

ATOZ ALERT

Official publication of the newly updated EU list of non-cooperative tax jurisdictions: 2 jurisdictions added and 3 removed

6 March 2026

Today, the European Union published its [updated list of non-cooperative jurisdictions for tax purposes](#) (the “Blacklist”) in the *Official Journal* (“OJ”) of the European Union. The Council formally approved the revised list on 17 February 2026. In this update, **Fiji, Samoa and Trinidad and Tobago** were removed from the list, while **Vietnam** and the **Turks and Caicos Islands** – the latter having been delisted in February 2024 – were added again. The new Blacklist applies from the date of its publication.

The update of the Blacklist is an important step as it directly impacts the scope of application of three different Luxembourg tax measures: 1) the measure denying the **corporate income tax deduction of interest and royalty expenses** due to entities located in non-cooperative tax jurisdictions, 2) the **requirement to disclose transactions** with entities located in non-cooperative jurisdictions in tax returns and 3) the **mandatory disclosure rules** applicable to certain cross-border arrangements (“DAC6”).

Key Changes at a Glance

Action	Jurisdictions Concerned	Comments
Removed from Blacklist	Fiji, Samoa, Trinidad & Tobago	No longer considered non-cooperative as of publication date.
Added to Blacklist	Vietnam, Turks & Caicos Islands	Turks & Caicos previously delisted in Feb 2024.
Number of Blacklisted Jurisdictions	10	Effective from 6 March 2026.

Current Blacklist (10): American Samoa; Anguilla; Guam; Palau; Panama; Russia; Turks & Caicos; US Virgin Islands; Vanuatu; Vietnam.

High Level Implications in Luxembourg

Corporate Tax Deduction Restrictions (Art. 168-5 of the Luxembourg Income Tax Law (“LITL”))

Interest and royalty payments made to entities located in jurisdictions included on the EU Blacklist may be rendered non-deductible under the applicable Luxembourg tax rules. As a matter of principle, the measure denying the deduction of interest and royalties applies based on the **latest version of the Blacklist available as of 1 January**.

- *Listing of Vietnam and Turks & Caicos*: **No impact** on the 2026 deductibility because the relevant list is the one in force on **1 January 2026**, which did not include them.
- *De-listing of Fiji, Samoa, Trinidad & Tobago*: **May impact** the 2026 deductibility depending on the October 2026 update:
 - If these jurisdictions are added back in the Blacklist in October 2026: the February removal is disregarded entirely, and the **deduction-limitation measure continues to apply** for the whole year, as the operative list remains the one in force on 1 January 2026.
 - If these jurisdictions are not added back in the Blacklist in October 2026: the removal takes **immediate effect** from the date of publication of the Blacklist in the OJ of the European Union (i.e. 6 March 2026), and payments made thereafter are **no longer subject to the deduction limitation**, provided the other conditions of Article 168-5 LITL are satisfied.

For a detailed explanation of the scope of the measure provided by Article 168-5 of the LITL, its conditions and its timing aspects, please read our article “*New guidelines on Luxembourg defensive measures against non-cooperative jurisdictions for tax purposes*” in our [July 2022 ATOZ Insights](#).

Disclosure Requirements (Circular L.I.R. n° 168/2 of 31 May 2022)

Transactions entered into by Luxembourg corporate taxpayers with related parties (within the meaning of article 56 of the LITL) located in blacklisted jurisdictions must be reported by Luxembourg corporate taxpayers in their corporate tax returns. The latest Blacklist available as of the end of the accounting year concerned is key for determining whether reporting is required or not.

- For most taxpayers, with a calendar-accounting-year: the reference list = the **October 2025 Blacklist**.
- For taxpayers with a non-calendar-accounting year: the reference list = the **February 2026 Blacklist** is relevant when accounting year start on or after 1 March, meaning:
 - Transactions with Fiji, Samoa, Trinidad & Tobago are **no longer reportable**.
 - Transactions with Vietnam and Turks & Caicos **must be reported**.

DAC6 Reporting

Payments to blacklisted jurisdictions may trigger **mandatory disclosure** under DAC6¹ (i.e. Hallmark C.1.b)ii))

Reporting depends on whether the jurisdiction was on the Blacklist (as published in the OJ of the European Union) on the date of the triggering event of the reporting obligation, **which is in our view, at the time the arrangement was implemented** (no retroactivity).

- **Arrangements implemented with the Fiji, Samoa and Trinidad and Tobago on or after 6 March 2026 will not trigger DAC6 reporting** (at least until the publication of the October 2026 Blacklist);
- **Arrangements with Vietnam and Turks & Caicos may trigger reporting** while they remain listed. However, one should keep in mind that as soon as article 168-5 of the LITL applies (provided all its

¹ Luxembourg Law of 25 March 2020 implementing Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

conditions are met), payments to jurisdictions on the Blacklist are not tax deductible so they should no longer fall within the scope of Hallmark C.1.b) ii).

Blacklist vs. Greylist

In addition to the Blacklist, a **list of jurisdictions with pending commitments to implement tax good governance principles** (the “**Greylist**”) is established at EU level and is also updated twice a year at the same time as the Blacklist. The evolution of the Greylist **should be monitored closely since greylisted tax jurisdictions may become blacklisted tax jurisdictions** if they do not fulfil their commitments within the agreed timeline.

As of 6 March 2026, the Greylist of countries within the scope of the EU screening process includes the following **nine jurisdictions**:

1. Belize
2. British Virgin Islands
3. Brunei Darussalam
4. Eswatini
5. Greenland
6. Jordan
7. Montenegro
8. Morocco
9. Türkiye

Practical Takeaways

The update adopted in February 2026 has immediate effects on disclosure obligations and the reporting requirements arising under DAC6. Its implications for the deductibility of interest and royalty payments are, however, contingent on the composition of the EU list of non-cooperative jurisdictions following the subsequent update scheduled for October 2026.

In this context, Luxembourg taxpayers should conduct a thorough review of their transactions carried out during the 2026 tax year in order to assess the potential impact of any listing or delisting on their reporting, disclosure and withholding obligations, and to ensure that their internal processes remain aligned with the applicable requirements.

Developments in the legislation of jurisdictions monitored by the EU Council should also be closely tracked, as they may lead to additions to or removals from the Blacklist, or to the transfer of a greylisted jurisdiction onto the Blacklist, thereby altering the scope of application of the Luxembourg measures.

Do you have further questions?



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