

**Question for written answer E-003865/2022  
to the Commission**

Rule 138

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Subject: Compliance of SIFIDE II with EU competition law

SIFIDE II (System of Tax Incentives for Business Research and Development) is a tax benefit for companies that is widely used in Portugal. MEPS have already questioned the Commission about potential breaches of EU competition law under SIFIDE<sup>1</sup>.

The Portuguese Government, given allegations of abuses in connection with SIFIDE, has promised to correct what constitutes a cunning misuse of the tax system since it enables double deductions to be made according to the letter of the law, but manifestly against its spirit. Nothing has been yet been done to close this loophole which creates distortions in the market. The Inspectorate General of Finance (IGF) has issued a report allegedly identifying abuses<sup>2</sup>. The Government has dodged the issue in its proposal for the national budget and held the matter over until a future draft law.

Can the Commission therefore say:

1. Whether it is aware of what is being done to assess potential abuses of SIFIDE, including the IGF audit?
2. Whether, given the information that has come to light, it believes there could be a risk of distortion of competition?
3. Whether it believes that changes must be made as a matter of urgency to eliminate the possibility of double deductions under SIFIDE?

**Supporter<sup>3</sup>**

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<sup>1</sup> [https://www.europarl.europa.eu/doceo/document/E-9-2021-002329\\_EN.html#def1](https://www.europarl.europa.eu/doceo/document/E-9-2021-002329_EN.html#def1)

<sup>2</sup> <https://www.publico.pt/2022/10/13/economia/noticia/oe-2023-mantem-regras-beneficio-fiscal-apesar-relatorio-confirma-abusos-2023844>

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