

Mr Pierre Moscovici Commissioner for Economic and Financial Affairs, Taxation and Customs European Commission Rue de la Loi 200 1049 Brussels Belgium

October 31, 2018 J.nr. 2018 - 7067

Ministry of Taxation

Nicolai Eigtveds Gade 28 DK 1402 – København K

Tel. +45 33 92 33 92 Mail skm@skm.dk

www.skm.dk

Dear Commissioner Moscovici,

In recent years we have taken important steps together to strengthen the fight against tax avoidance and evasion, notably with the adoption of numerous amendments of the Directive on Administrative Assistance, the adoption of the Anti-Tax Avoidance Directives I and II, and most recently with the adoption of the regulation on administrative cooperation in order to improve the prevention of VAT fraud. The Commission has played an important leadership role in this process, which Denmark has strongly supported.

This effort is very important to sustaining the public finances of member states and maintaining public support of our taxation systems.

In recent weeks, press reports have uncovered how several member states have been victims of highly organized tax fraud of international nature. This has cost member states vast sums and caused outrage among our citizens. It appears that stronger cooperation between member states could possibly have contributed to stopping the fraud earlier. I very much share the frustration you have expressed publicly in this regard.

Since this issue clearly has a European dimension, I would very strongly welcome if the European Commission would look into whether the existing, strengthened administrative cooperation and exchange of information is sufficient or whether it is necessary to improve member states' implementation or strengthen the cooperation further.

I look forward to continued close cooperation with the European Commission on this and other matters.

Yours sincerely

Karsten Lauritzen