



28 September 2015

1. Commission consults on VAT in cross-border e-commerce

On 25 September 2015, the European Commission opened a public consultation on modernising VAT for cross-border e-commerce. Stakeholders are invited both to evaluate the functioning of the current place of supply rules and the mini one stop shop (MOSS) regime for telecom, broadcasting and e-services, and to give their views on legislative proposals planned for 2016. The planned measures have been announced in the Commission's Communication on a Digital Single Market of 6 May 2015:

- extending the mini one stop (MOSS) regime to all goods ordered electronically,
- introducing a common EU-wide VAT threshold,
- abolishing the small consignment VAT exemption for goods ordered online by private customers from non-EU suppliers which is today found to lead to a competitive distortion to the disadvantage of EU suppliers, and
- allowing home country controls including a single VAT audit of cross-border businesses.

Comments can be sent until 18 December 2015.

- E-survey : [EN](#) (all EU languages)
- pdf version : [EN](#)
- Commission impact assessment : [EN](#), 8 July 2015

2. Commission publishes report on tax reforms in EU Member States

On 28 September 2015, the European Commission's Directorates General for Economic and Financial Affairs (ECFIN) and Taxation and Customs (TAXUD) have jointly published a report outlining how EU member states have performed in implementing the Commission's tax policy recommendations. Among the main ones are increasing VAT compliance, reducing the tax burden on labour, basing housing taxation on recurrent taxes rather than on transaction taxes and increasing environmental taxes. Both in housing taxation and in corporate income taxation, the Commission recommends reducing the favourable treatment of debt over equity (meaning, for housing, generous tax reliefs for mortgages). Finally, the report names good practices on tax reliefs for promoting research and development.

- Full report: Tax Reforms in EU Member States 2015: [EN](#)
- Press release in European Commission's "Midday Express": [EN](#) (FR available)
- Infographics: [EN](#)
- FAQs: [EN](#)

3. Commission asks France to facilitate dividend tax refund procedure for non-residents

On 24 September 2015, the European Commission decided to send a reasoned opinion to France, asking the country to amend its refund procedure for dividends deducted at source for non-residents. France requires

non-resident taxpayers who have invested in companies established in France to provide proof of payment by the French paying agent of the amount deducted from dividends when they apply for reimbursement of the part not due. In the event of a complaint, non-residents are allowed less time to make their application, as their starting point is the time when the amount is deducted on distribution of the dividends, whereas for taxpayers resident in France it is the time the tax notice is received.

The Commission believes that these provisions give rise to disproportionate procedures contrary to the principles of equivalence and effectiveness.

- September infringement package: [EN](#) (10 other languages available)

4. Commission requests Germany to amend VAT rules for travel agents

On 24 September 2015, the European Commission decided to send a reasoned opinion to Germany, requesting to amend its VAT legislation on the application of the special scheme for travel agents.

The scheme allows the travel agent to set a so-called "price margin" (the difference between the actual cost to the agent and the total amount, exclusive of VAT, to be paid by a traveller) as the taxable amount for VAT. According to current German VAT law, this margin scheme can be applied only to travel services provided to private end users. It also allows travel agents to set one single profit margin for all supplies of travel packages sold during a tax period.

In a case concerning Spain, the CJEU decided that this special scheme should also apply to businesses and that the travel agent should calculate the margin per travel service, and cannot make an overall calculation per tax declaration period.

- September infringement package: [EN](#) (10 other languages available)

5. Leaked Council working paper on FTT exemptions for pension funds, life insurances and certain derivatives

German Green MEP Sven Giegold has published two internal discussion papers for the Council Indirect Taxation Working Party. The papers tabled by a number of member states consider the possible impact of the Financial Transactions Tax planned by 11 EU member states on pension funds and life insurances and on enterprises of the "real economy" that enter into derivatives agreements to hedge their business risks, and possible solutions to negative consequences of the application of the tax to these products, including (partial) exemptions and a lower tax rate.

- Paper on real economy impacts: [EN](#)
- Paper on pension funds and insurance impacts: [EN](#)

6. Final BEPS deliveries expected on 5 October 2015

The OECD is planning to issue their final deliveries on the 15 BEPS (base erosion and profit-shifting) Actions on 5 October 2015. There will be a press conference at 14:00 hrs CET and a technical briefing at 16:00 hrs.

- OECD announcement: [EN](#)

The selection of the remitted material has been prepared by Piergiorgio Valente / Filipa Correia / Rudolf Reibel

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