System of own resources of the European Union

2018/0135(CNS) - 16/09/2020 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 455 votes to 146, with 88 abstentions, under a special legislative procedure (consultation), a legislative resolution on the draft Council decision on the system of own resources of the European Union.

Parliament approved the Council's draft subject to the following amendments:

Introduction of new own resources

Parliament recalled that the new Own Resources Decision shall be the legal basis for allowing the borrowing of funds on the financial markets to finance the Next Generation EU recovery instrument. In order to increase the credibility and sustainability of the repayment plan, the costs related to the recovery plan shall be fully covered by revenue from genuine new own resources.

According to Members, the new own resources shall cover at least the costs related to the recovery plan. It should also ensure an adequate level of financing of EU expenditure under the multi-annual financial framework (MFF) while mitigating the predominance of GNI-based contributions.

Parliament insisted that the new own resources categories shall be in place from 2021. They should be aligned with the EU’s strategic objectives and support the European Green Deal, the functioning of the single market and efforts to improve the efficiency of the corporate tax system and to strengthen the fight against fraud and tax evasion.

Categories of own resources

Parliament considered it necessary to introduce new categories of own resources from:

- the application, as from 1 January 2021, of a uniform call rate to the weight of non-recycled plastic packaging waste; the actual call rate shall not exceed EUR 2.00 per kilogram;

- the application, from 1 January 2021, of a uniform call rate to the amount representing the revenue generated by the allowances to be auctioned referred to in Directive 2003/87/EC establishing the scheme for greenhouse gas emission allowance trading within the European Union (EU ETS);

- revenues generated by a border carbon adjustment mechanism by 1 January 2023 at the latest;

- revenues from the digital services tax by 1 January 2023 at the latest; the actual call rate shall not exceed 100%;

- the application, as from 1 January 2026, of a uniform call rate to the share of taxable profits attributed to each Member State in accordance with the EU rules on the common consolidated corporate tax base; the actual call rate shall not exceed 6%;

- the application, as from 1 January 2024, of a financial transaction tax.

No Member State shall benefit from a rebate or correction.

Binding calendar

By 1 January 2021 at the latest, the European Parliament and the Council, in cooperation with the Commission, shall lay down in an Interinstitutional Agreement the detailed arrangements and provisions necessary for the application of a legally binding timetable for the introduction of new own resources. The Commission shall present appropriate legislative proposals to this end.

In particular, the mid-term review of the MFF 2021-2027 shall be used to adapt and, if necessary, adopt new legislation to achieve these objectives.