CFE meetings

Technical

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The spring round of meetings of the Confédération Fiscale Européenne (CFE) and the CFE Forum 2013 were held in Brussels, attended by four CIOT representatives. The establishment of a global organisation of tax advisers and the Financial Transaction Tax (FTT) were among the many items on the agenda for the three days of conference and meetings.

At the General Assembly (GA), discussions were held around the development of a global body of tax advisers. The UK, among others, remained broadly supportive of the principle but stressed caution. Shanghai and Hong Kong were mooted as possible locations. Further talks will be held in St Petersburg in the autumn.

The Fiscal Affairs Committee (FAC) discussed, among other things, the proposed EU taxpayer code and tax identification numbers. Spain welcomed the proposals if it removed the need for national identification (ID) numbers (the current system in Spain requires citizens to have an ID number to do business, causing problems for tax advisers and slowing business for non-residents). The UK highlighted that this was potentially a sensitive issue in the UK due to the lack of any identity numbers currently. The FTT was also on the agenda with a presentation from a guest speaker from the Commission, Rolf Diemer. The impact studies suggest that the current proposals are likely to result in a 75% drop in derivative transactions and a 25% drop in share transactions. Discussions are ongoing.

The FAC's Indirect Taxes Sub-Committee agreed that Opinion Statements should be produced on single VAT declarations, a desirable way of facilitating cross-border trade. A draft will be prepared shortly. Christian Amand's paper on VAT neutrality was also touched upon. The UK expressed concerns with the suggestion that exemptions should be restricted to retail activities – there was a strong case for allowing exemption at other stages in the supply chain to facilitate out sourcing. A super reduced rate of VAT will be considered in the future draft.

The Anti-Money Laundering Directive, Taxpayer Charter and Professional Qualifications Directive were all on the Professional Affairs Committee agenda. The updated *Professional Affairs Handbook* is also now available from the CFE website.

A fuller report on the meetings can be read at **www.tax.org.uk/CFE_Mar13**.