Parliamentary Assembly
Assemblée parlementaire
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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

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Tax justice for families with children to prevent intergenerational poverty

Motion for a resolution
tabled by Mr Birgir THÓRARINSSON and other members of the Assembly

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This motion has not been discussed in the Assembly and commits only those who have signed it

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In many European countries, families with children pay an unjust and disproportionate share in taxes. With these obstacles and without substitutive and strong financial guarantees, families face additional barriers compared to other groups in the state community and are therefore more vulnerable to poverty.

In Resolution 1995 (2014) on "Ending child poverty in Europe", the Parliamentary Assembly called member States to "allow families to access adequate resources by supporting parents' participation in the labour market and ensuring appropriate living standards, including through adequate levels of social benefits".

Family is the first protection against poverty through intergenerational solidarity. If the family is trapped in a situation of poverty, it produces a domino effect. To fight this "poverty trap", families should be recognised in their crucial role towards the community, especially through a just taxation system. It is important that countries design their tax system and social security system to avoid trapping families in situations of poverty.

Tax systems that are blind to family responsibility can create perverse disincentives for young people and can limit the choice families have of how they divide work and caring responsibilities.

In addition, supporting families is an investment itself for the whole community, as it guarantees intergenerational balance, which is crucial to ensure healthy sustainable public finances.

The Assembly should therefore encourage member States to:

– adopt an equitable and just taxation system, considering the composition of the household,

– provide an adapted and responsive financial system for families.

The Assembly should also conduct a research of tax policy approaches among member States to identify good practices and formulate recommendations on ways to support families through the tax system.

Signed (see overleaf)

Signed[1]*:*

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1. ALDE: Alliance of Liberals and Democrats for Europe
EC/DA: European Conservatives Group and Democratic Alliance
EPP/CD: Group of the European People's Party
SOC: Socialists, Democrats and Greens Group
NR: Representatives not belonging to a Political Group