

**Question for written answer E-002574/2014
to the Commission**

Rule 117

Michael Theurer (ALDE)

Subject: The reorganisation clause - Section 8c(1a) of the German Corporation Tax Act (KStg)

By order of the European Court of Justice of 18 December 2012 in case T-205/11, the Court dismissed the Federal Republic of Germany's action for annulment of Commission Decision 2011/527/EU.

No substantive clarification was provided in the grounds of the judgment, however. Many undertakings in Germany are therefore faced with overcoming a huge tax burden. This raises the following questions:

1. Does the Commission believe that the 'reorganisation clause' (*Sanierungsklausel*) is entirely incompatible with EU law, or does it believe that it is merely its permanent introduction by the Federal Republic of Germany via the *Wirtschaftswachstumsgesetz (Gesetz zur Beschleunigung des Wirtschaftswachstums* – Act on the Acceleration of Economic Growth of 22 December 2009 (BGBl. (Federal Gazette) I No 81 p. 3950), Article 2(3)(b)) that is incompatible?
2. Does the Commission believe that its intervention in the Federal Republic of Germany's Corporation Tax Act with retroactive effect is reasonable considering the fact that, at the time of acquisition of the undertaking in need of reorganisation, some business owners relied on the inclusion of the tax benefit in their financing plan?
3. Has the Commission considered the possibility of disregarding the tax benefits granted up until the date of Decision 2011/527/EU in order to prevent undertakings from being subjected to serious financial impairment?