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NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council
Subject: Conclusions on the progress achieved by the Code of Conduct (Business Taxation) Group during the Hungarian Presidency
-Approval

1. In accordance with its mandate, the Code of Conduct Group (COCG) reports regularly to the Council on the progress of its work. The latest 6-monthly report of the COCG to the Council is set out in document ST 16328/2024 + ADD 1-7.
2. Draft Council conclusions on the progress achieved by the COCG during the Hungarian Presidency were examined at the meeting of the Code of Conduct (Business Taxation) Group on 20 November 2024. All delegations support the text set out in the Annex.
3. The Permanent Representatives Committee is therefore invited to confirm the agreement on the text and recommend that the Council (Ecofin) approve these conclusions as an 'A' item on 10 December 2024.

Draft Council conclusions
on the progress achieved by the Code of Conduct (Business Taxation) Group
during the Hungarian Presidency

The Council of the European Union:

1. ACKNOWLEDGES the positive impact of the Code of Conduct and the Group's efforts in mitigating harmful tax practices, contributing to the reduction of preferential tax regimes both within the EU and globally;
2. EXPRESSES APPRECIATION for the Group's efforts and the dedication of its Chair throughout her mandate in advancing the objectives outlined in the Code of Conduct (Business Taxation) and ENCOURAGES the Group to continue its valuable work;
3. APPROVES the Group's report as set out in ST 16328/2024 + ADD 1-7;
4. ENDORSES the standstill assessments agreed by the Group and ASKS the Group to continue monitoring standstill and the implementation of the rollback; ENDORSES the assessments agreed by the Group of actual effects of individual measures as agreed by the Group and ASKS the Group to continue monitoring the individual measures;
5. WELCOMES the progress achieved by the Code of Conduct Group in the revision of the EU list of non-cooperative jurisdictions in October 2024; ENCOURAGES the Group to maintain effective dialogue with jurisdictions, monitoring, and screening, to support their compliance with the EU listing criteria and fulfillment of commitments within the agreed deadline;
6. WELCOMES the the adaptation by the Group of the future monitoring for criterion 1.2 in the context of the new Global forum monitoring and review framework on tax transparency;

RECOGNIZES the continuous monitoring of the relevant no or only nominal tax jurisdictions on the progress made on implementation of the legal framework on Collective Investments Vehicles (CIVs) under criterion 2.2; ACKNOWLEDGES the extension of the application of criterion 3.2 to jurisdictions that joined the OECD/G20 Inclusive Framework on BEPS as of 1 January 2018 and the request for commitment from the jurisdictions concerned;

7. WELCOMES the work on the appropriate selection indicators for future modifications of the geographical scope of the EU list;
 8. CALLS on the Group to continue the work to incorporate beneficial ownership as a fourth transparency criterion;
 9. INVITES the Group to report back to the Council on its work during the Poland's Presidency.
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