

# Procedure file

Basic information	
CNS - Consultation procedure Decision	2013/0308(CNS) Awaiting final decision
Convention (1990) on the elimination of double taxation in connection with the adjustment of profits of associated enterprises: accession of Croatia	
Subject 3.45.04 Company taxation	
Geographical area Croatia	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>ECON</b> Economic and Monetary Affairs		19/11/2013
		PPE <a href="#">NITRAS Sławomir</a>	
		Shadow rapporteur	
		S&D <a href="#">LUDVIGSSON Olle</a>	
		ALDE <a href="#">TREMOSA I BALCELLS Ramon</a>	
		Verts/ALE <a href="#">LAMBERTS Philippe</a>	
Council of the European Union			
European Commission	Commission DG <a href="#">Taxation and Customs Union</a>	Commissioner ŠEMETA Algirdas	

Key events			
13/08/2013	Legislative proposal published	<a href="#">COM(2013)0586</a>	Summary
18/11/2013	Committee referral announced in Parliament		
18/03/2014	Vote in committee		
21/03/2014	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A7-0214/2014</a>	Summary
15/04/2014	Results of vote in Parliament		
15/04/2014	Decision by Parliament	<a href="#">T7-0346/2014</a>	Summary

Technical information	
Procedure reference	2013/0308(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
Other legal basis	Rules of Procedure EP 159

Stage reached in procedure	Awaiting final decision
Committee dossier	ECON/7/14494

### Documentation gateway

Legislative proposal	<a href="#">COM(2013)0586</a>	13/08/2013	EC	Summary
Committee draft report	<a href="#">PE528.026</a>	28/01/2014	EP	
Amendments tabled in committee	<a href="#">PE529.832</a>	27/02/2014	EP	
Committee report tabled for plenary, 1st reading/single reading	<a href="#">A7-0214/2014</a>	21/03/2014	EP	Summary
Text adopted by Parliament, 1st reading/single reading	<a href="#">T7-0346/2014</a>	15/04/2014	EP	Summary
Commission response to text adopted in plenary	<a href="#">SP(2014)471</a>	09/07/2014	EC	

### Additional information

European Commission	<a href="#">EUR-Lex</a>
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## Convention (1990) on the elimination of double taxation in connection with the adjustment of profits of associated enterprises: accession of Croatia

**PURPOSE:** to enable Croatia to accede 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.

**BACKGROUND:** according to Article 3(5) of the Act of Accession the Council, acting unanimously on a recommendation by the Commission and after consulting the European Parliament, shall decide to make all adjustments required by reason of the accession of Croatia to these conventions and protocols and to publish the adapted texts in the Official Journal of the European Union.

The list of conventions and protocols include :

Convention 90/436/EEC of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises (Arbitration Convention),

the Convention of 21 December 1995 on the accession of Austria, Finland and Sweden to the Arbitration Convention,

the Protocol of 25 May 1999 amending the Arbitration Convention,

the Convention of 8 December 2004 on the accession of the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia to the Arbitration Convention.

The Arbitration Convention was amended by the Protocol of 25 May 1999 and the Conventions of 21 December 1995 and of 8 December 2004.

Bulgaria and Romania acceded to the Arbitration Convention by virtue of the Act of Accession of 2005. Decision 2008/492/EC made the adjustments required by reason of the accession of Bulgaria and Romania to the Arbitration Convention and determined the date of its entry into force, as amended, with relation to Bulgaria and Romania.

**CONTENT:** this proposed Commission Recommendation for a Council Decision is intended to make the adjustments required by reason of the accession of Croatia to the Arbitration Convention and to determine the date of its entry into force, as amended, with relation to Croatia, in accordance with the Act of Accession of 2011.

## Convention (1990) on the elimination of double taxation in connection with the adjustment of profits of associated enterprises: accession of Croatia

The Committee on Economic and Monetary Affairs unanimously adopted, in the framework of a special legislative procedure (Parliament consultation), the report by Sławomir NITRAS (EPP, PL) on the recommendation for a Council decision concerning the accession of Croatia to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises.

Members called on the Council, when deciding on the date of application of the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises, to take into account Parliament's concerns regarding the need to minimise the tax burden on tax payers.

Members made one amendment as regards the date of entry into force of the amending Arbitrage Convention. The proposed text suggested

that the date of entry into force should be specified in this Decision.

Taking into account the experience with the previous decisions amending The Arbitration Convention and in order to remove any doubts regarding the possible retroactive effect, Members proposed that the date of entry into force of the Arbitration Convention be set on the day following that of the publication of this Decision in the Official Journal of the European Union.

## Convention (1990) on the elimination of double taxation in connection with the adjustment of profits of associated enterprises: accession of Croatia

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The European Parliament adopted by 649 votes to 4, with 21 abstentions, in the framework of a special legislative procedure (consultation), a legislative resolution on the recommendation for a Council decision concerning the accession of Croatia to the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises.

Parliament approved the Commission recommendation with one amendment stipulating that that the date of entry into force of the Arbitration Convention, as amended, as well as the decision should be the day following that of the publication of this Decision in the Official Journal of the European Union.

The resolution called on the Council, when deciding on the date of application of the Convention of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises, to take into account Parliament's concerns regarding the need to minimise the tax burden on tax payers.