

# **European System of national and regional accounts ESA: recording taxes and social contributions**

1999/0200(COD) - 22/03/2000

The committee adopted the report (codecision procedure, first reading) by Gorka KNÖRR BORRÀS (Greens/EFA, E) approving the Commission proposal with a number of amendments designed to clarify the text in certain places. The committee pointed out that existing legislation precluded the use of ESA (European System of Accounts) 95 data in determining Member States' tax bases and as such VAT contributions paid by Member States based on ESA 95 would not be legal. The proposed technical amendments therefore sought to provide a legal basis for determining Member States' VAT bases using ESA 95 data. The committee endorsed the Commission's approach of giving priority to the revenue actually collected rather than the taxes and social contributions due in each of the Member States and also welcomed the fact that the proposal offered two options concerning the form in which revenue was recorded in the accounts, which would make it easier to adapt the systems used by the Member States.