Statement by President of the European Council
Herman Van Rompuy
on savings taxation

I welcome the agreement reached today at the European Council on strengthening EU rules on taxation of savings income. This is indispensable for enabling the member states to better clamp down on tax fraud and tax evasion.

Today's agreement follows up on the May 2013 European Council's strategy to fight tax fraud and tax evasion. Effective tax systems are fundamental elements of well-functioning social market economies, and for providing social justice.

This is a clear message that Europe is fully committed to the new single global standard for automatic exchange of tax information.

Background: The amendments to the savings tax directive are intended to prevent its circumvention, reflecting changes to savings products and developments in investor behaviour. It requires the member states to exchange information automatically so as to enable interest payments made in one member state to residents of other member states to be taxed in accordance with the laws of the state of tax residence.