

EU endorses mandatory reporting on cross-border tax planning arrangements

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A new EU Directive imposes a reporting obligation on transactions associated with potentially aggressive cross-border tax planning with some connection to a member state. The reporting obligation rests primarily with those that design or market the arrangements and professional advisors, rather than the taxpayer. Transactions are caught if they meet one of a number of somewhat subjective hallmarks (for example, any cross-border transfer of hard-to-value intangibles). The information reported will be automatically exchanged between the tax authorities of all member states. Member states are required to implement the regime by 31 December 2019, but the reporting obligation will then apply to any transaction where the first step was implemented on or after 26 June 2018.

More details can be found in two Best Friends Briefings; [New obligation to report cross-border arrangements](#) and [Cross-border transactions that are RCBA's only if the main benefit test is satisfied](#).
