personal credit delivers approximately two thirds of the redistribution and the rate schedule the rest. Top incomes are capital incomes, 61 percent of income at the top 1 percent in 2019 and approximately 85 percent after 2020, taxed at a flat rate, which turns the effective tax rate regressive above 100,000 euro. Our findings suggest that published income statistics misstate inequality and credit the rate schedule with redistribution that the presumptive minimum delivers. The reconciliation also produces a new dataset of Greek income distributions for 2013 to 2023, which can be used by other studies estimating income distributions from grouped tax data.

Organizers: Dimitris Kenourgios, *Professor*
George Dotsis, *Professor*
Frago Kourandi, *Assoc. Professor*

Thank you.
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