

By PwC Deutschland | 30. September 2024

ECJ on the UK Controlled Foreign Company (CFC) rules

The case before the European Court of Justice (ECJ) concerned an annulment application in respect of a decision by the European Commission that certain parts of the UK's controlled foreign company (CFC) regime constituted state aid. The case was an appeal against the General Court's earlier decision to uphold the Commission's state aid determination.

The ECJ decided that the Commission had incorrectly identified the reference system as the CFC regime, whereas the reference system should have been regarded as the wider UK corporation tax regime. This error was sufficient to vitiate the Commission's decision. As such, the ECJ upheld the appeal and annulled the Commission's state aid determination.

More detailed information to be found in our [**EUDTG Newsletter of 20 September 2024**](#).

Schlagwörter

[CFC taxation](#), [state aid](#)