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## **COMBATING TAX FRAUD IS AN ESSENTIAL ELEMENT OF THE LISBON STRATEGY**

UNICE welcomes the European Commission's plans to combat tax fraud in the EU, as outlined in its Communication.

Fighting tax fraud efficiently is a key element in the EU's Lisbon strategy. It goes hand in hand with the envisaged simplification of the fiscal environment for European business, which in turn should improve Europe's potential for jobs and growth.

We welcome the importance the Commission attaches to the involvement of all parties in combating fraud, including business, and confirm our intention to participate actively in the debate.

We agree with the Commission that better cooperation between member states is key to an efficient fight against fraud. The communication and information exchange between the 25 VAT administrations is often inadequate for the purpose of combating fraud. Compliance, control and collection procedures need to be aligned. Authorities' problems in controlling VAT fraud must not lead to added responsibilities and costs for business.

We welcome the Commission's intention that combating VAT fraud should not lead to disproportionate administrative burdens for business. Companies collect VAT on behalf of governments from their customers and pay it to governments. They have to bear the administrative costs themselves. Thus, administrative costs related to VAT should be kept to a minimum.

We welcome the proposal by the Commission to reinforce the tax declaration obligations for parties considered to represent a risk, while at the same time reducing the obligations for companies collaborating more closely with the tax administrations.

### **NOTE TO THE EDITOR**

UNICE is the voice of more than 20 million small, medium and large companies. Active in European affairs since 1958, UNICE's members are 39 central industrial and employers' federations from 33 countries, working together to achieve growth and competitiveness in Europe.

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