

# **ROADMAP FOR AN EU BUDGET**

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FOREWORD FROM THE EDITOR

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LIST OF ABBREVIATIONS

### Chapter 1 - INTRODUCTION (Gianluigi Bizioli)

- Brief survey of the content of the political deal of 17-21.07.2021 regarding the COVID recovery plan and the Next Generation EU programme.
- Impact of the Next Generation Programme on the volume and the procedures for the financing of the EU budget and questions raised by this impact.
- Limitations of existing fiscal and economic EU framework in support of a common monetary policy.
- Potential solutions for these questions.
- Changes in decision making procedures necessary for these solutions and obstacles for such changes.
- Questions not dealt with in the Roadmap for an EU Budget: implementation of a comprehensive framework for a common policy in support for the euro and the EMU and the link between the spending and the rule of law.

### Chapter 2 - SHORT SURVEY OF DECISION MAKING IN THE EU (Georg Kofler – Gianluigi Bizioli)

- A short historical survey of the changes in decision making in treaties and in secondary legislation in the EU since the Treaty of Rome, showing the transition from intergovernmental to EU democratic decision making.
- General discussion on the role of flexibility in EU decision making, with arguments in favour and against, including the consequences of such flexibility or inflexibility for taxation and own resources.

### Chapter 3 - THE EU CONSTITUTIONAL TAX INTEGRATION: GENERAL FEATURES (Gianluigi Bizioli)

- Constitutional integration: in which sense?
- Short survey of national constitutional principles of the member states for taxing and spending.
- Discussion of the question whether the principles of EU constitutional pluralism distilled from the constitutions of the member states can be used as EU principles for raising and spending revenue and in particular whether they can be used as a

legitimate legal foundation for separate and independent EU taxes for financing the EU budget.

#### Chapter 4 - FUNCTIONING OF THE EU BUDGET & FINANCIAL CHALLENGES (Katerina Pantazatou)

- Description on borrowing and raising and spending own resources in the EU, including a survey the functioning and financing of the ESM in rescue operations and the quantitative and qualitative restrictions on existing instruments for interventions.
- Challenges to the volume and the procedures of the EU budget as a result of the deal of 17-21.07.2021: climate, immigration, Next Generation EU.

#### Chapter 5 - LIMITATIONS IN THE EXISTING INSTRUMENTS FOR A COMMON MONETARY POLICY (Frans Vanistendael)

- Description of the limitations in the existing treaty instruments for a common EU monetary policy, compared to the policy instruments available to major international currencies.

#### Chapter 6 - INSTITUTIONAL OBSTACLES TO REFORM OF THE EU BUDGET (Hanno Kube)

- Description of the current rules blocking changes in own resources for the EU budget and the problem of the competence of the EU to introduce new separate EU taxes for the EU budget, rather than to harmonise national taxes for the functioning of the internal market.

#### Chapter 7 - FUNDAMENTAL PRINCIPLES OF EU TAXES FOR THE EU BUDGET (Alfredo Garcia-Prats – Werner Haslehner)

- Definition of an independent EU tax separate from national taxes and national budget.
- Scope and tax base linked to EU wide activities, or establishing level playing field in EU competition, uniformity in scope, base and rate for the whole EU.
- Potential double function of revenue raising and steering policy.
- Relations between EU taxes and existing international and multilateral trade- and tax treaties.
- Same basic constitutional rules as national taxes: no taxation without representation, basic equal treatment, no tax distortions between member states and ability to pay, where applicable.

#### Chapter 8 - EXAMPLES OF OUTLINE FOR SPECIFIC EU TAXES (Adolfo Jimenez)

- Plastic levy
- Border Trade Adjustment Tax
- Digital service tax

- Levies on maritime and air transportation
- Carbon tax
- Financial Transaction Tax
- Common European Corporate Tax
- Common compliance rules for EU taxes
- Administration by national tax administration with EU coordination (cfr. VAT)

## Chapter 11 - GENERAL CONCLUSION