

Council Directive 2003/49/EC of 3 June 2003 on a common system of taxation applicable to interest and royalty payments made between associated companies of different Member States

*Article 5*

**Fraud and abuse**

- 1 This Directive shall not preclude the application of domestic or agreement-based provisions required for the prevention of fraud or abuse.
- 2 Member States may, in the case of transactions for which the principal motive or one of the principal motives is tax evasion, tax avoidance or abuse, withdraw the benefits of this Directive or refuse to apply this Directive.