

**Question for written answer E-010614/2012
to the Commission**
Rule 117
Robert Sturdy (ECR)

Subject: EU-US trade relations: the nexus provision

Following the EU-US Summit of 24 November 2011, it was decided to launch a high-level working group for growth and jobs, tasked with exploring different ways of deepening the transatlantic trade relationship, with a view to addressing existing barriers to trade prior to the possible opening of formal negotiations.

1. Does the Commission plan to address, within the remit of its negotiating mandate, the use of the 'nexus provision' which unfairly insists that, for example, UK exporters of software goods must register for sales tax and income tax in some parts of the United States, even without having a physical presence in the territory itself?
2. To what extent does the Commission consider this blatant extension of fiscal reach beyond the boundaries of its jurisdiction a barrier to EU exports?
3. To what extent does the Commission foresee a willingness by the US to address this nexus, which exists in 25 states, considering the fact that the states are not themselves bound by US double taxation agreements and the Federal Government has no power to enforce them?