

MEMO# 27299

June 12, 2013

New EU Directive on Automatic Exchange of Tax Information

[27299]

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TO: TAX COMMITTEE No. 17-13

ICI GLOBAL TAX COMMITTEE No. 12-13 RE: NEW EU DIRECTIVE ON AUTOMATIC EXCHANGE OF TAX INFORMATION

EU Tax Commissioner Algirdas Semeta released a proposal to amend an EU Directive on automatic exchange of tax information. The proposal is available [here](#). [\[1\]](#)

The current Directive on Administrative Cooperation (“DAC”) provides that, by 2015, EU member states will automatically exchange information on income from employment, directors’ fees, life insurance products not covered by other directives, pensions, and ownership of an income from immovable properties.

The new proposal generally expands the categories of income covered by the DAC to include dividends, capital gains, other financial income and account balances. The proposal also expands reporting on all covered types of income.

Another proposal being discussed by the EU, the EU Savings Tax Directive (“STD”) would provide for the automatic exchange of tax information to the member state of residence with respect to the savings of non-resident individuals. Luxembourg and Austria are currently blocking this Directive, as unanimity is required to pass tax legislation.

The combined reporting under these Directives would ensure that EU member states share the same level of tax information within the EU that is required to be provided to the U.S. under FATCA.

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endnotes

[1]

http://ec.europa.eu/taxation_customs/resources/documents/taxation/tax_cooperation/mutual_assistance/direct_tax_directive/com_2013_348_en.pdf

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