

EDITORIAL

This issue of EC Tax Journal is dedicated in memory of Professor Albert J. Rädler who recently passed away at the age of 78. Professor Rädler was one of the founding fathers of EU Tax Law and will be sadly missed. It also celebrates the 20th anniversary of the creation of the European Internal Market and features a number of highly topical discussions concerning the EU's fundamental freedoms and their interaction with national tax regimes of the Member States.

In the first article, Iva Angelova, a Cypriot lawyer, writes on the important topic of the using trusts in tax planning structures. Angelova explains concisely how Cyprus can facilitate this form of tax planning.

Next, Grahame Turner, a PhD candidate at the University of London and a former group tax controller with a large UK banking group, writes on the *Metallgesellschaft* case in an article entitled "A Misunderstanding of fACT". Turner highlights the true objective of the UK's group income election which was at issue in that case and points out that the ECJ misunderstood the UK's ACT scheme and consequently, its examination and analysis was affected by that misunderstanding.

Dr Tom O'Shea looks at current CFC reforms in the UK and the Court of Appeal's decision in the *Thin Capitalisation Group Litigation* case (Thin Cap GLO). O'Shea points out that the view of the majority in the Court of Appeal may represent an incorrect view of the jurisprudence of the ECJ.

Next, Michael Stacey delivers a very strong argument against the introduction of a Financial Transaction Tax in the EU. Stacey also discusses a French proposal to introduce a domestic Financial Transaction Tax.

Ditte Julie Johnsen provides an important analysis of Denmark's exit tax rules in an essay entitled *Danish Corporate Exit Tax Rules from an EU perspective*. Johnsen examines Denmark's exit tax regime in the wake of the *National Grid Indus* case and concludes that Denmark's regime is incompatible with EU law. She also predicts that Denmark will lose its current infringement case brought by the European Commission concerning its exit tax regime which the Commission also

considers to be incompatible with EU law. This article is based on her essay which won the Bloomberg BNA Award for the Best Tax Master's dissertation 2013.

Next Thibault Roulleaux Dugage examines French cross-border anti-avoidance rules. Dugage concludes that today most French cross-border anti-avoidance rules are compatible with EU law since France has amended some of its anti-avoidance rules to remove restrictions found by the ECJ in its jurisprudence and, in relation to other rules, while the restrictions still remain, France is justified by overriding reasons in the general interest, such as the need to combat tax evasion.

The penultimate article is entitled EU Shipping Taxation: The Tonnage Taxation Regime in Question. Its author, Vassiliki Koukoulioti, notes that although the regime is considerably favourable for shipping business, some drawbacks have emerged, due to the economic crisis, raising the question of the application of this system in the EU.

Finally, Alexia Michaelides from Cyprus looks at corporate taxation and describes the obligations imposed by EU law on the EU Member States by focusing on a comparison between the tax regime in the United Kingdom and that adopted by Cyprus. She concludes that the United Kingdom has much to learn from its former colony.

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Editor
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