

# Procedure file

| Basic information   |                                       |
|---|---------------------------------------|
| CNS - Consultation procedure<br>Directive   | 2020/0081(CNS)<br>Procedure completed |
| Taxation - administrative cooperation: deferral of certain deadlines for the filing and exchanging of information in the field of taxation due to the COVID-19 pandemic |                                       |
| Amending Directive 2011/16 <a href="#">2009/0004(CNS)</a>   |                                       |
| Subject   |                                       |
| 2.70 Taxation   |                                       |
| 2.80 Cooperation between administrations  |                                       |
| 4.20 Public health  |                                       |
| 4.20.01 Medicine, diseases  |                                       |
| Legislative priorities  |                                       |
| <a href="#">The EU's response to the Covid-19 pandemic</a>  |                                       |

| Key players                   |   |            |           |
|-------------------------------|---|------------|-----------|
| European Parliament           | Committee responsible                                     | Rapporteur | Appointed |
|                               | <b>ECON</b> <a href="#">Economic and Monetary Affairs</a> |            |           |
| Council of the European Union |   |            |           |

| Key events |   |                               |         |
|------------|---|-------------------------------|---------|
| 08/05/2020 | Legislative proposal published                          | <a href="#">COM(2020)0197</a> | Summary |
| 15/05/2020 | Committee referral announced in Parliament              |                               |         |
| 08/06/2020 | Decision by committee, without report                   |                               |         |
| 19/06/2020 | Decision by Parliament                                  | <a href="#">T9-0170/2020</a>  | Summary |
| 24/06/2020 | Act adopted by Council after consultation of Parliament |                               |         |
| 26/06/2020 | Final act published in Official Journal                 |                               |         |

| Technical information      |   |
|----------------------------|---|
| Procedure reference        | 2020/0081(CNS)  |
| Procedure type             | CNS - Consultation procedure  |
| Procedure subtype          | Legislation   |
| Legislative instrument     | Directive   |
|                            | Amending Directive 2011/16 <a href="#">2009/0004(CNS)</a>   |
| Legal basis                | Treaty on the Functioning of the EU TFEU 113; Treaty on the Functioning of the EU TFEU 115; Rules of Procedure EP 163 |
| Stage reached in procedure | Procedure completed   |
| Committee dossier          | ECON/9/02990  |

| Documentation gateway                                  |  |                               |            |     |         |
|--|--|-------------------------------|------------|-----|---------|
| Legislative proposal                                   |  | <a href="#">COM(2020)0197</a> | 08/05/2020 | EC  | Summary |
| Economic and Social Committee: opinion, report         |  | <a href="#">CES2336/2020</a>  | 10/06/2020 | ESC |         |
| Text adopted by Parliament, 1st reading/single reading |  | <a href="#">T9-0170/2020</a>  | 19/06/2020 | EP  | Summary |
| Commission response to text adopted in plenary         |  | <a href="#">SP(2020)326</a>   | 04/08/2020 | EC  |         |

| Final act  |
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| <a href="#">Directive 2020/876</a><br><a href="#">OJ L 204 26.06.2020, p. 0046</a> |

## Taxation - administrative cooperation: deferral of certain deadlines for the filing and exchanging of information in the field of taxation due to the COVID-19 pandemic

**PURPOSE:** to address the urgent need to extend certain time limits for filing and exchange of information in the area of taxation due to the COVID-19 pandemic.

**PROPOSED ACT:** Council Directive.

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

**BACKGROUND:** the lockdown measures imposed by Member States to help contain the COVID-19 pandemic have an important disruptive effect on the capacity of businesses and tax administrations to carry out some of their obligations under [Council Directive 2011/16/EU](#) on administrative cooperation in the field of taxation.

In the light of these unprecedented circumstances, a number of Member States and persons liable to report to the competent information under Directive 2011/16/EU have requested the deferral of certain time limits laid down in that Directive for automatic exchanges of information on financial accounts of which the beneficiaries are tax resident in another Member State, as well as on reportable cross-border arrangements included in the Hallmarks listed in Annex IV to that Directive.

Financial institutions are currently faced with urgent tasks related to COVID-19. The severe disruption caused by the pandemic is hampering the timely compliance of financial institutions and of the persons who are liable to report cross-border arrangements and negatively affects the capacity of Member States tax administrations to collect and process the data.

This situation requires an urgent and coordinated response within the Union and where relevant at global level.

**CONTENT:** the proposal consists of amending existing provisions of Directive 2011/16/EU in order to address the urgent need for deferring certain time limits for the filing and exchange of information in the field of taxation due to the

COVID-19 pandemic.

The proposed measures consist of:

- extending by three months, until 31 December 2020, the time limit for the exchange of information on financial accounts of which the beneficiaries are tax residents in another Member State and who are liable to report information to the competent authorities;
- postponing the date for the first exchange of information on reportable cross-border arrangements that feature in Annex IV to Council Directive 2011/16/EU from 31 October 2020 to 31 January 2021;
- postponing from 1 July 2020 to 1 October 2020 the starting date of the 30-day period for reporting cross-border arrangements which are included in Hallmarks listed in Annex IV to [Council Directive 2018/822/EU](#) from 1 July 2020 to 1 October 2020;
- extending the date for the reporting of the historical cross-border arrangements (i.e. arrangements that became reportable from 25 June 2018 to 30 June 2020) from 31 August 2020 to 30 November 2020.

The aim of the proposal is to address an exceptional situation without disrupting the existing structure and functioning of Directive 2011/16/EU. Therefore, it is foreseen to limit the deferral to a duration that is proportionate to the difficulties caused by the COVID-19 pandemic for filing and exchanging information.

The proposal provides for the possibility of a single extension of the deferral period for filing and information exchange. The Commission should be empowered to grant this extension by means of delegated acts.

## Taxation - administrative cooperation: deferral of certain deadlines for the filing and exchanging of information in the field of taxation due to the COVID-19 pandemic

The European Parliament adopted, under a special legislative procedure for consultation, a legislative resolution on the proposal for a Council

directive amending Directive 2011/16/EU to address the urgent need for deferring certain time limits for the filing and exchange of information in the field of taxation due to the COVID-19 pandemic.

The proposal consists of adapting the existing provisions of Directive 2011/16/EU as regards the time limits for the filing and exchange of certain information, in order to address the challenges faced by information providers and tax administrations as a result of the current COVID-19 pandemic.

Parliament approved the Commission proposal subject to the following amendments:

Purpose of the deferral

Members specified that the deferral for filing and exchange of information should not undermine the Union's policy of combating tax evasion, tax avoidance and aggressive tax planning through the exchange of information between tax administrations.

Delegation of powers to the Commission

Parliament proposed to delete the provisions providing for the possibility for the Commission to grant, by means of delegated acts, a further extension of the deferral period for filing and exchange of information.