

# Citizens' summary

## EU policy paper – cross-border taxes

### WHAT'S THE ISSUE?

- The paper looks at ways of making life simpler for people having to deal with the **tax rules of more than one EU country** – for example if you:
  - **live** in one country and work in another
  - **buy** something from another country
  - make **investments or buy property** in another country.
- It looks at what the EU can do about **problems** you may have encountered such as:
  - **discrimination** – being charged unfair taxes, because you are a foreign national or are living abroad, for instance
  - **double taxation** – being taxed twice on the same income, inheritance, property, cars etc. in different countries
  - difficulties in **claiming tax refunds** from foreign tax authorities
  - difficulties in getting **information** about foreign tax rules.

### WHY DOES ACTION HAVE TO BE TAKEN BY THE EU?

- Since these tax issues involve **more than one country**, it is usually impossible for them to be resolved by individual countries acting alone.
- In **discrimination** cases, it is the EU that is **responsible for taking legal action** against countries that apply unfair rules.

### WHAT EXACTLY WILL CHANGE?

- The EU will continue to improve its free **advice and information services** for businesses and the public – [Your Europe](#), [Europe Direct](#) and [Solvit](#).
- It will put forward proposals aimed at solving some of the problems that arise with cross-border taxes.

### WHO WILL BENEFIT AND HOW?

- People paying taxes in more than one EU country will benefit from **better information and help** if they have **problems** or want to make a **complaint**.
- In the longer term, new rules on cross-border taxes should make life simpler for businesses selling to other EU countries and for consumers buying from abroad.

## WHAT HAPPENS NEXT?

Changes to a range of cross-border tax rules are planned or being discussed:

- **Web-based services** – from 2015, new tax rules will make it easier to buy **e-services** from other countries, e.g. **downloads** of software, games, music & film; web-hosting etc.
- **Online shopping** for goods and services – the EU is encouraging governments to change their tax rules to make this easier.
- **Car registration** – next year the EU will propose new ways of resolving the problem of double registration taxes on cars, since national governments did not agree to the EU's initial proposal.
- **Double taxation** – proposals to be made in 2011 and 2012.
- **Inheritance tax** – proposals to be made in 2011.
- **Withholding tax on dividends** – EU is working to simplify rules on claiming cross-border tax relief on dividends and interest. It also plans to make further proposals on dividends in 2012.

The EU will discuss with EU governments other ideas for dealing with cross-border tax problems. Among the suggestions already received are **single contact points for tax queries** and **standardised forms for claiming tax relief**. The EU is also going to ensure that **EU citizens' advice services are better equipped to deal with enquiries and complaints regarding cross-border tax obstacles**.

Data for search engines	
Title tag	EU paper on cross-border tax issues – citizens' summary
Description	Explained – policy paper on double taxation, discrimination & other issues for people paying taxes in 2 or more countries
Link name	Summary – paper on EU cross-border tax problems
Keywords for url/filename	EU, cross-border, tax, problems