

## Breaking Tax News

# Advertisement tax suspended

**In contrast to our monthly Tax News+, in our Breaking Tax news you will be informed immediately of regulatory changes affecting your business but without commentary by our experts.**

The European Commission has started an in-depth investigation whether the legislation on advertisement tax complies with EU state aid rules. The Commission has concerns that the progressive tax rates and the rules on the deductibility of previous losses could selectively favor certain companies and give them unfair competitive advantage.

The Commission has therefore prohibited Hungary from applying progressive rates until the Commission finishes its assessment (a so-called "suspension injunction").

The underlying decision is available under file no. SA.39235 on the website of the Commission: [http://ec.europa.eu/competition/elojade/isef/case\\_details.cfm?proc\\_code=3\\_SA\\_39235](http://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=3_SA_39235).

We would like to emphasize that the opening of this investigation gives interested third parties the opportunity to submit comments and we would be glad to assist our clients in this respect.

**Should you have any remarks or questions regarding the above, please contact our professionals:**

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