

**Question for written answer E-001884/2014
to the Commission**

Rule 117

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Subject: Scope of application of the financial transaction tax

According to various reports, the Spanish Government plans to propose to the ECOFIN that the scope of application of the financial transaction tax, the establishment of which is being discussed in the ambit of an enhanced cooperation process, should be restricted. Its proposal would be to limit the tax to transactions involving the shares of large corporations, in contrast with the Commission's original proposal to tax all transactions involving shares, bonds and derivatives. The government seeks to justify this position with the argument that a wider scope of application of the tax might have a negative impact on Spanish debt levels and distort the functioning of the market.

Does the Commission share this view? Does it consider that its proposal compromises the public debt levels of Member States and may distort the functioning of financial markets? Does it view as positive such a substantial diminishment of the scope of application of the financial transaction tax? Does it support the fact that this kind of operation continues to enjoy fiscal privileges and that the burden not borne by this industry and financial users has to be transposed to the rest of industry and non-financial users and, in general, to other tax-payers? Is it concerned that a privilege of this nature represents an incentive for the financial sector and short-term speculative operations to hypertrophy? Does it consider fair the fact that the financial industry does not assume any contribution towards bearing the fiscal burdens caused by the financial crisis?