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Squeezing the middle class

Remember when Finance Minister Miroslav Kalousek first came out with the idea of unifying the two VAT rates? The stated reason was to pay for pension reform, but we and other commentators argued that the bigger reason was so the gangsters and mobsters who sponge off the state budget could maintain their usual living standard in a slowing economy. Kalousek now wants not only to raise VAT again, but also to raise the personal income tax of every person who pays the tax (by raising the standard rate next year from 15% to 16%). This is a direct attack on the pocketbooks of the middle class. The business community mainly kept quiet when Kalousek raised VAT last time. Perhaps this time will be different. If not because managers understand better now what Kalousek's haphazard tax policies are doing to the economy, then at least because he wants to raise the marginal tax rate on *their* income to 31% this time.



OPEN DAY
at both Kamyk and Vlastina sites

Tuesday
13th March
8.30-3pm