”VAT carrousels” and commercial money laundering, etc.

Supplement on further research

by

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PREFACE

In *"VAT carrousels" and commercial money laundering, etc. – Supplement on further research*, I give some suggestions on further research concerning the phenomenon of 'VAT carrousels with regard also to commercial money laundering, where I continue with this topic in addition to my concluding suggestions in that respect in my second edition of *"VAT carrousels" and commercial money laundering, etc.* from September 2025.

By this supplement to the second edition of *"VAT carrousels" and commercial money laundering, etc.*, I continue with the topic of future research on 'VAT carrousels' etc. In the first place, I have written also this supplement for the purpose of my continued engagement at Södertörn University (Stockholm) on The Master's programme in European Legal Studies.

Thus, this book is intended to be a support for researchers working on the subject of 'VAT carrousels' and especially on this phenomenon combined with matters of commercial money laundering. With regard to practicians working with proceedings about those matters, the second edition of *"VAT carrousels" and commercial money laundering, etc.* and this supplement to it are also meant to function as tools to identify legal certainty issues in proceedings on value-added taxation as well as regarding connecting criminal cases.

Stockholm in October 2025
Björn Forssén

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ABBREVIATIONS ETC.

ADP, Automatic Data Processing
AI, artificial intelligence
Artiklar, articles
Balans, *Tidningen Balans fördjupning* (The Periodical Balans: Advanced articles)
C, *curia* (about the CJEU)
Ch., chapter
Cit., citaton or cited
CJEU, Court of Justice of the EU
COM, the EU Commission
cp., compare
DJ, *Dagens Juridik* (Today's Law)
dnr, day-book number
EBM, *Ekobrottsmyndigheten*, the [Swedish] Economic Crime Authority
EC, European Community
ECLI, European Case Law Identifier
EEA, European Economic Area
EEC, European Economic Community
e.g., exempli gratia, for example
EPPO, European Public Prosecutor's Office
ESO, *Expertgruppen för Studier i Offentlig ekonomi* (The Expert group for Studies in public economy)
etc., etcetera
EU, the European Union or the Union
Forskning, research
HD, *Högsta domstolen*, the [Swedish] Supreme Court
HFD, *Högsta förvaltningsdomstolen*, the [Swedish] Supreme Administrative Court
i.e., id est, that is
JFT, *Tidskrift utgiven av Juridiska Föreningen i Finland* (The journal published by the Law Society of Finland)
Moms, mervärdesskatt (VAT, value-added tax)
NJA, *Nytt juridiskt arkiv, avdelning I*, the HD's yearbook
no., number
OECD, Organisation for Economic Co-operation and Development (Sw., *Organisationen för ekonomiskt samarbete och utveckling*)
p./pp., page/pages
para, paragraph
PFS, *Pedagogiskt Forum Skatt*, Pedagogical Forum Tax (see www.forssen.com).
Prop., *regeringens proposition*, the [Swedish] Government's bill
ref., reference case (Sw., *referatmål*)
s., *sida*, page
sec., section
SFS, *svensk författningssamling*, Swedish Code of Statutes
SKV, *Skatteverket*, the [Swedish] tax authority
SOU, *statens offentliga utredningar*, the [Swedish] Government's official reports
SVT, *Sveriges television*, Swedish television
Sw., Swedish
TEU, Treaty of European Union
TFEU, the Treaty on the Functioning of the European Union
UN, the United Nations
VAT, value-added tax
VAT Directive, the EU's VAT Directive (2006/112/EC)
www, world wide web

BACKGROUND AND OUTLINE OF THE REST OF THIS BOOK

Background

Since 2015, I have given a lecture and a seminar each year at Södertörn University (Stockholm) on The Master's programme in European Legal Studies and so far, the history of this is the following in short:

- During the period of 2015–2020, I have thereby chosen the subject on the Swedish VAT (value-added tax) law relationship to the EU law. In that respect, I used a material which I mainly based on Swedish sources compared with the case-law of the Court of Justice of the EU (CJEU). It is to be found on my website, www.forssen.com.[1]

- During the period of 2021–2023, I changed direction to focus on the research so far in Sweden concerning indirect taxes (i.e. in the first place VAT, excise duties and customs) and the relevance of that research in relation to the EU law. Then, I based the material to my lectures and seminars on a series of articles of mine during 2020–2023 (originally published in Swedish), where I reviewed all fourteen theses in Sweden during 1994–2020 on the subject indirect taxes – twelve on VAT and one each on excise duties and customs.[2] I have assembled my translation into English of the series in question in my book *Indirect taxes – A Swedish experience of the research on the EU law*.[3]

- In the first one of my articles in the above-mentioned series of articles during 2020–2023 in the JFT (i.e. The journal published by the Law Society of Finland) and the Balans (i.e. The Periodical Balans Advanced articles),[4] I reviewed all theses in Sweden during 1994–2020 on the subject indirect taxes. Twelve of fourteen of those theses concerned VAT and a common denominator for my criticism of the VAT research was that the researchers pass over the tax subject question to instead directly treat the object question. Besides Forssén 2011 and Forssén 2013, there is only one Swedish thesis in VAT law that concerns the tax subject question, namely *Mervärdesbeskattning vid obestånd* (Value-added taxation at insolvency) by Jesper Öberg.[5] However, therein is the EU law sparsely treated with the motivation that *the EC's legislations only give the frames and must be filled out by national rules*, whereby he noted that any correspondence to those for the examination central rules on bankruptcy in the VAT Act did not exist in the then VAT directives.[6]

[1] See https://forssen.com/material-forelasningar-fo-och-seminarier-sem-av-bjorn-forssen-vid-sodertorns-hogskola-sh-institutionen-for-samhallsvetenskaper-offentlig-ratt-fran-och-med-2015/mina-fo-och-sem-hos-sh-under-2015-2020/.

[2] See https://forssen.com/material-forelasningar-fo-och-seminarier-sem-av-bjorn-forssen-vid-sodertorns-hogskola-sh-institutionen-for-samhallsvetenskaper-offentlig-ratt-fran-och-med-2015/.

[3] I cite the book Forssén 2024i.

[4] See *Momsforskningen i Sverige – metodfrågor* (The VAT research in Sweden – method questions), JFT 6/2020 pp. 716–757. I cite this article Forssén 2020b, like in Forssén 2025c.

[5] See Jesper Öberg, *Mervärdesbeskattning vid obestånd Andra upplagan* (Value-added taxation at insolvency Second edition), Norstedts Juridik AB 2001 (Öberg 2001).

[6] See Öberg 2001, p. 19.

- In my opinion, the mentioned experience from the VAT research in Sweden explains to a large extent the academics not having useful influence with the legislator, which causes that the legislator too simplifies the legislation procedure so that the rules on VAT are not useful for the creation of rules resulting in an effective system for charging and collection of VAT. Thus, I emphasized already in Forssén 2020b the importance of considering the tax subject question before going into matters of the tax object, to inspire researchers making deeper analyses of difficult VAT issues.

- As from 2024, I am focusing at the lectures and seminars in question on a specific topic concerning the relationship between Swedish VAT law and criminal law in relation to the EU law, where I use a material in that respect based first and foremost on my series of articles concerning the subject of what I call 'VAT carrousels' mainly published during the period of 2021–2025 (originally in Swedish).[7] I have assembled my translation of the articles into English in the second edition of my book *"VAT carrousels" and commercial money laundering, etc.*[8] I am adding this supplement to it, and thus continue about the topic of future research on 'VAT carrousels' etc.

Thus, in my second edition of *"VAT carrousels" and commercial money laundering, etc.* from September 2025, which I cite Forssén 2025c in this supplement to it, I raise the matter of the rule of law concerning one of its core principles in all EU Member States according to the EU Commission, namely legal certainty.[9] I begin Forssén 2025c by stating that I reason in that book about the VAT law and criminal law in Sweden and legal certainty for the individual as well as the State's interest of VAT collection. This is the main thread in Forssén 2025c and the central issue concerns the phenomenon of what I as mentioned above call 'VAT carrousels', which follows already by the book-title.

VAT frauds of a so-called carrousel type or carrousel trading is a rather dynamic subject, where fraudsters try to appropriate money from tax authorities in the Member States of the EU, e.g. Sweden, in connection with trading between more than one Member State. To make easier comparisons between laws of the three Nordic Member States, i.e. Sweden, Denmark and Finland, I often use the expression 'VAT carrousels' because it corresponds well with the Danish expression *momskarruseller*. Finland has both Finnish (suomi) and Swedish as its official languages and since Finnish is not a Scandinavian language, I deem it better in that respect to use the Danish expression for the phenomenon in question. For the same reason, I also use the expression VAT fraud, which is my translation of the Danish *momssvig*.

Above all, the problems about 'VAT carrousels' are very complex, since for instance Sweden as an EU Member State has only conferred competence to the EU and its institutions in certain fields like with the VAT law but not concerning for example criminal law. I am addressing the problems in question from a Swedish horizon and therefore the main thread of Forssén 2025c concerns, as mentioned above, the issue of making the VAT law and the criminal law in Sweden working together with regard to both legal certainty for the individual and the State's interest of VAT collection.

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[7] See https://forssen.com/material-forelasningar-fo-och-seminarier-sem-av-bjorn-forssen-vid-sodertorns-hogskola-sh-institutionen-for-samhallsvetenskaper-offentlig-ratt-fran-och-med-2015/.

[8] The book is available on www.forssen.com, under *PFS Böcker* (where it has the code 048Blå).

[9] See the EU Commission: What defines the rule of law? (https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/upholding-rule-law/rule-law/what-rule-law_en).

I begin Forssén 2025c by summarizing what I am writing about in the articles constituting the chapters and annexes of that book and I also give an overview of examples of questions that can be raised set out from those. In that respect, I suggest some questions that can be raised at lectures or seminars about in the first place 'VAT carrousels' and commercial money laundering (also called professional money laundering) and make a review of my above-mentioned series of articles during the period of 2021–2025. I end the book with conclusions on some legal certainty issues in the context, which could be raised by the Swedish legislator or by researchers anywhere.[10]

Thus, I end the last chapter of Forssén 2025c with regard especially to the combined problems on 'VAT carrousels' and commercial money laundering by suggesting some future research efforts to be made after the government's investigation on measures against VAT fraud, i.e. after the government's reports SOU 2023:49 and SOU 2024:32.[11]

The government did not succeed with those reports, since intended new legislation to solve the problems with the phenomenon of 'VAT carrousels' was not introduced as supposed by the legislator on 1 July, 2025. In my opinion, the central problem is that both the researchers in the field of VAT and the legislator have disregarded the importance of considering the subject issue and not go directly to questions about the tax object, where matters on VAT are addressed by them. This is decisive for problemizing more difficult VAT problems both in research and in practice.

In this supplement to Forssén 2025c, I come back to where I left off in that book by proposing that researchers should help the legislator in Sweden to make a tax reform, where the VAT would be replaced by a gross tax. Of course, such a project must be confirmed at the EU level but it is motivated after Sweden's rather ineffective efforts since the beginning of the 2000's to take measures against VAT frauds by the introduction of reverse charge for various problematic situations and by the last failure of the government trying to take such measures according to the reports SOU 2023:49 and SOU 2024:32.This is the only way to eliminate the problems with fraudsters appropriating money from the State, since gross taxes unlike VAT do not contain any right of reimbursement of input tax, and I mention in the end of Forssén 2025c that I stated it already in an article in 2024, namely *Förslag till en stor skattereform i Sverige som också förbereder en EU-skatt* (A proposal for a great tax reform in Sweden which also is a preparation for an EU tax). In Forssén 2025c, I cite that article Forssén 2024h.[12] Below in Chapter A., I express my short version of the article published in 2025, which I cite Forssén 2025d.[13]

[10] See Forssén 2025c, Ch. CONCLUSIONS – SOME LEGAL CERTAINTY ASPECTS.

[11] See Forssén 2025c, Ch. CONCLUSIONS – SOME LEGAL CERTAINTY ASPECTS, section 8 (Tips for future research efforts regarding the problems with 'VAT carrousels').

[12] See Björn Forssén, *Förslag till en stor skattereform i Sverige som också förbereder en EU-skatt* (A proposal for a great tax reform in Sweden which also is a preparation for an EU tax), *Tidskrift utgiven av Juridiska Föreningen i Finland* (The journal published by the Law Society of Finland) – abbreviated JFT, JFT 5–6 /2024 pp. 455–496. (Forssén 2024h).

[13] See Björn Forssén, *Förslag till grundbultar i en stor skattereform* (Proposal of cornerstones in a great tax reform), Balans 2025, published 2025-10-02 on www.tidningenbalans.se. (Forssén 2025d).

About chapters A.–C.

Chapter A. – a proposal of cornerstones in a great tax reform

As mentioned above, I come back in this book to my suggestion to the researchers to help the Swedish legislator to make a tax reform, which regarding taxation of enterprises would mean in the first place replacing the VAT altogether with a gross tax.

Already in my two theses of 2011 and 2013, I emphasized the importance of not disregarding the tax subject question before examining the tax object question.[14] By Forssén 2011 and Forssén 2013, I have thus given a background to the emphasizing in my continued research on 'VAT carrousels' of the importance of beginning it with the tax subject matter. My experience from the work with my two theses is that this is necessary to be able to deeper problemize and analyse difficult matters on VAT at the work done in that field by researchers as well as the legislator.

Of the twelve Swedish theses on VAT law during the period of 1994–2020, it is only Forssén 2011 that has led to measures on behalf of the legislator within reasonable time concerning adjustments of the Swedish VAT Act in relation to the EU's VAT Directive (2006/112/EC). The main issue in Forssén 2011 concerned the connection in the VAT Act to the Income Tax Act for the determination of the tax subjected, which conflicted with the main rule on the concept taxable person in the VAT Directive. On 1 July, 2013 this connection was revoked and *beskattningsbar person* (taxable person) was implemented in the VAT Act.

However, regarding one of the side issues in Forssén 2011, namely my suggestion to replace also the concept tax liability (*skattskyldighet*) with the concept taxable person (*beskattningsbar person*) concerning the main rule on the emergence of the right of deduction for input tax on acquisitions of goods or services, it was not until 1 July, 2023 and the introduction of the new Swedish VAT Act, *mervärdesskattelagen (2023:200)*, that this too was realized.

I mention in an article from 2024 some pros and cons with the Swedish VAT reform of 2023.[15] However, the importance of not disregarding the tax subject question before examining the tax object question is central for my continued research on 'VAT carrousels'. Although the VAT reform of 2023 above all means that the structure of the Swedish VAT Act is better adapted to the VAT Directive, the recently mentioned matter is not a question that has been dealt with per se by the introduction of the new VAT Act. Since that issue is already emphasized by Forssén 2011 and Forssén 2013, and my reasoning about the resulting question in Forssén 2024h on replacing the VAT altogether with a gross tax, I do not mention Forssén 2024c more in this book. Instead, a summary of the cornerstones in the tax reform that I am proposing in Forssén 2024h should give a pedagogical context to my tips for further research on the phenomenon of 'VAT carrousels'.

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[14] See *Skattskyldighet för mervärdesskatt – en analys av 4 kap. 1 § mervärdesskattelagen* (Tax liability for VAT – an analysis of Ch. 4 sec. 1 of the value-added tax act). Jure Förlag AB 2011 (Forssén 2011) and *Skatt- och betalningsskyldighet för moms i enkla bolag och partrederier* (Tax and payment liability to VAT in joint ventures and shipping partnerships). Örebro Studies in Law 4/2013 (Forssén 2013).

[15] See *Momsreformen i Sverige – flera minus än plus beträffande implementeringen av bestämmelserna i EU:s mervärdesskattedirektiv* (The VAT reform in Sweden – more minus than plus concerning the implementation of the rules of the EU's VAT Directive), JFT 1–2/2024 pp. 48–82. I cite this article Forssén 2024c, like in Forssén 2025c.

Thus, I express in Chapter A. a short version of Forssén 2024h, namely my article *Förslag till grundbultar i en stor skattereform* (Proposal of cornerstones in a great tax reform), which I, as mentioned, cite Forssén 2025d.

Chapter B. – some underpinning reasons for replacing the VAT with a gross tax

In Chapter B., I give some underpinning reasons for my suggestion in Chapter A. to replace the VAT with a gross tax. These reasons concern the making of an effective collection of tax to guarantee the financing of the welfare in all EU Member States (B1) and a gross tax as an alternative to avoid a trade war between the USA and the EU (B2).

Chapter C. – the conclusions from Forssén 2025b

In the finish of Forssén 2025c, I am urging researchers from various academic disciplines working with issues on collection of tax to put some effort into the question of control at *Skatteverkets*, the tax authority's, abbreviated SKV, registration of enterprises for taxation purposes, regardless of whether my suggestion on a tax reform would be realized. Although the above-mentioned tax reform that I am suggesting would eliminate reimbursement of erroneous excess input tax by the State to fraudsters, new arrangements would probably appear concerning a reformed tax system with regard to fraudsters who register as enterprises. In that respect, I repeat from the end of Forssén 2025c that I hope to inspire interested researchers with my reflections on the registration matter given in 2025 about developing the use of artificial intelligence (AI) in the SKV's registration control by using legal semiotics in that respect.[16]

Thus, in Chapter C., I am expressing the conclusions from Forssén 2025b.

Concluding viewpoints

Finally, I end this book with some concluding viewpoints, where I once again mention the importance of not disregarding the tax subject question before examining the tax object question and named that issue central for my continued research on 'VAT carrousels', and partly add some remarks and partly repeat some concluding legal certainty aspects from Forssén 2025c.

[16] See Björn Forssén, *Juridik och teknologi – idéer för AI-verktyg till momsgranskningen i Sverige* (Law and technology – ideas for AI-tools to the VAT investigation in Sweden), JFT 1/2025 pp. 31–64. (Forssén 2025b).

A. Proposal of cornerstones in a great tax reform[17]

In this advanced article, Björn Forssén is developing his thoughts about the necessity of a new great tax reform in Sweden. One of the cornerstones (or linchpins) in the proposal is that not only the indirect taxes but also the income tax would be adapted to the EU law for the determination of the tax subject for enterprise law purposes. The other cornerstone consists of another EU-country – the Netherlands – may give guidance for the introduction in Sweden of a model for capital and dwelling taxation for private persons, a so-called box model.

Introduction

I suggest a new great tax reform in Sweden, why this advanced article also constitutes a contribution to the debate before the general elections in 2026. One of the cornerstones is that the taxation of enterprises should be constructed as legally certain as possible for the entrepreneur who thus is placed in the centre of the reform.[18] In that part, I propose that in the first place value-added tax (VAT), excise duty and corporation tax will be replaced with a gross tax based on the enterprises' ennobling value, for example in the form of a so-called production factor tax (Sw., *proms*). If the other EU Member States follow Sweden in that respect, an EU tax can be prepared for the future benefit of the welfare within the whole of the EU. Already in 2004, the EU Commission recommended the introduction of an EU tax as from 2014, and exhorted the Council to work with the question, but so far this has been put on ice in several long-term budgets by the EU. Regarding the other one of the cornerstones, I am bearing in mind a proposal from 2017 to The Expert group for Studies in public economy (*Expertgruppen för Studier i Offentlig ekonomi*, abbreviated ESO), where the professors Sven-Olof Lodin and Peter Englund suggested that Sweden would introduce a so-called box model concerning capital and dwelling taxation for private persons. The suggestion was based on a similar model in another Member State, namely the box model which has been applied since 2001 in the Netherlands. It was presented by them in the ESO-report 2017:4,[19] which I commented in an advanced article in the Balans in 2017.[20] Inter alia my recently mentioned articles have been placed on the ESO's website – to the comments in media about the report.[21]

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[17] Article: *Förslag till grundbultar i en stor skattereform* (Proposal of cornerstones in a great tax reform), by Björn Forssén, *Tidningen Balans fördjupning* (The Periodical Balans: Advanced articles), Balans 2025, published 2025-10-02 on www.tidningenbalans.se. (Forssén 2025d).

[18] See Björn Forssén, *Förslag till en stor skattereform i Sverige som också förbereder en EU-skatt* (A proposal for a great tax reform in Sweden which also is a preparation for an EU tax), *Tidskrift utgiven av Juridiska Föreningen i Finland* (The journal published by the Law Society of Finland) – abbreviated JFT, JFT 5–6/2024 pp. 455–496. (Forssén 2024h).

[19] See *Yes box! En ESO-rapport om en ny modell för kapital- och bostadsbeskattning (ESO-rapport 2017:4)*, [Yes box! An ESO-report about a new model for capital and dwelling taxation (the ESO-report 2017:4)], by professors Sven-Olof Lodin and Peter Englund.

[20] See Björn Forssén, *Boxmodell för en enhetlig kapital- och fastighetsbeskattning: Yes box – alright?* (A box model for a uniform capital and real property taxation: Yes box – alright?). Published in *Tidningen Balans Fördjupningsbilaga* (The Periodical Balans Annex with advanced articles), printed version 5/2017 pp. 8–13, and on www.tidningenbalans.se 2017-10-18. (Forssén 2017d).

[21] See https://eso.expertgrupp.se/rapporter/boxmodell-kapitalinkomst-och-bostadsbeskattning/. There is also an English summary of the ESO-report in question to be found.

The VAT should direct the income tax regarding who is an entrepreneur

The EU law required that the connection from the VAT to the income tax for the determination of the tax subject for enterprise law purposes should be revoked, which also was done on 1 July, 2013 – after I had stated this as the main issue in my licentiate's dissertation from 2011. However, the legislator disregarded that I had recommended the reverse order as an alternative to making the determination of the tax subject EU conform (directive conform) concerning the VAT. I wrote that the case-law of the CJEU and of the Supreme Administrative Court (*Högsta förvaltningsdomstolen*, abbreviated HFD) meant that there are suppositions of at least going further and examine whether the determination of who is an entrepreneur according to the income tax law can be governed (directed) by the VAT law.

I mentioned that there was no support to object against this reverse order to determine who is an entrepreneur for taxation purposes. The analysis in my thesis namely showed that the profit prerequisite for an actual business activity (*egentlig näringsverksamhet*) that was considered preventing this no longer was upheld in the case-law. Thus, that objection was not valid then and is neither so today. This, since it follows by the main rule on the determination of the tax subject for VAT purposes in Article 9(1) first para of the EU's VAT Directive (2006/112/EC) that the result is not decisive in that respect. The result can namely be plus or minus. If the person in question independently carries out an economic activity, he or she is a taxable person for VAT purposes regardless of the result in the economic activity. This is also in correspondence with the case-law regarding the determination for income tax purposes of an actual business activity.

That it was necessary to revoke the connection from the VAT to the income tax and the determination there of what is in general constituting business activity depended on that reference meaning that *all* legal persons, for example limited companies, were made tax subjects also with regard to VAT. This conflicted with the main rule in the VAT Directive on who is a taxable person, where the prerequisites are the same regardless of enterprise form, natural person – sole proprietorship – or limited company etc. Thus, a legal person is not a taxable person solely by virtue of the subject registration at Bolagsverket (the Swedish Companies Registration Office) of for instance a limited company (*aktiebolag*) as precisely a limited company.

A common taxation frame benefits the legal certainty in the taxation procedure

Regardless of whether it will lead to the introduction of an EU tax, a tax reform should be carried out in Sweden meaning a reverse order compared with what applied before the reform of 2013 so that the VAT directs the income tax at the determination of who is an entrepreneur, In this way, the big advantage with my reform proposal concerning the taxation of enterprises is to accomplish a common taxation frame for the two types of taxes VAT and income tax in that respect.

Thus, it was a step in the right direction not allowing the income tax concept *näringsverksamhet* (business activity) to continue to determine who is an entrepreneur for VAT purposes. This was altered already on 1 July, 2013 but I consider that it remains to alter the tax system in the present respect. The judgment of who is an entrepreneur for taxation purposes should be co-ordinated by establishing a common taxation frame for the two types

of taxes. Then, the SKV can make that judgment jointly in the taxation procedure for both VAT and income tax, where it is a matter of the taxation of enterprises.

Furthermore, with such a common taxation frame the book-keeping becomes the foremost evidence at the judgment of who which natural or legal persons that constitutes a tax subject for corporate taxation purposes. This since the requirement to maintain accounting records for a natural person becomes guiding in practice by the prerequisites in that respect according to the preparatory works to the Book-keeping Act resembling the prerequisites for the main rule on who is a taxable person as well as for an actual business activity. Thus, my proposal gives legal certainty advantages by the trial of the tax subject question for corporate taxation purposes not being made twice in the taxation procedure.

A common taxation frame benefits the collection and the legal certainty in relation to both the EU law and the OECD's model treaty

The competence for the determination of the tax subject for VAT purposes lies in general at the EU, since the competence in that field has been conferred to the EU's institutions by the Swedish Parliament, whereas the competence in the field of income tax still remains at the parliament. Directives like the VAT Directive is binding for the EU's Member States according to the primary law and for indirect taxes like VAT a harmonisation demand applies concerning the legislations in the Member States. For income tax there is just a demand on approximation of the national legislations to each other applying. Concerning secondary law, the Council has issued only a few directives on income tax, for example the Merger Directive and the Parent Companies and Subsidiaries Directive, but nothing about who is an entrepreneur for income tax purposes. However, there is no obstacle in the EU law of letting the VAT direct the income tax where the determination of the tax subject for corporate taxation purposes. By in that respect introducing a common taxation frame for the determination of the tax subject regarding the two types of taxes in question should ensure a more efficient collection regarding these at the enterprises active on the internal market.

A common taxation frame and the legal certainty in relation to the OECD's model treaty

If a co-ordination to determine the tax subject, with the EU law as the guiding-star for both VAT and income tax, is not introduced, the double taxation agreements for the field of income tax constitute a dividing circumstance, since the OECD's model treaty is the basis in that respect – not the EU law. There is namely no OECD-court as a highest interpreter of double taxation agreements for the HFD to turn to at the interpretation of the more difficult questions.

I consider that the legal certainty would be strengthened for the entrepreneur totally if an entrepreneur question of a precedent interest concerning the determination and judgment of the tax subject is made by the HFD letting what regarding the VAT decides whether a preliminary ruling should be obtained from the CJEU as the highest interpreter of the EU law. If the VAT thereby directs also the income tax in that respect a case-law should be developed without the risk of deviations between the HFD and the CJEU. Thereby would a common taxation frame for corporate taxation purposes typically favour the legal certainty, since the instances below the HFD would be given a more legal certain guidance to decide more difficult interpretation question by the decisions being made assembled for the two types of taxes in the precedent cases.

The reform the SKV should give priority to the registration control regardless of whether the reform will be carried out

I consider that the registration question is of a decisive importance for an efficient collection regardless of whether the existing system is retained or my suggested reverse order and a common taxation frame is introduced to determine who is an entrepreneur for taxation purposes. If the entrepreneurs cannot perceive that they are comprised by a legally certain control the loyalty towards the tax system will tend to decrease, that is to the financing of our common welfare.

Moreover, I state that the importance of an efficient collection has not only been emphasized by the EU Commission, but the importance of the collection was expressed also already in the VAT reform of 1991 by the legislator naming the entrepreneur an agent for the State with regard to collection. Especially concerning those hard to take legislative measures against VAT frauds experience shows that it is inefficient to put in resources by tax audits and other control measures first when frivolous enterprises have been allowed to grow in numbers in the VAT register.

Under the existing system the most important measure to counteract VAT frauds is not that the legislator tries to stop the drainage of the public treasury by introducing at certain spots reverse liability of payment (reverse charge) for supplies of goods and services within the country. By my suggestion to replace inter alia the VAT with a gross tax the cash flow between registered and the State will be abolished and thereby the VAT frauds in question. However, experience shows that a tax system waterproof against frauds will never be constructed why the SKV should return to giving priority to who is an entrepreneur at the moment of registration, regardless of whether my reform proposal will be introduced.

An EU tax should also solve the problems with begging EU migrants

If my suggestion to introduce a common tax frame for VAT and income tax also leads to the introduction of an EU tax that tax should be a part of a gross tax, preferably a *proms*, which as mentioned in the first place would replace VAT, excise duty and corporation tax at the Member States. If Sweden and the other Member States of the EU thus follow my suggestion and introduce a *proms* that ’EU line’ can be carried out in the form of a directive from the EU on the introduction of a suchlike gross tax.

The ’EU line’ which I am thus stating as subsequent to my reform proposal regarding the tax system in Sweden should also solve the problems with migrants from e.g. Romania and Bulgaria who because of a lack of welfare in the home countries come to for instance Sweden to beg. In a debate article from 2024 in the then 100th anniversary celebrating *Socialmedicinsk tidskrift* (The Social Medicine Journal), I argued for the introduction of a general EU tax to counteract corruption in for instance Romania and Bulgaria. Then, the EU Commission could make claims directly against the governments of those countries to work on an effective collection for the financing of the welfare so that the need to beg in for instance Sweden would be eliminated. That would probably be a more effective social effort, instead of continuing to focus on the more abstract Pillar of Social Rights as a solution of the EU migrant question and on a begging prohibition.

The box model simplifies the capital and dwelling taxation for private persons privatpersoner

The other cornerstone in my proposal for a great tax reform in Sweden means, as mentioned, that I am bearing in mind the proposal in ESO-report 2017:4 of introducing a unified capital and real property taxation for private persons with the Netherlands box model as a model. I have, as also mentioned, commented the box model in the Balans advanced section and iterate only the following from the summary of the report on how a Swedish box model is supposed to function:

> The box model is meant to replace most of the present capital income taxation, including capital gains tax, and also the various forms of residential property taxation. To achieve greater uniformity and fairness in residential property taxation, the model includes both one-and two-family houses and cooperative flats in the box. The income tax schedule capital remains but all personal debts not associated with other income tax schedules than capital are included in the debt side of the box. The tax base will constitute a standardised yield calculated on the net within the box (assets minus liabilities). The proposal means that the standard yield will be fixed and independent of the current interest rate and business cycle so that a standard tax of 4 per cent is intended to include direct as well as indirect yield. A tax rate of 30 per cent cause in practice a tax of 1.2 per cent of a positive net within the box (0.04 × 30 procent). By the tax being levied on an ongoing basis over the period the asset is held the lock-in effect that the current capital gains tax can cause will be completely eliminated, that is there will not be any taxation at sales of e.g. a dwelling or shares. For a negative net within the box after debt is subtracted there will not be any deduction or tax reduction allowed.
>
> According to the proposal taxation in the income tax schedule capital will be retained alongside box taxation but only to a limited extent. This ‘capital income’-taxation will apply to assets that cannot be included in the box due to valuation problems, and in that way will income minus associated interest be taxed. That taxation includes e.g. income from unlisted securities, primarily 3:12 shares and, analogous to the ISK model (i.e. the so-called *investeringssparkonton*, investment savings accounts, abbreviated ISK), certain substantial securities holdings.

That taxation within the box model of assets and debts will be made in practice by 1.2 per cent of a positive financial net resembles the taxation wealth which was abolished at the end of the year 2007. A stumbling-block is that private persons’ dwellings are included on the asset side in the box model. For small real property the assessed building value and for co-operative flats and freehold flats the share thereof belonging to the real property’s tax assessment value will constitute the value of the asset. This would apply instead of today’s index-linked municipal real property fee for small houses with a comparatively low cap amount. A suggestion to introduce the box system will thus be hard to introduce politically, since it sets different interest groups against each other, but that is the politicians used to handle. However, the model has, as mentioned, yet applied in the Netherlands since 2001 and should above all in combination with a *proms* for the enterprises gain attention also in Sweden for reasons of simplification.

A *proms* and the box model leading to most private persons not being liable to file returns

If my proposal with a *proms* for the enterprises is introduced in combination with the box model a simplification will be achieved for private persons so that they in most cases will not need to file income tax returns each year. Employee taxation can be carried out by the enterprises together with the *proms* account a definitive tax at source on salaries. However, self-employed person's social security contributions for natural persons who are entrepreneurs would also be included in the *proms* according to my proposal, and a part of the basis for that tax then forms the pensionable income that the SKV report to the Swedish Pension Agency for calculation and decision regarding the individual entrepreneur's pension entitlement. At least to begin with, the employer's contribution for national social security purposes would after an introduction of my proposal for a tax reform continue to be accounted for separately by employers which are legal persons – and by private persons who are employers.

Concerning capital and real property taxation, the private persons who still would be liable to file income tax returns would only consist of those of them who have had such incomes from payers not comprised of liability to file statements of earnings and tax deductions. This due to the banks etc. which are comprised of liability to file such statements would be comprised by the box system and would carry out the collection in the same way applying today for standardised incomes from the ISK.

The box model should not cause any problem for the enterprises unless Lex Uggla emerge again

For the enterprises, I consider that the box model should not cause any problem, since unlisted securities like 3:12 shares shall not be included in the box system but will be comprised by 'capital income'-taxation as to the rest.

However, in the recently mentioned respect I may mention again that I in my commentary of the box model state that clarity should be tried to attain at the working out of a Swedish box model for capital taxation. This above all to avoid that the so-called Lex Uggla-problems that existed for some time regarding the wealth tax and disappeared due to the abolishment altogether of the wealth tax in 2007 would emerge again at the box taxation.

The mentioned problems meant that the SKV considered that owners of unlisted limited companies etc. should pay wealth tax on excessive liquidity in the company. Thereby, they risked having to pay wealth tax on capital needed in the enterprise for investments and to recruit new employees. This might be a question dividing the political parties with regard to the capital taxation for owners of close companies being – on the theme of justice – matched against the taxation in general of so-called low-income groups. Then it is supposed that the 3:12 rules should be abolished or become impaired for the owners in the smaller enterprises.

Concluding viewpoints

There is a lot more to bring up in a great tax reform, but I consider that the first cornerstone in my proposal is the most important. It is about achieving a functioning corporate taxation which means an effective collection for the financing of the welfare. Thereby, the individual

entrepreneur's confidence in being guaranteed legal certainty in the taxation procedure and proceedings on tax will be upheld.

By the production of goods and services, it is the enterprises that make new money in the society. Therefore, it is a must that the taxation of the production of goods and services is as effective as possible and in that respect is thus the main thread in my proposal that it shall lead to a more effective collection by the entrepreneur in the capacity of – if you like – an agent for the State with regard to collection. It is not necessary to do everything in one step. The legislator can begin with my proposal on the two cornerstones regarding the corporate taxation and the taxation for private persons respectively and the combination of those and then move on with the reform work.

B. Some underpinning reasons for replacing the VAT with a gross tax

B1 Gross tax instead of VAT – the making of an effective collection of tax to guarantee the financing of the welfare in all EU Member States[22]

This article – Forssén 2024j – *can be seen as a follow-up to ambassador Mats Åberg's article in Socialmedicinsk tidskrift no. 3/2015 (pp. 296-302), Begging EU migrants – a responsibility for Sweden, the homelands and Europe. Eight years ago Mats Åberg brought up inter alia that the main responsibility for the situation for the minorities in the long view, especially for the Roma people, lies with the homelands, to improve the conditions of living for them, so that they will not have to beg in the streets in the EU Member States with a developed welfare, like in Sweden. With this article, I aim to argue for the introduction of a general EU-tax, to counteract corruption in for instance Romania and Bulgaria, so that the EU Commission can make demands on those governing the mentioned countries, to motivate them to develop the welfare and eliminate the need to beg in for example Sweden. That would be a real social effort, instead of continuing the debate with a focus on the more abstract Pillar of Social Rights as a solution of the EU migrant question. Somebody sitting before a grocer's shop with a paper drinking-cup in which passers-by are supposed to put some coins is probably unaware that he or she has rights as an EU citizen, which I see as my duty to point out. I have argued for the introduction of a proper EU-tax in my doctor's thesis from 2013, Tax and payment liability to VAT in (approx.) joint ventures and shipping partnerships (Örebro Studies in Law 4, Örebro University 2013) and continued to do so also thereafter. With this article, I hope that my suggestion will be acknowledged, so that Sweden – preferably in co-operation with Finland and Denmark – will take up on EU level the issue of an introduction of an EU-tax.*

Since Mats Åberg's article in this periodical was published, a debate has occurred on the introduction of a begging prohibition in Sweden. This has been suggested to become subject of an investigation, according to an agreement between the so-called collaboration parties, the Sweden Democrats (*Sverigedemokraterna*), the Moderate Coalition Party (*Moderaterna*), the Christian Democrats (*Kristdemokraterna*) and the Liberals (*Liberalerna*), which form the basis of the government Kristersson, with the Sweden Democrats as the collaboration party outside the government. The collaboration for the term of office 2022–2026 is based on "*Tidöavtalet*: *Överenskommelse för Sverige*" (The Tidö Treaty: An Agreement for Sweden). On page 27 of that agreement the following is stated under the headline A national begging prohibition is investigated (in my translation):

> *A national begging prohibition shall be investigated. The investigation's assignment shall include the trial of pross and cons with a system with a possibility of municipality begging prohibitions compared with a national prohibition. The investigation shall, regardless of*

[22] Article: *En EU-skatt är avgörande för att bl.a. Sverige ska ta ansvar på lång sikt för tiggande EU-migranter* (An EU-tax is decisive for inter alia Sweden to take its responsibility in the long view for begging EU migrants), by Björn Forssén, published 2024-05-15 in *Socialmedicinsk tidskrift* (The periodical on social medicine – edited by Karolinska Institutet and its *storinstitution, Institutionen för Global Folkhälsa* in Stockholm) – abbreviated SMT, SMT 1/2024 pp. 90–95. (Forssén 2024j). Forssén 2024j is also available on the platform https://publicera.kb.se/smt at *Kungliga biblioteket* (the National Library of Sweden).

standpoint, put forward a suggestion of a statute implying a begging prohibition in Sweden.

If the government Kristersson and the Sweden Democrats carry out The Tidö Treaty, it is thus a matter of the Swedish Parliament having to decide on a statute meaning the introduction either a municipality begging prohibition or a national begging prohibition. The opposition, with the eventual support of one or two members of parliament from the Liberals, might vote down a begging prohibition in one or the other form. The liberals Anna Starbrink and Lina Nordquist namely say no to a begging prohibition, according to an article by Victor Stenquist in the daily tabloid newspaper Aftonbladet on 14 October, 2022. What I want to point out in the debate is, however, that the proposal in The Tidö Treaty is made contradictory. Among researchers it is known that contradiction can be used in argumentation but should be avoided as a method in itself. A method meaning that *if a is right b must be wrong* – and vice versa – leads to the researcher missing that both a and b can be wrong, whereby the analysis must continue with the examination whether there is a case c and perhaps a case d and so on that should be in the scientific study. This is something that I am emphasizing in the education on for example the EU Master programme at Södertörn University, where I have been giving lectures and seminars in EU law concentrating on taxation each year since 2015.

It is also the EU law that should be regarded, when the problems with poor EU migrants shall be deemed resolved by a begging prohibition. I state a *third way*, and it is named EU tax. At least if a long view solution shall be achieved, and Sweden in future shall be able to present itself – with a claim on credibility – as a humanitarian great power. I relate to the following from my doctor's thesis and one of my articles in the Internet paper *Dagens Juridik* (Today's Law).

In my doctor's thesis, I mention inter alia the EU Commission's green paper of 1 December, 2010,[23] whereof follows that collection questions shall be prioritized in the field of VAT. In that respect, the EU Commission's suggestion to introduce an EU tax would stand that matter in good stead, and I mention in the thesis that the Commission already in 2004 exhorted the Council to work with the question.[24] However, that work was paused in connection with the long term budget of 2021–2027. Nevertheless, I consider that an EU tax, that is a general tax taken out on EU level, is something that many EU citizens are demanding without knowing it. Regarding the EU and tax it has taken by itself existed a discussion by the Member States to introduce a carbon dioxide tax on EU level,[25] but the Commission's suggestion to introduce a general EU tax is not debated at all in my opinion. With a general EU tax would in my opinion above all the poor EU migrants have an efficient support to claim that their homelands shall use tax revenues to secure the welfare, by the EU Commission thereby being able to start a case at the Court of Justice of the EU on breach of the EU law with a claim for damages against for instance Romania or Bulgaria, if the countries are not securing collection and such a use of the EU tax. That would be something completely else than the EU Member States paying a fee to finance the EU's institutions, to thereafter applying for subsidies from the EU, which is a system made for corrupt regimes and authorities.

[23] See Forssén 2013, pp. 32, 59, 60, 76 and 86 and the EU Commission's green paper On the future of VAT Towards a simpler, more robust and efficient VAT system, COM(2010) 695 final on 1 December, 2010.

[24] See Forssén 2013, pp. 41 and 42.

[25] See *Nyhetssajten Europaportalen* (the news site Europaportalen) – updated latest on 30 November, 2022 (visited 2023-06-07).

In the article *Det räcker inte med den s.k. sociala pelaren – det behövs en EU-skatt för att stoppa tiggeriet* (It is not enough with the so-called Pillar of Social Rights – an EU tax is necessary to stop the begging), *Dagens Juridik* (Today's Law) 2019-05-23 (Forssén 2019h), I emphasized the necessity to introduce an EU tax. Those speaking for the EU state that such a problem as that of the begging EU migrants shall be solved by the Pillar of Social Rights. In article 3(3) of the Treaty of European Union it is taken by itself stated that the EU shall combat social exclusion and discrimination and promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child, but those aims will be inefficient, if some Member States are not upholding a just distribution of the means for the welfare. To remedy in the long view the phenomenon with begging EU migrants, it is thus not enough to only utter the phrase 'it shall be resolved by the Pillar of Social Rights'.

What is the most insidious with the whole situation is in my opinion that the EU migrant who is sitting begging before a grocer's shop in for example Stockholm is not only a Romanian or Bulgarian, but also an EU citizen.[26] The EU law shall give all EU citizens' rights that constitute *a part of their legal inheritance*.[27] In Forssén 2019h, I mentioned that the Amnesty International's Johanna Westeson in an interview in Swedish Television's, *Sveriges Television (SVT)*, *Aktuellt* on 18 February, 2019 stated, due to the verdict of the HFD on 17 December, 2018 (case no. 2149-18),[28] meaning that local begging prohibitions nowadays are legal, that the Amnesty shall carry out a campaign against those in the municipalities. In my opinion, this should not be necessary, if my *third way* will be implemented; an EU tax would most likely give the long view solution that Mats Åberg mentioned in his article in 2015, by the Commission thereby being having the possibility to make sure the governments and authorities in for example Romania and Bulgaria using such means to build up welfare, instead of the EU paying out subsidies after applications from these Member States.

On 12 February, 2015, I wrote an e-mail to the SVT regarding Martin Valfridsson, of the Social Democratic Party, *Socialdemokraterna* (S), answering that he *wished that it was not so*, when it was mentioned that EU citizens travelled a long way to beg on the streets of Stockholm. I emphasized in the email that it *should* not be so, since those people already have rights as EU citizens. My perception was – and is – that all talk of pro and con begging, and of justice, is misplaced, when the real attitude is to talk about law and rights by virtue of the citizenship – for the EU migrants as well as for instance myself. The beggars shall not have to rely on charity, and my *third way*, opposed to contradictory reasoning on whether a proposal of a statute on prohibition of begging shall apply on a municipality level or on a national level, should be seen as an essential part of carrying on the EU project forward: the solution in the long view is then named introduction af an EU tax. The co-ordinator is one of those misinformed who should distinguish right from all talk about justice. That is what the beggars say, if they could formulate their rights, that is the legal inheritance they already have as EU citizens. There is no legal difference existing for them compared with what applies to other EU citizens. It is on the whole striking how ignorant the political debate is carried out, when

[26] See Article 9 of TEU and Article 20(1) of the TFEU.

[27] See the government's bill (prop.) 1994/95:19, *Sveriges medlemskap i Europeiska unionen* (Sweden's membership of the European Union) Part 1, p. 485.

[28] See HFD 2018 ref. 75.

what already is law – EU law – is distorted, by a pseudo debate as if it was matter of a party-political question.

In the last mentioned respect, I may mention *public service* as a forum where a distinction is not made between law and justice. During half a decade, 2014–2019, I tried to awake the SVT about the EU tax as a solution of the begging phenomenon. A news feature in the SVT on 17 February, 2019 on begging started with the government three year before *hoping* that the begging would decrease in Sweden. Mikael Damberg, of the Social Democratic Party, spoke in the feature about the government having tried to make agreements with the beggars homelands to make a commitment. I referred to myself having tried since 2014 to lift by the SVT the question on introduction of an EU tax, instead of the SVT contributing to keep alive the debate on begging prohibition. I emphasized that the government must run the EU project as it is supposed to be carried out, which means that all EU citizens have the same rights. Everything else means that the citizens soon discover that the EU project leads to legal uncertainty concerning the fields which are comprised by national competence as well as those regarding the fields where the competence has been conferred to the EU's institutions by the Swedish Parliament at the EU accession in 1995. The answer finally arrived on 28 March, 2019, and one *Klara* at the SVT gave me the following statement: 'When it will be something *bubbling*, we may very well bring it'.

Two days after the *bubble* answer from the SVT, I brought up, regarding a feature in the SVT about the economy taken by itself being improved in Romania but that corruption at the same time increasing at the cost of democracy, that a Romanian who was interviewed in the feature urged the EU to stop sending subsidies, so that such means will not feed corruption in Romania. Thereby, I reiterated to the SVT on 26 March, 2019 my exhortation of five years meaning that the reporters should raise the question about the EU tax being paused, and which constitutes the *third way* that would make it possible to finance the welfare in for instance Romania with a direct control from the EU Commission of the use of tax revenues there.

In the last mentioned respect, I may also mention that I on 17 December, 2018, due to the HFD's verdict of 2018-12-17 (HFD 2018 ref. 75) regarding local begging prohibitions, sent an e-mail to the SVT about me already being proven right regarding that the phenomenon with begging EU migrants would not be remedied by the government consisting of the Social Democratic Party and the Swedish Green Party (*Miljöpartiet*) sending Martin Valfridsson as a so-called co-ordinator to Romania and Bulgaria, to teach the authorities in these countries to be better at applying for subsidies from the EU. In an e-mail to the SVT on 19 August, 2016 I stated, due to the Minister of Public Administration Ardalan Shekarabi (S) saying in an SVT interview that the government considered introducing a begging prohibition, that I deemed it relevant that he would be asked the same question as I began to ask the SVT on 23 November, 2014, namely why the *third way* with an introduction of an EU tax would not be brought up again, as the thought was on EU level already ten years before then. In the e-mail, I stated at the same time that Martin Valfridsson should be relieved of his assignment to teach for instance Romanian authorities to apply for EU subsidies, since it appeared as a significantly riskier way than the *third way* that I – and also the EU Commission – suggest, that is an introduction of an EU tax.

Besides in my doctor's thesis and in the mentioned article in *Dagens Juridik* (Today's Law), I have brought up the question on an introduction of an EU tax in my licentiate's dissertation

from 2011,[29] and in an article in the JFT.[30] Also in the licentiate's dissertation, I mention the EU Commission's ambitions in the field of VAT, according to the green paper from 2010 (see above). Therein, I state that an EU tax could consist of the VAT being broadened to include inter alia other indirect taxes, to simplify the collection and introduce a principle of origin for the taxation of goods and services, whereby a side-effect of such a reform would be that an introduction later on of an EU tax is made easier. I mentioned that the EU Commission's suggestion of 2004 to the Council to work with the question on an introduction (as from 2014) of some form of an EU tax was made with the mentioning of fuel tax, VAT or company tax as bases of taxation. I also mentioned that there existed thoughts about broadening the tax bases for enterprises already at the tax reform of 1990, whereby inter alia an introduction of a so-called proms – production factor tax – was discussed.[31]

By this article, I am hopefully showing that the importance to broaden the debate on how the EU project shall be carried on forward, so that problems like with the EU migrants leaving their homelands to beg in other Member States will be illuminated in an interdisciplinary discourse. In my opinion, it is thereby made possible that the *third way* as an EU tax means for the success of the EU project also would be debated politically in the present respect without irrelevant objections about the Member States' independence being jeopardized if the EU is given a right of taxation of its own. I may also state the following as support for my suggestion to introduce an EU tax.

The EU is on the one hand an international organization between states, but the EU has on the other hand also a supranational character. However, the EU is not a federation, but an international organization between countries. The EU is quite simply a legal person like an ordinary association – with the Union's Member States as members. This would not be altered by the EU being given a right of taxation of its own, that is as the introduction of a general EU tax. It would not mean the formation of a federation – a kind of United States of Europe. Instead, an EU tax means that the EU project would be moving forward more efficiently than in its present form, with the Member States paying fees to the Union, which is paying subsidies to various phenomena in the Member States. An EU tax would, as I am describing above, efficiently counteract corruption in the Member States in need of support from the EU to make the tax collection work, and a just distribution of means to the welfare in that way being achieved there. It is a great democratic deficit existing today, when for instance Sweden has a functioning social service, whereas the Roma people from Romania and Bulgaria have to beg here.

Almost a decade has passed since Mats Åberg wrote his article on taking responsibility in the begging question, and almost two decades have passed since the EU Commission urged the Council to bring forward a suggestion on some kind of an EU tax. The question was, as mentioned, paused, and is for the time being not debated, which means that almost a quarter of a century – without a serious debate on an EU tax – will have passed by after the Commission's mentioned exhortation to the Council, if the beggar with his paper drinking-cup sitting before a grocer's shop in for instance Stockholm must wait for the question to be

[29] See Forssén 2011, p. 269 (and 327).

[30] See *Punktskatteforskningen i Sverige – skattesubjektsfrågan* (The research on excise duties in Sweden – the tax subject question), JFT 3/2022 pp. 242-276, 267. (Forssén 2022c).

[31] See the government's official report SOU 1989:34, *Reformerad företagsbeskattning* (Reformed enterprise taxation) Part I, pp. 189–206.

brought up in connection with the EU's long term budget as from 2028. I say that there is time for *bubble* on the matter, instead of the failure by the Swedish Government to take such a responsibility in the long view that I would like to see is leading to a *Swexit*. If the EU project does not work, assertions of it being legally uncertain will come up soon.

B2 Gross tax instead of VAT – an alternative to avoid a trade war between the USA and the EU[32]

The president of the USA, Donald J. Trump**,** declared 2 April, 2025 as *Liberation Day* and presented an extensive pallet of customs tariffs against the surrounding world named *Reciprocal Tariffs*.

Thereby, a trade war exists between the USA in relation to inter alia China and the EU. Against the EU President Trump declares the introduction of customs and raised tariff rates as a measure against unfairness that he sees in what he calls ”*VAT-tax*” and that various VAT rates within the EU constitute a trading obstacle for the USA in relation to the EU Member States. In my opinion, the Trade war has an injurious effect on the liberal democracies in the world, that is on the political west which in effect constitute a minority compared with the world’s authoritarian countries.

In this article, I suggest that the Swedish parties in the Parliament together work out a plan that should be carried out on the EU level. Besides the 27 EU Member States should of course Iceland, Liechtenstein and Norway be included in a working team of countries working with such an EU initiative already because the three countries form part together with the EU Member States of the free trade area EEA. The same goes for Switzerland, which is included in the free trade agreement EFTA together with the three recently mentioned EEA-countries and also has a customs union with Liechtenstein. Furthermore, in the working team should also the United Kingdom be included due to the trade- and co-operation agreement between the EU and the United Kingdom (i.e. the TCA) which applies after the Brexit, and according to which special rules apply for Northern Ireland concerning VAT in connection with the trade of goods with the EU after the transitional period for the Brexit which expired 2020/21.

Since I bring up that the Trade war could have been avoided if the EU would have resumed the paused negotiations on a free trade agreement between the USA and the EU, the so-called TTIP (*The Transatlantic Trade and Investment Partnership*), the starting-point of my suggestions for a plan to make the Trade war stop and not come back is that the plan shall be conducted as an EU project. In the project should, besides the EU Member States, also the other EEA-countries and Switzerland and the United Kingdom participate. To a broader group including countries with the status as observers in the project, the EU could invite OECD countries which constitute democracies in the meaning of the EU, like Australia, Canada, Japan and New Zealand. In this way, the EU project can be of guidance to keep together the political west through the work with ending the Trade war that the USA declared on the so-called *Liberation Day* of 2 April this year. Countries which are members of the World Trade Organization (WTO) can of course also participate as observers in such a broader group, provided that they belong to the democracies of the world, which thus excludes inter alia China and Russia.

The day after that President Trump proclaimed his *Reciprocal Tariffs* and the Trade war was a reality, the Prime Minister Ulf Kristersson was making complaints in the SVT over President Trump pausing the work with the TTIP some years ago. Actually, almost a decade has passed since the TTIP was laid on ice by the USA.

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[32] Article: ”*Handelskriget – en lösning för det politiska väst: TTIP, USA-moms eller EU-skatt*” (The Trade war – a solution for the political west: TTIP, USA-VAT or EU tax), by Björn Forssén. Published in *Dagens Juridik* (Today’s Law), DJ, under *Debatt* (Debate) 2025-04-16 at 10.31 (www.dagensjuridik.se). (Forssén 2025e).

I stated in an article in the JFT,[33] that I, already before the Brexit referendum in the United Kingdom, wrote a question to the then EU Commissioner for Trade Cecilia Malmström about the continued work with the TTIP, depending on whether the result of the referendum would be a Brexit. In the article, I mention that I received an answer by e-mail on 28 April, 2016, where the answer inter alia was that *it will take years before a TTIP-treatment would come into force. For the moment the TTIP is negotiated by the EU Commission. Thereafter, it will be reviewed ny jurists, translated by translators to all EU-languages and then the Member States and the European Parliament will have the possibility to introduce it*.

I do not go more into my worries in the article for the consequences for the political west of the transfer of the main focus of the global economy eastwards but conclude that time has been allowed to pass, and Sweden and other Member States cannot let another decade go by waiting for the paused work with the TTIP to be resumed. Therefore, I deem that a solution must be reached about the problem with the USA's trade war that can be combined with that in the prolongation of the EU project lies an introduction of an EU tax.

Thus, I connect in the following in the first place to my latest article in the JFT 5–6/2024 pp. 455–496, *Förslag till en stor skattereform i Sverige som också förbereder en EU-skatt* (A proposal for a great tax reform in Sweden which also is a preparation for an EU tax). In that article, I state inter alia that the EU Commission already in 2004, i.e. over two decades ago, argued for the introduction of an EU tax as from 2014. The Commission urged the Council to work with the question, but it has been put on ice in several long-term budgets by the EU. I also stated that I iterated on various occasions after my theses of 2011 and 2013 [i.e. the licentiate's dissertation *Skattskyldighet för mervärdesskatt – en analys av 4 kap. 1 § mervärdesskattelagen* (Tax liability for VAT – an analysis of Ch. 4 sec. 1 of the VAT act), Jure Förlag AB 2011 and the doctor's thesis *Skatt- och betalningsskyldighet för moms i enkla bolag och partrederier* (Tax and payment liability to VAT in joint ventures and shipping partnerships), Örebro Studies in Law 4 2013] that the question should be resumed, so that the Swedish tax system is prepared for the EU project leading to the introduction of an EU tax.

In the JFT-article, I suggest especially concerning the corporate taxation that a tax reform would mean that the national income tax law regarding the determination of the tax subject for corporate taxation purposes shall be governed by the EU law in the field of VAT. That gives a common taxation frame for the determination of the tax subject for corporate taxation purposes regarding VAT and income tax and should make the collection of both taxes more effective by the enterprises acting on the internal market. This is line with my mentioning in both my theses that the EU Commission as from its green paper on 1 December, 2010 (COM(2010) 695 final) emphasized that the attitude meaning that as many as possible were allowed into the VAT system had led wrong and that the Member States should focus on registration and collection.

In the extension of my proposal of tying together in a great tax reform the income tax and the VAT lie, as mentioned, also to prepare an EU tax. In the JFT-article, I state that it can be made in the form of a gross tax tied to enterprises ennobling value, for example in the form of

[33] See Björn Forssén, *EU:s frihandelsavtal med USA, TTIP – en motvikt till förflyttningen av världsekonomins tyngdpunkt till Asien och till gagn för världsfred* (The EU's free trade agreement with the USA, TTIP – a counterbalance to the transfer of the main focus of the global economy to Asia and to the advantage of world peace), JFT 4/2022 pp. 425–436. (Forssén 2022d).

a production factor tax (*proms*) which with a broadened tax base replaces in the first place VAT, excise duty and corporation tax, i.e. an EU tax in the form of a gross tax similar to what the EU Commission mentioned already in 2004 would thereby be introduced.

If a gross tax by the EU Member States replaces inter alia the VAT, the similarity comes up between the EU and the USA insofar as the EU will have an EU tax similar to the USA's sales tax by the corporate taxation within the EU and the USA is made in the form of a taxation of production instead of – like with the VAT – a tax on the consumption.

Thus, the EU should not dismiss that President Trump motivates the customs reform with the VAT rising an obstacle for American enterprises in the EU by arguing that the systems cannot be altered only on behalf of the USA. I state that the EU and the USA still can consult with each other on a reform bringing them together, since the EU finally must work further on the EU Commissions call for the introduction of an EU tax. I consider that it is first by replacing the VAT with a gross tax, so that an enterprise cannot get a claim of reimbursement of input tax against the State, that such VAT frauds mentioned in the reports SOU 2023:49 and SOU 2024:32 can be eliminated. In Forssén 2024j, I also state that an EU tax is requested for a fair financing of the welfare within the EU.

Finally, it may be mentioned that I brought up in Forssén 2011 (p. 280) that the USA for a long time had discussed to introduce VAT in an EU law sense, which, under the republican President George W. Bush, was mentioned on page 197 in *Simple, Fair, and Pro-Growth: Proposals to Fix America's Tax System. Report of the President's Advisory Panel on Federal Tax Reform. November 2005* (Chairman Connie Mach, III and Vice Chairman John Breaux). Thus, it should be possible to get the republican Donald J. Trump involved in a solution of the VAT question to avoid a trade war now or in the future that is to the detriment to the political west.

C. The conclusions from Forssén 2025b

5.2 Conclusions

5.2.1 The use of AI in the VAT investigation and regarding the use of tax revenues

5.2.1.1 The use of AI in the VAT investigation

By using AI for the choice of enterprises to register to VAT, the risk should decrease for a too general selection of investigation objects, for example in investigations on VAT frauds by carrousel trading. In that respect, I may mention the following in addition to the above-mentioned.

Since the year of 2000, the legislator has tried to take measures against it by introducing reverse charge of VAT in various situations.[34] It began with reverse tax liability (nowadays liability of payment) being introduced for investment gold on 1 January, 2000 (SFS 1999:640). That was an example of expensive goods easy to transport and therefore desirable for someone who wants to carry out VAT frauds by carrousel trading between the EU's Member States. It is remarkable that the legislator omitted to see to it that reverse charge also would be introduced for gold of lower substance, platinum and silver. This especially as the SKV in its investigations calls such goods high-risk goods and invoking the existence of trading with them as signs of the existence of VAT fraud by carrousel trading. Thus, there is an obvious inconsequence by the legislator concerning the use of reverse charge to suppress VAT frauds by carrousel trading.[35] In an article in 2022, I mentioned a criminal case in *högsta domstolen*, the Supreme Court (abbreviated HD), NJA 2018 p. 704, which was about trading with the precious metals gold, platinum and silver.[36] Concerning goods constituting gold the substance was too low to be deemed investment gold and for platinum and silver reverse charge do not exist. If the legislator would have made a consequent reform on the theme of high-risk goods in 2000, the NJA 2018 p. 704 would never have emerged at the HD.[37]

In my opinion, the situation nowadays is that too many subjects are pulled into errands and cases about carrousel trading. In practice, it is enough that a trader has electronical products in the assortment. This, despite what I, in an article in 2024,[38] invoke from the Advocate

[34] See Björn Forssén, *Momsbedrägerier genom karusellhandel – erfarenheter i Sverige avseende mervärdesskatt, redovisning och straffrätt i förhållande till EU-rätten* (VAT fraud by carousel trading – experiences in Sweden regarding VAT, accounting and criminal law in relation to the EU law), JFT 4–6/2023 pp. 344–378, 352. (Forssén 2023c).

[35] See Forssén 2023c, p. 353.

[36] See Björn Forssén, *Momsbedrägerier av så kallad karuselltyp och NJA 2018 s. 704* (VAT frauds of so-called carrousel type and NJA 2018 p. 704), *Svensk Skattetidning* (Swedish Tax Journal) 2/2022 pp. 118–130. (Forssén 2022a).

[37] See Forssén 2023c, p. 353.

[38] See Björn Forssén, *Mellanmän och frågor om karusellhandel respektive vinstmarginalbeskattning – en jämförelse av gamla och nya mervärdesskattelagen i Sverige* (Middlemen and questions about carrousel trading and profit margin taxation – a comparison of the old end the new VAT act in Sweden), JFT 4/2024 pp. 294–329. (Forssén 2024b).

General's opinion for a judgment in the CJEU's joined cases C-131/13, C-163/13 och C-164/13 (Schoenimport "Italmoda" Mariano Previti) regarding that even if fraudsters often prefer goods of a high unit value and which are easy to transport, like computers or mobile phones, it can occur that ordinary enterprises are used with or without their knowledge. According to the Advocate General, they can be included in chains of transactions where the present sort of frauds exists but "some traders in the supply chain" may according to the Advocate General not even be "aware that they are participating in a fraud and may be acting in good faith". In the context, the Advocate General admits that the VAT system is fairly complex.[39]

In line with fulfilling the EU Commission's ambition to give priority to registration control and collection, which I mention in section 1 (and also above in B1 and B2), lies my suggestion in Forssén 2024b to make the registration control a more effective gatekeeper, where it is a matter of who is let into the VAT system. Instead of tax auditors trying to fix a flood of problems concerning the State losing VAT revenues, a more effective registration control can decrease those into trickles to investigate and thereby can generalizations at the carrying out of the investigations by the SKV and *Ekobrottsmyndigheten*, the Economic Crime Authority, abbreviated EBM, be left open concerning inter alia VAT investigations regarding carrousel trading.[40] Since the time of a lecture I gave at Swedish Law Meeting in 2001,[41] I deem that the development has gone from a detailed approach by the SKV and the EBM, where the concepts deciding the obligations and rights of the VAT law were analysed, to a more general approach by the two administrative authorities. Nowadays, it is enough for an entrepreneur to trade a certain sort of goods, like electronical products, to be drawn in as an alleged criminal in investigations and proceedings about carrousel trading. When serious entrepreneurs are affected of such *guilt by association*, it is detrimental for the confidence of the VAT system. My suggestion to make the choice of the SKV's investigation objects more effective, by developing an AI-tool which above all nuances the so-called SNI-code (i.e. the special enterprise division code or trade code), should counteract such exercise of authority. Thus, the proposal shall make easier a legal certain registration control and collection regarding the VAT. Furthermore, it may be mentioned that there is a tradition to further build upon, where automatic data processing (ADP) in the VAT investigation in Sweden is concerned. It has been done with ADP-support since the beginning of the 1980's and the so-called Momsorg-project.[42]

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[39] See items 31 – 37 in the Advocate General's opinion in Joined Cases C-131/13, C-163/13 and C-164/13. See also Forssén 2024b, pp. 313, 314, 322 and 323. Note: Joined Cases C-131/13, C-163/13 and C-164/13 (Schoenimport "Italmoda" Mariano Previti, ECLI:EU:C:2014:2455) and the Advocate General's Opinion (ECLI:EU:C:2014:2217).

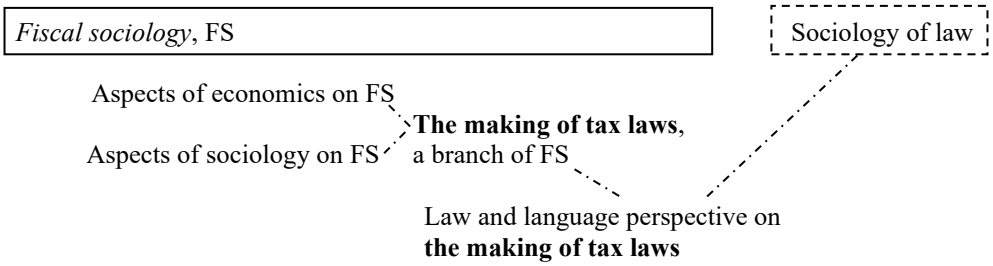
[40] See Forssén 2024b, pp. 328 and 329.

[41] Lecture by Björn Forssén at *Svensk Juriststämma* (Swedish Law Meeting) 2001-11-14 (*Stockholmsmässan i Älvsjö*), *Moms och omsättningsbegreppet. Karusellen hos skatte- och ekobrottsmyndigheten (SKM och EBM)* – VAT and the transaction concept. The carrousel by the tax and economic crime authorities (abbreviated SKM and EBM). Arranger VJS. (Forssén 2001). Cp. the lecture memo Forssén 2001, which is available on https://www.forssen.com/forskning/f13/.

[42] See The parliament's auditors' suggestion 1994/95:RR4 to the Parliament regarding efforts against economical crime, p. 136, where the Momsorg-project, report from *Riksskatteverket* (the National Tax Board) 1981-04-23, is mentioned.

5.2.1.2 The use of AI regarding the use of tax revenues

In sections 2.3 and 5.3, I mention a book from 2019,[43] where I, with the subject *the making of tax laws*,[44] bring up the problems with the legislator being able to *make tax rules* that are communicating the legislator's intentions with such rules to the appliers without distortions arising in that respect. This, I name *communication distortions*. In part I of Forssén 2019i (Part I – The Making of Tax Laws – Law and Language issues), I reason starting out from a law and language perspective about models to discover lacks in a tax rule, which increases the risk of communication distortions in the conveying of the legislator's intentions to the appliers. The image below illustrates my idea about the position *the making of tax laws* takes in relation to partly *fiscal sociology*, partly *sociology of law*):[45]



Fiscal sociology is a subject in its own right which primarily concerns *aspects of economics* and *aspects of sociology* on it, not necessarily regarding *laws on taxation*. Thus, I distinguish *fiscal sociology* and *sociology of law* from each other. I denote *the making of tax laws* as a branch within *fiscal sociology* which forms a bridge between aspects of economics and aspects of sociology respectively on *fiscal sociology* in these broader respects. However, the law and language perspective on *the making of tax laws* should also constitute an element of the subject *sociology of law*.

At a dissertation in the subject VAT law should, for the matter of choice of subject, the question be asked whether it instead could have been treated within economics or in an investigation at the Treasury. In both cases the language used to analyse the questions can enhance the work by my suggestion about completing semantic questions, syntactical questions and logic with semiotics. This applies also to the procedure with writing tax rules. Thus, I bring up the semiotics in a following up book.[46] In that book, Forssén 2019c, part III (Part III – On signs of tax crime in an artistic environment) constitutes my translation into English of an article of mine in the JFT in 2018.[47] Forssén 2019c constitutes – together with

[43] See Björn Forssén, The Entrepreneur and the Making of Tax Laws – A Swedish Experience of the EU law: Fourth edition (self-published 2019), (Forssén 2019i). Forssén 2019i is available on www.forssen.com, under *PFS Böcker* (where it has the code 010Röd), and in printed version at *Kungliga biblioteket* in Stockholm (the National Library of Sweden) and at the Lund University Library.

[44] With *the making of tax laws*, I mean the procedure write (draft) tax rules, unlike *the making of tax law* (without plural-s), i.e. that it is a question of writing ***in*** tax law – not only to write ***about*** tax law.

[45] See Forssén 2019i, pp. 14 and 28.

[46] See Björn Forssén, Law and Language on The Making of Tax Laws and Words and context – with Legal Semiotics: Fourth edition, self-published 2019 (Forssén 2019c). Forssén 2019c is available on www.forssen.com, under *PFS Böcker* (where it has the code 011Röd), and also in printed version at *Kungliga biblioteket* in Stockholm (the National Library of Sweden) and at the Lund University Library.

[47] See Björn Forssén, *Juridisk semiotik och tecken på skattebrott i den artistiska miljön* (Legal semiotics and signs of tax crime in an artistic environment), JFT 5/2018 pp. 307–328. (Forssén 2018d).

Forssén 2019i – preliminary studies to research I aim to make in *fiscal sociology* about the use of tax revenues. By using semiotics also in that context, an interaction should give more effectiveness as well for the drafting of communicative rules within for example the VAT law as for the use of the State's revenues in the field, for instance within health care, social care and schools. The idea is that the Government's work with the budget and the State's revenues and the needs within the public activity shall be approximated to each other to totally make taxation and welfare more effective.

5.2.2 A more efficient VAT investigation or a new tax system

A more effective VAT investigation is central for the tax system to work for the financing of the welfare, since the VAT is an essential part of the Swedish state's incomes.[48]

If the EU Commission's ambition meaning that the registration control and collection regarding VAT shall be given priority by for example the development of an AI-tool nuancing the SNI-code and thereby the choice of subjects to VAT register is not realized, it remains in my opinion to make a new tax system. Can the problems with VAT frauds by carrousel trading not be minimized, I suggest that a gross tax will be introduced replacing in the first place VAT, excise duties and company tax, for example in the form of a so-called, production factor tax. This, I mention in my suggestion in the JFT of a great tax reform in Sweden.[49] Such a reform eliminates the problems with reimbursement of excess input tax, since gross taxes do not give an enterprise a claim against the State.[50] That would also make more effective the choice of enterprise law tax subjects in general, by the decision of who constitutes such a subject can be connected to the question of who is required to maintain accounting records, regardless of enterprise form. If measures are not taken about the problems, suggestions will probably come up, but in the form of excise duty on financial transactions, so-called *financial transaction taxes* (FTT) or *tobin taxes*, which also has been discussed on the EU level.[51] This would be detrimental for democracy regarding tax issues, since the Parliament in practice would be governed by the financial system.

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[48] The prognosis for the years 2024–2027 according to the budget estimates for 2025 in Sweden (prop. 2024/25:1) shows that the VAT is expected to constitute more than a fifth of Sweden's total tax revenues, i.e. (in billion kronor): 562.2/2 645.4=21.25 % for 2024; 589.6/ 2 743.4=21.49 % for 2025; 626.7/2 884.2=21.73 % for 2026; and 660.2/3 029.2=21.79 % for 2027. See the government's bill (prop.) 2024/25:1, p. 78.

[49] See Forssén 2024h. In Forssén 2024h, section 7, I mention that if inter alia the excise duties are replaced by a gross tax the problem disappears about the tax subject (professional activity) still being determined for a couple of excise duties by a connection to the concept näringsverksamhet (business activity) in *the whole of* Ch. 13 of the Income Tax Act. Thereby, I also refer to Forssén 2022c, inter alia pp. 252 and 253.

[50] By the eighth recital of the preamble to the EC's first VAT directive (67/227/EEC) follows that the idea with a common VAT system within the EU was to replace the gross taxes, since those lead to cumulative effects due to the lack of the in principle general right of deduction with the VAT. See also Forssén 2011, p. 273.

[51] See Forssén 2019i, pp. 214, 215 and 285. "Tobin" in *tobin taxes* comes of James Tobin.

5.3 Continuing research and tip-offs for information acquisition

In the book Indirect taxes – A Swedish experience of the research on the EU law,[52] I mention that I began a research project in 2015 at Örebro University about the use of tax revenues. I was aiming to focus on the sociology issues and wrote Forssén 2019i as a preliminary study in *fiscal sociology*. In Forssén 2024i, I mention that if I get financing to go further my intention is to continue the project on the use of tax revenues with empirical studies within various tax financed fields. I also state that thereafter will probably studies follow on method issues and that I in Forssén 2019i mentioned algorithms to make tools for the method development, but that AI only shall be used as a tool – not a method.[53] For the time being, I consider that I with this article has prepared for the development of an AI-tool in Swedish for the VAT investigation. It is important that a tool in the Swedish language is developed for the research in and application of the VAT law, thereto develop a tool in the Swedish language for the research in and application of the VAT law, whereby I also note that the language model ChatGPT has limitations like it may misunderstand concepts in other languages than English. On the net, for instance OpiTech-Sverige states regarding Chat GPT Svenska that one needs to be 'aware about the limitations of the technology. Despite its ability to handle languages natural, AI-services like ChatGPT may sometimes make mistakes or misunderstand complex questions, which emphasize the importance of human overview and completion where it is suitable to secure best possible result'.[54] That gives me further reassurance that neither Swedish nor other official EU languages should at all be allowed to become pushed aside by the English language.[55]

An aspect on the VAT research that deserves to be repeated in connection with issues on an AI-tool for the research and the legislation, I obtain from another of ny articles in the JFT.[56] There, I state that academics writing about VAT should focus on that difficult questions demand an analysis of both the tax subject and the tax object question.[57] I mention that the SKV took another standpoint first after an HFD-verdict of 7 June, 2018 (HFD 2018 ref. 41)

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[52] See Björn Forssén, Indirect taxes – A Swedish experience of the research on the EU law, self-published 2024. (Forssén 2024i). Forssén 2024i is available on www.forssen.com, under *PFS Böcker* (where it has the code 044Blå), and in printed version at *Kungliga biblioteket* in Stockholm (the National Library of Sweden) and at Lund University Library.

[53] See Forssén 2024i, p. 113.

[54] See https://optitech-sverige.se/kunskapsbank/chat-gpt-svenska/ (visited 2025-04-08).

[55] See Björn Forssén, *Momsforskningen i Sverige – svenska språkets ställning* (The VAT research in Sweden – the position of the Swedish language), JFT 6/2021, pp. 412–447 (Forssén 2021c). To emphasize the Nordic concerning languages within the EU, I have also laid out there a translation of that article into Finnish, which was made by the translation agency ArthemaxX Business Services ay, Turku (Åbo). By the way, Forssén 2024i includes inter alia the above-mentioned Forssén 2020b on method questions and Forssén 2021c respectively, which are corresponded there of parts I and II respectively. The third main part of Forssén 2024i, Part III, corresponds with the above-mentioned Forssén 2022c, which concerns the tax subject question regarding the research on excise duties. The final *ANNEX* in Forssén 2024i corresponds with the above-mentioned Forssén 2022d, which concerns the matter of TTIP.

[56] See Björn Forssén, *Moms och bemanning inom vård och omsorg – den finska och svenska mervärdesskattelagen i förhållande till EU-rätten* (VAT and manning within health care and social care – the Finnish and Swedish VAT acts in relation to the EU law), JFT 4/2019 pp. 240–253. (Forssén 2019i).

[57] See Forssén 2019i, p. 252.

and regards since 1 July, 2019 that the judgment of the exemption from VAT within health care concerns the taxable person, the manning enterprise, not its personnel. According to an EU-verdict on 12 March, 2015, C-594/13 (”go fair” Zeitarbeit), it is namely not sufficient that the manning enterprise hire out an employed authorized nurse to be comprised by the exemption from VAT, but it is requested that the enterprise takes the responsibility for the care.[58] The standpoint of 2016-03-31 (dnr 131 156230-16/111) that the SKV took after the verdict meant a too vast exemption within health care and social care, since the SKV did not regarded that the CJEU started its trial of the scope of the exemption by excluding the employees of the manning enterprise from the concept taxable person as precisely employees.[59] To develop AI-tools by the SKV set out from my proposal should decrease the risk for mistakes with the subject question at the issuing of standpoints or in the investigations.

In section 6 of Forssén 2024h, I state especially concerning the tax object question that the possibility to introduce a common concept of goods for all indirect taxes (i.e. in the first place VAT, excise duties and customs) should be examined. It should contribute to a more effective collection which also can be enhanced by my suggestion for the benefit of developing an AI-tool. I stated again that the customs questions should be developed and that the work with a free trade agreement between the USA and the EU, the so-called TTIP (*The Transatlantic Trade and Investment Partnership*) therefore should be resumed.[60]

By the way, it may be mentioned that for studies or research in tax law and EU law there is a page on my website named *Forskning* (Research),[61] as support for students and researchers and for practicians in proceedings etc. It is also a preliminary study to deepened studies and research in *fiscal sociology* and AI. On the website there is also inter alia a collection of links over Swedish and foreign public printing etc., based on information obtained via Google and Wikipedia.[62]

[58] See Forssén 2019i, p. 241, where I refer to: the SKV’s standpoint 2018-10-25, Hiring out of personnel within health care, VAT, dnr 202 398355-18/111, and the SKV’s standpoint 2018-10-25, Social care, VAT, dnr 202 398382-18/111 (replaced by the SKV’s standpoint 2021-06-17, Social care, VAT, dnr 8-1057054); and the EU-case C-594/13, ”go fair” Zeitarbeit (ECLI:EU:C:2015:164).

[59] See Forssén 2019i, p. 242.

[60] See also Forssén 2022d.

[61] See https://www.forssen.com/forskning/.

[62] See https://www.forssen.com/hem/oversikt-innehall/cv-bjorn-forssen/.

CONCLUDING VIEWPOINTS

In this book, I have reiterated the importance of not disregarding the tax subject question before examining the tax object question and named that issue central for my continued research on 'VAT carrousels'. I have also mentioned that the VAT reform of 2023 did not mention that issue per se, why it is still very important to regard in continued research on 'VAT carrousels' to make future research results in that respect useful for the legislator working on improvements of above all the efficiency of VAT collection. The resulting question that I bring up so far by this supplement to Forssén 2025c is whether the history of previous poor efforts by the legislator to take measures against 'VAT carrousels' should lead to the VAT being replaced altogether with a gross tax (a *proms*).

Although the tax subject question is central for my continued research on 'VAT carrousels', I may iterate with regard to what I repeat in Chapter C., section 5.3 from the conclusions in Forssén 2025b especially on the tax object question. This concerns that the possibility to introduce a common concept of goods for all indirect taxes (VAT, excise duties and customs) should be examined. In my opinion, it should contribute to a more effective collection which may be enhanced by my suggestion for the benefit of developing an AI-tool. Thereby, I have stated again in this book what I mentioned in Forssén 2022d, namely that the customs questions should be developed and that the work with a free trade agreement between the USA and the EU (TTIP) therefore should be resumed.

In addition to what I mention above, I repeat the following from the final chapter in Forssén 2025c, section 8 (Tips for future research efforts regarding the problems with 'VAT carrousels').

For future efforts on the theme of measures against 'VAT carrousels', I consider that researchers of course should regard that the suggestions by the government's reports SOU 2023:49 and SOU 2024:32, which were supposed to lead to legislation on 1 July, 2025, did not do that but also that neither the report SOU 2020:13 led to the suggested criminalization of transgressions of EU-regulations.[63] Especially for VAT issues, this is a difficult problem to resolve with regard to the competence being conferred to the EU and its institutions concerning VAT but still remains at the Swedish parliament also after Sweden's EU-accession in 1995. If Forssén 2025c is saying anything at all on the theme of legal certainty, it is that the present situation must be examined more by researchers to influence the Swedish judiciary system so that it can be deemed e.g. passing verdicts which fulfil the demand on VAT fraud of a carrousel type being proven beyond reasonable doubt.

I consider that the recently mentioned demand for legal certainty is not only of importance for the individuals but also for the public treasury, which I emphasized when finishing my lecture at Swedish Law Meeting already in 2001 (Forssén 2001). Nowadays, I advise the legislator as well as the researchers thinking about measures against VAT fraud to consider in the context of 'VAT carrousels' also that the EU may according to Article 83(1) of the TFEU issue directives establishing minimum rules concerning "the definition of criminal offences and sanctions in the areas of particularly serious crime with a cross-border dimension resulting", where money laundering is one of the areas enumerated but not VAT fraud. Nevertheless, in my opinion the problems regarding 'VAT carrousels' should be approached by considering the possibility for the EU to issue such a directive and in that respect also The UN's

[63] See Forssén 2025c chapter I., section 4, chapter IV., sections 4.2 and 8.2 and chapter VI., section 5.

convention against Transnational Organized Crime of 15 November 2000. See also Forssén 2025c chapter VI., section 7, where I mention this convention and that Sweden joined the EPPO on 1 October, 2024.

As in Forssén 2025c, I also finish this book by proposing that the legislator follows the development of my suggested research efforts from a constitutional perspective too. In that respect, I may once again mention one of my articles from 2017, where I introduced a norm hierarchy image at rule competitions between Swedish national and European law rules with taxation examples.[64] In Forssén 2017c, I presented my idea of such an image which I call the European stepladder, and I suggested that law of procedure should be considered in research within the field of VAT as long as the principle of the EU law's precedence before national law is not codified.[65] In my opinion, it would be helpful also at further research with regard to the present subject on measures against VAT fraud.

[64] See Björn Forssén, *Europatrappan – En normhierarkisk bild vid regel- konkurrens mellan svenska nationella och europarättsliga regler med skatterättsexempel* (The European stepladder – a norm hierarchy image at rule competitions between Swedish national and European law rules with taxation examples), Balans 4/2017 pp. 15–19. I cite this article Forssén 2017c, like in Forssén 2025c.

[65] Until then, that principle follows of the CJEU's case-law – since Case 6-64 (Costa), ECLI:EU:C:1964:66.

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- *Boxmodell för en enhetlig kapital- och fastighetsbeskattning: Yes box – alright?* (A box model for a uniform capital and real property taxation: Yes box – alright?). Published in *Tidningen Balans Fördjupningsbilaga* (The Periodical Balans Annex with advanced articles), printed version 5/2017 pp. 8–13, and on www.tidningenbalans.se 2017-10-18. (Cit. Forssén 2017d). Also available on www.forssen.com, under *Artiklar*.

- *Det räcker inte med den s.k. sociala pelaren – det behövs en EU-skatt för att stoppa tiggeriet* (It is not enough with the so-called Pillar of Social Rights – an EU tax is necessary to stop the begging). Published in *Dagens Juridik* (Today's Law), DJ, under *Debatt* (Debate) 2019-05-23 at 11.07 (www.dagensjuridik.se). (Cit. Forssén 2019h). Also available on www.forssen.com, under *Artiklar*.

- *En EU-skatt är avgörande för att bl.a. Sverige ska ta ansvar på lång sikt för tiggande EU-migranter* (An EU-tax is decisive for inter alia Sweden to take its responsibility in the long view for begging EU migrants). Published 2024-05-15 in *Socialmedicinsk tidskrift* (The periodical on social medicine – edited by Karolinska Institutet and its *storinstitution, Institutionen för Global Folkhälsa* in Stockholm) – abbreviated SMT, SMT 1/2024 pp. 90–95. (Cit. Forssén 2024j). Also available on the platform https://publicera.kb.se/smt at *Kungliga biblioteket* (the National Library of Sweden) and on www.forssen.com, under *Artiklar*.

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- Lecture at *Svensk Juriststämma* (Swedish Law Meeting) 2001-11-14 (*Stockholmsmässan i Älvsjö*), *Moms och omsättningsbegreppet. Karusellen hos skatte- och ekobrottsmyndigheten (SKM och EBM)*, VAT and the transaction concept. The

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Öberg, Jesper

- *Mervärdesbeskattning vid obestånd Andra upplagan* (Value-added taxation at insolvency Second edition), Norstedts Juridik AB 2001. (Cit. Öberg 2001). The thesis is from 2000. I refer to the published book: Öberg 2001.

Sveriges television (SVT), Swedish television

- In Forssén 2019h, I mentioned an interview in SVT's *Aktuellt* on 18 February, 2019 with Amnesty International's Johanna Westeson due to the verdict HFD 2018 ref. 75 of 17 December, 2018, which I also mention in this book.

- In the context of mentioning Forssén 2019h, I mention that I tried to open an e-correspondence with the SVT already on 12 February, 2015 regarding statements by Martin Valfridsson of the Social Democratic Party on the topic of begging EU migrants. Furthermore, I also mention trying for half a decade, 2014–2019, to awake the SVT about the EU tax as a solution of the begging phenomenon.

Miscellaneous

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