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EU Tax News

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Editorial Board: Bob van der Made, Joanne Theodorides and Phil Greenfield.

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CJEU Developments

Belgium – CJEU Judgment on the compatibility of the extension of the Belgian tax on stock exchange transactions to non-Belgian platforms with the EU's freedom to provide services

On 30 January 2020, the CJEU ruled in *Anton van Zantbeek VOF* (C-725/18) that the extension of the Belgian tax on stock exchange transactions ('TOB') to non-Belgian platforms is not contrary to the freedom to provide services (Article 56 TFEU).

To prevent unfair competition between resident and non-resident professional intermediaries, the Belgian Law of 25 December 2016 widened the scope of the Belgian TOB to transactions executed through non-Belgian professional intermediaries. Belgian issuers of an order (i.e. the clients / investors) become liable for the TOB and the declaration obligations relating to that tax, whereas, if they had used a Belgian intermediary (generally a bank), it is the latter who would have been required to fulfil those obligations and to levy that tax at source. Due to this difference in treatment between recipients of financial intermediation services, a Belgian company requested the Belgian Constitutional Court to annul the extension of the scope of the Belgian TOB. The Belgian Constitutional Court referred the case to the CJEU for a preliminary ruling on the compatibility with EU law.

The CJEU considered that the new legislation constitutes a restriction on the freedom to provide services. However, as this legislation is intended to ensure the effective collection of tax and fiscal supervision and to combat tax evasion, the restriction on the freedom to provide services can be justified. The CJEU also decided that the new legislation is appropriate for attaining the objectives it pursues and that it does not go beyond what is necessary to achieve these objectives, as it offers investors and non-Belgian professional intermediaries certain options. For instance, investors using a non-Belgian intermediary can be relieved from their obligations relating to the TOB and its payment by proving that the TOB has already been paid either through the non-Belgian intermediary or through the tax representative that the non-Belgian financial intermediary can (but is not obliged to) choose to appoint in Belgium.

The Belgian Constitutional Court is expected to follow the CJEU Judgment, but it also has to rule whether the aforementioned extension of the scope of the TOB is compatible with the Belgian constitutional principle of equality.
-- Patrice Delacroix, PwC Belgium; patrice.delacroix@pwc.com

Gibraltar – CJEU Judgment on the applicability of the EU Parent-Subsidiary Directive to Gibraltar companies

On 2 April 2020, the CJEU issued its Judgment in *GVC Services (Bulgaria) EOOD vs. the Director of the 'Appeals and Tax and Social Security' Directorate of Sofia, Bulgaria* (C-458/18).

The ruling concerns the interpretation of Article 2(a)(i) and (iii) of Council Directive 2011/96/EU ('the Directive') on the common system of taxation applicable in the case of parent companies and subsidiaries of different EU Member States, as amended by Council Directive (EU) 2015/121 of

27 January 2015, and its Annex I, Part A and Part B. In particular the case considers how the Directive should be applied to Gibraltar.

As regards EU law, for the periods under consideration, Gibraltar is a European territory for whose external relations an EU Member State (the United Kingdom) is responsible within the meaning of Article 355(3) TFEU and accordingly, to which the provisions of the Treaties apply.

GVC Services (Bulgaria) EOOD ('GVC Services') is a Bulgarian single-member limited-liability company. Its share capital was wholly owned by PGB Limited ('PGB') a company registered in Gibraltar. During the period from 13 July 2011 to 21 April 2016, GVC Services paid dividends to PGB free from withholding tax on the basis that EU law was applicable to Gibraltar and accordingly the requirements of Article 2 of the Directive were satisfied. This was on the basis that the Gibraltar parent could be equated with a company incorporated in the United Kingdom and being subject to corporation tax in Gibraltar was to be equated with being subject to corporation tax in the United Kingdom, as referred to in Annex I, Part B, to the Directive.

The Bulgarian Tax Authorities on the other hand considered that the dividends should have been subject to withholding tax and raised a notice of assessment. They contended that the Directive contained an express and exhaustive list both of the companies (Annex I, Part A) and of the taxes (Annex I, Part B) to which it applied. The Directive could therefore not be extended to companies incorporated in Gibraltar and liable to tax there. The assessment was appealed to the Sofia Administrative Court which in turn referred the matter to the CJEU for a preliminary ruling.

It should be noted that the European Commission has on a number of occasions stated that in their view the Directive applies to Gibraltar and indeed they submitted observations in the current case.

The CJEU determined that, for reasons of legal certainty, it was not possible to extend the scope of the Directive by analogy to companies other than companies listed in Annex I, Part A, as the material scope of the Directive has been defined by means of an exhaustive list.

In their written observations, the United Kingdom Government stated that companies incorporated under its law did not include companies incorporated in Gibraltar and similarly the tax imposed in Gibraltar did not constitute a 'corporation tax in the United Kingdom'.

In light of this, the CJEU ruled that companies incorporated in Gibraltar and subject to tax there do not meet the requirements of the Directive.

This Judgment is important for the application of the Directive to Gibraltar companies. Similar consideration may arise regarding inter alia the EU Interest and Royalty Directive. It should be noted however that the Judgment is without prejudice to the question of whether the imposition of withholding tax is a breach of the fundamental freedoms in the Treaty which the CJEU did not consider further.

-- Edgar Lavarello and Patrick Pilcher, PwC Gibraltar; edgar.lavarello@pwc.com

Hungary – CJEU Judgments in Hungarian turnover tax cases

On 3 March 2020, the CJEU handed down judgment in two related cases regarding the progressive rates applied under the special turnover tax regime in Hungary: C-75/18 and C-323/18.

The preamble of the Hungarian legislation sets forth that special taxes may be imposed on taxpayers whose ability to contribute to the costs of public expenditure exceeds the general level of tax liability. Specifically, the special tax regime lays down that telecommunication operations and retail trading activities are, amongst others, subject to special tax, which has a steeply progressive rate ranging between 0% and 2.5% for retail traders, and between 0% and 6.5% in the case of telecommunication service providers. The tax is levied on the gross turnover arising from the respective activities.

The companies litigating filed for judicial review against the assessments of the Hungarian Tax Authority ('HTA') in respect of the special tax.

The companies held the view that the special tax is contrary to the provisions of the TFEU with respect to, amongst other matters, State aid and the freedom of establishment, and contrary to the EU's VAT Directive.

It was claimed as regards the freedom of establishment that the companies falling within the highest band are typically undertakings of foreign tax resident companies. Accordingly, the companies owned by foreign natural or legal persons bear a disproportionate share of the burden of the special tax.

During the lawsuit against the HTA, the Hungarian Court submitted a preliminary ruling request to the CJEU, inquiring whether the special tax regime is in breach of the respective provisions of the TFEU.

The CJEU concluded that neither of the litigating companies can rely on the alleged prohibited State aid nature of the special tax regime in order to avoid the payment of such special taxes and the question (whether the tax was unlawful State aid) was therefore inadmissible.

In connection with the potentially restrictive nature of the special tax regime, the CJEU highlighted that EU Member States are generally free to establish progressive tax systems, also on turnover, as it may be a relevant indicator of a taxable person's ability to pay taxes. In this regard, it was established that the respective markets are generally dominated by persons realizing the highest turnover who in this case simply happen to be foreign owned. The fact that they pay a higher amount of tax under a turnover-based progressive tax reflects the economic reality of such markets and does not constitute discrimination against the parties concerned.

Lastly, the CJEU also established that the special tax does not have all the essential characteristics of VAT, and therefore cannot be treated as comparable to VAT, concluding that the tax does not jeopardise the functioning of the VAT system.

Separate CJEU Judgment on penalties for non-registration under the Hungarian turnover tax regime

On the same day, the CJEU handed down a Judgment in another case concerning the Hungarian turnover tax regime, this time dealing with penalties for non-registration (C-482/18). Whilst the CJEU found that applying penalties for non-registration was not per se a breach of the TFEU, it concluded that where those penalties applied disproportionately to foreign businesses, it was a restriction on the freedom to provide services.

-- Gergely Juhász and Bálint Gombkötő, PwC Hungary; gergely.juhasz@pwc.com

Italy – CJEU Judgment on the compatibility of the Italian financial transaction tax on derivative instruments with EU primary law

On 30 April 2020, the CJEU issued its judgment in the case *Société Générale SA vs Agenzia delle Entrate – Direzione Regionale Lombardia Ufficio Contenzioso* (C-565/18) on the compatibility with EU Law of the Italian financial transaction tax applied to derivative instruments.

Since 2013, Italy has levied a tax on the transfers of ownership of shares and certain participating financial instruments issued by companies that have their legal seat in Italy (the 'Italian FTT'). The tax is also levied on transactions concerning derivatives instruments if the main underlying securities are shares or participating financial instruments issued by Italian companies. The tax applies irrespective of the place of residence of the parties involved and of the place where the contract has been executed.

On 1 August 2014, the Italian branch of Société Générale filed a refund claim to the Italian Tax Authorities for the reimbursement of the Italian FTT paid on transactions in derivative financial instruments carried out in 2013 by the French parent company. The request for reimbursement was based on the grounds that the Italian FTT - in so far as it provides for the taxation of financial transactions relating to Italian-sourced derivative contracts regardless of the State of residence of the financial operators and the intermediary - was in breach of the Italian Constitution and EU law, in particular Articles 18, 56 and 63 TFEU.

In the absence of a reply from the Italian Tax Authorities, the claimant brought an action before the competent tax courts which rejected the arguments on the non-constitutionality of the tax but decided to refer the case to the CJEU for the assessment of its compatibility with EU primary law.

The CJEU substantially followed Advocate General Hogan's Opinion of 28 November 2019 and ruled that the Italian FTT applies to derivative instruments irrespective of the State of residence of the financial operators and the intermediary, and does not as such violate EU primary law. In particular, the CJEU considered that examination of the domestic measure under Article 63 TFEU on the free movement of capital should prevail in the present case over the equally applicable freedom to provide services under Article 56 TFEU since the tax in question, which affects financial transactions, applies irrespective of whether such a transaction implies the provision of services or not.

According to the CJEU, the Italian FTT does not violate the free movement of capital because - in the light of the purpose of the tax measure, namely taxing financial transactions involving Italian-sourced derivatives, both resident and non-resident taxpayers are in the same situation and cross-

border financial transactions are subject to the same tax treatment reserved to domestic transactions within the Italian territory.

Notwithstanding the above, the CJEU added conclusively that the administrative and reporting burdens on non-resident taxpayers resulting from the implementation of the tax should not exceed what is necessary for the collection of the tax and that the referring court should assess the absence of excessive administrative and reporting burdens towards non-residents in this respect.
-- Claudio Valz, Luca la Pietra, Guglielmo Ginevra, PwC Italy; claudio.valz@pwc.com

National Developments

Belgium – Belgian Tax Authorities Circular on interest exemption for foreign savings deposits ruled incompatible with EU and Belgian domestic case law

On 21 February 2020, the Belgian Tax Authorities published a Circular letter (n° 2020/C/33) regarding the tax treatment of interest on non-Belgian savings deposits, which on some points is not in line with CJEU case law and some recent Belgian judgments.

In 2013, the CJEU sanctioned Belgium for its discriminatory treatment of savings deposits, as only deposits held with a Belgian bank could benefit from an interest exemption in *Commission vs Belgium* (C-383/10). Further to this CJEU Judgment, the exemption has been extended to credit institutions established in the EEA provided that the non-Belgian deposits comply with similar conditions as the Belgian deposits. For instance, the remuneration received on the savings deposits must consist of basic interest and a fidelity premium. However, it appears that this method of remuneration is specific to the Belgian banking market.

As a result, on 8 June 2017, the CJEU ruled that the modified Belgian legislation is capable of constituting an impediment to the freedom to provide services to the extent that it imposes conditions for access to the Belgian banking market on service providers established in other EU Member States (*Van der Weegen and Pot*, C-580/15). The CJEU considered that whether this is the case for the Belgian exemption is a matter for the referring national Court to verify. In a judgment dated 8 January 2019, the Court of First Instance of Bruges confirmed that the freedom to provide services is effectively violated in this case and that the Dutch savings deposits in question were eligible for the Belgian tax exemption. In a judgment of 17 March 2020, the Court of Appeal of Gent upheld this decision.

By continuing to require that non-Belgian savings deposits must consist of basic interest and a fidelity premium, the new circular letter is in line neither with *Van der Weegen and Pot* nor with several other recent Belgian judgments.
-- Patrice Delacroix, PwC Belgium; patrice.delacroix@pwc.com

Hungary – Two special taxes introduced to deal with economic impact of COVID-19

On 14 April 2020, the Hungarian Government introduced two special taxes in connection with its Economic Protection Action Plan against the economic impacts of the COVID-19 pandemic. These taxes are imposed on companies operating in industries deemed to have more ability to contribute to the public expenditures in the current situation.

Special tax on credit institutions

A special tax was imposed on credit institutions in Hungary (defined by the Act on Credit Institutions and Financial Enterprises) assessed from their modified balance sheet total exceeding HUF 50 billion (approx. EUR 140 million). The tax base is the balance sheet total calculated based on the annual accounts prepared for the second financial year preceding the tax year. The tax rate is 0.19%.

Credit institutions are required to file their tax returns electronically by 10 June 2020, while the payments will be due in three instalments by the end of 2020. In essence the special tax on credit institutions is an additional rate applicable for a year on top of the already existing sectoral tax for financial institutions, as both taxes are assessed from the same basis. The Hungarian Government has also proposed rules that make this special tax a temporary one only (currently pending adoption by the Parliament), as it is expected to directly offset the existing sectoral tax (mentioned earlier) in the next five years. The Hungarian Government expects to receive HUF 55 billion (approx. EUR 157 million) from credit institutions this year.

Special tax of retail companies

Regular readers of the EU Direct Tax Group's Newsalerts will recollect that Hungary used to apply a special tax on the retail sector and a number of CJEU referrals were made by Hungarian courts on the compatibility of the retail tax with EU Law (*Hervis Sport*; C-385/12).

The Hungarian Government has now basically re-introduced this special tax regime for retail companies with small changes that take into account the outcome of the relevant CJEU cases and also with a broader application. The current Hungarian legislation prescribes that Hungarian retailer activities are subject to this special tax, including foreign seated companies performing retailer activities in Hungary without a registered branch. This way the scope of the legislation has been extended to include foreign seated e-commerce companies.

The tax base is the total sales revenue earned by Hungarian retailers from retail activity or sales revenue derived from goods dispatched to Hungary by foreign retailers with no deductible item against the total gross turnover. Tax rates are progressive; retailers with a tax base of less than HUF 500 million (approx. EUR 1.4 million) are tax exempt. The maximum tax rate is set at 2.5% for the part of the taxable base exceeding HUF 100 billion annual turnover (approx. EUR 280 million).

The tax in its current form is applicable from May 2020 and during the crisis period (that was introduced due to the COVID-19 situation) only. However, there are legislative proposals pending before the parliament to extend the period of its application. For the purposes of tax-advance payments, companies have to apply the total sales revenue calculated based on last year's figures. Tax advance liabilities have to be settled on a monthly basis, with the first instalment due by the end of May 2020. Companies with a tax base not exceeding the HUF 500 million (approx. EUR 1.4 million) threshold will not be obliged to submit the monthly and annual tax returns.

-- Gergely Juhász and Bálint Gombkötő, PwC Hungary; gergely.juhasz@pwc.com

Spain – Implementation of the EU Directive on tax dispute resolution mechanisms in the European Union

On 5 February 2020, the Official Gazette published the Royal Decree-Law implementing a number of EU Directives, including Council Directive (EU) 2017/1852 of 10 October 2017 on tax dispute resolution mechanisms in the European Union. The implementation amends the Spanish Non-Resident Income Tax Act and the Administrative Litigation Act, generally following the terms of the Directive.
-- Roberta Poza and Miguel Muñoz, PwC Spain; roberta.poza.cid@pwc.com

UK – Upper-Tier Tribunal decision regarding the transfer of assets abroad rules

On 4 March 2020, the UK's Upper-Tier Tribunal ('UTT') announced its decision in the appeal of *Fisher v HMRC* [2020] UKUT 0062 (TCC), following the First-Tier Tribunal's ('FTT') decision in 2014. The case concerns the transfer of assets abroad ('TOAA') rules. The TOAA rules are a piece of anti-avoidance legislation introduced to prevent UK residents mitigating their UK tax liabilities through foreign transfers. The case considers whether protections offered by EU law can be extended to the spouse of an EU national.

The case involves spouses Ms. X and Mr. X (and their adult son) on the sale and transfer of their tele-betting business from a UK resident company to a Gibraltar resident company. Ms. X was a UK resident Irish national, whereas Mr. X and their son were UK resident UK nationals. The family were shareholders and/or directors of the companies involved in the case. Like many of their tele-betting competitors, they decided to move their business abroad in order to reduce their liability to UK betting duty.

The UTT found that the TOAA code should not apply to the transaction on the basis that the transferor is a company not an individual. The tribunal did not agree that the intention of the legislation was for the TOAA code to apply to all transfers made by companies where a shareholder or director can enjoy income resulting from the transfer. As a result, it was not necessary to consider whether the motive defence or the restriction of freedom of establishment could apply to the case. However, the UTT did consider these points. They concluded that the motive defence would be available to the appellants, if required, as the main purpose of the transaction was the survival of the business given the onerousness of betting duty at the time. The UTT agreed with the FTT's view that Ms. X's EU rights had been infringed upon but disagreed with the FTT that Mr. X's rights had not been. As Mr. X is a UK national, moving to Gibraltar is not a cross-border transaction and so the EU fundamental freedoms are not automatically in play. However, the UTT concluded that the spouses are not financially independent from each other so therefore their freedom of establishment cannot be separated. The application of the TOAA code to Mr. X would be an infringement of Ms. X's freedom of establishment. The son, as a financially independent adult, would not benefit from this extension of EU Treaty rights.
-- Emma Toogood, Juliet Trent and Jonathan Hare, PwC UK; jonathan.hare@pwc.com

UK – First-Tier Tribunal decision regarding cross-border group relief for losses of EU group companies

In *Esso Exploration and Production UK Ltd and Others v HMRC* [2020] UKFTT 0139, the First-tier Tribunal ('FTT') decided several points regarding availability in the UK of cross-border group relief ('CBGR') for losses of EU group companies.

The FTT ruled that CBGR was not available to the UK claimant company because the direct parent of the Danish surrendering company was a Luxembourg company (thus resident in a different EU Member State from the loss-making company), and because the taxpayer had not provided evidence that the losses could not be used in Luxembourg. This applied the *Holmen* Judgment (C-608/17).

The FTT concluded that in any event CBGR would not have been available because the UK claimant companies were sister companies of the Danish surrendering company and the only common parents were US, rather than EU, companies. There was thus no EU company whose freedom of establishment was engaged by the UK's failure to grant CBGR.

The FTT further considered the CJEU's Judgment in *K* (C-322/11) that losses were only final - and thus available for CBGR - where there were no possibilities for domestic use of the losses due to factual rather than legal impossibility in the source state. It applied this to deny CBGR for losses which were originally recognised in the source state (Denmark) but had become time-barred, or which were not transferred and thus legally barred under the source state's domestic law when the surrendering company's business was voluntarily transferred to another group company.

The final point, however, is more favourable to the taxpayer. The FTT considered whether, for pre-2006 losses, the "no possibilities" test needed to be satisfied immediately after the end of the period in which the losses were incurred (as required by the UK statutory regime for losses arising from April 2006 onwards), or merely at the (later) time when a claim was made for CBGR (as the UK Supreme Court held in *Marks & Spencer* in relation to pre-April 2006 losses). Whilst in *Commission v UK* (C-172/13) the CJEU held that the stricter post-2006 UK statutory position was not contrary to EU law, the FTT held that this did not invalidate the Supreme Court's judgment regarding pre-2006 losses. As such, for pre-2006 losses the "no possibilities test" remains to be applied by reference to the facts at the time when a claim is made.

-- Emma Toogood, Juliet Trent and Jonathan Hare, PwC UK; jonathan.hare@pwc.com

EU Developments

EU – Letter signed by group of eight MEPs from across the political spectrum to the Council calling for public CbCR and Covid-19 bailout conditionality for MNEs

Eight Members of the European Parliament ('MEPs') from across the political spectrum and all working on the public Country-by-Country Reporting ('public CBCR') dossier sent a letter to the EU's Competitiveness Council on account of the 4th anniversary of the European Commission's adoption of its proposal for public CbCR. In the letter, the MEPs call on EU-27 Ministers to break the deadlock on public CbCR in the Council and to tie tax transparency to eligibility for Covid-19

bailout measures for multinationals ('MNEs'). The letter is only available on the website of the Progressive Alliance of Socialists and Democrats:
https://www.socialistsanddemocrats.eu/sites/default/files/2020-04/letter-to-compet-ministers-on-pcbcr-12.4.2020-by-ep-mep-negotiation-team.pdf.pdf
-- Bob van der Made, PwC Netherlands; bob.vandermade@pwc.com

Spain – European Commission starts infringement procedure against Spain regarding the implementation of ATAD I and ATAD II

On 24 January 2020, the European Commission issued a formal notice under Article 258 TFEU requiring Spain to implement Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market (ATAD I), and Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries (ATAD II).
-- Roberta Poza and Miguel Muñoz, PwC Spain; roberta.poza.cid@pwc.com

FISCAL STATE AID

EU – European Commission adopts temporary State aid framework enabling EU Member States to support their economies during the COVID-19 crisis

On 19 March 2020, the European Commission adopted a temporary framework setting out the conditions for EU Member States to support the economy during the COVID-19 crisis. The communication lays down a framework that allows EU Member States to tackle difficulties that undertakings currently face following the COVID-19 outbreak, whilst at the same time maintaining the integrity of the European internal market and ensuring a level playing field.

The adoption of the temporary State aid framework by the European Commission follows its Communication on a coordinated economic response published on 13 March 2020.

Already today there are certain regulations in place under which certain State aid can be granted to cope with the COVID-19 crisis (such as the de minimis rules or the existing General Block Exemption regulation). These existing rules may however not be broad enough and therefore the temporary framework lists a number of additional measures that the European Commission temporarily considers as acceptable under EU State aid rules:

- *Aid in the form of direct grants, repayable advances, tax advantages:*

  State aid schemes of up to EUR 800k to undertakings that face a sudden liquidity shortage or unavailability as a result of the COVID-19 outbreak;

- *Aid in the form of guarantees on loans:*

  EU Member States can provide public guarantees on loans for a limited period and loan amount to ensure access to liquidity to undertakings;

- *Aid in the form of subsidised interest rates for loans:*

  EU Member States can grant loans at reduced interest rates for a limited period and a limited amount. These loans may relate to both investment and working capital needs;

- *Aid in the form of guarantees and loans channelled through credit and financial institutions:*

  EU Member States can grant aid via banks. Such aid channelled through banks will not be regarded as aid given to the banks, but directly to the undertaking. However, certain safeguards are introduced to limit distortions to competition;

- *Short-term export credit insurance:*

  Marketable risks (risks in respect of debtors established in certain countries) can in principle not be covered by export-credit insurance with the support of the EU Member States. However, following the COVID-19 outbreak, it cannot be excluded that cover for such marketable risks could be temporarily unavailable. The temporary framework provides additional guidance on how the unavailability can be demonstrated. In this case, short-term export credit insurance can be provided by the EU Member State.

The temporary framework also provides monitoring and reporting obligations for the EU Member States. EU Member States must publish relevant information on each individual aid granted and submit a list by 31 December 2020 of measures put in place.

EU Member States taking measures in line with the temporary framework need to notify these rules to the European Commission. However, these aid schemes can be approved rapidly upon notification by the EU Member State. Already on 21 March 2020, i.e. less than 48 hours after the adoption of the temporary framework, France notified and received approval for three specific measures to support the French economy.

On 3 April 2020, the European Commission adopted its first amendment to the temporary framework. Inter-alia, this amendment provides for five additional measures that the European Commission temporarily considers as acceptable under EU State aid rules, under the criteria set out therein: (i) aid for COVID-19 relevant research and development (R&D), (ii) investment aid for testing and upscaling infrastructures that contribute to develop COVID-19 relevant products, (iii) investment aid for the production of COVID-19 relevant products, (iv) targeted aid in the form of deferrals of tax and/or social security contributions in those sectors, regions or for types of undertakings that are particularly affected by the COVID-19 crisis, and, (v) targeted aid in the form of wage subsidies for employees to avoid lay-offs during the COVID-19 crisis in those sectors, regions or for types of undertakings that are particularly affected by the COVID-19 crisis. As regards aid in the form of deferrals of tax and/or social security contributions as well as wage subsidies for employees to avoid lay-offs, the amendment notes that measures of general application that apply to the economy as a whole do not fall within EU State aid control.

On 8 May 2020, the European Commission adopted its second amendment to the temporary framework. This second amendment sets out criteria based on which EU Member States can provide recapitalisations and subordinated debt to companies in need.

The temporary framework set outs the conditions under which EU Member States can grant State aid to undertakings. EU Member States are given a broad scale of possibilities ranging from direct grants to reduced interest rates and State guarantees on loans.

It is expected that many EU Member States will turn to the temporary framework to take specific measures to support their national economies. For companies benefitting from these measures, this framework - subject to appropriate notification by the EU Member State - can provide important legal certainty that the measures are acceptable under EU State aid rules.

-- Jonathan Hare, PwC UK, Emmanuel Raingeard, PwC France, Joanne Theodorides, PwC Cyprus, and Pieter Deré, PwC Belgium; jonathan.hare@pwc.com

Netherlands – European Commission extends in-depth State aid investigation into the Netherlands' tax treatment of Inter IKEA

On 30 April 2020, the European Commission published a press release in which it announced that it has extended the scope of the ongoing in-depth investigation into Inter IKEA's tax treatment in the Netherlands. For the moment only a press release by the European Commission is available: https://ec.europa.eu/commission/presscorner/detail/en/mex_20_782

-- Hein Vermeulen and Vassilis Dafnomilis, PwC Netherlands; hein.vermeulen@pwc.com

KEY EUDTG NETWORK CONTACTS

EUDTG Network Chair stef.van.weeghel@pwc.com	*EUDTG Network Driver / EU Affairs Brussels* bob.vandermade@pwc.com
Co-Chair State Aid Working Group, Chair Technical Committee emmanuel.raingeard@pwcavocats.com	*Co-Chair State Aid Working Group* jonathan.hare@pwc.com
Chair FS-EUDTG Working Group patrice.delacroix@pwc.com	*Chair Real Estate-EUDTG WG* jeroen.elink.schuurman@pwc.com

EUDTG COUNTRY LEADERS

Austria	Richard Jerabek	richard.jerabek@pwc.com
Belgium	Patrice Delacroix	patrice.delacroix@pwc.com
Bulgaria	Orlin Hadjiiski	orlin.hadjiiski@bg.pwc.com
Croatia	Lana Brlek	lana.brlek@hr.pwc.com
Cyprus	Marios Andreou	marios.andreou@cy.pwc.com
Czech Republic	Peter Chrenko	peter.chrenko@cz.pwc.com
Denmark	Soren Jesper Hansen	sjh@dk.pwc.com
Estonia	Maret Ansperi	maret.ansperi@ee.pwc
Finland	Jarno Laaksonen	jarno.laaksonen@fi.pwc.com
France	Emmanuel Raingeard	emmanuel.raingeard@pwcavocats.com
Germany	Arne Schnitger	arne.schnitger@pwc.com
Gibraltar	Edgar Lavarello	edgar.c.lavarello@gi.pwc.com
Greece	Vassilios Vizas	vassilios.vizas@gr.pwc.com
Hungary	Gergely Júhasz	gergely.juhasz@hu.pwc.com
Iceland	Fridgeir Sigurdsson	fridgeir.sigurdsson@is.pwc.com
Ireland	Denis Harrington	denis.harrington@ie.pwc.com
Italy	Claudio Valz	claudio.valz@it.pwc.com
Latvia	Zlata Elksnina	zlata.elksnina@lv.pwc.com
Lithuania	Nerijus Nedzinskas	nerijus.nedzinskas@lt.pwc.com
Luxembourg	Alina Macovei	alina.macovei@lu.pwc.com
Malta	Edward Attard	edward.attard@mt.pwc.com
Netherlands	Hein Vermeulen	hein.vermeulen@pwc.com
Norway	Steinar Hareide	steinar.hareide@no.pwc.com
Poland	Agata Oktawiec	agata.oktawiec@pl.pwc.com
Portugal	Leendert Verschoor	leendert.verschoor@pt.pwc.com
Romania	Mihaela Mitroi	mihaela.mitroi@ro.pwc.com
Slovakia	Todd Bradshaw	todd.bradshaw@sk.pwc.com
Slovenia	Miroslav Marchev	miroslav.marchev@pwc.com
Spain	Roberta Cid Poza	roberta.poza.cid@pwc.com
Sweden	Fredrik Ohlsson	fredrik.ohlsson@pwc.com
Switzerland	Armin Marti	armin.marti@ch.pwc.com
United Kingdom	Jonathan Hare	jonathan.hare@pwc.com

ABOUT THE EUDTG

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