

**Question for written answer E-004128/2015
to the Commission**

Rule 130

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Subject: Gibraltar Income Tax Act 2010

In 2002 Gibraltar introduced a reform on company tax which Spain referred to the CJEU. In 2011 the Court ruled in favour of the arguments made by the Commission and Spain, decreeing that the project was a form of State aid that was incompatible with EU law. In an attempt to shirk the mandate of the judgment, Gibraltar adopted a new tax system called the Income Tax Act 2010, which has been in force since 2011 and is designed to achieve an equivalent effect to the previous reform, i.e. not taxing companies that derive their income overseas and whose beneficial owners are not residents of Gibraltar for tax purposes.

In October 2013, following Spain's referral of 1 June 2012, the Commission decided to launch a formal investigation into the Income Tax Act, which was broadened on 1 October 2014 in view of the Commission's suspicions that the 165 tax agreements established between the Gibraltar authorities and various companies in 2011, 2012 and the first few months of 2013 might include illegal public aid provided to companies that do not generate their income in Gibraltar.

What is the current state of the Commission's investigation into the Income Tax Act 2010?