



## **ITI says EU tax report remains “dangerously fuzzy”**

The Irish Taxation Institute (ITI) has said that the report outlined today by EU Commissioner for Taxation, Lászlo Kovács for common corporate taxes in all EU Member States remains “dangerously fuzzy”.

Commenting on the Commissioner’s statement on CCCTB, Mark Redmond, CEO of the ITI said moves towards a common means of paying corporate taxes in the EU is bad for Ireland and bad for Europe.

He said: “The more you harmonise taxes, the more tax rates will rise, the more compliance costs will rise and the more unemployment will rise. These proposals remain dangerously fuzzy. They fail to come clean on the burden they will bring on both domestic and international businesses and they fail to address the widely held belief that it will mean higher corporate tax rates by the backdoor.

“Taxation policy has been central to the Irish success story and attempts to wrestle control on tax policy away from individual Member States should be fiercely resisted.

“A common tax rate is bad for Ireland and bad for Europe. To grow and sustain our economy we have got to stay competitive and one key way of doing so is through sound tax policies. If tax costs start to creep upward in Europe, the instinct of multi-nationals and other key employers will be to look to the Far East.”

Redmond said the proposal to widen CCCTB to the financial services sector was worrying. In 2006, IFSC companies alone contributed €1.1 billion in tax revenues to the Irish exchequer.

Redmond also said the proposal to establish an overall EU Revenue Authority would mean another costly bureaucratic layer for business to grapple with. He said that a single Revenue authority would also serve to undermine the positive role played by the Irish Revenue.

**ENDS**

**Further info:**

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