

Fiscalis programme 2021-2027

In 2018, the Commission presented a proposal for a regulation establishing the Fiscalis programme for cooperation in the field of taxation in the 2021-2027 period. The programme aims to support tax authorities and enhance the functioning of the single market and competitiveness; and to protect the financial and economic interests of the European Union. Following an early second-reading agreement reached with the Council in trilogue negotiations in March 2021, Parliament is expected to vote in May to formally adopt the regulation.

Background

The insufficient capacity for and implementation of cooperation among EU Member States and with third countries meant efficient joint actions are required to address tax fraud, tax evasion and tax avoidance, and to deal with digitalisation and new business models while avoiding unnecessary administrative burden for citizens and businesses in cross-border transactions. The Fiscalis 2020 programme ([Regulation 1286/2013](#)) under the 2014-2020 Multiannual Financial Framework (MFF) and its predecessors have contributed to improving and strengthening cooperation among EU tax authorities. Fiscalis 2020's overall objective was to improve the functioning of the taxation systems in the single market. In particular, this meant enhancing the fight against tax fraud, tax evasion and aggressive tax planning; and strengthening exchange of information, while reducing the burden on tax authorities and compliance costs for taxpayers.

European Commission proposal

On 8 June 2018, the Commission adopted a [proposal](#) for a regulation establishing the Fiscalis programme for cooperation in the field of taxation as part of the 2021-2027 MFF. The proposal aims to replace the Fiscalis 2020 programme. Its general objectives are to support tax authorities and taxation, to enhance the functioning of the single market and competitiveness; and to protect the EU's financial and economic interests. Its specific objectives include sustaining tax policy and tax cooperation, building administrative capacity and supporting the development and operation of European electronic systems in the tax field. The budget would mainly be spent on IT infrastructure facilitating tax cooperation.

European Parliament position

On 17 April 2019, Parliament adopted its [first-reading position](#) on the proposal, reflecting the common understanding reached between the co-legislators. The Council adjusted its negotiation mandate in the light of the MFF agreement on 8 January 2021. Early second-reading negotiations between the co-legislators could therefore resume. Following the decision of Parliament's Committee on Economic and Monetary Affairs (ECON) to enter into interinstitutional negotiations on 4 February 2021, announced in plenary on 8 February 2021, a compromise was reached with the Council on 30 March 2021.

The financial envelope for the implementation of the programme for the 2021-2027 period will be €269 million in current prices, up from €223.2 million in the 2014-2020 period. The provisional agreement was approved by [ECON](#) on 22 April 2021 and endorsed by [Coreper](#), for the Council, on 5 May. Following the Council's formal adoption of its first-reading position on the proposal, Parliament is expected to debate this during the May plenary session, on the basis of a recommendation from the ECON committee. Parliament's adoption at second reading would thus complete the legislative procedure, enabling the regulation to enter into force and apply, with retroactive effect, from 1 January 2021.

Recommendation for second reading: [2018/0233\(COD\)](#);
Committee responsible: ECON; Rapporteur: Sven Giegold
(Greens/EFA, Germany).



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