

Table of Contents

Thiess Büttner and Michael Thöne

The Future of EU-Finances – Synopsis	1
1 Introduction	1
2 Assessing the Current System	3
3 Europe as a Federation	6
4 EU Taxes	8
5 Conclusions	10

Vilen Lipatov and Alfons Weichenrieder

The Subsidiarity Principle as a Guideline for Financing the European Budget	15
1 Introduction	15
2 Decentralizing a central revenue requirement	19
3 Decentralizing the revenue requirement with tax spillovers	20
4 Implications of decentralized revenue collection	22
5 The recent critique of the GNI own resource	24
6 Conclusions	27

Thiess Büttner

EU Funding System and Smoothing of Member States' Revenues	31
1 Introduction	31
2 Smoothing effects of funding schemes	33
3 Empirical analysis	37
4 Implications for smoothing and incentives	42
5 Conclusions	43
6 Appendix	44

Christos Kotsogiannis

European Union and Own Revenue Resources: (Brief) Lessons from Fiscally Decentralized Economies	47
1 Introduction	47
2 Aspects of an integrated and unified market	50
3 EU own resources: The current position	52
4 Arguments for a more active role for the EU in expenditure and tax matters	54

5 Experience in federal countries	58
6 Concluding remarks	59

Massimo Bordignon and Simona Scabrosetti

The Political Economy of Financing the EU Budget	63
1 Introduction	63
2 The present system of funding the EU budget	65
3 The limits of the present system	68
4 Proposals for reform	72
5 A political economy approach to reforming the revenue side of the EU budget	75
6 Conclusions	91

Friedrich Heinemann

Strategies for a European EU Budget	95
1 Introduction	95
2 The core of the problem	97
3 The misguided focus on the revenue side	99
4 Strategies for a better spending structure	100
5 Conclusion	110

Michael Thöne

Transferring Taxes to the Union: The Case of European Road Transport Fuel Taxes	113
1 Introduction	113
2 Reasoning and European added value of a common tax for road traffic and transport	115
3 Status quo of transport fuel taxation	119
4 Transferring the excise duty on gasoline and diesel fuel	122
5 Conclusions	133

Kai A. Konrad

Light for Europe – An Electricity Tax for the European Union Budget	137
1 Motivation	137
2 The general constitutional framework	138
3 The proposal	139
4 A comparative summary assessment	146
5 Conclusions	149

Table of Contents

VII

Christian Waldhoff

Legal Restrictions and Possibilities for Greater Revenue Autonomy of the EU	151
1 Problem and question	151
2 The problem between law and integration policy	152
3 Options within the present own resources system	153
4 Legitimatory restrictions of own EU rights to tax	156
5 Conclusion	161
 List of Tables and Figures	 163
List of Contributors	165