**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 13 December 2011

18398/11

LIMITE

FISC 167

"I/A" ITEM NOTE

from:	General Secretariat
to:	Coreper/Council
Subject:	Code of Conduct (Business Taxation)
	- Report of the Code of Conduct Group to the Council
	- Draft Council Conclusions

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1. At the meeting of the Code of Conduct Group (Business Taxation) on 16 November 2011 delegations agreed the Group's report to the Council as set out in doc. 17081/1/11 REV 1 FISC 144 and the Work Package 2011 as contained in the Annex to the report.

2. Subsequently the Chair of the Group put forward the draft Council conclusions (doc. 17090/11 FISC 147), which were discussed by the Permanent Representatives Committee on 23 November 2011.

3. After further consultations, the Presidency put forward the following revised draft Council conclusions:

"With regard to the Code of Conduct (Business Taxation), the Council:

- welcomes the progress achieved by the Code Group during the Polish Presidency as set out in its report (doc.17081/1/11 REV 1 FISC 144);

- asks the Group to continue monitoring standstill and the implementation of the rollback;

- approves the Code Group's Work Package 2011 as set out in the Annex to doc. 17081/1/11 REV 1 FISC 144 and asks the Group to start the work on this Work Package during the Danish Presidency;

- encourages the Commission to continue discussions with third countries with the aim to apply the principles and all the criteria of the Code as set out in the Group's Report and to keep the Group regularly informed of the progress;

- invites the Group to report back on its work to the Council by the end of the Danish Presidency."

4. The Permanent Representatives Committee is invited to forward the report (doc. 17081/1/11 REV 1 FISC 144) and the Work Package 2011 (Annex to the report) together with the draft Council conclusions above to the Council and to suggest that the Council adopt these draft conclusions as an "A" item on its agenda;

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