



**COUNCIL OF  
THE EUROPEAN UNION**



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PRESSE 133

## **Council adopts new rules on the taxation of savings income**

The Council today<sup>1</sup> adopted a directive strengthening EU rules on the exchange of information on savings incomes, aimed at enabling the member states to better clamp down on tax fraud and tax evasion ([17162/13](#) + [17162/13 COR1](#) + [7977/14](#)).

Directive 2003/48/EC requires the member states to exchange information automatically so as to enable interest payments made in one member state to residents of other member states to be taxed in accordance with the laws of the state of tax residence.

The text enlarges the scope of directive 2003/48/EC, reflecting changes to savings products and developments in investor behaviour since it came into force in 2005. The scope now covers new types of savings income and products that generate interest or equivalent income. It includes life insurance contracts, as well as a broader coverage of investment funds. And tax authorities, using a "look-through" approach, will be required to take steps to identify who is benefiting from interest payments.

The European Council in December 2013 called for the amending directive to be adopted by March 2014, given its significance in combating tax fraud and tax evasion. The member states will have until 1 January 2016 to adopt the national legislation necessary to comply with the directive.

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<sup>1</sup> At a meeting of the Agriculture and Fisheries Council, without discussion.

**P R E S S**