European Parliament: amending the decision of the 4 June 2003 adopting the Members' Statute

2005/2124(INI) - 23/06/2005 - Text adopted by Parliament, single reading

The European Parliament adopted by a comfortable majority (409 votes for, 89 against with 92 abstentions) the report of Giuseppe **GARGANI** (EPP/ED, Italy) on the Statute for Members of the European Parliament. (Please see the summary of 15/06/2005.) The main points are as follows:

- From the first day of the European Parliament parliamentary term in 2009, Members will receive a monthly salary of EUR 7000 with expenses reimbursed on the basis of receipts.

- Parliament will reimburse the actual expenses incurred by Members in travelling to and from the places of work and in connection with other duty travel. Others expenses incurred by Members in the exercise of their mandate may be reimbursed by means of a flat-rate sum, which will be decided by Parliament.

- Each Member State may adopt, for the Members elected in it, rules different from the provisions of the Statute as regards the salary, transitional allowance and pensions for a transitional period until 2019. Those rules must place the Members on at least an equal footing with the members of their respective national parliament, with payments being made from the budget of the Member State in question.

- With the new system, Members will be remunerated from the European budget, and will pay Community tax, as do civil servants working in the European Institutions. However, this is without prejudice to the Member States' power to make the salary subject to national tax law provisions, provided that any double taxation is avoided. Member States have the right to take the salary into account when setting the rate of taxation applicable to other revenue. These tax arrangements are also applicable to the transitional allowance as well as to some parts of the old-age, invalidity and survivor's pensions.

- There are additional provisions on the voluntary pension fund set up by Parliament maintained after the entry into force of the Statute for Members who have already acquired rights or future entitlements in that fund. Acquired rights and future entitlements will be maintained in full. Parliament may lay down criteria and conditions governing the acquisition of new rights or entitlements. However, Members who receive the salary as laid down in this Statute will not be allowed to acquire any new rights or future entitlements in the voluntary pension fund, and it will not be open to Members who are first elected to Parliament in 2009.

- The statute also brings in a common regime for retirement. Former Members will be entitled to an old-age pension from the age of 63. This pension will be, for each full year's exercise of a mandate, 3.5% of the salary plus one-twelfth for each further full month, but not more than 70% in total.

- At the end of their term of office Members will be entitled to a transitional allowance equivalent to their salary, which entitlement will continue for one month per year in which their mandate has been exercised, but not for less than six months or more than 24 months.

- The Stature also makes provision for invalidity and survivor's pensions, which are funded from the general budget of the European Union, and, like the salary and pension, are subject to tax for the benefit of the Communities.