



Brussels, 4 June 2021
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FISC 92
ECOFIN 555

'I/A' ITEM NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council

Subject: Code of Conduct Group (Business Taxation)
- Council conclusions
= Approval

1. In accordance with its mandate, the Code of Conduct Group (COCG) reports regularly to the Council on the progress of its work. The latest 6-monthly report of the COCG to the Council is set out in document 9341/21 + ADD 1-8.
2. Draft Council conclusions on the progress achieved by the COCG during the Portuguese Presidency were examined within the Working Party on Tax Questions (WPTQ). All delegations support the text of the conclusions as set out in the Annex to this note.
3. The Permanent Representatives Committee is therefore invited to recommend that the Council (ECOFIN) approves these conclusions as an "A" item on 18 June 2021.

Draft Council conclusions
on the progress achieved by the Code of Conduct (Business Taxation) Group
during the Portuguese Presidency

The Council:

1. WELCOMES the progress achieved by the Code of Conduct Group during the Portuguese Presidency as set out in its report (9341/21 + ADD 1-8), in particular with regard to the revision of the EU list of non-cooperative jurisdictions in February 2021 and the ongoing discussion on the reform of the scope of the mandate that should also cover features of tax systems that have general application and that may have harmful effects; in light of the good progress made so far, INVITES the Group to pursue the work;
2. REITERATES its readiness to continue to discuss the revision of the scope of the mandate as soon as there are relevant developments at international level but no later than by the beginning of 2022;
3. ENDORSES the progress reached in the assessment of standstill and rollback notifications by the Group and ASKS the Group to continue monitoring standstill and the implementation of the rollback;
4. WELCOMES the ongoing monitoring by the Group of the implementation of its past guidance notes and the progress achieved with regard to the monitoring of the implementation of the 2017 Guidelines on tax privileges related to special economic zones;

5. INVITES the Group to continue an effective dialogue with jurisdictions and monitoring, so that jurisdictions fulfil their respective commitments and comply with the EU listing criteria in accordance with the agreed deadlines; INVITES the Group to request commitments from jurisdictions where appropriate and according to a timeline agreed by the Group;
 6. NOTES that the Group intends to continue its work on the revision of the geographical scope of the EU listing exercise, while continuing work to incorporate beneficial ownership as a fourth transparency criterion;
 7. CALLS on the Group to continue its work concerning defensive measures in the tax area towards non-cooperative jurisdictions, in accordance with the agreed Guidance, and regularly report to the Council on further progress in these matters;
 8. TAKES NOTE of the discussion on the work on comparison between the EU list of non-cooperative jurisdictions for tax purposes and Member States' national lists; INVITES the Group to continue its work by further exploring the interaction between the EU and national lists;
 9. INVITES the Group to report back to the Council on its work during the Slovenian Presidency.
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