

EU Progress 2014-2019

Fact Sheet: Tax Transparency Package

Timeline

15 th July 2014	Juncker outlines the Political Guidelines for the next European Commission, tax transparency not identified within the 10 priorities.
5 th November 2014	Journalists release information about tax avoidance schemes in Luxembourg and elsewhere. Known as the “Luxleaks”
16 th December 2014	European Commission Work program released, including two initiatives for fairer taxation.
18 th December 2014	European Council calls on Commission to make legislative proposals on the automatic exchange of information on tax rulings in the EU.
18 th March 2015	European Commission presents Tax Transparency Package and proposal for Council Directive
25-26 th June 2015	European Council to discuss progress of discussions between member states on the Commission’s proposal
6 th 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.
1 st 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
 - o Transparency requirements for multinationals
 - o Reviewing the Code of Conduct on Business Taxation
 - o Quantifying the scale of tax evasion and avoidance
 - o Repealing the Savings Tax Directive

Key Players

European Council, European Commission, Council, Member States, European Parliament