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Germany II: Methodological and procedural specifics

Compiled and ordered notes from interviews including cross-checks with publicly accessible material, prepared for future use. Language checks thanks to Amid Dar SJ.

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1 Research into “Secret worlds”

This chapter is built upon the general presentation of methods and instruments relevant for all three countries and their institutions taking that are taking part in the “Tax Justice & Poverty” research which has been given in some detail in I/II and the technical annex in German language.¹ As explained there, the research into “Tax Justice & Poverty” combines different research methods such as literature review, own surveys and interviews with experts and informants. That way, this research uses instruments both of quantitative and qualitative research and thus adopts a Mixed Methods Approach (Creswell, 2009). For Germany, qualitative social research was the method of preference because some experience in this field existed already from previous work done in another “secret world”, namely that of undocumented and illegal migration in 1997-1999.

Whatever pertains to taxation, is heavily influenced by tax secrecy and a number of other related secretcies such as banking-, data-, statistical-, social-, and professional secrecy, etc. which will be outlined in later chapters of this research. As a result, there is a very little detailed knowledge about the practical workings (dynamics) of the national taxation system; legislation and enforcement. Hence, a large number of methods developed in earlier times for researching the world of illegal migrants, trafficker and the shadow economy could also be applied in the new research context.

In order to get an update on the development of Qualitative Social Research in Germany some newer literature, for instance (Schreier, 2007) or (Przyborski & Wohlrab-Sahr, 2014) was reviewed in the course of its preparation.

Without entering into too much detail, there is still a gap between a more widespread use of methods of qualitative social research on one hand, and this research on the other hand, for example; Schreier is in the situation to plan carefully the guiding questions and even the composition of her interview sample. This was not possible for the present research project. At the outset, the research hypotheses were of course, formulated and some ideas regarding the “entry into the field”, too, were developed here. For example, the State Office of Taxes was requested to grant permission for undertaking the series of formal-official interviews with two interviewees from General Assessment, Tax Auditing and Tax Fraud Investigating Departments respectively. Eventually, however, the research developed its own dynamic when the project became known and when the interview partners, who were intentionally approached, refused to talk even under the assurance of confidentiality, while others, that were not originally in view developed interest into the research and supported it.

¹ See (Alt, Kabinga, & al., 2016c) and <http://tinyurl.com/02methods-technical>

Consequently, more informal conversation partners could be accessed through private and social networks of the researcher, via chance meeting and subsequent “snowballing”, or with personal recommendation of previous conversation partners. Here, no planning was possible because: rather than selecting conversation partners satisfying the needs of research hypotheses the researcher had to accept those conversation partners willing to talk at all. In consequence, any proceeding required constant assessment and adjustment of both research focus areas and research hypotheses: field knowledge developed, original hypotheses were modified, new areas of interest emerged, others were discarded and abandoned. About 15 months into the research, the “meandering” of research questions and hypotheses steadied and consolidated and a more focused approach could be taken in order to consolidate and corroborate emerging issues.

Due to the arising complexities during field work, contacts to the GESIS² Leibniz Institute für Sozialwissenschaften were renewed, whose advice was extremely important when developing access into the field of illegal migration in 1997-1999. They encouraged the researcher greatly to live with gaps, holes and the risk of only partly understanding since this topic elaborated is once more without precedence. Therefore, it is likely that the publication of research results does not satisfy so much academic expectations and standards. Rather that it provides at least starting points for other researchers interested in the field who thereby can try to bridge and fill the gaps. As one conversation partner puts it: ‘Qualitative research is exactly for areas in which little knowledge exists so far with the intention to enable and spark off more research building on that which will be published. To expect in such situation excellence is not really possible since real life is always difficult than theoretical anticipation and planning.’

In general, the following sources and methods of quantitative and qualitative social science research were applied for the German country report:

- Survey of relevant literature
- Published and unpublished literature, and papers recommended to the researcher by conversation partners
- Expert interviews, both arranged-official interviews and informal-confidential interviews
- Questionnaire of Civil servants, politicians and MPs.
- Quantitative and qualitative Survey of semi-chance sample of average taxpayers

2 Literature review

2.1 Overview

Literature and publications could easily and in a large number be obtained for everything surrounding the two lead problems of the research, namely the development of the wealth gap and governmental debt. Plenty of information is available here (cf. GER/IV/1.4).

Trying to elucidate issues surrounding tax laws and problems inherent to tax administration (cf. GER/V and GER/VI) was more difficult. Due to the secrecy surrounding tax related issues, there is a very little non-theoretical/non-legal literature available. And if there are publications relating to practical problems arising from tax administration, those

² Gesellschaft Sozialwissenschaftlicher Infrastruktureinrichtungen

publications are not adequately explained in details. Nevertheless, the following sources were found to be helpful for related readings on taxation:

- First of all, at the political-public-administrative level, publications of federal and state ministries, federal and state parliaments were of interest which included publications from committees, governmental replies to questions asked by parliamentarians, session protocols or plenary speeches.
- Secondly, there were publications by federal and state institutions such as statistical offices or, with particular interest for the collection and administration of taxes, and the Federal Performance Commissioner, the Federal Court of Auditors and its equivalents on state level. The Federal Commissioner is at the same time President of the Federal Court of Auditors. When the Court decides upon its publications in a collegiate manner, the Federal Commissioner can act on his own initiative and can publish on his own responsibility. Since both institutions cooperate closely and recur to the same staff and data, there is hardly disagreement between those two.³ Courts of Auditors exist also on each state level which is of importance for Bavaria.
- At the level of NGOs, resources provided by trade unions need to be mentioned, since employees in tax administrations are organized, e.g., in the Federal Union of Service Providers (ver.di) or the Union of Employees in Tax Administration (Deutsche Steuergewerkschaft, Bayerische Finanzgewerkschaft). Both publish magazines and newsletters, both on the federal and state level, for instance, most importantly “Der Wecker” and “Informationen of the Bayerische Finanzgewerkschaft”. In this area among NGOs, also the national branch of the Tax Justice Network needs to be mentioned.

The third block concerns research into Illicit Financial Flows, Private Wealth and the Shadow Economy. Here more areas of secrecy joined the already existing constraints from tax secrecy: Regarding IFFs and certain areas of the informal economy, investigative authorities report problems arising from walling-off due to criminal activities and ethnic cohesion, further in need of mentioning is professional and social secrecy. Regarding police and prosecution services, also literature is available online and in print by federal, state and local branches, and additional publications which are not for wider circulation, but only for informal background reading. Very little empirical evidence exists regarding private wealth since holders of private wealth try to keep secret their doings for various reasons. It is similar

³For their English languages websites see <https://www.bundesrechnungshof.de/en> and <https://www.bundesrechnungshof.de/en/bundesbeauftragter-bwv>. Some examples of their meticulous and voluminous reports are:

- 2013 Bemerkungen Nr. 80 "Besteuerung von Zinsen aus Darlehen verbessert"
- 2013 Bemerkungen Nr. 79 "Erfolge bei der Bekämpfung des Umsatzsteuerbetrugs durch nachhaltige internationale Zusammenarbeit"
- 2013 Bemerkungen Nr. 76 "Steuerpflichtige Umsätze von Ärzten nicht vollständig erfasst"
- 2013 BWV - Band 17 - Chancen zur Sicherung des Umsatzsteueraufkommens
- 2012 Bemerkungen Nr. 87 "Finanzämter prüfen Mieteinkünfte unzureichend"
- 2012 Bemerkungen Nr. 86 "Unterschiedliche Besteuerung der Zuschläge für Kindererziehungszeiten bei den Alterseinkünften"
- 2012 Sonderbericht "Umsatzsteuerliche Behandlung der Leistungen von Kreditfabriken"
- 2012 Sonderbericht "Vollzug der Steuergesetze, insbesondere im Arbeitnehmerbereich"
- 2011 Bemerkungen - Weitere Prüfungsergebnisse Nr. 07 "Doppelbesteuerungsabkommen mit Liberia führt zu Steuerausfällen und Wettbewerbsverzerrungen in der Seeschifffahrt"
- 2011 Bemerkungen Nr. 85 "IT-Verfahren zur Umsatzsteuerkontrolle sind dringend zu verbessern"

with issues related to the informal economy because issues of penal law emerge here, yet another motivation to tread carefully (cf. GW, especially GW/I).

In more detail, the following sources of information were used:

2.2 Macroeconomical data bases

The first source of information was macro-economic statistical evaluation, e.g., the National Income and Expenditure Statistics (*Volkswirtschaftliche Gesamtrechnung, VGR*) or emerging, more focused data bases such as the OECDs Wealth Database or Pikettys World Income Database. However, the value of data rests in one's ability to interpret it and to complement it with qualitative interview and survey data... These methods are also applied for gaining insights into the composition and dimension of the Shadow Economy, for example by Friedrich Schneider (2014a).

2.3 Insights based on tax data

While there is, on part of researcher and policy maker, at times some “jealousy” about statisticians in the US, who, for their Survey on Consumer Finance (SCF) can make use of tax data, one has to know that even in the US the Forbes top 400 wealthiest are explicitly excluded from the SCF, ‘presumably to preserve confidentiality’ (Vermeulen, 2014, p. 12).

Regarding “naked” accessible figures, it makes sense to look into the annual Income Tax Statistics of the German Federal Statistical Office.⁴ It is composed from income tax data which is automatically transferred to the German Federal Statistical Office. Since the assessment period of tax authorities comprises always of the last three years, the most current data available is always three years “old”, i.e. the data for the assessment year 2009 would be made public in 2013. Every year, the annual statistics consists in two parts: First, the general overview regarding the most recent income tax data, second, a chapter treating an income tax relevant area in greater detail, e.g., income from rent and lease (Federal Statistical Office, 2014a) or income from capital (Federal Statistical Office, 2013a). The problem here: Information is either synthetic regarding the sum of all income (Summe der Einkünfte) or categorical, e.g., listing how many tax subjects receive income arising in one of the seven categories. It is difficult from the figures provided to get information about the top 1 percent of German households and the composition of wealth portfolio.

At the same time it is hardly possible for researchers outside tax administration to get access directly to tax data and to have a look across other data, and combine the findings. A special case was the work Bach, Corneo and Steiner, examining the development of income, wealth and the effective average tax rate for the top 1 percent of German taxpayers in the unified Germany from 1992-2005. For this exceptional study the researchers were granted an “improved” access to a comprehensive sample of the Income Tax Returns, including information of top taxpayer, which are normally not made accessible to people outside tax administration. The data available to this team was complemented with the data from SOEP household survey and enabled determination of ‘the effective taxation of top fractiles small as the top 0.0001 percentile, i.e. the forty-six income richest households in Germany.’⁵

⁴ To be retrieved from

<https://www.destatis.de/DE/ZahlenFakten/GesellschaftStaat/OeffentlicheFinanzenSteuern/Steuern/LohnEinkommensteuer/LohnEinkommensteuer.html>

⁵ (Bach, Corneo, & Steiner, 2011a, p. 1f.+6f.) and mail of Stefan Bach from 17 November 2014.

The only other academic group known to the researcher that has been granted a limited and a supervised access to some anonymized tax data is the group surrounding Matthias Wrede at the WISO at Nuremberg. But here, too, people with income above a certain level were excluded from the sample due to fear of identification.

For the sake of mere completion, since the abolition of the Wealth Tax in 1997 not even tax authorities have a reliable insight into wealth portfolios of the super-rich. They have to rely on the truthfulness and comprehensiveness of the submitted tax declaration and, as it will be shown later, they do not have resources to verify that information adequately.

2.4 Standard surveys and samples

A first source of insight into the situation of households is the standard survey by the German Statistical Office, even though it is known that they are having a number of deficits, most particularly regarding high-income and high-wealth households:

- The widely used income and consumption sample (Einkommens- und Verbraucherstichprobe (EVS)) of the Federal Office for Statistics, which does inquire into income and wealth issues, but does not include households above a monthly net-income beyond EUR 18,000.
- The situation is better in surveys of the Socio-oeconomic Panel (SOEP), but not all of them are able to capture adequately the situation of the top 1 percent. Due to the small size of this category, they are, in representative surveys, and are undersampled.
- Participation in the two previous studies is voluntary, also the amount and detail of information provided is up to the interviewee. Participation in the Mikrozensus, on the other hand, is mandatory, but does not contain relevant information.

Some detailed assessments regarding the categorization and percentages of wealth portfolios in Germany exist from the German Federal Central Bank and other European Central Banks in conjunction with the ECBs study on Household Finance and Consumption Survey (HFCS) (European Central Bank, 2013) and its follow-up by Vermeulen. Interesting enough, the PHF survey also tried to oversample the wealthy. However, they were not doing this by using income tax data, but by using address data provided by the registration office and street maps and the supposed wealth of people living in that area.⁶ It is much more detailed than macroeconomic surveys and more tailored to the purpose of surveying in particular the wealthy than the SOEP household surveys. The 25 sub-categories of assets and liabilities, into which the survey inquires and tries to establish the extent of net-wealth (German Federal Central Bank, 2013, p. 27), should ascertain that at least no category is forgotten – even though it does not guarantee that the interviewee knows about the facts, gives a realistic assessment or is otherwise totally transparent and honest about the facts. The latter points, once more, to a weakness of even this study by the Central Bank. It is based on interviews, self-assessment and the willingness of the interviewee to disclose that which one knows and owns.

⁶ ‚Bei der Stichprobenziehung werden dazu kleinere Gemeinden mit weniger als 100 000 Einwohnern auf Basis der Einkommensteuerstatistik in „reiche Gemeinden“ und „sonstige Gemeinden“ aufgeteilt. In Städten mit 100 000 und mehr Einwohnern werden vermögende Straßenabschnitte mithilfe mikro-geografischer Informationen zu Wohnlage und Kaufkraft identifiziert. Der Anteil der Haushalte in der Stichprobe wird schließlich so gewählt, dass Haushalte aus reichen Gemeinden und vermögenden Straßenabschnitten stärker in der Stichprobe vertreten sind, als sie in der Population vorkommen.‘ (German Federal Central Bank, 2016a, p. 63).

2.5 Academic-scholarly research

There are very few university based research projects on taxation and tax administration issues in Germany. Schöbel offers some overviews on the same in his book.⁷

Academic research into crime related areas or the Shadow Economy are, if one believes conversation partners to this research from the investigative and prosecution departments, of very limited value due to the assumptions underlying those academic “guesstimates”: Since all those publications, which exist in large numbers, attempt to shed light into a dark world trying to hide from penetration, every statement calling for attention and, subsequently, dramatic action needs to be treated with caution.

Regarding material available on private wealth holders, first of all, the survey “Vermögen in Deutschland“ shall be mentioned here, which is, according to the team conducting it, the first standardized sociological survey conducted among the wealthy, affluent and HNWIs. The sample comprises of 472 households; the selection criterion was a minimum annual income of EUR 200,000 or more, the top category within this sample being an income of EUR 5 million and more. The top wealth holders too were rather rare here since the top group started already at the (comparatively low) threshold of EUR 1 million disposable capital, the average wealth of the 122 households within the surveyed group being EUR 5.3 million “only” (Lauterbach, Druyen, & Grundmann, 2011, p. 47). This and subsequent work by this team provides insights into the sociological composition of Germany’s top income and wealth-holders, including observations and hypotheses of its psychological and cultural makeup.

Second, the studies by Michael Hartmann, e.g. (2016a), into elites where, as it could be guessed, there is an overlap between top wealth holders and other persons in top positions.

Other interesting studies exist by Thomas Druyen, e.g. (2011), and members of his team, who is specializing on researching the culture of wealth, most particularly guiding values and norms of the super wealthy.

2.6 Journalistic sources

Regarding Journalism, first of all, publications by investigative journalists are valuable sources of information (e.g. the team of the *Süddeutsche Zeitung*). Especially, the publications in the wake in the wake of Offshore-, Luxemburg and Swiss Leaks as well as the Panama Papers were important to assess the extent of justice deficits in the field of taxation related to private and corporate and investigation and prosecution of criminal wealth.

Journalistic sources are also of great help for the understanding of complex taxation matter, since journalists have to “simplify” those complex issues in the attempt to inform a non-expert readership.

Furthermore, the publications in quality magazines are of interest. One category is that of publications dealing with business and financial elites, such as *Harvard Business Journal*, *Forbes*, or the *Manager Magazin*. Here, some caution is needed for Germany. While it may be true that in some countries the wealthy are eager to reveal public information even about their private life and preferences to *Forbes* etc., the likelihood is considerable that this is not so much the case with the seriously wealthy in Germany since here it is not really customary to

⁷ (Schöbel, 2008). A more current project is the “Taxation-Social Norms-Compliance” Project of the Friedrich Alexander University Erlangen-Nuremberg, see <http://www.efi.uni-erlangen.org/projects/taxation/>

display wealth publicly (cf., e.g. (Manager Magazin Sonderheft, 2015, p. 13). Accordingly, the periodical “Manager Magazin” admits that they use mostly publicly known or accessible data for their ranking and the magazines authors doubt that this captures all there is, given the lack of transparency and secrecy known from German wealth holders.

2.7 Banking institutions, Bank advisors, Wealth Managers

Wealth reports are not merely about economic-financial analysis. In the attempt and with the goal to enable Private Banking and Wealth Management to do best possible business with this tiny segment of the very wealthy, those institutions have to acquire some background research comprising sociological analysis so that they understand how the minds of their clientele works and/or what their preferences and aspirations are. For that reason, banking institutions such as UBS, Credit Suisse or Wealth-X have own research institutions and data bases. Since top wealth holders also want their bank/wealth managers/managements to be successful, there seems to be a lot of openness on part of wealthy people to cooperate with those research institutions not only by opening accounts for quantitative analyses, but also by cooperating in qualitative research. And, as conversation partners from this advisory segment confided in an interview: Asset managers are often confessors, mothers, advisors and managers in one person for their clients.

Because of this mutual, shared interest the UBS sponsored research in family and inheritance issues had an impressive participation of UHNWIs (Hirzel & al., 2011), or UBS Investors watch surveys attracts the cooperation of over 2,000 people with a net worth of US\$ 1 million and above, cf. e.g. (UBS, 2014a), (UBS, 2015a) – certainly a more impressive sample than the scholarly research was able to win.

If there is no research institution of its own at hand, banks and wealth management commission other research institutes to do that work, as it has been done by the German Hypo Vereinsbank Wealth Management, which commissioned members of the SINUS-Sociovision institute to question 58 men and women in 2007, openly aiming for better knowledge of desires and questions of their clientele.⁸

Not all those who are wealthy are personally able to manage their wealth by themselves. Popular options are Family Offices or Private Banking/Wealth Management, both require liquid assets normally beyond EUR 1 million because, it is evident that those services also are costly. Those agents know a lot about the composition of assets and recommend best possible investment strategies to both regarding not only the present, but also the future including the case of inheritance or establishing trusts and foundations. This is no longer restricted to Private Banking, even local banking institutions like local Public Saving Banks (Sparkasse) or Cooperative Banks are involved. In addition, even these banking institutions emphasize the importance to include tax-related issues into planning and investment strategies. (Sparkasse Saarbrücken)

All in all, and for those reasons, it is the conviction of this research that banking institutions, especially wealth management, probably know best about not only the financial situation of the wealthy, but also their private situation.

⁸ Volz, G./Reitinger, W. (2008) Die Wünsche der Wohlhabenden. In: *Die Bank* 2008/2, pp. 30-34. Retrieved from <http://www.sinus-institut.de/veroeffentlichungen/downloads/download/die-wuensche-der-wohlhabenden/download-file/75/download-a/download/download-c/Category/> Press Release of the Hypo Vereinsbank from 31 October 2007, Retrieved from http://www.pressrelations.de/new/standard/result_main.cfm?r=301911&aktion=jour_pm

2.8 Conclusion

Summing up, there are two major weaknesses: First, the insights into top-wealth holders are scant in standard surveys because their number is too small to be caught in representative surveying. Second, the participation in most surveys is voluntary, as is the provision of information, which applies very much to income, wealth and taxation related areas respectively. In addition, and because of the normal proceedings of surveys and interviews too, there is probably a wide margin of forgetfulness and error on part of the interviewees which would need to be complemented by documentation and other forms of “objective” evidence.

3 Focusing of the research interest and areas

The German taxation system, regarding both legislation and administration, is highly complex. A major problem is that the responsibility for tax legislation and administration in Germany is shared among the federal level, the level of 16 states (*Länder*), and the level of municipalities (cf. GER/V/1 and GER/VI/1). The complex relationship between the *Länder* and the federal level, the differences in size and political leaning between the 16 states (e.g. impacting upon and shaping their tax policies and efforts to harmonize legislation and administration within the national context), and the differences in size and political leaning of municipalities within the *Länder* as well as their organized lobbying towards both *Länder* and federal institutions is enormous.

Given the limitations of a part time researcher, relevant issues could not be examined in an adequate detail; restraints and focusing were called for eventually.

3.1 Focus Topics

As outlined in I/II/10, this research decided to put aside issues relating corporate wealth in general and TNC practice in particular on the backburner since the question of corporate wealth, tax planning, tax avoidance and whatever is linked to it is already treated by very competent NGOs such as the Tax Justice Network, Action Aid or attac.

It was instead decided to focus on private wealth because it seemed to the researcher that here is comparatively less accomplished, even though it is those people who, at the end, own businesses and are as moral agents in the situation to determine the course of those businesses, and decide, for example, whether profits are spent on investments, on the protection of the environment or on dividends. While the African colleagues stopped rather soon on that topic due to the lack of material and information, this developed into being a major focus of the German country report.

The (originally) second main focus for the research as a whole, taxation issues related to the “informal economy”, which had been downgraded for the German research for two reasons: First, because of the problematic phenomenon of “informal economy” as it stands for the African countries is very different from the German “shadow economy” (e.g. the former exists due to under-regulation, the latter because of hyper-regulation). Second, because a larger number of publications exist on that problematic phenomenon already in Germany.

An issue which emerged in the course of the research was the existence of criminal wealth and its power and impact on governments and societies, yet another category of wealth about which not too much can be found and read. This topic could be combined with an emerging topic of the research project as such, namely Illicit Financial Flows as well as private and corporate tax avoidance practice. A problem here is, of course, that of blurred

borders and distinctions in theory and practice. For example, and as to the distinction between corporate and private wealth, it is known that there are numerous ways to transfer private wealth into businesses, in order to receive more favourable tax rates.

3.2 Bavarian focus

Due to the importance of states within the German federal system in general and tax system in particular, the German country report has a strong focus upon the state of Bavaria and, in cases of municipalities, the towns of Nuremberg and Munich. Federal and municipal issues were examined if they were of interest for/in support/in contradiction to findings arising from the Bavarian context.

3.3 Writing the German research report

In view of writing the German research report too, some restraints were needed because this proved to be an extremely challenging endeavor. For example, the report needed to be written in English, and no commonly agreed manual on technical terms in English-German usage could be found and which therefore, had to be developed. Other major problems for the German researcher were the followings:

- First, the researcher had no studies in public administration, economics or other relevant areas useful for this research.
- Second, different from the African colleagues, the German researcher had no lack of materials or offers of cooperation. The real danger was getting drowned into and distracted by materials.
- Third, the report had to strike a balance between a reader outside Germany with no pre-information at all, the generally interested reader in Germany, with some prior knowledge of the topic, and an expert readership.
- Fourth, given the world as it is, a number of international treaties and conventions as well as cooperation problems impact on German national tax administration.

On that background, the following restraint and focusing had to be undertaken right from the beginning in order to concentrate on available resources to the best possible extent:

- International legal and enforcement issues were only dealt with as far as their importance for the In-Depth-topics are concerned
- Given the wealth of material, the researcher was not able to always verify adequately whatever position or conclusions experts were presenting. Here, at times, contrasting positions were set side by side without attempting to pass any judgment on them.
- The same was applied when certain issues were found to be controversial in discussions. Here the researcher did not attempt to find one's own position, but put the positions side by side, adding links and references where the interested reader could follow-up.

4 Specifics for the German research

4.1 Support by the Bavarian Government

The German country research was supported by the State government of Bavaria, in particular the State Ministry of Finance being the lead ministry, the State Ministry of Interior

Affairs (which is in charge of the police), and the State Ministry of Justice, supervising legal prosecution. The kind of support given was strictly within the limitation of the law, i.e., largely confined to the authorized mediation of conversation partners from ministerial or administrative departments.

4.2 Tax secrecy

The overruling paragraph determining information gathering of this research is paragraph 30 of the Fiscal Code, regulating in article 1 the obligation of civil servants to protect tax secrecy.⁹ However, article 3 of paragraph 30 contains the option to include priests and members of the Jesuit order among those entitled to deal with matter under tax secrecy. This would have made things easier for all concerned.¹⁰

The researcher informed the President of the State Tax Authority of preceding work in the field of illegal migration, where a privileged access to conversation partners, information and documentation was granted even though privacy, social secrecy and public security issues were touched. Here, a *modus Vivendi* could be found by subjecting the researcher to the same obligation of confidentiality as those dealing with those issues professionally. Regarding the current research project, however, the ministry and State Office of Taxes did not follow this argument, and accordingly, the subsequent departments. If, therefore, conversation partners revealed information subject to tax secrecy to the researcher, they violated professional conduct and offended against the law.

This in turn obliged the researcher to even higher protection of informants, i.e., not only regarding names of conversation partners, but also concerning information which would enable superiors to conclude the identity of conversation partners.

In the wake of this situation, many awkward situations emerged, e.g., when the leadership of the State Tax Authority requested for insights into summaries of interviews which had been conducted with those conversation partners whose contact was officially arranged. The compromise found, also in dialogue with the GESIS research support, was the submission (of a) f a sample of quotations which were earmarked for the inclusion into the research report, but not the handover of all notes.

4.3 Informant protection

Given the general dominance of tax secrecy regulation, data and informant protection had to be correspondingly strict. This, however, was not problematic in the case of the German researcher, whose rights to the protection of confidential information (and accordingly to protect informants) as a Roman Catholic priest, is among the best secured and guaranteed in German law, certainly better than that of lawyer and investigative journalists.¹¹

⁹ '(1) Public officials shall be obliged to observe tax secrecy.'

¹⁰ '(3) The following shall be deemed to be of equivalent status to public officials: (...) 3. holders of offices of the churches and other religious communities being public-law entities.'

¹¹ 'Ihr priesterliches Schweigegebot ist in der Rechtsordnung unter ganz besonderen Schutz gestellt. § 53 Abs. 1 Nr. 1 der Strafprozessordnung berechtigt Geistliche zur Verweigerung des Zeugnisses über das, was ihnen in ihrer Eigenschaft als Seelsorger anvertraut worden oder bekannt geworden ist. § 383 Nr. 4 der Zivilprozessordnung berechtigt Geistliche zur Verweigerung des Zeugnisses. Diese Vorschrift gilt auch für den Verwaltungsprozess, § 98 Verwaltungsgerichtsordnung. Das Zeugnisverweigerungsrecht bezieht sich nicht nur auf eine unmittelbar mitgeteilte Tatsache; es genügt, dass der Zeuge die Kenntnis in der seine Schweigepflicht begründenden Eigenschaft irgendwie erlangt hat. So jedenfalls die Rechtsprechung des Bundesgerichtshofs... Die Geheimhaltungspflicht bezieht sich auch auf Ihre eigene Handlungen, wenn sie mit der anvertrauten Information im Zusammenhang steht, also auf Ihre forschende Tätigkeit.' etc. Excerpt taken from an expertise of

This feature encouraged many conversation partners to be very outspoken in their assessment and in providing arguments and evidence to back up their assessment.

4.4 Published events and public debate

Over the course of the research it was discernible, that publications in the media and the public debate influenced the willingness of informants to share confidential information. On the one side, publications triggered off Offshore, Luxemburg-, Swiss- Leaks, Panama Papers as well as prominent tax evasion cases such as Uli Hoeneß, the Schotthof-, Haderthauer-, or Engelhorn sisters cases advanced the opinion that this kind of behavior is offensive and that all efforts to go against it should be supported. This leads to more openness.

On the other side were publications of legal proceedings against politicians and tax authorities because of their violation of secrecy regulations, in which case restraint on part of conversation partners grew for a while.¹²

5 Sample of interviews

5.1 Officially arranged meetings

After a general confirmation of support was given, a meeting took place at the State Ministry of Finance within which regularities and details of support were discussed and outlined. After these results have been put in writing, circulated among the Ministry of Home Affairs and Justice and confirmed by them, a number of other background talks with experts were arranged for, going into more detail.

5.1.1 Ministry of Finance/State Office of Taxes

First of all, the research interest and particular interview arrangements were discussed in several meetings with the president of the State Office of Taxes and senior heads of departments. Here, the researcher requested initially the possibility of some introductory and informal talks whose main purpose was to give the researcher an elementary understanding of processes and problems in tax administration. This introductory round should be followed by a series of talks whose (subject matter) content matter could then officially be quoted and used in the study. The same has been requested for the German topic of the In-Depth Study part, namely taxation issues related to the wealthy. Having placed this request, it was decided that further proceedings and questions were to be dealt with in writing, mostly via Email, and channeled through the State Offices PR officers.

For the first round of introductory talks, the State Office arranged for the following interviews on the premises of the State Tax Offices (not at the work place of conversation partners for secrecy reasons):

- Assessment Department (2 persons)
- Tax Auditing Department (2 persons)
- Tax Fraud Investigating Department (2 persons)

the Commissioner for Data Protection of the State of Saxony, Dr. Thomas Giesen, done on the occasion of the research project on illegal migration, file number AZ 3-7420 from 25.6.1999.

¹² Ott, Kl. (2014, January 23) Staatsanwaltschaft durchsucht Fiskus. In: *Süddeutsche Zeitung*. Retrieved from <http://sz.de/1.1869804>. Equally important: Justiz ermittelt gegen Ex-Minister Friedrich. (2014, February, 26). In: *Handelsblatt*. Retrieved from <http://www.handelsblatt.com/politik/deutschland/geheimnisverrat-im-fall-edathy-justiz-ermittelt-gegen-ex-minister-friedrich/9538992.html>

After this first round of background talks, the State Office requested that content arising from there should be submitted for approval before it could be used, which led to lengthy negotiations and, eventually, a compromise (see above 4.2).

Subsequently to that incidence and given the fact, that by now the researcher had also the opportunity to talk in an informal and confidential manner to other staff members from the Bavarian Tax Authority, the State Office requested that whatever information is quoted from talks with those officially authorized cooperators should be made obvious in order to distinguish their statements from those of all others. It has been agreed that whatever information entered into the research report from those sources will be labeled with the term “semi-official”¹³. It is “Semi-official”, because contact with those civil servants was officially authorized and content arising from there and entered in the report checked and approved, but nevertheless not “official” since those persons were not quoted with names and functions within the administration.

When, probably on the background of those developments, approaching the President’s Office for the follow-up talks and In-Depth focus talks requested in the planning meetings, it was evident, that the willingness to support had cooled down. It was striking that the time lapsing between request and permission (or even denial) increased considerably until the first follow-up talk had been permitted. Parallel, the search for a representative of either the Bavarian Government or the ruling CSU party for a prominent discussion of the topic “Taxation of Private Wealthy” stretched over eight months. When explicitly asking, whether some “irritations” exist and whether they should be addressed or discussed, and/or whether the increasing delays in communication indicate a withdrawal of support, it was rejected out of hand.

On that background and given the extent of satisfactory access to informal sources, the researcher abstained from looking for official conversation partners and confined himself rather to informal communications.

5.1.2 Ministry of the Interior/Police

Within the Ministry of the Interior the prime contact partners assigned were members of the State and Local police force. Accordingly, two meetings were arranged within this framework with the goal to give the researcher both the opportunity to outline his interests and to acquire an elementary understanding of processes and problems on the field of research related criminal issues. The first meeting was organized with and by the Head of Operations of the State Office of Criminal Investigation (*Landeskriminalamt*) and six members from other departments, and the Head of Operations of the Nuremberg Office of Criminal Investigations on issues of corruption, money laundering, and economic crime. From those two talks, more contacts by meetings, phone-calls and mail followed, in many cases conversation partners introduced the researchers to colleagues or volunteered to establish the contact in other ways.

Different from tax administration, there was the clear indication that those working within the police force at any level were happy to talk about his or her work – one notable exception proving the rule was that in spite of several requests, he refused to meet and confined himself to be contacted through mails.

¹³ E.g. “as has been said by a semi-official conversation partner”...

For talks with contacts arranged officially by the Ministry of the Interior no specific arrangements have been asked for to signify specifically those mediated informants as opposed to the informal contacts.

5.1.3 Ministry of Justice/Prosecutors

The next professional group of interest for the research was from the members of the public prosecutors department and experts in charge of international legal cooperation, since here, too, many issues handled were overlapping with those dealt with tax fraud investigators and police investigators. Here, the Ministry introduced the researcher to three contact partners, from there other contacts followed.

For talks with the above mentioned three contacts arranged officially by the Ministry of Justice no specific arrangements have been asked for to signify specifically those mediated informants as opposed to the informal contacts.

5.1.4 Customs

Building upon the contacts to personnel working for the Bavarian administration it was also quite easy to establish contacts to local and regional departments of the Federal Customs. Due to personal recommendation, eight civil servants were contacted personally or by phone and by mail as well.

5.2 Confidential-informal conversation partners

A far more important group of conversation partners were those with whom meetings were arranged outside formal structures because conversation partners here were much more at liberty to talk about what they really think and do, without having fear of their superiors attempting to obtain notes or to regulate how information is used and published. Whenever the term “conversation partner” in the report is used without the prefix “semi-official” or “semi-officially”, they would be from this informal category. It follows a list of those contacts:¹⁴

From (formerly¹⁵) within the Bavarian Tax Administration:

- Assessment Department (3)
- Tax Auditing Department (4)
- Tax Fraud Investigator (2)
- Turnover Tax Special Investigator (1)
- Wage Tax Special Investigator (1)
- Secretary (2)

Outside the Bavarian tax administration

- Assessment Department (1)
- Tax auditor (1)
- Specialists for Software in public administration (2)
- Customs administration(2)
- Tax consultants (5)
- Investigative Journalists and publisher (4)
- State and federal MPs and/or their staff (4)

¹⁴ One person listed here is counted twice under Tax Auditor and Tax Consultant since he provided information both from his earlier employment at the Tax Auditing Department and from his present employment as tax consultant.

¹⁵ “formerly” means that they have retired or otherwise changed their job

- Police (4)
- Prosecution (2)
- Senior Judges (2)
- Private Wealth Manager (2)
- Private Wealth Owner (4)
- Employees or Senior Executives of TNCs (3)
- Researcher into tax issues (5)

Finally, as an umbrella category¹⁶ met over/during a longer period of time and on various occasions 8 senior members (i.e., departmental leadership or above) of tax administration both on the level of State Tax Offices or state and federal ministry.

Of those conversation partners, around one fifth came from Nuremberg, the remaining from Bavaria, some from other parts of Germany, mostly Berlin.

Given the importance of repeated meetings for social qualitative research (cf. I/II/4-8), and following earlier experience with this kind of research, focus was laid not on the amount of conversation partners, but rather on the intensity and depth of contacts. Accordingly, it was more important to get rather few, but cooperative conversation partners with whom complex information could be followed-up and deepened than many contacts with whom only little follow up conversation was possible and the value of provided information was rather superficial. This attempt was successful. In about three quarters of the informants listed more than one contact could be arranged either via meetings, via telephone or mail – in a number of cases more than 10 contacts were possible, enabling even requests for assistance, proof reading or elaboration of specific expertise.

Not in all cases information is explicitly used and (anonymously) quoted in the report. In some cases information was too sensitive or for other reasons not used for quotes, but for background information only.

5.3 Interviews and the “technical version” of the research report

The interviews were crucial for structuring and writing the research report. In the most foundational and extensive version, the “technical version”, ca. 400 Endnotes back up every step of the report, referring to interviews as well as information whose use was recommended by interview partners. That way the technical version documents step by step the information contributed to, and underlying, the report composition.

For data-protection reasons and in the attempt to protect informants, the technical version will not be published. It cannot be excluded, for example, that knowledgeable insider could compile statements made by “Tax Auditor 05” or “Public Prosecutor 03” and deduct from quoted statements department, position or even name of the informant. Only very selected and trusted persons were given insight into excerpts of the technical version.

5.4 Conclusion

Those offered officially as conversation partners were at all times more cautious in providing answers than those approached informally and without fears of their eventually getting back to them.

¹⁶ In order to prevent conclusions regarding identity of conversation partner

In all departments and sections of institutions, and in all fields and categories of research the previously made experience occurred once more; not the quantity of interview partners was decisive. Many of the talks with the same person were far better than several talks with several other people. In the first interview always a lot of time needed to be spent on the research itself in order to make people understand its purpose – which left little time to make use of the remaining hour. More the frequent meetings were the more open and differentiated information provided. Even diverging information (was) be helpful to clarify different versions, and to get closer to an adequate understanding of the matters at hand.

Each contact of course, had its own “bias”. Contacts on the administrative or the ministerial top had a strong tendency to convince the researcher from “house policy” as to why it is working very well; and in contrast the practitioners in the departments were more pessimistic since it where they work where policy and theory hit reality. For the research, and most certainly for the interested readership, the latter information was most valuable to assess what is working in accordance to the known and declares policies and what not.

So far in published literature, information provided by leadership and politicians is dominating, not so much the practitioners’ views. This makes sense since in most cases researchers and journalists are referred either to the PR spokespersons or representatives of the leadership, while practitioners normally do not talk personally and publicly but are restrained in their articulation of views and opinions to the “Dienstweg” (official channels of communication) or their representatives in trade unions. It was for that reason of their “institutional discrimination”, that more care was spent in understanding their point of view and identify their common/overlapping concerns.

Still, of course, those “biases” also posed challenges for validation and verification of the data (see below, 8).

Last not least: In the report, two types of quotations are used to present insights arising from interviews and other forms of contacts with informants: ‘Literal’ quotations from interviews and mails and summarizing quotations from interview sessions, mostly set in indented textblocks.

6 Surveying representatives of government and political parties

The third source of information for this research were surveys.

6.1 Circulation of a questionnaire

A first survey was directed to representatives from government and political parties. Towards the end of the research, a questionnaire containing 23 (Bavaria) respectively 26 (Federal level) questions was developed arising from the insights of the research so far. Since the questions concerned areas of Home Affairs/Police, Finance/Tax and Law/Jurisdiction they were sent to representatives of those government ministries and competent representatives of those political parties who were at the time elected into the Bavarian and Federal parliament.

In addition, positions of the new party; Alternative für Deutschland were sought, even though this party was not elected into the Bavarian or Federal Parliament at the time of research. The rise of this party and its popularity suggests, however, also in the light of the spread of like-minded parties in other EU states, that this party is there to stay at least for some considerable future.

6.2 Responses

There were two complete non-replies: First by the deputies of the FW party of the Bavarian Parliament, which is not of serious importance since this party is nationally no relevance. More deplorable is the “Alternative für Deutschland”. This, however, is not really surprising since their program for taxation contradicts gravely the image they try to create, namely, that they are a “party for the people”.¹⁷

One reply was very dissatisfactory, because meager in comparison with all the others, namely, the one by the fraction of Bündnis 90/Die Grünen in the federal parliament.

Both the Federal Ministries for Home Affairs and Justice and the Bavarian Ministry for Home Affairs were very quick to point out that they were not the proper addressees for the questionnaire since the Ministry in charge is that of Finance. When detailing in a second letter, that the questions addressed very well segments in their proper responsibility which has been confirmed in the replies by the Ministries of Finance, the Bavarian Minister of Home Affairs also wrote a detailed reply.

Peculiar was the reply by the Bavarian Ministry for Finance. The letter displayed all signs of heavy editing and it could be concluded that it was highly disputed within the ministry. It is also significant to point out that the signatory of the letter was the lowest possible ranking civil servant for this kind of reply, while all other letters were signed by the heads of department or the Ministers themselves.

Similar arguments arose with some of the MPs in Home Affairs and Justice Committees in which a remarkable low turnout in quality or outright non-response can be stated.

When conversation partners from police and prosecution services were asked to comment on that behavior of their supreme employers and their parliamentary supervisors they only stated that of course, all excuses are sought not to answer the kind of critical questions which were put to them for comments. A major feature, they explained, of day to day political excitement is the lack of middle and long-term planning. Rather, resources are merely sent to areas where they are most urgently needed, where quick (statistically proven) success can be expected and where the public is involved by, e.g., noticing “effective” political handling of a problem - even if the price is that of other, equally important areas, are seriously understaffed or even deprived of resources (cf. GER/VII/5.8).

This makes sense, because when the questionnaire was sent out, experts in Home Affairs both in ministries and in parliament were pre-occupied with issues of Neo-Nazism (NSU-Enquete Commission) and terrorism (the Paris attacks).

6.3 Assessment

The turnout was of mixed quantity and quality. In the attempt of gaining a better background understanding especially of the reply by Bavarian Ministries of Home Affairs and Finance, informal conversation partners were asked to give a detailed comment on the replies from an insider point of view.

¹⁷ Cf. chapter 11 of their Grundsatzprogramm. Retrieved on 21 July 2016 from <https://www.alternativefuer.de/wp-content/uploads/sites/7/2016/03/Leitantrag-Grundsatzprogramm-AfD.pdf>

Among the statements coming from representatives in the field of tax and finance it is interesting to see the difference between the Federal Ministry of Finance and the Bavarian Ministry of Finance both in terms the quantity and the quality. While the former put a lot of effort and care in the reply, the latter comes along with a rather polemic and simplified way.

Equally, the statements of representatives of political parties vary in accordance to their political values and norms, and not surprising that there is a strong difference in representatives of parties in government responsibility and those in opposition.

Given the importance, those respondents have for shaping legislation in tax related issues a personal reading of the transmitted statements that is recommended. The statements can be read or retrieved from the Project Website, namely:

<http://www.taxjustice-and-poverty.org/results/germany/resources/fragenkatalog.html>

7 Survey of the “ordinary taxpayer”

The final source of information was a one-page-only questionnaire aiming to collect quantitative and qualitative information about the “ordinary taxpayers view”, i.e., non-expert citizens who are obliged to submit their tax declaration every year. For quantitative replies, alternatives for selecting and marking were provided. For the qualitative parts, open questions were asked without any prior suggestions or alternatives. The open answers (sometimes essays, sometimes only sketches and catchwords) were grouped into typological answers.

This survey was chance-guided, i.e., not a representative chance sample, insofar chance decided how information spread. The survey was carried out at churches or meetings. It was available for a download on the project website, and participation was invited via publications of the Jesuitenmission. About 150 questionnaires were returned to the project. The details and the evaluation of which can be found on

<http://www.taxjustice-and-poverty.org/results/germany/resources/umfrage.html>

8 Verification efforts

General issues related to the problems of validating and verifying information in qualitative research taking place in highly secretive milieus have been presented and discussed in paper I/II.

8.1 *The role of the interviews and interview partners*

During the first year, interviews were simply conducted in an attempt to identify crucial areas of importance on part of the interviewees. Since the researcher was a non-expert at the beginning and a very little literature was available for preparation, hypotheses and interests guiding the first interviews were either very general or were guided by a knowledge which was quickly replaced by more differentiating points of view on part of the interview partners. This “meandering” of knowledge, which in turn shifts focus points of research and interests, is a characteristic of qualitative research. Even if a lot of time is elapsing on efforts to identify important research focal points it is of worth because this is the movement away from anticipated points of interests by the researcher to the critical issues as seen by interview partners, and accordingly, the object matters.

Building upon the talks mentioned above, the quotable public verification of information was looked for, and the context of exemplarily raised issues was examined in more details. However, a problem faced here is that the publications which are available publicly either from public administration or NGOs (e.g., trade unions) are often interest guided, i.e., at times it is very difficult to see that both sides are talking about the same issues or it would require a lot of technical/legal expertise to judge between those diverging positions.¹⁸

Referring to the above mentioned problem, it took 1.5 years until the definitive issues and core areas of interests were being consolidated from the variety of interviews and from the mass of materials, so that from then on more pointed questions could be asked either orally or by mails for verification purposes. At times, passages from those interviewed were sent back to interviewees with the request to look over them and correct and comment on passages, were they found it to be appropriate. Henceforth, the literature could likewise be researched more down to the points under investigation.

8.2 The problem of complexity and simplification

A major problem with this research is the complexity of issues AND the lack of qualification on parts of the researcher to judge adequately between (seemingly) contradictory positions. Two examples are given below which cannot adequately be translated into English.

The first example addresses the question of understaffing and whether the Ministry of Finance does enough to fill up the ranks. In the left column, the Minister of Finance says “Yes”, and in the right column an insider says “No”.

Minister of Finance Markus Söder ¹⁹	Anonymous insider
<p>„Das Personal der bayerischen Steuerverwaltung (wird) seit 2009 aufgestockt. Mit dem Doppelhaushalt 2013/2014 summieren sich die zusätzlichen Stellen auf rund 1.300 Stellen für Beamte und Anwärter. ... Die Zahl der Neueinstellungen wurde deutlich erhöht. Derzeit befinden sich fast 2000 Kräfte in Ausbildung – eine Rekordzahl! Die Neueinstellungen werden auch künftig auf hohem Niveau fortgesetzt: für die Jahre 2013 und 2014 sind jeweils 800 Neueinstellungen geplant. Damit kann nicht nur jeder ausscheidende Mitarbeiter ersetzt werden, sondern die Personalsituation wird insgesamt verbessert.“</p>	<p>„Minister Söder hat bei seiner Zahl „1300 Stellen für Beamte und Anwärter“ alles zusammengerechnet, was eigentlich nicht zusammen gehört. Denn er hat neue Planstellen für Beamtinnen und Beamte (700 insgesamt in 2009 – 2014) mit den zusätzlich geschaffenen Ausbildungsstellen addiert. Diese Anwärterstellen sind aber nur „formal“ vorhanden, weil auch Anwärter auf Planstellen ausgebildet werden. Für die Arbeitserledigung in den Finanzämtern zählen aber ausschließlich die für die Beamtinnen und Beamten vorhandenen Planstellen. Und das sind 700 mehr. Diese gleichen allerdings die Stellenverluste nicht aus, die durch die Sparpolitik von Minister Faltlhauser zuvor verloren gingen. Und genauso verhält es sich mit den Anwärterstellen. Die Ausbildungskapazitäten wurden unter Faltlhauser so massiv herunter gefahren, dass in manchen Jahren nur noch</p>

¹⁸ E.g. the dispute surrounding the importance and service of computerization in public administration, the question of adequate staffing, the question of work burden/overtime....

¹⁹ Landtagswahl extra. In: *Der Wecker* 2013/07. Retrieved from <http://www.verdi-finanzamt.de/wecker.html>

	<p>50 Auszubildende für den gehobenen Dienst aller bayerischen Finanzämter eingestellt wurden. Dies führte dann logischerweise dazu, dass jahrelang nicht mal die Altersabgänge auch nur annähernd personell aufgefangen wurden. Minister Fahrenschon hat diese Entwicklung gestoppt, aber nicht umgedreht. Und Minister Söder versucht tatsächlich jetzt ein wenig gegenzusteuern. Allerdings sehen Sie aus den absoluten Personalzahlen (sind in den BayORH-Berichten schön dargestellt), dass die Personalentwicklung kontinuierlich nach unten ging. Und bis die jetzt großen Anwärterlehrgänge in den Finanzämtern ankommen, wird die Entwicklung so weitergehen. Insbesondere im Innendienst. Denn die politisch gewollten (und natürlich auch steuerlich notwendigen) Personalzuführungen jetzt in der Steuerfahndung und Betriebsprüfung gehen aktuell zu Lasten des Innendienstes. Diese erste Tranche der Aufstockung in 2013 und 2014 geschah ja in der Form, dass fast der gesamte Anwärterlehrgang des gehobenen Dienstes, der in 2013 die Prüfung machte, in die beiden Prüfungsdienste gesteckt wurde. (ca. 160 Personen). Damit hatte der Innendienst letztlich keine Personalverstärkung – im Gegenteil: die Personalabgänge dies zum Herbst 2014 gehen zusätzlich vollständig zu Lasten des Innendienstes.</p>
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In this case the author can just state that both parties disagree upon how to judge that which is de facto being undertaken. Therefore, the researcher assumes the position that both parties agree that more staff is needed, but that they disagree with (a.) how much staff is needed, (b.) until when it should be recruited, and (c.) in what department it should be used. Sometimes, of course, the “problem” can be spotted easily. In one press release, the representative of the trade union argued that at least 1600 positions in the tax administration are missing, whereas, the Ministry countered that since 2009 almost 2000 positions have been created – one information not really contradicting the other.²⁰

The second example is related to the question of overwork, which is known to exist in (almost) all branches and in (almost) all departments of tax administration. When one MP tried to seek out how big the problem is, everybody was surprised to see that it apparently did not exist. According to the Ministry, there was hardly any overwork in any local tax administration in Bavaria in 2013. Taking two examples from the region of Middle Franconia: in the tax office Nuremberg South the employees worked 0 hours overtime; at the same time,

²⁰ Böhne, K. (2015, August 18). Ankauf von Steuer-CDs: Was haben sie dem Freistaat gebracht? In: *Bayerischer Rundfunk*, retrieved from <http://www.br.de/nachrichten/steuer-cd-104.html>

the maximum overtime occurred in the tax office Hilpoltstein with 3 hours and 5 minutes. But, of course, there is a big snag to it:

The State Ministry of Finance ²¹	Anonymous informant
<p>Frage der Landtagsabgeordneten Aures: “Wieviele Überstunden sind in den Finanzämtern 2013 angefallen und wie hoch ist die durchschnittliche Überstundenbelastung pro Finanzbeamten?“</p> <p>Antwort: „Es wurde hier entsprechend der früheren Berichterstattung gegenüber dem Bayerischen Landtag vom Überstundenbegriff gemäß Art. 87 Abs. 2 BayBG ausgegangen“</p>	<p>Bei den Überstunden in der Landtagsanfrage handelt es sich um Überstunden gemäß Art. 87 (2) BayBG, die dienstlich angeordnet werden und evtl. sogar vergütet werden, wenn z. B. die Gewährung von Dienstbefreiung aus dienstlichen Gründen nicht möglich wäre (kommt m. E. häufig bei der Polizei vor). Im Bereich der Finanzverwaltung wird die Arbeitszeit im Rahmen der gleitenden Arbeitszeit eingebracht. Die Einbringung wird durch eine Dienstvereinbarung zwischen örtlichem Personalrat und Amtsleitung geregelt. Es existiert die sog. Präsenzzeit, beträgt bei Vollzeitbeschäftigten 4 Stunden pro Tag. Im Gegensatz zu früher existiert keine feste Kernzeit mehr. Kernzeit war früher der Zeitraum an dem alle Beschäftigten anwesend sein mußten. Die Sollzeit ist die Zeit die ein Beschäftigter dem Arbeitgeber schuldet, wäre bei einer 40-Stunden-Woche 8 Stunden täglich. Und dann gibt es noch die Rahmenzeit (täglich 14 Stunden), das ist der Zeitraum in dem der Beschäftigte seine Sollzeit einzubringen hat, wobei der täglich mindestens die Präsenzzeit (sprich 4 Stunden) einbringen muß. Der Unterschied zwischen der Sollzeit und der tatsächlich abgeleisteten Zeit ergibt dann ein Arbeitszeitguthaben bzw. -minus. Das Guthaben kann er entweder mit Minus verrechnen oder zum Ausgleich neben dem Urlaub sog. Zeitausgleichstage nehmen. Diese Zeitausgleichstage sind auf 24 Tage pro Jahr begrenzt. Wie mit den Zeitguthaben bzw. -schulden während des Jahres zu verfahren ist, wird auch in diesen örtlichen Dienstvereinbarungen geregelt. So kannz. B. ein Beschäftigter meiner Behörde ein Arbeitszeitminus von 40 Stunden in Anspruch nehmen, wobei er diese 40 Stunden minus an keinem Tag im Jahr unterschreiten darf. Beim Arbeitszeitguthaben sind wir da flexibler hier</p>

²¹ Antwort vom 5.5.2014 auf die Schriftliche Anfrage von Inge Aures, MdL, betreffend „Personalsituation in bayerischen Finanzämtern.“

	<p>gibt es einen Stichtag (z. B. 01.10.), an diesem Stichtag darf der Beschäftigte mit seinem Arbeitszeitguthaben die 40-Stunden-Grenze nicht überschreiten. Überschreitet er trotzdem wird das Guthaben auf 40 Stunden gekappt. Vom 30.09. des laufenden Jahres bis zum 01.10. des Folgejahres ist er aber völlig frei, d. h. er könnte z. B. 100 /200 oder noch mehr Zeitguthaben vor sich herschieben. Die Anfrage der Frau Aures hätte sich nicht auf die Überstunden beschränken sollen, sondern zusätzlich die zu einem bestimmten Stichtag bestehenden Arbeitszeitguthaben umfassen sollen. Die sog. Spielregeln für die örtlichen Dienstvereinbarungen sind in der Arbeitszeitverordnung des Freistaats Bayern geregelt. Überstunden nach Art. 87(2) fallen in unserem Bereich nur bei den Kolleginnen und Kollegen an, die nicht an der Gleitzeit teilnehmen. Das z. B. die Außendienste und die Hausmeister. Ebenfalls zum Einsatz können diese Überstunden kommen bei Teilzeitbeschäftigten mit niedrigem Arbeitszeitanteil. Bei diesen Kolleginnen und Kollegen reichen oft die 24 Zeitausgleichstage nicht aus. Wenn jetzt aber eine z. B. mehrtägige Fortbildung ansteht, werden diese Überstunden angeordnet und die Kollegen können diese Überstunden neben den Zeitausgleichtagen innerhalb eines Jahres "abfeiern".</p>
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In this case, the Ministry did certainly not cheat in its reply, but at the same time it was “economic with the truth”. It used a very convenient way out simply not to answer the question the way it was intended by the MP, but rather in the way in which it is correct to the letter, but obscures the problem. In this case the author ignores the reply of the Ministry since he is very much aware how big the burden of work is in administration and how hard-going are all efforts to lower that burden.

8.3 Verification criteria

Regarding verification, this project uses the same techniques, e.g., triangulation, as detailed in I/II/8 and the Methodological-Technical Annex mentioned already above (1).

Result of such verification efforts could be that even issues indicated by several conversation partners, i.e., where a certain importance could be assumed were kept open because more verifications were needed. For example, the complaint by both civil servants in the tax administration and tax consultants, that an increasing number of appointments for leadership position in tax administration seem to be motivated not so much by practical experience and competence, and rising through ranks and files as in earlier years, but rather due to membership in networks between those appointed and the appointee, e.g., because of

party membership, or legal-juridical knowledge. Regarding this issue it was felt that the accusation of party political “nepotism” especially is too sensitive issue to quote easily, but on the other hand, it was not possible to ignore the consolidating evidence of its existence. Therefore, it was decided not to publish this statement as yet, but keep it for further verification.

This project was also blessed to win the support of a number proofreader for the German language research summary, which subsequently underwent some rewriting and additions. The short version, therefore, may claim the strongest accuracy regarding the absence of mistakes, even though some of the proofreaders, of course, disagreed with the conclusions drawn by the author.

8.4 Verification limits

The researcher has no qualification by studies or work experience regarding the issues under examination. Insights and understandings in this paper depend on his grasp of that which has been explained to him by the numerous semi-official and informal conversation partners. In the course of research, however, knowledge developed, emphasis shifted, and over and over again, the researcher realized continually the extent to which his understanding so far was incomplete and faulty. Even during drafting the research report and during the last expert hearings, previously held views and ideas needed to be modified or corrected, e.g., the difference between transfer prices and trade mispricing or the difference between popular understandings of money-laundering vs. the correct legal conception.

With such a background it is very likely, that, even though the German research report was compiled and composed to the best of the researcher’s knowledge and conscience, there may still be passages which are not accurate.

Given the conception of the simplified versions in English, involving numerous translations of technical terms for which no accepted Glossary could be found, no German proofreader could be won.

9 Generalization limits

As to verification, there are limitations to the generalization of research findings:

9.1 National limits

The research provides consolidating, substantiated and verified insights into areas of the German tax system and, more specifically, tax administration to a varying degree. Some findings are well corroborated by interviews and publications yet others are less solidly backed by data. One reason being, that access to sources also determined the recommendation and choice of literature, which, given the limited time, could only limited be cross-checked with other sources.

Given the sensitivity of sources and data contained in the technical report version it is regretted that this technical version and its material cannot be openly published and made accessible to a wider debate. The published short version, as well the chapters placed on the project-website try, within their limits, to be transparent about to the extent to which information published is corroborated and verified and where open questions still exist.

It is presumed therefore, also for generalization purposes that others will be inspired by those findings to do research themselves and expand the insights provided into the sealed off world of tax administration and related areas of police investigation and prosecution.

9.2 International limits

Unavoidably, findings in relevant fields are compared with the situation in other countries, e.g., that “the wealthy” are taxed more stiffly elsewhere, that the distribution of wealth or income here or there is (dis)advantageous for various reasons. Here, comparability needs to be done with caution, for conceptual-legal and for statistical reasons:

With regard to conceptual reasons for example, one needs to be aware that one does not compare apple with pears. Regarding wealth for instance, the German government talks officially of a “Net Worth Tax”, leaning on principle along the former Wealth Tax. Those assets are measured and contained among “Property Taxes” in OECD statistics. Or: If the statement says that the Real Property Tax in other states burdens wealth more than in Germany, one has to be aware that for example, in the UK there are no infrastructure levies on water, electricity or sewage which needs to be added to the Real Property Tax in Germany.

Accordingly, statistical methods to measure wealth and wealth concentration are devised alongside those conceptual definitions, including into the measurement of some assets which are excluded elsewhere. This was made specifically obvious when the European Central Bank prepared the European Consumer and Household Survey which suddenly made Greeks and Zypriots more wealthy than Germans (cf. GER/IV/2.1.9.2). However, the share of house- and landowner in Greece and Zyprus there is higher than in Germany, whereas, entitlements for pensions and other forms of insurance, which privilege Germans, have not been included in the survey. Etc.

10 Publication

The original intention of the research was to publish a short, simplified and technical version of relevant chapters (cf. I/II/11.2).

For the German country study, only one short version in German language is produced for the entire German country report, which is also printed as a book and sold via bookshops.

Due to deficits in technical expertise and English language skills, the simplified version of relevant chapters of the German country report resembles more an arrangement and sorting of text blocks and is uploaded on the Project Website. This version tries to take into account both the interest of an interested non-German readership with little knowledge about the German taxation system, but also an interested non-expert German readership, while the detailed Table of Content should serve as a guide by the effort to discern chapters of interest and chapters which can be skipped.

For reasons given above (5.3) the technical version of the research report will not be published for data protection reasons.

Beyond those documents a number of other papers exist only in draft status since time did not suffice to work information into a coherent document. This applies for the papers in the In-Depth Research areas on private wealth and the Shadow Economy. This is the case since priority was given to those chapters where some parallel publication could be expected on part of the African Partners and issues regarding private wealth and Shadow Economy

were of relevance for Germany only. It is attempted to add those papers at a later stage to the project website or contain information in other forms of publication, e.g. articles or talks.

11 Disclaimer and outlook

As explained in the introduction, that which is published may still contain mistakes and errors, yet this is permissible for qualitative social research in sensitive areas. Publications arising here are understood as an offer of information for discussions, comments, amendments and for further research.

With this background, the German research welcomes any feedback to its publications under alt@jesuitenmission.de

Accordingly, publications should be read not so much as a definite and final result, but as results emerging from a process of research. Since it is planned that the occupation with the topic will continue beyond the publication date, corrections and comments are most welcome and will be incorporated in updated versions of those already published or in future in related publications.

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