A TALE OF TWO COUNTRIES

Greek Prime Minister Pangalos Panagopoulos
Papathanomous warned Friday that the country
was at a critical juncture ahead of a weekend
election that could determine its future in the
eurozone. Victory for the leftist Syriza party,
which opposes terms for an international
bailout and rejects austerity measures, could
make an exit from the eurozone more likely.
Meanwhile, German Chancellor Angela Merkel
was describing her country as Europe’s “stabilis-
ing anchor and growth engine.” In how does
Germany — an economic powerhouse —
compare to Greece — an economic basketcase?

GERMANY

15% CORPORATE TAX RATE
Down from a 30% rate of 45%

PERSONAL TAX RATES
German holiday rate is 14%
Rises to 42%, applicable above $56,800 (EU)
However, it
increases up to 45% in those earning above
250,000 euros ($320,500)

19% VALUE ADDED TAX
Standard rate, with a rate of 7% applies to
some areas, e.g. fresh food.

WEALTH AND TRANSACTION TAXES
No wealth tax
The real estate transfer tax stands at 3.5%
Inheritance and gift taxes are levied at rates ranging from
7% to 50%, depending on the amount involved

38.1% TAX-GDP GROWTH
Greece has one of the lowest in the
area in average 15.6%)

20% TAX-GDP GROWTH
Lowest in the Eurozone in average 35.6 %)

Greece go from
0% to 45% on
those with
above $250,000 euros
($258,000). A
rate of 13% on
property above
$258,000 (€258,000)

10% to 45%
Tax rates in
Germany are from
10% to 45%

INCREASE IN COSTS
49% IN PPS* (EU27 = 100)

INFLATION
AVERAGE PERCENT CHANGE

GDP GROWTH
PERCENTAGE CHANGE

INFLATION
AVERAGE PERCENT CHANGE

UNEMPLOYMENT
PERCENTAGE (AGE 15 To 64)

PRODUCTIVITY
PERCENTAGE CHANGE

GERMANY

GDP PER CAPITA
IN PPS (2010 = 100)

GERMAN KEY STATISTICS

*The purchasing power standard is an artificial currency unit. Theoretically, one PPS can buy the same amount of goods and services in each country.
**Those aged 25-64 with at least an upper secondary education level, but not in higher education

EUROPEAN BANKS, MORGAN STANLEY AND BLOOMBERG PERSPECTIVE, NATIONAL POST

GREECE

23% VALUE ADDED TAX
Standard rate, with a reduced rate of 13% on
some goods and services.

WEALTH AND TRANSACTION TAXES
There is no wealth tax. No taxation taxes on prop-
erty below
200,000 euros ($258,000). A
rate of 13% to 26% on
property above
600,000 euros ($774,000)

INCREASE IN COSTS
21% IN PPS* (EU27 = 100)

INFLATION
AVERAGE PERCENT CHANGE

GDP GROWTH
PERCENTAGE CHANGE

INFLATION
AVERAGE PERCENT CHANGE

UNEMPLOYMENT
PERCENTAGE (AGE 15 To 64)

PRODUCTIVITY
PERCENTAGE CHANGE

GREECE

GDP PER CAPITA
IN PPS (2010 = 100)

GREEK KEY STATISTICS

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Also in today’s Financial
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the end of the Greek
tragedy – FP1