

Brussels, 12 June 2026
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FISC 194
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OUTCOME OF PROCEEDINGS

From: General Secretariat of the Council

On: 12 June 2026

To: Delegations

Subject: Progress achieved by the Code of Conduct (Business Taxation) Group
during the Cyprus Presidency
- Council conclusions (12 June 2026)

Delegations will find in the Annex the Council conclusions on the progress achieved by the Code of Conduct (Business Taxation), approved by the Council at its 4181st meeting held on 12 June 2026.

Council conclusions
on the progress achieved by the Code of Conduct (Business Taxation) Group
during the Cyprus 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 ST 9626/26;
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. WELCOMES the progress achieved by the Code of Conduct Group in the revision of the EU list of non-cooperative jurisdictions in February 2026; 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;
6. WELCOMES the progress made by jurisdictions in the scope of criterion 2.1 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 and ACKNOWLEDGES the Group's ongoing monitoring of relevant jurisdictions that were previously exempted from criterion 3.2;

7. ENCOURAGES the continuous work of the Group on evaluating the effectiveness of defensive measures towards listed jurisdictions;
 8. CALLS on the Group to regularly review international developments related to beneficial ownership and to continue efforts to incorporate beneficial ownership as a fourth transparency criterion;
 9. CALLS on the Group to continue the work on the appropriate selection indicators for future modifications of the geographical scope of the EU list;
 10. INVITES the Group to report back to the Council on its work during the Irish Presidency.
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