



# FISCAL POLICY


## VAT


Contemporary European Politics 2022


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## VAT - NETHERLANDS

- **0% rate:** Special cases, international transport of passengers
- **9% rate:** Low tariff (most common services or products)
- **21% rate:** General tariff (applies to everything else)
- No super reduced or super tariffs



💡 Population: 17.53m

🔗 Size: 41.543 km<sup>2</sup>



## VAT - GERMANY

- **0% rate:** TV licence, intra-community and international transport (air and sea passenger transport)
- **7% rate:** reduced rate
- **19% rate:** standard rate (all other taxable goods and services)
- No super reduced rates or super rates



 Population: 83.13m

 Size: 357,588 km<sup>2</sup>



## VAT - SOUTH KOREA

- 0% rate

Exports and associated transport services, finance and insurance services, services rendered overseas, and business support services.

- 10% rate (standard rate)

all other taxable goods and services.



 Population: 51.7m

 Size: 100,210 km<sup>2</sup>



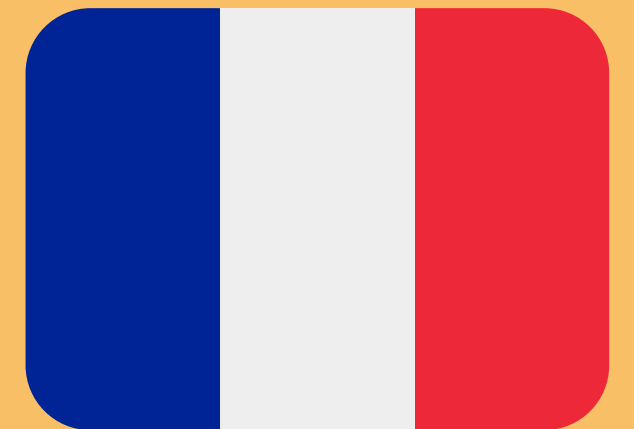
## VAT - FRANCE

- 0% rate
- 2.1% rate: special rate
- 5.5% rate: super reduced rate
- 10% rate: reduced rate
- 20% rate: standard rate of VAT



 Population: 67.5m

 Size: 643 801 km<sup>2</sup>



# ESSCALAND

- **Place:** Belgium
- **Frontiers:** Germany, France, Netherlands, Luxembourg
- **Continent:** Europe, but not EU  
Schengen for easy traveling, but border controls for import control
- **Level of development:** very high



# VAT IN ESSCALAND

- **0% rate**
  - Medicine, Public transport, education
- **5% rate (low rate)**
  - (bio) food, sustainable energy, culture
- **20% rate (standard rate)**
  - all other taxable goods and services
- **50% rate (super rate)**
  - Cars, meat, flights, pesticides



# WHY WE USE THESE RATES ?

- Focus on sustainable development
  - Public transport at 0%, sustainable energy at 5%
- Act as a role model by showing our values
  - Education and health care at 0%
- Importance of culture → accessible for everyone
  - Books, cinemas, museums and theatres at 5%
- Importance of tourism
  - Hotel accommodation at 5%
- Turn to healthy and environmentally friendly food
  - Meat at 50 %



**OPEN  
CULTURE**



*Ecofriendly*



→ Contribute to the good of the planet. These rates will allow us to change consumer behaviour and to steer it in the direction we want.

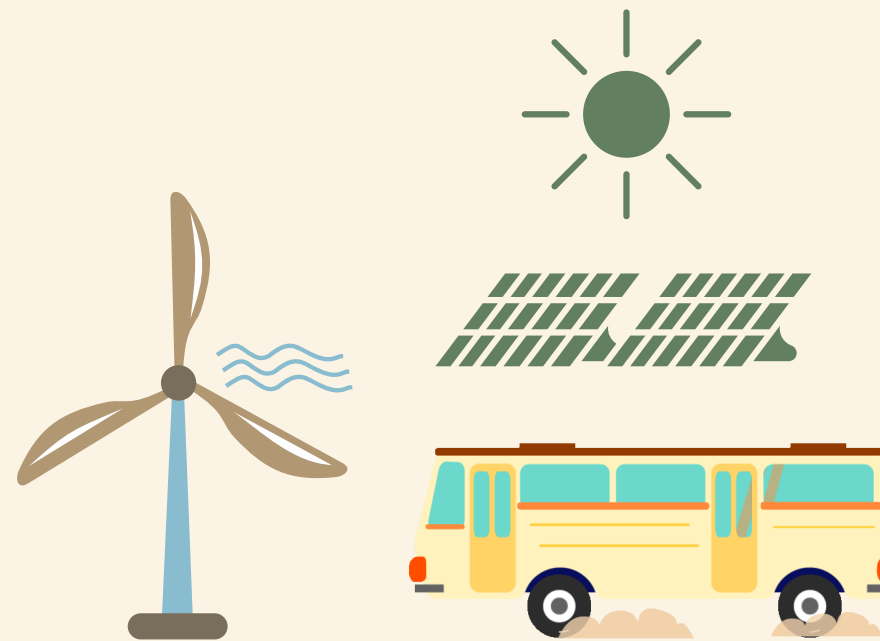


# Effects



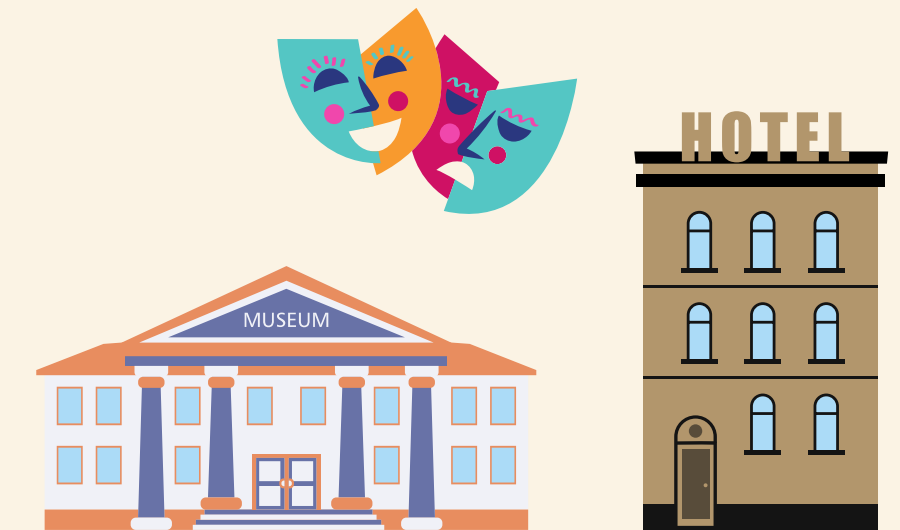
Super rate on cars, flights, meat, and pesticides

- low use of cars and planes
- low consumption of meat



Low rate on sustainable energy and travel via railway  
Zero rate on public transport

- high use of public transport
- high use of sustainable energy options



Low rate on books, cinema, museum, theatre, and hotel accommodation

- higher rate of (domestic) tourism in ESSCALand
- higher accessibility of cultural activities to all citizens

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