

EU Open Digital Ecosystems Consultation Analysis

Domain: taxation - Complete Analysis

Documented Insights Analysis System

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EU Open Digital Ecosystems Consultation

Taxation and Fiscal Measures

Analysis date 08 February 2026

Domain scope Tax policy, levies, and fiscal incentives for open digital ecosystems

Commission context State aid framework, digital services tax, R&D tax credits for innovation

Executive Summary

This domain received substantial engagement across the consultation, with 422 responses (25.5% of corpus) addressing related themes. Respondents from 39 countries and 9 stakeholder types contributed, indicating broad interest across the EU.

Market Sentiment Overview

Coverage and Engagement

| Metric | Value |
|-----------------------|-------|
| Matching responses | 422 |
| Coverage of corpus | 25.5% |
| Countries represented | 39 |
| Stakeholder types | 9 |

| Metric | Value |
|----------------------------|-------|
| Organisations | 155 |
| Responses with attachments | 83 |

Stakeholder Positions

The consultation response was dominated by EU Citizens (60.0%), followed by Companies (18.0%). This distribution suggests strong grassroots interest rather than primarily industry-driven advocacy.

| Stakeholder Type | Responses | Countries | Percentage |
|-------------------------------|-----------|-----------|------------|
| EU Citizen | 253 | 27 | 60.0% |
| Company | 76 | 15 | 18.0% |
| NGO | 39 | 14 | 9.2% |
| Academic Research Institution | 16 | 9 | 3.8% |
| Non EU Citizen | 12 | 9 | 2.8% |
| Other | 12 | 10 | 2.8% |
| Business Association | 9 | 6 | 2.1% |
| Public Authority | 4 | 4 | 0.9% |
| Trade Union | 1 | 1 | 0.2% |

Geographic Distribution

Geographic engagement shows concentration in Germany (26.5%), with notable participation from France and Italy. The distribution across 39 countries indicates EU-wide relevance rather than localised concern.

| Country | Responses | Percentage |
|----------------|-----------|------------|
| Germany | 112 | 26.5% |
| France | 44 | 10.4% |
| Italy | 38 | 9.0% |
| Netherlands | 36 | 8.5% |
| Belgium | 23 | 5.5% |
| Poland | 21 | 5.0% |
| Spain | 18 | 4.3% |
| Austria | 18 | 4.3% |
| Sweden | 13 | 3.1% |
| Romania | 9 | 2.1% |
| United Kingdom | 9 | 2.1% |
| Portugal | 9 | 2.1% |
| Finland | 9 | 2.1% |
| DNK | 8 | 1.9% |
| United States | 7 | 1.7% |

Term Usage Patterns

Analysis of term concentration reveals how strongly specific concepts feature in responses compared to the broader consultation corpus. A strength score above 1.5 indicates the term appears more frequently in this domain than in general discussion.

tariff (strength: 3.9) Highly concentrated in this domain (appears 3x+ more than in general corpus)

Positive framing – Used with: improve

Critical framing – Discussed alongside: prevented

fiscal (strength: 3.2) Highly concentrated in this domain (appears 3x+ more than in general corpus)

Positive framing – Used with: support, supporting, enable

Critical framing – Discussed alongside: barriers, lack, prevent

tax (strength: 3.2) Highly concentrated in this domain (appears 3x+ more than in general corpus)

Positive framing – Used with: support, benefit, benefits

Critical framing – Discussed alongside: barriers, lack, problem

taxation (strength: 2.8) Moderately concentrated in this domain

Positive framing – Used with: support, strengthen, improve

Critical framing – Discussed alongside: limited, difficult, challenges

levy (strength: 2.6) Moderately concentrated in this domain

Positive framing – Used with: promote, support, benefit

Critical framing – Discussed alongside: insufficient, lacks, unlimited

Sentiment and Advocacy Patterns

Language analysis reveals the tone and advocacy intensity of responses addressing this domain.

| Language Pattern | Percentage of Responses |
|---------------------------|-------------------------|
| Action-oriented language | 49.3% |
| Problem-focused language | 46.7% |
| Solution-focused language | 52.4% |

Strong advocacy for specific actions – Advocacy level: High

Related Themes and Context

Terms that frequently co-occur with domain concepts reveal the broader context in which respondents frame this policy area.

| Co-occurring Term | Occurrences | Documents | Document % |
|-------------------|-------------|-----------|------------|
| open | 377 | 377 | 89.3% |
| funding | 357 | 357 | 84.6% |
| source | 340 | 340 | 80.6% |
| software | 320 | 320 | 75.8% |
| public | 297 | 297 | 70.4% |
| digital | 273 | 273 | 64.7% |
| european | 269 | 269 | 63.7% |

| Co-occurring Term | Occurrences | Documents | Document % |
|-------------------|-------------|-----------|------------|
| support | 261 | 261 | 61.8% |
| projects | 255 | 255 | 60.4% |
| infrastructure | 235 | 235 | 55.7% |
| sovereignty | 233 | 233 | 55.2% |
| security | 213 | 213 | 50.5% |
| open-source | 211 | 211 | 50.0% |
| development | 196 | 196 | 46.4% |
| data | 189 | 189 | 44.8% |
| companies | 184 | 184 | 43.6% |
| solutions | 181 | 181 | 42.9% |
| critical | 176 | 176 | 41.7% |
| proprietary | 175 | 175 | 41.5% |
| europe | 171 | 171 | 40.5% |

Sub-theme Distribution

Responses addressing this domain cluster around distinct sub-themes, revealing specific areas of concern or opportunity. Note that responses may address multiple sub-themes.

| Sub-theme | Responses | Percentage |
|------------|-----------|------------|
| Revenue | 75 | 17.8% |
| Levies | 27 | 6.4% |
| Incentives | 5 | 1.2% |
| Barriers | 0 | 0.0% |

Policy Considerations

Market Structure Signals

- Strong grassroots engagement suggests public concern extends beyond industry advocacy

Advocacy Intensity

- High action-oriented language indicates stakeholders expect policy intervention

Geographic Considerations

- Broad geographic engagement suggests EU-level relevance
- Concentration in Germany may reflect national policy priorities or industrial structure

Methodology

This analysis examines consultation responses through domain-specific keyword and keyphrase matching. Coverage statistics indicate the proportion of responses addressing the domain. Term usage strength compares domain-specific frequency to corpus-wide frequency. Sentiment analysis identifies language patterns without attributing positions to individual respondents.

Search parameters 31 terms (11 keywords, 20 keyphrases)

Analysis date 08 February 2026

LLM Position Analysis - Taxation

Generated: Sun Feb 8 20:18:35 2026

Stakeholder Positions

LLM Processing Status: 1133 responses analysed across all domains (68.3% complete, 477 remaining). **This domain:** 664 responses. Results are partial and will update as processing continues.

Analysis of positions extracted through LLM analysis of consultation responses. Extracted 1854 positions across 31 categories.

Position Overview

| Position Category | Support | Oppose | Neutral/Mixed | Total |
|-------------------------------|---------|--------|---------------|-------|
| Public Funding | 623 | 35 | 7 | 665 |
| Tax Incentive | 227 | 112 | 27 | 366 |
| Digital Services Tax | 257 | 88 | 7 | 352 |
| Procurement Preference | 243 | 11 | 3 | 257 |
| Vat Exemption | 96 | 17 | 8 | 121 |
| State Aid | 57 | 11 | 0 | 68 |
| Extraterritorial Restrictions | 0 | 1 | 0 | 1 |
| Education Policy | 1 | 0 | 0 | 1 |
| Taxation Policy | 0 | 1 | 0 | 1 |
| Taxation Vat Exemption | 1 | 0 | 0 | 1 |
| Vendor Lock In Reduction | 1 | 0 | 0 | 1 |
| Tax Havens | 0 | 1 | 0 | 1 |
| Adversarial Interoperability | 1 | 0 | 0 | 1 |
| Standards Leadership | 1 | 0 | 0 | 1 |
| Interoperability Hardware | 1 | 0 | 0 | 1 |
| Digital Sovereignty | 1 | 0 | 0 | 1 |
| Taxation Digital Services Tax | 0 | 1 | 0 | 1 |
| Single Vendor Owned Oss | 0 | 1 | 0 | 1 |
| Education | 1 | 0 | 0 | 1 |
| Eu Code Hosting | 1 | 0 | 0 | 1 |
| Transparency NdAs | 1 | 0 | 0 | 1 |
| Cloud Computing Model | 0 | 1 | 0 | 1 |
| Open Core | 0 | 1 | 0 | 1 |
| Anti Circumvention Laws | 0 | 1 | 0 | 1 |
| Regulatory Clarity | 1 | 0 | 0 | 1 |
| Short Termism | 0 | 1 | 0 | 1 |
| Taxation Public Funding | 0 | 1 | 0 | 1 |
| Public Goods | 1 | 0 | 0 | 1 |
| Regulatory Uncertainty | 0 | 1 | 0 | 1 |
| Regulatory Support | 1 | 0 | 0 | 1 |
| Taxation Framework | 0 | 0 | 1 | 1 |

Detailed Position Analysis

Public Funding

Total responses 665 positions extracted across 3 distinct responses

Support position 623 responses (93.7%), 48.2% express strong advocacy

Primary stakeholders (support) EU Citizens (396), Companies (116), NGOs (46)

Core arguments (support) Higher education institutions and research organisations have long formed the backbone of Europe's open-source landscape, combining development, operation, and knowledge transfer with deep experience in open standards and federated models.; The EU should support open, independent browser engine alternatives through sustained and serious public funding to reduce systemic dependencies and ensure core internet infrastructure aligns with European values.

Opposition position 35 responses (5.3%), 17.1% express strong opposition

Core arguments (oppose) Investors and public institutions prefer proprietary solutions, making it difficult for open-source companies to access funding.; Throwing money at the problems won't change anything, as Big Tech will always spend more on lobbyists and pressure campaigns.

Specific proposals mentioned dedicated funding (2 mentions); dedicated maintenance grants (2 mentions); 1. Targeted funding for social infrastructure, including community governance, trust and safety tooling, content moderation support, and ethical AI integration. (1 mentions)

Evidence cited Evidence from French public-sector initiatives (2); Overte (2); cURL (2); Economic Policy Research (2); <https://opentitan.org/> (2)

Tax Incentive

Total responses 366 positions extracted across 4 distinct responses

Support position 227 responses (62.0%), 3.5% express strong advocacy

Primary stakeholders (support) EU Citizens (128), Companies (54), NGOs (12)

Core arguments (support) Open-source infrastructure eliminates hidden licensing fees, reducing TCO and allowing for reinvestment in innovation.; EU should introduce tax-exempt open source charitable non-profit organisations to secure independent development.

Opposition position 112 responses (30.6%), 10.7% express strong opposition

Core arguments (oppose) It's effectively very difficult to make money or even build a business around open-source development, especially for a solo-developer.; The Bundeskammer warns against a progressing economization of digital dependencies through abonnement-based license models.

Specific proposals mentioned tax credits or subsidies (2 mentions); Add a scope Tax to support pure open source (1 mentions); Contribution Credit system (1 mentions)

Evidence cited src: customer statements (1); points 6-8 (1); Roadmap §3.3 (1); <https://openfuture.eu/> (1); citizen donations (1)

Digital Services Tax

Total responses 352 positions extracted across 4 distinct responses

Support position 257 responses (73.0%), 19.5% express strong advocacy

Primary stakeholders (support) EU Citizens (176), Companies (37), NGOs (18)

Core arguments (support) The current dominance of proprietary vendors in digital infrastructure is a threat to democracy, and an open digital ecosystem based on well-documented standards and open-source software is necessary.; The author suggests that the money paid to Microsoft and other companies could be invested in improving public administrations, education, and pensions by switching to European open-source products.

Opposition position 88 responses (25.0%), 17.0% express strong opposition

Core arguments (oppose) The Kammer criticizes the increasing shift of central functions to

proprietary cloud infrastructures, which would lead to a loss of control over availability, confidentiality and functionality.; Ouvertarism treats openness not as ideology, but as a disciplined method to restore sovereignty, resilience, and innovation capacity through shared foundations.

Specific proposals mentioned a digital service tax (sovereignty levy) on non-EU cloud and software providers (1 mentions); EU should support a drastic strategic move and help countries to migrate on local techs. (1 mentions); Impose EU requirements for migration (1 mentions)

Evidence cited EESCs report on services of general interest (TEN/851-EESC-2025) (2); <https://media.ccc.de/v/39c3-a-post-american-enshittification-resistant-internet> (2); <https://www.theguardian.com/commentisfree/2026/jan/10/trump-beginning-of-end-enshittification-make-tech-good-again> (2); Q2 Added value of open source (1); 2. Nicolas Guillou, el juez francés en la lista negra de EE.UU. por investigar crímenes de guerra en Gaza (1)

Procurement Preference

Total responses 257 positions extracted across 4 distinct responses

Support position 243 responses (94.6%), 30.0% express strong advocacy

Primary stakeholders (support) EU Citizens (160), Companies (44), NGOs (15)

Core arguments (support) Requiring open source tech development for EU funded research and purchasing preferences for OSS/HW products will save money and result in a significant return on investment.; Using public funds to support local, national or EU-wide technology vendors and consultants will gain back credibility for public authorities as a future-oriented employer.

Opposition position 11 responses (4.3%), 18.2% express strong opposition

Core arguments (oppose) The Kammer rejects closed-BIM strategies and proprietary ecosystems that restrict interoperability and hinder collaboration in complex, division-of-labor-based value chains.; The current procurement model is outdated and prevents iteration, blocks learning, and transforms uncertainty into contractual risk.

Specific proposals mentioned

1. Open source first procurement. (1 mentions); 3. Procurement reform to ensure public institutions are incentivised (or mandated) to adopt open-source alternatives wherever feasible, including those operated by small or non-profit entities. (1 mentions); A clear and binding policy that software developed with public funds shall be released under open licences (1 mentions)

Evidence cited The measures proposed in this response (1); <https://unesdoc.unesco.org/ark:/48223/pf00003868>

(1); 2. Nicolas Guillou, el juez francés en la lista negra de EE.UU. por investigar crímenes de guerra en Gaza (1); Google/Alphabet's control over Android (1); European Parliament resolution of 22 January 2026 (2025/2007(INI)) (1)

Vat Exemption

Total responses 121 positions extracted across 3 distinct responses

Support position 96 responses (79.3%), 3.1% express strong advocacy

Primary stakeholders (support) EU Citizens (56), Companies (21), NGOs (8)

Core arguments (support) The respondent supports VAT exemption for open-source solutions to maintain sovereignty and control over data.; Open Source software is a public good which is donated to the public by its developers.

Opposition position 17 responses (14.0%), 5.9% express strong opposition

Core arguments (oppose) VAT exemptions can lead to unnecessary intermediation and exploitation of OSS communities.; VAT exemption for OSS is not mentioned, but the author suggests that European legislation should protect its citizens' data regardless of the vendor's location.

Specific proposals mentioned Legitimize 'Source Available': formally recognize BUSL (BUSL) in funding/procurement. (1 mentions)

Evidence cited Q5 Sectors with highest impact (1); CERN OHL (1); opensourcewerken.nl (1); Joomla! (1); Kerckhoff'sche Prinzip (1)

State Aid

Total responses 68 positions extracted across 2 distinct responses

Support position 57 responses (83.8%), 5.3% express strong advocacy

Primary stakeholders (support) EU Citizens (40), Companies (7), NGOs (5)

Core arguments (support) The opportunity must be given to entities to carry the torch and prevent products from turning into waste.; Funding FOSS projects is critical for preserving democracy and leveling the playing field.

Opposition position 11 responses (16.2%), 9.1% express strong opposition

Core arguments (oppose) The absence of pathways for citizen-generated digital public goods contradicts EU commitments to participatory democracy and digital sovereignty.; We do not need more subsidies for the sake of development alone; we need to facilitate large-scale companies.

Specific proposals mentioned Fund the 'maintainers' and 'innovators' in projects like KDE directly. (1 mentions); Universal basic income for open source maintainers. (1 mentions)

Evidence cited Key factors: TCO reduction, transparency, and collaborative ecosystems. (1); 3. NIS2: operational evidence instead of paper compliance (1); This enables a real exit option, strengthens transparency and auditability (1); Every euro spent on American cloud services or software licenses leaves the European economy permanently. (1); Log4Shell vulnerability (1)