

33. þing Landssambands ísl. verzlunarmanna**19.-20. október 2023**

Inflation and Purchasing Power

Rising inflation and interest rate hikes by the Central Bank of Iceland have meant that the increases in purchasing power of members within LÍV have vanished like smoke into the air. Our goal is to ensure the renewal of the stability that we experienced before the pandemic and to bring interest rates down quickly with powerful measures. But which actions are the ones we want the government to act on now?

1. A temporary rent cap.
2. Special bank tax (high-interest dividend).
3. Actions in climate matters to reduce the burden on workers.
4. Government levies on fuel reduced.
5. The increase in real estate prices must be removed from the consumption index so that it measures consumption when it comes to housing and not property ownership changes in the housing market. Instead of changes in real estate prices, VR proposes that the measure in the index be calculated based on rental fees.
6. Reduce value added tax (VAT) on food permanently.
7. The tax burden of low-wage workers is reduced by increasing the personal discount and/or lowering the tax percentage in the lowest tax bracket.
8. Increased child benefits
9. Personal discount follows salary trends.
10. Holiday and December allowances tax exempt
11. Indexed loan additional interest rate abolished by law.
12. The Central Bank of Iceland analyzes and publish trends in profitability and dividend payments.
13. The competition authorities strengthened with the aim of increasing its capabilities for independent research.
14. Nonsense fees of banks mapped and abolished.
15. General income tax and local tax to be paid on dividends of up to ISK 120.000.000 per year and from ISK 120.000.001. capital gains tax at 20%.
16. Capital income over ISK 5.000.000 to be taxed as general income with local taxes included.
17. 4.000 ISK. arrival fee for foreign tourists, valid for 2 years. (like ESTA in the USA)