Semestre Económico (2024), 13(1), 10–21
10.26867/se.2024.v13i1.157
http://semestreeconomico.unap.edu.pe/index.php/revista/index
ISSN: 2072-0572 (Versión impresa) ISSN: 2523-0840 (Versión digital)

ORIGINAL ARTICLE

Tax harmonization policies in the European Union: comparative analysis

Jorge Sevilla-Torres*

Universidad Rey Juan Carlos, Madrid, España; ORCID: https://orcid.org/0000-0003-0983-6712
*Correspondence to email: j.sevilla.2018@alumnos.urjc.es

(Received July 4, 2023; accepted December 5, 2023)

Abstract

Within the framework of the European Union (EU), tax harmonization has become an issue of crucial importance to promote economic cohesion and equity among member states. The following article is a historical-comparative study of tax policies in the European Union. It focuses on analyzing the harmonization process that has taken place in the elaboration of these policies, with a focus of study on the Corporate Tax, a fiscal tool of great relevance for companies and national governments. In addition, the different positions and oppositions that have arisen in the face of tax harmonization reforms will be analyzed, considering the concerns about fiscal sovereignty, competitiveness, and the economic and social diversity of the Member States. Finally, the improvement proposal established by the OECD and the European Commission to close the tax gap between countries and put an end to harmful practices related to tax competition will be discussed.

Keywords: Tax Harmonization, Direct Taxation, Corporate Tax, Member Countries, European Union, European Commission, Tax, Tax Charge.

1. Introduction

This paper focuses on the public policies of the European Union (EU) (Arnedo et al, 2021; González et al, 2021; Heredia et al, 2016 and 2020; Sánchez-Bayón, 2021a and 2022a-b; Sánchez-Bayón et al, 2013; Trincado et al, 2021), as part of its integration process (Sánchez-Bayón et al, 2018), with special attention to the issue of fiscal harmonization related to corporate income tax (indirectly assumed, under the principle of subsidiarity, for a better articulation of the common market). This figure is a component considered key in the tax systems of the Member States, and its harmonization at community level seeks to establish a common framework that promotes equity, efficiency and transparency in the taxation of companies.

The study aims to examine the various directives and measures established by the European Union in order to achieve fiscal harmonization in relation to Corporate Income Tax. Existing regulations, directives and projects that seek to establish a common tax base, define the rules for the distribution of profits obtained and combat tax evasion and avoidance will be analyzed.

It turns out that with the signing of the Maastricht Treaty in 1992, there was an important reform of the constituent and founding treaties of the European Communities (Sánchez-Bayón et al, 2018). The Maastricht Treaty was the result of years of negotiations and debates on economic and monetary integration in Europe. Its main objective was to establish greater cooperation and coordination between the Member States of the European Union (EU) in the economic and monetary field, and to lay the foundations for the creation of a deeper economic and monetary union. Other complementary objectives also stand out, such as the intention to strengthen the protection and interests of the citizens of each member country through what was known as the creation of a "Citizenship of the Union" (European Parliament, 2022), as well as to ensure sustainable and balanced economic and social progress, for which it was necessary to establish an Economic and Monetary Union.

Economic policy has been considered from the outset as a process inseparable from the very configuration of the European Union (Rodríguez Pérez, 2021). It is considered inherent to the very process of formation and evolution, both on the economic and political sides. While it is true that there has been some degree of evolution in terms of economic integration, it cannot be said that the same has been achieved in terms of fiscal policy.

At present, both fiscal and monetary policy are the main tools used to manage the different economic cycles. It should be noted that the situation in the euro area can be considered somewhat particular, due to the difference in the degree of centralization of these two types of policies. On the one hand, monetary policy is governed by a supranational entity that holds all monetary power, while on the other hand, in practice, fiscal policies remain the exclusive competence of each Member State.

This type of structure may seem reasonable in normal periods without major economic disturbances, but it faces critical problems when major alterations appear in the economic landscape, as was demonstrated in the financial crisis of 2008 (Rodríguez Pérez, 2021). These types of alterations have shown the potential limitations of automatic fiscal stabilizers in dealing with situations with significant asymmetric disturbances. Given the limitations of this model, it has led to a procyclical paradigm for fiscal policies (European Commission, 2018).

This model focuses specifically on present growth at the expense of potential future growth, by reducing tax revenues in times of growth and increasing public spending excessively. Likewise, procyclical models behave in the opposite way in times of economic recession, as tax revenues increase while public spending decreases. The result of applying this model has undermined the quality of public finances, mainly of public investment. As a consequence of the application of this model, the mismanagement that some states may produce can also negatively affect those economies whose fiscal policies have followed the strategy set by the ECB, and which have complied with their fiscal objectives (Durán Cabré, 2014). These failures of the model can be mainly caused by the economic interconnections between the Member States, which, in an attempt to increase the attraction of those factors with the greatest dynamism to their jurisdictions, cause the rest of the States to be negatively affected.

The reality is that the economic and financial crisis of 2008 had two faces. On the one hand, there was a clear danger of destruction of the business economic fabric and an increase in risk premiums, mainly in the debtor countries of southern Europe, and on the other hand, the need to achieve fiscal integration (in order to continue evolving and harboring a more efficient Union) was neglected in favor of prioritizing maintaining the economic and financial system. (Durán Cabré, 2014).

A financial system can be declared stable as long as it is capable of functioning normally and of being able to limit and resolve possible imbalances that may arise, whether in its institutions, its markets or its own structure. The greater the degree of stability, the more likely it is that potential problems that may arise will be resolved more quickly, even before irreparable damage is done to the economy. Therefore, the different fiscal policies make the EU Member States grow at different speeds, and on certain occasions, in different directions. This can lead to certain imbalances between the different countries. However, the issue of fiscal harmonization is not an easy one to address, given the difficulty of consensus and coordination between most Member States.

Nowadays, direct taxation is still not directly regulated by European regulations. The variety of different regulations is still not enough to provide a conclusive response and to be able to tackle the problem of unfair competition in the EU. However, there have been some unifying projects that have collaborated closely to eradicate harmful tax practices, such as the relaunch of the consolidated corporate tax base (initially launched in 2011), the tax transparency package (2015), the Anti-Tax

Avoidance Directive (2016), and the latest directive on record, which deals with the imposition of a global minimum level of taxation at the Union level that mainly affects both multinational companies and large national groups [1]

It is interesting to mention this latest directive, due to the progress it represents compared to recent years. This latest directive has finally been approved recently and must be implemented by the Member States by December 31, 2023. This proposal deals with a set of rules on how to calculate the minimum tax rate (which will be 15%), and how to apply it consistently and appropriately within the EU framework. These regulations will apply to any large corporate group, whether national or international as if it were a subsidiary located in an EU Member State or directly from the parent company. If a subsidiary is located in a country where it does not pay the effective minimum rate, the possibility is opened up for the country of origin to apply a top-up tax. This directive also guarantees effective taxation in situations where the parent company is located in a low-tax country outside the EU where equivalent rules do not apply.

For some, this latest regulation is a step forward in terms of fiscal harmonization within the European framework, but for others, it has been a minimal step forward as they consider it a rather unambitious harmonization plan. They believe that the minimum tax rate is still too low, and that the EU had the opportunity to tighten the net and reduce the problem of unfair tax competition, but has ended up giving in to the demands of EU countries that benefit from low tax rates, such as Ireland, Poland or Hungary (Fajardo Navarro, 2022). And there is also the opposite case, as some countries still do not fully agree, because the minimum tax level that they want to apply with this new tax base is higher than the tax rates they currently use, therefore, they consider it less advantageous for their tax collection strategy (countries considered to have a low tax burden).

2. Theoretical and methodological frameworks

This is a study of comparative and international fiscal policy, from the disciplines of Political Economy and Public Finance, plus Tax Economics, combining within it the approaches of Public Economics and New Political Economy (Economic Analysis of Law, Public Choice, Constitutional Economics, etc.). Likewise, the theoretical and methodological frameworks taken into consideration have been mainly Neo-Keynesian and Post-Keynesian (observed from the bureaucracy of the European Union), and their critique by Neo-Institutionalists (due to their observation of the reality principle, methodological individualism and composites, etc., Sánchez-Bayón, 2021b and 2022c-d).

3. Development and results: the corporation tax in the eu

3.1 Introduction to tax planning

Today there is still a significant deficit in terms of coordination between Member States. Currently, there are still twenty-seven different tax systems. This leads to a situation of legal uncertainty (Sánchez-Bayón, 2014), which is considered key to providing stability and transparency to transactions, as well as to create a favorable environment for investment in technology, innovation, and development of scientific research activities in companies (Rodríguez Pérez, 2021).

As far as the Corporation Tax is concerned, it is likely that tax harmonization will be needed, as the difference between the different tax regimes hinders the proper functioning of the market, mainly as a consequence of the unfair competition in which different companies from different countries incur, in order to benefit from the low tax rates in certain territories, and thus to be able to avoid or evade taxes (Codón Alves, 2021).

Taxation in the European Union is mainly composed of two very different structures: direct taxation and indirect taxation. Each Member State is free to establish its own tax system, but the European

1. COUNCIL DIRECTIVE (EU) 2022/2523 of 14 December 2022 ensuring a global minimum level of taxation for multinational enterprise groups and large national groups in the Union.

Union has nevertheless set certain rules for the better functioning of society, mainly in the area of taxation of companies and businesses.

Since 2000, the European Commission has been responsible for adopting measures to avoid tax competition between the Member States of the Union. The ultimate goal is to be able to house a common consolidated tax base (CCCTB). Over the years, the European Commission has worked on various initiatives to address tax competition and promote fairness and equity in the tax area. This could be the Treaty of Lisbon of 2007. But not only the European Commission has tried to find solutions to this issue, it is also worth highlighting the influence of the European Parliament, as well as the OECD. All these measures, directives and conventions adopted by the European Commission and the European Parliament have the main objective of being able to eliminate all the loopholes existing in European legislation, and to prevent companies and multinationals from being able to take advantage of this difference in taxation for their own benefit.

On the part of the OECD, the Base Erosion and Profit Shifting (BEPS) Treaty stands out. This project, which was published in 2013, focuses on studying tax evasion by multinational companies. It fundamentally deals with the transparency that companies must present, forcing them to provide a lot of information about the origin of the profits obtained, and differentiating where they were obtained from. Therefore, the main objective of this Treaty is to ensure that large multinationals pay taxes in the countries where they are carrying out their activity, and therefore, where they are generating their profits. It would also involve the creation of possible new approaches or criteria that would help to harmonize the guidelines on national tax practices, and to evolve the best practices guidelines. The success of this project would represent a significant recovery in the level of trust maintained lately in the international tax system, as it has been violated for some time by bad practices in tax practices and tax competition, as a consequence of the globalization process. But the success of the project will depend largely on the degree of implementation in the international context. Although it should also be said that only those companies whose profits exceed the barrier of 845 million dollars are obliged to share this information.

3.2 The European Commission and Illegal Practices

The EU, as a member of the World Trade Organization (WTO), has a duty to protect free trade. The EU is firmly committed to helping all European companies that are suffering from inequality and unfair competition from abroad. Both to provide direct assistance and to try to mitigate or eliminate the harmful effects produced by those practices that perpetuate this inequality. The European Commission has the task of achieving fair taxation, and the objective of completely eliminating both fraud and tax evasion, as well as money laundering, in order to achieve a fairer society and a stronger global economy, always with the underlying focus of defending the freedom of Member States to make their own decisions on tax matters (Rodríguez Pérez, 2021).

There are mainly two types of techniques used by companies to obtain tax benefits and that can be considered harmful tax competition, in addition to posing a serious danger to the integrity of the EU's common market, due to the differences they represent for both countries and companies in terms of tax competitiveness.

First, tax dumping can be defined as a type of unfair trade practice where a country or jurisdiction offers tax benefits or favorable tax regimes in order to attract investment or foreign companies. This strategy is used to gain a competitive advantage in tax terms compared to other countries. At first, it might be thought that it is positive that consumers can have the opportunity to purchase a product or service at a lower price, although if looked at with some perspective it may not be so positive, as it can put the health of the market at risk.

The objective of tax dumping is to attract investment and foreign companies to the country or jurisdiction that implements it, which can generate economic benefits in terms of growth, employment and development. However, tax dumping can lead to unfair competition between countries and distort international investment flows (Davis, 2009). Countries that cannot offer similar tax benefits may be harmed, as companies may relocate their operations or investments to countries with a lower tax burden. Different rules and guidelines have been tried to be implemented in order to avoid harmful tax practices and ensure fair competition between Member States.

As for "anti-dumping" laws, the World Trade Organization plays a very important role in mediating and establishing procedures in disputes between countries. The problems arising from tax dumping date back several years. Almost since the beginning of the globalization stage in the EU, a trade policy has had to be established that has had to be renewed over the years, as the process has progressed. Over the years, Europe has been establishing increasingly strict rules to combat imports that are considered unfairly cheap (due to tax dumping), such as the ability to impose higher tariffs on all imports that are dumped or subsidized. Among these rules, if the European Commission deems it appropriate, it may be able to directly supervise the export process carried out by countries and control whether they are breaking anti-dumping rules by conducting different reports. If EU companies wish to do so, they can use these reports when filing complaints.

One of the clearest examples of tax dumping in Europe in recent years in relation to imported products is the case of Chinese solar panel imports. In 2013, the European Commission conducted an investigation into Chinese solar panel imports in response to complaints from European manufacturers. At the end of the investigation, it was found that Chinese solar panels were being sold at prices significantly lower than their actual production costs. This led to the conclusion that dumping was taking place, which was causing unfair competition for European solar panel manufacturers. As a result of the investigation, the European Commission imposed anti-dumping measures in the form of tariffs on Chinese solar panel imports to protect European manufacturers.

On the other hand, there is the "tax ruling", which is a term used to describe an agreement between countries and companies (especially multinationals) for the payment of taxes on profits obtained in a given territory. This practice is known as tax avoidance, and leaving aside morality and ethics, this practice does not necessarily have to be considered illegal. There may be cases where the use of this type of practice is considered legitimate, although there may be other cases where it may involve aggressive tax practices and be considered illegal, as in some cases it has been used to obtain undue tax advantages or to avoid taxes aggressively.

One of the most notorious cases of tax avoidance is that of the American company Apple. The European Commission denounced the company to the General Court of the EU for reaching illegal agreements with Ireland to obtain undue tax advantages that posed a clear danger to tax competitiveness in the EU. The EU estimates that the amount of taxes that the company failed to pay for 11 years as a result of the agreement with Ireland is close to thirteen billion euros, and the tax rate applied was around 0.005% (Barrera and Bustamante, 2018). The European Commission argued that Member States cannot grant benefits when it comes to paying taxes, as it is not allowed to have rules on economic aid for companies in the EU. In this specific case, in 2020 the European Commission suffered a tremendous setback, as it was unable to obtain sufficient evidence to prove that Apple had received illegal aid from Ireland through the signing of tax agreements and could not get the American company to be found guilty, in one of the potentially clearest cases of tax advantages for multinationals by a member country in recent memory.

This shows that the lack of cooperation between tax systems makes it very difficult to prove these cases and, therefore, to convict all those companies and countries that make agreements of this type, producing a clear disadvantage for the rest of the Member States, and going against the legislation established by the EU. In the wake of the problems caused by these cases, the OECD began to look for strategies to suppress the use of these practices. With the BEPS project, transfer prices have been strengthened to avoid cases of double taxation and double non-taxation. The success of this project is fundamental for the future of the EU and cooperation between Member States. The OECD trusts that the exchange of information on tax matters between countries will occur when the situation requires it between the states involved and proposes a monitoring mechanism to evaluate the implementation of this recommendation.

According to Nobel Prize winner in Economics, Joseph Stiglitz, the BEPS project has a lot of room for improvement. The current proposals of this project for the reform of the tax system are still insufficient. The main problem is that this project only offers temporary fixes to a fundamentally flawed status quo (Stiglitz, 2019). In his opinion, what should be done is to establish a global minimum tax to avoid a race to the bottom (as in the case of Apple, which was taxed at 0.005% in Ireland). The establishment of a minimum global tax rate could help reduce this global problem (Stiglitz talks about an average effective corporate tax rate of around 25%). Otherwise, corporate tax rates will tend to converge to the minimum.

4. Discussion: the problem in the harmonization of corporation tax

4.1 Opposition to more comprehensive reforms

Concerning the progress made in terms of harmonization, it can be observed that the process of harmonization in terms of indirect taxes is at a much more advanced stage than the progress made for direct taxes. It is true that indirect taxes can be considered to have a certain advantage since it was initially pointed out that it was fundamental to achieve harmonization of this type of tax in order to safeguard the integrity and proper functioning of the market and the Customs Union (Rodríguez, Pérez, 2021). Regarding direct taxation, Member States have full freedom to establish and set the tax rates they deem appropriate thanks to the principle of subsidiarity.

It is determined that the objective of the EU is to establish a common market and an economic and monetary union. It should be understood that tax harmonization is a process that seeks to develop towards an efficient common market, where all prohibitions on the free movement of persons, capital, materials, services, or research between the Member States of the Union are completely eliminated. It is essential that this integration process comply with this tax harmonization, to avoid distortions that may affect the market. Rather, tax harmonization should not be considered an end of the EU, but should be understood as an important tool to achieve a common internal market, and thus avoid the greatest number of disparities between the different tax systems of the Member States (Fajardo Navarro, 2022).

At the moment, the EU does not want to achieve total fiscal union of the countries, since the particular characteristics of each tax system are a total decision of the states and it is left to their decision, but as long as it does not go against the fundamentals of the EU Treaties. What is intended to be achieved with tax harmonization is to enable the basic freedoms established in the Treaties (freedom of establishment, movement of capital and free movement of goods) in order to avoid distortions in the distribution of resources. Therefore, the greatest progress has been made in the field of indirect taxation, since a consumption tax is needed that is easy to adjust and greater integration and cooperation of the Tax Administrations are needed to achieve more effective management of the tax system.

It must be said that there has always been a historic struggle between the Member States themselves for mobile economic factors, which has generated various distortions in terms of tax competition over time. This type of alteration of economic factors generates an important process of loss of income and taxes, and of course of the erosion of the tax bases (Mata Sierra, 2018). By unifying countries with different levels of development and with quite different economic structures around the same interconnected economic network, institutional asymmetries inevitably arise that will affect the economies of each member state. In such a way that it is inevitable that the countries that are considered to have better fiscal management (such as the countries of Northern Europe), will be dragged down by the defects and imperfections of the countries of Southern Europe, who have historically been considered more problematic (Fajardo Navarro, 2022).

The latter countries are considered to be responsible for slowing down community growth on various occasions, by constantly resorting to the expansion of domestic demand as an alternative formula for growth. The use of this route has often been accompanied by an increase in prices and wages, so the monetary policy of the European Central Bank (ECB) could not contain these problems, without the economically sustainable countries being affected (González, 2017).

The formation of the monetary union affected differently these two differentiated economic conceptualizations that coexist in the EU. The economic strategies of the Northern European countries, based mainly on exports, were able to be maintained, however, the impact on the Mediterranean countries was different, due to the multiple institutional shortcomings they present in this area, which raises serious doubts when it comes to applying a common economic strategy. All this reflects that, without a process of greater political integration, a single currency system will not be able to save the organizational differences between the different economic systems that inhabit the EU.

Currently, there is a strong desire on the part of the European elites to centralize the economic power of all Member States, in order to avoid repeating situations of excessive fiscal deficit. The aim of this is to give the EU greater power in the preparation of national budgets. For their part, the Mediterranean economies argue that an economic government should be established with sufficient sources of financing, and that it should be able to use them in clear situations of economic reactivation (Rodríguez, Pérez, 2021).

The need for the EU to evolve towards greater fiscal integration has become clear, but to achieve this, a political union is required that is completely based on the development of much more democratic community institutions (Gutiérrez López, 2022). The harmonization process that has been underway for several decades has achieved the convergence of the Southern European countries towards the standard of living of the countries that can be considered more developed, where investments have been incentivized and new development paths have been generated. The importance of these facts is due to the generation of comparative advantages with respect to the rest of the global market, so that each year that globalization continues to advance, a stronger and more unified EU becomes more and more necessary.

It is true that the current reluctance of some states to cede sovereignty in this area, together with a lack of global perspective on the part of the EU and its members to foresee economic and social problems that may pose significant challenges for the EU as a whole, has meant that decisions have not been taken, which are the main obstacle to evolution (Rodríguez Pérez, 2021). Therefore, it is absolutely necessary for the Member States to reach a consensus and achieve a closer and stronger union, in the face of an increasingly nationalist and polarized scenario.

4.2 Solution to Harmful Practices

The tax reforms that have been generally adopted in recent decades have allowed many countries to improve their tax systems, leading to improvements in their economic development indices. However, according to the report on the 2019 Tax Competitiveness Index (Tax Foundation and Institute of Economic Studies, 2019), there are certain OECD countries that have adopted policies in the past that have caused their tax structures to deteriorate, reducing their tax competitiveness concerning other countries.

Currently, the levels of taxation in relation to this tax vary significantly between the EU Member States. There is a wide range, from the lowest levels, such as Hungary and Poland with 9%, to cases such as Germany, which has an average tax rate of 30%. On average, the tax rate of the EU Member States is around 21.12%, which is below the world average of 23.9% (Asen, 2021).

It is important to note that the amount that companies have to pay based on their profits depends both on the corporate tax rate and the corporate tax base. Therefore, the establishment of a global minimum tax would not prevent countries from being able to set the type of corporate tax rate they want, but rather it would prevent excessive reductions in the tax rates that companies have to pay.

The massive reductions in corporate taxes have led to a significant increase in competition between countries and have put multinationals in a clear position of advantage in tax negotiations (Gutiérrez López, 2022). Therefore, the idea of establishing a global minimum tax began to take shape, with the aim of reducing and ending tax injustices. The intention is that countries will be able to establish a minimum tax threshold, in order to avoid excessively small tax payments (Fajardo Navarro, 2022).

The idea of designing and establishing a global minimum tax arose in 2013, at the proposal of the OECD. Both the International Monetary Fund (IMF) and the EU supported this proposal, which would also give countries the ability to tax a portion of the global profits generated by companies in each country where they operate. In this way, companies would not be able to avoid paying taxes in the countries where they operate, and it would put an end to the problem of profit shifting abroad.

Initially, the US proposal suggested setting the minimum tax threshold at around 21%, a figure somewhat far from the minimum proposed by the EU and the OECD, which was between 12% and 15%. However, US ambitions were reduced to reach a global agreement, finally supporting a global minimum tax of around 15

The proposal then took further shape in 2021, as in early June of that year, the G7 finance ministers reached an agreement to establish a minimum tax threshold for corporate tax in their respective jurisdictions, which will be around 15%. In October of the same year, almost 140 countries belonging to the OECD and the G20 within the Inclusive Framework on the BEPS project reached a historic agreement on international tax reforms and a detailed action plan.

To this end, on December 22, the Commission presented a proposal for a Directive on the establishment of a global minimum level of taxation for multinational groups in the Union, based on the aforementioned agreement on the BEPS project. This Directive is mainly based on the second pillar of the agreement at the OECD and G20 meeting, which deals with the establishment of a 15% effective minimum tax for all EU Member States.

The reform concerning this new Community tax establishes that all companies with a turnover of more than 750 million euros (throughout the Community territory) must pay a minimum tax of 15% on their corporate tax. Even if the minimum effective rate is not applied in the country where a subsidiary is located, the rules allow the Member State where the parent company is located to apply a top-up tax, up to 15% of the tax burden. The Community Directive also aims to ensure effective collection when the parent company decides to relocate to a territory outside the EU, where equivalent rules do not apply and it is considered a low-tax territory.

However, this agreement is taking time to be implemented due to the reluctance of several opponents and critics. These include mainly countries such as Hungary and Poland, territories whose tax rates are considered the lowest in the EU. The position that both have stated and that they have mainly taken as an argument is that the EU Directive is not as advanced as the first pillar of the OECD agreement, as it is in the second. The first pillar establishes a mechanism to transfer the profits of digital companies between different jurisdictions, which would prevent large technology companies from evading taxes in a globalized context like the current one. Both argue that the EU proposal cannot be viable if no progress is made on the digital tax, despite already applying the minimum rate. The European Commission has committed to promoting a solution so that the application of the first pillar of digital taxation becomes a reality as soon as possible. Therefore, it seems that this Directive will not enter into force until early 2024.

5. Conclusions

Within the process of harmonization carried out concerning the corporate tax figure, there are deep differences between the tax regulations of each country, resulting in a market efficiency that is not the most ideal, since there are currently 27 different tax systems with their respective tax figures.

What seems to be a reality is that, due to the dimensions reached by the EU integration project at other levels, it is absolutely necessary to establish a set of measures that allow for the elimination of double taxation of multinationals within the Union and the definitive elimination of unfair competition practices (such as tax dumping and tax ruling, according to neo-Keynesian and post-Keynesian schools).

In addition, with the achievement of more complete tax harmonization, the internationalization of companies integrated in the EU would also be favored, by establishing common rules in the corporate tax base, and definitively clarifying the taxation criteria between the different countries in which they operate.

In recent times, more severe measures have finally begun to be taken both at European and international level (again, according to neo-Keynesians and post-Keynesians). In the European framework, we find the BICCIS Directive developed by the European Commission, as well as in parallel at the international level we find the OECD's BEPS project. Both projects aim to implement a common consolidated tax base in the corporate tax figure, and to eliminate the legal loopholes that companies use to carry out illegal tax practices.

But the crown jewel of the measures to be implemented in order to continue evolving and reaching stages in the tax harmonization process is the imposition of a minimum tax rate of 15% for all Member States, which is expected to be definitively implemented in 2024. And it is not only a matter of ensuring that 15% is paid in the Member States, but also that a top-up tax will be applied to reach 15% in countries that do not belong to the EU and are considered low-tax territories.

There is no doubt that tax harmonization is a process that is at best difficult to achieve, since, as seen in previous sections, it is necessary to comply with the requirement of full recognition of tax competence by the Member States. It is also difficult to determine the boundaries between legitimate tax planning and harmful tax practices (especially if the regulation is unclear and depends on the interpretation criteria). It is even difficult to definitively condemn operations carried out to avoid paying taxes, because there are times when companies are not looking to defraud or commit a crime, but simply looking to take advantage of more flexible legislation for the company's interests.

In any case, and as shown by the evolution of tax levels in recent times, it can be seen that there is a real effort being made to ensure that Community tax powers are converging towards greater tax harmonization (although this is still difficult, as income levels are diverse, so the level of tax effort would vary). The establishment and implementation of the different projects and directives discussed give hope that at least in the EU environment, we are on the way to achieving positive steps in this process, which is constantly evolving and requires a pragmatic and balanced approach. Therefore, only through continuous commitment and effective cooperation between the Member States will it be possible to overcome the challenges and achieve greater convergence in this type of policy, which will benefit economic integration and the stability of the EU

As a corollary, the Austrian School reminds us in this regard that excessive tax planning by the European Union, of a centralized and coercive type (on the pretext of tax harmonization between the Member States), can lead to a decline in economic calculation and capital flight due to excessive taxation, which prevents the availability of funds for investment, paying better wages, etc.

References

Arnedo, E.G., Valero-Matas, J.A., Sánchez-Bayón, A. (2021). *Spanish tourist sector sustainability: Recovery plan, green jobs and wellbeing opportunity*. Sustainability, 13(20), 11447. DOI: https://doi.org/10.3390/su132011447

Asen, E. (2020). Corporate Income Tax Rates in Europe. Tax Foundation: (Recuperado de https://taxfoundation.org/2020- corporate-tax-rates-in-europe/)

Asen, E. (2021). Corporate Income Tax Rates in Europe. Recuperado de Tax Foundation: (Recuperado de https://taxfoundation.org/2021- corporate-tax-Rates-in-Europe)

Barrera, R., & Bustamante, J. (2018). "The Rotten Apple: Tax avoidance in Ireland". The International Trade Journal, 32(1), 150-161. (Recuperado de https://www.researchgate.net/publication/318868976_The_Rotten_Apple_Tax_Avoidance_in_Ireland)

Comisión Europea. (2021). El Pacto de Estabilidad y Crecimiento. (Recuperado: https://eur-lex.europa.eu/ES/legal-content/glossary/stability-and-growth-pact.html)

Comisión Europea (2015) COM/2015/0302 Comunicado de la Comisión al Parlamento Europeo y al Consejo, de 17 de junio de 2015. Un sistema fiscal de sociedades justo y eficiente en la Unión Europea: 5 áreas clave para la acción. (Recuperado de https://www.europarl.europa.eu/doceo/document/A-9-2021-0245_ES.html)

Comisión Europea. (2010), Europa 2020. Una estrategia para un crecimiento inteligente, sostenible e integrador. (Recuperado de https://eur-lex.europa.eu/legal-content/ES/ALL/?uri=celex%3A52010DC2020)

Consejo de la Unión Europea. (2020). Base imponible consolidada común del impuesto sobre sociedades. (Recuperado de: https://www.consilium.europa.eu/es/policies/ccct)

Cruz Padial, I. (2021) "Impuesto de Sociedades: Configuración y alternativas de futuro" Editorial Aranzadi, ISBN: 9788413912097, Páginas: 176, 1º Edición, 2021

Davis, L. (2009). "Ten years of anti-dumping in the EU: economic and political targeting. Global Trade and Customs Journal", 4(7/8).

DIRECTIVA (UE) 2022/2523 del Consejo de 14 de diciembre de 2022 relativa a la garantía de un nivel mínimo global de imposición para los grupos de empresas multinacionales y los grupos nacionales de gran magnitud en la Unión. (Recuperado de https://eur-lex.europa.eu/legal-content/ES/ALL/?uri=CELEX%3A32003L0048)

Directiva (UE) 2003/48/CE del Consejo, de 3 de junio de 2003, en materia de fiscalidad de los rendimientos del ahorro en forma de pago de intereses. (Recuperado de https://eur-lex.europa.eu/legal-content/ES/ALL/?uri=CELEX%3A32003L0048)

Directiva (UE) 2014/48/UE del Consejo de 24 de marzo de 2014 por la que se modifica la Directiva 2003/48/CE en materia de fiscalidad de los rendimientos del ahorro en forma de pago de intereses. (Recuperado de https://eur-lex.europa.eu/legal-content/ES/ALL/?uri=CELEX%3A32003L0048)

Fajardo Navarro, G. (2022) " El Impuesto Mínimo Global y la doble imposición empresarial: implicaciones para los Estados y las multinacionales" (Recuperado de http://hdl.handle.net/11531/58897)

Fernández Navarrete, D. y Fernández Egea, R.M. (2017): "Historia de la Unión Europea de los orígenes al Brexit". Editorial UAM Ediciones, Madrid

Garzón Espinosa, A. (2011) "Paraísos fiscales en la globalización financiera." ISSN-e 1696-2060, N.º 26 (Otoño), 2011, págs. 141-153

Gavín Munté, V. (2007): "Europa Unida. Orígenes de un malentendido consciente". Editorial Publicaciones y Ediciones de la Universidad de Barcelona

González, I. (2017) "Armonización fiscal y aproximación a los sistemas fiscales" Universidad de Oviedo, 2017 - 326 p. - Cuadernos Jean Monnet - ISBN: 9788416343430

González E, Sánchez-Bayón A (2021). Rescate y transformación del sector turístico español vía fondos europeos Next Gen EU. Encuentros multidisciplinares, 23(69): 1-15

Gutiérrez López, E. (2022) "La fiscalidad en la Unión Europea. Especial referencia a la competencia fiscal." (Recuperado de http://riull.ull.es/xmlui/handle/915/26789)

Heredia, F.J., Sánchez-Bayón, A. (2016). Conflicto jurídico del régimen de comercio de emisiones de la Unión Europea: estudio de caso de la inclusión de las compañías aéreas por su contaminación y perjuicio al turismo, ICADE: Revista de la Facultad de Derecho y Ciencias Económicas y Empresariales, 97: 87-116. https://doi.org/10.14422/icade.i97.y2016.004

Heredia, F.J., Sánchez-Bayón, A. (2020). The European transition to a green energy production model: Italian feed-in tariffs scheme & Trentino Alto Adige mini wind farms case study, Small Business International Review, 4(2): 39-52. https://doi.org/10.26784/sbir.v4i2.246.

Hernández, J. L. S. (2004). La liberalización controlada del mercado del vino en Noruega (1996-2002): nuevas oportunidades para la industria vinícola española. Investigaciones Geográficas (España), (35), 85-102.

López Rodríguez,0 J., (2016). "Erosión de la base imponible y traslado de beneficios: Estudios sobre el Plan BEPS de la OCDE". en la obra colectiva Imposición sobre el beneficio empresarial: evolución reciente, perspectivas de futuro, capítulo XII. Fundación Impuestos y Competitividad.

Mata Sierra, M.J. (2018) "La armonización fiscal de los impuestos especiales" Revista Jurídica de la Universidad de León, núm. 5, 2018, pp. 41-64

Rodríguez Pérez, M. (2021) "Competencia desleal e impuestos de sociedades en el marco de la Unión Europea" TFG. Universidad Pontificia de Comillas. (Recuperado de http://hdl.handle.net/11531/47321)

Organización para la Cooperación y el Desarrollo Económicos. (2015). Proyecto OCDE/G20 sobre la erosión de la base imponible y el traslado de beneficios: informes finales 2015, resumen informativo.

Sánchez-Bayón, A. (2014). Fundamentos de derecho comparado y global: ¿cabe un orden común en la globalización? Boletín Mexicano de Derecho Comparado, 141: 1021-1051. DOI: https://doi.org/10.1016/S0041-8633(14)71183-4

Sánchez-Bayón, A. (2021a). Gestión de la transición digital y reajuste del sector turístico en la Unión Europea. Semestre Económico, 10(2): 105–26 doi:10.26867/se.2022.v11i1.134

Sánchez-Bayón, A. (2021b). Urgencia de una filosofía económica para la transición digital: Auge y declive del pensamiento anglosajón dominante y una alternativa de bienestar personal, Miscelánea Comillas. Rev. Ciencias Humanas y Sociales, 79(155): 521-551. DOI: https://doi.org/10.14422/mis.v79.i155.y2021.004

Sánchez-Bayón, A. (2022a). Transición digital y reajuste del sector turístico en la Unión Europea. Revista Internacional de Turismo, Empresa y Territorio-RITUREM, 6(2), 1-24. https://doi.org/10.21071/riturem.v6i12.15049

Sánchez-Bayón, A. (2022b). Lectura heterodoxa de la transformación digital europea del turismo: paradojas y fallos por el cambio de modelo. Atlantic Review of Economics-AROEC, 5(2), 1-18

Sánchez-Bayón, A. (2022c). From Neoclassical synthesis to Heterodox synthesis in the digital economy. Procesos de Mercado, 19(2): 277-306. https://doi.org/10.52195/pm.v19i2.818

Sánchez-Bayón, A. (2022d). ¿Crisis económica o economía en crisis? Relaciones ortodoxia-heterodoxia en la transición digital. Semestre Económico, 11(1): 54–73 doi:http://dx.doi.org/10.26867/se.2022.1.128

Sánchez-Bayón, A., Campos, G., Fuente, C. (2018). Evolución y evaluación de la construcción europea y sus relaciones institucionales (1946-2011): claves sobre el papel de la sociedad civil y estudio de caso del Movimiento Europeo. Derecho y Cambio Social, 52: 1-69.

Sánchez-Bayón, A., Stenglein, G. (2013). Hacia una Política Criminal Europea: una propuesta de servoducción con atención a la condición femenina, QdC-Quadernos de Criminología, Revista de Criminología y Ciencias Forenses, 20: 6-14.

Stiglitz, J. E. (2019). No more half-measures on corporate taxes. Project Syndicate (Recuperado de https://www.project-syndicate.org/commentary/oecd-proposal-multinational-tax-avoidance-by-joseph-e-stiglitz-2019-10)

Tax Foundation e Instituto de Estudios Económicos (2019) Índice de Competitividad Fiscal de 2019. Presentación de la presión fiscal normativa en España (Recuperado de https://www.ceoe.es/sites/ceoecorporativo/files/content/file/2020/01/20/38/indice_competitividad_fiscal_2019_0.pdf)

Trincado, E.; Sánchez-Bayón, A.; Vindel, J.M. (2021). The European Union Green Deal: Clean Energy Wellbeing Opportunities and the Risk of the Jevons Paradox. Energies. 14(14), 4148. https://doi.org/10.3390/en14144148