Question for written answer E-009710/2016
to the Commission
Rule 130
Matt Carthy (GUE/NGL)

Subject: Ireland's tax rulings and transfer pricing compliance

The Commission’s decision on Irish state aid to Apple (published on 19 December) include the finding that “an examination of the profit allocation ruling practice of Irish Revenue demonstrates that no consistent criteria are applied to determine the allocation of profits to Irish branches of non-resident companies for the purposes of applying Section 25 TCA 97” and that tax rulings were issued “on the basis of Irish Revenue’s discretion in the absence of objective criteria” (403).

Did the Commission find evidence of possible selective advantage conferred on other companies through this examination? What are the implications of these findings on Ireland’s transfer pricing regime and its compliance with international standards (OECD and EU) on the arm’s-length principle? Does the exclusion of branches from Ireland’s transfer pricing legislation affect this compliance?