

**Question for written answer E-005838/2020
to the Commission**

Rule 138

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Subject: Taxation of betting firm operators in EU territories offering tax breaks

Some EU territories are able to act, in practice, as tax havens owing to the favourable tax conditions applied to them. In Spain, the Partido Popular government changed the betting tax rules for online gambling in 2018, cutting gambling taxes to 10 % in the autonomous cities of Ceuta and Melilla, compared to 20 % in the rest of the country. This change came about in order to 'compete' with Gibraltar.

Following this, the company Codere, one of the betting firms most commonly found in towns and city districts in Spain, moved its head office from Madrid to Melilla. Other companies have also 'relocated' their business. Ireland and the Netherlands are further examples of countries with low taxation rates and lax tax legislation that attract huge amounts of foreign investment while causing tax revenue to fall in other EU countries.

The WHO considers compulsive gambling to be an illness. Its effects have spread owing to the proliferation of these companies that make a business out of exploiting vulnerabilities in society.

What plans does the Commission have to stop online betting firm operators paying their taxes in EU territories that are, in practice, tax havens on account of the tax advantages they offer?