

Dear Sir/Madam,

CFE Tax Advisers Europe has issued an <u>Opinion Statement</u> on the European Commission proposal of 21 March 2018 for a Council Directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services.

CFE supports the ongoing process of reaching a globally acceptable solution for the tax challenges of the digital economy. We also acknowledge that the preferred solution of the EU Commission is arriving at a common position on taxation of the digital economy, in absence of which a plethora of uncoordinated national measures throughout Europe could follow, potentially creating further opportunities for tax arbitrage.

CFE strongly believes that the EU should focus on long-term solutions that seek to complement the OECD work on the tax challenges of the digital economy. Accordingly, any interim measures on taxation of the digital economy need to be considered with caution, weighing the expected revenue from this tax against the potentially adverse impact as highlighted in the position paper.

We invite you to read the <u>Opinion Statement</u> and remain available for any questions or comments that you may have.

Kind regards,

The Office Team at CFE Tax Advisers Europe

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