



Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

AMENDMENTS: 31

Petr Ježek, Jeppe Kofod

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendments created with

at4am

Go to <http://www.at4am.ep.parl.union.eu>

\000000EN.doc

Amendments per language:

EN: 31

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 1
Ana Gomes

Motion for a resolution
Recital J

Motion for a resolution

J. whereas PANA convened meetings, conducted fact-finding missions and commissioned studies in order to further investigate beyond the practices documented in the Panama Papers – for a complete list of activities, including the names of speakers, see part II of this report;

Amendment

J. whereas PANA convened meetings, conducted fact-finding missions and commissioned studies in order to further investigate beyond the practices documented in the Panama Papers – for a complete list of activities, including the names of speakers, see part II of this report, ***which includes reports of the delegations sent to Cyprus, Portugal, Malta, the United States, the United Kingdom, Luxembourg and Switzerland;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 2
Ana Gomes

Motion for a resolution
Recital K

Motion for a resolution

K. whereas tax fraud and tax evasion constitute illegal activities involving evading tax liabilities, while, on the other hand, tax avoidance is the legal but improper utilisation of ***the tax regime*** to reduce or avoid tax liabilities, and aggressive tax planning consists in taking advantage of the technicalities of a tax system, or of mismatches between two or more tax systems, for the purpose of reducing tax liability;

Amendment

K. whereas tax fraud and tax evasion constitute illegal activities involving evading tax liabilities, while, on the other hand, tax avoidance is the legal but improper utilisation of ***tax regimes*** to reduce or avoid tax liabilities, and aggressive tax planning consists in taking advantage of the technicalities of a tax system, or of mismatches between two or more tax systems, for the purpose of reducing tax liability;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 3
Ana Gomes

Motion for a resolution
Recital M

Motion for a resolution

M. whereas unreported and untaxed income is reducing national tax revenues and is a threat to the stability of the financial system¹⁶; whereas money laundering, tax avoidance and tax evasion undermine the fair distribution of tax contributions in the EU Member States; whereas massive tax avoidance by high net worth individuals and enterprises not only penalises ordinary taxpayers, public finances and social spending, but also threatens good governance, macroeconomic stability and social cohesion;

¹⁶ ECB hearing.

Amendment

M. whereas unreported and untaxed income is reducing national tax revenues and is a threat to the stability of the financial system¹⁶; whereas money laundering, tax avoidance and tax evasion undermine the fair distribution of tax contributions in the EU Member States, ***fuel tax dumping and therefore distort competition in the internal market;*** whereas massive tax avoidance by high net worth individuals and enterprises not only penalises ordinary taxpayers, public finances and social spending, but also threatens good governance, macroeconomic stability and social cohesion ***by aggravating inequalities and thus dangerously undermining democracy;***

¹⁶ ECB hearing.

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 4
Ana Gomes

Motion for a resolution
Recital N

Motion for a resolution

N. whereas public authorities are responsible for the regulatory and supervisory framework, as well as for taxation; whereas public authorities, via regulation, company registers, tax law and supervision, play an important role in the existence of tax havens and offshore financial centres; whereas, in fact, these centres can only **exist** when governments create the necessary conditions;

Amendment

N. whereas public authorities are responsible for the regulatory and supervisory framework, as well as for taxation; whereas public authorities, via regulation, company registers, tax law and supervision, play an important role in the existence of tax havens and offshore financial centres; whereas, in fact, these centres can only **operate** when governments create the necessary conditions;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 5
Ana Gomes

Motion for a resolution
Recital O

Motion for a resolution

O. whereas offshore structures offering preferential regimes could not exist without the intervention of enablers and intermediaries such as banks, accounting firms, tax advisers, wealth managers and lawyers;

Amendment

O. whereas offshore structures offering preferential regimes could not exist without the intervention of enablers and intermediaries such as banks, accounting firms, tax advisers, wealth managers and lawyers; ***whereas governments and parliaments, when creating and perpetuating such preferential tax regimes, are actually fostering unfair competition within the EU and seriously undermining the single market;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 6
Ana Gomes

Motion for a resolution
Recital P

Motion for a resolution

P. whereas some governments and jurisdictions have specialised in creating extremely preferential tax regimes to the benefit of multinational companies and high net worth individuals, who do not in fact have a real **presence** within these jurisdictions but are merely represented by shell companies;

Amendment

P. whereas some governments and jurisdictions, **including Member States**, have specialised in creating extremely preferential tax regimes to the benefit of multinational companies and high net worth individuals, who do not in fact have a real **economic activity** within these jurisdictions but are merely represented by shell companies; **whereas shell companies, trusts, foundations, “freeports”, bearer shares, among others, are useful tools for allsorts of criminals to park and launder the proceeds of crime;**

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 7
Ana Gomes

Motion for a resolution
Recital Q

Motion for a resolution

Q. whereas the European Commission has cited previous estimates according to which the annual revenue losses owing to tax evasion and tax fraud amount to at least EUR 1 trillion within the European Union alone;

Amendment

Q. whereas the European Commission has cited previous estimates according to which the annual revenue losses owing to tax evasion and tax fraud amount to at least EUR 1 trillion within the European Union alone; ***whereas tax competition among EU Member States makes some of them become, in practice, tax havens for holdings of companies of other Member States;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 8
Ana Gomes

Motion for a resolution
Recital T

Motion for a resolution

T. whereas money laundering amounts to an estimated 2 %-5 % of GDP worldwide;

Amendment

T. whereas money laundering amounts to an estimated 2 %-5 % of GDP worldwide; ***whereas, by failing to properly legislate and enforce anti-money laundering controls, EU Member States and the Commission maybe allowing organised crime, including terrorism, to explore loopholes within the EU and globally;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 9
Ana Gomes

Motion for a resolution
Recital V a (new)

Motion for a resolution

Amendment

V a. whereas the Panama Papers also reveal a glaring disregard by governments, parliaments and national and European authorities for legislating and enforcing anti-money laundering and tax controls, thereby facilitating financial crimes;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 10
Ana Gomes

Motion for a resolution
Paragraph 1

Motion for a resolution

1. Notes that various definitions exist as to what constitutes an offshore financial centre (OFC), a tax haven, a secrecy haven, a non-cooperative tax jurisdiction or a high-risk country in terms of money laundering;

Amendment

1. Notes that various definitions exist as to what constitutes an offshore financial centre (OFC), a tax haven, a secrecy haven, a non-cooperative tax jurisdiction or a high-risk country in terms of money laundering; ***notes that “freeports” also constitute offshore storage facilities, enabling money laundering and the untaxed trade of other values, including jewellery, art, antiques and other items proceeding from organised crime, fraud, corruption and other crimes;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 11
Ana Gomes

Motion for a resolution
Paragraph 3

Motion for a resolution

3. Welcomes the fact that the Commission is in the process of drawing up two different lists, namely a ‘common EU tax list of uncooperative tax jurisdictions’ and an ‘EU anti-money laundering list of high-risk third countries’;

Amendment

3. Welcomes the fact that the Commission is in the process of drawing up two different lists, namely a ‘common EU tax list of uncooperative tax jurisdictions’ and an ‘EU anti-money laundering list of high-risk third countries’; ***regrets however that the Commission has, so far, failed to counter EU jurisdictions that function as tax havens and “freeports”;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 12
Ana Gomes

Motion for a resolution
Paragraph 4 a (new)

Motion for a resolution

Amendment

4 a. *Regrets the fact that the Commission and Council have, so far, never inserted a “fair taxation chapter” in any trade, investment or partnership agreement between the EU and third countries;*

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 13
Ana Gomes

Motion for a resolution
Paragraph 15

Motion for a resolution

15. Underlines that motivations for the establishment of offshore entities most often include obscuring the origins of money and assets and concealing the identity of the ultimate beneficial owner (UBO)²⁵, the avoidance or evasion of inheritance or savings tax in the countries where the UBOs are residents²⁶, shielding assets from creditors or heirs, the evasion of sanctions, masking criminal activity and money laundering, or transferring assets from an individual or company to a new company without incurring the liabilities of the former;

²⁵ The ultimate beneficial owner is the natural person who is ultimately responsible for the entity.

²⁶ See, for example, Nordea (2016),

Amendment

15. Underlines that motivations for the establishment of offshore entities **and the use of “freeports” and bearer shares** most often include obscuring the origins of money and assets and concealing the identity of the ultimate beneficial owner (UBO)²⁵, the avoidance or evasion of inheritance or savings tax in the countries where the UBOs are residents²⁶, shielding assets from creditors or heirs, the evasion of sanctions, masking criminal activity and money laundering, or transferring assets from an individual or company to a new company without incurring the liabilities of the former;

²⁵ The ultimate beneficial owner is the natural person who is ultimately responsible for the entity.

²⁶ See, for example, Nordea (2016),

‘Report on Investigation of Nordea Private Banking in Relation to Offshore Structures’, joint report by Nordea Group Compliance, Nordea Operational Risk and Mannheimer Swartling Advokatbyrå.

‘Report on Investigation of Nordea Private Banking in Relation to Offshore Structures’, joint report by Nordea Group Compliance, Nordea Operational Risk and Mannheimer Swartling Advokatbyrå.

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 14
Ana Gomes

Motion for a resolution
Paragraph 23

Motion for a resolution

23. Underlines that some jurisdictions offer the possibility of being resident in multiple jurisdictions using double passports or investor visa programmes that allow a residence permit to be obtained in exchange for an investment in these jurisdictions³⁰ ;

Amendment

23. Underlines that some jurisdictions offer the possibility of being resident in multiple jurisdictions using double passports or investor visa programmes that allow a residence permit to be obtained in exchange for an investment in these jurisdictions³⁰ ; ***notes the pervasiveness of these investor visa programmes in Member States, competing with each other, whereby third country nationals are granted residence rights/freedom of movement or citizenship in the Member State in exchange of capital transfers, purchase of property or government bonds, or investment in corporate entities; observes that these schemes perversely elicit corruption, money laundering and illicit flows of capitals from third countries into the EU and highlights instances and concrete cases in which such investor visa programmes have been***

misused for money laundering purposes^{31a};

³⁰ Brooke Harrington, 'Capital without borders, wealth managers and the one percent', Harvard University Press, 2016.

³⁰ Brooke Harrington, 'Capital without borders, wealth managers and the one percent', Harvard University Press, 2016.

^{31a} *<https://www.theguardian.com/uk-news/2017/jul/04/golden-visa-immigration-deal-british-citizenship-home-office>*

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 15
Ana Gomes

Motion for a resolution
Paragraph 25

Motion for a resolution

25. Notes that most of the offshore constructions revealed in the Panama Papers were set up from Luxembourg, the United Kingdom and Cyprus and that these countries could have suspected that this implied a loss of the tax base of other Member States where the UBOs were resident – in Luxembourg, for example, many offshore companies were set up purely to circumvent the withholding tax³¹ (which only applied to natural persons, not to offshore companies), and some of those were still active after the entry into force of DAC 1;

Amendment

25. Notes that most of the offshore constructions revealed in the Panama Papers were set up from Luxembourg, the United Kingdom and Cyprus and that these countries could have suspected that this implied a loss of the tax base of other Member States where the UBOs were resident – in Luxembourg, for example, many offshore companies were set up purely to circumvent the withholding tax³¹ (which only applied to natural persons, not to offshore companies), and some of those were still active after the entry into force of DAC 1; ***notes that greater transparency over the identity of UBOs through the establishment of public registers would help detect anomalies and suspicions of wrongdoings as well as act as a deterrent to misconduct;***

³¹ See, for example, Nordea (2016), 'Report on Investigation of Nordea Private Banking in Relation to Offshore Structures', joint report by Nordea Group Compliance, Nordea Group Operational Risk and Mannheimer Swartling Advokatbyrå. This was also confirmed by the Belgian National Committee of Inquiry in a meeting with a PANA delegation.

³¹ See, for example, Nordea (2016), 'Report on Investigation of Nordea Private Banking in Relation to Offshore Structures', joint report by Nordea Group Compliance, Nordea Group Operational Risk and Mannheimer Swartling Advokatbyrå. This was also confirmed by the Belgian National Committee of Inquiry in a meeting with a PANA delegation.

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 16

Ana Gomes, Emmanuel Maurel, Sergio Gaetano Cofferati, Hugues Bayet, Evelyn Regner, Peter Simon

Motion for a resolution

Paragraph 26

Motion for a resolution

26. Notes the lack of adequate human and financial resources available to regulators, supervisors and applicable tax law enforcement bodies;

Amendment

26. Notes the lack of adequate human, ***technological*** and financial resources available to regulators, supervisors and applicable tax law enforcement bodies ***in EU Member States, along the lack of proper backing, independence and political support of their work;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 17
Ana Gomes

Motion for a resolution
Paragraph 54

Motion for a resolution

54. Notes that the obligation to establish central UBO registers is included in AMLD IV; regrets that to date this obligation has not been fulfilled by all Member States and that not all FIUs have access to this information on UBOs;

Amendment

54. Notes that the obligation to establish central UBO registers is included in AMLD IV; regrets that to date this obligation has not been fulfilled by all Member States and that not all FIUs have access to this information on UBOs;
observes that making those central registers publicly accessible would facilitate the identification of UBOs and/or of anomalies and suspicions of wrongdoings by relevant stakeholders including competent authorities, obliged entities and citizens and increase accountability;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 18

Ana Gomes, Emmanuel Maurel, Sergio Gaetano Cofferati, Hugues Bayet, Evelyn Regner, Tibor Szanyi, Peter Simon

Motion for a resolution

Paragraph 57 a (new)

Motion for a resolution

Amendment

57 a. Reaffirms its support, in line with the recommendations of the European Parliament resolution of 25 November 2015 on tax rulings and other measure ssimilar in nature or effect (2015/2066(INI)), to the key role of the European Commission as the competent competition authority in the on going state aid inquiries dealing with tax rulings granted by Member States vis-a-vis multinational corporations and deplores the decision of the Irish government of challenging in the Court of Justice of the European Union the decision of the European Commission ordering Ireland to recover 13 billion EUR in taxes not paid by Apple, Inc.;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 19

Ana Gomes, Emmanuel Maurel, Sergio Gaetano Cofferati, Elly Schlein, Hugues Bayet, Evelyn Regner, Pervenche Berès

Motion for a resolution

Paragraph 58 a (new)

Motion for a resolution

Amendment

58 a. Notes that some Member States often resorted to tax amnesties for the regularisation of undeclared assets held offshore, which whitewashed possible ill-gotten assets and prevented proper money laundering investigations in their jurisdictions;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 20
Ana Gomes

Motion for a resolution
Paragraph 58 b (new)

Motion for a resolution

Amendment

58 b. Deplores that the Troika of institutions (European Commission, European Central Bank and the International Monetary Fund) overseeing financial and fiscal adjustment programs in Member States such as Portugal and Greece did not attempt to prevent tax amnesties, tax rulings, tax benefits and tax exemption schemes which were unfairly discriminatory, favouring tax dodging corporations and individuals, causing high bleeding of State revenues and increasing the burden on already overtaxed small and medium-sized enterprises (SMEs) and citizens; regrets that, under Troika supervision, Portugal enacted in 2012 a third tax amnesty, which represented an official money laundering scheme, not even compelling the repatriation of capitals stashed outside

the country;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 21

Ana Gomes, Emmanuel Maurel, Hugues Bayet, Evelyn Regner, Peter Simon, Pervenche Berès

Motion for a resolution

Paragraph 59

Motion for a resolution

59. Regrets that the Commission, owing to a lack of staff, has failed to carry out proper supervision of AMLD implementation in the Member States; notes also that the Commission has failed to carry out an independent assessment of the EU anti-money laundering list of high-risk third countries;

Amendment

59. Regrets that the Commission, owing to a lack of staff, has failed to carry out proper supervision of AMLD implementation in the Member States, ***even when prompted to do so in particular cases reported***; notes also that the Commission has failed to carry out an independent assessment of the EU anti-money laundering list of high-risk third countries; ***and regrets that the Commission has failed to investigate and evaluate the impact of “golden visas” and Investors Programmes enacted by Member States to outsmart each other, in jeopardizing internal market competition, weakening AML controls, importing criminality and corruption and in receiving the proceeds of crime and corruption from kleptocrats from all***

continents;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 22
Ana Gomes

Motion for a resolution
Paragraph 59 a (new)

Motion for a resolution

Amendment

59 a. *Regrets that from 2011 to 2014 - the period when Portugal was under Troika (EC, ECB and FMI) monitoring and brutally increased taxes on citizens and SMEs - European and national banking supervision and national tax authorities were inattentive to capital transfers into offshores, to the extent that at least 10 billion euros were transferred without tax and anti-money laundering controls mostly into Panama, of which 8 billion were ordered by corporations linked to Group Espírito Santo, prior to the collapse of Bank Espírito Santo, but at a time when the regulators were already investigating the Bank and the Group;*

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 23
Ana Gomes

Motion for a resolution
Paragraph 82

Motion for a resolution

82. Stresses that the EU legislation in place is not sufficiently enforced and that this allows intermediaries to formally fulfil their duties, such as CDD and other reporting obligations, while circumventing the spirit of the rules;

Amendment

82. Stresses that the EU legislation in place is not sufficiently enforced and that this allows intermediaries to formally fulfil their duties, such as CDD and other reporting obligations, while circumventing the spirit of the rules, , ***namely by invoking "professional secrecy" or "banking secrecy"***;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 24
Ana Gomes

Motion for a resolution
Paragraph 82 a (new)

Motion for a resolution

Amendment

82 a. *Notes with great concern that the development of digital technologies and their ever growing and wide-spreading use in trade, economic and financial transactions, are making AML and tax controls easy to frustrate, while national tax, law enforcement and judicial authorities are not properly equipped to deal with such challenges;*

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 25
Ana Gomes

Motion for a resolution
Paragraph 84 a (new)

Motion for a resolution

Amendment

84 a. *Notes with great concern that often national and European regulators fail to scrutinise the origin of the wealth allowing Politically Exposed Persons from kleptocratic regimes and other criminals to invest and own shareholding positions in banks, financial and insurance institutions and major economic groups in the EU, thus actually facilitating the laundering of those assets in the EU financial system; stresses that this includes failure to ensure the consolidated supervision and scrutiny of the links between European banks, companies and economic groups and their holding or parent structures based in non-cooperative or low-enforcing AML jurisdictions;*

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 26
Ana Gomes

Motion for a resolution
Paragraph 85

Motion for a resolution

85. Stresses that banks are key actors in detecting suspicious transactions and reporting these to national FIUs;

Amendment

85. Stresses that banks are key actors in detecting suspicious transactions and reporting these to national FIUs, ***but also that certain banks do not facilitate investigations by national FIUs and Assets Recovery Units, for instance by failing to supply full information in digital support on suspected entities or transactions;***

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 27
Ana Gomes

Motion for a resolution
Paragraph 88

Motion for a resolution

88. Highlights that private banking institutions ***did*** not always comply with their own internal guidelines or regulatory requirements (CDD), and that banks sometimes failed to classify customers in the appropriate high-risk category, and the subsequent enhanced due diligence (EDD) reporting was incomplete⁴⁵ ;

⁴⁵ PANA Committee hearing, 9 February 2017.

Amendment

88. Highlights that private banking institutions ***do*** not always comply with their own internal guidelines or regulatory requirements (CDD), and that banks sometimes failed to classify customers in the appropriate high-risk category, and the subsequent enhanced due diligence (EDD) reporting was incomplete⁴⁵ ;

⁴⁵ PANA Committee hearing, 9 February 2017.

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 28
Ana Gomes

Motion for a resolution
Paragraph 108 a (new)

Motion for a resolution

Amendment

108 a. Is concerned by the the promiscuity and conflicts of interest affecting auditors and consultants, lawyers and law firms who often serve as government advisers to draft tax legislation, conceive AML tools and even investigate and audit for regulators, while also serving or having served the regulated entities;

Or. en

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 29

Ana Gomes, Emmanuel Maurel, Elly Schlein, Evelyn Regner, Pervenche Berès, Peter Simon

Motion for a resolution

Paragraph 117 a (new)

Motion for a resolution

Amendment

117 a. Regrets that provisions and concrete frameworks for implementation of tax cooperation as a rule fall outside the scope of EU free trade agreements (FTAs); observes that most EU FTAs include vague commitments of third countries to combating money laundering and tax evasion that usually take the form of ‘best endeavour’ clauses or, even worse, ‘willingness’ clauses, which use vague language such as ‘the Parties take note of’ internationally agreed standards^{2a};

^{2a} The inclusion of financial services in EU free trade and association agreements: Effects on money laundering, tax evasion and avoidance, Dr Isabelle Ioannides, European

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 30
Ana Gomes

Motion for a resolution
Paragraph 118

Motion for a resolution

118. Stresses that at the same time that inequality is rising, less developed countries are disproportionately hit by tax evasion and money laundering via offshore constructions; notes that 30 % of African financial wealth is held offshore, leading to tax revenue losses of USD 14 billion⁵² ;

⁵² Gabriel Zucman, Teresa Lavender Fagan and Thomas Piketty (2015), 'The hidden wealth of nations: The scourge of tax havens'. University of Chicago Press, 2015.

Amendment

118. Stresses that at the same time that inequality is rising, less developed countries are disproportionately hit by tax evasion and money laundering via offshore constructions; notes that 30 % of African financial wealth is held offshore, leading to tax revenue losses of USD 14 billion⁵² ; ***adds that by failing to enact AML controls and proper supervision on investments of foreign investors, some EU Member States actually serve as "laundromats" and thus assist several kleptocracies around the world and not just in developing countries;***

⁵² Gabriel Zucman, Teresa Lavender Fagan and Thomas Piketty (2015), 'The hidden wealth of nations: The scourge of tax havens'. University of Chicago Press, 2015.

EUROPEAN PARLIAMENT

Committee of Inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion

05/09/2017

Report on the inquiry into Money Laundering, Tax Avoidance and Tax Evasion

Motion for a resolution PE604.514 - 2017/2013(INI)

Amendment 31

Ana Gomes, Emmanuel Maurel, Elly Schlein, Hugues Bayet, Evelyn Regner, Peter Simon

Motion for a resolution

Paragraph 147 a (new)

Motion for a resolution

Amendment

147 a. Finds that Overseas Countries and Territories linked to Member States, some of which appear in the Panama Papers, lack the necessary infrastructure, financial resources and human capacity to ensure local oversight of the financial sector^{1a};

^{1a} Tax evasion, money laundering and tax transparency in the EU Overseas Countries and Territories, Dr Isabelle Ioannides and Jan Tymowski, European Parliamentary Research Service (EPRS), April 2017.

Or. en