

Indirect taxation in the internal market: Fiscalis programme 2003-2007

2002/0015(COD) - 26/07/2002 - Council position

The common position fully supports the thrust of the Commission's proposal, including the extension of the programme activities to direct taxation. In its common position, the Council has taken one of the amendments proposed by the Parliament into account. This amendment relates to the submission to the European Parliament of the report which the Commission will establish annually setting out the progress of the programme's activities in terms of implementation and results in relation to the annual action plan. Two of the amendments proposed by the Parliament amend the programme objectives in relation to value added tax and direct taxation. The Council decided unanimously to amend the Commission proposal in respect of these objectives. The reason that the Council amended these objectives was to underline that Fiscalis 2007 was not a "political" programme, but rather a programme designed to enhance administrative cooperation between Member States' tax officials. The Commission agrees that it is not the purpose of the programme to harmonise tax legislation, and is happy to have a minutes statement inserted to this effect. Two amendments proposed by the Parliament have not been accepted by the Commission or the Council. These amendments relate to the actions of the programme and the development of synergy with future programmes. A number of new elements have been proposed by the Council. With the exception of the change in the financial framework of the programme, all the other new elements are of a drafting nature, which in the view of the Council, clarify the text. The Council stipulates that the number of participants in the exchanges of officials may be limited for practical reasons and, in line with the amendment on multilateral controls, the exchanges may be restricted to officials in respect of indirect taxation. In addition, the the financial framework for the implementation of the programme may not exceed EUR 44 million for the period from 1 January 2003 to 31 December 2007.