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Madam,

CFE Tax Advisers Europe has published an [opinion statement](#) on the so-called “Danish beneficial ownership cases” – Cases C-115/16, C-118/16, C-119/16 and C-299/16, N Luxembourg I et al, on the Interest-Royalties Directive (IRD) and Cases C-116/16 and C-117/17, T Danmark et al, on the ParentSubsidiary Directive (PSD) –, in which the Grand Chamber of the Court of Justice of the EU (ECJ) delivered its decisions on 26 February 2019.

CFE Tax Advisers Europe acknowledges that the cases address a number of important and timely issues, especially with regard to the concept of abuse in EU law. Those include (1) the expansion of the general anti-abuse principle enshrined in EU law to areas of tax law that are subject to minimum harmonization, (2) the use of the OECD materials to define the beneficial ownership concept, (3) the conflation of the beneficial ownership concept with the general anti-abuse principle and the Court’s attempt to give the notion of “abuse” workable contours, and (4) the reading of an effective subject-to-tax clause with regard to the interest income into the definition of a “company” laid down in the Interest-Royalties-Directive (IRD).

However, CFE Tax Advisers Europe also expects that domestic courts will likely struggle to translate the abstract guidance of the “Danish beneficial ownership cases” into concrete judgments, that practitioners and academics alike will have to discuss building blocks and nuances of the Grand Chamber’s judgments for quite some time to come, and that consideration needs to be given on what impact those cases have on current tax structures.

We invite you to read the [opinion statement](#) and remain available to discuss any questions or comments.

Kind regards,

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