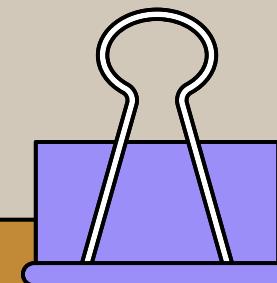


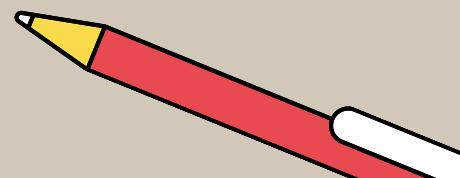
European Economics

March 7, 2023

# THE VALUE ADDED TAX

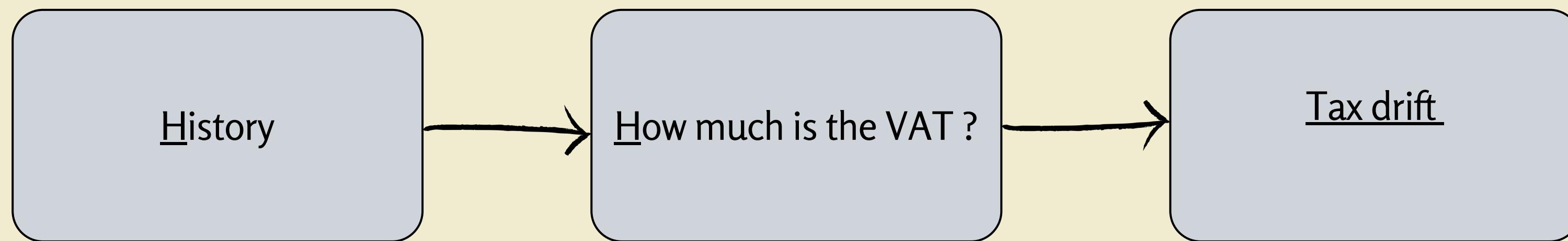


Marine Becquart	
Louna Sauzereau	
Morgana El Tahtawy	
Sacha Mocquard	
Jude Harris	

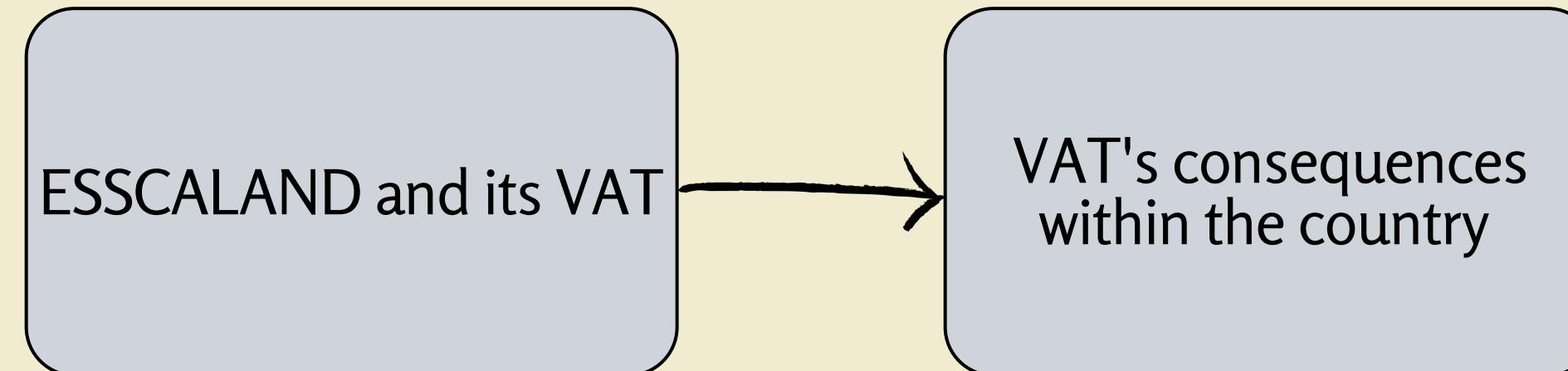


# PLAN

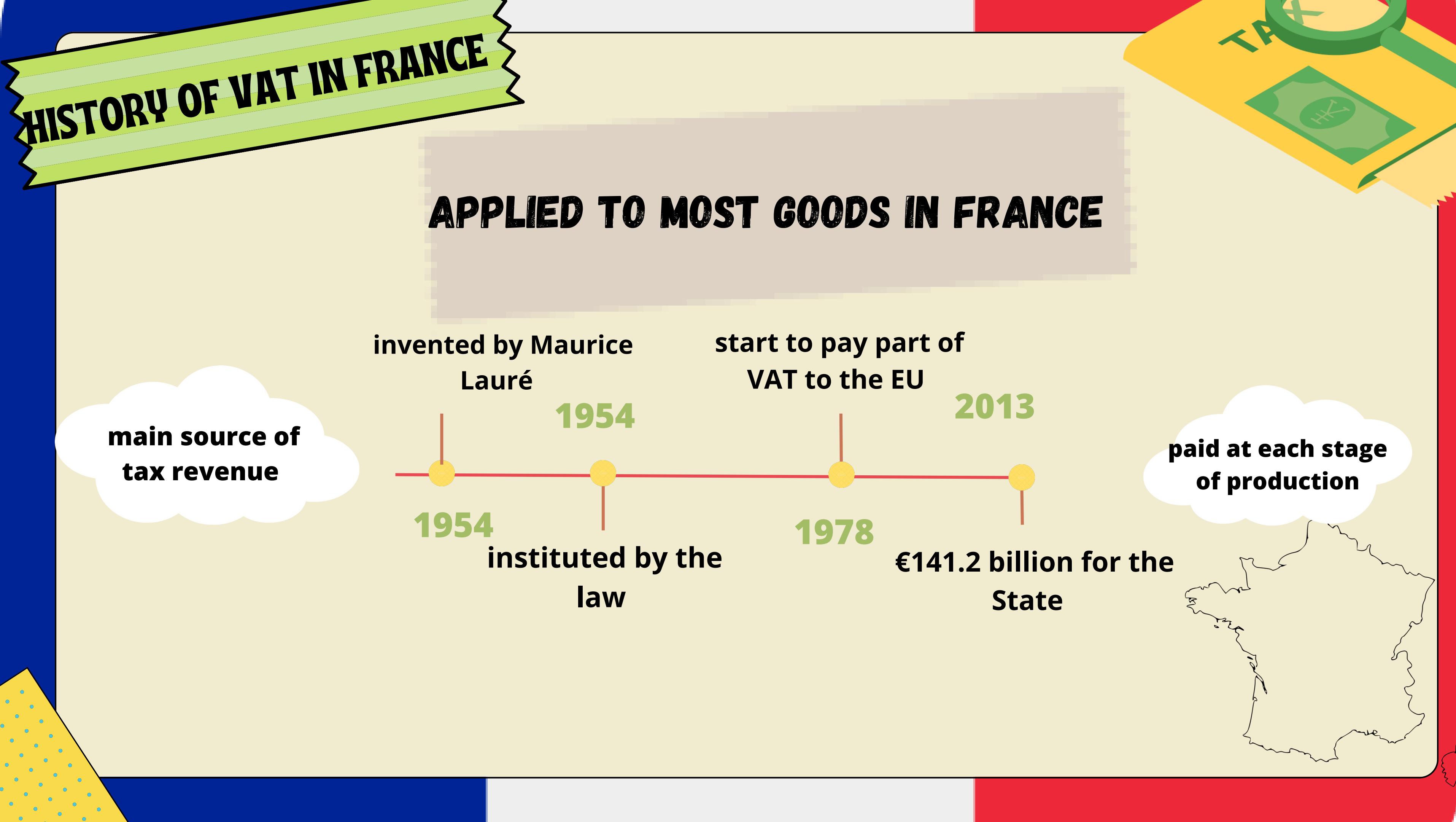
## 1 France



## 2 ESSCALAND



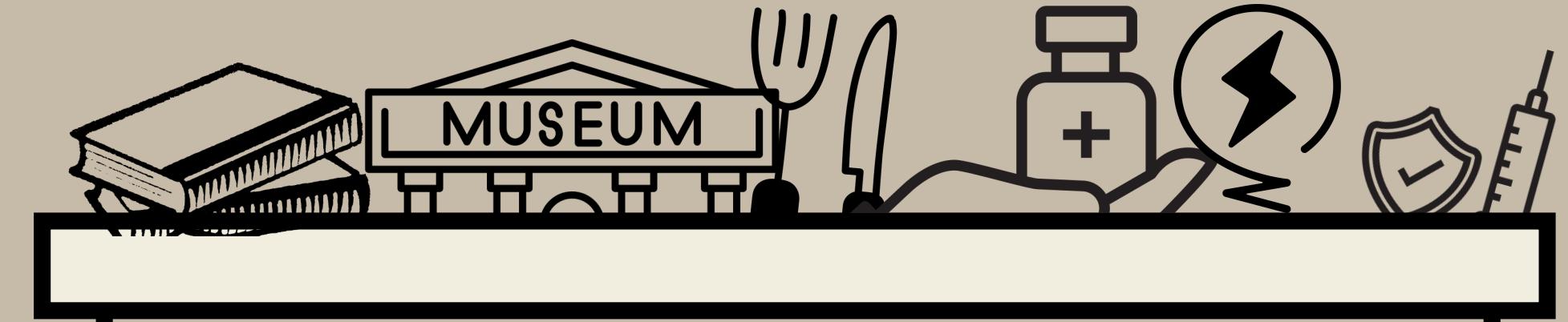
TAX





# How much is the VAT in France ?

**STANDARD RATE OF  
20%**  
Most sales of goods  
and services



## INTERMEDIATE RATE 10%

Restoration  
Food Products  
Unprocessed agricultural products  
museums, zoo, monuments

## REDUCED RATE OF 5.5%

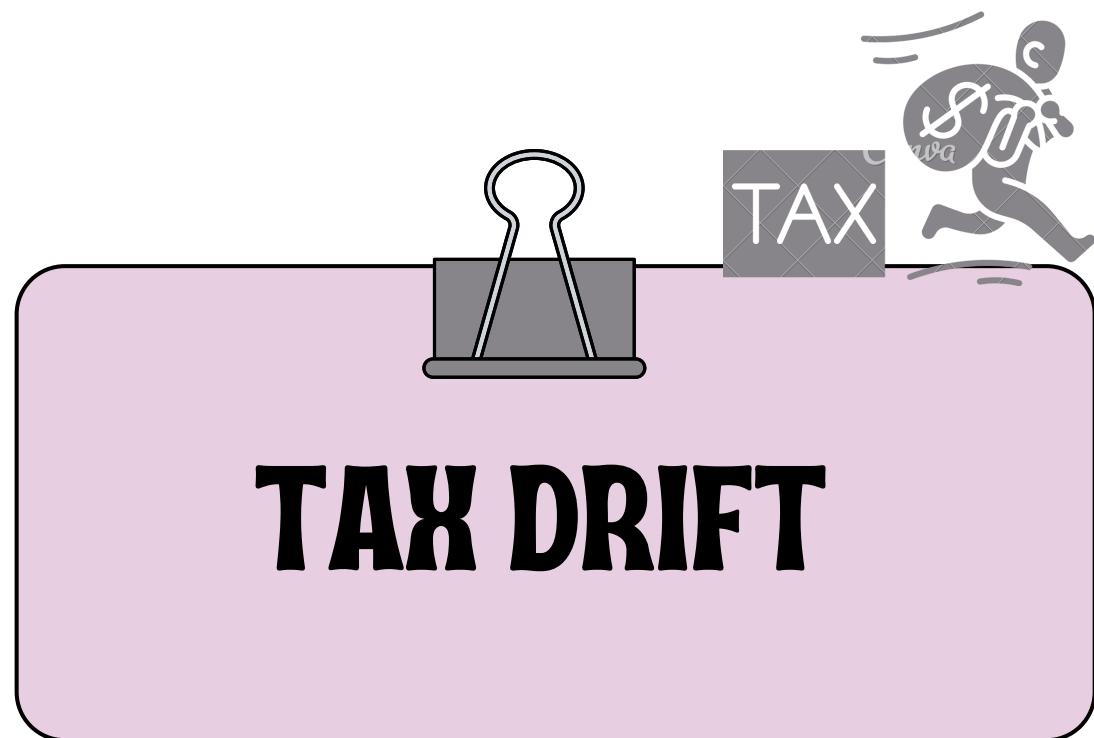
Most food products  
Feminine hygiene products  
Ticketing for live performances and cinema

## SPECIAL RATE 2.1 %

Medicinal  
Charcuterie animals  
TV license fees  
Shows & press publications

## RATE 0%

Vaccines Covid-19  
Screening tests



## TAX DRIFT

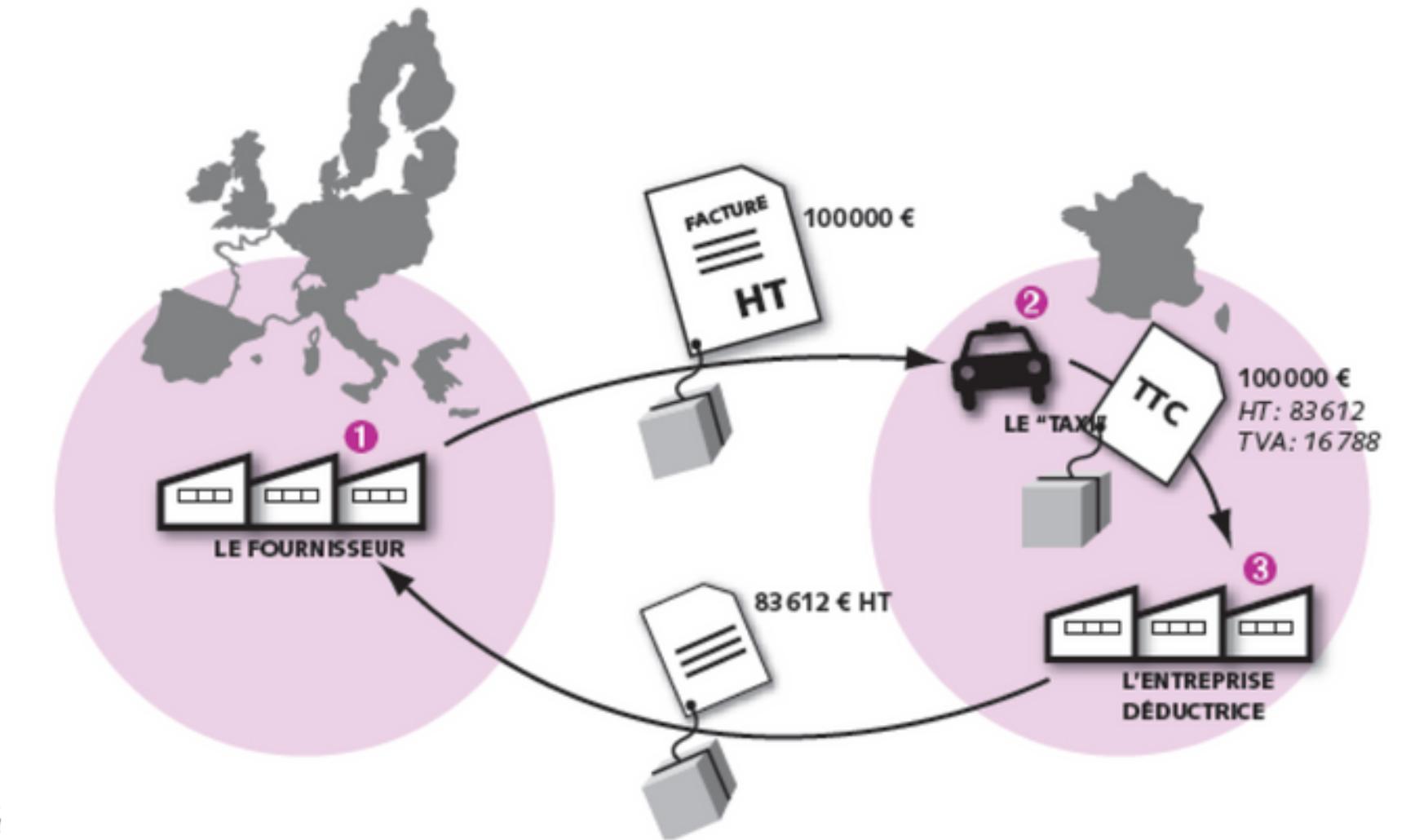
not declaring all sales made

using falsified invoices

TAX FRAUD OF  
20-25 BILLIONS  
EUROS



Schéma simplifié d'un carrousel TVA

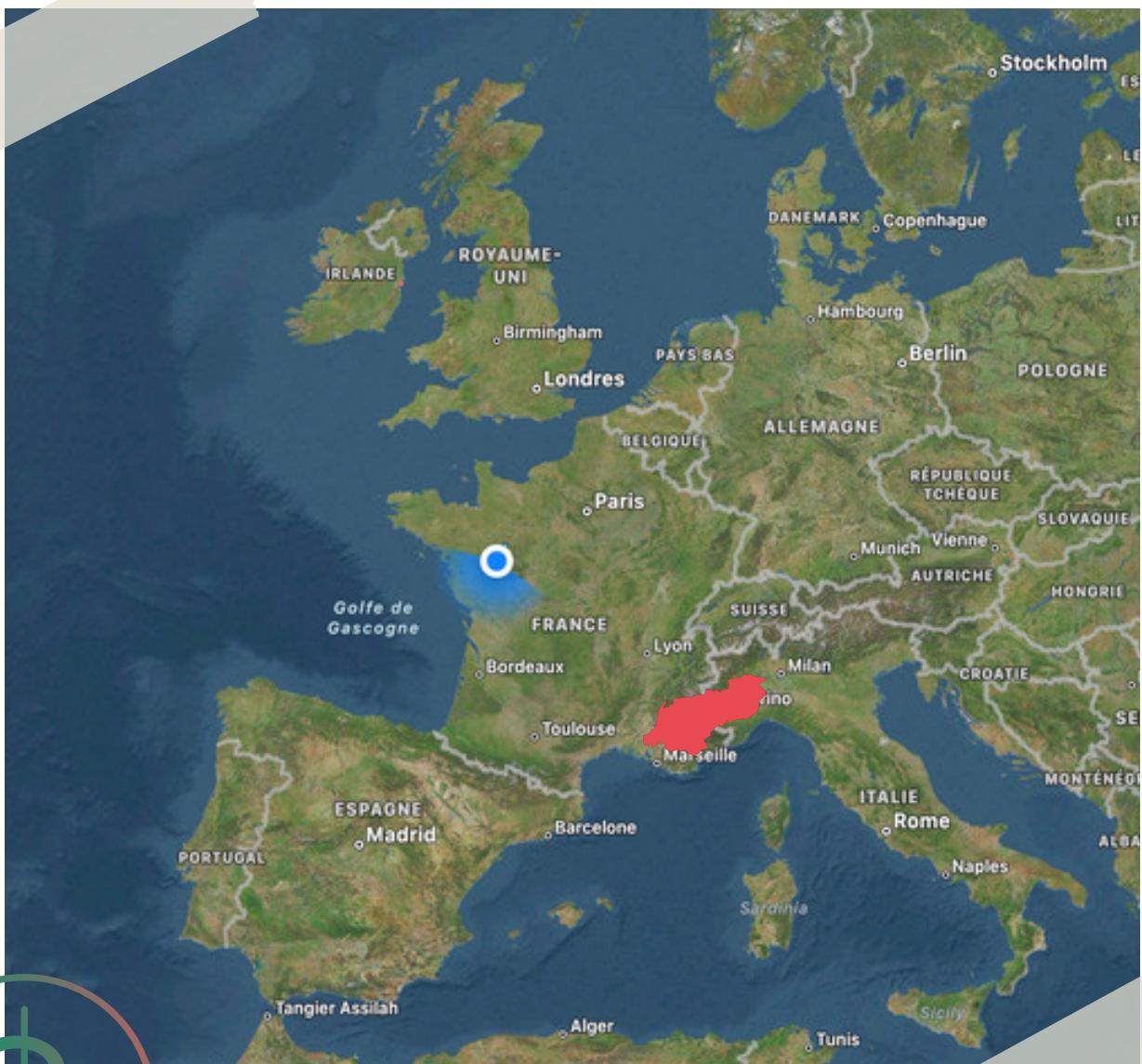


engaging in so-called  
carousel fraud operations



a greener  
country

# ESSCALAND AND ITS VAT

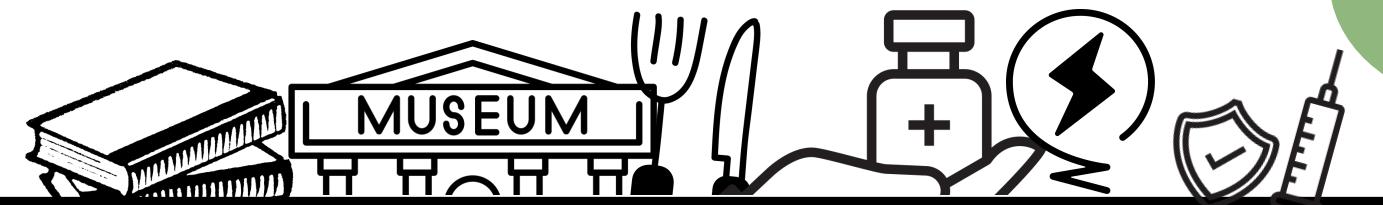


## STANDARD RATE AT 15%

- Majority of goods and services
  - Processed food
  - Oil and gasoline
  - Imported products



Part of the  
Shengen  
area



## REDUCED RATE AT 5%

- Cultural activities and products (cinema, museums, books...)
- Catering
- Public transportation and bicycles
- Heating and electricity
- Clothing
- Housing

## SPECIAL RATE AT 2,5%

- Medical (medicines, sanitary towels...)

## RATE AT 0%

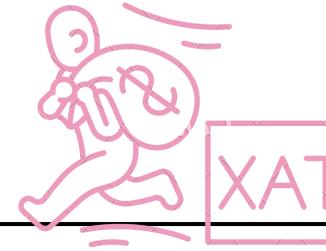
- Basic and local food products
- Heating and electricity from renewable sources
- Ethical, local and eco-friendly products

## SUPER TAX AT 30%

- Luxury goods (i.e. caviar, jewellery, works of art...)
- Highly polluting non-essential goods (i.e. yachts, private jets...)



# ECONOMIC CONSEQUENCES



increase of tax drift from neighboring countries

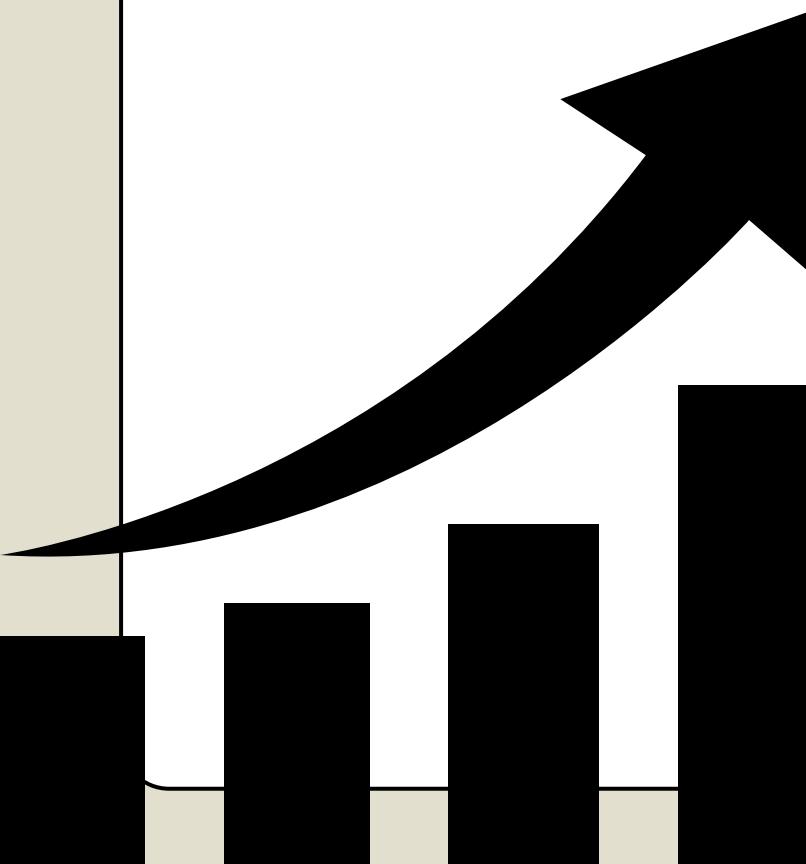
increase of purchasing power

increase of local and national products consumption

decrease of  
importation

decrease of tax drift from ESSCALAND inhabitants

## BOOST OF THE ECONOMY



# POLITICAL CONSEQUENCES



impact on the budget management

use of other policies

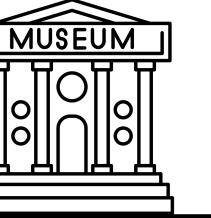
increase of other taxes : tobacco, alcohol, income tax...



## RESTRUCTURING THE TAX REVENUE FOR THE STATE



# SOCIAL CONSEQUENCES

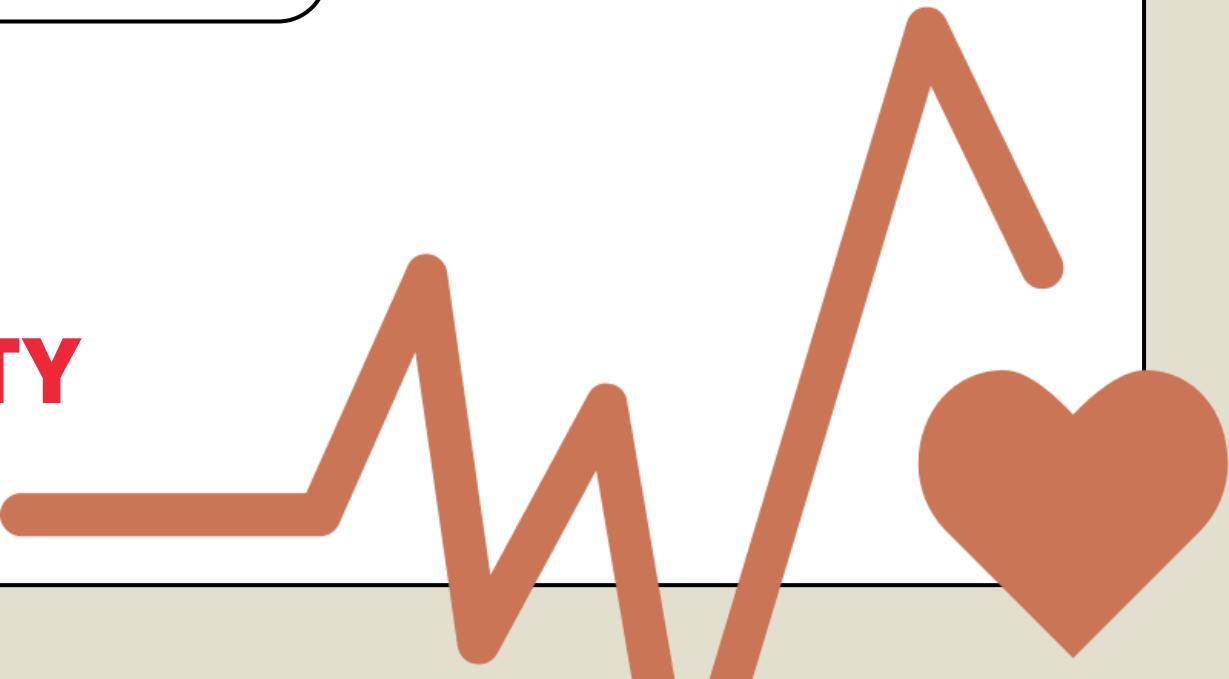
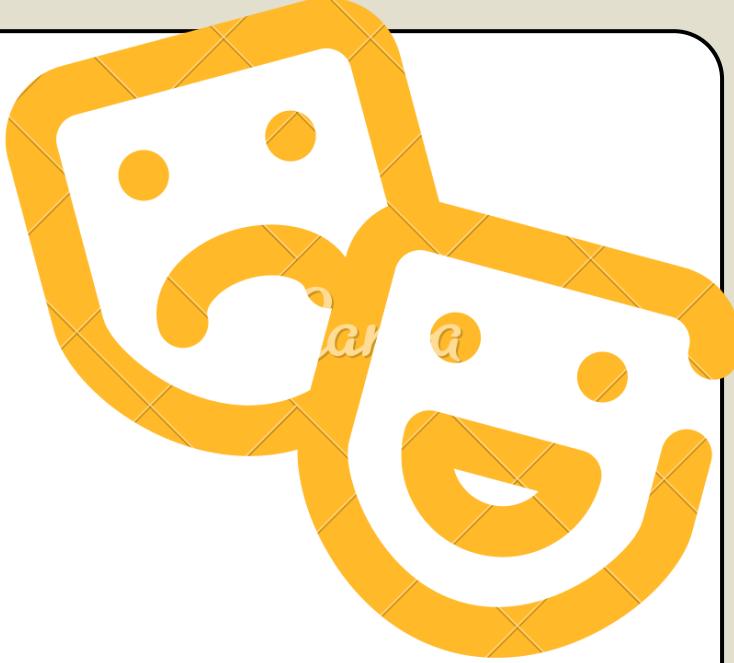


easy access to culture

higher equality of opportunities

health & living conditions improvement

**DEEPER COHESION IN THE SOCIETY**



# ENVIRONMENTAL CONSEQUENCES

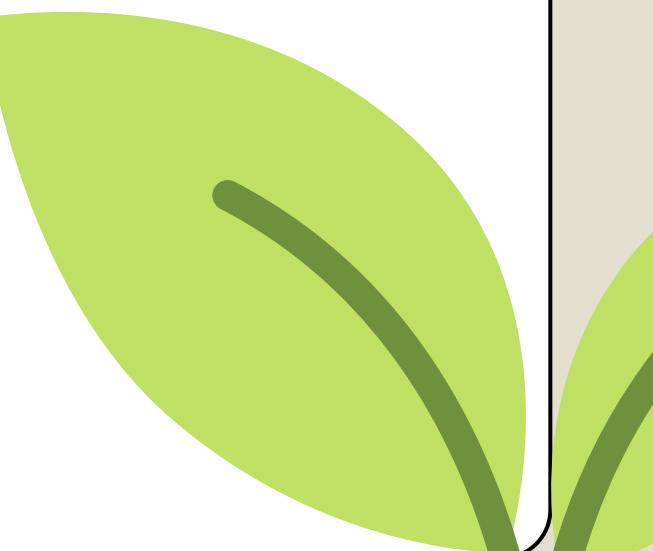


increase of eco-responsible consumption



decrease of greenhouse gas emisisions

**GREENER AND MORE ECO-RESPONSIBLE COUNTRY**



THANK YOU!

# Resources

[https://fr.m.wikipedia.org/wiki/Taxe\\_sur\\_la\\_valeur\\_ajout%C3%A9e\\_en\\_France](https://fr.m.wikipedia.org/wiki/Taxe_sur_la_valeur_ajout%C3%A9e_en_France)

<https://www.economie.gouv.fr/cedef/taux-tva-france-et-union-europeenne>

<https://france.attac.org/se-mobiliser/les-inegalites-un-choix-politique/article/20-a-25-milliards-d-euros-de-perte-de-tva-l-insee-conforte-un-peu-plus-une>

<https://eclear.com/knowledge/eu-vat-rates/france/>

<https://bpifrance-creation.fr/encyclopedie/fiscalite-lentreprise/tva/tva-echanges-biens-lunion-europeenne-pays-tiers>

<https://www.vie-publique.fr/en-bref/288198-baisse-de-tva-des-effets-limites-sur-le-pouvoir-da-chat>

<https://defense-du-consommateur.ooreka.fr/astuce/voir/536647/fraude-a-la-tva>

<https://www.l-expert-comptable.com/a/532043-quoi-sert-la-tva-comprendre-cet-impot.html> [https://europa.eu/youreurope/business/taxation/vat/vat-rules-rates/indexamp\\_fr.htm](https://europa.eu/youreurope/business/taxation/vat/vat-rules-rates/indexamp_fr.htm)

<https://www.touteurope.eu/economie-et-social/les-taux-de-tva-dans-l-ue/>

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<https://www.sciencedirect.com/science/article/abs/pii/S0304387809000133>

<https://www.vie-publique.fr/en-bref/288198-baisse-de-tva-des-effets-limites-sur-le-pouvoir-da-chat>

<https://www.ccomptes.fr/sites/default/files/EzPublish/20151216-rapport-Boutchenik-effets-redistributifs-de-la-TVA-.pdf>

[https://www.europarl.europa.eu/workingpapers/econ/pdf/103\\_en.pdf](https://www.europarl.europa.eu/workingpapers/econ/pdf/103_en.pdf)

<https://www.elibrary.imf.org/display/book/9781557751843/ch001.xml>