

Fiscalis 2013: Community programme to improve the operation of taxation systems in the internal market

2006/0076(COD) - 17/05/2006 - Legislative proposal

PURPOSE: the establishment of a Community programme (**Fiscalis 2013**).

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: the Commission is presenting this proposed Decision in order to extend the current Fiscalis 2007 programme, the purpose of which is to improve the operation of taxation systems in the internal market. The extended programme will benefit from additional financial resources needed to support new policy initiatives and needed to fund a marginal increase of the budget for all other sub-headers. It is being presented together with the proposed extension of the Customs 2013 programme and is set to last from 1 January 2008- 31 December 2013, coinciding with the multi-annual Financial Framework.

The overall objective of the Fiscalis 2013 programme is to increase co-operation between participating countries; their administrations, officials and other bodies. In addition, the programme acts as a useful tool to identify and remedy legislative and/or administrative short-comings. Specific objectives are foreseen. They are:

- For VAT, excise duty, taxes on income and on capital: i) to secure efficient, effective and extensive information exchange and administrative co-operation; ii) train officials to a high common standard of Community law and its implementation in Member States and iii) to ensure administrative improvements through the dissemination of good practice.
- Regarding taxes on insurance premiums: to improve administrative co-operation and a better application of existing rules
- Regarding candidate and potential candidate countries: to meet the special needs of those countries in the field of tax legislation and administrative capacity.
- Regarding third countries and in particular those of the partner countries of the European neighbourhood policy: to improve co-operation with the tax administration of those countries.

The actions being proposed include communication and information exchange systems; multilateral controls; seminar and project groups; working visits; training activities; programme participation and information sharing.

The Fiscalis programme seeks to answer present and future challenges facing taxation. Emphasis will, therefore, be put on expanding officials' knowledge of Community law as well and perfecting the detection of fraud through administrative co-operation. The Fiscalis 2013 programme will also improve upon tax controls and it will decrease the administrative burden on taxable persons. The flexibility offered by the Fiscalis programme has given it a vital role in the fight against tax fraud. In the case of VAT, for example, fraud may be close to 1% of GNP. Further, some 50 million taxable persons benefit from the VAT Information Exchange System (VIES). Tax auditors rely on VIES for their control work. Lastly, Fiscalis acts as a vital tool in helping officials become aware of the role Europe plays in their day to day activities.

For further information concerning the financial implications of this measure, please refer to the financial statement.

