Step 1: Is the new entity carved-out by the Directive?

Listed on a regulated market or MTF; or

Minimum

substance

No adverse

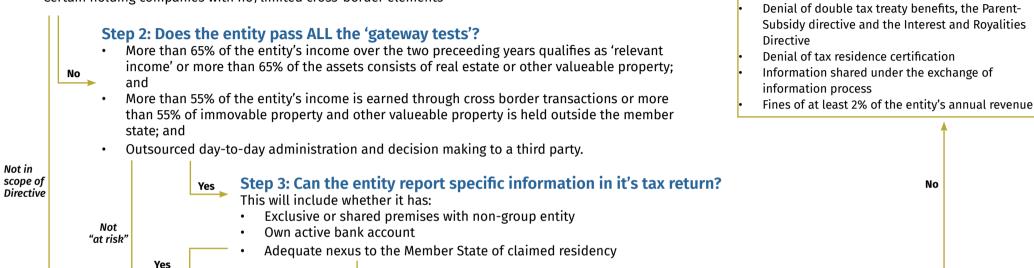
tax consequences

Regulated financial undertakings (e.g. securitisation, UCITS, AIFM, credit institution; or

Yes

Not a shell

Certain holding companies with no/limited cross-border elements



Yes

Step 4: Can the entity report specific information in it's tax return? Providing additional supporting evidence of business activities performed. A successful rebuttal is valid for up to 6 years.

№ Step 5: Can the entity request an exemption?

Must prove that the existence of the 'shell' does not reduce the tax liability of its beneficial owners and of the group as a whole.

The entity is considered a shell

consequences including:

If the entity is considered a shall it may be subject to

No

