




Basic information	
<b>2007/0283(CNS)</b> CNS - Consultation procedure Decision	Procedure completed
Accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises "Arbitration Convention" and amendment to the Annex I to the Act of Accession  <b>Subject</b>  3.45.04 Company taxation 8.20.03 Enlargement 2007: Bulgaria and Romania	

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<span style="border: 1px solid red; padding: 2px;">ECON</span> Economic and Monetary Affairs		BAEVA Mariela Velichkova (ALDE)	15/01/2008
Council of the European Union	<b>Council configuration</b>		<b>Meetings</b>	<b>Date</b>
	Agriculture and Fisheries		2881	2008-06-23
European Commission	<b>Commission DG</b>		<b>Commissioner</b>	
	Taxation and Customs Union		KOVÁCS László	

Key events			
Date	Event	Reference	Summary
20/12/2007	Legislative proposal published	COM(2007)0839 	Summary
17/01/2008	Committee referral announced in Parliament		
19/05/2008	Vote in committee		Summary
28/05/2008	Committee report tabled for plenary, 1st reading/single reading	A6-0194/2008	
17/06/2008	Decision by Parliament	T6-0278/2008	Summary
17/06/2008	Results of vote in Parliament		
23/06/2008	Act adopted by Council after consultation of Parliament		
23/06/2008	End of procedure in Parliament		
03/07/2008	Final act published in Official Journal		

Technical information
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<b>Procedure reference</b>	2007/0283(CNS)
<b>Procedure type</b>	CNS - Consultation procedure
<b>Procedure subtype</b>	Legislation
<b>Legislative instrument</b>	Decision
<b>Stage reached in procedure</b>	Procedure completed
<b>Committee dossier</b>	ECON/6/57797

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE402.838</a>	12/03/2008	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0194/2008</a>	28/05/2008	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0278/2008</a>	17/06/2008	<a href="#">Summary</a>
European Commission				
Document type		Reference	Date	Summary
Legislative proposal		<a href="#">COM(2007)0839</a> 	20/12/2007	<a href="#">Summary</a>
Commission response to text adopted in plenary		<a href="#">SP(2008)4439</a>	16/07/2008	

Additional information		
Source	Document	Date
National parliaments	<a href="#">IPEX</a>	
European Commission	<a href="#">EUR-Lex</a>	

Final act
<a href="#">Decision 2008/0492</a> <a href="#">OJ L 174 03.07.2008, p. 0001</a> <span style="float: right;"><a href="#">Summary</a></span>

## Accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises "Arbitration Convention" and amendment to the Annex I to the Act of Accession

2007/0283(CNS) - 17/06/2008 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted, by 659 votes to 5 with 13 abstentions, a legislative resolution amending, in the framework of the consultation procedure, the recommendation for a Council decision concerning the accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises. The report had been tabled for consideration in plenary by Mariela Velichkova **BAEVA** (ALDE, BG) on behalf of the Committee on Economic and Monetary Affairs.

Parliament stated that Arbitration Convention shall enter into force on the day following that of the publication of the Decision in the Official Journal of the European Union (rather than 1 January 2007) between Bulgaria, Romania and the other Member States in which the Arbitration Convention is in force. It shall enter into force between Bulgaria, Romania and each of the other Member States on the day on which the Arbitration Convention enters into force in the other Member State concerned.

## **Accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises "Arbitration Convention" and amendment to the Annex I to the Act of Accession**

2007/0283(CNS) - 20/12/2007 - Legislative proposal

**PURPOSE:** to enable the accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises.

**PROPOSED ACT:** Council Decision.

**CONTENT:** the 2005 Act of accession of Bulgaria and Romania has introduced a simplified system for the accession of Bulgaria and Romania to the conventions and protocols concluded by the Member States on the basis of Article 34 of the Treaty on European Union (previously Article K.3 of the Treaty on EU) or of Article 293 of the Treaty on EU.

In fact, it is no longer necessary to negotiate and conclude specific accession protocols to these conventions (which would have implied ratification by 27 States): Article 3(3) of the Act provides simply that Bulgaria and Romania accede to these conventions and protocols by virtue of the Act of Accession.

Article 3(3) and 3(4) of the Act of Accession provide that, to that effect, the Council shall adopt a decision in order to determine the date on which these conventions shall enter into force for Bulgaria and Romania and to make all the necessary adjustments to these conventions required due to the accession of the two new Member States (which would include, in any event, the adoption of the conventions in the Bulgarian and Romanian languages, so that these versions can be "equally authentic"). The Council shall act on a recommendation of the Commission, after consulting the European Parliament.

Annex I to the Act of Accession gives the list of the conventions and protocols concerned. The list includes the Convention 90/436/EEC of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (the so-called Arbitration Convention), the Convention of 21st December 1995 on the accession of Austria, Finland and Sweden to the Arbitration Convention and the Protocol of 25 May 1999 amending the Arbitration Convention.

In the period preceding the accession of Bulgaria and Romania to the European Union, the Member States signed on 8 December 2004 a Convention on the accession of the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia, to the Arbitration Convention.

Therefore it is appropriate to provide for the accession of Bulgaria and Romania to the Arbitration Convention as amended by the Convention of 8 December 2004 and that Convention should be added to Annex I of the Act of Accession.

To that effect, and in line with Article 3(6) of the Act of Accession the Commission has prepared a proposal for a Council Decision to add to the list the Convention of 8 December 2004 on the accession of the ten new Member states to Convention 90/436/EEC. The Commission Recommendation for a Council Decision is intended to make the adjustments required due to the accession of Bulgaria and Romania to the aforementioned Convention, in accordance with Article 3(4) of the Act of Accession.

## **Accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises "Arbitration Convention" and amendment to the Annex I to the Act of Accession**

2007/0283(CNS) - 23/06/2008 - Final act

**PURPOSE:** to enable the accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises.

**LEGISLATIVE ACT:** Council Decision 2008/492/EC concerning the accession of Bulgaria and Romania to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises.

**CONTENT:** the 2005 Act of accession of Bulgaria and Romania introduced a simplified system for the accession of Bulgaria and Romania to the conventions and protocols concluded by the Member States on the basis of Article 34 of the Treaty on European Union (previously Article K.3 of the Treaty on EU) or of Article 293 of the Treaty on EU.

Article 3(3) and 3(4) of the Act of Accession provide that, to that effect, the Council shall adopt a decision in order to determine the date on which these conventions shall enter into force for Bulgaria and Romania and to make all the necessary adjustments to these conventions required due to the accession of the two new Member States (which would include, in any event, the adoption of the conventions in the Bulgarian and Romanian languages, so that these versions can be "equally authentic").

Consequently, the Council adopted a Decision in order to adjust the Convention on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (the "Arbitration Convention") by reason of accession of Bulgaria and Romania. The Arbitration Convention will enter into force in relation to Bulgaria and Romania on 1 July 2008.

To that effect, the Council also adopted a Decision in order to include the Arbitration Convention in the 2005 Act of Accession of Bulgaria and Romania to the EU.

ENTRY INTO FORCE: the Decision shall take effect on 01/07/2008.