
STATEMENT

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10th September 2004



“The Voice of SMEs in Europe¹”

EUROPEAN TAX SURVEY RESULTS SHOW USEFULNESS OF HOME STATE TAXATION FOR SMEs

The European craft and SME association welcomes the results of the Commission survey, and presses Finance Ministers to take them into account.

The results of the survey, presented yesterday by the EU Commission, confirmed the need to allow companies to use a single basis of assessment for corporate tax for their EU-wide activities. Such a measure would help enterprises to avoid the costly inefficiencies of dealing with EU Member States' twenty-five different company tax systems.

“The results of the survey really legitimise the demands for the launch of systems like Home State Taxation schemes. We hope that the Ministers of Finance will also come to this evident conclusion during their meeting this weekend” **Hans-Werner Müller**, UEAPME’s Secretary General said today.

A Home State taxation system for SMEs would allow companies operating in more than one Member State to calculate their taxable profits on the basis of the taxation system of their home country. Such a system would help reduce the compliance costs of cross-border operating SMEs drastically.

The European Tax survey demonstrated that the average compliance cost in relation to turnover for SMEs equals 2.6%, which is 130 times higher than for large enterprises (0.02%).

Note to editors: For further information, please contact Gerhard Huemer on tel +32 2 230 7599

¹ UEAPME (**U**nion **E**uropéenne de l'**A**rtisanat et des **P**etites et **M**oyennes **E**ntreprises / **E**uropean **A**ssociation of **C**raft, **S**mall & **M**edium-sized **E**nterprises) is the European Social partner representing craft, trades and SMEs in Europe (EU and countries applying for accession to the EU). It represents, through 75 national and European sectoral federations, over 10 million small enterprises, which employ over 50 million people.