



Plenary sitting

A8-0028/2019

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REPORT

on the proposal for a Council directive amending Directive 2006/112/EC as regards the introduction of the detailed technical measures for the operation of the definitive VAT system for the taxation of trade between Member States (COM(2018)0329 – C8-0317/2018 – 2018/0164(CNS))

Committee on Economic and Monetary Affairs

Rapporteur: Fulvio Martusciello

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a Council directive amending Directive 2006/112/EC as regards the introduction of the detailed technical measures for the operation of the definitive VAT system for the taxation of trade between Member States (COM(2018)0329 – C8-0317/2018 – 2018/0164(CNS))

(Special legislative procedure – consultation)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2018)0329),
 - having regard to Article 113 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0317/2018),
 - having regard to Rule 78c of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs (A8-0028/2019),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, in accordance with Article 293(2) of the Treaty on the Functioning of the European Union;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to substantially amend the Commission proposal;
 5. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a directive

Recital 1

Text proposed by the Commission

(1) When the Council adopted in 1967 the common system of value added tax (VAT) by means of Council Directives 62/227/EEC¹ and 67/228/EEC², the commitment was made to establish a definitive VAT system for the taxation of trade between Member States operating in

Amendment

(1) When the Council adopted in 1967 the common system of value added tax (VAT) by means of Council Directives 62/227/EEC¹ and 67/228/EEC², the commitment was made to establish a definitive VAT system for the taxation of trade between Member States operating in

a similar way as it would within a single Member State. Since the political and technical conditions were not ripe for such a system, when the fiscal frontiers between Member States were abolished by the end of 1992 transitional VAT arrangements were adopted. Council Directive 2006/112/EC³, which is currently in force, provides that these transitional rules have to be replaced by definitive arrangements based in principle on the taxation in the Member State of origin of the supply of goods or services.

a similar way as it would within a single Member State. Since the political and technical conditions were not ripe for such a system, when the fiscal frontiers between Member States were abolished by the end of 1992 transitional VAT arrangements were adopted. Council Directive 2006/112/EC³, which is currently in force, provides that these transitional rules have to be replaced by definitive arrangements based in principle on the taxation in the Member State of origin of the supply of goods or services. ***However, those transitional rules have now been in place for several decades, resulting in a complex transitional VAT system susceptible to intra-Union cross-border VAT fraud. Those transitional rules suffer from numerous shortcomings, which result in the VAT system being neither fully efficient nor compatible with the requirements of a true single market. The vulnerability of the transitional VAT system became obvious only a few years after its introduction. Since then, several legislative actions (improving administrative cooperation, shorter deadlines for recapitulative statements, sectoral reverse charge) and non-legislative actions have been taken. However, the recent VAT gap studies demonstrate that the figures of non-collected VAT are still enormous. This is the first legislative proposal since the introduction of the current VAT rules in 1992 which aims at tackling the root of cross-border fraud. In its Communication of 28 October 2015 entitled “Upgrading the Single Market: more opportunities for people and business”, the Commission identified the complexity of the current VAT regulations as one of the major obstacles to the completion of the single market. At the same time, the VAT gap, defined as the difference between the amount of VAT revenue actually collected and the theoretical amount that is expected to be collected, has been increasing, reaching EUR 151,5 billion in***

2015 in the EU-28. This illustrates the need for an urgent and comprehensive reform of the VAT system towards a definitive VAT regime, to facilitate and simplify cross-border intra-Union trade and make the system more fraud-proof.

¹ First Council Directive 67/227/EEC of 11 April 1967 on the harmonisation of legislation of Member States concerning turnover taxes (OJ 71, 14.4.1967, p. 1301).

² Second Council Directive 67/228/EEC of 11 April 1967 on the harmonisation of legislation of Member States concerning turnover taxes — Structure and procedures for application of the common system of value added tax (OJ 71, 14.4.1967, p. 1303).

³ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

¹ First Council Directive 67/227/EEC of 11 April 1967 on the harmonisation of legislation of Member States concerning turnover taxes (OJ 71, 14.4.1967, p. 1301).

² Second Council Directive 67/228/EEC of 11 April 1967 on the harmonisation of legislation of Member States concerning turnover taxes — Structure and procedures for application of the common system of value added tax (OJ 71, 14.4.1967, p. 1303).

³ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

Amendment 2

Proposal for a directive Recital 1 a (new)

Text proposed by the Commission

Amendment

(1 a) In addition, in the past the Commission, supported by the European Parliament, has always pointed out that a VAT system based on taxation at origin was the correct response for making the Union VAT system more fraud-proof, and most closely in line with the proper functioning of the internal market. The current initiative, however, is based on the Member States' preferred approach of taxation at destination, with a view to allowing Member States a certain flexibility in the setting of VAT rates.

Amendment 3

Proposal for a directive

Recital 2

Text proposed by the Commission

(2) The Council, supported by the European Parliament¹ and the Economic and Social Committee², confirmed that an origin-based system was not achievable and invited the Commission to proceed with in-depth technical work and a broadly based dialogue with Member States to examine in detail the different possible ways to implement the destination principle³.

¹ European Parliament resolution of 13 October 2011 on the future of VAT (P7_TA(2011)0436)
<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P7-TA-2011-0436>

Amendment

(2) The Council, supported by the European Parliament¹ and the Economic and Social Committee², confirmed that an origin-based system was not achievable and invited the Commission to proceed with in-depth technical work and a broadly based dialogue with Member States to examine in detail the different possible ways to implement the destination principle³, ***in order to ensure that the supply of goods from one Member State to another is taxed as if they were supplied and acquired within one Member State. The creation of a single Union VAT area is crucial in order to decrease compliance costs for businesses, particularly SMEs working cross-border, to reduce the risks of cross-border VAT fraud and to simplify VAT-related procedures. The definitive VAT system will strengthen the internal market and create better business conditions for cross-border trade. It should take account of the changes that are necessary due to technological developments and digitalisation. This Directive sets out the technical measures for the implementation of the so-called “corner stones” as laid down by the Commission in its proposal of 18 January 2018^{3a}. Member States should therefore take decisions on the aforementioned “corner stones” in order to proceed swiftly with the implementation of this Directive.***

¹ European Parliament resolution of 13 October 2011 on the future of VAT (P7_TA(2011)0436)
<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P7-TA-2011-0436>

² European Economic and Social Committee Opinion of 14 July 2011 on the ‘Green Paper on the future of VAT - Towards a simpler, more robust and efficient VAT system’ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52011AE1168>

³ Council conclusions on the future of VAT - 3167th Economic and Financial affairs Council meeting, Brussels, 15 May 2012 (see in particular point B 4) http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/130257.pdf

² European Economic and Social Committee Opinion of 14 July 2011 on the ‘Green Paper on the future of VAT - Towards a simpler, more robust and efficient VAT system’ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52011AE1168>

³ Council conclusions on the future of VAT - 3167th Economic and Financial affairs Council meeting, Brussels, 15 May 2012 (see in particular point B 4) http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/130257.pdf

^{3a} ***Proposal for a Council Directive amending Directive 2006/112/EC as regards rates of value added tax, COM(2018)0020, 2018/0005(CNS).***

Amendment 4

Proposal for a directive Recital 3

Text proposed by the Commission

(3) The Commission, in its VAT Action Plan¹, sets out the amendments to the VAT system that would be necessary in order to develop such a destination-based system for intra-Union trade by means of the taxation of cross-border supplies. The Council subsequently reaffirmed the conclusions of that Action Plan and stated, inter alia, that in its view the principle of taxation at origin as envisaged for the definitive VAT system should be replaced by the principle of taxation in the Member State of destination².

¹ Action Plan on VAT – Towards a single EU VAT area - Time to decide (COM(2016) 148final of 7.4.2016.

Amendment

(3) The Commission, in its VAT Action Plan¹, sets out the amendments to the VAT system that would be necessary in order to develop such a destination-based system for intra-Union trade by means of the taxation of cross-border supplies. The Council subsequently reaffirmed the conclusions of that Action Plan and stated, inter alia, that in its view the principle of taxation at origin as envisaged for the definitive VAT system should be replaced by the principle of taxation in the Member State of destination². ***That change should contribute to the reduction of VAT-related cross-border frauds by an estimated EUR 50 billion annually.***

¹ Action Plan on VAT – Towards a single EU VAT area - Time to decide (COM(2016) 148final of 7.4.2016.

² See:

<http://www.consilium.europa.eu/en/press/press-releases/2016/05/25-conclusions-vat-action-plan/>

² See:

<http://www.consilium.europa.eu/en/press/press-releases/2016/05/25-conclusions-vat-action-plan/>

Amendment 5

Proposal for a directive Recital 4 a (new)

Text proposed by the Commission

Amendment

(4 a) In order to guarantee efficient cooperation between Member States, the Commission should guarantee the transparency of the system, in particular through the compulsory publication on an annual basis of frauds committed in each Member State. Transparency is also important in order to understand the scale of the fraud, to raise the awareness of the general public and to put pressure on Member States.

Amendment 6

Proposal for a directive Recital 5 a (new)

Text proposed by the Commission

Amendment

(5 a) Special attention should be given to the European Parliament positions adopted in its legislative resolutions of 3 October 2018 on the proposal for a Council directive amending Directive 2006/112/EC as regards harmonising and simplifying certain rules in the value added tax system and introducing the definitive system for the taxation of trade between Member States (COM(2017)0569 – C8-0363/2017 – 2017/0251(CNS)) and on the proposal for a Council directive amending Directive 2006/112/EC as regards rates of value added tax (COM(2018)0020 – C8-0023/2018 – 2018/0005(CNS)) and in its legislative

resolution of 3 July 2018 on the amended proposal for a Council regulation amending Regulation (EU) No 904/2010 as regards measures to strengthen administrative cooperation in the field of value-added tax (COM(2017)0706 – C8-0441/2017 – 2017/0248(CNS)).

Amendment 7

Proposal for a directive Recital 13

Text proposed by the Commission

(13) The overall rule for supplies of goods, including intra-Union supplies of goods, and for supplies of services should be that the supplier is liable for the payment of the VAT.

Amendment

(13) The overall rule for supplies of goods, including intra-Union supplies of goods, and for supplies of services should be that the supplier is liable for the payment of the VAT. ***Those new principles will enable the Member States to better fight VAT fraud, especially Missing Trader Intra-Community (MTIC), estimated to amount to at least EUR 50 billion a year.***

Amendment 8

Proposal for a directive Recital 14 a (new)

Text proposed by the Commission

Amendment

(14 a) Strict criteria, applied in a harmonised way by all Member States, need to be put in place to determine which enterprises can benefit from the status of the certified taxable person, and common rules and provisions resulting in fines and penalties for those who do not comply with them should be established.

Amendment 9

Proposal for a directive Recital 14 b (new)

(14 b) The Commission should be responsible for the presentation of further guidelines and should verify the proper application by Member States of these harmonised criteria across the Union.

Amendment 10

Proposal for a directive Recital 15

Text proposed by the Commission

Amendment

(15) The rules on the temporary application of the reverse charge mechanism for movable goods should be reviewed in order to ensure their coherence with the introduction of the new rules regarding the person liable for the payment of VAT on intra-Union supplies of goods.

(15) The rules on the temporary application of the reverse charge mechanism for movable goods should be reviewed in order to ensure their coherence with the introduction of the new rules regarding the person liable for the payment of VAT on intra-Union supplies of goods. ***With the implementation of this Directive, the temporary application of the reverse charge mechanism might no longer be required. The Commission should therefore analyse in due course the need to repeal the proposal for a temporary application of the reverse charge mechanism.***

Amendment 11

Proposal for a directive Recital 23

Text proposed by the Commission

Amendment

(23) In view of ensuring coherence in the VAT reporting obligations for large enterprises, the frequency of submitting VAT returns under this special scheme should be reviewed by adding that taxable persons making use of the scheme shall submit monthly VAT returns under the scheme when their annual Union turnover

(23) In view of ensuring coherence in the VAT reporting obligations for large enterprises, the frequency of submitting VAT returns under this special scheme should be reviewed by adding that taxable persons making use of the scheme shall submit monthly VAT returns under the scheme when their annual Union ***VAT***

is above EUR 2 500 000.

turnover is above EUR 2 500 000.

Amendment 12

Proposal for a directive Recital 25 a (new)

Text proposed by the Commission

Amendment

(25 a) A high level of non-compliance generates not only economic losses for compliant taxable persons but also threatens the cohesion and coherence of the fiscal system and creates a generalised feeling of unfairness through the distortion of competition. An efficient and understandable system is key to generating public revenues and to ownership by both citizens and companies.

Amendment 13

Proposal for a directive Recital 26 a (new)

Text proposed by the Commission

Amendment

(26 a) Statistics show that fraudsters take advantage of the weakness of the system and follow the development of the economy as well as the dynamic growth of demand for certain supplies. It is therefore necessary to set up a system dynamic enough to cope with harmful practices and to reduce the level of both voluntary non-compliance (fraud) and involuntary non-compliance.

Amendment 14

Proposal for a directive Recital 26 b (new)

Text proposed by the Commission

Amendment

(26 b) With particular focus on the needs of SMEs engaging in intra-Community cross-border businesses and in order to facilitate trade and increase legal certainty in the single market, the Commission, in cooperation with Member States, should establish a comprehensive and publicly accessible Union VAT Web information portal for businesses. That multilingual portal should provide quick, up-to-date and accurate access to relevant information about the implementation of the VAT system in the different Member States and in particular about the correct VAT rates for different goods and services in the different Member States, as well as the conditions for zero-rate. Such a portal might also help to address the current VAT gap.

Amendment 15

Proposal for a directive Recital 26 c (new)

Text proposed by the Commission

Amendment

(26 c) The One Stop Shop is the core of the new destination-based system without which complexity of the VAT system and the administrative burden would increase significantly. To ensure interoperability, ease of use and future fraud-proofing, One Stop Shops for businesses should operate with a harmonised cross-border IT system, based on common standards and allowing for automatic retrieval and input of data, for example, through the use of unified standard forms.

Amendment 16

Proposal for a directive Recital 28

Text proposed by the Commission

(28) As a result of the introduction of intra-Union supply of goods as a new concept, it is appropriate to replace the term 'Community' with 'Union' to ensure an updated and coherent use of the term.

Amendment

(28) As a result of the introduction of intra-Union supply of goods as a new concept, it is appropriate to replace the term 'Community' with 'Union' ***throughout the Directive*** to ensure an updated and coherent use of the term.

Amendment 17

**Proposal for a directive
Recital 30 a (new)**

Text proposed by the Commission

Amendment

(30 a) Legislative measures to reform the VAT system, to fight VAT fraud and to reduce the VAT Gap can only succeed if Member States' tax administrations cooperate more closely in a spirit of mutual trust, and exchange relevant information to be able to perform their tasks.

Amendment 18

**Proposal for a directive
Article 1 – paragraph 1 – point 4 a (new)
Directive 2006/112/EC
Article 8**

Present text

“Article 8

If the Commission considers that the provisions laid down in Articles 6 and 7 are no longer justified, particularly in terms of fair competition or own resources, it shall present appropriate proposals to the Council.”

Amendment

(4 a) Article 8 is replaced by the following:

“Article 8

If the Commission considers that the provisions laid down in Articles 6 and 7 are no longer justified, particularly in terms of fair competition or own resources, it shall present appropriate proposals to the ***European Parliament and to the*** Council.”

Amendment 19

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 1 – subparagraph 3

Text proposed by the Commission

Where the applicant is a taxable person who has been granted the status of an authorised economic operator for customs purposes, the criteria in paragraph 2 shall be deemed to have been met.

Amendment

Where the applicant is a taxable person who has been granted the status of an authorised economic operator for customs purposes, the criteria in paragraph 2 shall be deemed to have been met **for the purpose of this Directive**.

Amendment 20

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 2 – point a a (new)

Text proposed by the Commission

Amendment

(a a) the absence of any record of serious criminal offences relating to the economic activity of the applicant, such as, but not limited to:

(i) money laundering;

(ii) tax evasion and tax fraud;

(iii) abuse of Union funds and programmes;

(iv) bankruptcy or insolvency fraud

(v) insurance fraud or other financial fraud;

(vi) bribery and/or corruption;

(vii) cybercrime;

(viii) participation in a criminal organisation;

(ix) offences in the field of competition law;

(x) direct or indirect involvement in

Amendment 21

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 2 – point c

Text proposed by the Commission

(c) evidence of financial solvency of the applicant, which shall be deemed to be proven either where the applicant has good financial standing, which enables him to fulfil his commitments, with due regard to the characteristics of the type of business activity concerned, or through the production of guarantees provided by insurance or other financial institutions or by other economically reliable third parties.

Amendment

(c) evidence of financial solvency of the applicant ***during the last three years***, which shall be deemed to be proven either where the applicant has good financial standing, which enables him to fulfil his commitments, with due regard to the characteristics of the type of business activity concerned, or through the production of guarantees provided by insurance or other financial institutions or by other economically reliable third parties. ***The applicant must possess a bank account in a financial institution established in the Union.***

Amendment 22

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. In order to ensure a harmonised interpretation in the granting of the certified taxable person status, the Commission shall adopt by means of an implementing act further guidance for Member States regarding the evaluation of those criteria, which shall be valid across the Union. The first implementing act shall be adopted no later than one month after the entry into force of this Directive.

Amendment 23

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. To encourage applications for the certified taxable person status, the Commission shall introduce a tailored procedure for Small and Medium Enterprises.

Amendment 24

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 4 – subparagraph 1

Text proposed by the Commission

Amendment

A taxable person who applies for the status of a certified taxable person shall supply all **the** information required by the tax authorities in order to enable them to take a decision.

A taxable person who applies for the status of a certified taxable person shall supply all **relevant** information required by the tax authorities in order to enable them to take a decision. **Tax authorities shall process the application without delay and should be subject to harmonised criteria across Member States regarding the supply of information.**

Amendment 25

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. Where the status of certified taxable person is granted, that information shall be made available via the VAT Information Exchange System.

Changes to that status shall be updated in the system without delay.

Amendment 26

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 5

Text proposed by the Commission

5. Where the application is refused, the grounds for refusal shall be notified by the tax authorities to the applicant together with the decision. Member States shall ensure that the applicant is granted a right of appeal against any decision to refuse an application.

Amendment

5. Where the application is refused, the grounds for refusal shall be notified ***without delay*** by the tax authorities to the applicant together with the decision ***which clearly states the grounds for refusal***. Member States shall ensure that the applicant is granted a right of appeal ***within a reasonable timeframe*** against any decision to refuse an application.

Amendment 27

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5 a. Where the application is refused, the decision as well as the grounds for refusal shall be notified to tax authorities of other Member States.

Amendment 28

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 6

Text proposed by the Commission

Amendment

6. The taxable person who has been

6. The taxable person who has been

granted the status of certified taxable person shall inform the tax authorities ***without delay*** of any factor arising after the decision was taken, which may affect or influence the continuation of that status. The tax status shall be withdrawn by the tax authorities where the criteria set out in paragraph 2 are no longer met.

granted the status of certified taxable person shall inform the tax authorities ***within one month*** of any factor arising after the decision was taken, which may affect or influence the continuation of that status. The tax status shall be withdrawn by the tax authorities where the criteria set out in paragraph 2 are no longer met. ***Tax authorities of Member States having granted the status of certified taxable person shall review that decision, at least every two years, to ensure that the conditions are still met. If the taxable person has not informed the tax authorities of any factor possibly affecting the certified taxable person status as laid out in the implementing act or has purposefully concealed it, it shall be subject to proportionate, efficient and dissuasive sanctions, including the loss of the certified taxable person status.***

Amendment 29

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6 a. A taxable person who has been refused the status of a certified taxable person, or who on his or her own initiative has informed the tax authority that he or she no longer meets the criteria set out in paragraph 2, may, no earlier than six months from the date of the refusal of that status or its withdrawal, reapply for certified taxable person status provided that all relevant criteria are met.

Amendment 30

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

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Article 13a – paragraph 6 b (new)

Text proposed by the Commission

Amendment

6 b. *To ensure uniform standards for monitoring of continued eligibility for the status of certified taxable person and the withdrawal of the tax status within and across Member States, the Commission shall adopt relevant guidelines.*

Amendment 31

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 6 c (new)

Text proposed by the Commission

Amendment

6 c. *Where the applicant has been denied the status of an authorised economic operator in accordance with the Union Customs Code during the last three years, the applicant shall not be granted the status of a certified taxable person.*

Amendment 32

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 13a – paragraph 7

Text proposed by the Commission

Amendment

7. The status of a certified taxable person in one Member State shall be recognised by the tax authorities of all the Member States.;

7. The status of a certified taxable person in one Member State shall be recognised by the tax authorities of all the Member States. ***National mechanisms will continue to apply for internal VAT tax disputes between the tax payer concerned and the national tax authority;***

Amendment 33

Proposal for a directive

Article 1 – paragraph 1 – point 56 a (new)

Directive 2006/112/EC

Article 145 – paragraph 1

Present text

“1. The Commission shall, where appropriate, as soon as possible, present to the Council proposals designed to delimit the scope of the exemptions provided for in Articles 143 and 144 and to lay down the detailed rules for their implementation.”

Amendment

(56 a) in Article 145, paragraph 1 is replaced by the following:

“1. The Commission shall, where appropriate, as soon as possible, present ***to the European Parliament and*** to the Council proposals designed to delimit the scope of the exemptions provided for in Articles 143 and 144 and to lay down the detailed rules for their implementation.”

Amendment 34

Proposal for a directive

Article 1 – paragraph 1 – point 59 a (new)

Directive 2006/112/EC

Article 150 – paragraph 1

Present text

“1. The Commission shall, where appropriate, as soon as possible, present to the Council proposals designed to delimit the scope of the exemptions provided for in Article 148 and to lay down the detailed rules for their implementation.”

Amendment

(59 a) in Article 150, paragraph 1 is replaced by the following:

“1. The Commission shall, where appropriate, as soon as possible, present ***to the European Parliament and*** to the Council proposals designed to delimit the scope of the exemptions provided for in Article 148 and to lay down the detailed rules for their implementation.”

Amendment 35

Proposal for a directive

Article 1 – paragraph 1 – point 68 a (new)

Directive 2006/112/EC

Article 166

Present text

Article 166

“The Commission shall, where appropriate, as soon as possible, present to the Council proposals concerning common arrangements for applying VAT to the transactions referred to in Sections 1 and 2.”

Amendment 36

Proposal for a directive

Article 1 – paragraph 1 – point 123 a (new)

Directive 2006/112/EC

Article 293 – paragraph 1 – introductory part

Present text

“Every four years starting from the adoption of this Directive, the Commission shall present to the Council, on the basis of information obtained from the Member States, a report on the application of this Chapter, together, where appropriate and taking into account the need to ensure the long-term convergence of national regulations, with proposals on the following subjects:”

Amendment 37

Proposal for a directive

Article 1 – paragraph 1 – point 166 a (new)

Directive 2006/112/EC

Article 395 – paragraph 3

Amendment

(68 a) Article 166 is replaced by the following:

Article 166

“The Commission shall, where appropriate, as soon as possible, present **to the European Parliament and** to the Council proposals concerning common arrangements for applying VAT to the transactions referred to in Sections 1 and 2.”

Amendment

(123 a) In Article 293, paragraph 1, the introductory part is replaced by the following:

“Every four years starting from the adoption of this Directive, the Commission shall present **to the European Parliament and** to the Council, on the basis of information obtained from the Member States, a report on the application of this Chapter, together, where appropriate and taking into account the need to ensure the long-term convergence of national regulations, with proposals on the following subjects:”

Present text

“3. Within three months of giving the notification referred to in the second subparagraph of paragraph 2, the Commission shall present to the Council either an appropriate proposal or, should it object to the derogation requested, a communication setting out its objections.”

Amendment 38

Proposal for a directive

Article 1 – paragraph 1 – point 166 b (new)

Directive 2006/112/EC

Article 396 – paragraph 3

Present text

“3. Within three months of giving the notification referred to in the second subparagraph of paragraph 2, the Commission shall present to the Council either an appropriate proposal or, should it object to the derogation requested, a communication setting out its objections.”

Amendment 39

Proposal for a directive

Article 1 – paragraph 1 – point 169 a (new)

Directive 2006/112/EC

Article 404 a (new)

Text proposed by the Commission

Amendment

(166 a) In Article 395, paragraph 3 is replaced by the following:

“3. Within three months of giving the notification referred to in the second subparagraph of paragraph 2, the Commission shall present to the ***European Parliament and to the*** Council either an appropriate proposal or, should it object to the derogation requested, a communication setting out its objections.”

Amendment

(166 b) In Article 396, paragraph 3 is replaced by the following:

“3. Within three months of giving the notification referred to in the second subparagraph of paragraph 2, the Commission shall present to the ***European Parliament and to the*** Council either an appropriate proposal or, should it object to the derogation requested, a communication setting out its objections.”

Amendment

(169 a) The following new Article is inserted after Article 404:

"Article 404a

Within four years of the adoption of Council Directive (EU) .../...* +, the Commission shall present to the European Parliament and to the Council, on the basis of information obtained from the Member States, a report on the implementation and application of the new provisions of this Directive, where appropriate [and taking into account the need to ensure the long-term convergence of national regulations], with proposals."

**** Council Directive (EU) .../... of ... amending ... (OJ ...).***

+ OJ: Please insert in the text the number of the Directive contained in document PE-CONS ... (2018/0164(CNS)) and insert the number, date, title and OJ reference of that Directive in the footnote.

Amendment 40

Proposal for a directive

Article 1 – paragraph 1 – point 169 b (new)

Directive 2006/112/EC

Article 404 b (new)

Text proposed by the Commission

Amendment

(169 b) The following new Article is inserted after Article 404a:

"Article 404b

Within two years of the adoption of Council Directive (EU) .../...* +, the Commission shall present to the European Parliament and to the Council a report on the effectiveness of the exchange of the relevant information between Member States Tax Administrations, given the importance of the mutual trust for the definitive VAT regime to succeed."

**** Council Directive (EU) .../... of ...***

amending ... (OJ ...).

+ OJ: Please insert in the text the number of the Directive contained in document PE-CONS ... (2018/0164(CNS)) and insert the number, date, title and OJ reference of that Directive in the footnote.

Amendment 41

Proposal for a directive

Article 1 – paragraph 1 – point 173 a (new)

Directive 2006/112/EC

Article 411 a (new)

Text proposed by the Commission

Amendment

(173 a) The following new Article 411a is inserted:

"Article 411a

By 1 June 2020, the Commission, in cooperation with the Member States, shall establish a comprehensive, multilingual and publicly accessible Union VAT Web Information Portal on which businesses and consumers can quickly and effectively obtain accurate information on VAT rates – including which goods or services benefit from reduced rates or exemptions – and all relevant information on the implementation of the definitive VAT system in the different Member States.

In complement to the Portal, an automated notification mechanism shall be set up. That mechanism shall ensure automatic notifications to tax payers on changes and updates to the VAT rates of Member States. Such automatic notifications shall be activated before the change becomes applicable and at the latest five days after the decision has been taken."

Amendment 42

Proposal for a directive

Article 1 a (new)

PE629.628v02-00

26/30

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Present text

Article 34

1. ***Member States shall participate in the Eurofisc working fields of their choice and may also decide to terminate their participation therein.***

2. ***Member States having chosen to take part in a Eurofisc working field shall actively participate in the multilateral exchange of targeted information between all participating Member States.***

3. ***Information exchanged shall be confidential, as provided for in Article 55.***

Amendment

Article 1a

Amendment to Regulation (EU) No 904/2010

Regulation (EU) No 904/2010 is amended as follows:

(1) Article 34 is replaced by the following:

"Article 34

1. ***The Commission shall provide Eurofisc with the necessary technical and logistical support. The Commission shall have access to the information referred to in Article 1, which may be exchanged over Eurofisc, for the circumstances provided for in Article 55(2).***

2. ***Member States shall participate in the Eurofisc working fields and Member States shall actively participate in the multilateral exchange of information.***

3. ***Eurofisc working field coordinators may, on their own initiative or on request, forward relevant information on the most serious cross-border VAT offences to Europol and the European Anti-Fraud Office (OLAF).***

3a. ***Eurofisc working field coordinators may ask Europol and OLAF for relevant information. Eurofisc working field coordinators shall make the information received from Europol and OLAF available to the other participating Eurofisc liaison officials; this information shall be exchanged by electronic means."***

(2) The following new Article 49a is added:

"Article 49a

Member States and the Commission shall establish a common system of collecting

statistics on intra-Community VAT fraud and involuntary non-compliance and shall publish on a yearly basis national estimates of VAT losses resulting from that fraud, as well as estimates for the Union as a whole. The Commission shall adopt, by means of implementing acts, the practical arrangements for such a statistical system. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 58(2)."

(<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32010R0904>)

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Introduction of the detailed technical measures for the operation of the definitive VAT system for the taxation of trade between Member States
References	COM(2018)0329 – C8-0317/2018 – 2018/0164(CNS)
Date of consulting Parliament	11.7.2018
Committee responsible Date announced in plenary	ECON 10.9.2018
Rapporteurs Date appointed	Fulvio Martusciello 20.6.2018
Discussed in committee	19.11.2018
Date adopted	22.1.2019
Result of final vote	+ : 42 - : 0 0 : 10
Members present for the final vote	Hugues Bayet, Esther de Lange, Markus Ferber, Jonás Fernández, Giuseppe Ferrandino, Stefan Gehrold, Sven Giegold, Roberto Gualtieri, Brian Hayes, Gunnar Hökmark, Wolf Klinz, Georgios Kyrtos, Philippe Lamberts, Werner Langen, Bernd Lucke, Olle Ludvigsson, Ivana Maletić, Fulvio Martusciello, Marisa Matias, Gabriel Mato, Alex Mayer, Caroline Nagtegaal, Luděk Niedermayer, Stanisław Ożóg, Ralph Packet, Sirpa Pietikäinen, Dariusz Rosati, Pirkko Ruohonen-Lerner, Alfred Sant, Martin Schirdewan, Peter Simon, Theodor Dumitru Stolojan, Kay Swinburne, Paul Tang, Ramon Tremosa i Balcells, Ernest Urtegas, Marco Valli, Tom Vandenkendelaere, Miguel Viegas, Babette Winter, Marco Zanni
Substitutes present for the final vote	Eric Andrieu, Manuel dos Santos, Ashley Fox, Jeppe Kofod, Paloma López Bermejo, Thomas Mann, Eva Maydell, Siegfried Mureşan, Lieve Wierinck
Substitutes under Rule 200(2) present for the final vote	Virginie Rozière, Ricardo Serrão Santos
Date tabled	25.1.2019

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

42	+
ALDE	Wolf Klinz, Caroline Nagtegaal, Ramon Tremosa i Balcells, Lieve Wierinck
ECR	Bernd Lucke, Pirkko Ruohonen-Lerner
PPE	Markus Ferber, Stefan Gehrold, Brian Hayes, Gunnar Hökmark, Georgios Kyrtzos, Esther de Lange, Werner Langen, Ivana Maletić, Thomas Mann, Fulvio Martusciello, Gabriel Mato, Eva Maydell, Siegfried Mureşan, Luděk Niedermayer, Sirpa Pietikäinen, Dariusz Rosati, Theodor Dumitru Stolojan, Tom Vandenkendelaere
S&D	Eric Andrieu, Hugues Bayet, Jonás Fernández, Giuseppe Ferrandino, Roberto Gualtieri, Jeppe Kofod, Olle Ludvigsson, Alex Mayer, Virginie Rozière, Alfred Sant, Manuel dos Santos, Ricardo Serrão Santos, Peter Simon, Paul Tang, Babette Winter
VERTS/ALE	Sven Giegold, Philippe Lamberts, Ernest Urtasun

0	-

10	0
ECR	Ashley Fox, Stanisław Ożóg, Ralph Packet, Kay Swinburne
EFDD	Marco Valli
ENF	Marco Zanni
GUE/NGL	Paloma López Bermejo, Marisa Matias, Martin Schirdewan, Miguel Viegas

Key to symbols:

+ : in favour

- : against

0 : abstention