

EP reaction to the Lux-leaks revelations



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Many citizens are writing to the European Parliament wishing to know what the Parliament is doing on the issue of the 'Lux-leaks' revelations concerning advance tax rulings granted to multinationals in Luxembourg.

The European Parliament has, for many years, pushed for on an [effective fight against tax fraud, tax evasion and tax havens](#). That's why the Parliament takes very seriously the revelations concerning advance tax rulings for multinationals in Luxembourg and has reacted promptly and strongly.

Immediately after the 'Lux-leaks' revelations, the European Parliament held an extraordinary debate on the fight against tax evasion in which the President of the European Commission Jean-Claude Juncker also participated.

The [statement by the President of the Commission and the recording of the debate are available online](#) on the website of the European Parliament. During the debate, MEPs called for tax harmonisation and transparency on national tax rulings. A [European Parliament press release of 12 November 2014](#) summarises the discussion between President Jean-Claude Juncker and the Chairs of the political groups.

Motion of censure rejected

In response to the plenary debate on the 'Lux leaks', a number of MEPs tabled a motion of censure on the European Commission that was [debated on 24 November 2014](#) and put to a vote on 27 November 2014. A vast majority of the European Parliament rejected the motion of censure (461 votes against, 101 in favour and 88 abstentions), expressing support for the European Commission.

The mandate of the special committee

In order to look into tax ruling practices in the Member States, a number of Members of the European Parliament requested the setting up of a committee of inquiry. The Conference of Presidents took the view – after consulting the Parliament's Legal Service – that the proposed mandate of the requested committee of inquiry was better suited for a special committee and made this proposal to the full plenary for a decision.

On 12 February 2015, the plenary of Parliament adopted the request setting up the special committee by 612 votes in favour, 19 against, and 23 abstentions.

The [European Parliament decision](#) on setting up a special committee on tax rulings and other measures similar in nature or effect (TAXE), its powers, numerical strength and term of office gives the committee the powers to: 'look into tax ruling practices as far back as 1 January 1991, but will also review the way the European

Commission treats state aid in member states and the extent to which they are transparent about their tax rulings. It will also seek to ascertain the negative impact of aggressive tax planning on public finances and will come up with recommendations for the future', as explained in [Parliament's press release](#).

The [special committee TAXE](#) has 45 members and is established for a period of 6 months. Previous plans by the Economic and Monetary Affairs Committee to draw up an 'inquiry' report (non-legislative, own initiative) on tax rulings have now lapsed, because its remit would have overlapped that of the special committee.

Do you have any questions on this issue or another EP-related concern? Please use our [web form](#). You write, we answer.