



BANCA D'ITALIA  
EUROSISTEMA

# Questioni di Economia e Finanza

(Occasional Papers)

What do Italians think about tax evasion?

by Giovanni D'Alessio

March 2021

Number

607





BANCA D'ITALIA  
EUROSISTEMA

# Questioni di Economia e Finanza

(Occasional Papers)

What do Italians think about tax evasion?

by Giovanni D'Alessio

Number 607 – March 2021

*The series Occasional Papers presents studies and documents on issues pertaining to the institutional tasks of the Bank of Italy and the Eurosystem. The Occasional Papers appear alongside the Working Papers series which are specifically aimed at providing original contributions to economic research.*

*The Occasional Papers include studies conducted within the Bank of Italy, sometimes in cooperation with the Eurosystem or other institutions. The views expressed in the studies are those of the authors and do not involve the responsibility of the institutions to which they belong.*

*The series is available online at [www.bancaditalia.it](http://www.bancaditalia.it).*

ISSN 1972-6627 (print)

ISSN 1972-6643 (online)

*Printed by the Printing and Publishing Division of the Bank of Italy*

# WHAT DO ITALIANS THINK ABOUT TAX EVASION?

by Giovanni D'Alessio\*

## Abstract

The paper shows the opinions on taxes of Italian citizens based on data gathered in four different national surveys between 1992 and 2013. Through a Principal Component Analysis, the study constructs a synthetic indicator of the propensity to evade, examining its intensity across various social groups and its evolution over time. The results show that the propensity to evade taxes is greater among households whose heads have low levels of education and income, are elderly and are resident in the South. Over time, the propensity to evade taxes has been growing on average, especially in the North, which has reduced the gap compared with the South, and among young people under 30 years old. The paper also shows a link between the propensity for tax evasion and some indicators of actual evasion, such as the use of cash and the under-reporting behaviour in the Survey of Household Income and Wealth (SHIW) conducted by the Bank of Italy, confirming the association between cultural elements and evasion behaviour.

**JEL Classification:** H26, A13, Z13.

**Keywords:** tax evasion, social norms, social capital.

**DOI:** 10.32057/0.QEF.2021.607

## Index

1. Introduction .....	5
2. The data .....	7
3. Attitude towards tax evasion .....	9
4. A synthetic measure of the propensity to evade .....	12
5. Propensity to evade and actual behaviour .....	15
6. Italy by international standards .....	17
7. Conclusions .....	19
Appendix: statistical tables .....	21
References .....	32

---

\* Bank of Italy, Directorate General for Economics, Statistics and Research.

