

# CFE's Tax Top 5

## KEY TAX NEWS OF THE WEEK

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### Tax Transparency: European Parliament Push on Public CbCR

The European Parliament voted on 24 October a resolution backing EU-wide public country-by-country reporting of taxes paid by large multinational companies. The text of the [proposed directive](#) was already approved by the European Parliament in 2017, but Member states could not agree on the way forward. The European Parliament resolution was voted by 572 in favour, 42 against and 21 abstentions, urging Member states to enter into a dialogue with the European Parliament to finally adopt the directive.

The impetus came from the European Parliament hearings of the European Commission President-Elect Ursula von der Leyen, and Vice-Presidents Vestager and Dombrovskis, who promised that public country-by-country reporting would become reality with respect to taxation. The adopted European Parliament [resolution](#) “urgently calls” on the Finnish presidency of the EU and the Member States to finalise the legislative process as soon as possible and prioritise work on the public CbCR proposal on the basis of the Parliament’s text.

According to the proposal, multinational firms with worldwide turnover of €750 million or more would be required to publish certain income tax related data on a common template in each tax jurisdiction in which the firm or its subsidiary operated, publicly accessible on the company website and a public register operated by the European Commission.



### OECD ‘Unified Approach’ Public Consultation on 21-22 November in Paris

The OECD is [inviting](#) interested parties to a public consultation on 21-22 November in Paris on the Secretariat Proposals for a Unified Approach under Pillar One concerning the taxation challenges of the digitalisation of the economy. The participants will be selected from stakeholders that have submitted timely response on the request for input. This meeting will be broadcast live on [OECD WebTV](#).

As reported by CFE, the G20 finance ministers “welcomed the efforts of OECD’s Secretariat”, highlighting the importance of delivering a fast, Inclusive Framework-supported solution, by the end of 2020, with the outlines of the new system sketched by February 2020.

The discussions are ongoing, with countries like India warning of the complexity of the task. In addition to delivering fair profit allocation, the solutions need to be “simple to implement and simple to administer”, India’s Finance Minister Nirmala Sitharaman [reportedly](#) said, welcoming the direction which would establish taxable nexus for market jurisdictions irrespective of the physical presence of a company.



## Tax Dispute Resolution: BEPS Action 14 Peer Review Reports

In the framework of the work undertaken under BEPS Action 14 and the improvement of the tax dispute resolution mechanisms, the OECD issued the 6<sup>th</sup> round of peer review [reports](#), assessing the efforts by countries to implement the Action 14 minimum standard as agreed to under the OECD/G20 BEPS Project.

The published reports include jurisdictions such as Argentina, Chile, Colombia, Croatia, India, Latvia, Lithuania and South Africa with over 230 targeted recommendations that will be followed up in stage 2 of the peer review process. BEPS Action 14 seeks to improve the tax-dispute resolution mechanisms via the Inclusive Framework peer-review process, which looks into the compliance with the minimum standard reviewed and monitored by peer countries.



## CFE’s 60<sup>th</sup> Anniversary *Liber Amicorum* Published in Cooperation With IBFD

“60<sup>th</sup> Anniversary *Liber Amicorum*”, a book of high-level technical and policy contributions produced for the occasion of the 60<sup>th</sup> Anniversary of CFE Tax Advisers Europe, edited by Servaas van Thiel, Piergiorgio Valente and Stella Raventós-Calvo, was [published in partnership with IBFD](#). IBFD also regularly publishes CFE’s relevant opinion statements and position papers in [European Taxation](#), the official journal of CFE Tax Advisers Europe.

Renowned tax experts discuss key tax issues that challenge tax advisers, tax academics and tax officials on a daily basis. Part I looks at EU decision-making in the tax area and some of the challenges of exercising tax jurisdiction in a digital world (taxing digital business models, robot taxes, etc.). Part II discusses the legal limits, particularly in Europe, to the traditional ways in which states exercise their tax jurisdiction (e.g. the need for equal treatment, the prohibition of discriminatory exit taxes and the ECJ *Sofina* decision) and the closely related issue of taxpayer rights (under EU law and the European Convention on Human Rights). Part III reports on recent developments in the fight against tax avoidance and tax evasion (e.g. the OECD BEPS Action Plan, the European Union’s external “tax good governance” policy, international exchange of information, transfer pricing documentation requirements, the ECJ Denmark decisions and the Commission’s Apple decision). Part IV presents an in-depth analysis of VAT (lessons learned) and suggests new ways forward, including in respect of dispute management (cross-border rulings). Finally, Part V reflects on non-tax issues that may have implications on international taxation and finance. With its practical approach, the book provides an interesting and insightful read for all those involved in international taxation, and is available to buy at the [IBFD online library](#) or directly from CFE Tax Advisers Europe ([info@taxadviserseurope.org](mailto:info@taxadviserseurope.org)) for CFE delegates.



## CFE Conference On Anti-Money Laundering: Paris – 29 November 2019

The 12th European Conference on Tax Advisers' Professional Affairs, organised by CFE Tax Advisers Europe and the *Institut des Avocats Conseils Fiscaux* (IACF), will be held in Paris, France, on Friday 29 November 2019 from 9:00 to 16:00, this year entitled "Making Anti-Money Laundering Rules More Effective For Tax Advisers".

The conference will examine the perceived risks posed by the tax profession in facilitating money laundering based on the EU Commission's Supranational Risk Assessments, compliance with the new and existing EU Anti-Money Laundering Directives and efforts taken to address money laundering in the broader international context as well as the effect this has on tax evasion. Panellists will consider the effectiveness and the impact of existing EU rules and the new requirements of the 5th AML Directive, including making beneficial owners of legal entities registers public and providing increased access to information on the beneficial ownership.

[Register now](#) to secure your place at the conference.



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