



**2023/2058(INI)**

21.9.2023

# **OPINION**

of the Committee on Budgets

for the Committee on Economic and Monetary Affairs

on the role of tax policy in times of crisis  
(2023/2058(INI))

Rapporteur for opinion: Valérie Hayer

PA\_NonLeg

## SUGGESTIONS

The Committee on Budgets calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Holds that the EU budget's investment policy and its multiannual programming are a stabilising factor, helping to ensure that certain long-term investments that enhance growth, economic resilience and convergence, contribute to the green transition and boost stable employment are not detrimentally affected by the volatility of economic cycles and national downturns;
2. Recalls that the own resources system of the Union already includes mechanisms that can be considered modest automatic stabilisers during asymmetrical crises, namely the value added tax-based own resource and the gross national income-based own resource; reiterates the need to fully respect the timeline of the legally binding roadmap for the introduction of new own resources annexed to the Interinstitutional Agreement (IIA) of 16 December 2020<sup>1</sup>, including the introduction of an EU-wide financial transaction tax; urges the Commission, furthermore, to continue the efforts to identify fresh, new and preferably genuine own resources and other revenue sources for the EU budget beyond the IIA;
3. Regrets the fact that the EU, because of its restricted competences regarding direct taxation and social policies, as well as the limited size of its general budget, does not currently have effective and immediate ways of combating inequality and the risk of poverty, including through the redistribution of income between individual taxpayers or private households in times of crisis; stresses the need for enhanced EU competences and more efficient and democratic decision-making in EU tax policy, including through the transition to qualified majority voting under the ordinary legislative procedure;
4. Underlines that Europe, like the rest of the world, is facing climate and environmental challenges of an unprecedented scale and urgency; stresses that the 'polluter pays' principle's coverage and application in the EU have been strengthened by the upgrading of the Emissions Trading System but remain fragmented, while the investments in this area are still insufficient; notes that fighting large-scale corporate tax avoidance more efficiently could provide governments with the revenue needed to address the cost-of-living crisis and inequalities, and to finance high-quality public services, as well as climate action, sustainable development and humanitarian responses;
5. Considers that any taxation mechanisms at European level should be appropriately designed to avoid capital flight, in order to ensure tax fairness and contribute to tackling inequalities, instead of reducing the tax base; recalls, to that end, the need to take into account digitalisation's impact on the mobility of tax bases; calls on the Commission to assess harmful tax practices in order to attract high-net-worth individuals to Member States;

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<sup>1</sup> Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (OJ L 433 I, 22.12.2020, p. 28).

6. Asks for a portion of any revenue generated by permanent taxation mechanisms set up at EU level to be introduced as own resources, in order to further improve the stabilisation function of the EU budget and fund EU policy priorities; welcomes the temporary solidarity contribution from fossil fuel producers agreed by the Council; notes that other sectors, such as the agri-food, financial and pharmaceuticals industries, have also recently made 'surplus profits', and a solidarity mechanism could therefore be envisaged for sectors that have accrued undue and excessive profits; considers that the Commission and the Council should continually assess how any revenue stemming from new temporary crisis taxation mechanisms should enter the EU budget (whether as own resources or other revenue); notes that the EU budget should benefit consumers and businesses, in particular in support of vulnerable households and small and medium-sized enterprises;
7. Recalls that the EU budget has continuously been used as a response tool in times of crisis; calls on the Commission and the Council to explore the possibility of using the EU budget's expenditure and revenue mechanisms as response instruments and for redistribution purposes during symmetrical and asymmetrical crises, without any detriment to existing policies and programmes; calls, in this regard, for an additional permanent special instrument over and above the ceilings of the multiannual financial framework, in order to allow the EU budget to better adapt and quickly react to crises and their social and economic effects on its Member States.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	20.9.2023
<b>Result of final vote</b>	+: 24 -: 2 0: 5
<b>Members present for the final vote</b>	Rasmus Andresen, Pietro Bartolo, Olivier Chastel, David Cormand, Pascal Durand, Eider Gardiazabal Rubial, Alexandra Geese, Vlad Gheorghe, Valérie Hayer, Eero Heinäluoma, Monika Hohlmeier, Moritz Körner, Joachim Kuhs, Camilla Laureti, Margarida Marques, Siegfried Mureşan, Victor Negrescu, Dimitrios Papadimoulis, Karlo Ressler, Bogdan Rzońca, Eleni Stavrou, Nils Torvalds, Nils Ušakovs
<b>Substitutes present for the final vote</b>	Anna-Michelle Asimakopoulou, Martin Hojsík, Jan Olbrycht, Grzegorz Tobiszowski
<b>Substitutes under Rule 209(7) present for the final vote</b>	Asim Ademov, Estrella Durá Ferrandis, Daniel Freund, Ralf Seekatz

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

24	+
PPE	Asim Ademov, Anna-Michelle Asimakopoulou, Siegfried Mureşan, Jan Olbrycht, Karlo Ressler, Ralf Seekatz
Renew	Olivier Chastel, Vlad Gheorghe, Valérie Hayer, Martin Hojsík, Nils Torvalds
S&D	Pietro Bartolo, Estrella Durá Ferrandis, Pascal Durand, Eider Gardiazabal Rubial, Camilla Laureti, Margarida Marques, Victor Negrescu, Nils Ušakovs
The Left	Dimitrios Papadimoulis
Verts/ALE	Rasmus Andresen, David Cormand, Daniel Freund, Alexandra Geese

2	-
ID	Joachim Kuhs
Renew	Moritz Körner

5	0
ECR	Bogdan Rzońca, Grzegorz Tobiszowski
PPE	Monika Hohlmeier, Eleni Stavrou
S&D	Eero Heinäluoma

Key to symbols:

+ : in favour

- : against

0 : abstention