Vat Newsletter

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I. LEGISLATION AND NEWS

The H1 system replaces the SAD for importation.

Since October 14, 2025, the new H1 system has been mandatory — the new type of electronic import declaration that replaces the Single Administrative Document (SAD).

From that date, the previous pre-CU system has been definitively closed and no longer accepts new import declarations.

Unlike the SAD, which was based on a box-style format, the new H1 relies on a structured data model, automatic validations, and standardized electronic messages. In addition, H1 introduces new features such as pre-declarations and the Centralized Import Clearance (CCI), which allows goods to be cleared in a Member State different from the one where the declaration is lodged, thereby speeding up cross-border operations.

This new declaration system will be complemented by the introduction, on December 15, 2025, of the Automated Export System (AES) for export declarations.

II. EUROPEAN UNION CASE LAW

Judgment of 4 September 2025 of the Court of Justice of the European Union, Case C-726/23 (SC Arcomet Towercranes SRL).

Preliminary ruling — Taxation — Common system of value added tax (VAT) — Directive 2006/112/EC — Scope of VAT — Article 2(1)(c) — Concept of "supplies of services for consideration" — Commercial services provided within a group of companies — Transfer pricing — Articles 168 and 178 — Right to deduct VAT — Supporting documentation.

This judgment of the Court of Justice of the European Union interprets the concept of supplies of services for consideration and the requirements for the right to deduct VAT in intra-group transactions.

The dispute arose in Romania, where the Romanian Tax Authorities imposed an additional VAT assessment on the company Arcomet Romania, considering that it had failed to justify the reality of the services invoiced by its Belgian parent company, Arcomet Belgium.

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The intra-group contract signed between both entities provided that the parent company would render to its subsidiary management, strategy, engineering, financing, and risk control services, with remuneration based on the OECD operating profit margin method. If the subsidiary's margin exceeded 2.74%, it had to pay compensation to the parent company; if it was below –0.71%, the opposite would apply. During the years 2011–2013, the Romanian subsidiary achieved returns above 2.74%. The tax authorities considered that these transactions did not involve actual supplies and charged the subsidiary with additional VAT, interest, and penalties.

As a result, the Curtea de Apel București (High Court of Bucharest) referred two preliminary questions to the CJEU concerning VAT in intra-group transactions and the right to deduction. On the first question, the CJEU, based on Article 2(1)(c) of the Directive, held that intra-group adjustments may constitute supplies of services for consideration, provided that there is a legal relationship involving reciprocal performance and an effective consideration. The Court emphasized that the management and coordination services provided by the parent company conferred a specific economic advantage on the subsidiary, and that the operating margin adjustment was the agreed remuneration. The fact that the consideration was based on transfer pricing criteria did not remove the onerous nature of the transaction, contrary to the view of the Romanian tax authorities.

The Court clarified that the economic and commercial reality prevails over the accounting or contractual form, distinguishing this case from that of "passive holding companies" that merely hold shares without intervening in the management of their subsidiaries. Accordingly, it considered that the parent company's services were subject to VAT, as they were effective activities performed for the benefit of its subsidiary.

As regards the second question raised, the CJEU held that the right to deduct VAT requires compliance with both material and formal conditions, but the authorities cannot deny the deduction solely because of defects in the invoice (such as an unclear description of the service) if they have sufficient information to preserve the economic substance of the transaction. Therefore, they may request complementary documentation (contracts, reports, or certificates) to verify the reality of the supplies and their use in taxable transactions, provided that such requirements are necessary and proportionate.

In conclusion, the CJEU ruled that the remuneration of intra-group services based on a transfer pricing method constitutes a taxable supply of services for VAT purposes, and that the tax authorities may reasonably request additional evidence to verify the transaction, reinforcing the primacy of economic reality and the principle of neutrality.

Opinion of the Advocate General of 23 October 2025, Case C-515/24 (Randstad).

Preliminary ruling — Common system of value added tax — Directive 2006/112/EC — Article 176 — National limitations on the right to deduct in the case of client entertainment expenses for business purposes — Stand-still clause under the second paragraph of Article 176 — Restriction of the right to deduct input tax introduced for the first time upon accession to the European Union and transposition of the VAT Directive.

This opinion by Advocate General Kokott relates to the preliminary question referred by the Spanish Supreme Court on whether the national legislation excluding the right to deduct VAT on client entertainment and recreational expenses (Article 96.One.4º and 5º of the Spanish VAT Law) is compatible with Directive 2006/112/EC.

The doubt arises because Spain introduced both the VAT system and this exclusion simultaneously upon its accession to the EU in 1986, and the Supreme Court questions whether such a limitation can be covered by the "stand-still" clause in Article 176, which allows Member States to maintain "existing" exclusions at the time of accession.

Kokott considers that the clause may indeed apply, even though Spain had no prior VAT system, since the limitation was provided for in Law 30/1985, adopted before accession and published at the time of joining the Union, thus meeting the requirement of being "provided for" under national law. The Advocate General explains that a strict interpretation requiring the exclusion to have been already in force before accession would discriminate against new Member States that had no prior VAT system, violating the principle of equality.

As to the substance of the matter, Kokott recalls that the first paragraph of Article 176 of the Directive already allows Member States to exclude the right to deduct in respect of luxury,

entertainment, or representation expenses, as these reflect non-taxed final consumption unrelated to strictly business use. Therefore, the Spanish exclusion is consistent with the design of the VAT system and the principle of neutrality, which aims to prevent deductions in transactions serving private or mixed purposes. Furthermore, the Advocate General stresses that Member States may maintain or introduce at the time of accession certain specific exclusions, provided that they do not expand them thereafter.

The limitation in the Spanish legislation, focused on representation expenses, is not general and does not affect the right to deduct in the rest of business operations, thus meeting the proportionality and precision conditions required by CJEU case law (Grupa Lotos, Magoora, X Holding).

In conclusion, Kokott proposes that the Court of Justice should declare that the prohibition on deducting VAT on client entertainment and recreational expenses in Spain is consistent with EU law.

III. DOMESTIC COURT RULINGS

Judgment No. 4070/2025 of 29 September 2025 of the Spanish Supreme Court. Appeal No. 634/2022.

This judgment of the Spanish Supreme Court establishes the limits and obligations of the Tax Administration in applying the principle of full regularization ("regularización íntegra") within limited review procedures, recognizing the taxpayer's right to the refund of unduly charged VAT without the need to initiate a new procedure.

The company DOEMSCHE, S.L.U. filed an appeal in cassation against the judgment issued by the High Court of Justice of the Balearic Islands, which had dismissed its claim regarding the provisional VAT assessment for the year 2013. Prior to that, the Tax Administration had issued a provisional assessment denying the deductibility of input VAT in certain transactions due to formal defects in the invoices.

The appeal raised the question of whether the Tax Administration, when denying VAT deductions in a limited review procedure, must also determine, within the same procedure, whether the taxpayer is entitled to the refund of the unduly charged VAT, without referring the taxpayer to a separate undue payment refund procedure. This debate revolved around Article 14.2(c) of Royal Decree 520/2005 of 13 May, which approves the General Regulation on the review procedures provided for in the General Tax Law 58/2003 of 17 December.

The company argued that this provision obliges the Administration to correct the taxpayer's situation in a comprehensive manner, avoiding the need to start a second procedure to recover the overpaid amount. In this way, it claimed that the action of the Tax Agency (which merely denied the deduction) generated double taxation and infringed the principles of neutrality and good administration.

The Supreme Court, following its consistent case law on the principle of full regularization, recalls that the regularization of a self-assessment must encompass both the elements favorable and unfavorable to the taxpayer, in order to avoid unjust results or situations of double taxation. The Court reaffirms that this principle applies not only to inspection procedures but also to management and limited review procedures, such as the present case.

The Chamber reiterates in several rulings that the Administration, when reviewing unduly charged VAT, must also determine ex officio whether its refund is appropriate, without forcing the taxpayer into a subsequent procedure.

Accordingly, the Supreme Court ultimately upholds the appeal in cassation, annuls the judgment of the High Court of Justice of the Balearic Islands, and declares the nullity of the 2013 VAT assessment and the related administrative resolution. It expressly reiterates the jurisprudential doctrine that, when the Administration regularizes unduly charged VAT, it must also determine, within the same procedure, whether the taxpayer is entitled to its refund.

IV. ADMINISTRATIVE RULINGS

Ruling No. 00/07350/2024/00/00 of 15 July 2025 of the Central Economic-Administrative Court (TEAC)

In this ruling dated 15 July 2025, the Central Economic-Administrative Court (TEAC) established case law determining that, in fraudulent transactions initially declared as exempt and later found by the Tax Administration to be taxable and non-exempt, the taxable base must be calculated by treating the amount of the consideration as "VAT included."

The case concerns a business group that had declared certain sales of beverages and cleaning products to Portugal as intra-Community supplies, wrongly applying the VAT exemption. The Regional Inspection Unit of Catalonia concluded that these goods had not actually left Spanish territory nor had they been effectively received by the alleged Portuguese operators, therefore classifying the transactions as domestic supplies subject to VAT and not exempt. The corresponding VAT was regularized based on the sale price (excluding VAT), and penalties were imposed.

The taxpayer filed economic-administrative appeals before the Regional Economic-Administrative Court of Catalonia (TEAR).

The dispute focused on whether the consideration received by the company should be deemed an amount excluding VAT — which would increase the tax liability by adding VAT to an already received price (the position of the Tax Agency) — or, conversely, whether such price should be regarded as VAT included, given that the taxpayer could not subsequently charge VAT to its customers under Article 89(Three)(2) of the VAT Law in cases of fraud (the taxpayer's position).

The Regional Economic-Administrative Court of Catalonia partially upheld the appeals, holding that the consideration should be deemed "VAT included," following the case law of the Court of Justice of the European Union (Tulică judgment, 2013) and the Spanish Supreme Court. The Tax Agency appealed this decision, supporting the opposite view and relying on a Supreme Court judgment of 18 March 2024.

Ultimately, the TEAC confirmed the TEAR's position and unified doctrine, ruling that in transactions initially declared as exempt but later found to be taxable and non-exempt within a fraudulent operation, the amounts received must be regarded as VAT included.

Ruling No. 00/07484/2022/00/00 of 19 June 2025 of the Central Economic-Administrative Court (TEAC).

The Central Economic-Administrative Court (TEAC) ruling No. 00/07484/2022, dated 19 June 2025, addresses the VAT rate applicable to financial leasing agreements with a purchase option concerning properties intended for residential use when those properties are subleased.

The case concerns the entity XZ SA, which since 2006 had maintained a leasing agreement with a purchase option over a building composed of dwellings and commercial premises.

Between 2017 and 2021, the company paid lease instalments subject to 21% VAT and requested a refund amounting to EUR 102,657.94, claiming that the reduced rate of 10% under Article 91(One)(2)(11º) of the VAT Law should apply to lease agreements with a purchase option for buildings intended as dwellings. The Tax Agency denied this request, arguing that the properties were not "exclusively intended for residential use," but rather subleased as part of a business activity.

In its claim, the company invoked the principle of VAT neutrality and alleged inconsistency between different rulings of the Directorate General of Taxes (DGT), arguing that the use of the properties as dwellings by the subtenants should suffice for the reduced rate to apply. The Administration, however, relied on Binding Ruling V3306-17, which expressly excludes the application of the 10% rate in subleasing situations.

The TEAC upheld the Administration's position and emphasized that reduced VAT rates are exceptional and must be interpreted strictly. The Court recalled that their purpose is to promote access to housing for final consumers, and that this objective does not apply when the lessee operates the property as a subleasing business. Therefore, the 10% rate does not apply in such cases, and the general rate of 21% must be applied.

With this decision, the TEAC dismissed the company's claim and confirmed that financial leasing of properties with a purchase option can only benefit from the reduced rate when the intended use is exclusively residential, excluding cases in which the lessee acts as an economic intermediary through subleasing.

V. BINDING RULINGS

V1265-25: Chain transactions with exportation.

The Directorate General of Taxes (DGT) has issued a ruling regarding the VAT treatment of a company that sells products to a Panamanian entity, where the products are manufactured by a third company established in Spain and shipped from the place of manufacture to the Panamanian company by a transport company, with the manufacturer appearing as the exporter of the goods.

The DGT begins by referring to Article 1(19) of EU Delegated Regulation 2015/2446, which defines "exporter" as follows:

a. A private individual carrying the goods to be taken out of the customs territory of the Union when these goods are contained in the personal luggage of that individual;
b. In other cases where point (a) does not apply:
   - A person established in the customs territory of the Union who has the power to determine and has determined that the goods are to be taken out of that customs territory;
   - Where point (i) does not apply, any person established in the customs territory of the Union who is a party to the contract under which the goods are to be taken out of that customs territory."

Therefore, both the manufacturer and the seller of the products could qualify as exporters under EU legislation.

The DGT's doctrine establishes that, in export transactions involving two successive supplies of goods and a single transport to a country or territory outside the EU, the exemption will apply to the supply to which the transport is linked. Accordingly, the SAD (Single Administrative Document) must identify in box 44 the buyer/intermediary (when the transport is linked to the first supply) or the manufacturer (when the transport is linked to the supply made by the intermediary company).

Regarding VAT treatment, the first supply made by the initial transferor in Spanish territory will be exempt, provided that the transport of the goods outside the EU is linked to that supply and duly evidenced by any valid means of proof, particularly with export customs documentation in which the supplier appears as exporter in their own name, regardless of who arranges the international transport.

As for the subsequent supplies following the exempt one, these will not be subject to VAT in Spain.

V1269-25: Correction of invoices for incorrectly included withholding taxes.

This ruling analyzes the correction of invoices issued by a lessor of commercial premises that included a withholding tax. However, the lessee was not required to withhold and pay such tax, so the withholding included in the invoices was incorrect.

According to the Regulation governing invoicing obligations, an obligation to issue a corrective invoice exists only in the cases expressly provided for in Article 15. The correction of invoices is required when there is an incorrect entry of any mandatory data or requirement. Therefore, if any mandatory element of the invoice has been incorrectly stated, the issuance of a corrective invoice will be necessary.

However, Article 6 of the same Regulation, which regulates the content of invoices, does not include any obligation to include or omit withholding tax, so the invoice appears to comply with the regulatory requirements.

The DGT concludes that the existence of limited cases that mandate a corrective invoice does not prevent taxpayers from voluntarily correcting previously issued invoices where there is a justified reason and provided that such action allows the tax authorities to properly verify the transaction. Nevertheless, in these cases of voluntary amendment, such invoices will not be considered corrective invoices, as only those issued in mandatory correction cases under Article 15 qualify as such.

Therefore, if there are no mandatory grounds for correction—such as when an invoice was issued for a transaction that never took place and needs to be annulled—the situation involves replacing the original invoice with another that cancels it, which in no case will be deemed a corrective invoice. The same applies in this case, where the previously issued invoices that wrongly included a withholding tax are replaced with new invoices excluding such withholding.

V1435-25: Transfer of the operation of an apartment for tourist rental purposes.

Binding Ruling V1435-25 examines the VAT treatment of the lease of an apartment located in Spain, owned by an individual resident in another EU Member State, who has transferred the property to a company specialized in managing tourist accommodations, which rents it out in its own name.

Under Article 20.One.23º of the Spanish VAT Law, the lease of property used exclusively as a dwelling is exempt from VAT. However, the exemption does not cover leases of buildings or parts thereof intended for sublease. In this regard, the DGT clarifies that a subsequent transfer by the lessee exists, meaning the lease is subject to and not exempt from VAT, including the following situations:

- The transfer of a dwelling by an employer for the use of employees or their family members.
- The transfer of a dwelling for the exercise of a business or professional activity.
- The transfer of a dwelling for any other consideration.
- Therefore, the transfer of operation will be considered a lease subject to and not exempt from VAT.

Subsequent leases carried out by the company managing the tourist accommodations will be subject to and exempt from VAT, provided that no complementary services typical of the hotel industry are rendered.

The DGT also analyzes whether the apartment owner has a permanent establishment in Spain. Following the case law of the CJEU and the TEAC, the existence of a permanent establishment requires a combination of human and material resources located in the Spanish territory and used for carrying out the economic activity. The mere ownership of a property leased to a subsidiary does not, by itself, constitute a permanent establishment.

Having analyzed the concept of a permanent establishment, the DGT examines the VAT taxable person for the first lease. Although Article 84.One of the VAT Law provides for reverse charge in operations carried out by non-established businesses, it excludes leases of immovable property that are subject to and not exempt, even when performed by a non-established person.

Therefore, the apartment owner must charge VAT on the transfer of the operation and comply with the obligations under Article 164 of the VAT Law.

V1446-25: Rental of parking spaces for temporary use by employees.

In its ruling V1446-25, the DGT analyzes the VAT treatment of the lease of parking spaces for their subsequent temporary use by employees (on working days, with daily validity) without assigning a specific parking space to each employee.

Firstly, the DGT recalls that, under Articles 7(7º) and 12(3º) of the VAT Law, when an asset used in the business has generated a right to input VAT deduction, its use for the private needs of the taxable person or their staff, or for non-business purposes, is considered a supply of services for consideration subject to VAT.

Consequently, the company may deduct input VAT on the lease of the office building that includes parking spaces, without prejudice to the fact that the subsequent transfer of their use to employees to meet personal needs could constitute a taxable supply.

However, the DGT refers to Ruling V1464-15, in which it was held that no private needs were met in cases where parking spaces located in city centers were leased for sales agents who needed to travel through the area, since the employer's business needs justified making such spaces available. In those particular circumstances, the employer's organization of parking served business purposes, and any personal benefit obtained by the employee was merely ancillary; therefore, it was a supply for own business purposes not subject to VAT and without restriction on deduction.

In the present case, the same criterion applies, as the company offers parking spaces to its employees for use on working days due to the lack of parking availability in the area and its distance from the city center. Therefore, the DGT concludes that the transfer of parking spaces does not meet private needs of employees, as it serves the company's business purposes, even if employees obtain an incidental benefit.

V1305-25: The DGT adopts the TEAC's unified criterion on the refund of the plastic packaging tax on exports.

In Binding Ruling V1305-25, the DGT addresses the standing to request a refund of the Special Tax on Non-Reusable Plastic Packaging (IEEPNR) in the case of a canning company that uses plastic film to palletize goods exported to third countries.

Article 81(1)(d) of Law 7/2022 grants this right to non-taxable purchasers who can prove that the goods have been shipped outside the Spanish tax territory and that the tax has been paid.

Until now, in prior rulings such as V0873-23, V0876-23, and V3247-23, the DGT held that only the final purchaser organizing the transport abroad could request the refund. However, following the TEAC's ruling of 19 June 2025, which unified conflicting criteria between the Regional Economic-Administrative Courts (TEAR) of Aragon and Andalusia, the DGT now adopts the TEAC's interpretation establishing that:

- The shipment of goods covered by the IEEPNR outside Spanish territory by a non-taxable purchaser constitutes a refund case under Article 81(1)(d) of Law 7/2022.
- The right to refund corresponds to the "purchaser," a concept applicable to both the buyer abroad and its supplier in Spain.
- Only the party that proves the export and payment of the tax is entitled to the refund; it is not necessary that this party directly organized the transport.
- The refund is subject to proof by any valid means of evidence and the absence of unjust enrichment, which must be verified by the Tax Administration.

Therefore, the DGT aligns its position with the TEAC and confirms that non-taxable purchasers may claim the refund of the IEEPNR when they prove the actual export, the payment of the tax, and the absence of unjust enrichment.

V1311-25: The DGT clarifies the concept of unjust enrichment in the refund of the plastic packaging tax.

In Binding Ruling V1311-25, the DGT analyzes the case of a company engaged in the distribution of packaging materials sold for use on fishing vessels. These transactions are carried out under FOB conditions at a Spanish seaport, accompanied by a SAD, since the vessels operate in international maritime navigation. The ruling examines whether the company is entitled to claim a refund of the IEEPNR paid on these products.

Under Article 81(1) of Law 7/2022, importers who ship the products outside the Spanish tax territory, as well as non-taxable purchasers who can prove such shipment, may apply for a refund. In both cases, the refund is subject to proof of export and payment of the tax under paragraph 2 of the same article.

The DGT confirms that the taxpayer may request a refund if the above conditions are met, either as importer or as non-taxable purchaser. The ruling cites the TEAC decision of 19 June 2025, which interprets Article 81(1)(d) — in line with Ruling V1305-25 — stating that the claimant need not have organized the export directly.

Finally, since the tax is an indirect tax designed to be borne by the final consumer, the refund will not be granted if the

Administration proves that the claimant has passed the tax burden on to its customers through the price. In such case, the refund would result in unjust enrichment, which prevents its granting under current law.

V1508-25: Assignment of credit rights by securitization funds.

The DGT issued Binding Ruling V1508-25, which analyzes the tax treatment of the assignment of credit rights by securitization funds. The key question is whether such transactions are subject to and exempt from the Transfer Tax and Stamp Duty (ITPAJD) when those funds do not qualify as entrepreneurs or professionals for VAT purposes.

Under Articles 4 and 5 of the Spanish VAT Law, only transactions carried out by entrepreneurs or professionals in the course of business activities are subject to VAT. To qualify as such, there must be an organization of production resources for economic purposes and an assumption of risk.

Securitization funds, regulated by Law 5/2015, are separate pools of assets without legal personality, managed by management companies. Their income arises from credit rights and does not involve an independent economic activity. The DGT, relying on TEAC rulings (such as that of 22 September 2021), concludes that such funds do not qualify as entrepreneurs or professionals when they do not organize production resources or assume risks inherent in an economic activity.

Article 7 of Royal Legislative Decree 1/1993 states that transfers for consideration of rights made by non-entrepreneurs or professionals are subject to ITPAJD, but Article 45(I)(B)(15º) provides for an exemption for cash deposits and loans, as well as the subsequent transfer of the instruments evidencing them.

The DGT interprets that if the assignor (the securitization fund) is not an entrepreneur or professional for VAT purposes, the assignment of credit rights is subject to ITPAJD (transfer duty) but exempt under Article 45(I)(B)(15º). This represents a change in interpretation from earlier rulings (such as V1081-12), which held that the exemption only covered the transfer of loan instruments, not the assignment of the underlying credit itself.

In conclusion, the assignment of credit rights by securitization funds that do not qualify as entrepreneurs or professionals for VAT purposes is subject to ITPAJD (transfer duty) but exempt under Article 45(I)(B)(15º) of the ITPAJD Law. This new approach clarifies the tax treatment and strengthens legal certainty for such transactions.

V1520-25: Merger by absorption and tax effects.

The DGT issued Binding Ruling V1520-25, analyzing the direct and indirect tax implications of a merger by absorption between a parent company (X) and its wholly owned subsidiary (Y). The absorbing entity holds 100% of the capital of the absorbed one, whose main assets consist of real estate used for leasing. The objective of the transaction is to integrate the real estate portfolio into a single company and simplify the corporate structure.

For Corporate Income Tax, the DGT concludes that the merger qualifies for the special tax neutrality regime under Articles 76 to 89 of Law 27/2014, provided that the commercial requirements established in Royal Decree-Law 5/2023 on structural modifications are met. This means that the capital gains arising from the transfer of assets are not included in the taxable base, and the transferred assets retain their original tax values and holding periods. Furthermore, the existence of tax loss carryforwards in the absorbing entity does not preclude the regime, provided that valid economic reasons exist — such as the rationalization of structures or business continuity — consistent with the Supreme Court's case law (Judgments 2508/2016 and 1503/2022).

Regarding VAT, the DGT analyzes Article 7(1) of the VAT Law, which declares that the transfer of a set of assets forming an autonomous economic unit capable of operating independently

is not subject to VAT. The DGT clarifies that if the transfer does not include the necessary material or human resources, it is a simple transfer of assets subject to VAT. In such cases, if used buildings are transferred, the transaction will be subject to and exempt under Article 20.One.22º, with the possibility to waive the exemption and apply reverse charge under Article 84.One.2º(e).

For ITPAJD, the merger qualifies as a corporate restructuring under Articles 19 and 21 of the ITPAJD Law, and thus is not subject to the corporate operations modality and exempt from the transfer duty and stamp duty modalities, under Article 45(I)(B)(10).

Regarding the Municipal Capital Gains Tax (IIVTNU), the DGT recalls that, according to the Second Additional Provision of the Corporate Tax Law, the tax is not triggered when the operation benefits from the special neutrality regime.

The ruling also clarifies that, under previous criteria, the existence of tax loss carryforwards in the absorbing company could be interpreted as an indication of tax avoidance unless valid economic reasons were demonstrated. However, the DGT and the Supreme Court have clarified that the tax benefit derived from the neutrality regime is legitimate as long as the transaction pursues genuine business purposes. The absence of valid economic reasons may create a presumption of abuse but does not automatically preclude the regime if business continuity and structural rationalization are proven.

In conclusion, the DGT considers that the proposed merger meets the legal and tax requirements to qualify for the special regime, provided that genuine economic reasons exist and the operation does not merely seek tax advantages. The ruling consolidates the doctrine on the compatibility of the tax neutrality regime with business reorganizations, clarifying its implications for VAT, ITPAJD, and IIVTNU, and strengthening a coordinated approach among these taxes.

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