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E-002986/2025

Answer given by Executive Vice-President Ribera
on behalf of the European Commission
(2.10.2025)

State aid rules prohibit Member States from granting tax advantages to multinationals, if these advantages, among other conditions, are not also available to other undertakings in a similar situation in the same country. The Court of Justice has clarified the application of the State aid rules regarding aggressive tax planning by multinationals. A judgment of 10 September 2024 in the *Apple* case¹ confirmed that the grant of a tax ruling cannot reduce the tax amount normally payable by the recipient of the ruling if subject to the ‘normal’ tax rules. The Commission is committed to keep enforcing the State aid rules against such practices.

Aside from State aid rules, the EU is strongly committed to tackling tax avoidance schemes, including by multinationals, to make sure there are no tax advantages when compared to smaller operators, including small and medium-sized enterprises. To this end, the EU has introduced targeted measures, such as the Anti-Tax Avoidance Directive, the Directive on Administrative Cooperation 1 to 9 and most recently the so-called Pillar 2 Directive².

Moreover, the Commission endorses efforts within the Organisation for Economic Co-operation and Development and the Group of 20 (G20) to develop a new approach for taxing the digital economy. This includes discussions on a framework called Pillar 1, which ultimately should allow re-allocating the taxing rights of excess profits of the largest multinationals to the jurisdictions where their end consumers live.

¹ <https://curia.europa.eu/juris/document/document.jsf?docid=289923&doclang=EN>.

² OJ L 193, 19.7.2016, p. 1; OJ L 64, 11.3.2011, p. 1; OJ L 328, 22.12.2022, p. 1.