



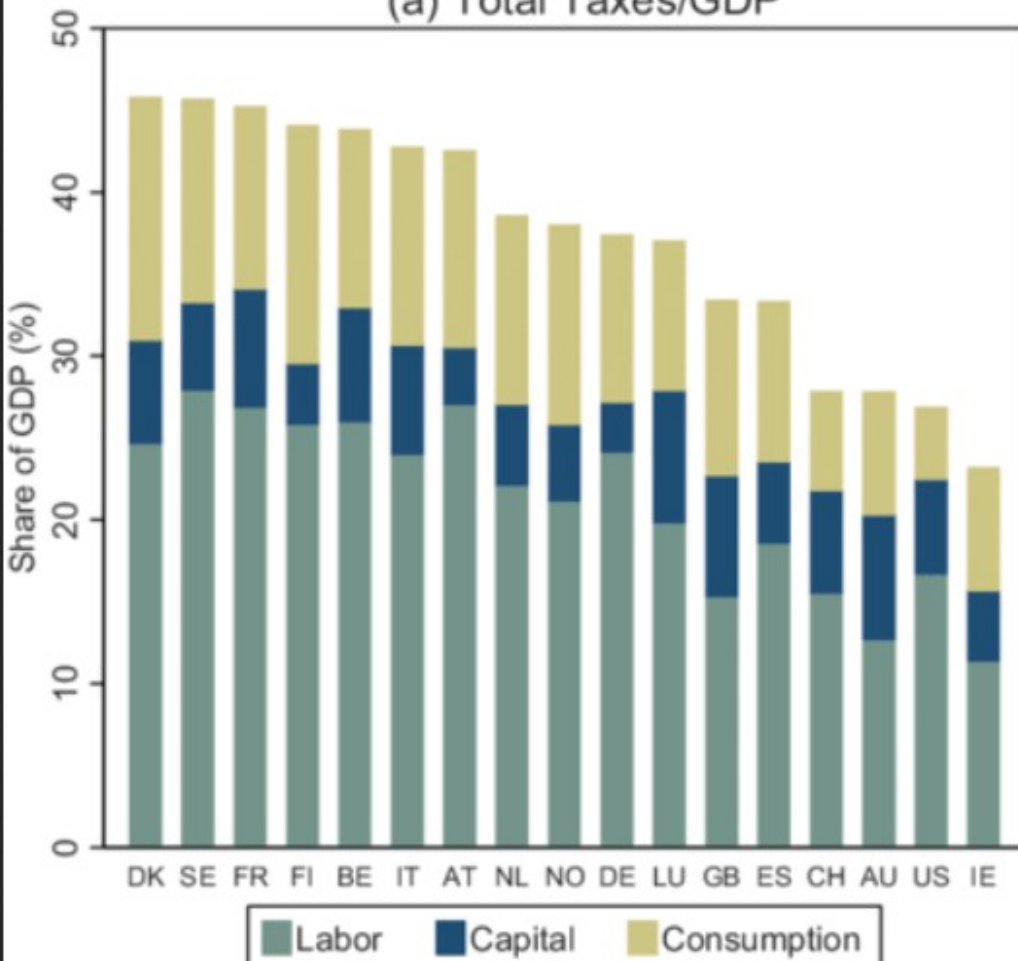
# Taxes and Duties

## an Overview with some European Comparisons

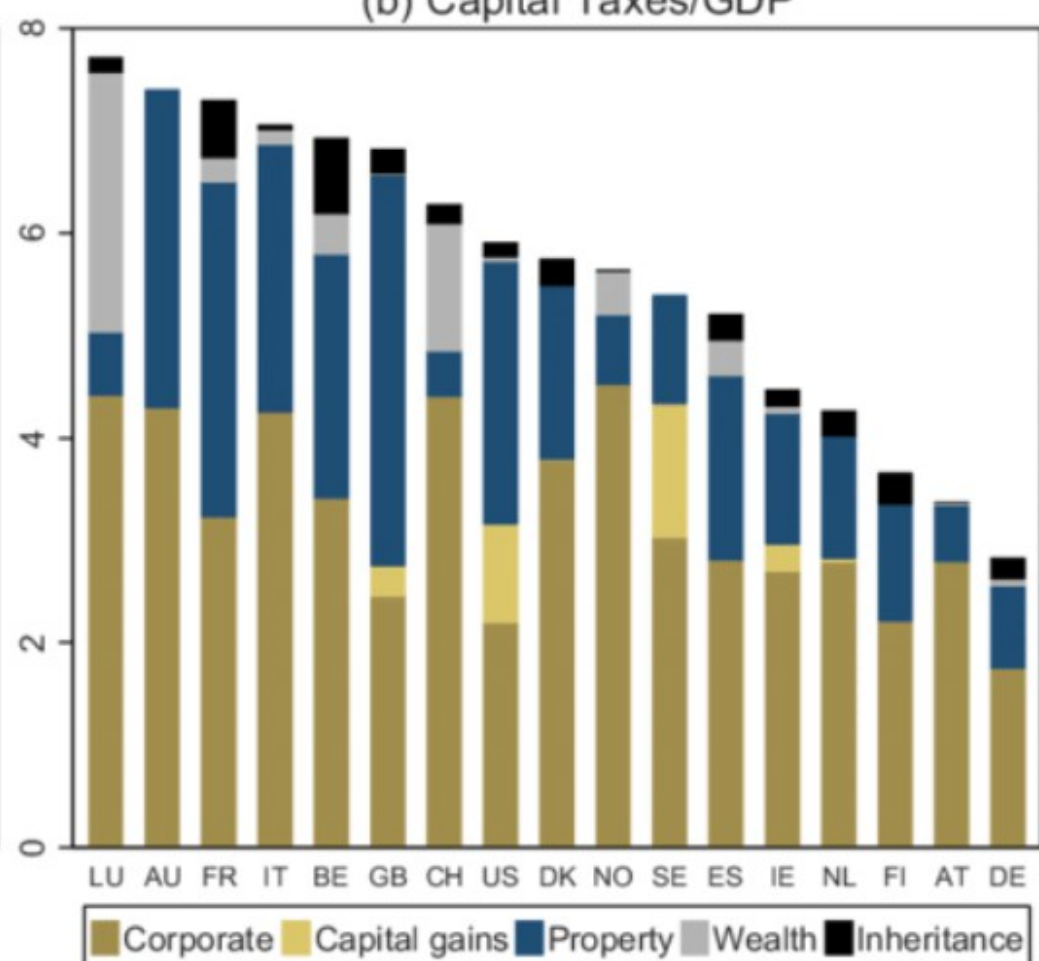
***Dr David Rees***  
***2025***

# Tax Burden (% tax revenue to GDP)

(a) Total Taxes/GDP

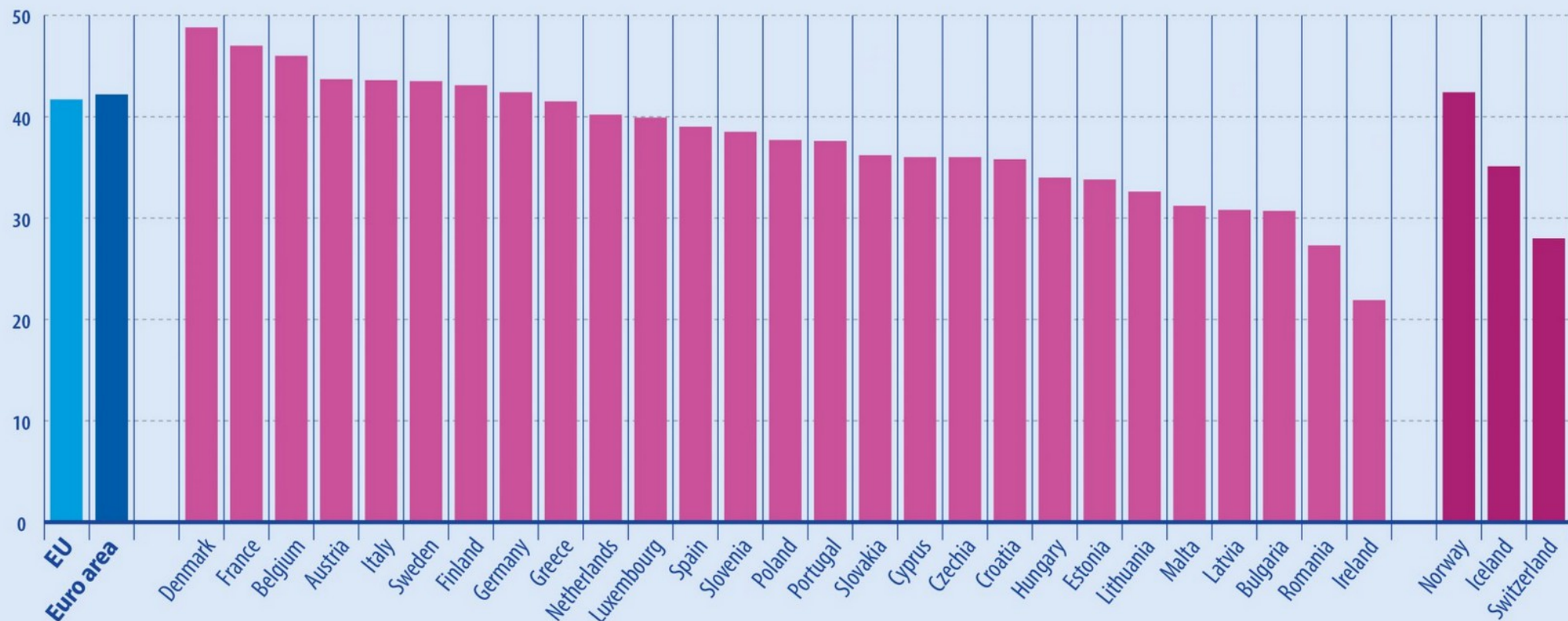


(b) Capital Taxes/GDP



# Revenue from taxes and social contributions, 2021

(% of GDP)



# Income Tax

## TRANCHES POUR 1 PART DE QUOTIENT FAMILIAL\*

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.

| 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 € |
| <b>0 %</b>                  | <b>11 %</b>            | <b>30 %</b>            | <b>41 %</b>             | <b>45 %</b>       |

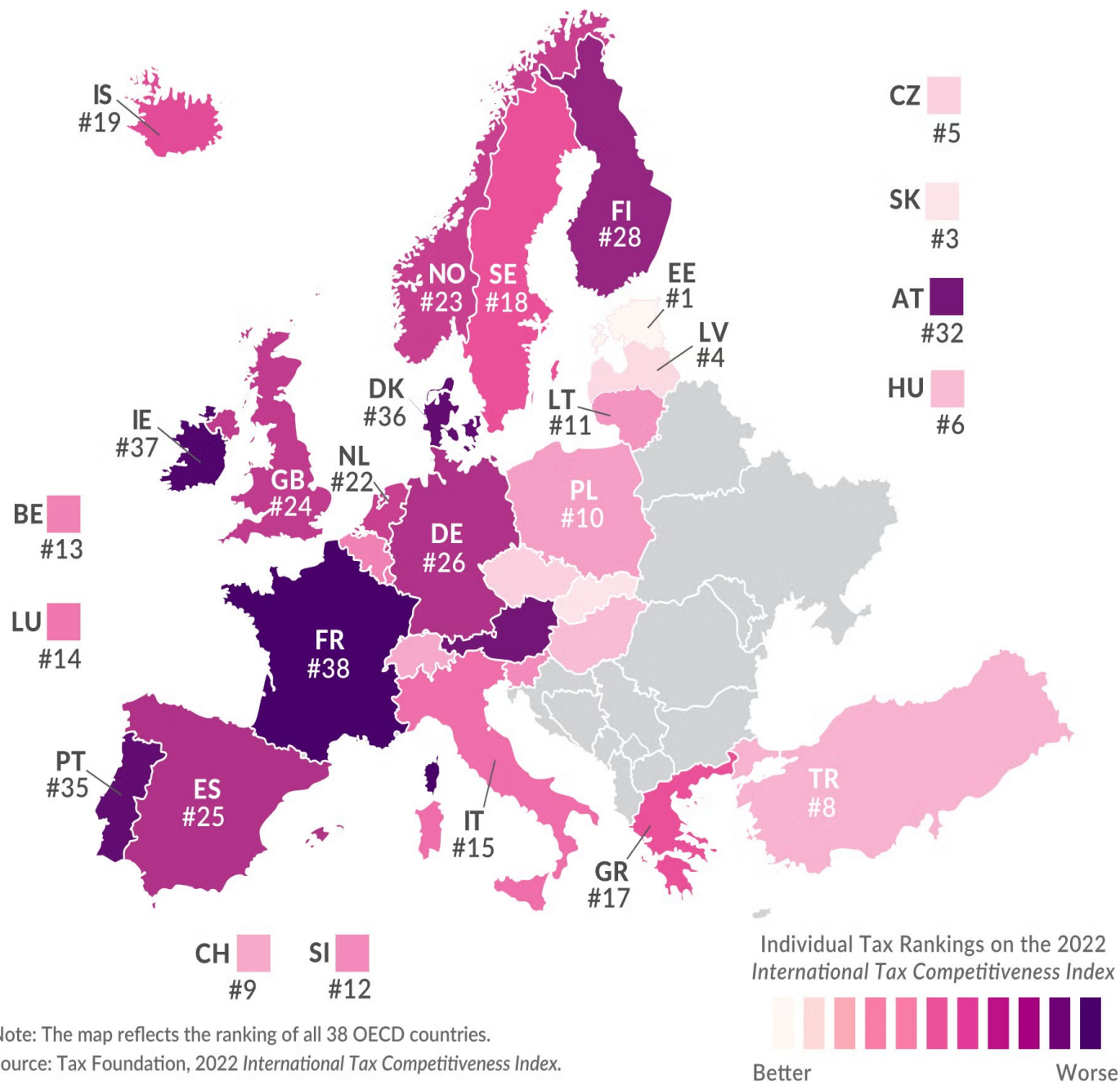
## EXEMPLE DE CALCUL POUR 1 PART DE QUOTIENT FAMILIAL\*

| Revenu annuel <b>30 000 €</b> net imposable : |   |   |
|---|---|---|
| Tranche 1                                     | Tranche 2                               | Tranche 3                               |
| Jusqu'à 10 777 €                              | De 10 778 € à 27 478 €                  | De 27 479 € à 30 000 €                  |
| <b>0 %</b>                                    | <b>11 %</b>                             | <b>30 %</b>                             |
| 0 €   | + 1 837,11 €                            | + 756,60 €                              |
|   | <small>(27 478 - 10 777) x 11 %</small> | <small>(30 000 - 27 478) x 30 %</small> |

Montant total de l'impôt : **2 593,71 €**  
soit 8,64 % du revenu net imposable

# Comparing Europe's Tax Systems: Individual Taxes

Individual Tax Component Rankings of European OECD Countries  
in the 2022 International Tax Competitiveness Index



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

Note: The map reflects the ranking of all 38 OECD countries.

Source: Tax Foundation, 2022 International Tax Competitiveness Index.

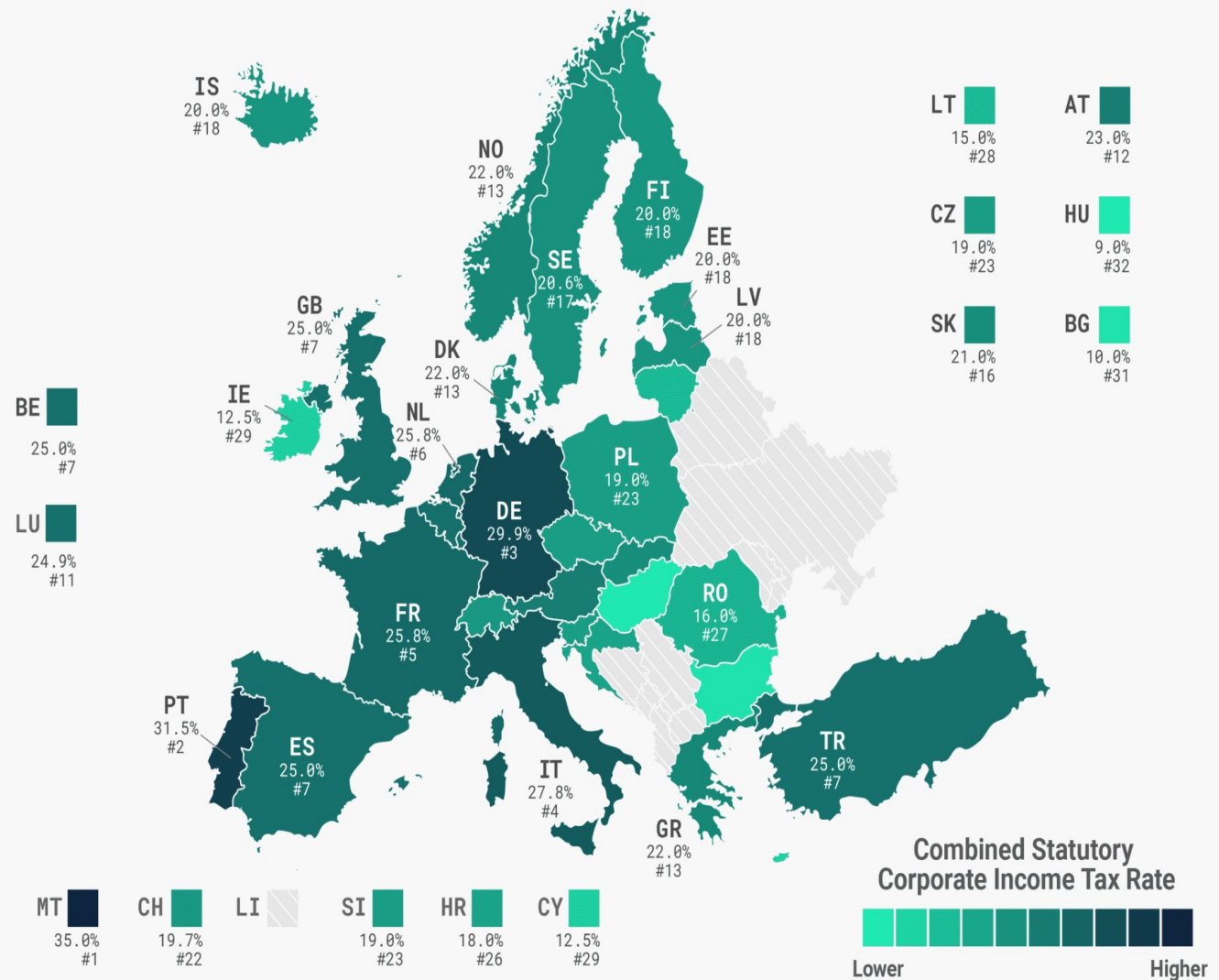
# Corporation Tax

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

## Corporate Income Tax Rates in Europe

Combined Statutory Corporate Income Tax Rates in European Countries, 2024



Note: Combined statutory corporate income tax rates include both central and subcentral corporate income tax rates. Source: OECD, "Tax Database: Table II.1. Statutory corporate income tax rate;" and Bloomberg Tax, "Country Guide."

# Tax Avoidance and Tax Evasion

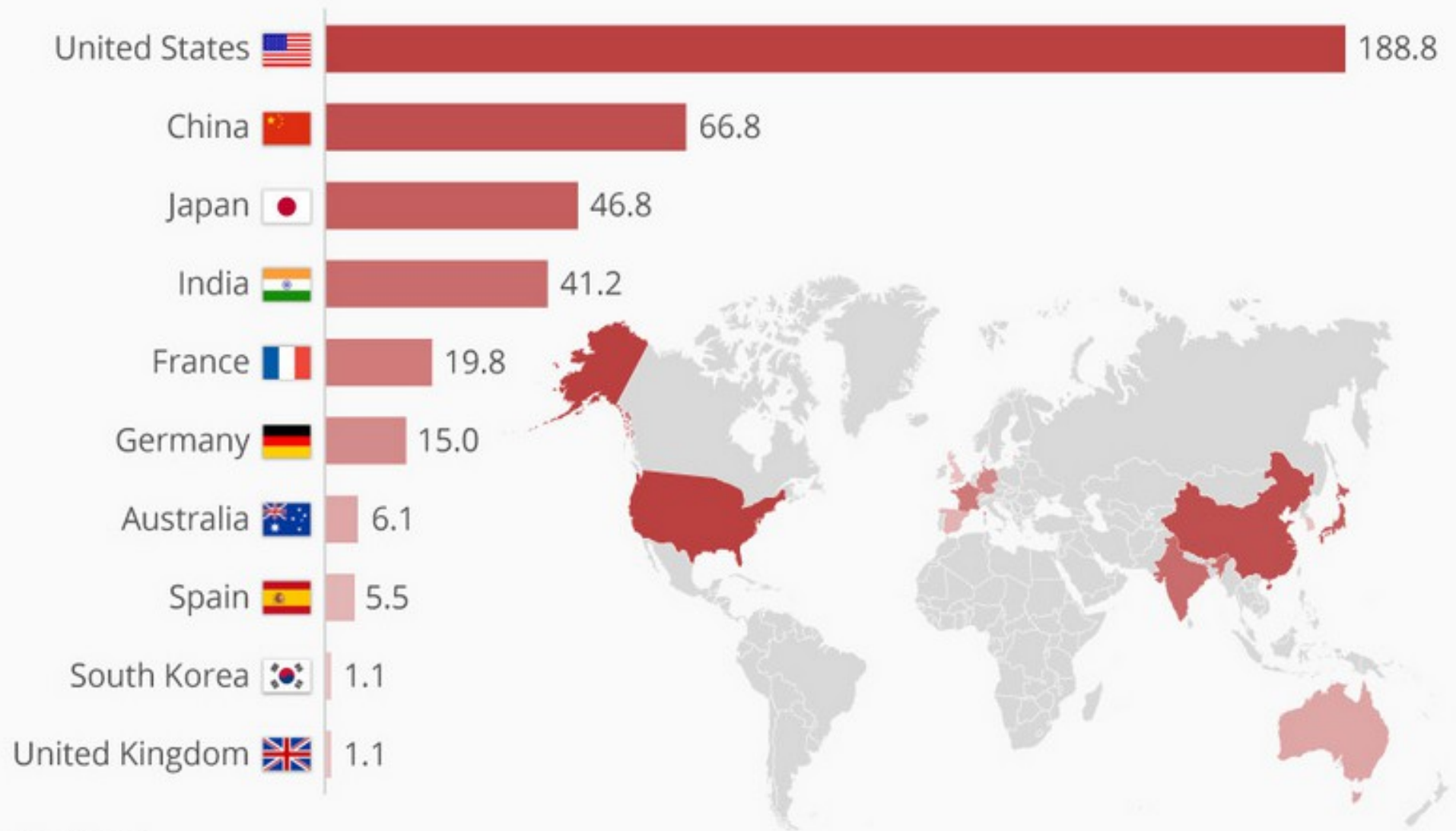
Tax Avoidance (optimisation fiscale) is legal but can be considered immoral. It is used by rich people (mostly in the top 2% of wealth) and rich companies who pay banks and intermediaries to find legal ways of paying less tax (mostly income tax, corporation tax, wealth tax and inheritance tax).

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)

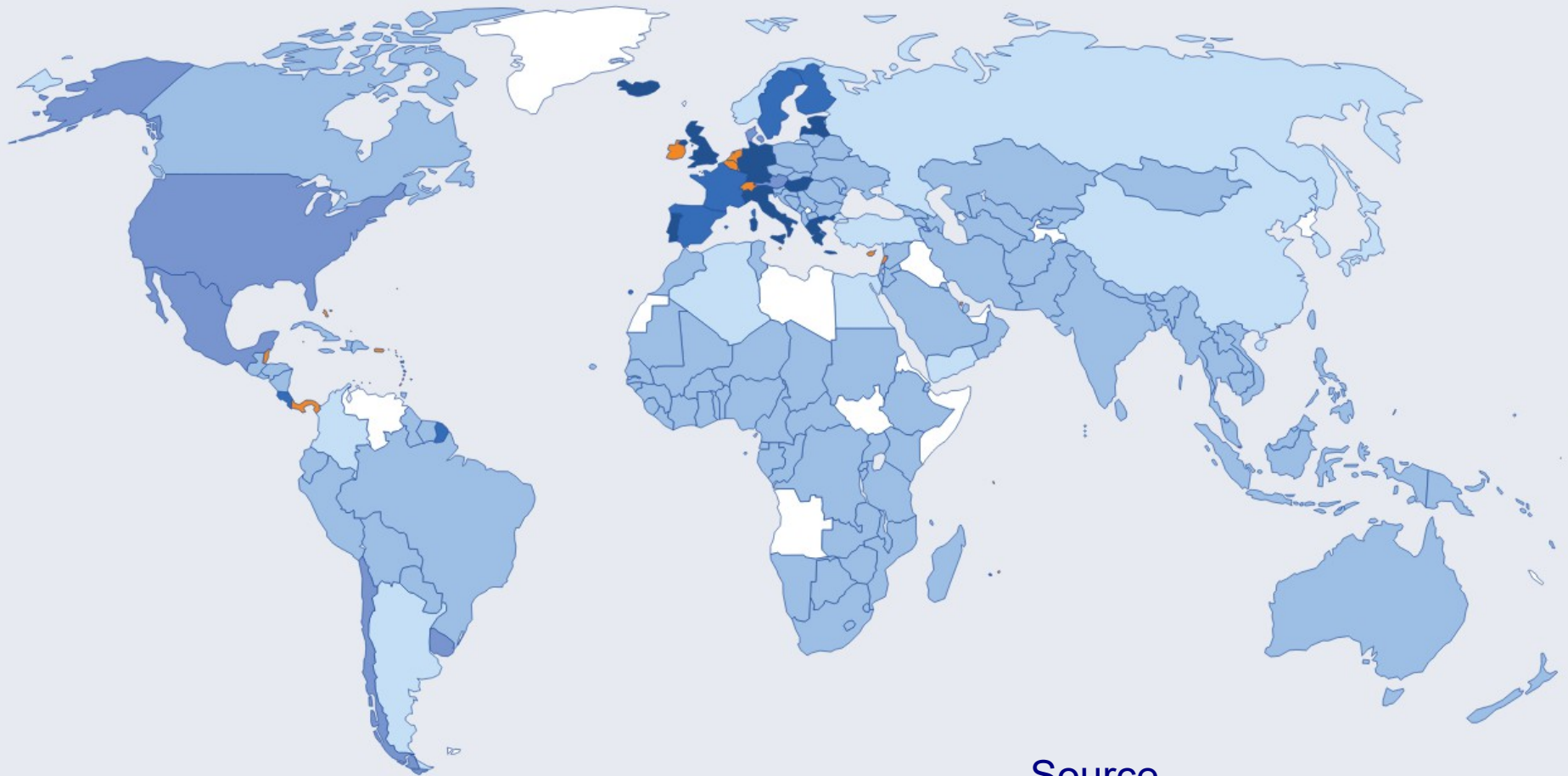


# Losses of Corporation Tax

## 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

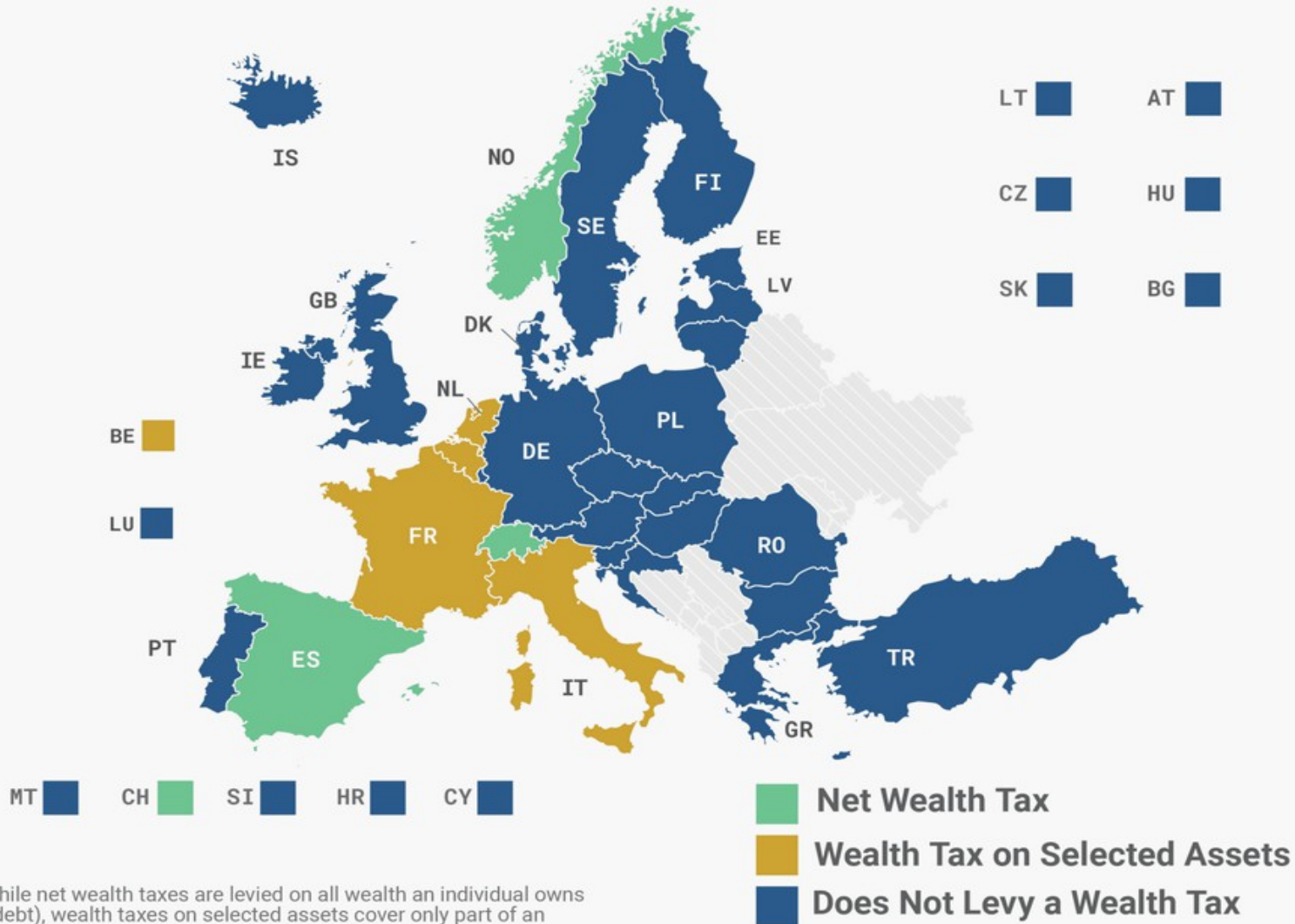
- Top 9 European Tax Havens

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

## Estate, inheritance and gift taxes (2022)

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

| 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

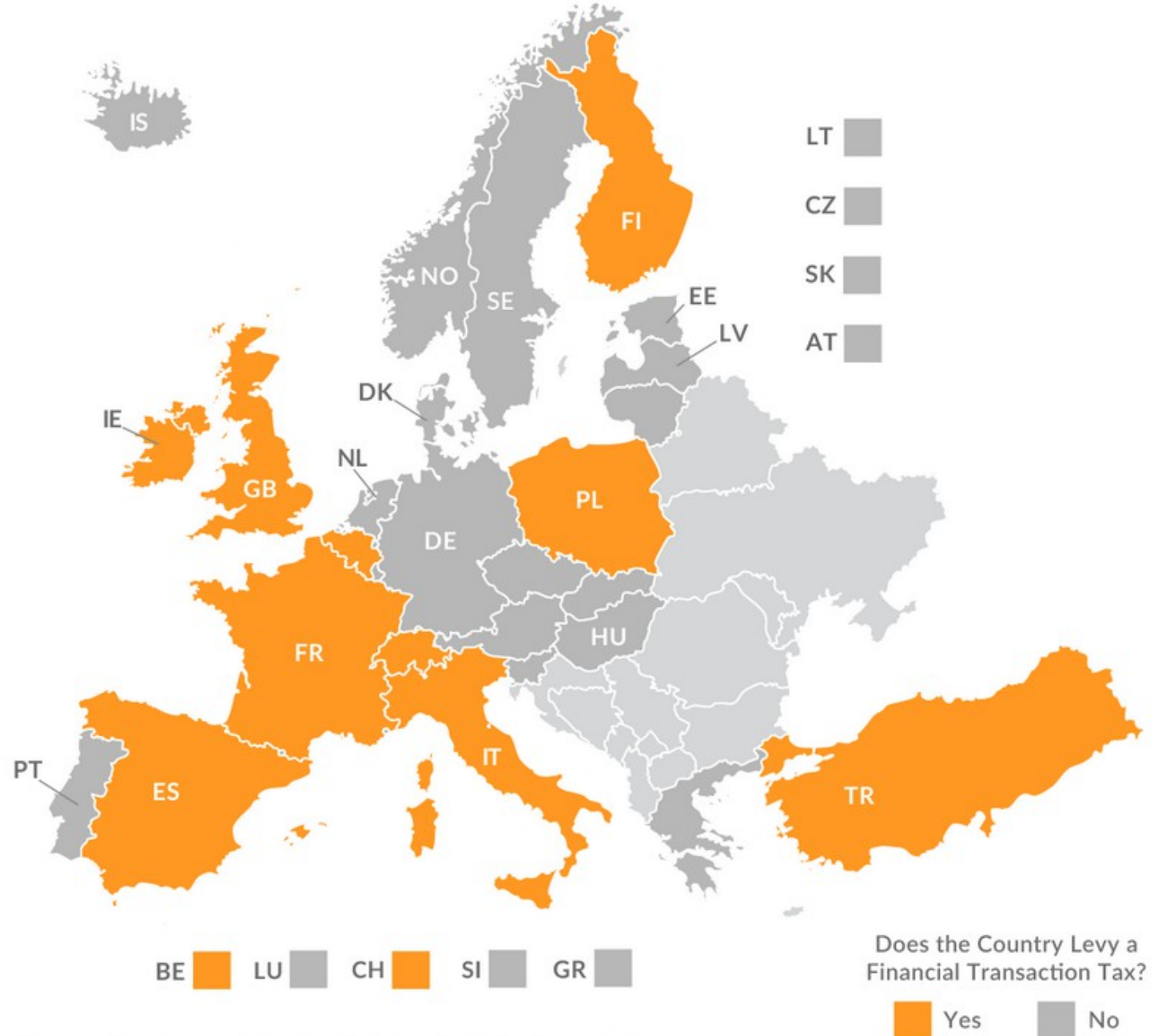
| Tarifs des droits de succession en ligne directe |                     |
|--|---------------------|
| Part taxable après abattement                    | Barème d'imposition |
| Jusqu'à 8 072 €                                  | 5 %                 |
| De 8 073 € à 12 109 €                            | 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 :-\)](#)

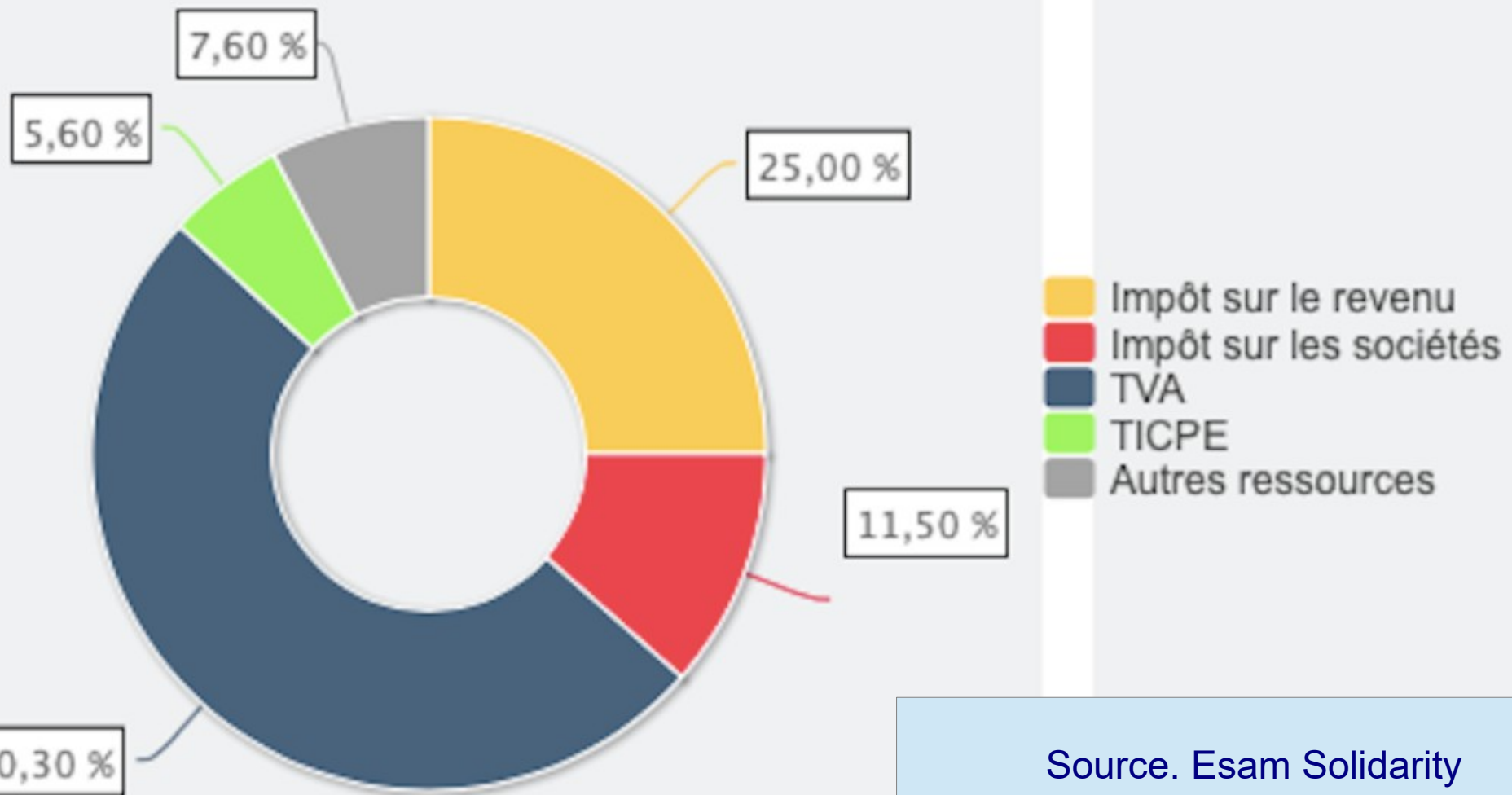
# Value Added Tax

## 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?

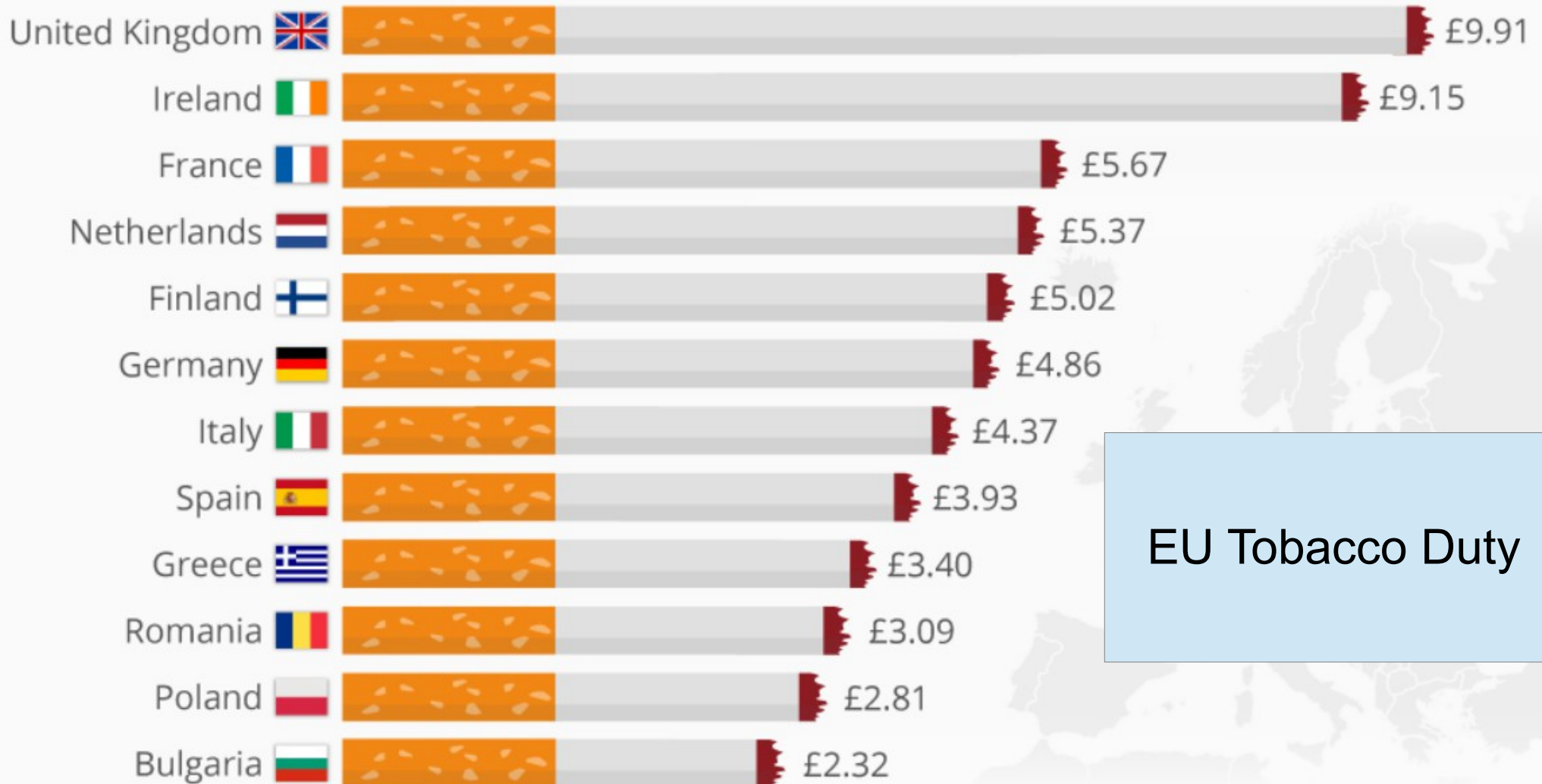
This tax is applied in certain circumstances to people who have been resident in France for at least six of the last 10 years and are now moving elsewhere. For more details (in French), go to [LaPlace](#).

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



# Tobacco Duty

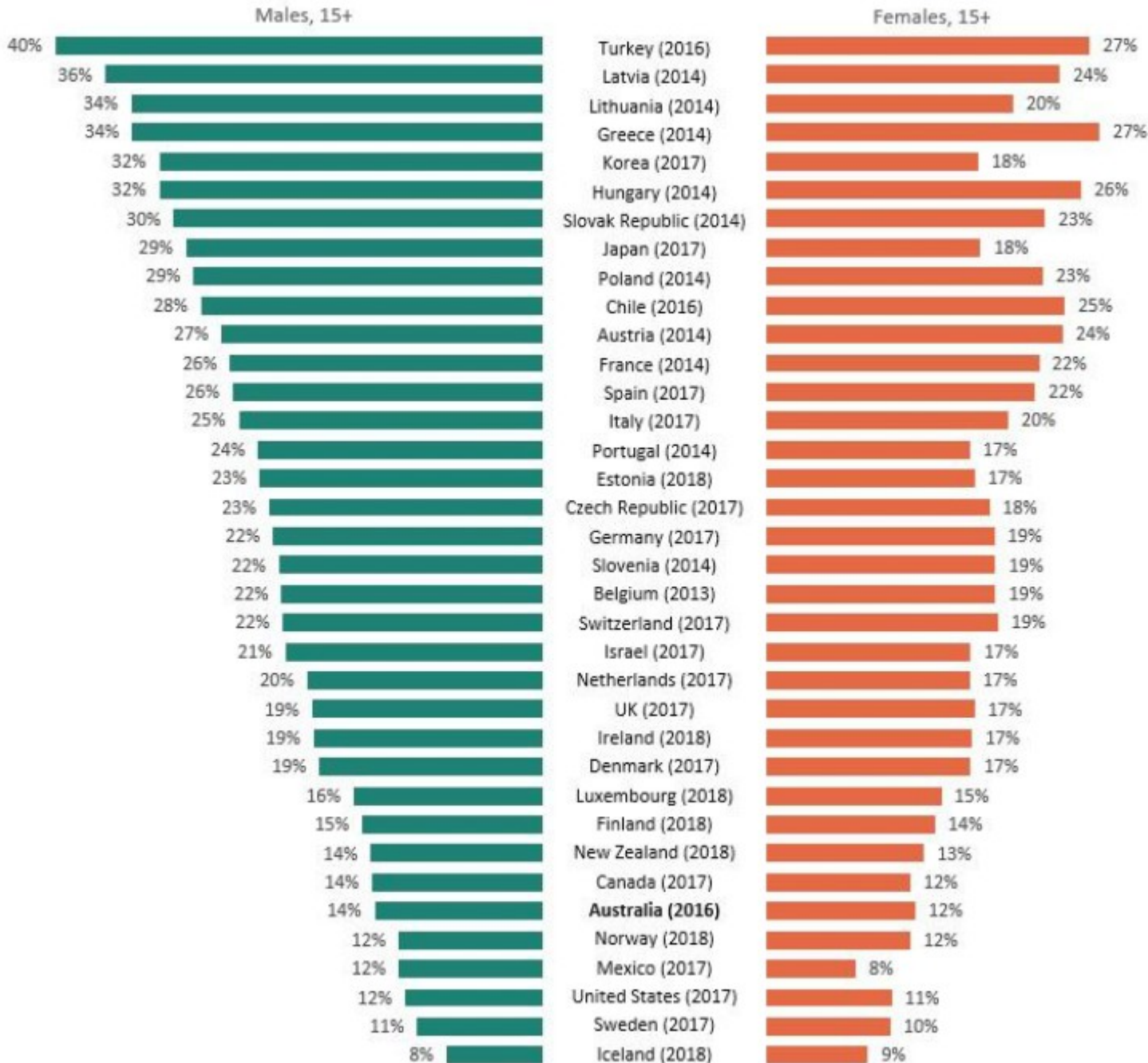


## Tobacco Products

- 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

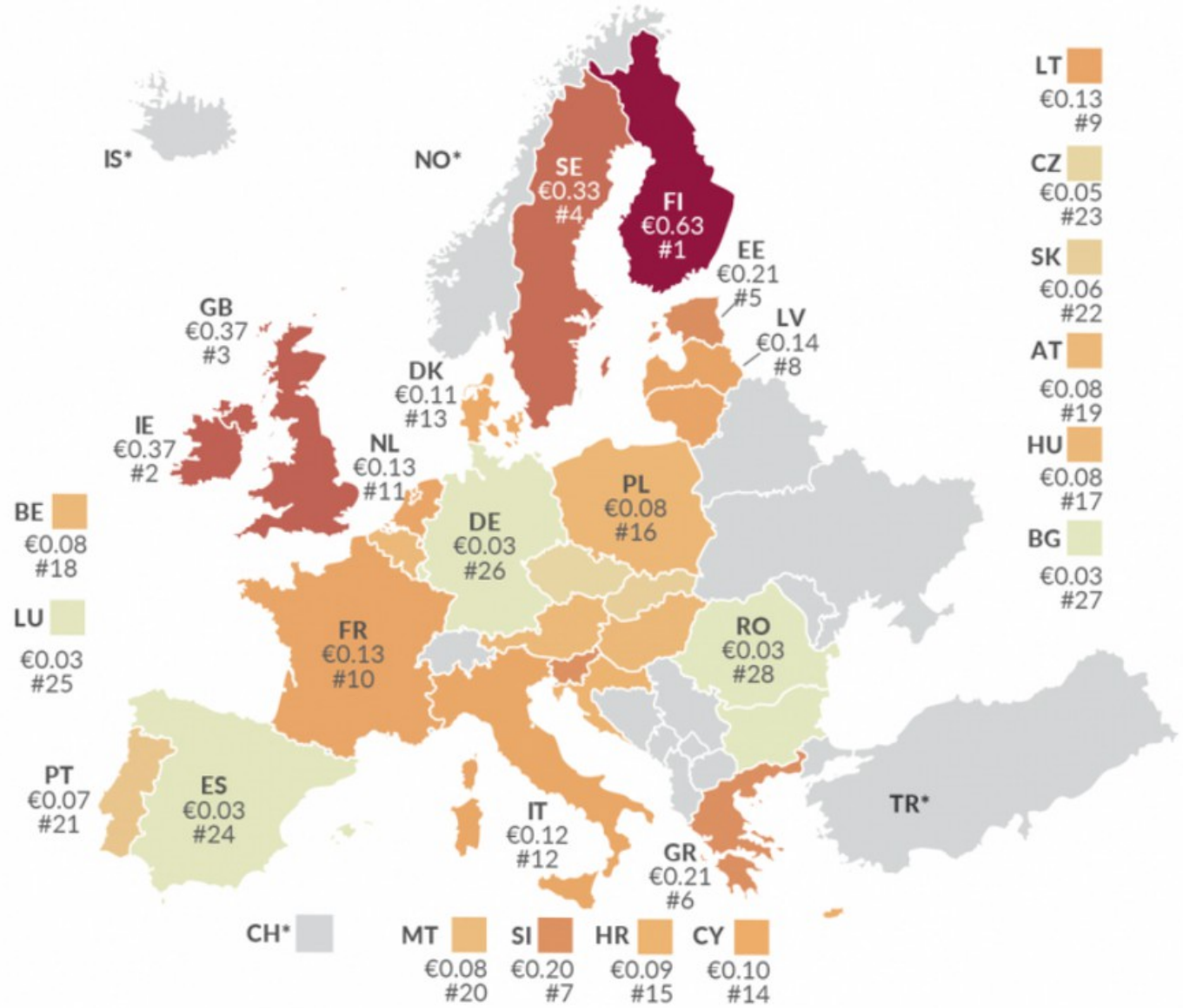
Excise Duty per 330ml (11.2oz) Beer Bottle at 5% abv in European Union (EU) Member States and the United Kingdom, as of July 2022

## 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

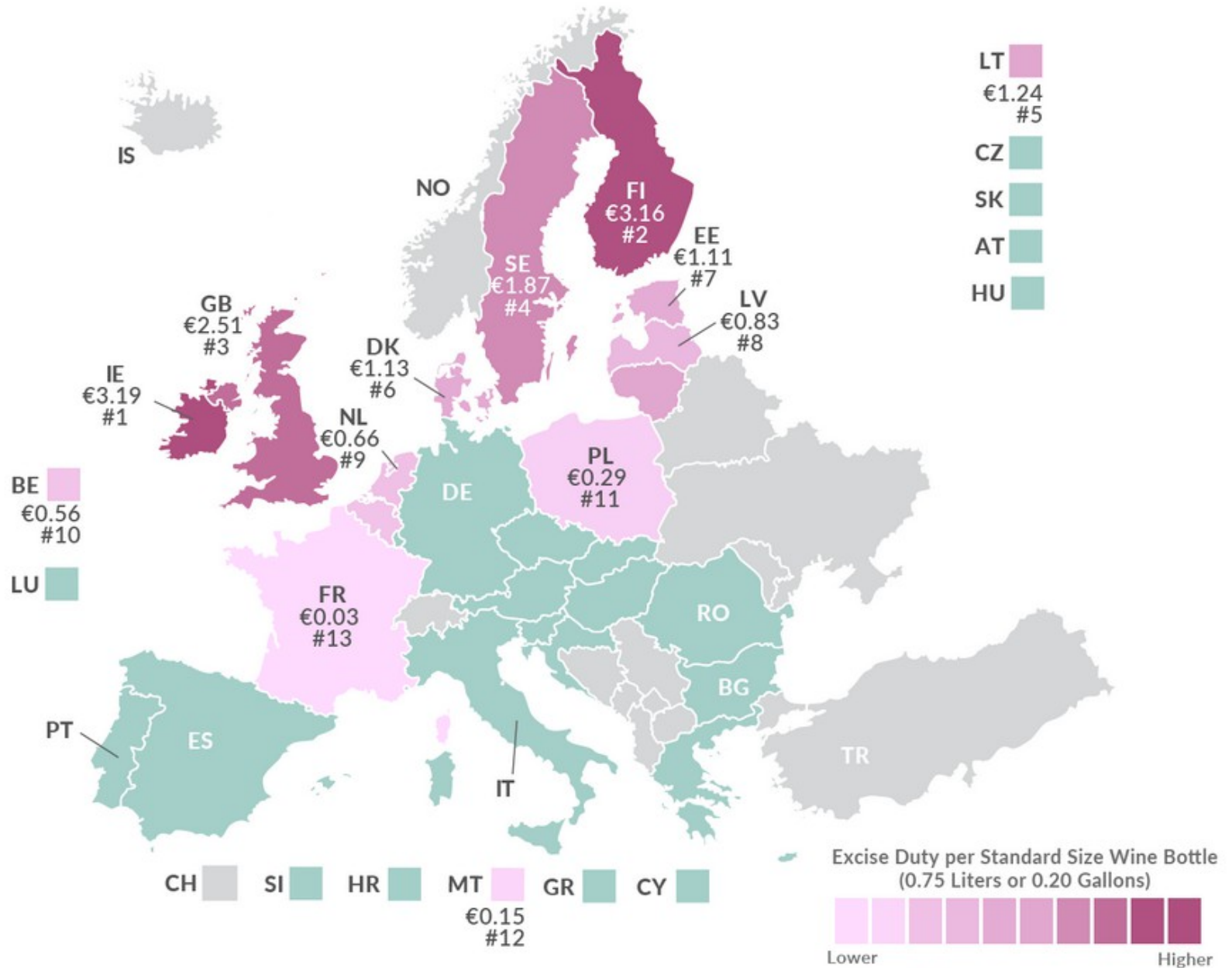
Excise Duty per Standard Size Wine Bottle (0.75 Liters or 0.20 Gallons)  
in EU Member States and the United Kingdom, as of July 2021

## 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

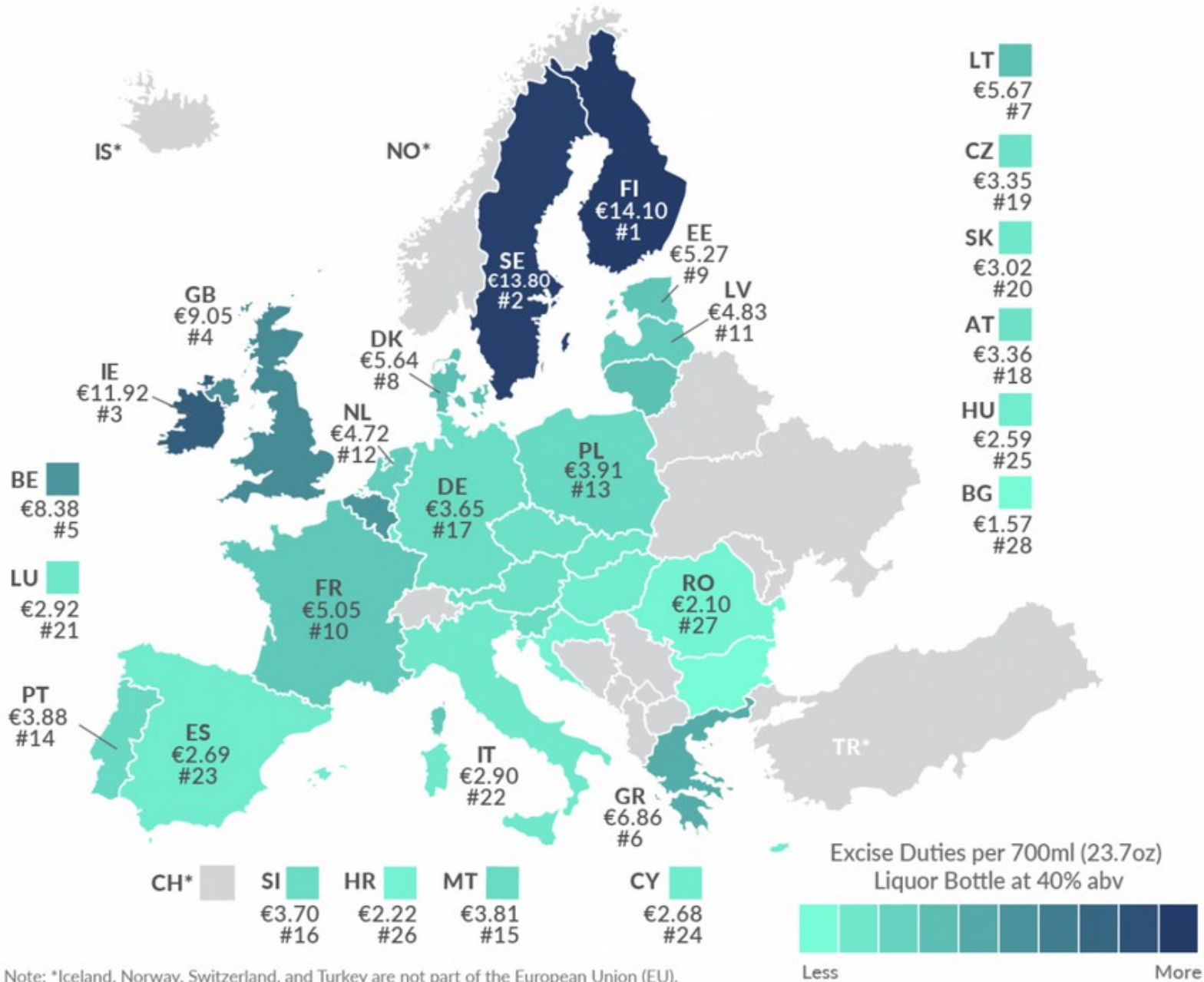
Excise Duties per 700ml (23.7oz) Liquor Bottle at 40% abv in EU Member States and the United Kingdom, as of July 2021

Spirits duty in the EU

France 5€05

UK 9€05

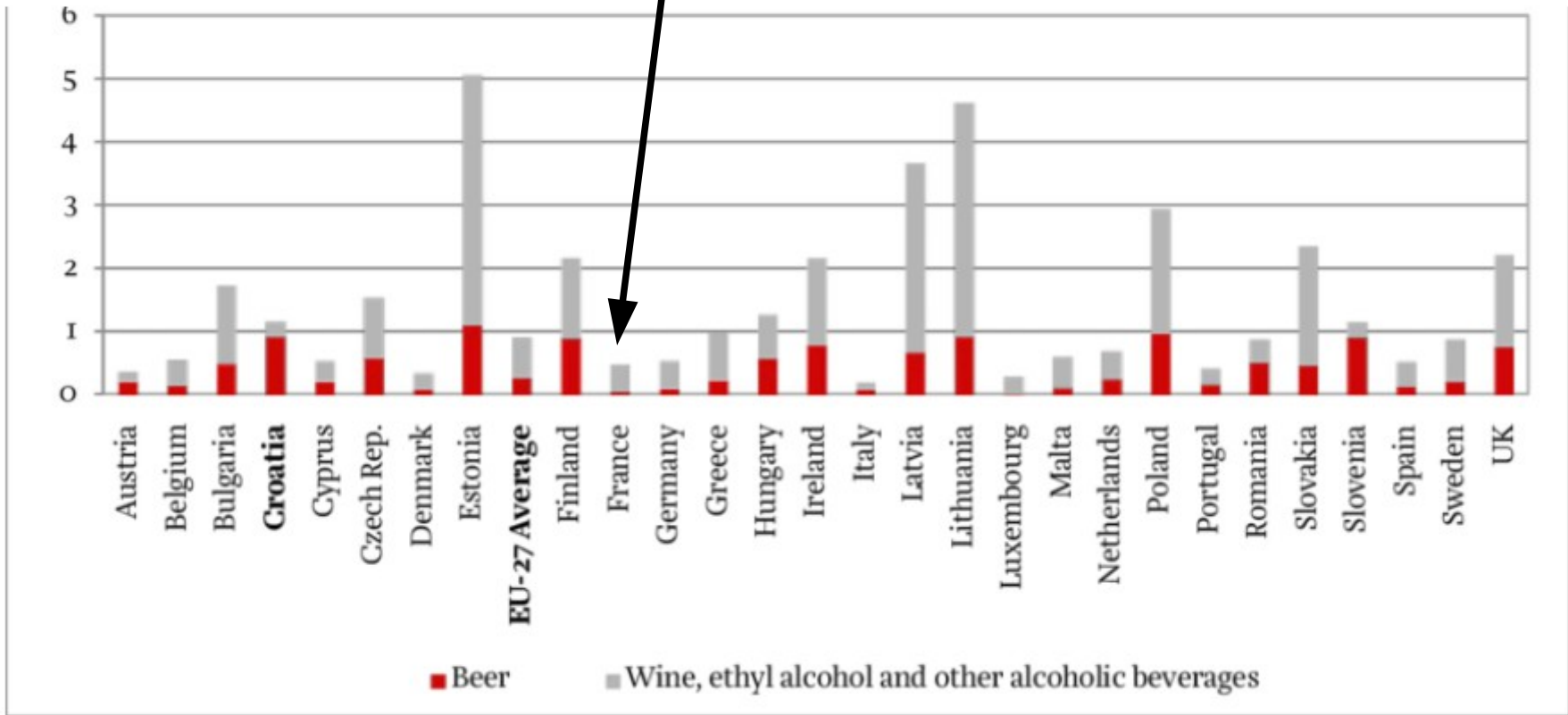
Finland 14€10



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](#)



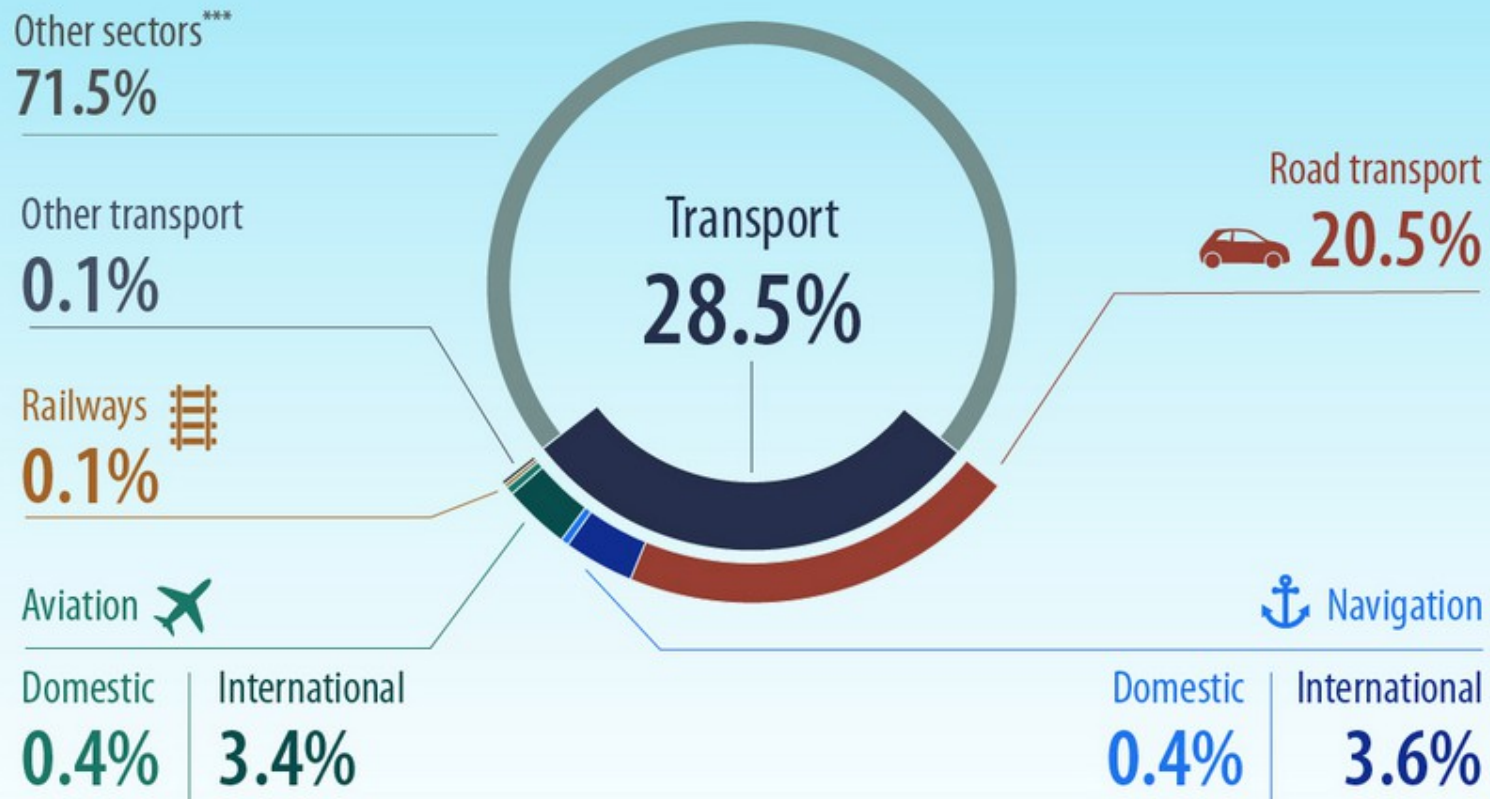
Share of revenues from excise duties on alcohol and alcoholic beverages in total tax revenues (exclusive of social contributions) in 2011, in percentages

# Petrol Duty and Prices in pence (100<sup>th</sup> 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)\*\*



\*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

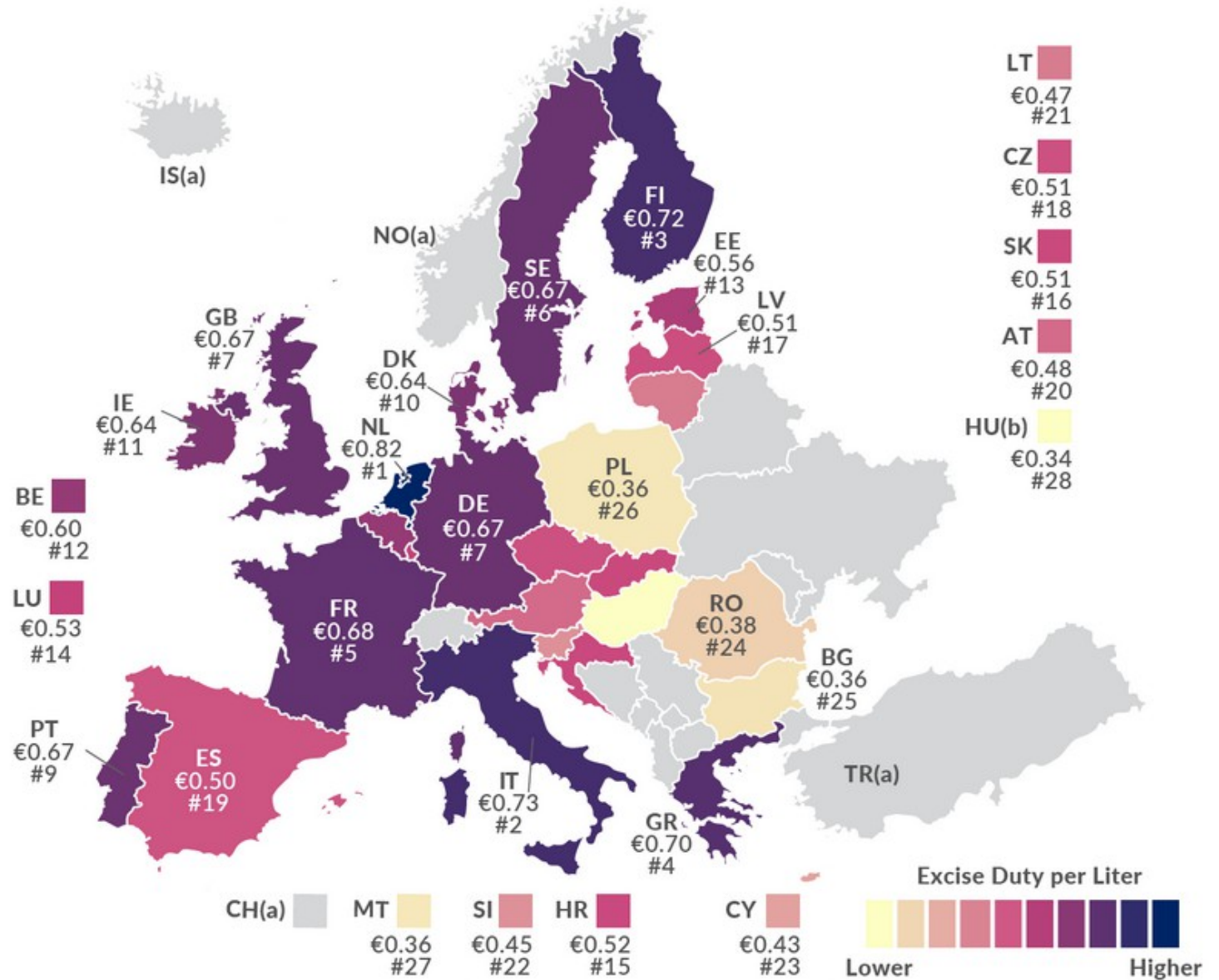
Excise Duty per Liter (0.26 Gallons) of Unleaded Petroleum in European Union (EU) Member States and the United Kingdom, as of July 2022

## 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).

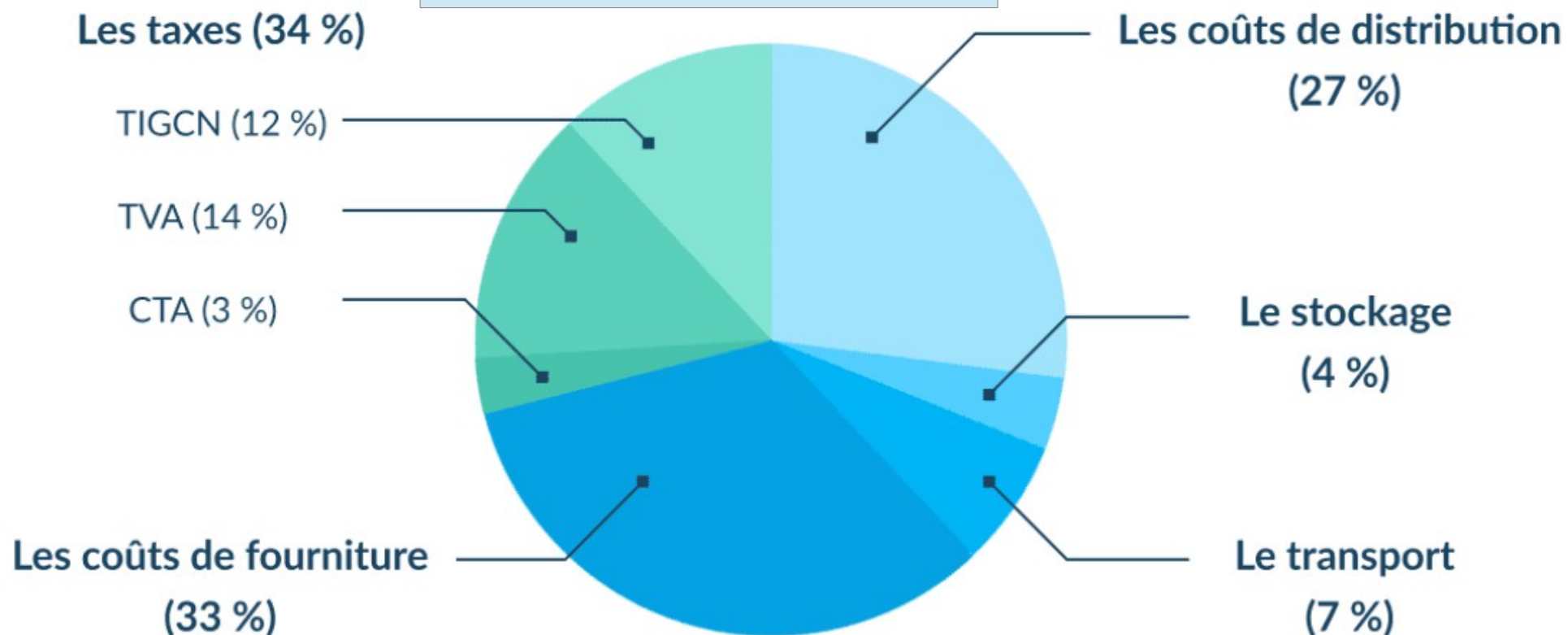
(b) Hungary's excise duty increases to EUR 0.36 if the world market price of crude oil is at or below 50 USD/barrel.

(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



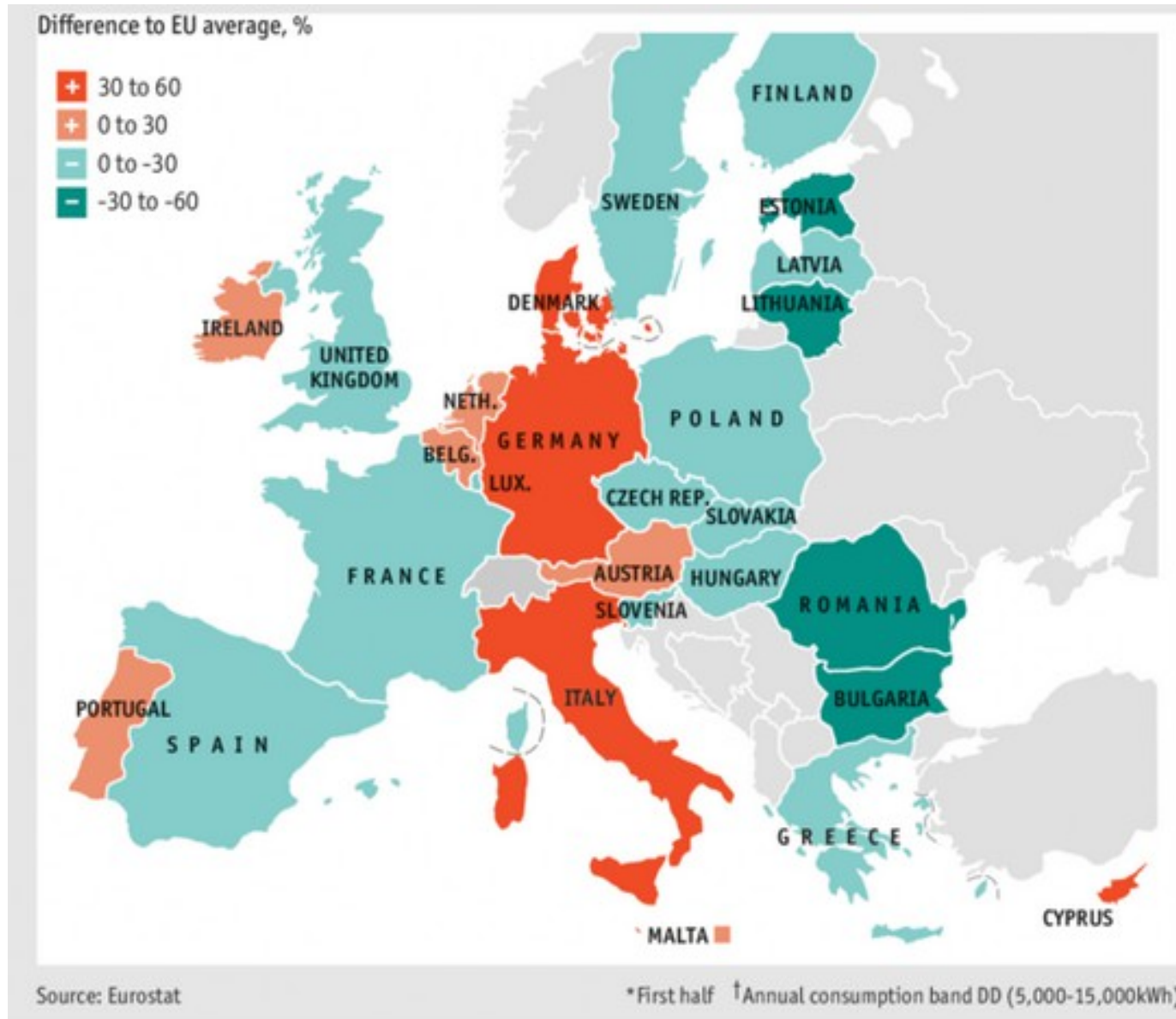
TIGCN : Taxe Intérieures sur la Consommation de Gaz Naturel

CTA : Contribution Tarifaire d'Acheminement

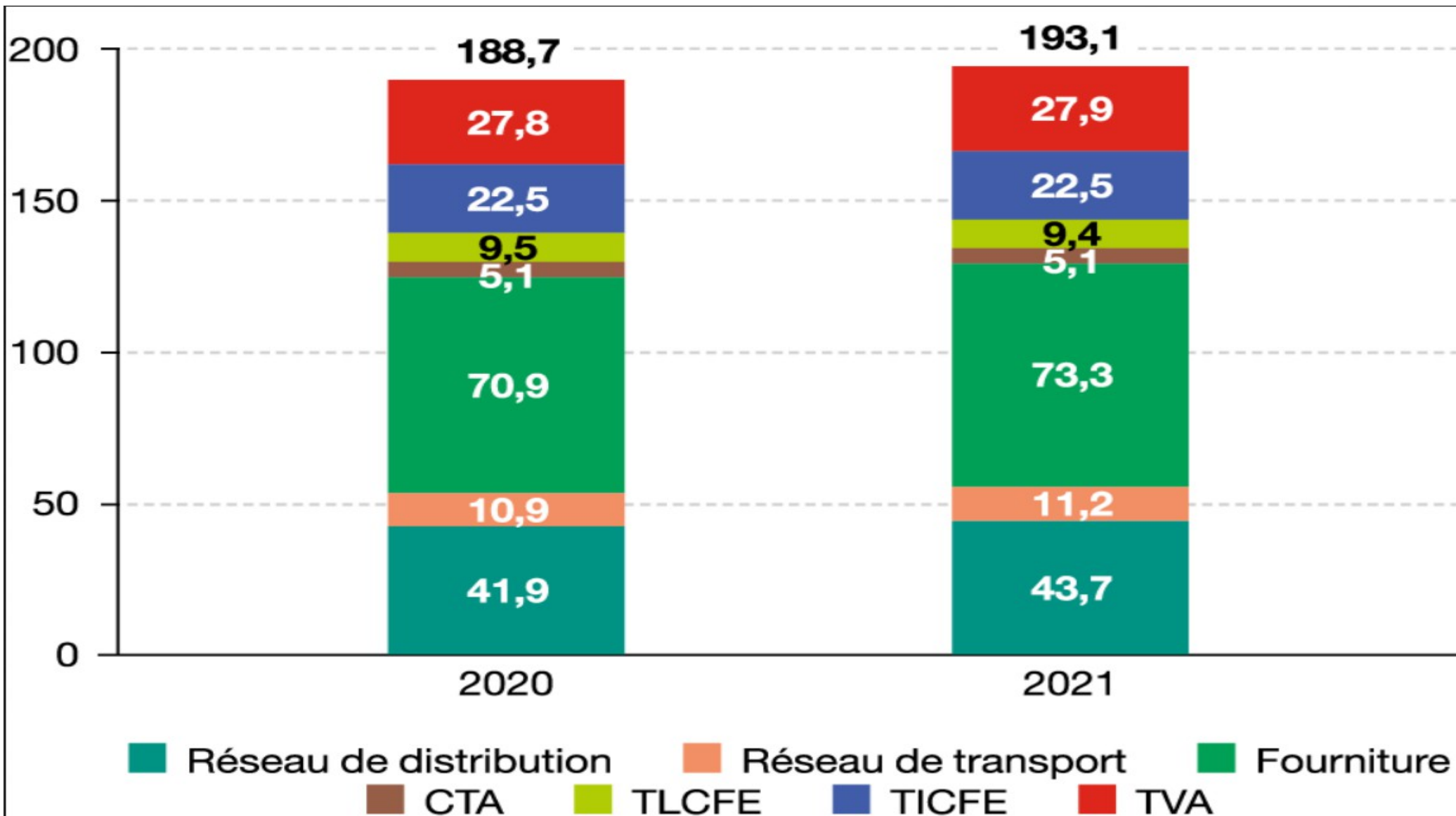
TVA : Taxe sur la Valeur Ajoutée

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

# Electricity prices in Europe



# Electricity Taxes in France



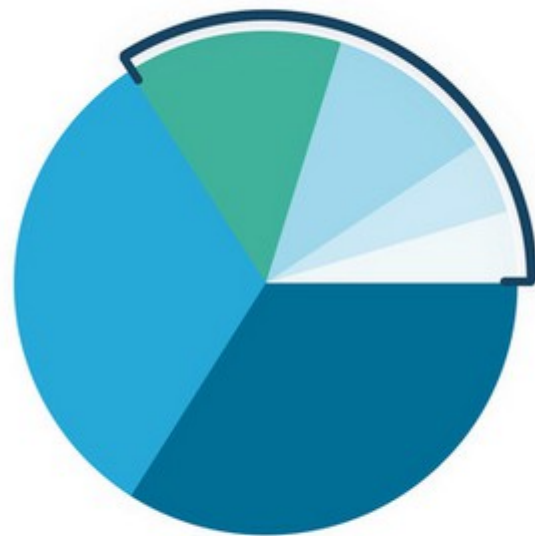
CTA (Contribution Tarifaire d'Acheminement)

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