

Tax Simplification Package

“Simpler EU tax reporting rules to reduce compliance costs, support investment and strengthen competitiveness.”

June 2026

The package is estimated to bring savings and reduce compliance costs for business by approximately **€8 billion** annually out of which, **€3.25 billion** per year in recurrent costs related to administrative burden.

The Taxation Simplification Package aims to simplify EU tax rules, reduce compliance burdens for businesses, while maintaining the level of protection against tax fraud, evasion and avoidance.

The package will modernise the EU's direct tax framework to make it more efficient and better adapted to the current economic environment and strengthen the competitiveness of the Internal Market.

The Package Includes

Simplification of Direct Taxation (Omnibus)

Simplification of the Directive on Administrative Cooperation (DAC Recast)

What will the Omnibus on Direct Taxation achieve?



**Simpler and more effective
tax rules**

It updates obsolete provisions, removes overlapping or overly complex rules, and enhances the coherence of the EU direct tax framework.



**Facilitating the financing of
the economy**

It removes tax obstacles that can discourage business investment and access to financing.



**Boosting competitiveness of
the internal market**

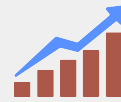
It removes tax barriers to cross-border business activity and introduces common solutions to support innovation and competitiveness across the EU.

But what does this mean in term of concrete measures?



Removing withholding tax barriers and burdensome procedures

The package removes withholding tax barriers and burdensome procedures for cross-border payments of interests, royalties, and dividends between companies in the EU. This action supports an integrated Internal Market and stronger Savings and Investment Union.



EU-wide minimum tax standard to boost R&D investment and economic growth

A common minimum standard for the tax treatment of investment in R&D related tangible assets across the EU will be introduced, making the Union a more attractive location for investment in research and innovation. This is estimated to boost EU GDP by around 0.2% per year, providing a boost to the economy.

What will the Directive on Administrative Cooperation (DAC) Recast achieve?



Clearer, simpler and more effective reporting rules

It codifies the nine DAC directives into one single and coherent legal instrument, which will improve legal certainty and clarity for EU businesses and tax administrations.

Save businesses time and money

It streamlines reporting obligations, improving efficiency and reducing compliance costs for EU businesses by more than €1 billion annually.



Maximises the benefits of the DAC

It strengthens the effectiveness of administrative cooperation, improving tax authorities' ability to protect their revenues and tackle tax fraud, evasion and avoidance.

But what does this mean in term of concrete measures?



Supporting the Circular Economy

The reporting threshold will be increased for the online sales of goods. This removes the reporting obligations on over 10 million private sellers, particularly those selling second-hand goods.



Eliminating Duplicate Notifications

The recast streamlines the notification process for MNE groups by introducing a single notification requirement for country-by-country reporting and central filing of top-up tax information returns.