

# Taxation of savings income in the form of interest payments: repealing the Savings Directive

2015/0065(CNS) - 16/10/2015 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted, in the framework of a special legislative procedure (Parliament's consultation), the report by Molly SCOTT CATO (Greens/ALE, UK) on the proposal for a Council directive repealing Council Directive 2003/48/EC on taxation of savings income in the form of interest payments.

The committee approved the Commission proposal subject to amendment introduced in the form of recitals.

Whilst supporting the proposal to repeal the Directive, Members expressed their concern about the potential for the creation of loopholes if the separate bilateral agreements between the Union and **five European countries that are not Member States of the Union** (Switzerland, Liechtenstein, San Marino, Monaco and Andorra) are not rapidly concluded. They also regretted that the Commission does not have a mandate to negotiate with the **12 dependent or associated territories** (the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean).

Members consider it important that the Commission continues to **monitor that the repeal does not create loopholes**. The report proposed that the Commission shall:

- by 1 July 2016, submit a report to the Council and to the European Parliament on the transition of moving from the reporting standard applied under Directive 2003/48/EC to the new reporting standard established by [Directive 2014/107/EU](#);
- by 1 October 2017, submit a follow-up report in order to closely monitor the situation. The reports shall, where appropriate, be accompanied by legislative proposals.