

September 2020

Parliament's research capacities within the Directorates-General for Parliamentary Research Services (EPRS), Internal Policies (IPOL) and External Policies (EXPO) stand ready to support the work of the new Subcommittee on Tax Matters (FISC) and its Members. This selection of publications and online resources has been prepared for FISC's constituent meeting.

[Digital taxation: State of play and way forward](#)

Briefing by Marcin Szczepański, March 2020

The rise of the digital economy has elicited new policy questions, revolving around its effects on competition and the need to adapt existing tax systems to a digitalised economy. This briefing explains the main challenges and how the digital taxation issue has been discussed and approached on global and EU levels, as well as within Member States.

[EU own resources and fiscal policy harmonisation: Untapped potential for synergies?](#)

Briefing coordinated by Alexandre Mathis, January 2020

This briefing describes the very specific structure of EU revenue, which comes from three types of own resources, namely traditional own resources, VAT-based own resource and GNI-based own resource. A state-of-play of measures taken to improve own resources is provided. The briefing also gives a list of fiscal policy harmonisation initiatives, both currently in force and newly proposed.

[EU listing of tax havens](#)

Briefing by Cécile Remeur, October 2019

Tax havens have become a prominent concern of tax and economic policies with the globalisation of the economy, in which taxpayers can try to structure their activities and choose the geographical location of their wealth, and plan the location of their tax bases accordingly. This briefing provides an introduction to the main criteria of tax havens and examples of international tax haven lists.

[Understanding BEPS: From tax avoidance to digital tax challenges](#)

Briefing by Cécile Remeur, October 2019

Action to fight corporate tax avoidance has been deemed necessary in the OECD forum and has received further impetus through the G20/OECD Base erosion and profit shifting action plan (known as BEPS). This briefing introduces the 15 actions of the 2015 BEPS action plan, the monitoring of its implementation and the work ahead.

[Multinational enterprises, value creation and taxation: Key issues and policy developments](#)

Briefing by Ioannis Zachariadis, July 2019

Multinational enterprises (MNEs) have significantly expanded their capacity to break up their respective supply chains and to disperse them across borders. Consequently, since the 1990s, value chains have become increasingly globalised and fragmented. This briefing identifies the drivers, trends and developments in MNE-controlled global value chains (GVCs) and discusses challenges and international and EU-level policy developments regarding the taxation of these MNE-controlled GVCs.

[EU policies – Delivering for citizens: The fight against tax fraud](#) (available in 24 languages and as a podcast)

Briefing by Cécile Remeur, June 2019

The fight against tax fraud is shared between Member States and the EU. This briefing describes how tax policy and the fight against tax fraud have gained particular exposure over recent years, the public expectations for EU action and the

ACCESS THESE PUBLICATIONS AND MORE

European Parliament Think Tank

europarl.europa.eu/thinktank

Supporting Analyses for Committees

europarl.europa.eu/supporting-analyses

substantial number of actions, both legislative and non-legislative, to address the situation during the previous parliamentary term (2014-2019).

[Protection of EU financial interest on customs and VAT: Cooperation of national tax and customs authorities to prevent fraud](#)

Study coordinated by Alexandre Mathis, March 2019

The losses from customs and VAT fraud affect the Member States' contributions to the EU budget. This study describes the current levels of fraud, and analyses the effectiveness of EU cooperation measures in tackling fraud. It concludes that the lack of a methodology for measuring the customs gap or its elements, such as losses from customs fraud, prevents tailored risk-based policy responses. In addition, current cooperation channels in the fight against fraud are under-used.

[A fiscal capacity for the Eurozone: Constitutional perspectives](#)

In-depth analysis coordinated by Roberta Panizza, February 2019

This publication considers the introduction of a fiscal capacity for the Eurozone, from a constitutional perspective. It explains in a comparative manner how other federal unions, such as the United States and Switzerland, are endowed with centralised fiscal stabilisation tools, and discusses how such a fiscal capacity could be established in the Eurozone, considering issues of legal bases, governance and accountability.

[Impact of digitalisation on international tax matters](#)

Study coordinated by Dirk Verbeken, February 2019

This paper goes over tax challenges posed by digitalisation, especially with respect to new business models and value creation processes, the impact of Base Erosion and Profit Shifting (BEPS) actions, unilateral measures and recent tax developments in the EU and US. It evaluates approaches to reforming the international tax system and highlights difficulties and opportunities presented by blockchains and the collaborative economy for international taxation.

[Interim digital services tax on revenues from certain digital services](#)

EU Legislation in progress briefing by Marcin Szczepanski, December 2018

In March 2018 the Commission adopted the 'fair taxation of the digital economy' package, comprised of two proposals. One concerns a permanent reform of the corporate tax regime while the second is a proposal for a directive on a common system of digital services tax on revenues resulting from the provision of certain digital services, which would apply as an interim measure until the permanent reform has been implemented. While Parliament adopted its opinion on the proposal in December 2018, the Council has yet to find agreement on the directive.

[VAT fraud – Economic impact, challenges and policy issues](#)

Study coordinated by Drazen Rakic, October 2018

As the EU VAT system is undergoing profound modernisation, this study seeks to take stock of the current state-of-play, assess the current regulatory framework and the proposals under discussion, and offer a selection of recommendations. A substantial conclusion is that an alternative approach and the use of new technologies would allow the Member States to remove significant obstacles that currently impede an effective fight against VAT fraud.

[Cryptocurrencies and blockchain – Legal context and implications for financial crime, money laundering and tax evasion](#)

Study coordinated by Dirk Verbeken, July 2018

More and more regulators are worrying about criminals who are increasingly using cryptocurrencies for illegitimate activities such as money laundering, terrorist financing and tax evasion. This paper elaborates on this phenomenon from a legal perspective, focusing on the use of cryptocurrencies for financial crime, money laundering and tax evasion. It contains policy recommendations for future EU standards.

ACCESS THESE PUBLICATIONS AND MORE

European Parliament Think Tank

europarl.europa.eu/thinktank

Supporting Analyses for Committees

europarl.europa.eu/supporting-analyses

[Tax transparency for intermediaries](#)

EU Legislation in progress briefing by Cécile Remeur, July 2018

The situations highlighted by the 'Panama papers' and 'Paradise papers', among other leaks show how certain intermediaries and other providers of tax advice appear to have facilitated companies and individuals in avoiding taxation. This briefing traces the key stages and main elements of the Council directive, adopted in 2018 and applied from 1 July 2020, as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

[FATCA legislation and its application at international and EU Level](#)

Study coordinated by Giorgio Mussa, May 2018

This study analyses FATCA legislation and its application at international and EU levels. It describes the extraterritorial nature and negative externalities of FATCA, in particular its impact on US citizens abroad and the potential conflicts with EU law, with specific attention to the right of FATCA data protection under the GDPR. It concludes with suggestions for bilateral and unilateral EU-US policies, with final remarks on a multilateral approach.

[Double taxation dispute resolution mechanisms in the European Union](#)

EU Legislation in progress briefing by Cécile Remeur, January 2018

Double taxation happens when two (or more) tax jurisdictions impose comparable taxes on the same cross-border taxable event. This can happen since taxation is a sovereign right for individual countries. This briefing explains the main elements and the key stages of the Council directive, adopted in October 2017, on double taxation dispute resolution mechanisms in the European Union.

[Effective corporate tax rate and digital business establishment in the corporate tax base proposals](#)

Briefing by Udo Bux, May 2017

This briefing looks into the directives proposed in 2016 on a Common Corporate Tax Base, and a Common Consolidated Corporate Tax Base. The proposals would establish common rules for corporate taxes and make it possible for corporations to submit a single consolidated tax declaration for the corporation's activities to the tax authority in only one EU Member State. They would ensure a corporate tax system that encourages fairness, especially for businesses with cross-border activity.

[The impact of schemes revealed by the Panama Papers on the economy and finances of a sample of Member States](#)

Study coordinated by Jean-Jacques Gay, April 2017

This study explores the roles of tax havens and offshore financial centres, and their budgetary, economic and financial impacts in a sample of EU Member States. The research combines previous estimates of tax revenue loss with a micro-economic assessment based on data on companies thought to be linked to the Panama Papers schemes. The most significant impacts on national budgets have wider knock-on effects on economic growth and financial markets.

[Tax evasion, money laundering and tax transparency in the EU Overseas Countries and Territories](#)

Ex-Post Impact Assessment Study by Isabelle Ioannides and Jan Tymowski, April 2017

This study presents the legal, political and institutional framework governing offshore practices in the Overseas Countries and Territories (OCTs) of the EU, which are under the sovereignty of three Member States: Denmark, France and the Netherlands, as well as, at the time, the United Kingdom. The analysis is based on contributions by external experts, which cover the OCTs under French, Dutch, and British rule. This ex-post impact assessment was produced at the request of Parliament's Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion (PANA).

[Gender equality and taxation in the European Union](#)

Study coordinated by Jos Heezen, March 2017

This study provides an overview of gender aspects in taxation at Member State and EU level. It outlines gender gaps in socio-economic realities across Member States, relevant for taxation, and reviews the implementation of gender

ACCESS THESE PUBLICATIONS AND MORE

European Parliament Think Tank

europarl.europa.eu/thinktank

Supporting Analyses for Committees

europarl.europa.eu/supporting-analyses

aspects, including legal aspects, at EU and Member State level. Research results on gender-disaggregated effects are presented for the taxation of personal income, corporations and business income, property, and consumption.

Tax challenges in the digital economy

Study coordinated by Dirk Verbeken, June 2016

This paper analyses direct and indirect tax challenges in the digital economy in light of the conclusions of the OECD's BEPS (Base Erosion and Profit Shifting) project. While assessing the recent reforms in the area of taxation within the EU and third countries, it revisits the question of whether or not specific measures are needed for the digital sector. The paper makes policy recommendations for further tax reforms to tackle tax avoidance and harmful competition.

The role of the financial sector in tax planning

Study coordinated by Dirk Verbeken and Dario Paternoster, May 2016

The study reviews common principles behind financial sector practices that may feature in tax avoidance or evasion. Mechanisms include the exploitation of mismatches in international taxation and financial sophistication; and the exploitation of the qualification of corporate cash flows. The paper issues concrete recommendations with respect to international cooperation, and the completion of Banking Union.

Overview of existing EU and national legislation on topics covered by TAXE mandate

Study coordinated by Dirk Verbeken and Dario Paternoster, October 2015

This paper examines advance tax rulings, advance pricing agreements and other tax arrangements, and how they are meant to develop. It notes the necessity of understanding the reasons of their existence and to know the legal and policy limits that should be taken into account on OECD, EU and national levels. The paper gives an overview of the features of tax rulings in general and of the tax rulings practices in the 28 Member States in concrete terms.

European initiatives on eliminating tax havens and offshore financial transactions and the impact of these constructions on the Union's own resources and budget

Study coordinated by Jean-Jacques Gay, April 2013

This study reviews the impact of tax havens, secrecy jurisdiction, and similar structures on the EU. It concludes that the availability of these structures constrains the EU budget and undermines the fiscal recovery of EU Member States. The study recommends the development of objectively verifiable criteria to identify high-risk jurisdictions, combined with mandatory country-by-country reporting by multinational companies operating in the EU.

How does organised crime misuse EU funds?

Study coordinated by Helmut Werner, December 2011

This study focuses on if, how and to what extent organised crime is involved in defrauding the EU. Research is conducted on the means and methods of misuse of EU funds by organised crime and a quantification of EU funds so misused in 2009. Recommendations include the establishment of a permanent fraud prevention programme in the EU institutions, better exchange of information and uniform registration of cases for further analysis.

Further reading

TAX3 Special Committee report, 'At a glance' note by Cécile Remeur, March 2019

Common corporate tax base (CCTB), EU Legislation in progress Briefing by Angelos Delivorias, June 2018

Further online resources

What Europe does for me: **Corporate taxpayers**, **Young taxpayers**

You can access this Topical Digest at http://www.europarl.europa.eu/EPRS/TD_FISC_2020_final.pdf

Or by scanning the QR code



ACCESS THESE PUBLICATIONS AND MORE

European Parliament Think Tank

europarl.europa.eu/thinktank

Supporting Analyses for Committees

europarl.europa.eu/supporting-analyses