

**Question for written answer E-000034/2019
to the Commission**
Rule 130
Karl-Heinz Florenz (PPE)

Subject: Income averaging and taxation in the agricultural sector - rules on State aid

In Germany, under the Law on Special Measures for the Dairy Market (MilchSonMaßG), farms with an income of the type set out in Article 13 of the German Income Tax Act (EStG) would be able to spread their profits over three years (Article 32c EStG) to offset higher-profit years against lower-profit years and to calculate a three-year average, with tax being payable on the resultant lower figure. The regulation cannot enter into force until the Commission decides whether this tax rule would be in breach of the rules on State aid set out in Article 107 TFEU. The Commission has known about the issue since 2017.

1. When will the Commission express its view on this matter? When will the final decision be made?
2. Why has the Commission not yet expressed any views on this? Why is it taking so long to determine whether the regulation breaches the rules on State aid?