



**BRUSSELS | 27 JANUARY 2025**

### **Trump Issues Executive Order Withdrawing US from OECD Global Tax Deal**

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In a suite of executive orders issued immediately following his inauguration last week on 20 January, President Trump issued a [memorandum](#) outlining his administration's stance on the OECD's Global Tax Deal. The Order states that the global minimum tax agreement, supported by the Biden administration, has no force or effect within the United States unless explicitly adopted by Congress. The US Treasury Secretary and the US Representative to the OECD have been directed to notify the OECD that prior commitments to the Global Tax Deal are not binding in the United States without congressional approval.

Additionally, Trump ordered the Treasury, in consultation with the US Trade Representative, to begin to investigate foreign tax rules and treaties that may unfairly target American companies. Within 60 days, the Treasury has been ordered to provide the President with options for protective measures or actions to address such practices.

Responding to the developments, the OECD has [said](#) that it will continue to work with the US to support international cooperation on tax matters. The organisation emphasised the importance of promoting certainty, avoiding double taxation, and protecting tax bases. OECD Secretary-General Matthias Cormann acknowledged concerns raised by US representatives regarding aspects of the international tax agreement, particularly the 15% global minimum corporate tax under Pillar Two. He noted that the OECD's member governments represent their national interests democratically and that discussions are ongoing regarding Pillar One, concerning the reallocation of multinational companies' profits to countries where their services are sold.

Executive Vice President of the European Commission, Valdis Dombrovskis, also addressed the US memorandum during a recent Economic and Financial Affairs Council [news conference](#) in Brussels. He reaffirmed the EU's commitment to its

international obligations and expressed openness to meaningful dialogue with the US. While he noted the European Commission's regret over the content of the memorandum, he stressed the importance of engaging with the US tax administration to better understand their concerns and to communicate the EU's position on these matters.

### **President von Der Leyen's '28th Regime' to Boost EU Competitiveness**

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In her [Special Address](#) at the World Economic Forum in Davos on 21 January, President Ursula von der Leyen presented an ambitious plan to enhance European competitiveness, placing a strong emphasis on the creation of the “28th regime.”

According to von der Leyen, the framework would aim to unify corporate law, taxation, and labour regulations across the European Union, offering innovative companies a single, simplified set of rules to operate seamlessly throughout the bloc, and providing businesses better access to the EU's single market of 450 million consumers. The initiative seeks to eliminate barriers posed by the current patchwork of 27 national legislations, which often hinder businesses from scaling across borders.

The President highlighted that the fragmented nature of EU regulations has deterred investment and pushed top talent to pursue opportunities elsewhere. The “28th regime” is designed to simplify compliance, streamline business operations, and unlock the full potential of Europe's Single Market. By addressing red tape and enabling a consistent legal and regulatory framework, the EU aims to foster an environment where businesses, particularly small and medium enterprises (SMEs), can grow and innovate at scale.

President von der Leyen underscored the urgency of adopting this framework to ensure Europe remains competitive in an era of intense global economic rivalry. Alongside the “28th regime,” she also discussed that the EU plans to strengthen capital markets, promote innovation in clean technology, and address energy costs to secure sustainable growth.

### **Save the Date: CFE Forum | 27 March 2025 | Brussels**

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CFE Tax Advisers Europe will hold the 2025 CFE Forum in Brussels on 27 March, on the topic “*Navigating Tax Transformation: From Compliance to Competitiveness*”, with the focus of discussions to centre on critical global and European tax developments.

The panel topics will explore: Global Tax Reform: BEPS implementation, the UN Framework Convention, and EU competitiveness; ECJ Case-Law Insights: significance of recent ECJ rulings on state aid, GDPR, and abuse of law, Technical Tax Matters: Delving into transfer pricing, VAT challenges and opportunities; and, Digital & Green Taxation: The EU's path toward sustainable and innovative fiscal policies.

Further information on the panels, speakers and the process for registration will be made available in due course via the CFE website.

### **Trump Criticises EU Tax Policies on US Companies at Davos**

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Speaking at the World Economic Forum in Davos last week, President Donald Trump [condemned](#) the European Union's tax policies as targeting American technology companies and its broader trade practices. He pointed to the EU State aid court rulings imposing billions of dollars in penalties on U.S. companies, referring to the [Apple](#) decision, framing these actions as a form of unfair taxation under the guise of State aid regulation. Trump asserted that such measures disproportionately harm American businesses and contribute to tensions between the U.S. and the EU.

Trump also discussed trade barriers for US exports, including restrictive approval processes for agricultural products and steep landing fees for airlines. He also denounced the EU's value-added tax (VAT) system, claiming it disadvantages U.S. exports while favouring European imports. Despite his strongly worded criticism, Trump emphasised a desire for a more balanced economic relationship, urging reforms to address the trade imbalances and regulatory hurdles.

### **Registrations Open: EU Tax Symposium | 18 March 2025 | Brussels**

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The European Parliament and the European Commission will jointly host the third [EU Tax Symposium](#) on 18 March 2025 at the European Parliament in Brussels, with representatives from EU national parliaments in attendance. This high-profile event will bring together policymakers, tax professionals, and stakeholders to discuss the latest developments and strategies in European tax policy.

This year's symposium will focus on the theme "*Strengthening competitiveness and fairness to build prosperity.*" The programme will offer valuable insights and foster

dialogue on creating a balanced and competitive tax framework in the EU.  
Registration is now available at this [link](#).

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