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DRAFT REPORT

on tax rulings and other measures similar in nature or effect
(2015/2066(INI))

Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on tax rulings and other measures similar in nature or effect (2015/2066(INI))

The European Parliament,

– having regard to Article 4 of the Treaty on European Union,

– having regard to Articles 107, 108, 113, 115 and 116 of the Treaty on the Functioning of the European Union,

– having regard to its decision of 12 February 2015 on setting up a special committee on tax rulings and other measures similar in nature or effect, its powers, numerical strength and term of office,

– having regard to the revelations of the International Consortium of Investigative Journalists (ICIJ) on tax rulings and other harmful practices in Luxembourg, which have become known as 'LuxLeaks',

– having regard to the outcome of the G7, G8 and G20 Summits on international tax issues, in particular the Elmau Summit of 7-8 June 2015, the Brisbane Summit of 15-16 November 2014 , the St Petersburg Summit of 5-6 September 2013, the Lough Erne Summit of 17-18 June 2013 and the Pittsburgh Summit of 24-25 September 2009,

– having regard to the Report 'Addressing Base Erosion and Profit Shifting' (BEPS) of the Organisation for Economic Cooperation and Development (OECD) of 2013, the OECD's action plan on BEPS and its consecutive publications,

– having regard to recent European Council conclusions on the Common Consolidated Corporate Tax Base (14 March 2013), on the automatic exchange of information (18 December 2014), on Base Erosion and Profit Shifting (BEPS), the automatic exchange of information at global level and harmful tax measures (18 December 2014) and on Tax Evasion (27 June 2014),

– having regard to the ECOFIN conclusions and ECOFIN report to the European Council on tax issues of 22 June 2015,

– having regard to the report from the Code of Conduct Group to the Council on the Code of Conduct (Business Taxation) of 11 June 2015,

– having regard to the Administrative Cooperation Directive[1], the Interest and Royalties Directive[2] and the latest Commission legislative proposals to amend them,

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[1] Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC (OJ L 63, 11.3.2011. p. 1), concerning mutual assistance by the competent authorities of the Member States in the field of direct taxation.
[2] Council Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States (OJ L 157, 26.6.2003, p. 49).

– having regard to Council Directive 90/435/EEC of 23 July 1990 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States[1] (the 'Parent-Subsidiary Directive'), as last amended in 2015,

– having regard to Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014 amending Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts[2],

– having regard to Council Regulation (EC) No 659/1999 of 22 March 1999 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union[3],

– having regard to Council Directive 77/799/EEC of 19 December 1977 concerning mutual assistance by the competent authorities of the Member States in the field of direct taxation and taxation of insurance premiums[4],

– having regard to the Commission Communication of 17 June 2015 entitled 'A fair and efficient corporate tax system in the European Union: 5 key areas for action' (COM(2015)0302),

– having regard to the Commission's Tax Transparency Package of 18 March 2015,

– having regard to the Commission Communication of 6 December 2012 entitled 'An Action Plan to strengthen the fight against tax fraud and tax evasion' (COM(2012)0722),

– having regard to the Commission Recommendation of 6 December 2012 on aggressive tax planning (C(2012)8806),

– having regard to the Commission Recommendation of 6 December 2012 regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (C(2012)8805),

– having regard to the Commission Communication of 27 June 2012 on concrete ways to reinforce the fight against tax fraud and tax evasion including in relation to third countries (COM(2012)0351),

– having regard to the Commission's proposal of 2011 for a Council directive on a Common Consolidated Corporate Tax Base (CCCTB) (COM(2011)0121), and to Parliament's position of 19 April 2012 thereon,

– having regard to the Resolution of the Council and the Representatives of the Governments of the Member States of 1 December 1997 on a code of conduct for business taxation[5] and to the regular reports to the Council of the Code of Conduct on

[1] OJ L 225, 20.8.1990, p. 6.
[2] OJ L 158, 27.5.2014, p. 196.
[3] OJ L 83, 27.3.1999, p. 1.
[4] OJ L 336, 27.12.1977, p. 15.
[5] OJ C 2, 6.1.1998, p. 2.

Business Taxation Group,

– having regard to the amendments adopted by Parliament on 8 July 2015 to the proposal for a directive of the European Parliament and of the Council amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement and Directive 2013/34/EU as regards certain elements of the corporate governance statement,

– having regard to its resolution of 8 July 2015 on tax avoidance and tax evasion as challenges for governance, social protection and development in developing countries[1],

– having regard to its resolution of 25 March 2015 on the Annual Tax Report[2],

– having regard to its resolution of 11 March 2015 on the Annual Report 2013 on the Protection of the EU's Financial Interests – Fight against fraud[3],

– having regard to its resolution of 21 May 2013 on the fight against tax fraud, tax evasion and tax havens[4],

– having regard to its resolution of 19 April 2012 on the call for concrete ways to combat tax fraud and tax evasion[5],

– having regard to its resolution of 8 March 2011 on Tax and Development – Cooperating with Developing Countries on Promoting Good Governance in Tax Matters[6],

– having regard to its resolution of 10 February 2010 on promoting good governance in tax matters[7],

– having regard to the various parliamentary hearings and consecutive reports on the same topic held in national parliaments and in particular in the UK House of Commons, the US Senate and the French Assemblée nationale,

– having regard to Rule 52 of its Rules of Procedure,

– having regard to the report of the Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect (A8 0000/2015),

LuxLeaks: facts and figures

A. whereas the LuxLeaks scandal, which erupted on 5 November 2014 thanks to the International Consortium of Investigative Journalists with the release of some 28 000 pages of confidential documents setting out more than 500 private tax arrangements between the Luxembourg tax administration and more than 300 multinational corporations (MNCs) between 2002 and 2010, revealed the extent of the use of secret

[1] Texts adopted, P8_TA(2015)0265.
[2] Texts adopted, P8_TA(2015)0089.
[3] Texts adopted, P8_TA(2015)0062.
[4] Texts adopted, P7_TA(2013)0205.
[5] Texts adopted, P7_TA(2012)0137.
[6] OJ C 199 E, 7.7.2012, p. 37.
[7] OJ C 341 E, 16.12.2010, p. 29.

deals featuring complex financial structures designed to obtain drastic tax reductions; whereas in many cases Luxembourg subsidiaries handling hundreds of millions of euros in business maintain little presence and conduct little economic activity in Luxembourg;

B. whereas issues related to corporate tax base erosion and aggressive tax planning practices have been known and analysed at international level at least since the end of the years 1990; whereas Luxleaks brought public and media attention to those issues, disclosing questionable tax practices promoted by one specific accountancy firm in one specific Member State; whereas the Commission's investigations and the work carried out by Parliament through its special committee have shown that this is not the only case but a practice that is widespread within Europe and beyond, and one which consists in taking tax measures to reduce some corporations' overall tax liabilities so as to artificially increase the national tax base at the expense of other countries;

C. whereas such behaviours, often resulting in disconnection between where value is created and where profits are taxed, is not limited to tax rulings, but encompasses a wide range of harmful tax practices, which are implemented by national tax administrations within and outside the EU;

D. whereas subjecting these practices to public scrutiny is part of democratic control; whereas, given their negative impact on society as a whole, they can only persist as long as they remain undisclosed, or are tolerated; whereas investigative journalists, the non-governmental sector and the academic community have been instrumental in exposing cases of tax avoidance and informing the public thereof; whereas, as long as they cannot be prevented, their disclosure should not depend on the courage and ethical sense of individual whistleblowers, but rather be part of more systematic reporting and information-exchange mechanisms;

Member States' approach to corporate taxation

E. whereas direct taxation is a competence of Member States and is thus subject to the unanimity requirement within the Council; whereas this has resulted in no significant decision being taken yet at EU level in the area of corporate taxation despite recent developments in EU integration in connection with the internal market and other areas covered by the EU Treaties such as international trade agreements, the single currency and economic and fiscal governance; whereas, by giving each Member State a veto right, the unanimity rule within the Council reduces the incentive to move from the status quo towards a more cooperative solution;

F. whereas, in a completed internal market, no distortion should affect investment decisions and business location; whereas, however, globalisation, digitalisation and free movement of capital create the conditions for more intense tax competition between Member States, and with third countries, to attract investments and businesses; whereas this can take the form of potentially harmful tax schemes, which are aimed at fostering investments and attract additional economic activity in the first place, reacting to similar measures launched in neighbouring countries or to correct what is considered as pre-existing imbalances by Member States, in terms of relative wealth, size or peripheral location; whereas, incidentally, in some jurisdictions there seems to be a correlation between attractive corporate tax systems and a high level of national wealth; whereas the optimal design for tax systems depends on numerous factors and therefore differs

from one country to another;

G. whereas, in its role as a player in the tax competition game, each country uses its national legislation in conjunction with its tax treaty network to promote itself as a country to invest in, thereby attracting businesses at the expense of partner countries; whereas, taken in isolation, each Member State has a clear interest in adopting a 'free rider' behaviour, i.e. in being the first to design and implement specific tax schemes and provisions to attract tax base, and the last to participate in any cooperative and coordinated action to tackle tax avoidance;

H. whereas, as a result, some Member States tend to have an ambivalent position regarding tax avoidance, complaining on the one hand about their national tax base erosion while at the same time being responsible for the design of the current national and international tax systems which made it possible, and still impeding any development of their tax systems towards a more coordinated solution; whereas, in a framework of full capital mobility within the EU, the interdependence and mutual effects of national tax systems and revenue should be fully taken into account, bearing in mind the extensive positive and negative cross-border spillovers from individual Member States' tax decisions, since one country's tax incentive is another's base erosion;

I. whereas the legislator and tax administrations cannot anticipate but only react, sometimes with great delay, to the innovative tax avoidance schemes which are designed and promoted by some tax advisers, lawyers and intermediary companies; whereas, in particular, experience shows that EU bodies which should prevent the introduction of harmful tax measures (such as the Code of Conduct Group set up by Member States in 1998), often react too little, and that a mass of new and often aggressive tax avoidance measures or agreements have been introduced in the EU; whereas MNCs are relying, in the EU and worldwide, on the expertise of a well-organised and skilled sector of tax advisers for the development of their tax avoidance schemes; whereas this sector is represented at the same time in bodies advising governments and public institutions on tax matters, such as the EU Platform for Tax Good Governance;

Tax rulings and harmful tax practices

J. whereas tax rulings cover a wide range of practices in Member States, in terms of possible scope and topics covered, binding nature, frequency of use, publicity, length and payment of fees; whereas there is no commonly agreed definition of tax rulings at international level except for the Commission's reference to them as 'any communication or any other instrument or action with similar effects, by or on behalf of the Member State regarding the interpretation or application of tax laws';

K. whereas tax rulings are not intrinsically problematic since they can, as is their original purpose, provide legal certainty for the taxpayer in cases where the tax laws or their particular application in certain circumstances are unclear or subject to diverging interpretations, in particular with regard to complex transactions, and thereby avoid future disputes between the taxpayer and the tax authority;

L. whereas the practice of rulings developed, in the framework of a closer and more cooperative relationship between tax administrations and taxpayers, as a tool to tackle

the increasing complexity of the tax treatment of certain transactions in an increasingly complex, global and digitalised economy; whereas, as undisclosed and potentially discretionary/negotiated arrangements, rulings could at the same time be used as a means of obtaining derogations and more favourable tax treatments;

M. whereas advanced tax rulings are not supposed to affect in any manner the tax treatment of any transaction but should rather have, everything being equal, the same effect as the ex post application of the underlying tax provisions; whereas, accordingly, the focus of this report is not strictly limited to tax rulings but includes, in line with the mandate given to its special committee (TAXE), any tax measure similar in nature or in effect, under the generic term of 'harmful tax practices', i.e. measures aimed at attracting non-resident firms or transactions at the expense of other tax jurisdictions in which these transactions should normally be taxed;

N. whereas harmful tax practices can, to some extent, be connected to one or several of the following non desirable effects: lack of transparency, distortions of competition and an uneven playing field within and outside the internal market, the fairness and legitimacy of the tax system affected, more taxation on less mobile economic factors, unfair competition between states, tax base erosion, social dissatisfaction, mistrust or a democratic deficit;

The work of the Special Committee

O. whereas its competent special committee, constituted on 26 February 2015, held xx meetings, during which it heard Commissioners Vestager and Moscovici, OECD representatives, as well as whistleblowers, investigative journalists, experts, academics, representatives of MNCs, professional associations, trade unions, non-governmental organisations and members of EU national parliaments (see Annex 1); whereas delegations from the TAXE Committee visited Switzerland, to look into specific aspects of the third-country dimension of its mandate, and the following Member States, to conduct fact-finding missions: Belgium, Luxembourg, Ireland, the Netherlands and the United Kingdom;

P. whereas some of the committee's work was hindered by the fact that a number of the Member States and the Council did not reply in due time and, in the end, did not forward all the documents requested; whereas, in particular, out of 18 MNCs invited, only 4 agreed to appear before the committee; whereas the exchanges of views planned with the Commission President and the Finance Ministers had to be postponed due to external events beyond their control; whereas the committee's term of office therefore had to be extended;

Q. whereas a number of state aid investigations by the Commission were still in progress at the time of the drafting / adoption of this report, in relation to transfer pricing arrangements, validated by tax rulings, which affect the taxable profit allocated to certain MNC subsidiaries;

Overview of corporate tax practices in the Member States

1. Recalls that the models of corporate taxation existing in industrialised countries were designed in the first half of the 20th century, a period in which cross-border activity was

limited; notes that globalisation and digitalisation of the economy have radically altered the global value chain and the way markets operate; stresses that national and international rules in the field of taxation have not kept pace with the evolution of the business environment;

2. Notes that, while compliance with various tax systems has become increasingly complex for firms operating across borders, globalisation and digitalisation have made it easier for them to organise their activities through off-shore financial centres, and to create sophisticated structures in order to reduce their global tax burden; is concerned that, due to the economic crisis and budget consolidation, most Member States have significantly reduced their tax administration staff, thereby impacting their potential capacity to prevent, detect and fight aggressive tax planning, which generates substantial erosion of their tax base;

3. Stresses that the Treaty, in line with the subsidiarity principle, allows Member States to determine their own corporate tax rates; stresses also, however, that the over-complex rules of national tax systems, together with the differences between these systems, create loopholes that are used by MNCs for aggressive tax planning purposes, thus leading to base erosion, profit shifting, a race to the bottom and, ultimately, to a suboptimal economic outcome; underlines the fact that this kind of tax avoidance is a negative sum game for all national budgets taken together, as the increases in tax revenues resulting from harmful practices in one Member State (thanks to derogations, specific deductions or loopholes) do not compensate for the reductions in tax revenues in others; points out that only a more coordinated, joint approach by Member States, which should result in a common framework within which Member States set their tax rates, can prevent further base erosion;

4. Notes that, according to the Commission[1], statutory corporate income tax rates in the EU fell by 12 percentage points, from 35 % to 23 %, between 1995 and 2014; stresses that this decrease in tax rates is accompanied by a broadening of the tax base to mitigate revenue losses and that the relatively stable revenue stemming from corporate taxation in the same timeframe can also be explained by a substantial ‘incorporation’ trend, i.e. a shift from certain legal forms of doing business, such as (sole) proprietorship, to corporation status, which results in a similar shift from a personal to a corporate tax base;

5. Highlights the growing gap between statutory and effective tax rates, in particular for firms operating at global level, which reflects at least in part various derogations and exemptions from the general tax regime, whether intended by the legislator to reach specific objectives or resulting from aggressive tax planning, i.e. taking advantage of the technicalities of a tax system, or of mismatches between two or more tax systems, for the purpose of reducing tax liability;

6. Notes the large diversity of the 28 tax systems in the EU, as regards both the definition of the tax base and the level of the tax rate, which is even greater if one takes into account the special jurisdictions with autonomous tax systems within the EU (overseas territories and Crown dependencies); deplores that basic notions and elements, such as

[1] Taxation trends in the European Union, Eurostat statistical books, 2014 edition.

the balance between source and residence taxation, permanent establishment and taxable entities, economic substance and anti-abuse rules, not to speak of what can or cannot be deducted from the tax base, are currently not subject to any joint definition or guidelines in the EU, leaving Member States with uncoordinated tax systems;

7. Stresses that national preferential regimes and mismatches between the different tax systems within the single market create opportunities for tax dodging; notes that these undesirable effects are further aggravated by the existence of a great number of bilateral tax treaties between Member States and third countries;

8. Notes that this uncoordinated tax framework within the EU also suffers from a blatant lack of cooperation between Member States; stresses, in this connection, that Member States do not necessarily take into consideration the impact of their tax measures on other Member States, not only when they design their tax measures but also when they share information on the implementation of such measures, leading to a de facto beggar-thy-neighbour policy in tax matters; points out that a systematic and efficient exchange of information between Member States would make it possible to take account of the tax treatment of specific income flows or transactions in other Member States; stresses that this also contributes to creating an unacceptable situation in which the profits generated by MNCs in a Member State are often taxed at very low rates or not at all in the EU;

9. Emphasises that convergence between national tax systems in the EU has been very limited despite an unprecedented deepening of the EU integration process over the last 30 years, particularly in connection with the single market and the Economic and Monetary Union; deplores the fact that these tax systems lag far behind when compared with coordination efforts at EU level, in particular in the framework of the European Semester, although a significant part of the policy mix to ensure fiscal consolidation concerns the revenue side; takes the view that this aspect should have been mentioned in the Five Presidents' report on 'Completing Europe's Economic and Monetary Union' of June 2015;

Aggressive tax planning instruments and their impact

10. Stresses that tax avoidance by some MNCs can result in close-to-zero effective tax rates for the profits generated in European jurisdictions, highlighting the fact that such MNCs, while benefiting from various public goods and services where they operate, do not pay their fair share, thereby contributing to national tax base erosion;

11. Notes with great concern that corporate tax avoidance has a direct impact on national budgets and on the breakdown of the tax effort between categories of taxpayers as well as between economic factors (to the benefit of most mobile factors such as capital in the form of foreign direct investment – FDI); deplores the fact that, in addition to competition distortions, this results in an unacceptable situation where, in a context of severe consolidation efforts, some of those taxpayers with the highest ability to pay contribute incommensurately less than those most affected by the economic and financial crisis, such as ordinary citizens and small and medium-sized enterprises (SMEs); stresses that this situation risks feeding democratic mistrust and affecting overall tax compliance; notes that whistleblowers, who provide national authorities, in the public interest, with crucial information about illegal or illegitimate practices, can be

subject to legal prosecution;

12. Notes that research by the IMF[1] covering 51 countries concludes that profit shifting between tax jurisdictions results in an average revenue loss of about 5 % of current corporate income tax revenue – but of almost 13 % in non-OECD countries; notes also that, according to the Commission, econometric evidence shows that FDI's sensitivity to corporate taxation has increased over time; underlines the fact that, each year, an estimated EUR 1 trillion of potential tax revenue is lost due to the combined effect of tax fraud, tax evasion and tax avoidance in the EU[2] and that the most conservative estimates point to global yearly losses for national budgets due to tax avoidance of at least some EUR 50 billion[3]; stresses that these figures should be considered with caution and may underestimate the actual losses for national budgets, given the limited transparency and different accounting and conceptual frameworks around the globe, which affect the availability of comparable and meaningful data and the reliability of any estimation;

13. Notes that tax planning strategies can be based on the structuring of corporations, financing arrangements for their branches or transfer pricing, allowing the artificial shifting of profit across jurisdictions with the objective of reducing the global tax burden for companies;

14. Takes the view that national preferential regimes and the poor level of coordination or convergence between the Member States' tax systems, despite the effective economic interconnections and interplay within the internal market, result in a number of mismatches allowing aggressive tax planning, double deductions and double non taxation, for instance through one or a combination of the following practices: abusive transfer pricing, locating deductions in high-tax jurisdictions, passing on funds raised by loans through conduit companies, risk transfer, exploiting mismatches, tax arbitrage, treaty shopping, and locating asset sales in low-tax jurisdictions;

15. Stresses that, during its fact-finding missions in five Member States and Switzerland, its special committee observed that a number of national tax measures had the potential to be harmful tax practices, in particular the following, which should only be considered as a non-exhaustive list:

   – diverging definitions of permanent establishment and tax residence, and relationship with economic substance (sometimes allowing taxation in the absence of economic substance or, conversely, no taxation of revenue stemming from real economic activity),

   – deduction of notional interests (enabling companies to deduct from their taxable income a fictitious interest calculated on the basis of their shareholders' equity),

   – excess profit ruling practices (through which a company may obtain written

[1] IMF policy paper 'Spillovers in international corporate taxation', 9 May 2014.
[2] Report of 10 February 2012 by Richard Murphy FCA on 'Closing the European Tax Gap'.
[3] 'European added value of legislative report on bringing Transparency, coordination and convergence to corporate tax policies in the European Union', Dr Benjamin Ferrett, Daniel Gravino and Silvia Merler – To be published.

confirmation from the tax administration that its taxable income does not include those profits that would not have been realised in a 'stand-alone' situation),

- unclear or uncoordinated transfer pricing provisions,

- a number of preferential regimes, in particular in relation to intangibles (patent, knowledge or IP boxes),

- exemption of withholding tax on interest, dividends and royalties through bilateral tax treaties,

- differences in legal designations between Member States (hybrid entities or hybrid loans),

- and, in the case of Switzerland, special tax regimes at cantonal level for foreign-controlled companies which are not granted to nationally controlled companies;

16. Takes note that, according to the Commission[1], 72 % of profit shifting takes place in the EU through the channels of transfer pricing and location of intellectual property;

17. Stresses that a number of Member States have in recent years developed specific corporate tax reduction schemes to attract companies' mobile intangible assets, such as income resulting from intellectual property; notes the variety in the tax rate reductions and allowances and in the scope of the schemes proposed (innovation boxes, intellectual property boxes, knowledge boxes, patent boxes, etc.); stresses that, in some Member States, , taxpayers do not need to produce intellectual property within the country in order to access tax benefits, but merely to acquire it through a company which has its residence within the jurisdiction;

18. Considers such schemes to be typical examples of harmful tax competition between states, because while their connection with and impact on the real economy is not evident, they have the effect of reducing the tax revenue of other countries, including Member States;

19. Stresses that, in an economic environment characterised by more intangible assets, transfer pricing is often affected by the lack of comparable transactions and benchmarks, which casts doubts on the sound application and relevance of the arm's length principle, according to which the pricing of transactions between entities belonging to the same corporate group should be valued in the same way as between independent entities;

20. Notes that the existing guidelines for transfer pricing leave MNCs a significant margin of discretion in the choice and implementation of evaluation methods; stresses that the lack of any effective common standard for transfer pricing and the various derogations, exceptions and alternatives provided for are being exploited by MNCs, in contradiction with the spirit of those guidelines, to calibrate their taxable profits by jurisdiction and reduce their overall tax liability through, for instance, abusive cost-plus, arbitrary

[1] Commission staff working document of 17 June 2015 on Corporate Income Taxation in the European Union (SWD(2015)0121).

setting of profit margins or the questionable exclusion of certain expenditure from their calculation;

21. Underlines the fact that transfer pricing files submitted by MNCs or their representatives cannot be properly monitored by tax administrations, which are often not sufficiently equipped and staffed to critically and thoroughly examine those analyses and their outcome or impact;

22. Deplores the fact that, in an economic context where 60 % of world trade is intra-group[1], guidelines for the application of this purely economic concept are fragmented at national level and therefore subject to inconsistencies between Member States and legal disputes;

23. Underlines, moreover, the fact that, despite the significant number of legal disputes in the EU stemming from differing interpretations of the same transfer pricing principles, no efficient dispute resolution mechanism is in place at European level; notes that the settlement of cases put forward to the EU arbitration convention on transfer pricing can take up to eight years, contributing to legal uncertainty for companies and tax administrations;

24. Stresses the crucial role of the four biggest accounting firms (the 'Big Four') in the design and marketing of rulings and tax avoidance schemes exploiting mismatches between national legislations; stresses that those firms, which seem to derive a considerable amount of their revenue from tax services, to dominate most Member States' auditing markets and to prevail in the global tax advising services, constitute a narrow oligopoly; draws attention to the conflict of interest resulting from the juxtaposition, within the same firms, of tax advice and consulting activities intended, on the one hand, for tax administrations and, on the other, for MNCs' tax planning services , which exploit the weaknesses of national tax laws; questions the effectiveness of any corporate code of conduct in tackling this issue; underlines the fact that tax rulings have become, in the EU and worldwide, a common business practice, not only to obtain legal certainty or advantageous tax deals, but also in cases where legislative provisions do not allow any room for interpretation;

State of play and assessment of EU, international and national actions

25. Recognises that, following the economic crisis and, in addition, the LuxLeaks scandal, addressing aggressive tax planning by MNCs has been high on the political agenda of Member States, the EU, the OECD and the G20, but regrets that, so far, no significant progress has been made in practical terms;

26. Notes, against this background, that many Member States have introduced or intend to adopt measures to tackle tax avoidance, in particular in connection with the limitation of the deductibility of interests, anti-abuse rules, a better definition of the notion of permanent establishment (including the development of economic substance tests to determine the taxable presence of firms more effectively), the possible exclusion of misbehaving firms from public tenders, or the publication of tax planning schemes that

[1] Transfer pricing: Keeping it at arm's length, OECD Observer 230, January 2002 (corrected 2008).

can be instrumental in reducing the time gap between the establishment of specific schemes and the adoption of corrective action, including at legislative level;

27. Is concerned, nonetheless, that unilateral measures taken by Member States against tax base erosion can contribute to increasing complexity, generating new mismatches and, as a result, more opportunities for tax dodging within the internal market; stresses that any divergent implementation by Member States of international or EU guidelines can have the same effect;

28. Welcomes the various initiatives and legislative proposals of the Commission over the last 20 years, including the most recent, to move towards stronger coordination of Member States' corporate tax systems, with a view to reinforcing the internal market, addressing double taxation or double non-taxation issues or preserving the right of Member States to tax effectively; deplores nevertheless the fact that, to date, only a small number of these have been adopted by Council, due to the unanimity requirement and the fact that certain Member States are convinced that they have more to gain individually from loopholes in the uncoordinated tax system;

29. Stresses that the Code of Conduct Group on Business Taxation (the 'Group'), set up in 1998 by Member States, made it possible in the late 1990s and the early 2000s to eliminate what constituted the most harmful individual tax practices through the double-track soft law approach of 'rolling back' existing tax measures that constituted harmful tax competition and refraining from introducing any such measures in the future ('standstill');

30. Deplores the fact that the Group's work seems to have lost momentum; notes that some of the more than 100 measures which have been rolled back as a result of its activity have been replaced in Member States by tax measures with similar harmful effects; notes that tax authorities have countered the Group's recommendations by creating new structures with the same harmful effects as those rolled back by the Group; deplores the fact that past attempts to strengthen its governance and mandate, and to adjust and broaden the working methods and criteria set in the Code, with the aim of combating new forms of harmful tax practices within the current economic environment, have not been successful; supports the Commission's latest proposals on this matter, as set out in its action plan of 17 June 2015 for fair and efficient corporate taxation in the EU;

31. Deplores also the fact that the Group's original status and governance arrangements left too much room for political negotiations and compromises in seeking to reach 'broad consensus' (i.e. quasi-unanimity effectively, with the possibility to express disagreement in footnotes) on the assessment of harmful practices, thus affecting the reliability and completeness of its work; considers it regrettable that the rollback of existing measures suffered from political delays and, in some cases, allowed the inclusion of new beneficiaries after the deadline, which is also related to the Group's very weak accountability and monitoring mechanisms;

32. Stresses more fundamentally that the Code's case-by-case approach, while having resulted in Member States now competing more with general measures, does not address the systemic weaknesses of a fragmented corporate tax framework in the EU, which requires a more substantial overhaul;

33. Notes also the efforts made through the creation of the Platform for Tax Good Governance, which brings around the same table various stakeholders with the aim of creating consensus around the issue of tax avoidance, in particular in an international context, and the Joint Transfer Pricing Forum, which issues a number of guidelines on the technical issues surrounding transfer pricing; stresses that, to date, these bodies have contributed to making limited corrections to the corporate tax framework; strongly deplores the fact that the Joint Transfer Pricing Forum is composed, in particular, of representatives from the Big Four accountancy firms, which contribute to the work on guidelines of transfer pricing while, at the same time, advising corporations on how to avoid taxes through the use of transfer pricing;

34. Stresses that EU legislation (the Parent-Subsidiary, Interest and Royalties, Mergers and Administrative Cooperation Directives) though covering limited aspects linked to corporate taxation, has been able to tackle specific issues faced by Member States and firms operating in several countries; highlights the fact that these measures, originally designed to eliminate double taxation, are having some unintended counter-productive effects on tax avoidance; welcomes the recent adoption by the Council of amendments to the Parent-Subsidiary Directive aimed at introducing a general anti-abuse clause and tackling hybrid loan mismatches, which will be entering into force at the end of 2015, hoping that this will help remove some of the opportunities for tax avoidance in the EU;

35. Recalls, in the field of transparency, the provisions of the Administrative Cooperation Directive aimed at fostering the exchange of all relevant tax information; takes the view that an efficient exchange and processing of tax information would have a strong deterrent effect against the introduction of harmful tax practices and would allow Member States and the Commission to have all the relevant information at their disposal in order to react against them;

36. Deplores the fact that the current legislative and monitoring framework for the exchange of information about tax measures is not effective, given that evidence has demonstrated that the existing requirements for spontaneous or on-demand exchanges of information are not being complied with; deplores the fact that practically no Member State exchanges any information which may have an effect on partner countries of the EU;

37. Strongly rejects the explanation given by some Member States for not exchanging tax information, i.e. on grounds of reciprocity; draws attention to the structural design problems of a system based on discretion as to what should be communicated or not and weak monitoring systems, which make any violation of the exchange information requirement very difficult to identify;

38. Welcomes the Commission’s commitment to promoting the automatic exchange of tax information as the future European and international standard for transparency; urges it, as a first step, to fulfil its duty as guardian of the Treaties and take all the necessary action to ensure that existing EU law and the principle of loyal cooperation between Member States laid down in the Treaties are duly complied with;

39. Notes that state aid rules and sanctions are useful as a means of addressing the most abusive and distortive harmful tax practices and can have a significant deterrent effect;

40. Welcomes the Commission communication on tax transparency of March 2015 and the action plan for a fair and efficient corporate tax system in the EU of June 2015; stresses, however, that these texts can only be considered as steps in the right direction and that a consistent framework of legislative provisions and administrative coordination is needed as a matter of urgency also for the benefit of SMEs and those MNCs which are helping to create genuine economic growth and are paying their fair share of taxes within the internal market;

41. Welcomes the good progress of the OECD BEPS action plan which, following successive calls for action at the G7 and G20 summits, goes far beyond addressing the individual issues affecting the functioning of the international corporate tax system by putting forward global and systematic action to tackle them; deplores the late and still unequal inclusion of developing countries in the OECD BEPS process;

42. Notes that, following a systematic analysis of the 'pressure points' of the international tax system, the BEPS action plan was delineated into 15 action points, of which seven were endorsed by the G20 in November 2014, and the others are expected to be agreed by the end of 2015; stresses that, against the background of an evolving business environment, those actions seek to address transparency issues, e.g. by issuing guidelines on country-by-country reporting, the lack of substance in certain tax avoidance arrangements and greater consistency in international rules;

43. Warns, nevertheless, against compromises which could fall short of the initial ambitions or lead to diverging interpretations at national level; stresses, moreover, that until now, there has been hardly any effective monitoring of the implementation of OECD guidelines in the countries which endorsed them, and that even the best designed solutions cannot be effective if they are not monitored and implemented appropriately;

44. Stresses the complementary nature of EU and OECD activity in this field; takes the view that, given its degree of integration, the EU must go further than the BEPS proposals in terms of coordination and convergence aimed at avoiding all forms of harmful tax competition within the internal market; is convinced that, while ensuring that its competitiveness is not adversely affected, the EU could put in place more effective tools to ensure fair tax competition and the right of Member States to operate effective taxation on profits generated in their territories;

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45. Stresses that, within the internal market, new entrants and SMEs are penalised as compared to MNCs, which can shift profits or implement other forms of aggressive tax planning through a variety of decisions and instruments, available to them only; notes with concern that, everything being equal, the resulting lower tax liabilities leave the latter with a higher post-tax profit and create an uneven playing field with their competitors on the single market, which do not have recourse to aggressive tax planning and keep the connection between where they generate profit and their place of taxation;

46. Stresses that the OECD[1] points to the use by some MNCs of strategies that allow them to pay as little as 5 % in corporate taxes when smaller businesses are paying up to 30 %,

[1] OECD Press release, 'OECD urges stronger international co-operation on corporate tax', 12.02.2013.

and that furthermore some studies[1] also point to the fact that, on average, the corporate tax burden of cross-border companies is up to 30 % lower than that of domestic companies operating in only one country;

47. Stresses that this distortion of economic operators' decisions, taken on the basis of expected post-tax returns, results in a sub-optimal allocation of resources within the EU and tends to lower the level of competition, thereby affecting growth and employment;

48. Underlines the fact that some harmful tax practices may fall within the scope of tax-related state aid rules, in particular in so far as that they can, in the same way, grant 'selective' advantage and entail distortions of competition within the internal market; notes that, in the past, the State Aid and Code of Conduct Group processes have mutually supported each other, notably in 1999 and in the first half of the 2000s; stresses that the enforcement of EU competition rules has added legal pressure as a complement to the soft-law decision-making process in the Group, partially compensating for the lack of any other effective tool to remedy the issue of tax avoidance at EU level;

49. Acknowledges the important developments that have taken place in the last 20 years with respect to the Commission's analytical framework for tax-related state aid, which have made it possible to move towards more clarity in the definition and analysis of state aid through tax measures, as well as more systematic action against such measures; notes, in particular, the Commission's 1998 guidelines on the application of state aid rules to measures relating to direct business taxation, the 2004 report thereon and various important case law decisions in the 2000s; welcomes, within the State Aid Modernisation process promoted by the Commission, the launch in 2014 of a public consultation on draft guidelines aimed at clarifying the notion of state aid pursuant to Article 107 of the TFEU, which includes elements on tax-related state aid and, in particular, tax rulings;

50. Notes that the concept of 'nature and general scheme of the national system' is a central reference in assessing whether direct or indirect tax measures are selective or not, and thus compatible or not with the internal market, and that any state aid should be assessed in relation to the pre-existing equilibrium; stresses that, as the EU benchmark for assessing potential distortions is the national system of reference[2], not all distortions of competition and harmful tax practices within the internal market can be covered by current competition rules; notes, therefore, that the full enforcement of these rules alone would not enable the issue of corporate tax avoidance in the EU to be solved;

51. Notes that, according to the data provided to its competent special committee[3] by the Commission, only 65 tax-related state aid cases have, since 1991, been formally examined by the Commission, of which 7 were tax rulings and only 10 originated in formal notifications by Member States;

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[1] P. Egger, W. Eggert and H. Winner (2010), 'Saving taxes through foreign plant ownership', Journal of International Economics 81, pp. 99-108.

[2] If the measures adopted by the Member States concern the entire tax system, they constitute adjustments to general fiscal policy and not state aid.

[3] Note sent by Commissioner Vestager to the TAXE Committee on 29 April 2015.

52. Stresses that the Commission only handled a small number of cases in the field of tax-related state aid in the second half of the 2000s, and that recent state aid proceedings include:

– the initiation, in June 2013, of an inquiry into tax rulings practices in seven Member states, extended to all Member States in December 2014,

– in parallel, the initiation of a separate inquiry on intellectual property taxation regimes (‘patent boxes’),

– the opening, in June 2014, of formal investigations into three cases: Apple in Ireland, Fiat Finance and Trade in Luxembourg and Starbucks in the Netherlands, followed, in October 2014, by Amazon in Luxembourg,

– the opening, in February 2015, of a formal investigation into a tax scheme in Belgium (excess profit ruling system);

53. Stresses that ongoing Commission investigations and the cases revealed by LuxLeaks indicate that some Member States fell short of their legal obligation[1] to communicate all potential state aid files to the Commission;

54. Stresses that these investigations shed light on only a very limited sample of some typical practices, potentially the most abusive and distortive, which affect the taxable profit allocated to some MNCs’ subsidiaries through transfer pricing; is concerned that the current resources of Commission’s competent services may limit its ability to handle a significantly larger number of cases;

55. Strongly supports the Commission in its approach, which consist in taking the time needed to consider ongoing cases thoroughly and with all due diligence; believes that the outcome of the investigations will contribute to establish more precise and effective guidelines on tax-related state aids and transfer pricing and to adjust Member States’ practices accordingly;

56. Stresses that ongoing investigations could lead, in the event of infringement of EU rules, to the recovery, by the Member State which approved the considered tax measure, of the amount corresponding to the illegal State aid granted to the beneficiary undertakings; stresses that, although this may have a significant negative effect on that specific Member State’s reputation, it constitutes *de facto* a bonus for non-compliance, which is unlikely to discourage Member States, in case of doubt, from granting abusive tax benefits, rather the contrary;

57. Points also to the possibility, in the event of abusive transfer pricing between cross-border subsidiaries, that not only the Member State at the origin of the advantageous tax treatment sees its tax revenues adjusted (recovery of aid) but that the same happens to other countries in which the transaction took place (ex post adjustment of transfer pricing and thus of taxable income); stresses that, in some cases, this could lead to

[1] As laid down in Council Regulation (EC) No 659/1999 of 22 March 1999 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union, regarding the obligation to cooperate and provide all necessary documents.

double taxation;

58. Recalls that tax rulings should be aimed at providing legal certainty and create legitimate expectations for their beneficiaries; stresses, against a background where national rulings can be challenged by state aid rules at EU level, that a risk exists of mass notifications of individual rulings requests from Member States for advance clearance by the Commission with a view to avoiding legal uncertainties for tax administrations and undertakings;

Third countries

59. Is concerned that the negative spillover effects of harmful tax practices by MNCs seem to be far more significant on developing countries than on developed countries[1], as the former derive a greater proportion of their revenue from corporate tax and have weaker public finance systems, regulatory environments and administrative capacity to ensure tax compliance and tackle these harmful tax practices; stresses that, at the same time, the few ‘winners’ of global tax competition, which are those countries with very attractive corporate tax policies inside and outside the EU, present some disproportionate economic fundamentals as compared with their size and real economic activity especially when looking into, for instance, the number of resident companies per inhabitant, the amount of foreign profits booked, FDI or outgoing financial flows as compared to GDP, etc.; notes that this demonstrates the artificial nature of their tax base and incoming financial flows and the disconnection which the current tax systems allows between where value is generated and where taxation is operated;

60. Stresses that tax competition is far from being limited to the Member States, including their dependent or associated territories, and that most practices under consideration have an international dimension, through the shifting of profits to low- or no-tax or secrecy jurisdictions where, often, no substantial economic activity takes place; deplores the lack of a coordinated approach on the part of the Member States vis-à-vis all those jurisdictions, not only in terms of joint action or reaction against their harmful practices, but also, despite the Commission’s efforts, regarding their identification and the relevant criteria; strongly supports, therefore, the Commission’s 2012 proposal, which includes substantial criteria for ensuring fair competition in addition to transparency and the exchange of information, as well as the recent publication, in the Commission’s tax package of 17 June 2015, of a list of non-cooperative tax jurisdictions, established following a ‘common denominator’ approach on the basis of lists existing at national level; stresses that the establishment of such a list is a prerequisite for taking appropriate action against such jurisdictions;

61. Stresses that the OECD’s work in this regard achieved some significant results in terms of transparency and the exchange of information; welcomes in particular the signature, by close to 100 countries as of June 2015, of the OECD Multilateral Convention of Administrative Assistance in Tax Matters (the ‘Joint Convention’), which provides for administrative cooperation between states in the assessment and collection of taxes, in particular with a view to combating tax avoidance and evasion;

62. Stresses, however, that the OECD’s work on its former list of uncooperative tax havens

[1] IMF policy paper, ‘Spillovers in international corporate taxation’, 9 May 2014.

was based on a political process which led to arbitrary compromises already when setting the criteria for the lists, such as the requirement to conclude tax agreements with 12 other countries, and resulted in no jurisdiction being listed as an uncooperative tax haven; stresses that its current approach is still based on criteria which refer to tax transparency and the exchange of information, and are not comprehensive enough to address the harmfulness of certain tax practices; notes that, whatever its merits, this limits the relevance of the OECD's approach to identifying those tax jurisdictions which are pillars of tax avoidance practices and harmful tax competition worldwide; stresses, in particular, that this approach does not refer to any qualitative indicators for an objective assessment of compliance with good governance practices or consider quantitative data such as book profits, incoming and outgoing financial flows and their (dis)connection from the economic reality in a given jurisdiction;

63. Underlines, moreover, the fact that these lists can be used at national level to implement national protection and anti-avoidance rules vis-à-vis third countries (such as a limitation on benefits, the application of a principal purpose test, rules on controlled foreign corporations, etc.), and that the limitations of such lists can therefore also limit the scope and effectiveness of national measures aimed at tackling harmful tax practices;

64. Is convinced that ensuring fair competition in the internal market and protecting Member States' tax bases depends very much on addressing the weakest link regarding interactions with low- or no-tax and secrecy jurisdictions since the existence of a tax gateway (e.g. no withholding tax) to third countries, irrespective of their tax practices, considerably increases tax avoidance opportunities within the EU;

65. Stresses that a coordinated approach by Member States vis-à-vis both developing and developed countries could prove much more effective in tackling harmful tax practices and promoting greater reciprocity in tax matters;

66. Stresses that, in response to pressure from both the EU and the G20 on the issue of tax transparency and in the context of the financial and economic crisis, some third countries have finally signed tax information exchange agreements (TIEAs) with the EU, which should improve cooperation with those countries; points out that, in the case of Switzerland, an agreement was signed in May 2015, after a long 'transitional' period during which this important commercial partner of the EU, because of its long-term candidate country status, benefited from privileged access to the single market, but, at the same time, did not cooperate in other areas, in particular taxation;

67. Notes with concern that many developing countries find themselves particularly vulnerable to tax avoidance activities by corporations, and that the main cause of missed revenue for developing countries' national budgets lies in the transfer pricing practices of MNCs[1]; stresses, furthermore, that these countries find themselves in a very weak bargaining position in relation to certain MNCs or foreign direct investors 'shopping around' the world in search of tax subsidies and exemptions; denounces the fact that, according to some estimates[2], these losses suffered by national budgets amount to

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[1] Study 'Tax revenue mobilisation in developing countries: issues and challenges', European Parliament, April 2014.
[2] Christian Aid report, 2008.

around EUR 125 billion in tax revenues annually;

Conclusions and recommendations

68. Concludes, looking back to the mandate which it conferred on its special committee and despite the various limitations and obstacles encountered in carrying out its fact-finding missions, that:

    – without prejudice to the outcome of the Commission's ongoing state aid investigations, the information gathered indicates that, in several cases, Member States did not comply with Article 107(1) of the TFEU, since they introduced tax rulings and other measures similar in nature or effect which, by favouring certain undertakings, have distorted competition within the internal market and affected trade between Member States,

    – Member States did not fully enforce Article 108 of the TFEU since they failed to formally notify the Commission of all their plans to grant tax-related aid, thereby also infringing the corresponding provisions of Council Regulation (EC) No 659/1999; stresses that, as a result, the Commission could not keep under constant review all systems of aid, as provided for in Article 108 of the TFEU, since it did not have access to all the relevant information, at least before 2010, which is the period not covered by its ongoing investigations,

    – Member States did not comply with the obligations set out in Council Directives 77/799/EEC and 2011/16/EU since they did not spontaneously exchange tax information, even in cases where there were clear grounds, despite the margin of discretion left by those directives, for supposing that there may be tax losses in other Member States, or that tax savings may result from artificial transfers of profits within groups,

    – finally, Member States did not comply with the principle of sincere cooperation enshrined in Article 4(3) of the Treaty on European Union, since they did not take all appropriate measures, general or particular, to ensure the fulfilment of their obligations;

69. Calls, on this basis, on the Member States and the EU institutions, which share the political responsibility for the current situation, to fully cooperate in order to eliminate mismatches – and refrain from creating further mismatches – between tax systems and harmful tax measures which create the conditions for massive tax avoidance by MNCs and tax base erosion within the internal market;

70. Calls on the EU Heads of State and Government to make clear political commitments to taking urgent action to tackle this situation, which can no longer be tolerated, not least because of its impact on national budgets, already subjected to fiscal consolidation measures, and on the tax burden of other taxpayers, including SMEs and citizens; stresses, against this background, that it intends to fully play its role and is ready to put in place more effective political scrutiny, in close cooperation with national parliaments;

71. Calls on the Commission to fulfil its duty as guardian of the Treaties by ensuring that

EU law and the principle of sincere cooperation between Member States are fully complied with;

72. Underlines the fact that Member States remain fully competent to set their respective corporate tax rates; insists, nevertheless, that tax competition in the EU and vis-à-vis third countries should take place within a clear framework of rules in order to guarantee fair competition between firms in the internal market; given their crucial role in ensuring fiscal sustainability, calls for corporate taxation issues, including harmful tax practices and their impact, to be more thoroughly addressed in the framework of the European Semester and for relevant indicators to be included in the macroeconomic imbalance procedure scoreboard;

73. Takes the view that a comprehensive, transparent and effective exchange of tax information and a common consolidated corporate tax base are essential preconditions for achieving a tax system at EU level that complies with and preserves the basic principles of the internal market;

74. Invites the Member States and the EU institutions, given the complexity of the issue, to implement various sets of complementary actions in order to improve the current situation, bearing in mind the need to reduce complexity for all stakeholders and to minimise compliance cost for businesses and tax administrations; stresses, therefore, that simplification of tax schemes should be the first step in seeking to bring clarity not only to Member States but also to the citizens, who are at present excluded from the exchange of information;

75. Regrets the fact that, despite repeated invitations, several MNCs did not take the opportunity to discuss international tax planning matters with the committee; recommends, therefore, that serious consideration be given to banning these firms from the Transparency Register;

Cooperation and coordination on rulings

76. Calls on the Council to adopt, by the end of 2015, the legislative proposal of March 2015 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, which provides for a common framework for the registration and automatic exchange of information on rulings, and provisions allowing the Commission to effectively monitor its implementation by Member States;

77. Invites the Member States to support, in all international fora, the automatic exchange of information (AEOI) between tax administrations as the new global standard; invites in particular the Commission, the OECD and the G20 to promote this through the most adequate and effective instruments within an inclusive global process;

78. Invites the Member States to consider that any tax ruling of a cross-border nature should, in particular when involving transfer pricing, be established in cooperation with all involved countries, that the relevant information should be automatically exchanged between them and that any national action aimed at reducing tax avoidance and tax base erosion within the EU, including audits, should be carried out jointly, giving due consideration to the experience gained through the FISCALIS 2020 programme; reiterates its view that the basic elements of all rulings that have an impact on other

Member States should be not only shared between tax administrations and the Commission, but also presented in the country-by-country reporting by MNCs;

79. Highlights, in this connection, the fact that not only cross-border but also national rulings can impact other Member States, and calls, therefore, for an extension of the automatic exchange of information to all rulings; calls, furthermore, for a framework which effectively controls the implementation of the automatic exchange of information and, in the longer term, for a clearing house system, through which tax rulings will be screened at EU level to check whether they have a harmful effect on other Member States;

80. Calls on the Commission to consider the establishment of a common framework at EU level for tax rulings, including common criteria, in particular:

   – the requirement to establish them on the basis of a comprehensive analysis, with the involvement of all the parties and countries concerned,

   – their public disclosure, either fully or in simplified form, but fully respecting confidentiality requirements,

   – equal treatment and availability to all taxpayers,

   – absence of discretion and full compliance with underlying tax provisions;

CCCTB

81. Expresses its full support for the action plan proposed by the Commission on 17 June 2015 to address tax avoidance and promote fair and efficient corporate taxation in the EU; calls on the Commission to speed up the presentation of legislative modifications for the prompt establishment of a compulsory EU-wide Common Consolidated Corporate Tax Base (CCCTB), which would solve not only the issue of preferential regimes and mismatches between national tax systems, but also most of the issues leading to tax base erosion at European level (in particular transfer pricing issues);

82. Calls on the Commission to include in its proposals provisions aimed at clarifying the definition of R&D investments and of permanent establishment in line with economic substance, covering also the digital economy; points to the importance of R&D investments and the need to facilitate rather than hamper investment and growth in the digital economy, giving the European emergent economy in the digital sector a competitive edge vis-à-vis other actors in the United States and elsewhere; stresses, at the same time, that abuse or exploitation of such systems must be minimised through coordinated action by the Member States and common standards and definitions on what qualifies as R&D promotion and what does not;

83. Stresses that, to restore the link between taxation and economic substance, and to correct existing mismatches, ‘formula apportionment’ could differentiate between sectors, to take into account their specific features, in particular with regard to digital businesses; calls on the Commission to continue its work on concrete options for the design of this allocation key, in particular with a view to anticipating, for each sector, the impact on the tax revenue of each Member State, according to the structure of its

economy; stresses, furthermore, that the CCCTB is a useful means of combating BEPS and creating European added value regardless of whether or not the tax revenue might be partially used as a new own resource for the EU budget;

84. Supports the introduction of a full CCCTB as soon as possible, with the definition of a minimum effective taxation rate and, for reasons of competitiveness, a maximum effective taxation rate; acknowledges the Commission's approach of putting forward a simple CCTB (without consolidation) as a first step in its action plan of June 2015, but points out that this will leave many issues open, especially for businesses operating in the single market, given that a CCTB would not provide for the compensation of losses through consolidation, nor address the red tape and uncertainty associated with transfer pricing, which is also one of the main tax avoidance tools used by MNCs; calls on the Commission to dispense with any additional impact assessment of this measure, which has been on the EU agenda for decades, has already been the subject of extensive preparatory work and is now blocked in the Council since its formal submission in 2011;

85. Calls on the Commission, pending the adoption of a full CCCTB and its full implementation at EU level, to take immediate action in order to ensure effective taxation, reduce profit shifting (mainly transfer pricing), prepare a regime offsetting cross-border profits and losses and further introduce anti-abuse rules in all relevant directives; calls on the Council to prepare for the prompt adoption of these provisions;

86. Calls on the Commission to issue clear guidelines on the definition of economic substance and permanent establishment, with a view to tackling, in particular, the issue of letter box companies, and to develop EU criteria and guidelines for the treatment of R&D, compatible with, but not limited to, the work of the OECD on the matter, since Member States are currently reforming their strategy in that regard, often cumulatively with subsidies;

87. Calls also on the Commission, in the absence of any generally accepted definition, to conduct further analyses and studies in order to define harmful tax practices, taking into account the various negative impacts they can have on society, ensure their monitoring and identify more precisely the impact of tax avoidance in the EU and in developing countries; asks the Commission to take the necessary action to clarify the exact status of all the Member States' 'dependent jurisdictions' and what leverage could be used to change their practices with a view to avoiding tax base erosion within the EU;

Code of Conduct on business taxation

88. Calls for an urgent reform of the Code of Conduct on business taxation and of the Group charged with its enforcement, with a view to addressing the obstacles currently in the way of effectively tackling harmful tax practices;

89. Invites the Member States to endorse the proposals included in the Commission's action plan of 17 June 2015 for fair and efficient corporate taxation in the EU; advocates that the Group's governance and mandate be reshaped, including the appointment of a permanent, politically accountable Chair, the improvement of its working methods including a possible enforcement mechanism and enhanced information exchange within the Group with a view to effectively addressing BEPS issues; calls also for the

criteria set in the Code to be updated and broadened, in order to cover new forms of harmful tax practices, including in third countries;

90. Calls on the Council to report to its competent committee on a regular basis on the activities of the Group, in particular with regard to the presentation of its bi-annual reports to ECOFIN; more generally, invites the Council to support the promotion of genuine democratic scrutiny in cross-border tax matters at EU level, along the lines of what is already in place in other areas where Member States or other independent institutions, such as the European Central Bank and the Board of the Single Supervisory Mechanism, have exclusive competence; invites the Council and the Member States to consider the possibility of setting up a high-level group on taxation policy encompassing the Council, the Commission and independent experts, after the model of the Economic and Financial Committee, that would more generally exercise oversight of legislative and non-legislative tax policy and would report to ECOFIN;

91. Urges the Council and the Member states, with due respect for the Treaties and the competence of the Member States in direct tax matters, to improve the transparency, accountability and monitoring work of the Group and calls on the Commission to consider whether framework legislation, under the Community method, would not constitute a more workable solution;

State aid

92. Strongly welcomes and supports the key role of the Commission as the competent competition authority in the ongoing state aid inquiries dealing with tax rulings; encourages the Commission to make full use of its powers under EU competition rules to tackle harmful tax practices;

93. Calls on the Commission to adopt new guidelines, in the framework of its State Aid Modernisation (SAM) initiative, clarifying what constitutes tax-related state aid and ‘appropriate’ transfer pricing, with a view to removing legal uncertainties for both compliant taxpayers and tax administrations, providing a framework for Member States’ tax practices accordingly, and not discouraging the recourse to legitimate tax rulings; strongly questions the usefulness of the arbitration convention, which addresses disputes, in particular on transfer pricing issues; considers that this instrument should be reshaped and be made more efficient, or replaced by an EU dispute mechanism with more effective mutual agreement procedures;

94. Calls on the Commission, in line with the broader responsibility assigned to Member States by the SAM, to consider setting up a network of national tax administrations to exchange best practices and more consistently contribute to preventing the introduction of any tax measures that would constitute illegal state aid; invites the Commission to enhance strategic synergies between the activities of the (reformed) Code of Conduct Group and the Commission’s enforcement of competition rules in the field of tax-related aids;

95. Calls on the Commission to assess the possibility of modifying the existing rules in order to allow the amounts recovered following an infringement of EU state aid rules to be returned to the Member States which have suffered from an erosion of their tax bases or to the EU budget, and not to the Member State which granted the illegal tax-related

aid, as is currently the case;

Transparency

96. Underlines the crucial importance of transparency with a view to increasing the public accountability of MNCs; stresses that it can have a strong deterrent effect and change behaviours, through both the reputational risk for non-compliant firms and the provision of information to the competent authorities, which can then adopt appropriate corrective measures and sanctions;

97. Reiterates its position that MNCs should disclose in their financial statements, by Member State and by third country in which they have an establishment, a range of aggregated information, including their profit or loss before tax, taxes on profit or loss, number of employees, assets held, etc. (country-by-country reporting); underlines the importance of making this information available to the public, possibly in the form of a central EU register;

98. Calls, moreover, for more extensive country-by-country reporting to be made available to tax authorities, building on the OECD standard and including more detailed information, such as tax returns and intra-group transactions; calls also for harmonised accounting standards to be developed;

99. Asks the Commission to support this position, in line with its past assessments and positions, and to make proposals, as appropriate, for extending its application to all firms operating on the internal market, and calls on the OECD to support its extension worldwide in order to ensure that similar obligations apply to all firms engaging in cross-border operations; underlines the fact that action aimed at improving transparency, though necessary, is not a sufficient means of tackling the issue comprehensively and that national, European and international tax systems also need to be substantially reformed;

Protection of whistleblowers

100. Calls on the Commission to propose establishing an EU legislative framework for the effective protection of whistleblowers and the like, since it is not acceptable that citizens, or journalists, disclosing information about misconduct, wrongdoing, fraud or illegal activity, in particular on cases of tax avoidance, tax evasion and money laundering, can be subject to prosecution rather than legal protection; calls on the Commission to consider a range of tools to ensure such protection against unjustified legal prosecutions, economic sanctions or discriminations, while also ensuring the protection of confidentiality and trade secrets; draws attention, in this connection, to the example of the US Dodd-Frank Act, which both remunerates whistleblowers for providing the authorities with original information and protects them from legal prosecution and job loss;

Third-country dimension

OECD

101. Strongly supports the OECD BEPS action plan; calls for its ambitious scope and

calendar to be fully complied with and for the OECD, its Member States and all the other countries involved to set up a strong monitoring tool to assess progress in the implementation of those guidelines and possibly take corrective action;

102. Recommends that institutional links and cooperation between the OECD and the Commission be strengthened in order to continue to ensure the compatibility of the two processes and avoid double standards; stresses that the OECD approach is still based on soft law and that its action should be complemented by a proper legislative framework at EU level, e.g. in the form of an anti-BEPS directive, since such voluntary agreements are not sufficient for an integrated area like the EU, with a single market, a common currency and common sets of rules in most areas of government;

Tax havens

103. Calls for a common EU approach to tax havens; calls on the Commission, in particular, to continue its work on a clear definition, a common set of criteria to identify tax havens and appropriate sanctions for countries cooperating with them, on the basis of its December 2012 Recommendation regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (i.e. going beyond the exchange of information and transparency to include fair tax competition and effective taxation), and on defining appropriate common measures applying to those jurisdictions; refers to its resolution of 21 May 2013 on 'the fight against tax fraud, tax evasion and tax havens' for a non-exhaustive list of such possible measures[1]; reiterates that genuinely European lists, regularly updated, would be more effective as a means of promoting good tax governance and changing tax behaviours towards and within those jurisdictions;

104. Stresses, in particular, the need to ensure that outgoing financial flows are at least taxed once, for instance by imposing a withholding tax, in order to avoid profits leaving the EU untaxed; insists that a system should be put in place to ensure that a confirmation document has to be presented to the tax authorities in order to certify this operation, thereby protecting the single market and maintaining the connection between where profits and economic value are generated and where these are taxed; calls on the Commission, while supporting the promotion by the OECD of a multilateral approach to tax issues aimed at streamlining international tax arrangements and ensuring that profits are taxed in the place where the value is created, to enhance the EU's role on the international stage by speaking with one voice and to work on the development of a common EU framework for bilateral treaties in tax matters and a progressive substitution of the huge number of bilateral individual tax treaties by EU/third

[1] These include, to quote but a few:
– to suspend or terminate existing Double Tax Conventions with jurisdictions that are on the blacklist,
– to prohibit access to EU public procurement of goods and services and refuse to grant state aid to companies based in blacklisted jurisdictions,
– to prohibit EU financial institutions and financial advisors from establishing or maintaining subsidiaries and branches in blacklisted jurisdictions and to consider revoking licences for European financial institutions and financial advisors which maintain branches and continue operating in blacklisted jurisdictions,
– to introduce a special levy on all transactions to or from blacklisted jurisdictions,
– to examine a range of options for the non-recognition, within the EU, of the legal status of companies set up in blacklisted jurisdictions,
– to apply tariff barriers in cases of trade with blacklisted third countries.

jurisdiction treaties; stresses that this would be the most immediate way to tackle treaty-shopping practices;

105. Considers that the setting-up of free trade agreements needs to be accompanied by enhanced tax cooperation, preventing tax avoidance by firms competing on the same markets and ensuring a level playing field; asks the Commission, therefore, to introduce tax provisions in all EU free trade agreements, which would bind partner countries to apply good tax governance and ensure reciprocity in tax matters; stresses that the work undertaken by the Platform for Tax Good Governance forms a good basis on which to implement this concept; underlines the fact that the same could apply to EU cooperation agreements;

106. Calls on the Commission to use all the tools at its disposal to foster a more coordinated approach vis-à-vis developed countries in order to promote greater reciprocity in tax matters, in particular with regard to the exchange of information with the United States of America following the entry into force of the Foreign Account Tax Compliance Act; calls also on the Commission, against the background of the agreement of 27 May 2015 between the EU and Switzerland on the automatic exchange of financial account information, to carefully monitor, with a view to preserving the single market, the agreed phasing out of some harmful tax practices in Switzerland, in line with BEPS guidelines;

Developing countries

107. Highlights the fact that specific attention should be paid at national, EU or international level to the situation of developing countries and, in particular, least developed countries, which usually have very narrow tax bases and low tax-to-GDP ratios, when devising actions and policies to tackle tax avoidance; stresses that those actions and policies should contribute to generating public revenues commensurate with the value added generated on their territory, so as to appropriately finance their development strategies, the achievement of Millennium Development Goals and the post-2015 development agenda; welcomes, against this background, the work of the UN Committee of Experts on International Cooperation in Tax Matters; asks the Commission to support the interests of developing countries in existing international initiatives and to include representatives from developing countries on its Platform for Tax Good Governance;

108. Calls on the Commission to propose further measures to help enhance administrative capacities in developing countries, in particular in tax matters, to allow an effective exchange of tax information with their administrations; calls for the establishment of a platform for developing countries by implementing pilot projects on AEOI; calls on developing countries to promote regional agreements or other forms of cooperation on tax matters in order to improve their negotiating position vis-à-vis foreign direct investors and MNCs and tackle issues of common interest;

109. Refers to the action plan presented in its resolution of 8 July 2015 on tax avoidance and tax evasion as challenges for governance, social protection and development in developing countries; encourages all countries and international organisations, such as the UN, to be part of an inclusive process and contribute to the G20/OECD tax agenda, addressing BEPS, promoting international tax transparency and the global sharing of tax

information, for example through the development of a single common reporting standard in the AEOI or the public disclosure of beneficial ownership;

Tax advisers

110. Points to the problematic juxtaposition, within the same firms, of tax advice, auditing and consulting activities intended to service tax administrations on the one hand, and provide tax planning services for MNCs on the other, exploiting the weaknesses of national tax laws;

111. Calls on the Commission to come forward with proposals for guidelines for the tax advising service industry and for the setting-up of an EU incompatibility regime for advisors in tax matters and, as appropriate, for banks, in order to ensure that conflicts of interest between services to the public and private sectors are avoided; calls on the Commission to launch an inquiry in order to assess the state of concentration in the sector;

112. Requests that the Commission assess the possibility of introducing sanctions for firms implementing or promoting tax dodging and aggressive tax planning, in particular with regard to access to funding from the EU budget and any advisory role in EU institutions;

Further action at national level

113. Encourages further action at national level to tackle tax avoidance, within the EU and OECD frameworks since uncoordinated reactions can create further mismatches and tax dodging opportunities; stresses that the best tool for fighting tax base erosion is cooperation, rather than unilaterally introducing preferential regimes to attract investments; calls also on the Commission to establish guidelines in respect of any tax amnesties by Member States;

114. Urges each Member State to carry out, where necessary with the technical support of the Commission, impact assessments that cover spillover effects in other countries, before introducing any tax measures that may have an impact abroad; calls for a strong involvement of national parliaments on the issue of tax avoidance since no tax regime or tax treatment should escape proper assessment and democratic control by the legislator;

115. Calls on the Member States to stop and reconsider cuts in the resources of their tax administrations, while ensuring better redeployment of staff and technology and expertise upgrades, with a view to tackling the development and impact of harmful tax practices, which have become increasingly sophisticated; calls on the Commission to provide technical support for such efforts, in particular in the context of the FISCALIS 2020 Programme;

116. Stresses, finally, that the unanimity rule within the Council, by giving each Member State a veto right, reduces the incentive to move from the status quo towards a more cooperative solution; calls on the Commission not to refrain from making use, where appropriate, of Article 116 of the TFUE which stipulates the following: ‘Where the Commission finds that a difference between the provisions laid down by law, regulation

or administrative action in Member States is distorting the conditions of competition in the internal market and that the resultant distortion needs to be eliminated, it shall consult the Member States concerned. If such consultation does not result in an agreement eliminating the distortion in question, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall issue the necessary directives (...)';

117. Commits to continuing its work in-house to examine the option of setting up a permanent committee on taxation policies in the EU;

118. Calls on its competent committee to follow up on these recommendations in its upcoming legislative initiative report on the same topic;

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119. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the Member States, the national parliaments, the G20 and the OECD.

ANNEX 1: LIST OF PERSONS MET (COMMITTEE MEETINGS AND DELEGATIONS)

Date	Speakers
30.03.2015	• Pierre Moscovici, Commissioner for Economic and Financial Affairs, Taxation and Customs
16.04.2015	• Serge Colin, President of UFE (Union of Finance Personnel) • Fernand Müller, Chairman of UFE fiscal committee • Paulo Ralha, President of Portuguese Tax Workers Union • François Goris (President UNSP-NUOD) for the European Confederation of Independent Trade Unions (CESI) • Nadja Salson, European Federation of Public Service Unions • Henk Koller, President of the European Federation of tax advisers (CFE) • Olivier Boutellis-Taft, Chief Executive of the Federation of European Accountants (FEE) • Ravi Bhatiani, Director Legal Affairs of Independent Retail Europe
05.05.2015	• Margrethe Vestager, Commissioner for Competition • Wolfgang Nolz, Chair of Code of Conduct Group • Jane McCormick, Senior Tax Partner, Head of EMA Tax, KPMG • Chris Sanger, Partner, Global Head of Tax Policy, Ernst&Young • Stef van Weeghel, PwC Partner, Global Tax Policy Leader • Bill Dodwell, Head of Tax Policy of Deloitte UK
11.05.2015	*Public Hearing on Tax Rulings and Harmful Tax Practices* • Stephanie Gibaud, whistle-blower and former UBS employee • Lutz Otte, whistle-blower and former information - technology contractor at Julius Baer • Kristof Clerix, International Consortium of Investigative Journalists (ICIJ) • Edouard Perrin, ICIJ member • Richard Brooks, ICIJ member • Lars Bové, ICIJ member • Xavier Counasse, journalist “Le Soir” • Dominique Berlin, Collège européen de Paris, Université Panthéon-Assas (Paris 2) • Gabriel Zucman, Assistant Professor, London School of Economics and Political Sciences • Achim Doerfer, Attorney in the field of taxation, author and legal philosopher
12.05.2015	*Delegation to Belgium* • Jacques Malherbe, University of Louvain (UCL) • Axel Haelterman, University of Leuven (KUL) • Werner Heyvaert, tax expert, Jones Day • Wim Wuyts, Head of Tax – President of tax committee FEB-VBO and Hilde Wampers, Vice President Tax - Group Finance FEB-VBO

	• Christophe Quintard, (expert of FGTB, former tax auditor) • Eric van Rompuy (Chair) and others Members of Finance and Budget Committee of the Federal Parliament • Steven Van den Berghe, Head of the tax ruling service • Johan Van Overtveld - Minister of Finance (meeting held on 17 June)
18.05.2015	*Delegation to Luxembourg* • Wim Piot, Tax Leader PWC Luxembourg • Nicolas Mackel, CEO Luxembourg for Finance • Christine Dahm, Director, and Mike Mathias, member of Cercle de Coopération des ONG du développement • Eugène Berger (Chair) and others Members of Finance Committee of the Parliament • Pierre Gramegna, Minister of Finance • Pascale Toussing, Director of Tax matters, Ministry of Finance and members of the tax administration
22.05.2015	*Delegation to Bern, Switzerland* • Markus R. Neuhaus, Chairman of the Board of PwC Switzerland, Member of the office of the Global Chairman of PwC • Frank Marty, Member of the executive board, Head Financial Services & Taxes, Economie Suisse • François Baur, Permanent Delegate in Brussels, Head European Affairs Economie Suisse • Martin Zogg, Member of the Executive Committee, Head Domestic and International Taxation, Swiss Holdings • Urs Kapalle, Director Financial Policy and Taxes, Swiss Bankers Association • Mark Herkenrath, Alliance Sud, Member of Global Alliance for Tax Justice • Olivier Longchamp, Declaration of Berne (DoB) • Jacques de Watteville, State Secretary for International Financial matters (SIF) • Ambassador Christoph Schelling, Head of Tax Policy Division • Adrian Hug, Director of the Swiss Federal Tax Administration • Ruedi Noser, Member of the National Council, Head of the Committee for Economic Affairs and Taxation • Urs Schwaller Member of the Council of States • Ulrich Trautmann, Head of Sector Trade and Economic Affairs, Delegation of the European Union to Switzerland and Liechtenstein • Marco Salvi, Senior researcher, Avenir Suisse
27.05.2015	*Meeting with HM Government of Gibraltar (with TAXE coordinators)* • Fabian Picardo, Chief Minister • Joseph Garcia, Deputy Chief Minister
28.05.2015	*Delegation to Dublin, Ireland* • Martin Lambe, Chief Executive, Irish Tax Institute • Michael Noonan, Minister of Finance • Niall Cody, Chairman of Revenue Commission • Liam Twomy (Chair) and others Members of Finance Committee of Parliament

	(Oireachtas) +Joint House-Senate European Affairs Committee - • Frank Barry, Trinity College Dublin (TCD) • Seamus Coffey, University College Cork (UCC) • Feargal O'Rourke, Head of Tax, PWC • Conor O'Brien, Head of Tax, KPMG • Jim Clarken, CEO of Oxfam Ireland • Micheál Collins, Nevin Economic Research Institute (NERI).
29.05.2015	*Delegation to Den Haag, the Netherlands* • Sjoera Dikkers, MP and others Members of Committee of Finance of Dutch Parliament • Bartjan Zoetmulder, Dutch Association for Tax Advisors • Hans Van den Hurk, University of Maastricht • Indra Römgens, SOMO, independent, not-for-profit research and network organisation • Francis Weyzig, Oxfam • Pieterbas Plasman, Head of Tax Ruling Office • Eric Wiebes, Dutch State Secretary for Tax Affairs
01.06.2015	*Public Hearing on International Dimension of Tax Rulings and Other Measures* • Senator Mario Monti, former Commissioner for Competition and for Customs, Taxation and the Internal market • Tove Maria Ryding, Policy and Advocacy Manager of European Network on Debt and Development (EURODAD) • Antoine Deltour, whistle-blower, former Auditor, Pwc Luxembourg
17.06.2015	*Interparliamentary meeting on "Aggressive tax planning and democratic control Role of Parliaments"* Thirty-seven Members from eighteen national Parliaments: AT, BE, CY, CZ, FR, DE, GR, HU, IE, IT, LT, LU, MT, PL, PT, RO, ES, SV • Heinz Zourek, Director General of DG TAXUD • Pascal Saint-Amans, Director of OECD Centre for Tax Policy and Administration
18.06.2015	*Delegation to London, UK* • David Gauke, MP, Financial Secretary to the Treasury, • Jim Harra, Director General, Business Tax, HM Revenue & Customs • Fergus Harradence, Dep. Director, Corporate Tax Team, Business and International Tax Group, HM Treasury • Andrew Dawson, Head of Tax Treaty Team, Lead negotiator for UK tax Treaties • Maura Parsons, Deputy Director, Head of Transfer Pricing in HMRC Business International and Chair of HMRC's Transfer Pricing Board. • Meg Hillier (Chair), Margaret Hodge (former Chair) and Guto Bebb, member of the Public Accounts Committee of the House of Commons • Prem Sikka, Professor of Accounting, Essex Business School, University of

	Essex • Frank Haskew, Head of the ICAEW (Institute of Chartered Accountants in England and Wales) Tax Faculty; and Ian Young, International Tax Manager • Will Morris, Chair of the Tax Committee and the BIAC Tax Committee Confederation of British industry (CBI) • Richard Collier, Senior tax partner at PwC • Joseph Stead, Christian Aid • Meesha Nehru, Programme Director, Fair Tax Mark
23.06.2015	*Exchange of views with Multinational Corporations* • Nathalie Mognetti, Chief Tax Officer, Total S.A. • Martin McEwen, Head of Tax, SSE plc • Christian Comolet-Tirman, Director, Fiscal Affairs, BNP Paribas Group
25.06.2015	*Meeting with Government representative of Bermuda (with TAXE coordinators)* • Everard Bob Richards, Deputy Premier Minister & Minister of Finance • Alastair Sutton, EU legal adviser to the Government of Bermuda
02.07.2015	• Richard Murphy, Tax Research LLP and founding member of the Tax Justice Network • Guillaume de la Villeguérin, Head of Tax Airbus S.A.S.

ANNEX 2: LIST OF ANSWERS BY COUNTRY/INSTITUTION

(situation as of 20 July 2015)

Country	Date of reply
Austria	No Reply
Belgium	16.06.2015
Bulgaria	No Reply
Croatia	08.07.2015
Cyprus	No Reply
Czech Republic	11.06.2015
Denmark	No Reply
Estonia	10.07.2015
Finland	02.06.2015
France	10.06.2015
Germany	15.07.2015
Greece	10.07.2015
Hungary	07.07.2015
Ireland	05.06.2015
Italy	No Reply
Latvia	16.06.2015
Lithuania	03.07.2015
Luxembourg	01.06.2015
Malta	18.06.2015
Netherlands	08.06.2015
Poland	02.07.2015
Portugal	30.06.2015
Romania	No Reply
Slovakia	03.06.2015
Slovenia	No Reply
Spain	10.07.2015
Sweden	29.05.2015
United Kingdom	08.06.2015
Jersey	29.05.2015
Guernsey	31.05.2015

Institutions	Date of reply
Commission - Commissioner Verstager - Commissioner Moscovici	29.04.2015 03.06.2015
Council	29.05.2015 No reply to second request of 08.07.2015

ANNEX 3: MULTINATIONAL CORPORATIONS INVITED TO APPEAR IN COMMITTEE MEETINGS

Name	Invited/Representatives	Situation 20 July 2015
Airbus	Guillaume de la Villeguerin, Head of Tax	Participated - 02.07.2015
BNP Paribas	Christian Comolet-Tirman, Director, Fiscal Affairs	Participated - 23.06.2015
SSE plc	Martin McEwen, Head of Tax	Participated - 23.06.2015
Total S.A.	Nathalie Mognetti, Chief tax officer	Participated - 23.06.2015
Amazon.co.uk Ltd	Christopher Corson North, Managing Director	Declined, due to ongoing investigation
Amazon S.a.r.l.	Xavier Garambois, General Director	Declined, due to ongoing investigation
Anheuser-Busch InBev	Stuart MacFarlane, President Europe Zone	Declined, due to ongoing investigation
Barclays Bank Group	Antony Jenkins, Chief Executive	Declined, but remains open to reply to any specific written questions
Coca-Cola Company	James Quincey, President	Declined, but met with co-rapporteurs
Facebook	Marc Zuckerberg, Chief Executive Officer	Declined
Fiat Chrysler Automobiles	Sergio Marchionne, Chief Executive Officer	Declined, due to ongoing investigation
Google	Eric E. Schmidt, Executive Chairman	Declined, but ready to send "position on the tax issues"
HSBC Bank plc	Alan Keir, Chief Executive	Declined, due to ongoing investigation
IKEA	Peter Agnefjäll, Chief Executive Officer	Declined, but offered to invite Members for a discussion and sent Ikea's yearly summary report - 2014
McDonald's Corporation	Douglas Goare, President Europe	Declined, due to coinciding with major company initiative and possible Commission enquiry
Philip Morris	Kristof Doms, Vice President European Affairs	Declined
Walmart	Shelley Broader, President and Chief Executive Officer	Declined
Walt Disney Company	Robert A. Iger, Chief Executive Officer	Declined, but offered to meet with representatives of the committee to hear their views