











# Procedure file

Basic information		
CNS - Consultation procedure Directive	<a href="#">2015/0065(CNS)</a>	Procedure completed
Taxation of savings income in the form of interest payments: repealing the Savings Directive		
Repealing Directive 2003/48/EC <a href="#">2001/0164(CNS)</a>		
Subject		
2.50.02 Savings		
2.70.01 Direct taxation		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Economic and Monetary Affairs		28/04/2015
		 <a href="#">SCOTT CATO Molly</a>	
		Shadow rapporteur	
		 <a href="#">MALETIĆ Ivana</a>	
		 <a href="#">LUDVIGSSON Olle</a>	
		 <a href="#">LOONES Sander</a>	
		 <a href="#">VAN NIEUWENHUIZEN Cora</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Legal Affairs	The committee decided not to give an opinion.	
	 Internal Market and Consumer Protection	The committee decided not to give an opinion.	
	 Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
Council of the European Union European Commission	Commission DG <a href="#">Taxation and Customs Union</a>	Commissioner MOSCOVICI Pierre	

Key events			
18/03/2015	Legislative proposal published	<a href="#">COM(2015)0129</a>	Summary
15/04/2015	Committee referral announced in Parliament		
15/10/2015	Vote in committee		
16/10/2015	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A8-0299/2015</a>	Summary
26/10/2015	Debate in Parliament		

27/10/2015	Results of vote in Parliament		
27/10/2015	Decision by Parliament	<a href="#">T8-0362/2015</a>	Summary
10/11/2015	Act adopted by Council after consultation of Parliament		
10/11/2015	End of procedure in Parliament		
18/11/2015	Final act published in Official Journal		

### Technical information

Procedure reference	2015/0065(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Directive
	Repealing Directive 2003/48/EC <a href="#">2001/0164(CNS)</a>
Legal basis	Treaty on the Functioning of the EU TFEU 115
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	ECON/8/03102

### Documentation gateway

Legislative proposal	<a href="#">COM(2015)0129</a>	18/03/2015	EC	Summary
Economic and Social Committee: opinion, report	<a href="#">CES1828/2015</a>	27/05/2015	ESC	
Committee draft report	<a href="#">PE554.909</a>	17/09/2015	EP	
Committee of the Regions: opinion	<a href="#">CDR2697/2015</a>	14/10/2015	CofR	
Committee report tabled for plenary, 1st reading/single reading	<a href="#">A8-0299/2015</a>	16/10/2015	EP	Summary
Text adopted by Parliament, 1st reading/single reading	<a href="#">T8-0362/2015</a>	27/10/2015	EP	Summary
Commission response to text adopted in plenary	<a href="#">SP(2015)750</a>	10/12/2015	EC	

### Final act

[Directive 2015/2060](#)  
[OJ L 301 18.11.2015, p. 0001](#) Summary

## Taxation of savings income in the form of interest payments: repealing the Savings Directive

**PURPOSE:** to repeal Council Directive 2003/48/EC on the taxation of savings income.

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**ROLE OF THE EUROPEAN PARLIAMENT:** the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

**BACKGROUND:** in 2003, the Council adopted [Directive 2003/48/EC](#) on the taxation of savings income received in the form of interest payments (the Savings Directive). This Directive served two main purposes: (i) avoiding distortions to the movement of capital and (ii) allowing effective taxation of interest payments made from paying agents established in one Member State to individuals resident in another Member

State.

The amendments made to [Council Directive 2011/16/EU](#) on Administrative Cooperation in the Field of Taxation by [Council Directive 2014/107/EU](#) of December 2014 extended the automatic exchange of information to a full range of income in accordance with the Global Standard released by the OECD Council in July 2014 and ensured a coherent, consistent and comprehensive Union-wide approach to the automatic exchange of financial account information in the Internal Market. EU law is now fully aligned with the new global standard.

In order to make sure that there is only one applicable standard for automatic exchange of information within the EU, and to avoid situations where two standards are applied in parallel, the 2003 Directive should be repealed.

CONTENT: the proposal provides for the repeal of Council Directive 2003/48/EC on the taxation of savings income. In order not to leave any gaps in the reporting, the repeal of the Savings Directive needs to be well coordinated with the timing of the application of the 2014 Amending Directive on Administrative Cooperation.

Specifically, the proposal to repeal Directive 2003/48/EC also involves the temporary exceptions necessary to protect acquired rights and to take account of the derogation allowed to Austria under Directive 2014/107/EU.

Directive 2003/48/EC will be repealed with effect from 1 January 2016. However, certain obligations shall continue to apply.

Directive 2003/48/EC shall continue to apply in its entirety with regard to Austria for an additional one year (until 31 December 2016).

## Taxation of savings income in the form of interest payments: repealing the Savings Directive

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The Committee on Economic and Monetary Affairs adopted, in the framework of a special legislative procedure (Parliaments consultation), the report by Molly SCOTT CATO (Greens/ALE, UK) on the proposal for a Council directive repealing Council Directive 2003/48/EC on taxation of savings income in the form of interest payments.

The committee approved the Commission proposal subject to amendment introduced in the form of recitals.

Whilst supporting the proposal to repeal the Directive, Members expressed their concern about the potential for the creation of loopholes if the separate bilateral agreements between the Union and five European countries that are not Member States of the Union (Switzerland, Liechtenstein, San Marino, Monaco and Andorra) are not rapidly concluded. They also regretted that the Commission does not have a mandate to negotiate with the 12 dependent or associated territories (the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean).

Members consider it important that the Commission continues to monitor that the repeal does not create loopholes. The report proposed that the Commission shall:

- by 1 July 2016, submit a report to the Council and to the European Parliament on the transition of moving from the reporting standard applied under Directive 2003/48/EC to the new reporting standard established by [Directive 2014/107/EU](#);
- by 1 October 2017, submit a follow-up report in order to closely monitor the situation. The reports shall, where appropriate, be accompanied by legislative proposals.

## Taxation of savings income in the form of interest payments: repealing the Savings Directive

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The European Parliament adopted by 629 votes to 30, with 29 abstentions, in the framework of a special legislative procedure (Parliaments consultation), a legislative resolution on the proposal for a Council directive repealing Council Directive 2003/48/EC on taxation of savings income in the form of interest payments.

Parliament approved the Commission proposal subject to amendment introduced in the form of recitals.

Given that all of the bilateral agreements are adapted to the new OECD Global Standard and to [Directive 2014/107/EU](#), Parliament expressed its concern about the potential for the creation of loopholes if the separate bilateral agreements between the Union and five European countries that are not Member States of the Union (Switzerland, Liechtenstein, San Marino, Monaco and Andorra) are not rapidly concluded. It also regretted that the Commission does not have a mandate to negotiate with the 12 dependent or associated territories (the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean).

Members considered it important that the Commission should continue to monitor that the repeal does not create loopholes. They proposed that the Commission shall:

- by 1 July 2016, submit a report to the Council and to the European Parliament on the transition of moving from the reporting standard applied under Directive 2003/48/EC to the new reporting standard established by Directive 2014/107/EU;
- by 1 October 2017, submit a follow-up report in order to closely monitor the situation. The reports shall, where appropriate, be accompanied by legislative proposals.

Lastly, Parliament stressed that although no specific cost-benefit analysis has been made of a dual reporting system, not even for a temporary transition period between the two standards, it is reasonable to assume that the minor benefits of retaining such dual reporting would be outweighed by the costs.

## Taxation of savings income in the form of interest payments: repealing the Savings Directive

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PURPOSE: to repeal Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments, involving the temporary exceptions necessary to protect acquired rights and to take account of the derogation allowed to Austria under Directive 2014/107/EU.

LEGISLATIVE ACT: Council Directive (EU) 2015/2060 repealing Directive 2003/48/EC on taxation of savings income in the form of interest

payments.

CONTENT: the Directive provides for the repeal of [Directive 2003/48/EC](#) on taxation of savings income in the form of interest payments in order to ensure that there is only one applicable standard for automatic exchange of information within the EU (the OECDs Global Standard) and to avoid situations where two standards are applied in parallel.

To ensure the seamless continuation of automatic reporting of financial account information, the repeal of Directive 2003/48/EC will apply on the same day as the date of application of [Directive 2014/107/EU](#) amending [Directive 2011/16/EU](#) as regards mandatory automatic exchange of information in the field of taxation.

Accordingly, the repeal of the Directive also involves the temporary exceptions necessary to protect acquired rights and to take account of the derogation allowed to Austria under Directive 2014/107/EU.

Directive 2003/48/EC will be repealed with effect from 1 January 2016. However, certain obligations shall continue to apply.

Directive 2003/48/EC shall continue to apply in its entirety with regard to Austria for an additional one year (until 31 December 2016).

ENTRY INTO FORCE: 8.12.2015.