

## **Mercedes-Benz and Opel Investigated for Tax Fraud in Greece**

In a somewhat strange twist of events since it's usually the Europeans, and in particularly, the Germans, who have been dubious about Greek tax authorities and practices, news magazine Der Spiegel reported that the Mediterranean country's inspectors are investigating three major German carmakers for possible tax fraud.

Theodoros Floratos, the head of Greece's Financial and Economic Crime Unit (SDOE) confirmed the report that said the carmakers being under investigation are BMW, Mercedes-Benz and Opel.

The reason why SDOE is looking into these companies is that it suspects the aforementioned German carmakers are delivering their vehicles to their respective partners in Greece at extremely low factory prices, which the government uses as a base for a number of taxes – the lower the factory price, the less taxes paid to the country.

As an example, the report mentions the Mercedes-Benz S 500 CGI Blue Efficiency that has an in-house importer price of only €22,135 (\$30,282), but sells for almost six times that, with a retail price (inclusive of all taxes) of €124,450 (US\$170,300). If you're wondering, in the States, the S 550 costs \$92,900 (excluding sales tax – i.e. 6.25% in Massachusetts).