Taxation: common system for interest and royalty payments made between associated companies of different Member States

2003/0331(CNS) - 30/12/2003 - Legislative proposal

PURPOSE : to update and improve the already existing Council Directive (2003/49/EC on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States). PROPOSED ACT : Council Directive. CONTENT : the three changes included in the proposal contribute to the objectives of the above-mentioned Directive: - especially in reiterating the principle that the benefits of the Directive shall only be granted when the interest and royalty payments are taxed once in a Member States; - by expanding the scope of the Directive to types of company not yet covered; - by clarificating the application of the Directive to the European Company and the European Cooperative Society.