New blueprint to save Greece

Prime Minister Alexis Tsipras has submitted comprehensive reform proposals to free up a new three-year, €53.5 billion conditional loan from the European Stability Mechanism bailout fund



PRIMARY SURPLUS

Primary budget surplus: Government tax revenues minus cost of running country. excluding interest on national debt

2015: 1% of GDP, 2016: 2%, 2017: 3%, 2018: 3.5% TOTAL: €17 billion*

*based on 2014 GDP of €179.1bn



VALUE ADDED TAX

New VAT levels from October, Restaurants up 10% to 23%. Foodstuffs, energy,

water and hotels 13% (hotels currently 6.5%), and 6% for medicine. books and theatre. Tax breaks for tourist islands scrapped by end 2016. Reforms to generate

> €1.8 billion a year **PUBLIC SECTOR**



Salaries to be cut by 2019. Perks - such as paid leave and travel allowances - adjusted

in line with EU norms

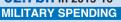


PENSION REFORMS

End early retirement, standardise retirement age to 67 by 2022.

Health contributions

€2.7bn in 2015-16



Cut by €100m this year, and €200m in 2016

€300m



TAX REFORMS

Raise corporate tax rate from 26% to 28%. Farmers to lose fuel subsidies. Luxury tax

on recreational boats over five metres up 3% to 13%

TAX COLLECTION

New autonomous tax revenue agency to streamline collection and combat smuggling. Revenue lost to tax dodgers estimated at

€20bn a vear Insolvency laws: Amendments aimed to get debtors to pay up loans

SHIPPING INDUSTRY

Proposed tax on €106bn Hellenic fleet – which in effect pays no tax. Plan likely to fail

because owners can register ships' flags in other countries



PRIVATISATION

Government to sell off state assets, starting with electricity grid company, regional

airports and ports including Pireaus and Thessaloniki