

Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market

CHAPTER II

MEASURES AGAINST TAX AVOIDANCE

[^{F1}Article 9b

Tax residency mismatches

To the extent that a deduction for payment, expenses or losses of a taxpayer who is resident for tax purposes in two or more jurisdictions is deductible from the tax base in both jurisdictions, the Member State of the taxpayer shall deny the deduction to the extent that the other jurisdiction allows the duplicate deduction to be set off against income that is not dual-inclusion income. If both jurisdictions are Member States, the Member State where the taxpayer is not deemed to be a resident according to the double taxation treaty between the two Member States concerned shall deny the deduction.]

Textual Amendments

- F1** Inserted by [Council Directive \(EU\) 2017/952 of 29 May 2017 amending Directive \(EU\) 2016/1164 as regards hybrid mismatches with third countries.](#)