

**Question for written answer E-000189/2016
to the Commission**

Rule 130

José Blanco López (S&D)

Subject: CJEU annulment of 'Spanish tax lease system' penalty

The Court of Justice of the European Union has annulled the decision adopted by the College of Commissioners against the tax relief arrangement for vessels built in Spanish shipyards – the so-called tax lease system – which had been in force from 2007 to 2011. The Court has thus exempted investors from refunding the tax benefits they received.

My community, Galicia, has been hardest hit, not only because of the amounts at stake – 50% of all refunds – but also because the annulment of the old tax lease scheme brought the sector to a complete standstill. The penalty is estimated to have cost more than 8 000 jobs.

During the two years in which there were no incentives for shipbuilding contracts – the new tax lease system entered into force in 2013 – private Galician shipyards took in orders amounting to only EUR 200 million, when average turnover from 2006 to 2010 had not fallen below EUR 1.4 billion per year; an overall loss of EUR 2 billion.

Will the Commission compensate for the damage to the sector caused by the loss of profits, competitiveness and jobs over these years?