

## The EU elections and tax

Published: January 13, 2026, 6:16 pm

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The EU elections do not attract much tax interest. That's a shame, because they should.

Whilst it is true that the EU does not have direct taxing powers it has significant influence over tax, nonetheless.

Firstly, in my opinion there has been no single body that has been more effective in promoting rules to tackle tax abuse than the EU. Its Code of Conduct on Business Taxation was extraordinarily effective at one stage in tackling domestic tax abuse in individual country's tax legislation. It could be so again. It should be used to stop the abuse in the UK's patent box, for example.

The EU Savings Tax Directive was the first really effective automatic information exchange arrangement. It's now, finally, been extended and is now likely to crack open many of the UK's tax havens as well as Luxembourg and Austria. No one has achieved more than that.

And the Combined Consolidated Corporate Tax Base may remain a pipe dream, but it is a genuine attempt at solving the real problems in international corporate taxation by introducing a unitary tax base.

And the EU has been brave enough to adopt country-by-country reporting.

It's also pushed forward on extractive industry issues.

But it's failing to deliver appropriate accounting standards for tax because it outsourced this task to the International Financial Reporting Standards Foundation - but it has, recently, woken up to their failings.

And VAT, of course, is an EU tax.

So the EU matters when it comes to tax. The EU is, albeit slowly, pioneering on ways to beat tax evasion and avoidance. Think about that please. Some are more committed than others on these issues.