Basic information

2016/0107(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Country by country reporting Amending Directive 2013/34/EU 2011/0308(COD) See also 2018/2552(RSP) **Subject** 3.45.01 Company law 3.45.04 Company taxation **Legislative priorities** Joint Declaration 2021	

Key players

European Parliament

Joint committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	REGNER Evelyn (S&D)	18/07/2019
JURI Legal Affairs	GARCÍA DEL BLANCO Ibán (S&D)	18/07/2019
	Shadow rapporteur PIETIKÄINEN Sirpa (EPP) POSPÍŠIL Jiří (EPP) SÉJOURNÉ Stéphane (Renew) HAUTALA Heidi (Greens /EFA) URTASUN Ernest (Greens /EFA) VAN OVERTVELDT Johan (ECR) STANCANELLI Raffaele (ECR) LAPORTE Hélène (ID) AUBRY Manon (The Left)	

Former joint committee responsible	Former rapporteur	Appointed
ECON Economic and Monetary Affairs	BAYET Hugues (S&D)	15/06/2016

JURI Legal Affairs	REGNER Evelyn (S&D)	15/06/2016
	Shadow rapporteur ESTARÀS FERRAGUT Rosa (PPE) ROSATI Dariusz (PPE) KARIM Sajjad (ECR) RUOHONEN-LERNER Pirkko (ECR) CAVADA Jean-Marie (ALDE) TREMOSA I BALCELLS Ramon (ALDE) MAŠTÁLKA Jiří (GUE/NGL) VIEGAS Miguel (GUE/NGL) DURAND Pascal (Verts/ALE) URTASUN Ernest (Verts /ALE) MEUTHEN Jörg (EFDD)	

Former committee for opinion	Former rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	SCHLEIN Elly (S&D)	16/09/2016
INTA International Trade	The committee decided not to give an opinion.	

Former committee for opinion on the legal basis	Former rapporteur for opinion	Appointed
JURI Legal Affairs	CAVADA Jean-Marie (ALDE)	11/01/2017

Council of the European Union

Council configuration	Meetings	Date
Competitiveness (Internal Market, Industry, Research and Space)	3527	2017-03-21

European Commission

Commission DG	Commissioner
Financial Stability, Financial Services and Capital Markets Union	DOMBROVSKIS Valdis

European Economic and Social Committee	

Key events

Date	Event	Reference	Summary
12/04/2016	Legislative proposal published	COM(2016)0198	Summary
28/04/2016	Committee referral announced in Parliament, 1st reading		
19/01/2017	Referral to joint committee announced in Parliament		
21/03/2017	Debate in Council		
12/06/2017	Vote in committee, 1st reading		
12/06/2017	Rejection by committee to open interinstitutional negotiations with report adopted in committee		
21/06/2017	Committee report tabled for plenary, 1st reading	A8-0227/2017	Summary
04/07/2017	Decision by Parliament, 1st reading	T8-0284/2017	Summary
04/07/2017	Results of vote in Parliament		
04/07/2017	Debate in Parliament		
04/07/2017	Matter referred back to the committee responsible for interinstitutional negotiations		
27/03/2019	Decision by Parliament, 1st reading	T8-0309/2019	Summary
27/03/2019	Results of vote in Parliament		
04/03/2021	Committee decision to open interinstitutional negotiations after 1st reading in Parliament		
08/03/2021	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 73)		
14/06/2021	Approval in committee of the text agreed at early 2nd reading interinstitutional negotiations	PE693.839	
30/09/2021	Council position published	09722/1/2021	Summary
07/10/2021	Committee referral announced in Parliament, 2nd reading		
28/10/2021	Vote in committee, 2nd reading		
03/11/2021	Committee recommendation tabled for plenary, 2nd reading	A9-0305/2021	
10/11/2021	Debate in Parliament		
11/11/2021	Decision by Parliament, 2nd reading	T9-0446/2021	Summary
24/11/2021	Final act signed		
01/12/2021	Final act published in Official Journal		

Technical information

Procedure reference	2016/0107(COD)

Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 2013/34/EU 2011/0308(COD) See also 2018/2552(RSP)
Legal basis	Rules of Procedure EP 61 Rules of Procedure EP 59
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	CJ29/9/05459

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Specific opinion	JURI	PE597.460	17/01/2017	
Committee draft report		PE597.646	09/02/2017	
Amendments tabled in committee		PE601.191	21/03/2017	
Committee opinion	DEVE	PE585.508	28/04/2017	
Committee report tabled for plenary, 1st reading/single reading		A8-0227/2017	21/06/2017	Summary
Text adopted by Parliament, partial vote at 1st reading /single reading		T8-0284/2017	04/07/2017	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0309/2019	27/03/2019	Summary
Text agreed during interinstitutional negotiations		PE693.839	10/06/2021	
Committee draft report		PE697.852	14/10/2021	
Committee recommendation tabled for plenary, 2nd reading		A9-0305/2021	03/11/2021	
Text adopted by Parliament, 2nd reading		T9-0446/2021	11/11/2021	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position	09722/1/2021	30/09/2021	Summary
Draft final act	00074/2021/LEX	24/11/2021	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2016)0198	12/04/2016	Summary
	SWD(2016)0117		

Document attached to the procedure		13/04/2016	
Document attached to the procedure	SWD(2016)0118	13/04/2016	
Commission response to text adopted in plenary	SP(2019)437	30/07/2019	
Commission communication on Council's position	COM(2021)0617	01/10/2021	

National parliaments

Document type	Parliament/Chamber	Reference	Date	Summary
Contribution	DE_BUNDESRAT	COM(2016)0198	18/05/2016	
Contribution	PT_PARLIAMENT	COM(2016)0198	15/06/2016	
Reasoned opinion	SE_PARLIAMENT	PE585.430	20/06/2016	
Reasoned opinion	IE_HOUSES-OF-OIREACHTAS	PE585.457	22/06/2016	
Contribution	IT_SENATE	COM(2016)0198	26/07/2016	
Contribution	RO_CHAMBER	COM(2016)0198	14/10/2016	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES2391/2016	21/09/2016	

Additional information

Source	Document	Date
EP Research Service	Briefing	
European Commission	EUR-Lex	

Final act

Directive 2021/2101
OJ L 429 01.12.2021, p. 0001

Country by country reporting

2016/0107(COD) - 12/04/2016 - Legislative proposal

PURPOSE: to complement existing obligations of companies to disclose financial information in order to improve fairness and tax transparency.

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

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: in recent years, the challenge posed by corporate income tax avoidance has increased considerably and has become a major focus of concern within the Union and globally.

The Commission in its communications entitled 'Commission Work Programme 2016 - No time for business as usual' and 'Commission Work Programme 2015 - A New Start' identified as a priority the need to move to a system whereby the country in which profits are generated is also the country of taxation.

The Commission announced in March 2015, a comprehensive list of initiatives in its Action Plan on a Fairer Corporate Tax System and proposed as part of the subsequent Anti-Tax Avoidance Package (ATAP), to implement in the Union Action 13 of the OECD Action Plan endorsed by the G20 to fight base erosion and profit shifting (hereafter, BEPS).

Responding to the calls from the G20 and elsewhere, **greater transparency on the side of companies** is needed to enable public scrutiny of whether tax is paid where profits are produced.

The European Parliament in its resolution of 16 December 2015 on bringing transparency, coordination and convergence to corporate tax policies in the Union acknowledged that increased transparency in the area of corporate taxation can improve tax collection, make the work of tax authorities more efficient and ensure increased public trust and confidence in tax systems and governments.

IMPACT ASSESSMENT: the preferred option identified in the impact assessment is the one concerning a public **country-by-country reporting** on worldwide operations broken down by EU Member State and aggregated for non-EU operations.

In terms of societal benefits, this initiative responds to the increased demand for transparency regarding the tax affairs of multinational enterprise groups. By providing more information in a more convenient form, it should also contribute to increasing public trust in the fairness of the tax systems.

CONTENT: this proposal seeks to amend Directive 2013/34/EU with a view to providing the tax administration with a complete set of information required to consider potential harmful tax practices rather than to provide the wider public with a general set of country-by-country data to improve transparency. It requires the multinational enterprises to **disclose publicly** certain items of the information submitted to tax authorities.

Scope of the proposal: the proposal applies to all EU and non-EU MNEs with a **consolidated turnover of at least EUR 750 million**, having activities in the EU by way of at least an establishment. This is the same threshold as that set out in the OECD/BEPS and in the ATAP.

According to the OECD, based on this threshold, only 10-15% of MNEs will be required to submit a CBCR; but the turnover of those MNEs will represent approximately 90% of the turnover of all MNEs. Small and medium-sized companies, who represent more than 95 % of all companies in the EU, are not affected by the proposal.

For any MNE headquartered in a third country, the **obligation will fall on its subsidiaries or branches in the EU** unless the non-EU MNE makes the CBCR group report publicly accessible and indicates which subsidiary or branch in the EU is responsible for the publication of the CBCR on behalf of the "parent" company.

Banking groups: where these are multinational enterprises which fall within the scope of this initiative, they will be exempted from the obligation to report on income tax information, provided that the report disclosed under Article 89 of Directive 2013/36/EU encompasses the activities of the ultimate parent undertaking in the EU and of all of its affiliated undertakings.

Content of the report on income tax information: disclosed information includes: (i) the nature of the activities, (ii) the number of persons employed; (iii) the net turnover made (including with related parties); (iv) the profit made before tax; (v) the amount of income tax due in the country as a reason of the profit made in the current year; (vi) the actual payments made to the country's treasury during that year; (vii) the amount of accumulated earnings.

In order to ensure a level of detail that will enable citizens to better assess how MNEs contribute to welfare in each Member State, the information should be **broken down by Member State**. In addition, because some third countries refuse to respect good governance standards in taxation and pose specific tax challenges, the information on operations of MNEs should also be shown with a **high level of detail**.

Publication: the consolidated report on income tax information will be published in a business register with the objective of ensuring certainty and availability over time. Moreover, as the objective of this initiative is to enable public scrutiny, those reports will also be made **accessible to the public on company websites**. To allow for comparisons over time, reports will remain accessible for **at least five consecutive years on the websites**.

Enforcement: enforcement of this initiative will be ensured with a combination of provisions. Member States should introduce **collective responsibility** of the administrative, management and supervisory bodies for these reports.

The statutory auditor of any local subsidiary in charge will have to verify whether the CBCR has been provided and made accessible on the Internet. In the case of a branch of a third country multinational enterprises, that responsibility will be borne by those persons in charge of disclosure formalities.

Lastly, Directive 2013/34/EU will apply, ensuring that **infringements will be sanctioned** by effective, proportionate and dissuasive penalties for MNEs or their subsidiaries or branches.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.

Country by country reporting

2016/0107(COD) - 30/09/2021 - Council position

The Council adopted its position at first reading with a view to the adoption of a directive of the European Parliament and of the Council amending directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches.

The purpose of this proposal is to amend Directive 2013/34/EU with a view to supplementing the current financial reporting obligations of companies and thereby increasing public tax transparency.

Increased transparency of corporate income tax information

The proposed amending directive requires certain multinational enterprises to disclose publicly, through country-by-country reporting, the income taxes they pay and other tax information.

Multinational enterprises with a turnover in excess of **EUR 750 million** will have to comply with these additional transparency requirements. **Non-EU MNEs operating in the EU** will also be subject, through their subsidiaries and branches, to the same reporting obligations as EU MNEs.

The Council's position does not change the existing rules on non-financial reporting and sectoral PSDs for the banking sector and for the extractive and forestry industries. However, it introduces an exemption to avoid imposing a double reporting obligation for the banking sector, which is already subject to strict disclosure rules under EU banking legislation.

Content of the report on income tax information

The published information should include:

- the name of the ultimate parent undertaking or the standalone undertaking, the financial year concerned, the currency used for the presentation of the report and, where applicable, a list of all subsidiary undertakings consolidated in the financial statements of the ultimate parent undertaking established in the EU or in tax jurisdictions included in Annexes I and II to the Council conclusions on the **revised EU list of non-cooperative jurisdictions** for tax purposes;

- a brief description of the nature of their activities;

- the number of employees on a full-time equivalent basis;

- the sum of the net turnover;

- the income as defined by the financial reporting framework on the basis of which the financial statements are prepared, excluding value adjustments and dividends received from affiliated undertakings;

- the amount of profit or loss before income tax;

- the amount of income tax accrued during the relevant financial year;

- the amount of income tax paid on a cash basis;

- the amount of accumulated earnings at the end of the relevant financial year.

The information should be presented using a **common template and electronic reporting formats** which are machine-readable. The Commission will, by means of implementing acts, lay down that common template and those electronic reporting formats.

Safeguard clause

Member States may allow for one or more specific items of information otherwise required to be disclosed to be temporarily omitted from the report where their disclosure would be seriously prejudicial to the commercial position of the undertakings to which the report relates. All information omitted should be made public in a later report on income tax information, within no more than **five years** of the date of its original omission.

Statutory auditor's statement

The Council's position is that the audit can only consist of a factual check of the publication of the report, not of its content.

Review clause

No later than five years and six months after the date of entry into force of the amending Directive, the Commission will present a report on compliance with the reporting obligations and their impact. It will, in particular, assess the appropriateness of extending the obligation to report corporate income tax information to large groups and of extending the content of the report to include additional

A deadline of 18 months has been set for transposition.

Country by country reporting

2016/0107(COD) - 11/11/2021 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a legislative resolution **approving** the Council position at first reading with a view to the adoption of a directive of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches.

Increased transparency of corporate income tax information

The amendment to Directive 2013/34/EU aims to increase the transparency of large multinational enterprises. It will require **multinational enterprises with a turnover in excess of EUR 750 million** to indicate where they make their profits and to publicly disclose, in a specific statement, the taxes on profits they pay.

Non-EU multinational enterprises operating in the EU through subsidiaries and branches will also have to comply with the same reporting obligations as EU multinational enterprises.

This information will also need to be made **publicly available** on the internet, using a common template and in a machine-readable format: (i) on the website of the ultimate parent undertaking or standalone undertaking; (ii) in at least one of the official languages of the Union; (iii) no later than **12 months** after the balance sheet date of the financial year for which the report is drawn up.

The Directive sets out the conditions under which a company may postpone the disclosure of certain information for a **maximum period of five years**.

Content of the report on income tax information

The report on income tax information should include information on all the activities of the standalone undertaking or the ultimate parent undertaking, including those of all related undertakings consolidated in the financial statements for the financial year concerned. It will include, where appropriate, a list of all subsidiary undertakings included in the consolidated financial statements of the ultimate parent undertaking which are established in the Union or in tax jurisdictions listed in Annexes I and II of the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes.

The Directive also specifies who is responsible for ensuring compliance with the reporting obligations.

Country by country reporting

2016/0107(COD) - 27/03/2019 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a legislative resolution on the proposal for a directive of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches (close of first reading).

Parliament’s position adopted in first reading following the ordinary legislative procedure amended the Commission’s proposal.

Members stressed that a coordinated and harmonised approach to the implementation of national tax systems is essential for the smooth functioning of the single market and for preventing tax evasion and the transfer of profits. Public country-by-country reporting is an effective instrument for increasing transparency in the activities of multinational enterprises.

The main amendments adopted in plenary were as follows:

Increased transparency of information

Ultimate parent undertakings governed by their national laws and having a consolidated net turnover of EUR 750 million or more should make publicly available free of charge a report on income tax information on an annual basis. Subsidiaries with a consolidated net turnover of EUR 750 million or more in their balance sheet in a financial year would also be subject to reporting requirements.

The report on income tax information would be published in a common template established by the Commission through an implementing act, available for free in an open data format and made accessible to the public on the company’s website on the date of its publication in at least one of the EU’s official languages. On the same date, the company shall also file the report in a public registry managed by the Commission.

Companies established only in the territory of a single Member State and in no other tax jurisdiction shall be exempted from the application of those rules.

The information shall be presented in the common template and comprise the following, broken down by tax jurisdiction:

- the name of the ultimate mother-company and, where applicable, the list of all its subsidiaries, a brief description of the nature of their activities and their respective geographical location;
- the number of employees on a full-time equivalent basis;
- fixed assets other than cash or cash equivalents;
- the amount of the net turnover, including a distinction between the turnover made with related parties and the turnover made with unrelated parties;
- stated capital;
- details of public subsidies received and any donations made to politicians, political organisations or political foundations;
- whether companies, subsidiaries or branches benefit from a preferential tax treatment from a patent box or equivalent regimes.

Where a Member State comprises several tax jurisdictions, the information shall be presented separately for each tax jurisdiction, including each tax jurisdiction outside the EU.

Temporary omissions

In order to protect commercially sensitive information and to ensure fair competition, Member States may allow that one or more of the specific items of information listed above be temporarily omitted from the report as regards activities in one or more specific tax jurisdictions when they are of a nature such that their disclosure would be seriously prejudicial to the commercial position of the companies.

The omission should be accompanied by a reasoned explanation and be subject to the prior approval of the competent national authority. Member States should notify the Commission of all temporary derogations. The Commission should monitor the use of this derogation. If the Commission concludes, after having carried out its assessment of the information received, that the requirement laid down is not fulfilled, the undertaking concerned shall immediately make the information publicly available.

Guidelines

The Commission shall, by means of a delegated act, adopt guidelines to assist Member States to define cases where the publication of information would be considered seriously prejudicial to the commercial position of the companies to which it relates.

Reporting

The Commission shall present a report on the compliance with and the impact of the reporting obligations. The report shall include an evaluation of whether the report on income tax information delivers appropriate and proportionate results, and shall assess the costs and benefits of lowering the consolidated net turnover threshold beyond which companies and branches are required to report on income tax information.

Review

No later than 4 years after the adoption of this directive, the Commission shall review the following:

- companies and branches required to report on income tax information, particularly whether it would be appropriate to enlarge the scope of this Chapter to include large companies;
- the content of the report on income tax information;
- the temporary derogations provided for in the directive.

The Commission shall submit the report to the European Parliament and to the Council, together with a legislative proposal, if appropriate.

Sanctions

Member States shall at least provide for administrative measures and penalties for the infringement by companies of national provisions.

Country by country reporting

2016/0107(COD) - 04/07/2017 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 534 votes to 98, with 62 abstentions, **amendments** to the proposal for a directive of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches.

The matter was referred back to the competent committees for interinstitutional negotiations.

Members stressed that a **coordinated and harmonised approach** to the implementation of national tax systems is essential for the smooth functioning of the single market and for preventing tax evasion and the transfer of profits. **Public country-by-country reporting** is an effective instrument for increasing transparency in the activities of multinational enterprises.

The main amendments adopted in plenary were as follows:

Increased transparency of information: ultimate parent undertakings governed by their national laws and having a **consolidated net turnover of EUR 750 million or more** should make publicly available free of charge a **report on income tax information on an annual basis.**

The report on income tax information would be published in a **common template**, available for free in an open data format and made accessible to the public on the company's website on the date of its publication in at least one of the EU's official languages. On the same date, the company shall also file the report in a public registry managed by the Commission.

Companies established only in the territory of a single Member State and in no other tax jurisdiction shall be exempted from the application of those rules.

The information shall be presented in the common template and comprise the **following**, broken down by tax jurisdiction:

- the name of the ultimate mother-company and, where applicable, the list of all its subsidiaries, a brief description of the nature of their activities and their respective geographical location;

- the number of employees on a full-time equivalent basis;
- fixed assets other than cash or cash equivalents;
- the amount of the net turnover, including a distinction between the turnover made with related parties and the turnover made with unrelated parties;
- stated capital;
- details of public subsidies received and any donations made to politicians, political organisations or political foundations;
- whether companies, subsidiaries or branches benefit from a preferential tax treatment from a patent box or equivalent regimes.

Where a Member State comprises several tax jurisdictions, the information shall be presented separately for each tax jurisdiction, including each tax jurisdiction outside the EU.

Temporary omissions: in order to protect commercially sensitive information and to ensure fair competition, Member States may allow that one or more of the specific items of information listed above be temporarily omitted from the report as regards activities in one or more specific tax jurisdictions when they are of a nature such that their disclosure would be **seriously prejudicial to the commercial position** of the companies.

The omission should be accompanied by a **reasoned explanation** and be subject to the prior approval of the competent national authority. Member States should notify the Commission of all temporary derogations. The Commission should monitor the use of this derogation.

Guidelines: the Commission shall, by means of a delegated act, adopt guidelines to assist Member States to define cases where the publication of information would be considered seriously prejudicial to the commercial position of the companies to which it relates.

Reporting: the Commission shall present a report on the compliance with and the impact of the reporting obligations. The report shall include an evaluation of whether the report on income tax information delivers appropriate and proportionate results, and shall assess the costs and benefits of lowering the consolidated net turnover threshold beyond which companies and branches are required to report on income tax information.

Review: no later than 4 years after the adoption of this directive, the Commission shall review the following:

- companies and branches required to report on income tax information, particularly whether it would be appropriate to enlarge the scope of this Chapter to include large companies;
- the content of the report on income tax information;
- the temporary derogations provided for in the directive.

The Commission shall submit the report to the European Parliament and to the Council, together with a legislative proposal, if appropriate.

Sanctions: Member States shall at least provide for administrative measures and penalties for the infringement by companies of national provisions.

Country by country reporting

2016/0107(COD) - 21/06/2017 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs and the Committee on Legal Affairs jointly adopted the report by Hugues BAYET (S&D, BE) and Evelyn REGNER (S&D, AT) on the proposal for a directive of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches.

The committee recommended that the European Parliament’s position adopted at first reading, following the ordinary legislative procedure, should amend the Commission proposal as follows:

Members recalled that the European Parliament has long been calling for public country-by-country reporting (CBCR) on tax-relevant company data which it considers as a key element in the fight against international tax evasion and tax avoidance. However, there is a need for enhanced transparency and public scrutiny on corporate income tax.

Increased transparency: an amendment stressed that the report on income tax information shall be published in a **common template**, available for free in an open data format and made accessible to the public on the website of the undertaking on the date of its publication in at least one of the official languages of the Union. On the same date, the undertaking shall also file the report in a public registry managed by the Commission.

The information shall be presented in the common template and shall comprise the following, broken down by tax jurisdiction:

- the name of the ultimate undertaking and, where applicable, the list of all its subsidiaries, a brief description of the nature of their activities and their respective geographical location;
- the number of employees on a full-time equivalent basis;
- fixed assets other than cash or cash equivalents;
- the amount of the net turnover, including a distinction between the turnover made with related parties and the turnover made with unrelated parties;
- stated capital;
- whether undertakings, subsidiaries or branches benefit from a preferential tax treatment from a patent box or equivalent regimes.

Where a Member State comprises several tax jurisdictions, the information shall be presented **separately** for each tax jurisdiction.

Temporary omissions: in order to protect commercially sensitive information and to ensure fair competition, Member States may allow that one or more of the specific items of information listed above be temporarily omitted from the report as regards activities in one or more specific tax jurisdictions when they are of a nature such that their disclosure would be seriously prejudicial to the commercial position of the undertakings.

Guidelines: the Commission shall, by means of a delegated act, adopt **guidelines** to assist Member States defining cases where the publication of information shall be considered seriously prejudicial to the commercial position of the undertakings to which it relates.

Reporting: the Commission shall present a report on the compliance with and the impact of the reporting obligations. The report shall include an evaluation of whether the report on income tax information delivers appropriate and proportionate results, and shall assess the costs and benefits of lowering the consolidated net turnover threshold beyond which undertakings and branches are required to report on income tax information.

Review: no later than 4 years after the adoption of this Directive, the Commission shall review the following:

- undertakings and branches required to report on income tax information, particularly whether it would be appropriate to enlarge the scope of this Chapter to include large undertakings;
- the content of the report on income tax information;
- the temporary derogations provided for in Directive.

The Commission shall submit the report to the European Parliament and to the Council, together with a legislative proposal, if appropriate.

Sanctions: Member States shall at least provide for administrative measures and penalties for the infringement by undertakings of national provisions.