

PARLIAMENT OF ROMANIA

CHAMBER OF DEPUTIES

DECISION

approving the opinion on the proposal for a Directive of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches (COM(2016)198)

Pursuant to Articles 67 and 148 of the Romanian Constitution, republished, Law No 373/2013 on cooperation between Parliament and the Government in the area of European affairs, and Articles 160 to 185 of the Rules of Procedure of the Chamber of Deputies, republished,

the Chamber of Deputies hereby adopts this Decision.

Sole Article. - Having regard to Opinion No 4c-19/973 adopted by the Committee for European Affairs at its meeting of 14 September 2016,

1. The Chamber of Deputies notes that the European Commission's initiative is complementary to the Anti Tax Avoidance Package launched in January 2016 and is intended to continue the fight against tax evasion by certain multinational enterprises, which costs EU national budgets an estimated €50-70 billion each year.

2. The Chamber of Deputies takes note that the proposed Directive is intended to amend Directive 2013/34/EU (the 'Accounting Directive') significantly by requiring multinational enterprises that have a net turnover above €750 million to disclose to tax authorities information included in financial and non-financial reports, broken down by country, strictly in order to increase compliance with national tax regulations by such multinational enterprises. However, it should be borne in mind that, to cover non-EU-headquartered multinational enterprises, some of their subsidiaries and branches in the EU will be subject to new obligations.

3. The Chamber of Deputies takes the view that implementing internationally the recommendations in the OECD BEPS Action Plan, which was transposed into EU law by the Anti Tax Avoidance Package, is a priority, but believes that it is necessary to ensure that certain interests of reporting companies are respected and, in particular, that business secrecy is protected. The proposal places an additional responsibility on EU Member States and implicitly on tax administrations, which must lay down and monitor the obligation to publish income tax reports.

4. The Chamber of Deputies supports the view that disclosure of income tax information by large companies would strengthen corporate social responsibility, contribute to the prosperity of the countries in which they operate, and help increase public trust in the fairness of the tax systems. Introducing public reporting requirements could encourage some multinational enterprises to adopt more transparent and less complex cross-border investment structures.

5. The Chamber of Deputies acknowledges the importance of automatic exchange of information as a fundamental constituent of the fight against tax fraud and tax avoidance and supports in principle the Commission's proposals, subject to their economic and administrative impact assessment. The initiative should not have any adverse environmental or social effects. A careful calibration is required in this area to ensure that it does not undermine the fundamental principles of internal markets and to focus only on taxpayers that actually implement aggressive tax planning strategies.

6. The Chamber of Deputies notes that the high level of detail as regards certain tax jurisdictions causing particular problems and the blacklisting of such jurisdictions constitute a sensitive issue that needs to be addressed by the European Commission as part of an ongoing dialogue with the Member States and based on clearly defined criteria. In addition, such a list should be reviewed regularly.

7. The Chamber of Deputies is in favour of action at EU level in the form of an approach to financial reporting that is harmonised across the Member States and that is likely to lead to cost savings for tax administrations and companies.

This Decision was adopted by the Chamber of Deputies at its sitting of 20 September 2016, in compliance with Article 76(2) of the Romanian Constitution, republished.

PRESIDENT
OF THE CHAMBER OF DEPUTIES

Florin Iordache

Bucharest, 20 September 2016

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