



Mr Alain Lamassoure

Chair of the Special Committee on Tax
Rulings and Other Measures Similar in
Nature or Effect of the European
Parliament
ASP 13E105
60, rue Wiertz
1047 Bruxelles

15 October 2015

Ref: Position of BUSINESSEUROPE on 'Tax Transparency: Tax rulings are essential for companies to invest in Europe'

Dear Chair, *Alain M. Lamassoure*,

BUSINESSEUROPE welcomes the European Parliament decision to set up a special committee to analyse and examine the application of EU state aid rules and taxation law in relation to tax rulings and other administrative practices by Member States.

We share the rapporteurs' assessment that "tax rulings provide legal certainty for the taxpayer in cases where circumstances are unclear or subject to diverging interpretations and thereby avoid future disputes between the taxpayer and the tax authority".

BUSINESSEUROPE supports fair tax competition and shares the objective to fight fraud and evasion and takes the following views:

1. BUSINESSEUROPE fully supports fair tax competition and the objective to fight fraud and evasion as it creates strong competitive distortions at the expense of the vast majority of businesses who pay their taxes in full.
2. Tax authorities should apply tax rules in a consistent and non-discriminatory way. BUSINESSEUROPE supports the enforcement of state aid rules to ensure a level playing field within the Single Market and to prevent market distortions.
3. The current discussion on tax rulings should not undermine the practice of businesses undertaking a dialogue with Member States' tax administrations regarding the tax treatment of economic activities, which plays an important role in increasing investment confidence and contributes for greater compliance.
4. BUSINESSEUROPE supports automatic exchanges of information amongst tax authorities. However, commercially sensitive information that companies provide must be protected.

5. BUSINESSEUROPE supports the need to have an efficient dispute resolution mechanism for cases of double taxation.
6. The current discussion should not undermine the essential role that companies play in generating growth, creating jobs and foster prosperity for our citizens. Paying taxes is only a fraction of companies' contribution to society and corporation tax is just a small part of the overall tax paid by businesses.

We support the automatic exchange of information on tax rulings in the EU. However, widening the access more broadly risks undermining the use of this mechanism and negatively impact European investment.

Yours sincerely,



Markus J. Beyrer

Enclosed: BUSINESSEUROPE position paper on 'Tax Transparency: Tax rulings are essential for companies to invest in Europe'