

## EuroCommerce calls for rapid global agreement on OECD digital tax proposals

Commenting on the presentation yesterday of the OECD Secretariat's proposals on tax challenges from digitalisation of the economy, EuroCommerce Director-General Christian Verschueren commented:

*"We have been consistently supportive of the OECD's efforts to reform and adjust the global taxation system to the challenges of the 21st century. The fiscal environment has significantly changed and today's proposal is a major step towards a fairer and more modern tax system. This proposal is a valuable contribution to the discussions in the G20, and we ask governments to decide and act on them swiftly."*

EuroCommerce has always been a proponent of a global solution to deal with the changing commercial landscape and address an outdated regime and principles for corporate taxation.

Verschueren continued:

*"The technological revolution and the digitalisation of the economy is a global phenomenon. It has resulted in major shifts in turnover and profits across geographies, without taxes being properly accounted for where consumption takes place. Hence, only a global consensus on a solution can adequately address the situation. The OECD is the right place to provide this solution and we commend it for having accelerated its work and delivering its proposals. A global solution at OECD and G20 level will prevent proliferation of different national tax regimes on digital services".*

To support the OECD work, EuroCommerce adopted last year a set of key principles<sup>1</sup> for taxing the digitalised economy. A core principle of the EuroCommerce position is that the taxation has to be channel-neutral: underlining that digitalisation offers opportunities to the entire economy, in particular to retail and wholesale, but that the tax burden needs to be shared a fair way among all market participants, no matter the business model or the size of the company.

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<sup>1</sup> The key principles on taxation of the digitalised economy agreed by EuroCommerce members were :  
1) The system needs to be fair; 2) taxation should continue to be based on profits rather than on turnover;  
3) taxation needs to be channel-neutral; 4) rules need to be simply applicable by companies, and ensure that the administrative burden is in proportion to the generated revenue; 5) the new rules need to be enforceable on companies which are based outside the EU; 6) there needs to be a global solution at OECD and G20 level.