

# German tax take continues to surge but supply bottlenecks drag -govt

BERLIN, (Reuters) - Germany's tax take surged again in November, rising 15.4% on the year to 54.9 billion euros, thanks to its recovery from the pandemic earlier this year, although the economic upturn has since waned, according to the finance ministry's monthly report.

The combined tax income of central and regional government in Europe's largest economy rose 10.2% in the first 11 months of the year, according to the report. Experts expect about a 9% rise for the full-year.

Still, the recovery that drove Germany's rise in tax income has waned of late due to a fourth COVID-19 wave and supply bottlenecks, according to the report.

Supply chains that were broken by the pandemic are struggling to recover, partly because of fresh outbreaks and resulting restrictions on public life that continue to impact production and transport, the ministry said. Sea trade for example is continuously disrupted by quarantine measures in certain ports.

"The supply difficulties should last throughout winter and could weigh on retail as well as industry," the ministry said.

Inflation, currently running at 5.2% - its highest rate in nearly 30 years - should ease slightly in the new year, it wrote.

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Source:

<https://www.reuters.com/world/europe/german-tax-take-continues-surge-supply-bottlenecks-drag-govt-2021-12-20/>

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