CFE
European Tax Report
European Professional Law Report
February 2013

CFE EVENT

CFE Forum 2013: "Tax planning – What is (un)acceptable?"

On 21 March 2013, the CFE will host its annual international tax conference in Brussels.

Governments, supported by the OECD and the EU, have identified "aggressive" tax planning or "tax arbitrage" as a major risk to the tax bases of countries.

Seemingly opposed to this view is the businesses´ perspective that planning is an integral part of business activity and, as tax is a cost to the business, tax planning is a legitimate business activity and is not necessarily aggressive.

The past decades have been witnessing a constant increase in the level of sophistication in the structuring of cross-border transactions. These arrangements, even if not set up with aggressive intention, pose significant challenges to tax authorities and policy makers who need to identify risk areas promptly and decide whether and how to counteract these.

Countries have developed a number of strategies to ensure timely, targeted and comprehensive information which traditional audits cannot provide, like complementary disclosure initiatives to fill the gap between the creation/promotion of tax planning schemes and their identification by tax authorities, arguing that this would benefit both taxpayers and governments alike, in terms of increased transparency and positive impact on tax compliance.

An important challenge for tax advisers is to ensure that such measures do not produce unintended and distortive effects on cross-border trade and investment. Although countries may choose how to design their tax systems, in a world where economies are increasingly integrated, it is essential to consider how tax systems interact, within a context of fair tax competition and an ever-increasing need for transparency on both sides.

The CFE Forum 2013 will address specific difficulties for practitioners involved in cross-border tax planning and point out practical solutions.

READ MORE ***(click to open):***

CFE website: **EN**

DIRECT TAX

Commission Belgium to Court over discriminatory tax reduction for Walloon tax residents

On 21 February 2013, the European Commission has decided to refer Belgium to the EU Court of Justice over its discriminatory tax rules in the Walloon Region.

Under the Walloon Decree of 3 April 2009 personal income tax can be reduced when buying shares or bonds of the Investment Fund of Wallonia. However, this reduction applies only to residents of Wallonia. The Commission is of the opinion that excluding non-residents who earn their income in the Walloon Region from this reduction is discriminatory and restricts the free movement of workers which is provided for in EU Treaties.

This opinion will most certainly be upheld by the Court of Justice. Indeed, in a similar case involving the same parties (C-212/06, Gouvernement de la Communauté Française et Gouvernement Wallon v. Gouvernement Flamand), the Court held that, Article 49 TFEU militates against any national measure which, even though applicable without discrimination on grounds of nationality, is capable of hindering or rendering less attractive the exercise by EU nationals of the fundamental freedoms guaranteed by the Treaty. The legislation in question is such as to produce those restrictive effects, inasmuch as it makes the grant of a tax advantage dependent on the condition of residence in the region concerned. Furthermore, it is also established case law that, in a situation in which a non-resident taxpayer receives all or almost all of his taxable income in one Member State, Article 49 TFEU prohibits the tax authorities of that Member State from refusing him a deduction or tax advantage that is granted to its residents (C-391/97, Gschwind).

READ MORE ***(click to open):***

Press release: **EN** **FR** **DE** **NL**

OECD presents system to reduce compliance cost and facilitate cross-border portefolio investment

According to OECD estimates, the global amount of cross border portfolio investment exceeds 35 trillion USD. To encourage growth and cross-border investment more than 3000 tax treaties around the world based on the OECD Model reduce source taxation on a reciprocal basis. In practice, however, claiming withholding tax relief under treaties and domestic law is often cumbersome, time and resource intensive for the bulk of foreign portfolio investors and thus often does not happen.

After several years of work with governments and businesses around the world and in close co-operation with the EU, the OECD has developed and approved a standardised system of effective treaty and domestic relief including a complete implementation package for countries to move forward ("TRACE"). This is a major step in streamlining processes, reducing costs, and giving investors their rights while improving tax compliance.

READ MORE *(click to open):*

Press release of 11/02/2013: **EN** **FR**

Public comments received on the revised discussion draft on the definition of "permanent establishment" of the OECD Model Convention

On 19 October 2012, the OECD Committee on Fiscal Affairs released for public comment a revised discussion draft on the definition of "permanent establishment" (Article 5) of the OECD Model Tax Convention. The OECD has now published the comments received on this revised discussion draft, which can be downloaded by clicking on the links below.

READ MORE *(click to open):*

Press release of 12/02/2013: **EN** **FR**

Public comments received on the revised proposals concerning the meaning of "beneficial owner" in the OECD Model Convention

On 19 October 2012, the OECD Committee on Fiscal Affairs released for public comment **revised proposals concerning the meaning of "beneficial owner" in Articles 10, 11 and 12** of the OECD Model Tax Convention. The OECD has now published the comments received on this revised discussion draft.

READ MORE *(click to open):*

Press release of 12/02/2013: **EN** **FR**

OECD publishes BEPS report and announces stronger international co-operation on corporate taxation

On 12 February 2013, the OECD presented a study commissioned by the G-20 - **Addressing Base Erosion and Profit Shifting (BEPS)** – concluding that tax systems unduly favour multinational enterprises, leaving citizens and small businesses with higher tax bills. OECD also announces the development of an action plan to address BEPS issues in a comprehensive manner.

OECD research shows that some small jurisdictions act as conduits, receiving disproportionately large amounts of Foreign Direct Investment compared to large industrialised countries and investing disproportionately large amounts in major developed and emerging economies.

The study´s remit was to analyse whether, and if so why, the current rules allow for the allocation of taxable profits to locations different from those where the actual business activity takes place with a view to providing comprehensive, balanced and effective strategies for countries concerned with base erosion and profit shifting. The report concludes that many of the existing rules which protect multinational corporations from paying double taxation do not properly reflect today's economic integration across borders, the value of intellectual property or new communications technologies. This provides opportunities to associate more profits with legal constructs and intangible rights and obligations, and to legally shift risk intra-group, with the result of reducing the share of profits associated with substantive operations, giving multinationals that use such structures an unfair competitive advantage over smaller businesses. OECD considers that the practices multinational enterprises use to reduce their tax liabilities have become more

DIRECT TAX

aggressive over the past decade. Some, based in high-tax regimes, create numerous off-shore subsidiaries or shell-companies, each time taking advantage of the tax breaks allowed in that jurisdiction. They also claim expenses and losses in high-tax countries and declare profits in jurisdictions with a low or no tax rate.

The report refrains from recommending optimal tax rates.

READ MORE *(click to open):*

BEPS on OECD website: **EN** **FR**

Press release : **EN** **FR**

Commission asks Belgium to amend rules on venture capital scheme

The European Commission has asked Belgium to amend its rules on the so-called „Winwinlening" or „Prêt gagnant-gagnant" venture capital scheme.

This legislation allows a tax reduction for loans from residents of the Flemish region to businesses established in that region. This reduction is not available for non-residents who receive their income in Belgium.

The Commission considers that the Belgian tax rules are in breach of the free movement of workers and the freedom of establishment set out in the EU Treaties. Consequently, Belgium is requested to change its legislation. The Commission request takes the form of a reasoned opinion. If the legislation is not brought into compliance within two months, the Commission may refer the matter to the EU Court of Justice.

READ MORE *(click to open):*

Infringement package press release : **EN** (other EU languages available)

Commission requests Belgium to revise taxation of paid interest

The Commission has formally asked Belgium to amend the fiscal provisions concerning the taxation of paid interest, since they are discriminatory. Belgian legislation charges property tax on the interest paid to foreign investment companies and on securities deposited or credited to the accounts of financial institutions established outside Belgium. The same interest paid to Belgian investment companies or relating to securities deposited or credited to financial bodies established in Belgium is exempt from property tax. The Commission sees these as unjustified restrictions on the freedom to provide services and on the free movement of capital as established by the TFEU. The Commission's decision takes the form of a reasoned opinion. In the absence of a satisfactory response within two months, the Commission may decide to refer Belgium to the European Court of Justice.

READ MORE *(click to open):*

Infringement package press release : **EN** (other EU languages available)

Commission requests Romania to review taxation of foreign businesses

The European Commission has officially asked Romania to amend its discriminatory tax treatment of foreign companies. Under Romanian tax law, a foreign business with several establishments in Romania is subject to corporate taxation on each of the establishments individually, despite the fact that these do not have separate legal personality. The impossibility for a foreign taxpayer to consolidate the results of all its establishments in Romania amounts to a cash-flow disadvantage or higher taxation for the foreign legal entity.

According to the Commission, such restriction is contrary to the freedom of establishment. The Commission's request takes the form of a reasoned opinion. If the legislation is not brought into compliance within two months, the Commission may refer the matter to the EU Court of Justice.

READ MORE *(click to open):*

Infringement package press release : **EN** (other EU languages available)

DIRECT TAX

Commission asks Spain to amend inheritance and gift tax in Basque country

The European Commission has officially requested Spain to amend the provisions of the inheritance and gift tax legislation of the Territorios Históricos de Alava y Bizkaia as these do not respect the free movement of capital. Under these tax provisions, public debt issued by some local administrations benefits from a preferential tax treatment. This means that titles of public debt from these administrations are less taxed than other similar titles after inheritance. This tax treatment discriminates against investments in public debt issued by other EU Member States or EEA States. The Commission's request takes the form of a reasoned opinion. If the legislation is not brought into compliance within two months, the Commission may refer the matter to the EU Court of Justice.

READ MORE *(click to open):*

Infringement package press release : **EN** (other EU languages available)

INDIRECT TAX

Commission takes the UK to Court over reduced VAT rate

On 21 February 2013, the European Commission has decided to refer the United Kingdom to the EU Court of Justice for its reduced VAT rate on the supply and installation of energy-saving materials. According to the Commission, this measure goes beyond what is allowed under the **VAT Directive**.

This reduced VAT rate for energy saving materials has been linked to the UK's „Green Deal" to improve the energy efficiency of buildings.

However, the Commission has stated that while it supports the objectives of the UK Green Deal, this measure constitutes an infringement of the EU VAT rules. Under these rules, Member States can only apply reduced VAT rates to a limited number of goods and services, which are clearly listed in Annex III of the VAT Directive. This list does not include the supply and installation of „energy saving materials".

Member States themselves unanimously decided on the list of goods and services that could benefit from a reduced VAT rate, and they also insisted that this list be strictly applied, with no room for manoeuvre or interpretation in order to prevent competitive distortions in the Single Market and to ensure a fair and level playing field between all Member States.

Beyond the infringement of the directive, the Commission also seems to approach the issue from a state aid perspective. Indeed, although the Commission does not specifically refer to the state aid provisions, it suggests that the measure in question would not even qualify as an efficient state aid authorisable under Article 107 TFEU.

It comes to the conclusion that there are other, more efficient, ways of promoting energy efficient materials while remaining in line with EU law e.g. through direct subsidies.

READ MORE *(click to open):*

Press release: **EN** **FR** **DE**

Commission refers Hungary to Court over tax exemption of pálinka

On 21 February 2013, the European Commission has decided to refer Hungary to the European Court of Justice for granting an exemption from excise duty to the production of fruit distillates (pálinka).

Hungary exempts pálinka from excise duty when it is produced by households or distilleries for personal use, up to a maximum of 50 litres a year.

Excise duties for alcohol are harmonised under EU legislation in order to avoid distortions of competition in the internal market (**Directive 92/83/EEC**). Under that Directive, Hungary is allowed to grant a 50% reduction of the normal excise rate to pálinka produced by distilleries, for personal use, up to 50 litres a year. The exemption applied by Hungary to the production of pálinka therefore goes beyond what is allowed under EU legislation.

READ MORE *(click to open):*

Press release: **EN** **FR** **DE** **HU**

INDIRECT TAX

Financial Transaction Tax under Enhanced Cooperation: Commission sets out the details

The details of the Financial Transaction Tax (FTT) to be implemented under enhanced cooperation have been set out in a proposal adopted by the Commission on 14 February 2013. The proposed Directive mirrors the scope and objectives of the original FTT proposal put forward by the Commission in September 2011 (**IP/11/1085**). There is however a significant difference between the two proposals: the proposed Directive adds, as a further safeguard against avoidance of the tax, the „issuance principle“. This means that financial instruments issued in the 11 Member States that participate in the FTT will be taxed when traded, even if those trading them are not established within the FTT-zone. Furthermore, explicit anti-abuse provisions are now included. The proposed Directive will now be discussed by Member States, with a view to its implementation under enhanced cooperation.

READ MORE *(click to open):*

Press release: **EN** (All EU languages available)

Proposed Directive: **COM/2013/71**

Impact assessment, summary and presentation: **EN**

Commission refers France and Luxembourg to the Court of Justice over reduced VAT rates on ebooks

On 21 February 2013, the European Commission has decided to refer France and Luxembourg to the Court of Justice of the European Union for applying reduced rates of VAT to ebooks. The Commission considers the provision of ebooks as an electronically provided service which cannot benefit from a reduced rate.

The Commission recognises the drawback of such a rule and is currently reviewing reduced VAT rates. However, the Commission stresses that in the meantime, the Member States must comply with the Directive. Infringement of the VAT rules for ebooks would distort the single market and run counter to the fundamental EU principle of fair tax competition.

READ MORE *(click to open):*

Press release: **EN** **FR** **DE**

Commission requests Poland to abolish reduced VAT rates on fire protection goods

The European Commission has officially asked Poland to amend its legislation on a reduced VAT rate applicable to fire protection goods, arguing that such measure goes beyond the scope allowed under the VAT Directive (**2006/112/EC**). Under the VAT rules, a reduced rate can only be applied to certain goods and services listed in the Directive (Annex III). This list has to be strictly observed and interpreted, as decided by all 27 EU Member States. A reduced VAT rate to fire protection goods is not provided for in the list. The Commission‘s request takes the form of a reasoned opinion. If the legislation is not brought into compliance within two months, the Commission may refer the matter to the EU Court of Justice.

READ MORE *(click to open):*

Infringement package press release : **EN** (other EU languages available)

ECJ Advocate-General issues opinion in case Crédit Lyonnais

On 28 February 2013, Advocate-General Pedro Cruz Villalón issued his opinion in the case C-388/11, Crédit Lyonnais. He suggested that the provisions of the EU VAT Directive do not oblige Member States to provide that for calculation of the deductible proportion, the principal establishment of a company established on their territory must take account of the income achieved by each of its branches established in another Member State or third countries. Advocate-General opinions are not binding for the ECJ.

READ MORE *(click to open):*

Opinion of Advocate-General Pedro Cruz Villalón: **link** (available in many EU languages but not EN)

INDIRECT TAX

EP supportive of VAT Quick Reaction Mechanism

The European Parliament adopted on 7 February 2013 a legislative resolution, supporting the European Commission´s proposal for introducing a quick reaction mechanism (QRM) against VAT fraud in the VAT Directive. This mechanism should speed up the procedure for granting derogations from the Directive to Member States that wish to take measures at national level in the fight against VAT fraud; currently, a unanimous Council vote is required for each such derogation which leads to significant delays. The QRM would be an exception to this requirement, enabling the Commission to allow a derogation by using the "examination procedure" under the "Comitology" Regulation EU/182/2011. The Parliament seeks to introduce time limits in order to further speed up the procedure: when a Member State applies for introducing a measure against VAT fraud, any requests of the Commission to that Member State to provide further information should be sent within two weeks and a decision by the Commission should be taken within one month. Where possible and appropriate, the relevant business sector should be consulted. The Parliament also expressed its desire to be regularly consulted and informed on the application of the QRM. The Parliament´s vote is only consultative. The amendment allowing for the QRM has to be adopted unanimously by the EU Council.

READ MORE *(click to open):*

EP news release: **EN** **FR**

Text adopted: **EN** (all EU languages)

Quick Reaction Mechanism proposal of: **EN** (all EU languages)

OECD asks for comments on International VAT Guidelines

On 4 February 2013, the OECD invited public comments to the draft consolidated version of its International VAT/GST Guidelines developed to address uncertainty and risks of double taxation and unintended non-taxation that result from inconsistencies in the application of VAT to international trade, with a specific focus on trade in services and intangibles. This work builds on the assumption that parties involved act in good faith and that all supplies are legitimate and with economic substance. Issues connected with tax evasion and avoidance will be addressed as part of future OECD work. Comments can be submitted until 3 May 2013.

READ MORE *(click to open):*

Draft guidelines: **EN**

ADMINISTRATIVE COOPERATION AND FIGHT AGAINST TAX FRAUD

OECD aims at electronic sales suppression technologies used by businesses to evade taxes

On 18 February 2013, the OECD has released a study on "sales suppression" software in electronic cash registers and other point of sales systems in retail stores and restaurants which can be used to facilitate elaborate tax frauds with the effect of major tax losses to countries´ revenues. The study seeks to raise awareness of this risk among tax administrations. It describes some of the most common electronic sales suppression techniques used by businesses to evade tax and shows how these methods can be detected by tax auditors. The report considers the approaches already adopted by countries in combating this risk and highlights a number of best practices. In particular, it makes a number of recommendations to countries for addressing this important area of risk. Some jurisdictions have criminalised the provision, possession or use of electronic sales suppression software.

READ MORE *(click to open):*

News release: **EN**

OECD study: **EN** (**translations** into DE, ES, FR, RU announced)

EP to voice its opinion on tax fraud, evasion and tax havens

In reaction to the European Commission's activities (**see previous European Tax & Professional Law Report**), Slovenian MEP Mojca Kleva Kekuš (S&D)

ADMINISTRATIVE COOPERATION AND FIGHT AGAINST TAX FRAUD

in the Economic and Monetary Affairs (ECON) Committee has issued a draft initiative report on „The fight against Tax Fraud, Tax Evasion and Tax Havens" on 29 January 2013. On 25 February, MEP Eva Joly (Green Party, France) from the Development (DEVE) Committee presented her draft opinion on the Kleva Kekuš report. The Kleva Kekuš draft is highly supportive of the Commission´s and any other efforts to fight tax fraud, evasion and also avoidance. Among the items mentioned is a mandatory CCCTB and the demand to exclude companies that breach "EU tax standards" from receiving state aid or any other EU funding, country-by-country reporting for multinationals in all sectors "in order to monitor if proper transfer pricing rules are respected" or indeed a "Code of Conduct for auditors and advisers". The ECON vote is scheduled for 24 April 2013. The report is not legally binding.

READ MORE *(click to open)*:

Draft ECON report: **EN**

Draft DEVE Committee opinion: **EN**

OTHER TAX POLICY

Commission consults on European taxpayer ID number

The European Commission has opened a public consultation on the introduction of a European taxpayer ID number (EU-TIN) for natural and legal persons. TINs greatly facilitate automatic exchange of tax information. With the entering into force of Directive 2011/16/EU on administrative cooperation in taxation, the introduction of five categories for automatic exchange of information and the possible adoption of further information exchange categories, the benefits for tax administrations of using EU-TINs will increase but issues such as data protection remain to be solved. The Commission considers a step-by-step introduction of EU-TINs; the first step could be an extension of the existing "**TIN on EUROPA**" portal to make it possible to check the validity of national TINs through a link with the Member States' databases. Deadline for responding is 17 May 2013.

READ MORE *(click to open)*:

Consultation paper: **EN FR DE**

Online questionnaire and pdf version: **EN FR DE**

Consultation website: **EN FR DE**

PROCEDURAL LAW

European Commission consults on „European Taxpayer´s Code"

On 25 February 2012, the European Commission has published a consultation on a possible "European Taxpayer´s Code". The opening of this consultation has been anticipated in the Commission´s "Action Plan" against tax fraud and evasion of 6 December 2012 (COM(2012)722). The Commission consults on any existing codes at national level and a possible future EU Taxpayer´s Code. Concerning national Taxpayer´s Codes, the Commission is interested in learning about their scope, their legal bindingness, the substantive and procedural principles contained in them, their availability and their practical usefulness for taxpayers. It should be noted that "Taxpayer´s Code" is to be understood in a wider sense and thus not limited to laws or documents exclusively dealing with rights and/or obligations of taxpayers.

Concerning a future EU Taxpayer´s Code, the Commission asks about expected benefits and which of the aforementioned substantive and procedural principles it should contain. The Commission is also asking whether member states should offer on-line tax returns, electronic tax files and pre-filled tax returns and whether these should be covered by a European Taxpayer´s Code.

As the Commission explains, any European Code would contain both rights and obligations of taxpayers. The Code would be a reference and inspiration for member states rather than binding EU legislation. The Commission intends to present an initiative on this issue before the end of 2013.

CFE has met with the European Commission to discuss the objective and to give additional inspiration to the planned consultation. The consultation is open until 17 May 2013.

PROCEDURAL LAW

READ MORE *(click to open):*

Consultation paper: **EN** **FR** **DE**

Online questionnaire (including pdf versions): **EN** **FR** **DE**

Consultation website : **EN** **FR** **DE**

Communication COM(2012)722, see point 17: **EN** (all EU languages available)

OTHER EU POLICY

European Council reaches conclusions on Multiannual Financial Framework

On 8 February 2013, the EU member states finally reached a political agreement on the maximum figures for EU-28 expenditure for 2014-20. In the context of budgetary constraints at the national level, the EU budget will shrink for the first time in its history over the period 2014-20. The overall level for commitments has been set at €960 billion, which is just 1% of the EU's gross national income and €15 billion less than in 2007-13.

In addition, the innovative proposals related to new own-resources presented during the budgetary review and backed by the European Parliament had already been blocked previously because of their sensitive nature concerning fiscal sovereignty. The agreement was a disappointment for the European Parliament and for all those who advocated an ambitious budget.

READ MORE *(click to open):*

Press releases: **EN** (All EU languages available)

CFE PUBLICATIONS

2nd edition of European Professional Affairs Handbook for Tax Advisers to be published in March 2013

The 2013 revision of the CFE European Professional Affairs Handbook for Tax Advisers will be published at the CFE Forum on 21 March 2013 and can already be ordered from IBFD. This joint publication of CFE and IBFD presents the requirements for providing professional tax services and the relevant contact points in 23 European countries, the impacts of EU policy, legislation and case-law on professional regulation, and facts on how the tax profession is organised across Europe. It has been designed as guidance for tax practitioners interested in advising clients cross-border, as a reference book for CFE member organisations and as an overview for governments, EU institutions and international organisations looking for best practices and regulatory approaches different countries have chosen to respond to common professional issues. The book covers a wide range of topics including tax advisers´ qualification, ethics, client confidentiality, legal privilege, insurance, advertising, ownership of firms, multi-professional practices and cross-border activity on 320 pages including coloured charts. The purchase price of the Handbook is € 50/$ 65 + VAT.

READ MORE *(click to open):*

European Professional Affairs Handbook on IBFD website: **EN**

PROFESSIONAL QUALIFICATIONS

Compulsory training by professional bodies must not eliminate competition

On 28 February 2013, the ECJ decided in case C-1/12 that EU law precludes a professional body with mandatory membership from imposing on its members a system of compulsory training which in part eliminates competition and lays down discriminatory conditions to the detriment of its competitors. The case concerned the Portuguese Order of Accountants, Ordem dos Técnicos Oficiais de Contas (OTOC), in which most Portuguese tax advisers are members.

PROFESSIONAL QUALIFICATIONS

By virtue of a regulation adopted by the OTOC, accountants are required to have obtained, a certain number of annual credit points for training. Some modules of this training may only be provided by OTOC while others can also be provided by other operators accredited by OTOC following payment of a fee. This was found by the Portuguese competition authority to distort competition, a decision that OTOC challenged before the Lisbon Court of Appeals which referred to the ECJ for a preliminary ruling.

In line with its previous case law, the ECJ confirmed that rules of professional asscociations are within the scope of EU antitrust law. This is not changed by the fact that a professional association may be required by law to put in place a system of compulsory training. Neither is this changed by the fact that the restriction of competition does not concern the market on which the members of OTOC operate but a market (professional training) on which itself operates.

Details on the distortive effects from the exclusive right to offer certain training contents will have to be established by the referring Court.

As to the approval procedure for OTOC´s competitors on the professional training market, the ECJ notes that OTOC has conferred on itself the power to rule unilaterally on applications for registration or approval without that power being made subject to any limits, obligations or review procedure, which could lead it to distort competition by favouring the training sessions which it itself organises. Formal requirements in the accreditation procedure like excessively early deadlines put competitors further at disadvantage. Such restrictions appear to go beyond what is necessary to guarantee the quality of the services offered by accountants and, secondly, are not covered by the exemptions laid down in the Treaty.

READ MORE *(click to open):*

Press release: **EN** (other EU languages available)

ANTI MONEY LAUNDERING

Commission proposes new Anti Money Laundering Directive

On 5 February 2013, the European Commission has presented its proposal for a revised (4th) Anti Money Laundering (AML) Directive. To a large extent, the proposal follows the lines of the Recommendations issued by the global AML standard-setter FATF (Financial Action Task Force) in February 2012 (see **CFE European Tax & Professional Law Report February 2012**). Relevant for tax advisers is the inclusion of "tax crimes" as predicate offences to money laundering (meaning the offences whose proceeds are laundered). Like the FATF, the Commission is of the view that this requires a certain seriousness of the crime. The new proposal maintains the exemption from the obligation to report indications for money laundering for professionals in the course of ascertaining the legal position of the client or defending or representing the client in judicial proceedings and suggests that this exemption should apply throughout the EU. Furthermore, the Commission proposes extending the scope of the Directive on the gambling sector and on cash payments exceeding € 7,500 (instead of the current threshold of € 15,000). The European Parliament´s LIBE Committee appointed Dutch Green MEP Judith Sargentini as rapporteur for the dossier. The CFE Professional Affairs Committee has set up an AML working group to follow the developments.

READ MORE *(click to open):*

Directive proposal: **EN** (all EU languages available)

Press release: **EN** (all EU languages available)

IMPRESSUM

CFE CONFEDERATION FISCALE EUROPEENNE

Confédération Fiscale Européenne
-The European Federation of Tax Advisers-
188A, Av. de Tervuren
B-1150 Brussels

Editor: Rudolf Reibel, LL.M., CFE Fiscal and Professional Affairs Officer

Co Editor: Isabelle Debois

If you have any suggestions or questions, please feel free to contact the editor:
brusselsoffice@cfe-eutax.org

IMPRESSUM

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