

(2001/C 163 E/032)

**WRITTEN QUESTION E-3087/00****by Toine Manders (ELDR)  
and Maria Sanders-ten Holte (ELDR) to the Commission***(2 October 2000)*

*Subject:* Tax on persons and motor vehicles in the Netherlands

The Netherlands is one of the few countries in the European Union which levy 'tax on persons and motor vehicles' (BPM) or a similar tax related to the purchase value upon acquisition and/or import of cars. We realise that taxation policy is still the exclusive preserve of national governments and that the Member States are not yet inclined to surrender this privilege to 'Europe'. On the other hand, however, we must ensure that our taxation policies do not run counter to European rules. Rules on the internal market create obligations with regard to freedom of movement. The fact that the Netherlands, unlike most other European countries, levies BPM is naturally a barrier which could impede the free movement of goods.

1. In mid-1999, the Netherlands Ministry of Finance asked the Commission whether it was permissible for BPM depreciation calculations to be made on a monthly rather than a yearly basis. No reply has so far been received.

Does the Commission intend to reply? If not, why not, and if so, when?

2. When cars are imported into the Netherlands, BPM is levied on their value, or residual value. The new method of calculating depreciation particularly encourages imports of relatively new secondhand cars, but as no BPM is refunded upon export, life is difficult for the export trade.

Does the Commission consider that BPM ought to be refunded when vehicles are exported in order to remove this obstacle to the internal market?

3. The crisis associated with the current high oil prices in Europe perhaps makes this an appropriate time at which to examine the permissibility or lawfulness of BPM in relation to obligations arising from internal market legislation. BPM is a type of tax which, as noted above, does not exist in most other EU Member States. By means of high rates of excise on fuel, the government already taxes motorists excessively. As cars are far from being luxury goods nowadays but have become essential to economic activity in every Member State, the combined heavy burden of BPM and excise may no longer be justified.

Does the levying of BPM in the Netherlands impede the operation of the internal market by creating unacceptable barriers to the free movement of goods? If not, why not, and if so, what will the Commission do to eliminate this distortion of internal-market principles as soon as possible?

**Answer given by Mr Bolkestein on behalf of the Commission***(20 November 2000)*

1. and 3. Community law as it stands allows the Member States to levy non-harmonised indirect taxes provided they comply with the principles set out in the EC Treaty and secondary legislation. The Commission has already had occasion to exchange views with the Netherlands authorities about the tax on private cars and motorcycles (Wet op de belasting van personenauto's en motorrijwielen 1992 (BPM)), feeling that, as applied to vehicles from other Member States less than a year old put into circulation in the Netherlands, it constituted an unfair tax burden. While Dutch law laid down that the residual value of an imported vehicle should be calculated by depreciating the catalogue price by a single percentage point per month, the facts available to the Commission showed that the depreciation on second-hand vehicles of the same age sold inside the country was significantly greater. As a result, 'imported' vehicles a few months old

bore a heavier tax burden than identical Netherlands vehicles, which constitutes tax discrimination within the meaning of Article 90 (ex Article 95) of the EC Treaty.

Following bilateral contacts the Netherlands authorities brought in a new and much more realistic table of standard tax depreciation rates, and on 1 July 1999 the Commission decided to close the case.

2. As noted above, Community law as it stands allows the Member States to levy non-harmonised indirect taxes provided they comply with the principles set out in the EC Treaty and secondary legislation. The no-discrimination rule as it applies to goods dispatched ('exported', in older texts) from one Member State to another is based entirely on Article 91 (ex Article 96), which provides that 'repayment of internal taxation shall not exceed the internal taxation imposed on [such goods] whether directly or indirectly'. In this case taxation is not repayable on any vehicle in connection with its definitive removal from Netherlands territory, so no tax discrimination arises at this stage.

Refusal to repay tax on a vehicle permanently dispatched from Netherlands territory is therefore a political decision and does not contravene Community law, falling within the scope of Member State sovereignty for tax matters.

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(2001/C 163 E/033)

**WRITTEN QUESTION E-3089/00**

**by Antonio Tajani (PPE-DE) to the Council**

(5 October 2000)

*Subject:* Attack on a teacher of Jewish descent by a group of neo-Nazi skinheads

Luis Marsiglia, a Catholic teacher of Jewish descent, has been seriously injured by three neo-Nazi skinheads in the city of Verona.

This latest in a long series of attacks has caused considerable concern throughout Italy's Jewish community, particularly in Rome, Milan, Florence, Venice, Trieste, Genoa, Livorno and Turin.

The European Parliament has frequently spoken out against all forms of racism and xenophobia, stressing the dangers of the presence in Europe of groups and movements that openly endorse violent forms of racial intolerance.

What urgent action does the Council intend to take to prevent outrageous attacks of this kind on European citizens of Jewish descent or members of any other minority?

**Reply**

(12 February 2001)

1. The Council would remind the Honourable Member that it generally condemns all acts of violence of the kind mentioned in the written question.

2. In recent years the Council has devoted a lot of attention to the subject of racism, xenophobia and anti-semitism.

As early as 1996 the Council adopted a Joint Action concerning action to combat racism and xenophobia<sup>(1)</sup>. That instrument obliges Member States to make sure that racist and xenophobic behaviour as described in the instrument constitutes a criminal offence. The Member States are obliged, under the Joint Action, to ensure effective judicial cooperation in respect of the offences referred to.