

TAXE II Roadmap - GUE/NGL

1: Complete gathering and analysis of information relevant for TAXE's work

A) Full document access:

- CoCG room documents for 2003-2009 period (only documents already published via PAD requests have been made available to TAXE);
- CoCG room documents for 2010-2015 period in non-redacted version;
- Access to CoCG room documents outside the reading room for proper discussion and analysis;
- CoCG minutes for 1998-2015;
- Database of tax regimes considered potentially harmful as prepared by the Commission over the course of the CoCG's work;
- Member State documents not yet delivered or not delivered in satisfactory manner;
- Documents from Council Working Party on Tax Questions - Direct Taxation (already requested).

B) In-depth hearings in a format allowing more back and forth between TAXE members and individual invited guests. The practice of bundling questions has clearly provided too much room for evasive answers.

- With **specific multinationals** for a systematic assessment of their tax practices;
 - Hearings should be preceded by document requests. Documents can be analysed collectively by TAXE members with support from the secretariat. External experts should be invited / contracted to reinforce this process. The outcome could lead to **comprehensive case studies**;
 - The EP could learn here from international experiences such as the investigations of the US Senate. Former staff director and chief counsel of the Senate's Permanent Subcommittee on Investigations, Elise Bean, expressed her interest to share her experience in a hearing or a targeted workshop with TAXE members (possibly supported by a Democratic and a Republican Senator);
 - Part of the hearings should be organised with representatives of **letterbox companies** to scrutinise the economic substance of their business;
- With **financial intermediaries including banks** on their role in tax avoidance schemes and their potential assistance to MNC's profit shifting;
 - The EU has more competencies on financial regulation than on direct taxation and TAXE could use this lever to press for stronger controls against aggressive tax planning;
- With Commission President **Jean Claude Juncker** in order to clarify all remaining inconsistencies from the September TAXE hearing (as requested by TAXE plenary report) as well as recent revelations by DER SPIEGEL on blocking reforms against aggressive tax planning through patent boxes;
- With Eurogroup President **Jeroen Dijsselbloem** in his role as Dutch Minister of Finance, as representative of the Council Presidency in the first half of 2016 and also with respect to above mentioned SPIEGEL revelations;

- With other key **public stakeholders** from Member States, EU institutions and third countries. In addition to questions of political responsibility, TAXE should hold a dialogue with tax administrations of country that are already today looking beyond the arm's length principle for transfer prices such as Brazil.

C) Renewed outreach to whistleblowers and the public including a legally sound version of the secure cloud discussed in spring 2015 and a dialogue with the Council of Europe on principles of whistleblower protection.

D) Additional or hitherto inconclusive studies

- Overview of effective corporate tax rate of 50 biggest companies in each Member State, possibly in conjunction with expertise in preparation of in-depth MNC hearings as outlined above;
- Comparative study on Member State tax implementation and enforcement bodies (tax authorities and judiciary dealing with financial offenses) as regards the adequateness of their equipment including human resources, their track-record in combatting tax evasion and investigating aggressive tax planning and the potential impact of political influence on their workings and decision-making;
- Legal study analysing the powers Member States vis-a-vis overseas territories, crown dependencies etc.

E) Additional TAXE delegations (or meetings in Brussels)

- Madeira
- Isle of Man
- Malta
- Cyprus

2: Follow-up of TAXE / recommendations and material reforms
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F) Policy reforms for a fairer and more transparent tax system

- **Scorecard**, as specific chapter of TAXE2 report, for progress by Commission, Council and Member States on elements called for by TAXE report voted on 25/11/2015;
- Intensified dialogue with **national parliaments** regarding possible initiative on TAXE recommendations;
- **Stock-taking** of material improvements (or lack thereof) through national, European and international reform efforts since start of TAXE committee (on-going reforms + anti-BEPS directive at EU level).

G) Institutional reforms for more solid oversight and scrutiny by the European Parliament

- Stepped-up engagement with the **Council** on the long overdue regulation on committees of inquiry;
- Creation of a **permanent subcommittee of investigations** with the resources necessary to probe misconduct and malpractices in tax and other areas, and with competencies to subpoena and establish specific sanctions against non-cooperative multinational corporations;
- Reform **EP's Rules of Procedures** and the **interinstitutional agreement** with the Commission.