

(English version)

**Question for written answer E-004967/25
to the Commission
Per Clausen (The Left)
(16 December 2025)**

Subject: Temporary excess profits tax on defence and military equipment producers, modelled on the energy sector's excess profits mechanism

According to Stockholm International Peace Research Centre ⁽¹⁾, major European defence companies have reported substantial increases in revenues and profits in recent years. Against this backdrop:

1. Can the Commission provide an estimate of the potential revenue that EU Member States could raise annually by introducing a temporary excess profits tax on defence and military equipment producers, modelled on the energy sector's excess profits mechanism (the so-called solidarity contribution)?
2. Can the Commission provide details about any potential EU-plans to introduce such an excess profits mechanism, including the rationale for or against it?

Submitted: 16.12.2025

**Answer given by Commissioner Hoekstra on behalf of the European Commission
(3 February 2026)**

The Commission has no data or estimates on potential revenues which EU Member States, or the EU itself, could raise from possible excess profits gained by European defence companies. Those estimated revenues would depend on the specific design parameters of the national tax model used for such an excess profit tax.

In light of the large investment needs in the area of defence in support of Member States' and the EU's strategic autonomy, the Commission put forward several financing instruments which have already been adopted in 2025, such as for instance the Security Action for Europe (SAFE) ⁽¹⁾, a EUR 150 billion loan instrument.

In this regard, the Commission has currently no intention to put forward a proposal for an EU tax applicable to defence companies and notes that in the absence of Union legislation Member States remain competent for taxation.

¹ <https://www.sipri.org/media/press-release/2025/sipri-top-100-arms-producers-see-combined-revenues-surge-states-rush-modernize-and-expand-arsenals>.

⁽¹⁾ https://defence-industry-space.ec.europa.eu/eu-defence-industry/safe-security-action-europe_en.