

**Question for written answer E-007787/2012
to the Commission**

Rule 117

Nathalie Griesbeck (ALDE)

Subject: Retirement pensions of cross-border workers

Article 45 of the Treaty on European Union guarantees the free circulation of workers. Since 2005, following a judgment by the German constitutional court and an amendment of the German tax system, German pensions paid to cross-border workers living in other EU Member States are subject to tax in Germany. These workers thus face dual taxation, as they are subject to tax both in their countries of residence and in Germany.

The German fiscal system also taxes these workers without applying the reductions to which German residents are entitled. This inequality among European workers could therefore be seen as due to the application of measures which discriminate against cross-border workers. The Commission has already emphasised that it does not consider double taxation, resulting from the coexistence of two separate tax systems, to be against EU law. Nevertheless, is this dual taxation not likely to form an obstacle to the smooth functioning of the internal market and to the principle of free movement of workers?

The Commission has carried out an assessment of taxation in the 27 EU Member States during 2012, with a view to establishing whether or not certain States were failing to meet their obligations in this field, particularly in relation to cross-border workers.

In light of the above, can the Commission answer the following:

1. Is it able to forward the results of this assessment, particularly in relation to Germany ?
2. What solutions is the Commission able to propose on this subject, particularly as regards the problem of double taxation?
3. If Germany is found to have discriminated against former cross-border workers, what sort of steps can the Commission take if Germany, or any other Member State which fails to respect the Union's principle of free circulation, refuses to change its legislation?