

# Do Double Tax Treaties Prevent the Application of Domestic Anti-Avoidance Rules? The Portuguese case

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Alberto Xavier has been a pathfinder in his field and a source of inspiration for many, including the current authors, who have benefited from his experience and counsel as an academic and a lawyer.

He has innovated in his capacity to translate and apply the concepts and theory of international and domestic taxation to the realities of life, invariably illustrating the different possible outcomes with clear examples, not to say with forceful and compelling contributions and proven foresight in matters related with international tax competition and tax policy. In spite of being domiciled in Brazil, Alberto Xavier has sustained a strong vision regarding the role of the Portuguese double tax treaties and their particular options as well as on some domestic tax incentives (such as the International Business Center of Madeira ones) and other critical issues in tax matters such as stability, certainty and fairness.

The topic discussed below is quite new in practical terms, although we may predict that it will become a focus for intense debate and lively dispute in the not too distant future; let us see how the balance between taxpayers and tax authorities will tip in this critical matter...

## 1. Introduction

The tax issues related with evasion, abuse and avoidance, at both a cross-border and purely domestic level, have recently been the focus of renewed attention from the Portuguese legislator, tax authorities and taxpayers. Although it has