IPTI Xtracts

Property Tax and Assessment News from Around the World

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IMF PROPOSED A CAPITAL LEVY – TAX ON MONEY IN BANK ACCOUNTS & RAISE PROPERTY TAXES 1

IMF Proposed a Capital Levy – Tax on Money in Bank Accounts & Raise Property Taxes

The International Monetary Fund (IMF) is always the cheerleader to raise taxes to support government. They are instructing Germany to raise taxes and also talking about just imposing a 10% tax on all money that deposits in banks throughout Europe. Yes – you read that one correctly.

The IMF has told Germany it should raise its property tax, cut social welfare contributions and invest more to reduce income inequality. The demands are contentious in an election year. Once again the IMF has demanded higher taxes on savings deposits in Germany.

Germany must do more for to raise taxes to impose more socialistic idea to somehow tax the rich to create a broader participation of all citizens in the fruits of economic growth, if somehow raising taxes actually ever creates economic growth. The IMF warns that there is a relatively high tax burden on lower incomes with a comparatively low burden on assets.

The IMF argues for higher taxes on property are in fact necessary and that the government should demand higher wages to also give impetus to the growth in Germany, yet this is magically creating no inflationary impact. Years ago, Italy simply imposed a tax on money in one's account. This was called a **"capital levy"**. This was a one-time charge as an exceptional measure to restore the sustainability of the debt.

The IMF is also suggesting that measure be invoked to help the coming **Sovereign Debt Crisis**. The attractiveness of such a measure is that such a one-time tax can be levied before a tax evasion can even occur, especially if cash is eliminated and money can only exist in bank accounts. This requires the belief that this measure is unique and never repeated.

The IMF has already calculated how much the measure would cost every Eurozone citizen:

"The amount of the tax would have to bring the European sovereign debt back to the pre-crisis level. In order to reduce the debt to the level of 2007 (for example in the euro area countries), a tax of about 10 percent is needed for households with a positive asset. "

As you can see, there is **NEVER** any discussion about reducing taxes or the size of government. The solution is always to raise taxes and to not even look at the old Italian trick of a 10% seizure of all cash in your account. We highly recommend to diversify to assets that are **MOVABLE** and not subject to taxation merely to possess.

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