TAXATION OF CORPORATE GROUPS

A BELGIAN PERSPECTIVE

Context

ECONOMIC REALITY
Group X
(X₁Co X₂Co)

(Formal) separate entity approach
Focus on the fragmented components of the business enterprise

(TAXABLE REALITY)
Group X
(X₁Co X₂Co)

(Formal) separate entity approach
Focus on the fragmented components of the business enterprise

Tax concerns

NO LOSS OFFSET

NO DEFERRAL

DOUBLE TAXATION

TAX AVOIDANCE

MAIN OBJECTIVE:
searching for an ‘appropriate’ national tax treatment of corporate groups

Possible approaches

Transfer regime
profits

Consolidation regime
(partial/full)

tax attributes

Assessment framework

- national tax law
- national company & accounting law
- EU law
- international tax law

- fairness
- effectiveness
- simplicity

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