



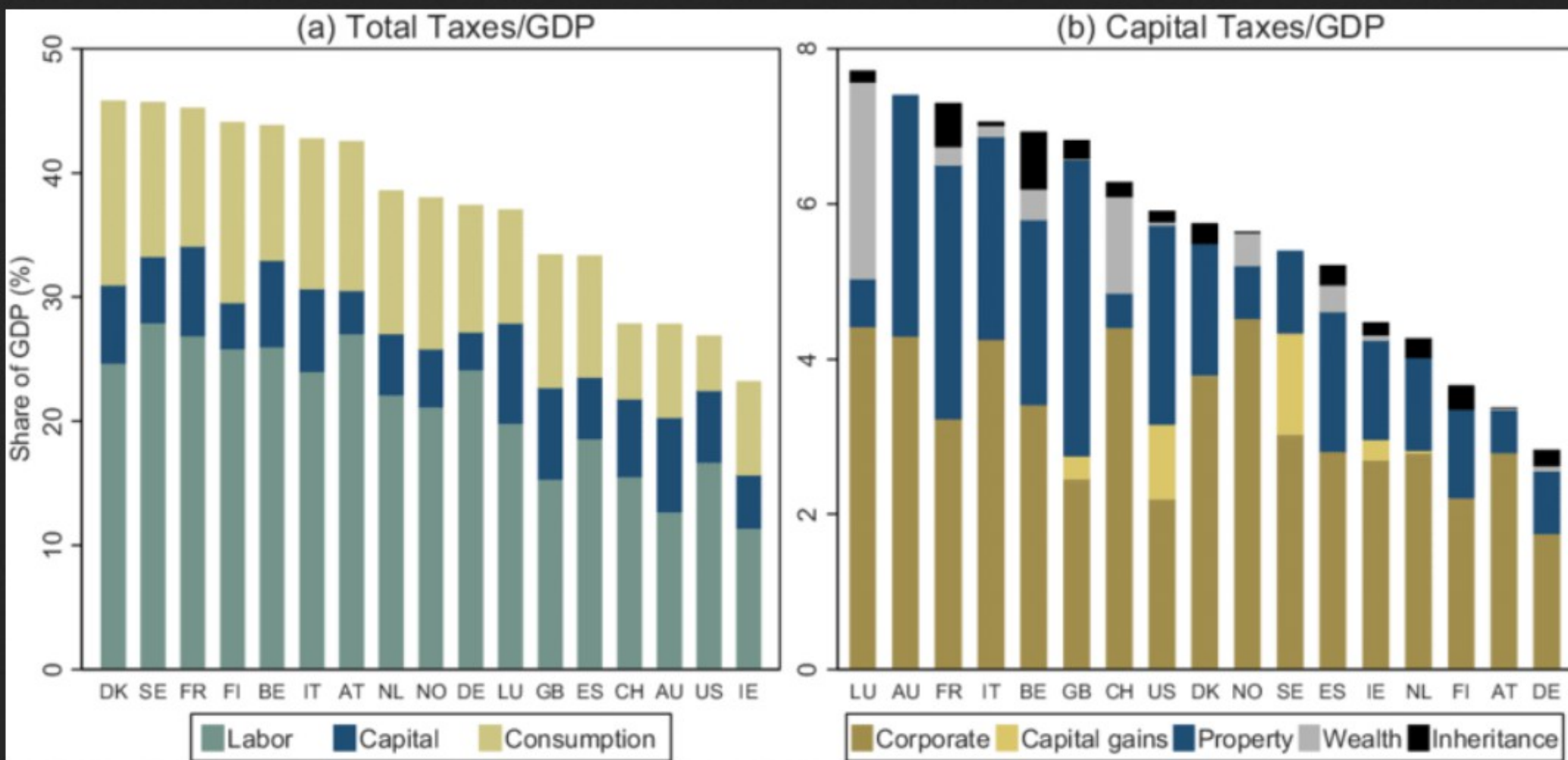
Taxes and Duties

an Overview with some

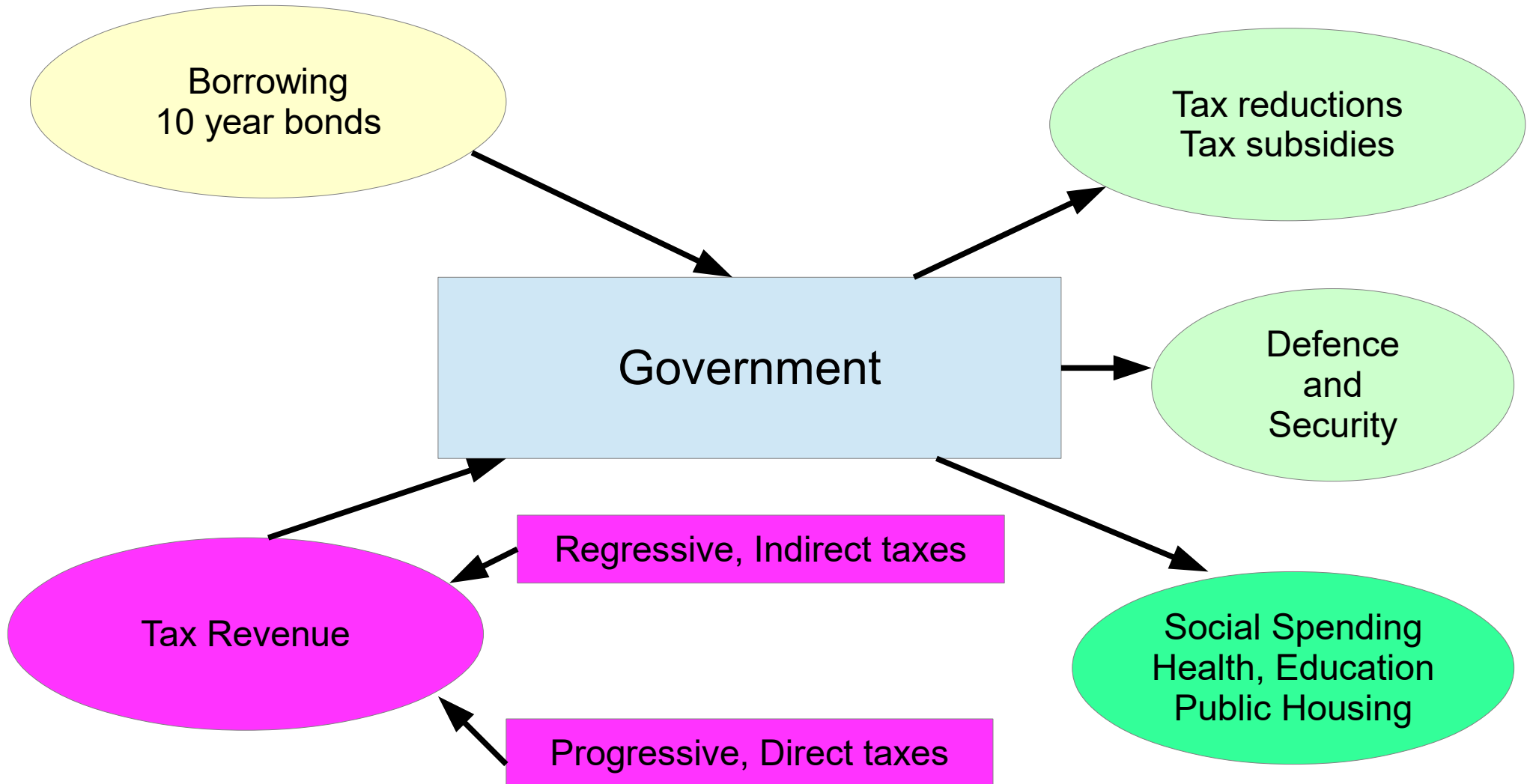
European Comparisons

Dr David Rees
2025

Tax Burden (% tax revenue to GDP)



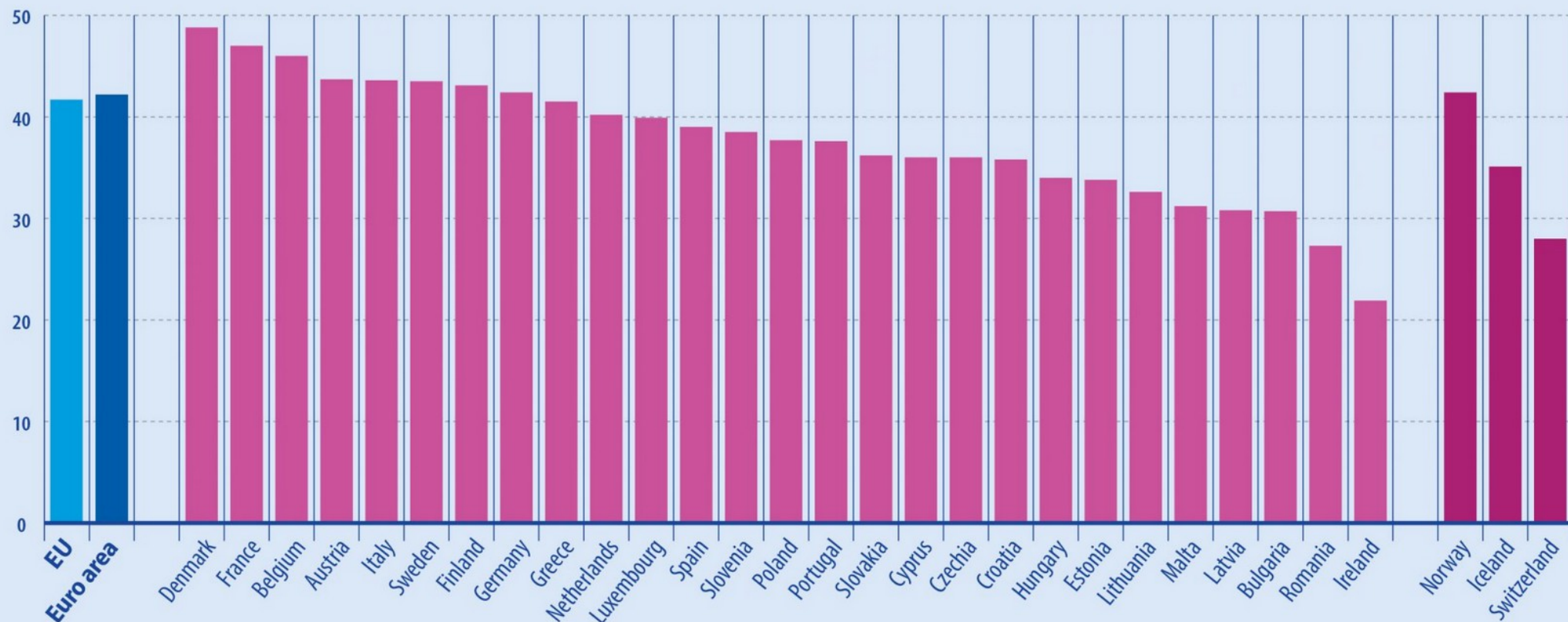
Fiscal Policy. Basic Analysis



Where does the money come from and where does it go ?

Revenue from taxes and social contributions, 2021

(% of GDP)



Income Tax

Each tranche is taxed differently in France. (A)

In some countries when you change a bracket, you pay the new % on the total of the income. (B)

(A). See the example here. For 30,000€ income, the tax is 2,593.71€

(B). It would be $30,000 \times 30\% = 9,000$.

There are income tax exemptions (investment in energy saving etc.)

Income Tax in France video.

TRANCHES POUR 1 PART DE QUOTIENT FAMILIAL*

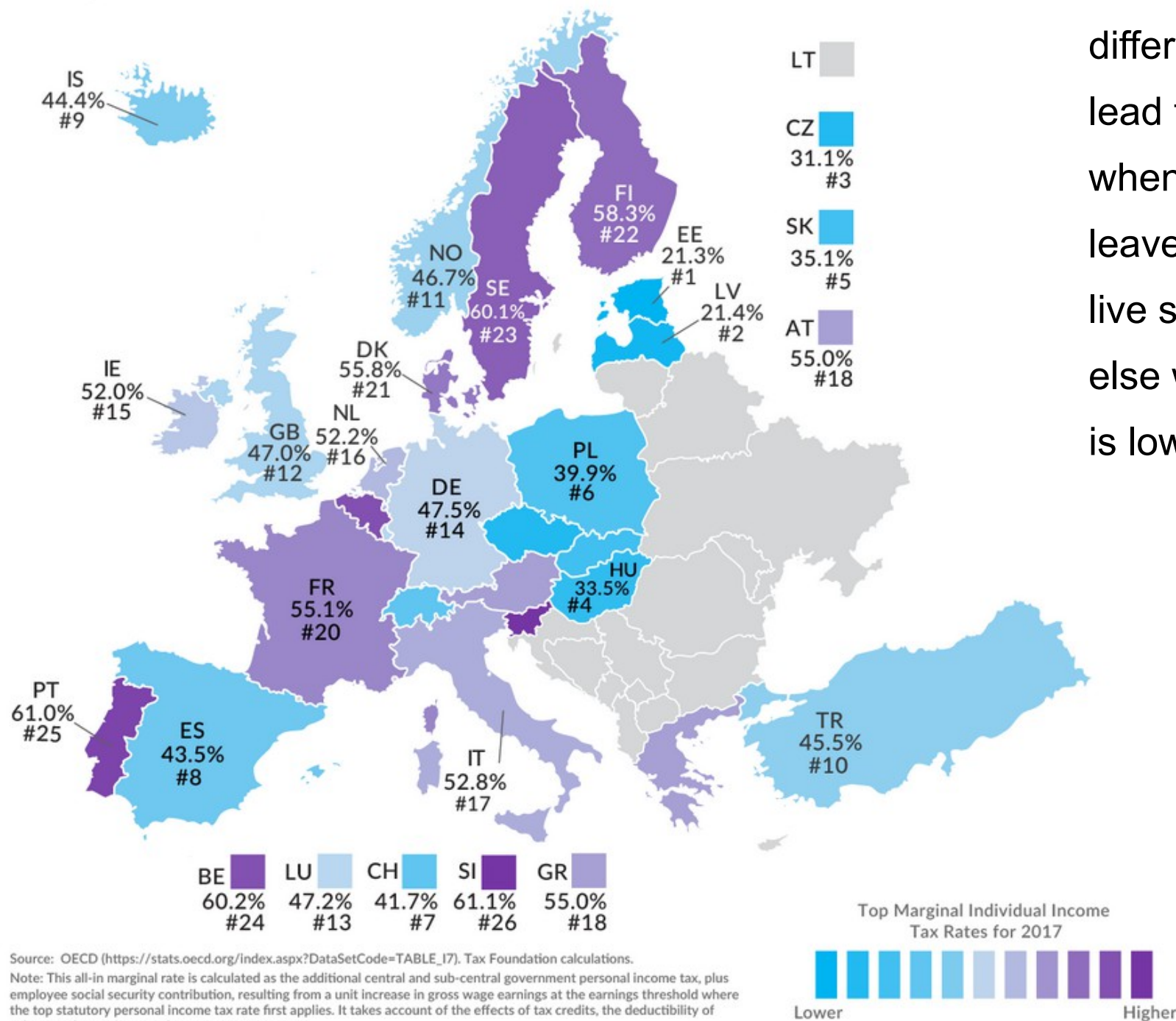
Revenu annuel net imposable				
Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Jusqu'à 10 777 €	De 10 778 € à 27 478 €	De 27 479 € à 78 570 €	De 78 571 € à 168 994 €	Plus de 168 994 €
0 %	11 %	30 %	41 %	45 %

EXEMPLE DE CALCUL POUR 1 PART DE QUOTIENT FAMILIAL*

Revenu annuel 30 000 € net imposable :			Montant total de l'impôt : 2 593,71 € soit 8,64 % du revenu net imposable
Tranche 1	Tranche 2	Tranche 3	
Jusqu'à 10 777 €	De 10 778 € à 27 478 €	De 27 479 € à 30 000 €	
0 %	11 %	30 %	
0 €	+ 1 837,11 €	+ 756,60 €	
	<small>(27 478 - 10 777) x 11 %</small>	<small>(30 000 - 27 478) x 30 %</small>	

Top Individual Income Tax Rates in Europe

Top Marginal Individual Income Tax Rates for 2017



Income tax differences can lead to Tax Drift, when people might leave a country to live somewhere else where the tax is lower.

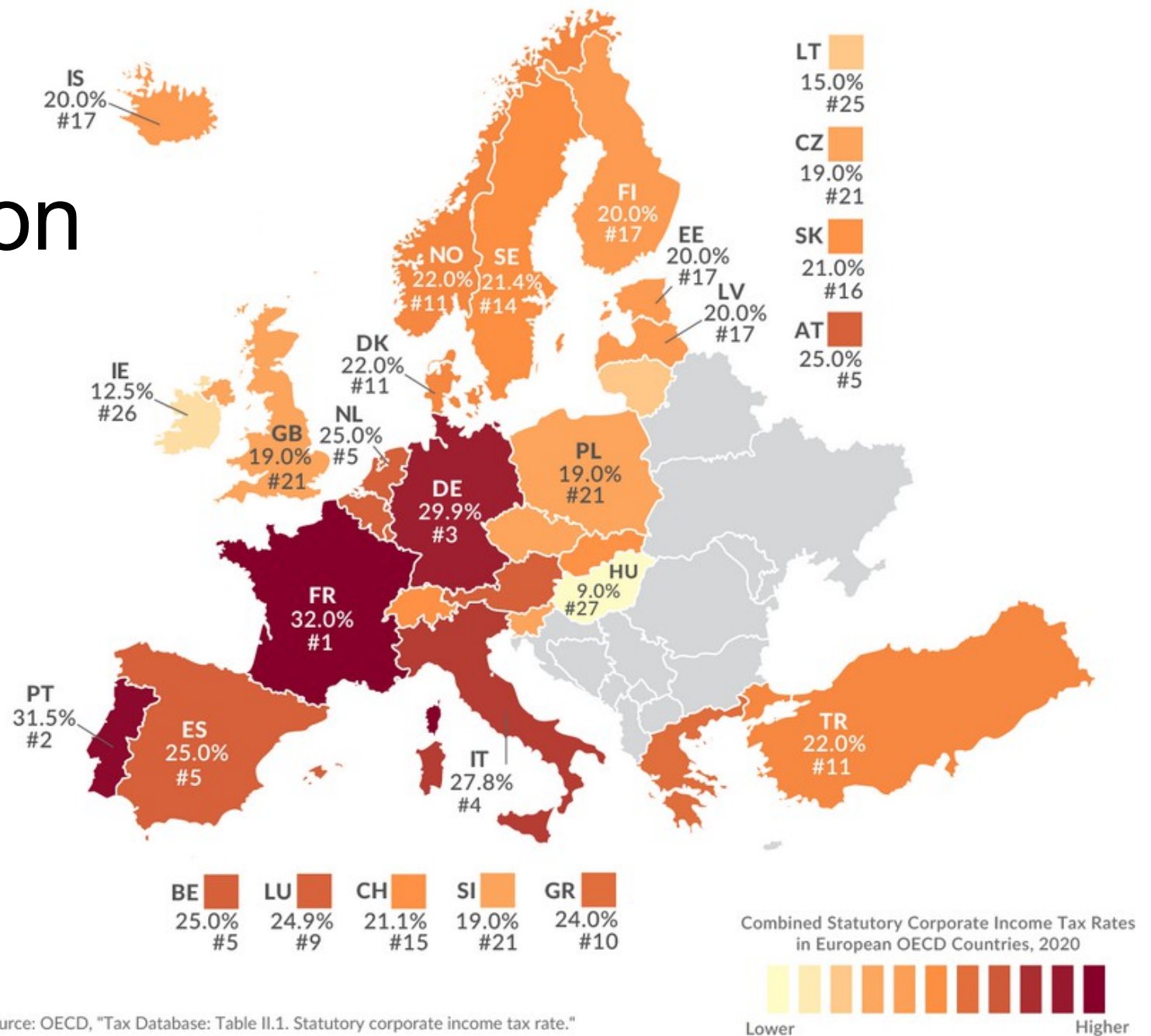
Corporate Income Tax Rates in Europe

Combined Statutory Corporate Income Tax Rates in European OECD Countries, 2020

Corporation Tax

Remember. There can be a big difference between the 'official' rate and the 'real' rate. For example, in France, in 2025, Total Energies should have paid 122m€ but only really paid 19m€

Source



Tax Avoidance and Tax Evasion

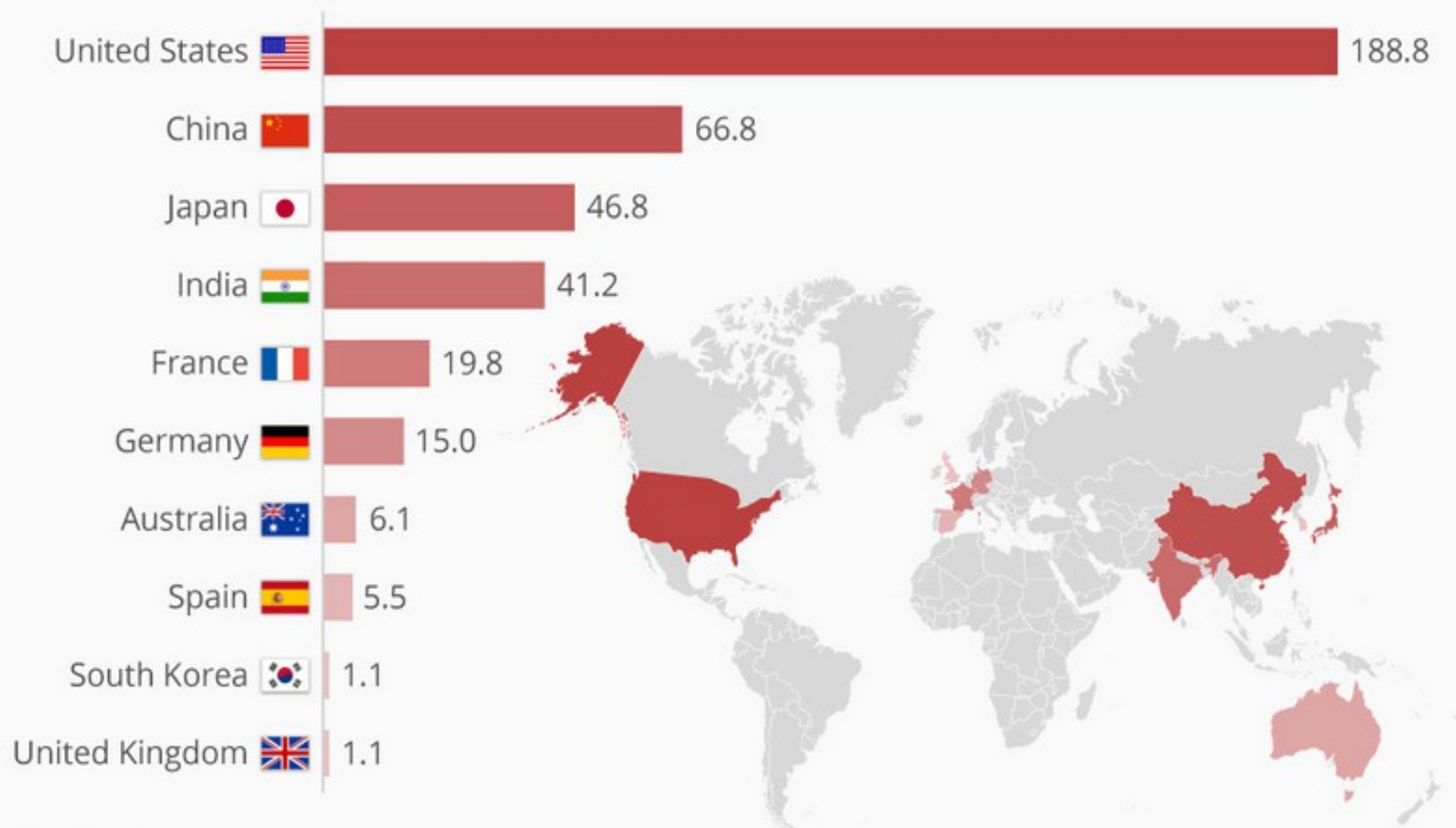
Tax Avoidance (optimisation fiscale) is legal but can be considered immoral. It is used by rich people (mostly in the top 2% of wealth) and rich companies who pay banks and intermediaries to find legal ways of paying less tax (mostly income tax, corporation tax, wealth tax and inheritance tax).

Tax Evasion (fraude fiscale) is illegal, mostly using tax havens.

[Here](#) are the potential penalties in France.

The Global Cost Of Tax Avoidance

Estimated annual corporate tax losses in selected countries (billion U.S. dollars)



@StatistaCharts

Source: UNU-WIDER

Tax Evasion Costs EU Countries Billions

Estimated level of evaded taxes in EU countries (in billion euros)

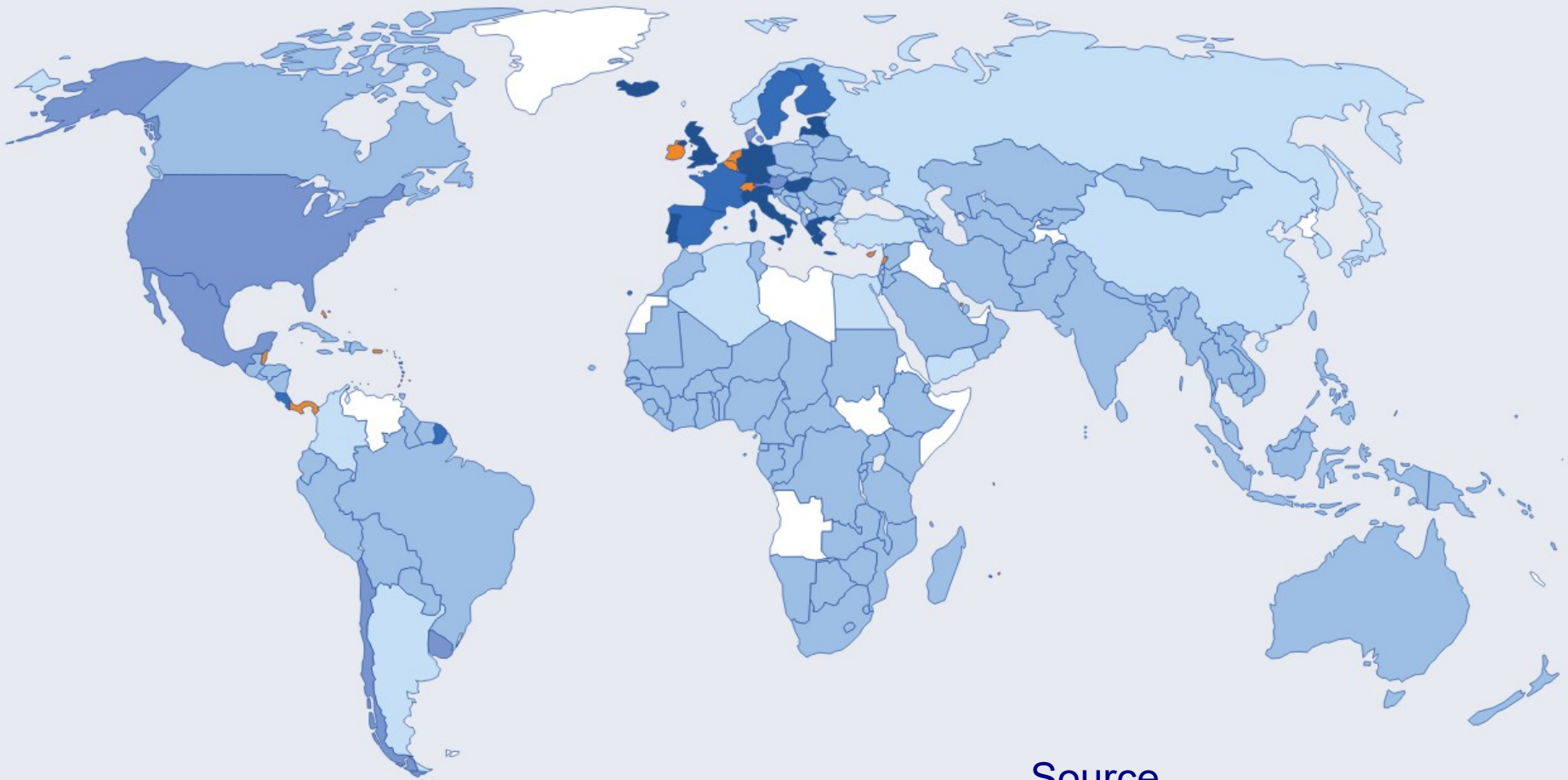


Losses of Corporation Tax

Where are the missing profits?

Corporate tax revenue **lost** as a share of corporate tax revenue collected (in %) | 2021

0 - 4 4 - 8 8 - 12 12 - 16 > 16 Tax havens No data



Source



ATLAS OF THE
OFFSHORE WORLD

Tax Havens

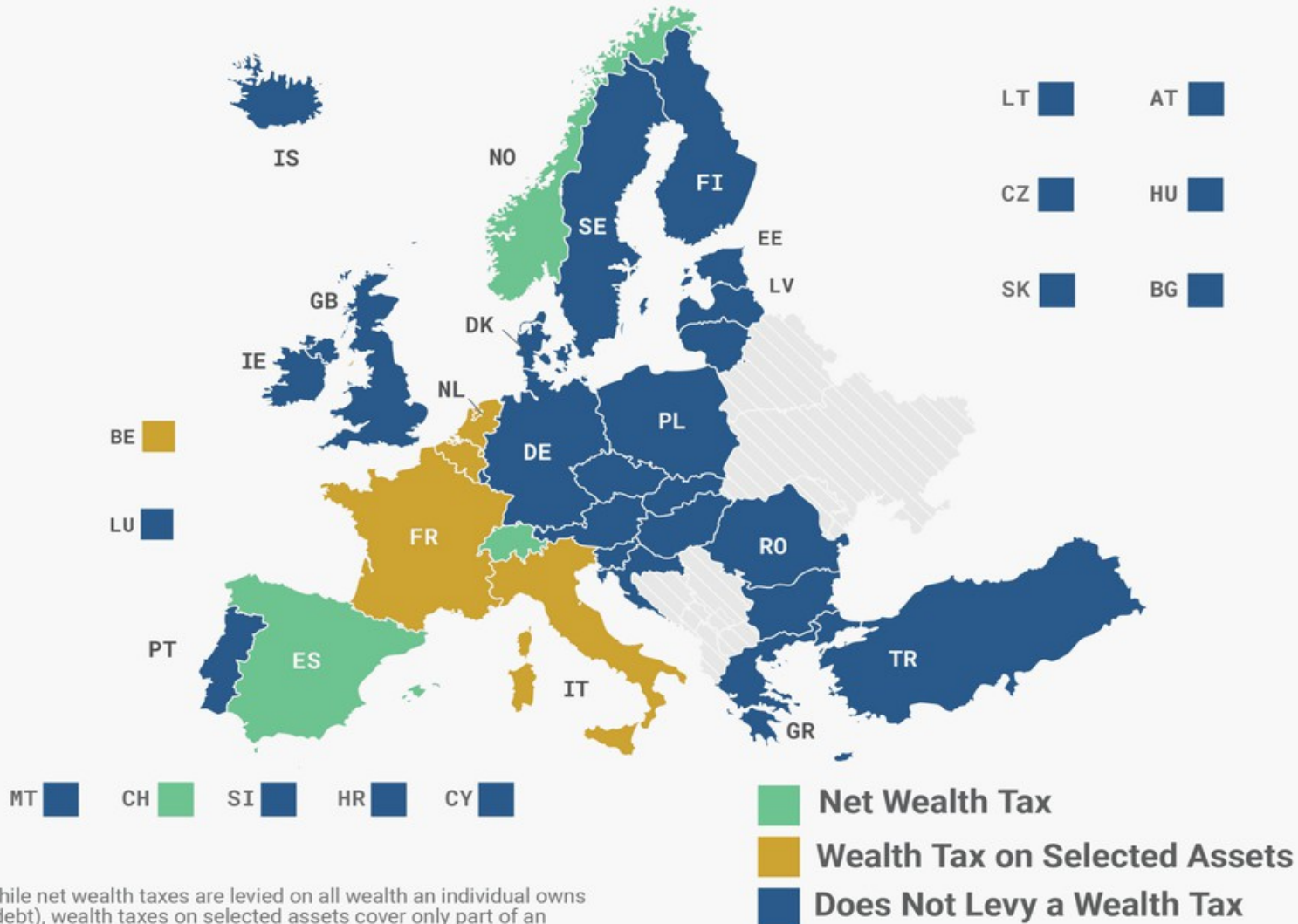
- Top 9 European Tax Havens

In 2017, the European Union drew up what was then a rather extensive blacklist of "non-cooperative countries and territories" of 19 states that it considered to be tax havens. However, this list never entered into force. After numerous objections and deletions, this list was whittled down to include only five countries by the end of 2018. In February 2019, the European Commission adopted a new list that was now comprised of 23 countries, which was again cut in half in February 2020. New lists are drawn up year after year, which now only include a few entries. The latest list from 2023 includes 15 countries. Often criticized here are the reasons for leaving a country off the list. For example, Turkey was repeatedly granted a deferral for "political reasons." The fact that the Cayman Islands were never on the list seems even stranger. Before Brexit, they were considered an EU territory and therefore could not be listed by definition.

Wealth Tax

Wealth Taxes in Europe

Net Wealth Taxes and Wealth Taxes on Selected Assets in EU Member States and European OECD Countries, 2023



Note: While net wealth taxes are levied on all wealth an individual owns (net of debt), wealth taxes on selected assets cover only part of an individual's wealth (e.g., financial assets).
Source: EY, "Worldwide Estate and Inheritance Tax Guide 2023"; and PwC, "Worldwide Tax Summaries."

Wealth Tax in France

Fraction of taxable net worth of wealth	Applicable rate
Not more than 800 000 €	0 %
Higher than 800 000 € and less than or equal to 1 300 000 €	0.50 %
Higher than 1 300 000 € and less than or equal to 2 570 000 €	0.70 %
Higher than 2 570 000 € and less than or equal to 5 000 000 €	1 %
Higher than 5 000 000 € and less than or equal to 10 000 000 €	1.25 %
Higher than 10 000 000 €	1.50 %

Source

What deductions and exemptions are there from French Property Wealth Tax:

Source

The main deductions and exemptions include

- Principal residency discount

The market value of your principal residence property is discounted by 30% to calculate your net real estate assets.

- Professional and agricultural exemptions

Some properties can also be excluded from the tax base if they are used for professional or agricultural activities.

- Charitable donations

If you donate to specific charities, your *IFI* can be reduced by 75% of the value of your gift (up to €50,000).

- A contributions cap











There is also a cap: the portion of tax paid exceeding 75% of your global revenues in a given tax year can be offset from your next year *IFI*.

Works of Art are not included in Wealth Evaluation. For details, look [here](#)

Inheritance Tax

For the full list, go to [EuroNews](#)

Estate, inheritance and gift taxes (2022)

Flag	Country	Estate / Inheritance / Gift Tax	Tax Rate
	Austria	No	–
	Belgium	Yes	3-80% (depends on region)
	Bulgaria	Yes	0.4-6.6%
	Croatia	Yes	4%
	Cyprus	No	–
	Czechia	Yes	Income tax applies (inheritances are fully tax-exempt, but gifts may be taxed)
	Denmark	Yes	0-52%
	Estonia	No	–
	Finland	Yes	7-33%
	France	Yes	5-60%

Inheritance Tax in France

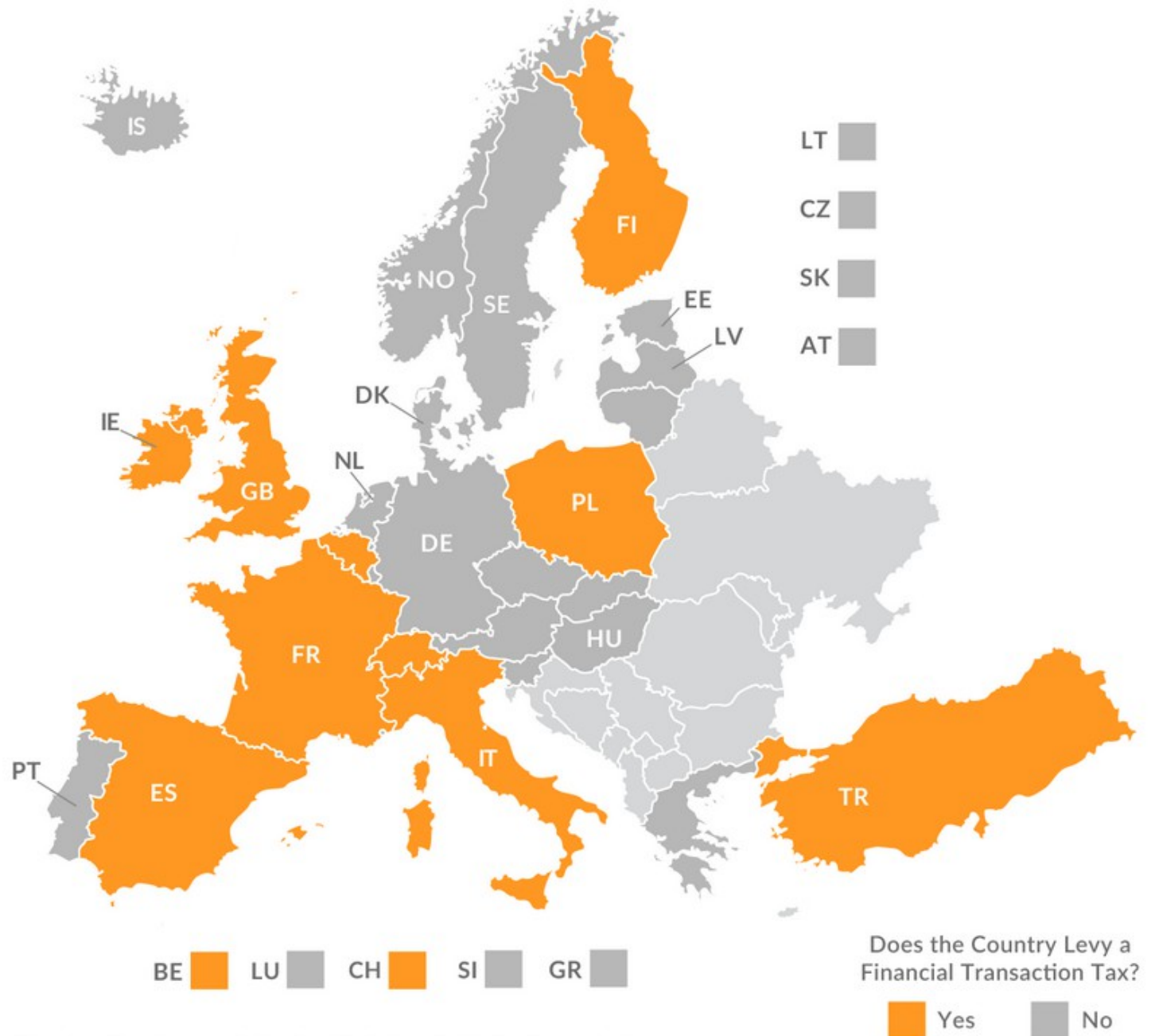
Tarifs des droits de succession en ligne directe	
Part taxable après abattement	Barème d'imposition
Jusqu'à 8 072 €	5 %
De 8 073 € à 12 109 €	10 %
De 12 110 € à 15 932 €	15 %
De 15 933 € à 552 324 €	20 %
De 552 325 € à 902 838 €	30 %
De 902 839 € à 1 805 677 €	40 %
Plus de 1 805 677 €	45 %

Six ways to reduce your French inheritance tax. The Connexion
Avoid Inheritance and Gift Taxes in France. AC Legal

FTT in Europe

Financial Transaction Taxes in Europe

European OECD Countries that Levy a Tax on Certain Financial Transactions, 2021



Source: Bloomberg Tax, "Country Guides;" and PwC, "Worldwide Tax Summaries."

Financial Transfer Tax in France

The FTT refers to three different taxes: a tax on the acquisition of eligible French listed stocks (FTT-Stocks), a tax on high frequency trading (FTT-HFT) and a tax on “naked” CDS on EU sovereign debts (FTT-CDS).

([Société Générale](#)) *The rate is 0.3%*

The FTT was originally called the Tobin Tax. Rates vary around the world and what is taxed varies as well.

It could tax the billions of dollars and Euros involved in speculation.

[Watch this :-\)](#)

Value Added Tax

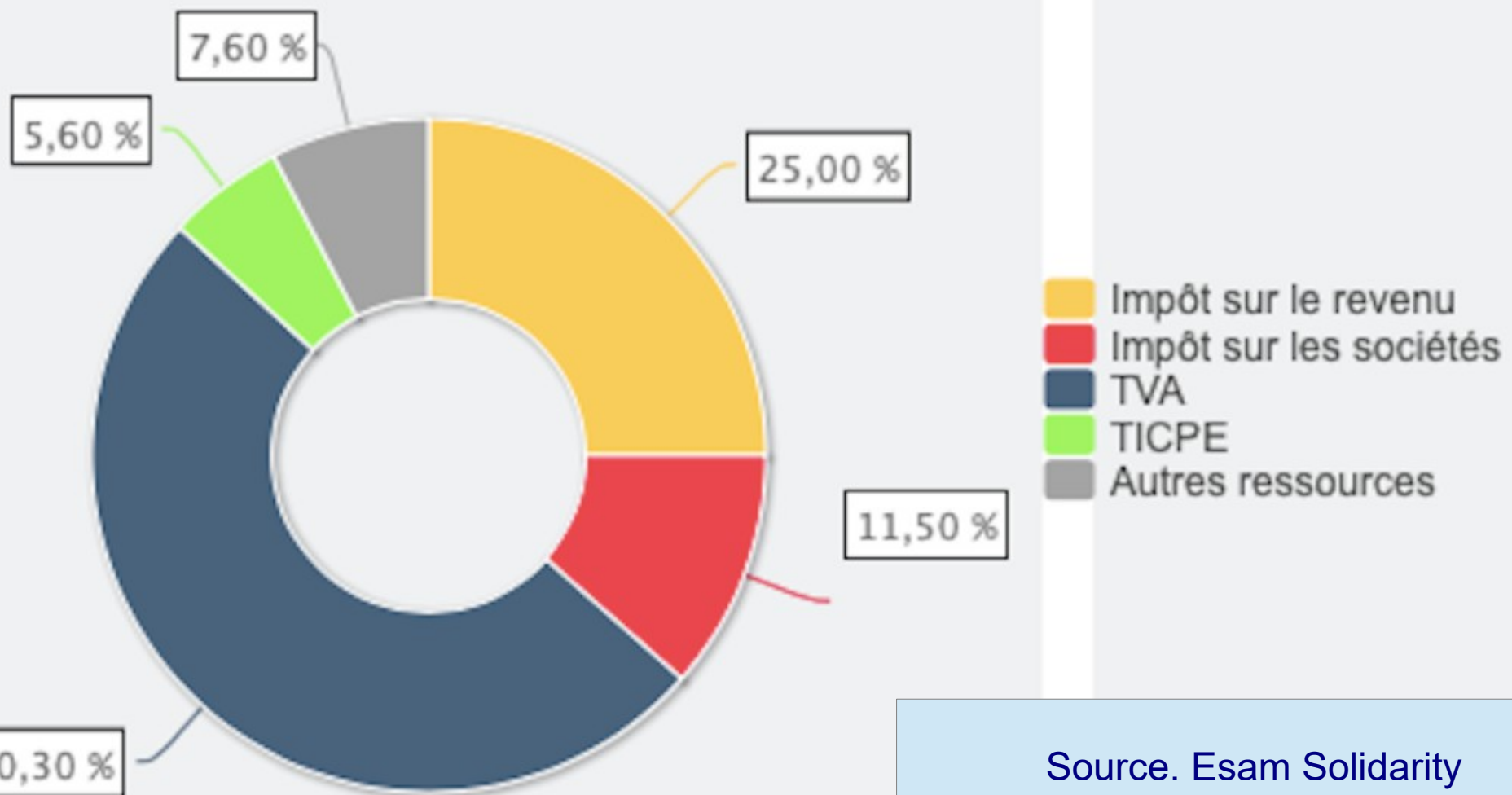
VAT Rates in Europe



As of 01.01.2020



VAT = over 50% of French Tax Revenue



Source. Esam Solidarity

Exit Tax

What is France's 'exit tax,' who pays it and on what?

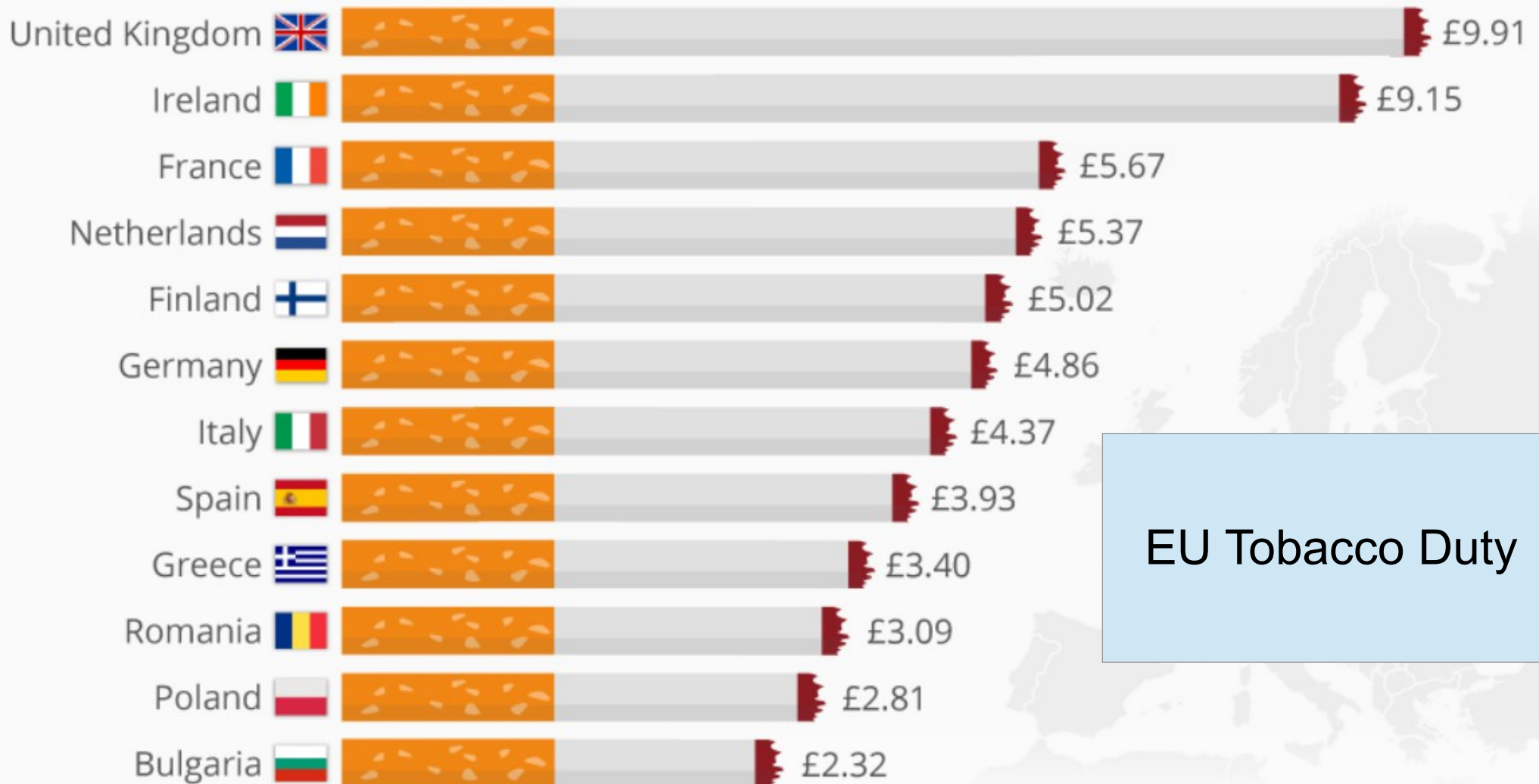
This tax is applied in certain circumstances to people who have been resident in France for at least six of the last 10 years and are now moving elsewhere. For more details (in French), go to [LaPlace](#).

The Exit Tax was cancelled by Macron in 2018 as part of his fiscal reforms. The cost was estimated at 12bn€ (Based on the books 'Le Président des Ultra-Riches' (Michel Pinçon and Monique Pinçon-Charlot)

The new 2025 budget has reintroduced the Exit Budget in its previous form. For more details (in French) go to [Optia Finance](#)

Money to burn: Europe's most expensive cigarettes

Price of a premium pack of 20 cigarettes in selected European countries in 2017



EU Tobacco Duty



@Statista_Charts Source: Tobacco Manufacturers Association

statista

Tobacco Duty

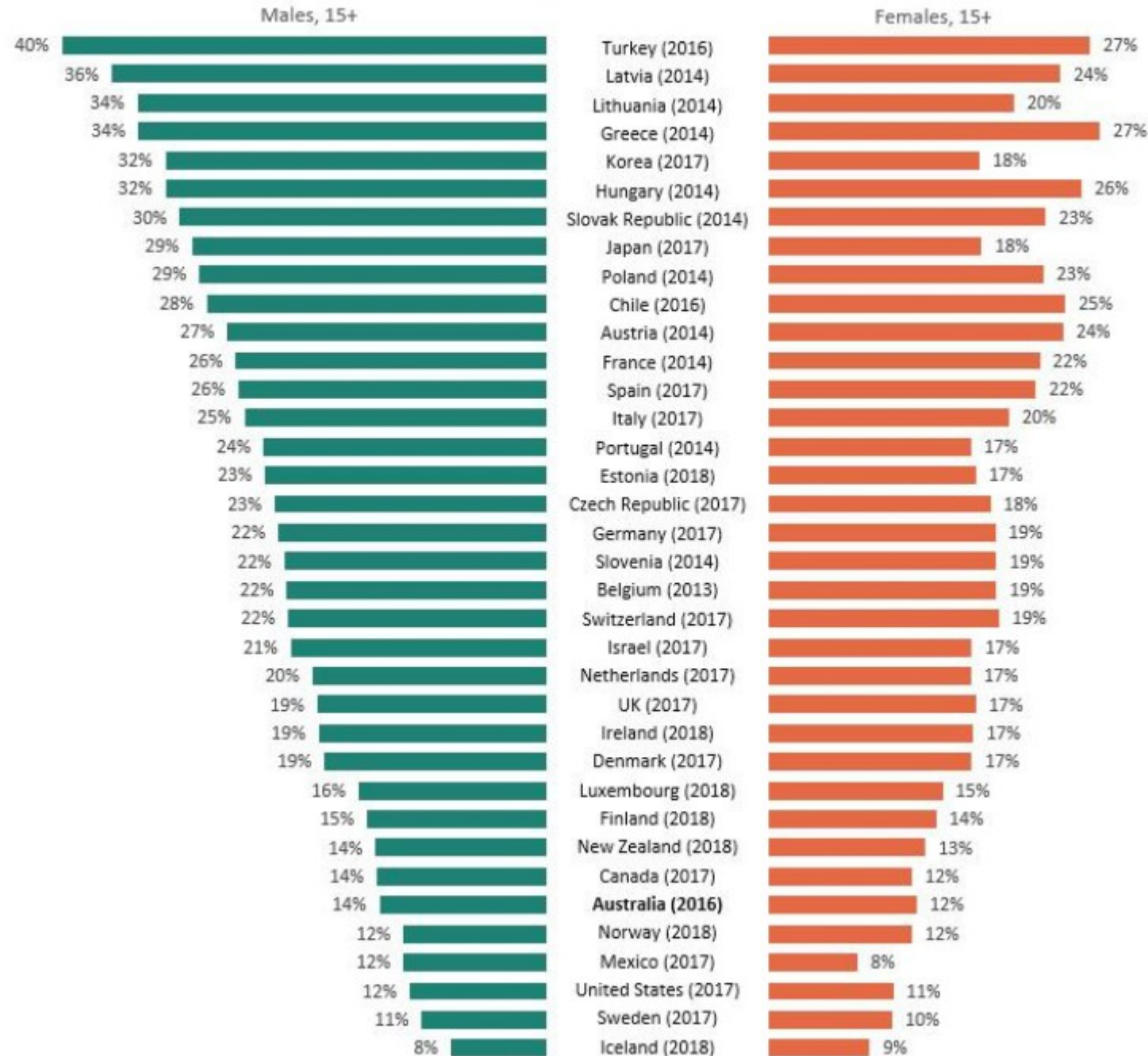


Tobacco Products

- Smoking
 - Cigarette
 - Cigar
 - Pipe
 - Hookah
- Smokeless (spit)
 - Snuff
 - Chew
 - Snus
 - Dissolvable



Smoking rates in Europe



Smoking in France

- Statistics on smoking in France

How many people die from smoking in France each year?

54,940

What is the economic cost of smoking and tobacco use in France each year?

38,983,909,677

euros

Deaths Caused by Tobacco in France

% deaths attributable to tobacco use in 2021

Men 12.7%

Women 4.4%

8.5% of all deaths in France are caused by tobacco use.

2020. Revenue from taxation (tobacco duty plus VAT) = 15.3bn€

2020. Social cost of smoking (health care etc.) = 39bn€

See Movendi for [detailed information](#)

Beer Taxes in Europe

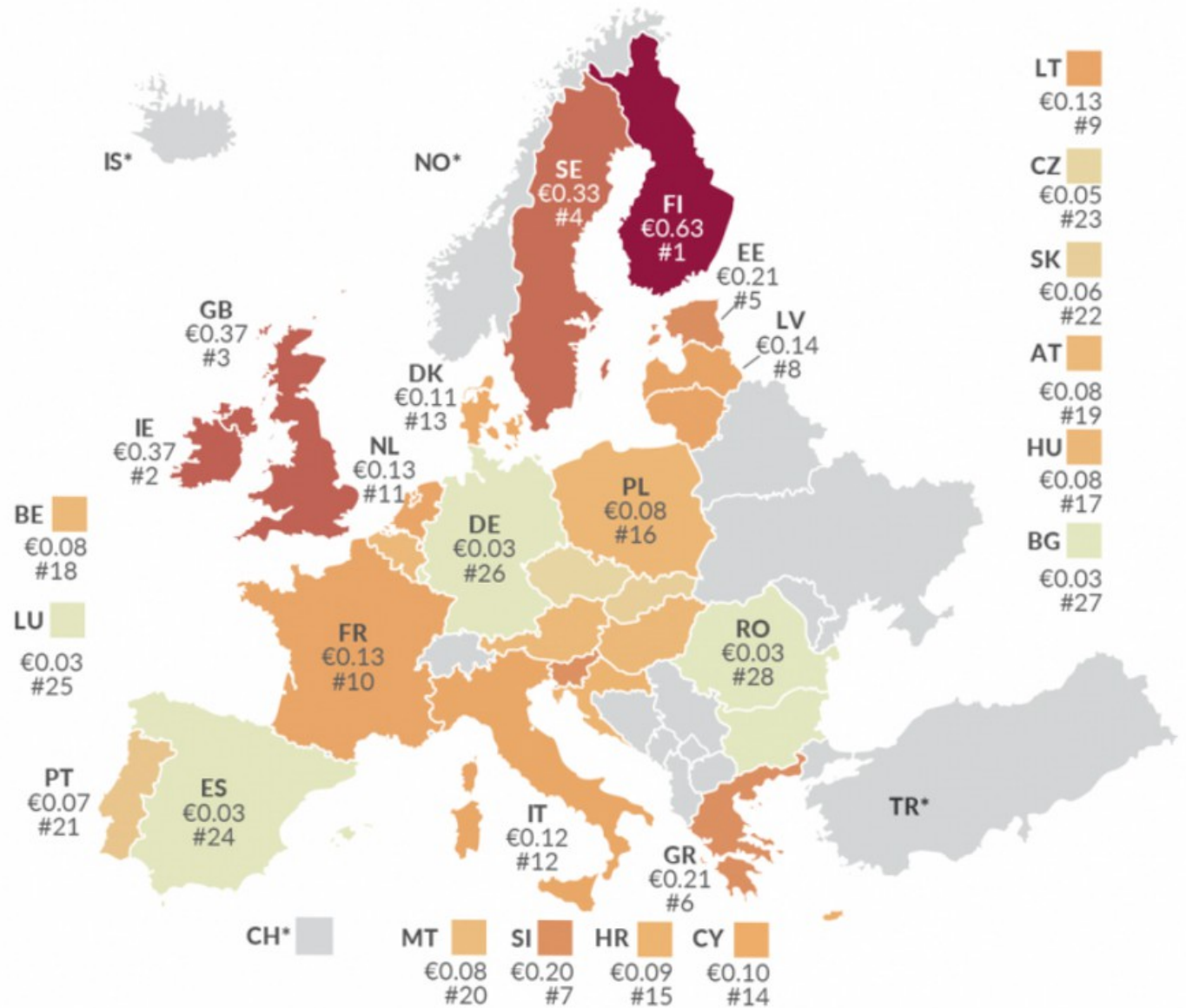
Excise Duty per 330ml (11.2oz) Beer Bottle at 5% abv in European Union (EU) Member States and the United Kingdom, as of July 2022

EU beer duty

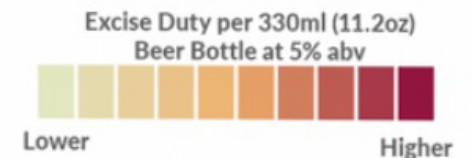
France 0€13

UK 0€37

Finland 0€63



Note: Excise duties can be levied per alcohol content (abv), per degree Plato (°P), or as a fixed amount for defined abv/°P brackets. To make these excise duties comparable, degrees Plato were converted into alcohol content (1°P generates approximately 0.4 abv).
 *Iceland, Norway, Switzerland, and Turkey are not part of the European Union (EU).
 Source: European Commission, "Taxes in Europe Database;" and Gov.uk, "Tax on shopping and services."



Wine Taxes in Europe

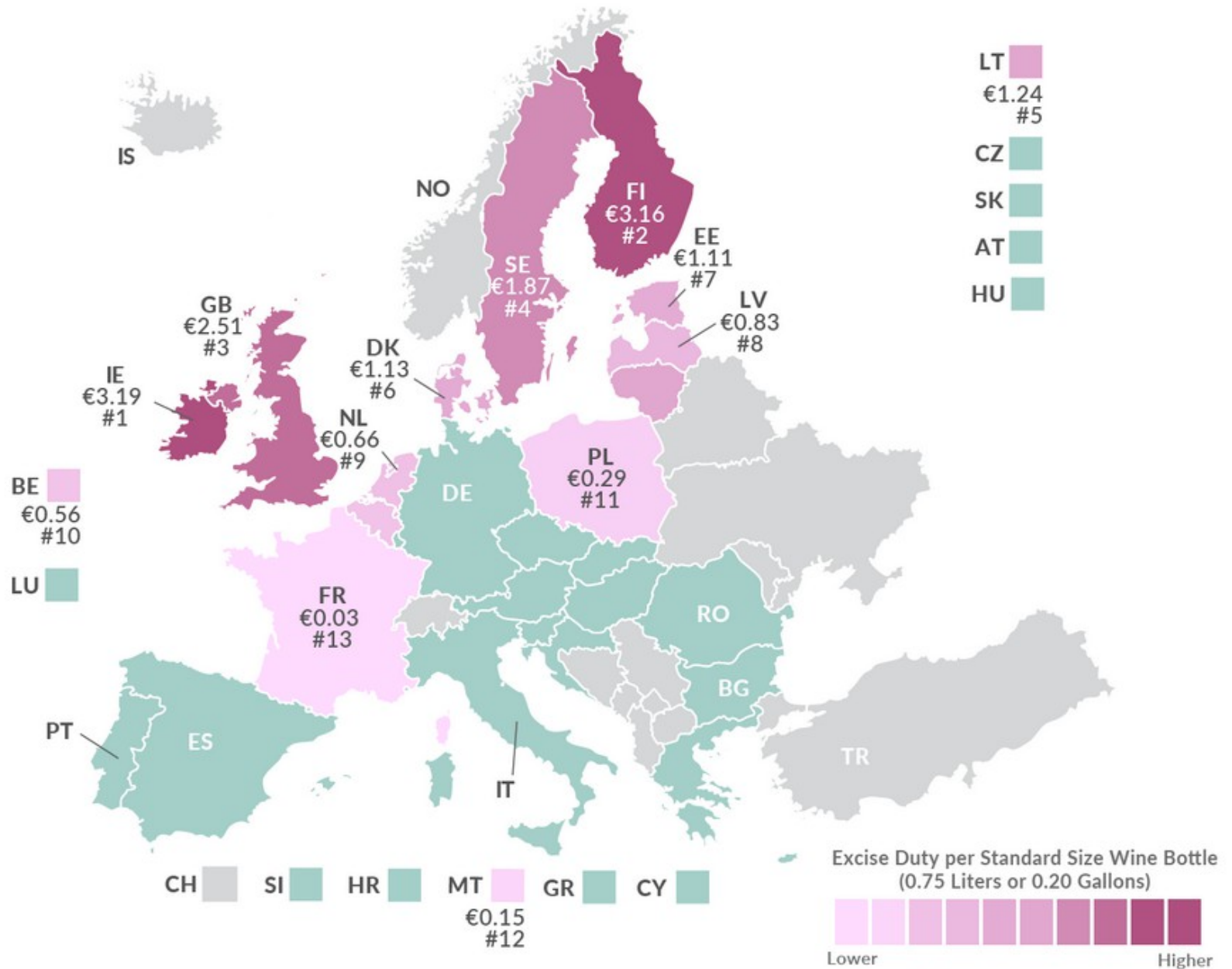
Excise Duty per Standard Size Wine Bottle (0.75 Liters or 0.20 Gallons)
in EU Member States and the United Kingdom, as of July 2021

EU wine duty

France 0€03

UK 2€51

Finland 3€16



Note : *Iceland, Norway, Switzerland, and Turkey are not part of the European Union (EU).

Some countries have different excise duties on wines with very low and/or very high alcohol content."

Source: European Commission, "Taxes in Europe Database;" and Gov.uk, "Tax on shopping and services."

Distilled Spirits Taxes in Europe

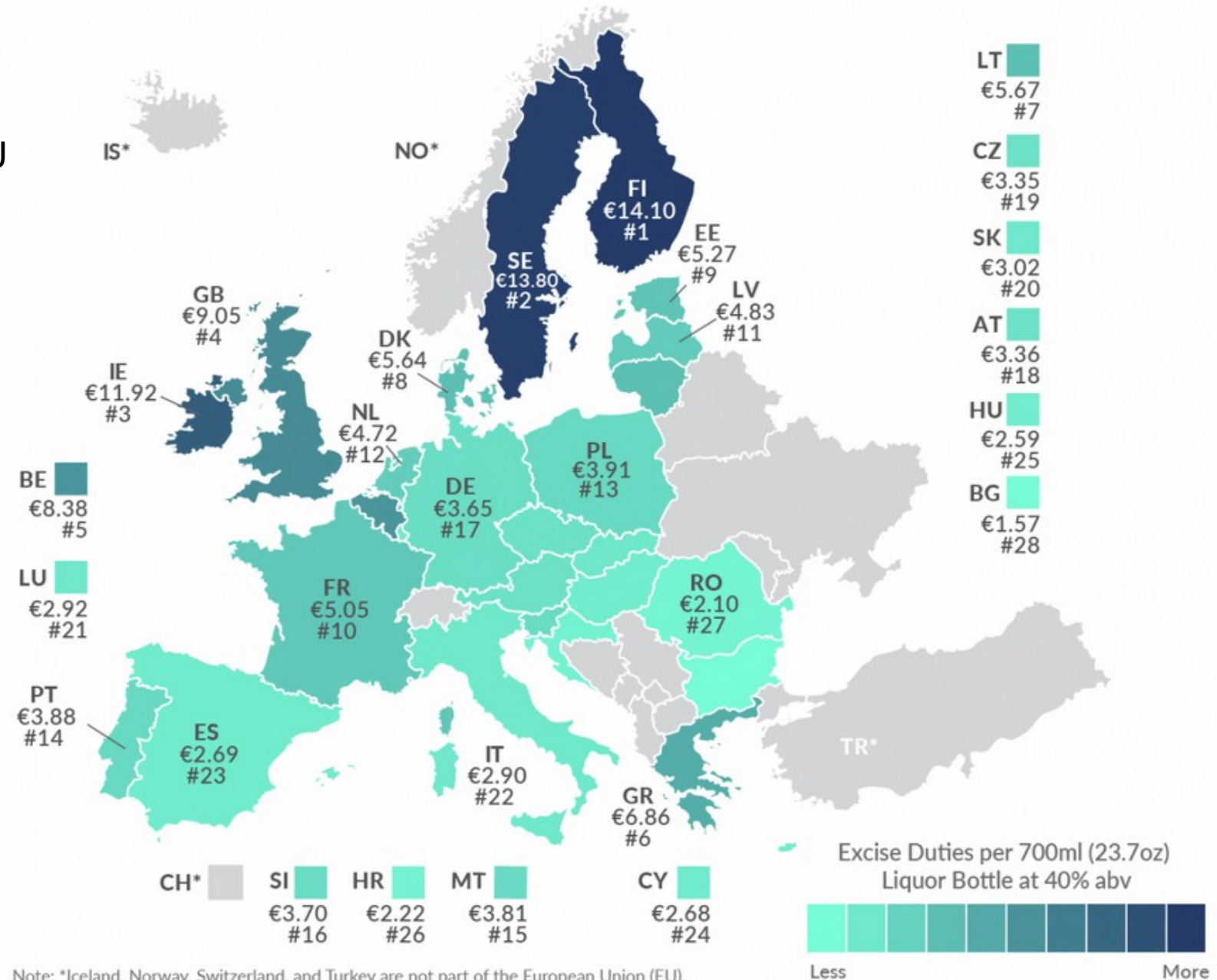
Excise Duties per 700ml (23.7oz) Liquor Bottle at 40% abv
in EU Member States and the United Kingdom, as of July 2021

Spirits duty in the EU

France 5€05

UK 9€05

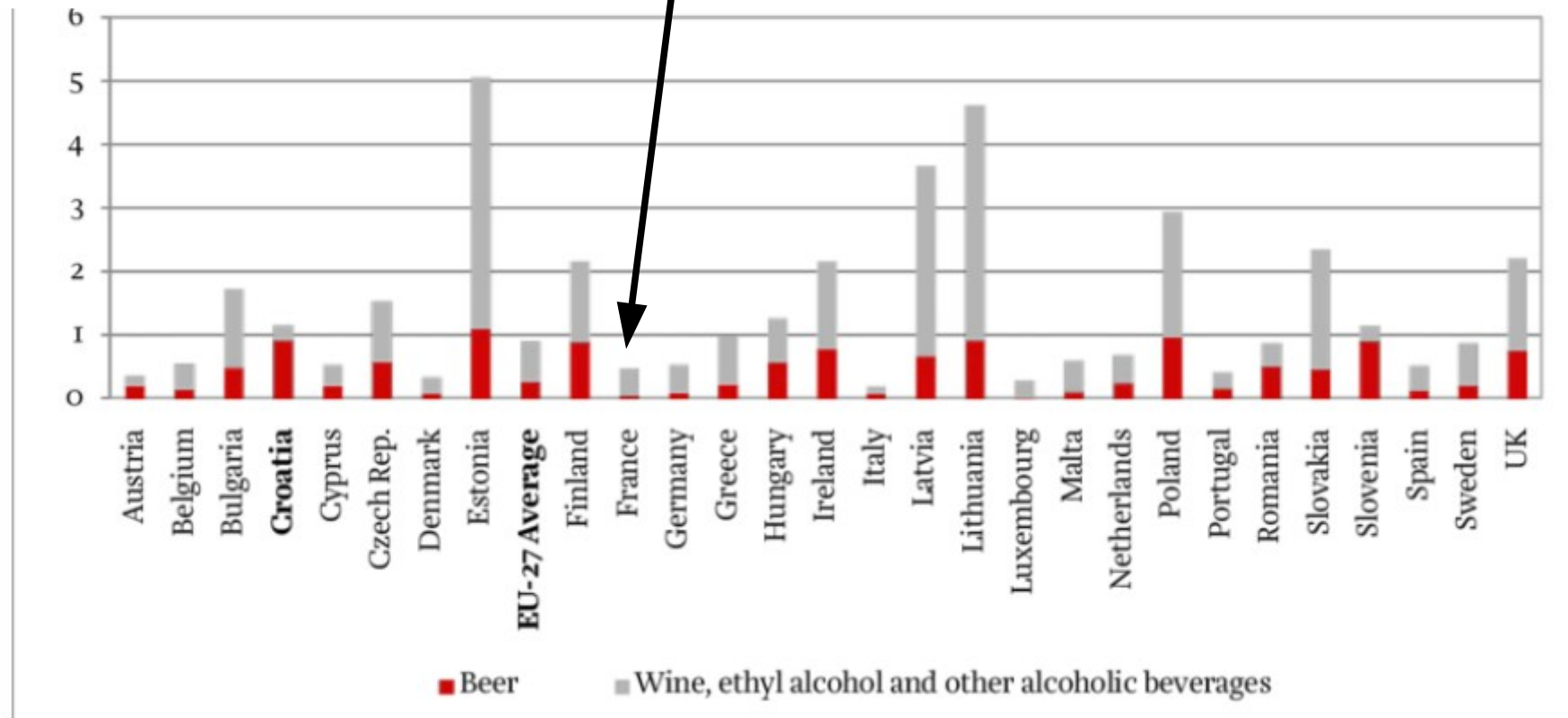
Finland 14€10



French fiscal revenue from alcohol duty = 0.5% total revenue
Revenue = 4bn€. Social cost = 102bn€
(This doesn't include revenue from the alcohol industry)












































































Figure 1 - uploaded by [Petar Sopek](#)
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See Movendi for [detailed information](#)



Share of revenues from excise duties on alcohol and alcoholic beverages in total tax revenues (exclusive of social contributions) in 2011, in percentages

Petrol Duty and Prices in pence (100th of a £)

	Country	Duty	Cost of fuel & margin	VAT	Pump price
1	Austria 	40p 	69p 	22p 	131p 
2	Belgium 	50p 	60p 	23p 	134p 
3	Bulgaria 	30p 	59p 	18p 	107p 
4	Croatia 	38p 	67p 	26p 	132p 
5	Cyprus 	36p 	64p 	19p 	119p 
6	Czech Republic 	43p 	57p 	21p 	121p 
7	Denmark 	59p 	76p 	34p 	170p 
8	Estonia 	47p 	67p 	23p 	136p 
9	Finland 	60p 	61p 	29p 	150p 
10	France 	58p 	68p 	25p 	150p 
11	Germany 	55p 	72p 	24p 	150p 
12	Greece 	58p 	65p 	30p 	153p 
13	Hungary 	33p 	70p 	28p 	130p 
14	Ireland 	56p 	67p 	28p 	151p 
15	Italy 	61p 	64p 	27p 	152p 

Transport emissions

as share of the EU*'s total greenhouse gas emissions (2019)**

Other sectors***

71.5%

Other transport

0.1%

Railways

0.1%

Aviation

Domestic
0.4%

International
3.4%

Transport
28.5%

Road transport
20.5%

Navigation

Domestic
0.4%

International
3.6%

*Excluding the United Kingdom

**Excluding land use, land-use change and forestry

***Energy, industry, residential, commercial, institutional, agriculture, forestry, fisheries and other

Gas Taxes in Europe

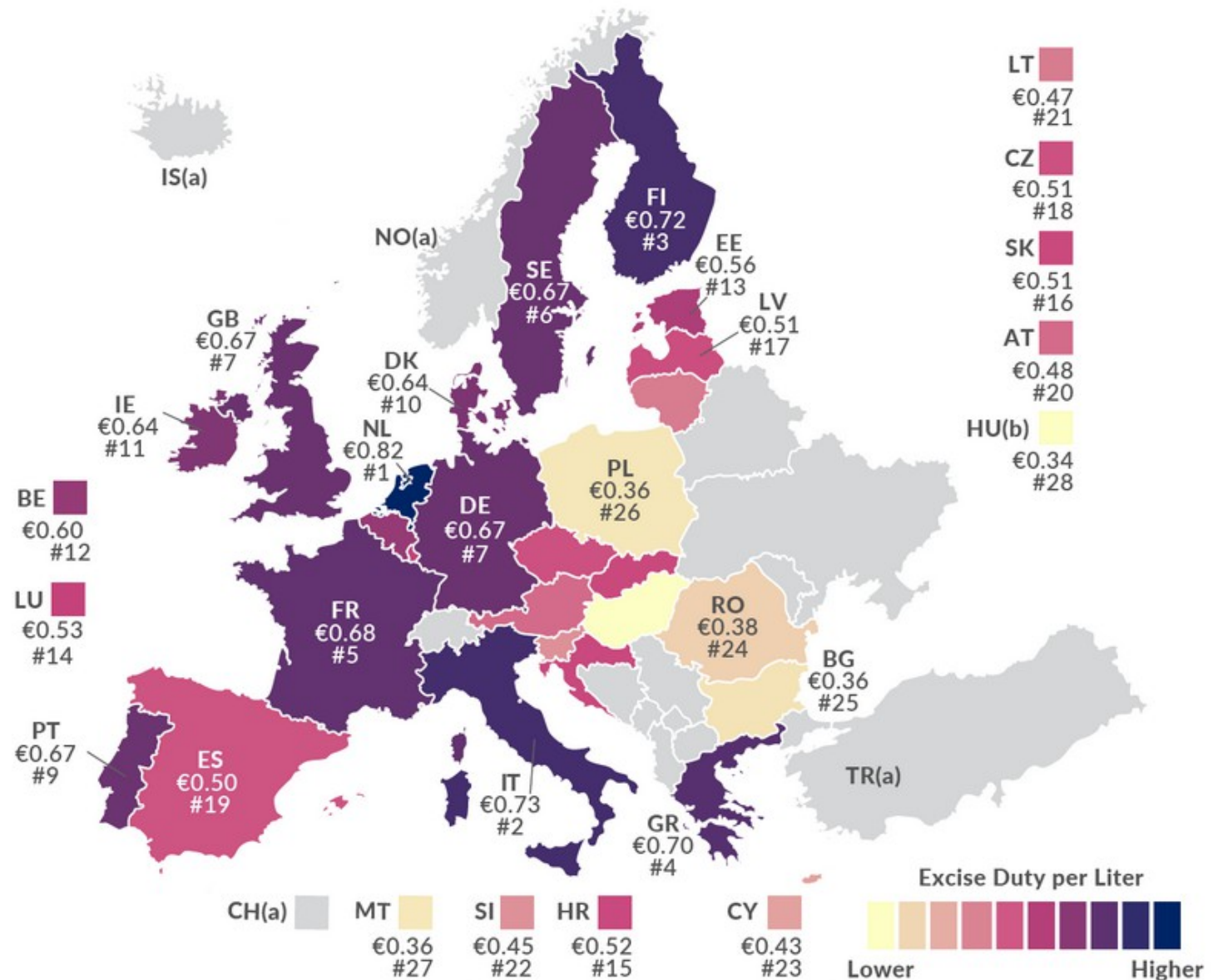
Excise Duty per Liter (0.26 Gallons) of Unleaded Petroleum in European Union (EU)
Member States and the United Kingdom, as of July 2022

Gas tax

France 0€68

UK 0€67

Finland 0€72



Note: The excise duties apply to petroleum with a sulphur content of < 10 mg/kg, RON 95, bioethanol content, and, if applicable, include carbon taxes and surcharges.

(a) These countries are not part of the European Union (EU).

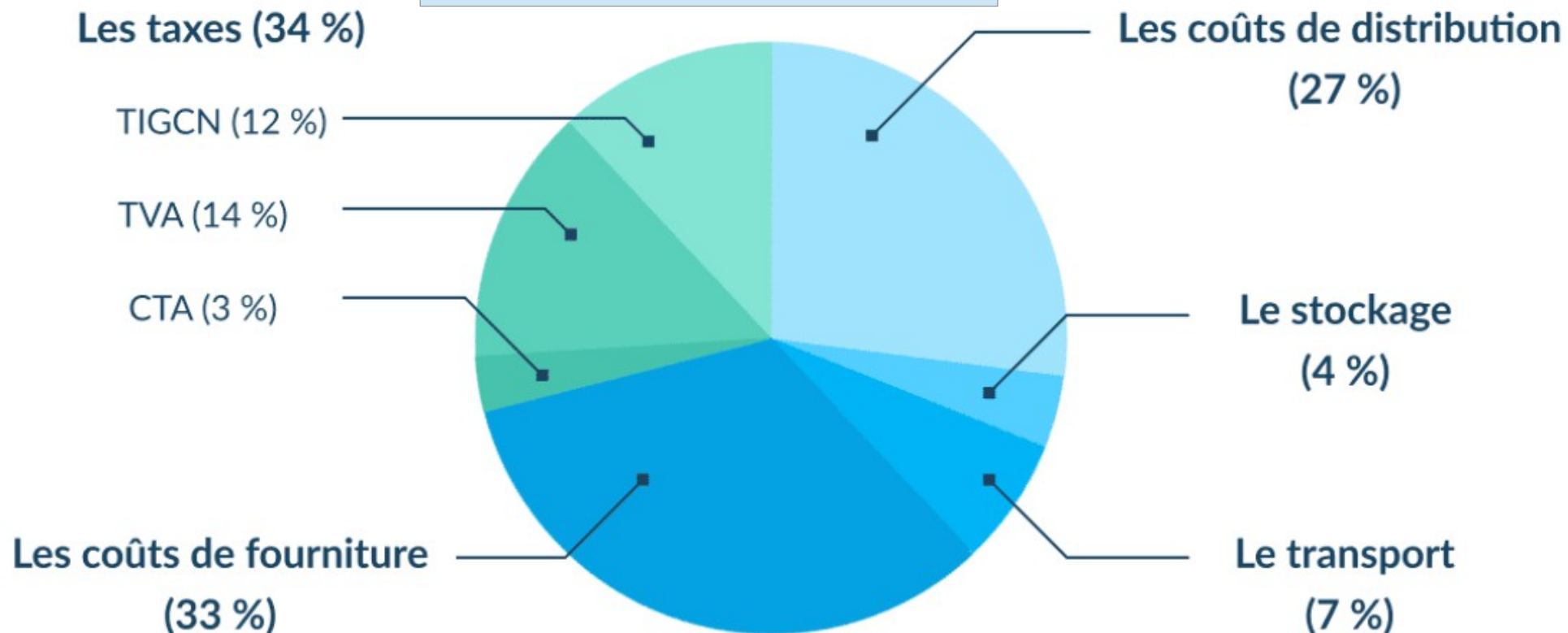
(b) Hungary's excise duty increases to EUR 0.36 if the world market price of crude oil is at or below 50 USD/barrel.

(c) The listed excise duties were taken from the rates applied to environmental class 1 gas and diesel.

Source: European Commission, "Taxes in Europe Database."

Comment les prix du gaz sont-ils fixés ?

In France



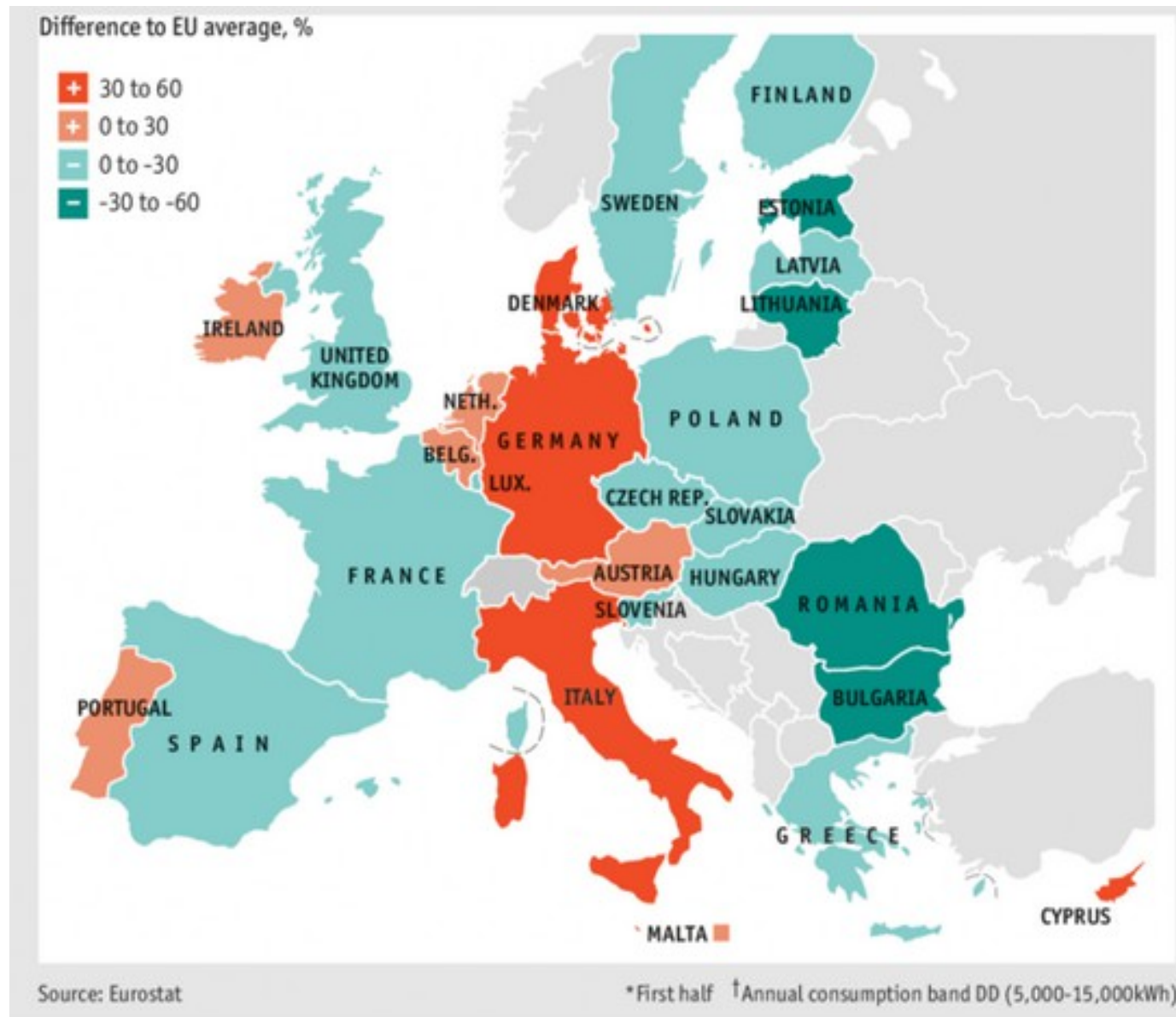
TIGCN : Taxe Intérieures sur la
Consommation de Gaz Naturel

CTA : Contribution Tarifaire
d'Acheminement

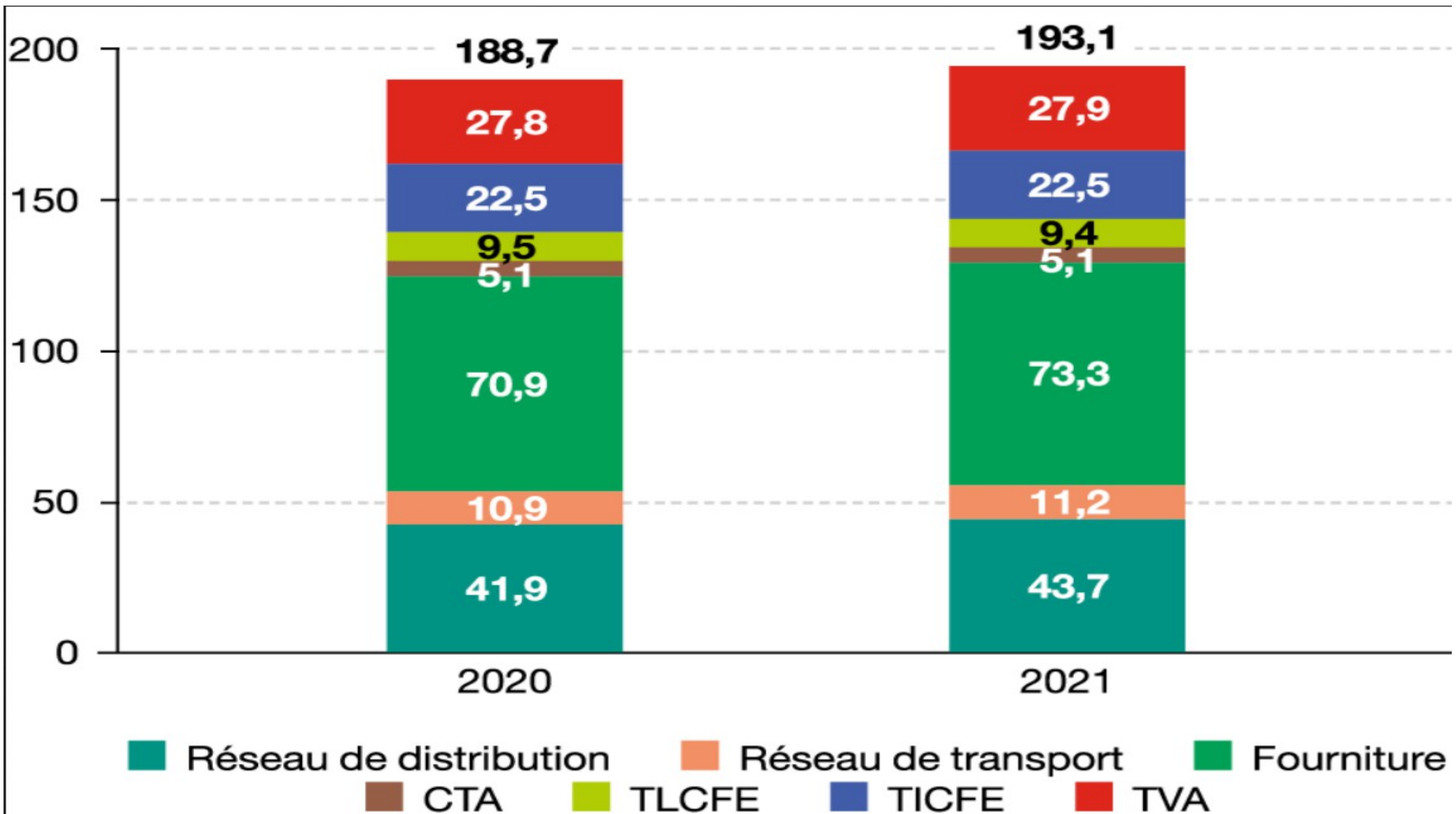
TVA : Taxe sur la Valeur Ajoutée

Source : Commission de régulation de l'énergie, Septembre 2021

Electricity prices in Europe



Electricity Taxes in France



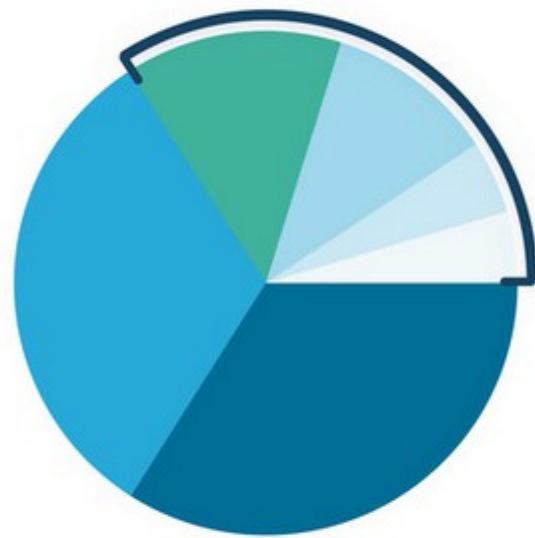
CTA (Contribution Tarifaire d'Acheminement)

TLCFE (Taxe Locale sur la Consommation Finale d'Électricité. Tariffs [here](#))

TICFE (Taxe Intérieure sur la Consommation Finale d'Électricité)

TVA (Taxe de Valeur Ajouté)

Electricity taxes are about 33% of the final price in France



14 % TVA

11 % CSPE

5 % TCFE

4 % CTA

34 % fourniture

32 % acheminement

Les taxes et contributions
représentent $\frac{1}{3}$ de votre
facture d'électricité.

Fiscal Policy Glossary

- Progressive Taxes and Regressive Taxes
- Direct Taxes and Indirect Taxes
- Taxes and Duties
- Tax Drift
- Tax Burden
- Tax Avoidance and Tax Evasion
- Budget Deficit and National Debt
- Bonds and 10 Year Bond Spread
- Rating Agencies and Debt Servicing
- Expansionary and Contractionary Fiscal Policy
- Income Tax, Corporation Tax, Wealth Tax, Inheritance Tax, Financial Transfer Tax, Exit Tax, Value-Added Tax
- Alcohol Duty, Tobacco Duty, Fuel Duty, Electricity Tax , Gas Tax