

CFE's Tax Top 5

KEY TAX NEWS OF THE WEEK

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EU Economic & Finance Ministers Hold Videoconference on COVID-19 Economic Impact

On 16 April, EU Finance Ministers held a videoconference to discuss and assess the EU response on the economic impact of the coronavirus pandemic, in particular the half-trillion Euro recovery package agreed by Ministers on 9 April, which will provide targeted relief for EU economies in response to the COVID-19 outbreak.

Ministers stressed the importance of the assistance measures being made available as quickly as possible, and negotiations on the recovery fund to proceed speedily, with Croatian Deputy Prime Minister and Minister of Finance, Zdravko Maric, stating *“The recovery of the European economy poses a major challenge. We will act together in solidarity and deliver solutions which will together enable us to make the progress needed to strengthen the European Union”*.

Ministers also agreed to simplify information required for the European Semester for 2020, given the socio-economic impacts of COVID-19. The Spring forecast and country specific recommendations are expected to be published by the Commission in May. In addition, the Ministers issued a [statement](#) endorsing flexibility in the banking sector for loans to businesses and households.



OECD Publish Comments on Draft Model Rules for Sharing & Gig Economy

The OECD has published [comments](#) received in response to a public consultation document inviting input on [draft Model Rules](#) for Reporting for Platform Operators with respect to Sellers in the Sharing and Gig Economy.

The consultation document invited input on model rules which have been developed with the objective of tax administrations worldwide adopting a uniform set of rules concerning the reporting requirements for transactions and income of platform sellers. The rules have been developed to increase transparency and minimise compliance burdens for tax administrations and taxpayers, in properly recording and taxing activities carried out on digital platforms which may have been previously carried out via the informal cash economy.



Rapporteurs on EU Public CbCR Call for Transparency Requirements for MNEs Receiving State Aid

In a [letter](#) addressed to all EU Ministers sitting in the Competitiveness Council, Rapporteurs for EU public Country-by-Country reporting have called for transparency requirements to be imposed on multinational corporations receiving State aid.

In the letter, the rapporteurs refer to similar requirements imposed for support measures granted to banks acting in Europe in the 2008 financial crisis, stating that *“This measure should now be made mandatory for the targeted multinationals in order for the public to have an oversight on whether companies fairly contribute to the recovery efforts by investing in people and societies within EU countries, while monitoring if those businesses also pay their fair share of tax. We cannot afford, in the eyes of European citizens during the time of crisis of such magnitude, making a mistake of giving a blank check to multinationals without strong accountability and transparency requirements.”*

The rapporteurs further call on the Competitiveness Council to progress work on the Commission proposals for public Country-by-Country reporting.



Report on Tax & Fiscal Policy in Response to the Coronavirus Crisis Presented at G20 Virtual Meeting

At the virtual G20 meeting held on 15 April, a report was presented concerning [Tax and Fiscal Policy in Response to the Coronavirus Crisis](#). The report was prepared by the OECD at the request of the Saudi G20 Presidency.

The report details taxation and financial measures taken by governments around the world in response to the COVID-19 outbreak, and a range of tax policy measures that can be employed by administrations to mitigate the impact of the outbreak on economies, and stimulate recovery.

The report emphasises the difficulties in providing economic relief to the most affected households and businesses, and that developing countries will require significant support in ensuring health and fiscal systems in recovering from the impact of the outbreak.



OECD Updates COVID-19 Tax Measures Response Database

The OECD has published an updated version of the [database](#) containing the details of taxation and financial measures taken by governments around the world in response to the COVID-19 outbreak.

The OECD has also created a dedicated [webpage](#) concerning the COVID-19 outbreak, providing information and country profiles on the spread of the virus, and recommended responses concerning a variety of policy areas.



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