

# **Taxation of cross-border investments** in and from CEE countries 2018

Including comparison with Loyens & Loeff home jurisdictions

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# Introduction

## Loyens & Loeff

Loyens & Loeff is a leading firm and a natural choice when selecting a legal and tax partner if you are doing business in or from our home markets of the Netherlands, Belgium, Luxembourg and Switzerland. Our expertise includes the tax and legal aspects of mergers and acquisitions, restructurings, IPOs, structured and project financing, real estate investments, leasing transactions, intellectual property rights and much more. With a hundred-year track record of international (corporate) tax advice, today our team consists of high-level specialists including 350 international tax lawyers and 500 corporate/regulatory lawyers working from our offices in all the major global financial centres.

Through this integrated office network, you have access to Loyens & Loeff's full-service legal expertise across multiple time zones, complemented by our many country desks, each of which boasts specialists experienced in structuring investments around the world. And our reach goes further still, leveraging strong, long-standing relationships with other leading independent law firms and tax consultants in Europe, the United States, Russia and beyond.

This makes Loyens & Loeff the logical choice for large and medium-size enterprises, as well as banks and other financial institutions that operate on the international stage. The evidence is clear, with Loyens & Loeff winning the Who's Who Global Corporate Tax Firm 2016 Award and coming out top for tax advice in the 2015 editions of Legal 500, Chambers Global, Chambers Europe and World Tax.

## A team for Central and Eastern Europe (CEE)

Since the accession of many new countries to the European Union, there has been an increase in the flow of inbound and outbound investments across these new member states. In order to establish a clearer picture of developments in the CEE region, Loyens & Loeff in 2002 created a dedicated team of expert attorneys and tax advisers, each with extensive experience in advising clients on transactions specifically relating to the CEE market.

The CEE team has since been involved in many investment structures taking place in the newer EU countries, in no small part due to the fact that the Netherlands and Luxembourg often provide an ideal location for (intermediary) holdings or financing companies.

## A comparison of CEE countries

The CEE team has developed and maintained this concise and practical publication so tax practitioners can compare the main features of the tax regimes of our home markets and the most recent members of the European Union (listed below). It is intended as a tool for an initial comparison, with specific reference to holding companies that may also engage in financing and/or licensing activities, taking into account the impact of EU GAAR. This document should not be used as a substitute for obtaining local tax advice.

We hope that this publication will find its permanent place on the desks of practitioners involved in international tax planning in relation to these countries, and we gratefully acknowledge the contributions of each firm (listed below) who provided information on the various jurisdictions.

Additional information regarding the regimes in the selected jurisdictions may be obtained by contacting the undersigned or the contributing firms via their websites shown below.

Belgium	Loyens & Loeff	loyensloeff.com
Bulgaria	Djingov, Gouginski, Kyutchukov & Velichkov	dgkv.com
Croatia	LeitnerLeitner	leitnerleitner.hr
Cyprus	Elias Neocleous & Co LLC	neo.law
Czech Republic	White & Case LLP	whitecase.com
Estonia	Sorainen	sorainen.ee
Hungary	Jalsovszky	jalsovszky.com
Latvia	Sorainen	sorainen.lv
Lithuania	Sorainen	sorainen.lt
Luxembourg	Loyens & Loeff	loyensloeff.com
Malta	Francis J. Vassallo & Associates Limited	fjvassallo.com
Poland	MDDP Tax Advisory Company	mddp.pl
Romania	Nestor Nestor Diculescu Kingston Petersen	nndkp.com
Slovakia	PRK Partners s.r.o.	prkpartners.sk
Slovenia	LeitnerLeitner	leitnerleitner.com
Switzerland	Loyens & Loeff	loyensloeff.ch
The Netherlands	Loyens & Loeff	loyensloeff.com

The information contained in this publication is based on the applicable laws in effect as per 1 January 2018.

Yours sincerely,

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**Contributing firms**

