

**Danuta Hübner**  
**Chair of the Committee on Constitutional Affairs, European Parliament**  
**Report of the special Committee on TAXE rulings and other measures similar  
in nature or effect**

*Plenary session statement*  
*25 November 2015, European Parliament, Strasbourg*

Dear colleagues,

We do need changes in the way tax systems, tax policies and tax practices work in the EU. What we have right now does not fit the European reality and the principle of fairness.

We all share the view that a reform of tax systems is about making them fair, which entails ensuring that taxes are paid where value is created. This is a common sense principle.

We also need to end with the de facto double standard between SMEs, which mostly comply with the law and bear their full burden of tax, and MNCs, which can use sophisticated strategies to escape taxes.

A wide range of recommendations are made in this report, but within my minute and a half, let me insist on one point- the call for an improvement of the mechanisms to solve disputes arising from double taxation.

Country by country reporting and transparency in general, are expected to result in more double taxation disputes and the system for solving such disputes is weak.

We need good quality arbitration systems, both globally, which is a task for the OECD, and within the EU.

Let me conclude by saying that the unacceptable shortcomings we found should not conceal the fact that most companies are honest taxpayers, creating growth and jobs and serving our economies. We need to be mindful of that and act in a proportionate way.