

ANNEX: FOUR PROGRESSIVE TAXATION OPTIONS AS EU OWN RESOURCES

- **Tax on extreme wealth.** Wealth concentration at the top has reached unprecedented levels. In 2022, [the wealthiest 1% held a quarter of the net personal wealth in the EU, while the bottom 50% owned just 3.2%](#). Meanwhile, younger generations face significant barriers to wealth accumulation due to rising housing costs, student debt, and precarious employment.

Interest in taxing the super-rich is growing at national, regional, and global levels. According to the [Eurobarometer](#), 67% of Europeans agree that it is important that governments tax the rich to support the poor. In November 2024, G20 governments [agreed](#) to cooperate on taxing the ultra-rich and ahead of the July G20 ministerial meeting, several organisations presented a petition with over 1.5 million signatures worldwide calling to tax the ultra-wealthy. More than 350.000 signatures have been collected through the European Citizens Initiative for a European wealth tax from October 2023 to October 2024.

A tax on extreme wealth would increase the overall progressivity of the tax system and slow down wealth concentration. It is also a necessary measure to avoid the generalisation of plutocracies and the destruction of checks and balances inherent to democratic societies. A coordinated EU-wide extreme wealth tax would close loopholes that the ultra-rich exploit by shifting income and assets across Member States to avoid their fiscal responsibilities, ensuring more consistent enforcement. [Estimates](#), mentioned by the European Commission in its annual taxation report, indicate that a yearly wealth tax of up to 5% on Europe's multimillionaires and billionaires could bring €286.5 billion annually.

We encourage you to support the introduction of a pan-European tax on extreme wealth and, pending an agreement at the EU level, the introduction of net wealth taxes at the national level. We also urge you to support ongoing efforts to develop international standards to tax extreme wealth at the global level, for example by supporting a commitment to tax the super-rich at the upcoming Financing for Development Conference in Seville and the taxation of high-net-worth individuals under the new UN Framework Convention on International Tax Cooperation.

- **Fossil fuel profit contribution.** Fossil fuel companies have made record profits in recent years and are among the most responsible for pollution and climate change, which generate exponential costs and risks for public budgets. In the 12 months leading to July 2023, the 14 largest fossil fuel companies earned a combined [US\\$278 billion in net profits, an increase of 278% compared to the previous period](#).

A tax on the profits of fossil fuel companies could address market distortions and incentivise investments in the green transition. The EU solidarity contribution on energy companies demonstrated that taxing windfall profits is possible. The collected proceeds for both fiscal years 2022 and 2023 of the EU solidarity contribution and equivalent national measures amounted to more than [€26 billion](#).

Building on this precedent, we call for a more ambitious tax on fossil fuel companies' profits, which are a major obstacle to shifting private finance towards renewable energy

and decarbonisation. For example, a permanent global polluter profit tax in this sector could have raised up to US\$400 billion in 2024.¹ Alternatively, a top-up tax on corporate tax, applied to fossil fuel companies, could also be explored.

We urge you to call on the European Commission to propose a tax on fossil fuel industry profits. This should include an assessment of expected return, and accompanying measures to ensure the costs are not passed on to households.

- **A levy on aviation.** The aviation sector as a whole accounts for approximately [11% of CO2 emissions](#) from transport and has been one of the fastest-growing greenhouse gas emitting sectors. [Non-CO2 impacts](#) are also considerable. Yet jet fuel remains largely untaxed due to a tax exemption on kerosene which dates back to 1944.

Two proposals could address this: taxing kerosene and applying a levy on ticket sales. A kerosene tax of €0,33/l at the European level through the Energy Taxation Directive, could generate nearly [€27 billion](#) annually. For non-EU flights, this would require renegotiating tax exemption clauses in the [Chicago Convention](#) or bilateral agreements, while intra-EU and domestic flights could be taxed immediately. According to a [leaked European Commission report](#), such a tax would have no net impact on employment or the overall economy. However, we recommend more socially acceptable options (as opposed to a flat tax) such as a levy only on business- and first-class flights, or a frequent flyer levy. According to the European network Stay Grounded, a frequent flyer levy could raise an extra [€63,6 billion annually](#).

- **A financial sector taxation.** The idea of a Financial Transaction Tax (FTT) is gaining international traction as a means to combat global challenges and is among the [options considered](#) by the European Commission for raising new own resources.

Estimates of the revenue raising potential of a Union-wide FTT vary depending on the tax design proposed. Such a tax could for example represent an additional resource of between [€17 and €43 billion](#) a year for the European Union.

¹ New estimation by Oxfam, to be published [here](#) on the 19th June 2025