Question for written answer P-003607/2016
to the Commission
Rule 130
Françoise Grossetête (PPE)

Subject: Fiscal dumping relating to intellectual property issues ('patent boxes')

Part of the company Hewlett Packard in my constituency, specialising in R & D, is apparently going to relocate to Switzerland for tax reasons.

The provisions of the third corporate taxation reform (CTR III), due to come into force in 2017, include a preferential taxation rate for intellectual property (‘patent boxes’) and tax benefits for R & D expenditure. These provisions foster a form of fiscal dumping that is undermining competitiveness and jobs in Europe.

Will the Commission consider adopting fiscal counter-measures against Switzerland in order to combat the fiscal dumping practices stemming from CTR III?

Similar measures exist in the European Union and are creating distortions of competition between Member States. The wide variety of tax rates applied by Member States in their taxation of patents and R & D, moreover, increases tax competition.

What measures does the Commission intend to take to reduce the tax competition relating to preferential tax measures on patents and R & D in the Union? Is the Commission considering any measures to encourage the harmonisation of tax rates?