No EU Tax

Transparent and Clear System of EU Finances

The current system of EU Finances is clearly structured and defined. The system is transparent and quite comprehensible.

Whoever questions this proven system of financing the EU budget for transparency reasons would also have to be for the abolishment of a linear progressive income tax rate.

EU Budget so far Debt-Free

So far there is a debt ban for the EU budget. This has proved successful! For only then it is secured that there is not more spent than earned. What an excessive debt policy leads to clearly shows in the current problems of the indebted countries in the euro area.

EU Tax Requires Permission for the EU To Incur Debt

Whoever wants to fund the EU budget through EU taxes needs to be aware that then EU would then have to be permitted to incur debts. For if the EU budget is prepared upon the basis of projected tax revenues, which then are not received to the expected extent, those revenue shortfalls will then have to be covered.

Even if for this case an unrestricted payment obligation of the EU countries is established, the debt problem is ultimately only shifted to them.

EU Tax = Additive Burden

The introduction of an EU tax for financing the EU budget does by no means ensure that the resulting payment savings of the EU countries will be returned to their respective residents. It is to be expected with high likeliness that an EU tax will be additive and thus lead to a further increase of the already high tax burden.

Who Finances the EU? - Threat of Disproportionate Burden

If for example a financial transaction tax is used for financing the EU budget this would mean that only those who carry out financial transactions would finance the EU. It is questionable if this would serve the acceptance of the EU and would be a fairer system of financing than today.

Cap of EU Spending at Risk

If a separate EU tax for the financing of the EU budget is introduced, the risk that the current cap of EU spending will be eliminated would significantly increase.

Reform Pressure and Willingness for Reforms Decreased by an EU Tax

At the same time the internal reform pressure to increase the efficiency of EU spending and improve the control of the EU application of funds would significantly decrease with the introduction of an EU tax.

Tax Monopoly and Increases Not Controllable

When crises hit the EU, with a EU tax the temptation would be high to simply increase the tax load. Since a tax monopoly would be created, the people affected would have little near-term possibilities to evade this increased burden. The micro and macroeconomic effects are unforeseeable.

The Taxpayers Association of Europe Rejects EU Tax

For the reasons stated above, the Taxpayers Association of Europe rejects the proposal of a separate EU tax for financing of the EU budget, may it be the financial transaction tax, a proportion of the corporation or income tax, CO2 tax, etc.

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further inquiry:

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