



EUROPEAN COMMISSION

Brussels, 26.9.2016
C(2016) 5843 final

*Mr Claude BARTOLONE
Président de l'Assemblée nationale
Palais Bourbon
126, rue de l'Université
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Dear President,

The Commission would like to thank the Assemblée nationale for its Opinion endorsing the Anti-Tax Avoidance Package, proposed by the Commission in January 2016 {COM(2016) 23, 24, 25 and 26 final}, as well as the proposal to amend Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches {COM(2016) 198 final}, and for its support for the wider EU agenda for fair and effective taxation.

The Commission is pleased with the excellent progress that has already been made on the various initiatives within this Anti-Tax Avoidance Package. Member States' agreement on the Anti-Tax Avoidance Directive of 12 July¹ ensures that legally binding anti-avoidance rules will be implemented throughout the EU to block some of the most common forms of aggressive tax planning. The proposal for country-by-country reporting between tax authorities was also rapidly adopted by Member States. This will ensure that tax authorities will have the vital information needed to target their audits and detect abusive tax behaviour by companies. The Council has endorsed the External Strategy for Effective Taxation, giving a clear mandate for each of the initiatives it proposed to be taken forward. In particular, a new EU process to list third countries that refuse to comply with tax good governance standards is now being taken forward. The Commission appreciates the Assemblée nationale's support for this common EU list.

The Commission notes with interest the Assemblée nationale's opinion that further harmonisation of direct taxation in Europe could provide a strong shield against harmful tax practices. The re-launch of the Common Consolidated Corporate Tax Base (CCCTB), which the Commission will propose in the autumn, will support this objective while fully respecting Member States' sovereignty in the area of taxation. The Commission welcomes the Assemblée nationale's support for the CCCTB, which can both combat aggressive tax planning in the EU and reduce the administrative burden for companies in the Single Market.

¹ Council Directive 2016/1164 of 12 July 2016, OJ L 193, 19.7.2016, p. 1.

As indicated in the Assemblée nationale's Opinion, the fight against tax evasion and avoidance is not a static one, and the Commission remains ready to address new challenges as they arise. This was the case, for example, in the recent proposals to strengthen EU anti-money laundering rules and allow tax authorities access to anti-money laundering information. In the Communication that accompanied these proposals², the Commission identified a series of new initiatives to target the types of abusive tax practices that were exposed in the "Panama Papers" in April. This includes improving information exchange between Member States on beneficial ownership and exploring possible EU measures to create greater oversight of tax advisors' activities.

The Commission hopes that the clarifications provided in this reply address the issues raised by the Assemblée nationale and looks forward to continuing the political dialogue in the future.

Yours faithfully,

Frans Timmermans

First Vice-president

Pierre Moscovici

Member of the Commission

² Communication from the Commission to the European Parliament and the Council 'Anti-Tax Avoidance Package: Next steps towards delivering effective taxation and greater tax transparency in the EU' {SWD(2016) 6 final}, 28.1.2016.