

ITALY

- 4% of the T.B. reduced by the deductible of 1,000,000 € for each beneficiary, in the case of spouses and relatives in the direct line (ascending – parents, grandparents – and descending – children and grandchildren);
- 6% on the T.B. reduced by the deductible of 100,000 € for each beneficiary if they are brothers or sisters;
- 6% if the beneficiaries are the fourth degree relatives (uncles, cousins), relatives in the direct line (in-laws, any previous children/grandchildren of the spouse) and collateral relatives within the third degree (brothers-in-law and uncles of the spouse);
- 8% if beneficiaries are subjects other than those referred to in the previous points.

RATES AND DEDUCTIBLES

GERMANY

Deductibles

Family Relationship	Tax allowance (€)
spouses and civil partners	500,000
Children	400,000
Grandchildren	200,000
Other persons in category I	100,000
Persons in category II + III	20,000

Tax Rates

Value (up to)	Category I	Category II	Category III
75,000	7 %	15 %	30 %
300,000	11 %	20 %	30 %
600,000	15 %	25 %	30 %
6,000,000	19 %	30 %	30 %
13,000,000	23 %	35 %	50 %
26,000,000	27 %	40 %	50 %
>26,000,000	30 %	43 %	50 %

FRANCE

The different tax allowances applicable to donations in France :

Family relationship	Donation allowance
Child, parent	€100,000
Spouse, civil union partner	€80,724
Brother, sister	€15,932
Nephew, niece	€7,967
Grandchildren	€31,865
Great-grandchildren	€5,310
Disabled person	+ €159,325 (cumulative)
Cohabitants, other heirs	-

Tax rates :

Family relationship	Tax rates
Child, parent	5% to 45%
Spouse, civil union partner	5 to 45%
Brother, sister	35 to 45%
Nephew, niece	55%
Grandchildren	5% to 45%
Great-grandchildren	
Cohabitants, other heirs	60%

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<p style="text-align: center;">RATES & EXEMPTIONS (PRIVATE HOMES)</p> <p style="text-align: center;"><i>Example: A rented house with the net value of 1,000,000 € is inherited among siblings</i></p>	<p>Net Value 1,000,000 €</p> <p>Tax Allowance 100,000 €</p> <p>T.B. = 1,000,000-100,000= = 900,000 €</p> <p>TAX RATE 6%</p> <p>Inheritance Tax = 54,000 €</p>	<p>Net value 1,000,000 €</p> <p>./ 10 % 900,000 €</p> <p>./ (allowance) 20,000 €</p> <p><u>Tax rate (category II) x 30 %</u></p> <p>Inheritance Tax 264,000 €</p>	<p>Net value 1 000 000 €</p> <p>Tax allowance 15 932 €</p> <p>Progressive tax rate :</p> <ul style="list-style-type: none"> - Up to 24 430 € = 35% - Over 24 430 € = 45% <p>Tax basis = 984 068 €</p> <p>Inheritance tax = 440 387, 6€</p>

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RATES & EXEMPTIONS (BUSINESSES AND COMPANIES)	<p>FAMILY AGREEMENT</p> <p>The benefit of the tax exemption applies provided that:</p> <p>(a) the successors in title continue to carry on the business activity or retain control for a period of not less than five years from the date of the transfer</p> <p>(b) the successors in title make a declaration at the same time as the declaration of inheritance or the deed of gift that they wish to continue the business activity or retain control of the company.</p>	<p>85 % of the “productive business assets” can be excluded from the tax base if (especially)</p> <p>(a) the business is to be continued for the next 5 years</p> <p>(b) the majority of jobs is to be maintained for the next 5 years</p>	<p>75% of the value of the business can be excluded from the tax basis if :</p> <ul style="list-style-type: none"> - A collective commitment agreement is concluded by the donor (commitment to keep their shares for 2 years) - An individual commitment agreement is concluded by the donee (commitment to keep their shares for 4 years) - Donor or donee works in the company during the collective agreement and for 3 years after the donation (5 years total) <p>+ 100 000 € tax allowance if donation from a parent to their child</p>