



BRUSSELS | 19 OCTOBER 2020

Save the Date: CFE Professional Affairs Virtual Conference on Taxpayers Rights - 30 November

Save the date for the 13th European Webinar Conference on Tax Advisers' Professional Affairs, to be held virtually on Monday, 30 November 2020 from 3:30pm to 5pm CET, on the topic of "Taxpayer Rights and Legal Certainty in the Digital Era".

The virtual conference will welcome tax experts and academics, including Dr Philip Baker QC, Prof. Nataša Žunić Kovačević, as well as a representative from the European Commission, who will examine European and global developments in the protection of taxpayers' rights and the impact and implications of technology on taxpayers' rights. The conference will also review the recently published IBFD [2019 Yearbook on Taxpayers' Rights](#), the most

recent compilation of information by the Observatory on the Protection of Taxpayers' Rights.

Register [here](#) to secure your place for the webinar.

EU Commission Prolongs Temporary State Aid Framework

The European Commission has [prolonged](#) the application of the Temporary State Aid Framework adopted in March to assist Member States in dealing with the economic impact of the COVID-19 outbreak. The application of the Framework will be extended for a further six months, until 30 June 2021.

To minimise the economic impact of the COVID-19 outbreak, the Framework allows Member States to provide aid by: providing grants, selective tax advantages, and advance payments of up to 800,000 Euro; providing State guarantees for loans taken by businesses; subsidising public loans to companies, putting in place safeguards for banks providing State aid to the economy; and providing short-term export credit insurance.

Executive Vice-President Margrethe Vestager, commented of the decision *"The Temporary Framework has supported Member States in their efforts to deal with the effects of the crisis. Today, we prolong the Temporary Framework to cater for the continued needs of businesses, while protecting the EU's Single Market. We also introduce a new measure to enable Member States to support companies facing significant turnover losses by contributing to part of their uncovered fixed costs. Finally, we introduce new possibilities for the State to exit from recapitalised companies while maintaining its previous stake in those companies and limiting distortions to competition."*

OECD Digital Tax Economic Impact Assessment Webinar

The OECD will host a webinar tomorrow, on 20 October 2020 at 16:00:30 CEST, examining the economic analysis and impact assessment of the blueprints for [Pillar 1](#) (review of profit allocation and nexus rules to reflect digital business models) and [Pillar 2](#) (global anti-base erosion rules for a minimum effective taxation rate) published last week, concerning proposals for taxation of the digital economy being negotiated by the Inclusive Framework on BEPS.

Those interested in participating in the webcast can register [here](#). The webcast will be recorded and can be replayed via the OECD's website.

AG Kokott Delivers Opinion in Polish Retail & Hungarian Advertisement Taxes Cases

Advocate General Kokott has handed down her opinion in the cases [C-562/19](#) *Commission v Poland* and [C-596/19](#) *Commission v Hungary*, concerning the Polish tax on the retail sector and the Hungarian advertisement tax, turnover taxes based on a progressive tax rate.

AG Kokott in her opinion sets out that it is a competence of Member States to designate bases of assessment and tax burdens, and that a generally applicable tax law will not constitute State aid unless the design is manifestly inconsistent. Additionally, AG Kokott opined that a progressive rate does not constitute an inconsistency per se, nor the use of personal income tax losses in calculating the advertising tax in the first year.

The decision of the Court is expected in the coming months. The opinion of AG Kokott is not binding on the Court's decision.

UN Committee of Tax Experts Publish Digital Tax Report

The UN Committee of Experts on International Cooperation on Tax Matters has published a [paper](#) on the tax consequences of the digitalized economy focusing on issues of relevance for developing countries ahead of their 21th Session meeting, to be held virtually between 20 October and 6 November 2020.

At the upcoming meeting, the Committee of Experts will consider a [draft treaty provision](#) concerning tax on digital services, intended to be inserted into the UN Model Tax Convention. The session will also address progress on updating the Model Double Taxation Convention Between Developed and Developing Countries, as well as environmental taxation and taxation of the extractive industries. The report also summarises the submissions received on the draft treaty provision concerning tax on digital services.

The selection of the remitted material has been prepared by:
Piergiorgio Valente/ Aleksandar Ivanovski/ Brodie McIntosh/ Filipa Correia