Question for written answer E-001965/2020 to the Commission Rule 138 Vincenzo Sofo, Antonio Maria Rinaldi, Marco Zanni, Francesca Donato, Valentino Grant, Marco Campomenosi

Subject: Protecting Italy from unfair tax competition within the EU

The European Union has a duty to protect the Member States by encouraging cooperation rather than internal confrontation, especially in view of the coronavirus emergency regarding which the countries affected – Italy first and foremost – need extraordinary resources that the EU has said it wants to help find.

The Italian Competition and Market Authority estimates that Italy misses out on between EUR 5 and 8 billion each year because of competition from tax havens within the EU, where countries such as Ireland, Luxembourg and the Netherlands, by offering foreign companies extremely advantageous dividend and capital gains taxation, attract investments – in many cases fictitious – which are solely aimed at reducing the tax burden of multinationals. This leads to situations of unfair competition and tax losses for the countries where the wealth is actually being produced.

Can the Commission therefore say what action it intends to take to protect countries such as Italy from tax dumping by other European partners, such as the Netherlands, so that the Member States adversely affected by these predatory practices can reappropriate their lost resources and use them, for example, to tackle the coronavirus crisis, ensuring that multinational companies pay taxes in the countries where they actually operate and generate profits?