|  |  |  |
| --- | --- | --- |
| |  |  | | --- | --- | | cid:image001.jpg@01D08CDA.3516A4E0 |  |     **12 May 2015**   1. **European Commission announces VAT reform proposals as part of new Digital Single Market strategy**   On 6 May 2015, the European Commission issued its Communication on a Digital Single Market, suggesting solutions to a number of current hindrances to cross-border delivery of goods ordered and services received on-line. The Commission identifies the administrative burden of VAT compliance and distortions of competition through VAT rules as major obstacles and announces that it will propose a number of VAT changes in 2016. These will include:   1. extending the single electronic registration and payment mechanism introduced in 2015 for e-services (Mini-one-stop-shop) to intra-EU and 3rd country online sales of tangible goods, 2. introducing a common EU-wide VAT threshold to help small start-up e-commerce businesses, 3. allowing for home country controls including a single VAT audit of cross-border businesses and 4. removing the VAT exemption for the importation of small consignments from suppliers in third countries.  * Communication COM(2015)192: A Digital Single Market Strategy for Europe, 6 May 2015: [EN/DE/FR](http://ec.europa.eu/priorities/digital-single-market/docs/dsm-communication_xx.pdf) * Accompanying Commission staff working document SWD(2015)100: Analysis and evidence, 6 May 2015: [EN](http://ec.europa.eu/priorities/digital-single-market/docs/dsm-swd_en.pdf) * Questions and answers : The Digital Single Market (European Commission website) : [EN](http://europa.eu/rapid/press-release_MEMO-15-4920_en.htm)  1. **MEPs vote in favour of country-by-country reporting of information on tax payments and tax rulings**   On 7 May 2015, the European Parliament´s Legal Affairs (JURI) Committee voted in favour of an obligation on large undertakings and public-interest entities to publish information, country-by-country, on profit or loss before tax, taxes on profit or loss, and public subsidies received. Companies with more than 500 employees and a balance sheet total of €86 million or a net turnover of €100 million should also disclose information on tax rulings.  Such requirements had not been included in the European Commission´s initial proposal of 2014 to amend the Directive on the exercise of certain rights of shareholders in listed companies, but were introduced by members of the EP earlier this year. Indeed the result of JURI vote is contrary to the European Commission´s announcement in its “Tax Transparency Package” of 18 March 2015 that introducing obligatory country-by-country reporting of tax information should be preceded by a careful impact assessment.  Negotiations will start between members of the JURI Committee with the EU Council with a view to reaching a compromise at first reading. These discussions  will not be public.  The voted text is not yet available.   * Press release: [EN](http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-%2f%2fEP%2f%2fTEXT%2bIM-PRESS%2b20150504IPR49621%2b0%2bDOC%2bXML%2bV0%2f%2fEN&language=DE) / [FR](http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+IM-PRESS+20150504IPR49621+0+DOC+XML+V0//FR) * Euractive article, 8 May 2015: [EN](http://www.euractiv.com/sections/euro-finance/eu-lawmakers-back-rewards-long-term-shareholders-314439?utm_source=EurActiv+Newsletter&utm_campaign=a784ed4e22-newsletter_euro__finance&utm_medium=email&utm_term=0_bab5f0ea4e-a784ed4e22-245512539)  1. **Juncker announces proposal for reduced VAT for on-line content**   In a speech delivered on 6 May 2015 at an event of the German association of newspaper publishers, European Commission President Jean-Claude Juncker announced that the European Commission will present a proposal including a reduced VAT rate for on-line books and newspapers, saying that the VAT rate should not depend on the technology used. Only in March 2015, Luxembourg and France had lost cases case before the ECJ concerning their introduction of a reduced VAT rate on e-books.   * Text of the speech: [EN](http://europa.eu/rapid/press-release_SPEECH-15-4951_en.htm)  1. **Australia to publish country-by-country information on income and taxes as of late 2015**   Australia has passed a law according to which the total income, taxable income and income tax payable of companies, certain trusts and limited partnerships whose total income for that year exceeds AUD 100 million (approx. € 71 million) will be made public by the Australian Tax Office. The first data is expected to be released in late 2015, relating to the 2013-2014 financial year. In case of losses incurred, the relevant field would be left blank. Companies will also have the possibility to check upfront the accuracy of the data foreseen for publication. The rules are designed to discourage large corporate entities from engaging in aggressive tax avoidance.  \*\*\*\*\*  *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:image002.png@01D05A62.500B7F50 |
|  |