E-News from KPMG's EU Tax Centre

Latest CJEU, EFTA and ECHR

Infringement Procedures and Court Referrals

State aid

EU Institutions

OECD and other International Institutions

Local Law and Regulations

Local Courts

KPMG Insights

E-News from the EU Tax Centre

Issue 182 – August 28, 2023

KPMG's EU Tax Centre compiles a regular update of EU and international tax developments that can have both a domestic and a cross-border impact, with the aim of helping you keep track of and understand these developments and how they can impact your business.

Today's edition includes updates on:

- **CJEU:** CBAM and the EU ETS reform challenged in front of the CJEU
- **EU General Court:** Challenge of EU Minimum Tax Directive rejected
- **European Commission:** CBAM implementing regulation for transitional phase adopted
- **Finland:** Public consultation launched on a legislative proposal to implement minimum taxation (Pillar Two)
- **Italy:** Implementation of solidarity contribution on banking sector
- **Latvia:** Budget 2024 – policy options in respect of the taxation of the banking sector
- **Netherlands:** Draft legislation to implement the EU Public CbyC Reporting Directive adopted by the House of Representatives
- **United Kingdom:** HMRC publishes policy paper on reporting rules applicable to digital platforms
- **Luxembourg (court decision):** Ruling on the beneficial ownership of a trademark
- **Spain (court decision):** Spanish Supreme Court establishes that burden to prove abuse lies with the Spanish tax authorities

Latest CJEU, EFTA and ECHR

EU General Court

Challenge of EU Minimum Tax Directive rejected

On July 14, 2023, the General Court (the Court) ruled that a challenge of the EU Minimum Tax Directive (2022/2523) was invalid on the grounds of being submitted one day beyond the stipulated deadline (case T-144/23). The challenge was filed by a Dutch dredging and heavy lift multinational that requested a partial annulment of the EU Minimum Tax Directive.

The Court noted that article 263 of the Treaty on the Functioning of the European Union (TFEU) requires an annulment procedure to be initiated within two months of the publication of the contested measure or the date of notification to the plaintiff. The commencement of the two-month filing period is calculated starting from the end of the 14th day following the measure's publication in the Official Journal of the EU, with a 10-day extension allowed for "on account of distance."

The Court then noted that the measure under dispute was published in the Official Journal on December 22, 2022. As a result, the deadline for initiating an annulment request expired on March 15, 2023. Since the application was submitted on March 16, 2023, it was considered untimely. The Court also pointed out that the applicants did not assert any unforeseen circumstances or force majeure causing the delay in their submission, which might have been grounds for an extension.

Please note that a separate challenge (case T-143/23) is still pending before the General Court of the global minimum tax directive. For previous coverage, please refer to E-News Issue 177.

Infringement Procedures and Court Referrals

CBAM and the EU ETS reform challenged in front of the CJEU

On August 9, 2023, the Polish government issued a press release announcing that Poland has challenged the validity of certain measures adopted as part of the "Fit for 55" package, i.e. the reform of the European Union Emissions Trading System (EU ETS) and the Carbon Border Adjustment Mechanism (CBAM). The related EU laws were formally adopted by the Council on April 25, 2023. The EU ETS was initially introduced in 2005 and provides for a carbon market based on a system of cap-and-trade of emission allowances for energy-intensive industries and the power generation sector. The new rules increase the overall ambition of emissions reductions by 2030 in the sectors covered by the EU ETS to 62 percent compared to 2005 levels. The CBAM, which mirrors and is a supplementary measure to the EU ETS, is a tool to address the risk of "carbon leakage", that is where goods produced in a high ambition region – like the EU – are substituted with imports from a region with a lower carbon price or where production of goods is moved from the high ambition area to a lower one. For more details on these laws, please refer to E-News Issue 176.

In the press release, Poland notes its disagreement with the legal basis used for enacting the CBAM Regulation, i.e., the ordinary legislative procedure, which allows the Council to adopt measures through a qualified majority. Instead, Poland argues that the CBAM provisions are primarily of a fiscal nature and, therefore, the regulation should have been subject to unanimous approval at the Council level. The legal basis is also

challenged in the case of the EU ETS reform. Additionally, Poland considers that this second measure violates the principles of energy solidarity.

The press release reveals that Poland had previously brought challenges against other provisions of the "Fit for 55" package. The complaints concern: the ban on registration of combustion vehicles after 2035, the increase of the EU greenhouse gas emission reduction target, the reduction in the number of free ETS available on the market and EU interference in Member State forest management.

Preliminary ruling regarding the conditions authorities can set for a MAP to be finalized

On June 14, 2023, a Belgian Court of first instance requested a preliminary ruling on the conditions that can be set for the finalization of a mutual agreement procedure (MAP). The case is C-380/23.

The plaintiff was a Belgian national, domiciled in the border area in France, and working in the border area in Belgium. The plaintiff claimed, for the tax years 2008 to 2014, the specific tax regime for cross-border workers provided for in the treaty concluded between Belgium and France. As a result, the individual was taxed in France on the income received from Belgium. The Belgian tax authorities challenged this tax treatment, arguing that the plaintiff's sole permanent residence was in Belgium. Consequently, Belgian tax was levied on the income received during those tax years, along with a 50 percent penalty. The individual contested the tax assessment before a Belgian Court of First Instance (the Court).

At the same time, as a precautionary measure, the individual also initiated a MAP as provided under Article 24 of the double tax treaty concluded between the two countries. The MAP aimed to address the issue of double taxation of the received income. The Belgian tax authorities notified the individual of the outcome of discussions with their French counterparts, acknowledging Belgium's taxing rights over the income. However, the tax authorities held that the refund of tax paid in France would only proceed if the individual withdrew the court action.

As regards the court litigation, the Court annulled the 50 percent penalty imposed by the Belgian tax authorities but reserved judgment on the tax liability action. Expressing doubts about the compatibility of the Belgian tax authorities' request with EU law, the Court sought a ruling from the Court of Justice of the European Union (CJEU) on whether:

- the enforcement of the amicable settlement reached with the French tax authorities (regarding the refund of French tax under the MAP) could be contingent on the taxpayer unconditionally withdrawing their legal action in Belgium. The Court specifically inquired whether this requirement infringes the TFEU (Articles 19 and 45), the Charter of Fundamental Rights of the European Union (Article 47), and the principle of proportionality;
- the answer to the first question changes when the withdrawal of the legal action impacts the individual's ability to challenge administrative penalties deemed criminal under the European Convention on Human Rights;
- the administrative policy denying the individual access to documents related to the MAP could influence the answers to the two preceding questions.

EU Institutions

European Commission

CBAM implementing regulation for transitional phase adopted

On August 17, 2023, the European Commission (EC) adopted the Commission Implementing Regulation governing the implementation of the Carbon Border Adjustment Mechanism (CBAM) during its transitional phase (October 1, 2023 to December 31, 2025) (for more details on CBAM, please refer to E-News Issue 176). Key takeaways of the Implementing Regulation include:

- During the transitional period, importers of goods falling within the scope of the CBAM are only required to comply with reporting obligations, without making any payments.
- CBAM reporting data requirements include information on quantity of imports per customs procedure, combined nomenclature (CN) codes of goods, country of origin, installation where goods were produced, production methods and qualifying parameters, the ID of the steel mill for the batch of steel goods, direct and indirect embedded emissions pertaining to the goods imported (at both a product and installation level), carbon price due in the country of origin.
- Quarterly reports are to be submitted in the CBAM Transitional Registry no later than one month after the end of a quarter, with the first CBAM report due by January 31, 2024.
- In the first years, in-scope companies are allowed to choose from three reporting methods for the calculation of embedded emissions released during the production process of CBAM goods. As of January 1, 2025, the only reporting methodology would be the EU one.
- The penalties for not complying with the obligations to submit a quarterly CBAM report will range between EUR 10 and EUR 50 for each ton of unreported embedded emissions, increasing in accordance with the European index of consumer prices.

In addition to the Implementing Regulation, the EC also published guidance for EU importers and non-EU installations on the practical implementation of the new rules.

For more information, please refer to a report prepared by KPMG International.

OECD and other International Institutions and Research Centers

Organisation for Economic Cooperation and Development – OECD

Global Forum publishes ten peer review reports on EOIR

On July 20, 2023, the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) published peer assessment reports on transparency and exchange of information on request (EOIR). Key takeaways include:

- Argentina, the Faroe Islands and Greenland received a "Compliant" rating.

- Saint Vincent and the Grenadines received a "Largely Compliant" rating.
- Anguilla, Antigua and Barbuda, Belize and the Seychelles achieved an overall "Partially Compliant" rating.
- While reports were also published for Lesotho ("Largely Compliant" rating in 2016) and Paraguay, the ratings will be assigned for both countries at a later stage.

For more information, please refer to the OECD release.

Local Law and Regulations

Czech Republic

Government issues updated legislative proposal to implement minimum taxation (Pillar Two)

On August 17, 2023, the Czech government approved an updated draft bill to implement the OECD's Pillar Two Model Rules as set out under the EU Minimum Tax Directive. Compared to the previous draft bill issued in May, the updated draft:

- provides for a direct reference to the OECD materials to ensure consistent implementation and application of the GloBE rules in relation to other jurisdictions;
- incorporates into the legislative text certain elements of the February Administrative Guidance (for example, election to include losses or gains from equity investments, election to exclude income attributable to debt releases, application of an excess negative tax expense carry forward);
- incorporates into the legislative text certain elements of the July Administrative Guidance (for example, Qualified Domestic Minimum Top-up Tax (QDMTT) and Undertaxed Profits Rule (UTPR) Safe Harbour provisions);
- provides more detailed provisions on how to calculate the Czech DMTT and allocate same between local constituent entities;
- no longer includes the obligation to register for top-up tax;
- does not require a top-up tax return to be filed where the top-up tax liability is zero;
- does not require local constituent entities to file an information return for DMTT purposes where this is done by another local group member.

For previous coverage, please see E-News Issue 177 and a report by KPMG in the Czech Republic.

From the legislative process perspective, the government proposes that the bill should be approved by the Lower House of Parliament in accelerated proceedings. Subsequently, to become effective, the bill will need to be approved by the Senate and signed by the President before it is published in the Official Gazette. As such, amendments may still occur in the course of the legislative procedure.

Finland

Public consultation launched on a legislative proposal to implement minimum taxation (Pillar Two)

On August 15, 2023, the Finnish Ministry of Finance launched a consultation on a draft bill to implement the OECD's Pillar Two Model Rules as set out under the EU Minimum Tax Directive.

The proposal closely follows the text of the EU Directive (for more details, please refer to Euro Tax Flash Issue 500) and also incorporates certain items that were subsequently released by the OECD Inclusive Framework. Key features of the proposal include:

- The DMTT and the Income Inclusion Rule (IIR) would apply for financial years starting on or after December 31, 2023. The draft only includes a placeholder for the DMTT legislation noting that draft legislation for same will be issued separately.
- The UTPR would generally be applicable one year later, i.e. for financial year starting on or after December 31, 2024. However, the UTPR would apply for financial years starting on or after December 31, 2023 where the UPE of the group is located in an EU Member States that opted for the IIR and UTPR deferral (Article 50 of the Directive).
- The draft incorporates into the legislative text the transitional Country-by-Country (CbyC) Reporting Safe Harbour agreed as part of the GloBE Implementation Framework and certain elements of the February Administrative Guidance. In addition, the explanatory notes make reference to the OECD Commentary. Certain other elements of the February and July Administrative Guidance are not yet reflected (for example, the special allocation rules in respect of blended CFC regimes and the UTPR Safe Harbour are not included).
- Constituent Entities would be required to file a GloBE Information Return as well as a local tax return within 15 months after the end of the Reporting Fiscal Year (18 months for the transitional year).
- Failures to comply with the administration of the GloBE rules can be sanctioned with a tax increase (from 2 percent to 50 percent of the top-up tax charge depending on the severity and subject to certain cap provisions) or late fee (EUR 5,000 in respect of the information return or EUR 1,000 in respect of other notification requirements).

Comments on the draft bill are requested by September 8, 2023.

Germany

Government issues updated draft bill to implement minimum taxation (Pillar Two)

On August 17, 2023, the German government approved an updated draft bill to implement the OECD's Pillar Two Model Rules as set out under the EU Minimum Tax Directive. Key amendments compared to the ministerial draft bill issued in July include:

- The draft takes into account feedback received from associations and incorporates into the legislative text further elements of the OECD Commentary and February Administrative Guidance (e.g. the draft requires the effective tax rate to be rounded to four decimal places). However, the draft bill does not yet take into account the July Administrative Guidance (for example, the UTPR Safe Harbour is not included).
- The draft requires all constituent entities as well as joint ventures and joint venture subsidiaries to provide the designated filing entity with the necessary information to meet the filing and notification

obligations for the group.

- Withdrawal of the proposed abolition of the German royalty deduction limitation rule, which partially or wholly disallows the deduction of royalty payments between related parties where the payment at the recipient level is subject to a non-nexus compliant preferential tax regime at an effective rate of below 25 percent. Instead, the draft proposes a reduction of the current minimum tax rate from 25 percent to 15 percent.
- Withdrawal of the proposed abolition of German trade tax application on CFC income.
- Proposed amendments to German GAAP introducing a temporary mandatory exception from accounting for deferred taxes arising from Pillar Two and a requirement to disclose qualitative and, if known or reasonably estimable, also quantitative information about the exposure to Pillar Two. These new disclosures would apply to fiscal years starting after December 30, 2023.

As a next step in the legislative process, the German Federal Council will have the chance to comment on the bill. Subsequently, the draft bill will be subject to approval by both the Parliament and Federal Council. As such, amendments may still occur in the course of the legislative procedure.

For more information, please refer to E-News Issue 180.

Greece

Draft law to implement DAC7

On August 4, 2023, the Greek Ministry of Finance published draft legislation to transpose Council Directive (EU) 2021/514 (DAC7) into domestic law. The law would require digital platform operators to provide the Greek competent authority with information about certain users ("sellers") on their platform to enable the Greek competent authority to exchange this information with other EU Member States. The rules would become effective once published in the Official Gazette. Comments on the draft bill were requested by August 18, 2023.

Previously, the European Commission decided to send a reasoned opinion to several Member States that had failed to notify the national measures transposing DAC7 into domestic legislation by December 31, 2022, including Greece (please refer to our previous coverage in E-News Issue 181).

Hungary

Amendments to extra profit surtaxes published

On July 17, 2023, Hungary published amendments to extra profit taxes in the Official Gazette. Key amendments include:

- *Surtax on producers of petroleum products:* Reduction of the extra profit tax rate from 2.8 percent to 1 percent for 2024.
- *Pharmaceutical producers' extra profit tax and pharmaceutical surtax:* Possibility to credit certain expenditures in relation to the acquisition of tangible assets and basic research against the 2024 extra profit liability, subject to certain limitations.

The amendments are generally effective from July 18, 2023, unless stated otherwise.

For more information, please refer to a report prepared by KPMG in Hungary.

Ireland

Implementation of solidarity contribution in respect of fossil fuel production and refining sectors

On August 2, 2023, the Irish Department of the Environment, Climate and Communication signed the order for the introduction of a solidarity contribution on windfall gains made in 2022 and 2023 by the fossil fuel production and refining sector. Key features include:

- The temporary solidarity contribution is applicable to operators in the fossil fuel production and refining sectors.
- The amount of the contribution is calculated as 75 percent of the "windfall" gains.
- Windfall gains are taxable profits that are more than 20 percent in excess of the baseline taxable profits for the period 2018 to2021.
- The measure applies for 2022 and 2023.
- Companies within the scope of the temporary solidarity contribution are required to register with the Revenue Commissioners by August 30, 2023.
- Companies within the scope of the temporary solidarity contribution are required to file their return and pay the 2022 temporary solidarity contribution to the Revenue Commissioners by September 23, 2023.

For more information, please see a press release from the Irish Ministry and E-News Issue 180.

New Tax Dispute Resolution Mechanism released by the Irish tax authority

On July 17, 2023, the Irish Revenue Commissioners released a new Tax and Duty Manual that outlines guidelines for the European Union (Tax Dispute Resolution Mechanisms) Regulations 2019, which transposes the European Union's Directive on tax dispute resolution mechanisms (2017/1852). This sets out a framework to address tax disputes between Ireland and one or more EU Member States that emerge due to the interpretation or application of tax treaties and the EU Arbitration Convention. The purpose of the manual is to provide guidance on dispute resolution procedures.

For more information, please see eBrief 165/2023 published by the Revenue Commissioners.

Revenue authority issues updated R&D tax credit guidelines

On July 17, 2023, the Irish Revenue Commissioners published an updated Tax and Duty Manual (Part 29-02-03A) regarding the Research and Development (R&D) Corporation Tax Credit. The manual offers guidance on the alterations made to the functioning of the R&D tax credit regime introduced by Finance Act 2022. Key features include:

- the tax credit will now be paid out to all claimants regardless of the corporation tax position in three instalments over three years;
- previous payroll tax restrictions which applied to the refundable element of the R&D credit have been removed, making the credit fully refundable;

- examples are provided regarding (i) how credits will be refunded under the new rules and (ii) how carried forward cash refund instalments may be accelerated;
- details regarding a new specified corporate tax return that will need to be completed by claimants;
- the inclusion of Cloud Computing Costs under qualifying expenditure in section four of the manual.

For more information, please see a report prepared by KPMG in Ireland.

Italy

Implementation of solidarity contribution on banking sector

On August 10, 2023, the Italian government published legislation in the Official Gazette regarding the introduction of a once-off windfall tax on banks for the 2023 fiscal year. Key features include:

- the contribution will apply to qualifying financial institutions operating in Italy;
- the contribution will be levied at a rate of 40 percent on a taxable amount which is the higher of (i) the portion of interest margin arising in the fiscal year 2022, which exceeds the interest margin for the fiscal year 2021 by at least five percent, or (ii) the portion of interest margin arising in the fiscal year 2023, which exceeds the interest margin in the fiscal year 2021 by at least 10 percent, in the case of banks who adopt a calendar reporting year;
- the contribution cannot exceed an amount equal to 0.1 percent of the value of assets reported for the fiscal year preceding January 1, 2023;
- the contribution must be paid by the sixth month of the fiscal year preceding January 1, 2024 (i.e. in the case of banks with a calendar reporting period, the payment will be due by June 30, 2024);
- the contribution will not be deductible against Italian direct taxes.

The legislation has been effective from August 10, 2023, and must be approved by Parliament within 60 days of this date to become law.

For more information, please refer to a press release by the Italian government. The measure would complement the previously introduced solidarity contribution on surplus profits generated by companies in the oil, gas, coal, and refinery industries (for previous coverage, please refer to E-News Issue 168).

Italy publishes legislation regarding revision of tax system in Official Gazette

On August 14, 2023, the Italian government published legislation in the Official Gazette for the delegation law for the revision of tax system in Italy. Key corporate tax features include:

- revision of the statute of taxpayer’s rights by increasing the requirement of tax authorities to justify tax assessments;
- modification of the corporate income tax system with the introduction of a reduced rate for companies reinvesting profits in qualifying new investments and new hires, subject to a number of conditions including timely investment and use of profits; and
- the gradual elimination of regional taxes on production activities.

The Italian government will be required to adopt the measures within 24 months from the date when the legislation becomes effective (August 29, 2023).

For previous coverage of the bill providing for the reform of the Italian tax system, please see E-News Issue 175 for more information.

Latvia

Budget 2024 – policy options in respect of the taxation of the banking sector

On August 14, 2023, Latvia's Ministry of Finance released a report on tax policy options that are being considered for inclusion in the state budget for 2024. Key considerations from a direct tax perspective include:

- introduction of a mandatory advance payment of corporate income tax by banks in the amount of 20 percent of the previous year's profit;
- alternatively, introduction of a temporary solidarity contribution on excess profits of banks, which would be similar to the 60 percent contribution introduced by Lithuania.

Latvia provides for a distribution tax system under which the taxation of profits is deferred until those profits are distributed as dividends or are deemed to be distributed. Examples of deemed distributions are non-business expenses, bad debts or excess interest payments.

For more information, please refer to the government's press release.

Luxembourg

Draft law to implement minimum taxation published (Pillar Two)

On August 4, 2023, a draft bill was submitted to the Luxembourg Parliament to implement the OECD's Pillar Two Model Rules as set out under the EU Minimum Tax Directive.

The proposal closely follows the text of the EU Directive (for more details, please refer to Euro Tax Flash Issue 500) and also incorporates certain items that were subsequently released by the OECD Inclusive Framework. Key features of the proposal include:

General

- The DMTT and the IIR would apply for financial years starting on or after December 31, 2023.
- The UTPR would generally be applicable one year later, i.e. for financial year starting on or after December 31, 2024. However, the UTPR would apply for financial years starting on or after December 31, 2023 where the UPE of the group is located in an EU Member States that opted for the IIR and UTPR deferral (Article 50 of the Directive).
- The draft incorporates into the legislative text the transitional CbyC Reporting Safe Harbour agreed as part of the GloBE Implementation Framework as well as a limited number of elements of the February Administrative Guidance.
- The July Administrative Guidance is not yet reflected (for example, the UTPR Safe Harbour provisions).

DMTT

- The DMTT would generally be calculated in accordance with the general GloBE rules. In line with OECD Guidance, foreign covered taxes (e.g. CFC taxes) that would be allocated to Luxembourg constituent entities under the regular GloBE rules, need to be excluded for Luxembourg DMTT purposes.
- The QDMTT definition provides that the income or loss for the jurisdiction can be computed using an acceptable financial accounting standard or an authorized financial accounting standard that differs from the one used in the Consolidated Financial Statements provided that it is adjusted to prevent any material competitive distortions.
- The draft provides for a QDMTT safe harbor rule (i.e. IIR and UTPR Top-up Tax is deemed to be zero in Luxembourg in relation to jurisdictions that apply a QDMTT). The QDMTT safe harbor would require a QDMTT to be computed in accordance with the UPE's acceptable financial accounting standard or IFRS as adopted by the EU. The July 2023 Administrative Guidance requirements for a QDMTT Safe Harbour have not yet been taken into account.

Administration

- Constituent Entities would be required to register with the Luxembourg tax authorities and to file a GloBE Information Return as well as a self-assessment tax return within 15 months after the end of the Reporting Fiscal Year (18 months for the transitional year).
- Top-up tax would need to be paid within one month following the submission of the tax return.
- Failures to comply with the administration of the GloBE rules can be sanctioned with a fine of up to EUR 250,000.

For more information, please refer to a report prepared by KPMG in Luxembourg.

Netherlands

Draft legislation to implement the EU Public CbyC Reporting Directive adopted by the House of Representatives

On July 6, 2023, the Dutch House of Representatives adopted legislation to implement the Public CbyC Reporting Directive. Key takeaways include:

- The provisions of the Dutch public CbyC bill are closely aligned with the text of the Directive.
- The bill provides the possibility to apply the "safeguard clause[1]".
- Companies would be required to publish the reports on their website, as the Netherlands does not intend to grant an exemption from publication where the reports are made available free of charge on the website of the local commercial registry.
- The Dutch draft legislation does not specifically reference the two-year revenue threshold but seem to apply the current OECD approach (group revenues higher than EUR 750 million in the year previous to

[1] Under the "safeguard clause" Member States can choose to allow in-scope groups to defer the disclosure of commercially sensitive information for a maximum of five years – with the exception of data related to jurisdictions on the EU list of non-cooperative jurisdictions (Annexes I and II).

the year for which the country report needs to be filed).

The draft legislation will be presented to the Senate on September 12, 2023. Once the legislative process has been completed, the public disclosure rules would apply to financial years starting on or after June 22, 2024.

Portugal

EU Public CbyC Reporting Directive implemented in local legislation

On August 23, 2023, the bill implementing the Public CbyC Reporting Directive in Portugal was published in the Official Journal. Key takeaways include:

- The provisions of the Portuguese public CbyC bill are closely aligned with the text of the Directive.
- The bill provides the possibility to apply the "safeguard clause".
- Companies would be required to publish the reports on their website, as Portugal did not opt for an exemption from publication where the reports are made available free of charge on the website of the local commercial registry.

The public disclosure rules will apply to financial years starting on or after June 22, 2024.

Romania

Draft Procedural Rules on DAC7 application

On July 25, 2023, the Romanian tax authorities published for consultation draft procedural regulations in respect of the Romanian DAC7 reporting for digital platform operators.

More specifically, the regulations provide guidance on the administrative procedures to be followed by the tax authorities in cases where the information submitted by digital platform operators is incomplete or incorrect.

Comments on the draft regulations were requested by August 4, 2023.

Slovakia

Public consultation launched on a legislative proposal to implement minimum taxation (Pillar Two)

On August 3, 2023, the Slovakian Ministry of Finance launched a consultation on a draft bill to implement the OECD's Pillar Two Model Rules as set out under the EU Minimum Tax Directive. Key features of the proposal include:

- Slovakia is considering making use of the option under the EU Directive to defer IIR and UTPR. Provisions on IIR and UTPR are not included in the draft and there is no indication yet as to when the government plans to start applying the rules (i.e. after December 31, 2029 or earlier).
- The DMTT would apply for financial years starting on or after December 31, 2023. The Slovakian DMTT would generally be calculated in accordance with the general GloBE rules. In line with the OECD Guidance, foreign covered taxes (e.g. CFC taxes) that would be allocated to Slovakian

constituent entities under the regular GloBE rules, need to be excluded for Slovakian DMTT purposes.

- The draft incorporates into the legislative text the transitional CbyC Reporting Safe Harbour agreed as part of the GloBE Implementation Framework.
- The draft bill does not yet take into account the February and July Administrative Guidance (for example, the QDMTT Safe Harbour and UTPR Safe Harbour are not included).
- The draft does not include GloBE provisions that are deemed irrelevant in respect of the tax system in Slovakia (e.g. income adjustments for refundable tax credits, rules on distribution tax system).
- Constituent Entities would be required to file an information return as well as a tax return within 13 months after the end of the Reporting Fiscal Year.
- The domestic top-up tax would be due on the last day of the month when the filing deadline expires.
- Failures to comply with the administration of the GloBE rules can be sanctioned with a fine ranging from EUR 1,500 to EUR 50,000.

Comments on the draft bill were requested by August 23, 2023.

Slovenia

Legislative proposal to implement minimum taxation (Pillar Two)

On June 23, 2023, the Slovenian Ministry of Finance launched a consultation on a draft bill to implement the OECD's Pillar Two Model Rules as set out under the EU Minimum Tax Directive.

The proposal closely follows the text of the EU Directive (for more details, please refer to Euro Tax Flash Issue 500) and also incorporates certain items that were subsequently released by the OECD Inclusive Framework. Key features of the proposal include:

General

- The DMTT and the IIR would apply for financial years starting on or after December 31, 2023.
- The UTPR would generally be applicable one year later, i.e. for financial years starting on or after December 31, 2024. However, the UTPR would apply for financial years starting on or after December 31, 2023 where the UPE of the group is located in an EU Member States that opted for the IIR and UTPR deferral (Article 50 of the Directive).
- The draft makes reference to the OECD Model Rules and Commentary to ensure consistent interpretation of the rules and incorporates into the legislative text the transitional CbyC Reporting Safe Harbour agreed as part of the GloBE Implementation Framework.
- The draft bill does not yet take into account the February and July Administrative Guidance (for example, the UTPR Safe Harbour is not included).

DMTT

- The DMTT would generally be calculated in accordance with the general GloBE rules. In line with OECD Guidance, foreign covered taxes (e.g. CFC taxes) that would be allocated to Slovenian constituent entities under the regular GloBE rules, need to be excluded for Slovenian DMTT purposes.
- The QDMTT definition provides that the income or loss for the jurisdiction can be computed using an

acceptable financial accounting standard or an authorized financial accounting standard that differs from the one used in the Consolidated Financial Statements provided that it is adjusted to prevent any material competitive distortions.

- The draft provides for a QDMTT safe harbor rule (i.e. IIR and UTPR Top-up Tax is deemed to be zero in Slovenia in relation to jurisdictions that apply a QDMTT). The QDMTT safe harbor would require a QDMTT to be computed in accordance with the UPE's acceptable financial accounting standard or IFRS as adopted by the EU. The July 2023 Administrative Guidance requirements for a QDMTT Safe Harbour have not yet been taken into account.

Administration

- Constituent Entities would be required to file a GloBE Information Return as well as a self-assessment tax return within 15 months after the end of the Reporting Fiscal Year (18 months for the transitional year).
- Top-up tax needs to be paid within 30 days following the submission of the tax return.
- Failures to comply with the administration of the GloBE rules can be sanctioned with a fine ranging from EUR 3,200 to 30,000.

Comments on the draft bill were requested by July 16, 2023.

South Africa

Proposed amendments to Research and Development tax incentive

On July 31, 2023 the South African National Treasury released proposed amendments to the R&D tax incentive. Specifically, the R&D tax incentive provides for a 150 percent deduction for qualifying expenditure on eligible scientific or technological R&D undertaken by companies in South Africa. This requires the submission and approval of an application to the Department of Science and Innovation (DSI). Key features of the proposal include:

- introduction of a grace period when taxpayers will be allowed to claim qualifying R&D expenditure incurred up to six months before an application is submitted to the DSI;
- extension of the sunset clause up to December 31, 2033;
- insertion of "scientific or technological" wording before "research and development" throughout the section to emphasize that the intention of the incentive has always been to encourage R&D activities aiming to solve scientific and technological uncertainties;
- a simplification of the R&D definition to apply only to activities aimed at resolving scientific or technological uncertainties that cannot be solved by professionals in the particular field using existing tools and methodologies;
- the deletion of the existing requirements for the invention, design, computer program or knowledge to be created or developed under specific Acts (Patent Act, Design Act, Copyright Act, etc.); and
- the removal of the prohibition to claim R&D related to internal business processes.

The above changes are proposed to be effective for applications submitted and expenditure incurred on or after January 1, 2024. For more information, please refer to a report prepared by KPMG in South Africa.

Proposed temporary expansion of renewable energy tax incentive

On July 31, 2023, South Africa issued a draft proposal to temporarily extend the current renewable energy tax incentive. Key features include:

- taxpayers would be eligible for a once-off deduction of 125 percent of the qualifying costs for renewable energy projects brought into use on or after March 1, 2023 but before March 1, 2025, with no threshold on generation capacity;
- qualifying costs relate to new and unused renewable energy assets (including their supporting structures) brought into use on or after March 1, 2023 but before March 1, 2025 and used to generate electricity, from certain sources (e.g. wind power, solar energy, hydro power, etc.);
- to qualify for the incentive the taxpayer must own the asset and the asset must be used in the production of income;
- as an anti-avoidance measure, the cost in respect of which the allowance may be claimed is deemed to be the lesser of the actual cost to the taxpayer or an arm's length cash cost on the date of acquisition; and
- no deduction would be allowed when the asset has been let by the taxpayer under a lease (other than an operating lease) unless (i) the lessee derives income from trade under such lease, and (ii) the period of the lease in question is at least five years or a shorter period shown by the taxpayer to be the useful life of the asset.

For more information, see a report prepared by KPMG in South Africa.

Proposed Advanced Pricing Agreement program

On July 31, 2023, the South African National Treasury released draft legislation for a proposed advance pricing agreement (APA) program.

It is expected that initially South Africa will only entertain bilateral APAs. The proposed legislation includes the anticipated process, fees applicable, and requirements. Several items will require further clarification and detail, which are expected to be published in terms of public notices.

Comments are requested in response to a public consultation by August 31, 2023. This will be followed by public workshops and the release of National Treasury's response document.

For more information, please refer to a report prepared by KPMG in South Africa.

Switzerland

Report of Pillar Two implementation implications for Swiss cantons

On August 8, 2023, the Swiss Federal Department of Finance published a report on the expected effects of the Pillar Two implementation on individual cantons. Key takeaways include:

- The cantons will receive 75 percent of the revenues from the supplementary tax regime, and the remaining 25 percent will be allocated to the federal budget.
- For half of the cantons the receipts from the supplementary tax (including the federal share) are

estimated at around CHF 500 million (approximately EUR 523,200 million). The report notes that it is not possible to extrapolate this amount for the whole of Switzerland due to the different cantonal situations. However, in this context the 2024 Budget release (dated August 24, 2023) refers to an expected annual revenue gain of CHF 1.6 billion (approximately EUR 1.675 billion) from Pilar Two implementation in 2026 and 2027.

- The report notes that all cantons are addressing the implementation of Pillar Two. In addition, adjustments in tax law and non-tax support measures are under discussion. The latter may include measures such as refundable tax credits for investments in research and development, in reconciling work and family life or in sustainable technologies.
- In this context, the report notes that the cantons Aargau, Appenzell Ausserrhoden, Basel-Landschaft, Geneva, Lucerne, and Neuchâtel have already passed legislation or prepared a consultation draft.

For more information, please refer to the Swiss government's press release.

United Arab Emirates

Conditions for qualifying investment funds to be exempt from corporate tax

The Ministry of Finance in United Arab Emirates (UAE) published (i) Cabinet Decision No. (81) of 2023, which outlines the additional conditions to be met by qualifying investment funds (QIFs) to be exempt from corporate tax, and (ii) Cabinet Decision No. (75) of 2023, which outlines the administrative penalties for violations of the UAE corporate tax law. Key features include:

Cabinet Decision No. (81) of 2023

- Provides for additional conditions that investment funds (IFs) must meet to be treated as QIFs and be exempt from corporate tax.
- The conditions for IFs, other than Real Estate Investment Trusts (REITs), to be exempt from corporate tax, include:
    - being primarily engaged in investment business activities, with ancillary or incidental activities not exceeding 5 percent of their total annual revenue;
    - the share of ownership interests in the investment fund held by a single investor and its related parties not exceeding 30 percent or 50 percent, depending on the number of investors in the investment fund;
    - being overseen by an investment manager employing a minimum of three investment professionals, and
    - the day-to-day management of the fund not being controlled by investors.
- In the case of REITs, additional conditions apply to avail of the exemption, include the following:
    - real estate assets, excluding land held by the REIT, exceeds AED 100 million (circa EUR 25 million) in value;
    - a minimum of 20 percent of its share capital is publicly listed or wholly owned by two or more institutional investors (e.g. the federal or local government, government entity or government-controlled entity, etc.); and

- an average real estate asset percentage of at least 70 percent is maintained annually.

Cabinet Decision No. (75) of 2023

- Administrative penalties will be imposed in case of failure to maintain records and other information as specified, failure to submit a tax return within the timeframe, failure to settle the payable tax, etc. The list of activities on which a penalty will be imposed has been annexed to Cabinet Decision No. 75 of 2023.

For more information, please refer to a report prepared by KPMG in UAE.

United Kingdom

Amendment to CbyC reporting rules

On August 1, 2023, His Majesty's Revenue and Customs (HMRC), published updated guidance in the "International Exchange of Information Manual". The updates reflect the latest amendments to the CbyC reporting rules (for more information, please refer to E-News Issue 181).

HMRC's guidelines now refer to the definitions provided by the OECD and emphasize the importance of reviewing these definitions when preparing a CbyC report. In addition, the regulation outlines the scenarios where a CbyC reporting exemption can be claimed, including (i) where the necessary information has already been included in another report submitted to HMRC or, (ii) where the information has been reported to a jurisdiction that intends to share the information with HMRC.

HMRC publishes policy paper on reporting rules applicable to digital platforms

On July 20, 2023, HMRC issued a policy paper outlining a plan to establish reporting regulations for digital platform operators prompted by the OECD Model Rules for reporting by platform operators with respect to sellers in the sharing and gig economy (implemented in the EU through DAC7). The authority to adopt these regulations was implemented as part of the 2023 Finance Act, which was enacted on July 11, 2023.

Key elements of the proposed regulation include:

- Certain UK digital platforms would be required to submit information to HMRC about the earnings generated by sellers of goods and services on their platform.
- HMRC would share this information with other tax authorities in jurisdictions where the sellers are resident for tax purposes.
- The term 'digital platforms' includes applications and websites that enable various services and product provisions, such as ride-hailing services, food delivery services, freelance opportunities, and short-term accommodation rentals.

The regulations would take effect starting from January 1, 2024, with the reporting obligation commencing in January 2025.

Changes to tonnage tax regime proposed

On July 18, 2023, HMRC published draft legislation in respect of changes to the tonnage tax regime. Key features include:

- companies would be able to elect to be taxed by reference to their shipping tonnage rather than their accounts;
- ship management companies would be able to qualify for the regime effective from April 1, 2024; and
- for leases entered into from April 1, 2024, the limits on qualifying capital expenditure that tonnage tax companies can claim capital allowances on would be increased, with the overall limit rising from GBP 80 million (approximately EUR 94 million) to GBP 200 million (approximately EUR 235 million).

For more information, please refer to a report prepared by KPMG in UK.

Stricter measures to tackle promoters of tax avoidance

On July 18, 2023, HMRC published a policy paper titled "Dealing with promoters of tax avoidance". The policy paper aims to impose tougher consequences on promoters of tax avoidance. Highlights of the draft legislation include:

- A new offense is introduced for those who fail to comply with a 'stop notice' issued by HMRC under the promoters of tax avoidance schemes (POTAS) rules. This offense applies to promoters of tax avoidance who continue to promote an avoidance scheme after the notice is issued.
- A new power is granted to the HMRC under which they could apply to the court for a disqualification order against directors of companies involved in promoting tax avoidance. This power could also be exerted over individuals who control or exercise influence over a company.

Local Courts

France

Constitutional Court requested to rule on the constitutionality of levying withholding tax on dividends paid to non-resident loss-making companies

On July 13, 2023, the French Supreme Administrative Court (Conseil d'Etat) requested the Constitutional Court to rule on the constitutionality of the French withholding tax applicable to cross-border dividend distributions (case no. 455810).

Following the Sofina judgement[2] (C-575/2017, see Euro Tax Flash Issue 386 for previous coverage), the French legislation was amended and, starting January 1, 2020, non-resident companies incurring losses can claim a temporary refund of the withholding tax levied in France (subject to certain conditions).

The Conseil d'Etat requested the Constitutional Court to rule on whether the different treatment applicable to non-resident and resident loss-making dividends (pre-2020 and after the legislative change took place) complies with the constitutional principle of equality before the law.

Compatibility of French tax integration scheme rules with EU freedom of establishment

On July 18, 2023, the French Supreme Administrative Court (Conseil d'Etat) issued its follow-up decision following the CJEU's rulings in joined cases C-407/22 and C-408/22 (no. 454107 and no. 458579). The cases concern the compatibility of French tax integration scheme rules with the freedom of establishment.

Under French tax law, parent companies are allowed to deduct from their net profits the net revenues from holdings that are eligible for the tax regime for parent companies, with the exception of a fixed proportion of 5 percent of costs and expenses. A French parent company that has opted for tax integration with resident companies is entitled to neutralise the add-back of the fixed proportion of costs and expenses for certain eligible dividends, irrespective of whether the dividends were distributed by subsidiaries resident in France or in another Member State. However, that neutralisation was denied as regards dividends from subsidiaries located in another Member State that would have been eligible in a domestic scenario, where the parent company that owned eligible subsidiaries in France had not elected to form a tax-integrated group with the latter.

Consequently, dividends received by a resident parent company (from eligible resident and non-resident subsidiaries) belonging to a tax-integrated group are deducted in full from its net profit and are therefore fully exempt from corporation tax in France. On the other hand, dividends received by a resident parent company (from eligible resident and non-resident subsidiaries) that is not part of a tax-integrated group are only partially exempt from corporation tax in France because of the 5 percent add-back into its profit. A resident parent company does not have the possibility of opting for the tax integration scheme with its subsidiaries located in other Member States unless it forms a tax-integrated group with at least one of the eligible resident companies. For more details, see E-news Issue 177.

In line with the CJEU's decision, the Conseil d'Etat ruled that the French rules described above were not compatible with the freedom of establishment.

Luxembourg

Ruling on the beneficial ownership of a trademark

On August 15, 2023, the Administrative Court of Luxembourg (the Court) held that Luxembourg-based company owned by a Canadian group could not be considered the beneficial owner of a US trademark (case no. 45706 and 46555).

[2] The case concerned the compatibility with EU law of the French withholding tax levied on dividends paid by French companies to non-resident loss-making companies. Under the French law applicable at that time, French-sourced dividends paid to non-resident companies were subject to withholding tax (irrespective whether they were profitable or loss-making). By contrast, loss-making French companies were only taxed on the amount of the dividends they receive once they become profitable again. The CJEU concluded that the French legislation is contrary to the free movement of capital.

The plaintiff was a Luxembourg company (LuxCo) that entered into an agreement with a US group company (USCo) in December 2015 regarding a US trademark. According to the agreement, LuxCo gained the right to sub-license the trademark to various European group companies. These sub-licensing rights were subsequently sold in 2017 to an Irish group company. For the tax years 2016 and 2017, LuxCo sought a tax exemption for 80 percent of the net licensing income and the capital gains derived from the sale of these licensing rights.

However, tax authorities denied the tax exemption, arguing that LuxCo did not hold the beneficial ownership of the trademark. In response, LuxCo appealed the decision before the Court. In its legal action, Lux Co noted that although legal ownership of the trademark was retained by the US entity, beneficial ownership had been transferred to LuxCo based on the agreement between the two companies. Additionally, LuxCo asserted that its transfer pricing report provided evidence of it bearing the economic risks associated with the trademark. Moreover, the trademark was also included in LuxCo's balance sheet.

The Court recalled the criteria established by Luxembourg case law for determining beneficial ownership in similar cases, including: the ability to benefit from property value increase, bearing depreciation risks, holding effective economic rights, and irreversible property acquisition. The Court then noted that the preamble of the trademark agreement clearly indicated that legal ownership of the trademark remained with the US entity. Furthermore, the wording of the agreement, in the Court's interpretation, only granted LuxCo exclusive rights to utilize the US trademark for a specified duration. The Court also noted that the agreement's wording demonstrated the US entity's lack of intent to relinquish control over the trademark. Consequently, the Court concluded that the property had not been irreversibly transferred to LuxCo.

Given these considerations, the Court ruled that LuxCo did not qualify as the beneficial owner of the trademark and, as a result, was not eligible for the 80 percent tax exemption.

Spain

Spanish Supreme Court establishes that burden to prove abuse lies with the Spanish tax authorities

On June 8, 2023, the Spanish Supreme Court issued a decision on the burden of proof in relation to a potentially abusive claim for a withholding tax exemption under the Spanish law that transposed the EU Parent-Subsidiary Directive (PSD).

The case related to a distribution made by a Spanish resident company to its Luxembourg resident parent company in 2010. Spanish implementation of the EU PSD at that time included a special anti-abuse provision denying the withholding tax exemption in relation to distributions made to direct EU shareholders when the majority of the voting rights of the EU parent company were directly or indirectly owned by non-EU residents. An exception applied where the taxpayer was able to prove that it had been set up for valid economic reasons and that it carried on business activity directly related to the business activity of its Spanish subsidiary with the necessary equipment of human and material resources.

The Spanish tax authorities (STA) denied the dividend withholding tax exemption on the basis of the anti-abuse provision arguing that the ultimate investor in the Luxembourg company was a Canadian pension fund and that the taxpayer failed to provide sufficient proof that the Luxembourg business was established for valid economic reasons.

Following an appeal by the taxpayer, the National Court found that a general presumption of abuse may not be established solely on the basis that the parent company was a Canadian pension fund and that it was the

tax authority's responsibility to prove the existence of the factors constituting abuse (for more details, please refer to E-News Issue 136).

Indeed, allowing the authorities to establish a general presumption of fraud and abuse would go beyond what is necessary to prevent them, as CJEU case law has shown, and would run counter to the objective pursued by the exemption and the EU Parent-Subsidiary Directive it transposes, which is to avoid double taxation of profits distributed by subsidiaries to their parents.

In view of the case law established by the Court of Justice of the European Union in its judgments of 7 September 2017 (case C-6/16), 20 December 2017 (cases C-504/16 and C-613/16) and 26 February 2019 (cases C-116/16 and C-117/16), the Spanish Supreme Court has upheld the judgment rendered by the National Court on 21 May 2021 (appeal 1000/2017) and amended its own case law.

Applying the above to the present case, the Spanish Supreme Court concluded that the burden of proof of the abuse ruling on this exemption in the NRIT falls on the tax authorities and not on the taxpayer.

For further information, please a release (in Spanish) published by the Spanish Judiciary.

Supreme Court decision on the attribution of expenses to permanent establishments

On July 17, 2023, the Spanish Supreme Court (the Supreme Court) issued a ruling (STS 3310/2023 - ECLI:ES:TS:2023:3310) concerning the attribution of general management and administrative expenses from a head office in Spain to a permanent establishment (PE) in Algeria.

The plaintiff was a Spanish oil and gas company with an Algerian PE engaged in extractive activities in Algeria. The Spanish head office incurred general management and administrative expenses, which were deducted in Spain from the taxable base for corporate income tax purposes.

Following a tax audit, the Spanish tax authorities determined that these expenses should have been partially attributed to the Algerian PE. Relying on the OECD Commentary, the tax authorities calculated the attributable expenses to the PE based on the ratio between net investments made by the Spanish company in Algeria and the total net tangible fixed assets included in the group's consolidated financial accounts. This attribution led to a decrease in deductible expenses in Spain. Furthermore, since profits generated by foreign PEs are exempt from Spanish corporate income tax under Spanish tax law, this attribution resulted in additional tax liabilities in Spain.

However, the Supreme Court disagreed with the approach taken by the Spanish tax authorities. The Supreme Court highlighted that expenses should only be proportionally allocated to the PE if they were incurred for the PE's benefit. Consequently, in the Supreme Court’s view, expenses unrelated to extractive activities (the business conducted by the PE in Algeria) cannot be directly attributed in a proportional manner to the PE. Additionally, the Supreme Court emphasized that, in line with its previous case-law, the OECD Commentary does not hold the status of a binding legal source.

KPMG Insights

Public CbyC Reporting – are you ready to publicly disclose your data?

Following the adoption of the EU Public CbyC Reporting Directive, large multinational enterprises (MNEs) operating in the EU will soon be required to publicly disclose information related to their global operations, including on certain tax items. Disclosures will be required with respect to the entire group and irrespective of whether the parent entity is based in the EU or in a third country. In some instances, disclosures will be required as early as 2024, with respect to financial year 2023.

Against this backdrop, our webcast on August 1, 2023 focused on:

- a recap of disclosures required under the EU Public CbyC Reporting Directive and a state of play of implementation across the EU;
- what is known so far and likely direction of travel in terms of upcoming requirements in Australia;
- developments in the United States;
- the use of CbyC data for the purposes of Pillar Two;
- key challenges and practical insights on preparing for public CbyC reporting and beyond.

Please access the event page for a replay of the session.

Understanding the OECD's July Outcome Statement and other BEPS 2.0 developments

The Inclusive Framework has released or is expected to release material on a number of areas including:

Pillar One

- Outcome Statement on Amount A;
- Public consultation on 'Amount B' which deals with the simplification of transfer pricing rules for marketing and distribution,

Pillar Two

- Format of the GloBE Information Return;
- Foreign currency translation rules for GloBE;
- Design of Qualifying Domestic Minimum Top-up Tax rules and an accompanying Safe Harbour
- Operation of the Substance-based Income Exclusion
- Potentially a new transitional UTPR safe harbour,
- And the Subject to Tax Rule which deals with certain intragroup payments where the impact of treaties is to reduce the nominal corporate income tax rates to below 9 percent,

On July 26, 2023, a webcast brought together our leading global experts to speak about these developments and broader global landscape on the introduction of the GloBE rules.

Please access the event page for a replay of the session.

KPMG‘s EU Tax Centre team

Raluca Enache
Associate Partner
Head of KPMG’s EU
Tax Centre

Ana Pușcaș
Manager
KPMG’s EU
Tax Centre

Marco Dietrich
Manager
KPMG’s EU
Tax Centre

Jack Cannon
Manager
KPMG’s EU
Tax Centre

Nevena Arar
Assistant Manager
KPMG’s EU
Tax Centre

Key EMA Country contacts

Ulf Zehetner
Partner
KPMG in Austria
E: UZehetner@kpmg.at

Kris Lievens
Partner
KPMG in Belgium
E: klievens@kpmg.com

Alexander Hadjidimov
Director
KPMG in Bulgaria
E: ahadjidimov@kpmg.com

Paul Suchar
Partner
KPMG in Croatia
E: psuchar@kpmg.com

Margarita Liasi
Principal
KPMG in Cyprus
E: Margarita.Liasi@kpmg.com.cy

Ladislav Malusek
Partner
KPMG in the Czech Republic
E: lmalusek@kpmg.cz

Stine Andersen
Partner
KPMG in Denmark
E: stine.andersen@Kpmg-law.Com

Gerrit Adrian
Partner
KPMG in Germany
E: gadrian@kpmg.com

Elli Ampatzi
Senior Manager
KPMG in Greece
E: eampatzi@cpalaw.gr

Gábor Beer
Partner
KPMG in Hungary
E: Gabor.Beer@kpmg.hu

Colm Rogers
Partner
KPMG in Ireland
E: colm.rogers@kpmg.ie

Lorenzo Bellavite
Associate Partner
KPMG in Italy
E: lbellavite@kpmg.it

Steve Austwick
Partner
KPMG in Latvia
E: saustwick@kpmg.com

Birute Petrauskaite
Partner
KPMG in Lithuania
E: bpetrauskaite@kpmg.com

Michał Niznik
Partner
KPMG in Poland
E: mniznik@kpmg.pl

António Coelho
Partner
KPMG in Portugal
E: antoniocoelho@kpmg.com

Ionut Mastacaneanu
Director
KPMG in Romania
E: imastacaneanu@kpmg.com

Zuzana Blazejova
Executive Director
KPMG in Slovakia
E: zblazejova@kpmg.sk

Marko Mehle
Senior Partner
KPMG in Slovenia
E: marko.mehle@kpmg.si

Julio Cesar García
Partner
KPMG in Spain
E: juliocesargarcia@kpmg.es

Caroline Valjemark
Partner
KPMG in Sweden
E: caroline.valjemark@kpmg.se

Joel Zernask
Partner
KPMG in Estonia
E: jzernask@kpmg.com

Jussi Järvinen
Partner
KPMG in Finland
E: jussi.jarvinen@kpmg.fi

Patrick Seroin Joly
Partner
KPMG in France
E: pseroinjoly@kpmgavocats.fr

Olivier Schneider
Partner
KPMG in Luxembourg
E: olivier.schneider@kpmg.lu

John Ellul Sullivan
Partner
KPMG in Malta
E: johnellulsullivan@kpmg.com.mt

Robert van der Jagt
Partner
KPMG in the Netherlands
E: vanderjagt.robert@kpmg.com

Matthew Herrington
Partner
KPMG in the UK
E: Matthew.Herrington@kpmg.co.uk

Stephan Kuhn
Partner
KPMG in Switzerland
E: stefankuhn@kpmg.com

Key links

- Visit our website for earlier editions

Privacy | Legal

You have received this message from KPMG International Limited and its related entities in collaboration with the EU Tax Centre. Its content should be viewed only as a general guide and should not be relied on without consulting your local KPMG tax adviser for the specific application of a country's tax rules to your own situation.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

If you wish to unsubscribe from Euro Tax Flash mailing list, please e-mail KPMG's EU Tax Centre mailbox (kpmgeutaxcentre@kpmg.com) with "Unsubscribe Euro Tax Flash" as the subject line. For non-KPMG parties – please indicate in the message field your name, company and country, as well as the name of your local KPMG contact.

If you have any questions, please send an e-mail to kpmgeutaxcentre@kpmg.com. KPMG's EU Tax Centre, Laan van Langerhuize 9, 1186 DS Amstelveen, Netherlands

© 2023 Copyright owned by one or more of the KPMG International entities. KPMG International entities provide no services to clients. All rights reserved.

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. For more detail about our structure please visit home.kpmg/governance.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.