



## Deferred but not deterred

### Deferred DAC6 reporting obligations: EU overview

#### Executive Summary

Following on from an agreement reached at the COREPER II meeting on 3 June 2020, the majority of European Union Member States have now exercised the option to the defer relevant time limits for reporting and exchanging information under DAC6 in light of the impact of the COVID-19 pandemic.

#### What is DAC6?

"DAC6" is the name given to EU Directive 2018/822, which is the sixth Directive to amend the Directive on Administrative Cooperation in the field of taxation (EU Directive 2011/16/EU). In summary, DAC6 requires intermediaries and, in some cases, taxpayers to report information relating to a wide range of cross-border arrangements to EU tax authorities. Each tax authority will then periodically share the information they receive with other EU tax authorities.

More detailed information on DAC6 is available on our [DAC6 hub](#).

#### Deferral

The commencement date for the reporting and information sharing requirements was originally 1 July 2020, with the first reports due by the end of August. However, the amended proposal gives each Member State the option to defer the reporting dates by **six months** as follows:

- change of date from 31 August 2020 to 28 February 2021 for the reporting of "historical" cross-border arrangements (i.e., reportable arrangements dating between 25 June 2018 to 30 June 2020)
- where a reportable cross-border arrangement is made available for implementation, or is ready for implementation, or where the first step in its implementation has been made between 1 July 2020 and 31 December 2020, the first deadline for the filing of reports is within the period of 30 days beginning on 1 January 2021
- change of date for the first exchange of information on reportable cross-border arrangements between Member State tax authorities from 31 October 2020 to 30 April 2021

#### The Picture Across Europe

Most Member States have adopted the EU's six month deferral, including the United Kingdom, France, Luxembourg and Spain. Interestingly and unexpectedly, Germany has indicated that it is opting against the deferral and will stick to the original DAC6 reporting timeline. This means there is a significant push for intermediaries and taxpayers to ensure that they are able to meet the first reporting deadline on 31 August 2020. In addition to Germany, Austria and Finland have both also indicated that they will not take advantage of the reporting deferral, although Austria is implementing a separate shorter delay due to technical issues with the electronic reporting mechanism.

#### Putting you in the picture

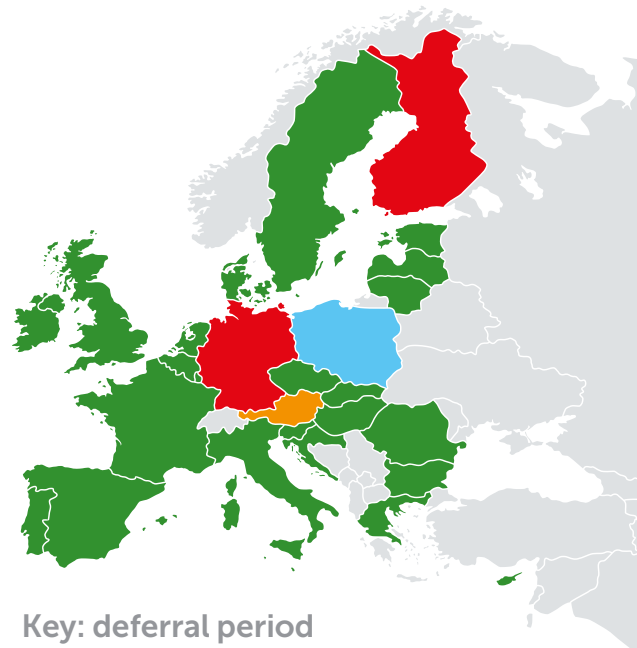
Preparing you for the new EU tax directive DAC6



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#### Key: deferral period

- Opted out of deferral
- Six months
- Opted out of deferral but penalties temporarily suspended
- Enacted a domestic deferral