

## Feedback — Module 6 - Homework

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You submitted this homework on **Mon 16 Feb 2015 5:52 AM PST**. You got a score of **6.00** out of **6.00**.

### Question 1

Corporate income tax is a tax on capital (in the economic sense of it) and is levied on a highly mobile tax basis, especially due to the free movement of capital in the EU.

Your Answer	Score	Explanation
<input type="radio"/> False		
<input checked="" type="radio"/> True	✓ 1.00	
Total	1.00 / 1.00	

#### Question Explanation

True. For this reason, economists consider this tax as the most harmful one.

## Question 2

Is there an article that prohibits Member States to levy import duties or charges with equivalent effect on imported or exported goods? If so, under what Article?

You entered:

110

Your Answer		Score	Explanation
110	✓	1.00	
Total		1.00 / 1.00	

### Question Explanation

Correct answer: Article 110 TFEU. In addition there are other sources of law dealing with taxes for the achievement of the internal market. . In addition to the custom union provided for in art. 28 TFEU, and the application of a common custom tariff at the outside border of the EU, in article 31. Additionally, States are bound by a loyalty duty and far reaching consequences this article leads to.

## Question 3

The TFEU obliges Member States to equalize their domestic taxes with that of other States.

Your Answer	Score	Explanation
<input type="radio"/> True		
<input checked="" type="radio"/> False	✓ 1.00	
Total	1.00 / 1.00	

#### Question Explanation

Nothing in the TFEU obliges Member States to equalize their domestic taxes with that of other States. However, if they levy a tax for non-residents, they also have to levy it on residents, otherwise, there is a risk that they breach article 63 TFEU on the free movement of capital, which forbids restrictions on capital to a certain extent.

## Question 4

How are companies and contracts related? (Please select all that apply)

Your Answer	Score	Explanation
<input type="checkbox"/> Contracts presuppose companies as an institution	✓ 0.20	
<input type="checkbox"/> Contracts are a species of companies	✓ 0.20	

<input type="checkbox"/> Companies are a species of contracts	✓	0.20
<input checked="" type="checkbox"/> Companies presuppose contracts as an institution	✓	0.20
<input checked="" type="checkbox"/> Both contracts and companies are institutions in the service of private autonomy	✓	0.20
Total		1.00 / 1.00

**Question Explanation**

Without the institution of contracts companies lose their raison d'etre. Why? Because whatever purpose a given company has it can only be achieved by using contracts as an instrument. It is in the nature of companies and contracts that they are vehicles for voluntary use in order to further private interests.

## Question 5

Which of the following alternatives gives the best definition of “company law”?

Your Answer	Score	Explanation
<input type="radio"/> Legal rules that regulate companies		
<input type="radio"/> Legal rules that effect companies		
<input checked="" type="radio"/> Legal rules only applicable to companies	✓ 1.00	

☐ Legal rules designed to solve typical conflicts within companies

Total

1.00 / 1.00

### Question Explanation

The activities of companies are to a large extent regulated by non-company law rules such as contract law, environmental law and tort law. A still larger category of rules effect companies in one way or other. However, in order to view company law as a distinct area of law it has to be separated from rules also applicable in a non-company setting.

## Question 6

Rules regarding the decision-making authority on behalf of the company fall into two groups. Which? (Please select all that apply)

Your Answer	Score	Explanation
<input checked="" type="checkbox"/> One group of rules draws the limit between lawful and unlawful company decisions	✓ 0.25	
<input checked="" type="checkbox"/> One group of rules tells us when a company decision exists	✓ 0.25	
<input type="checkbox"/> One group of rules tells us which rights members have with respect to the content of company decisions	✓ 0.25	



One group of rules tells us which rights other stakeholders than members have with respect to the content of company decisions



0.25

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Total

1.00 / 1.00

**Question Explanation**

Groups of rules that tell us which rights members have with respect to the content of company decisions, and groups of rules that tell us which rights other stakeholders than members have with respect to the content of company decisions are forms of rules that establish limits between lawful and unlawful company decisions.

