



BRUSSELS | 2 SEPTEMBER 2019



OECD Officials' 'Back to School' In-Tray: Digital Tax - New Proposals due 17 October

Whilst many of us were on summer holidays, the OECD officials and working parties were busy reconciling the key policy concerns of the members of the Inclusive Framework that aim for a broad agreement on international taxation. The in-tray remains full though, according to the Director of the OECD Centre for Tax Policy and Administration Pascal Saint-Amans, who clarified the [G7 Leaders' Declaration from Biarritz](#) as concerns the political commitment to amend international tax rules to reflect the tax challenges of the digitalising economy.

Pascal Saint-Amans [stated](#) that whilst progress had been made, there were several key issues that needed to be addressed. Such agreement on the outstanding issues would pave the way for a new OECD proposal on the taxation of the digital economy (including minimum taxation) at the next G20 meeting, scheduled for 17 October in Washington DC.

As regards the minimum taxation proposal, Saint-Amans said that unlike the US GILTI approach of average rate, OECD is instead considering country-by-country based approach. Saint-Amans admitted that a global minimum tax rate would require close international coordination and a multilateral treaty, as [argued by CFE Tax Advisers Europe](#) in response to the OECD consultation on the digital tax proposals, with reference to the second pillar and the residual BEPS issues.

As reported in last week's Tax Top 5, an agreement had been reached between the US and France concerning the recently introduced French digital tax, providing for a repayment mechanism to be introduced whereby France would repay any amount taxed in excess of any mechanism agreed at OECD level for the taxation of digital businesses.

Brussels: Vestager on Digital Tax, EU's Carbon Tax Commitments & EU Parliament Hearings

Brussels is back from holidays too. This week will see the European Parliament [considering](#) the appointment of Christine Lagarde as new President of the European Central Bank, with a public hearing with the European Parliament's Economic and Financial Affairs Committee (ECON) scheduled for 4 September. Subsequently, the ECON Committee will [meet](#) senior representative of the European Commission to discuss the state of the implementation of EU's anti-money laundering (AML) legislation on 5 September.

On the digital tax front, the EU Competition Commissioner Margrethe Vestager, speaking at Berlin's Business Forum of the Ambassadors' Conference, reiterated the proclamation of EU Commission's elected President Ursula von der Leyen, that EU should act alone if OECD fails to reach an agreement by 2020: *"The OECD is leading work to reach an international agreement on taxing digital companies. But we need to help to keep the pressure up, to reach a quick conclusion. That's why Ursula von der Leyen has made very clear that if there's no global solution by the end of 2020, the EU should be willing to act alone."*, Vestager [stated](#).



In the meantime, President-elect Ursula von der Leyen had reportedly been busy sorting out her priorities when she takes over from Jean Claude Juncker in November. A New Green Deal for Europe that includes introducing Carbon Border Tax, revised Energy Taxation Directive and extension of the European Emissions Trading System (ETS) to reduce the airline carbon allowances [has already been proposed](#) as part of the Political Guidelines for the next European Commission. To help the new EU Commission President focus her policy priorities, a series of [policy papers](#) was published today by the Delors Institute.

As regards green taxation, Finland's presidency of the EU [announced](#) that EU member states' finance ministers are due to meet in Helsinki on 13–14 September for the informal Meeting of Ministers for Economic and Financial Affairs (ECOFIN). The agenda will focus on the EU climate-change related tax policy response, discussing the role for energy taxation in light of EU Commission's ongoing evaluation of the Energy Taxation Directive.

There seems to be little room left for Brexit in what promises to be a busy autumn here in Brussels, as the UK Government launches the '[Get Ready for Brexit](#)' campaign.



CFE Tax Advisers Europe Sets Out Policy Priorities for the 2019 – 2024 Mandate

As the EU institutions are considering the policy priorities for the next mandate, CFE Tax Advisers Europe has taken the opportunity to set out the tax and professional affairs policy issues it identifies as significant concerning taxation and the future. Accordingly, CFE Tax Advisers Europe has published an [Opinion Statement](#) that sets out the policy priorities of European tax advisers for the 2019 – 2024 mandate of the EU Institutions.

Guinea, Namibia and Honduras join the OECD's Global Forum on Tax Transparency



Guinea, Namibia and Honduras [have joined](#) the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, stating their commitment to implement the international standard of exchange of information on request (EIOR) and the standard on automatic exchange of financial account information (AEOI) implementing the Common Reporting Standard (CRS). With 157 members, the Global Forum is the flagship body for ensuring the implementation of the internationally agreed standards of tax transparency and exchange of taxation-relevant information among tax administrations.



Global Tax Advisers' Cooperation: GTAP Conference – Torino, 3 October 2019

The Global Tax Advisers Platform (GTAP) [inaugural conference](#) will take place on 3 October 2019 in Torino on the topic "*Tax & The Future*". GTAP was formed in 2014 by CFE, AOTCA and WAUTI as a global response of tax advisers to international tax initiatives, with the aim of forging closer links among tax advisers throughout the world. The platform provides the proper framework for a more dynamic, more inclusive cooperation among tax advisers, on the basis of enhanced dialogue, more effective collaboration and openness.

The GTAP conference will examine issues that are of interest to all tax advisers in a borderless, increasingly globalising and automated society, driven by new technologies. To that end, four panels of expert speakers will consider the evolution and future of the topics of global tax policy, corporate income tax and VAT, the global tax profession and business models and tax sustainability. More details of the event and programme are available [here](#).

[Register now](#) to secure your spot at the conference!