

ECJ Preliminary Ruling Request: *Faurécia v. Autoridade Tributária e Aduaneira* (Case C-420/23) – Supremo Tribunal Administrativo Submits Referral on Levying Stamp Duty on Short-Term Cash Transactions Where Borrower Is Non-Resident Entity

18 October 2023

Report from Angelika Xygka, Associate, IBFD

The *Supremo Tribunal Administrativo* (Supreme Administrative Court) made reference to the Court of Justice of the European Union (ECJ) on 24 May 2023 for a preliminary ruling in the case of *Faurécia v. Autoridade Tributária e Aduaneira* (Case C-420/23) on the compatibility of levying stamp duty on short-term cash transactions where the borrower is a non-resident entity.

The *Supremo Tribunal Administrativo* requested the ECJ to answer the following question:

"Is the provision contained in Article 7(2) of the Código do Imposto do Selo (Stamp Duty Code) according to which short-term cash transactions between two entities resident in Portugal and those in which the borrower is resident in Portuguese territory (and the creditor is resident in the European Union) are exempt from stamp duty, but transactions where the borrower (debtor) is resident in a Member State of the European Union and the lender (creditor) resides in Portugal are not exempt, compatible with the principles of non-discrimination and the free movement of capital established in Articles 18 and 63 and Article 65(3) [TFEU](#)?"

Portugal; European Union - ECJ Preliminary Ruling Request: *Faurécia v. Autoridade Tributária e Aduaneira* (Case C-420/23) – Supremo Tribunal Administrativo Submits Referral on Levying Stamp Duty on Short-Term Cash Transactions Where Borrower Is Non-Resident Entity (18 Oct. 2023), News IBFD.

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