

Music bodies urge the European Parliament to stop discriminating against Europe's artists and "play fair" on withholding tax

- *While US artists benefit from generous exemptions when touring Europe, European artists are relegated to losing money on otherwise profitable tours*
- *The European Music Managers Alliance (EMMA) joins with IAO, IMPALA, FIM, EMEE, Live DMA and Liveurope in calling for equal parity and a level playing field*
- *Read the open letter addressed to MEPs and EU Commissioners [here](#)*
- *EMMA is encouraging European artists and music professionals to submit their experiences of withholding taxes using [this form](#)*
- *The issue will also be discussed in detail during a [panel session](#) at the ESNS25 Conference in January 2025*

WEDNESDAY 11th DECEMBER 2024

The European Parliament is being urged to alleviate the financial burdens faced by touring musicians by overhauling and standardising the way in which "withholding tax" is applied by member states.

The call is led by the European Music Managers Alliance (EMMA), the umbrella organisation for more than 3,000 music managers across Europe, who have coordinated a letter to MEPs and EU Commissioners on the issue. It is backed by a wide cross-section of representative bodies for artists, musicians, independent labels, venues, clubs, and festivals as well as music export offices.

Withholding taxes are typically deducted as a percentage of an artist's gross payment when they perform in a foreign territory. Theoretically, they provide a bond towards any taxes owed in the country of earning. However, in their application, no consideration is made of the actual costs and profitability of touring.

As a result, many artists - who are already facing dramatically rising costs of performances, transportation, accommodation and insurance - will overpay the tax they actually owe, resulting in further deficits or vastly reduced profits.

Compounding this situation, the lack of uniformity in reclaiming these overpayments is frequently an arduous and sometimes impossible task. As a result, small and mid-sized artists who lack the resources to chase what they are owed are disproportionately impacted.

By comparison, US artists playing in Europe benefit from international treaties that means no withholding tax is charged until they earn over a certain threshold - typically €20,000.

EMMA is recommending that European artists receive equal parity - either from a similar universally-applied threshold on earnings; or by standardising systems that are already operational in Denmark, Hungary, Ireland and the Netherlands, where no withholding taxes are imposed on foreign artists on short-term visits.

Their letter to the European Parliament, which is countersigned by IAO, IMPALA, FIM, EMEE, Live DMA, and Liveurope can be read [here](#).

To help boost their advocacy, EMMA are also encouraging European artists and music professionals to submit their experiences of withholding taxes using [this form](#).

Jess Partridge, Executive Director, European Music Managers Alliance:

“The cost burdens shouldered by European artists when they want to perform live shows have increased enormously over recent years. To the point where touring across Europe has become financially precarious, especially for small and mid-sized artists who are building an audience. An already impossible situation is being compounded by the unfair and discriminatory way in which withholding taxes are collected.”

“We believe the European Parliament has the power to alleviate these challenges. If MEPs want to promote greater cultural diversity and economic activity through cross-border live touring, then it is imperative the present regime of withholding taxes is overhauled and European artists are given parity with their US counterparts.”

Per Kviman, founder of Varsity Music and Chair of the European Music Managers Alliance:

“Europe’s live music sector is projected to reach a value of \$38bn by 2030. That immense cultural and economic impact is wholly dependent upon touring artists and musicians. As well as attracting audiences to their performances, these talented and creative individuals are directly responsible for hundreds of thousands of jobs. However these benefits are jeopardised by an outdated and discriminatory application of withholding taxes. If we want European artists to compete on a global stage, then it is vital the European Parliament acts on this issue.”

Helen Smith, Executive Chair of IMPALA:

“Cross-border touring is essential for the livelihood and growth of artists, particularly in the independent sector. The current withholding tax system penalises the smaller and emerging artists who can lack the financial resources and administrative support to navigate its complexities and can give an advantage to acts from certain areas of the world, at the expense of European talent. IMPALA and other pan-European music organisations previously called on EU member states to engage with the music sector to address these barriers as part of “[A New European Vision for Touring](#)”. By implementing fair and standardised rules, the European Parliament has a chance to empower our artists, strengthen the music ecosystem, and ensure Europe remains a competitive global hub for cultural diversity and innovation.”

EMMA will lead a panel discussion titled "[How is European Policy Hurting Touring Artists - and How Can We Change It?](#)" on Friday 17 January 2025 at the ESNS (Eurosonic Noorderslag) conference.