

EN

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Answer given by Mr Hoekstra
on behalf of the European Commission
(16.5.2025)

The G20 Rio de Janeiro Leaders' Declaration¹ emphasises the need to promote fairer and more progressive tax systems and to engage cooperatively to ensure the effective taxation of ultra-high-net-worth individuals in full respect of tax sovereignty as a response to the 'blueprint for a coordinated minimum effective taxation standard for ultra-high-net-worth individuals' commissioned by the G20 Brazilian Presidency. This blueprint presents a proposal for a global coordinated approach on the taxation of ultra-high-net-worth individuals. The Commission notes the proposal from the EU Tax Observatory on a wealth tax for ultra-high-net-worth individuals resulting therefrom.

The Commission's own analysis of tax systems finds that there are highly diverse approaches in the EU on the taxation of capital income and on the imposition of wealth-related taxes. The Commission also understands that an effective common action in this area in the EU and internationally requires certain prerequisites. In particular, progress needs to be made to ensure an effective exchange of information on beneficial owners and on real estate and asset registration.

In addition, the Commission considers that to address the issue of effective taxation of high-net-worth individuals, a better understanding of the topic is needed. To this effect, in December 2024, the Commission launched a study on wealth-related taxes. This study should be concluded before the end of 2025. It should provide further information on the overall context and on the effectiveness of wealth-related taxes targeting high-net-worth-individuals in both EU and non-EU countries. Moreover, the Commission also continues to monitor the distributional impact of tax-benefit systems via the EUROMOD² microsimulation tool, i.e. the EU tax-benefit microsimulation model that calculates the effects of taxes and benefits on household incomes and work incentives for the population of each country and for the EU as a whole.

¹ G20 Rio de Janeiro Leaders' Declaration, <https://g20.gov.br/en/documents/g20-rio-de-janeiro-leaders-declaration>

² <https://euromod-web.jrc.ec.europa.eu/>