Recent meetings of the Confédération Fiscale Européenne

Inheritance Tax and trusts

01 November 2015

Reports from the meetings in Vienna in September 2015

Several CIOT representatives attended the autumn round of meetings of the Confédération Fiscale Européenne (CFE) in Vienna. The future direction of the CFE, BEPS, mandatory disclosure rules and the VAT expert group were among the items on the agenda for the three-day conference.

The CIOT was represented on the executive board and at the general assembly (GA). The main topic of discussion was the future direction of the CFE. The GA considered proposals put forward by the executive board to make the CFE more inclusive of those involved in the tax services industry throughout Europe and to bring it closer to its member organisations. These proposals were broadly welcomed by the CIOT delegation. It was agreed among the CIOT CFE community that the confederation ought to invest in staff who can support the work of its fiscal affairs and professional affairs committees because it is their work that would, in the long run, help members in their work as tax professionals.

The joint session of the fiscal affairs committee (FAC) discussed the release of two reports on taxes by the EU parliament, the more significant of the two being the ECON report. It recommends country-by-country reporting for multinationals as well as proposing that taxpayers be commended for being compliant.

The FAC’s indirect taxes sub-committee engaged in talk about cross-border rulings (also a discussion point for the meeting of the VAT forum on 14 October), highlighting the possibility of avoiding double taxation. Fraud and chains of supply and securing VAT repayments were also discussed. Member states had a chance to declare any recent changes to their tax regimes. Slovakia has introduced cash accounting, although not many businesses are expected to take this option up, while

Switzerland has initiated electronic filing. This will require registrations if a foreign business makes supplies in Switzerland and their global turnover exceeds 100,000 Swiss francs.

The FAC's direct taxes sub-committee spent some time discussing how it should operate. It was agreed that its role included engaging with and influencing the European Commission and other EU organisations and the collation of information and news from those organisations for relaying to members. There was more debate on the sub-committee's role in relation to other supranational bodies (for example, the OECD): should it provide input relating specifically to EU law and issues arising for the EU as a whole, or should it provide wider comments to the OECD on the basis that its representatives are international tax experts? Further discussion on this matter is needed to further solidify the group's directive.

The professional affairs committee (PAC) agenda included mandatory disclosure rules (in relation to an OECD paper that suggested bypassing tax advisers' privilege by asking the taxpayer directly), the role of tax advisers in general, and the taxpayer's charter, which is now complete. The hope is that the charter will be seen as best practice. There is also a draft EU taxpayers code, which appears to have drawn heavily from the charter and is expected to be released later this year.

A fuller report of the meetings can be read on the CIOT website.