WRITTEN QUESTION E-1259/02 by Carlos Ripoll y Martínez de Bedoya (PPE-DE) to the Commission

Subject: Tax in the Balearic Islands

On 23 April 2002 the Government of the Balearic Islands adopted Law 7/2001 on a tax to be levied on stays in accommodation owned by holiday companies and to be paid into a fund which has been set up to improve tourist facilities and to protect the environment.

In the explanatory memorandum to the tax it is stated that the latter will provide extra funding for tourist and environmental redevelopment programmes which will enable the Balearic Islands' main economic sector to evolve smoothly and rationally.

The tax is to be levied solely on companies which provide holiday accommodation and the revenue which it generates will be used to finance improvements to the Balearic Islands' tourist facilities in general.

Does the Commission not think that, in order to prevent any discrimination and to ensure that the tax serves its intended purpose, the tax should be levied not only on companies providing holiday accommodation but also on the entire tourist industry in the Balearic Islands? </Depute> <Initialsi>

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