



20 July 2016

## 1. Commission proposes changing anti-money laundering rules and considers tax planning reporting rules for tax advisers

On 5 July 2016, the European Commission issued a Communication “on further measures to enhance transparency and the fight against tax evasion and avoidance”, explaining two proposed legislative changes, to the Anti-Money Laundering and the Administrative Cooperation Directive, to enhance access to beneficial ownership information, and considering mandatory reporting rules for tax advisers and “promoters” of tax planning schemes. The Communication is a reaction to the “Panama Papers” revelations on secret offshore companies of April 2016.

The legislative changes would require that member states have to allow access to their beneficial ownership registers, set up for anti-money laundering purposes, also to tax authorities.

The Commission also proposes that existing, not only new, accounts should be subject to due diligence controls under anti-money laundering rules, to prevent accounts that are potentially used for illicit activities from escaping detection. Passive companies and trusts should also be subject to greater scrutiny and tighter rules.

Apart from improving access to beneficial ownership information, the Commission will examine how member states could automatically exchange information on beneficial owners of companies and trusts with a potential tax impact.

On mandatory reporting rules for tax advisers and promoters of tax planning schemes, the Commission intends to carry out a public consultation in autumn 2016. It will also work on a possible global approach, going beyond the OECD (BEPS 12) Recommendations of October 2015 which refrained from recommending whether countries should introduce such mandatory disclosure regimes or not.

The Commission is planning to present an EU list of non-cooperative jurisdictions in 2017. It has asked the EU Council’s Code of Conduct Group to consider possible countermeasures against listed jurisdictions.

While the Communication stresses the need to protect whistle-blowers in certain areas including taxation, the Commission will, for the time being, limit itself to monitoring national provisions for protecting whistle-blowers.

- Commission press release: [EN](#) (All EU languages available)
- Communication COM(2016)451: [EN](#) ([DE](#), [FR](#) available)
- Proposed changes to the Administrative Cooperation Directive: [EN](#)
- Proposed changes to the Anti-Money Laundering Directive: [EN](#)
- Commission Questions & Answers: [EN](#)

## 2. EP adopts report on tax policy, demanding EU-level professional rules for tax advisers

On 6 July 2016, the plenary of the European Parliament adopted the report of its TAXE 2 Special Committee on “tax rulings and other measures similar in nature or effect”. The non-legislative report follows up on the TAXE report of November 2015, commenting on the measures that have or have not been taken since. The

range of tax policy issues includes blacklisting of jurisdictions and measures to be applied to those, patent and knowledge boxes and R&D tax regimes, measures aimed at banks, tax advisers and other professionals, the protection of whistle-blowers, and the improvement of the work of the Code of Conduct Group on harmful tax competition.

The CFE has provided input to the process, commenting in particular on the call for measures to prevent conflicts of interests of tax advisers and stressing that sanctions against professionals may only be imposed for proven illegal behaviour.

- Text adopted: [EN](#) (All EU languages)
- CFE Opinion Statement FC 9 and PAC 2/2016: [EN](#)

### **3. Council formally adopts Anti-Tax Avoidance Directive**

The EU Ecofin Council of 12 July 2016 has formally adopted the Anti-Tax Avoidance Directive (ATAD) on which political agreement had been reached this June.

The member states will have until 31 December 2018 to transpose the Directive into national law, except for the exit taxation rules, for which they will have until 31 December 2019. Member states that have targeted rules that are equally effective to the interest limitation rules may apply them until the OECD reaches agreement on a minimum standard, or until 1 January 2024 at the latest.

- Council press release: [EN](#) (All EU languages)
- Text of the ATAD: [All EU languages](#)

### **4. EU and Monaco sign exchange of tax information agreement**

On 12 July 2016, the EU and Monaco signed a new tax transparency agreement, under which they will automatically exchange information on the financial accounts of each other's residents from 2018.

Under the new agreement, EU member states will receive the names, addresses, tax identification numbers and dates of birth of their residents with accounts in the Principality, as well as other financial and account balance information. The agreement is in line with the new OECD/G20 "common reporting standard" for the automatic exchange of information. It marks the latest in a series of treaties the EU has signed with Switzerland, Liechtenstein, San Marino and Andorra.

- Commission press release: [EN](#) (FR available)
- Council press release: [EN](#) (all EU languages)

### **5. Commission renews mandate of VAT Expert Group**

On 5 July 2016, the European Commission has called for applications from organisations or individuals for membership in the VAT Expert Group for the Group's next 3-year term starting in October 2016. The Group was initially set up in 2012 to advise the Commission on the preparation of VAT legislation and policy initiatives, and on their implementation. CFE has been member of the VAT Expert Group from the beginning. The Group

shall now consist of a maximum of 40 members. There will be a member and observer status, the latter being only consultative. Deadline for applications is 14 September 2016.

- Call for applications: [EN](#)
- Commission decision on the setting-up of the VAT Expert Group: [EN](#)
- List of current members (see Annex): [EN](#)

#### **6. EU VAT Committee publishes guideline on e-services supplied through a telecommunications network, interface or portal**

The EU VAT Committee has published its guideline on Art.9a of the VAT Implementing Regulation dealing with e-services supplied through a telecommunications network, an interface or a portal such as a marketplace for applications. The guidance was adopted at the VAT Committee's meeting on 24 March 2016. The VAT Committee is an expert group consisting of representatives of EU member states and the European Commission. Its guidelines on the application of the VAT Directive are not legally binding, but provide an indication to what degree member states agree on the interpretation of that Directive.

- List of guidelines (last updated on 1 July 2016), see page 208: [EN](#)

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