



Council of the  
European Union

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**LIMITE**

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**NOTE**

From:	General Secretariat of the Council
To:	Permanent Representatives Committee
Subject:	Draft Council conclusions on the progress achieved on tax issues during the Croatian Presidency

Delegations will find in annex the draft Council conclusions on the progress achieved on tax issues during the Croatian Presidency, as prepared and agreed by the Code of Conduct Group (Business Taxation) and the High Level Working Party for Tax issues.

- I. With regard to reporting regularly to the European Council on tax issues, the Council:
1. APPROVES the Council (ECOFIN) Report to the European Council on Tax Issues (doc. 8450/20) which provides an overview of the progress achieved in the Council during the term of the Croatian Presidency;
- II. With regard to the Code of Conduct (Business Taxation), the Council:
1. WELCOMES the progress achieved by the Code of Conduct Group during the Croatian Presidency and APPROVES the report as set out in doc. 8374/20;
  2. INVITES the Group to continue its work under its multiannual work package 2018 (doc. 10420/18);
  3. ACKNOWLEDGES that the ongoing COVID-19 public health emergency situation has had an impact on the ability of many jurisdictions to take on new commitments or deliver on their past commitments, as well as on the overall working methods of the Group;
  4. Therefore TAKES THE VIEW that the completion of:
    - the screening of the jurisdictions that have foreign source income exemption regimes in place;
    - the monitoring of the implementation of the country by country reporting (CbCR) anti-BEPS minimum standard (criterion 3.2), and
    - the screening of the three jurisdictions added to the geographical scope of EU listing exercise in 2019;

should be postponed until such time when the Group will consider that circumstances allow to ask third jurisdictions to take commitments to address the deficiencies concerned;

5. INVITES at the same time the Group to recommend an update of the EU list of non-cooperative jurisdictions for tax purposes at the October 2020 ECOFIN Council with the objective to:
- delist jurisdictions that completed their commitments;
  - extend Annex II deadlines where needed; and
  - take into consideration the new Global Forum peer review assessments under criterion 1.2;
6. INVITES furthermore the Group to:
- complete by the end of 2020 the review of the economic data for selecting jurisdictions under the EU listing process, on the basis of an updated Scoreboard by the Commission services, with a view to review the geographical scope of the EU listing exercise by mid-2021;
  - continue discussions on future criterion 1.4 (exchange of beneficial ownership information);
7. ACKNOWLEDGES ongoing discussions on the results of the EU listing process and WELCOMES further discussions on this issue;
8. ENDORSES the standstill assessments agreed by the Group and also ASKS the Group to complete by end 2020 the standstill monitoring of the measures notified by Member States in 2019, the monitoring of the Guidelines on the conditions and rules for the issuance of tax rulings and to continue monitoring the implementation of the rollback;
9. INVITES the Group to report back to the Council on its work during the German Presidency.
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