



EUROPEAN COMMISSION

*Brussels, 25.5.2016
C(2016) 3038 final*

Dear President,

The Commission would like to thank the Bundesrat for its Opinion on the Commission proposal for a Council Directive amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation {COM(2016) 25 final}.

The Commission welcomes the Bundesrat's general support for the above-mentioned proposal. Progress in the area of enhancing tax transparency is one of the key elements of the Commission's strategy to combat aggressive tax planning. In particular providing tax administrations with the information needed to identify such structures as well as to take measures against them is crucial. The mandatory automatic exchange of information in the field of taxation and the associated extension of the automatic exchange of information on country-by-country reporting will contribute to the achievement of this objective.

This is why the Commission acted swiftly and proposed to implement this particular measure recommended by the OECD at EU level in a consistent and uniform manner.

Political agreement based on the Commission proposal and taking into account comments made by Member States' delegations was reached at the ECOFIN Council on 8 March.

The text of the political agreement reflects the points made by the Bundesrat in its Opinion. The final adoption of the text is subject to the opinion of the European Parliament, which is expected in May.

The Commission hopes that these clarifications address the issues raised by the Bundesrat and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Pierre Moscovici
Member of the Commission*

*Mr Stanislaw TILLICH
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