



Brussels, 30 March 2026

EACB comments EC call for evidence on the call for evidence on the "Simplifying EU rules on direct taxation – Omnibus on taxation"

The European Association of Co-operative Banks (EACB) welcomes the opportunity to provide feedback on the European Commission's call for evidence concerning the simplification of EU rules on direct taxation.

The EACB believes that tax policy should ensure legal certainty, proportionality and administrative simplicity for businesses. In this context, we would like to highlight several concerns regarding the current implementation of the global minimum tax under Pillar 2.

In particular, the EACB strongly advocates for the introduction of clear and robust materiality thresholds within the Pillar 2 framework. Such thresholds should apply, inter alia, to the recognition and tracking of deferred tax assets (DTAs) and deferred tax liabilities (DTLs), the treatment of asset transfers, and the identification and inclusion of constituent entities. From a proportionality perspective, immaterial items should be excluded from detailed Pillar 2 calculations and reporting in order to significantly reduce unnecessary administrative burden without undermining the integrity or objectives of the global minimum tax system.

The EACB notes with concern that the OECD initiative is not being implemented uniformly across major global jurisdictions, in particular the United States. This asymmetry creates risks of competitive distortions for EU-based businesses, including banking groups that operate internationally. In this context, **any (temporary) postponement or relaxation of reporting requirements** would be highly welcome.

Pillar 2 currently creates a disproportionate compliance burden and uncertainty for EU businesses. In most cases, the extensive calculations and reporting required under Pillar 2 ultimately demonstrate that businesses pay a fair share of corporate income tax. This is largely because corporate income tax rates across most EU Member States already exceed the 15% minimum threshold established under the global minimum tax rules. As a result, the exercise often becomes an extremely costly and time-consuming process aimed primarily at demonstrating compliance, rather than generating additional tax revenues for Member State budgets.

For example, a multinational company must fulfil local Pillar 2 reporting obligations even when no tax liability arises ("zero-tax returns"). At the same time, the Global Information Return that has to be filed in the Home Member State of the multinational already contains the necessary information to demonstrate that no local tax liability exists in other jurisdictions. This situation results in an overload of information and an unnecessary reporting burden for companies.

The complexity of the side-by-side implementation package further increases the administrative burden.



In addition, the EACB calls for the existing Pillar 2 Safe Harbour rules to be made permanent. Temporary or transitional Safe Harbour mechanisms provide only limited planning certainty and do not sufficiently address the long-term compliance challenges faced by multinational groups. Making the Safe Harbour rules permanent would significantly enhance legal certainty, reduce compliance costs on a sustained basis, and allow tax administrations and businesses alike to focus resources on cases with genuine tax risk.

The EACB therefore welcomes the opportunity presented by the Tax Omnibus initiative to review and potentially simplify aspects of the Pillar 2 framework. In particular, any relaxation or postponement of reporting obligations is welcome.

Finally, for corporate income taxation in general, simplicity and harmonisation should remain key guiding principles.