

Germany

Table DE.1: Tax Revenue

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
A. Structure by type of tax															
as % of GDP															
Indirect taxes	11.0	11.0	11.4	11.0	11.2	11.1	11.0	10.9	11.0	10.9	10.8	10.8	10.9	25	376.8
VAT	6.8	6.9	7.3	7.0	7.1	7.1	7.0	6.9	7.0	7.0	7.0	7.0	7.1	20	244.1
Taxes and duties on imports excluding VAT	0.7	0.6	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	7	30.3
Taxes on products, except VAT and import duties	2.9	2.8	2.8	2.6	2.6	2.5	2.5	2.5	2.5	2.4	2.3	2.2	2.2	22	76.5
Other taxes on production	0.6	0.6	0.7	0.6	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.8	23	25.9
Direct taxes	12.2	12.5	11.7	11.1	11.5	12.1	12.3	12.3	12.5	12.9	13.1	13.5	13.5	10	464.4
Personal income taxes	8.4	9.0	8.9	8.2	8.2	8.7	9.0	8.9	9.1	9.2	9.4	9.6	9.8	7	336.9
Corporate income taxes	2.8	2.5	1.9	2.0	2.4	2.5	2.4	2.4	2.4	2.7	2.7	2.9	2.7	14	93.6
Other	1.0	1.0	0.9	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	9	33.9
Social contributions	14.7	14.7	15.5	15.2	15.0	15.2	15.2	15.1	15.2	15.4	15.5	15.7	16.0	1	550.2
Employers'	6.3	6.3	6.5	6.5	6.4	6.5	6.5	6.5	6.5	6.5	6.6	6.7	6.9	11	237.7
Households'	8.4	8.4	9.0	8.7	8.6	8.7	8.7	8.7	8.7	8.8	8.9	9.0	9.1	3	312.5
Less: capital transfers⁽¹⁾	:	:	:	:	:	:	:	:	:	:	:	:	:		
Total	37.8	38.1	38.7	37.3	37.7	38.4	38.5	38.3	38.8	39.2	39.4	40.0	40.3	8	1 391.3
B. Structure by level of government															
as % of total taxation															
Central government	30.0	30.1	30.0	30.0	30.5	30.3	30.2	30.0	29.6	28.8	29.0	28.7	28.5	26	396.1
State government⁽²⁾	23.0	23.0	22.0	21.5	21.6	22.0	22.2	22.4	22.6	23.4	23.1	23.3	23.4		326.1
Local government	7.9	8.0	7.4	7.4	7.6	7.8	7.8	7.7	7.9	8.0	8.1	8.1	8.0	12	111.9
Social security funds	38.8	38.4	40.2	40.6	39.8	39.5	39.4	39.5	39.3	39.2	39.3	39.3	39.5	5	550.2
EU institutions	0.4	0.5	0.4	0.4	0.5	0.4	0.4	0.4	0.6	0.6	0.5	0.5	0.5	14	7.1
C. Structure by economic function															
as % of GDP															
Consumption	10.6	10.7	11.2	10.7	10.8	10.7	10.6	10.5	10.4	10.3	10.2	10.2	10.2	23	352.8
Labour	20.6	21.1	21.9	21.0	20.8	21.4	21.6	21.6	21.7	22.0	22.3	22.7	23.2	3	801.7
of which on income from employment	18.0	18.5	19.0	18.3	18.2	18.7	19.0	18.9	19.1	19.3	19.6	20.0	20.4	4	703.2
Paid by employers	6.3	6.3	6.5	6.5	6.4	6.5	6.5	6.5	6.5	6.5	6.6	6.7	6.9	12	237.7
Paid by employees	11.7	12.2	12.5	11.8	11.9	12.3	12.5	12.5	12.6	12.8	13.0	13.3	13.5	2	465.6
Paid by non-employed	2.6	2.6	2.9	2.7	2.6	2.6	2.7	2.6	2.7	2.7	2.7	2.7	2.9	5	98.4
Capital	6.6	6.4	5.6	5.6	6.1	6.3	6.3	6.2	6.6	6.9	6.9	7.1	6.9	15	236.9
Income of corporations	2.8	2.5	1.9	2.0	2.4	2.5	2.4	2.4	2.4	2.7	2.7	2.9	2.7	14	93.6
Income of households	0.7	0.8	0.6	0.4	0.5	0.4	0.5	0.6	0.7	0.7	0.6	0.6	0.7	14	24.1
Income of self-employed	2.1	2.1	2.1	2.1	2.1	2.2	2.3	2.2	2.3	2.3	2.3	2.3	2.1	6	73.1
Stock of capital	1.1	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.3	1.3	1.3	1.3	1.3	16	46.1

Table DE.1: Tax Revenue (continued)

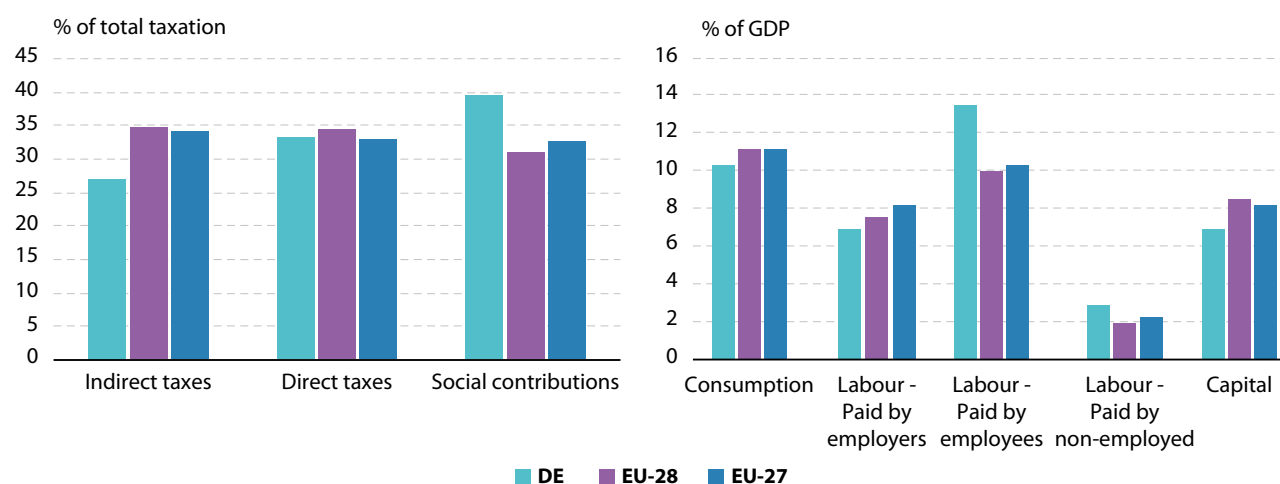
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
D. Environmental taxes															
as % of GDP															
Environmental taxes	2.2	2.2	2.3	2.2	2.2	2.1	2.1	2.0	1.9	1.9	1.8	1.8	1.8	24	61.1
Energy	1.8	1.8	1.9	1.8	1.8	1.8	1.7	1.7	1.6	1.5	1.5	1.5	1.5	23	50.6
of which transport fuel taxes	1.4	1.4	1.4	1.4	1.3	1.3	1.2	1.2	1.2	1.2	1.1	1.1	1.1	22	
Transport	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	17	10.5
Pollution and resources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27	0.0
E. Property taxes															
as % of GDP															
Taxes on property	0.9	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.1	1.1	1.1	1.1	1.2	13	40.7
Recurrent taxes on immovable property	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	18	14.4
Other taxes on property	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.7	0.7	0.7	0.7	0.8	11	26.2
F. Implicit tax rates															
%															
Consumption	16.9	16.9	16.7	16.4	16.7	16.3	16.1	16.1	16.1	15.9	15.8	15.8	15.8	25	
Labour	37.3	37.7	37.1	36.2	36.4	36.6	36.9	36.9	36.9	37.3	37.7	37.9	38.1	10	
G. Payable tax credits															
as % of GDP															
Total payable tax credits	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Tax expenditure component	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Transfer component	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
Total tax revenue adjusted for payable tax credits	:	:	:	:	:	:	:	:	:	:	:	:	:	:	

(¹) Representing taxes assessed but unlikely to be collected.

(²) This level refers to the *Länder* in Austria and Germany, the *gewesten and gemeenschappen / régions et communautés* in Belgium, and the *comunidades autónomas* in Spain.

Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Figure DE.1: Tax revenues by main taxes, 2019
(in % of total taxation (left graph) and in % of GDP (right graph))



Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Table DE.2: Latest tax reforms

Description of measure	Change	Date
Personal income tax: Earned income		
Increase of child benefit by EUR 15 per child per month as of 1 January 2021	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2021
Adjustment for fiscal drag by 1.52% as of 1 January 2021	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2021
Increase of basic personal allowance from EUR 9 408 by EUR 336 to EUR 9 744 as of 1 January 2021	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2021
Tax exemption for employer supplements to short-time compensation, between 1 March and 31 December 2020, on certain conditions	Base decrease	Legislation: 19-06-2020 In force from: 20-06-2020
Tax exemption for bonuses up to EUR 1 500 paid to employees by the employer, between 1 March 2020 and 30 June 2021	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2021
Further increase of basic personal allowance from EUR 9 744 by EUR 240 to EUR 9 984 as of 1 January 2022	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2022
Increase in the gross list price for the tax relief on the private use of a carbon-free company car	N/A	Legislation: 29-06-2020 In force from: 01-07-2020
Adjustment for fiscal drag by 1.17% as of 1 January 2022	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2022
Increase of the maximum amount of the allowance for maintenance payments to legally entitled persons	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2022
Increase of the basic allowance for children from EUR 7 812 by EUR 576 to EUR 8 388 as of 1 January 2021	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2021
Increase of tax reliefs for persons with disabilities and persons in need of nursing care	Base decrease	Legislation: 09-12-2020 In force from: 01-01-2021
Introduction of a home office allowance for the tax years 2020 and 2021 limited to EUR 600 per calendar and business year	Base decrease	Legislation: 21-12-2020 In force from: 29-12-2020
Temporary increase of the single-parent income tax allowance from EUR 1 908 to EUR 4 008 per year in tax years 2020 and 2021 will be converted into a permanent one as of 1 January 2022	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2022
Families with children received a bonus benefit payment of EUR 300 per child in 2020.	N/A	Legislation: 29-06-2020 In force from: 01-07-2020
Increase of the single-parent income tax allowance from EUR 1 908 to EUR 4 008 per year in tax years 2020 and 2021	Base decrease	Legislation: 29-06-2020 In force from: 01-01-2020
Increase of allowances for voluntary service	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2021
Tax exemption for bonuses up to EUR 1 500 paid to employees by the employer, between 1 March 2020 and 31 December 2020	Base decrease	Legislation: 19-06-2020 In force from: 20-06-2020
Increase of the exemption limit for non-cash benefits from EUR 45 to EUR 50 per month	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2022
Tax exemption for employer supplements to short-time compensation, between 1 March 2020 and 31 December 2021, on certain conditions	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2021
Increase of the maximum amount of the allowance for maintenance payments to legally entitled persons	Base decrease	Legislation: 01-12-2020 In force from: 01-01-2021
Personal income tax: Unincorporated businesses/Self employment income		
Tax exemption for bonuses up to EUR 1 500 paid to employees by the employer, between 1 March 2020 and 31 December 2020; diminishes company profits, refers to CIT and trade tax as well.	Base decrease	Legislation: 19-06-2020 In force from: 20-06-2020
Tax exemption for bonuses up to EUR 1 500 paid to employees by the employer, between 1 March 2020 and 30 June 2021; diminishes company profits, refers to CIT and trade tax as well.	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2021
Increase of the factor for the computation of the maximum amount of the trade tax allowance	N/A	Legislation: 29-06-2020 In force from: 01-07-2020
Trade Tax: Increase of the allowance for additions of financing components	N/A	Legislation: 29-06-2020 In force from: 01-07-2020
Tax exemption for employer supplements to short-time compensation, between 1 March and 31 December 2020, on certain conditions; diminishes company profits, refers to CIT and trade tax as well.	Base decrease	Legislation: 19-06-2020 In force from: 20-06-2020
Improving the maximum level of R&D tax support for a fixed period of 6 years.	N/A	Legislation: 29-06-2020 In force from: 01-07-2020

Table DE.2: Latest tax reforms (continued)

Description of measure	Change	Date
Tax exemption for employer supplements to short-time compensation, between 1 March 2020 and 31 December 2021, on certain conditions; diminishes company profits, refers to CIT and trade tax as well.	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2021
Tax options for offsetting losses against the previous year's profits were expanded. Loss carrybacks have been increased to a maximum of EUR 5 million (or EUR 10 million in the case of joint assessments) for 2020 and 2021. In addition, it is possible to apply loss carrybacks to 2019 tax returns.	Base decrease	Legislation: 29-06-2020 In force from: 01-01-2020
Depreciation allowances for movable assets such as machinery have been improved for a fixed period (the 2020 and 2021 tax years).	Base decrease	Legislation: 29-06-2020 In force from: 01-01-2020
Increase of the maximum amount of tax privileged acquisition and production costs for small and medium-sized enterprises (SMEs) and implementation of a unified profit margin for SMEs enjoying rules for tax privileged acquisition and production costs and appreciation rules	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2021
Social security contributions: Employee		
Increase of the supplemental contribution rate on average to statutory health insurance by 0.1 percentage points to 0.65% as of 1 January 2021	Rate increase; base decrease	Legislation: 21-10-2020 In force from: 01-01-2021
Social security contributions: Employer		
Increase of the supplemental contribution rate on average to statutory health insurance by 0.1 percentage points to 0.65% as of 1 January 2021	Rate increase; base decrease	Legislation: 21-10-2020 In force from: 01-01-2021
Corporate income tax		
Increase of the maximum amount of tax privileged acquisition and production costs for small and medium-sized enterprises (SMEs) and implementation of a unified profit margin for SMEs enjoying rules for tax privileged acquisition and production costs and appreciation rules	Base decrease	Legislation: 21-12-2020 In force from: 01-01-2021
Improving the maximum level of R&D tax support for a fixed period of 6 years.	N/A	Legislation: 29-06-2020 In force from: 01-07-2020
Tax options for offsetting losses against the previous year's profits were expanded. Loss carrybacks have been increased to a maximum of EUR 5 million (or EUR 10 million in the case of joint assessments) for 2020 and 2021. In addition, it is possible to apply loss carrybacks to 2019 tax returns.	Base decrease	Legislation: 29-06-2020 In force from: 01-01-2020
Depreciation allowances for movable assets such as machinery have been improved for a fixed period (the 2020 and 2021 tax years).	Base decrease	Legislation: 29-06-2020 In force from: 01-01-2020
Value-added tax		
In case of global deferment of payments of import duties: As of 1 January 2021, the deadline for paying import VAT is deferred from the 16th to the 26th of the following month.	N/A	Legislation: 29-06-2020 In force from: 06-10-2020
VAT was reduced for a six-month period from 1 July to 31 December 2020. The standard VAT rate was cut from 19% to 16%, and the reduced VAT rate was cut from 7% to 5%.	Rate decrease	Legislation: 29-06-2020 In force from: 01-07-2020
Implementation of the second stage of the EU e-commerce VAT package	Base increase	Legislation: 21-12-2020 In force from: 01-07-2021
Reduction of the VAT rate for meals (not drinks) in restaurants from 19 to the reduced rate of 7% from 1st July 2020 to 30th June 2021.	Rate decrease	Legislation: 19-06-2020 In force from: 01-07-2020
Environmentally-related taxes		
CO ₂ -related reform of motor vehicle tax for newly registered vehicles as of 1 January 2021; extended tax exemption for all-electric vehicles	Rate increase; base increase	Legislation: 16-10-2020 In force from: 01-01-2021