

EU finance ministers' failure to ensure fair taxation of tech giants is a disgrace, say S&Ds

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Despite an almost unanimous vote in the European Parliament and recurrent calls from more than 700.000 citizens, EU finance ministers failed to adopt the digital services tax (DST) today at their meeting.

Reacting to the lack of a deal, S&D Group leader Udo Bullmann stated:

“It is a serious mistake that European finance ministers have failed to reach an agreement on the DST. The lack of progress on the file is a missed opportunity to ensure tax justice and bring up to €10 billion of much-needed public revenue every year to provide essential public services for all European citizens.

“Europe must lead by example, on taxation as well as on other matters. We are disappointed with finance minister's failure to enter concrete arrangements for fair taxation of the digital economy. On average, big digital services companies pay less than half as much in taxes as traditional businesses. This injustice must not be allowed to persist. As S&D Group in the European Parliament, we demand that concrete steps be defined before next year's elections.”

S&D MEP Paul Tang, Parliament's rapporteur on the Digital Services Tax (DST), said:

“When will EU finance ministers finally listen to the demands of Europeans for fair taxation of the tech giants?

“More than 80% of citizens from Sweden, Denmark, Austria, France, Germany and the Netherlands support a swift implementation of the digital tax. More than 700.000 people have signed the Avaaz petition and are calling for tax justice. These figures speak for themselves. EU finance ministers need to listen to their citizens' calls for tax fairness.

“Ensuring that multinationals such as Google, Apple, Facebook and Amazon pay their fair share of taxes, as all ordinary citizens and small firms do, is vital!”

S&D Group spokesperson on economic and monetary affairs, Pervenche Berès MEP, said:

“Last night, the economic and monetary affairs committee voted almost unanimously on a far-reaching deal calling on the Council to be even more ambitious about the type of companies which should pay the 3% turnover tax, like Netflix.

“But what we saw today is an embarrassing moment for Europe. The new proposal from France and Germany is a completely watered-down version of the original and cannot make up for the

absence of agreement on the digital tax. What a shame!

“We Socialists and Democrats demand change. We want a common tax base for corporate taxation and a minimum effective taxation of companies across the EU.”