

THE GOVERNMENT'S POLITICAL POSITION ON INCREASING THE REPORTING OF COMPANIES' INCOME TAX INFORMATION

The Government considers it highly important to maintain and implement internationally effective measures to combat tax avoidance and aggressive tax planning. The profits of companies must be taxed where they are generated.

The Government also considers that other measures strengthening fair competition between companies are important. In the Government's view, one element of fair competition and corporate social responsibility is openness that enables the public assessment of certain information on the income taxation of companies and the fulfilment of their obligations concerning tax payment. The Government is strongly committed to the realisation of companies' tax reporting and openness that promote these objectives.

Issues pertaining to tax reporting and openness are discussed in international cooperation within the European Union. Finland takes an active part in this work. Finland supports the drafting of international agreements and measures that promote these objectives, and shall implement them effectively. With respect to obligations, Finnish companies must have a level playing field with their competitors.

The EU is preparing an amendment to the Directive on financial statements as regards the disclosure of income tax information by certain large international undertakings and branches (COM (2016)198, COD 0107/2016, Government communication U 25/2016 vp.). Finland supports the objectives of the Directive on openness and promotes its adoption. Once the Directive is adopted, the Government ensures that it will be implemented without delay, while securing a fair competitive setting for Finnish companies and presenting Finland as an attractive operating environment for enterprise. Responsibility for preparing the implementation of the Directive rests with the Ministry of Economic Affairs and Employment.