1.6.2016

Amendment 92
Marco Zanni, Marco Valli
on behalf of the EFDD Group

Report
Hugues Bayet
Rules against certain tax avoidance practices

Proposal for a directive
Article 4 – paragraph 2

Text proposed by the Commission

Amendment

2. Exceeding borrowing costs shall be deductible in the tax year in which they are incurred only up to 30 percent of the taxpayer's earnings before interest, tax, depreciation and amortisation (EBITDA) or up to an amount of EUR 1 000 000, whichever is higher. The EBITDA shall be calculated by adding back to taxable income the tax-adjusted amounts for net interest expenses and other costs equivalent to interest as well as the tax-adjusted amounts for depreciation and amortisation.

2. Exceeding borrowing costs shall be deductible in the tax year in which they are incurred only up to 10 percent of the taxpayer's earnings before interest, tax, depreciation and amortisation (EBITDA) or up to an amount of EUR 1 000 000, whichever is higher. The EBITDA shall be calculated by adding back to taxable income the tax-adjusted amounts for net interest expenses and other costs equivalent to interest as well as the tax-adjusted amounts for depreciation and amortisation.

Or. en
1.6.2016

**Amendment 93**

Marco Zanni, Marco Valli
on behalf of the EFDD Group

**Report**

Hugues Bayet
Rules against certain tax avoidance practices

**Proposal for a directive**

**Article 4 – paragraph 5**

**Text proposed by the Commission**

5. Borrowing costs which cannot be deducted in the current tax year under paragraph 2 shall be deductible up to the 30 percent of the EBITDA in subsequent tax years in the same way as the borrowing costs for those years.

**Amendment**

5. Borrowing costs which cannot be deducted in the current tax year under paragraph 2 shall be deductible up to the 10 percent of the EBITDA in subsequent tax years in the same way as the borrowing costs for those years.

Or. en
Amendment 94
Marco Zanni, Marco Valli
on behalf of the EFDD Group

Report
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Rules against certain tax avoidance practices

Proposal for a directive
Article 8 – paragraph 1 – point b

Text proposed by the Commission

(b) under the general regime in the country of the entity, profits are subject to an effective corporate tax rate lower than 40 percent of the effective tax rate that would have been charged under the applicable corporate tax system in the Member State of the taxpayer;

Amendment

(b) under the general regime in the country of the entity, profits are subject to a corporate tax rate of 25 percent. That rate shall be calculated on the basis of the profits before the implementation of operations introduced by the countries in question to reduce the tax base subject to the rate;

Or. en