



Committee on Legal Affairs

2016/0337(CNS)

19.9.2017

OPINION

of the Committee on Legal Affairs

for the Committee on Economic and Monetary Affairs

on the proposal for a Council directive on a Common Corporate Tax Base
(COM(2016)0685 – C8-0472/2016 – 2016/0337(CNS))

Rapporteur: Evelyn Regner

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SHORT JUSTIFICATION

I. Introduction

This proposal, together with the proposal for a Council directive on a Common Consolidated Corporate Tax Base (2016/0336 (CNS)), is a re-launch of the 2011 Commission initiative on a Common Consolidated Corporate Tax Base for the EU. The purpose of the two proposals is to provide EU legislation in this area which is suited to an economic environment that has become more globalised, mobile and digital where Member States find it increasingly difficult to fight effectively against aggressive tax planning practices through unilateral action in order to protect their national tax bases from erosion and counter profit shifting.

II. An effective implementation of the consolidation

The implementation of a Common Consolidated Corporate Tax Base is essential in the fight to achieve justice between businesses within and outside of the EU from a taxation point of view. One of the main threats to tax justice is the widespread practice of profit shifting. Once implemented fully, the Common Consolidated Corporate Tax Base will make it possible to attribute income to where the value is created through a formula based on three equally weighted factors that are more resilient to aggressive tax planning practices than transfer pricing. In this way, loopholes between national tax systems, in particular transfer pricing, which accounts for around 70% of all profit shifting in the EU, could be eliminated and a major step towards a fair, efficient and transparent tax system could be taken. Consequently, the two proposals should be viewed as a package and should be implemented side by side in order to achieve more tax justice. The Common Consolidated Corporate Tax Base should be in place by the end of the year 2020.

In relation to the general fairness of our taxation systems, corporations must bear their share of the burden, and it is thus essential that new tax exemptions do not erode the tax base. Measures that incentivise private entities to invest in the real economy have to be supported, as the current investment gap in the EU is one of the key sources of its economic weaknesses. However, tax reliefs for companies need to be carefully constructed and implemented only where their positive impact on jobs and growth is evident and any risk of creating new loopholes in the taxation system is excluded. Therefore, promoting innovation and investment should be done through public subsidies rather than through tax exemptions.

In order to fight aggressive tax planning structures effectively as well as to avoid two parallel tax regimes, the Common Consolidated Corporate Tax Base should be mandatory for all companies except SMEs as defined in the 4th Company Law Directive of 1978. Hence, for example, the butcher next door or small starting companies which are particularly innovative, will not be obliged to introduce the Common Consolidated Corporate Tax Base. Since SMEs do not have the resources to invest in letterbox company structures in order to shift profits artificially, they are being pushed into a competitive disadvantage vis-à-vis multinationals. In order to ensure a healthy single market it is essential to establish a fair, efficient, transparent and growth-friendly common corporate tax base system based on the principle that profits should be taxed in the country where they are generated.

Taking into account the digital change in the business environment, it is necessary to define the concept of a digital business establishment. Companies which raise revenues in a Member State without having a physical establishment in the Member State have to be treated in the same way as companies with a physical establishment. Therefore, the CCCTB has to apply to digital corporations as well.

III. Introduction of a minimum corporate tax rate in the proposal

A common and just minimum corporate tax rate is the only way to create equal and fair treatment between different subjects doing business in the EU, and within the larger community of tax subjects. Failing to put such a minimum rate in place will only lead to a situation where the race to the bottom on tax rates will be intensified. The existence of a Common Consolidated Corporate Tax Base will mean that Member States will no longer be able to compete through tax bases and therefore the economic incentives to compete via tax rates will increase. On average, corporate tax in the EU has decreased from 35 % in the 1990s to 22.5 % today. To end the race to the bottom on corporate tax rates at EU level, a minimum corporate tax rate of 25% needs to be introduced.

AMENDMENTS

The Committee on Legal Affairs calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a directive Recital 1

Text proposed by the Commission

(1) Companies which seek to do business across frontiers within the Union encounter serious obstacles and market distortions owing to the existence and interaction of 28 disparate corporate tax systems. Furthermore, tax planning structures have become ever-more sophisticated over time, as they develop across various jurisdictions and effectively take advantage of the technicalities of a tax system or of mismatches between two or more tax systems for the purpose of reducing the tax liability of companies. Although those situations highlight shortcomings that are completely different in nature, they both create obstacles which impede the proper functioning of the

Amendment

(1) Companies which seek to do business across frontiers within the Union encounter serious obstacles and market distortions owing to the existence and interaction of 28 disparate corporate tax systems. Furthermore, tax planning structures have become ever-more **aggressive and** sophisticated over time, as they develop across various jurisdictions and effectively take advantage of the technicalities of a tax system or of mismatches between two or more tax systems for the purpose of reducing the tax liability of companies. Although those situations highlight shortcomings that are completely different in nature, they both create obstacles which impede the proper

internal market. Action to rectify those problems should therefore address both types of market deficiencies.

functioning of the internal market. ***Within a more globalised, mobile and digital economic framework***, action to rectify those problems should therefore address both types of market deficiencies ***through the alignment of the corporate tax base in the Union and the creation of a fairer and more coherent business environment in which companies can operate.***

Amendment 2

Proposal for a directive Recital 3

Text proposed by the Commission

(3) As pointed out in the proposal of 16 March 2011 for a Council Directive on a Common Consolidated Corporate Tax Base (CCCTB)¹, a corporate tax system which treats the Union as a single market for the purpose of computing the corporate tax base of companies would facilitate cross-border activity for companies resident in the Union and promote the objective of making it a more competitive location for investment internationally. The proposal of 2011 for a CCCTB focussed on the objective of facilitating the expansion of commercial activity for businesses within the Union. In addition to that objective, it should also be taken into account that a CCCTB can be highly effective in improving the functioning of the internal market through countering tax avoidance schemes. In this light, the initiative for a CCCTB should be re-launched in order to address, on an equal footing, both the aspect of business facilitation and the initiative's function in countering tax avoidance. Such an approach would best serve the aim of eradicating distortions in the functioning of the internal market.

Amendment

(3) As pointed out in the proposal of 16 March 2011 for a Council Directive on a Common Consolidated Corporate Tax Base (CCCTB)¹, a corporate tax system which treats the Union as a single market for the purpose of computing the corporate tax base of companies would facilitate cross-border activity for companies resident in the Union and promote the objective of making it a more competitive location for investment internationally. The proposal of 2011 for a CCCTB focussed on the objective of facilitating the expansion of commercial activity for businesses within the Union. In addition to that objective, it should also be taken into account that a CCCTB can be highly effective in improving the functioning of the internal market through countering tax avoidance schemes. In this light, the initiative for a CCCTB should be re-launched in order to address, on an equal footing, both the aspect of business facilitation and the initiative's function in countering tax avoidance. ***Once implemented in all Member States, the CCCTB would ensure that taxes are paid where profits arise.*** Such an approach would best serve the aim of eradicating distortions in the functioning of the internal

market.

¹ Proposal for a Council Directive COM (2011) 121 final/2 of 3.10.2011 on a Common Consolidated Corporate Tax Base.

¹ Proposal for a Council Directive COM (2011) 121 final/2 of 3.10.2011 on a Common Consolidated Corporate Tax Base.

Amendment 3

Proposal for a directive Recital 4

Text proposed by the Commission

(4) Considering the need to act swiftly in order to ensure a proper functioning of the internal market by making it, on the one hand, friendlier to trade and investment and, on the other hand, more resilient to tax avoidance schemes, it is necessary to divide the ambitious CCCTB initiative into two separate proposals. At a first stage, rules on a common corporate tax base should be enacted, before addressing, at a second stage, the issue of consolidation.

Amendment

(4) Considering the need to act swiftly in order to ensure a proper functioning of the internal market by making it, on the one hand, friendlier to trade and investment and, on the other hand, more resilient to tax avoidance schemes, it is necessary to divide the ambitious CCCTB initiative into two separate proposals. At a first stage, rules on a common corporate tax base should be enacted, before addressing, at a second stage, the issue of consolidation. ***However, implementing the CCTB without consolidation would not address the problem of profit shifting. Therefore, it is essential that consolidation be applied in all Member States as from 1 January 2021.***

Amendment 4

Proposal for a directive Recital 5

Text proposed by the Commission

(5) ***Many aggressive tax planning structures tend to feature in a cross border context, which implies that the participating groups of companies possess a minimum of resources. On this premise,***

Amendment

(5) ***In order to fight aggressive tax planning structures effectively as well as to avoid two parallel tax regimes,*** the rules on a common base should be mandatory for ***all*** companies ***except SMEs. The***

for reasons of proportionality, the rules on a common base should be mandatory *only* for companies *which belong to a group of a substantial size. For that purpose, a size related threshold should be fixed on the basis of the total consolidated revenue of a group which files consolidated financial statements*. In addition, to ensure coherence between the two steps of the CCCTB initiative, the rules on a common base should be mandatory for companies which would be considered as a group should the full initiative materialise. In order to better serve the aim of facilitating trade and investment in the internal market, the rules on a common corporate tax base should also be available, as an option, to companies which do not meet those criteria.

thresholds for micro, small, medium and large undertakings are defined by Fourth Council Directive 78/660/EEC (the 4th Company Law Directive).^{1a} *Since SMEs do not have the resources to invest in letterbox company structures in order to shift profits artificially, they are at a competitive disadvantage vis-à-vis multinationals. In order to ensure a healthy internal market, it is essential to establish a fair, efficient, transparent and growth-friendly common corporate tax base system based on the principle that profits are taxed in the country where they are generated.* In addition, to ensure coherence between the two steps of the CCCTB initiative, the rules on a common base should be mandatory for companies which would be considered as a group should the full initiative materialise. In order to better serve the aim of facilitating trade and investment in the internal market, the rules on a common corporate tax base should also be available, as an option, to companies which do not meet those criteria.

^{1a} *Fourth Council Directive 78/660/EEC of 25 July 1978 based on Article 54(3)(g) of the Treaty on the annual accounts of certain types of companies, OJ L 222, 14.8.1978.*

Amendment 5

Proposal for a directive Recital 6

Text proposed by the Commission

(6) It is necessary to define the concept of a permanent establishment situated in the Union and belonging to a taxpayer who is resident for tax purposes within the Union. The aim would be to ensure that all concerned taxpayers share a common

Amendment

(6) It is necessary to define the concept of a permanent establishment situated in the Union and belonging to a taxpayer who is resident for tax purposes within the Union. The aim would be to ensure that all concerned taxpayers share a common

understanding and to exclude the possibility of a mismatch due to divergent definitions. ***On the contrary, it should not be seen as essential to have a common definition of permanent establishments situated in a third country, or in the Union but belonging to a taxpayer who is resident for tax purposes in a third country. This dimension should better be left to bilateral tax treaties and national law due to its complicated interaction with international agreements.***

Amendment 6

Proposal for a directive Recital 6 a (new)

Text proposed by the Commission

understanding and to exclude the possibility of a mismatch due to divergent definitions.

Amendment

(6a) Taking into account the digital change in the business environment, it is necessary to define the concept of a digital business establishment. Companies that generate revenues in a Member State without having a physical establishment but with a fixed turnover in that Member State should be treated in the same way as companies having a physical establishment. Therefore, the CCCTB should also apply to digital businesses.

Amendment 7

Proposal for a directive Recital 8

Text proposed by the Commission

(8) Taxable revenues should be reduced by business expenses and certain other items. Deductible business expenses should normally include all costs relating to sales and expenses linked to the production, maintenance and securing of

Amendment

(8) Measures that incentivise private entities to invest in the real economy should be supported, as the current investment gap in the Union is one of the key sources of its economic weaknesses. At the same time, tax reliefs for

income. To support innovation in the economy and modernise the internal market, deductions should be provided for research and development costs, including super-deductions, and those should be fully expensed in the year incurred (with the exception of immovable property). Small starting companies without associated enterprises which are particularly innovative (a category which will in particular cover start-ups) should also be supported through enhanced super-deductions for research and development costs. In order to ensure legal certainty, there should also be a list of non-deductible expenses.

companies need to be carefully constructed, and implemented only where their positive impact on jobs and growth is evident and any risk of creating new loopholes in the taxation system is excluded. Therefore, promoting innovation and investment should be done through public subsidies equally available to everybody rather than through tax exemptions.

Amendment 8

Proposal for a directive Recital 10

Text proposed by the Commission

Amendment

(10) The fact that interest paid out on loans is deductible from the tax base of a taxpayer whilst this is not the case for profit distributions creates a definitive advantage in favour of financing through debt as opposed to equity. Given the risks that this entails for the indebtedness of companies, it is critical to provide for measures which neutralise the current bias against equity financing. In this light, it is envisaged to give taxpayers an allowance for growth and investment according to which increases in a taxpayer's equity should be deductible from its taxable base subject to certain conditions. Thus, it would be essential to ensure that the system does not suffer cascading effects and to this end, it would be necessary to exclude the tax value of a taxpayer's participations in associated enterprises. Finally, to make the scheme of the allowance sufficiently robust, it would also be required to lay down anti-

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tax avoidance rules.

Amendment 9

Proposal for a directive

Recital 14

Text proposed by the Commission

(14) To avoid the base erosion of higher tax jurisdictions through shifting profits via inflated transfer prices towards lower tax countries, transactions between a taxpayer and its associated enterprise(s) should be subject to pricing adjustments in line with the 'arm's length' principle, which is a generally applied criterion.

Amendment

(14) To avoid the base erosion of higher tax jurisdictions through shifting profits via inflated transfer prices towards lower tax countries, transactions between a taxpayer and its associated enterprise(s) should be subject to pricing adjustments in line with the 'arm's length' principle, which is a generally applied criterion. ***As a result, loopholes between national tax systems, in particular in respect of transfer pricing, which accounts for approximately 70% of all profit shifting in the Union, could be eliminated and a major step taken towards a fair, efficient and transparent tax system.***

Amendment 10

Proposal for a directive

Recital 21

Text proposed by the Commission

(21) Since the objectives of this Directive, namely to improve the functioning of the internal market through countering practices of international tax avoidance and to facilitate businesses in expanding across borders within the Union, cannot be sufficiently achieved by the Member States acting individually and in a disparate fashion because coordinated action is necessary to obtain these objectives, but can rather, by reason of the fact that the Directive targets inefficiencies of the internal market that originate in the interaction between disparate national tax rules which impact on the internal market

Amendment

(21) Since the objectives of this Directive, namely to improve the functioning of the internal market through countering practices of international tax avoidance and to facilitate businesses in expanding across borders within the Union, cannot be sufficiently achieved by the Member States acting individually and in a disparate fashion because coordinated action is necessary to obtain these objectives, but can rather, by reason of the fact that the Directive targets inefficiencies of the internal market that originate in the interaction between disparate national tax rules which impact on the internal market

and discourage cross-border activity, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives, especially considering that its mandatory scope is limited to groups beyond a certain size.

and discourage cross-border activity, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives, especially considering that its mandatory scope is limited to groups beyond a certain size. ***The envisaged measures do not go further than harmonising the corporate tax base, which is a prerequisite for curbing identified obstacles that distort the internal market. Furthermore, such a stage-by-stage approach entitles Member States to determine their desired amount of tax revenues in order to meet their budgetary policy targets. At the same time, it does not affect Member States' right to set their own profits tax rate.***

Amendment 11

Proposal for a directive Article 1 – paragraph 1

Text proposed by the Commission

1. This Directive establishes a system of a common base for the taxation of certain companies and lays down rules for the calculation of that base.

Amendment

1. This Directive establishes a system of a common base for the taxation of certain companies and lays down rules for the calculation of that base, ***including measures to prevent tax avoidance and on the international dimension of the proposed tax system.***

Amendment 12

Proposal for a directive Article 2 – paragraph 1 – introductory part

Text proposed by the Commission

(1) The rules of this Directive shall apply to a company that is established under the laws of a Member State, including its permanent establishments in other Member States, where the company meets all of the following conditions:

Amendment

(1) The rules of this Directive shall apply to a company that is established under the laws of a Member State, including its permanent ***and digital business*** establishments in other Member States, where the company meets all of the following conditions:

Amendment 13

Proposal for a directive

Article 2 – paragraph 1 – point c

Text proposed by the Commission

(c) it belongs to a consolidated group for financial accounting purposes with a total consolidated group revenue that exceeded EUR **750 000 000** during the financial year preceding the relevant financial year;

Amendment

(c) it belongs to a consolidated group for financial accounting purposes with a total consolidated group revenue that exceeded EUR **40 000 000** during the financial year preceding the relevant financial year;

Amendment 14

Proposal for a directive

Article 2 – paragraph 2 – subparagraph 1

Text proposed by the Commission

This Directive shall also apply to a company that is established under the laws of a third country in respect of its permanent establishments situated in one or more Member States where the company meets the conditions laid down in points (b) to (d) of paragraph 1.

Amendment

This Directive shall also apply to a company that is established under the laws of a third country in respect of its permanent establishments situated in one or more Member States, ***and in relation to revenues accrued in one or more Member States***, where the company meets the conditions laid down in points (b) to (d) of paragraph 1.

Amendment 15

Proposal for a directive

Article 2 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. This Directive shall also apply to businesses established under the laws of a third country in respect of their digital business establishments that are specifically directed towards consumers or businesses in a Member State or that principally receive their revenue from activity in a Member State, where the business meets the conditions laid down in points (b) to (d) of paragraph 1. For the purpose of ascertaining whether a digital business establishment is specifically directed towards consumers or businesses in a Member State, the physical locations of the consumers or users and suppliers of the goods and services provided shall be taken into account, in accordance with the OECD's BEPS Action 1. If those cannot be ascertained, regard shall be had to whether the digital business establishment is conducting its business under the top level domain of a Member State or of the Union or whether, in relation to mobile -application-based businesses, the digital business establishment is distributing its application via a Member State-specific part of a mobile application distribution centre or whether the business is conducted under a domain which – for example as a result of the use of names of Member States, regions or towns – makes it clear that the digital business establishment is directed towards consumers or businesses in a Member State, or the business activity is subject to general terms and conditions applicable specifically to the Union or a Member State, or whether the web presence of the digital business establishment provides advertising space specifically aimed at consumers and businesses in a Member

State.

Amendment 16

Proposal for a directive

Article 4 – paragraph 1 – subparagraph 1 – point 33 a (new)

Text proposed by the Commission

Amendment

(33a) ‘digital business establishment’ means – taking into account the findings from OECD BEPS Action 1 - an establishment which is specifically directed towards consumers or businesses in a Member State, with due regard to the physical locations of the consumers or users and of the suppliers of the goods and services provided. If those cannot be ascertained, regard shall be had to whether the establishment is conducting its business under the top level domain of the Member State or of the Union or, in relation to mobile-application-based businesses, is distributing its application via the Member State-specific part of a mobile application distribution centre or whether the business is conducted under a domain which – for example as a result of the use of names of Member States, regions or towns – makes it clear that the establishment is directed towards consumers or businesses in a Member State, or the business activity is subject to General Terms and Conditions applicable specifically for the European Union or a Member State, or the web presence of the business offers advertising space specifically aimed at consumers and businesses in a Member State.

Amendment 17

Proposal for a directive

Article 4 – paragraph 1 – subparagraph 1 – point 33 b (new)

Text proposed by the Commission

Amendment

(33b) ‘an effective corporate tax rate’ means corporate tax paid in relation to earnings and profits as set out in the financial statements of a company.

Amendment 18

Proposal for a directive

Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. A taxpayer shall be considered to have a permanent establishment in a Member State other than the Member State in which it is resident for tax purposes when it has a fixed place in that other Member State through which it carries on its business, wholly or partly, including in particular:

1. A taxpayer shall be considered to have a permanent establishment in a Member State other than the Member State in which it is resident for tax purposes when it has a fixed **or virtual** place in that other Member State through which it carries on its business, wholly or partly, including in particular:

Amendment 19

Proposal for a directive

Article 5 – paragraph 1 – point f a (new)

Text proposed by the Commission

Amendment

(fa) a digital business establishment.

Amendment 20

Proposal for a directive

Article 9 – paragraph 3

Text proposed by the Commission

Amendment

(3) In addition to the amounts which are deductible as costs for research and development in accordance with paragraph 2, the taxpayer may also

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deduct, per tax year, an extra 50% of such costs, with the exception of the cost related to movable tangible fixed assets, that it incurred during that year. To the extent that costs for research and development reach beyond EUR 20 000 000, the taxpayer may deduct 25% of the exceeding amount.

By way of derogation from the first subparagraph, the taxpayer may deduct an extra 100% of its costs for research and development up to EUR 20 000 000 where that taxpayer meets all of the following conditions:

- (a) it is an unlisted enterprise with fewer than 50 employees and an annual turnover and/or annual balance sheet total that does not exceed EUR 10 000 000;*
- (b) it has not been registered for longer than five years. If the taxpayer is not subject to registration, the period of five years may be taken to start at the moment that the enterprise either starts, or is liable to tax for, its economic activity;*
- (c) it has not been formed through a merger;*
- (d) it does not have any associated enterprises.*

Amendment 21

Proposal for a directive Article 10 a (new)

Text proposed by the Commission

Amendment

Article 10a

Prohibition of deductions

No deduction shall be allowed to the extent that it would result in an effective corporate tax rate of less than 20% on

revenues less exempt revenues.

Amendment 22

Proposal for a directive Article 11

Text proposed by the Commission

[...]

Amendment

deleted

Amendment 23

Proposal for a directive Article 12 – paragraph 1 – point j a (new)

Text proposed by the Commission

Amendment

(ja) expenses to beneficiaries situated in countries appearing on the EU list of non-cooperative jurisdictions for tax purposes (also known as ‘tax havens’)^{1a};

*^{1a} The EU list of non-cooperative jurisdictions for tax purposes being developed by the Council:
<http://data.consilium.europa.eu/doc/document/ST-14166-2016-INIT/en/pdf>*

Amendment 24

Proposal for a directive Article 42 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

(4a) No additional deduction of the losses referred to in paragraph 1 shall take place in respect of losses incurred after 31 December 2020.

Amendment 25

Proposal for a directive Article 59 – paragraph 2

Text proposed by the Commission

(2) Where an entity or permanent establishment is treated as a controlled foreign company under paragraph 1, non-distributed income of the entity or permanent establishment shall be subject to tax *to the extent that it is derived from the following categories:*

- (a) interest or any other income generated by financial assets;*
- (b) royalties or any other income generated from intellectual property;*
- (c) dividends and income from the disposal of shares;*
- (d) income from financial leasing;*
- (e) income from insurance, banking and other financial activities;*
- (f) income from invoicing companies that earn sales and services income from goods and services purchased from and sold to associated enterprises and add no or little economic value.*

The first subparagraph shall not apply to a controlled foreign company that is resident or situated in a Member State or in a third country that is party to the EEA Agreement where the controlled foreign company has been set up for valid commercial reasons that reflect economic reality. For the purposes of this Article, the activity of the controlled foreign company shall reflect economic reality to the extent that that activity is supported by commensurate staff, equipment, assets and premises.

Amendment

(2) Where an entity or permanent establishment is treated as a controlled foreign company under paragraph 1, non-distributed income of the entity or permanent establishment shall be subject to tax.

The first subparagraph shall not apply to a controlled foreign company that is resident or situated in a Member State or in a third country that is party to the EEA Agreement where the controlled foreign company has been set up for valid commercial reasons that reflect economic reality. For the purposes of this Article, the activity of the controlled foreign company shall reflect economic reality to the extent that that activity is supported by commensurate staff, equipment, assets and premises.

Amendment 26

Proposal for a directive

Article 59 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Financial undertakings shall not be treated as controlled foreign companies under paragraph 1 where not more than one third of the income accruing to the entity **or** permanent establishment from categories (a) to (f) of paragraph 2 comes from transactions with the taxpayer or its associated enterprises.

Amendment

Financial undertakings shall not be treated as controlled foreign companies under paragraph 1 where not more than one third of the income accruing to the entity, permanent establishment **or digital business establishment** from categories (a) to (f) of paragraph 2 comes from transactions with the taxpayer or its associated enterprises.

Amendment 27

Proposal for a directive

Article 69 – paragraph 1

Text proposed by the Commission

The Commission shall, five years after the entry into force of this Directive, review its application and report to the Council on the operation of this Directive.

Amendment

The Commission shall, five years after the entry into force of this Directive, review its application and report to the Council **and to the European Parliament** on the operation of this Directive.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Common Corporate Tax Base
References	COM(2016)0685 – C8-0472/2016 – 2016/0337(CNS)
Committee responsible Date announced in plenary	ECON 24.11.2016
Opinion by Date announced in plenary	JURI 24.11.2016
Rapporteur Date appointed	Evelyn Regner 28.11.2016
Discussed in committee	3.5.2017
Date adopted	7.9.2017
Result of final vote	+: 19 –: 1 0: 1
Members present for the final vote	Max Andersson, Joëlle Bergeron, Marie-Christine Boutonnet, Jean-Marie Cavada, Kostas Chrysogonos, Lidia Joanna Geringer de Oedenberg, Mary Honeyball, Sylvia-Yvonne Kaufmann, Gilles Lebreton, António Marinho e Pinto, Julia Reda, Evelyn Regner, Axel Voss, Tadeusz Zwiefka
Substitutes present for the final vote	Sergio Gaetano Cofferati, Luis de Grandes Pascual, Angel Dzhambazki, Rainer Wieland, Tiemo Wölken
Substitutes under Rule 200(2) present for the final vote	Gabriel Mato, Andrey Novakov

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

19	+
ALDE	Jean-Marie Cavada, António Marinho e Pinto
ENF	Marie-Christine Boutonnet, Gilles Lebreton
GUE/NGL	Kostas Chrysogonos
PPE	Gabriel Mato, Andrey Novakov, Axel Voss, Rainer Wieland, Tadeusz Zwiefka, Luis de Grandes Pascual,
S&D	Sergio Gaetano Cofferati, Lidia Joanna Geringer de Oedenberg, Mary Honeyball, Sylvia-Yvonne Kaufmann, Evelyn Regner, Tiemo Wölken
VERTS/ALE	Max Andersson, Julia Reda

1	-
ECR	Angel Dzhambazki

1	0
EFDD	Joëlle Bergeron

Key to symbols:

+ : in favour

- : against

0 : abstention