

Question for written answer E-002655/2026
to the Council
Rule 144
Sophia Kircher (PPE)

Subject: Eliminating double taxation for investors from the EU

An increasing number of citizens, particularly young people, are investing in securities via online brokers in order to make private provisions for the future and build a portfolio. However, when investors from the EU receive dividends on foreign shares, they often face double taxation within the EU despite the existing double taxation agreements. Although excess tax can normally be refunded, this often entails a long and onerous process. Many banks do not even offer such a refund in the first place.

Whilst established procedures make it possible to obtain a refund relatively easily for US securities, there remain significant practical obstacles within the EU. As a result, many investors choose not to claim a refund and the amounts they are entitled to are permanently lost. Directive (EU) 2025/50 (the FASTER Directive) provides for far-reaching measures to simplify withholding tax procedures. However, these will not apply until 2030, and even then the problem will only be partially resolved.

1. What view does the Council take of the practical obstacles to the refund or relief of withholding tax on dividends within the EU?
2. What further measures, beyond the FASTER Directive, does the Council think need to be taken to facilitate cross-border investment within the EU?
3. Does the Council consider that, in the long term, a largely automated system for offsetting withholding tax liabilities could be introduced within the EU, with a view to simplifying the application of double taxation agreements?

Submitted: 26.6.2026