

Inheritance and Wealth Tax



Germany

South Korea

Austria

FRESNAIS Léa

KIM Heewon

LANG Arthur

Inheritance and Wealth Tax Germany

Inheritance Tax

- Yes
- Up to 50% for the highest tax class

Wealth Tax

- No since 1997
- Government decided it was unfair because wealth tax on real estate was privileged compared to other goods

Wert des steuerpflichtigen Erwerbs bis einschließlich (in Euro)	Steuerklasse I	Steuerklasse II	Steuerklasse III
75.000	7	15	30
300.000	11	20	30
600.000	15	25	30
6.000.000	19	30	30
13.000.000	23	35	50
26.000.000	27	40	50
darüber	30	43	50

Tax-free	
500.000€	Spouse and life partner
400.000€	Children and Stepchildren
200.000€	Grandchildren
100.000€	Parents and Grandparents
20.000€	Other family members and acquirers
1 property (owner occupied for at least 10 years)	Spouse and life partner (If parent deceased children)

Inheritance Tax in South Korea

Inherited Assets (KRW)	Rate (%)
Under 100m (€ 74 700)	10%
Over 100m ~ 500m (€ 74 700 ~ € 373 530)	20%
Over 500m ~ 1b (€ 373 530 ~ € 747 065)	30%
Over 1b ~ 3b (€ 747 065 ~ € 2 241 197)	40%
Over 3b (€ 2 241 197)	50%

- Another 20% when large shareholder of a business
- There are exemptions but only apply to small companies

Wealth Tax in South Korea

Housing/building + attached land (KRW)	Rate (%)	Land (KRW)	Rate (%)
Under 60m (€ 44 543)	0.1%	Under 50m (€ 37 119)	0.2%
60m ~ 150m (€ 44 543 ~ € 111 359)	60k KRW (€ 44) + 0.15% of the amount over 60m	50m ~ 100m (€ 37 119 ~ € 74 700)	100k KRW + 0.3% of the amount over 50m
150m ~ 300m (€ 111 359 ~ € 222 718)	195k KRW (€ 144) + 0.25% of the amount over 150m	Over 100m (€ 74 700)	250k KRW + 0.5% of the amount over 100m
Over 300m (€ 222 718)	570k KRW (€ 423) + 0.4% of the amount over 300m		

- Wealth: lands, buildings, housings, ships, planes
- Different rates for golf courses, casinos: 4%
- Agricultural land: 0.07%

ESSCAland

- A country in the European continent
- Has an environment where agriculture and fishery can develop with access to sea and cultivable land
- Also operates within the €-zone
- Highly developed infrastructure
- Very good public schools and universities



Inheritance and Wealth Tax in ESSCALand

What is wealth?

- Wealth in ESSCALand is defined as **hosings, land, ships, planes, etc.**

Inheritance Tax

- Tax rate of 10~20% depending on the value
- **Housings:** 1 property to immediate family tax-free, 1 property with lower taxation to other family members
- **Agricultural property, fishing vessels, etc.:** No tax if one of the family member takes on the family business, if they sell it and split it, it is taxed

Wealth Tax

- Tax rate of 0.2% for all items mentioned as "wealth".

Reason/Consequences

- Inheritance Tax:
 - A way to redistribute wealth
 - Agriculture and fishery is important drivers of ESSCAland – No tax to keep family-owned businesses prosper
- Wealth Tax:
 - This tax rate would generate estimated millions of euros, which could be invested into infrastructure, care, etc.
 - There could be tax drift since most of the european countries do not have wealth tax