



HOLDING COMPANIES

PROF. DR. DR. BEN J.M. TERRA



UNIVERSIDADE
CATÓLICA
PORTUGUESA | FACULDADE
DE DIREITO
ESCOLA DE LISBOA

CATÓLICA
tax



Outside the Scope	Inside the Scope	Notes
Pure Holding Company (<i>Polysar</i>) Dividends (<i>Sofitam</i>) Non-economic activities (<i>Securenta</i>)	Direct or indirect involvement in the management - for consideration (<i>Polysar</i>)	Full deduction notwithstanding dividends (<i>Cibo, Larentia+Minerva</i>). But partially <i>Securenta</i> if only non-economic (<i>Larentia+Minerva</i>)
	Commercial share-dealing activity (<i>Wellcome trust</i>)	Once outside, stays outside (<i>Wellcome Trust</i>)
	Direct, permanent and necessary extension (<i>Régie, SKF</i>)	Receipt of interest, sale of participations: not incidental (Art. 174) also when IPO is outside the scope (<i>Kretztechnik</i>)
	Pure holding part of VAT grouping (<i>Commission v IR, UK, CZ, NL</i>)	Territorial limitation (<i>Skandia</i>). Definitive VAT Regime: cross border VAT grouping?

	Recharging costs (<i>Portugal Telecom</i>)	Set at levels which were unusually low or did not reflect any economic reality (<i>Weald Leasing</i>)? Does the amount of the fee received or to be received, <i>qua</i> consideration, mean that there is a direct link between the services supplied or to be supplied and that consideration (<i>Lajvér</i>)?
	Undisclosed agent (Art. 28)	Idem
Part of recognized group of companies (<i>MVM</i>)		My criticism: Similar to <i>FCE</i> . Economic reality. Definitive VAT Regime: simplification for supplies between members of the same corporate family?