

Special Committee on Financial Crimes, Tax Evasion and Tax Avoidance
The Chair

D 307493 04.05.2018

Mr Valère Moutarlier,
Director
Directorate D
Direct Taxation, Tax coordination, Economic Analysis and Evaluation
European Commission
Building SPA3
1049 - Bruxelles

Subject: *Invitation to a public hearing organised by the Special Committee on Financial Crimes, Tax Evasion and Tax Avoidance (TAX3) on “The fight against harmful tax practices within the European Union and abroad”, Tuesday 15 May 2018, 14.30 - 18.00, Brussels, room PHS 1A002*

Dear Mr Moutarlier,

I am pleased to hear that you will participate at the public hearing organised by the Special Committee on Financial Crimes, Tax Evasion and Tax Avoidance (TAX3) on “The fight against harmful tax practices within the European Union and abroad”.

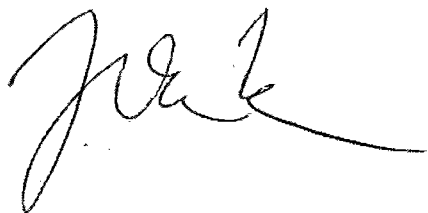
The hearing is scheduled for Tuesday, 15 May 2018, from 14.30 to 18.00, in Brussels, in room PHS 1A002. Your contribution will take place at a panel on the EU list of non-cooperative jurisdictions for tax purposes. Please find the programme attached herewith.

To better prepare for the meeting, I would be grateful if you could please send us a written reply to the questions annexed to this letter, preferably by noon of 8 May 2018.

Should you need any additional information or should you have any queries on this hearing, please do not hesitate to contact Mr Francisco Ruiz-Risueño (tel.: +32 2 284 05 61, francisco.ruizrisueno@europarl.europa.eu) for content-related questions or the Secretariat of the TAX3 Committee (tax3-secretariat@europarl.europa.eu) for logistic questions.

I remain at your disposal for further discussions on this matter. I thank you in advance for your availability and look forward to welcoming you.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Petr Ježek', with a long horizontal stroke extending to the right.

Petr JEŽEK

Encl.: - Draft programme of hearing of 15 May 2018

- Questionnaire



TAX3

Special Committee on Financial Crimes, Tax Evasion and Tax Avoidance

PUBLIC HEARING

"THE FIGHT AGAINST HARMFUL TAX PRACTICES WITHIN THE EUROPEAN UNION AND ABROAD"

TUESDAY, 15 MAY 2018

14.30 - 18.00

Room: Paul-Henri Spaak (PHS) 1A002

DRAFT PROGRAMME

14.30 - 14.35 Welcome by the TAX3 Chair

14.35 - 16.00 Exchange of views

- Ms **Emily O'Reilly**, *European Ombudsman* (confirmed) - Transparency of the Council's work in the tax area

Discussion with TAX3 Members

16.00- 18.00 Panel: EU list of non-cooperative jurisdictions: room for improvement?

- Mr **Valère Moutarlier**, Director, Dir D — Direct Taxation, Tax coordination, Economic Analysis and Evaluation, Directorate General of Taxation and Customs Union, European Commission
- Ms **Elly Van de Velde**, Professor of Tax Law, Hasselt University
- Mr **Alex Cobham**, Chief Executive, Tax Justice Network

Discussion with TAX3 Members

17.55- 18.00 Conclusions by the TAX3 Chair

ANNEX

Questionnaire

- Could the Commission explain the exact role it played during the process of establishing the EU blacklist on tax havens? Did the Commission play any role in the latest days, especially on the final decision to remove third country jurisdictions from the EU list of non-cooperative jurisdictions (to the grey list)?
- Why has the mention of "no or close-to-zero corporate tax rate" been withdrawn during the ECOFIN/Code of Conduct Group discussions as a criteria for definition of tax havens?
- In its response to the PANA final recommendations report (especially §52 calling on the Commission to initiate a comprehensive evaluation of the 19 years of work of the Code of Conduct Group on Business Taxation, focusing on the results achieved in the prevention of cross-border harmful corporate tax regimes, in the form of a public report), the Commission mentioned that "The Commission services are currently preparing a report on the activities of the Code of Conduct Group in accordance with letter N of the Code. In addition, the Commission is considering a study to evaluate the development of tax competition in general and the effects of existing soft law measures on tax competition." Could you please provide the committee with an update on these initiatives?
- As part of the European Semester process, DG TAXUD has published a study highlighting factors of aggressive tax planning. As a result, seven Member States were reported as having tax features that may facilitate aggressive tax planning. Will the Code of Conduct group follow this up? Will the Commission propose that Member States report these tax features as part of the standstill procedure?
- The European Parliament adopted recommendation 187 (§187) of its PANA recommendations calling on the Commission to use Article 116 TFEU to present a legislative reform of the Code of Conduct Group if the Group failed to reform itself. The Commission responded to this recommendation "Keeping this need for reform in mind, the Commission is not convinced that a legislative proposal for a reform of the Code would constitute an effective solution to this need". Could you please provide more information as to why the Commission thinks this is not an option to ensure a revised mandate for the Code?