



## Union des Finanzpersonals in Europa

---

To the  
UFE Member Associations

Berlin, 6<sup>th</sup> December 2010

### **Information No. 13/2010**

**Presentation of the Director General for Taxation and Customs Union of the European Commission on the 45<sup>th</sup> Committee Congress of ufe in Lisbon**

Dear Colleguaes

Please find enclosed the Presentation of Director General Walter Deffaa on the 23th September 2010 in Lisbon.

Yours sincerely,

(R. Zender)  
UFE General Secretary



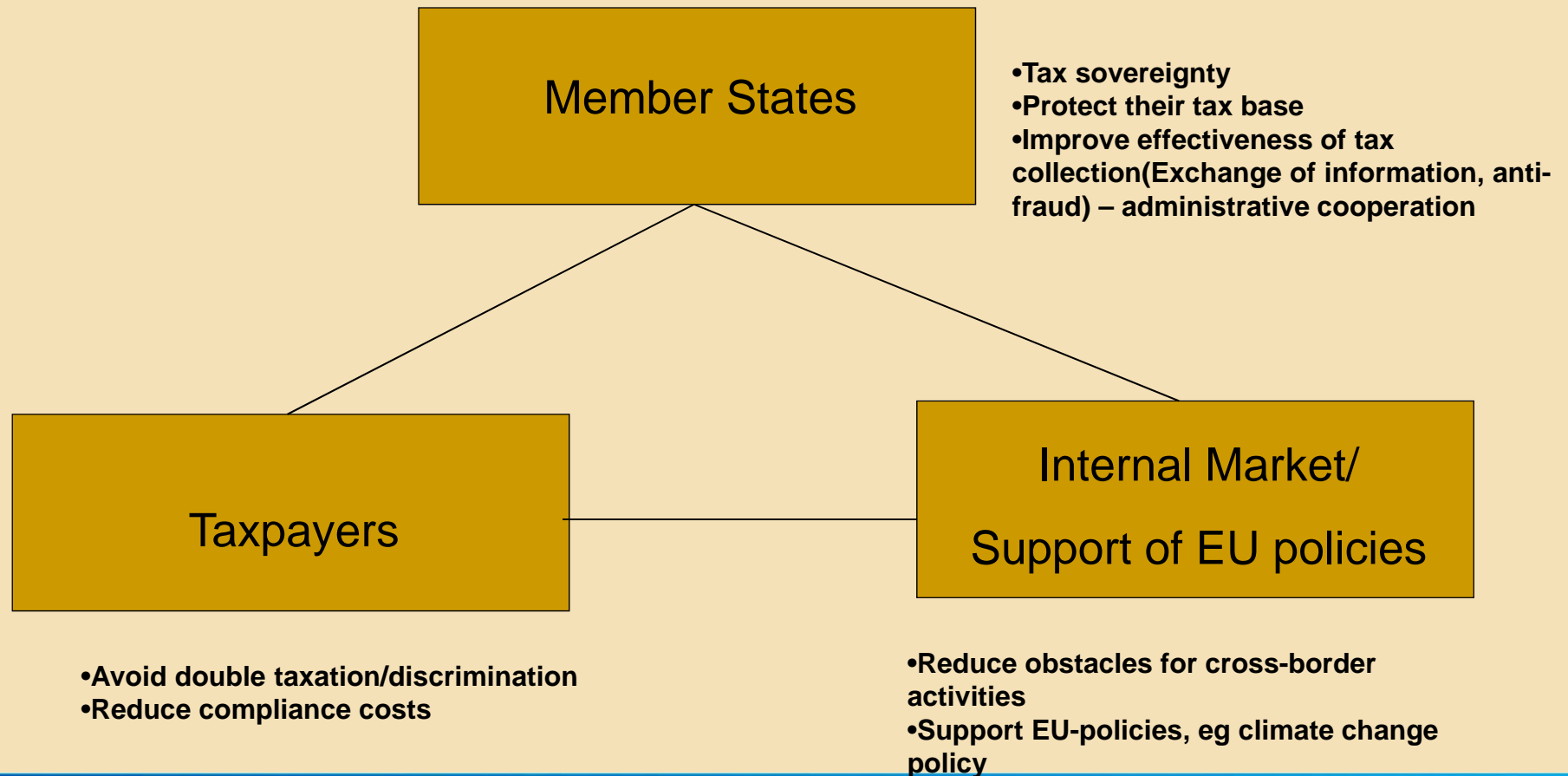
# ***FUTURE CHALLENGES IN EU TAXATION AND CUSTOMS POLICIES***

***UFE Congress, Lisbon  
23 September 2010***

***Walter Deffaa, DG TAXUD***



## *Future Challenges in Taxation - The Triangle of EU Tax policy*





# *Highlights on the EU taxation agenda*

## 1. Administrative cooperation

## 2. Main projects

- Savings Directive
- Energy taxation
- VAT
- CCCTB



# *Administrative Cooperation*

## Worldwide

- G20
- Push for good governance
- Application of OECD standard 26

## EU

- Progress:
  - Recovery Directive,
  - VAT (incl. EUROFISC)
  - EMCS
- To do:
  - Administrative Cooperation
  - Agreement with third countries



## *Recovery Directive*

### Recovery Directive (2010/24/EU of 16 March 2010 )

► ► ► *To better fulfil the MS needs as regards recovery*

- Improved assistance system
- Easier rules
- More flexible conditions for requesting assistance
- Spontaneous exchange of information



## *Administrative Cooperation VAT*

### **Administrative cooperation in VAT** **COM(2009)427**

- ▶ ▶ ▶ *To ensure collection of VAT by Member States*  
*To fight against tax fraud*  
*To create a more secure environment for taxpayers*
- Eurofisc = a new common structure for combating VAT fraud and evasion
- Tasks:
  - multilateral early warning mechanism
  - multilateral exchange of targeted information
  - Co-ordinate the work of the Eurofisc liaison officials



## ***Administrative Cooperation VAT /2***

- Conditions governing the cooperation in Eurofisc:
  - MS choose Eurofisc working fields
  - Active participation
  - Confidentiality
  - Commission: only technical and logistical support
- Other aspects:
  - More exchange of information
  - Better quality of information
  - Faster exchange of information



## ***Administrative Cooperation – Other than VAT***

### ***Administrative Cooperation Directive***

proposal COM(2009)29



*exchange of information,  
implementation of OECD standard  
improve cooperation*

- Application of OECD standard 26
- Common rules of procedures
- Common forms
- Formats and channels for exchanging information
- Participation in administrative enquiries

To be complemented through Multilateral agreements  
on tax cooperation with third countries



## *Savings Directive*

### Review of the Savings Directive

▶ ▶ ▶ *Closing the loopholes  
improving functioning  
reduce admin burden*

- Proposal
  - Cover channelling through untaxed entities
  - Definition of interest payments extended
  - Inclusion of income from common investment vehicles



## *Savings Directive*

### Review of the Savings Directive

▶ ▶ ▶ *Closing the loopholes  
improving functioning  
reduce admin burden*

- State of play
  - Technical discussions in Council well advanced
  - Two remaining political issues
    - External conditionality
    - Transitional period



### Revision of Energy Taxation Directive

- ▶ ▶ ▶ *improve energy efficiency*  
*support the climate change and energy policies of the EU*
- Current situation
  - No consistent taxation of energy content for different fuels
  - No CO<sub>2</sub> price signal for emissions not covered by EU-Emission Trading System (50% of emissions)
  - ➡ need to **complement ETS + smarter taxation**
- Possible revised Framework for energy taxation in Europe
  - Introduce new CO<sub>2</sub> component
  - **minimum rates based** on energy content
  - In-depth impact assessment crucial



## Common Consolidated Corporate Tax Base

- ▶ ▶ ▶ *To remove tax obstacles (transfer pricing, cross-border loss relief) in cross-border operations*
- To reduce compliance cost*
- To avoid double taxation*
- **Option?**
- **Consolidation?**
- If consolidation: appropriate **apportionment** mechanisms
- Member States still **free to set rates**
- **Impact Assessment in preparation**



## *Future of VAT*

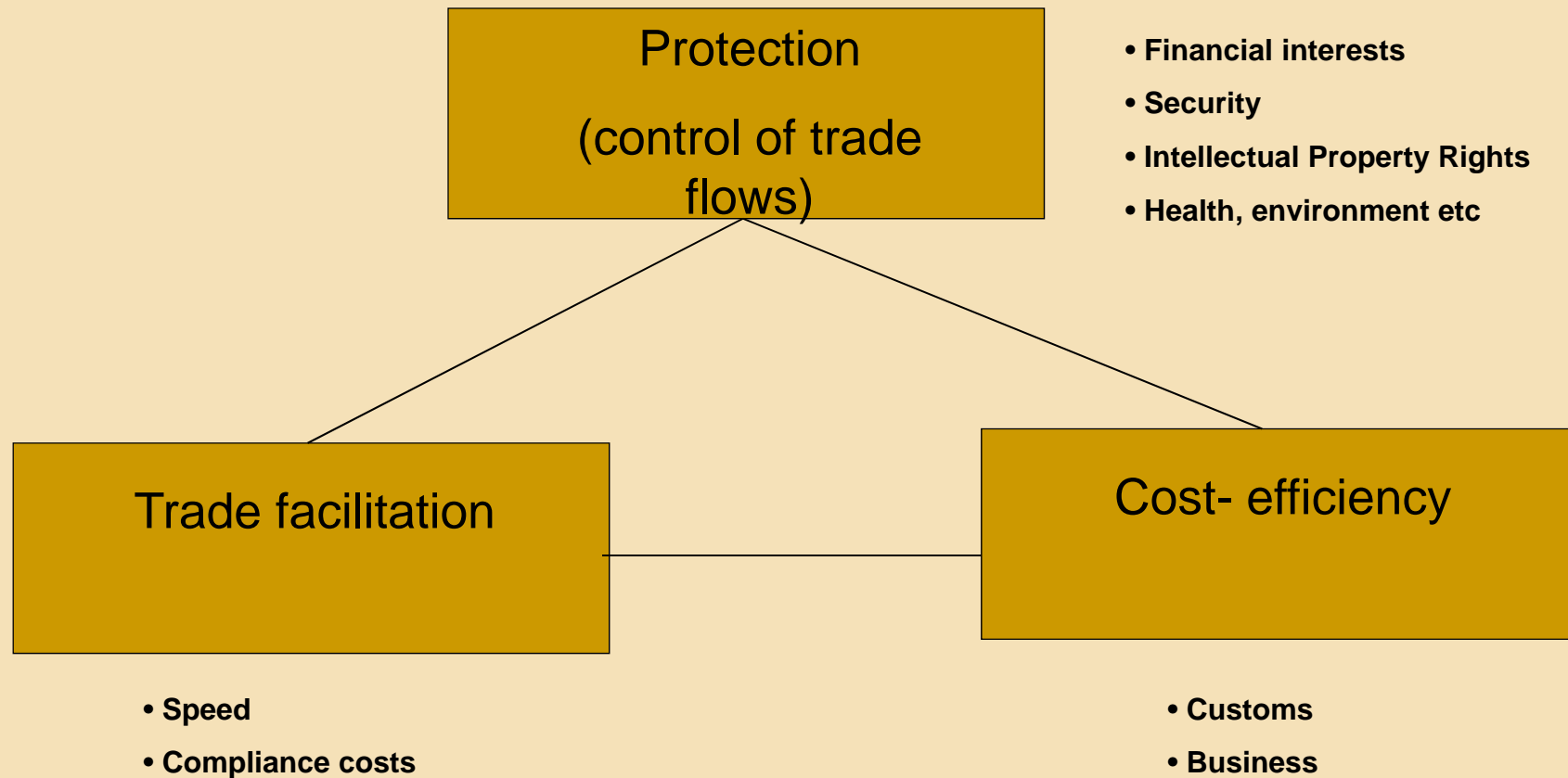
### **Overhauling the VAT system**

- ▶ ▶ ▶ *To create a more favourable environment for business and a simpler and more robust system for Member States*
  - Reduction of administrative burden
    - e-invoicing
    - reflection on VAT and centralised clearance
  - Towards a general overhaul ?
    - Green paper end 2010
    - Extensive public consultation



## *Future Challenges in Customs - The 3 Triangles of EU Customs*

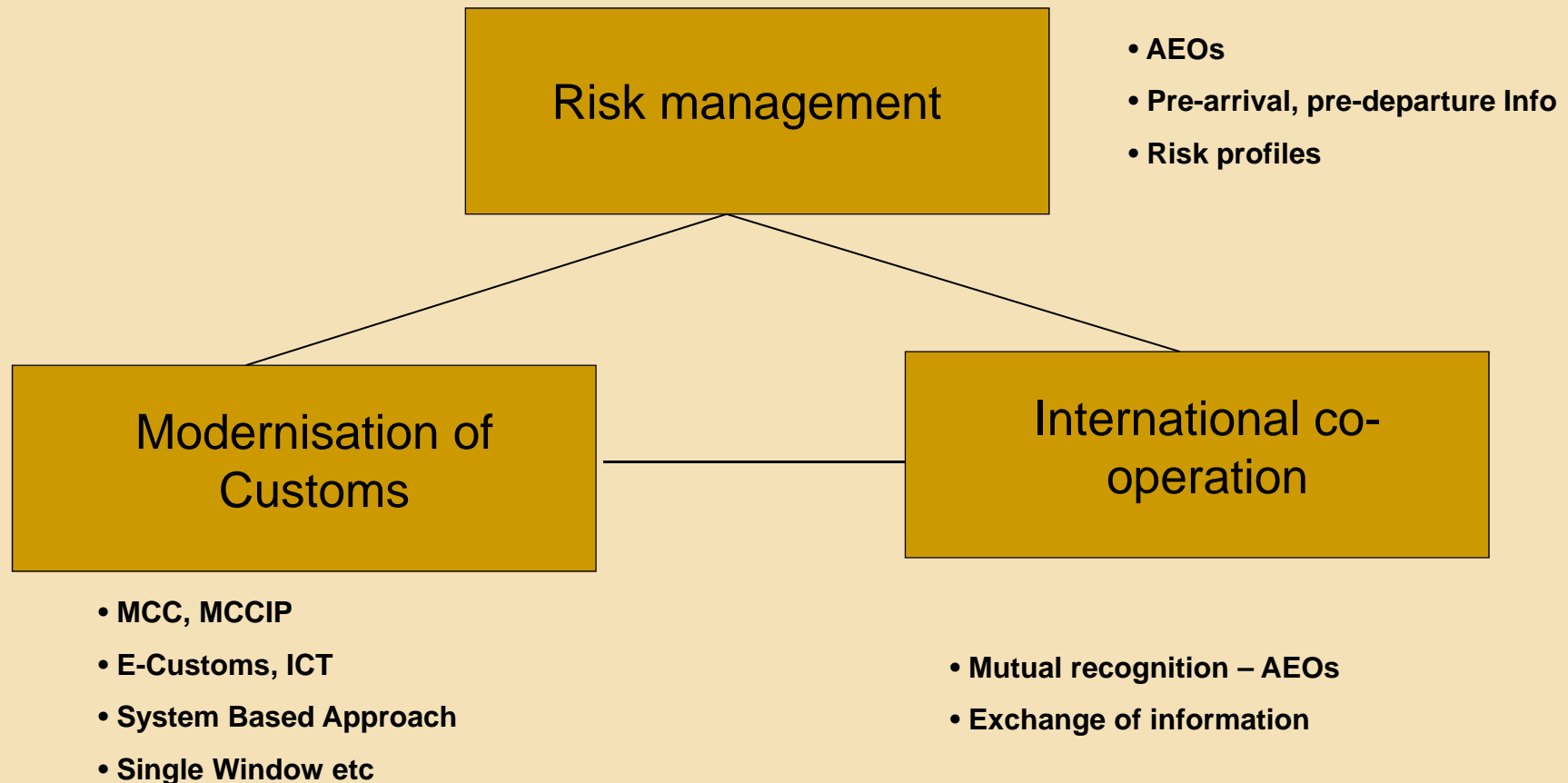
### 1. Goals





## *Future Challenges in Customs - The 3 Triangles of EU Customs*

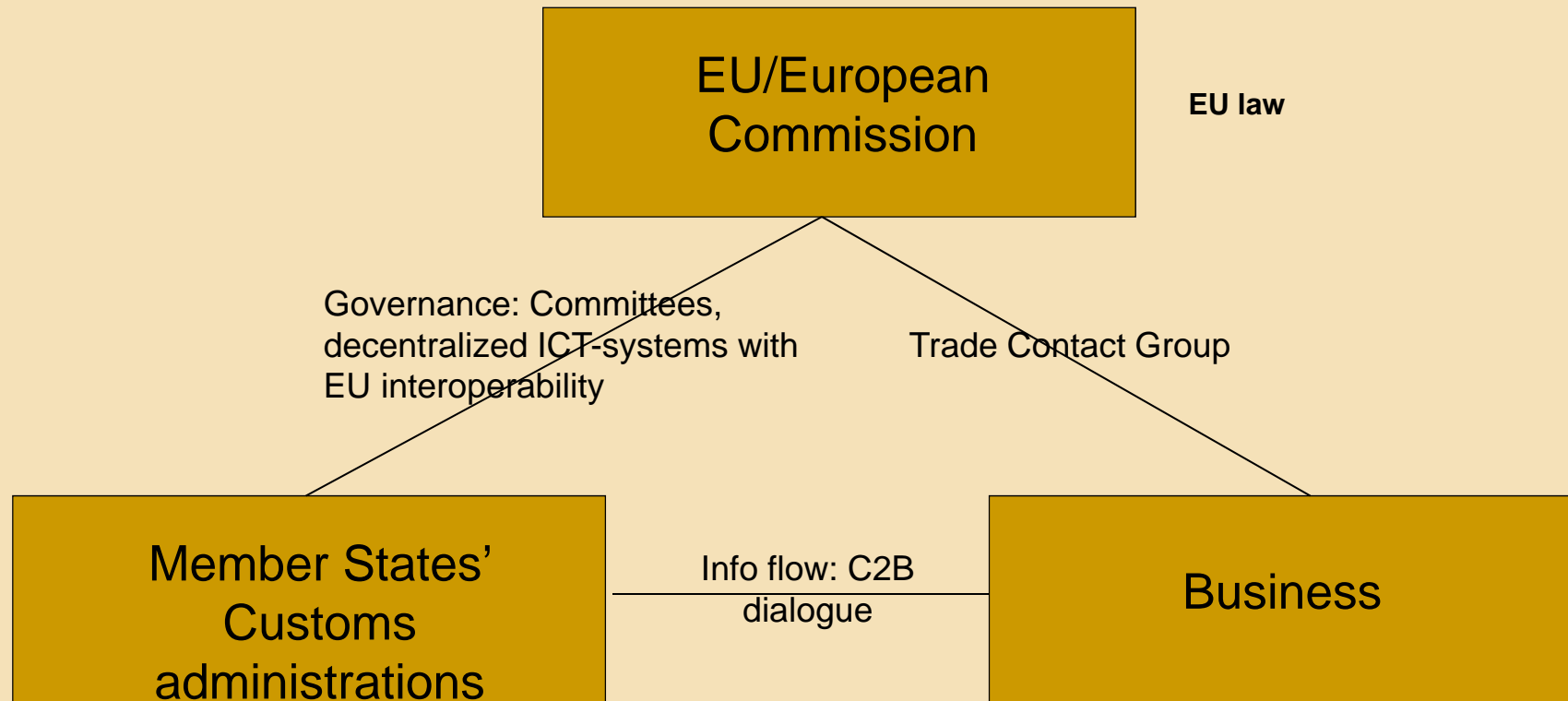
### 2. Instruments





## *Future Challenges in Customs - The 3 Triangles of EU customs*

### 3. Actors





## *Reflexions on the Future of customs*

- Accelerate Future Customs Initiative (**FCI**) work / incorporate **new areas into the FCI**
- Maintain **legal stability**, / ensure implementation of the Modernized Customs Code by mid 2013;
- **Improve governance**;
- Draw **efficiency gains**
  - **working together**
  - **innovative administrative structures**,
  - **more integrated solutions**;
- **Discuss governance issues in a high level group.**



European Commission /  
Taxation and Customs Union

**Thank you**  
**Merci**