

EU sues Spain for discriminatory taxes on lottery winnings

The European Commission said last week that it's taking Spain to court over its discriminatory taxes on lottery winnings from lotteries organized abroad.

Currently Spain subjects lottery winnings from lotteries organized abroad to a progressive income tax, while locally accrued winnings are exempt from such taxes.

This discriminatory taxation goes against E.U. law as it restricts the freedom to provide services, the commission said.

Spain argues that it exempts some of its own lottery organizations due to their nature, which is often charitable, and not based on the place of their establishment.

But the commission maintains that the exemption is discriminatory, as similar favorable treatment is not open to E.U. organizations of the same nature.