



**BRUSSELS | 2 MARCH 2026**

## **EU Parliament FISC Hearing on Equity-Debt Bias, Financial Sector Taxation & 28th Regime**

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On 24 February 2026, the European Parliament's Subcommittee on Tax Matters [met in Brussels](#) to examine debt-equity bias in corporate taxation, a coherent tax framework for the EU financial sector and the European Commission's forthcoming proposal on a 28th regime for EU companies.

The meeting began with a [public hearing on debt-equity bias](#), and discussions between the speakers reflected broad agreement that the preferential tax treatment of interest over equity returns continues to influence corporate financing structures. Academic evidence presented during the discussion suggested that the debt bias increases corporate leverage. An Allowance for Corporate Equity (ACE), as reflected in the Commission's DEBRA proposal, was presented as a possible approach to improving neutrality by aligning the tax treatment of debt and equity. Other speakers questioned the extent to which tax rules alone drive indebtedness and pointed to existing interest limitation rules and anti-avoidance measures. Civil society representatives emphasised the need to address profit shifting more fundamentally, including through stronger interest limitation frameworks and ongoing international discussions under the UN Framework Convention on Tax Cooperation. Members also raised questions concerning SMEs, innovation incentives and competitiveness.

FISC then considered the [draft report](#) on "A coherent tax framework for the EU's financial sector", presented by rapporteur Matthias Ecke (S&D). The debate highlighted the long-standing VAT exemption for financial services and its structural consequences. In response to the resulting policy gap, Member States have developed more than 90 national sector-specific taxes, contributing to fragmentation and compliance complexity. Some participants supported renewed consideration of an EU-level Financial Transaction Tax, while others cautioned that additional sectoral taxation could affect financial resilience and competitiveness.

There was general recognition that the current framework remains fragmented and that further analytical work at EU level is warranted. Amendments to the draft report are due by 18 March 2026, with a vote foreseen in May.

The meeting concluded with a second [public hearing](#) held on the topic of the upcoming European Commission's legislative proposal on a 28th regime, an optional EU corporate legal framework, expected in the first quarter of 2026. The initiative aims to provide a harmonised set of rules to facilitate the cross-border scaling of innovative companies and reduce administrative fragmentation. Experts discussed how tax-related elements could support the regime's objectives, including ensuring no fiscal disadvantage for participating companies, facilitating cross-border loss relief, simplifying VAT and withholding tax procedures, and providing clarity on equity-based remuneration such as employee stock options. At the same time, legal constraints under the Treaties, including the unanimity requirement for tax measures, were noted as relevant to the scope of potential tax provisions. The discussion reflected support for a focused and pragmatic approach aimed at reducing barriers within the Single Market while remaining consistent with Member States' competences.

**[Register Now: CFE Forum 2026 "Tax Policy Under Pressure: Strategy, Coherence & Trade-Offs" on 23 April 2026](#)**

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Registrations are now open for the [CFE Forum 2026](#), which will take place on 23 April 2026 from 9:00am to 4:00pm at the Representation of the State of North Rhine-Westphalia to the European Union, in Brussels. The Forum will be held on the theme "Tax Policy Under Pressure: Strategy, Coherence & Trade-Offs" and will examine how trade tensions, cross-border coherence challenges, global mobility and evolving compliance expectations are reshaping modern tax systems.

The 2026 CFE Forum will examine how tax policy is operating under multiple and simultaneous pressures. Geopolitical tensions and renewed trade measures are reshaping economic relationships and competitiveness dynamics, while increased cross-border mobility of both businesses and individuals is testing traditional concepts of nexus and tax residence. At the same time, efforts to align direct and indirect taxation continue to expose structural frictions, contributing to legal uncertainty, litigation risk and administrative burden. Digitalisation, expanding reporting obligations and strengthened anti-money laundering frameworks are also redefining compliance expectations and professional responsibilities.

Through three focused panel discussions, the Forum will explore how policymakers and stakeholders are managing trade-offs in practice, including between simplification and safeguards, competitiveness and revenue protection, and transparency and professional privilege. The programme will consider the implications of these tensions for the future design, coherence and governance of tax systems in Europe and beyond. The event will bring together senior policymakers, representatives of international organisations, tax administrations, academics and practitioners to discuss strategic responses to current and emerging challenges.

[Register now](#) to secure your attendance!

## **OECD Appoints Maria José Garde as Head of the Global Forum Secretariat**

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On 27 February 2026, the OECD [announced](#) the appointment of Ms Maria José Garde from Spain as the new Head of Secretariat of the Global Forum on Transparency and Exchange of Information for Tax Purposes.

Ms Garde will lead the Secretariat in supporting the Global Forum and its members in the implementation of international standards on tax transparency and exchange of information. The Global Forum oversees compliance with the standard on Exchange of Information on Request and the standards on Automatic Exchange of Information, including the Common Reporting Standard for financial accounts and the Crypto-Asset Reporting Framework. Its mandate is carried out through peer review and monitoring processes, alongside an extensive capacity-building programme aimed at strengthening domestic resource mobilisation and international tax co-operation.

Since 2018, Ms Garde has served as Director General of Taxation at Spain's Ministry of Finance and she has over 25 years of experience in international taxation within the Spanish public administration. She has been a member of the Bureau of the OECD Committee on Fiscal Affairs since 2015 and currently serves as Deputy Chair. Between 2017 and 2022, she chaired the Global Forum, overseeing the development and implementation of international tax transparency standards. Since 2023, she has also chaired the EU Code of Conduct Group on Business Taxation. She will assume her duties on 23 March 2026 at the OECD Centre for Tax Policy and Administration in Paris.

## **CFE Charter of Tax Advisers Rights & Obligations in an AI-Influenced Tax-Advisory Environment**

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Last week, CFE Tax Advisers Europe published a [Charter of Tax Advisers' Rights and Obligations in an AI-Influenced Tax-Advisory Environment](#), setting out guiding principles for the responsible and ethical use of artificial intelligence in tax practice.

AI is increasingly embedded in tax research, compliance, advisory modelling and administrative processes. While these tools offer efficiency and service improvements, they also raise risks, including opacity, bias and over-reliance on automated outputs.

The Charter is issued against a backdrop of emerging global AI governance frameworks, including the OECD's 2026 Due Diligence Guidance for Responsible AI and the entry into force of the EU AI Act. The CFE Charter builds on this framework for tax advisers, by addressing the specific professional, ethical and accountability dimensions of AI use within the tax advisory profession.

The CFE AI Charter is structured around seven principles designed to safeguard trust, professional judgment and responsibility in the use of AI:

### **1. Professional Autonomy and Scepticism**

Tax advisers retain full responsibility for the advice provided. AI may assist analysis, but it does not carry liability. Advisers must exercise independent judgment and actively assess, question or reject AI-generated outputs where appropriate.

### **2. AI Literacy and Technical Competence**

Professional competence should include a working understanding of how AI tools function, their limitations and associated risks, including hallucinations and bias. Continuous training and active oversight of AI systems should form part of professional responsibility

### **3. Transparency Toward Clients and Stakeholders**

Where AI materially influences advice, advisers should be able to explain the assumptions, methodology and limitations underlying the output. Transparency is linked to due care, quality assurance and client trust.

### **4. Data Protection and Confidentiality**

The use of AI must comply with GDPR, professional secrecy obligations and contractual duties. This includes due diligence on AI providers, careful data-input policies and proportionate safeguards to protect client information.

## **5. Integrity of the Profession and Public Trust**

AI should enhance efficiency without undermining independence, ethical standards or professional development. The Charter recognises the need to manage AI's impact on client relationships, staff training and the long-term legitimacy of the profession.

## **6. Objectivity and Bias Awareness**

AI outputs reflect both training data and user prompts. Advisers must remain alert to automation bias and ensure outputs are cross-checked against primary legal sources and established professional standards to preserve impartiality.

## **7. Regulatory Awareness and Engagement**

Advisers are expected to remain informed about evolving AI regulation, including obligations arising under the EU AI Act. The Charter also recognises the profession's right to clear, practical regulatory guidance and engagement with policymakers.

CFE Tax Advisers Europe considers the publication of this Charter an important step in ensuring that AI enhances, rather than diminishes, the quality, integrity and trustworthiness of tax advisory services. The Charter aims to provide a foundation for continued engagement on the governance of AI in taxation and the preservation of professional standards in a rapidly evolving technological environment.

We invite you to read the [Charter](#) and remain available for any queries you may have.

## **Working Party on Tax Questions to Examine Proposal Granting Access to VAT Data**

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The Working Party on Tax Questions on Indirect Taxation will [meet](#) on 4 March 2026 to examine the proposal for a Council Regulation amending Regulation (EU) No 904/2010 as regards access of the European Public Prosecutor's Office and the European Anti-Fraud Office to VAT information at Union level.

The proposal seeks to ensure consistency between the EPPO and OLAF Regulations and the VAT administrative cooperation framework under Regulation (EU) No 904/2010, by granting EPPO and OLAF access to VAT data exchanged at EU level. According to the [Opinion of the European Economic and Social Committee](#), the

measure is intended to strengthen the fight against significant cross-border VAT fraud by enabling swifter access to and use of centrally managed VAT information, while building on existing cooperation mechanisms such as Eurofisc.

In its Opinion, the EESC supports the proposal, considering it compliant with subsidiarity and proportionality, as it introduces targeted amendments without extending reporting obligations or increasing compliance costs for businesses. The Committee also emphasises the need to ensure full compliance with applicable data protection rules and underlines the relevance of enhanced VAT fraud enforcement for safeguarding the Union's financial interests and own resources.

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