

# Taxation of the collaborative economy

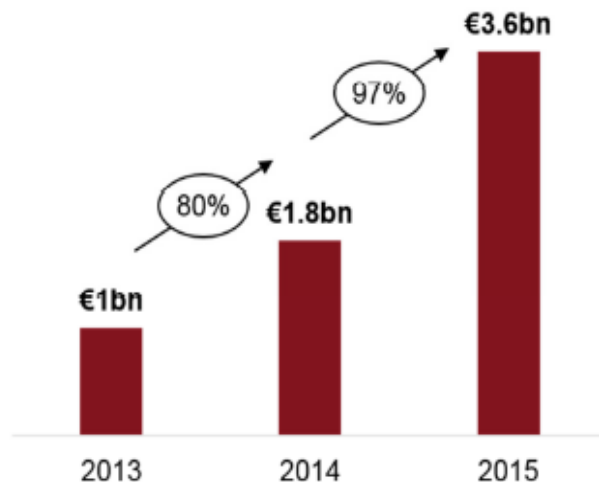
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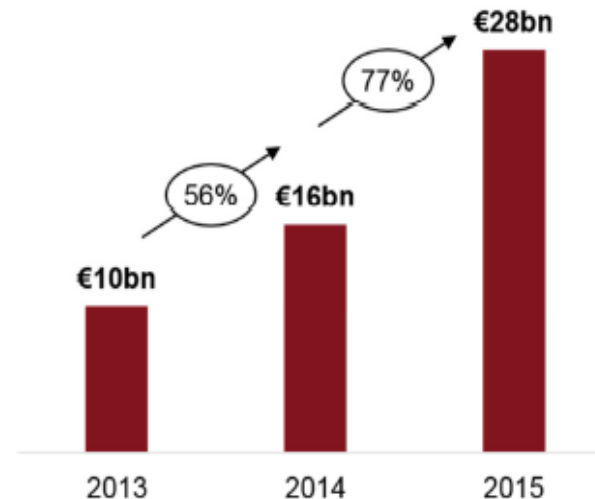
# Economic developments

**Figure 2: Estimates for the size of the collaborative economy across Europe**

Revenues facilitated by the sharing economy in Europe by sector (€bn, 2013-2015)



Total transaction value facilitated by the sharing economy in Europe by sector (€bn, 2015-2025)



Source: PwC (2016) "Assessing the size and presence of the collaborative economy across Europe"

# A european agenda for the collaborative economy

*Communication June 2016*

**Challenges**



**Opportunities**

# Issues - Press headlines

*France: Airbnb paid less than \$77,000 in tax in France in 2015 - Le Parisien (11 August 2017)*

*France: Fines on Airbnb hosts are exploding in Paris – Le Monde (11 August 2017)*

*UK: Airbnb's edge on room prices depends on tax advantages – The FT (2 January 2017)*

*UK: Uber's main UK business paid only £411,000 in tax last year – The Guardian (10 October 2016)*



# Challenges

***Ensuring tax neutrality  
level playing field***

***For all actors, all taxes***

# Service providers



*Challenges in terms of tax compliance and tax administration:*

- Uncertainty in classification of income (e.g. profits vs costs sharing), in applicable tax rules*
- Fragmentation of sources of income*

**>> both result in increase in compliance & administration costs**

# Service providers



- *Information campaign and simplification of the rules*
- *Involvement of platforms to exchange data on taxable income*



# Platforms



- *Outdated tax rules*
- *Ensuring that the value created in the Single Market is taxed*





# Platforms



## *Technical solutions:*

- *Virtual PE?*
- *CCCTB?*
- *Advertising tax? Withholding tax on digital transactions? Levy on turnover?*
- *??*
- >> *Pros and cons*
- >> *Need for coordinated approach, workable solution*

**Thank you  
for your attention**