

The EU's â,-1 trillion tax loss

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According to Reuters:

Tax dodging causes the European Union to lose around 1 trillion euros of income each year, the president of the European Council said on Friday as he announced that EU leaders would discuss the issue at a summit next month.

This hemorrhage of tax revenues is equivalent to the entire annual economic output of Spain, and far exceeds a total of about 400 billion euros committed to bailouts of euro zone members Greece, Ireland, Portugal and Cyprus in coming years.

"We must seize the increased political momentum to address this critical problem," Herman Van Rompuy, who chairs meetings of EU leaders, said in a statement broadcast on the Internet.

"Tax evasion is unfair to citizens who work hard and pay their share of taxes for society to work. It is unfair to companies that pay their taxes - but find it hard to compete because others don't."

There's always something slightly surreal about seeing your own work quoted so widely.

The estimated figure for the EU's tax loss [was prepared by me, here](#). Ands I would add, it is an estimate, and we could never recover it all.

But is it possible to recover a significant and economy changing sum? Yes. Of that I am sure.

The paper in which I estimate the loss also suggests ways of addressing it. Now it's time to deliver on them.