

Why Multinationals Should Care about EU State Aid – Is it a Tax Break or a Competition Risk?

Sheppard Mullin Palo Alto

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5:00 p.m. - 5:30 p.m. Registration + Networking

5:30 p.m. - 7:00 p.m. Program + Q&A

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Speakers

- **Jacques Derenne**, *Partner*, Sheppard Mullin
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- **Chris Marshall**, *Counsel*, Sheppard Mullin

On January 11, 2016, the European Commission ruled that "selective tax advantages granted by Belgium under its 'excess profit' tax scheme are illegal under EU state aid rules." The European Commission (EC) ordered Belgium to recover about 700 million euros (\$762 million USD) in illegal tax breaks given to at least 35 companies (including Anheuser-Busch InBev NV and BP Plc) as regulators continue to crackdown on tax schemes throughout the 28-nation bloc.

"Belgium has given a select number of multinationals substantial tax advantages that break EU state aid rules. It distorts competition on the merits by putting smaller competitors who are not multinational on an unequal footing," said EC Competition Commissioner Margrethe Vestager.

Tax deals including Apple's arrangements with Ireland and Amazon and McDonald's agreements with Luxembourg are also under investigation by the EC, which last year ordered the Netherlands to recover as much as 30 million euros in back taxes from Starbucks. The EC has stated that tax avoidance and evasion cost about 1 trillion euros a year.

Thousands of U.S. technology companies that do business in Europe – especially through Luxembourg, Ireland and The Netherlands – have benefitted from these tax rulings (tax breaks) over the years. As the EC continues its State Aid investigations, EU Member States are enforcing their findings for payment of retroactive reimbursements, expected to reach billions of dollars.

What does this mean for U.S. global companies doing business in Europe? Learn more about what can be done to avoid these consequences from State Aid expert and Sheppard Mullin Brussels EU Competition partner Jacques Derenne, who will discuss the dangers and potential solutions at a complimentary seminar. His team will also present the latest developments in information technology in Brussels, including privacy, data protection, big data and other hot issues.

Feel free to forward this invitation to those in your organization responsible for global tax or competition matters.

MCLE Credit

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Questions? Contact Summer Connery at sconnery@sheppardmullin.com or 415.774.3171.

Attorneys

Jacques Derenne

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