

AMENDMENT FORM

Part III - Title III - Chapter I: Fiscal Provisions

Suggestion for amendment of Article : III-59

By Members: Mr Giuliano Amato, Mr Elmar Brok and Mr Andrew Duff

Article III-59

1. A European law or framework law of the Council of Ministers shall lay down measures for the harmonisation of legislation concerning turnover taxes, excise duties and other forms of indirect taxation provided that such harmonisation is necessary for the functioning of the internal market and to avoid distortion of competition. The Council of Ministers shall act unanimously after consulting the European Parliament and the Economic and Social Committee.

2. *A European law or framework law may establish, within the areas defined in paragraph 1, measures relating to administrative cooperation, combating tax fraud and tax evasion.*

Explanation:

2. Administrative cooperation and the fight against tax evasion and tax fraud are essential elements in further developing the internal market and there has been very significant support in the Convention for rendering these decisions subject not only to QMV but also to the normal legislative procedure.

With regard to administrative cooperation, the Praesidium's draft constitutes a step backwards compared with the current situation which allows decisions by QMV without requiring prior unanimity under Article 95 TEC.