

# ECJ Advocate General Opines on Additional Solidarity Tax on Banking Sector: *Cofidis v Autoridade Tributária e Aduaneira* (Case C-340/22) (Direct Tax)

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On 13 July 2023, Advocate General Pikamäe of the Court of Justice of the European Union (ECJ) gave his opinion in the case of *Cofidis v. Autoridade Tributária e Aduaneira* ([Case C-340/22](#)) on the additional solidarity tax on the banking sector imposed by Portuguese authorities to branches of non-resident credit institutions. In this case, the Advocate General concluded that the freedom of establishment enshrined in article 49 of the [Treaty on the Functioning of the EU \(TFEU\)](#) must be interpreted as precluding national legislation which allows only resident credit institutions and subsidiaries of non-resident credit institutions, having legal personality – to the exclusion of branches of non-resident credit institutions, which do not have legal personality – to deduct their own funds and comparable debt instruments from the tax base in respect of a tax on the liabilities of those entities.

A more substantial report containing details of the Advocate General's reasoning will be published in due course.