EU Open Digital Ecosystems Consultation Analysis

Domain: taxation - Complete Analysis

Documented Insights Analysis System

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Contents

EU Open Digital Ecosystems Consultation

Taxation and Fiscal Measures

Analysis date 07 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 Companys (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 Instittution	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 07 February 2026

LLM Position Analysis - Taxation

Generated: Sat Feb 7 09:47:34 2026

Stakeholder Positions

LLM Processing Status: 635 responses analysed across all domains (38.3% complete, 989 remaining). **This domain**: 635 responses. Results are partial and will update as processing continues.

Analysis of positions extracted through LLM analysis of consultation responses. Extracted 1775 positions across 31 categories.

Position Overview

Position Category	Support	Oppose	Neutral/Mixed	Total
Public Funding	594	33	7	634
Tax Incentive	216	110	24	350
Digital Services Tax	250	80	6	336
Procurement Preference	234	11	2	247
Vat Exemption	93	17	8	118
State Aid	55	10	0	65
Transparency Ndas	1	0	0	1
Open Core	0	1	0	1
Extraterritorial Restrictions	0	1	0	1
Regulatory Support	1	0	0	1
Taxation Framework	0	0	1	1
Education	1	0	0	1
Single Vendor Owned Oss	0	1	0	1
Eu Code Hosting	1	0	0	1
Vendor Lock In Reduction	1	0	0	1
Taxation Vat Exemption	1	0	0	1
Cloud Computing Model	0	1	0	1
Regulatory Uncertainty	0	1	0	1
Taxation Policy	0	1	0	1
Adversarial Interoperability	1	0	0	1
Taxation Public Funding	0	1	0	1
Short Termism	0	1	0	1
Education Policy	1	0	0	1
Anti Circumvention Laws	0	1	0	1
Digital Sovereignty	1	0	0	1
Tax Havens	0	1	0	1
Regulatory Clarity	1	0	0	1
Interoperability Hardware	1	0	0	1
Taxation Digital Services Tax	0	1	0	1
Public Goods	1	0	0	1
Standards Leadership	1	0	0	1

Detailed Position Analysis

Public Funding

Total responses 634 positions extracted across 3 distinct responses

Support position 594 responses (93.7%), 48.5% express strong advocacy

Primary stakeholders (support) EU Citizens (371), Companies (114), NGOs (46)

Core arguments (support) Higher education institutions and research organisations have long formed the backbone of Europes 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 33 responses (5.2%), 18.2% 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 350 positions extracted across 4 distinct responses

Support position 216 responses (61.7%), 3.2% express strong advocacy

Primary stakeholders (support) EU Citizens (119), Companies (52), NGOs (12)

Core arguments (support) Open-source infrastructure eliminates hidden licensing fees, reducing TCO and allowing for reinvestment in innovation.; Open-source infrastructure reduces total cost of ownership, eliminating licence fees and lowering CAPEX and OPEX.

Opposition position 110 responses (31.4%), 10.9% 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 points 6-8 (1); Roadmap §3.3 (1); 2. Drivers of the subscription economy (1); Google, Apple, Microsoft and Amazon, to name a few American tech giants, pay virtually no taxes in Europe (1); CoMPAS, an opensource project for automated substation configuration (1)

Digital Services Tax

Total responses 336 positions extracted across 4 distinct responses

Support position 250 responses (74.4%), 19.2% express strong advocacy

Primary stakeholders (support) EU Citizens (171), Companies (36), 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 European Open Digital Ecosystem Strategy aims to strengthen digital sovereignty, interoperability, security, and transparency across Europe's digital landscape.

Opposition position 80 responses (23.8%), 17.5% 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); Gartner's recommendations (1)

Procurement Preference

Total responses 247 positions extracted across 4 distinct responses

Support position 234 responses (94.7%), 30.3% express strong advocacy

Primary stakeholders (support) EU Citizens (151), 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 (4.5%), 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 https://www.mdpi.com/2079-8954/13/6/424 (1); Tallinn Declaration (6 October 2017) (1); https://link.springer.com/article/10.1007/s10664-025-10626-0 (1); The measures proposed in this response (1); https://unesdoc.unesco.org/ark:/48223/pf0000386890 (1)

Vat Exemption

Total responses 118 positions extracted across 3 distinct responses
Support position 93 responses (78.8%), 3.2% express strong advocacy
Primary stakeholders (support) EU Citizens (54), Companies (20), 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 (14.4%), 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 65 positions extracted across 2 distinct responses

Support position 55 responses (84.6%), 3.6% express strong advocacy

Primary stakeholders (support) EU Citizens (39), 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.; Direct funding for maintainers and innovators in projects like KDE is critical.

Opposition position 10 responses (15.4%), 10.0% 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); EU commitments to participatory democracy and digital sovereignty (1); the EU itself has not figured out (1); This enables a real exit option, strengthens transparency and auditability (1)