

Retain skilled workers in the country through tax incentives in the form of reductions in training costs

Measure dimension

Maintaining and improving potential

Rating

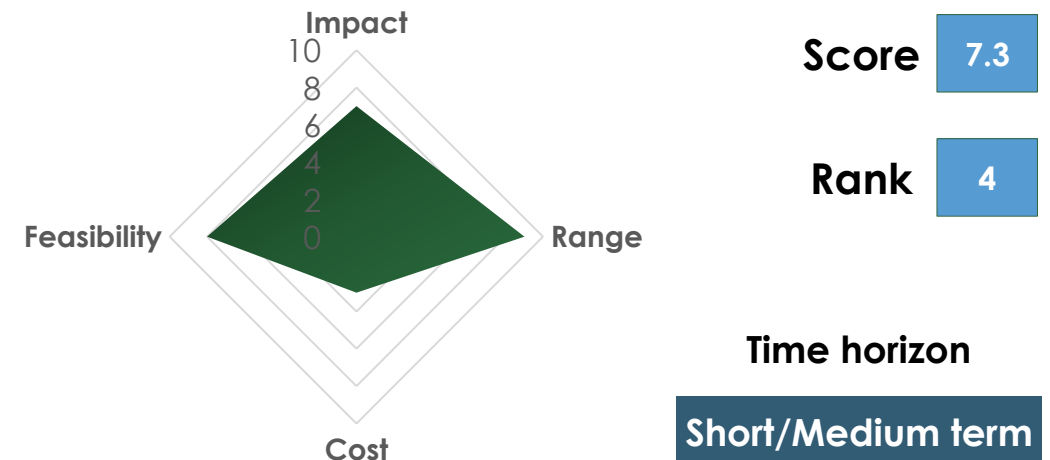
Effective measure in various sectors; **compensation of costs** through skilled labour and practical adjustments are possible

Impact	Impact is strong with high utilization of individuals
Range	The measure applies to all sectors of the economy, but tax deductions can only be claimed for certain training courses
Cost	The costs incurred are the tax deductions that the state loses, but a better educated workforce increases wages and thus tax revenues again
Feasibility	The "Einkommensteuergesetz" is already in force; minor adjustments should be easy to realize

Implementation to date in Germany

Deductible professional training expenses for employed individuals

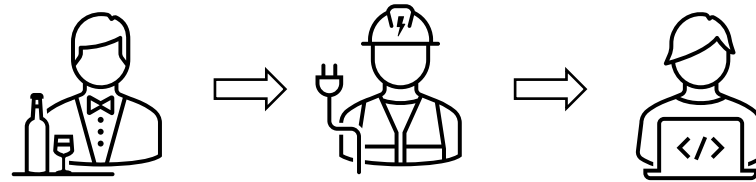
- Professional training costs can be fully deducted from taxes and claimed as "Werbungskosten"
- The vocational training must be deemed to be **work-related**
- The costs are only covered if you are already in **gainful employment**



Training chains are key elements in reducing the shortage of skilled workers and should be promoted through financial incentives

Why vocational training is a key element

- A key element in counteracting the shortage of skilled workers is the requirement that **vocational training chains** can and will be created.
- The example here is that an employee in the hospitality industry can complete further training to become an electrician and the electrician can then train to become an IT specialist.



Specific recommendations for action

- Expenditure on further vocational training should continue to be fully tax-deductible and supported by the government.
- The promotion of a broader range of vocational training, even beyond the current profession, is crucial for the development of vocational training chains.
- **Maintaining the tax deductibility of continuing education costs and promoting a wide range of educational pathways can contribute to the creation of comprehensive vocational training chains.**