



CENTRE for
EUROPEAN
LEGAL
STUDIES

Durham European
Law Institute



European Research Council
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the European Commission

Fiscal Federalism in the European Union

Taking Stock and Looking Forward

The European Union is often seen as a legislative giant on clay feet, and many would argue that one of the reasons for this feebleness is the lack of a proper fiscal capacity at the Union level. The EU budget still consists predominantly of Member State contributions, and only a small amount relates to direct contributions raised by customs duties on goods from third countries and VAT. The fiscal sovereignty of the Member States continues to be one of the cornerstones of Economic and Monetary Union (EMU), the internal market and the Union more generally. In the long term, the current state of affairs may not be sustainable, especially in light of the need to ensure the macroeconomic stability of the euro area and the financial imbalances in the Union as a whole, with increasing calls to transfer some 're-distributional' tasks to the European level. While progress towards a fiscal union, perhaps as one of the future elements of a 'genuine' and more stable EMU, remains deeply problematic, it is increasingly regarded as necessary or desirable.

This debate needs to be placed against the background of the current state of fiscal federalism or distribution of fiscal powers between the Member States and the Union. This workshop hopes to provide a much-needed overview and critique of the current state of affairs in this area, as well as an analysis of the problematic of, and proposals for, future developments.

Workshop Conveners: Dr Alicia Hinarejos (Cambridge) & Prof Robert Schütze (Durham)

Cambridge Location: The Findley Library, Lauterpacht Centre for International Law,
University of Cambridge, 5 Cranmer Road, Cambridge, CB3 9BL

Interested Participants: People interested in attending should please sign up with Mrs Felicity Eves-Rey (<fre20@cam.ac.uk>).

Programme

Wednesday, 5 July

8.45. Coffee

9.00. Introduction by the Conveners

Part I. The Union Budget and Positive Integration

9.15-12.00

- EU Spending Power: The EU Budgetary Procedures (*Dr Cristina Fasone & Prof Nicola Lupo*, LUISS Guido Carli)
- Indirect Taxes and VAT (*Prof Rita de la Feria*, University of Leeds)
- The Harmonisation of Corporate Tax (*Prof Christiana HJI Panayi*, Queen Mary University of London)

12.00 Lunch

Part II. Negative Integration

13.00- 15.15

- National Tax Legislation under the Free Movement Provisions (*Prof Peter Wattel*, University of Amsterdam)
- Customs Duties and Discriminatory Taxes in the Internal Market (*Prof Robert Schütze*, Durham University)
- Tax Powers and the EU State Aid Regime (*Dr Francesco de Cecco*, Newcastle University)

15.15 Coffee

Part III. Towards a Fiscal Union

15.30-17.00

- Fiscal Integration: Present and Future (*Dr Alicia Hinarejos*, University of Cambridge)
- Towards a Fiscal Union? (*Prof Fabian Amtenbrink*, Erasmus University Rotterdam)

17.00. Concluding Remarks

17.15 End of Workshop

19.00 Dinner (place to be announced)