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[Press release](#) | 26.03.2019

Parliament's call for tough action on tax must be heard

Tax

The European Parliament has just approved the special committee on taxation's (TAX 3) final report, which calls for EU Member States to take bold steps in order to tackle tax evasion, avoidance and money laundering. The Tax 3 report laments the lack of progress in the fight against tax avoidance and evasion by EU Member States, despite numerous tax scandals of the last few years and public pressure around the issue.

Molly Scott Cato, Greens/EFA member of the TAX 3 committee comments:

"So long as we continue to witness the rich and powerful avoid contributing their fair share to society, the social contract will remain broken. Citizens urgently want reform of the tax system. Fixing our unfair and unjust tax system has to be at the heart of rebuilding trust in politics after Brexit and the financial crisis. The Greens/EFA group have been leading the charge in the European Parliament on tax justice, and today's vote confirms that the House enjoys a wide majority for strong and urgent tax reforms.

"Certain Member States, which can be considered tax havens or are closely attached to low-tax jurisdictions such as British Overseas Territories, are standing in the way of fixing the flaws in the tax system. If we want to see results on tax then we urgently need stop individual Member States being able to block progress at the expense of others."

Sven Giegold, Greens/EFA economic affairs spokesperson comments:

"The blockade by Member States on tax justice must end. If we are to achieve real justice, equality or tackle the challenges of climate change and poverty then we must fix the global tax system. We need to be able to see what companies pay in tax and where. Today's vote shows that the European Parliament is on the side of citizens. Now it's time for EU governments to deliver on the proposals we put forward. We need the Council to live up to its duty to its citizens and end the flow of wealth from our economies and social systems to far flung tax havens.

"The report calls on the European Commission to work 'immediately' on the creation of a European financial police force. MEPs believe that this force, which would be established within Europol, should have its own investigative capabilities. The Commission is also invited to develop a European framework for cross-border

investigations in the tax and financial fields.

"Today's vote also calls for a phasing out of so-called 'free ports' in the EU and for a European Financial Intelligence Unit mechanism. These kind of smart, practical solutions are exactly the kind of ambition that must now be shown by EU Member States in the fight against tax evasion and avoidance."

Background

The report calls for decision making power on tax issues to move away from the unanimity rule in the Council, as over the last five years, progress on tax issues has been vetoed by Member States seeking to gain at the expense of others. The report also calls for an end to citizenship and residency by investment schemes, otherwise known as Golden Visas, which undermine the fight against tax avoidance.

- [Read the Tax 3 report](#)

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