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WORKING PAPER

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MEETING DOCUMENT

From:	Code of Conduct Group Chair
To:	Code of Conduct Group (Business Taxation)
Subject:	Code of Conduct Group (Business Taxation) - (draft) work programme under the Croatian Presidency

Delegations will find attached the COCG draft work programme under the Croatian Presidency in view of the Code of Conduct Group (Business Taxation) on 4 February 2020.

**(DRAFT) CODE OF CONDUCT GROUP (BUSINESS TAXATION):
WORK PROGRAMME UNDER THE CROATIAN PRESIDENCY**

1. In its conclusions of 5 December 2019 (doc. 14530/19), the ECOFIN Council notably:
 - a. invited the Code of Conduct Group (hereafter "Group") to continue its work under its multiannual work package 2018 (doc. 10420/18);
 - b. asked the Group to continue monitoring standstill and the implementation of the rollback;
 - c. asked the Group to continue monitoring the implementation of its past guidance notes;
 - d. invited the Group to start the assessment of the newly identified foreign source income exemption regimes listed in its report;
 - e. asked the Group to resume discussions and seek an agreement on future criterion 1.4 (exchange of beneficial ownership information);
 - f. invited the Group to report back to the Council on its work during the Croatian Presidency.
2. Against this background, this note sets out the proposed work programme under the Croatian Presidency of the Council (1st semester of 2020).

I. Monitoring of standstill and the implementation of rollback

3. The Group will review the tax measures notified by Member States under the last round of standstill and rollback notifications and continue the monitoring of the actual effects of some regimes for which a regular monitoring was decided.

II. Links with third countries

4. The Group will continue monitoring:
 - a. the implementation of the commitments made by jurisdictions,
 - b. compliance with the new criterion 3.2, and
 - c. standstill in respect of the newly identified regimes under criterion 2.1 and measures under criterion 2.2,in the jurisdictions covered by the geographical scope.
5. The EU list of non cooperative jurisdictions for tax purposes will be revised by the ECOFIN Council in February 2020 following the expiration of the end 2019 deadline.

6. Furthermore, the Group will:
 - a. resume discussions and aim at finding agreement on EU's future criterion 1.4 on exchange of beneficial ownership information.
 - b. conclude the screening of the Foreign Source Income Exemption regimes identified in the jurisdictions falling within the scope of the EU listing process.
 - c. review jurisdictions' responses regarding the treatment of partnerships (economic substance requirements) under criterion 2.2.
7. The Group will also:
 - a. conclude the screening of Argentina, Mexico and Russia, seek commitments if and where appropriate,
 - b. start the screening of Azerbaijan, Guyana, Kazakhstan, Kuwait, Lebanon, Moldova, New Zealand and Ukraine, and
 - c. initiate a review of the economic data used for selecting jurisdictions in the geographical scope of the EU listing exercise.
8. The Chair will continue procedural/political dialogue with some jurisdictions, as necessary, and schedule a coordination meeting with the Chairs and secretariats of the OECD Global Forum, Forum on Harmful Tax Practices (FHTP) and Inclusive Framework on BEPS.
9. The Group will furthermore launch a review of the classified documents that were issued in respect of the EU listing process since 2016 and assess whether some could be declassified.

III. Monitoring the implementation of agreed guidance

10. In line with its agreed priority list (doc. 6603/18), the Group will assess Member States' compliance with the 2016 'Guidelines on the conditions and rules for the issuance of tax rulings - standard requirements for good practice by Member States', on the basis of Member States' responses to a questionnaire.

IV. Organisation of work

11. It is proposed that there should be four one-day meetings (on 4 February, 2 March, 1st April and 3 June 2020) to enable the Group to provide a report before the end of this Presidency.
12. The Croatian Presidency of the Council is furthermore planning to organise six meetings of the two subgroups to progress work on items falling within its remit.