

**Question for written answer E-003183/2021
to the Commission**
Rule 138
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Subject: The severe problem of tax arrears in Mediterranean countries

According to the Commission's Annual Report on Taxation 2021, tax arrears are very unevenly distributed across the Member States¹. Total year-end tax debt in Greece is well over 200 % and in Italy it is approaching 200 %, a significant increase compared to the previous year. Malta's tax arrears are stagnant at just under 100 %. This clearly suggests that these countries have severe tax compliance problems and inefficient tax payment systems.

1. Can the Commission provide an update on the implementation of Action 6 of the action plan for fair and simple taxation supporting the recovery strategy², especially in Greece, Italy and Malta?
2. How will it make sure that paying for these countries' reforms via the EU budget (e.g. through the Technical Support Instrument) and via debt issued under the Recovery and Resilience Facility will not create an incentive to not improve tax compliance?
3. Does the Commission agree that not tackling tax compliance has been a successful way for these countries to ensure the EU foots the bill for the necessary reforms?

¹ <https://op.europa.eu/en/publication-detail/-/publication/db46de2a-b785-11eb-8aca-01aa75ed71a1/language-en>, graph 23, page 50.

² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020DC0312&qid=1603446886789>