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**Fiscal Committee****20 October 2014**1. **Council agrees on including OECD/G20 automatic information exchange standard in EU Directive**

On 14 October 2014, the EU Ecofin Council reached political agreement on amending the Directive 2011/16/EU on Administrative Cooperation in Direct Taxes to include automatic information exchange on interest, dividends and other income, as well as account balances and sales proceeds from financial assets. This brings the EU Directive in line with the new global standard on automatic exchange of information developed by the OECD on request of the G20. The proposal was made by the European Commission in June 2013 and developed subsequently to take account of the global standard presented in detail in July 2014 and endorsed by the G20 finance ministers in September.The formal adoption of the Directive will take place at one of the forthcoming Council meetings, once translation into all EU languages has been completed. The newly agreed exchange will take place as of 2017. Austria was granted the possibility to postpone the standard by an additional year.The amended Directive will provide an EU legal framework for applying the G20 standard. However, member states may already require information exchange going further than the categories listed in the current Directive, because the Directive provides that EU member states have to grant to any other member state the same more favourable conditions they grant to any third country, and a number of EU countries have bilaterally agreed further cooperation with the US, on FATCA.* Council [Press release](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/145103.pdf)
* European Commission [FAQs](http://europa.eu/rapid/press-release_MEMO-14-591_en.htm)
1. **Commission: Spain must  recover aid through tax benefits for acquisitions of indirect shareholdings in foreign companies**

On 15 October 2014, the European Commission concluded that tax benefits for acquisitions of indirect shareholdings in foreign companies was state aid incompatible with EU rules and has ordered Spain to claim back these aids. The case concerns a new interpretation of the Spanish scheme, allowing companies to deduct from their corporate tax base the "financial goodwill" arising from the acquisition of indirect shareholdings in foreign companies. The Commission has found that the measure provided the beneficiaries with a selective economic advantage; Spain has failed to notify the Commission of this new interpretation which is an extension of the previous practice which applied only to direct shareholdings and which had already been objected by the Commission in 2009 and 2011.* [Press release](http://europa.eu/rapid/press-release_IP-14-1159_en.htm?locale=en)
1. **Commission takes Belgium to CJEU for discriminatory taxation of collective investment undertakings**

On 16 October 2014, the European Commission decided to refer Belgium to the EU Court of Justice for discriminatory taxation of collective investment undertakings (CIUs) established in other member states or EEA countries. In Belgium, the rate of annual tax on certain CIUs governed by foreign law established in other EU/EEA states is higher than the rate applied to similar CIUs established in Belgium. This concerns CIUs of which one or more sections or classes of securities are collected exclusively from institutional or professional investors acting on their own behalf and whose securities may be purchased only by these investors.* [Press release](http://europa.eu/rapid/press-release_IP-14-1144_en.htm)
1. **VAT mini-one-stop-shops: Commission informs on implementation of relevant rules into national laws**

The European Commission has published information on how member states have implemented provisions of the VAT Directive that have particular relevance for the mini-one-stop-shops for EU- and non-EU providers of e-service, telecommunication and broadcasting applying as of 1 January 2015. The information mostly concerns provisions whose implementation into national law is either optional or subject to differing interpretation in member states. The Commission stresses that the information is neither to be considered final nor exhaustive.The Commission has also provided a list of national contact points.* [Report](http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/how_vat_works/telecom/report.zip)
* [Instructions for use](http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/how_vat_works/telecom/instructions_report.pdf)
* [National contact points](http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/how_vat_works/telecom/list_contact_vat.pdf)
* Commission e-mail address for comments
1. **VAT: CJEU decides on the concept of fixed establishment for services received in another member state**

On 16 October 2014, the EU Court of Justice delivered its judgment in the Polish preliminary ruling case C-605/12, *Welmory*, on the concept of fixed establishment of the recipient of a supply of services, stating that a taxable person who has established his business in one member state and receives services supplied by another taxable person established in another member state, must be regarded as having a fixed establishment in that other member state if that establishment is characterised by a sufficient degree of permanence and a suitable structure in terms of human and technical resources to enable it to receive the services supplied to it and use them for its business, which is for the referring court to ascertain.* [Judgment](http://curia.europa.eu/juris/document/document.jsf?text=&docid=158645&pageIndex=0&doclang=EN&mode=lst&dir=&occ=first&part=1&cid=55227)
* [Opinion by Advocate-General Kokott](http://curia.europa.eu/juris/document/document.jsf?text=&docid=152324&pageIndex=0&doclang=EN&mode=lst&dir=&occ=first&part=1&cid=55227)

\*\*\*\*\**The selection of the remitted material has been prepared by Piergiorgio Valente / Filipa Correia / Rudolf Reibel*[*www.cfe-eutax.org*](http://www.cfe-eutax.org)*Follow us on* [Linked in](http://www.linkedin.com/company/confederation-fiscal-europeene?trk=company_name) cid:image004.png@01CFAA5C.15EA1810 |
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