



Council of the European Union
General Secretariat

Brussels, 01 July 2020

WK 7138/2020 INIT

LIMITE

**FISC
ECOFIN**

**DOCUMENT PARTIALLY
ACCESSIBLE TO THE PUBLIC
(09.01.2023)**

WORKING PAPER

This is a paper intended for a specific community of recipients. Handling and further distribution are under the sole responsibility of community members.

MEETING DOCUMENT

From:	Presidency
To:	High Level Working Party
Subject:	German Presidency - Presentation

Delegations will find attached the presentation by the Presidency at the informal videoconference of the members of the High Level Working Party on Taxation of 6 July 2020.



PUBLIC

German Presidency of the Council of the European Union

High Level Working Party on Taxation

1 July 2020 - 31 December 2020



German Presidency

OVERALL OBJECTIVE

- *European architecture for fair and effective taxation*
- *Take into account impact of COVID-19 pandemic on priorities and working methods*





German Presidency

PRIORITIES IN THE AREA OF TAXATION

- **Digital Taxation** - Council conclusions on the outcome of the G20/OECD negotiations
- **CCTB** – Possible link to outcome of the G20/OECD digital taxation negotiations
- **DAC 7** - Revision of the Directive on Administrative Cooperation
- **Code of Conduct Group (Business Taxation)** - Agreement on the revision of the mandate of the Code of Conduct Group (Business Taxation)
- **FTT** - Progress in the negotiations
- **VAT** - Consultation on concrete measures to combat VAT fraud more effectively and simplify taxation



Digital Taxation

Achieving fair and effective taxation in the European Union by

- closely monitoring the OECD process on the two-pillar approach,
- evaluating the outcomes of the OECD process and
- drawing the necessary conclusions for the EU.

Common Corporate Tax Base (CCTB)

- Future work to be defined in light of progress at OECD level.
- When an agreement is reached, discussions could focus on the design of Pillar 2 rules within the existing framework of the CCTB proposal.





Directive on Administrative Cooperation

In the spirit of the recent Council conclusions, the German Presidency will move quickly to advance the negotiations on a further amendment of the DAC, in order to:

- introduce reporting obligations and the exchange of information on taxpayers who generate income through the digital platform economy;
- strengthen the sustainability, robustness and efficiency of administrative cooperation among EU Member States in direct tax matters.



Code of Conduct Group (Business Taxation)

Our main focus will be to further strengthen the EU list of non-cooperative jurisdictions and to revive discussions on the revision of the 1997 mandate, taking into account international developments in the field of taxation.

Current working priorities:

- Update of the EU NCJ list
- Finalize a compromise on the criterion for the exchange of beneficial ownership information (criterion 1.4 of the EU NCJ list)
- Examine the geographical scope of the EU NCJ list
- Relaunch discussions on the revision of the 1997 mandate in light of international developments

Financial Transaction Tax

Aims of the German Presidency:

- Achieve an agreement on enhanced cooperation in the area of financial transaction tax
- Initiate the European legislative procedure.





Value Added Tax

Definitive VAT system – Action Plan to fight tax evasion and make taxation simple and easy

On the basis of the Action Plan announced by the Commission, we want to build on the basic discussions on a definitive VAT system to shift the focus towards practical measures that will make the existing VAT system more fraud-proof and that will simplify taxation.

Other Topics

- We will continue the discussion on **VAT rates**.
- We aim to finalize the **Fiscalis** regulation on the basis of trilogue meetings under previous Presidencies.





KEY DATES

High Level Working Party

6 July
4 September
22 October
20 November

ECOFIN

10 July
11-12 September (Informal)
6 October
4 November
1 December



PRESIDENCY TEAM - HLWP

PUBLIC

DELETED



High Level Working Party on Taxation

DELETED





Direct Taxation – Digital Taxation

DELETED

PUBLIC



Direct Taxation - DAC

DELETED

PUBLIC



Direct Taxation – CoC Subgroup

DELETED

PUBLIC



Direct Taxation – CCTB

DELETED





Indirect Taxation – FTT

DELETED





Indirect Taxation – VAT

DELETED





PUBLIC



Thank you for your attention.