

Ease of Doing Business Scores & Tax Rates in the European Union

About YeYe Agency

We are a Business Development Agency that goes the extra mile to help new and already expanding companies grow locally and globally. We understand the complexity of running a business, especially in a new country, and have accumulated the experience and expertise to make it a success.

Over the years we have fallen in love with the businesses of our clients in all areas of trade and transportation, technology and business services. We make sure that our clients achieve their goals at any stage of the life cycle by planning, implementing and growing their operations in new markets.

How can you achieve your goals with us?



Expertise
in many
industries



Process
based on
our results



We help get
you your first
clients



Validation and
execution of
expansion

The best country for starting a business in the EU (rankings)

The data for the rankings below are taken from the World Bank's ranks in "Ease of Doing Business Score". The three categories for the countries chosen are "Easy for Doing Business", "Starting a Business" and "Paying Taxes". All the scores are out of a 100 where 100 is the highest possible score and 0 is the lowest.

EU Countries	Easy for Doing Business	Starting a Business	Paying Taxes
Austria	78.7	83.2	83.5
Belgium	75.0	92.3	78.4
Bulgaria	72.0	85.4	72.3
Croatia	73.6	85.3	81.8
Cyprus	73.4	92	85.5
Czechia	76.3	82.1	81.4
Denmark	85.3	92.7	91.1
Estonia	80.6	95.4	89.9
Finland	80.2	93.5	90.9
France	76.8	93.1	79.2
Germany	79.7	83.7	82.2
Greece	68.4	96	77.1

Hungary	73.4	88.2	80.6
Ireland	79.0	94.4	94.6
Italy	72.9	86.8	64
Latvia	80.3	94.1	89
Lithuania	81.6	93.3	88.8
Luxembourg	69.6	88.8	87.4
Malta	66.1	88.2	76.2
Netherlands	76.1	94.3	87.4
Poland	76.4	82.9	76.4
Portugal	76.5	90.9	83.7
Romania	73.3	87.7	85.2
Slovakia	75.6	84.8	80.6
Slovenia	76.5	93	83.3
Spain	77.9	86.9	84.7
Sweden	82.0	93.1	85.3

Tax Rates ie European Union

The data for the rankings below are taken from the “Tax Rates Europe” on Wikipedia. EU countries are placed in alphabetical order and divided into three categories: “corporate tax”, “maximum income tax rate” and “standard VAT rate”.

EU Country	Corporate tax	The maximum income tax rate	Standard VAT rate
Austria	25%	55%	20% (Reduced rates 10% + 13%)
Belgium	29% (25% from 2020. For SME's 20% from 2018 on the first €100,000 profit) ^[8]	50% (excluding 13.07% social security paid by the employee and also excluding 32% social security paid by the employer)	21% (Reduced rates of 6% and 12%)
Bulgaria	10%	10% (additional 12.9% by the employee for social security contributions, i.e. health insurance, pension and unemployment fund); and additional 17.9% by the employer for various social security contributions)	20% (Reduced rates 9%)
Croatia	18% (Reduced rate 12% for small business)	40% (excluding 35.2% total sum of insurances levied on income)	25% (Reduced rates 13% + 5%)(Reduced rates 9%)

Cyprus	12.5%	35%	19% (Reduced rates 5% + 9%)(Reduced rates 9%)
Czech Republic	19%	53.5% (15% income tax + 6.5% by employee + 25% by employer (2.3% healthcare + 21.5% social security + 1.2% state policy of employment) + 7% solidarity contribution (assuming income is above 1 277 328 CZK per year))	21% (reduced rates of 15% and 10%)
Denmark	22%	51.95% (including 8% social security paid by the employee but excluding 0.42–1.48% church tax imposed on members of the national Church of Denmark)	25% (reduced rate 0% on transportation of passengers and newspapers normally published at a rate of more than one issue per month)
Estonia	20% CIT on distributed profit. 14% on regular distribution. 0% on undistributed profits.	20% (+ 2.4% of unemployment insurance tax, 0.8% paid by the employer, 1.6% paid by the employee and 33% social security which is paid before gross wage by employer) around 57,8% in total	20% (reduced rate of 9%)

Finland	20%	25% to 67% depending on the net income and municipality, including 7.8% social insurance fees, employee unemployment payment, and employer unemployment payment, which is on average 18% (2018).	24% (reduced rate of 14% for groceries and restaurants, 10% for books, medicine, transport of passengers and some others)
France	30% (including social contributions) after 2018 ('PFU'), before: 33.3% (36.6% above €3.5M, 15% below €38k)	49% (45% +4% for annual incomes above €250,000 for single taxpayers or above €500,000 for married couples) + social security and social contribution taxes at various rates, for example, 17,2 % for capital gains, interests, and dividends.	20% (reduced rate of 10%, 5.5%, 2.1% and 0% for specific cases like some food, transportation, cultural goods, etc.)
Germany	22.825% (few small villages) to 32.925% (in Munich) depending on the municipality. This includes the 15% CIT, 5.5% solidarity surcharge plus the trade tax payable to the municipality.	47.475% which includes 45% income tax and 5.5% solidarity surcharge based on the total tax bill for incomes above €256,304. The entry tax rate is 14% for incomes exceeding the basic annual threshold of €9,000.	19% (reduced rate of 7% applies e.g. on sales of certain foods, books, and magazines, flowers, and transports)

Greece	28%	65.67% (45% for >€40,000+ 7.5% Solidarity Tax for >€40000)+(26.95% Social Security for employees or up to 47.95% for private professionals)	24% (Reduced rates 13% and 5%)
Hungary	9%	33.5% Employee expenses altogether of gross salary without children: 15% Income Tax (flat), Social Security: 10% Pension, 3% in cash + 4% in-kind Health Care, 1.5% Labor Market contributions Employer: 17.5% Social Tax, 1.5% Labour Contribution of the monthly gross salary	27% (Reduced rates 18% and 5%)
Ireland	12.5% for trading income 25% for non-trading income	40% over €34,550 for single, €42,800 for married taxpayers.Plus USC(Universal Social Charge)4.5% on income up to €50,170 and 8% on balance. Social insurance 4%	23%
Italy	27.9% (24% plus 3.9% municipal)	45.83% (43% income tax + 2.03% regional income tax + 0.8% municipal income tax)	22% (Reduced rates 10%, 5%, 4%)
Latvia	20% CIT on distributed profit. 0% on undistributed profits. 15% on small businesses	20%(income tax)[1] 35.09%(social insurance) Total up to 55.09%	21% (reduced rates 12% and 0%)

Lithuania	15% (5% for small businesses)	44.27% (effective tax rates: 34.27% social insurance (nominally it is 1.77% payable by employer + 19.5% payable by employee + from 1.8% to 3% optional accumulation of pence), 20% income	21% (Reduced rates 5%, 9%)
Luxembourg	24.94% (commercial activity); 5.718% on intellectual property income, royalties.	43.6% (40% income tax + 9% solidarity surcharge calculated on the income tax)	17% (Reduced rates 3%, 8%, 14%)
Malta	35% (6/7 or 5/7 tax refunds gives an effective rate of 5% or 10% for most companies)	35% (additional 10% by the employee for social security contributions, i.e. health insurance, pension, and education); and an additional 10% by the employer for various social security contributions)	18% (Reduced rates 5%, 7%, and 0% for life necessities – groceries, water, prescription medications, medical equipment and supplies, public transport, children's education fees)
Netherlands	25% above €200,000 of profit and otherwise 16.5%	49.5%(excluding income dependent bracket discount for incomes up to €98.604)	21% (reduced rate of 9% and 0% for some goods and services)
Poland	19% (Reduced rate 9% for small business since 01.01.2019)	17% up to 85 528 zł (from 1.10.2019) 32% above 85 528 zł (~20 000 euro)	23% (reduced rates of 5% and 8%)

Portugal	21% + 3 to 9% depending on profit	48% + 5% solidarity surcharge + 11% social security (paid by the employee) + 23,75% (social security paid by the company)	23% (reduced rates 13% and 6%)
Romania	Revenue <€1m: 1% of all sales Revenue >€1m: 16% on profit	Employee: 41.5% [10% income tax (out of gross minus pension & health deductions), 25% pension contribution (out of gross), 10% health contribution (out of gross)] - Gross incomes below RON 3,600 benefit from personal deductions of up to RON 1,310 from taxable income. Employer: 2.25% (compulsory work insurance)	19% (reduced rates of 9% and 5%)
Slovakia	21%	50% (income tax 19% + 25% for the part of annual income greater than €35,022.31; additional contributions at 4% mandatory health insurance by employee and 10% by employer, 9.4% Social Security by employee and 25.2% by employer)	20% (10% reduced rate)
Slovenia	19%	50%	22% (reduced rate 9.5%) – from 1 July 2013

Spain	25% 4% in the Canary Islands	45% maximum Income tax rate. Not including employee contributions of 6.35% Social Security tax, 4.7% pension contribution tax, 1.55% unemployment tax, 0.1% worker training tax. Not including employer contribution of 23.6% Social security tax, 5.5% unemployment tax, 3.5% (or more) workers comp tax, worker training tax .06%, 0.2% FOGASA tax (employment tax in case of company bankruptcy).	21% (reduced rates 10% and 4%)
Sweden	22% (21.4% 2019, 20.6% 2021)	55.5% including social security paid by the employer.	25% (reduced rates 12% and 6%)