Commenting on the European Parliament’s vote to make a Financial Transaction Tax one of the EU’s sources of future revenue, Simon Lewis, chief executive of AFME said:

“The real impact of a possible transaction tax needs to be understood. Many financial transactions are carried out on behalf of businesses who would bear the cost. For example, the foreign exchange market underpins international trade and a tax on these currency trades would increase costs for a large section of European industry, to the detriment of economic growth.

“Calls for a financial transaction tax are being made against the backdrop of several significant new taxes or levies already being introduced by individual Member States. Before raising new taxes on the sector, policymakers need to have accurate data about the tax contribution it is already making, to avoid making decisions in the dark. We have already called upon on the European Commission to conduct a thorough study into the tax contribution made by the financial services sector.”

-ENDS-

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Notes:

1. The Association for Financial Markets in Europe advocates stable, competitive and sustainable European financial markets, that support economic growth and benefit society.

2. AFME (Association for Financial Markets in Europe) promotes fair, orderly, and efficient European wholesale capital markets and provides leadership in advancing the interests of all market participants. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association through the GFMA (Global Financial Markets Association). For more information please visit the AFME website, www.afme.eu