

WRITTEN QUESTION E-1260/02
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 that law it is stated that the tax is to be levied on stays (which are an expression of a tax-payer's financial means) in accommodation owned by holiday companies.

This new tax is to be imposed on the client paying for the accommodation, whilst VAT is imposed on the businessman providing the accommodation. In both cases the businessman takes on all the obligations vis-à-vis the tax authorities, whilst the cost is ultimately borne by the consumer.

Does the Commission not consider that this constitutes a case of double taxation levied on one and the same taxable event, namely a stay in rented holiday accommodation?