

Taxation: administrative cooperation

2009/0004(CNS) - 18/12/2017 - Follow-up document

This Commission staff working document concerns the application of Council Directive (EU) No 2011/16/EU on administrative cooperation in the field of direct taxation.

It contains qualitative and quantitative information on the application of the Directive 2011/16/EU (the Directive or DAC) since its entry into force on 1 January 2013.

As a reminder, the Directive aims to ensure a strong legal basis for administrative cooperation within the Union leading to a higher degree of transparency: wide in scope, it provides for a comprehensive framework for administrative cooperation, while improving the timeline for the exchange of information on request and spontaneously. Its operation enhances the automatic exchange of information, allowing for a broad use of the information exchanged and ensuring a level playing field between the Member States.

The main findings in the report may be summarised as follows:

- **the organisation in the Member States:** all Member States have designated a competent authority, typically their tax administration, for the purposes of the Directive. They have also designated a central liaison office (CLO) within their competent authorities who have principal responsibility for contacts with other Member States. The number of staff members dedicated to administrative cooperation in the field of direct taxation differed in 2013-2014 widely between Member States. Overall, they reported that relatively few staff is dedicated to administrative cooperation;
- **the exchange of information on request (EOIR):** the competent authority of a Member State sends a request for information to another to get information that is foreseeably relevant to the administration and enforcement of the domestic laws of the requesting Member State. Since 2013, overall Member States have sent each other nearly 35 000 requests for information. The Commission services acknowledge the efforts made by the Member States to comply with the time limits established by the Directive but would encourage them to continue exchanging good quality information and to improve the timeliness of the replies.
- **the automatic exchange of information (AEOI) in administrative cooperation:** this means sending predefined tax data regularly without prior request from one Member State to the Member State where a taxpayer is resident. Before 1 January 2019, the Commission shall submit a report that provides an overview of AEOI; the
- **the spontaneous exchange of information (SEOI):** since 2013, all Member States have sent information spontaneously: overall around 70 000 SEOI exchanges have taken place between Member States.