



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 6 May 2011**

**9830/11**

**FISC 48**

**"I/A" ITEM NOTE**

---

from: General Secretariat  
to: COREPER/Council

---

Subject: Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee on Removing cross-border tax obstacles for EU citizens  
- draft Council conclusions

---

1. On 5 January 2011, the Council received from the Commission a Communication on Removing cross-border tax obstacles for EU citizens (doc. 5037/11 FISC 1 + ADD 1).
2. At its meetings on 23 February 2011 and 5 May 2011, the Working Party on Tax Questions - Direct Taxation examined the Communication and agreed to the draft Council conclusions as set out in the Annex.
3. The Permanent Representatives Committee could therefore suggest that the Council adopt the abovementioned draft Council conclusions as an "A" item on the agenda of one of its forthcoming meetings.

**DRAFT COUNCIL CONCLUSIONS ON  
COMMUNICATION FROM THE COMMISSION  
ON REMOVING CROSS-BORDER TAX OBSTACLES FOR EU CITIZENS**

The Council:

- Notes the Communication from the European Commission to the Council, the European Parliament and the European Economic and Social Committee on removing cross-border tax obstacles for EU citizens (doc. 5037/11 FISC 1 + ADD 1),
- Notes that the Communication identifies the most relevant complaints by citizens in the Union about cross-border tax obstacles; recalls the existence of (pre-) litigation rules in the Members States involved,
- Stresses that each Member State of the Union has its own different tax system, the rules of which need to respect the fundamental freedoms; notes in that respect the Commission's intention to tackle certain specific cross-border problems it considers affect citizens and notes that any proposal for a legislative measure will be subject to a detailed impact assessment to establish the evidence of the problems and the added value of action at Union level,
- Notes the Commission's plans to establish a dialogue with Member States' tax administrations and stakeholders on appropriate solutions to other cross-border tax obstacles for citizens,
- Agrees that, without prejudice to the competences of the Member States, improved coordination and cooperation between their tax authorities may be beneficial to prevent double taxation and other cross-border tax obstacles,

- Recognises the importance of ensuring that citizens do not face tax obstacles to exercising the freedoms of the Internal Market,
  - Notes that the Commission will report on the progress accomplished in the report on EU citizenship planned for 2013.
-