

Tax Ruling: 2017 News

The Council adopted a directive aimed at improving the transparency of the tax ruling that Member States provide to businesses in specific cases about the way in which the tax will be treated. The Directive is to prevent the avoidance of corporation. A tax ruling is a guarantee that a tax authority gives the taxpayer on how certain areas of taxation will be treated in that particular case. The new rules will apply from **1st January 2017**. The international ruling is an institution introduced by the legislator to ensure, as part of complex transnational operations, transparency and legal certainty in relations between tax authorities and taxpayers by reducing the risk of international double taxation and unfavorable outcome in litigation of disputes uncertain outcome. The international ruling is reserved for residents and non-resident companies with *international activities*, as identified in Directorial Decision to apply the July 23rd, 2004, which they supply goods and services with subsidiaries abroad and want to define. The ruling handed down is initiated by voluntary submission of an application on plain paper addressed to 'International Ruling Office. The cross-border operation definition and the secure central register of the EU Commission should be operational by **31st December 2017** and from which will be made available compulsorily, not on option, all data on international transactions.