



EUROPEAN COMMISSION

DIRECTORATE-GENERAL

TAXATION AND CUSTOMS UNION

Direct Taxation, Tax coordination, Economic Analysis and Evaluation

Company Taxation initiatives

**SUMMARY RECORD
OF THE MEETING OF THE
PLATFORM FOR TAX
GOOD GOVERNANCE,
AGGRESSIVE TAX
PLANNING & DOUBLE
TAXATION**

held on

**08 DECEMBER 2022,
9H30 – 13H00**

at

**Conference Centre Albert Borschette (CCAB),
1B Room**

Welcome and introduction

The meeting was chaired by Mr Benjamin Angel, Director for Direct Taxation, Tax Coordination, Economic Analysis and Evaluation at the EU Commission Directorate General Taxation & Customs Union. This was the first entirely physical meeting since the beginning of the COVID-19 pandemic. The Chair opened the meeting, took stock of recent taxation achievements (e.g., Code of Conduct reform ¹) and introduced the agenda items.

European Commission Report on Tax compliance Costs for SMEs: An update and a complement (2022)

A Commission (DG GROW) representative presented the main findings of the updated report of 2022 on tax compliance costs for SMEs. The study focuses on compliance costs (e.g., data filing) rather than the level of taxation per se. This study was commissioned by DG GROW and includes a survey covering both a qualitative and a quantitative analysis and main conclusions on tax compliance costs and the related burden. A representative from a business association asked whether the study covers the cost for tax administrations, on top of administrative costs for companies, and rough estimates on the average costs for tax administrations are available. The presenter replied that the study took into account exclusively the perspective from companies, particularly to show that costs for SMEs are disproportionally higher than for multinational enterprises (“MNEs”). A representative from TJN ² inquired whether the underlying data and figures are available for circulation. It was clarified this data will be shared and sampling was one of the biggest challenges of this study. A representative from Oxfam ³ enquired about the details of the study methodology and advocated for a bigger focus on the tax contribution in proportion to turnover (and GDP) for SMEs vs. MNEs, i.e., based on the single enterprise’s size. was replied that a future study could be undertaken in two or three-year time potentially covering these aspects too. It was also clarified that the study concerns internal costs such as data collection submission costs and more generally internal costs (including those for review), but it does not include external costs such as those for tax advisors.

¹<https://www.consilium.europa.eu/en/press/press-releases/2022/12/06/council-approves-conclusions-on-the-progress-achieved-by-the-code-of-conduct-group-business-taxation-in-the-second-half-of-2022/>

²Following their request, statements by representatives of the Tax Justice Network (TJN) are explicitly attributed to TJN.

³Following their request, statements by representatives of Oxfam are explicitly attributed to Oxfam.

Incoming Presidency of the Council of the EU: Future priorities under the Swedish semester

A Swedish representative presented the tax priorities during their upcoming semester. In the field of direct taxation, the Swedish Presidency will work on the following files: the Code of Conduct and particularly on the update of the EU list of non-cooperative tax jurisdictions and enhanced EU list's criteria such as the new criterion 1.4 on beneficial ownership, DAC8 ⁴ to seek political agreement by the end of the semester, UNSHELL ⁵ to advance on the ongoing technical discussions in Council, SAFE ⁶ and the Withholding Tax Initiative (so called "FASTER") ¹⁵ to start discussions in Council, and advance further on DEBRA ⁷ as agreed at the ECOFIN Council of 6 December 2022. About indirect taxation, the priority areas of the Swedish semester are as follows: the VAT in the Digital Age Package with the ambition of a policy debate at the end of the Swedish semester, the Tobacco Taxation Directive, the Energy Taxation Directive with an open objective ranging from a policy debate to a general approach depending on the progress in Council on such file, and the Carbon Border Adjustment Mechanism (CBAM). There were no reactions from the Platform Members. The Chair mentioned that the DAC8 Proposal, which was under adoption on the same day of the meeting, would include an amendment to the Directive on Administrative Cooperation (DAC6), in the light of a recent decision taken by the Court of Justice of the European Union ⁸.

Any Other Business

The Chair informed all participants that the next meeting will take place in person in March 2023 (*07 March*).

⁴https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12632-Tax-fraud-evasion-strengthening-rules-on-administrative-cooperation-and-expanding-the-exchange-of-information_en

⁵<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021PC0565>

⁶https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13488-Tax-evasion-aggressive-tax-planning-in-the-EU-tackling-the-role-of-enablers/public-consultation_en

⁷<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0216>

⁸Judgment of the Court of Justice of the European Union of 08 December 2022, Orde van Vlaamse Balies and Others, Case C-694/20, ECLI:EU:C:2022:963, paragraph 28. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A62020CJ0694>