



Brussels, **XXX**
[...] (2023) **XXX** draft

COMMISSION IMPLEMENTING REGULATION (EU) .../...
of **XXX**

laying down a common template and electronic reporting formats for the application of Directive 2013/34/EU of the European Parliament and of the Council as regards the information to be presented in reports on income tax information.

(Text with EEA relevance)

This draft has not been adopted or endorsed by the European Commission. Any views expressed are the preliminary views of the Commission services and may not in any circumstances be regarded as stating an official position of the Commission.

COMMISSION IMPLEMENTING REGULATION (EU) .../...

of **XXX**

laying down a common template and electronic reporting formats for the application of Directive 2013/34/EU of the European Parliament and of the Council as regards the information to be presented in reports on income tax information.

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC¹, and in particular Article 48c(4) thereof,

Whereas:

- (1) Pursuant to Article 48b(1) of Directive 2013/34/EU, Member States are to require undertakings to draw up, publish and make accessible a report on income tax information as regards the latter of the two consecutive financial years in each of which the consolidated revenue on their balance sheet date exceeded a total of EUR 750 000 000.
- (2) In accordance with Article 48b(3), undertakings or their affiliated undertakings that disclose certain reports in accordance with Article 89 of Directive 2013/36/EU of the European Parliament and of the Council, are not covered by the obligation in Article 48b(1) of Directive 2013/34/EU.
- (3) In order to ensure that the reports referred to in Article 48b of Directive 2013/34/EU are comparable, the Commission is to lay down in this Regulation a common template and electronic reporting formats, which should be machine-readable. Those templates and electronic reporting formats are to be applicable also in cases where an undertaking relies on a proxy governed by the law of a Member State to publish and make accessible its report on income tax information.
- (4) The common template provided for in this Regulation should facilitate the presentation of information to be disclosed in the report on income tax information pursuant to Article 48c, paragraphs 2 and 3 of Directive 2013/34/EU. In designing the template and reporting formats, progress in the area of digitisation and accessibility of information published by undertakings has been considered.

¹ Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC, OJ L 182, 29.6.2013, p. 19–76.

- (5) XHTML (Extensible Hypertext Markup Language) is a type of mark-up language which is mandated for the marking-up of annual financial reports of issuers whose securities are admitted to trading on EU regulated markets pursuant to Commission Delegated Regulation (EU) 2019/815 on a single electronic reporting format². XHTML is also mandated for the sustainability statements which are to be drawn up by certain undertakings pursuant to Directive 2013/34/EU, as amended by Directive 2022/2426/EU as regards corporate sustainability reporting³. Accordingly, in order to ensure consistency, the reports on income tax information referred to in Article 48b of Directive 2013/34/EU should also be presented in XHTML format.
- (6) XBRL (Extensible Business Reporting Language) is a machine-readable mark-up language which allows for the automated consumption of large amount of information, ensuring the accessibility and comparability of data. XBRL is well-established and in use in several jurisdictions. Inline XBRL is an open standard which allows for the embedding of XBRL markups in XHTML documents. Inline XBRL enables both human and machine readability. Accordingly, as Inline XBRL ensures both human and machine readability, the reports on income tax information referred to in Article 48b of Directive 2013/34/EU should be marked up using Inline XBRL standard.
- (7) The use of XBRL markup language involves the application of a taxonomy to convert human-readable text to machine-readable information. The hierarchy of elements and their appropriate data type has been made available to undertakings in a simple human-readable form in this Regulation. In order to ensure the comparability and usability of data included in the report on income tax information and presented using the common template and electronic reporting formats, such common taxonomy should specify the data elements to be marked up, having regards to other EU legislation related to country-by-country reporting. An undertaking should ensure that all the information disclosed in the report is marked up, where it corresponds to elements set out in the core taxonomy.
- (8) Undertakings may draw up the report so that all the information required is reported on the basis of the reporting instructions for tax purposes referred to in Section III, Parts B and C, of Annex III to Council Directive 2011/16/EU⁴. In such a case, an undertaking should ensure that the reporting instructions are consistently applied to all the information in the report. The reporting template should allow each undertaking to specify whether the report has been prepared on the basis of the reporting instructions referred to in Section III, Parts B and C, of Annex III to Council Directive 2011/16/EU.
- (9) An ultimate parent undertaking or standalone undertaking that is not governed by the law of a Member State and which makes accessible to the public a report in compliance with Article 48b(6) of Directive 2013/34/EU is not under an obligation to

² Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (Text with EEA relevance), OJ L 143, 29.5.2019, p. 1–792.

³ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (Text with EEA relevance), OJ L 322, 16.12.2022, p. 15–80.

⁴ Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC, OJ L 64, 11/03/2011, p. 1–12.

use the template and electronic formats set out in this Regulation. For the purposes of complying with Article 48b(6), an ultimate parent undertaking or standalone undertaking not governed by the law of a Member State should make its report accessible in a machine-readable format and identify therein a single subsidiary or branch governed by the law of a Member State that has published a report in that Member State. However, there is no impediment for an ultimate parent undertaking or standalone undertaking that is not governed by the law of a Member State and its identified single subsidiary or branch governed by the law of a Member State to use the template and electronic formats laid down by this Regulation for the presentation of the report.

- (10) Pursuant to Article 48b(4) of Directive 2013/34/EU, certain medium-sized and large subsidiary undertakings that are governed by the national laws of a Member State and which are controlled by an ultimate parent undertaking that is not governed by the law of a Member State, where the consolidated revenue on its balance sheet date exceeded for each of the last two consecutive financial years a total of EUR 750 000 000, are required to publish and make accessible a report on income tax information concerning that ultimate parent undertaking as regards the latter of those two consecutive financial years. If the ultimate parent undertaking does not provide all the required information, those subsidiaries are also required to draw up, publish and make accessible a statement indicating that their ultimate parent undertaking did not make the necessary information available. When drawing up such reports and statements, those subsidiaries should not be covered by the obligation to use the common template and electronic reporting format set out in this Regulation.
- (11) Pursuant to Article 48b(5) of Directive 2013/34/EU, branches opened in a Member State by undertakings that are not governed by the law of a Member State are required to publish and make accessible a report on income tax information concerning the ultimate parent undertaking or the standalone undertaking referred to in Article 48b(5), sixth subparagraph, point (a) of that Directive, as regards the latter of the last two consecutive financial years. If the ultimate parent undertaking does not provide all the required information, those branches are also to be required to draw up, publish and make accessible a statement indicating that the ultimate parent or standalone undertaking did not make the necessary information available. When drawing up such reports and statements, those branches should not be covered by the obligation to use the common template and electronic reporting format set out in this Regulation.
- (12) Pursuant to Article 48g of Directive 2013/34/EU, Member States are to ensure that that Directive's requirements to report on income tax information apply, at the latest, from the commencement date of the first financial year starting on or after 22 June 2024. In order to provide enough time for undertakings to implement the common template and electronic reporting formats referred to in Article 48c(4) of Directive 2013/34/EU and laid down in this Regulation, a transition period is necessary.
- (13) The measures provided for in this Regulation are in accordance with the opinion of the Accounting Directive Committee.

HAS ADOPTED THIS REGULATION:

Article 1

Subject matter and scope

This Regulation lays down the common template and electronic reporting formats, referred to in Article 48c(4) of Directive 2013/34/EU, to be used for the presentation of the report on income tax information.

Article 2

Definitions

For the purposes of this Regulation, the following definitions shall apply:

- (1) ‘report on income tax information’ means a report drawn up, published and made accessible pursuant to Article 48b(1) of Directive 2013/34/EU, and including the information referred to in Article 48c, paragraphs (2) and (3);
- (2) ‘core taxonomy’ means the combined set of the taxonomy elements set out in table 2 of Annex IV and the following collection of links:
- (3) presentation linkbase, which groups the taxonomy elements;
- (4) calculation linkbase, which expresses arithmetic relationships between taxonomy elements;
- (5) label linkbase, which describes the meaning of each taxonomy element;
- (6) definition linkbase, which reflects dimensional relationships of the core taxonomy elements;
- (7) ‘XHTML format’ means a standard type of format for a page in Hyper Text Markup Language (HTML) complying with the Extensible Hyper Text Markup Language (XHTML);
- (8) ‘Inline XBRL’ means a specification of the eXtensible Business Reporting Language (XBRL) standard developed by XBRL International.

Article 3

Common template

Undertakings shall ensure that the visual presentation and content of the report on income tax information comply with the specifications provided for in Annex I.

Article 4

Electronic reporting format and rules on mark-ups

When drawing up the report on income tax information, undertakings shall ensure the following:

- (1) the use of the XHTML format and the embedding of markups using the Inline XBRL specifications, in accordance with the applicable XBRL specifications set out in Annex II;
- (2) the mark-up of disclosures of information using the core taxonomy, in accordance with the marking up and filing requirements set out in Annex III.

Article 5

Transitional provisions

Undertakings shall apply this Regulation to reports on income tax information for the financial years starting on, or after 1 January 2025.

Article 6

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Commission
The President
Ursula von der Leyen*