

European Commission refers France to the ECJ regarding donation to foreign general-interest bodies

(July 10, 2014)

Today the European Commission has announced that it decided to refer France to the European Court of Justice, because the Commission is of the opinion that France's tax system for donations made to bodies pursuing general-interest objectives and having their registered office in another EU or EEA Member State infringes the free movement of capital.

France exempts donations and bequests to public or public-interest bodies, including charities, from registration duties, where such bodies are established in France. The organisations in question are public or public-interest bodies that exclusively allocate their resources to science, culture or art, or for cultural associations, etc. and which carry out their activities on French soil. However, bodies with similar characteristics established or carrying out similar activities in other Member States of the EU are subject to 60% tax (calculated above a threshold of Euro 1564) on the value of the donation or bequest received. Nevertheless, by way of exception, France has entered into a number of bilateral agreements which allow for exemption from duties on a reciprocal basis.

[Click here](#) to be forwarded to the press release issued by the European Commission in this respect.

http://europa.eu/rapid/press-release_IP-14-808_en.htm