

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

2006/0076(COD) - 21/03/2007

In adopting the report drafted under the codecision procedure by Mr. Hans-Peter MARTIN (NI, AUS), the Committee on Economic and Monetary Affairs approved amendments to the proposal for a decision of the European Parliament and of the Council establishing a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2013).

The Committee takes the view that the financial framework referred to in the legislative proposal must be consistent with the ceiling for Heading 1A of the new multiannual financial framework and points out that the annual amount will be laid down during the annual budgetary procedure, pursuant to the provisions of Point 37 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the European Commission on budgetary discipline and sound financial management.

The main amendments put forward by the Members are as follows:

- the report draws attention to the fact that the proposal under examination is one of a number of initiatives seeking to improve the operation of the internal market;
- participation in activities such as multilateral inspections, seminars and project groups, working visits, training activities and other actions necessary for the achievement of the programme's objectives should be on a voluntary basis;
- a definition of 'multilateral control' was introduced: ' a co-ordinated control of the tax liability of one or more related taxable persons, organised by two or more participating countries including at least one Member State, and who have common or complementary interests';
- participating countries should be represented by officials and/or experts which might put forward new and fresh ideas and creates an opportunity to represent business community's point of view;
- it is specified that the overall objective of the programme shall be to improve the proper functioning of the taxation systems in the internal market by increasing co-operation between participating countries, their administrations and officials;
- the specific objectives of the programme should be a) in respect of taxes on income and on capital, i) to secure efficient and effective information exchange and administrative cooperation, including the sharing of good administrative practices; and ii) to enable officials to achieve a high standard of understanding of Community law and of its implementation in Member States; b) in respect of candidate and potential candidate countries, to meet the special needs of those countries so that they take the necessary measures for accession in the field of tax legislation and administrative capacity;
- the work programme should be based on a schedule of actions envisaged for the budgetary year concerned and the expected breakdown of the funds. It should be published on the Internet website of the Commission;

- for all measures taken under the programme, precisely defined objectives and measurable indicators should be laid down and analysed and form the basis for the decision on measures eligible for assistance;
- participating countries should choose from among the multilateral controls organised by them those whose costs are to be borne by the Community. After each such control an evaluation report shall be submitted to the Commission;
- visiting officials shall be bound by the same rules of professional secrecy and transparency as national officials;
- information resulting from programme activities shall be shared between participating countries and the Commission insofar as it contributes to the achievement of the programme's objectives;
- the Commission shall submit the draft implementing measures to Parliament in good time so that, where necessary, Parliament may deliver its opinion in accordance with Article 8 of Decision 1999/468/EC before the measure is adopted;
- given that the possibility to promote other activities necessary for the realisation of the programme's objectives is formulated in a very vague way, a 5% ceiling of the total cost of the programme is provided for;
- the share of administrative expenditure should, in general, not exceed 5% of the overall cost of the programme, including administrative expenditure attributed to the Commission;
- should the Commission conclude framework partnership agreements, it should comply with the relevant provisions of the Financial Regulation without exception. Since those provisions do not deal exclusively with financial control, the applicability of the Financial Regulation should be laid down in a separate article. Members of the Committee consider that audits are much more effective if performed without prior notice and that the text should contain a provision to this effect;
- the Commission should inform the relevant European Parliament committees of the rules of procedure adopted by the Fiscalis Committee and of its composition;
- the participating countries should submit, by 31 March 2011 at the latest, a mid-term evaluation report on the programme's relevance, effectiveness and efficiency;
- the dates for the submission of reports by the Commission to Parliament, the Economic and Social Committee and the Committee of the Regions do not take sufficient account of the timetable for Parliament's budget procedure. Those deadlines should therefore be brought forward from 30 September 2011 to 31 July 2011 (interim evaluation report) and from 30 September 2014 to 31 July 2014 (final evaluation report).

It should be noted that the parliamentary committee deleted the provisions stipulating that the programme could also be open, under certain conditions, to certain partner countries of the European Neighbourhood Policy as a means of supporting the reform of their tax systems. It also deleted a measure allowing the Commission to make the communication and information exchange systems available to other public services for tax or non-tax purposes provided that a financial contribution is paid to the programme budget.