

EDITORIAL NOTE

This Intertax issue 12 begins with a guest editorial by Paul Tang, a Member of the European Parliament and chair of the Parliament FISC subcommittee on tax matters. In *On the EU Road to a Sustainable Tax System*, Tang addresses Intertax readers with an optimistic message about a number of the most significant challenges in the area of taxation that will shape the work of the FISC subcommittee in 2022.

Tang questions how the EU can deal with the increasing inequality in our societies combined with downwards pressure on taxes on mobile bases, a dynamic that is expected to increase with the rise of digital work after the Covid-19 pandemic; how the EU can effectively address climate change in a globalized economy where increased carbon taxes might lead to carbon leakage; and how the EU can ensure that the transition to a sustainable economy brings along even the most vulnerable in our societies.

By proposing some possible EU policy answers to these questions, Paul Tang highlights the fruitful dialogue that his subcommittee has initiated between academia and politicians, leading to the adoption of important tax proposals by the European Parliament. One example of these productive discussions is the existing consensus on the fight against tax avoidance and evasion.

In his article *Mandatory Binding Arbitration: Avoiding Stalemates Over the Tax Chessboard*, Polyvios Nikolao examines the resolution of tax treaty disputes under the mutual agreement procedure (MAP) mechanism. More specifically, he investigates how the introduction of final-offer arbitration can improve dispute resolution using a game-theoretical approach and benefit all international stakeholders.

In turn, Magdalena Schwarz's contribution (*Can the Switch-over Rule and the Role of Permanent Establishments be Considered the Neglected Stepchildren of the GloBE Proposal?*) focuses on a more comprehensive examination of the switch-over rule for GloBE purposes. She also analyses how (low-taxed) permanent establishments are generally dealt with under the GloBE proposal.

Saturnina Moreno González (*Implementation of the EU Anti-Tax Avoidance Directive in Spain: Outstanding Issues of a Partial Transposition*) critically examines the implementation of the EU Anti-Tax Avoidance Directive (ATAD) in Spain. The author highlights the main differences between the directive and Spanish law and examines whether such discrepancies may be incompatible with the ATAD or the EU fundamental freedoms.

In this issue, the reader may also find country notes: Dora Pimentel Mendes de Almeida and Michell Przerpiorka, *CFC Conundrum: How Brazil Has Safe Harboured Individuals in its Efforts to Combat Tax Avoidance*; Himanshu Raghuwanshi, *Abolition of Dividend Distribution Tax in India: A Treat for Foreign Investors?*; case law trends: Agnieszka Franczak, *Recent Trends in the Jurisprudence of the CJEU Regarding the Right to Deduct Input Tax*; Andrea Purpura, *Protection of Taxpayers' Personal Data and National Tax Interest: a Misstep by the European Court of Human Rights?*; a note in memory of Klaus Tipke by Joachim English and Johanna Hey; and a literature review on A. A. Skaar, *Permanent Establishment: Erosion of a Tax Treaty Principle*, (2nd edition, Kluwer Law International, 2020) by Fernando Souza de Man.

Enjoy your reading!

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Editor-in-Chief