

Transparency on tax rulings must have a deterrent effect, says EPSU representing tax inspectors

(EPSU press release - 27 October 2015) The European Federation of Public Service Unions (EPSU) calls on the European Parliament to strengthen the proposed directive on Automatic Exchange of Information (AEOI) on tax rulings with a view to:

- * Making AEOI fully public. Trade unionists, citizens and shareholders have a democratic right to know what deals their governments are striking with multinational companies (MNCs). After all, it is citizens who lose out from the lost tax revenue. In addition, public disclosure of tax rulings would be fully in line with the Parliament's recent amendments to the shareholder's rights directive [see EPSU statement-><http://www.epsu.org/a/11767>]
- * Giving the European Commission (EC) a central role in receiving and analysing the information on tax rulings. Any restriction in the information provided to the Commission would be a step backwards, as the Commission should already have information on tax rulings and companies that benefit from them for the period 2010-2013 in order to investigate illegal state aid.
- * Ensuring that additional human and material resources are allocated to tax authorities to effectively provide, and make use of, the information. On average tax authorities suffered a 10% cut in staff between 2008 and 2012.
- * Covering all tax rulings that are still in effect with a 10-year retroactivity, not just those granted in the last 5 years before 1 January 2017. The Council proposal would not be coherent with rules on state aid investigations that can go back 10 years. The goal of AEOI on tax rulings must be to bring transparency and accountability in order to reduce the number of these so-called 'comfort letters', which deprive the public purse of much needed tax revenues. EPSU General Secretary { {Jan Willem Goudriaan } } stated, { 'The Council's revised draft directive on AEOI last month is so watered down that it is no longer a deterrent against corporate tax abuse. Following the Commission's decision last week that the tax deals granted to Starbucks and FIAT Finance were illegal, authorities around Europe need to give serious consideration to what, if any, useful purpose tax rulings have.' } ' {In our view, when tax rulings serve the sole or exclusive purpose of tax avoidance, they should be banned},' added Mr Goudriaan. The Parliament needs to send a strong message that Europe will no longer tolerate corporate tax dodging and that the Council's regressive changes will not do nearly enough to address the widespread abuse of

tax rulings. For further information, please contact: Nadja Salson +32(0)2 2501088
[nsalson@epsu.org->nsalson@epsu.org]

- [Log in](#) to post comments

- [Printer-friendly version](#)

Policies

[Tax justice](#)

Sectors

[National and European Administration](#)

Document types

[Press Release](#)