



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from: General Secretariat
to: Delegations

Subject: Report by Finance Ministers on Tax issues in the framework of the Euro Plus Pact

1. The European Council conclusions of 9 December 2011 concerning the Euro Plus Pact invite Finance Ministers of the participating Member States to report back by June 2012 on progress made in their structured discussions of tax policy issues.
2. Delegations will find attached the Report by Finance Ministers on Tax issues in the framework of the Euro Plus Pact, which was forwarded to Council (ECOFIN) on 22 June 2012 and endorsed by Finance Ministers of the Pact.

**REPORT BY FINANCE MINISTERS ON TAX ISSUES
IN THE FRAMEWORK OF THE EURO PLUS PACT**

1. As set out in the EC conclusions of 9 December 2011¹, this report by participant Finance Ministers of the Euro Plus Pact covers progress made in structured discussions on the coordination of tax policies.
2. Participants welcomed the Danish Presidency's intention to focus on areas where more ambitious activities can be envisaged and to pay particular attention to how tax policy can support economic policy coordination and contribute to fiscal consolidation and growth. They welcomed the comprehensive Presidency's report highlighting progress made during the last six months.²
3. In particular, participants welcomed the work done during the Danish Presidency regarding the Commission proposals on a Common Consolidated Corporate Tax Base (CCCTB), on energy taxation and on a common system of financial transaction tax and they call the incoming Presidency to carry on in this way.
4. Participants confirmed that discussions have allowed to take up a number of key issues set out in the Finance Ministers report to the EC in December 2011.³

¹ EUCO 139/1/11 (item 6).

² Doc. 10823/12 FISC 75 ECOFIN 493.

³ See report on issues to be covered by the structured discussions on tax coordination: doc. 17951/11 FISC 157 ECOFIN 847 CO EUR-PREP 51.

They noted that against the background of progress achieved, the issues set out in the December 2011 report should be looked at more specifically in the months to come, with a particular focus on avoidance of harmful tax practices, the fight against fraud and tax evasion, exchange of best practices and international coordination, among other issues mentioned in the December 2011 report.

5. The incoming Presidencies are invited to pursue work in these fields and to continue monitoring results in the context of the Council HLWP.
