

(English version)

**Question for written answer E-003261/25
to the Commission
Yvan Verougstraete (Renew)
(20 August 2025)**

Subject: False reporting of turnover and transfer price manipulation: Meta's practices and respect for EU tax law

Recent information suggests that the Meta Group, like other digital multinationals, does not always record its turnover in the countries where its services are actually provided.

In some cases, income generated in one Member State, such as Belgium, is accounted for in another country, such as Ireland (which offers from a more favourable tax regime), while operating costs remain allocated to the country of origin. This type of manipulation, based on questionable transfer prices, deprives countries of significant tax revenues.

Such practices raise concerns with regard to the principles of fair taxation, full competition and consistency of the internal market. They may also breach the directive on Administrative Cooperation and the principles of the future BEFIT Directive.

1. Is the Commission aware that Meta is falsely reporting turnover and possibly manipulating transfer prices?
2. Will it carry out a targeted investigation to assess the compliance of these methods with EU tax law and the principles of fair competition?
3. Will it strengthen the rules on turnover allocation and transparency on intra-group flows to ensure that tax is paid where the value is actually created?

Submitted: 20.8.2025

**Answer given by Executive Vice-President Ribera on behalf of the European Commission
(27 October 2025)**

EU 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 Commission is committed to keep enforcing the EU State aid rules against such practices and will examine any information brought to its attention regarding alleged unlawful aid.

At this stage, the Commission does not have any formal investigation opened in respect of the alleged misapplication of the tax rules in relation to the Meta Group.

In addition, the fight against tax evasion and avoidance continues to be one of the key policy priorities of the Commission. The Commission strongly supports the G20/Organisation for Economic Cooperation and Development (OECD) initiative to reform international taxation.

This includes the so-called 'Pillar 1' that, once finalised, will re-allocate taxing rights of the largest multinationals to the jurisdictions where their end consumers are situated.

It also includes 'Pillar 2', which is a coordinated system of minimum taxation (15%) on the profits of large multinationals in the jurisdictions where they operate.

The latter was already implemented in the EU through a directive. Finally, the Commission is currently evaluating the Anti-Tax Avoidance Directive ⁽¹⁾ (ATAD) and the directive on Administrative Cooperation ⁽²⁾ (DAC) with a view to assessing if they are still fit for purposes.

Based on the outcome of these evaluations the Commission will, if appropriate, present proposals to improve their functioning.

⁽¹⁾ Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market.
⁽²⁾ Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and subsequent amendments.