



Proposal for a (Spanish) Nationwide Alliance against Tax Fraud

Spain is suffering a crisis of inequality and social exclusion. We are the fourth most unequal country of the European Union, coming only behind Bulgaria, Lithuania and Latvia. Spain is also the country in Europe where inequality has grown the most in the last ten years.

Economic recovery is deepening social deprivation and the lack of international solidarity. More than 12 million people live in the risk of poverty in our country, and 650,000 households have no income at all.

Neither poverty nor inequality are inevitable. But our system of taxation entrains deficits that accentuate the injustice of the system. And this situation is maintained by the fact that we continue to levy nearly 7 points less taxes with respect to GDP than the countries of the Eurozone.

The first challenge we face is our lower level of tax revenue in contrast with our economic capacity. We must raise, from those who do not pay what they should, that additional 20% that we need to match the European average level of taxation, namely 80,000 million Euros, that should be destined to put an end to the social, environmental and economic limitations of our country.

The Spanish Constitution, in its article 31 establishes that: *Everyone must contribute to sustaining public spending according to their economic capacity through a fair tax system inspired by the principles of equality and progressivity that will, in no case, reach a level of confiscation.*

Our taxation model does not guarantee rights and does not comply with our constitutional principles: It does not raise more from those who have a higher level of income &/or wealth, nor does it install firebreaks to seal the huge leak caused by the tax fraud of large corporations and high wealth brackets. In order to build a society of greater equality we need a **NATIONWIDE ALLIANCE AGAINST TAX FRAUD.**

Therefore, on behalf of the organizations that make up the Plataforma por la Justicia Fiscal (Spanish Platform for Tax Justice) we call on all political parties presenting candidates in the approaching general elections, to commit themselves to:

1. Recover the tax deficit in a maximum period of five years, by means of an urgent plan against fraud, tax evasion and tax avoidance that convokes all political forces and incorporates a permanent parliamentary framework for revision, transparency and accountability.
2. Put an end to the use of tax havens by establishing an objective and ambitious blacklist that includes, at the very least, all jurisdictions with low or no taxation, by applying sanctions and countermeasures.
3. Support and protect the figure of the whistleblower which makes such a large contribution in the fight against fraud, tax avoidance and tax evasion.
4. Prevent the participation in public tenders for those entities that do not comply with responsible taxation criteria and make discretionary usage of structures in tax havens.
5. Internationalise the fight against fraud and tax evasion by promoting ambitious international processes adapted to the reality of the new business models in a more globalised and digitalised economy.
6. Recover institutional responsibility by reinforcing the incompatibility between the exercise of any public office and the use of the instruments that enable both tax avoidance and tax fraud, including the participation in offshore or extraterritorial companies.
7. Reinforce the staff and resources of the AEAT (Agencia Estatal de Administración Tributaria = the Spanish Inland Revenue) to cover the needs of inspection and control of major tax fraud to ensure convergence with the European levels within a period of five years.
8. Reorganize the AEAT revising its the objectives and evaluating the personnel necessary for the tasks of inspection and tax collection based on studies and experience. Coordinate the AEAT with all the tax departments of the CC.AA (the Comunidades Autónomas = the Spanish decentralised Autonomous Regions), including the exchange of databases and standardized records, as well as with other countries.
9. Convoke a large coordination conference against fraud and tax evasion, that incorporates parliamentary and government representatives, together with social stakeholders and experts.

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