

To: Taxation Working Group, Public Affairs and Communication Committee

Taxation - Council adoption of new rules on taxation and challenges of digital platform economy

On 22 March, the Council adopted new rules to improve administrative cooperation in the field of taxation and address the challenges posed by the digital platform economy.

More specifically, the new rules will:

- cover **digital platforms located both inside and outside the EU** and will apply from 1 January 2023 onwards
- allow **national tax authorities to detect income earned through digital platforms** and determine the relevant tax obligations
- **reporting will only take place in one member state** in accordance with a common EU framework

Other amendments to the directive include:

- improvements on the exchange of information and cooperation between member states' tax authorities.
- improvements in the rules for carrying out simultaneous controls and for allowing officials to be present in another member state during an enquiry
- provision of a framework for the competent authorities of two or more member states to **conduct joint audits** (operational in all member states from 2024 the latest)
- an obligation for digital platform operators to report the income earned by sellers on their platforms and for member states to automatically exchange this information.

Next steps

- The secretariat will examine the conclusions in greater detail and follow-up with the relevant working groups, if necessary.

For more info

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