CUATRECASAS

TAX

Newsletter

4th Quarter 2018

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EDITORIAL

Year-end is by nature a time for drawing up a balance. In this context, it is also our duty to comment on the 2018 most relevant milestones, in particular by reference to its last quarter.

At the international level, and in line with the previous quarters' trends, one needs to highlight the ongoing movement on combating tax evasion and base erosion.

From a VAT standpoint, we witnessed two Commission proposals (one regarding the amendment of a Regulation and the other the amendment of a Directive), aimed at reinforcing the administrative cooperation in combating VAT fraud, which will involve payment services providers as key players in controlling VAT obligations within E-commerce.

Furthermore, new detailed measures have been announced by the Commission with the aim of ensuring that, by 2021, large online marketplaces will become responsible for ensuring that VAT is collected on sales of goods by non-European Union ("EU") operators to EU consumers taking place on their platforms.

As regards to the well-known *BEPS Project*, in particular its Action 5, a special word to the 2017's Peer Review Report on the Exchange of Information on Tax Rulings: according to said document more than 16,000 tax rulings have been identified, giving rise to 21,000 exchanges of information.

We also take note of the progresses of the EU List of non-cooperative jurisdictions, which on December 5 has completed its first year of existence. During this last quarter, we have witnessed the removal of several jurisdictions and the addition of others. Currently, the list is composed solely of 5 jurisdictions (American Samoa, Guam, Samoa, Trinidad and Tobago and United States Virgin Islands).

Year-end has also been characterized by an increased concern regarding the existence (and fight against) CBI/RBI Schemes (legal schemes of granting citizenship/residency through the realization of considerable investments). Aiming at attracting investment to certain regions or territories in exchange for low rate tax regimes, in many cases without even requiring the physical presence, these schemes undermine the compliance with the Common Reporting Standard ("CRS"), which led the OECD to disclose further guidance to be followed by financial institutions within their existing due diligence processes.

In line with the above, we also witnessed the joint declaration of the OECD and World Bank urging countries to step up work, through the implementation of measures, to ensure that tax authorities and anti-corruption authorities can effectively co-operate in the fight against corruption.

On the other hand, by the end of 2018, the Global Forum on Tax Transparency, founded in 2000, has welcomed Oman, closing this year with 154 members, an impressive number, when compared to its 32 founding jurisdictions.

A special note to the results on the OECD's global mutual agreement procedure ("MAPs") statistics report for 2017: more than 80% of MAPs concluded in 2017 resolved the issue for transfer pricing cases, of which 65% were resolved through agreement and 15% by unilateral relief. Aside from transfer pricing cases, 50% of the cases were resolved through agreement and 25% of them by unilateral relief.

The cross-border fight against tax evasion was also marked by the results released by the Global Forum on Tax Transparency regarding the widespread rollout of automatic exchange of financial information of non-resident account holders: 86 jurisdictions have bilaterally exchanged more than 4,500 files with detailed information on the financial accounts and their holders, being these essential for the validation of locally declared information per

taxpayer by the tax authorities of the respective countries of residence.

The fight against tax fraud and corruption has also been gaining ground, now extending to Latin America through the announced regional initiative to combat tax fraud and corruption signed by Uruguay, Argentina, Panama and Paraguay.

It should also be noted the OECD guidance on the Multilateral Convention ("MLI"), clarifying its impacts, which is all the more relevant when the MLI already covers 84 jurisdictions and has become effective as of 1 January 2019 for the first 47 double taxation treaties concluded amongst 15 jurisdictions.

At the international level, our final remark goes to the OECD statistics on taxes, released in 2018 by reference to 2017. According to said figures, the tax-to-GDP ratio grew slightly compared to 2016, standing at 34.2%, an amount never before achieved. Taxes on consumption (in particular, VAT), have played the major role, accounting for 6.8% of gross domestic product and 20.2% of total tax. At the OECD level there is convergence in this area, where corporate income taxes, VAT and social security contributions play a significant role, with a slight decrease in personal income taxes. Regarding corporate income taxes, one can identify a growth trend, standing at 9% by reference to 2016, which is still lower than the 11.1% of 2007 (but in any case the highest since 2009).

At the internal level the last quarter for 2018 was quite mild: we have witnessed the publication of several binding rulings (that although issued a long time ago only now were made public), few legislative initiatives and the approval of a tax-poor State Budget Law for 2019, which in due time we had the opportunity to analyze (see 2019 State Budget Proposal).

Even so, there are three relevant topics whose analysis can be found in this edition: the decision of the CJEU in what has already been known as the *Meo* Case, the (still unresolved) issues relating to the taxation of capital gains realized by non-residents with the sale of equity and the clarifications issued by the CJEU on the right of holding companies to deduct VAT. We therefore invite you to join us in these themes whose analysis is included in this last 2018 edition of our Newsletter.

We wish all an excellent 2019, rich in tax matters that we will surely have opportunity to address throughout this newly fresh year.

Diogo Ortigão Ramos

I. *MEO* CASE: VAT TREATMENT OF EARLY TERMINATION PAYMENTS' – CONTRACTS WITH TIE-IN PERIOD

The decision of the Court of Justice of the European Union ("CJEU") on the Portuguese case *Meo – Serviços de Comunicação e Multimédia* (Case C-295/17) became recently available. In this case, the Court was asked to rule on the VAT treatment of early termination payments received by a telecom services provider ("Provider"), from its clients, in cases of termination of the contract within the binding period (*i.e.*, supply agreements with tie-in periods).

In particular, the CJUE analyzed if the early termination payments received, in such cases, by the Provider as compensation, constitute a payment for the supply of services for consideration, within the meaning of the article 2 (1) (c) of Council Directive 2006/112/CE of 28 November 2006 ("VAT Directive"), being, as such, liable to VAT or, conversely, whether such payments are not aimed at remunerating any provision of services (as argued by the Provider) and, therefore, constitute a mere compensation, falling outside of the scope of VAT.

Firstly, the Court reaffirmed the understanding whereby, for purposes of the legal provision at issue, a supply of services should only be deemed as provided for consideration if there is a link between the provider of the service and the recipient, pursuant to which there is reciprocal performance, *i.e.*, the remuneration received by the provider of the service constitutes the value actually given in return for the service supplied to the recipient.

On the other hand, as stated in the decision at issue, although the clients do not benefit effectively from the services performed by the Provider, such services are deemed to be performed solely by virtue of the fact that the client had the contractual right to enjoy it. The fact of the client has opted not to exercise that right does not jeopardize the existence of a direct link between the performance of the services provided and the remuneration received by the Provider in that regard.

It should be noted that the Court took into account the circumstance of the compensation amount paid to the Provider enable it to get, in general terms, the income it would obtain if the client had not terminated the relevant contract within the binding period. In this sense, the Court has stressed that an early termination of the contract does not necessarily mean a change of the economic reality underlying relationship between Provider and clients.

Accordingly, the Court has ruled that, in the case at stake, compensation payments in connection with the contractual breach of the binding period remunerate the services performed by the Provider to their clients, irrespective of these clients exercise their right of benefit of such services until the expiry of the binding period, which determines that such compensation payments are liable to VAT.

Furthermore, the Court has also clarified that, for purposes of the VAT treatment of the early termination payments at stake, it is not essential, that such amounts are aimed at discouraging the clients to terminate the contract concluded before the end of the binding period, the fact that the commercial agents are paid a different remuneration where the contract does not provide a binding period or, finally, the corresponding legal qualification of such amounts, under the domestic law of the Member-State (*e.g.*, compensation for non-contractual civil liability, penalty clause, etc.).

Thus, once the termination-related payment is not aimed at compensating the Provider for non-property damages not having a remunerative nature – being part of the total price paid by the services provided by the Provider – the Court has concluded that the amounts at issue constitute the consideration for a supply of services autonomously considered and, as such, liable to VAT under the article 2(1)(c) of the VAT Directive.

In this way, the decision at issue gives a significant contribution for the understanding of the VAT treatment of the compensation payments made in connection with the early termination of a contract, by selecting more objective criteria on the liability of similar compensations to VAT.

However, with regard to the other compensations, particular importance should be given to the conclusions reached by Court, in particular, the fact that the legal qualification of the compensation, under the domestic legislation of a Member-State, is not decisive to determine the treatment thereof for VAT purposes. In this sense, the decision may undermine the traditional dichotomy put forward by the Portuguese tax authorities between compensations due as a result of contractual breaches (case in which both the compensation paid by actual and consequential damages, as well as loss of potential profits would be liable to VAT) and the ones due as a result of non-contractual liability (in principle, not liable to VAT).

Mário Silva Costa
André Caetano Ferreira

II. 2019 STATE BUDGET - WHAT REMAINS TO BE DONE ABOUT CAPITAL GAINS TAXATION

The Corporate Income Tax ("CIT") regime on capital gains obtained by non-residents upon transfer of shares deriving their value, directly or indirectly, mainly from real estate located in Portugal (to which this paper exclusively refers) has been amended again by the 2019 State Budget ("2019 SB") Law.

This, following the amendment already introduced to the regime, approximately one year ago, by the 2018 State Budget ("2018 SB") Law. Further to this amendment made by 2018 SB Law, capital gains obtained by non-resident entities upon transfer of shares, or equated rights, in other non-resident companies deriving their value, directly or indirectly, in more than 50% from real estate located in Portugal, became subject to Portuguese CIT.

According to the new rule (article 4, paragraph 3, sub-paragraph f) of the CIT Code), the capital gains at stake are however not subject to taxation if the real estate from which the shares derive their value is allocated to an agriculture, industrial or commercial activity, other than the purchase and sale of real estate.

In this particular, the new regime is similar to that already applicable to capital gains obtained by resident entities. Indeed, according to the commonly known *participation exemption* regime applicable to them, as long as all other requirements are met (e.g., those related to the shareholding, which cannot be inferior to 10% nor held for less than 1 year), capital gains obtained by residents are not taxed even if the assets of the company being transferred are mainly comprised of real estate, as long as it is allocated to any of the referred activities.

Notwithstanding, since the amendment to the CIT Code was not followed by an amendment to article 27 of the Tax Benefits Law ("EBF") - which, as rule, provides for an exemption to the capital gain obtained by non-residents upon transfer of shares -, in practice and for most of the cases the 2018 SB Law did not eventually meet the envisaged goal.

One may therefore understand the need to have the 2019 SB Law returning to this topic by introducing a new subparagraph - d) - to paragraph 2 of article 27 of the EBF, hence excluding from the CIT exemption set forth in paragraph 1 those capital gains that the 2018 SB Law envisaged to tax, despite the poor legislative technique used to draft the new provision.

It is however incomprehensible that the legislator has missed this new opportunity to rectify another obvious flaw of the current taxation rules on capital gains obtained upon the transfer of shares.

We refer to the difference between the tax treatments granted to the capital gains obtained in the two situations referred to above (transfer by a non-resident of a stake in another non-resident, and transfer by a resident of a stake in another resident), and, to the capital gains obtained by a non-resident entity upon transfer of a stake in a resident entity the assets of which are mainly comprised of real estate located in Portugal.

Indeed, looking at the regime applicable in this last scenario (transfer by a non-resident of a stake in a resident entity) one concludes that the capital gains are liable for CIT without being eligible for the exemption set forth in article 27 of the EBF, even in those cases where the real estate held by the resident company whose shares are transferred is allocated to an agriculture, industrial or commercial activity, other than the purchase and sale of real estate.

A remnant of the taxation rules that were in force until the CIT reform carried out in 2014, the said difference between tax regimes is currently incomprehensible and groundless, and should be eliminated.

Indeed, it is necessary to amend a regime that may undermine fundamental freedoms protected by EU Law, namely freedom of establishment and,

possibly, free movement of capital, whenever all the requirements that would enable the non-resident entity to benefit from the participation exemption regime if it was a resident are met, including the allocation of the real estate to an agriculture, industrial or commercial activity, other than the purchase and sale of real estate.

Finally, just a brief note on actual impact of these domestic tax rules - aimed at taxing capital gains obtained by non-resident entities upon transfer of shareholdings whose value mainly derives from real estate located in Portugal -, in those situations where the transferor is entitled to the benefits of a double taxation agreement ("DTA") entered into between Portugal and his State of residence.

Despite that in more recent DTAs there is a certain shift in the pattern, up to now the majority of the DTAs entered into by Portugal provide the State of residence of the recipient of the capital gains with exclusive taxation rights, reason why the said domestic rules eventually turn out to be inapplicable.

However, it is anticipated that the great majority of the DTAs already concluded may be amended by the provisions of the *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* in order to also provide the State where the real estate is located with taxation rights over these capital gains.

Having regard to all of the foregoing, we regret that the legislator has not taken this opportunity (*i.e.*, the 2019 SB Law) to also amend this aspect of the capital gains taxation regime, giving it back consistency and eliminating the potential of conflict with the Portuguese Tax authorities that it currently entails.

Gonçalo Bastos Lopes
Catarina Ribeiro Caldas

III. VAT ON SHARE-RELATED TRANSACTIONS: CASES *RYANAIR* AND *C&D FOODS*

In the last quarter of 2018, the Court of Justice of the European Union ("CJEU") delivered two decisions, cases *Ryanair Ltd* (C-249/17) and *C&D Foods Acquisition ApS* (C-502/17), regarding a holding's right to deduct VAT incurred with the acquisition of advisory services related to transactions in shares. Although being a recurrent topic of analysis by the Court, it was called upon once more to clarify previous jurisprudence on this matter.

In the first case, Ryanair had decided to acquire all the shares of an airline company ("Air Lingus"), with the intent of controlling the aforementioned entity and supplying VATable management services. In this context, it supported expenses with the acquisition of advisory services, as well as other services related with the anticipated takeover. Nevertheless, due to regulatory issues, the business did not follow through as planned as only part of Air Lingus' shares were effectively acquired.

Ryanair fully deducted the input VAT borne on said expenses with the argument that its intention after the completion of the airline company's takeover was to intervene in the management of the said company by supplying services subject to VAT (*i.e.*, liable to, and not exempt from, VAT).

In view of the situation at hand, the CJEU commenced by stating that in order to determine whether the VAT incurred by Ryanair with the preparation Air Lingus' takeover should be deductible, it should be ascertained whether: (i) Ryanair, considering the envisaged transaction, would qualify as a taxable person; (ii) in the acquisition of the advisory services, Ryanair acted as a taxable person; and (iii) to which extent the input VAT borne is deductible.

Regarding the first point, in line with the previous jurisprudence on this subject matter (notably that of cases *Larentia + Minerva* e *Marenave Schiffahrt*), the Court emphasized that the holding of shares will be deemed as an economic activity wherever such holding is accompanied by a direct or indirect involvement in the management of the acquired company, therefrom resulting the supply of goods or services subject to VAT. Hence, it must be concluded that Ryanair must be considered a taxable person.

The CJEU also stressed that the right to deduct VAT requires that the taxable person, acting as such, acquires services/goods with the intent to pursue VATable transactions. Under this reasoning, insofar as *in casu* the services acquired by Ryanair are deemed as preparatory acts for the envisaged economic activity, even if the planned transaction ends up not being performed at all, Ryanair will not lose the taxable person status. As such, it shall not be possible to withdraw the entitlements resulting therefrom, notably the right to deduct input VAT borne at a moment when Ryanair already had the status of a taxable person.

In addition, by reference to the extent of the right of deduction, the CJEU noted that it is essential the existence of a direct link between a particular input transaction and an output transaction or transactions (or, ultimately, with the activity of the taxable person as a whole, in the sense that the costs with services/goods acquired are included in the price of its taxable operations). In the decision under analysis, the Court concluded for the existence of several objective indicators that would suffice to conclude that the exclusive cause of the acquisition of services by Ryanair was carrying out taxable operations – specifically, the supply of the services to its (future) subsidiary. As a result, since the VAT borne is linked with the said taxable activity (or, at least, such expenses are deemed as general expenses of Ryanair's taxable activity), the necessary direct link condition is verified, allowing Ryanair to fully deduct the VAT in question.

As for the second case, it related to the deduction of VAT on advisory services acquired by C&D Foods within the sale of one of its subsidiaries - Arovit PetFood. The aim of said sale was to obtain the financial resources required to reduce the debt of the Group towards a financial entity, which in the meantime, took over Group Arovit. Furthermore, it should be noteworthy that services were requested by the financial institution itself in the name of C&D Foods.

Due to the lack of offers, the sale of C&D Foods' subsidiary did not follow through. Notwithstanding, considering that C&D Foods had been providing management and IT services to its subsidiary, in its view VAT borne in preparing the said sale operation should be fully deductible. In particular, C&D Foods sustained that since it had been intervening in the management of Arovit PetFood, through the supply of services subject to VAT (*i.e.* liable to, and not exempt from), tax borne with the advisory services would be linked with the said taxable activity, hence being deductible.

In the Court's ruling, in line with what had been previously sustained (namely in *Ryanair*), the Court stressed that the holding of shares, when accompanied by direct or indirect involvement in the management of the target, resulting therefrom the performance of VATable transactions (*e.g.* accountancy, administrative services, etc.), shall be deemed as an economic activity for VAT purposes. In addition, the Court noted that share-related transactions shall be subject to VAT (i) when carried out as part of a commercial share-dealing activity, (ii) whenever aimed at securing a direct or indirect involvement in the management of the acquired companies, or even (iii) when they constitute the direct, permanent and necessary extension of the taxable activity of the holding.

Moreover, the Court recalled that it must be determined a direct and immediate link between the supply of goods or services used and a taxable output transaction or, exceptionally, a taxable input transaction, such as the situation at stake, being indispensable a connection between the transactions and the needs underlying the VATable activity performed.

In the present case, the Court uphold that for the sale of shares of Arovit PetFood to come within the scope of VAT (*i.e.* be subject to VAT), there would have to be an essential causal link ("*the exclusive reason for the transaction*") between the sale and the taxable activity of the holding company or, at the least, that the said sale would constitute the direct, permanent and necessary extension of such taxable activity (*i.e.* obtaining revenue to channel back to its (or the Group's) activity).

Since the *exclusive cause* of the sale was the payment of bank debt, which according to the Court's reasoning, is not linked with services supplied by C&D Foods to its subsidiaries (*i.e.* it was not intended to obtain revenue in order to develop its taxable activity), such causal link is not verified. Therefore, the sale of shares was deemed as outside the scope of VAT, not being possible to deduct VAT borne by C&D Foods on the planned sale.

In light of the above, one may argue that the CJEU has given a step forward in clarifying the standard-cases where the VAT borne in share-related transactions might be deductible (even if partially). In fact, in *Ryanair* – where the acquisition of shares was at stake -, the Court sustained that its previous case-law regarding the deduction of VAT incurred in preparatory acts is fully applicable to share-related transactions. Therefore, since Ryanair incurred VAT in the takeover of a company to which it would supply taxable services (*i.e.* subject and not exempt from VAT), it was entitled to deduct the VAT borne in this context.

On the other hand, with the decision in *C&D Foods* – a sale of shares - , the Court has consolidated a new key criterion – i.e., the "*objective*" underlying the shares sale - , in the sense that such operation should only be subject to VAT (being therefore the underlying VAT, even if partially, deductible) if it could be established a causal link between the sale of the shares and the taxable activity of the holding company (even if as a mere direct, permanent and necessary extension of the taxable activity of the holding).

Notwithstanding, in our view the CJEU intention was not to consider that in all cases the sale of a subsidiary with the aim of repaying bank debt would not be related with the company's or its Group's activity. In fact, there are cases where deleveraging a company is a key aspect of boosting a Group's activity, thereby influencing positively its VATable transactions. Indeed, we believe that underlying the Court's decision may have been the sense that the services in question had been acquired in the direct and exclusive benefit of the financial institution (the creditor), being therefore independent from C&D Foods' VATable activity – in other words, with no effect on the increase of the taxable activity of said entity. Therefore, being the sale of shares a transaction outside the scope of VAT, there will be no right to input VAT deduction.

As such, it is crucial for the economic operates to analyze in detail the aims underlying share-related sale transactions, in particular the allocation of the proceeds of such sales, being also recommendable that, when possible, said intents to be (previously) duly documented. Otherwise, VAT recovery – even if partial – may be jeopardized.

Mário Silva Costa
João Garrinhas

IV. LEGISLATION

Council of the European Union
Communication C 359/3, of October 5

- Discloses the EU list of non-cooperative jurisdictions for tax purposes - Report by the Code of Conduct Group (Business Taxation) suggesting amendments to the Annexes of the Council conclusions of 5 December 2017, including the de-listing of one jurisdiction

Presidency of the Council of Ministers
Amendment Declaration No. 33/2018, of October 9

- Amends Ordinance No. 233/2018, of August 21, of the Ministries of Finance and Justice,

which rules on the Central Registry of the Effective Beneficiary Regime (*"Regime Jurídico RCBE"*)

Parliament

Amendment Declaration No. 35-A/2018, of October 12

- Rectifies Law No. 51/2018, of August 16, which altered the Law of Local Finance, as well as the Property Tax Code

Council of the European Union

Regulation (EU) 2018/1541, of October 16

- Amends Regulations (EU) No. 904/2010 and (EU) 2017/2454 as regards measures to strengthen administrative cooperation in the field of value added tax

Ministry of Finance

Ordinance No. 282/2018, of October 19

- Updates the list of non-reporting financial institutions and excluded financial accounts

Precedency of the Council of Ministers

Decree-Law No. 87/2018, of October 31

- Simplifies Annexes A and I of the Simplified Business Information

Council of the European Union

Directive (EU) 2018/1695, of November 6

- Amends Directive 2006/112/EC on the common system of value added tax as regards the period of application of the optional reverse charge mechanism in relation to supplies of certain goods and services susceptible to fraud and of the Quick Reaction Mechanism against VAT fraud

Council of the European Union

Communication C 403/3, of November 9

- Publishes the EU list of non-cooperative jurisdictions for tax purposes — Report by the Code of Conduct Group (Business Taxation) suggesting amendments to the Annexes of the Council conclusions of 5 December 2017, including the de-listing of one jurisdiction

Presidency of the Council of Ministers

Decree-Law No. 92/2018, of November 13

- Implements a special tax regime for determining the taxable basis based on tonnage for maritime transport activity, tax and social security benefits applicable to crew members and a simplified registry for ships and crafts

European Commission

Information C 412/5, of November 14

- Establishes the List of gold coins meeting the criteria established in Article 344(1), point (2) of Council Directive 2006/112/EC (special scheme for investment gold)

Council of the European Union

Directive (EU) 2018/1713, of November 6

- Amends Directive 2006/112/EC as regards rates of value added tax applied to books, newspapers and periodicals

Ministry of Finance and Environment

Ordinance No. 301-A/2018, of November 23

- Establishes the applicable rates for Tax on Oil and Energy Products (*"ISP"*)

European Commission

Regulation (EU) 2018/1880, of November 30

- Amends Regulation (EC) No. 3199/93 on the mutual recognition of procedures for the complete denaturing of alcohol for the purposes of exemption from excise duty

Parliament

Law No. 66/2018, of December 3

- Creates a new economic activity code for itinerant/travelling economic activities

Council of the European Union

Directive (EU) 2018/1910, of December 4

- Amends Directive 2006/112/EC as regards the harmonization and simplification of certain rules in the value added tax system for the taxation of trade between Member States

European Commission
Notice C 441/1, of December 7

- Announces measures considered equally effective to those of Article 4 of the Anti-Tax Avoidance Directive

Ministry of Foreign Affairs
Notice No. 144/2018, of December 10

- Announces that the internal constitutional requirements for the approval of the Convention between the Portuguese Republic and Montenegro to avoid Double Taxation and Prevent Tax Evasion with respect to Income Taxes, signed in Lisbon, on July 12, 2016, have been complied

Ministry of Finance
Ordinance No. 317/2018, of December 11

- Updates the currency depreciation coefficients applicable to goods and rights sold during 2018

Ministry of Finance
Ordinance No. 320/2018, of December 13

- Approves Model 37 tax form and respective filling rules

Ministry of Finance
Ordinance No. 321/2018, of December 13

- Approves Model 13 tax form and respective filling rules

Ministry of Finance
Ordinance No. 322/2018, of December 13

- Approves Model 25 tax form and respective filling rules

Ministry of Finance
Ordinance No. 324/2018, of December 13

- Approves Model 44 tax form and respective filling rules

Ministry of Finance
Ordinance No. 325/2018, of December 13

- Approves Model 10 tax form and respective filling rules

Ministry of Foreign Affairs
Notice No. 146/2018, of December 20

- Announces the termination of the Convention between the Portuguese Republic and Finland to avoid Double Taxation and Prevent Tax Evasion with respect to Income Taxes, signed in Helsinki, on April 27, 1970

Ministry of Finance
Ordinance No. 330-A/2018, of December 21

- Establishes the average value of constructed square meter, for the purposes of article 39 of the Property Tax Code, which will come into effect in 2019

Presidency of the Council of Ministers
Decree-Law No. 117/2018, of December 27

- Sets the minimum wage for 2019

Presidency of the Council of Ministers
Implementing Decree No. 13/2018, of December 28

- Establishes the maximum amount of impairment losses and other deductible corrections within the assessment of the taxable profit for Corporate Income Tax purposes, for companies of the banking sector

Presidency of the Council of Ministers
Decree-Law No. 123/2018, of December 28

- Defines the governing model for the implementation of electronic invoicing regarding public procurement

Regional Parliament of Madeira
Regional Decree-Law No. 26/2018/M, of December 31

- Approves the Regional Budget Law for 2019 of the Autonomous Region of Madeira

Parliament
Law No. 70/2018, of December 31

- Approves the Major Planning Options for 2019, which integrate the political measures and investments that enable its implementation

Parliament
Law No. 71/2018, of December 31

- Approves the State Budget Law for 2019

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