

Attractive corporate tax rates



If you look at the purely economic arguments for setting up a business in Schleswig-Holstein, the bottom-line benefits are undisputed: **relatively low taxes, nicely priced property, competitive wage levels and high levels of productivity.**

In Germany the trade tax on companies is levied locally and varies from local authority to local authority; for entrepreneurs it is often a key factor in choosing where to set up business.

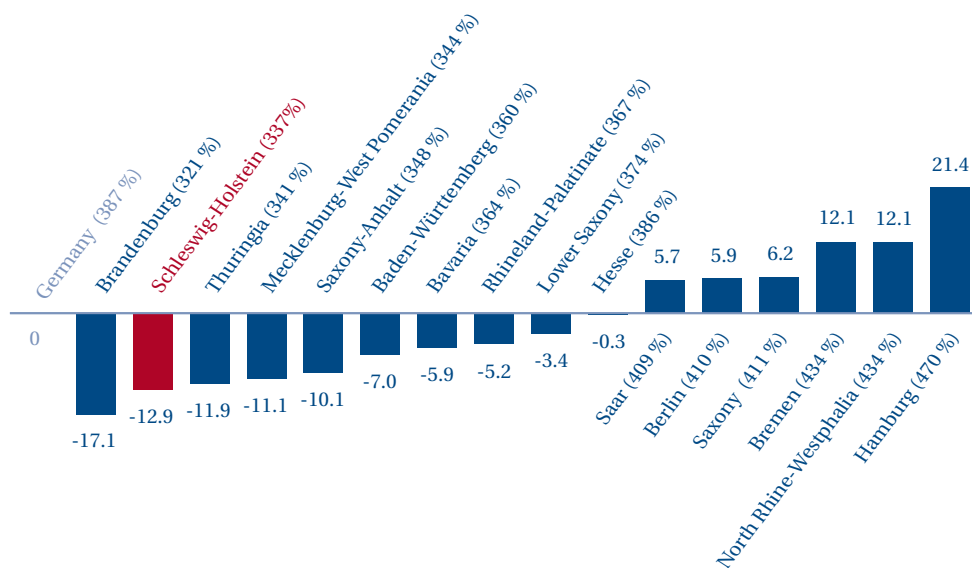
Since profitable businesses have to pay taxes wherever they are, corporate tax rates are a particularly critical factor. In this respect, the news from Schleswig-Holstein is good. The average trade tax paid by businesses in Schleswig-Holstein

is the **second-lowest of any German state**. Schleswig-Holstein's average trade tax multiplier factor for 2009 (337%) was well under the average German rate (387%). In the neighbouring city-state of Hamburg, for example, the multiplier factor is a third higher at 470% and in Lower Saxony, which also borders on Schleswig-Holstein, trade tax rates are around 10% higher.

This is an obvious locational advantage for businesses interested in moving to Schleswig-Holstein. After all, every euro that does not go to the taxman is **good for a company's bottom line.**

Trade tax multipliers by state (2009)

Deviation from German average (%)



Source: Federal German Statistical Office, as per June 2010