



20.6.2016

NATIONAL PARLIAMENT REASONED OPINION ON SUBSIDIARITY

Subject: Reasoned opinion of the Swedish Parliament concerning the proposal for a Directive of the European Parliament and of the Council amending Directive 2013/24/EU as regards disclosure of income tax information by certain undertakings and branches
(COM(2016)0198 – 2016/0107(COD))

Under Article 6 of the Protocol (No 2) on the application of the principles of subsidiarity and proportionality, national parliaments may, within eight weeks of the date of transmission of a draft legislative act, send the Presidents of the European Parliament, the Council and the Commission a reasoned opinion stating why they consider that the draft in question does not comply with the principle of subsidiarity.

The Swedish Parliament has sent the attached reasoned opinion on the aforementioned proposal for a directive.

Under Parliament's Rules of Procedure the Committee on Legal Affairs is responsible for compliance with the subsidiarity principle.

Swedish Parliament

Official Communication from the Riksdag

2015/16:274

The President of the European Parliament

The President of the Council of the European Union

The President of the European Commission

I hereby submit the Riksdag's reasoned opinion as shown in Annex 2 to the attached report and would inform you that the Riksdag has today approved the proposal of the Committee on Civil Affairs for a Riksdag Decision in Report 2015/16:CU25, Assessment in the light of the principle of subsidiarity of the Commission proposal on disclosure of income tax information by certain undertakings and branches.

Stockholm, 9 June 2016

Tobias Billström

Claes Mårtensson

Reasoned opinion of the Swedish Parliament (Riksdag)

The Swedish Parliament has examined the Commission proposal for a Directive of the European Parliament and of the Council amending Directive 2013/24/EU as regards disclosure of income tax information by certain undertakings and branches (COM(2016) 198) in the light of the principle of subsidiarity.

The Riksdag considers it a high political priority to counter tax avoidance and evasion, both at EU level and at global level. The Riksdag therefore looks favourably upon the objective of the proposal for a directive, which is, inter alia, to seek to bring about a more equitable distribution of multinational undertakings' tax payments by strengthening the link between value creation and the tax burden.

The Riksdag considers that drawing up a list of jurisdictions which do not adhere to tax good governance standards is such a far-reaching tax measure that the decision in question should be taken by Member States within the Council. In this respect, the proposal exceeds what is necessary in order to attain the stated objectives, and should therefore be regarded as contrary to the principle of proportionality.

In the Riksdag's view, the Commission proposal should be regarded as one among several measures that together constitute an overall EU strategy to ensure that profits are taxed where they arise and that multinational undertakings cannot avoid paying their share of tax by means of aggressive tax planning and tax evasion. The Riksdag also notes that, in its impact assessment, the Commission likewise takes the view that the proposal is part of the Commission's work to ensure that the country where an undertaking's profits are generated is also the country where they are taxed. The Riksdag therefore considers that the proposal harmonises taxation rules, and it follows from that fact that the legal basis for the proposal needs to be amended. In this context, the Riksdag would observe that responsibility for taxation policy is primarily located at national level, and it recalls that, at the same time, a transfer of responsibility from Member States to the EU entails a limitation of Member States' scope for action in this field. The Commission should therefore pay particular attention and take care when proposing measures that affect this field, which is so sensitive for Member States.

Finally, the Riksdag notes that, in its explanatory memorandum on the proposal, the government states that there is a risk that the implementation of the proposal for open country-by-country reporting could jeopardise the vital global exchange of country-by-country reports between tax authorities which has been negotiated within the OECD.

In the light of the above, the Riksdag's overall assessment is that the proposal cannot in all respects be regarded as compatible with the principle of subsidiarity.