

**Question for written answer E-010641/2014
to the Commission**
Rule 130
Matteo Salvini (NI)

Subject: Unfair competition in passenger transport services

Under Regulation 1073/2009, passenger transport services provided by European firms in a Member State other than the one in which the firm has its head office are subject to the taxation system of the State in which transport is provided (where a single journey passes through more than one country, each Member State can demand payment of VAT only for the part of the journey within its borders).

However, a large number of firms are currently operating in Italy which have their registered address in an eastern European country but are actually operating mainly in Italy and neighbouring countries. This allows them to enjoy an unfair advantage over competitors who are operating in the same geographical area but are subject to more onerous Italian taxation.

Also, the almost total absence of checks by the Italian authorities means that many of these firms can easily avoid paying the proper amount of tax on services provided in Italy, thus remaining essentially invisible to the Italian tax authorities and practising unfair competition against Italian firms.

1. Is the Commission aware of this situation, which is encouraging relocation and tax evasion?
2. Is the Commission aware of the severe lack of checks on this sector?
3. What steps is it planning to take to address this situation?