Statement by the Committee on Finance 2017/18:FiU51

Subsidiarity check of the Commission's proposal concerning the European Union's own resources and implementation of the system for own resources

Summary

The Committee considers that the Commission's proposal for a Council decision on the system of own resources of the European Union and proposal for a regulation laying down implementing measures for the system of own resources is in conflict with the principle of subsidiarity. The Committee therefore proposes that the Riksdag submit a reasoned opinion to the Presidents of the European Parliament, the Council and the Commission.

The Committee considers that the Commission's proposal contains provisions that are problematic and excessively far-reaching in terms of achieving the aims of the proposals. This principally applies to the basket containing three new own resources proposed by the Commission. The Committee considers in particular that it is excessively far-reaching to take a decision on new own resources based on revenue from a proposal that has not yet been adopted, which is the case of the proposal for a common consolidated corporate tax base.

In light of this, the Committee would like to recall that when considering the proposal for a common consolidated corporate tax base, the Riksdag noted that the proposal was not in line with the principle of subsidiarity (statement 2016/17:SkU17).

The examined proposals

The Commission's proposal for a Council decision about the system governing the European Union's own resources (COM(2018) 325).

The Commission's proposal for a Council regulation concerning implementation provisions for the system governing the European Union's own resources (COM(2018) 327).

APPENDIX 2

Reasoned opinion of the Riksdag

The Riksdag has examined the Commission's proposal for a Council decision on the system of own resources of the European Union (COM(2018) 325) and proposal for a regulation laying down implementing measures for the system of own resources of the European Union (COM(2018) 327).

With regard to the EU budget and negotiations about the coming multiannual financial framework, the Riksdag has on a number of occasions maintained that Sweden will continue to work in the future for an efficient and restrained budget policy within the EU, which entails cost-effective use of the EU's funds and strict budget discipline. The restrictive fundamental Swedish position to the EU's budget policy is deeply rooted in the Riksdag. On the issue of revenue, the Riksdag has maintained that the current system governing own resources is largely appropriate. Rebates are a way of creating a fair system for funding joint commitments and should thus be safeguarded. The Riksdag strongly opposes the idea that the EU budget should be financed by various taxes and therefore considers that the EU should not hold taxation rights.

The Riksdag considers that the Commission's proposal for own resources and the proposal concerning the implementation of the system governing own resources contains provisions that are problematic and excessively far-reaching in terms of achieving the aims of the proposal. This principally applies to the basket containing three new own resources proposed by the Commission: a charge based on revenue from the EU Emissions Trading System, a charge based on the amount of non-recycled plastic packaging waste and a charge based on a proportion of an EU-level common consolidated corporate tax base.

The Riksdag considers in particular that it is excessively far-reaching to take a decision on new own resources based on revenue from a proposal that has not yet been adopted, which is the case of the proposal for a common consolidated corporate tax base (CCCTB).

The Riksdag would like to recall that when considering the proposal for the CCCTB in 2016, it did not consider that the proposal was in line with the principle of subsidiarity (statement 2016/17:SkU16). This assessment is still valid, and also applies to the closely connected proposal concerning a common corporate tax base, or CCTB (statement 2016/17:SkU16). The Riksdag noted that the aims specified by the Commission referred to both directive proposals, which hindered the opportunity to assess whether the aims for each proposal could be achieved by the member states to a sufficient extent or whether they could be better achieved at Union level. The Riksdag shared the Government's assessment that member states are initially better suited to determine how corporate tax should be designed. In terms of the proposed allocation key, the Riksdag noted that the outcome when distributing profits is dependent upon

national conditions in each member state and will therefore vary greatly among all of the member states. Ultimately, the Riksdag shared the Government's assessment that the proposal is vague and imprecisely designed in many parts, as well as obscure and laden with ambiguities.

In light of this, the Riksdag considers that the Commission's proposal for a Council decision on the system of own resources of the EU and proposal for a regulation laying down implementing measures for the system of own resources cannot be considered to be in line with the principle of subsidiarity.