

Mandatory disclosure

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1. Mandatory disclosure

- ❑ BEPS Action 12: Mandatory disclosure is not a minimum standard. However, some (very few) countries are introducing rules to implement mandatory disclosure.
- ❑ EU initiative to introduce automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements in the Administrative Cooperation Directive
- ❑ Adopted on 25/05/2018, in force as of 25/06/2018
- ❑ For EU Member States: Implemented by 31/12/2019 and automatic exchange to take place as of 1/07/2020

2. Arguments

NO MANDATORY DISCLOSURE

- ✓ Equal level playing field
- ✓ Directive – Differences in implementation
- ✓ Privacy issues
- ✓ Substantive amount of reporting - Capacity of the tax administration
- ✓ Possible to prevent mandatory disclosure

YES MANDATORY DISCLOSURE

- ✓ Equal treatment
- ✓ Transparency
- ✓ To prevent certain behaviour (deterrent)

3. Proposal

What can be changed so that mandatory disclosure is efficient and effective to tackle aggressive tax planning arrangements?

Recommendations

- ✓ European Supervisory Board for Taxation (similar to the JITSIC- Joint International Taskforce on Shared Information & Collaboration Network).
- ✓ More international cooperation, thus BEPS Action 12 to be introduced as a minimum standard (political will?).

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