



Attn Mr Gerassimos Thomas  
Director General  
DG TAXUD  
European Commission  
1049 Bruxelles  
Belgium

25 January 2023

Dear Mr Thomas,

**Subject: PwC response to the European Commission's public consultation  
'Business in Europe: Framework for Income Taxation'**

PwC International Ltd (PwC), on behalf of the PwC network, welcomes the opportunity to respond to the public consultation 'Business in Europe: Framework for Income Taxation' or BEFIT.

PwC commends the efforts of the European Commission to deliver a business taxation system fit for the 21st century, and the ongoing drive to simplify tax systems for all taxpayers. Encouraging further investment in the Single Market will underpin the economic performance of all EU Member States and ensure the EU has the resources necessary to meet its collective fiscal responsibilities.

Governments are and will be implementing an overwhelming number of fundamental changes to the tax system, initiated by the OECD and the EU. Notably, the ongoing OECD two-pillar project, of which Pillar Two shall be implemented in the EU and beyond, presents an enormous systems and reporting challenge for taxpayers and tax administrations. After implementation of the changes, it will take a number of years before the economic impact of the project becomes clear, and before it is understood whether the right design choices were made.

We strongly recommend that the European Commission first observe and assess the consequences of the current two-pillar project before considering the design and implementation of a new corporate tax system in the EU.

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PwC, of course, will gladly support the work of the European Commission on developing sustainable pro-growth tax policies that enhance the business environment in the European Union.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "S. van Weeghel".

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