

Savings taxation directive repealed

Directive 2003/48/EC, which since 2005 has allowed tax administrations better access to **information on private savers**, was repealed by the Council on 10 November 2015.

Repeal of the directive follows a **strengthening of measures to prevent tax evasion**. A significant overlap had developed with other legislation in this field, and the repeal eliminates that overlap.

Directive 2003/48/EC required the automatic **exchange of information** between member states on private savings income. This enabled interest payments made in one member state to residents of other member states to be taxed in accordance with the laws of the state of tax residence. The directive was last amended in March 2014 to reflect changes to savings products and developments in investor behaviour since it came into force in 2005.

In December 2014, the Council adopted directive 2014/107/EU amending provisions on the mandatory automatic exchange of information between tax administrations. It **extended the scope** of that exchange to include interest, dividends and other types of income. Directive 2014/107/EU will enter into force on 1 January 2016.

Directive 2014/107/EU is generally broader in scope than directive 2003/48/EC. It provides that in cases of overlap of scope, directive 2014/107/EU is to prevail.

International developments

Directive 2014/107/EU implements a single **global standard** developed by the OECD for the automatic exchange of information. The OECD standard was endorsed by G20 finance ministers in September 2014. EU agreements with Andorra, Liechtenstein, Monaco, San Marino and Switzerland, initially based on directive 2003/48/EC, are currently being revised to be aligned with directive 2014/107/EU and the new global standard.

Repeal of directive 2003/48/EC is part of a tax transparency package presented by the Commission in March 2015.

Transitional measures

The repeal was enacted by a directive adopted by the Council, which also provides for transitional measures. These concern in particular a derogation granted to **Austria** under directive 2014/107/EU, allowing it to apply that directive one year later than other member states.

The repeal directive was adopted at a meeting of the Economic and Financial Affairs Council, without discussion.

[Draft directive repealing the directive on the taxation of savings income](#)

[Press release on the adoption of the directive on the automatic exchange of information](#)

[Commission March 2015 tax transparency package](#)

[Press release on EU-Liechtenstein agreement on the automatic exchange of financial account information](#)

[Press release on EU-Switzerland agreement on the automatic exchange of financial account information](#)