Development of tax systems within the Union

1997/2011(COS) - 29/05/1997 - Text adopted by Parliament, single reading

The report by Mr Carlo Secchi (EPP, I), adopted by the European Parliament, calls for fiscal policy in the EU to be realigned in line with environmental protection and employment policy. It calls for the EU's powers in respect of fiscal harmonization to be extended to company taxation and tax on capital. Parliament is of the opinion that tax systems should be graduated in a way which is socially just, simple and transparent and it advocates the application of a minimum rate of tax on all income in the European Union. It welcomes the creation of a High Level Group of Representatives of the finance ministers to coordinate tax policies but asks for the European Parliament to be included in the discussions and decision-making. It calls on the Commission to draft a European Union Convention in order to eliminate all forms of double taxation to which frontier workers in particular often fall victim. It is in favour of reducing the fiscal burden on labour and introducing environmental taxes and energy taxes. The report asks the Commission and the Council to include certain points in the draft code of conduct which must be respected by the Member States, such as a minimum threshold for the taxation of capital income and the exclusion of disproportionate forms of tax relief for firms receiving state aid, with swift agreement on minimum energy and environmental taxes and coordination of the taxation of capital income for EU residents and non-residents in general. Parliament also underlines the vital contribution of progressive tax to social justice. It should be noted that Parliament rejects Chapter 4 of the report and calls for majority voting to be introduced in Council on all issues concerning tax harmonization.