

---

## European cooperation needed to tackle tax avoidance, agree MEPs and national parliamentarians.

**The impact of aggressive tax planning on small and medium-sized enterprises, the need for a common European approach against aggressive tax planning and proposals to act against tax havens were discussed by MEPs with their national counterparts on Monday. The talks in TAXE 2 committee came against the backdrop of recent public furore over the Panama papers.**

Representatives from national parliaments of 19 EU member states joined their European counterparts to discuss recent measures to crack down on aggressive tax planning and what more could be done to tackle the loss of tax revenue which, according to the [European Parliamentary Research Service](#) is estimated to cost the EU 50-70 billion euro each year. The MPs agreed measures to combat aggressive tax planning can only be agreed at a European level, but that ultimately, it is up to national authorities to act on the issue of tax and tax avoidance.

"You, national colleagues, will be taking the decisions. We are here to help you...We'll make sure you have all the information." said Alain Lamassoure, Chairman of the TAXE 2 Committee, summing up the views of many MPs, both European and national.

### Higher tax burden for SMEs

Many representatives pointed out that aggressive tax planning by multinational corporations (MNCs) had disadvantaged small and medium-sized enterprises whose tax burden were on average, 30 percent higher than those of MNCs.

But some parliamentarians called for caution regarding any proposed measures to crack down on tax avoidance, warning they could impact competition, or place additional burdens on SMEs.

### A tax havens 'blacklist'?

In the wake of the leak of the 'Panama Papers' MEPs took aim at tax havens, many calling for a Europe-wide joint 'blacklist' of uncooperative tax jurisdictions. Others went further, calling for

measures that go beyond 'naming and shaming'. "These leaks show there are still loopholes that need to be clamped down on," said Stephen Quest, Director-General of the Directorate-General for Taxation and Customs Union at the European Commission.

But he said sanctions against blacklisted country's rarely progressed. "The first sanction is the public disapproval of being listed, and that's actually quite effective". One MEP pointed out that tax havens existed with the EU and later, the rapporteur for TAXE 2, Jeppe Kofod, agreed "we need to get our own house in order".

Many MEPs and MPs highlighted how the 'Panama Papers' had intensified public anger over the tax evasion. A number of representatives said the work of the committee had been helped by a succession of leaks over aggressive corporate tax planning, including the "Luxleaks" and "Swissleaks" scandals, by focusing public attention on the issue.

The TAXE2 committee will draft recommendations in July, for adoption by the European Parliament, said Mr Lamassoure, who closed the session by reminding parliamentarians the Dutch Presidency has set itself the goal of achieving political agreement on an anti-tax avoidance package, by the end of its presidency in June.

### Further information

[Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect \(TAXE 2\)](#)

### Contacts

---

Hyun-Sung KHANG

☎ +32 2 28 34710 (BXL)

🐦 [@EP\\_Economics](#)

✉ [hyun-sung.khang@europarl.europa.eu](mailto:hyun-sung.khang@europarl.europa.eu)

---