

**Question for written answer E-000755/2022  
to the Commission**

Rule 138

**Dimitrios Papadimoulis** (The Left)

Subject: Substantial losses of VAT revenue

According to a recent Commission report<sup>1</sup>, a total of EUR 134 billion in VAT earnings was lost to the EU in 2019 through fraud, tax evasion, tax avoidance, etc. In a period of social and economic crisis in the health sector and elsewhere, this is having a disastrous effect on public spending and investment in public facilities and services, placing a heavy burden on individual citizens and obstructing tax reforms to assist vulnerable households and small and medium-sized enterprises. In addition, it is depriving Member States of a major source of funding to cover the debt incurred in recovering from the pandemic and necessary investment in equitable green and digital transition. Given the reliance of the European budget on VAT, this shortfall also is having a significant impact on EU revenue and policy making.

In view of this:

1. Can the Commission account for the exceptionally large differences in revenue losses between the Member States (varying between 1% and 34.9%) and indicate the sectors hardest hit?
2. What actions and initiatives will it take to combat VAT fraud, evasion and avoidance more effectively, given that current framework provisions are proving inadequate to the task?
3. What measures should the Greek Government take to effectively address what is the second largest VAT shortfall in the EU (25.8 % corresponding to a revenue loss of EUR 5.35 billion)?

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<sup>1</sup> [https://ec.europa.eu/taxation\\_customs/news/vat-gap-eu-countries-lost-eu134-billion-vat-revenues-2019-2021-12-02\\_en](https://ec.europa.eu/taxation_customs/news/vat-gap-eu-countries-lost-eu134-billion-vat-revenues-2019-2021-12-02_en)