

(1999/C 341/045)

WRITTEN QUESTION E-4051/98**by Eolo Parodi (PPE) and Guido Viceconte (PPE) to the Commission**

(13 January 1999)

Subject: Italian legislation on the taxation of Italian citizens resident abroad

Article 10 of the Italian law on public financing measures for stabilisation and development, passed by the Italian Chamber of Deputies on 20 November last, stipulates that as of 1 January 1999 Italian citizens who are no longer resident in Italy and have emigrated to foreign countries or territories with special tax arrangements are liable to pay income tax in Italy.

Can the Commission shed light on the legal and fiscal compatibility of this double taxation with existing bilateral agreements and European case law on the subject?

Answer given by Mr Monti on behalf of the Commission

(8 March 1999)

According to the Commission's information, the tax legislation in question provides that Italian citizens who have transferred their residence to a foreign country or territory with special tax arrangements must provide the Finance Department with proof that they are no longer resident in Italy for tax purposes.

The new rules reverse the burden of proof; under the previous legislation, the administration had to prove that the taxable person was still resident in Italy.

The Commission views the new Italian legislation as a measure to combat tax evasion and is unable to see, at first sight, how it would infringe Community law. Furthermore, to the best of the Commission's knowledge, the Italian authorities have not yet let it be known what they consider to be a foreign country or territory with special tax arrangements. However, the attitude of the Italian tax authorities hitherto would suggest that they do not mean the Member States. The Commission will keep track of how the authorities in Italy implement this law.

With regard to the second matter raised by the Honourable Members, i.e. the compatibility of the measure with tax agreements, very often there are no agreements with countries with special tax arrangements. However, where such agreements do exist and where a person is deemed to be resident for tax purposes under the laws of both countries, the agreements generally establish residence in one country for tax purposes, so that the agreement can be implemented (see Article 4 of the OECD's model agreement).

(1999/C 341/046)

WRITTEN QUESTION E-4052/98**by Eolo Parodi (PPE) and Guido Viceconte (PPE) to the Commission**

(13 January 1999)

Subject: Community measures for short-haul sea transport

Since there are approximately 35,000 kilometres of coastline and more than 600 ports situated near industrial centres, short-haul sea transport could be a solution to the problem of road congestion in Europe and offers advantages in terms of energy consumption, the environment and economic and social cohesion in the outlying regions of the Union.

Can the Commission say:

1. what follow-up has been given to its Communication of 5 July 1995 (COM(95) 317) on the development of this mode of transport;
2. what practical measures it envisages to develop and encourage short-haul coastal shipping?