



21 March 2016

1. UK successful in pushing for a VAT zero rate for sanitary products - VAT Action plan to be unveiled soon

On 17 March 2016, the European Council, composed of heads of EU states and governments, took note that the European Commission will shortly table a communication on an VAT action plan. EU leaders welcomed the Commission's intention to propose increased flexibility for Member States with respect to reduced rates of VAT.

In this context, the European Council conclusions also made a specific reference to sanitary products, on which the UK had been pressing the European Commission to allow member states the option of applying a zero rate.

- EU Council Conclusions (see item 15 for VAT): [EN](#)

2. EP TAXE2 committee questions multinationals and announces recommendations

On 15 March 2016, the special Committee on tax rulings and other measures similar in nature or effect in the European Parliament (TAXE2) met with multinational corporations on corporate taxation. Topics addressed included the OECD's Base Erosion and Profit Shifting (BEPS) Action Plan, the European Commission's Anti-Tax Avoidance Package and the re-launch of the Common Consolidated Corporate Tax Base (CCCTB). Members of the European Parliament also raised questions on the requirement for country-by-country reporting of profits, taxes and subsidies, and discussed whether such information should be made public. Google, Apple, Inter-IKEA Group and McDonald's stated that they would welcome more clarity and certainty about their tax liabilities in the EU. Administrative compliance costs are however eyed critically as well as the stance to make tax data public. Following this meeting, the TAXE Committee announced that it will table recommendations to the Commission and the Council.

On 21 March 2016, TAXE2 will hold another meeting with representatives of European banks to hear their views on structured finance products and advisory services provided by the banks to their clients for tax optimisation purposes.

The NGO Oxfam has accused the largest French banks of generating one third of their international profits in offshore tax havens where they have subsidiaries with no employees.

- European Parliament press release: [EN](#) (FR available)
- Oxfam report on Tax Justice Network website: Press release in [EN](#) / Report in [FR](#)

3. Consultation on benefits of a new EU VAT portal

The European Commission's Directorate-General in charge of tax policy, DG Taxud, has commissioned Deloitte to study the feasibility of developing, implementing and maintaining an EU VAT web portal. This web portal would provide a single access point for consulting VAT rules and procedures that apply in and across the different EU member states. The survey asks potential users about the requirements/prioritisation of information points and functionalities.

Participation in this study should help to tailor the site to users' needs. Completing the questionnaire (which takes about 15 minutes) is possible at below address before 31 March 2016.

- Link to survey: [EN](#)

4. CJEU: outsourced insurance claims handling is not VAT-exempt

On 17 March 2016, the EU Court of Justice (CJEU) decided in the Polish preliminary ruling case *Aspiro* (C-40/15) that the handling and assessment of insurance claims by an outsourced provider who is not an insurance agent or broker does not benefit from the VAT exemption of insurance or related services, following the opinion of Advocate-General Juliane Kokott.

- Judgment: [EN](#) (all EU languages)
- Opinion: [EN](#) (all EU languages)

5. OECD Global Forum publishes 10 new peer reviews

On 14 March 2016, the OECD Global Forum on Transparency and Exchange of Information for Tax Purposes published ten new country peer reviews assessing the legal framework and practical functioning of tax information exchange. Croatia and Tunisia were found to have sufficient legal frameworks in place to move to phase 2 dealing with the practical functioning of the exchange. For Georgia and seven non-European countries including Kenya, Nigeria and Saudi-Arabia, the phase 2 reviews were completed, bringing the number of jurisdictions that have passed both phases to 94, with 28 jurisdictions only having completed phase 1. So far, 132 countries have become members of the Global Forum. Peer reviews are carried out irrespectively of whether a country is a member.

- All ratings issued to date: [EN](#)
- Press release, 14 March 2016: [EN](#) (FR available)

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