



Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect

23/09/2015

AMENDMENTS 1 - 113

Elisa Ferreira, Michael Theurer

Report of the special committee on tax rulings and other measures similar in nature or effect

Motion for a resolution PE564.938 - 2015/2066(INI)

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United in diversity

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Amendment 1

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Heading 1

Motion for a resolution

on tax rulings and other measures similar
in nature or effect

Amendment

on tax rulings and other measures similar
in nature or effect (*Special committee
interim report*)

Or. en

Amendment 2

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Citation 1

Motion for a resolution

— having regard to *Article 4* of the Treaty
on European Union,

Amendment

— having regard to *Articles 4 and 13* of
the Treaty on European Union,

Or. en

Amendment 3

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Citation 2

Motion for a resolution

— having regard to Articles 107, 108, 113,
115 *and 116* of the Treaty on the
Functioning of the European Union,

Amendment

— having regard to Articles 107, 108, 113,
115, *116, 175 and 208* of the Treaty on the
Functioning of the European Union

Or. en

Amendment 4

**Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari,
Matt Carthy**

Motion for a resolution

Recital B

Motion for a resolution

B. whereas issues related to corporate tax base erosion and aggressive tax planning practices have been known and analysed at international level ***at least since the end of the years 1990***; whereas Luxleaks brought public and media attention to those issues, disclosing questionable tax practices promoted by one specific accountancy firm in one specific Member State; whereas ***the Commission's*** investigations and the work carried out by Parliament through its special committee have shown that this is not the only case but ***a practice that is widespread within Europe and beyond, and one which consists in taking tax measures to reduce some corporations' overall tax liabilities so as to artificially increase the national tax base at the expense of other countries;***

Amendment

B. whereas issues related to corporate tax base erosion and aggressive tax planning practices have been known and analysed at international level ***for decades***; whereas Luxleaks brought public and media attention to those issues, ***first*** disclosing questionable tax practices promoted by one specific accountancy firm (***PwC***) in one specific Member State; whereas ***those disclosures made evident the extent to which Luxembourg had become a hub of aggressive tax planning strategies globally during the past decades overseen by Jean-Claude Juncker as Minister of Finance and Prime Minister; whereas further revelations like the second batch of documents released by the ICIJ on 9 December 2014 on tax deals brokered by Ernst & Young, Deloitte, KPMG along with Luxemburg-based tax and law firms, the Commission's*** investigations and the work carried out by Parliament through its special committee have shown that this is not the only case but ***that harmful tax policies which reduce some MNCs' overall tax liabilities by artificially shifting profits across borders and which, as a consequence, reduce overall tax revenue by incrementally increasing one national tax base at the disproportionate expense of other countries' tax base are systemic to the European Union and beyond;***

Or. en

Amendment 5

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Recital D

Motion for a resolution

D. whereas subjecting these practices to public scrutiny is part of democratic control; whereas, given their negative impact on society as a whole, they can only persist as long as they remain undisclosed, or are tolerated; whereas investigative journalists, the non-governmental sector and the academic community have been instrumental in exposing cases of tax avoidance and informing the public thereof; whereas, as long as they cannot be prevented, their disclosure should not depend on the courage and ethical sense of individual whistleblowers, but rather be part of more systematic reporting and information-exchange mechanisms;

Amendment

D. whereas subjecting these practices to public scrutiny is part of democratic control; whereas, given their negative impact on society as a whole, they can only persist as long as they remain undisclosed, or are tolerated; whereas investigative journalists, the non-governmental sector and the academic community have been instrumental in exposing cases of tax avoidance and informing the public thereof; whereas, as long as they cannot be prevented, their disclosure should not depend on the courage and ethical sense of individual whistleblowers, but rather be part of ***both*** more systematic reporting and information-exchange mechanisms ***and a legal and regulatory framework that encompasses proper reward and protection for whistleblowers as well as significant penalties for breaches thereof; whereas the LuxLeaks revelations and the time since passed have exposed fundamental flaws in the mechanisms to hold to account those MNCs that dodge their tax responsibility and those Member States responsible for the policies that facilitate it, epitomised by the appalling fact that for the time being the only ones facing prosecution as well as grave personal, social and economic consequences following LuxLeaks are the whistleblowers and journalists having exposed the wrongdoing;***

Or. en

Amendment 6

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Recital E

Motion for a resolution

E. whereas direct taxation is a competence of Member States and is thus subject to the unanimity requirement within the Council; whereas this has resulted in no significant decision being taken yet at EU level in the area of corporate taxation despite recent developments in EU integration in connection with the internal market and other areas covered by the EU Treaties such as international trade agreements, the single currency and economic and fiscal governance; whereas, by giving each Member State a veto right, the unanimity rule within the Council reduces the incentive to move from the status quo towards a more cooperative solution;

Amendment

E. whereas direct taxation is a competence of Member States and is thus subject to the unanimity requirement within the Council; whereas this has resulted in no significant decision being taken yet at EU level in the area of corporate taxation despite recent developments in EU integration in connection with the internal market and other areas covered by the EU Treaties such as international trade agreements, the single currency and economic and fiscal governance; whereas, by giving each Member State a veto right, the unanimity rule within the Council reduces the incentive to move from the status quo towards a more cooperative solution; ***whereas the EU Treaties and legislation and secondary law, via the primacy of free movement of capital, enshrine a structural bias in policy making to the benefit of capital owners and MNCs;***

Or. en

Amendment 7

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Recital F

Motion for a resolution

F. whereas, ***in a completed*** internal market, ***no distortion should affect investment decisions and business location; whereas, however,*** globalisation, digitalisation and free movement of capital create the conditions for more intense tax competition between Member States, and with third countries, ***to attract investments and businesses;*** whereas ***this can take the form of potentially harmful tax schemes, which are aimed at fostering investments and***

Amendment

F. whereas, ***the EU*** internal market, globalisation, digitalisation and free movement of capital create the conditions for more intense tax competition between Member States, and with third countries, ***leading to a race to the bottom in terms of tax rates and regulatory standards;*** whereas, ***in particular, there is an asymmetry in the internal market of the EU where capital flows freely, while information regarding the capital flows***

attract additional economic activity in the first place, reacting to similar measures launched in neighbouring countries or to correct what is considered as pre-existing imbalances by Member States, in terms of relative wealth, size or peripheral location; whereas, incidentally, in some jurisdictions there seems to be a correlation between attractive corporate tax systems and a high level of national wealth; whereas the optimal design for tax systems depends on numerous factors and therefore differs from one country to another;

and the multinational companies driving those flows is severely restricted, with almost no information made public on these companies and very little exchanged between tax administrations; whereas this asymmetry of information creates opportunities for MNCs to exploit mismatches between Member States' tax systems for tax planning purposes in ways unintended by national lawmakers; whereas research of 20 EU Member States has shown that, as a consequence, in three out of four of these the Average Effective Tax Rate (AETR) on SMEs is higher than for large companies because of international tax planning opportunities available to the latter^{1 a} ; whereas tax is collected nationally but reporting by MNCs is currently done on a consolidated basis, not for each country in which they operate;

^{1 a} http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8377

Or. en

Amendment 8

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Recital F a (new)

Motion for a resolution

Amendment

F a. whereas there are potentially harmful tax schemes, which are aimed at fostering investments and attracting additional economic activity in the first place, reacting to similar measures launched in neighbouring countries or to correct what is considered as pre-existing imbalances by Member States, in terms of relative wealth, size or peripheral location; whereas, incidentally, in some

jurisdictions there seems to be a correlation between attractive corporate tax systems and a high level of national wealth; whereas the optimal design for tax systems depends on numerous factors and therefore differs from one country to another;

Or. en

(Part of recital F in original text)

Amendment 9

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Recital G

Motion for a resolution

G. whereas, in its role as a player in the tax competition game, each country uses its national legislation in conjunction with its tax treaty network to promote itself as a country to invest in, thereby attracting businesses at the expense of partner countries; whereas, taken in isolation, each Member State has a clear interest in adopting a ‘free rider’ behaviour, i.e. in being the first to design and implement specific tax schemes and provisions to attract tax base, and the last to participate in any cooperative and coordinated action to tackle tax avoidance;

Amendment

G. whereas, in its role as a player in the tax competition game, each country uses its national legislation in conjunction with its tax treaty network to promote itself as a country to invest in ***and/or as a hub through which to channel financial flows***, thereby attracting businesses at the expense of partner countries; whereas, taken in isolation, each Member State has a clear interest in adopting a ‘free rider’ behaviour, i.e. in being the first to design and implement specific tax schemes and provisions to attract tax base, and the last to participate in any cooperative and coordinated action to tackle tax avoidance;

Or. en

Amendment 10

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Recital H

Motion for a resolution

H. whereas, as a result, some Member

Amendment

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States tend to have an ambivalent position regarding tax avoidance, complaining on the one hand about their national tax base erosion while at the same time being responsible for the design of the current national and international tax systems which made it possible, and still impeding any development of their tax systems towards a more coordinated solution; whereas, in a framework of full capital mobility within the EU, the interdependence and mutual effects of national tax systems and revenue should be fully taken into account, bearing in mind the extensive positive and negative cross-border *spillovers* from individual Member States' tax decisions, since one *country's* tax incentive is *another's* base erosion;

States tend to have an ambivalent position regarding tax avoidance, complaining on the one hand about their national tax base erosion while at the same time being responsible for the design of the current national and international tax systems which made it possible, and still impeding any development of their tax systems towards a more coordinated solution; whereas *regulatory authorities in some jurisdictions engage in what can be termed "constructive non-compliance" whereby they on paper adhere to best practices and collaboration on international taxation, but in practice hinder these practices and collaborations from becoming effective; whereas, in a framework of full capital mobility within the EU, the interdependence and mutual effects of national tax systems and revenue should be fully taken into account, bearing in mind the extensive positive and negative cross-border *spill-overs* from individual Member States' tax decisions, since one *country's* tax incentive is *another's* base erosion;*

Or. en

Amendment 11

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Recital I

Motion for a resolution

I. whereas the legislator and tax administrations cannot anticipate but only react, sometimes with great delay, to the innovative tax avoidance schemes which are designed and promoted by some tax advisers, lawyers and intermediary companies; whereas, in particular, experience shows that EU bodies which should prevent the introduction of harmful tax measures (such as the Code of Conduct

Amendment

I. *I.* whereas the legislator and tax administrations cannot anticipate but only react, sometimes with great delay, to the innovative tax avoidance schemes which are designed and promoted by some tax advisers, *in particular from very large accountancy firms*, lawyers and intermediary companies; whereas, in particular, experience shows that EU bodies which should prevent the

Group set up by Member States in 1998), often react too little, and that a mass of new and often aggressive tax avoidance measures or agreements have been introduced in the EU; whereas MNCs are relying, in the EU and worldwide, on the expertise of a well-organised and skilled sector of tax advisers for the development of their tax avoidance schemes; whereas this sector is represented at the same time in bodies advising governments and public institutions on tax matters, such as the EU Platform for Tax Good Governance;

introduction of harmful tax measures (such as the Code of Conduct Group set up by Member States in 1998 *or the Commission as guardian of the Treaties*), often react too little, and that a mass of new and often aggressive tax avoidance measures or agreements have been introduced in the EU; whereas MNCs are relying, in the EU and worldwide, on the expertise of a well-organised and skilled sector of tax advisers *as well as banks and other financial service providers* for the development of their tax avoidance schemes; whereas this sector is represented at the same time in bodies advising governments and public institutions on tax matters, such as, *for instance*, the EU Platform for Tax Good Governance;

Or. en

Amendment 12

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Recital J

Motion for a resolution

J. whereas tax rulings cover a wide range of practices in Member States, in terms of possible scope and topics covered, binding nature, frequency of use, publicity, length and payment of fees; whereas there is no commonly agreed definition of tax rulings at international level except for the Commission's reference to them as 'any communication or any other instrument or action with similar effects, by or on behalf of the Member State regarding the interpretation or application of tax laws';

Amendment

J. whereas tax rulings cover a wide range of practices in Member States, in terms of possible scope and topics covered, binding nature, *negotiated unilaterally or bilaterally/multilaterally*, frequency of use, publicity, length and payment of fees; whereas there is no commonly agreed definition of tax rulings at international level except for the Commission's reference to them as 'any communication or any other instrument or action with similar effects, by or on behalf of the Member State regarding the interpretation or application of tax laws';

Or. en

Amendment 13

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Recital L

Motion for a resolution

L. whereas the practice of rulings developed, in the framework of a closer and more cooperative relationship between tax administrations and taxpayers, as a tool to tackle the increasing complexity of the tax treatment of certain transactions in an increasingly complex, global and digitalised economy; whereas, as undisclosed and potentially discretionary/negotiated arrangements, rulings could at the same time be used as a means of obtaining derogations and more favourable tax treatments;

Amendment

L. whereas the practice of rulings developed, in the framework of a closer and more cooperative relationship between tax administrations and taxpayers, as a tool to tackle the increasing complexity of the tax treatment of certain transactions in an increasingly complex, global and digitalised economy; whereas, as undisclosed and potentially discretionary/negotiated arrangements, rulings could at the same time be used as a means of obtaining derogations and more favourable tax treatments; ***whereas this seems to particularly be an issue – although not exclusively – with rulings related to pricing of intra-company transfers (so-called Advance Pricing Agreements);***

Or. en

Amendment 14

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Recital N

Motion for a resolution

N. whereas harmful tax practices can, to some extent, be connected to one or several of the following non desirable effects: lack of transparency, distortions of competition and an uneven playing field within and outside the internal market, the fairness and legitimacy of the tax system affected, more taxation on less mobile economic factors,

Amendment

N. whereas harmful tax practices can, to some extent, be connected to one or several of the following non desirable effects: lack of transparency, distortions of competition and an uneven playing field within and outside the internal market, the fairness and legitimacy of the tax system affected, more taxation on less mobile economic factors

unfair competition between states, tax base erosion, social dissatisfaction, mistrust *or* a democratic deficit;

such as labour and consumption, unfair competition between states *with an ensuing race to the bottom in terms of tax rates and regulatory standards*, tax base erosion *leading to higher public deficits and more recessionary austerity measures, increased economic inequality, increased political power of cross-border business*, social dissatisfaction, mistrust *and ultimately* a democratic deficit; *whereas those negative consequences are of particular magnitude in Member States suffering from economic crisis*;

Or. en

Amendment 15

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Recital P

Motion for a resolution

P. whereas *some of the committee's* work was hindered by the fact that a number of the Member States and the Council did not reply in due time and, in the end, did not *forward all the* documents requested; whereas, in *particular*, out of 18 MNCs invited, only 4 agreed to appear before the committee; whereas the exchanges of views planned with the Commission President and the Finance Ministers had to be postponed due to external events beyond their control; whereas the *committee's* term of office therefore had to be extended;

Amendment

P. whereas *the committee's* work was hindered by the fact that a number of the Member States and the Council did not reply in due time and, in the end, *some only forwarded a limited number of the documents requested and none all of the documents requested, for instance not a single tax ruling was made available to the committee (see Annex 2); whereas four Member States (Bulgaria, Cyprus, Romania, Slovenia) did not reply at all to requests for information; whereas the Commission also withheld information, for instance a significant number of room documents as well as all minutes of the Code of Conduct Group; whereas neither the Luxembourg government nor Jean-Claude Juncker, in possession of the report in his capacity as former Prime Minister, provided the committee with the requested full version of the so-called Krecké report*; whereas, in *addition*, out of 18 MNCs invited, only 4 agreed to appear

before the committee (*see Annex 3*);
whereas several of the companies that declined to appear (Amazon.co.uk Ltd, Amazon S.a.r.l., Anheuser-Busch InBev, Barclays Bank Group, Coca-Cola Company, Facebook, Fiat Chrysler Automobiles, Google, HSBC Bank plc, IKEA, McDonald's Corporation, Philip Morris, Walmart and Walt Disney Company) still conduct lobby activities in and with the European Parliament;
whereas the exchanges of views planned with the Commission President and the Finance Ministers had to be postponed due to external events beyond their control;
whereas the *committee's* term of office therefore had to be extended *and the mandate of the committee could, for now, not be fulfilled entirely;*

Or. en

Amendment 16

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 1

Motion for a resolution

1. Recalls that the models of corporate taxation existing in industrialised countries were designed in the first half of the 20th century, a period in which cross-border activity was limited; notes that globalisation and digitalisation of the economy have radically altered the global value chain and the way markets operate; stresses that national and international rules in the field of taxation have not kept pace with the evolution of the business environment;

Amendment

1. Recalls that the models of corporate taxation existing in industrialised countries were designed in the first half of the 20th century, a period in which cross-border activity was *more* limited *than today and which was dominated by geopolitically imposed value chains reflecting a bias towards taxation at the place of headquarter residence over taxation at the source of economic activity*; notes that globalisation and digitalisation of the economy have radically altered the global value chain and the way markets operate; stresses that national and international rules in the field of taxation have not kept pace with the evolution of the business environment; *regrets the conventional use*

*of aggressive tax planning by MNCs,
including those boasting the adoption of
corporate social responsibility standards;*

Or. en

Amendment 17

**Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari,
Matt Carthy**

Motion for a resolution

Paragraph 2

Motion for a resolution

2. Notes that, while compliance with various tax systems has become increasingly complex for firms operating across borders, globalisation *and digitalisation* have made it easier for them to organise their activities through off-shore financial centres, and to *create sophisticated structures in order to* reduce their global tax *burden*; is concerned that, due to the economic crisis and budget consolidation, most Member States have significantly reduced their tax administration staff, thereby impacting their potential capacity to prevent, detect and fight aggressive tax planning, which generates substantial erosion of their tax base;

Amendment

2. Notes that, while compliance with various tax systems has become increasingly complex for firms operating across borders, globalisation, *digitalisation and the free movement of capital in- and outside the EU* have made it easier for them to organise their activities through off-shore financial centres, and to reduce their global tax *contribution*; is concerned that, due to the economic crisis and *excessive* budget consolidation *as a consequence of the EU economic governance framework and externally imposed austerity measures*, most Member States have significantly reduced their tax administration staff, thereby impacting their potential capacity to prevent, detect and fight aggressive tax planning, which generates substantial erosion of their tax base; *is also concerned that some tax administrations suffer from political interference in their investigations and decision-making prerogatives;*

Or. en

Amendment 18

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 3

Motion for a resolution

3. Stresses that the Treaty, in line with the subsidiarity principle, allows Member States to determine their own corporate tax rates; stresses also, however, that the over-complex rules of national tax systems, together with the differences between these systems, create loopholes that are used by MNCs for aggressive tax planning purposes, thus leading to base erosion, profit shifting, a race to the bottom and, ultimately, to a suboptimal economic outcome; underlines the fact that this kind of tax avoidance is a negative sum game for all national budgets taken together, as the increases in tax revenues resulting from harmful practices in one Member State (thanks to derogations, specific deductions or loopholes) do not compensate for the reductions in tax revenues in others; points out that **only** a more coordinated, joint approach by Member States, which should result in a common framework within which Member States set their tax rates, **can** prevent further base erosion;

Amendment

3. Stresses that the Treaty, in line with the subsidiarity principle, allows Member States to determine their own corporate tax rates; stresses also, however, that the over-complex rules of national tax systems, **which is to some degree driven by the need for Member States to adapt to ever increasing and ever more creative ways that MNCs use to avoid their fair share of taxation**, together with the differences between these systems, create loopholes that are used by MNCs for aggressive tax planning purposes, thus leading to base erosion, profit shifting, a race to the bottom and, ultimately, to a suboptimal economic outcome; underlines the fact that this kind of tax avoidance is a negative sum game for all national budgets taken together, as the **potential** increases in tax revenues resulting from harmful practices in one Member State (thanks to derogations, specific deductions or loopholes) do not compensate for the reductions in tax revenues in others; points out that a more coordinated, joint approach by Member States, which should result in a common framework within which Member States set their tax rates, **could** prevent further base erosion;

Or. en

Amendment 19

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 4

Motion for a resolution

4. Notes that, according to the Commission¹⁵, statutory corporate income tax rates in the EU fell by 12 percentage points, from 35 % to 23 %, between 1995

Amendment

4. Notes that, according to the Commission¹⁵, statutory corporate income tax rates in the EU fell by 12 percentage points, from 35 % to 23 %, between 1995

and 2014; stresses that this decrease in tax rates is accompanied by a broadening of the tax base to mitigate revenue losses and that the relatively stable revenue stemming from corporate taxation in the same timeframe can also be explained by a substantial 'incorporation' trend, i.e. a shift from certain legal forms of doing business, such as (sole) proprietorship, to corporation status, which results in a similar shift from a personal to a corporate tax base;

¹⁵ Taxation trends in the European Union, Eurostat statistical books, 2014 edition.

and 2014; stresses that this decrease in tax rates is accompanied by a broadening of the tax base to mitigate revenue losses and that the relatively stable revenue stemming from corporate taxation in the same timeframe can also be explained by *rising profits on capital as a share of national income as well as by* a substantial 'incorporation' trend, i.e. a shift from certain legal forms of doing business, such as (sole) proprietorship, to corporation status, which results in a similar shift from a personal to a corporate tax base; *notes that the fall in corporate tax rates has been mirrored by a sustained increase in indirect taxes, particularly VAT; is concerned that such changes result in less progressive tax systems;*

¹⁵ Taxation trends in the European Union, Eurostat statistical books, 2014 edition.

Or. en

Amendment 20

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 4 a (new)

Motion for a resolution

Amendment

4 a. Notes that most Member States spend large amounts on tax incentives meant to give SMEs a competitive advantage but that, according to the Commission^{1 a}, these attempts are undermined by the effect of international tax planning in three out of four Member States surveyed in a recent study; notes that such effects put SMEs at a competitive disadvantage despite the large costs associated with tax expenditures to support these and that such results undermine the intention of national policy makers;

^{1a} European Commission (2015), SME taxation in Europe - an empirical study of applied corporate income taxation for SMEs compared to large enterprises, <http://ec.europa.eu/transparency/regexper/t/index.cfm?do=groupDetail.groupDetailDoc&id=11838&no=3>

Or. en

Amendment 21

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 7

Motion for a resolution

7. Stresses that national preferential regimes and mismatches between the different tax systems within the single market create opportunities for tax dodging; notes that these undesirable effects are further aggravated by the existence of a great number of bilateral tax treaties between Member States and third countries;

Amendment

7. Stresses that national preferential regimes and mismatches between the different tax systems within the single market create opportunities for tax dodging; notes that these undesirable effects are further aggravated by the existence of a great number of bilateral tax treaties between Member States and third countries; *notes that many of these bilateral treaties interact with national legislation to create loopholes permitting tax avoidance; deplores the conscious use of these mismatches, in certain cases, to create "competitive advantages" of one's national tax system over others;*

Or. en

Amendment 22

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 8

Motion for a resolution

8. Notes that this uncoordinated tax

Amendment

8. Notes that this uncoordinated tax

framework within the EU also suffers from a blatant lack of cooperation between Member States; stresses, in this connection, that Member States do not necessarily take into consideration the impact of their tax measures on other Member States, not only when they design their tax measures but also when they share information on the implementation of such measures, leading to a de facto beggar-thy-neighbour policy in tax matters; points out that a systematic and efficient exchange of information between Member States would make it possible to take account of the tax treatment of specific income flows or transactions in other Member States; stresses that this also contributes to creating an unacceptable situation in which the profits generated by MNCs in a Member State are often taxed at very low rates or not at all in the EU;

framework within the EU also suffers from a blatant lack of cooperation **among Member States as well as** between Member States **and third countries**; stresses, in this connection, that Member States do not necessarily take into consideration the impact of their tax measures on other Member States **or third countries**, not only when they design their tax measures but also when they share information on the implementation of such measures, leading to a de facto beggar-thy-neighbour policy in tax matters; **notes that the IMF^{1 a} suggests that developing countries lose in relative terms three times as much revenue to aggressive tax planning as developed countries; notes that the Lisbon Treaty article 208 obligates Member States to adjust policies to support development in developing countries; points out that Member States could carry out and publish spill-over analyses of their tax policies; points out that such studies should help guide policy making to ensure that tax policies do not erode the tax base of other Member States or third countries**; points out that a systematic and efficient exchange of information **among Member States as well as** between Member States **and third countries** would make it possible to take account of the tax treatment of specific income flows or transactions in other Member States; stresses that this also contributes to creating an unacceptable situation in which the profits generated by MNCs in a Member State are often taxed at very low rates or not at all in the EU;

1 a

<http://www.imf.org/external/pubs/cat/longres.aspx?sk=42973.0>

Or. en

Amendment 23

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 8 a (new)

Motion for a resolution

Amendment

8 a. Notes that several Member States offer a low-tax environment for MNCs with very limited substance requirements^{1 a} via the so-called Special Purpose Entities (SPEs) or Special Purpose Vehicles (SPVs); which in fact constitute the basic building block of many cross-border tax planning structures for MNCs; notes that for at least three Member States for which data is available more than half of FDI flows go through such SPEs; notes that while all Member States were supposed to report segregated FDI statistics for flows through SPEs since financial year 2013 only nine of them so far comply with this requirement^{2 a};

^{1 a} <http://www.oecd.org/daf/inv/How-MNEs-channel-investments.pdf>

^{2 a} [http://ec.europa.eu/eurostat/statistics-explained/index.php/Implementing_the_new_international_standards_for_foreign_direct_investment_\(FDI\)_statistics](http://ec.europa.eu/eurostat/statistics-explained/index.php/Implementing_the_new_international_standards_for_foreign_direct_investment_(FDI)_statistics)

Or. en

Amendment 24

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 8 b (new)

Motion for a resolution

Amendment

8 b. Notes that eleven Member States have adopted patent boxes, with further one in the process of following suit; stresses that patent boxes are not related to more

innovation^{1 a} and open up for significant tax planning opportunities for MNCs^{2 a}, stresses that many of the patent boxes in the EU Member States have been implemented in recent years, stresses that the OECD's BEPS recommendation on the so-called modified nexus approach is not likely to put an effective stop to the tax planning opportunities inherent in patent boxes;

1 a

http://ec.europa.eu/taxation_customs/resources/documents/taxation/gen_info/economic_analysis/tax_papers/taxation_paper_57.pdf

2 a Ibid &

http://ec.europa.eu/taxation_customs/resources/documents/taxation/gen_info/economic_analysis/tax_papers/taxation_paper_52.pdf

Or. en

Amendment 25

Fabio De Masi, Paloma López Bermejo, Rina Ronja Kari, Marisa Matias

Motion for a resolution

Paragraph 9

Motion for a resolution

9. Emphasises that convergence between national tax systems in the EU has been very limited despite an unprecedented deepening of the EU integration process over the last 30 years, particularly in connection with the single market and the Economic and Monetary Union; *deplores the fact that these tax systems lag far behind when compared with coordination efforts at EU level, in particular in the framework of the European Semester, although a significant part of the policy mix to ensure fiscal consolidation concerns the revenue side; takes the view*

Amendment

9. Emphasises that convergence between national tax systems in the EU has been very limited despite an unprecedented deepening of the EU integration process over the last 30 years, particularly in connection with the single market and the Economic and Monetary Union;

that this aspect should have been mentioned in the Five Presidents' report on 'Completing Europe's Economic and Monetary Union' of June 2015;

Or. en

Amendment 26

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 11

Motion for a resolution

11. Notes with great concern that corporate tax avoidance has a direct impact on national budgets and on the breakdown of the tax effort between categories of taxpayers as well as between economic factors (to the benefit of most mobile factors such as capital in the form of foreign direct investment – FDI); deplores the fact that, in addition to competition distortions, this results in an unacceptable situation where, in a context of severe consolidation efforts, some of those taxpayers with the highest ability to pay contribute incommensurately less than those most affected by the economic and financial crisis, such as ordinary citizens and small and medium-sized enterprises (SMEs); stresses that this situation risks feeding democratic mistrust and affecting overall tax compliance; notes that whistleblowers, who provide national authorities, in the public interest, with crucial information about illegal or illegitimate practices, can be subject to legal prosecution;

Amendment

11. Notes with great concern that corporate tax avoidance has a direct impact on national budgets and on the breakdown of the tax effort between categories of taxpayers as well as between economic factors (to the benefit of most mobile factors such as capital in the form of foreign direct investment – FDI) ***thereby eroding the progressiveness of tax systems***; deplores the fact that, in addition to competition distortions, this results in an unacceptable situation where, in a context of severe consolidation efforts, some of those taxpayers with the highest ability to pay contribute incommensurately less than those most affected by the economic and financial crisis, such as ordinary citizens and small and medium-sized enterprises (SMEs); stresses that this situation risks feeding democratic mistrust and affecting overall tax compliance; notes that whistleblowers, who provide national authorities, in the public interest, with crucial information about illegal or illegitimate practices, can be subject to legal prosecution ***as well as to severe personal, social and economic repercussions***; ***notes with great concern that even journalists uncovering illegal or illegitimate practices have at times faced***

Amendment 27

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 12

Motion for a resolution

12. Notes that research by the IMF¹⁶ covering 51 countries concludes that profit shifting between tax jurisdictions results in an average revenue loss of about 5 % of current corporate income tax revenue – but of almost 13 % in non-OECD countries; notes also that, according to the Commission, econometric evidence shows that FDI's sensitivity to corporate taxation has increased over time; underlines the fact that, each year, an estimated EUR 1 trillion of potential tax revenue is lost due to the combined effect of tax fraud, tax evasion and tax avoidance in the EU¹⁷ and that the most conservative estimates point to global yearly losses for national budgets due to tax avoidance of at least some EUR 50 billion¹⁸; stresses that these figures should be considered with caution and may underestimate the actual losses for national budgets, given the limited transparency and different accounting and conceptual frameworks around the globe, which affect the availability of comparable and meaningful data and the reliability of any estimation;

¹⁶ IMF policy *paper* 'Spillovers in international corporate taxation', 9 May 2014.

¹⁷ Report of 10 February 2012 by Richard Murphy FCA on 'Closing the European

Amendment

12. Notes that research by the IMF¹⁶ covering 51 countries concludes that profit shifting between tax jurisdictions results in an average revenue loss of about 5 % of current corporate income tax revenue – but of almost 13 % in non-OECD countries; notes also that, according to the Commission, econometric evidence shows that FDI's sensitivity to corporate taxation has increased over time; underlines the fact that, each year, an estimated EUR 1 trillion of potential tax revenue is lost due to the combined effect of tax fraud, tax evasion and tax avoidance in the EU¹⁷ and that the most conservative estimates point to global yearly losses for national budgets due to tax avoidance of at least some EUR 50 billion¹⁸; stresses that these figures should be considered with caution and may underestimate the actual losses for national budgets, given the limited transparency and different accounting and conceptual frameworks around the globe, which affect the availability of comparable and meaningful data and the reliability of any estimation;

¹⁶ IMF policy *papers* 'Spillovers in international corporate taxation', 9 May 2014 *and* '*Base Erosion, Profit Shifting and Developing Countries*', 29 May 2015.

¹⁷ Report of 10 February 2012 by Richard Murphy FCA on 'Closing the European

Tax Gap’.

¹⁸ ‘European added value of legislative report on bringing Transparency, coordination and convergence to corporate tax policies in the European Union’, Dr Benjamin Ferrett, Daniel Gravino and Silvia Merler – To be published.

Tax Gap’.

¹⁸ ‘European added value of legislative report on bringing Transparency, coordination and convergence to corporate tax policies in the European Union’, Dr Benjamin Ferrett, Daniel Gravino and Silvia Merler – To be published.

Or. en

Amendment 28

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 13

Motion for a resolution

13. Notes that tax planning strategies can be based on the structuring of corporations, financing arrangements for their branches or transfer *pricing*, allowing the artificial shifting of profit across jurisdictions with the objective of reducing the global tax *burden for* companies;

Amendment

13. Notes that tax planning strategies can be based on the structuring of corporations, financing arrangements for their branches or transfer *mispricing*, allowing the artificial shifting of profit across jurisdictions with the objective of reducing the global tax *contribution for those* companies; *stresses that aggressive corporate tax planning may also be a vehicle for illegal forms of tax evasion, for instance with respect to personal taxation for very rich individuals;*

Or. en

Amendment 29

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 15 – indent 6

Motion for a resolution

– exemption of withholding tax on interest, dividends and royalties through bilateral tax treaties,

Amendment

– exemption of withholding tax on interest, dividends and royalties through bilateral tax treaties *and/or as laid down in national legislation,*

Amendment 30

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 15 – indent 8 a (new)

Motion for a resolution

Amendment

- the existence of Special Purpose Entities (SPEs) / Special Purpose Vehicles (SPVs) with a separate and lower tax treatment than the one provided in the general corporate tax code, combined with limited substance requirements for these SPEs / SPVs,

Or. en

Amendment 31

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas

Motion for a resolution

Paragraph 15 – indent 8 b (new)

Motion for a resolution

Amendment

- a lack of effective General or Specific Anti-Abuse Rules or a weak enforcement or interpretation of such rules,

Or. en

Amendment 32

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 15 – indent 8 c (new)

Motion for a resolution

Amendment

- structures that can obscure the beneficial owner of assets and may not be subject to information exchange regimes, such as trusts and so-called "freeports",

Amendment 33**Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari****Motion for a resolution****Paragraph 16***Motion for a resolution*

16. Takes note that, according to the Commission¹⁹, 72 % of profit shifting takes place in the EU through the channels of transfer pricing and location of intellectual property;

¹⁹ Commission staff working document of 17 June 2015 on Corporate Income Taxation in the European Union (SWD(2015)0121).

Amendment

16. Takes note that, according to the Commission¹⁹, 72 % of profit shifting takes place in the EU through the channels of transfer pricing and location of intellectual property ***while the remaining non-negligible 28% are attributed to debt-shifting mechanisms, a channel closely related to the strategic role of investment as enabler of tax avoidance, as several have shown^{1a}***;

¹⁹ Commission staff working document of 17 June 2015 on Corporate Income Taxation in the European Union (SWD(2015)0121).

^{1a} ***Dharmapala, D. and N. Riedel (2013), "Earnings shocks and tax-motivated income shifting: evidence from European multinationals", Journal of Public Economics 97: 95-107, http://www.sbs.ox.ac.uk/sites/default/files/Business_Taxation/Docs/Publications/Working_Papers/Series_11/WP1101.pdf & UNCTAD (2015) FDI, Tax and Development, <http://investmentpolicyhub.unctad.org/News/Hub/Archive/286>***

Amendment 34**Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari****Motion for a resolution****Paragraph 17**

Motion for a resolution

17. Stresses that a number of Member States have in recent years developed specific corporate tax reduction schemes to attract companies' mobile intangible assets, such as income resulting from intellectual property; notes the variety in the tax rate reductions and allowances and in the scope of the schemes proposed (innovation boxes, intellectual property boxes, knowledge boxes, patent boxes, etc.); stresses that, in some Member States, , taxpayers do not need to produce intellectual property within the country in order to access tax benefits, but merely to acquire it through a company which has its residence within the jurisdiction;

Amendment

17. Stresses that a number of Member States have in recent years developed specific corporate tax reduction schemes to attract companies' mobile intangible assets, such as income resulting from intellectual property; notes the variety in the tax rate reductions and allowances and in the scope of the schemes proposed (innovation boxes, intellectual property boxes, knowledge boxes, patent boxes, etc.); stresses that, in some Member States, taxpayers do not need to produce intellectual property within the country in order to access tax benefits, but merely to acquire it through a company which has its residence within the jurisdiction; ***notes that in a review of R&D tax incentives the Commission^{1 a} finds that "Patent boxes seem more likely to relocate corporate income than to stimulate innovation."***

1 a

http://ec.europa.eu/taxation_customs/resources/documents/taxation/gen_info/economic_analysis/tax_papers/taxation_paper_52.pdf p.46

Or. en

Amendment 35

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 18

Motion for a resolution

18. Considers such schemes to be typical examples of harmful tax competition between states, because while their connection with and impact on the real economy is not evident, they have the effect of reducing the tax revenue of other

Amendment

18. Considers such schemes to be typical examples of harmful tax competition between states, because while their connection with and impact on the real economy is not evident, they have the effect of reducing the tax revenue of other

countries, including Member States;

countries, including Member States; *is concerned that the spread of new tax measures of this type continues despite rhetoric by Member States to crack down on base erosion and profit shifting; stresses that this tendency underlines the inexistence of a steady pace of reforms which together and progressively could be said to curb BEPS in an effective manner;*

Or. en

Amendment 36

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 20

Motion for a resolution

20. Notes that the existing guidelines for transfer pricing leave MNCs a significant margin of discretion in the choice and implementation of evaluation methods; stresses that *the* lack of any effective common standard for transfer pricing and the various derogations, exceptions and alternatives provided for are being exploited by MNCs, in contradiction with the spirit of those guidelines, to calibrate their taxable profits by jurisdiction and reduce their overall tax liability through, for instance, abusive cost-plus, arbitrary setting of profit margins or the questionable exclusion of certain expenditure from their calculation;

Amendment

20. Notes that the existing guidelines for transfer pricing, *including OECD and UN standards*, leave MNCs a significant margin of discretion in the choice and implementation of evaluation methods; stresses that *this* lack of any effective common standard for transfer pricing and the various derogations, exceptions and alternatives provided for are being exploited by MNCs, in contradiction with the spirit of those guidelines, to calibrate their taxable profits by jurisdiction and reduce their overall tax liability through, for instance, abusive cost-plus, arbitrary setting of profit margins or the questionable exclusion of certain expenditure from their calculation; *notes that problems in the context of transfer pricing are not primarily due to imperfectly designed guidance, but also to the fundamental limitations of the arm's length principle, the considerable discretion it allows to MNCs and the absence of significant penalties for non-compliance;*

Or. en

Amendment 37

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 21

Motion for a resolution

21. Underlines the fact that transfer pricing files submitted by MNCs or their representatives cannot be properly monitored by tax administrations, which are often not sufficiently equipped and staffed to critically and thoroughly examine those analyses and their outcome or impact;

Amendment

21. Underlines the fact that transfer pricing files submitted by MNCs or their representatives cannot be properly monitored by tax administrations, which are often not sufficiently equipped and staffed to critically and thoroughly examine those analyses and their outcome or impact; *notes that this problem, like many of the aggressive tax planning strategies outlined above, is exacerbated by the fact that MNCs are not currently obligated to report comprehensively on a country by country basis which would ease the work of tax administrations by providing them with an effective risk identifying tool; notes that tax administrations would be further supported were this information to be made public by allowing the public to help identify cases where risks of profit shifting are present;*

Or. en

Amendment 38

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 24

Motion for a resolution

24. Stresses the crucial role of the four biggest accounting firms (the 'Big Four') in the design and marketing of rulings and

Amendment

24. Stresses the crucial role of the four biggest accounting firms (the 'Big Four') in the design and marketing of rulings and tax

tax avoidance schemes exploiting mismatches between national legislations; stresses that those firms, which seem to derive a considerable amount of their revenue from tax services, to dominate most Member States' auditing markets and to prevail in the global tax advising services, constitute a narrow oligopoly; draws attention to the conflict of interest resulting from the juxtaposition, within the same firms, of tax advice and consulting activities intended, on the one hand, for tax administrations and, on the other, for MNCs' tax planning services, which exploit the weaknesses of national tax laws; questions the effectiveness of any corporate code of conduct in tackling this issue; underlines the fact that tax rulings have become, in the EU and worldwide, a common business practice, not only to obtain legal certainty or advantageous tax deals, but also in cases where legislative provisions do not allow any room for interpretation;

avoidance schemes exploiting mismatches between national legislations; stresses that those firms, which seem to derive a considerable amount of their revenue from tax services, to dominate most Member States' auditing markets and to prevail in the global tax advising services, constitute a narrow oligopoly; draws attention to the conflict of interest resulting from the juxtaposition, within the same firms, of tax advice and consulting activities intended, on the one hand, for tax administrations and, on the other, for MNCs' tax planning services, which exploit the weaknesses of national tax laws; ***stresses that, in many jurisdictions, these firms' activities for the public sector are not limited to professional advice, but that they play a significant and at times dominant role in the design and drafting of tax legislation itself, either via the revolving door whereby staff alternates between these firms and public sector positions or via the secondment of "experts" into public administrations and expert groups; is seriously concerned by cases where private firms have subsequently marketed their involvement in and knowledge of law-making actively to clients^{1 a}; severely questions the effectiveness of any corporate code of conduct in tackling this issue; underlines the fact that tax rulings have become, in the EU and worldwide, a common business practice, not only to obtain legal certainty or advantageous tax deals, but also in cases where legislative provisions do not allow any room for interpretation; is concerned by estimations from the tax advice industry that a mere 50% of chance of being lawful is sufficient for a tax planning scheme to be advised to clients^{2 a};***

1 a

<http://www.theguardian.com/commentisfree/2013/feb/01/accountancy-big-four->

laugh-tax-office

2 a

<http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpubacc/uc870-i/uc87001.htm>

Or. en

Amendment 39

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 24 a (new)

Motion for a resolution

Amendment

24 a. Stresses the role of the financial sector in facilitating tax evasion and avoidance schemes, in particular as regards assisting MNCs in the design and implementation of strategic tax avoidance investment decisions;

Or. en

Amendment 40

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 27

Motion for a resolution

Amendment

27. Is concerned, nonetheless, that unilateral measures taken by Member States against tax base erosion can contribute to increasing complexity, generating new mismatches and, as a result, more opportunities for tax dodging within the internal market; stresses that any divergent implementation by Member States of international or EU guidelines can have the same effect;

deleted

(While unilateral measures of Member States can of course further complexity and also create new loopholes for tax

avoidance altogether, Member States should without restriction have the freedom to adopt unilateral measures against tax avoidance and tax evasion so as long as they do not negatively affect the tax base of other Member States or third countries (except where unduly shifted profits are "recovered"), which would be assured through comprehensive ex ante spill-over analyses as provided for in the amended report.)

Or. en

Amendment 41

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 28

Motion for a resolution

28. Welcomes the various initiatives and legislative proposals of the Commission over the last 20 years, ***including the most recent***, to move towards stronger coordination of Member States' corporate tax systems, with a view to reinforcing the internal market, addressing double taxation or double non-taxation issues ***or*** preserving the right of Member States to tax effectively; deplores nevertheless the fact that, to date, only a small number of these have been adopted by Council, due to the unanimity requirement and the fact that certain Member States are convinced that they have more to gain individually from loopholes in the uncoordinated tax system;

Amendment

28. Welcomes the various initiatives and legislative proposals of the Commission over the last 20 years to move towards stronger coordination of Member States' corporate tax systems, with a view to reinforcing the internal market, addressing double taxation or double non-taxation issues ***and*** preserving the right of Member States to tax effectively; deplores nevertheless the fact that, to date, only a small number of these have been adopted by Council, due to the unanimity requirement and the fact that certain Member States are convinced that they have more to gain individually from loopholes in the uncoordinated tax system;

Or. en

Amendment 42

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 30

Motion for a resolution

30. Deplores the fact that the Group's work seems to have lost momentum; notes that some of the more than 100 measures which have been rolled back as a result of its activity have been replaced in Member States by tax measures with similar harmful effects; notes that tax authorities have countered the Group's recommendations by creating new structures with the same harmful effects as those rolled back by the Group; deplores the fact that past attempts to strengthen its governance and mandate, and to adjust and broaden the working methods and criteria set in the Code, with the aim of combating new forms of harmful tax practices within the current economic environment, have not been successful; ***supports the Commission's latest proposals on this matter, as set out in its action plan of 17 June 2015 for fair and efficient corporate taxation in the EU;***

Amendment

30. Deplores the fact that the Group's work seems to have lost momentum; notes that some of the more than 100 measures which have been rolled back as a result of its activity have been replaced in Member States by tax measures with similar harmful effects; notes that tax authorities have countered the Group's recommendations by creating new structures with the same harmful effects as those rolled back by the Group; deplores the fact that past attempts to strengthen its governance and mandate, and to adjust and broaden the working methods and criteria set in the Code, with the aim of combating new forms of harmful tax practices within the current economic environment, have not been successful; ***insists on the need for the Council to prioritise reform of both the mandate and increased transparency of the Code of Conduct Group;***

Or. en

Amendment 43

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 33

Motion for a resolution

33. Notes also the efforts made through the creation of the Platform for Tax Good Governance, which brings around the same table various stakeholders with the aim of creating consensus around the issue of tax avoidance, in particular in an international context, and the Joint Transfer Pricing Forum, which issues a number of guidelines on the technical issues surrounding transfer pricing; stresses that, to date, these bodies have contributed to

Amendment

33. Notes also the efforts made through the creation of the Platform for Tax Good Governance, which brings around the same table various stakeholders with the aim of creating consensus around the issue of tax avoidance, in particular in an international context, and the Joint Transfer Pricing Forum, which issues a number of guidelines on the technical issues surrounding transfer pricing; stresses that, to date, these bodies have contributed to

making limited corrections to the corporate tax framework; strongly deplors the fact that the Joint Transfer Pricing Forum is composed, in particular, of representatives from the Big Four accountancy firms, which contribute to the work on guidelines of transfer pricing while, at the same time, advising corporations on how to avoid taxes through the use of transfer pricing;

making limited corrections to the corporate tax framework; strongly deplors the fact that the Joint Transfer Pricing Forum, ***despite a recent update of its membership***, is composed, in particular, of representatives from the Big Four accountancy firms, which contribute to the work on guidelines of transfer pricing while, at the same time, advising corporations on how to avoid taxes through the use of transfer pricing;

Or. en

Amendment 44

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 34

Motion for a resolution

34. Stresses that EU legislation (the Parent-Subsidiary, Interest and Royalties, Mergers and Administrative Cooperation Directives) though covering limited aspects linked to corporate taxation, has been able to tackle specific issues faced by Member States and firms operating in several countries; highlights the fact that these measures, originally designed to eliminate double taxation, are having some unintended counter-productive effects on tax avoidance; welcomes the recent adoption by the Council of amendments to the Parent-Subsidiary Directive aimed at introducing a general anti-abuse clause and tackling hybrid loan mismatches, which will be entering into force at the end of 2015, hoping that this will help remove some of the opportunities for tax avoidance in the EU;

Amendment

34. Stresses that EU legislation (the Parent-Subsidiary, Interest and Royalties, Mergers and Administrative Cooperation Directives) though covering limited aspects linked to corporate taxation, has been able to tackle specific issues faced by Member States and firms operating in several countries; highlights the fact that these measures, originally designed to eliminate double taxation, are having some unintended counter-productive effects on tax avoidance; ***notes that the removal of withholding tax within the internal market through the Parent Subsidiary Directive and Interest and Royalties Directive has multiplied the opportunities for double non-taxation of cross-border business and increased tax competition***; welcomes the recent adoption by the Council of amendments to the Parent-Subsidiary Directive aimed at introducing a general anti-abuse clause and tackling hybrid loan mismatches, which will be entering into force at the end of 2015, hoping that this will help remove some of

the opportunities for tax avoidance in the EU; *stresses the need for similar anti-abuse provisions for the Interest and Royalties Directive; deplores the lack of progress made in the Council on this issue given its importance;*

Or. en

Amendment 45

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 35

Motion for a resolution

35. Recalls, in the field of transparency, the provisions of the Administrative Cooperation Directive aimed at fostering the exchange of all relevant tax information; takes the view that an efficient exchange and processing of tax information *would* have a strong deterrent effect against the introduction of harmful tax practices and would allow Member States and the Commission to *have all the relevant information at their disposal in order to react against them;*

Amendment

35. Recalls, in the field of transparency, the provisions of the Administrative Cooperation Directive aimed at fostering the exchange of all relevant tax information; takes the view that an efficient exchange and processing of tax information *can* have a strong deterrent effect against *tax evasion and also positively incentivise against* the introduction of harmful tax practices and would allow Member States and the Commission to *react against them, insofar as all relevant information is exchanged;*

Or. en

Amendment 46

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 36

Motion for a resolution

36. Deplores the fact that the current legislative and monitoring framework for the exchange of information about tax measures is not effective, given that evidence has demonstrated that the existing

Amendment

36. Deplores the fact that the current legislative and monitoring framework for the exchange of information about tax measures is not effective, given that evidence has demonstrated that the existing

requirements for spontaneous or on-demand exchanges of information are not being complied with; deplores the fact that practically no Member State exchanges any information which may have an effect on partner countries of the EU;

requirements for spontaneous or on-demand exchanges of information are not being complied with; deplores the fact that practically no Member State exchanges any information which may have an effect on partner countries of the EU; ***deplores that the agreement to automatically exchange tax rulings only applies within the EU and that the whole framework excludes developing countries, that exchanged rulings are not to be made public and that the retrospective exchange only goes back ten years despite significant numbers of potentially still relevant rulings having been issued already in the 1990s;***

Or. en

Amendment 47

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 38

Motion for a resolution

38. Welcomes the ***Commission's*** commitment to promoting the automatic exchange of tax information as the future European and international standard for transparency; urges it, as a first step, to fulfil its duty as guardian of the Treaties and take all the necessary action to ensure that existing EU law and the principle of loyal cooperation between Member States laid down in the Treaties are duly complied with;

Amendment

38. Welcomes the ***Commission's*** commitment to promoting the automatic exchange of tax information as the future European and international standard for transparency; urges it, as a first step, to fulfil its duty as guardian of the Treaties and take all the necessary action to ensure that existing EU law and the principle of loyal cooperation between Member States laid down in the Treaties are duly complied with; ***urges it as a second step to ensure that third countries are fully included in the exchange of information and to monitor the implementation of both all tax information exchange systems in place in order to promptly address remaining loopholes;***

Or. en

Amendment 48

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 40

Motion for a resolution

40. Welcomes the Commission communication on tax transparency of March 2015 and the action plan for a fair and efficient corporate tax system in the EU of June 2015; stresses, however, that these texts can only be considered as steps in the right direction and that a consistent framework of legislative provisions and administrative coordination is needed as a matter of urgency also for the benefit of SMEs and those MNCs which are helping to create genuine economic growth and are paying their fair share of taxes within the internal market;

Amendment

40. Welcomes the *intention of the* Commission communication on tax transparency of March 2015 and the action plan for a fair and efficient corporate tax system in the EU of June 2015; stresses, however, that these texts can only be considered as *very small* steps in the right direction and that a consistent framework of legislative provisions and administrative coordination is needed as a matter of urgency also for the benefit of SMEs and those MNCs which are helping to create genuine economic growth and are paying their fair share of taxes within the internal market; *deplores in particular that the June action plan will allow MNCs to offset profits and losses without consolidation across the EU, a measure which effectively risks exacerbating BEPS rather than curbing it, and that the postponement of consolidation amplifies the risk of never introducing it at all when political momentum is lost;*

Or. en

Amendment 49

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 41

Motion for a resolution

41. Welcomes the *good progress* of the OECD BEPS action plan which, *following* successive calls for action at the G7 and G20 summits, *goes far beyond addressing the individual issues affecting the*

Amendment

41. Welcomes the *intentions* of the OECD BEPS action plan which, *however, despite* successive calls for action at the G7 and G20 summits, *only proposes insufficiently ambitious solutions in several of its*

functioning of the international corporate tax system by putting forward global and systematic action to tackle them; deplores the late and still unequal inclusion of developing countries in the OECD BEPS process;

recommendations, for example on patent boxes, where many harmful measures risk being approved, or on tax transparency where significant advances are prevented by the non-public and limited nature of the proposed country by country reporting; deplores the late and still unequal inclusion of developing countries in the OECD BEPS process *as well as the rejection of EU Member States of an intergovernmental body on taxation under the auspice of the UN at the third Financing for Development conference*;

Or. en

Amendment 50

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 42

Motion for a resolution

42. Notes that, following a systematic analysis of the 'pressure points' of the international tax system, the BEPS action plan was delineated into 15 action points, of which seven were endorsed by the G20 in November 2014, and the others are expected to be agreed by the end of 2015; stresses that, against the background of an evolving business environment, those actions seek to address transparency issues, e.g. by issuing guidelines on country-by-country reporting, the lack of substance in certain tax avoidance arrangements and greater consistency in international rules;

Amendment

42. Notes that, following a systematic analysis of the 'pressure points' of the international tax system, the BEPS action plan was delineated into 15 action points, of which seven were *provisionally* endorsed by the G20 in November 2014, and the others are expected to be agreed by the end of 2015; stresses that, against the background of an evolving business environment, those actions seek to address transparency issues, e.g. by issuing guidelines on country-by-country reporting, the lack of substance in certain tax avoidance arrangements and greater consistency in international rules; *deplores that several of the recommendations are too weak to achieve the proclaimed objectives, such as those for country-by-country reporting which would keep the information confidential and would only apply to 10-15% of the world's MNCs due to much higher thresholds than in EU*

legislation (e.g. recently voted shareholder rights directive); expresses its disappointment that the BEPS project is too much focussed on upholding the arm's length principle and does not properly explore alternative paths such as unitary taxation or transfer pricing methods such as profit split;

Or. en

Amendment 51

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 44

Motion for a resolution

44. Stresses the complementary nature of EU and OECD activity in this field; takes the view that, given its degree of integration, the EU must go further than the BEPS proposals in terms of coordination and convergence aimed at avoiding all forms of harmful tax competition within the internal market; is convinced that, while ensuring that its competitiveness is not adversely affected, the EU could put in place more effective tools to ensure fair tax competition and the right of Member States to operate effective taxation on profits generated in their territories;

Amendment

44. Stresses the complementary nature of EU and OECD activity in this field; takes the view that, given its degree of integration, the EU must go further than the BEPS proposals in terms of *real transparency*, coordination and convergence aimed at avoiding all forms of harmful tax competition within the internal market; is convinced that, while ensuring that its competitiveness is not adversely affected, the EU could put in place more effective tools to ensure fair tax competition and the right of Member States to operate effective taxation on profits generated in their territories;

Or. en

Amendment 52

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 46

Motion for a resolution

46. Stresses that the OECD²¹ points to the

Amendment

46. Stresses that the OECD²¹ points to the

use by some MNCs of strategies that allow them to pay as little as 5 % in corporate taxes when smaller businesses are paying up to 30 %, and that furthermore some studies²² also point to the fact that, on average, the corporate tax **burden** of cross-border companies is up to 30 % lower than that of domestic companies operating in only one country;

²¹ OECD Press release, ‘OECD urges stronger international co-operation on corporate tax’, 12.02.2013.

²² P.Egger, W. Eggert and H. Winner (2010), ‘Saving taxes through foreign plant ownership’, Journal of International Economics 81, pp. 99-108.

use by some MNCs of strategies that allow them to pay as little as 5 % in corporate taxes when smaller businesses are paying up to 30 %, and that furthermore some studies²² also point to the fact that, on average, the corporate tax **contribution** of cross-border companies is up to 30 % lower than that of domestic companies operating in only one country;

²¹ OECD Press release, ‘OECD urges stronger international co-operation on corporate tax’, 12.02.2013.

²² P.Egger, W. Eggert and H. Winner (2010), ‘Saving taxes through foreign plant ownership’, Journal of International Economics 81, pp. 99-108.

Or. en

Amendment 53

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution Paragraph 47

Motion for a resolution

47. Stresses that this distortion of economic operators’ decisions, taken on the basis of expected post-tax returns, results in a sub-optimal allocation of resources within the EU and tends to **lower the level of** competition, thereby affecting growth and employment;

Amendment

47. Stresses that this distortion of economic operators’ decisions, taken on the basis of expected post-tax returns, results in a sub-optimal allocation of resources within the EU and tends to **increase unfair** competition, thereby affecting growth and employment;

Or. en

Amendment 54

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution Paragraph 50

Motion for a resolution

50. Notes that the concept of ‘nature and general scheme of the national system’ is a central reference in assessing whether direct or indirect tax measures are selective or not, and thus compatible or not with the internal market, and that any state aid should be assessed in relation to the pre-existing equilibrium; stresses that, as the EU benchmark for assessing potential distortions is the national system of reference²³, not all distortions of competition and harmful tax practices within the internal market can be covered by *current* competition rules; notes, therefore, that the full enforcement of these rules alone would not enable the issue of corporate tax avoidance in the EU to be solved;

²³ If the measures adopted by the Member States concern the entire tax system, they constitute adjustments to general fiscal policy and not state aid.

Amendment

50. Notes that the concept of ‘nature and general scheme of the national system’ is a central reference in assessing whether direct or indirect tax measures are selective or not, and thus compatible or not with the internal market, and that any state aid should be assessed in relation to the pre-existing equilibrium; stresses that, as the EU benchmark for assessing potential distortions is the national system of reference²³, not all distortions of competition and harmful tax practices within the internal market can be covered by competition rules; notes, therefore, that the full enforcement of these rules alone would not enable the issue of corporate tax avoidance in the EU to be solved;

²³ If the measures adopted by the Member States concern the entire tax system, they constitute adjustments to general fiscal policy and not state aid.

Or. en

Amendment 55

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 51

Motion for a resolution

51. Notes that, according to the data provided to its competent special committee²⁴ by the Commission, only 65 tax-related state aid cases have, since 1991, been formally examined by the Commission, of which 7 were tax rulings and only 10 originated in formal notifications by Member States;

Amendment

51. Notes that, according to the data provided to its competent special committee²⁴ by the Commission, only 65 tax-related state aid cases have, since 1991, been formally examined by the Commission, of which 7 were tax rulings and only 10 originated in formal notifications by Member States; *notes that in the five years leading up to 2012 (the last*

year for which there is aggregate data) only two state aid cases on tax were initiated, the lowest number in any five year period since 1994; regrets the lack of action of the Commission against tax-related state aid issues in spite of their magnitude, while it maintains an aggressive stance against other forms of public state aid;

²⁴ Note sent by Commissioner Vestager to the TAXE Committee on 29 April 2015.

²⁴ Note sent by Commissioner Vestager to the TAXE Committee on 29 April 2015.

Or. en

Amendment 56

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 52 – indent 2 a (new)

Motion for a resolution

Amendment

- the opening, in October 2013, of an in-depth investigation into the corporate tax regime of Gibraltar, which was extended to also cover the territory's tax rulings practice in October 2014,

Or. en

Amendment 57

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 55

Motion for a resolution

Amendment

55. Strongly supports the Commission in its approach, which consist in taking the time needed to consider ongoing cases thoroughly and with all due diligence; believes that the outcome of the investigations will contribute to establish more precise and effective guidelines on

55. Strongly supports the Commission in its approach, which consist in taking the time needed to consider ongoing cases thoroughly and with all due diligence; believes that the outcome of the investigations will contribute to establish more precise and effective guidelines on

tax-related state aids and transfer pricing and to adjust Member States' practices accordingly;

tax-related state aids and transfer pricing and to adjust Member States' practices accordingly; *concurr*s with the *Commissioner for Competition that the state aid investigations will not solve the problem of aggressive tax planning alone and that legal changes are needed in member states as well as at the EU level¹*;
^a;

1 a

<https://www.theparliamentmagazine.eu/articles/news/competition-commissioner-warns-meps-state-aid-investigation-delay>

Or. en

Amendment 58

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 60

Motion for a resolution

60. Stresses that tax competition is far from being limited to the Member States, including their dependent or associated territories, and that most practices under consideration have an international dimension, through the shifting of profits to low- or no-tax or secrecy jurisdictions where, often, no substantial economic activity takes place; deplores the lack of a coordinated approach on the part of the Member States vis-à-vis all those jurisdictions, not only in terms of joint action or reaction against their harmful practices, but also, despite the *Commission's* efforts, regarding their identification and the relevant criteria; strongly supports, therefore, the *Commission's* 2012 proposal, which includes substantial criteria for ensuring fair competition in addition to transparency and the exchange of information, as well as

Amendment

60. Stresses that tax competition is far from being limited to the Member States, including their dependent or associated territories, and that most practices under consideration have an international dimension, through the shifting of profits to low- or no-tax or secrecy jurisdictions where, often, no substantial economic activity takes place; deplores the lack of a coordinated approach on the part of the Member States vis-à-vis all those jurisdictions, not only in terms of joint action or reaction against their harmful practices, but also, despite the *Commission's* efforts, regarding their identification and the relevant criteria; strongly supports, therefore, the *Commission's* 2012 proposal, which includes substantial criteria for ensuring fair competition in addition to transparency and the exchange of information; *regrets*,

the recent publication, in the **Commission's** tax package of 17 June 2015, of a list of non-cooperative tax jurisdictions, established following a 'common denominator' approach on the basis of lists existing at national level; stresses that the establishment of such a list is a prerequisite for taking appropriate action against such jurisdictions;

however that , as well as *this the proposal was based on the outdated 1998 OECD criteria for the definition of harmful tax measures and, in particular, that* the recent publication, in the **Commission's** tax package of 17 June 2015, of a list of non-cooperative tax jurisdictions, established following a 'common denominator' approach on the basis of lists existing at national level, *is not based on substantial criteria and therefore leaves out a large number of crucial tax planning jurisdictions within and outside the EU; stresses that, in this logic, tax planning jurisdictions have an incentive to lobby individual Member States for a removal from their national lists, for instance with the argument that they exchange information on private financial assets (which is far from sufficient for countering business tax avoidance), and that this impacts the EU categorisation;* stresses that the establishment of such a list is a prerequisite for taking appropriate action against such jurisdictions;

Or. en

Amendment 59

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 61

Motion for a resolution

61. Stresses that the **OECD's** work in this regard *achieved some significant results in terms of transparency and the exchange of information; welcomes in particular* the signature, by close to 100 countries as of June 2015, of the OECD Multilateral Convention of Administrative Assistance in Tax Matters (the 'Joint Convention'), which provides for administrative cooperation between states in the

Amendment

61. Stresses that the **OECD's** work in this regard *only achieved results on paper, but that* the signature, by close to 100 countries as of June 2015, of the OECD Multilateral Convention of Administrative Assistance in Tax Matters (the 'Joint Convention'), which provides for administrative cooperation between states in the assessment and collection of taxes, in particular with a view to combating tax

assessment and collection of taxes, in particular with a view to combating tax avoidance and evasion;

avoidance and evasion, *did not lead to significant advances in this fight in practice; is concerned, in this context, about the widespread practice of "constructive non-compliance" whereby states adhere to international standards in theory without changing their approach to business taxation in practice;*

Or. en

Amendment 60

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 62

Motion for a resolution

62. Stresses, however, that the OECD's work on its former list of uncooperative tax havens was based on a political process which led to arbitrary compromises already when setting the criteria for the lists, such as the requirement to conclude tax agreements with 12 other countries, and resulted in no jurisdiction being listed as an uncooperative tax haven; stresses that its current approach is still based on criteria which refer to tax transparency and the exchange of information, and are not comprehensive enough to address the harmfulness of certain tax practices; notes that, whatever its merits, this limits the relevance of the OECD's approach to identifying those tax jurisdictions which are pillars of tax avoidance practices and harmful tax competition worldwide; stresses, in particular, that this approach does not refer to any qualitative indicators for an objective assessment of compliance with good governance practices or consider quantitative data such as book profits, incoming and outgoing financial flows and their (dis)connection from the economic reality in a given jurisdiction;

Amendment

62. Stresses, however, that the OECD's work on its former list of uncooperative tax havens was based on a political process which led to arbitrary compromises already when setting the criteria for the lists, such as the requirement to conclude tax agreements with 12 other countries, and resulted in no jurisdiction being listed as an uncooperative tax haven; stresses that its current approach is still based on criteria which refer to tax transparency and the exchange of information, and are not comprehensive enough to address the harmfulness of certain tax practices; notes that, whatever its merits, this limits the relevance of the OECD's approach to identifying those tax jurisdictions which are pillars of tax avoidance practices and harmful tax competition worldwide; stresses, in particular, that this approach does not refer to any qualitative indicators for an objective assessment of compliance with good governance practices or consider quantitative data such as book profits, incoming and outgoing financial flows and their (dis)connection from the economic reality in a given jurisdiction; ***regrets, in addition, that the lack of objective***

substance criteria in the definition of tax havens opens to door for non-tax related, or even geopolitical judgements;

Or. en

Amendment 61

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 67

Motion for a resolution

67. Notes with concern that many developing countries find themselves particularly vulnerable to tax avoidance activities by corporations, and that the main cause of missed revenue for developing countries' national budgets lies in the transfer pricing practices of MNCs²⁷; stresses, furthermore, that these countries find themselves in a very weak bargaining position in relation to certain MNCs or foreign direct investors 'shopping around' the world in search of tax subsidies and exemptions; denounces the fact that, according to some estimates²⁸, these losses suffered by national budgets amount to around EUR 125 billion in tax revenues annually;

²⁷ Study 'Tax revenue mobilisation in developing countries: issues and challenges', European Parliament, April 2014.

²⁸ Christian Aid report, 2008.

Amendment

67. Notes with concern that many developing countries find themselves particularly vulnerable to tax avoidance activities by corporations, and that the main cause of missed revenue for developing countries' national budgets lies in the transfer pricing practices of MNCs²⁷; stresses, furthermore, that these countries find themselves in a very weak bargaining position in relation to certain MNCs or foreign direct investors 'shopping around' the world in search of tax subsidies and exemptions; denounces the fact that, according to some estimates²⁸, these losses suffered by national budgets amount to around EUR 125 billion in tax revenues annually; ***further denounces that the tax treaties with developing countries transfer taxing rights away from the developing countries while also lowering withholding tax payments;***

²⁷ Study 'Tax revenue mobilisation in developing countries: issues and challenges', European Parliament, April 2014.

²⁸ Christian Aid report, 2008.

Or. en

Amendment 62

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 68 – introductory part

Motion for a resolution

68. *Concludes, looking back to the mandate which it conferred on its special committee and despite the various limitations and obstacles encountered in carrying out its fact-finding missions, that:*

Amendment

68. *Regrets that due to the various limitations and obstacles encountered in carrying out its fact-finding missions, the special committee was unable to entirely fulfil the mandate conferred to it; concludes, however, in spite of these difficulties that:*

Or. en

Amendment 63

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 68 – indent 3 a (new)

Motion for a resolution

- the Commission did not fulfil its supervisory and enforcement role with respect to EU law by initiating infringement procedures concerning Member States' failure to comply with the obligations set out in Council Directives 77/799/EEC and 2011/16/EU despite evidence to the contrary, emanating, for instance, from discussions of harmful tax practices in the Council's Code of Conduct Group;

Amendment

Or. en

Amendment 64

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 68 – indent 4 a (new)

Motion for a resolution

Amendment

- an analysis of individual cases of breaches in community law concerning the aforementioned paragraphs was not possible due to a lack of detailed information provided by Member States, the Council and the Commission;

Or. en

Amendment 65

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 68 – indent 4 b (new)

Motion for a resolution

Amendment

- a committee of inquiry with a mandate of at least 12 months should be set up in order to shed light on individual cases and the specific breaches of community law by Member States and institutions of the Union, beyond those cases and aspects explicitly covered by on-going Commission investigations; further possible legal steps should be explored with a view to ensuring full cooperation as regards information sharing of Member States and Union institution with Parliamentary committees;

Or. en

Amendment 66

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 68 a (new)

Motion for a resolution

Amendment

68 a. Calls on the Council and the

Commission to urgently consent to the pending proposal for a regulation of the European Parliament on the detailed provisions governing the exercise of the European Parliament's right of inquiry^{1 a};

1 a

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P7-TA-2012-0219+0+DOC+PDF+V0//EN>

Or. en

Amendment 67

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 70

Motion for a resolution

70. Calls on the EU Heads of State and Government to make clear political commitments to taking urgent action to tackle this situation, which can no longer be tolerated, not least because of its impact on national budgets, already subjected to fiscal consolidation measures, and on the tax burden of other taxpayers, including SMEs and citizens; stresses, against this background, that it intends to fully play its role and is ready to put in place more effective political scrutiny, in close cooperation with national parliaments;

Amendment

70. Calls on the EU Heads of State and Government to make clear political commitments *beyond existing plans* to taking urgent action to tackle this situation, which can no longer be tolerated, not least because of its impact on national budgets, already subjected to fiscal consolidation measures, and on the tax burden *contribution* of other taxpayers, including SMEs and citizens; stresses, against this background, that it intends to fully play its role and is ready to put in place more effective political scrutiny, in close cooperation with national parliaments; *stresses, at the same time, that political office holders which bear responsibility for breaches of community law, in particular the absence of sincere cooperation vis-a-vis other Member States should take full responsibility for their conduct including considering resignation from their office where appropriate in order to restore trust of citizens in representatives of the European Union*

Amendment 68

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 72

Motion for a resolution

72. Underlines the fact that Member States remain fully competent to set their respective corporate tax rates; insists, nevertheless, that tax competition in the EU and vis-à-vis third countries *should take place within a clear framework of rules in order to guarantee fair competition between firms in the internal market; given their crucial role in ensuring fiscal sustainability, calls for corporate taxation issues, including harmful tax practices and their impact, to be more thoroughly addressed in the framework of the European Semester and for relevant indicators to be included in the macroeconomic imbalance procedure scoreboard;*

Amendment

72. Underlines the fact that Member States remain fully competent to set their respective corporate tax rates; insists, nevertheless, that tax competition in the EU and vis-à-vis third countries *is harmful and leads to a race to the bottom in terms of tax rates and regulatory standards and should therefore be replaced by a consistent cooperative framework;*

Amendment 69

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 73

Motion for a resolution

73. Takes the view that a comprehensive, transparent and effective exchange of tax information and a common consolidated corporate tax base are essential preconditions for achieving a tax system at EU level that complies with and preserves

Amendment

73. Takes the view that a *multilateral, comprehensive, transparent and effective automatic exchange of tax information, public country-by-country reporting* and a common consolidated corporate tax base are essential preconditions for achieving a tax system at EU level that complies with

the basic principles of the internal market;

and preserves the basic principles of the internal market;

Or. en

Amendment 70

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 75

Motion for a resolution

75. **Regrets** the fact that, despite repeated invitations, several MNCs did not take the opportunity to discuss international tax planning matters with the committee; recommends, therefore, that serious consideration be given to banning these firms from the Transparency Register;

Amendment

75. **Condemns** the fact that, despite repeated invitations, several MNCs did not take the opportunity to discuss international tax planning matters with the committee; recommends, therefore, that ***access to the Parliament be withdrawn for these firms and that*** serious consideration be given to banning these firms from the Transparency Register ***by invoking a breach of paragraph f) of the Code of Conduct set out in Annex III of the Interinstitutional Agreement on the transparency register; calls on the Commission to urgently make this Code of Conduct more robust so as to ensure the possibility to sanction organisations lobbying EU institutions but not cooperating fully with those institutions on matters of relevance to EU policy making or the public interest; regrets likewise the lukewarm cooperation (or, in some cases, outright lack thereof) by Member States, the Council and partly the Commission despite public rhetoric to the contrary;***

Or. en

Amendment 71

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution
Paragraph 76

Motion for a resolution

76. Calls on the Council to adopt, by the end of 2015, the legislative proposal of March 2015 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, which provides for a common framework for the registration and automatic exchange of information on rulings, and provisions allowing the Commission to effectively monitor its implementation by Member States;

Amendment

76. Calls on the Council to adopt, by the end of 2015, the legislative proposal of March 2015 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, which provides for a common framework for the registration and automatic exchange of information on rulings, and provisions allowing the Commission to effectively monitor its implementation by Member States; ***insists that the exchanged information on rulings should be made available to the public via the central Commission directory, and that the retrospective exchange should be extended to all rulings still active at the date of entry into force of the directive;***

Or. en

Amendment 72

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution
Paragraph 77

Motion for a resolution

77. Invites the Member States to support, in all international fora, the automatic exchange of information (AEOI) between tax administrations as the new global standard; invites in particular the Commission, the OECD and the G20 to promote this through the most adequate and effective instruments within an inclusive global process;

Amendment

77. Invites the Member States to support, in all international fora, the automatic exchange of information (AEOI) between tax administrations as the new global standard; invites in particular the Commission, the OECD and the G20 to promote this through the most adequate and effective instruments within an inclusive global process; ***recommends to include information on tax rulings into global AEOI standards and that this information should be available to the public; insists that steps should be taken***

to ensure that AEOI becomes truly global and thereby effective by granting developing countries an initial period of non-reciprocal information exchange while supporting their efforts to build their capacity for full participation in the AEOI;

Or. en

Amendment 73

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 77 a (new)

Motion for a resolution

Amendment

77 a. Urges Member States to oblige their domestic financial institutions to identify the place of residence for all account holders from the beginning, in order to enhance efficiency of the information gathering process and in order not to insert undue and counterproductive ambiguity in the implementation of AEOI; and urges Member States and the Commission to insert and specify the requirement for comprehensive, public statistics on AEOI broken down by Member States from the first year of operation, and including a summary statistics for the years 2013 till 2013, to prevent avoidance schemes, into the implementing regulation the Commission is currently working on under the comitology procedure;

Or. en

Amendment 74

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 78

Motion for a resolution

78. Invites the Member States to consider that any tax ruling of a cross-border nature should, in particular when involving transfer pricing, be established in cooperation with all involved countries, that the relevant information should be automatically exchanged between them and that any national action aimed at reducing tax avoidance and tax base erosion within the EU, including audits, should be carried out jointly, giving due consideration to the experience gained through the FISCALIS 2020 programme; reiterates its view that the basic elements of all rulings that have an impact on other Member States should be not only shared between tax administrations and the Commission, but also presented in the country-by-country reporting by MNCs;

Amendment

78. Invites the Member States to consider that any tax ruling of a cross-border nature should, in particular when involving transfer pricing, be established in cooperation with all involved countries, that the relevant information should be automatically exchanged between them and that any national action aimed at reducing tax avoidance and tax base erosion within the EU, including audits, should be carried out jointly, giving due consideration to the experience gained through the FISCALIS 2020 programme; reiterates its view that the basic elements of all rulings that have an impact on other Member States should be not only shared between tax administrations and the Commission, but also presented in the **public** country-by-country reporting by MNCs;

Or. en

Amendment 75

Fabio De Masi, Marisa Matias, Paloma López Bermejo

Motion for a resolution

Paragraph 80 – indent 1

Motion for a resolution

– the requirement to establish them on the basis of a comprehensive analysis, with the involvement of all the parties and countries concerned,

Amendment

– the requirement to establish them on the basis of a comprehensive **spill-over** analysis, with the involvement of all the parties and countries concerned,

Or. en

Amendment 76

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 81

Motion for a resolution

81. Expresses its full support for the action plan proposed by the Commission on 17 June 2015 to address tax avoidance and promote fair and efficient corporate taxation in the EU; calls on the Commission to speed up the presentation of legislative modifications for the prompt establishment of a compulsory EU-wide Common Consolidated Corporate Tax Base (CCCTB), which would solve not only the issue of preferential regimes and mismatches between national tax systems, but also most of the issues leading to tax base erosion at European level (in particular transfer pricing issues);

Amendment

81. Expresses its full support for the ***intention in the*** action plan proposed by the Commission on 17 June 2015 to address tax avoidance and promote fair and efficient corporate taxation in the EU; calls on the Commission to speed up the presentation of legislative modifications for the prompt establishment of a compulsory EU-wide Common Consolidated Corporate Tax Base (CCCTB) ***along the lines of the 2011 CCCTB proposal as amended by the European Parliament***, which would solve not only the issue of preferential regimes and mismatches between national tax systems, but also most of the issues leading to tax base erosion at European level (in particular transfer pricing issues); ***urges the Commission to not delay the consolidation of profits and losses in its revised CCCTB proposal; urges the Commission to scrap its plans of allowing MNCs to freely transfer losses within the EU before consolidation as the likely effect would be to reduce the effective rate of taxation on MNCs and would potentially create new loopholes for aggressive misuse of the rules for tax purposes;***

Or. en

Amendment 77

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 82

Motion for a resolution

82. Calls on the Commission to include in its proposals provisions aimed at clarifying the definition of R&D investments and of permanent establishment in line with

Amendment

82. Calls on the Commission to include in its proposals provisions aimed at clarifying the definition of R&D investments and of permanent establishment in line with

economic substance, covering also the digital economy; points to the importance of R&D investments and the need to facilitate rather than hamper investment and growth in the digital economy, giving the European emergent economy in the digital sector a competitive edge vis-à-vis other actors in the United States and elsewhere; stresses, at the same time, that abuse or exploitation of such systems must be minimised through coordinated action by the Member States and common standards and definitions on what qualifies as R&D promotion and what does not;

economic substance, covering also the digital economy; points to the importance of R&D investments and the need to facilitate rather than hamper investment and growth in the digital economy, giving the European emergent economy in the digital sector a competitive edge vis-à-vis other actors in the United States and elsewhere; stresses ***that the existing evidence shows that patent boxes do not help in spurring innovation and can lead to major base erosion through profit shifting***; stresses, at the same time, that abuse or exploitation of such systems must be minimised through coordinated action by the Member States and common standards and definitions on what qualifies as R&D promotion and what does not; ***stresses that the so-called modified nexus approach for patent boxes recommended by the BEPS initiative will not be enough to limit sufficiently the problems associated with patent boxes***;

Or. en

Amendment 78

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 83

Motion for a resolution

83. Stresses that, to restore the link between taxation and economic substance, and to correct existing mismatches, ‘formula apportionment’ could differentiate between sectors, to take into account their specific features, in particular with regard to digital businesses; calls on the Commission to continue its work on concrete options for the design of this allocation key, in particular with a view to anticipating, for each sector, the impact on the tax revenue of each Member State, according to the structure of its economy;

Amendment

83. Stresses that, to restore the link between taxation and economic substance, and to correct existing mismatches, ‘formula apportionment’ could differentiate between sectors, to take into account their specific features, in particular with regard to digital businesses; calls on the Commission to continue its work on concrete options for the design of this allocation key, in particular with a view to anticipating, for each sector, the impact on the tax revenue of each Member State, according to the structure of its economy;

stresses, furthermore, that the CCCTB is a useful means of combating BEPS and creating European added value regardless of whether or not the tax revenue might be partially used as a new own resource for the EU budget;

calls, crucially, on the Commission to make sure that the formula-based apportionment in any CCCTB does not give weight to intangibles as otherwise BEPS will continue; stresses, furthermore, that the CCCTB is a useful means of combating BEPS and creating European added value regardless of whether or not the tax revenue might be partially used as a new own resource for the EU budget;

Or. en

Amendment 79

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 84

Motion for a resolution

84. Supports the introduction of a full CCCTB as soon as possible, ***with the definition of a*** minimum effective taxation rate and, for reasons of competitiveness, a maximum effective taxation rate; ***acknowledges the Commission's approach of putting forward a simple CCTB (without consolidation) as a first step in its action plan of June 2015, but points out that this will leave many issues open, especially for businesses operating in the single market, given that a CCTB would not provide for the compensation of losses through consolidation, nor address the red tape and uncertainty associated with transfer pricing, which is also one of the main tax avoidance tools used by MNCs;*** calls on the Commission to dispense with any additional impact assessment of this measure, which has been on the EU agenda for decades, has already been the subject of extensive preparatory work and is now blocked in the Council since its formal submission in 2011;

Amendment

84. Supports the introduction of a full CCCTB as soon as possible, ***combined with a set of*** minimum effective taxation rates, not below 20% and depending on a range of variables covering wealth levels, size and geographical location of Member States; ***insists that a CCCTB must not, a priori, lead to a shrinking taxable base as compared to the status quo and calls for the definition of the common base to be established towards the highest common denominator among Member States;*** ***regrets the Commission's approach of putting forward a simple CCTB (without consolidation) as a first step in its action plan of June 2015;*** calls on the Commission to dispense with any additional impact assessment of this measure, which has been on the EU agenda for decades, has already been the subject of extensive preparatory work and is now blocked in the Council since its formal submission in 2011;

Or. en

Amendment 80

Fabio De Masi, Marisa Matias, Paloma López Bermejo

Motion for a resolution

Paragraph 85

Motion for a resolution

85. Calls on the Commission, pending the adoption of a full CCCTB and its full implementation at EU level, to take immediate action in order to ensure effective taxation, reduce profit shifting (*mainly* transfer pricing), *prepare a regime offsetting cross-border profits and losses* and further introduce anti-abuse rules in all relevant directives; calls on the Council to prepare for the prompt adoption of these provisions;

Amendment

85. Calls on the Commission, pending the adoption of a full CCCTB and its full implementation at EU level, to take immediate action in order to ensure effective taxation, reduce profit shifting (*through* transfer pricing *and debt-shifting mechanisms*), and further introduce anti-abuse rules in all relevant directives; calls on the Council to prepare for the prompt adoption of these provisions;

Or. en

Amendment 81

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 86

Motion for a resolution

86. Calls on the Commission to issue clear guidelines on the definition of economic substance and permanent establishment, with a view to tackling, in particular, the issue of letter box companies, and to develop EU criteria and guidelines for the treatment of R&D, compatible with, but not limited to, the work of the OECD on the matter, since Member States are currently reforming their strategy in that regard, often cumulatively with subsidies;

Amendment

86. Calls on the Commission to issue clear guidelines on the definition of economic substance and permanent establishment, with a view to tackling, in particular, the issue of letter box companies *and their use for the purpose of tax avoidance, money laundering and other socially and economically harmful activity*, and to develop EU criteria and guidelines for the treatment of R&D, compatible with, but not limited to, the work of the OECD on the matter, since Member States are currently reforming their strategy in that regard, often cumulatively with subsidies;

Or. en

Amendment 82

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 86 a (new)

Motion for a resolution

Amendment

86 a. Calls on the Commission and the Member States to roll back and abolish special tax rates for certain corporate income such as interest or income associated with patents;

Or. en

Amendment 83

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 86 b (new)

Motion for a resolution

Amendment

86 b. Calls on the Commission to revise European legislation on controlled foreign companies and its application as confirmed by the Cadbury Schweppes judgment of the European Court of Justice (C-196/04) in order to ensure full use of controlled foreign companies to avoid cases of double non-taxation; Calls on the Commission to make proposals for harmonising controlled foreign companies rules in Europe

Or. en

Amendment 84

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 90

Motion for a resolution

Amendment

90. Calls on the Council to report to its

90. Calls on the Council to report to its

competent committee on a regular basis on the activities of the Group, in particular with regard to the presentation of its bi-annual reports to ECOFIN; more generally, invites the Council to support the promotion of genuine democratic scrutiny in cross-border tax matters at EU level, along the lines of what is already in place in other areas where Member States or other independent institutions, such as the European Central Bank and the Board of the Single Supervisory Mechanism, have exclusive competence; invites the Council and the Member States to consider the possibility of setting up a high-level group on taxation policy encompassing the Council, the Commission and independent experts, after the model of the Economic and Financial Committee, that would more generally exercise oversight of legislative and non-legislative tax policy and would report to ECOFIN;

competent committee on a regular basis on the activities of the Group, in particular with regard to the presentation of its bi-annual reports to ECOFIN ***which should be publicly available***; more generally, invites the Council to support the promotion of genuine democratic scrutiny in cross-border tax matters at EU level, along the lines of what is already in place in other areas where Member States or other independent institutions, such as the European Central Bank and the Board of the Single Supervisory Mechanism, have exclusive competence; invites the Council and the Member States to consider the possibility of setting up a high-level group on taxation policy encompassing the Council, the Commission and independent experts, after the model of the Economic and Financial Committee, that would more generally exercise oversight of legislative and non-legislative tax policy and would report to ECOFIN;

Or. en

Amendment 85

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 91

Motion for a resolution

91. Urges the Council and the Member states, with due respect for the Treaties and the competence of the Member States in direct tax matters, to improve the transparency, accountability and monitoring work of the Group and calls on the Commission to consider whether framework legislation, under the Community method, would not constitute a more workable solution;

Amendment

91. Urges the Council and the Member states, with due respect for the Treaties and the competence of the Member States in direct tax matters, to improve the transparency, accountability and monitoring work of the Group and calls on the Commission to consider whether framework legislation, under the Community method, would not constitute a more workable solution; ***considers it essential that the wider public is also granted more information on the work of***

Amendment 86

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Dimitrios Papadimoulis

Motion for a resolution

Paragraph 91 a (new)

Motion for a resolution

Amendment

91 a. Calls on the Commission to urgently enact changes to its horizontal rules for expert groups with a view to ensuring policy making in the public interest by effectively shielding law making processes from the influence of specific private interests; to this end, calls on the Commission to adopt a roadmap towards expert groups being composed of members fully independent of private economic interests only; insists that, while working towards this goal, reforms of the current structure and composition should be put in place immediately, taking up the recommendations by the European Ombudsman as a minimum, including an explicit definition of (potential) conflicts of interest and a robust policy to prevent actors at risk of such conflicts of interest of being active members of any expert or advisory body, full transparency about the professional history and affiliations of expert group members, an effective rebalancing of group membership through smaller groups and an application of those rules horizontally across all parts of the Commission and an exclusion of representatives of organisations convicted of tax evasion or any other criminal wrongdoing; stresses that such reforms would not result in a lack of available technical expertise for law making as those could be submitted via public consultations or public expert

hearings open to representatives of all interests;

Or. en

Amendment 87

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari

Motion for a resolution

Paragraph 92

Motion for a resolution

92. Strongly welcomes and supports the key role of the Commission as the competent competition authority in the ongoing state aid inquiries dealing with tax rulings; encourages the Commission to make full use of its powers under EU competition rules to tackle harmful tax practices;

Amendment

92. Strongly welcomes and supports the key role of the Commission as the competent competition authority in the ongoing state aid inquiries dealing with tax rulings; encourages the Commission to make full use of its powers under EU competition rules to tackle harmful tax practices; *stresses the need for the Commission to commit more resources – financial and staff wise – to strengthening its ability to pursue all necessary fiscal state aid investigations at once; stresses the need for Member States to fully comply with the investigations and with information requests from the Commission;*

Or. en

Amendment 88

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 95

Motion for a resolution

95. Calls on the Commission to assess the possibility of modifying the existing rules in order to allow the amounts recovered following an infringement of EU state aid rules to be returned to the Member States which have suffered from an erosion of their tax bases or to the EU budget, and not

Amendment

95. Calls on the Commission to assess the possibility of modifying the existing rules in order to allow the amounts recovered following an infringement of EU state aid rules to be returned to the Member States *or third countries* which have suffered from an erosion of their tax bases or to the

to the Member State which granted the illegal tax-related aid, as is currently the case;

EU budget, and not to the Member State which granted the illegal tax-related aid, as is currently the case;

Or. en

Amendment 89

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 97

Motion for a resolution

97. Reiterates its position that MNCs *should disclose in their financial statements, by Member State and by third country in which they have an establishment, a range of aggregated information, including their profit or loss before tax, taxes on profit or loss, number of employees, assets held, etc.* (country-by-country reporting); underlines the importance of making this information available to the public, possibly in the form of a central EU register;

Amendment

97. Reiterates its position that MNCs, *including at least all corporations falling under the definition of "large undertaking" and "public interest entities" as defined in the Accounting Directive, should disclose in their financial statements, for each legal entity and each jurisdiction where they have an establishment, the information covered in the OECD's BEPS template for country-by-country reporting; underlines the importance of making this information available to the public, possibly in the form of a central EU register; stresses that such reporting should also contain basic information about tax rulings;*

Or. en

Amendment 90

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis

Motion for a resolution

Paragraph 99 a (new)

Motion for a resolution

Amendment

99 a. Calls on the Commission to come forward with a proposal for a European-wide, publicly accessible register for all types of financial securities in circulation

as a means to improve financial transparency and hinder tax avoidance through shifts in assets between individual and corporate owners; underlines that the gains in terms of transparency, control of financial crimes, tax compliance and financial stability of such a public register far outweigh the losses of confidentiality such a measure entails, in particular as registries of physical wealth such as land have for long been public without tangible negative repercussions and multiple private registries of financial ownership also exist already;

Or. en

Amendment 91

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis

Motion for a resolution

Paragraph 99 b (new)

Motion for a resolution

Amendment

99 b. Stresses the need for the public's unhindered access to beneficial ownership information on companies, trusts and other legal structures as the secrecy these corporate structures offer are routinely used for tax evasion purposes; asks Member States to transpose the fourth anti-money laundering directive as a matter of urgency and to go beyond the minimum requirements contained in the directive to ensure full public access to beneficial ownership information of companies, trusts and other similar legal entities; underlines that the effectiveness of the above-mentioned financial register crucially hinges on transparent ultimate beneficial ownership; calls on the Commission and the Member States to support efforts towards the creation of a

global system of legal entity identification (LEI);

Or. en

Amendment 92

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 99 c (new)

Motion for a resolution

Amendment

99 c. Asks Member States to implement the OECD's 4th edition Benchmark Definition of Foreign Direct Investment and to comply with the reporting requirements in it to disaggregate its reporting of FDIs to shows flows through SPEs;

Or. en

Amendment 93

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 99 d (new)

Motion for a resolution

Amendment

99 d. Calls on Member States and the Commission to ensure the effectiveness of automatic information exchange regimes and to prevent their circumvention by providing for all assets including those stored in freeports and similar facilities to be inventoried, valued and included in exchanged data; further calls on the Commission to include, in the implementing regulations on DAC2, the publication of aggregated statistics on financial assets held in participating countries, by type of asset and by country of residence of the ultimate beneficial owner, for all assets held, including those by residents from non-CRS-participating

Amendment 94

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis, Matt Carthy

Motion for a resolution

Paragraph 100

Motion for a resolution

100. Calls on the Commission to propose ***establishing*** an EU legislative framework for the effective protection of whistleblowers and ***the like***, since it is not acceptable that citizens, or journalists, disclosing information about misconduct, wrongdoing, fraud or illegal activity, in particular on cases of tax avoidance, tax evasion and money laundering, can be subject to prosecution rather than legal protection; calls on the Commission to consider a range of tools to ensure such protection against unjustified legal prosecutions, economic sanctions or discriminations, while also ensuring the protection of confidentiality and trade secrets; draws attention, in this connection, to the example of the US Dodd-Frank Act, which both remunerates whistleblowers for providing the authorities with original information and protects them from legal prosecution and job loss;

Amendment

100. Calls on the Commission to propose an EU legislative framework for the effective protection of whistleblowers and ***any person that provides the public with information about wrongdoings in private or public organisations with the attention of alerting about socially harmful practices***, since it is not acceptable that citizens, or journalists, disclosing information about misconduct, wrongdoing, fraud or illegal activity, in particular on cases of tax avoidance, tax evasion and money laundering, can be subject to prosecution rather than legal protection; calls on the Commission to consider a range of tools to ensure such protection against unjustified legal prosecutions, economic sanctions or discriminations ***both at the workplace and beyond, and including relatives of the whistleblower***, while also ensuring the protection of confidentiality and trade secrets ***in cases where there is a demonstrable and unjustified economic loss for corporations***; draws attention, in this connection, to the example of the US Dodd-Frank Act, which both remunerates whistleblowers for providing the authorities with original information and protects them from legal prosecution and job loss;

Amendment 95

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis, Matt Carthy

**Motion for a resolution
Paragraph 100 a (new)**

Motion for a resolution

Amendment

100 a. Calls in this context on the Commission and the Council to ensure that an encompassing protection of whistleblowers and journalists is firmly enshrined in the directive on the protection of trade secrets; expresses its concern about the wide definition of trade secrets in said directive which would open the door to legal prosecution of whistleblowers and have a significant deterrent effect on employees and citizens witnessing wrongdoings first hand;

Or. en

Amendment 96

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis, Matt Carthy

**Motion for a resolution
Paragraph 100 b (new)**

Motion for a resolution

Amendment

100 b. Calls on Member States, in particular the Government of Luxembourg, to consider amending their national legislation to provide further protection for whistleblowers and journalists that act in the public interest;

Or. en

Amendment 97

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

**Motion for a resolution
Paragraph 101**

Motion for a resolution

101. **Strongly supports** the OECD BEPS action plan; calls for its **ambitious** scope and calendar to be fully complied with and for the OECD, its Member States and all the other countries involved to set up a strong monitoring tool to assess progress in the implementation of those guidelines and possibly take corrective action;

Amendment

101. **Welcomes the intention of** the OECD BEPS action plan; calls for its scope and calendar to be fully complied with and for the OECD, its Member States and all the other countries involved to set up a strong monitoring tool to assess progress in the implementation of those guidelines and possibly take corrective action; **reiterates that many of the BEPS recommendations fail to take the necessary steps to effectively address the challenges of aggressive tax planning; underlines therefore the need for the EU to go beyond the BEPS recommendations in several instances and encourages other regions to follow the lead of the EU;**

Or. en

Amendment 98

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 102

Motion for a resolution

102. Recommends that institutional links and cooperation between the OECD and the Commission be strengthened in order to continue to ensure the compatibility of the two processes and avoid double standards; stresses that the OECD approach is still based on soft law and that its action should be complemented by a proper legislative framework at EU level, e.g. in the form of an anti-BEPS directive, since such voluntary agreements are not sufficient for an integrated area like the EU, with a single market, a common currency and common sets of rules in most areas of government;

Amendment

102. Recommends that institutional links and cooperation between the OECD and the Commission be strengthened in order to continue to ensure the compatibility of the two processes and avoid double standards; stresses that the OECD approach is still based on soft law and that its action should be complemented by a proper legislative framework at EU level, e.g. in the form of an anti-BEPS directive **that goes beyond the minimum recommendations of BEPS**, since such voluntary agreements are not sufficient for an integrated area like the EU, with a single market, a common currency and common sets of rules in most areas of government;

Amendment 99**Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari****Motion for a resolution****Paragraph 103***Motion for a resolution*

103. Calls for a common EU approach to tax havens; calls on the Commission, in particular, to ***continue its work on*** a clear definition, a common set of criteria to identify tax havens and appropriate sanctions ***for*** countries cooperating with them, on the basis of its December 2012 Recommendation regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (i.e. going beyond the exchange of information and transparency to include fair tax competition and effective taxation), and on defining appropriate common measures applying to those jurisdictions; refers to its resolution of 21 May 2013 on ‘the fight against tax fraud, tax evasion and tax havens’ for a non-exhaustive list of such possible measures²⁹; reiterates that genuinely European lists, regularly updated, would be more effective as a means of promoting good tax governance and changing tax behaviours towards and within those jurisdictions;

Amendment

103. Calls for a common EU approach to tax havens; calls on the Commission, in particular, to ***develop*** a clear definition, a common set of criteria to identify tax havens and appropriate sanctions ***(for instance trade or other tariffs, in conformity with WTO-rules at a level equal to the damage done by foregone tax revenue)*** ***for those tax havens and*** countries cooperating with them, on the basis of its December 2012 Recommendation regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (i.e. going beyond the exchange of information and transparency to include fair tax competition and effective taxation), and on defining appropriate common measures applying to those jurisdictions; refers to its resolution of 21 May 2013 on ‘the fight against tax fraud, tax evasion and tax havens’ for a non-exhaustive list of such possible measures²⁹; reiterates that genuinely European lists, regularly updated, would be more effective as a means of promoting good tax governance and changing tax behaviours towards and within those jurisdictions; ***underlines the fundamental importance to not discriminate, when drawing up such lists and applying sanctions in line with agreed provisions, between tax havens outside and inside the EU, including jurisdictions that are not formally EU members but which nevertheless enjoy significant privileges***

associated with membership, such as crown dependencies, overseas territories and others;

²⁹ These include, to quote but a few:– to suspend or terminate existing Double Tax Conventions with jurisdictions that are on the blacklist,– to prohibit access to EU public procurement of goods and services and refuse to grant state aid to companies based in blacklisted jurisdictions,– to prohibit EU financial institutions and financial advisors from establishing or maintaining subsidiaries and branches in blacklisted jurisdictions and to consider revoking licences for European financial institutions and financial advisors which maintain branches and continue operating in blacklisted jurisdictions,– to introduce a special levy on all transactions to or from blacklisted jurisdictions,– to examine a range of options for the non-recognition, within the EU, of the legal status of companies set up in blacklisted jurisdictions,– to apply tariff barriers in cases of trade with blacklisted third countries.

²⁹ These include, to quote but a few: – to suspend or terminate existing Double Tax Conventions with jurisdictions that are on the blacklist, – to prohibit access to EU public procurement of goods and services and refuse to grant state aid to companies based in blacklisted jurisdictions, – to prohibit EU financial institutions and financial advisors from establishing or maintaining subsidiaries and branches in blacklisted jurisdictions and to consider revoking licences for European financial institutions and financial advisors which maintain branches and continue operating in blacklisted jurisdictions, – to introduce a special levy on all transactions to or from blacklisted jurisdictions, – to examine a range of options for the non-recognition, within the EU, of the legal status of companies set up in blacklisted jurisdictions, – to apply tariff barriers in cases of trade with blacklisted third countries.

Or. en

Amendment 100

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 104

Motion for a resolution

104. Stresses, in particular, the need to ensure that ***outgoing*** financial flows are at least taxed once, for instance by imposing a withholding tax, in order to avoid profits ***leaving the EU untaxed***; insists that a system should be put in place to ensure that a confirmation document has to be presented to the tax authorities in order to

Amendment

104. Stresses, in particular, the need to ensure that financial flows are at least taxed once, for instance by imposing a withholding tax, in order to avoid profits ***remaining untaxed***; ***calls on the OECD to adapt its model tax treaty in order to generally allow for source taxation in cases where reasonable effective taxation***

certify this operation, thereby protecting the single market and maintaining the connection between where profits and economic value are generated and where these are taxed; calls on the Commission, while supporting the promotion by the OECD of a multilateral approach to tax issues aimed at streamlining international tax arrangements and ensuring that profits are taxed in the place where the value is created, to enhance the *EU's* role on the international stage by speaking with one voice and to work on the development of a common EU framework for bilateral treaties in tax matters and a progressive substitution of the huge number of bilateral individual tax treaties by EU/third jurisdiction treaties; stresses that this would be the most immediate way to tackle treaty-shopping practices;

of a financial flow is not otherwise assured; insists that a system should be put in place to ensure that a confirmation document has to be presented to the tax authorities in order to certify this operation, thereby protecting the single market and maintaining the connection between where profits and economic value are generated and where these are taxed; calls on the Commission, while supporting the promotion by the OECD of a multilateral approach to tax issues aimed at streamlining international tax arrangements and ensuring that profits are taxed in the place where the value is created, to enhance the *EU's* role on the international stage by speaking with one voice and to work on the development of a common EU framework for bilateral treaties in tax matters and a progressive substitution of the huge number of bilateral individual tax treaties by EU/third jurisdiction treaties; stresses that this would be the most immediate way to tackle treaty-shopping practices;

Or. en

Amendment 101

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 105

Motion for a resolution

105. Considers that the setting-up of free trade agreements needs to be accompanied by enhanced tax cooperation, preventing tax avoidance by firms competing on the same markets and ensuring a level playing field; asks the Commission, therefore, to introduce tax provisions in all EU free trade agreements, which would bind partner countries to apply good tax governance and ensure reciprocity in tax matters;

Amendment

deleted

stresses that the work undertaken by the Platform for Tax Good Governance forms a good basis on which to implement this concept; underlines the fact that the same could apply to EU cooperation agreements;

Or. en

Amendment 102

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 106 a (new)

Motion for a resolution

Amendment

106 a. Calls on the Commission, the Council and the Member States to ensure that public institutions like the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) support the push for tax justice by no longer cooperating, by themselves or through financial intermediaries, with non-cooperative tax jurisdictions which provide for tax measures that entail very low effective taxes, a lack of effective exchange of information with foreign tax authorities or a lack of transparency in legislative, legal or administrative provisions, and by not extending any more funding to companies convicted of tax fraud, tax evasion or aggressive tax planning; calls on the EIB to require 'due diligence' from all companies benefitting from its funding, including annual public country-by-country reporting, transparent beneficial ownership structures and adherence to EU standards on transfer pricing; to this end, calls on the EIB to establish a new responsible taxation policy; invites Member States to put in place similar policies governing their national promotional banks' relations with corporations and financial

Amendment 103

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 107

Motion for a resolution

107. Highlights the fact that specific attention should be paid at national, EU or international level to the situation of developing countries and, in particular, least developed countries, which usually have very narrow tax bases and low tax-to-GDP ratios, when devising actions and policies to tackle tax avoidance; stresses that those actions and policies should contribute to generating public revenues commensurate with the value added generated on their territory, so as to appropriately finance their development strategies, the achievement of Millennium Development Goals and the post-2015 development agenda; welcomes, against this background, the work of the UN Committee of Experts on International Cooperation in Tax Matters; asks the Commission to support the interests of developing countries in existing international initiatives and to include representatives from developing countries on its Platform for Tax Good Governance;

Amendment

107. Highlights the fact that ***according to Article 208 of the Lisbon Treaty*** specific attention should be paid at national, EU or international level to the situation of developing countries and, in particular, least developed countries, which usually have very narrow tax bases and low tax-to-GDP ratios, when devising actions and policies to tackle tax avoidance; stresses that those actions and policies should contribute to generating public revenues commensurate with the value added generated on their territory, so as to appropriately finance their development strategies, the achievement of Millennium Development Goals and the post-2015 development agenda; welcomes, against this background, the work of the UN Committee of Experts on International Cooperation in Tax Matters ***and calls for the upgrade of the Committee to an intergovernmental body, as has also been called for by the G77 and China***; asks the Commission to support the interests of developing countries in existing international initiatives and to include representatives from developing countries on its Platform for Tax Good Governance;

Amendment 104

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution
Paragraph 108

Motion for a resolution

108. Calls on the Commission to propose further measures to help enhance administrative capacities in developing countries, in particular in tax matters, to allow an effective exchange of tax information with their administrations; calls for the establishment of a platform for developing countries by implementing pilot projects on AEOI; calls on developing countries to promote regional agreements or other forms of cooperation on tax matters in order to improve their negotiating position vis-à-vis foreign direct investors and MNCs and tackle issues of common interest;

Amendment

108. Calls on the Commission to propose further measures to help enhance administrative capacities in developing countries, in particular in tax matters, to allow an effective exchange of tax information with their administrations; calls for the ***possibility for non-reciprocal flow of information to developing countries in a transition phase until they are able to automatically exchange information***; ***calls for the*** establishment of a platform for developing countries by implementing pilot projects on AEOI; calls on developing countries to promote regional agreements or other forms of cooperation on tax matters in order to improve their negotiating position vis-à-vis foreign direct investors and MNCs and tackle issues of common interest; ***calls on Member States to immediately start using the UN model conventions instead of the OECD model when negotiating tax treaties with developing countries***; ***calls on Member States to desist from negotiating reduced withholding tax rates in treaties with developing countries***; ***calls on Member States to incorporate effective limitation of benefits clauses in their tax treaties***; ***calls on the Commission to develop an EU model tax treaty for treaties with developing countries that takes special consideration to these countries' tax base and ability to levy withholding taxes in accordance with their national statutory rates***;

Or. en

Amendment 105

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution
Paragraph 109

Motion for a resolution

109. Refers to the action plan presented in its resolution of 8 July 2015 on tax avoidance and tax evasion as challenges for governance, social protection and development in developing countries; ***encourages all countries and international organisations, such as the UN, to be part of an inclusive process and contribute to the G20/OECD tax agenda, addressing BEPS***, promoting international tax transparency and the global sharing of tax information, for example through the development of a single common reporting standard in the AEOI or the public disclosure of beneficial ownership;

Amendment

109. Refers to the action plan presented in its resolution of 8 July 2015 on tax avoidance and tax evasion as challenges for governance, social protection and development in developing countries; ***calls on the Commission to take immediate steps to respond to the call in said report to "put forward an ambitious action plan, in the form of a communication, to support developing countries fighting tax evasion and tax avoidance"; encourages the setting up of a truly representative forum on tax in the form of an intergovernmental body under the auspice of the UN***, promoting international tax transparency and the global sharing of tax information, for example through the development of a single common reporting standard in the AEOI or the public disclosure of beneficial ownership;

Or. en

Amendment 106

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution
Paragraph 111

Motion for a resolution

111. Calls on the Commission to come forward with proposals for guidelines for the tax advising service industry and for the setting-up of an EU incompatibility regime for advisors in tax matters and, as appropriate, for banks, in order to ensure that conflicts of interest between services to the public and private sectors are avoided; calls on the Commission to launch an inquiry in order to assess the

Amendment

111. Calls on the Commission to come forward with proposals for guidelines for the tax advising service industry and for the setting-up of an EU incompatibility regime for advisors in tax matters and, as appropriate, for banks, in order to ensure that conflicts of interest between services to the public and private sectors are avoided; calls on the Commission to launch an inquiry in order to assess the

state of concentration in the sector;

state of concentration in the sector; ***calls on the Commission to put forward measures ensuring a functional split between tax advisory and auditing services for large auditing firms in order to firmly exclude conflicts of interest;***

Or. en

Amendment 107

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis

Motion for a resolution

Paragraph 112

Motion for a resolution

112. Requests that the Commission ***assess the possibility of introducing*** sanctions for firms implementing or promoting tax dodging and aggressive tax planning, in particular with regard to access to funding from the EU budget and any advisory role in EU institutions;

Amendment

112. Requests that the Commission ***come forward with a proposal for a robust regime of*** sanctions for ***all types of tax advisor and financial service provider*** firms implementing or promoting tax dodging and aggressive tax planning, in particular with regard to access to funding from the EU budget and any advisory role in EU institutions ***as well as with provisions for significant fines and the revoking of business licences in cases of repeated assistance with or promotion of tax dodging;***

Or. en

Amendment 108

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis

Motion for a resolution

Paragraph 112 a (new)

Motion for a resolution

112 a. Requests that the Commission assess the role and impact of variable bonuses, based, amongst other factors, on the amount of tax saved by the client, in

Amendment

the context of tax advisory work; invites the Commission to consider a legal framework aligning incentives of tax advisors and their pay structure with the general interest of minimising aggressive tax planning;

Or. en

Amendment 109

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis

Motion for a resolution

Paragraph 112 b (new)

Motion for a resolution

Amendment

112 b. Invites Member States to take further measures in order to eradicate conflicts of interest with respect to tax advisory firms, including, but not limited to, banning firms that advocate tax planning strategies from hiring staff to or from public authorities, excluding firms that advocate tax planning schemes from consulting public authorities and establishing robust sets of sanctions for advice on fraudulent tax planning schemes;

Or. en

Amendment 110

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari

Motion for a resolution

Paragraph 113 a (new)

Motion for a resolution

Amendment

113 a. Invites Member States to consider implementing, in particular in the absence of international breakthroughs that reduce tax evasion and tax avoidance in a systematic and sustainable way, measures that aim at putting pressure on

tax planning territories while effectively curbing current levels of evasion and avoidance; recalls that such measures could include, but are not limited to, source taxation compatible with the EUSTD (i.e. on financial flows unless they are demonstrably not built as a tax-optimising arrangement), restrictions on the deductibility of interest and royalty payments in cases where a minimum taxation has not yet been effected at the source, and trade tariffs proportionate to the damage done by BEPS to the national fiscal base;

Or. en

Amendment 111

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Rina Ronja Kari, Matt Carthy

Motion for a resolution

Paragraph 114

Motion for a resolution

114. Urges each Member State to carry out, where necessary with the technical support of the Commission, impact assessments that cover *spillover* effects in other countries, before introducing any tax measures that may have an impact abroad; calls for a strong involvement of national parliaments on the issue of tax avoidance since no tax regime or tax treatment should escape proper assessment and democratic control by the legislator;

Amendment

114. Urges each Member State to carry out, where necessary with the technical support of the Commission, impact assessments that cover *spill-over* effects in other countries ***including in developing countries***, before introducing any tax measures that may have an impact abroad; ***stresses that such studies should be made publicly available***; calls for a strong involvement of national parliaments on the issue of tax avoidance since no tax regime or tax treatment should escape proper assessment and democratic control by the legislator;

Or. en

Amendment 112

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Matt Carthy

Motion for a resolution
Paragraph 115

Motion for a resolution

115. Calls on the Member States to stop and reconsider cuts in the resources of their tax administrations, while ensuring better redeployment of staff and technology and expertise upgrades, with a view to tackling the development and impact of harmful tax practices, which have become increasingly *sophisticated*; calls on the Commission to provide technical support for such efforts, in particular in the context of the FISCALIS 2020 Programme;

Amendment

115. Calls on the Member States to stop and reconsider *reverse* cuts in the resources of their tax administrations, while ensuring better redeployment of staff and technology and expertise upgrades, with a view to tackling the development and impact of harmful tax practices, which have become increasingly *complex*; calls on the Commission to provide technical support for such efforts, in particular in the context of the FISCALIS 2020 Programme;

Or. en

Amendment 113

Fabio De Masi, Marisa Matias, Paloma López Bermejo, Miguel Viegas, Rina Ronja Kari, Dimitrios Papadimoulis

Motion for a resolution
Paragraph 115 a (new)

Motion for a resolution

115 a. Calls on the Member States to put up measures against the ongoing trend towards less progressive taxation systems by shifting tax contributions from labour and consumption towards capital via, according to the national context, wealth and inheritance taxes or a broadening of the base for corporate taxes;

Amendment

Or. en