

By PwC Deutschland | 16. Mai 2023

Council of the EU: Spotlight on crypto assets and the wealthiest individuals

The Council has reached agreement on its position regarding amendments to the directive on administrative cooperation in the area of taxation. The amendments mainly concern the reporting and automatic exchange of information on revenues from transactions in crypto-assets and information on advance tax rulings for the wealthiest (high-net-worth) individuals.

Cooperation between national taxation authorities

The aim is to strengthen the existing legislative framework by enlarging the scope for registration and reporting obligations and overall administrative cooperation of tax administrations.

Additional categories of assets and income, such as crypto assets, will now be covered. There will be a mandatory automatic exchange between tax authorities of information which will have to be provided by reporting crypto-asset service providers. So far, the decentralized nature of crypto assets has made it difficult for member states' tax administrations to ensure tax compliance. The inherent cross-border nature of crypto-assets requires strong international administrative cooperation to ensure effective tax collection.

The directive covers a broad scope of crypto assets, building on the definitions that are set out in the regulation on markets in crypto assets (MiCA) which the Council adopts today. Also, those crypto assets that have been issued in a decentralized manner, as well as stablecoins, including e-money tokens and certain non-fungible tokens (NFTs), are included in the scope.

Note: This directive is not subject to the ordinary legislative procedure but the consultation procedure. This means that the European Parliament may present its views but has no legislative power to make changes to the proposal. The outcome of this legislative process is decided by member states in the Council, by unanimity.

More details and the background on this issue to be found [here](#).

Schlagwörter

cooperation, crypto asset