



Brussels, October 2016
TAXUD D2

Doc: JTPF/018/2016/EN

SUMMARY RECORD OF THE FORTY EIGHTS MEETING OF THE EU JOINT TRANSFER PRICING FORUM ('JTPF')

held in Brussels on 20 October 2016

Presence: All MS were present except Cyprus, Estonia and France. Out of the 18 Non-Governmental Members (NGMs), one consultant (PwC), one NGO (FTC) and one industry member (Plansee) were absent.

The observers from OECD and UN were not represented.

1. INTRODUCTION BY THE CHAIR

The Chair welcomed the members and asked new members to introduce themselves.

2. ADOPTION OF THE AGENDA

The Agenda (doc. JTPF/11/REV/2016/EN) was adopted.

3. DOCUMENTS ADOPTED UNDER WRITTEN PROCEDURE

The Summary Record of the June 2016 meeting (doc. JTPF/010/2016/EN) was adopted by written procedure.

4. INFORMATION BY THE COMMISSION ON CURRENT ONGOING ISSUES

The Commission Services gave an update on current developments mainly,

- the continuing participation of the Commission in the G20 discussion on automatic exchange of information,
- the release of a scoreboard with indicators of countries to which attention may be paid as regards the issue on whether they are cooperative, with MS now starting to assess the actual willingness to cooperate.
- legislative proposals on money laundering and administrative cooperation currently under negotiation in the Council
- public consultation on potential action on disclosure of certain tax schemes (BEPS Action 12) to come out in the coming weeks
- a package scheduled to come out next week involving (i) the re-launch of a CCCTB in a two-step approach mandatory for large companies, (ii) a

directive to amend the Anti-tax avoidance Directive with measures on hybrid instruments in third countries and (iii) Directive on improving double taxation dispute resolution mechanisms. The latter building in the work done in the context of the EU Arbitration Convention and intended to address the shortcomings identified during the most recent monitoring by the JTPF.

5. DRAFT REPORT ON THE USE OF COMPARABLES IN THE EU (DOCUMENT JTPF/007/REV/2016/EN AND BACKGROUND DOCUMENTS)

The Chair introduced the Report on the Use of Comparables in the EU. He stated that the objective is to agree on the report today.

The whole report was discussed and conclusions were drawn on concrete drafting of most parts of the report. The Secretariat was asked to redraft the respective parts of the report to capture these conclusions. On some issues voting was needed to get an overview on Members views and on how to proceed. Scrutiny reservations and reservations were made on some of the recommendations by some members. For an overview see the ANNEX.

The report will be redrafted by the Secretariat to reflect the outcome of the discussion as soon as possible and sent to Members for approval of the changes by written procedure.

6. DISCUSSION ON "USE OF ECONOMIC VALUATION METHODS IN THE EU"

Due to time constraints this agenda item had to be skipped. Written comments are invited on the discussion paper on the use of economic valuation methods by middle of January 2017 with the objective to have a draft report ready for the next meeting scheduled for 9 March 2017.

7. STATISTICS

The statistics could not be discussed due to time constraints and will be discussed at the next meeting.

8. ANY OTHER BUSINESS

The Chair thanked the participants and closed the meeting after having announced the date of the next meeting, which is on 9 March 2017 (tbc).

ANNEX: Report on the Use of Comparables in the EU (Document JTPF/007/REV/2016/EN) – Summary of the conclusions made

- Section 1: agreed as drafted
- Section 2: drafting suggestion agreed subject to alignment of paragraph 2 to the text of OECD TPG by Secretariat
- Section 3.1: no changes to introductory paragraphs. Drafting suggestions to Recommendation 1 agreed
- Section 3.2: substance agreed
- Section 4.1: drafting suggestions agreed subject to acceptance of redrafting of paragraph 12 to be done by the Secretariat
- Section 4.2: drafting suggestions agreed
- Section 5.1 drafting suggestions agreed subject to introductory paragraph to be drafted by the Secretariat. Scrutiny reservations by some Members subject to the review of subsequent revised drafting by the Secretariat.
- Section 5.2: drafting suggestions agreed
- Section 5.3: content agreed on most issues with scrutiny reservations and subject to acceptance of redrafting to be done by the Secretariat. Differences in views on some recommendations remained and the Secretariat will try to come up with a compromise proposal as part of written procedure.
- Section 6.1: replaced by former section 6.3 and content agreed with scrutiny reservations and subject to acceptance of redrafting to be done by the Secretariat
- Section 6.2: drafting suggestions agreed with scrutiny reservations
- Section 6.3: removed to section 6.1
- Section 7: drafting suggestions agreed with scrutiny reservations
- Section 8: agreed as drafted