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OUTCOME OF PROCEEDINGS

From:	General Secretariat of the Council
On:	12 December 2025
To:	Delegations

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Subject:	Progress achieved by the Code of Conduct (Business Taxation) Group during the Danish Presidency - Council conclusions (12 December 2025)
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Delegations will find in the Annex the Council conclusions on the progress achieved by the Code of Conduct (Business Taxation) Group during the Danish Presidency approved by the Council at its 4143rd meeting held on 12 December 2025.

**Council conclusions
on the progress achieved by the Code of Conduct (Business Taxation) Group
during the Danish 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. APPRECIATES the Group's efforts 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 16028/25;
4. ENDORSES the assessments of actual effects of individual measures as agreed by the Group and ASKS the Group to continue monitoring standstill, implementation of the rollback and the monitoring of the individual measures;
5. APPRECIATES the work to strengthen the efficient implementation of the Code of Conduct within the EU Member States; ENDORSES the Guidance on rollback and grandfathering set out in Annex I to the report;
6. WELCOMES the progress achieved by the Code of Conduct Group in the revision of the EU list of non-cooperative jurisdictions in October 2025; ENCOURAGES the Group to maintain effective dialogue with jurisdictions, monitoring, and screening, to support their compliance with the EU listing criteria and fulfilment of commitments within the agreed deadline;

7. WELCOMES the progress made by jurisdictions to reform their foreign-source income exemption (FSIE) regimes; RECOGNISES the Group's continuous monitoring of no or only nominal tax jurisdictions for the effective implementation of economic substance requirements to companies and other entities that fall within the scope of criterion 2.2;
 8. WELCOMES the work on the overview of Member States' implementation of tax defensive measures towards listed jurisdictions and the outcome of the first annual monitoring exercise; NOTES WITH APPRECIATION the updated state of play on the implementation of the 2019 Guidance on tax defensive measures set out in ANNEX II to the report; ENCOURAGES the continuous work of the Group on evaluating the effectiveness of defensive measures towards listed jurisdictions;
 9. CALLS on the Group to regularly review international developments related to beneficial ownership and, once progress is possible, continue efforts to incorporate beneficial ownership as a fourth transparency criterion;
 10. CALLS on the Group to continue the work on the appropriate selection indicators for future modifications of the geographical scope of the EU list;
 11. INVITES the Group to report back to the Council on its work during the Cyprus Presidency.
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