News | 02.12.2015

TAXE is dead, long live TAXE!

If there's one thing that the Greens do not like it's energy waste. But when we see a scandal coming – like an attempt to stop or weaken the European Parliament's unfinished investigation into the biggest tax scandal in EU history – the Greens had to react.

<u>The announcement on November 25</u> by European Parliament President Martin Schulz that the Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect (TAXE committee) had to end on November 30 - because its report was adopted - took everyone by surprise. Not just because it was a last minute decision but also because it didn't come with any clear written legal justification.

This is why on the same day, <u>MEP Philippe Lamberts</u>, Greens/EFA co-president rightly criticized « King Schulz » for interpreting the Parliament's Rules of Procedure as he likes. The Greens requested to see an official legal opinion on why TAXE should end and we are still waiting for it. Schulz' cabinet claim that extending the TAXE committee "would have been a breach of the rules of procedure and even a breach of the original mandate of the TAXE committee" has still not been legally proved to us, especially not by the only informal document obtained from the Presidency (after the end of TAXE). Indeed, for a legal interpretation to stand, it needs to refer to legal rules, which is missing from this internal political note (in German only).

In the end, a new special committee on taxation – a sort of TAXE 2 – will be created to last six months, with a new mandate based largely on the mandate of the previous committee, proposed by the Greens. So why all this fuss then, do we hear? Because protecting the old mandate wasn't a given. Contrary to what Schulz' entourage said, the negotiations for a new committee didn't start with the old committee's mandate as a basis.

Indeed, last week, a first proposal for a new mandate negotiated between the EPP and the S&D leadership was circulated on November 25, the night before the decision on a new committee had to be taken, and it was much weaker than what will be agreed upon today. (Click on hyperlinks below for comparison). Thanks to the Greens leadership we managed to draw enough attention to this manoeuvre and ensure the old powers are preserved. A new mandate was then proposed by the S&D TAXE coordinator on November 26, which was a better version to start negotiating on. The EPP TAXE coordinator also suggested strengthening the old mandate by adding VAT fraud to the TAXE 2 agenda.

So, after all, this new committee will have a strong mandate, enabling the European Parliament to continue its tax investigation. TAXE 2 must take off where the original committee left off. After the Kafkaesque procedural wrangling, the Greens will ensure that we get back a clear roadmap for TAXE 2 to access the large number of crucial EU documents withheld from the initial committee. Or to recall EU officials like

Commission president Jean-Claude Juncker and Eurogroup chair Jeroen Dijsselbloem to provide evidence in light of new information regarding the roles of their governments in preventing EU action on tax dumping.

So all in all, this was a good use of our energy and the Greens will as energy efficient in TAXE 2 as we were in TAXE 1. Long live TAXE!

- First draft circulated on 25th of November (evening)
- Final mandate for TAXE 2 (to be adopted today)

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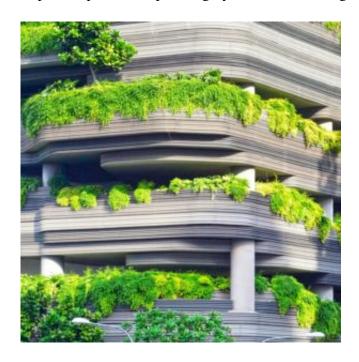
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Responsible MEPs



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Co-President

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