



European Economic and Social Committee

# **Taxation of the sharing economy – key points of the opinion**

**Giuseppe Guerini**

**EESC rapporteur on Taxation of the  
sharing economy**



European Economic and Social Committee



**The Collaborative Economy creates digital platforms at scale for people to re-use goods and services - but without shared ownership, as yet, of those platforms.**



European Economic and Social Committee

**YES:** READING, DOWNLOADING,  
COPYING, SHARING, STORING,  
PRINTING, SEARCHING, LINKING,  
CRAWLING **NO:** PLAGIARISM,  
MISREPRESENTATION **OPTIONAL:**  
COMMERCIAL RE-USE



**The collaborative economy is spreading to more and more sectors, and has the potential to generate added value, create jobs at different levels and ensure efficient services at competitive prices for European consumers.**

**That refers more specifically business models where activities are facilitated by collaborative platforms that enable the temporary use of goods or services often provided by private individuals.**



- **The collaborative economy is increasing in volume and, grows rapidly, as evidenced by various data. Its income in the EU was estimated at some EUR 28 billion in 2015.**
- **Since then, significant investment by major platforms has further boosted the sector's development: it is estimated that in the future, the collaborative economy could entail turnover of between EUR 160 and 572 billion across the EU.**



- The collaborative economy sector raises a series of challenges for the European legislator, who is required to ensure principles and rules designed to establish a clear and predictable legal rules.**
- Its regulatory action though, must not undermine the great potential for innovation the sector has displayed so far.**
- There is clear need to protect the potential for innovation of the sharing economy**



## **The collaborative economy involves three categories of actors:**

- **service providers who share assets, resources, time and/or skills – these may be private individuals or professionals;**
- **users of such services;**
- **intermediaries that, via an online platform (collaborative platforms), connect service providers with final users.**

**Different business models may need different solutions**



**The future and general legal framework concerning the collaborative economy should consider not only its fiscal aspects, but *inter alia* the protection and safeguarding of:**

- **consumers' rights;**
- **personal data and privacy;**
- **workers and service suppliers concerned by both the new business models and the activity of collaborative platforms.**

**For this citizens involved in the new economy need to receive regular information on their tax related rights and obligations**





**As for the definition, even real-world tax issues on collaborative economics are very complicated.**

**Three key issues are:**

- **income taxation,**
- **VAT issue,**
- **Taxation and contributions at work and workers**

**Our main focus is on income taxation and VAT for the collaborative economy**





# **Operators in the collaborative economy are subject to tax obligations.**

**It is difficult:**

- to identify taxpayers, not least due to the fact that they may be operating in a professional or non-professional capacity.**
- It is a complex task to precisely measure the taxable income...**

**There is need gear up the cooperation and information exchange between new economy operators and tax authorities!**



**Collaborative Economy activities are subject to VAT, but we need a distinction between activities conducted by different business models and between different situations concerning payment methods for services rendered :**

- **situations where services are rendered against payment of a sum of money;**
- **situations in which remuneration for the service is made not in money but in the form of another service or non-monetary remuneration;**
- **situations in which the service is rendered freely with no return.**



## **The future and general legal framework should also consider**

- **consumers' rights;**
- **personal data and privacy;**
- **workers and service suppliers concerned by both the new business models and the activity of collaborative platforms.**

**Organised civil society at large needs to cooperate closely in order to keep pace with the fast development of the sharing economy.**



European Economic and Social Committee

## EESC in in social media



Twitter: [twitter.com/EU\\_EESC](https://twitter.com/EU_EESC)



Facebook: [www.facebook.com/EuropeanEconomicAndSocialCommittee/](https://www.facebook.com/EuropeanEconomicAndSocialCommittee/)



YouTube: [www.youtube.com/EurEcoSocCommittee](https://www.youtube.com/EurEcoSocCommittee)



Google+: [plus.google.com/109067622622590982872/posts](https://plus.google.com/109067622622590982872/posts)



LinkedIn: [www.linkedin.com/company/european-economic-and-social-committee](https://www.linkedin.com/company/european-economic-and-social-committee)



*European Economic and Social Committee*

**Thank you!**