



**BRUSSELS | 8 JULY 2024**

## **Hungarian Presidency of the Council of the EU: Taxation Priorities**

---

Belgium handed over the Presidency of the Council of the European Union to Hungary on 1 July 2024. In relation to taxation, Hungary set out in its [Presidency Programme](#) that its high priority areas are: fighting tax evasion, ensuring legal certainty for taxpayers, and supporting the international engagement of the European Taxation. The programme refers to use of information, digitalisation and simplification to enhance the competitiveness of European businesses.

On the first day of the Presidency, Hungarian Prime Minister, Viktor Orbán, wrote an opinion piece in the [Financial Times](#) opining that to improve competitiveness in the EU and encourage investment, EU Member States should follow the Hungarian competitiveness strategy of maintaining low corporate tax rates, diversifying trade and investment relationships, as well as implementing flat personal income tax and abolishing inheritance tax for close relatives.

In the article, he labels the introduction of the OECD's global minimum corporate tax a "catastrophic failure", given that the US, China and India have not yet adopted the measure. He also raises concerns about European businesses facing increasingly heavy tax burdens, making Europe a less attractive investment destination and causing companies to relocate to other markets.

Since the Presidency began, Orbán has already made an unexpected visit to China, as well as visits to Ukraine and Russia to discuss ceasefire efforts. Russia

today launched a series of missile strikes on Ukraine, targeting residential buildings, infrastructure and a children's hospital, in a rare set of daylight attacks on Ukraine.

## **EU Commission 2024 Annual Report on Taxation**

---

The European Commission has published the [2024 Annual Report in Taxation](#), setting out an analysis of taxation and tax rates in the EU Member States.

It examines reforms in tax systems and changes in indicators used by the Commission to assess tax policies in the EU and Member States. It contains a survey of different tax bases, types and tax mixes in the Member States, challenges brought on by different tax bases and how the design of taxes impacts economic agents. Chapter 1 examines different tax bases, Chapter 2 contains a survey of reforms at national and EU level, Chapter 3 analyses specific taxes and Chapter 4 discusses how tax systems can be used to support prosperity.

A hybrid [conference](#) event was held last week to present the findings of the report and featured two panel discussions on *"building strong foundations for growth: EU Tax Policy for lasting prosperity"*. The event can be reviewed via this [link](#).

## **GTAP Statement on the Recent Developments in International Tax Policy**

---

The Global Tax Advisers Platform ("GTAP") has published an [Opinion Statement](#) that sets out GTAP's views on recent developments in international tax policy. CFE Tax Advisers Europe, together with the Asia-Oceania Tax Consultants' Association ("AOTCA") and the West African Union of Tax Institutes ("WAUTI"), established the Global Tax Advisers Platform ("GTAP") in 2013.

GTAP is an international platform, representing more than 700,000 tax advisers

in Europe, Asia and Africa, that seeks to bring together national and international organisations of tax professionals from all around the world. The principal aim of GTAP is to promote taxpayer and tax advisers' interests by ensuring the fair and efficient operation of the global tax framework, including recognition of the rights and interests of taxpayers, and the role of tax professionals.

The global tax advisory community believes that the days of cross border taxation being seen as a source of conflict or profit are at an end. There is a pressing need to create a cooperative global tax environment fit for the purposes of the 21st Century. This must not lose sight of, but rather build upon the good principles enshrined in the current system. It must mend the weaknesses currently endemic in that system, make it strong against abuse and make full provision for the current and future digital world we inhabit. It must be capable of handling all cross-border tax disputes, direct and indirect, capital and income. Lastly, we think that a new global system will not be of use if it does not create an environment which nurtures the social and economic growth of all countries and the myriad forms of activity manifest in them.

GTAP urges all international stakeholders, in the event of an increase in the role of the UN in forming global cross border tax policy, to work together constructively. We think it essential that the huge work already undertaken by the OECD is not only recognised but also becomes a key foundation for further developments. We urge all governments and stakeholders to require the UN and the OECD to work in harmony and to facilitate cooperation with the objective of achieving an inclusive international cooperation framework. In the event of developing the structure and the bodies of the UN/OECD tax cooperation, we urge the inclusion of all relevant stakeholders including taxpayers, but in particular those professionals who work daily on matters of taxation, the advisers, the consultants and the administrators. As tax professionals, we stand ready to contribute in establishing a framework which is simple, easy to understand and administer by all jurisdictions, as well as being reflective of a spirit of compromise among countries.

We invite you to read the [Opinion Statement](#) and remain available to discuss any questions or comments.

## Corporate Tax Statistics 2024

---

The OECD's annual [Corporate Tax Statistics 2024 Report](#) will be released this week on 11 July. The report is based on the Country-by-Country Reporting requirements for MNEs under Action 11 of the OECD/G20 Base Erosion and Profit Shifting (BEPS) Project.

The publication sets out data on corporate tax rates, revenues, effective tax rates and R&D tax incentives, as well as aggregated anonymised country-by-country reporting data, to provide an overview on global tax and economic activity of MNEs.

## EU Parliament's Subcommittee on Tax Matters: Constitutive Meeting on 23 July

---

The EU Parliament's Subcommittee on Tax Matters will hold its constitutive meeting on 23 July, following appointments of their members in the plenary sitting of 16-19 July. The subcommittee will elect a bureau consisting of a Chair and Vice-Chair for a two-and-a-half year mandate. A regular meeting will then be held in the same week of the constitutive meeting.

The Subcommittee on Tax Matters (FISC) was established in September 2020 to investigate and address tax related matters for the Committee on Economic and Monetary Affairs (ECON), with a focus on tax fraud, tax evasion and tax avoidance, as well as financial transparency for taxation purposes.

---

The selection of the remitted material has been prepared by:

Aleksandar Ivanovski & Brodie McIntosh