

**Question for written answer E-000445/2015**  
**to the Commission**  
Rule 130  
**José Blanco López (S&D)**

Subject:     Withholding taxes in the dairy sector

We have found out recently that the Spanish Ministry of Agriculture is looking into the possible use of withholding taxes, which allow the industry to hold back part of the price paid to livestock farmers for their milk production in case they exceed their assigned quota. This measure makes no sense as the current quota system approaches its last season and is especially serious at a time when the sector is experiencing a price crisis in Galicia, with thousands of farms struggling to break even.

1. Does the European Commission not feel that using mechanisms as harmful to livestock farmers as withholding taxes and fines is excessive and out of place in the present exceptional times of transition from the quota to the free market system?
2. Has the Commission considered the possibility of recommending that Member States adopt flexible rather than burdensome measures in view of the transition to the new system?
3. Is the Commission aware of measures such as those reported by livestock farmers from whom the industry is demanding bank guarantees to cover hypothetical penalties? What is its opinion of such measures and where do they fit in legally?