Fact Sheet: Tax Transparency Package

Timeline

15th July 2014  Juncker outlines the Political Guidelines for the next European Commission, tax transparency not identified within the 10 priorities.
5th November 2014  Journalists release information about tax avoidance schemes in Luxembourg and elsewhere. Known as the “Luxleaks”
16th December 2014  European Commission Work program released, including two initiatives for fairer taxation.
18th December 2014  European Council calls on Commission to make legislative proposals on the automatic exchange of information on tax rulings in the EU.
25-26th June 2015  European Council to discuss progress of discussions between member states on the Commission’s proposal
6th October 2015  Member States unanimously agree on the automatic exchange of information on cross-border tax rulings at a meeting of Economic and Financial Affairs ministers in Luxembourg.
1st January 2017  Planned entry into force of legislation

Goal
Part of an agenda to tackle corporate tax avoidance and harmful tax competition in the EU.

Reasoning
The lack of transparency on tax rulings is exploited by certain companies in order to artificially reduce their tax contributions. Introducing the automatic exchange of information between member states on their tax rulings will boost transparency and improve cooperation in the battle against abusive tax practices.

Core elements
- Legislative proposals for the automatic exchange of information between member states regarding tax rulings
- Communication outlining other initiative to improve transparency
  - Transparency requirements for multinationals
  - Reviewing the Code of Conduct on Business Taxation
  - Quantifying the scale of tax evasion and avoidance
  - Repealing the Savings Tax Directive

Key Players
European Council, European Commission, Council, Member States, European Parliament