

ITI welcomes Taoiseach's comments on European tax debate

Friday 3 November, 2006: The Irish Taxation Institute (ITI) has welcomed comments made this evening by the Taoiseach that decisions on taxation at EU level must continue to require the agreement of all EU member states.

Speaking this evening, the Taoiseach said that any move to decide national tax rates without the consent of the Irish people would be "*as untenable politically as it would be unwise on the practical level*".

Reacting to the comments, ITI President, Dermot O'Brien said: "The Irish Taxation Institute welcomes the Taoiseach's comments. Taxation policy has been central to the Irish success story and attempts to wrestle control on tax policy away from the Irish people 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 we make Europe a high tax base, the instinct of multi-nationals and other key employers will be to look to the Far East. The Taoiseach recognises this and we are calling for collective support for the lead he has shown", concluded Mr O'Brien.

ENDS

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Relevant extract from Taoiseach's speech:

"I have fought to ensure that decisions in relation to taxation continue to require the agreement of all the member states. Majority voting would however create a situation where national tax rates could be decided without the consent of the Irish people. This would be as untenable politically as it would be unwise on the practical level. Ireland has used taxation policy to encourage effort and employment. Any change in that policy should be left to the Irish people."