

CORPORATE TAX TRANSPARENCY

#TaxTransparency

Public Country-by-Country Reporting



The EU loses
EUR 50-70 billion
in tax revenues each year due to tax
avoidance on corporate income tax.



A company with cross-border operations in
the EU could pay up to **30% less tax**
on average than a similar firm active in the
same country where corporate income tax
rates are high.

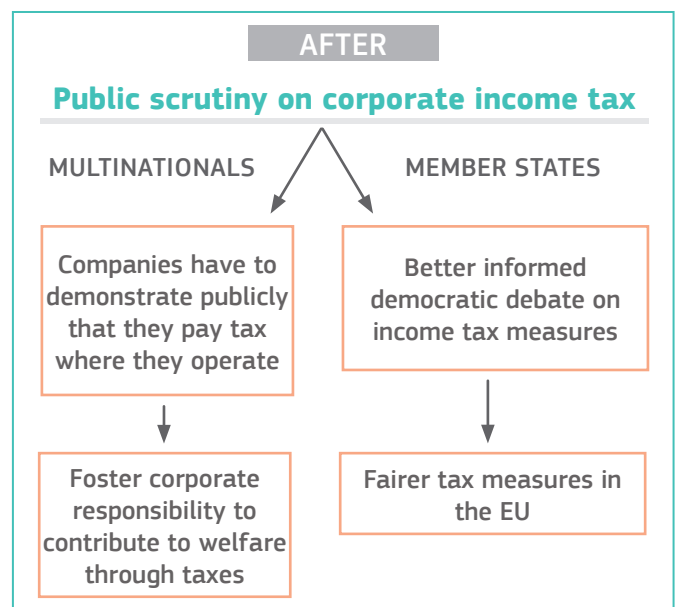
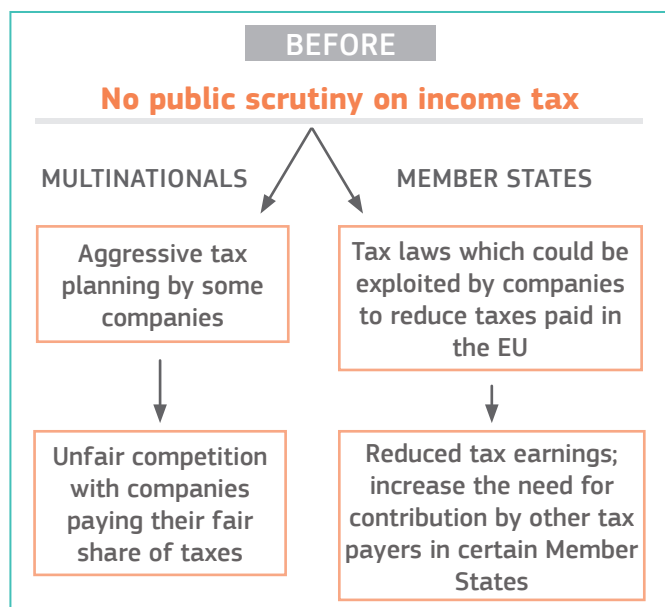


88% of the EU population
supports tighter measures against
tax avoidance and tax havens.



Over **6,000** multinationals will be covered
by this requirement, representing **90%** of
global turnover of all multinationals.

WHAT WILL CHANGE?

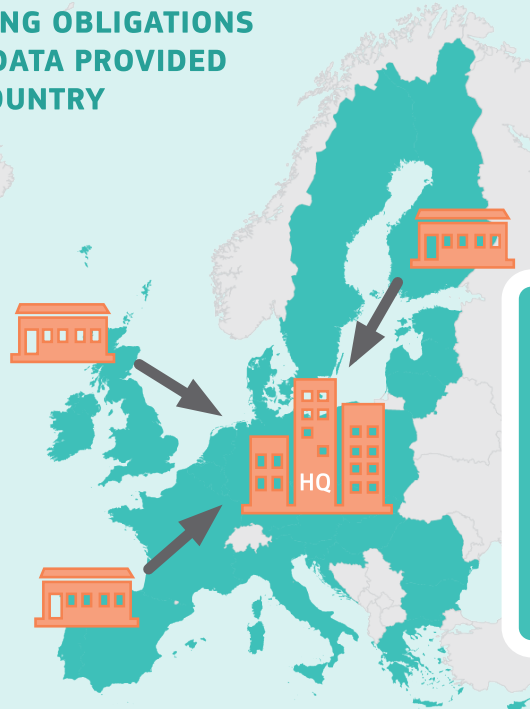


HOW WILL IT WORK IN PRACTICE?



PUBLIC REPORTING OBLIGATIONS IN THE EU: KEY DATA PROVIDED COUNTRY-BY-COUNTRY

Any multinational groups with operations in the EU will have to publish tax-related information for all their entities in the EU. This information is broken down country-by-country.



WHAT THEY HAVE TO PUBLISH

- 1) Taxes paid
- 2) Taxes due

- 3) Profit before tax
- 4) Turnover
- 5) Number of employees
- 6) Nature of activities
- 7) Accumulated earnings

Non
EU

PUBLIC REPORTING OBLIGATIONS OUTSIDE THE EU:



Any multinational groups operating in the EU will have to provide tax-related information for tax jurisdictions that do not have tax good governance. For the rest of the globe, they will have to provide aggregated data.

The public will be able to know what is paid within each Member State and will be able to evaluate whether significant profits have been shifted outside the EU.



"The fight against tax avoidance is a key priority of this Commission. Close cooperation between tax authorities must go hand in hand with public transparency."

Valdis Dombrovskis
Vice-President for the Euro and the Social Dialogue



"Our proposal to increase transparency will help make companies more accountable. It will promote fairer competition between companies regardless of their size."

Jonathan Hill Commissioner for
Financial Stability, Financial Services and Capital Markets Union