

The European Commission investigates transfer pricing arrangements on corporate taxation of Apple (Ireland), Starbucks (The Netherlands) and FIAT Finance and Trade (Luxembourg)

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The European Commission has announced that it has opened three in-depth investigations to examine whether decisions by tax authorities in Ireland, The Netherlands and Luxembourg with regard to the corporate income tax to be paid by Apple, Starbucks and FIAT Finance and Trade, respectively, comply with the EU rules on state aid.

The Commission will examine if the three transfer pricing arrangements validated in the following tax rulings involve state aid to the benefit of the beneficiary companies:

- The individual rulings issued by the Irish tax authorities on the calculation of the taxable profit allocated to the Irish branches of Apple Sales International and of Apple Operations Europe;
- The individual ruling issued by the Dutch tax authorities on the calculation of the taxable basis in The Netherlands for manufacturing activities of Starbucks Manufacturing EMEA BV;
- The individual ruling issued by the Luxembourgish tax authorities on the calculation of the taxable basis in Luxembourg for the financing activities of FIAT Finance and Trade.

The Commission notes that the three rulings concern only arrangements about the taxable basis; they do not relate to the applicable tax rate itself.

In parallel to these three formal investigations, the Commission will continue its wider inquiry into tax rulings, which covers more Member States.

[Click here](#) to read the whole press release on the website of the European Commission.

UPDATE:

Ireland has reacted on the announcement of the European Commission by stating that it is confident that there is no state aid rule breach. [Click here](#) to be forwarded to the press release as issued by the Irish Ministry of Finance.

http://europa.eu/rapid/press-release_IP-14-663_en.htm

<http://www.finance.gov.ie/news-centre/press-releases/ireland-confident-there-no-state-aid-rule-breach>