Common system of financial transaction tax

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The Council was informed of developments regarding the **possible introduction of a financial transaction tax (FTT), via enhanced cooperation, in a limited number of Member States.**

The Commission indicated that it had received letters from **seven Member States** requesting a proposal to that effect (Belgium, Germany, Greece, France, Austria, Portugal and Slovenia), and **four delegations** announced that they would shortly follow suit (Estonia, Spain, Italy and Slovakia).

The Commission in 2011 proposed a directive aimed at introducing an EU-wide FTT, but a Council discussion on 22 June this year revealed insufficient support for the proposal.

Formal requirements for enhanced cooperation are laid down in article 20 of the Treaty on European Union and Articles 326 to 334 of the Treaty on the Functioning of the European Union.

The Member States must submit a request to the Commission, specifying the scope and the objectives of the enhanced cooperation, and the Commission may submit a proposal to the Council to that effect.

Authorisation to proceed with the enhanced cooperation can be granted by the Council, via qualified majority vote, after obtaining the consent of the European Parliament. The substance of the enhanced cooperation must be agreed unanimously by the participating Member States.