



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB-PUBLIC

COURTESY TRANSLATION

Mario DRAGHI
President

Ms Ulrike Trebesius
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt am Main, 27 March 2019

L/MD/19/87

Re: Your letter (QZ-010)

Honourable Member of the European Parliament, dear Ms Trebesius,

Thank you for your letter, which was passed on to me by Mr Roberto Gualtieri, Chairman of the Committee on Economic and Monetary Affairs, accompanied by a cover letter dated 1 February 2019.

The salary structure of the ECB is publicly available on our website.¹ The table reflects the ECB's salary structure by band and further indicates the minimum monthly net salary that a staff member of the ECB receives in each salary band. The annual income and allowances of the members of the ECB's Executive Board and of the ECB members of the Supervisory Board are published in the ECB's Annual Report.²

As a knowledge institution, the majority of our staff (>70%) is concentrated in the professional categories allocated to salary bands E/F to H. Support staff (salary bands A to E) and managers (salary bands I to M) make up the remainder of the ECB's workforce.

The pension entitlements of ECB staff are laid down in the Conditions of Employment, which are also publicly available on our website.³ The ECB operates defined benefit plans for its staff and the members of the Executive Board, as well as for the ECB members of the Supervisory Board. The defined benefit obligations

¹ See the "Benefits and rewards" section at <https://www.ecb.europa.eu/careers/what-we-offer/benefits/html/index.en.html>

² The annual reports of the ECB are available on the ECB's website at <https://www.ecb.europa.eu/pub/annual/html/index.en.html>

³ See Annex IIIa of the Conditions of Employment at https://www.ecb.europa.eu/careers/pdf/conditions_of_employment.pdf

Address

European Central Bank
Sonnemannstrasse 20
60314 Frankfurt am Main
Germany

Postal Address

European Central Bank
60640 Frankfurt am Main
Germany

Tel. +49-69-1344-0
Fax: +49-69-1344-7305
Website: www.ecb.europa.eu

and the net defined benefit costs are calculated annually by independent actuaries to establish the appropriate liability in the financial statements.⁴

The members of the ECB's Executive Board and ECB staff are taxed according to EU tax Regulation 260/68⁵, which imposes an EU income tax for staff of EU institutions, bodies and agencies. EU income tax is levied at the rates given in the Euro Tax Scale⁶ (i.e. between 8% and 45%). In these instances, EU income tax replaces national income tax, from which EU salaries and benefits are exempt in the Member States of the European Union.

Finally, as the ECB does not have access to granular data pertaining to the salaries, share of employees per function, pension entitlements or tax regime applicable to Bundesbank staff, I would invite you to address any questions on this directly to the Bundesbank.

Yours sincerely,

[signed]

Mario Draghi

⁴ See, for instance, Annual Accounts of the ECB 2017, available at <https://www.ecb.europa.eu/pub/pdf/annrep/ecb.annualaccounts2017.en.pdf>

⁵ Regulation (EEC, Euratom, ECSC) No 260/68 of the Council of 29 February 1968 laying down the conditions and procedure for applying the tax for the benefit of the European Communities.

⁶ See Annex 1.

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Annex I Annual tax table

Euro tax scale (yearly EUR, 2019)

Bracket	Taxable income	Inter-bracket difference	Tax rate	Tax amount	Bracket
1	1569.19		0.00%	0.0000	1
2	27696.87	26127.68	8.00%	2090.2144	2
3	38147.92	10451.06	10.00%	3135.3199	3
4	43719.26	5571.33	12.50%	3831.7366	4
5	49646.07	5926.81	15.00%	4720.7580	5
6	55215.96	5569.89	17.50%	5695.4893	6
7	60617.87	5401.91	20.00%	6775.8711	7
8	66191.95	5574.08	22.50%	8030.0398	8
9	71592.47	5400.52	25.00%	9380.1705	9
10	77163.76	5571.29	27.50%	10912.2743	10
11	82567.08	5403.32	30.00%	12533.2691	11
12	88139.76	5572.68	32.50%	14344.3913	12
13	93541.65	5401.89	35.00%	16235.0525	13
14	99112.94	5571.29	40.00%	18463.5679	14
15		additional taxable income	45.00%		15

Tax is calculated on the basis of the Annual Tax Table above, applied monthly (i.e., the monthly taxable amount is calculated and multiplied by 12, tax is computed according to the annual table and then divided by 12 for the monthly tax). There are no tax corrections at the end of the year (e.g., if the member of staff started at the ECB in the middle of the year) and no interconnection with other tax systems.

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