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*Committee on Economic and Monetary Affairs*

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**2013/0045(CNS)**

30.4.2013

# **AMENDMENTS 21 - 171**

**Draft report**  
**Anni Podimata**  
(PE507.928v01-00)

on the proposal for a Council directive implementing enhanced cooperation in  
the area of financial transaction tax

Proposal for a directive  
(COM(2013)0071 – C7-0049/2013 – 2013/0045(CNS))

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PE507.999v01-00

**EN**

*United in diversity*

**EN**

AM\_Com\_LegReport

**Amendment 21**

**Gunnar Hökmark, Theodor Dumitru Stolojan, Krišjānis Kariņš**

**Proposal for a regulation**

-

*Proposal for rejection*

***The European Parliament rejects the  
Commission proposal***

Or. en

*Justification*

*The Commission itself has admitted the proposed tax on financial transactions would be detrimental to economic growth in Europe. Following five years of persistent and severe economic difficulties throughout our Union, everything must be done to facilitate the recovery. Likewise, all proposals which would further aggravate the situation must be repelled and this directive should, therefore, be rejected.*

**Amendment 22**

**Olle Schmidt, Nils Torvalds**

**Proposal for a regulation**

-

*Proposal for rejection*

***The European Parliament rejects the  
Commission proposal***

Or. en

*Justification*

*The introduction of a FTT is undesirable. It is doubtful whether it will counteract disruptive market behaviour. An FTT will damage economic activity as it increases the cost of capital and encourages evasive behaviour. An FTT on equity and debt securities trades will increase the cost of capital, since holders will demand higher yield to offset the tax. A higher cost of capital reduces investments, thereby slowing down economic growth. Instead the Commission should propose other alternatives.*

**Amendment 23**  
**Auke Zijlstra**

**Draft legislative resolution**  
**Paragraph 1**

*Draft legislative resolution*

1. *Approves the Commission proposal as amended;*

*Amendment*

1. *The European Parliament recalls that according to Article 326, par. 1, TFEU any enhanced cooperation shall comply with the Treaties and Union law. Since the proposal violates Article 327 TFEU, according to which the competences and rights of those Member States which do not participate in the enhanced cooperation shall be respected by the enhanced cooperation, the European Parliament invites the European Commission to withdraw its proposal and to conduct a new impact assessment in order to take into adequate account the effective legal and economic impact of the financial transaction tax.*

Or. en

**Amendment 24**  
**Olle Schmidt, Nils Torvalds, Sharon Bowles, Philippe De Backer, Ramon Tremosa i Balcells**

**Draft legislative resolution**  
**Paragraph 1 a (new)**

*Draft legislative resolution*

*Amendment*

*(1a) Calls on the Commission to demonstrate in a comprehensive impact assessment and cost benefit analysis that any enhanced cooperation will respect the competences, rights and obligations of those Member States which do not participate in it.*

Or. en

**Amendment 25**  
**Olle Schmidt, Nils Torvalds**

**Draft legislative resolution**  
**Paragraph 1 b (new)**

*Draft legislative resolution*

*Amendment*

***(1b) Calls on the Commission to analyse and to propose the introduction of an EU wide VAT on financial services or Financial Activity Tax.***

Or. en

**Amendment 26**  
**Jean-Paul Besset**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Recital 1**

*Text proposed by the Commission*

*Amendment*

(1) In 2011, the Commission took note of a debate on-going at all levels on additional taxation of the financial sector. The debate originates from the desire to ensure that the financial sector fairly and substantially contributes to the costs of the crisis and that it is taxed in a fair way vis-à-vis other sectors for the future, to dis-incentivise excessively risky activities by financial institutions, to complement regulatory measures aimed at avoiding future crises and to generate additional revenue for general budgets or specific policy purposes.

(1) In 2011, the Commission took note of a debate on-going at all levels on additional taxation of the financial sector. This debate originates from the desire to ensure that the financial sector fairly and substantially contributes to the costs of the crisis and that it is taxed in a fair way vis-à-vis other sectors for the future, to disincentivise excessively risky activities by financial institutions, to complement regulatory measures aimed at avoiding future crises and to generate additional revenue for general budgets, ***protection of global public goods such as forests, the climate or the oceans, cooperation with southern countries*** or specific policy purposes, ***particularly for ecological conversion.***

Or. fr

## Amendment 27

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

### Proposal for a directive

#### Recital 1

*Text proposed by the Commission*

(1) In 2011, the Commission took note of a debate on-going at all levels on additional taxation of the financial sector. The debate originates from the desire to ensure that the financial sector fairly and substantially contributes to the costs of the crisis and that it is taxed in a fair way vis-à-vis other sectors for the future, to dis-incentivise excessively risky activities by financial institutions, to complement regulatory measures aimed at avoiding future crises and to generate additional revenue for general budgets or specific policy purposes.

*Amendment*

(1) In 2011, the Commission took note of a debate on-going at all levels on additional taxation of the financial sector. The debate originates from the desire to ensure that the financial sector fairly and substantially contributes to the costs of the crisis and that it is taxed in a fair way vis-à-vis other sectors for the future, to dis-incentivise excessively risky activities by financial institutions, to complement regulatory measures aimed at avoiding future crises, ***reducing speculations*** and to generate additional revenue for general budgets, ***inter alia as a contribution to fiscal consolidation*** or specific policy purposes. ***The introduction of the financial transaction tax thus shows a positive distribution and steering capacity by appropriately supplementing existing regulatory reform initiatives.***

Or. en

## Amendment 28

**Roberta Angelilli**

### Proposal for a directive

#### Recital 1

*Text proposed by the Commission*

(1) In 2011, the Commission took note of a debate on-going at all levels on additional taxation of the financial sector. The debate originates from the desire to ensure that the financial sector fairly and substantially contributes to the costs of the crisis and

*Amendment*

(1) In 2011, the Commission took note of a debate on-going at all levels on additional taxation of the financial sector. The debate originates from the desire to ensure that the financial sector fairly and substantially contributes to the costs of the crisis and

that it is taxed in a fair way vis-à-vis other sectors for the future, to dis-incentivise excessively risky activities by financial institutions, to complement regulatory measures aimed at avoiding future crises and to generate additional revenue for general budgets or specific policy purposes.

that it is taxed in a fair way vis-à-vis other sectors for the future, to dis-incentivise excessively risky activities by financial institutions, to complement regulatory measures aimed at avoiding future crises and to generate additional revenue for general budgets or specific policy purposes, *particularly to stimulate growth and employment, especially employment of young people.*

Or. it

#### **Amendment 29**

**Jean-Paul Besset**

on behalf of the Verts/ALE Group

#### **Proposal for a directive**

##### **Recital 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*(1a) According to the European Council's conclusions of 8 February 2013 on the next Multiannual Financial Framework 2014-2020, part of the revenues from the FTT should be allocated to the Union budget as a genuine own resource. All or part of the amount of the own resources from the FTT should be additional to the national contributions of the Member States in order to devote new funding to European investment.*

Or. fr

#### **Amendment 30**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Wolf Klinz**

#### **Proposal for a directive**

##### **Recital 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***(1a) Prior to the introduction of an FTT the Commission shall demonstrate that enhanced cooperation will not undermine the internal market or economic, social and territorial cohesion. It shall also demonstrate that it does not constitute a barrier to or discrimination in trade between Member States, nor distort competition between them. The Commission shall present a new robust analysis and impact assessment, of the consequences the proposal for a common FTT both on participating and non participating countries as well as on the Single Market as a whole.***

Or. en

**Amendment 31**

**Othmar Karas, Alfredo Pallone, Sirpa Pietikäinen**

**Proposal for a directive**

**Recital 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***(1a) The revenues from the FTT should be allocated to the budget of the European Union as genuine own resources. This should not lead to a reduction of the respective national contributions of the participating Member States to the Union budget.***

Or. en

**Amendment 32**

**Olle Schmidt, Nils Torvalds, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Recital 1 b (new)**



*Text proposed by the Commission*

*Amendment*

***(1b) It is important to emphasize that non-participating Member States' interests should be taken into account after the this Directive on enhanced cooperation has been implemented since the introduction of the tax will effect the single market as a whole. A tax with a narrower tax base would reduce the negative effects of the tax.***

Or. en

**Amendment 33  
Olle Schmidt**

**Proposal for a directive  
Recital 1 c (new)**

*Text proposed by the Commission*

*Amendment*

***(1 c) The revenues from the FTT should not be used as own resources for the EU since not all Member States are participating. To allocate tax revenue levied under FTT to the Union budget as genuine own resource would imply that non-participating Member States and third countries would contribute to the participating Member States Union membership fees. Such an approach is inappropriate.***

Or. en

*Justification*

*The matter of allocating tax revenue to the Union instead of to the Member States is a fundamental policy matter. Amendments in the way of financing the Union cannot be made through the backdoor in a Directive involving only some of the Member States. This potential treaty matter should duly be discussed between all Member States. Furthermore, the proposed FTT suggest that parties in a non-participating Member States or in a third country would be liable to FTT under certain circumstances.*

**Amendment 34**  
**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) According to the difference in scope between the initial Commission proposal for a common FTT and existing national financial transaction tax regimes this enhanced cooperation in regard to FTT may not be regarded as furthering the Union's objectives, protecting its interests and reinforcing its integration process within the meaning of Article 20 TEU.***

Or. en

**Amendment 35**  
**Othmar Karas, Alfredo Pallone, Sirpa Pietikäinen**

**Proposal for a directive**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) The FTT will truly achieve its objectives if it is introduced at global level. The enhanced cooperation of 11 Member States therefore only constitutes the first step towards a FTT on Union-level and ultimately on global level. The Union will continuously advocate a global introduction and will urge for a FTT being put on the G-20 agenda.***

Or. en

*Justification*

*The EP has stated in its position of 23 May 2012 and in its resolution of 12 December 2012*

*that FTT will truly achieve its objectives only if introduced at global level. The Union therefore needs to strive for this issue to be discussed and resolved by the G-20.*

**Amendment 36**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Recital 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) The initiative of eleven member states to introduce the financial transaction tax in the framework of enhanced cooperation is a first step in the direction of an EU-wide and lastly a globally coordinated approach.***

Or. en

**Amendment 37**

**Olle Schmidt, Nils Torvalds, Sharon Bowles**

**Proposal for a directive**  
**Recital 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) The extraterritorial aspects of enhanced cooperation have not been fully considered sufficiently to ensure that it will respect the rights, competences and obligations of the non-participating Member States. Therefore the Commission shall closely monitor the implementation of an FTT adopted under enhanced cooperation with regard to articles 326 and 327 of the Treaty and report annually to the Council and European Parliament on any adverse affects this has in respect of those provisions.***

**Amendment 38**  
**Othmar Karas, Sirpa Pietikäinen**

**Proposal for a directive**  
**Recital 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(3a) In light of the substantial progress of the European financial market regulation (for example reflected by the stricter rules of CRD IV/CRR or the FTT), participating Member States that have introduced banking levies in light of the recent financial crisis should review the necessity of such taxes and their compatibility with the rules and the aims of Union legislation and the single market.***

Or. en

**Amendment 39**  
**Olle Schmidt, Nils Torvalds, Sharon Bowles, Philippe De Backer**

**Proposal for a directive**  
**Recital 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(3a) Any harmonisation of FTTs amongst participating Member States must not result in extra-territorial taxation infringing on the potential tax base for other non participating EU countries.***

Or. en

*Justification*

*Extra-territorial taxation – extending tax consequences beyond the national borders of*

*countries implementing the tax. This is a form of aggressive tax competition usually considered unwarranted and harmful. Countries should not infringe other countries taxation rights.*

**Amendment 40**  
**Jürgen Klute**

**Proposal for a directive**  
**Recital 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(3a) Member States are encouraged to use revenues from the FTT for mitigating the effects of the financial crisis, which has been caused by financial market actors, notably in the areas of social, education, research, health, employment, cultural, environmental and renewable-energy policies.***

Or. en

**Amendment 41**  
**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Recital 4**

*Text proposed by the Commission*

*Amendment*

***(4) The improvement of the operation of the internal market, in particular the avoidance of distortions between the participating Member States requires that a FTT applies to a broadly determined range of financial institutions and transactions, to trade in a wide range of financial instruments, including structured products, both in the organised markets and ‘over-the-counter’, as well as to the conclusion of all derivative contracts and to material modifications of the operations concerned.***

***deleted***

*Justification*

*The widened scope of the FTT not only risks damaging the competitiveness of many companies by increasing costs of funding investments and meeting pension liabilities, it also increases the cost of handling foreign exchange transactions from cross border trade activities. The effect is particularly serious, but not limited to, European companies outside the euro-area. The increased cost for ordinary business transactions will restrain much needed trade, investment, employment and growth.*

**Amendment 42****Jean-Paul Besset**

on behalf of the Verts/ALE Group

**Proposal for a directive****Recital 4***Text proposed by the Commission*

(4) The improvement of the operation of the internal market, in particular the avoidance of distortions between the participating Member States requires that a FTT applies to a broadly determined range of financial institutions and transactions, to trade in a wide range of financial instruments, including structured products, both in the organised markets and "over-the-counter", as well as to the conclusion of all derivative contracts and to material modifications of the operations concerned.

*Amendment*

(4) The improvement of the operation of the internal market, in particular the avoidance of distortions between the participating Member States requires that a FTT applies to a broadly determined range of financial institutions and transactions, to trade in a wide range of financial instruments, including structured products, both in the organised markets and "over-the-counter", as well as to the conclusion of all derivative contracts, ***including contracts for differences (CFD) and currency spots on the foreign exchange market***, and to material modifications of the operations concerned.

Or. fr

**Amendment 43****Klaus-Heiner Lehne, Evelyn Regner**

on behalf of the Committee on Legal Affairs

**Proposal for a directive****Recital 4**

*Text proposed by the Commission*

(4) The improvement of the operation of the internal market, in particular the avoidance of distortions between the participating Member States requires that a FTT ***applies*** to a broadly determined range of financial institutions and transactions, to trade in a wide range of financial instruments, including structured products, both in the organised markets and ‘over-the-counter’, as well as to the conclusion of all derivative contracts and to material modifications of the operations concerned.

*Amendment*

(4) The improvement of the operation of the internal market, in particular the avoidance of distortions between the participating Member States; ***and to reduce the scope for fraudulent tax avoidance; relocation of risk and regulatory arbitrage***, requires that a FTT ***should apply*** to a broadly determined range of financial institutions and transactions, to trade in a wide range of financial instruments, including structured products, both in the organised markets and "over-the-counter", as well as to the conclusion of all derivative contracts, ***including contract for difference (CfDs) and speculative forward transactions***, and to material modifications of the operations concerned.

Or. en

*Justification*

*An exception for spot currency transactions remains questionable in economic terms. due to the daily volume of foreign currency transactions on the spot market amounted to 1,5 trillion USD in 2010. This constitutes one third of the daily overall foreign currency exchange volume of 4 billion USD. The growing importance of high frequency trade, especially on the spot market, is one of the reasons for an increased volume of transactions since the beginning of the crisis.*

**Amendment 44**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) The FTT should only be levied on financial transactions on fully liquid markets to avoid dramatic market distortions and damaging already fragile***

*markets. Transactions for the account of another person, or undertaken as fulfilment of market making activities shall be out of the scope of a FTT, as should the hedging of risks arising from market making. Without such exemptions the tax would have a deeply damaging effect on liquidity in financial markets, with negative implications for the cost of funding for real economy.*

Or. en

**Amendment 45**

**Ramon Tremosa i Balcells, Izaskun Bilbao Barandica, Olle Schmidt, Nils Torvalds**

**Proposal for a directive**

**Recital 6 a (new)**

*Text proposed by the Commission*

*Amendment*

*(6a) Transactions on public debt from EU Member States should not be included in the scope of the tax*

Or. en

**Amendment 46**

**Jean-Paul Besset**

on behalf of the Verts/ALE Group

**Proposal for a directive**

**Recital 7 a (new)**

*Text proposed by the Commission*

*Amendment*

*(7a) In each set of negotiations, the FTT should be regarded as a condition for, or an option associated with, financial assistance requested by Member States in difficulties.*

Or. fr



**Amendment 47**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Recital 8**

*Text proposed by the Commission*

(8) With the exception of the conclusion or material modification of derivative contracts, the trade on primary markets and transactions relevant for citizens and businesses such as conclusion of insurance contracts, mortgage lending, consumer credits or payment services should be excluded from the scope of FTT, so as not to undermine the raising of capital by companies and governments and to avoid impact on households.

*Amendment*

(8) With the exception of the conclusion or material modification of derivative contracts, the trade on primary markets and transactions relevant for citizens and businesses such as conclusion of insurance contracts, mortgage lending, consumer credits or payment services should be excluded from the scope of FTT, so as not to undermine the raising of capital by companies and governments and to avoid **a negative** impact on households **and the real economy**.

Or. en

**Amendment 48**

**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Recital 9**

*Text proposed by the Commission*

(9) The provisions of Council Directive 2008/7/EC of 12 February 2008 concerning indirect taxes on the raising of capital<sup>28</sup> continue to be fully applicable. Article 5(1)(e) and (2) of that Directive is relevant to the area covered by this Directive and prohibits, subject to Article 6(1)(a) of that Directive, the imposition of any tax whatsoever on the transactions referred to in its provisions. Transactions in respect of which Directive 2008/7/EC prohibits or could prohibit the imposition of taxes

*Amendment*

(9) The provisions of Council Directive 2008/7/EC of 12 February 2008 concerning indirect taxes on the raising of capital continue to be fully applicable. Article 5(1)(e) and (2) of that Directive is relevant to the area covered by this Directive and prohibits, subject to Article 6(1)(a) of that Directive, the imposition of any tax whatsoever on the transactions referred to in its provisions. Transactions in respect of which Directive 2008/7/EC prohibits or could prohibit the imposition of taxes

should therefore not be subject to FTT. Independently from the extent to which Directive 2008/7/EC prohibits taxation of the issuance of shares and units collective investment undertakings, considerations of tax neutrality require a single treatment of issuances by all these undertakings. ***The redemption of shares and units thus issued are however not in the nature of a primary market transaction and should thus be taxable.***

should therefore not be subject to FTT. Independently from the extent to which Directive 2008/7/EC prohibits taxation of the issuance of shares and units collective investment undertakings, considerations of tax neutrality require a single treatment of issuances ***and redemptions*** by all these undertakings.

Or. en

#### *Justification*

*The redemption of shares and units collective investment undertakings should have the same treatment of the issuance of the same because it should refer to a primary market transaction.*

#### **Amendment 49 Jean-Paul Gauzès**

#### **Proposal for a directive Recital 9 a (new)**

*Text proposed by the Commission*

*Amendment*

***(9a) Parliament would like to receive explanations from the Commission concerning the exclusion of foreign exchange spot transactions while exchange derivatives are included in the fiscal base. It would like to receive a report on the exact legal reasons for which the Commission's legal analyses of these two types of transaction differ in the context of the free movement of capital, and an economic study of their possible taxation.***

Or. fr

**Amendment 50**  
**Sharon Bowles, Olle Schmidt**

**Proposal for a directive**  
**Recital 10**

*Text proposed by the Commission*

(10) The chargeability and taxable amount should *be harmonised so as to avoid distortions in* the internal market.

*Amendment*

(10) The chargeability and taxable amount should *not distort* the internal market.

Or. en

**Amendment 51**  
**Sharon Bowles, Olle Schmidt**

**Proposal for a directive**  
**Recital 11 a (new)**

*Text proposed by the Commission*

*Amendment*

***(11a) The participating Member States should take responsibility for establishing mechanisms to ensure that financial institutions in non-participating member states, and in third countries, adequately compensate tax authorities in participating Member States for the costs incurred in ensuring and verifying payment due by those overseas financial institutions.***

Or. en

**Amendment 52**  
**Othmar Karas, Alfredo Pallone, Sirpa Pietikäinen**

**Proposal for a directive**  
**Recital 13 a (new)**

*Text proposed by the Commission*

*Amendment*

***(13a) With a view to strengthening the***

*position of regulated markets and in particular of stock exchange trading, which is strictly regulated, controlled and transparent, against unregulated, less controlled and less transparent OTC trading, Member states should apply higher tax rates to OTC transactions. This will make it possible to effect a shift in trading from markets with little or no regulation to regulated markets. The higher rates should not apply to financial transactions of OTC derivatives where they objectively reduce risks and therefore serve the real economy.*

Or. en

*Justification*

*The EP has already stated in its position of 23 May 2012 that stock exchange trading should be strengthened against unregulated, uncontrolled and less transparent OTC trading. OTC transactions should therefore be subject to a higher tax rate. OTC derivatives that serve the real economy should not be subject to this higher rate.*

**Amendment 53**  
**Jürgen Klute**

**Proposal for a directive**  
**Recital 13 a (new)**

*Text proposed by the Commission*

*Amendment*

*(13a) Empirical data, collected for example by UNCTAD, has highlighted the problem of excessive speculation notably with regard to commodity derivatives. As a consequence food prices have drastically increased in some parts of the world hitting especially the most vulnerable people. Hence Member States shall be empowered to apply significantly higher tax rates for any type of trading activity with commodity contracts that goes beyond hedging of risks and that has the potential to cause distortions or*

*unwarranted changes in the orderly price formation of commodities.*

Or. en

**Amendment 54**  
**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Recital 15**

*Text proposed by the Commission*

(15) Because of the high mobility of financial transactions and in order to help mitigating potential tax avoidance, the FTT should be applied on the basis of the residence principle. *To further minimise the risk of relocation of transactions, while maintaining a single reference to ‘establishment’ for ease of application, this principle should be supplemented by elements of the issuance principle. Thus, for transactions in certain financial instruments, the persons involved should be considered established in the participating Member State in which the instrument has been issued.*

*Amendment*

(15) Because of the high mobility of financial transactions and in order to help mitigating potential tax avoidance, the FTT should be applied on the basis of the residence principle.

Or. en

*Justification*

*Proposed FTT under the enhanced co-operation mechanism must respect the sovereignty of non-participating Member States as well as third countries. All extraterritorial features of the FTT must accordingly be removed. Transactions occurring outside the zone of the participating Member States are therefore not to be taxed under this Directive. This means that “the establishment principle” is to be removed from the proposal.*

**Amendment 55**  
**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**  
**Recital 15 a (new)**

*Text proposed by the Commission*

*Amendment*

***(15a) The FTT should not be levied on parties to the transaction that is not located within a participating Member State. This is to respect the sovereignty of the jurisdiction of non-participating Member States and third countries. Fundamental principles of international taxation limit a states right to taxation to its own jurisdiction. Every infringement on this fundamental principle may lead to undesirable counter measures from affected jurisdictions. Accordingly, FTT should only be levied on Financial Institutions within the territory of a participating Member State.***

Or. en

*Justification*

*The extended extraterritorial reach means that the cost of the FTT will impact upon non-participating Member States. By not following usual sound principles of taxation, the FTT increases the risk of cascading, multiple international taxation, with a potential to damage international tax cooperation. The FTT will hamper the free flow of trade and capital, in sharp contrast to the objectives of a Single market.*

**Amendment 56**  
**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**  
**Recital 15 b (new)**

*Text proposed by the Commission*

*Amendment*

***(15b) The residence principle should not be complemented by the "transfer of legal title principle" in this Directive.***

Or. en

*Justification*

*In the rapporteur's amendments a new concept is introduced: the “transfer of legal title principle”. To add a provision that deems a transaction unenforceable due to the lack of tax levied is far-reaching. Furthermore, it is a disproportional measure that will affect not only parties established within a participating Members State. It may in fact even deem a transaction between two third country parties invalid.*

**Amendment 57**

**Othmar Karas, Alfredo Pallone**

**Proposal for a directive**

**Recital 16**

*Text proposed by the Commission*

*Amendment*

**(16) The minimum tax rates should be set at a level sufficiently high for the harmonisation objective of a common FTT to be achieved. At the same time, they have to be low enough so that delocalisation risks are minimised.**      **deleted**

Or. en

*Justification*

*In order to avoid a distortion of the common system of FTT under enhanced cooperation the level of the applicable rates should be uniform.*

**Amendment 58**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Wolf Klinz**

**Proposal for a directive**

**Recital 16**

*Text proposed by the Commission*

*Amendment*

(16) The minimum tax rates should be set at a level sufficiently high for the harmonisation objective of a common FTT to be achieved. At the same time, they have to be low enough so that delocalisation

(16) The minimum tax rates should be set at a level sufficiently high for the harmonisation objective of a common FTT to be achieved. At the same time, they have to be low enough so that delocalisation risks are minimised **as well as increases in**

risks are minimised.

*the cost of funding for business. The tax rate should not in any way reduce the value of pension rights.*

Or. en

*Justification*

*The rate should be uniform to avoid distortions to the Single market. It is negative to have flexibility in the rate setting. Non harmonisation of FTT will lead to tax arbitrage and potential double or non taxation. This prevents financial transactions to be carried out on a level playing field and affects tax revenues It imposes extra compliance costs on the financial and real sectors arising from too different tax regimes.*

**Amendment 59**

**Klaus-Heiner Lehne, Evelyn Regner**

on behalf of the Committee on Legal Affairs

**Proposal for a directive**

**Recital 19**

*Text proposed by the Commission*

(19) In order to prevent tax fraud **and** evasion the participating Member States should be obliged to adopt appropriate measures.

*Amendment*

(19) In order to prevent tax fraud, **fraudulent tax avoidance, e.g. substitution, and tax** evasion the participating Member States should be obliged to adopt appropriate measures.

Or. en

**Amendment 60**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Wolf Klinz, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Recital 19 a (new)**

*Text proposed by the Commission*

*Amendment*

**(19a) The Commission should establish an expert working group (FTT Committee) comprising representatives**



*from all Member States in the EU, the European Commission, the ECB and ESMA to assess the effective implementation of this Directive and the effects of the single markets as a whole. The FTT Committee should make full use of Union law, if appropriate, in the field of taxation and financial services regulation and of the instruments for cooperation on tax matters established by the OECD and the Council of Europe.*

Or. en

*Justification*

*All Member States should be part of the expert group in order to assess the impact of the FTT on the Single market.*

**Amendment 61**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Recital 19 a (new)**

*Text proposed by the Commission*

*Amendment*

*(19a) Tax avoidance and tax evasion will partly depend on the capacity of Member States to verify taxable transactions carried out outside the justification of FTT. The Commission should establish an expert working group (FTT Committee) comprising representatives from the participating Member States, the European Commission, the ECB and ESMA to assess the effective implementation of this Directive. The FTT Committee should supervise financial transactions in order to detect schemes of avoidance, propose countermeasures in a duly manner and coordinate their implementation on national level if required. The FTT*

***Committee should make full use of Union law in the field of taxation and financial service regulation and of the instruments for cooperation on tax matters established by international organisations including the OECD and the Council of Europe.***

Or. en

**Amendment 62**  
**Daniël van der Stoep**

**Proposal for a directive**  
**Recital 20**

*Text proposed by the Commission*

(20) In order to prevent tax ***avoidance and*** abuse through artificial schemes, it is necessary to provide for a general anti-abuse rule. A specific rule based on the same principles should be added with a view to address the particular problems linked to depositary receipts and similar securities.

*Amendment*

(20) In order to prevent tax abuse through artificial schemes, it is necessary to provide for a general anti-abuse rule. A specific rule based on the same principles should be added with a view to address the particular problems linked to depositary receipts and similar securities.

Or. nl

**Amendment 63**  
**Daniël van der Stoep**

**Proposal for a directive**  
**Recital 20**

*Text proposed by the Commission*

(20) In order to prevent tax avoidance and abuse through artificial schemes, ***it is necessary to provide for*** a general anti-abuse rule. A specific rule based on the same principles ***should*** be added with a view to address the particular problems linked to depositary receipts and similar securities.

*Amendment*

(20) In order to prevent tax avoidance and abuse through artificial schemes, a general anti-abuse rule ***may be provided for***. A specific rule based on the same principles ***may*** be added with a view to address the particular problems linked to depositary receipts and similar securities.

**Amendment 64**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive****Recital 21***Text proposed by the Commission*

(21) In order to allow the adoption of more detailed rules in certain technical areas, regarding registration, accounting, reporting obligations and other obligations intended to ensure that FTT due to the tax authorities is effectively paid to the tax authorities, and their timely adaptation as appropriate, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of specifying the measures necessary to this effect. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing-up delegated acts, should ensure a timely and appropriate transmission of relevant documents to the Council.

*Amendment*

(21) In order to allow the adoption of more detailed rules in certain technical areas, regarding registration, accounting, reporting obligations and other obligations intended to ensure that FTT due to the tax authorities is effectively paid to the tax authorities, and their timely adaptation as appropriate, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of specifying the measures necessary to this effect. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing-up delegated acts, should ensure a ***simultaneous***, timely and appropriate transmission of relevant documents ***to the European Parliament and*** to the Council.

*Justification*

*This amendment reinstates Parliament's prerogatives in accordance with Article 290 TFEU and the standard Recital in the Common Understanding on Delegated Acts.*

**Amendment 65**

**Wolf Klinz**

**Proposal for a directive**  
**Recital 22 a (new)**

*Text proposed by the Commission*

*Amendment*

***(22a) The revenues collected from the FTT shall be allocated to the respective Member State and not be used as own resources for the EU.***

Or. en

**Amendment 66**  
**Daniël van der Stoep**

**Proposal for a directive**  
**Recital 24**

*Text proposed by the Commission*

*Amendment*

(24) Since the objective of this Directive, namely to harmonise the essential features of a FTT within the participating Member States at Union level, ***cannot*** be sufficiently achieved by these Member States and ***can*** therefore, by reason of improving the proper functioning of the Single Market, be better achieved at Union level, the ***Union*** may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. ***In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve this objective,***

(24) Since the objective of this Directive, namely to harmonise the essential features of a FTT within the participating Member States at Union level, ***can*** be sufficiently achieved by these Member States and ***cannot*** therefore, by reason of improving the proper functioning of the Single Market, be better achieved at Union level, the ***Member States*** may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union.

Or. nl

**Amendment 67**  
**Jean-Paul Besset**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Recital 24 a (new)**

*Text proposed by the Commission*

*Amendment*

***(24a) In order to reduce as much as possible the risks of relocation to third jurisdictions and to establish equal competitive conditions, the Commission and the Council should propose worldwide application of the FTT in international fora (particularly the G20 and G8).***

Or. fr

**Amendment 68**

**Gunnar Hökmark, Theodor Dumitru Stolojan, Krišjānis Kariņš, Astrid Lulling, Danuta Maria Hübner**

**Proposal for a directive  
Recital 24 a (new)**

*Text proposed by the Commission*

*Amendment*

***(24a) The imposition of a tax on financial transactions would significantly reduce the liquidity of financial instruments subject to the tax and thereby increase the cost of funding for companies, pension funds, sovereigns and other economic agents. For a number of Member States currently experiencing difficulties in their financing of public activities and servicing their sovereign debt, the tax on financial transactions would be even more cumbersome.***

Or. en

**Amendment 69**

**Sharon Bowles**

**Proposal for a directive  
Article 1 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) The method of collecting an FTT shall be WTO compliant and consistent with other international agreements including BITs, FTAs and not prejudice future and pending EU investment and trade agreements.***

Or. en

**Amendment 70**

**Sharon Bowles, Olle Schmidt**

**Proposal for a directive**

**Article 1 – paragraph 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***(2b) In accordance with the principle of Article 2(3) for the Council Decision of 29 September 2000 on the system of the European Communities' own resources and the savings tax directive, Member States collecting tax on behalf of a participating Member State shall be entitled to retain 25% of the revenues from any FTT for costs incurred.***

Or. en

**Amendment 71**

**Markus Ferber**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 2 – point b**

*Text proposed by the Commission*

*Amendment*

***(b) the transfer between entities of a group of the right to dispose of a financial instrument as owner and any equivalent operation implying the transfer of the risk***

*deleted*

***associated with the financial instrument,  
in cases not subject to point (a);***

Or. de

*Justification*

*Financial transactions within group structures (intra-group transfers) are used by cooperative banks and savings banks to manage liquidity and risk, and help to reduce liquidity risks and risk concentrations and to spread them between parent entities and subsidiaries. As such transactions often take place several times a day, including them within the scope of the FTT would create a heavy burden and would damage the risk-bearing capacity of group structures.*

**Amendment 72**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Wolf Klinz, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 2 – point b**

*Text proposed by the Commission*

*Amendment*

***(b) the transfer between entities of a group of the right to dispose of a financial instrument as owner and any equivalent operation implying the transfer of the risk associated with the financial instrument, in cases not subject to point (a);*** ***deleted***

Or. en

*Justification*

*Intragroup transactions are essential for banking groups given that the associated affiliates interact with their central body. Central bodies are obliged by national law to provide daily liquidity assistance being part of the general intragroup's liquidity management. A possible FTT would result in high cumulative tax burdens at the expense of a sound liquidity management. Against this background it is crucial that such transactions will not be charged by a possible FTT.*

**Amendment 73**

**Alfredo Pallone**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 2 – point b**

*Text proposed by the Commission*

*Amendment*

***(b) the transfer between entities of a group of the right to dispose of a financial instrument as owner and any equivalent operation implying the transfer of the risk associated with the financial instrument, in cases not subject to point (a);***

***deleted***

Or. en

**Amendment 74**  
**Jean-Paul Besset**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 2 – point c**

*Text proposed by the Commission*

*Amendment*

(c) the conclusion of derivatives contracts before netting or settlement;

(c) the conclusion of derivatives contracts, ***including contracts for differences (CFD) and currency spots on the foreign exchange market,*** before netting or settlement;

Or. fr

**Amendment 75**  
**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 2 – point c**

*Text proposed by the Commission*

*Amendment*

(c) the conclusion of derivatives contracts before netting or settlement;

(c) the conclusion of derivatives contracts, ***including contract for difference (CfDs) and speculative forward transactions,*** before netting or settlement;



**Amendment 76**  
**Olle Schmidt, Nils Torvalds, Ramon Tremosa i Balcells**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 2 – point e**

*Text proposed by the Commission*

*Amendment*

***(e) a repurchase agreement, a reverse repurchase agreement, a securities lending and borrowing agreement;*** ***deleted***

Or. en

*Justification*

*Repos and reverse repos are considered as a temporary means of managing and providing liquidity. They are an important mechanism for the provision of secured funding. Taxation of these transactions via FTT would significantly reduce the flexibility of liquidity management. It would also create powerful disincentives for market participants to make use of secured funding and would encourage greater reliance on unsecured lending, thus increasing credit risk within the financial system.*

**Amendment 77**  
**Alfredo Pallone**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 2 – point e**

*Text proposed by the Commission*

*Amendment*

***(e) a repurchase agreement, a reverse repurchase agreement, a securities lending and borrowing agreement;*** ***deleted***

Or. en

**Amendment 78**  
**Sharon Bowles**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 2 – point e**

*Text proposed by the Commission*

(e) a repurchase agreement, a reverse repurchase agreement, a securities lending and borrowing agreement;

*Amendment*

(e) a repurchase agreement, a reverse repurchase agreement, a securities lending and borrowing agreement ***including cancelled orders made when engaging in high frequency trading;***

Or. en

**Amendment 79**  
**Jean-Paul Gauzès**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 3**

*Text proposed by the Commission*

3) 'Financial instruments' means financial instruments as defined Section C of Annex I to Directive 2004/39/EC of the European Parliament and of the Council, ***and*** structured products;

*Amendment*

3) 'Financial instruments' means financial instruments as defined Section C of Annex I of Directive 2004/39/EC of the European Parliament and the Council, structured products ***and foreign exchange spot transactions;***

Or. fr

**Amendment 80**  
**Olle Schmidt, Nils Torvalds, Ramon Tremosa i Balcells**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 5**

*Text proposed by the Commission*

***(5) 'Repurchase agreement' and 'reverse repurchase agreement' means an agreement as defined in Article 3(1)(m) of Directive 2006/49/EC of the European Parliament and of the Council;***

*Amendment*

***deleted***

*Justification*

*Repos and reverse repos are considered as a temporary means of managing and providing liquidity. They are an important mechanism for the provision of secured funding. Taxation of these transactions via FTT would significantly reduce the flexibility of liquidity management. It would also create powerful disincentives for market participants to make use of secured funding and would encourage greater reliance on unsecured lending, thus increasing credit risk within the financial system.*

**Amendment 81**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 7 a (new)**

*Text proposed by the Commission*

*Amendment*

***(7a) 'market maker' means a market maker as defined in article 4 of Directive [MiFID], a person who holds himself out on the financial markets on a continuous basis as being willing to deal on own account by buying and selling financial instruments against his proprietary capital;***

**Amendment 82**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 7 b (new)**

*Text proposed by the Commission*

*Amendment*

***(7b) 'SME growth market' means a MTF that is registered as an SME growth market in accordance with Article 2 and registered in accordance with Article 35***

*of Directive [MiFID];*

Or. en

**Amendment 83**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 7 c (new)**

*Text proposed by the Commission*

*Amendment*

*(7 c) 'SME, small and medium-sized enterprises' means a company that has an average market capitalisation of less than EUR 200 000 000 in accordance with Article 4 (12) in Regulation No.../...[MiFID];*

Or. en

**Amendment 84**

**Astrid Lulling**

**Proposal for a directive**

**Article 2 – paragraph 1 – point 8 – point e**

*Text proposed by the Commission*

*Amendment*

*(e) an undertaking for collective investments in transferable securities (UCITS) as defined in Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council and a management company as defined in Article 2(1)(b) of Directive 2009/65/EC;*

*deleted*

Or. fr

**Amendment 85**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Wolf Klinz**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 8 – point e**

*Text proposed by the Commission*

*Amendment*

*(e) an undertaking for collective investments in transferable securities (UCITS) as defined in Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council and a management company as defined in Article 2(1)(b) of Directive 2009/65/EC;* **deleted**

Or. en

*Justification*

*UCITS – and hence, fund investors – which were not amongst the causes of the crisis, should be exempt from the scope of (personal) application of FTT. Hence a possible FTT should be only applicable to proprietary trading associated to proprietary trading.*

**Amendment 86**  
**Sari Essayah**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 8 – point f**

*Text proposed by the Commission*

*Amendment*

*(f) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament and of the Council, an investment manager of such fund or institution;* **deleted**

Or. fi

**Amendment 87**  
**Astrid Lulling**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 8 – point f**

*Text proposed by the Commission*

*Amendment*

***(f) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament and of the Council, an investment manager of such fund or institution;*** ***deleted***

Or. fr

**Amendment 88**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Wolf Klinz, Ramon Tremosa i Balcells**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 8 – point f**

*Text proposed by the Commission*

*Amendment*

***(f) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament and of the Council , an investment manager of such fund or institution;*** ***deleted***

Or. en

**Amendment 89**

**Corien Wortmann-Kool**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 8 – point f**

*Text proposed by the Commission*

*Amendment*

***(f) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament***

***(f) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament***

and of the Council, an investment manager of such fund or institution;

and of the Council ***on the activities and supervision of institutions for occupational retirement provision***, an investment manager of such fund or institution, ***and an entity set up for the purpose of investment of such funds or institutions acting solely and exclusively in the interest of such funds or institutions, shall not be considered a financial institution for the purpose of this Directive***;

Or. en

#### *Justification*

*Text as adopted in the European Parliament legislative resolution of 23 May 2012 on the proposal for a Council directive on a common system of financial transaction tax and amending Directive 2008/7/EC (COM(2011)0594 - C7-0355/2011 - 2011/0261(CNS)).*

#### **Amendment 90** **Alfredo Pallone**

#### **Proposal for a directive** **Article 2 – paragraph 1 – point 8 – point f**

##### *Text proposed by the Commission*

(f) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament and of the Council, an investment manager of such fund or institution;

##### *Amendment*

(f) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament and of the Council ***on the activities and supervision of institutions for occupational retirement provision or a funded or partly funded pension institution subject to the Regulation 883/2004/EC***, an investment manager of such fund or institution, ***and an entity set up for the purpose of investment of such funds or institutions acting solely and exclusively in the interest of such funds or institutions, shall not be considered a financial institution for the purposes of this Directive***;

**Amendment 91**  
**Astrid Lulling**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 8 – point g**

*Text proposed by the Commission*

*Amendment*

**(g) an alternative investment fund (AIF) and an alternative investment fund manager (AIFM) as defined in Article 4 of Directive 2011/61/EU of the European Parliament and of the Council;** *deleted*

Or. fr

**Amendment 92**  
**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 8 – point g**

*Text proposed by the Commission*

*Amendment*

(g) an alternative investment fund (AIF) and an alternative investment fund manager (AIFM) as defined in Article 4 of Directive 2011/61/EU of the European Parliament and of the Council;

(g) an alternative investment fund (AIF) and an alternative investment fund manager (AIFM) as defined in Article 4 of Directive 2011/61/EU of the European Parliament and of the Council ***except where the leverage of the AIF complies with the requirement set out in Article 51(3) of Directive 2009/65/EC;***

Or. en

*Justification*

*There exists a lot of AIFs which have been designed solely for retail investors (retail AIFs). They follow an investment policy which is equivalent to those one which exists for UCITS. This means that the AIFs global exposure relating to derivative instruments shall not exceed the total net value its portfolio. It would be disproportionate to punish all AIFs via a FTT*



*charge only due to fact that they are clustered under the same label like hedge funds.*

### **Amendment 93**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

#### **Proposal for a directive**

#### **Article 2 – paragraph 1 – point 8 – point j**

*Text proposed by the Commission*

*Amendment*

***(j) any other undertaking, institution, body or person carrying out one or more of the following activities, in case the average annual value of its financial transactions constitutes more than fifty per cent of its overall average net annual turnover, as referred to in Article 28 of Council Directive 78/660/EEC:*** ***deleted***

***(i) activities referred to in points 1, 2, 3 and 6 of Annex I to Directive 2006/48/EC;***

***ii) trading for own account or for account or in the name of customers with respect to any financial instrument;***

***(iii) acquisition of holdings in undertakings;***

***(iv) participation in or issuance of financial instruments;***

***(v) the provision of services related to activities referred to in point (iv);***

Or. en

#### *Justification*

*Article 2 paragraph 1 point (8)(j) extends the definition of Financial Institutions and creates uncertainty over the scope of the tax. This provision should be deleted.*

### **Amendment 94**

**Jürgen Klute**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 12 a (new)**

*Text proposed by the Commission*

*Amendment*

***(12a) 'Excessive speculation' for the purpose of this directive means positions held by any person, including any group or class of persons, which do not objectively reduce risks directly related to that person's commercial activities related to the commodity and in which the counterparty is not reducing risks directly related to its commercial activities.***

Or. en

**Amendment 95**  
**Ramon Tremosa i Balcells, Izaskun Bilbao Barandica, Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 12 a (new)**

*Text proposed by the Commission*

*Amendment*

***(12a) 'Public debt' means debt titles issued by any of the levels of administration of a participating Member State.***

Or. en

**Amendment 96**  
**Alfredo Pallone**

**Proposal for a directive**  
**Article 2 – paragraph 1 – point 12 a (new)**

*Text proposed by the Commission*

*Amendment*

***(12a) 'market making activities' means the activities of an investment firm, a credit institution, a third-country entity, or a firm as referred to in point (1) of Article***

*(2) of Directive 2004/39/EC, that deals as principal in a financial instrument whether traded on or outside a trading venue, in any of the following capacities:*

*(i) by posting firm, simultaneous two-way quotes of comparable size and at competitive prices, with the result of providing liquidity on a regular and ongoing basis to the market;*

*(ii) as part of its usual business, by fulfilling orders initiated by clients or in response to clients' requests to trade;*

*(iii) by hedging positions (including securities borrowing activities) arising from the fulfilment of tasks under points (i) and (ii);*

Or. en

**Amendment 97**  
**Markus Ferber**

**Proposal for a directive**  
**Article 2 – paragraph 3 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

*(da) in calculating the annual average value of financial transactions referred to in this point, no account shall be taken of financial transactions which, as referred to in Article 10(3) of Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, make an objectively measurable contribution to reducing risks directly associated with the business activity or with the liquidity and financial management of the undertaking, institute, institution, person or group concerned as referred to in that Regulation to which the said undertaking, institute, institution or person belongs. This shall apply irrespective of whether the financial*

**transactions concerned relate to OTC derivatives as referred to in that Regulation.**

Or. de

*Justification*

*Following the example of EMIR, financial transactions which serve to insure against risks directly associated with the business activities of a non-financial institution should not be taken into account in calculating the average value.*

**Amendment 98**

**Olle Schmidt, Nils Torvalds, Sharon Bowles**

**Proposal for a directive**

**Article 3 – paragraph 1**

*Text proposed by the Commission*

1. This Directive shall apply to **all financial transactions, on the condition that at least one party to the transaction is** established in the territory of a participating Member State **and that a financial institution established in the territory of a participating Member State is party to the transaction, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction.**

*Amendment*

1. This Directive shall apply to financial **institutions as defined in this Directive**, established in the territory of a participating Member State, **entering into transactions in instruments that are admitted to trading or traded on a Regulated Market, MTF or OTF and issued in participating Member States for which there is a liquid market, as defined in accordance with Regulation [...]/...MIFIR]. This Directive shall not apply where the financial institution is acting as a market maker in relation to a client request, or hedging risks associated with fulfilling that role.**

Or. en

*Justification*

*The FTT should be levied on sufficiently liquid markets to avoid dramatic market distortions. Transaction for the account of another person, or undertaken as fulfilment of market making activities shall be out of the scope of a FTT, as should activity to hedge risks arising from market making, which is important for SMEs. Without such exemptions the tax would have a*

*deeply damaging effect on liquidity in financial markets, with negative implications for the cost of funding for real economy.*

**Amendment 99**  
**Sari Essayah**

**Proposal for a directive**  
**Article 3 – paragraph 1**

*Text proposed by the Commission*

1. This Directive shall apply to all financial transactions, on the condition that at least one party to the transaction is established in the territory of a participating Member State and that **a** financial ***institution*** established in the territory of a participating Member State ***is party*** to the transaction, acting either for ***its*** own account or for the account of another person, or ***is*** acting in the name of ***a party*** to the transaction.

*Amendment*

1. This Directive shall apply to all financial transactions, on the condition that at least one party to the transaction is established in the territory of a participating Member State and that financial ***institutions*** established in the territory of a participating Member State ***are parties*** to the transaction, acting either for ***their*** own account or for the account of another person or acting in the name of ***parties*** to the transaction.

Or. fi

**Amendment 100**  
**Sharon Bowles**

**Proposal for a directive**  
**Article 3 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***(1a) In the event of a wider FTT it will be extended to those other territories on mutual terms.***

Or. en

**Amendment 101**  
**Gunnar Hökmark, Theodor Dumitru Stolojan, Sari Essayah, Astrid Lulling**

**Proposal for a directive**  
**Article 3 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***(1a) The tax introduced through this directive must not be levied on entities established outside the territory of the participating Member.***

Or. en

**Amendment 102**  
**Sari Essayah**

**Proposal for a directive**  
**Article 3 – paragraph 2 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

***(ca) pension funds.***

Or. fi

**Amendment 103**  
**Olle Schmidt, Nils Torvalds, Sharon Bowles, Philippe De Backer, Ramon Tremosa i Balcells**

**Proposal for a directive**  
**Article 3 – paragraph 2 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

***(ca) SME growth markets;***

Or. en

**Amendment 104**  
**Corien Wortmann-Kool**

**Proposal for a directive**  
**Article 3 – paragraph 2 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

***(ca) pension funds or institutions for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament and of the Council on the activities and supervision of institutions for occupational retirement provision, an investment manager of such fund or institution, and entities set up for the purpose of investment of such funds or institutions acting solely and exclusively in the interest of such funds or institutions;***

Or. en

**Amendment 105**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Article 3 – paragraph 2 – point c b (new)**

*Text proposed by the Commission*

*Amendment*

***(cb) Small and medium-sized enterprises;***

Or. en

**Amendment 106**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Wolf Klinz, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Article 3 – paragraph 2 – point c c (new)**

*Text proposed by the Commission*

*Amendment*

***(c c) a pension fund or an institution for occupational retirement provision as defined in Article 6(a) of Directive 2003/41/EC of the European Parliament***

*and of the Council<sup>36</sup>, an investment manager of such fund or institution;*

Or. en

**Amendment 107**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Wolf Klinz**

**Proposal for a directive**

**Article 3 – paragraph 2 – point c d (new)**

*Text proposed by the Commission*

*Amendment*

*(cd) an undertaking for collective investments in transferable securities (UCITS) as defined in Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council<sup>35</sup> and a management company as defined in Article 2(1)(b) of Directive 2009/65/EC;*

Or. en

**Amendment 108**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 3 – paragraph 2 – point c e (new)**

*Text proposed by the Commission*

*Amendment*

*(ce) a branch or subsidiary of an institution established in a participating Member State pursuant to point (c) of Article 4 paragraph 1 but operating in a non participating Member State where it is not trading in an instrument issued in a participating Member State;*

Or. en



**Amendment 109**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 3 – paragraph 2 – point c f (new)**

*Text proposed by the Commission*

*Amendment*

***(cf) Financial institutions acting as market makers or undertaking transactions associated with that activity including the hedging of risks resulting from that activity.***

Or. en

*Justification*

*Transactions of market maker represent an essential link between the markets' buy and sell side. In doing so they ensure the liquidity in the secondary market and may not be hampered by a possible FTT charge. Otherwise also the sufficient funding of the real economy would be slightly put at risk.*

**Amendment 110**

**Olle Schmidt, Philippe De Backer**

**Proposal for a directive**

**Article 3 – paragraph 2 – point c g (new)**

*Text proposed by the Commission*

*Amendment*

***(cg) A venture capital or social entrepreneurship fund that operate under the EU-wide passport as respectively defined by article 3 of the Regulation (EU) 345/2013 on European venture capital funds and by article 3 of the Regulation (EU) 346/2013 on social entrepreneurship funds;***

Or. en

**Amendment 111**  
**Markus Ferber**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g a (new)**

*Text proposed by the Commission*

*Amendment*

***(ga) intra-group transfers between members of a group of banks or between entities of a group relating to financial instruments belonging to them, and all equivalent procedures, including transfer of the risk associated with a financial instrument.***

Or. de

*Justification*

*Financial transactions within group structures (intra-group transfers) are used by cooperative banks and savings banks to manage liquidity and risk, and help to reduce liquidity risks and risk concentrations and to spread them between parent entities and subsidiaries. As such transactions often take place several times a day, including them within the scope of the FTT would create a heavy burden and would damage the risk-bearing capacity of group structures.*

**Amendment 112**  
**Othmar Karas**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g a (new)**

*Text proposed by the Commission*

*Amendment*

***(ga) transactions of the right to dispose of a financial instrument as owner and any equivalent operation implying the transfer of the risk associated with the financial instrument between entities of a group or between entities of a network of decentralised banks, where these transactions are carried out in order to fulfil a legal or prudential requirement that is set by national law or Union law.***

*Justification*

*Intra-group transactions often serve the liquidity management within a group or a network. Where such transactions are carried out with the aim to fulfil legal or prudential requirements (such as the new rules set by the CRD IV/CRR) they should not be subject to an additional tax.*

**Amendment 113****Alfredo Pallone****Proposal for a directive****Article 3 – paragraph 4 – point g a (new)***Text proposed by the Commission**Amendment*

***(ga) Transactions between entities of a group of the right to dispose of a financial instrument as owner and any equivalent operation implying the transfer of the risk associated with the financial instrument, in cases not subject to point (a)***

*Justification*

*This provision penalises financial groups with permanent establishments in the various EU Member States while favouring those with branch establishments, which (together with the relevant transactions) can be easily transferred to non-European financial markets for the purpose of avoiding tax. Furthermore, transactions between group entities are generally carried out for purposes relating to the functioning of the entities themselves and are unlikely to be speculative in nature.*

**Amendment 114****Wolf Klinz****Proposal for a directive****Article 3 – paragraph 4 – point g a (new)**

*Text proposed by the Commission*

*Amendment*

***(ga) transactions of investment or pension funds set up for private retirement schemes.***

Or. en

**Amendment 115**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 3 – paragraph 4 – point g a (new)**

*Text proposed by the Commission*

*Amendment*

***(ga) instruments issued in non-participating Member States.***

Or. en

*Justification*

*To comply with the requirements of enhanced cooperation the proposal must not impact non-participating Member States or distort competition in those Member States. This can only be achieved by excluding instruments issued by non participating Member States*

**Amendment 116**

**Ramon Tremosa i Balcells, Izaskun Bilbao Barandica, Olle Schmidt, Nils Torvalds**

**Proposal for a directive**

**Article 3 – paragraph 4 – point g a (new)**

*Text proposed by the Commission*

*Amendment*

***(ga) Transactions of public debt.***

Or. en

**Amendment 117**  
**Roberta Angelilli**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g a (new)**

*Text proposed by the Commission*

*Amendment*

***(ga) government bond transactions.***

Or. it

**Amendment 118**  
**Othmar Karas**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g b (new)**

*Text proposed by the Commission*

*Amendment*

***(gb) transactions carried out as part of a market making activity as referred to in Art 2 paragraph 1 point (k) of Regulation 236/2012.***

Or. en

*Justification*

*Especially on smaller and regional stock exchanges, market makers play a vital role in providing liquidity and therefore for a functioning secondary market. In coherence with the aim to strengthen regulated markets over unregulated trade venues, market making activities should be excluded from the scope of the FTT as is for example also the case in the national FTTs in Italy or France.*

**Amendment 119**  
**Alfredo Pallone**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g b (new)**

*Text proposed by the Commission*

*Amendment*

***(gb) transactions in the context of repurchase agreements, reverse***

***repurchase agreements, securities or commodities lending and securities or commodities borrowing.***

Or. en

*Justification*

*Repurchase and securities or commodities lending and borrowing agreements are central instruments for safeguarding a proper liquidity allocation within banks. As these instruments cannot be replaced by other legal forms (e.g. secured lending), this directive shall not be applied to these instruments. Otherwise the FTT would lead to a strong dependency of banks on central bank facilities, which would lead to further intensification of TARGET-2 imbalances in the future. Repo business today is the modern form of secured interbank lending and is an essential part of the refinancing strategy of banks.*

**Amendment 120**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 3 – paragraph 4 – point g b (new)**

*Text proposed by the Commission*

*Amendment*

***(gb) Intragroup transactions between entities of a consolidated group and entities of a network of decentralised banks under the condition that the respective financial instruments are owned by them and similar types of transactions comprising the transfer of the risk linked to the financial instrument;***

Or. en

*Justification*

*Intragroup assignments are essential for banking groups given that the associated affiliates interact with their central body. Central bodies are obliged by national law to provide daily liquidity assistance being part of the general intragroup's liquidity management. A possible FTT would result in high cumulative tax burdens at the expense of a sound liquidity management. Against this background it is crucial that such assignments will not be charged by a possible FTT.*

**Amendment 121**  
**Ramon Tremosa i Balcells, Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g b (new)**

*Text proposed by the Commission*

*Amendment*

***(g b) Transactions with any financial product issued by SMEs***

Or. en

**Amendment 122**  
**Olle Schmidt, Nils Torvalds, Philippe De Backer, Ramon Tremosa i Balcells**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g c (new)**

*Text proposed by the Commission*

*Amendment*

***(g c) A reverse repurchase agreement, a repurchase agreement, a contractual agreement on securities lending and borrowing.***

Or. en

*Justification*

*Repos and reverse repos are considered as a temporary means of managing and providing liquidity and funding. Taxation of these transactions via FTT would significantly reduce the flexibility of liquidity management and the provision of liquidity and the ability of financial institutions to fund themselves efficiently. Hence such negative effects shall be ruled out.*

**Amendment 123**  
**Alfredo Pallone**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g c (new)**

*Text proposed by the Commission*

*Amendment*

***(g c) transactions in the context of market making activities;***

Or. en

*Justification*

*Market making activities contribute to a well-functioning economic system. A tax on market making activities would immediately lead to negative results. Market makers would withdraw from their mandates and subsequently liquidity will be reduced. This would be contradictory to the recently introduced liquidity coverage ratio (LCR) which requires from a prudential perspective specific levels of highly liquid assets. An unbalanced tax would weaken the financial stability as a whole. Therefore, market making activities on all kinds of markets and for all types of financial instruments shall not fall within the scope of this directive.*

**Amendment 124**

**Olle Schmidt, Nils Torvalds, Ramon Tremosa i Balcells**

**Proposal for a directive**

**Article 3 – paragraph 4 – point g d (new)**

*Text proposed by the Commission*

*Amendment*

***(gd) Currency and interest rate related derivatives as specified in MiFID Annex 1 Section C.***

Or. en

*Justification*

*For small Member States outside the euro area it is important that currency and interest related derivatives transactions are exempted in order not to raise the costs for managing their sovereign debt.*

**Amendment 125**

**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**

**Article 3 – paragraph 4 – point g e (new)**

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*Text proposed by the Commission*

*Amendment*

***(ge) primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue and the issue and redemption of shares and units of undertakings for collective investments in transferable securities (UCITS) as defined in Article 1(2) of Directive 2009/65/EC of the European Parliament and the Council<sup>22</sup> and alternative investment funds (AIF) as defined in Article 4(1)(a) of Directive 2011/61/EU of the European Parliament and the Council;***

Or. en

*Justification*

*The redemption of shares and units collective investment undertakings should have the same treatment of the issuance of the same because it should refer to a primary market transaction.*

**Amendment 126**

**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**

**Article 3 – paragraph 4 – point g f (new)**

*Text proposed by the Commission*

*Amendment*

***(gf) transactions in relation to market making activities.***

Or. en

*Justification*

*Transactions of market maker represent an essential link between the markets' buy and sell side. In doing so they ensure the liquidity in the secondary market and may not be hampered by a possible FTT charge. Otherwise also the sufficient funding of the real economy would be slightly put at risk.*

**Amendment 127**  
**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g g (new)**

*Text proposed by the Commission*

*Amendment*

***(gg) bonds and transactions in financial instruments related to hedging or market making activities in bond markets.***

Or. en

**Amendment 128**  
**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Article 3 – paragraph 4 – point g h (new)**

*Text proposed by the Commission*

*Amendment*

***(g h) derivatives transactions which result from market making activity or related hedging or are objectively measurable as reducing risks directly relating to commercial activity or treasury financing specified in accordance with Regulation [...]/...EMIR].***

Or. en

*Justification*

*Non speculative derivatives transactions that is related to a commercial activity should not be covered. These derivatives have relevance for the real economy. Taxing derivatives could have the negative effect of increasing mortgages that are hedged with a derivatives instrument.*

**Amendment 129**  
**Sari Essayah**

**Proposal for a directive**  
**Article 4 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

*(f) it is party, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction, to a financial transaction with another financial institution established in that Member State pursuant to points (a), (b), (c), (d) or (e), or with a party established in the territory of that Member State and which is not a financial institution;*

*deleted*

Or. fi

**Amendment 130**  
**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Article 4 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

*(f) it is party, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction, to a financial transaction with another financial institution established in that Member State pursuant to points (a), (b), (c), (d) or (e), or with a party established in the territory of that Member State and which is not a financial institution;*

*deleted*

Or. en

*Justification*

*The proposed FTT under the enhanced co-operation mechanism must respect the sovereignty of non-participating Member States and third countries. All extraterritorial features of the FTT must accordingly be removed. FTT should be limited to parties to a transaction established within the territory of a participating Member State. No entities established*

*elsewhere, within a non-participating Member State or within a third country, shall be deemed established in a participating Member State.*

**Amendment 131**

**Gunnar Hökmark, Theodor Dumitru Stolojan, Sari Essayah, Astrid Lulling, Danuta Maria Hübner**

**Proposal for a directive**

**Article 4 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*

*(g) it is party, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction, to a financial transaction in a structured product or one of the financial instruments referred to in Section C of Annex I of Directive 2004/39/EC issued within the territory of that Member State, with the exception of instruments referred to in points (4) to (10) of that Section which are not traded on an organised platform.*

*deleted*

Or. en

*Justification*

*The issuance principle is non-compatible with not taxing parties established outside the territory of the participating Member States and should, therefore, be deleted.*

**Amendment 132**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 4 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*

(g) it is party, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction, to a financial transaction

(g) it is party, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction, to a financial transaction

in a structured product or one of the financial instruments referred to in Section C of Annex I of Directive 2004/39/EC issued within the territory of that Member State, ***with the exception of instruments referred to in points (4) to (10) of that Section which are not traded on an organised platform.***

in a structured product or one of the financial instruments referred to in Section C of Annex I of Directive 2004/39/EC issued within the territory of that Member State.

Or. en

#### *Justification*

*This suggestions aims at ensuring that all derivatives instruments are covered by the issuance principle, including those under points (4) to (10) of Section C of Annex I of Directive 2004/39/EC.*

#### **Amendment 133** **Sari Essayah**

#### **Proposal for a directive** **Article 4 – paragraph 2 – point b**

*Text proposed by the Commission*

*Amendment*

***(b) it is party to a financial transaction in a structured product or one of the financial instruments referred to Section C of Annex I to Directive 2004/39/EC issued within the territory of that Member State, with the exception of instruments referred to in points (4) to (10) of that Section which are not traded on an organised platform.***

*deleted*

Or. fi

#### **Amendment 134** **Olle Schmidt, Nils Torvalds, Philippe De Backer**

#### **Proposal for a directive** **Article 4 – paragraph 2 – point c**

*Text proposed by the Commission*

*Amendment*

***(c) it is party to a financial transaction in a structured product or one of the financial instruments referred to Section C of Annex I to Directive 2004/39/EC issued within the territory of that Member State, with the exception of instruments referred to in points (4) to (10) of that Section which are not traded on an organised platform.*** ***deleted***

Or. en

*Justification*

*The proposed FTT under the enhanced co-operation mechanism must respect the sovereignty of non-participating Member States as well as third countries. It is not appropriate to the extend the scope of transaction to jurisdictions where counterparties are not established by deeming them to be established there.*

**Amendment 135**  
**Sari Essayah**

**Proposal for a directive**  
**Article 4 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

***3. Notwithstanding paragraphs 1 and 2, a financial institution or a person which is not a financial institution shall not be deemed to be established within the meaning of those paragraphs, where the person liable for payment of FTT proves that there is no link between the economic substance of the transaction and the territory of any participating Member State.*** ***deleted***

Or. fi

**Amendment 136**  
**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

In the case of financial transactions referred to in point 2(c) of Article 2(1) and, in respect of derivative contracts, in points 2(a), 2(b) and 2(d) of Article 2(1), the taxable amount of the FTT shall be the **notional amount** referred to in the derivatives contract at the time of the financial transaction.

*Amendment*

In the case of financial transactions referred to in point 2(c) of Article 2(1) and, in respect of derivative contracts, in points 2(a), 2(b) and 2(d) of Article 2(1), the taxable amount of the FTT shall be the **economic value** referred to in the derivatives contract at the time of the financial transaction.

Or. en

**Amendment 137**  
**Ramon Tremosa i Balcells, Olle Schmidt**

**Proposal for a directive**  
**Article 7 – paragraph 1**

*Text proposed by the Commission*

In the case of financial transactions referred to in point 2(c) of Article 2(1) and, in respect of derivative contracts, in points 2(a), 2(b) and 2(d) of Article 2(1), the taxable amount of the FTT shall be the **notional amount** referred to in the derivatives contract at the time of the financial transaction.

*Amendment*

In the case of financial transactions referred to in point 2(c) of Article 2(1) and, in respect of derivative contracts, in points 2(a), 2(b) and 2(d) of Article 2(1), the taxable amount of the FTT shall be the **economic value** referred to in the derivatives contract at the time of the financial transaction.

Or. en

**Amendment 138**  
**Marisa Matias**

**Proposal for a directive**  
**Article 9 – paragraph 2 – subparagraph 1**

*Text proposed by the Commission*

The rates shall be fixed by each participating Member State as a percentage of the taxable amount.

*Amendment*

The rates shall be fixed by each participating Member State as a percentage of the taxable amount, **and shall not be lower than 0,1%**.

Or. en

**Amendment 139**  
**Marisa Matias**

**Proposal for a directive**  
**Article 9 – paragraph 2 – subparagraph 2**

*Text proposed by the Commission*

***Those rates shall not be lower than:***  
***(a) 0.1% in respect of the financial transactions referred to in Article 6;***  
***(b) 0.01% in respect of financial transactions referred to in Article 7.***

*Amendment*

***deleted***

Or. en

**Amendment 140**  
**Othmar Karas, Alfredo Pallone**

**Proposal for a directive**  
**Article 9 – paragraph 2 – subparagraph 2 – introductory part**

*Text proposed by the Commission*

Those rates shall ***not be lower than:***

*Amendment*

Those rates shall ***be:***

Or. en

*Justification*

*In order to avoid a distortion of the common system of FTT under enhanced cooperation the level of the applicable rates should be uniform.*



**Amendment 141**  
**Ramon Tremosa i Balcells, Nils Torvalds**

**Proposal for a directive**  
**Article 9 – paragraph 2 – subparagraph 2 – introductory part**

*Text proposed by the Commission*

*Amendment*

Those rates shall *not be lower than*:

Those rates shall *be*:

Or. en

**Amendment 142**  
**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**  
**Article 9 – paragraph 2 – subparagraph 2 – point a**

*Text proposed by the Commission*

*Amendment*

(a) *0.1%* in respect of the financial transactions referred to in Article 6;

(a) *0.01%* in respect of the financial transactions referred to in Article 6;

Or. en

*Justification*

*As currently constructed, the tax rates proposed would be higher than the spreads in many markets and the margins in many others. Therefore a lower rate is proposed. The costs for trading will be doubled with the proposed tax level which will hurt the funding of the real economy.*

**Amendment 143**  
**Jean-Paul Besset**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Article 9 – paragraph 2 – subparagraph 2 – point b**

*Text proposed by the Commission*

*Amendment*

(b) *0.01%* in respect of financial

(b) *0.1%* in respect of financial transactions

transactions referred to in Article 7.

referred to in Article 7.

Or. fr

**Amendment 144**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 9 – paragraph 2 – subparagraph 2 – point b**

*Text proposed by the Commission*

*Amendment*

(b) **0.01%** in respect of financial transactions referred to in Article 7.

(b) **0.001%** in respect of financial transactions referred to in Article 7.

Or. en

*Justification*

*As currently constructed, the tax rates proposed would be higher than the spreads in many markets and the margins in many others. Therefore a lower rate is proposed. The costs for trading will be doubled with the proposed tax level which will hurt the funding of the real economy.*

**Amendment 145**

**Ramon Tremosa i Balcells, Nils Torvalds**

**Proposal for a directive**

**Article 9 – paragraph 2 – subparagraph 2 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

**(ba) 0,02% on over the counter derivatives**

Or. en

**Amendment 146**

**Jean-Paul Besset**

on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Article 9 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) 0.1% in respect of cancelled transaction orders if the daily average of these cancellations is more than 15 times the number of transaction orders executed.***

Or. fr

*Justification*

*To cover High Frequency Trading.*

**Amendment 147**  
**Jean-Paul Besset**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Article 9 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(3a) Notwithstanding paragraph 3, participating Member States shall apply a higher rate to OTC financial transactions referred to in Articles 6 and 7.***

Or. fr

**Amendment 148**  
**Othmar Karas, Alfredo Pallone, Sirpa Pietikäinen**

**Proposal for a directive**  
**Article 9 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***(3a) Notwithstanding paragraph 3, participating Member States shall apply a higher rate than those specified in paragraph 2 to OTC financial***

*transactions referred to in Articles 6 and 7. Financial transactions of OTC derivatives which are objectively measurable as reducing risks as defined by Article 10 of Regulation 149/2013 shall not be subject to this higher rate.*

Or. en

*Justification*

*With a view to strengthening the use of regulated trading venues as opposed to OTC transactions, higher tax rates should be imposed on OTC transactions. This would complement the Union's efforts to divert trade flows towards regulated, controlled and more transparent markets and has been stated by the EP in its position (23 May 2012). OTC derivatives that are used as hedging transactions for the real economy contribute to reducing risks and should therefore not be subject to this higher rate.*

**Amendment 149**  
**Jürgen Klute**

**Proposal for a directive**  
**Article 9 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

*(3a) Notwithstanding paragraphs 2 and 3 Member States shall apply at least ten times higher rates for transactions that can be characterised as excessive speculation as defined in Article 2.*

Or. en

**Amendment 150**  
**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**  
**Article 10 – paragraph 1 – subparagraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

(a) it is party to the transaction, acting

(a) it is party to the transaction, acting for

*either* for its own account *or for the account of another person*;

its own account;

Or. en

*Justification*

*Transaction for the account of another person shall be out of the scope of a possible FTT. Otherwise the existence of financial products, such as investment funds, charities, pools for pension funds and others, which are managed on behalf of small scales investors would be slightly put at risk.*

**Amendment 151**

**Olle Schmidt, Nils Torvalds**

**Proposal for a directive**

**Article 10 – paragraph 1 – subparagraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

***(b) it is acting in the name of a party to the transaction;***

***deleted***

Or. en

*Justification*

*Transaction for the account of another person shall be out of the scope of a possible FTT. Otherwise the existence of financial products, such as investment funds, charities, pools for pension funds and others, which are managed on behalf of small scales investors would be slightly put at risk.*

**Amendment 152**

**Olle Schmidt, Nils Torvalds, Philippe De Backer**

**Proposal for a directive**

**Article 10 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

***3. Where the tax due has not been paid within the time limit set out in Article 11(5), each party to a transaction,***

***deleted***

*including persons other than financial institutions shall be jointly and severally liable for the payment of the tax due by a financial institution on account of that transaction.*

Or. en

*Justification*

*Article 10 paragraph 3 states that every part of a transaction is liable to unpaid tax under the Directive. Such a provision is unacceptable; often the party may not even be aware of the fact that the other party is liable to FTT.*

**Amendment 153**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Article 11 – paragraph 1**

*Text proposed by the Commission*

1. The participating Member States shall lay down registration, accounting, **reporting obligations and other** obligations intended to ensure that FTT due is effectively paid to the tax authorities.

*Amendment*

1. The participating Member States shall lay down registration, accounting **and reporting** obligations intended to ensure that FTT due is effectively paid to the tax authorities.

Or. en

**Amendment 154**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Article 11 – paragraph 2**

*Text proposed by the Commission*

2. The Commission may, in accordance with Article 16 adopt delegated acts

*Amendment*

2. The Commission may, in accordance with Article 16 adopt delegated acts

specifying *the* measures to be taken pursuant to paragraph 1 by the participating Member States.

specifying *which* measures, *in accordance with applicable secondary Union legislation, are* to be taken pursuant to paragraph 1 by the participating Member States.

Or. en

**Amendment 155**  
**Marisa Matias**

**Proposal for a directive**  
**Article 11 – paragraph 5 – subparagraph 2**

*Text proposed by the Commission*

The Commission may adopt implementing acts providing for uniform methods of collection of the FTT due. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 18(2).

*Amendment*

The Commission may adopt implementing acts providing for uniform methods of collection of the FTT due *and prevention of tax fraud and evasion. Member States can adopt additional measures.* Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 18(2).

Or. en

**Amendment 156**  
**Wolf Klinz**

**Proposal for a directive**  
**Article 11 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

*(6a) The administrative burden imposed on tax authorities through the introduction of the FTT should be kept to a minimum. In this respect the European Commission shall encourage cooperation between national tax authorities.*

Or. en

**Amendment 157**  
**Wolf Klinz**

**Proposal for a directive**  
**Article 11 – paragraph 6 b (new)**

*Text proposed by the Commission*

*Amendment*

***(6b) A thorough examination shall be undertaken to analyse the arising administrative costs for federal states, counties and municipalities.***

Or. en

**Amendment 158**  
**Sharon Bowles**

**Proposal for a directive**  
**Article 11 – paragraph 6 a (new)**

*Text proposed by the Commission*

*Amendment*

***(6a) Member states shall disclose publically and annually to the Commission and Eurostat transaction volumes against which revenues have been collected by type of institution.***

Or. en

**Amendment 159**  
**Sharon Bowles, Olle Schmidt**

**Proposal for a directive**  
**Article 11 – paragraph 6 b (new)**

*Text proposed by the Commission*

*Amendment*

***(6b) The participating Member States shall establish mechanisms to ensure that financial institutions in non-participating***



*member states, and in third countries, adequately compensate tax authorities in participating Member States for the costs incurred in ensuring and verifying payment due by those overseas financial institutions.*

Or. en

**Amendment 160**  
**Marisa Matias**

**Proposal for a directive**  
**Article 12**

*Text proposed by the Commission*

*Amendment*

*Article 12*

*deleted*

*Prevention of fraud and evasion*

*The participating Member States shall adopt measures to prevent tax fraud and evasion.*

Or. en

**Amendment 161**  
**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Article 12 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

The participating Member States shall adopt measures to prevent tax fraud *and* evasion.

The participating Member States shall adopt measures to prevent tax fraud, *fraudulent tax avoidance and tax* evasion.

Or. en

**Amendment 162**  
**Sari Essayah**

**Proposal for a directive**  
**Article 15 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

*The participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT object of this Directive or value-added tax as provided for in Council Directive 2006/112/EC.*

*deleted*

Or. fi

**Amendment 163**

**Olle Schmidt, Nils Torvalds, Philippe De Backer, Sharon Bowles, Wolf Klinz, Ramon Tremosa i Balcells**

**Proposal for a directive**  
**Article 15 a (new)**

*Text proposed by the Commission*

*Amendment*

*Article 15 a*

*Establishment of the FTT Committee*

*1. The Commission shall establish an expert working group (the FTT Committee) comprising representatives from all EU Member States, the Commission, the ECB, and ESMA to assist participating Member States in the effective implementation of this Directive and prevent tax fraud, evasion and avoidance and to preserve the integrity of the Single market.*

*2. The FTT Committee shall assess the effective implementation of this Directive, assess the effects on the single market, for participating and non participating Member States, and detect avoidance schemes including abusive arrangements as defined in Article 14 in order to propose countermeasures, where*

*appropriate, making full use of Union law in the field of taxation and financial services regulation and of the instruments for cooperation on tax matters established by international organisations including the OECD and the Council of Europe.*

Or. en

*Justification*

*Whilst this directive on FTT is a policy under the enhanced cooperation between 11 member states, the Commission's work on tax fraud and evasion, and the definition of uncooperative jurisdictions, are matters that concerns the entire Union. It is consequently an issue that is to be decided in a forum where all Member States are involved. All Member States should be part of the expert group in order to assess the impact of the FTT on the Single market.*

**Amendment 164**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Article 16 – paragraph 2**

*Text proposed by the Commission*

2. The delegation of powers referred to in Article 11(2) shall be conferred for an indeterminate period of time from the date referred to in Article **19**.

*Amendment*

2. The delegation of powers referred to in Article 11(2) shall be conferred for an indeterminate period of time from the date referred to in Article **21**.

Or. en

**Amendment 165**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

**Proposal for a directive**  
**Article 16 – paragraph 3**

*Text proposed by the Commission*

3. The delegation of power referred to in

*Amendment*

3. The delegation of power referred to in

Article 11(2) may be revoked at any time by the Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of **the** delegated acts already in force.

Article 11(2) may be revoked at any time by the **European Parliament or by the** Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of **any** delegated acts already in force.

Or. en

#### **Amendment 166**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

#### **Proposal for a directive** **Article 16 – paragraph 4**

##### *Text proposed by the Commission*

4. As soon as it adopts a delegated act, the Commission shall notify it to the Council.

##### *Amendment*

4. As soon as it adopts a delegated act, the Commission shall notify it **simultaneously to the European Parliament and** to the Council.

Or. en

#### **Amendment 167**

**Klaus-Heiner Lehne, Evelyn Regner**  
on behalf of the Committee on Legal Affairs

#### **Proposal for a directive** **Article 16 – paragraph 5**

##### *Text proposed by the Commission*

5. A delegated act adopted pursuant to Article 11(2) shall enter into force only if no objection has been expressed by the Council within a period of 2 months of notification of that act to the Council or if, before the expiry of that period, the

##### *Amendment*

5. A delegated act adopted pursuant to Article 11(2) shall enter into force only if no objection has been expressed **either** by the **European Parliament or the** Council within a period of 2 months of notification of that act to the **European Parliament**

Council *has* informed the Commission that *it* will not object. That period shall be extended by 2 months at the initiative of the Council.

*and the* Council or if, before the expiry of that period, the **European Parliament and the Council** *have both* informed the Commission that *they* will not object. That period shall be extended by 2 months at the initiative *of the European Parliament or* of the Council.

Or. en

#### *Justification*

*This amendment reinstates Parliament's prerogatives in accordance with Article 290 TFEU and the standard "Article a" in the Common Understanding on Delegated Acts. The reference to the date of entry into force in Paragraph 2 is also corrected.*

**Amendment 168**  
**Sharon Bowles, Olle Schmidt**

**Proposal for a directive**  
**Article 19 – paragraph 1**

*Text proposed by the Commission*

Every *five* years and for the first time *by 31 December 2016*, the Commission shall submit to the Council a report on the application of this Directive, and, where appropriate, a proposal.

*Amendment*

Every *two* years and for the first time *six months following entry into force of this directive*, the Commission shall submit to the Council a report on the application of this Directive *including any negative impact or distortive effect this may have had on the functioning of the internal market*, and, where appropriate, a proposal.

Or. en

**Amendment 169**  
**Wolf Klinz**

**Proposal for a directive**  
**Article 19 – paragraph 2**

*Text proposed by the Commission*

In that report the Commission shall, at least, examine the impact of the FTT on the proper functioning of the internal market, the financial markets and the real economy and it shall take into account the progress on taxation of the financial sector in the international context.

*Amendment*

In that report the Commission shall, at least, examine the impact of the FTT on the proper functioning of the internal market, the financial markets and the real economy and it shall take into account the progress on taxation of the financial sector in the international context. ***Based on the results of this examination, necessary adjustments shall be undertaken.***

Or. en

**Amendment 170**

**Olle Schmidt, Nils Torvalds, Sharon Bowles**

**Proposal for a directive  
Article 19 – paragraph 2**

*Text proposed by the Commission*

In that report the Commission shall, at least, examine the impact of the FTT on the proper functioning of the internal market, the financial markets and the real economy and it shall take into account the progress on taxation of the financial sector in the international context.

*Amendment*

In that report the Commission shall, at least, examine the impact of the FTT on the proper functioning of the internal market, the financial markets and the real economy ***as well as alternative ways of taxing the financial sector, e.g. by imposing a VAT on financial services or the instruction of an Financial Activity Tax*** and it shall take into account the progress on taxation of the financial sector in the international context.

Or. en

**Amendment 171**

**Sharon Bowles**

**Proposal for a directive  
Article 19 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***(2a) Where that report demonstrates any negative impact on or distortions to the functioning of the internal market, the Commission shall make a recommendation to repeal this directive.***

Or. en