



**BRUSSELS | 3 NOVEMBER 2020**

## **EU Commission Publishes Taxpayers' Rights Communication & Recommendation Roadmaps**

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The European Commission has published roadmaps concerning a planned [Communication](#) taking stock of taxpayers' existing rights in the EU and [Recommendation to Member States](#) to facilitate the implementation of taxpayers' rights and simplify tax obligations. The Roadmaps set out that a public consultation will take place in the coming two months.

The planned initiatives form part of the Commission's Tax Package Action Plan, within the section on Simplifying EU Tax Rules for Competitiveness in the Single Market. The initiatives aim to improve awareness of taxpayers' rights throughout the EU, and the Recommendation will *“reflect on how Member States may*

*accommodate their tax laws' related procedures to better respect and make more effective such rights. The document also suggests how, if necessary, Member States can further coordinate them, in order to improve the relationship between taxpayers' and tax administrations in an EU and the overall support to the recovery context."*

Albert Raedler, who is leading the EU Commission Communication & Recommendation initiatives on taxpayers' rights will be speaking at the upcoming CFE Professional Affairs virtual [conference](#) on Taxpayers' Rights, on Monday, 30 November 2020 from 3:30pm to 5pm CET.

Input on the Roadmaps can be submitted up to 27 November, via the Have Your Say portal.

## OECD Publishes Revised Action 13 Peer Review Methodology

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The OECD has published new [methodology documents](#) for BEPS Action 13: Country-by-Country Reporting, following on from the mandate for the peer reviews being extended by the Inclusive Framework in October 2019. The methodology document *“sets out the procedural mechanism by which jurisdictions will complete the peer review from 2020 onwards. This includes the process for collecting the relevant data, the preparation and approval of reports, the outputs of the review and the follow-up process.”*

OECD BEPS Action 13 Report introduced a three-tiered approach to transfer pricing documentation, under which the ultimate parent entity of a group with annual consolidated group revenue equal to or higher than EUR 750 million in the preceding fiscal year is required to file a CbC Report on behalf of the group

with its local tax authority. The tax authority with which the CbC Report is filed will exchange the CbC Report with the tax authority in other jurisdictions where the group has operations, under bilateral or multilateral tax treaties or tax information exchange agreements (TIEAs) that permit the automatic exchange of information.

## EU Commission Roadmap on VAT Rules for Financial & Insurance Services

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The EU Commission has published a [Roadmap](#) concerning VAT rules for financial and insurance services, noting that the existing rules have been criticised for being complex and difficult to apply, leading to uncertainty, high compliance costs and lack of VAT neutrality. This initiative to review the VAT rules for financial and insurance services was contained in the Commission's 2020 Tax Package Action Plan.

The Roadmap details that a study is being completed to “produce an overview of the measures applied by all the Member States based on the provisions governing the VAT treatment of financial and insurance services”, which will then form the basis, together with input from a public consultation, for a proposal for a directive to “address the competitive disadvantage faced by financial and insurance operators... caused by irrecoverable VAT”. The impact assessment will consider the implications of either removing the existing exemption or keeping it and modifying the scope, as well as issues caused by the current exemption such as cost-sharing and issues with calculating VAT on high-frequency trading.

The Roadmap sets out that an impact assessment will be completed by autumn 2021, and a public consultation to gather stakeholder views on the current VAT

provisions for the financial and insurance sector will take place early in 2021. Input on the Roadmap can be submitted in the interim, up to 19 November, via the [Have Your Say](#) portal.

## Save the Date: CFE Professional Affairs Virtual Conference on Taxpayers Rights - 30 November

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Save the date for the 13th European Webinar Conference on Tax Advisers' Professional Affairs, to be held virtually on Monday, 30 November 2020 from 3:30pm to 5pm CET, on the topic of "Taxpayer Rights and Legal Certainty in the Digital Era".

The virtual conference will welcome tax experts and academics, including Dr Philip Baker QC, Prof. Nataša Žunić Kovačević and Paul Kraan, as well as Albert Raedler from the European Commission, who is leading the current Commission project on taxpayers rights. The panel will examine European and global developments in the protection of taxpayers' rights and the impact and implications of technology on taxpayers' rights. The conference will also review the recently published IBFD [2019 Yearbook on Taxpayers' Rights](#), the most recent compilation of information by the Observatory on the Protection of Taxpayers' Rights.

Register [here](#) to secure your place for the webinar.

## EU Single Customs Window Proposal Published

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The European Commission have recently published a [proposal for a Regulation](#) to establish the the European Union Single Window for customs which will allow businesses to complete border formalities through a single portal. The EU Commission has published an [EU Customs Union Action Plan](#) setting out measures to be taken over the coming four years to achieve an “integrated European approach to customs risk management.” Further information concerning the proposed EU Customs Window can be found on this [webpage](#).

The proposal sets out that *“The concept of a single window is to be understood as a digital solution for the exchange of electronic information between different government authorities, and between the latter and economic operators. The window “places an onus on regulatory authorities to enable economic operators to submit to a single point both customs and EU non-customs data required for goods clearance. This will lead to reductions in duplication, time and cost of compliance for economic operators.”*

Input on the proposed Regulation can be submitted via the [Have Your Say portal](#) until 29 December 2020.

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