

Rescue shield stretching!

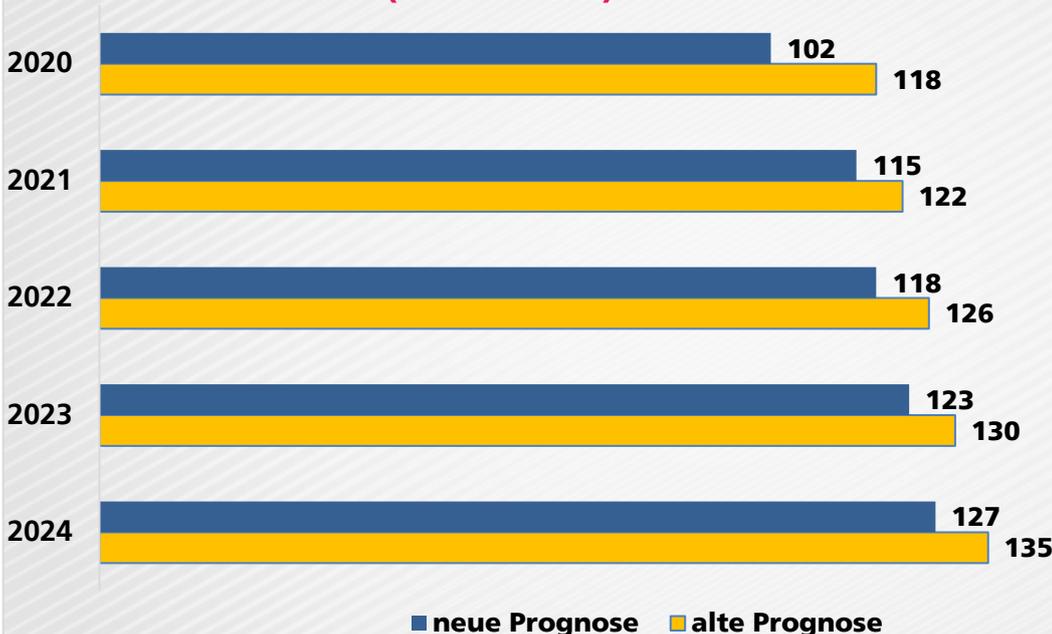
Corona brings cities and municipalities into distress. Expenditures for municipal hospitals, social services and social services increase. ÖPNV, city utilities, cultural institutions and housing companies lose income due to the standstill of public life. The severe economic crisis leads to revenue drops at restaurants, hotels, retail and industry. Employees in short-term contracts must give up wages.

The youngest tax assessment calculates for municipal tax revenues with a minus of around 12 billion euros. By 2024, cities and municipalities face 46 billion euros less in tax revenues. Many highly indebted municipalities could lose their hand-

ling ability. There are threats of cuts in care and investments. In municipalities, most of the public investments are cut. If the red pen is used, then growth, employment and social cohesion are at risk.

Therefore, crisis-related additional expenditures and tax losses must be absorbed by the federal government and the states. Finance Minister Scholz wants to offset corporate tax losses, forgive old debts and relieve eastern municipalities. That is good so far. Now the federal states must also contribute to the emergency aid – and CDU/CSU must finally give up their ideologically motivated blockade!

Tax revenues of municipalities (in billion euros)



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