



EU Tax Outlook in the light of SK PRES

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Overview

- Current EU Agenda
- SK PRES Agenda
 - what is our role?
- Issues and topics
 - Leftovers
 - Fresh “meat”





EU Tax Agenda

Influenced by Global Developments

- Growing attention to tax evasion and tax avoidance
 - Secret Bank accounts and undeclared income -> EU DAC 1 and DAC 2
 - Lux Leaks (Luxemburg rulings) -> EU DAC 3
 - Scandals with Multinational Companies – paying little tax or no tax anywhere - > EU DAC 4
 - Apple, Starbucks, Google, etc...
 - OECD BEPS project – Idea of Country by Country Reporting
 - Panama Leaks
 - Focus on Tax Advisers, Intermediaries, Beneficial Ownership registers...
 - EU level – Public Country by Country Reporting – EU Accounting Law
 - What is next?





SK PRES WORK AGENDA





SK PRES

What is our role?

- The role of Presidency
 - Chairing the preparatory bodies of EU Council
 - WPTQ – Working Party for Tax Questions
 - Direct, Indirect Tax, Special topics (FTT)
 - HLWP – High Level Working Party
 - Coreper
 - ECOFIN
- Our position?
 - Neutral broker -> moderator





Leftovers...

- Interest-Royalty Directive
 - GAAR + Condition of Effective Taxation
 - Relevance of Patent Box Considerations
 - Relevance of Outbound Payments
- Code of Conduct
 - 20 years of success???
 - Reform of Mandate and Governance
 - Work Program
 - Election of New President
- ATAP Package – see next slides...





OECD BEPS Project

- Action 1 – Digital Economy
- **Action 2 – Hybrid Mismatches**
- **Action 3 – CFC rules**
- **Action 4 – Interest Limitation Rule**
- **Action 5 – Harmful Tax Regimes**
- **Action 6 – Abuse of Tax Treaties**
- **Action 7 – Avoidance of Permanent Establishment**
- Action 8, 9, 10 – Transfer Pricing
- Action 11 – Statistics – measure the impact
- **Action 12 – Public Disclosure**
- **Action 13 – TP Documentation Country by Country Reporting**
- **Action 14 – Dispute Resolution**
- Action 15 – Multilateral Instrument





EU Anti-Avoidance Package - ATAP

- Anti-Tax Avoidance Directive – ATAD
 - 6 anti-avoidance measures
 - 3 from OECD BEPS project
 - 3 from earlier EU CCCTB Discussion
- DAC 4 – Country by Country Reporting
 - **Action 13 – TP Documentation Country by Country Reporting**
- Recommendation on preventing Tax Treaty Abuse and Avoidance of PE Status
 - **Action 6 – Abuse of Tax Treaties**
 - **Action 7 – Avoidance of Permanent Establishment**
- Common External Strategy
 - Black-list
 - Good Governance Standard





ATAD Directive

- Establishing minimum standard
 - 6 anti-avoidance measures
 - 3 from OECD BEPS project
 - **Action 2 – Hybrid Mismatches**
 - **Action 3 – CFC rules**
 - **Action 4 – Interest Limitation Rule**
 - 3 from earlier EU CCCTB Discussion
 - GAAR
 - Switch-over Clause
 - Exit Tax Rule
 - Expectations and ambitions of NL PRES
 - Political consensus on May 25th 2016 Ecofin Meeting
 - Is it realistic?
 - Political pressure -> Panama Papers
 - New Inquiry Committee of EU Parliament...





FRESH “MEAT”?





New Proposals

- **Dispute Resolution – expected – June 2016**
 - Eliminating Double Taxation
 - Currently not clear the form and content
 - Relevance of BEPS Action 14
- **Re-launch of CC(C)TB Proposal**
 - Expected as 2 directives introduced at the same time
 - CC – Common Corporate – now
 - Including Cross-border Loss relief
 - Consolidated – 2nd phase – expected later
- **Other?**
 - Possible implications of Panama Papers





Other

- Public Country by Country Reporting
 - Accounting Directive
 - Obligatory Disclosure
 - Qualified majority rather than Unanimity rule
- Beneficial Ownership Registers
 - AML context
 - Availability of Information to Tax Authorities
- Potential implications on Promoters and Users of Tax Shelter Schemes
 - Implementation of BEPS Action 12
 - Possibly additional administrative measures





THANK YOU...





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