

# EC/Liechtenstein Agreement: taxation of savings income in the form of interest payments. Protocol

2015/0175(NLE) - 20/10/2015

**PURPOSE:** to conclude, on behalf of the European Union, the Amending Protocol to the Agreement between the European Community and the Principality of Liechtenstein providing for measures equivalent to those laid down in Council Directive 2003/48/EC on taxation of savings income in the form of interest payments.

**PROPOSED ACT:** Council Decision.

**ROLE OF THE EUROPEAN PARLIAMENT:** the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

**CONTENT:** with this proposal, the Council is called to approve, on behalf of the EU, the Amending Protocol to the Agreement between the European Community and Liechtenstein providing for measures equivalent to those laid down in Council Directive 2003/48/EC on taxation of savings income in the form of interest payments.

The text of the Amending Protocol aligns the Agreement between the European Community and the Principality of Liechtenstein providing for measures equivalent to those laid down in [Council Directive 2003/48/EC](#) on taxation of savings income in the form of interest payments with the latest developments at international level concerning the automatic exchange of information, namely, with **the Global Standard for automatic exchange of financial account information in tax matters**, developed by the Organisation for Economic Cooperation and Development (OECD).

The Union, its Member States and the Principality of Liechtenstein have actively participated in the work of the Global Forum of the OECD for supporting the development and implementation of that Standard.

The text of the Agreement, as amended by the Amending Protocol, is the legal basis for implementing **the Global Standard in relations between the European Union and Liechtenstein**.

The Amending Protocol introduces a new body of provisions comprising 10 articles, an Annex I which sets out the common standard on reporting and due diligence for financial accounting information established at the OECD, an Annex II setting out complementary reporting rules and Annex III which sets out the list of competent authorities in Liechtenstein and each Member State.

*For more details on the Amending Protocol, please see the summary of the initial legislative proposal of 7.8.2015.*