



Special Committee on Tax Rulings and Other Measures Similar in Nature or Effect (TAXE 2)

31/05/2016

AMENDMENTS: 110

Jeppe Kofod, Michael Theurer

Report of the special committee on tax rulings and other measures similar in nature or effect (TAXE 2)

Motion for a resolution PE580.528 - 2016/2038(INI)

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Amendment 1

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Citation 9

Motion for a resolution

— having regard to the ECOFIN conclusions on ***corporate tax avoidance*** of 8 March 2016, on corporate taxation, base erosion and profit shifting of 8 December 2015, and on taxation policy of 1 December 1997,

Amendment

— having regard to the ECOFIN conclusions on ***the exchange of tax-related information on the activities of multinational companies and on the code of conduct on business taxation*** of 8 March 2016, on corporate taxation, base erosion and profit shifting of 8 December 2015, ***on business taxation of 9 December 2014*** and on taxation policy of 1 December 1997,

Or. en

Amendment 2

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Citation 13

Motion for a resolution

— having regard to the Commission's joint follow-up, as adopted ***by it*** on 16 March 2016, to the ***resolution of Parliament with recommendations to the Commission*** on bringing transparency, coordination and convergence to the corporate tax policies in the Union, and ***the resolution of Parliament*** on tax rulings and other measures similar in nature or effect,

Amendment

— having regard to the Commission's joint follow-up, as adopted on 16 March 2016, to the recommendations ***of Parliament's resolutions*** on bringing transparency, coordination and convergence to the corporate tax policies in the Union, and on tax rulings and other measures similar in nature or effect,

Or. en

Amendment 3

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Citation 17

Motion for a resolution

— 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 taxation¹², and to the regular reports to the Council of the Code of Conduct on Business Taxation **Group**,

¹² OJ C 2, 6.1.1998, p. 2.

Amendment

— 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^{17a}, and to the regular reports to the Council of the Code of Conduct **Group** on Business Taxation,

^{17a} OJ C 2, 6.1.1998, p. 2.

Or. en

Amendment 4

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Citation 19

Motion for a resolution

— having regard to the agreement signed between the EU and the Principality of Andorra on 12 February 2016 **aiming at improving tax compliance by private savers**,

Amendment

— having regard to the agreement signed between the EU and the Principality of Andorra on 12 February 2016 ,

Or. en

Amendment 5

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Citation 24

Motion for a resolution

— having regard to the Guernsey-UK Double Taxation Arrangement as amended by the 2009 Arrangement, signed 20 January **2019** and in force as from 27 November 2009, relating to exchange of information,

Amendment

— having regard to the Guernsey-UK Double Taxation Arrangement as amended by the 2009 Arrangement, signed 20 January **2009** and in force as from 27 November 2009, relating to exchange of information,

Or. en

Amendment 6

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Citation 25

Motion for a resolution

— 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,

Amendment

— having regard to the *Parliament's legislative position* 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,

Or. en

Amendment 7

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Citation 29

Motion for a resolution

— having regard to the various

Amendment

— having regard to the various

parliamentary hearings and consecutive reports on tax avoidance and tax evasion held in national parliaments and in particular in the UK House of Commons, the US Senate and the French *Assemblée Nationale*,

parliamentary hearings and consecutive reports on tax avoidance and tax evasion held in national parliaments and in particular in the UK House of Commons, the US Senate, *the Australian Senate* and the French *National Assembly and Senate*,

Or. en

Amendment 8

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Citation 32

Motion for a resolution

— having regards to the state aid decisions of the Commission relating to Fiat¹⁶, Starbucks¹⁷, and the Belgian excess-profit rulings¹⁸,

¹⁶ SA.38375 - State aid which Luxembourg granted to Fiat.

¹⁷ SA.38374 State aid implemented by the Netherlands to Starbucks.

¹⁸ C(2015)9837, Commission Decision of 11 January 2016 on the excess profit exemption state aid scheme SA.37667 (2015/C) (ex 2015/NN) implemented by Belgium.

Amendment

— having regards to the state aid decisions of the Commission relating to Fiat¹⁶, Starbucks¹⁷, and the Belgian excess-profit rulings¹⁸, *and decisions to open state aid investigations on McDonalds, Apple and Amazon;*

¹⁶ SA.38375 - State aid which Luxembourg granted to Fiat.

¹⁷ SA.38374 State aid implemented by the Netherlands to Starbucks.

¹⁸ C(2015)9837, Commission Decision of 11 January 2016 on the excess profit exemption state aid scheme SA.37667 (2015/C) (ex 2015/NN) implemented by Belgium.

Or. en

Amendment 9

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Subheading 1

Motion for a resolution

Overall considerations *and establishment of facts*

Amendment

Overall considerations, *facts and figures*

Or. en

Amendment 10

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital B

Motion for a resolution

B. whereas the scale of tax evasion and avoidance is estimated by the Commission to be EUR 1 trillion¹⁹ a year, while the OECD estimates²⁰ the revenue loss at global level to be between 4 % and 10 % of all corporate income tax revenue, representing between EUR 75 and EUR 180 billion annually, at 2014 levels; whereas these are only estimates and the actual figures might be even higher; whereas the *costs to society* of such practices are evident; whereas tax fraud, tax evasion and aggressive tax planning erode the tax base of Member States and thereby lead to loss of tax revenues;

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http://ec.europa.eu/taxation_customs/taxation/tax_fraud_evasion/a_huge_problem/index_en.htm, European Commission, 10 May 2016.

²⁰ Measuring and Monitoring BEPS, Action 11 - 2015 Final Report, OECD/G20 Base Erosion and Profit Shifting Project.

Amendment

B. whereas the scale of tax evasion and avoidance is estimated by the Commission to be EUR 1 trillion¹⁹ a year, while the OECD estimates²⁰ the revenue loss at global level to be between 4 % and 10 % of all corporate income tax revenue, representing between EUR 75 and EUR 180 billion annually, at 2014 levels; whereas these are only estimates and the actual figures might be even higher; whereas the *negative impacts* of such practices *on Member States' budgets and on citizens* are evident; whereas tax fraud, tax evasion and aggressive tax planning erode the tax base of Member States and thereby lead to loss of tax revenues;

19

http://ec.europa.eu/taxation_customs/taxation/tax_fraud_evasion/a_huge_problem/index_en.htm, European Commission, 10 May 2016.

²⁰ Measuring and Monitoring BEPS, Action 11 - 2015 Final Report, OECD/G20 Base Erosion and Profit Shifting Project.

Or. en

Amendment 11

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital B a (new)

Motion for a resolution

Amendment

B a. whereas the Panama Papers reminded us that the issue of tax avoidance goes beyond multi-national companies, is strongly linked to criminal activities and that offshore wealth is estimated to approximately \$10 trillion; whereas more than two and a half trillion USD of offshore wealth is held in Switzerland;

Or. en

Amendment 12

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital B b (new)

Motion for a resolution

Amendment

B b. whereas G20 Leaders took action in April 2009, especially requesting offshore jurisdictions to sign at least 12 information exchange treaties, with the objective to end the era of bank secrecy; whereas economists seriously questioned the effectiveness of these measures explaining that treaties have led to the relocation of bank deposits between tax havens but have not triggered significant repatriation of funds^{1a}; whereas there is no evidence that portfolio investments in offshore jurisdictions are on the decline at least until 2014 despite recent international efforts to increase financial

transparency; whereas it is too early to assess whether the adoption of automatic exchange of tax information (Common Reporting Standard) will bring changes to this trend;

^{1a} <http://gabriel-zucman.eu/files/JohannesenZucman2014>

Or. en

Amendment 13

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital B c (new)

Motion for a resolution

Amendment

B c. whereas according to information provided by the Bank for International Settlements, cross-border deposits in offshore centres between 2008 and 2015 have on average grown by 2.81% annually while they have grown by 1.24% only in the rest of the world^{1a}; whereas the most important financial offshore centres in terms of foreign deposits are the Cayman Islands (\$663 bn), Luxembourg (\$360 bn), Switzerland (\$137 bn), Hong Kong (\$125 bn), Singapore (\$95 bn), Bermuda (\$77 bn), Panama (\$67 bn), Jersey (\$58 bn) and Bahamas (\$55 bn); whereas cross-border deposits in European havens such as Andorra, Gibraltar, Liechtenstein and Switzerland have been declining or stagnating in the past few years, leading to the supposition of a shift of the offshore activities to other jurisdictions and a restructuring of the offshore's industry as a consequence of an increasing number of bilateral tax information agreements;

Amendment 14

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital B d (new)

Motion for a resolution

Amendment

B d. whereas investment flows to offshore financial centres are estimated to \$72 billion in 2015^{1a} and have risen in recent years by the growing flows from multinational enterprises located in developing and transition economies, sometimes in the form of investment round-tripping; whereas investment flows to special purpose entities represent the majority of offshore investment flows; whereas Luxembourg is the primary recipient of special purpose entities-related investment flows in 2015, whereas special purpose entities related inflows to the Netherlands are also especially high in 2015; whereas the persistence of financial flows routed through offshore financial mechanisms highlights the need to create greater coherence among tax and investment policies at the European and global level;

1a

http://unctad.org/en/PublicationsLibrary/webdiaeia2016d2_en.pdf

Or. en

Amendment 15

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest

Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital B e (new)

Motion for a resolution

Amendment

B e. whereas the OECD has been mandated again in April 2016 to create a blacklist of non-cooperative jurisdictions; whereas criteria for identifying tax havens are being defined by the European Commission, which acknowledged the importance of not only looking at transparency and cooperation criteria but also to consider harmful tax regimes as well;

Or. en

Amendment 16

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital C

Motion for a resolution

Amendment

C. whereas small and medium-sized enterprises (SMEs) are the primary job creators in Europe, having created around 85 % of all new jobs in Europe²¹ during the last five years; whereas the **Commission** has stated that SMEs pay on average 30 % more in tax than multinational enterprises (MNEs); whereas this seriously distorts competition, leads to loss of jobs in the Union and hinders sustainable growth;

²¹ <http://ec.europa.eu/growth/smes/>, European Commission, 10 May 2016.

C. whereas small and medium-sized enterprises (SMEs) are the primary job creators in Europe, having created around 85 % of all new jobs in Europe²¹ during the last five years; whereas the **OECD** has stated that SMEs pay on average 30 % more in tax than multinational enterprises (MNEs); whereas this seriously distorts competition, leads to loss of jobs in the Union and hinders sustainable growth;

²¹ <http://ec.europa.eu/growth/smes/>, European Commission, 10 May 2016.

Or. en

Amendment 17

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital C a (new)

Motion for a resolution

Amendment

C a. whereas aggressive tax planning is defined by the Commission as 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; whereas the Commission recognises that aggressive tax planning can take a multitude of forms which leads to tax law not applied as intended by law makers; whereas the main forms of aggressive tax planning include debt shifting, location of intangible assets and intellectual property, strategic transfer pricing, hybrid mismatches and offshore loan structures; whereas companies heard by its Special Committee have mostly reiterated that they pay a lot of taxes and their behaviour is legal; whereas only a small percentage of companies have publicly admitted yet that corporate tax avoidance is a priority to be addressed;

Or. en

Amendment 18

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital D

Motion for a resolution

Amendment

D. whereas one third of **all** corporate investments are channelled through

D. whereas **close to** one third of **cross-border** corporate investments are

offshore financial constructions;

channelled through offshore financial constructions; *whereas the Commission notes that 72% of profit shifting in the European Union makes use of transfer pricing and tax-effective location of intellectual property and that the remaining profit shifting schemes involve debt-shifting^{1a} ;*

1a

https://polcms.secure.europarl.europa.eu/cmsdata/upload/a0cf64ee-8e0d-4b5f-b145-6ffbaa940e10/TheRoleFinancialSectorTaxPlanning_Draft_210316.pdf

Or. en

Amendment 19

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital D a (new)

Motion for a resolution

Amendment

D a. whereas bilateral tax treaties allocate taxing rights between source and residence countries; whereas source countries often are allocated the right to tax active business income provided a permanent establishment exists in the source countries and residence countries obtain taxing rights over passive income such as dividends, royalties and interest; whereas such division of taxing rights is essential to understand aggressive tax planning schemes;

Or. en

Amendment 20

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Recital D b (new)

Motion for a resolution

Amendment

D b. whereas accounting practices consist in portraying the corporation's financial state by matching revenues and expenses, and gains and losses to the calendar period in which they arise, rather than to the period in which the cash flows actually take place; whereas if taxable income passes from one jurisdiction to another, and both treat it in a different manner, the opportunity to exploit mismatches arises; whereas though royalty payments can be justified for business purposes, without proper fiscal coordination, they can receive favourable tax treatment in one country leading to an erosion of the tax base in other countries;

Or. en

Amendment 21

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Recital E

Motion for a resolution

Amendment

E. whereas convergence of tax policies should also be accompanied by greater controls and more investigations of harmful tax practices; whereas the Commission has started new formal investigations regarding tax treatment of MNEs; whereas a number of investigations by the Commission in matters of state aid were still ongoing at the time of adoption of this report; whereas certain Member

E. whereas convergence of tax policies should also be accompanied by greater controls and more investigations of harmful tax practices; whereas the Commission has started new formal investigations regarding tax treatment of MNEs; whereas a number of investigations by the Commission in matters of state aid were still ongoing at the time of adoption of this report; whereas certain Member

States have initiated recovery procedures against some MNEs;

States have initiated recovery procedures against some MNEs *but at this stage and to our knowledge, despite three decisions by the Commission of recovery for illegal tax state aids, only Luxembourg has recovered the amount due and all of them have appealed the decisions of the Commission;*

Or. en

Amendment 22

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Subheading 2

Motion for a resolution

Role of *specific* tax jurisdictions

Amendment

Role of *external* tax jurisdictions

Or. en

Amendment 23

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital E a (new)

Motion for a resolution

Amendment

E a. whereas the Parliament held meetings with representatives of the Governments of Andorra, Liechtenstein, Monaco, Guernsey and Jersey; whereas the Cayman Islands have only appeared at a coordinators' meeting and not at a formal hearing of the Special Committee; whereas the Isle of Man declined to appear before the Special Committee but sent a written contribution instead;

Or. en

Amendment 24

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital F

Motion for a resolution

F. whereas some *specific* tax jurisdictions actively contribute to designing aggressive tax policies *on behalf of* MNEs who thereby avoid taxation; whereas *the* corporate tax rate in some jurisdictions is close or equal to zero per cent; whereas *the complexity of different tax systems create a lack of transparency which is globally harmful*;

Amendment

F. whereas some tax jurisdictions actively contribute to designing aggressive tax policies *for* MNEs who thereby *can use these opportunities to* avoid taxation; whereas *despite commitments by these jurisdictions to automatically exchange tax information with other countries, the statutory or effective* corporate tax rate in some jurisdictions is close or equal to zero per cent; whereas *some of these jurisdictions are included in blacklists of several Member States; whereas specific tax regimes of some jurisdictions have been assessed by the Code of Conduct Group on business taxation, leading to reforms in these countries*;

Or. en

Amendment 25

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital F a (new)

Motion for a resolution

Amendment

F a. whereas these jurisdictions have all committed to automatic information exchange by 2017, except Andorra and Monaco in 2018; whereas it is important to monitor whether effective legislative changes are already being introduced to ensure effective automatic information exchange as of 2017;

Amendment 26

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution**Recital G***Motion for a resolution*

G. whereas the lack of transparency and, more generally, non-compliance with control requirements, *deficient knowledge of* final beneficiaries and continued banking secrecy are obstacles to ending tax evasion and avoidance; whereas the opacity of such practices is used by some tax agents in the financial sector for aggressive tax practices; whereas there is no automatic exchange of information between countries, beyond the pre-existing bilateral tax conventions; whereas, without effective enforcement, the weaknesses of the systems will encourage tax evasion and avoidance;

Amendment

G. whereas the lack of transparency and, more generally, non-compliance with control requirements, *lack of information on* final beneficiaries and continued banking secrecy are obstacles to ending tax evasion and avoidance; whereas the opacity of such practices is used by some tax agents in the financial sector for aggressive tax practices; whereas there is no automatic exchange of information between countries, beyond the pre-existing bilateral tax conventions; whereas, without effective enforcement, the weaknesses of the systems will encourage tax evasion and avoidance;

Or. en

Amendment 27

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution**Recital H***Motion for a resolution*

H. whereas some specific tax jurisdictions *are not willing to reform their tax systems, despite the ongoing global initiatives and despite the fact that some of them are involved in the work of* the OECD;

Amendment

H. whereas *the "Panama Papers" clearly had an effect on* some specific tax jurisdictions *which were so far reluctant to commit to the OECD Common Reporting Standards for automatic information exchange and announced in*

May 2016 that they will commit to it; whereas the United States is therefore the only major economy not having committed yet to implement the OECD Common Reporting Standards and only applying its national legislation (FATCA);

Or. en

Amendment 28

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital I

Motion for a resolution

I. whereas the hearings organised with Andorra, Guernsey, Jersey, Liechtenstein and Monaco (see Annex 1) showed that the conditions for registration of offshore companies and the information to be provided in this regard vary from one jurisdiction to another; whereas full information on the final beneficiaries of trusts, foundations and companies by official tax authorities of some of these jurisdictions is not known *to exist or is never made public*; whereas Andorra, Liechtenstein, Monaco, San Marino and Switzerland have signed agreements with the EU; whereas the Channel Islands have signed agreements with the UK and have declared their readiness to enter into similar agreements with other Member States; *whereas the Cayman Islands have only appeared at a coordinators' meeting and not at a formal hearing of the Special Committee; whereas the Isle of Man declined to appear before the Special Committee but sent a written contribution instead;*

Amendment

I. whereas the hearings organised with Andorra, Guernsey, Jersey, Liechtenstein and Monaco (see Annex 1) showed that the conditions for registration of offshore companies and the information to be provided in this regard vary from one jurisdiction to another; whereas full information on the final beneficiaries of trusts, foundations and companies by official tax authorities of some of these jurisdictions is not known *or collected nor is it made publicly available*; whereas Andorra, Liechtenstein, Monaco, San Marino and Switzerland have signed agreements *for exchange of information* with the EU; whereas the Channel Islands have signed agreements with the UK and have declared their readiness to enter into similar agreements with other Member States;

Or. en

Amendment 29

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital J

Motion for a resolution

J. whereas the existing legislation of some jurisdictions does not ensure good governance or respect of international standards as regards final beneficiaries *and transparency*;

Amendment

J. whereas the existing legislation of some jurisdictions does not ensure good governance or respect of *the highest* international standards as regards final beneficiaries, *transparency and cooperation*;

Or. en

Amendment 30

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital J a (new)

Motion for a resolution

Amendment

J a. whereas some of these jurisdictions are dependent or associate territories of Members States and therefore, even if self-governing, are partially subject to national and European laws; whereas Member States should therefore consider legislating to ensure that their associate and dependent territories comply with highest standards;

Or. en

Amendment 31

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital K

Motion for a resolution

K. whereas some Member States have **prepared** their own lists of uncooperative jurisdictions; whereas there are **big** differences between these lists as to how uncooperative jurisdictions or tax havens are defined or assessed; whereas the OECD's list of uncooperative jurisdictions has not proved effective; whereas a common **Union-wide** list of **uncooperative jurisdictions is still lacking**;

Amendment

K. whereas some Member States have their own lists of uncooperative jurisdictions **and/or substantive definitions of "tax havens" or "privileged tax jurisdiction"**; whereas there are **significant** differences between these lists as to how uncooperative jurisdictions or tax havens are defined or assessed; whereas the OECD's list of uncooperative jurisdictions has not proved effective; whereas **the Commission announced the creation of a common European list of tax havens accompanied with counter-measures and this proposal has received unanimous political support by the member States in April 2016**;

Or. en

Amendment 32

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital L

Motion for a resolution

L. whereas some financial institutions have played a role as intermediaries in setting up complex legal structures leading to aggressive tax planning schemes used by MNEs, as evidenced in 'LuxLeaks' and the 'Panama Papers'; whereas legal loopholes and lack of coordination, cooperation and transparency between countries create an environment that facilitates tax evasion; whereas banks **could have played** a positive role in combating **the erosion of national tax bases** by, for instance, **using the means of exchange of information at**

Amendment

L. whereas some financial institutions **and accounting or law firms** have played a role as intermediaries in setting up complex legal structures leading to aggressive tax planning schemes used by MNEs, as evidenced in 'LuxLeaks' and the 'Panama Papers'; whereas legal loopholes and lack of coordination, cooperation and transparency between countries create an environment that facilitates tax evasion **and avoidance**; whereas banks **should play** a positive role in combating **tax evasion and avoidance** by, for instance, **applying**

their disposal in a more cooperative spirit;

strong due diligence rules and by collecting information for tax authorities about their clients;

Or. en

Amendment 33

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital L a (new)

Motion for a resolution

Amendment

L a. whereas several tax scandals involving banks became public during the timeframe of this investigation; whereas financial institutions can use several aggressive tax planning schemes to support their clients to evade or avoid taxes; whereas banks can act on the market on behalf of their clients and claim to be the beneficial owner of these transactions towards tax authorities, leading to clients unduly benefiting from tax advantages granted to banks by reason of their banking status or of their residence; whereas the role of banks (particularly those with investment banking operations) in designing and implementing aggressive tax planning should be considered as dual: first, in providing aggressive tax planning for use by clients - often using financial products such as loans, derivatives, repos or any equity-linked instruments - and second, in the use of aggressive tax planning themselves - through their own inter-bank and proprietary structured finance transactions;

Or. en

Amendment 34

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest

Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital L b (new)

Motion for a resolution

Amendment

L b. whereas all banks appearing in front of the Special Committee officially denied advising their clients to evade or avoid taxes in any form whatsoever and denied having relations with accounting and law firms for that purpose; whereas however banks often seek legal opinions from accounting or consultancy firms to validate contracts they offer to their clients; whereas these paid legal opinions can be used to cover tax evasion operations and to avoid allegations of intentional fraud by the banks;

Or. en

Amendment 35

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital M

Motion for a resolution

Amendment

M. whereas major financial institutions have set up subsidiaries in special tax jurisdictions or in jurisdictions with low or very low corporate tax rates; whereas some financial institutions have recently closed down some of their branches in those jurisdictions;

M. whereas major financial institutions have set up ***an important number of*** subsidiaries in special tax jurisdictions or in jurisdictions with low or very low corporate tax rates ***rates in order to avoid taxes on behalf of their corporate and private clients or for their own benefit;*** whereas some financial institutions have recently closed down some of their branches in those jurisdictions; ***whereas several financial institutions have been prosecuted for tax evasion, avoidance or money laundering in the United States,***

leading to the payments of substantial fines but very few prosecutions have been started in the European Union;

Or. en

Amendment 36

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital M a (new)

Motion for a resolution

Amendment

M a. whereas banks are operating in a competitive market and are incentivised to promote tax attractive schemes in order to attract new clients and serve existing ones; whereas bank employees are often under enormous pressure to validate clients' contracts allowing for tax evasion and avoidance at the risk of being fired if they do not; whereas there are conflicts of interest and revolving door cases between banks top employees, consultancy firms and representatives of tax administrations; whereas tax administrations do not always have sufficient access to information or means to investigate banks and detect cases of tax evasion;

Or. en

Amendment 37

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital M b (new)

M b. Whereas it is important to acknowledge that not all complex structured finance transactions (CSFTs) have a dominant tax motivation, and that predominantly tax-driven products are only a small part of overall CSFT business; whereas the amounts involved in aggressive tax planning transactions can however be very large, with single deals involving sometimes funding of €billions and tax advantages of €100s millions ^{1a} ; whereas revenue authorities are concerned with the lack of transparency of CSFTs that are used for aggressive tax planning purposes, particularly where separate legs of these arrangements are executed in different jurisdictions;

^{1a} OECD, 2008, "Study into the role of tax intermediaries"; OECD, 2008, "Study into the role of tax intermediaries"; <http://www.oecd.org/tax/administration/39882938.pdf>

Or. en

Amendment 38

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital N

Motion for a resolution

N. whereas the biggest European banks are already subject to public country-by-country reporting requirements; whereas none of the financial institutions which appeared in front of the Special Committee raised any significant objection

Amendment

N. whereas the biggest European banks are already subject to public country-by-country reporting requirements; whereas none of the financial institutions which appeared in front of the Special Committee raised any significant objection

with regard to the disclosure requirements; whereas some of them clearly said they were in favour of this requirement and would support it becoming a global standard;

with regard to the disclosure requirements; whereas some of them clearly said they were in favour of this requirement and would support it becoming a global standard; *whereas the CRD IV reporting requirements for financial institutions leave room for improvement as the data reporting is inconsistent between various EU countries and the reporting requirements are differently interpreted by various financial institutions;*

Or. en

Amendment 39

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital Q

Motion for a resolution

Q. whereas *schemes* linked to intellectual property, patents and research and development (R&D) are widely used across the Union; whereas these *are* used by MNEs to artificially reduce their overall tax contribution; *whereas the Base Erosion and Profit Shifting (BEPS) action plan (action No 5) refers to the ‘Modified Nexus Approach’; whereas the role of the Code of Conduct Group is also to analyse and effectively monitor such practices in Member States;*

Amendment

Q. whereas *tax incentives* linked to intellectual property, patents and research and development (R&D) are widely used across the Union *and are multiplying;* whereas these *can be easily* used by MNEs to artificially reduce their overall tax contribution;

Or. en

Amendment 40

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital R

Motion for a resolution

R. whereas *Member States could still grant* patent boxes *until June 2016*; whereas *they are obliged to implement the OECD BEPS proposal for the modified 'Nexus Approach' on patent boxes until 2021 as agreed at* Code of Conduct Group level;

Amendment

R. Whereas *the Code of Conduct Group analysed European patent boxes regimes but did not conclude its analysis on specific regimes*; whereas *in the meantime, the OECD Base Erosion and Profit Shifting (BEPS) action plan (action No 5) refers to the 'Modified Nexus Approach' as the new standard for granting R&D incentives*; whereas *Member States agreed in the Code of Conduct Group to implement the Modified Nexus Approach in their national legislation as of 2015*; whereas *they also agree that existing patent box schemes should be phased out by 2021 only*; whereas *Member States are seriously delayed in the implementation of the Modified Nexus Approach at national level*;

Or. en

Amendment 41

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital S

Motion for a resolution

S. whereas several studies from the Commission have clearly shown that the link between the patent box and R&D is in most cases arbitrary and/or artificial; whereas this inconsistency may lead to the assumption that these schemes are in most cases set up for tax avoidance reasons; whereas tax incentives for incomes generated by R&D, chiefly patent boxes, often result in large decreases in tax revenue for all governments, including those engaging in such a policy;

Amendment

S. whereas several studies from the Commission have clearly shown that the link between the patent box and R&D is in most cases arbitrary and/or artificial; whereas this inconsistency may lead to the assumption that these schemes are in most cases set up for tax avoidance reasons; whereas tax incentives for incomes generated by R&D, chiefly patent boxes, often result in large decreases in tax revenue for all governments, including those engaging in such a policy; *whereas*

the OECD and the IMF also confirmed several times that they do not believe patent boxes to be the right tool to promote R&D; whereas the IMF is calling for a rationalisation of tax incentives in advanced economies;

Or. en

Amendment 42

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital T

Motion for a resolution

T. whereas the central role of patent boxes in harmful tax practices schemes was initially observed in the fact-finding missions of Parliament's previous Special Committee (TAXE 1) in the Netherlands and the UK, and subsequently confirmed in its mission to Cyprus; whereas similar systems exist in other Member States;

Amendment

T. whereas the central role of patent boxes in harmful tax practices schemes was initially observed in the fact-finding missions of Parliament's previous Special Committee (TAXE 1) in the Netherlands and the UK, and subsequently confirmed in its mission to Cyprus; whereas similar systems exist *or have been announced* in other Member States (*Belgium, France, Hungary, Ireland, Italy, Luxembourg, Malta, Portugal and Spain (including Basque country and the region of Navarra)*);

Or. en

Amendment 43

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Subheading 5

Motion for a resolution

Code of Conduct Group *documents*

Amendment

Documents from the Code of Conduct Group *on business taxation, the High*

Amendment 44

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital V

Motion for a resolution

V. whereas it was only five months after the beginning of the term of its Special Committee that *some* Room documents and minutes of the Code of Conduct Group were made available to MEPs in camera *on EP premises; whereas, while additional documents have been made available, some documents and minutes still remain undisclosed or missing; whereas the Commission stated at an informal meeting that it has made all the documents at its disposal available to the Special Committee and any further relevant meeting documents, should they ever have been in the Commission's possession, must therefore have been lost;*

Amendment

V. whereas it was only five months after the beginning of the term of its Special Committee that *non-redacted sensitive* room documents and minutes of the Code of Conduct Group were made available to MEPs in camera;

Amendment 45

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital V a (new)

Motion for a resolution

V a. whereas, while additional documents have been made available, some documents and minutes of the Code

Amendment

of Conduct Group still remain undisclosed or missing; whereas the Commission stated at an informal meeting that it has made all the documents at its disposal available to the Special Committee and any further relevant meeting documents, should they ever have been in the Commission's possession, must therefore have been lost; whereas additional room documents - originating from the member states or the council - have not been transmitted to the European Parliament, despite several requests; whereas several of the documents transmitted to the Parliament have also been made public, either on a Commission's website or through access to documents' requests; whereas documents from the High Level Working Group on taxation and the Working Party on tax questions have been made available at the end of the Special Committee's mandate; whereas the practice of regularly sending information from tax discussions in other institutions to Parliament should be institutionalised beyond the lifetime of the Special Committee;

Or. en

Amendment 46

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital W

Motion for a resolution

W. whereas Member States have given unsatisfactory answers to Parliament's repeated requests for full disclosure of the documents concerned; whereas this practice has been going on for several months; whereas *these documents have*

Amendment

W. whereas Member States have given unsatisfactory answers to Parliament's repeated requests for full disclosure of the documents concerned; whereas this practice has been going on for several months; whereas transparency and access

nonetheless recently been made available;
whereas transparency and access to
information are essential elements of
parliamentary work;

to information are essential elements of
parliamentary work;

Or. en

Amendment 47

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital W a (new)

Motion for a resolution

Amendment

W a. whereas specific issues have been examined within the Code of Conduct Group without leading to concrete reforms; whereas for example, discussions on rulings have been going one since 1999 at least and there are still difficulties in implementing recommendations agreed, even after the Luxleaks scandal; whereas examination of patent box regimes has never been fully concluded in 2014 and no other examination has started, despite member states being late in implementing the new Modified Nexus Approach;

Or. en

Amendment 48

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital X

Motion for a resolution

Amendment

X. whereas the OECD, the UN and other international organisations are interested parties in the fight against

X. whereas the OECD, the UN and other international organisations are interested parties in the fight against

corporate tax base erosion; whereas there is a need to ensure global harmonisation of practices and implementation of common standards such as those proposed by the OECD vis-à-vis the BEPS package; whereas the meeting of G20 finance ministers and central bank governors held in Washington on 14 and 15 April 2016 *concluded in favour of initiating implementation of the BEPS measures, and has called for full financial transparency, especially as regards beneficial ownership;*

corporate tax base erosion; whereas there is a need to ensure global harmonisation of practices and implementation of common standards such as those proposed by the OECD vis-à-vis the BEPS package; whereas the meeting of G20 finance ministers and central bank governors held in Washington on 14 and 15 April 2016 *reiterated its calls for all countries and jurisdictions to implement the Financial Action Task Force (FATF) standards on transparency and beneficial ownership of legal persons and legal arrangements; whereas some G20 members have called for automatic information exchange of beneficial ownership information and requested FATF and the Global Forum on Transparency and Exchange of Information for Tax Purposes to make initial proposals to that effect by October 2016;*

Or. en

Amendment 49

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital Y

Motion for a resolution

Amendment

Y. whereas a Symposium on Taxation is planned for July 2016 with a view to achieving strong, sustainable and balanced economic growth; whereas the G20 has called on all international organisations, including the EU, to meet the challenges concerned;

deleted

Or. en

Amendment 50

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital Z

Motion for a resolution

Z. whereas the G20 members have reaffirmed their commitment to ensure that efforts are made to strengthen the capacities of developing countries' economies and to encourage developed countries to abide by the principles of the Addis Tax Initiative as set out at the UN meeting of 27 July 2015; whereas developing countries' views are essential to effective global coordination;

Amendment

Z. whereas the G20 members have reaffirmed their commitment to ensure that efforts are made to strengthen the capacities of developing countries' economies and to encourage developed countries to abide by the principles of the Addis Tax Initiative as set out at the UN meeting of 27 July 2015; whereas developing countries' views *and priorities* are essential to effective global coordination;

Or. en

Amendment 51

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital AD

Motion for a resolution

AD. whereas Parliament's Special Committee TAXE 2, constituted on 2 December 2015, held 11 meetings, some of them jointly with the Committee on Economic and Monetary Affairs, the Committee on Legal Affairs and the Committee on Development, at which it heard the Commissioner for Competition, Margrethe Vestager, the Commissioner for Economic and Financial Affairs, Taxation and Customs, Pierre Moscovici, the Commissioner for Financial Stability, Financial Services and Capital Markets Union, Jonathan Hill, the Dutch State Secretary for Finance, Eric Wiebes (representing the Council Presidency),

Amendment

AD. whereas Parliament's Special Committee TAXE 2, constituted on 2 December 2015, held 11 meetings, some of them jointly with the Committee on Economic and Monetary Affairs, the Committee on Legal Affairs and the Committee on Development, at which it heard the Commissioner for Competition, Margrethe Vestager, the Commissioner for Economic and Financial Affairs, Taxation and Customs, Pierre Moscovici, the Commissioner for Financial Stability, Financial Services and Capital Markets Union, Jonathan Hill, the Dutch State Secretary for Finance, Eric Wiebes (representing the Council Presidency),

experts in the field of taxation, representatives of multinational companies (MNCs), representatives of banks, and members of national parliaments of the EU; whereas it also held meetings with representatives of the Governments of Andorra, Liechtenstein, Monaco, Guernsey and Jersey, and received a written contribution from the Government of the Isle of Man (see Annex 1); whereas it also organised fact-finding missions to the US (Washington), to look into specific aspects of the third-country dimension of its mandate, and to Cyprus; whereas members of the Special Committee were personally invited to take part in the work of the high-level interparliamentary group 'TAXE' of the OECD; whereas the Special Committee held in camera meetings at coordinators' level at which it heard representatives of the Government of the Cayman Islands, investigative journalists and Commission officials; whereas all these activities, which have provided a wealth of very useful information on practices and tax systems both inside and outside the Union, have helped to clarify some of the relevant issues, while others remain unanswered;

experts in the field of taxation *and development*, representatives of multinational companies (MNCs), representatives of banks, and members of national parliaments of the EU; whereas it also held meetings with representatives of the Governments of Andorra, Liechtenstein, Monaco, Guernsey and Jersey, and received a written contribution from the Government of the Isle of Man (see Annex 1); whereas it also organised fact-finding missions to the US (Washington), to look into specific aspects of the third-country dimension of its mandate, and to Cyprus; whereas members of the Special Committee were personally invited to take part in the work of the high-level interparliamentary group 'TAXE' of the OECD; whereas the Special Committee held in camera meetings at coordinators' level at which it heard representatives of the Government of the Cayman Islands, investigative journalists and Commission officials; whereas all these activities, which have provided a wealth of very useful information on practices and tax systems both inside and outside the Union, have helped to clarify some of the relevant issues, while others remain unanswered;

Or. en

Amendment 52

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Recital AE

Motion for a resolution

AE. whereas the work of the Special Committee was hindered *to some extent* by the fact that out of 7 MNCs invited, only 4 agreed on first invitation to appear before

Amendment

AE. whereas the work of the Special Committee was hindered by the fact that out of 7 MNCs invited, only 4 agreed on first invitation to appear before its

its members (see Annex 2);

members (see Annex 2);

Or. en

Amendment 53

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Subheading 9

Motion for a resolution

Amendment

Follow-up by the Commission

Follow-up by the Commission *and*
Member States

Or. en

Amendment 54

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 1 a (new)

Motion for a resolution

Amendment

1 a. Regrets that thirteen countries do not have proper rules to counter aggressive tax planning based on tax-free-flow-through of dividends and thirteen member states did not apply any beneficial-owner test when accepting a claim for a reduction or exemption of withholding tax; Regrets that so far, fourteen member states still have no controlled foreign company rules to prevent aggressive tax planning and that twenty-five member states have no rules to counter the mismatching tax qualification of a local company by another state; condemns that no single member state has called for a ban on aggressive tax planning structures so far;

Or. en

Amendment 55

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 1 a (new)

Motion for a resolution

Amendment

1 a. Calls on Member States and the Commission to adopt further legislative proposals on corporate tax avoidance as scope exists for member states to tighten their anti-abuse rules to counter base erosion; strongly regrets that Member States did not discuss the Parliament's recommendations in any Council working group and did not reflect on the breach of their obligation of sincere cooperation under the Treaty through enabling aggressive tax avoidance and tax evasion in other member states;

Or. en

Amendment 56

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 1 a (new)

Motion for a resolution

Amendment

1 a. Condemns that twenty-four member states offer a general deductibility of interest costs without making it conditional on the creditor being taxed on the interest income and/or without imposing the full scale of thin-capitalisation or other interest-limitation rules, interest withholding tax or a beneficial-owner test as a condition for

Amendment 57

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 2

Motion for a resolution

2. Welcomes the Anti-tax Avoidance Package (ATAP) published by the Commission on 28 January 2016, as well as all legislative proposals and communications already undertaken afterwards; calls on the Council to reach a unanimous position on the *ATAP and keep the Anti-Tax Avoidance Directive as one single directive*; welcomes the initiative to create a common Union list of uncooperative jurisdictions in the External Strategy for Effective Taxation;

Amendment

2. Welcomes the Anti-tax Avoidance Package (ATAP) published by the Commission on 28 January 2016, as well as all legislative proposals and communications already undertaken afterwards; calls on the Council to reach a unanimous *ambitious* position on the *Anti-Tax Avoidance Directive; strongly regrets that the current Council draft position has been weakened, especially with a grandfathering clause on interest deduction or a narrowed approach on controlled foreign company rule; regrets that several member states, including Ireland, Bulgaria, Czech Republic, Hungary, Luxembourg, Cyprus and Malta have not supported the compromise on May 25th*; welcomes the initiative to create a common Union list of uncooperative jurisdictions in the External Strategy for Effective Taxation;

Amendment 58

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 3

Motion for a resolution

3. Urges the Commission to come forward with a proposal for a common corporate consolidated tax base (CCCTB) which would provide a comprehensive solution to harmful tax practices within the Union; believes that the consolidation of the CCCTB is essential and is becoming increasingly urgent; calls on the Member States to promptly reach an agreement on this and to swiftly implement it;

Amendment

3. Urges the Commission to come forward with a proposal for a common corporate consolidated tax base (CCCTB) which would provide a comprehensive solution to harmful tax practices within the Union; believes that the consolidation of the CCCTB is essential and is becoming increasingly urgent; calls on the Member States to promptly reach an agreement on this and to swiftly implement it; ***reminds the Member States that different corporate tax rates can create an unlevelled playing field and unfair tax competition within the EU as well;***

Or. en

Amendment 59

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 4

Motion for a resolution

4. ***Welcomes*** the Commission's adoption on 12 April 2016 of a proposal for a directive amending Directive 2013/34/EU as regards disclosure by companies, their subsidiaries and branches, of information relating to income tax and to increased transparency in company tax; regrets, however, that the proposed scope, criteria and thresholds are not in line with the previous positions adopted by Parliament;

Amendment

4. ***Notes*** the Commission's adoption on 12 April 2016 of a proposal for a directive amending Directive 2013/34/EU as regards disclosure by companies, their subsidiaries and branches, of information relating to income tax and to increased transparency in company tax; regrets, however, that the proposed scope, criteria and thresholds are not in line with the previous positions adopted by Parliament; ***re-calls its support for the disclosure of full disaggregated data for third countries to ensure transparency on whether companies pay their taxes where their economic activity is taking place and its support for a lower threshold of EUR40 million annual turnover to be applied;***

welcomes the commitment by France, Italy, the Netherlands, Spain and the UK to support public country by country reporting for large multinational enterprises;

Or. en

Amendment 60

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 5

Motion for a resolution

5. Welcomes the agreement in Council on 8 December 2015 on automatic exchange of information on tax rulings; ***stresses*** that the Commission ***should*** have full access to the new Union database of tax rulings; insists on the need for a comprehensive and efficient database of all rulings having potential cross-border effect;

Amendment

5. Welcomes the agreement in Council on 8 December 2015 on automatic exchange of information on tax rulings; ***regrets that at the time of this report, several member states, despite the Luxleaks scandal, still have not put in place the necessary legislative framework to start automatically exchanging information on tax rulings; regrets*** that the Commission ***doesn't*** have full access to the new Union database of tax rulings; insists on the need for a comprehensive and efficient database of all rulings having potential cross-border effect; ***calls, therefore, on the Member States to grant the Commission full access to the new Union database of tax rulings in order to enable the Commission to effectively monitor the potentially harmful tax policy of Member States; strongly regrets that as of mid-2015, only eight member states (Austria, Denmark, Estonia, Hungary, Ireland, Lithuania, the Netherlands and Slovakia) had completed the necessary administrative work to implement the guidance on the Model Instruction concerning rulings;***

Or. en

Amendment 61

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 6

Motion for a resolution

6. Underlines that the automatic exchange of information will result in a large volume of data needing to be treated, and that the issues relating to computer processing of the data concerned must be coordinated, as must the necessary human resources for analysing the data; calls for the strengthening of the Commission's role in this work;

Amendment

6. Underlines that the automatic exchange of information will result in a large volume of data needing to be treated, and that the issues relating to computer processing of the data concerned must be coordinated, as must the necessary human resources for analysing the data; calls for the strengthening of the Commission's role in this work; ***calls on the Commission and Member States to carefully monitor the implementation of the Directive on Administrative Cooperation at national level, especially with the objective to verify how many member states request tax information through bilateral tax treaties rather than under this legal basis; calls on Member States to reinforce their tax administrations with adequate staff capacity; calls on Member States to integrate the information exchanged with fiscal authorities and the information exchanged with financial supervisors and regulators;***

Or. en

Amendment 62

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 6 a (new)

Motion for a resolution

Amendment

6 a. Welcomes the announcement by

France, the Netherlands and the UK on May 12 to put in place public registers of beneficial owners of companies; applauds France for committing to create a public register for trusts; supports UK's commitment to make any foreign company either buying property in the country, or entering into a contract with the state to declare its beneficial owner; calls on all Member States to adopt similar initiatives;

Or. en

Amendment 63

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 7

Motion for a resolution

Amendment

7. Notes that the Joint Transfer Pricing Forum has included in its work programme for 2014-2019 the development of good practices to ensure that the OECD guidelines on the subject correspond to the specificities of Member States; notes that the Commission is monitoring the progress of this work;

deleted

Or. en

Amendment 64

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 8

Motion for a resolution

Amendment

8. Insists that concrete legislative action needs to be taken on transfer

8. Calls on the Commission to present a concrete legislative proposal on

pricing, since 70 % of profit shifting is done through transfer pricing;

transfer pricing, since 70 % of profit shifting is done through transfer pricing;
calls on Member States to grant tax rulings only if taxation of cross-border transactions is ensured;

Or. en

Amendment 65

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 9

Motion for a resolution

9. Welcomes the fact that the Commissioner for Competition, Margrethe Vestager, has categorised transfer pricing as a particular focus area for state aid cases, as it is reported to be a common tool used by MNEs for tax ***evasion*** schemes such as inter-group loans;

Amendment

9. Welcomes the fact that the Commissioner for Competition, Margrethe Vestager, has categorised transfer pricing as a particular focus area for state aid cases, as it is reported to be a common tool used by MNEs for tax ***avoidance*** schemes such as inter-group loans;

Or. en

Amendment 66

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 9 a (new)

Motion for a resolution

Amendment

9 a. Regrets that many multinational companies heard have not strongly condemned tax avoidance practices and aggressive tax planning; stresses that MNEs can easily grant artificial inter-group loans for aggressive tax planning purposes; stresses that the preference for such debt financing is to the detriment of the taxpayers as well as financial stability;

calls, therefore, on the Member States to eliminate the debt-equity bias in their respective tax laws;

Or. en

Amendment 67

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 10

Motion for a resolution

10. Strongly emphasises that the work of whistleblowers is crucial for revealing scandals of tax evasion and avoidance, and that, therefore, protection for whistleblowers needs to be legally guaranteed and strengthened EU-wide; notes that the European Court of Human Rights and the Council of Europe have undertaken work on this issue; considers that courts and Member States should *ensure the protection of legitimate business secrets while in no way hindering, hampering or stifling* the capacity of whistleblowers and journalists to document and reveal illegal, wrongful and harmful practices where this is *clearly and overwhelmingly* in the public interest; *regrets that the Commission has no plans for prompt action on the matter;*

Amendment

10. Strongly emphasises that the work of whistleblowers is crucial for revealing scandals of tax evasion and avoidance, and that, therefore, protection for whistleblowers needs to be legally guaranteed and strengthened EU-wide; notes that the European Court of Human Rights and the Council of Europe have undertaken work on this issue; considers that courts and Member States should in no way *hinder, hamper or stifle* the capacity of whistleblowers and journalists to document and reveal illegal, wrongful and harmful practices where this is in the public interest;

Or. en

Amendment 68

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 11 a (new)

Motion for a resolution

Amendment

11 a. *Calls on the Commission to issue clear legislation on the definition of economic substance, value creation and permanent establishment, with a view to tackling, in particular, the issue of letterbox companies; calls on Member States to revise the burden of proof when it comes to re- collection of assets obtained through crimes or recovery of unlawful profits;*

Or. en

Amendment 69

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 11 b (new)

Motion for a resolution

Amendment

11 b. *Notes the Commission's answer to Parliament's recommendations on tax matters; Regrets that several initiatives recommended by the Parliament, such as mandatory notification of new tax schemes by tax advisory firms to tax authorities, proposal to change the EU state aid regime (as it relates to tax) or introducing withholding taxes to avoid profits leaving the EU untaxed, will not be followed up by the Commission; regrets that the Commission did not answer on some of the recommendations such as the issue of taxing royalty payments in the EU; calls again on the Commission to propose legislation in markets that are distorted through aggressive tax competition such as retail services and professional football;*

Or. en

Amendment 70

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 12

Motion for a resolution

12. Notes *that so far, the only concrete initiative* taken by the Commission regarding uncooperative jurisdictions, including overseas territories, *has been* the External Strategy for Effective Taxation; observes that until now the criteria for listing of uncooperative jurisdictions by the OECD have not proved *efficient* in tackling this issue and have not served as a deterrent;

Amendment

12. Notes *the initiatives* taken by the Commission regarding uncooperative jurisdictions, including overseas territories, *including* the External Strategy for Effective Taxation; observes that until now the criteria for listing of uncooperative jurisdictions by the OECD have not proved *effective* in tackling this issue and have not served as a deterrent; *reminds the shortcomings and difficulties of a blacklisting exercise, often based on political considerations rather than objective criteria;*

Or. en

Amendment 71

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 13

Motion for a resolution

13. Calls on the Commission to come up as soon as possible with a common Union list of uncooperative jurisdictions (i.e. a 'blacklist of tax havens'), based on sound and objective criteria, including *full implementation of OECD recommendations, BEPS actions and Automatic Exchange of Information standards*, and welcomes the Commission's intention to reach an agreement on such a list within the next six

Amendment

13. Calls on the Commission to come up as soon as possible with a common Union list of uncooperative jurisdictions (i.e. a 'blacklist of tax havens'), based on sound and objective criteria, including *level of secrecy and disclosure of legal and beneficial ownership information and structure of legal entities (companies, trusts, foundations, charity...), lack of commitment to implement the OECD common reporting standard on automatic*

months; calls on the Member States to endorse that agreement by the end of 2016;

information exchange, low or zero tax rates for non-residents; lack of requirement of economic substance; and welcomes the Commission's intention to reach an agreement on such a list within the next six months; calls on the Commission to assess member states with the same established criteria; calls on the Member States to endorse that agreement by the end of 2016;

Or. en

Amendment 72

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 14

Motion for a resolution

14. Calls for a concrete Union regulatory framework for sanctions against the blacklisted non-cooperative jurisdictions, including, but not limited to, the possibility of reviewing and, in the last resort, suspending free trade agreements and prohibiting access to Union funds; calls for the sanctions also to apply to companies, banks, and accountancy and law firms, and to tax advisers proven to be involved with those jurisdictions;

Amendment

14. Calls for a concrete Union regulatory framework for sanctions against the blacklisted non-cooperative jurisdictions, including, but not limited to, the possibility of reviewing and, in the last resort, suspending free trade agreements and prohibiting access to Union funds; calls for the sanctions also to apply to companies, banks, and accountancy and law firms, and to tax advisers proven to be involved with those jurisdictions; ***calls on the European Commission to propose and Member States to agree on a European version of FATCA to impose a sanction (such as a 30% withholding tax on all EU-sourced payments) against any financial institution that does not apply a look-through approach and concentrates only on account holders or refuses to automatically exchange information about EU residents holding accounts abroad;***

Or. en

Amendment 73

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 15

Motion for a resolution

15. Calls on the Member States to renegotiate their bilateral tax treaties with third countries in order to introduce anti-abuse clauses and thus prevent 'treaty shopping'; stresses furthermore that this process would be expedited considerably if the Commission were mandated by Member States to negotiate such tax treaties on behalf of the Union;

Amendment

15. Calls on the Member States to renegotiate their bilateral tax treaties with third countries in order to introduce anti-abuse clauses and thus prevent 'treaty shopping'; ***calls on member states to revise their bilateral tax treaties with developing countries to redefine taxation rights and use the UN model treaty as the general standard; calls on member states and the commission to dress a check list for free trade agreements of necessary criteria to protect the partner countries concerned against tax avoidance, evasion or money laundering activities;*** stresses furthermore that this process would be expedited considerably if the Commission were mandated by Member States ***to negotiate such tax treaties on behalf of the Union while fully respecting its obligation of policy coherence for development under the treaty; calls, therefore, on the Member States to mandate the Commission*** to negotiate such tax treaties on behalf of the Union;

Or. en

Amendment 74

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 16

Motion for a resolution

16. **Recommends introducing** an EU-wide withholding tax, in order to ensure that profits generated within the Union are taxed at least once before leaving it; notes that such a proposal should include a refund system to prevent double taxation;

Amendment

16. **Calls on the Commission to present a legislative proposal for** an EU-wide withholding tax, in order to ensure that profits generated within the Union **no matter of their qualification** are taxed at least once before leaving it; notes that such a proposal should include a refund system to prevent double taxation;

Or. en

Amendment 75

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 16 a (new)

Motion for a resolution

Amendment

16 a. Regrets that Andorra and Monaco have committed to automatic information exchange by 2018 instead of 2017; points out that some non-cooperative jurisdiction such as Andorra comply with exchange of information standards but are moving towards becoming low-tax jurisdictions; is concerned that the double taxation agreement between Andorra and Spain does not currently ensure effective automatic exchange of information; calls on the Commission to closely monitor the effective application of the automatic exchange of information included in the member states' agreements signed with former or actual non-cooperative jurisdictions;

Or. en

Amendment 76

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 17

Motion for a resolution

17. Notes that until now, patent, knowledge and R&D boxes have not proven effective in fostering innovation in the Union, but are, rather, used by MNEs for profit-shifting through aggressive tax planning schemes, such as the well-known ‘double Irish with a Dutch sandwich’; considers that patent boxes are an ill-suited tool for **achieving economic objectives**; insists that R&D can be promoted through subsidies which should be given preference over patent boxes, as subsidies are less at risk of being abused by tax avoidance schemes; observes that the link between patent boxes and R&D activities is often arbitrary and that current models lead to a race to the bottom with regard to the effective tax contribution of MNEs;

Amendment

17. Notes that until now, patent, knowledge and R&D boxes have not proven effective in fostering innovation in the Union, but are, rather, used by MNEs for profit-shifting through aggressive tax planning schemes, such as the well-known ‘double Irish with a Dutch sandwich’; considers that patent boxes are an ill-suited tool for **promoting R&D**; insists that R&D can be promoted through subsidies which should be given preference over patent boxes, as subsidies are less at risk of being abused by tax avoidance schemes; observes that the link between patent boxes and R&D activities is often arbitrary and that current models lead to a race to the bottom with regard to the effective tax contribution of MNEs; **calls on member states to phase out existing and prohibit new patent boxes by 2021 at the latest**;

Or. en

Amendment 77

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 18

Motion for a resolution

18. Observes that so far, Member States, in particular within the framework of the Code of Conduct Group, have been neglecting this issue and have yet to come up with a proper time-frame to tackle it;

Amendment

18. Observes that so far, Member States, in particular within the framework of the Code of Conduct Group, have been neglecting this issue and have yet to come up with a proper time-frame to tackle it; **regrets that barely any progress has been made by member states in implementing**

into national law the modified nexus approach agreed by Ministers in December 2014; calls on member states to implement these changes as soon as possible as they are already behind schedule; calls on the Commission to do an assessment of these legislative changes by mid-2016 and to inform the European Parliament about progress;

Or. en

Amendment 78

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 19

Motion for a resolution

19. Calls on the Commission to put forward proposals for binding Union legislation on patent boxes that goes beyond the OECD Modified Nexus Approach, so as to prohibit the misuse of patent boxes and to ensure that if and when used they are linked to genuine economic activity;

Amendment

19. Calls on the Commission to put forward proposals for binding Union legislation on patent boxes that goes beyond the OECD Modified Nexus Approach ***and calls for prohibition of tax exemption on income from intellectual property***, so as to prohibit the misuse of patent boxes ***for tax avoidance purposes*** and to ensure that if and when used they are linked to genuine economic activity; ***calls in the meantime on all member states to publicly disclose which companies benefit from a patent box regime in their country;***

Or. en

Amendment 79

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 20

Motion for a resolution

20. Calls on the Member States to integrate a Minimum Effective Taxation (MET) clause in the Interests and Royalties Directive and to ensure that no exemptions are granted;

Amendment

20. Calls on the Member States to integrate a Minimum Effective Taxation (MET) clause in the Interests and Royalties Directive *as well as in the Parent-Subsidiary Directive* and to ensure that no exemptions are granted; *calls on Member States to consider greater harmonisation of tax rates at the European level in order to avoid competition on rate and a race to the bottom in the European Union;*

Or. en

Amendment 80

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 21

Motion for a resolution

21. *Observes* that some banks, tax advisers, law and accounting firms and other intermediaries have played a key role in designing aggressive tax planning schemes for their clients;

Amendment

21. *Regrets* that some banks, tax advisers, law and accounting firms and other intermediaries have played a key role in designing aggressive tax planning schemes for their clients *and also help national governments design their tax codes and laws, creating a significant conflict of interest;*

Or. en

Amendment 81

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 22

Motion for a resolution

22. Is concerned about the lack of transparency and adequate documentation within financial institutions and law firms pertaining to the specific models of company ownership and control recommended by tax and legal advisors, as confirmed by the recent ‘Panama Papers’ scandal;

Amendment

22. Is concerned about the lack of transparency and adequate documentation within financial institutions and law firms pertaining to the specific models of company ownership and control recommended by tax and legal advisors, as confirmed by the recent ‘Panama Papers’ scandal; ***calls on the Commission to put forward a legislative proposal to ensure necessary complementary information should be provided by banks as part of their public country by country reporting obligation; calls on the Commission to ensure that accounting firms have to confirm in the Group Audit Report that the figures in respect of taxes, turnovers, number of employees and profit made are also in line with the "true and fair view" particularly allocated/shown per country;***

Or. en

Amendment 82

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 23

Motion for a resolution

23. Calls on the Commission to come forward with ***a Union Code of Conduct*** for all advisory services, including a Union incompatibility regime for tax advisers, in order to prevent them from advising both public ***and private sectors*** and to prevent other conflicts of interest;

Amendment

23. Calls on the Commission to come forward with ***legislative proposals for the separation of accounting firms and financial or tax service providers as well as*** for all advisory services, including a Union incompatibility regime for tax advisers, in order to prevent them from advising both public ***revenue authorities and taxpayers*** and to prevent other conflicts of interest; ***calls on the Commission to launch an inquiry in order to assess the state of concentration in the***

sector and to suggest a cap of no one firm covering more than 10% of the market;

Or. en

Amendment 83

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 24

Motion for a resolution

24. Stresses the importance of clear separation between tax advising services and auditing services within accountancy firms; *asks* the Commission to *study the possibility of revising the Accounting Directive and Regulation* to this effect;

Amendment

24. Stresses *again* the importance of clear separation between tax advising services and auditing services within accountancy firms; *calls on* the Commission to *revise relevant legislative texts* to this effect;

Or. en

Amendment 84

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 25

Motion for a resolution

25. *Stresses the need for concrete* sanctions, including the possibility of revoking business licences for professionals and companies proved to be involved in designing, advising on the use of, or utilising aggressive tax planning and evasion schemes; requests that the Commission explore the feasibility of introducing proportional financial liability for tax advisers engaged in unlawful tax practices;

Amendment

25. *Calls on member states to adopt effective and dissuasive* sanctions, including *criminal sanctions on financial institutions and companies' managers involved in tax evasion and* the possibility of revoking business licences for professionals and companies proved to be involved in designing, advising on the use of, or utilising aggressive tax planning and evasion schemes; requests that the Commission explore the feasibility of introducing proportional financial liability for tax advisers engaged in unlawful tax

practices;

Or. en

Amendment 85

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 27

Motion for a resolution

27. Calls on the Commission to strengthen the requirements on banks to report to the Member States' tax authorities transfers to and from jurisdictions included on the common Union list of tax havens and uncooperative tax jurisdictions;

Amendment

27. Calls on the Commission to strengthen the requirements on banks to report to the Member States' tax authorities transfers to and from jurisdictions included on the common Union list of tax havens and uncooperative tax jurisdictions; ***calls on member states to ensure that banks and other financial institutions provide similar information to regulating and tax authorities; calls on Member states to strengthen the capacity of their tax administrations to investigate cases of tax evasion and avoidance;***

Or. en

Amendment 86

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 27 a (new)

Motion for a resolution

Amendment

27 a. Calls on the Commission to conduct constant screening and monitoring of derivatives and securities financing transactions - using data held in trade repositories (TRs) in accordance with the provisions of the Regulation (EU) No 648/2012 and Regulation (EU)

2015/2365 - with the aim of identifying transactions structured to potentially produce significant tax benefits; insists that the Commission automatically provides Member States tax authorities concerned with all information, including data^{1a}

^{1a} See Article 18 (Professional secrecy), paragraph 3 of REGULATION (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) : <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R2365&from=FR>

Or. en

Amendment 87

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 27 b (new)

Motion for a resolution

Amendment

27 b. Calls on the Commission to put forward a legislative proposal to ensure that both credit institutions established in a Member State and undertakings admitted to trading on a regulated market or on a multilateral trading facility within the Union include in their annual financial reports a description of their use of securities financing transactions (SFTs) and of their re-use of collateral, as well as comprehensive and detailed data on the contribution of SFTs to their earnings before interest, taxes, depreciation, and amortization (EBITDA) and earnings after taxes (EAT);

Or. en

Amendment 88

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 27 c (new)

Motion for a resolution

Amendment

27 c. Calls on the Commission^{1a} to introduce specific common minimum anti-abuse rules aimed at denying benefits arising from certain hybrid asset transfers^{2a}, whose effect is often the deduction of the income in one State without inclusion in the tax base of the other or the generation of abusive foreign tax credit transactions;

^{1a} The Commission Services confirmed indeed that Article 10 ("Hybrid mismatches") of the Commission's proposal on the ATAD of 28 January 2016 "was based on a mutual recognition approach aimed at resolving differences in the legal qualification of hybrid entities and hybrid financial instruments but did not cover hybrid asset transfers which do not concern legal qualification mismatches".

^{2a} The OECD defines "hybrid transfers" as "arrangements that are treated as transfer of ownership of an asset for one country's tax purposes but not for tax purposes of another country, which generally sees a collateralised loan" in OECD, March 2012, "Hybrid Mismatch Arrangements: Tax Policy and Compliance Issues", <http://www.oecd.org/>

Or. en

Amendment 89

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest

Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 27 d (new)

Motion for a resolution

Amendment

27 d. Calls on the Commission to explore the possibility of introducing common rules aimed at curbing tax avoidance on EU-source income achieved through interposition; stresses furthermore that such rules could be similar to those applied in the US^{1a};

^{1a} see for example the « qualified intermediaries » (QI) and « qualified derivatives dealers » (QDD) regimes, as well as Section 871(m) regulations of the US Internal Revenue Code which impose US withholding tax on certain amounts arising in derivative transactions over US equities when those amounts are paid to a non-US person

Or. en

Amendment 90

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 28

Motion for a resolution

Amendment

28. Reiterates the crucial role of whistleblowers in revealing misconduct and illegal and wrongful practices; considers that such revelations, which shine a light on the magnitude of tax evasion and avoidance, are clearly in the public interest, as demonstrated in the recent 'Panama papers' leak;

28. Reiterates the crucial role of whistleblowers in revealing misconduct and illegal and wrongful practices; considers that such revelations, which shine a light on the magnitude of tax evasion and avoidance, are clearly in the public interest, as demonstrated in ***Luxleaks and*** the recent 'Panama papers'

leak; *welcomes that Antoine Deltour, one of the whistleblowers at the origin of the Luxleaks received the European citizen price, honouring exceptional Europeans;*

Or. en

Amendment 91

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 29

Motion for a resolution

29. *Observes* that the Commission is limiting its action to monitoring developments in different areas of Union competences, without planning to take any concrete steps to tackle the issue; *notes* that this lack of ambition could endanger the publication of new revelations, thereby potentially leading to European *tax authorities* losing legitimate tax revenue; regrets that the Commission has not provided a satisfactory response to the demands contained in paragraphs 144 and 145 of Parliament's resolution of 25 November 2015;

Amendment

29. *Regrets* that the Commission is limiting its action to monitoring developments in different areas of Union competences, without planning to take any concrete steps to tackle the issue; *is concerned* that this lack of ambition could endanger the publication of new revelations, thereby potentially leading to European *and other countries* losing legitimate tax revenue; regrets that the Commission has not provided a satisfactory response to the demands contained in paragraphs 144 and 145 of Parliament's resolution of 25 November 2015;

Or. en

Amendment 92

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 31

Motion for a resolution

31. *Notes*, that despite the fact that its first and second Special Committees

Amendment

31. *Regrets*, that despite the fact that its first and second Special Committees

(TAXE 1 and TAXE 2) have both on repeated occasions requested full access to Code of Conduct Group documents and minutes, only a limited number of new documents have been made available for in camera consultation by **MEPS**, and that this was only achieved five months after the beginning of the mandate of TAXE2; **notes furthermore that the willingness** of the Council to satisfy **this** request **remains unsatisfactory**;

(TAXE 1 and TAXE 2) have both on repeated occasions requested full access to Code of Conduct Group documents and minutes, only a limited number of new documents have been made available for in camera consultation by **MEPs**, and that this was only achieved five months after the beginning of the mandate of TAXE2; **condemns the unwillingness** of the Council to satisfy **our** request **to access to documents**;

Or. en

Amendment 93

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 33

Motion for a resolution

33. Notes the continuing lack of transparency of the working methods of the Code of Conduct Group, which is preventing any concrete potential improvement in terms of tackling harmful tax practices;

Amendment

33. Notes the continuing lack of transparency of the working methods of the Code of Conduct Group, which is preventing any concrete potential improvement in terms of tackling harmful tax practices; **regrets not having received several room documents from the Code of Conduct Group emanating from the Council or the member states which are critical to the good implementation of the Special committee's mandate**;

Or. en

Amendment 94

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 33 a (new)

33 a. *Determines from public information that the Code of Conduct Group looked at 421 measures between 1998 and 2014 and considered 111 of them harmful (26%) but two-third of these measures were actually examined during the first five years of existence of the Group; notes that the scrutiny of measures by member states has decreased over the years with only 5% of the total measures been examined in 2014 and regrets that no harmful tax measures have been found by the Group since November 2012; concludes that the Code of Conduct Group hasn't been fully working over the past decade and that its governance and mandate needs urgent revision;*

Or. en

Amendment 95

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 34

Motion for a resolution

34. Urges the Member States to reform, as soon as possible, the criteria and governance aspects of the Code of Conduct Group, in order to increase its transparency and accountability and ensure the strong involvement of Parliament;

Amendment

34. *Stresses that it has become clear that the self-notification of potentially harmful measures by Member States, the criteria for identifying harmful measures as well as the unanimity principle for reaching decisions on harmfulness are outdated; regrets that several member states are opposing a needed reform of the Code of Conduct Group; urges therefore the Member States to reform, as soon as possible, the criteria and governance aspects of the Code of Conduct Group, in order to increase its transparency,*

effectiveness and accountability and ensure the strong involvement of Parliament;

Or. en

Amendment 96

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 34 a (new)

Motion for a resolution

Amendment

34 a. Notes that a pattern of systematic obstruction by some Member States in achieving any progress on fighting tax avoidance became clear to the Special Committee; notes that discussions on administrative practices (rulings) were going on in the Code of Conduct for nearly two decades; condemns that several member states were reluctant to agree on exchanging information about their ruling practices before Luxleaks and are still reluctant to implement in national law the model instruction developed in the Code of Conduct Group despite their commitments after the Luxleaks revelations;

Or. en

Amendment 97

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 34 b (new)

Motion for a resolution

Amendment

34 b. Concludes that, therefore, Member States violated their obligation for sincere cooperation enshrined in Article 4(3) of

the Treaty on European Union and that the Commission was aware of the non-compliance of certain Member States with the principle of sincere cooperation; stresses that the violation of Union law by Member States as well as non-action of the Commission against the violation of Union law by Member States need a follow-up;

Or. en

Amendment 98

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 34 c (new)

Motion for a resolution

Amendment

34 c. Calls on the Commission to grant Parliament permanent, timely and regular access to the room documents and minutes of the Council groups working on tax matters, including the Code of Conduct on Business Taxation, the High Level Working Group and the Working Party on Tax Questions; suggests to the Commission to use the agreement reached with the Parliament on access to SSM/ECB minutes as an example for that purpose;

Or. en

Amendment 99

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 35

Motion for a resolution

35. Calls on the Commission, in case of an unsatisfactory response on the part of the Member States, to present a legislative proposal to incorporate the Code of Conduct Group into the Community method;

Amendment

35. Calls on the Commission, in case of an unsatisfactory response on the part of the Member States, to present a legislative proposal ***under Article 116 of TFEU*** to incorporate the Code of Conduct Group into the Community method;

Or. en

Amendment 100

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 40

Motion for a resolution

40. Calls on the Union, the G20, the OECD and the UN to cooperate further to promote global guidelines that will also be beneficial to developing countries;

Amendment

40. Calls on the Union, the G20, the OECD and the UN to cooperate further to promote global guidelines that will also be beneficial to developing countries; ***calls on the Commission and Member States to support the creation of a Global Tax Body under the auspices of the UN, as recommended by the Parliament in a resolution in July 2015;***

Or. en

Amendment 101

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 41

Motion for a resolution

41. Calls on the Commission to include in all trade and partnership agreements good governance clauses, ***including an***

Amendment

41. Calls on the Commission to include in all trade and partnership agreements good governance clauses, ***and ensure that***

effective and comprehensive implementation of BEPS measures and global automatic exchange of information standards;

trade and partnership agreements cannot be misused by companies or intermediaries to avoid and evade taxes or launder revenues from illegal activities;

Or. en

Amendment 102

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 42

Motion for a resolution

42. Calls on *the OECD* to start *work* on an ambitious BEPS II, to be based primarily on minimum standards and concrete objectives for implementation;

Amendment

42. Calls on *international instances* to start *working* on an ambitious BEPS II *project*, to be based primarily on minimum standards and concrete objectives for implementation; *calls on the Commission and member states to ensure that all countries interested in participating is granted participation on equal footing in all phases of the project;*

Or. en

Amendment 103

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 43

Motion for a resolution

43. *Calls, in this regard, for the creation of a parliamentary monitoring group at OECD level to observe and scrutinise the formulation and implementation of this initiative;*

Amendment

deleted

Or. en

Amendment 104

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 44

Motion for a resolution

44. Calls for the establishment of a Union register of beneficial ownership, which would form the basis of a global initiative in this regard; stresses the vital role of institutions such as the OECD and the UN in this connection;

Amendment

44. Calls for the establishment of a Union **public** register of **both legal and** beneficial ownership, which would form the basis of a global initiative in this regard; stresses the vital role of institutions such as the OECD and the UN in this connection;

Or. en

Amendment 105

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 46

Motion for a resolution

46. Stresses the need for a comprehensive EU/US approach on the implementation of OECD standards and on beneficial ownership; ***stresses furthermore that good governance clauses and the full BEPS action plan should be included in the Transatlantic Trade Investment Partnership (TTIP) in order to ensure a level playing field, create more value for society as a whole and combat tax fraud and avoidance;***

Amendment

46. Stresses the need for a comprehensive EU/US approach on the implementation of OECD standards and on beneficial ownership;

Or. en

Amendment 106

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Paragraph 47

Motion for a resolution

47. Calls on all national parliaments to work together to ensure proper control and coherence of tax systems between Member States; calls for national parliaments to remain vigilant as to the decisions of their governments in this matter and to increase their own commitment to the work of interparliamentary forums on tax matters;

Amendment

47. Calls on all national parliaments to work together to ensure proper control and coherence of tax systems between Member States; calls for national parliaments to remain vigilant as to the decisions of their governments in this matter and to increase their own commitment to the work of interparliamentary forums on tax matters; *regrets that its Special Committee could not invite former or current Ministers of Finance, as done for the Special Committee TAXE, especially Mr Juncker as former Minister of Finance of Luxembourg and Mr Dijsselbloem as current Minister of Finance of the Netherlands; calls on the Parliament to create a sub-committee on taxation within its economic and monetary affairs committee to ensure proper follow-up of TAXE and TAX2's recommendations;*

Or. en

Amendment 107

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Paragraph 47 a (new)

Motion for a resolution

Amendment

47 a. Calls on the Commission to investigate all cases of illegal state aid brought to its attention in order to ensure equality of treatment before the law in the Union; calls on the Commission to issue decision with recovery in all cases where the alleged tax advantage is considered

illegal state aid; is concerned by allegations that Luxembourg could be granting oral rulings in order to circumvent its obligation to share information under the directive on administrative cooperation; calls on the Commission to carefully monitor and report whether member states are replacing one harmful practice by another after legislative progress has been achieved in the Union; calls on the Commission to monitor and report any case of market distortion due to the granting of specific tax advantage;

Or. en

Amendment 108

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution

Paragraph 48

Motion for a resolution

48. Regrets deeply that the timeframe for the present report has not allowed for a thorough examination of the 'Panama Papers' case; *stresses the urgent need for a full and proper follow-up by Parliament in this regard*; underlines the immense political importance of analysing the modus operandi of the companies and private citizens involved with the Panama papers scandal with a view to tackling legislative loopholes;

Amendment

48. Regrets deeply that the timeframe for the present report has not allowed for a thorough examination of the 'Panama Papers' case; *welcomes the European Parliament decision to set-up an inquiry committee in this regard and to continue working on tax evasion, tax avoidance and money laundering*; underlines the immense political importance of analysing the modus operandi of the companies and private citizens involved with the Panama papers scandal with a view to tackling legislative loopholes;

Or. en

Amendment 109

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Paragraph 49

Motion for a resolution

49. Notes that the Panama Papers scandal has documented systematic use of shell companies by private citizens in order to conceal taxable assets, although this specific issue could not be dealt with sufficiently within the mandate or timeframe of the Special Committee; is of the firm conviction that this subject must be addressed swiftly by *Parliament*;

Amendment

49. Notes that the Panama Papers scandal has documented systematic use of shell companies by private citizens in order to conceal taxable assets, although this specific issue could not be dealt with sufficiently within the mandate or timeframe of the Special Committee; is of the firm conviction that this subject must be addressed swiftly by *the upcoming inquiry committee; is concerned that some Member States have very low requirements for the establishment of companies and calls, therefore, on the Commission to make proposals for minimum standards for the establishment of companies; calls on the Commission to withdraw its proposal on single-member private limited liability companies;*

Or. en

Amendment 110

Philippe Lamberts, Eva Joly, Sven Giegold, Ernest Urtasun, Molly Scott Cato, Ernest Maragall

on behalf of the Verts/ALE Group

Motion for a resolution
Paragraph 50

Motion for a resolution

50. Notes, that further work is needed on access to documents of the Member States, the Commission and the Code of Conduct Group; reiterates that further analysis of the documents already made available to Parliament is needed in order to adequately gauge the need for further political action and policy initiatives;

Amendment

50. Notes, that further work is needed on access to documents of the Member States, the Commission and the Code of Conduct Group; reiterates that further analysis of the documents already made available to Parliament is needed in order to adequately gauge the need for further political action and policy initiatives; *calls on the upcoming inquiry committee to continue this work and adopt a different*

format to the Special Committee, which follows more closely an interrogative committee, such as the Public Accounts Committee in the UK;

Or. en