

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

2016/0109(NLE) - 11/10/2016 - Final act

PURPOSE: to approve the conclusion of an Agreement between the EU and Monaco on the automatic exchange of financial account information, aimed at improving international tax cooperation and compliance

PROPOSED ACT: Council Decision.

NON-LEGISLATIVE ACT: Council Decision (EU) 2016/1830 on the conclusion, on behalf of the European Union, of the Amending Protocol to the Agreement between the European Community and the Principality of Monaco providing for measures equivalent to those laid down in Council Directive 2003/48/EC.

CONTENT: the Council approved, on behalf of the European Union, the Amending Protocol to the Agreement between the European Community and the Principality of Monaco 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 Amending Protocol to the Agreement between the European Community and Monaco was **signed on 12 July 2016**. It aligns the Agreement between the European Community and Monaco with the latest developments at international level concerning 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 text of the Agreement, as amended by the Amending Protocol, is the legal basis for implementing the Global Standard in the relations between the Union and Monaco. It will contribute to efforts to clamp down on tax evasion, **by requiring the EU Member States and Monaco to exchange information automatically**. This will allow their tax administrations improved cross-border access to information on the **financial accounts** of each other's residents.

Information to be exchanged concerns not only income such as interest and dividends, but also account balances and proceeds from the sale of financial assets.

ENTRY INTO FORCE: 11.10.2016.