

# CFE's Tax Top 5

## KEY TAX NEWS OF THE WEEK

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## DAC6 Optional Deferral Enters Into Force

The proposal as agreed by Member States in early June to defer deadlines for exchange of information under the administrative cooperation directive as a result of the coronavirus crisis has now been [published](#) in the Official Journal of the European Union and has entered into force.

The Directive provides the option for Member States to postpone deadlines imposed by the EU Directive on Administrative Cooperation for reporting of relevant cross-border arrangements by 6 months. The Directive also provides that the Council can agree to extend the deadlines in the Directive by a further 3 months, if required by the circumstances surrounding the coronavirus.

The Directive allows Member States to defer deadlines arising out of the Directive as follows:

- Defer time limit for exchange of information on Reportable Financial Accounts from 30/09/2020 to 31/12/20 (note: DAC2 – CRS)
- Defer date for 1st exchange of DAC6 information from 31/10/20 to 30/04/21
- Defer date for beginning of 30 days period for reporting cross-border arrangements from 01/07/20 to 01/01/21
- Defer date for reporting 'historical' arrangements (that became reportable from 25/06/18 to 30/06/20) from 31/08/20 to 28/02/21

Certain Member States have already proceeded to introduce legislation transposing the extension to the reporting deadline into domestic law.



## EU Consultation on Foreign Subsidies

The European Commission has launched a consultation on a White Paper concerning foreign subsidies. The Consultation states that *“Subsidies granted by non-EU governments to companies in the EU appear to have an increasing negative impact on competition in the Single Market, but fall outside EU State aid control. There is a growing number of instances in which foreign subsidies seem to have facilitated the acquisition of EU companies or distorted the investment decisions, market operations or pricing policies of their beneficiaries, or distorted bidding in public procurement, to the detriment of non-subsidised companies. Moreover, the existing trade defence rules relate only to exports of goods from third countries and thus do not address all distortions caused by foreign subsidies granted by non-EU countries. Where foreign subsidies take the form of financial flows facilitating acquisitions of EU companies or where they directly support the operation*

*of a company in the EU, or facilitate bidding in a public procurement procedure, there appears to be a regulatory gap. The White Paper on Foreign Subsidies, adopted by the European Commission on 17 June 2020, therefore proposes solutions and calls for new tools to address this regulatory gap.”*

The consultation will run until 23 September 2020. Input can be submitted [here](#). The Commission will present legislative proposals based on the responses received to the consultation.



## EU VAT Committee Meeting Documents Published

The agenda and supporting documents concerning the most recent VAT Committee meeting have now been made [available online](#).

At its 116<sup>th</sup> meeting, the VAT Committee reviewed implementation of the Quick Fixes Package, issues surrounding the Voucher Directive, VAT aspects of centralized customs clearance, immovable property as a supply for consideration, reduced VAT rates on supplies of electricity, services supplied by digital platforms, VAT identification numbers obtained after the chargeability of VAT on a supply, and recent judgments of the ECJ.



## German EU Council Presidency Calendar

Germany, who hold the Presidency of the Council of the European Union from 1 July 2020 to 31 December 2020, have published a [calendar](#) setting out the planned meetings for its Presidency period, as well as details of the priorities for its presidency period.

The [programme](#) for the Presidency will focus on recovery from the COVID-19 crisis, as well as on creating “*a stronger and more innovative Europe, a fair Europe, a sustainable Europe, a Europe of security and common values and a strong Europe in the world.*”

The full Presidency programme will be published on 30 June 2020.



## CFE Reappointed to the EU Platform for Tax Good Governance Expert Group

CFE Tax Advisers Europe is pleased to [announce](#) that it has been appointed as a **non-governmental member of the European Commission’s Platform for Tax Good Governance, Aggressive Tax Planning and Double Taxation**. The Platform was established by the European Commission in order to seek advice and assistance from expert stakeholders in the field of tax good governance, aggressive tax planning and double taxation. The Platform also provides an opportunity for members to exchange views and have an open dialogue with the European Commission concerning significant taxation issues facing the tax profession and wider society.

CFE is honoured to be among the [limited number of non-governmental members](#) and to be the only organisation of advisers in the professional tax field selected to participate in the

important work the Platform carries out. In line with [Commission Decision 2019/C 428/08](#) on the renewal of the platform's members, CFE's mandate at the Platform for Tax Good Governance will run **until 31 October 2022**, after which time CFE will have the possibility to renew its participation. CFE will be represented at the Platform by CFE President, **Professor Piergiorgio Valente** and **Aleksandar Ivanovski**, Tax Policy Manager at CFE Tax Advisers Europe.

CFE has been a member of the Platform since its inception in 2012 and has benefited from the opportunity to provide its input on many significant taxation issues through its participation at the expert group. CFE accordingly welcomes the Commission's decision to renew the Platform's mandate. Given the technical expertise within the CFE organisation and its status as being a leader in tax knowledge, its participation in the EU Commission VAT Expert Group, EU Commission VAT Forum and UN Committee of Experts in International Cooperation in Tax Matters, CFE looks forward to being able to draw on the direct link it has to the experience of practitioners across the EU and its regular involvement in the areas of tax good governance, double taxation and tax planning to contribute to the valuable work of the Platform.



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