Question for written answer E-014552/2015 to the Commission Rule 130 Manolis Kefalogiannis (PPE)

Subject: Taxation in Greece

The Laffer Curve (1974) shows that, in some cases, reducing tax rates will actually increase government revenue and there will be no need for compensatory measures to reduce government spending or increase borrowing.

Greece provides conclusive evidence of the truth of the Laffer Curve. Since 2010, the country has been trapped in the vicious circle of the creditors' 'Memoranda'. Despite the avalanche of taxes imposed on Greece since 2010, tax revenue for 2015 will be EUR 8.1 bn. lower than in 2010.

In particular:

- 1. Due to the recession and tax evasion, 'taxable income' has fallen dramatically. In 2009, the declared income of all natural persons was EUR 100.3 bn. In 2014 it had fallen to EUR 73 bn.
- 2. In 2009, Greece's total tax revenue was EUR 49 724 bn. The tax estimate for 2015 is estimated at EUR 43 162 bn.
- 3. An indication of over-taxation is the proportion of total tax revenue to declared income: taxes in 2010 amounted to EUR 51.26 bn., representing 44.5% of income. In 2014, income was EUR 83 bn. and tax revenue was EUR 44.24 billion, representing 53.3% of income (*KATHIMERINI* newspaper of 01.11.2015).

In view of the above, will the Commission say: why does the European Union insist on imposing an increasingly heavy tax burden on the Greek people?

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