



Germany has been going through a rough phase of waning economy, which can trigger the first ever recession for the world's fourth largest economy. It is however noteworthy that amidst recession fears, Germany has recorded a tax surplus of €45.3 billion (equivalent to \$50.3 billion) in the first half of the calendar year 2019, despite the economy shrinking in the second quarter<sup>1</sup>. The federal statistics agency (Destatis) further reported that Germany was able to profit from a stable job market through tax payments and social contributions from pay cheques. The surplus is the sum of all government income for federal, state and local governments and social security funds, minus expenditures<sup>2</sup>. Rightly so, the word Steuer<sup>3</sup> is used for tax which means 'support'. This rather draws curiosity towards the German tax regime. The ensuing paragraphs sequentially navigate through the tax regime which has enabled Germany stand .....