

**Question for written answer E-001124/2016/rev.1  
to the Commission**  
Rule 130  
**Hugues Bayet (S&D)**

Subject: Luxembourgish excess-profit rulings

The results of the Commission inquiry into Belgian excess-profit rulings have shown that they are akin to a covert state aid scheme. By allowing major companies to use the transfer price to their advantage, this mechanism has enabled some thirty companies to gain over EUR 700 million, creating unfair tax competition with smaller companies while also being very costly to the public purse.

It is a matter of principle that major companies should pay their taxes like everyone else. They benefit from public-sector expenditure in the same way as SMEs and individuals.

These major companies would not be as profitable without the roads and other public infrastructure for their supplies and deliveries, without the public education which provides them with educated workers, and without the police and judiciary which uphold the rule of law. This system exists in Belgium, of course, but Belgium is not the only country concerned. Luxembourg definitely is too.

1. Does the Commission intend opening an investigation shortly into Luxembourg, which employs similar practices, and within the EU as a whole?
2. If not, why not?