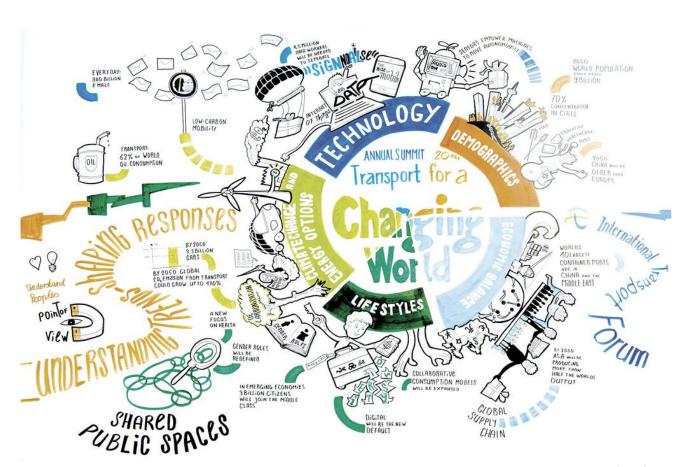


# The EU agenda on tax policy: challenges for Tax Administrations

EU Member States' Heads of Tax Administration meeting "Looking towards 2025"

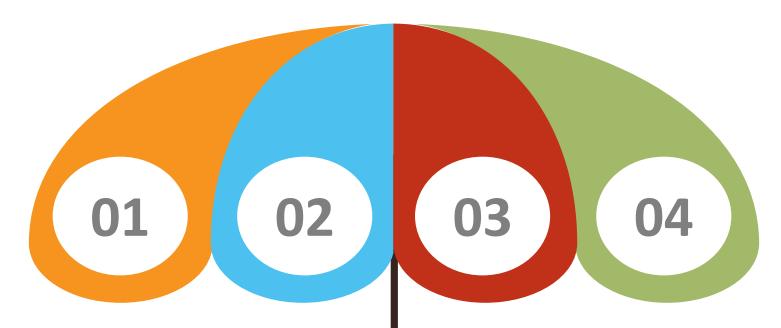
13 and 14 June, Thessaloniki, Greece

### **Changing world – changing tax environment**





### The EU agenda – Commission priorities on taxation



Creating a deeper and fairer internal market

Ensuring that all stakeholders contribute their fair share of taxes

Combating tax avoidance, aggressive tax planning, tax evasion and tax fraud

Encouraging administrative cooperation among national tax authorities



### Two main challenges at EU level

Creating

an EU framework

that is fit for purpose

Reducing
tax fraud, tax evasion,
harmful tax practices
and aggressive tax
planning within the EU



## Challenge: An EU framework that is fit for purpose

New rules for fair and effective taxation of the Digital Economy

**Increased administrative cooperation** 

Flexibility in setting reduced VAT rates

**Definitive system for taxing trade between Member States** 

Harmonization of the structures of excise duties on alcohol and alcoholic beverages

General arrangements for excise duty

Administrative cooperation in the field of excise duties as regards the content of the electronic register

Computerizing the movement and surveillance of excise goods

2018 2019

2016 2017

Dispute resolution mechanism to resolve double taxation issues

In force as of 2019

**VAT E-commerce package** 

Partly applicable as of 2019 Full application as of 2021

Harmonization and simplification of certain VAT rules (SME's)

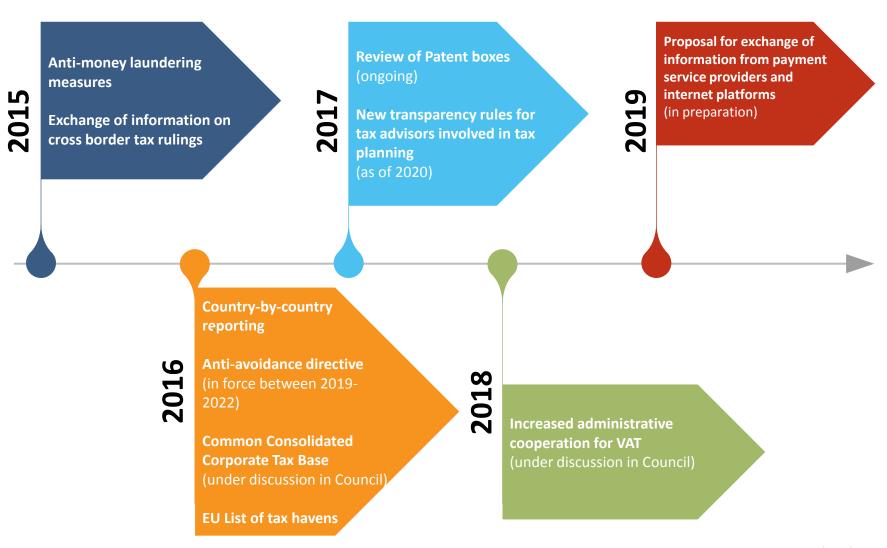
**Quick Fixes** 

Permanent minimum VAT rate of 15%

Under discussion in Council



## Challenge: Reducing tax fraud, tax evasion, harmful tax practices and aggressive tax planning within the EU





## Challenges for tax administrations – implementation of the EU agenda



#### **Timing**

- Adjustments to systems, processes, procedures
- Priorities





2019-2021



- Dispute resolution mechanism
- Elements of VAT one stop shop
- Transparency rules for tax advisers
- Anti tax avoidance directive



- · Communication campaign
  - Internally
  - Externally





#### Resources



- Financial resources
- Human resources
- IT resources



### Implementation = never ending challenge

#### **Commission reports**

- VAT collection and VAT control
- Administrative cooperation in the field of recovery assistance
- Administrative cooperation in the field of direct taxation
- VAT gap study

**General finding** 

 Instruments are not used to their full potential

#### **European Semester**

- A framework for the coordination of economic policies across the European Union. It allows EU countries to discuss their economic and budget plans and monitor progress at specific times throughout the year.
- Country Specific Recommendations on
  - Improving tax collection
  - Strengthening the fight against fraud and avoidance
  - Enhancing tax compliance





# Thank you for your attention