EU Tax Law and Policy of Tomorrow: Insights from the 2025 EU Tax Symposium

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1. Introduction

The European Union tax agenda for 2024-2029 is complex, displaying objectives of tax simplification, decluttering tax legislation and solving overlapping issues, while also enhancing tax transparency and administrative cooperation, and fighting tax evasion. At the same time, the European Union strives to reinforce its competitiveness, one of its strategic objectives for the coming years.

Taking on this task, while considering additional factors such as the developments in the United States and their impact on EU taxation, and the UN Forum's work adding an extra dimension to the international tax discussion, keeps complex tax conversations going at EU institutions level. The 2025 EU Tax Symposium is the forum where the EU tax conversation unfolded and this note delves into the most relevant discussions and insights from the Symposium.

2. Ultra-High-Net-Worth Individuals

The 2025 EU Tax Symposium kicked off with a panel discussion on "Challenges for a Fair Contribution of Ultra-High-Net-Worth Individuals" moderated by Céline Gauer (Director-General, Reform and Investment Task Force, European Commission). The panel participants included Amélie de Montchalin (French Minister Delegate for the Budget and Public Accounts), Tjebbe van Oostenbruggen (Dutch Minister for Tax Affairs, the Tax Administration and Customs), Michalis Hadjipantela (Member of the European Parliament & Subcommittee on Tax Matters), Esther Lynch (General Secretary, European Trade Union Confederation) and Gabriel Zucman (Professor of Economics, Paris School of Economics and UC Berkeley; Director, EU Tax Observatory).

Having a panel dedicated to the discussion on ultra-high-net-worth individuals (UHNWIs) at this Symposium came as no surprise considering the revenue inequalities globally and at EU level that have raised questions about (i) how UHNWIs could contribute to a fairer system of taxation and (ii) what the most appropriate means to achieve this would be.

Amélie de Montchalin noted that one way to address this issue could be to capitalize on the experience drawn from the recent agreement achieved on Minimum Taxation Directive (2022/2523), i.e. gather all relevant data, review and understand the practices, and conclude whether a minimum tax rate on UHNWI could be a workable solution. This would be viable only if pursued through international cooperation to mitigate the risk of UHNWIs engaging in mobility, which, in turn, shutters the ability to tax them.

Along the same lines, Tjebbe van Oostenbruggen noted that the taxation of personal assets (income emanating from equity and real estate) should be prioritized at EU level. A possible first step would be to extend the mandate of the Code of Conduct Group to allow it to explore policy designs for UHNWIs focusing on transparency and understanding the ultimate beneficial owners. These are both critical aspects in a world of mobile wealth that can flow freely across borders.

Michalis Hadjipantela pointed out that in pursuing these goals, one must be realistic about what is feasible, and that the catchphrase "tax the rich" seems to overlook the complexities. Instead, technical questions (the potential taxation of unrealized gains, understanding who, or what, is the target: is it wealth taxation or UHNWIs?) as well as planning ahead through a carefully designed system based on transparency, fairness and flexibility is key. The goal is to balance fairness and economic sustainability but ensure that wealth is not driven away from the European Union. Esther Lynch pointed out that ultimately UHNWIs may also pose a threat to democracy; they may use their power to influence decisions. Gabriel Zucman suggested that the simplest way to tackle this issue is to design a minimum tax rate of at least 2% on EU residents with EUR 100m in net wealth. This is backed up by a recent policy note published by the EU Tax Observatory.

The panellists noted that the general idea seems to be simple and that it is frankly not a new one: everyone should pay their fair share of taxes, and it is only fair that "people at the top" contribute more considering their immense ability to pay. Naturally, this idea brings its own complexities: tackling the mobility of UHNWIs, ensuring that EU revenue is not impacted adversely, building up to EU competitiveness are only few of them. As a reminder, the European Citizens' Initiative on "taxing great wealth to finance the ecological and social transition" / "Tax the Rich" failed to collect 1 million signatures, making it yet another unsuccessful attempt to broach this topic et EU level. Despite the above, the agreement on Minimum Taxation Directive (2022/2523) shows that the European Union is technically capable of taking on such an ambitious challenge. One can only hope that political willingness follows.

3. Sustainable Competitiveness

The panel on EU Sustainable Competitiveness: What Taxation Can or Cannot Do? was moderated by Gerassimos Thomas (Director-General for Taxation and Customs Union, European Commission). The panel participants were Bruno Gonçalves (Member of the European Parliament & Subcommittee on Tax Matters), Eduardo Aguilar García (Director General at the Ministry of Economy, Trade and Business, Spain), Maria Antonia Azpeitia Gamazo (Baker McKenzie, Madrid) and Lúcio Vinhas de Souza (Director of the Economics Department and Chief Economist, Business Europe).

If this panel were to be summarized in one sentence it would be the words spoken by Bruno Gonçalves: "*We should be thinking as one, if we want to be perceived as one*". Although the panellists all came from different backgrounds and political convictions, they all agreed that the way to move forward in terms of EU competitiveness is to act as single bloc.

Bruno Gonçalves argued that there should be more EU decision-making and that simplification is achieved through harmonization. He also noted the social dimension of taxation and suggested that the likely increases in public spending due to common defence measures will imply more taxation. He proposed that considerations of fairness must be taken into account when deciding who will pay for them.

Eduardo Aguilar García focused on the link between financing, productivity, innovation and competitiveness in the

European Union. He highlighted the importance of policy coordination to improve competitiveness. In particular, he mentioned the project to create a European label for investment products, which would only benefit from a favourable tax treatment.

Maria Antonia Azpeitia Gamazo referred to the importance of the rethinking the unanimity requirement in the EU decision-making in tax matters. Additionally, in her view, it is urgent to enhance effective collaboration between tax authorities, address the avoidance of double taxation and agree on common policies to achieve legal certainty and predictability for the business community.

Finally, Lúcio Vinhas de Souza highlighted how the European Union is a single market only in name. The fragmentation of the economic space is one key aspect of why the European Union is lagging behind other major economies – it does not allow scaling-up. The solution would be further integration of the single market, with a focus on the financial market.

4. Corporate Tax Reform

The panel on European and International Corporate Tax Reform: What Are The Next Steps? was moderated by Susana Ruiz (Oxfam International). The panel participants were Vitor Gaspar (IMF), Tommaso Faccio (Independent Commission for the Reform of International Corporate Taxation (ICRICT)), Liselott Kana (UN Committee of Experts on International Tax Cooperation in Tax Matters) and Roberta Poza Cid (Deloitte Spain).

Discussions on the future priorities for the corporate tax reform have to take into account the geo-political changes and the need for the European Union to respond to different crises by designing a tax system able to deliver the necessary revenue. The panellists agreed that international tax cooperation should remain a priority and that any reform at EU level must depart from such a cooperation, with the remaining challenge being to find the balance between tax sovereignty of Member States and the need for coordination. Departing from the objectives of simplification, ensuring a coherent tax policy and reducing fragmentation, the panel discussions mainly focused on the involvement of the European Union in the negotiations for the UN Tax Framework Convention, the European Union response to the United States denouncing the OECD Global Tax Deal and alternative solutions to Pillar One not moving forward.

The UN negotiations for the UN Tax Framework Convention are an opportunity to have universal standards agreed by a record number of countries, and the panellists encouraged the European Union to have a more active participation. Liselott Kana noted that the United States leaving UN negotiations has no real consequence, as an agreement would have been difficult to reach, and recommended to continue working towards a solution with the other countries.

The need for the European Union to protect the single market in light of recent US actions was highlighted during discussions on United States not adopting Pillar Two. The panellists questioned whether countries that implemented Pillar Two will retain the undertaxed profits rule (UTPR) without the global implementation of Pillar Two, and further discussed suggestions for alternative countermeasures, such as using a white list.

The panellists noted that while Pillar One principles are needed in today's economy, the project is unlikely to progress. Alternatives to consider include digital service taxes, using the new article 12B of the UN Model, or the UN fast-track instrument for the streamlined amendments of treaties. The consensus was that a multilateral solution is best going forward.

5. AI for Tax Systems

The panel on Artificial Intelligence (AI) for Tax Systems was moderated by Rebecca Christie (Bruegel) and the panel participants were Ferenc Vágujhelyi (National Tax and Customs Administration of Hungary), Chloe Fox (PwC), Daniel

Waldenström (The Research Institute of Industrial Economics (IFN)), Gemma Galdón-Clavell (Eticas Consulting) and Vikram Chand (University of Lausanne).

The panellists debated topics such as taxing AI and robots, data protection in handling tax data, understanding AI's function in taxes, and the opportunities and challenges in using AI for tax systems.

Vikram Chand argued that a tax on AI and robots is not consistent with EU policies supporting research and innovation and that it is technically challenging to define the terms for such a tax. In order to generate revenue, the European Union could instead address existing gaps and continue work on current legislative initiatives. An education cess (as applicable in India) can be an alternative to taxing AI and robots, and focusing on how AI could support transfer pricing audits to raise revenue from multinationals is also a direction of action.

Challenges around data involve adapting it for AI models and ensuring it is suitable for tax purposes. The panellists noted that AI should enhance tax advice rather than replace it, for example by handling more complex tasks and freeing up the tax workforce. The panel emphasized the need for balancing AI opportunities in tax administration with the associated risks.

Ensuring taxation of multinationals on income from AI and robot sales is crucial and Gemma Galdón-Clavell called on the European Union to keep up with its work on fair taxation.

6. Conclusion

The 2025 EU Tax Symposium also counted on the participation of notable speakers, who echoed key points of the discussions of the panels. In his keynote speech on the impact of tax systems to strengthen competitiveness and fairness, Mathias Cormann, Secretary-General of the OECD, walked us along the memory lane of the OECD initiatives and their impact on international tax cooperation right up until the latest two-pillar solution. The OECD sees the European Union as a strong partner, with emphasis on the commitments of the bloc to implement the BEPS package and, more recently, the GloBE Rules. The agenda for future international tax cooperation is long and includes tackling administrative burden, notably through reducing uncertainty and complexity and the digitalization of tax administrations, enhancing tax certainty and transparency, and continuing to support developing countries.

Given the European Union's role in global tax matters, it is important to stay up to date with the latest developments and future trends in EU tax law and policy. The 2025 EU Tax Symposium offered engaging debates on crucial topics, while setting the stage for future tax discussions.

IBFD references:

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... For an overview of legislative initiatives at the EU level on direct tax matters (inclusive of the TP Directive), *see* the EU Direct Tax Law Initiatives Dossier.