Question for written answer E-002061/2015
to the Commission
Rule 130
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Subject: 'Split payment'

Final approval of the Italian Stability Law 2015 has led to the introduction of the new VAT payment mechanism, the so-called 'split payment', for the provision of goods and services to Italian public bodies.

The new rules state that, in derogation from the usual VAT system, the tax will be paid by suppliers and providers for any goods supplied or services provided to the State.

In an initial version of the Stability Law 2015, the rules' entry into force seemed to be dependent on the approval of the Council of the European Union (in accordance with Article 395 of Directive 2006/112/EC).

Under an amendment approved by the Italian Senate (and then incorporated in the text of the Stability Law 2015), effective implementation of the split payment system is not subject to the authorisation of the European Union and can therefore be implemented from 1 January 2015.

This means that, as of 1 January, suppliers or providers who conduct transactions with public bodies should not be reimbursed for VAT charged to them by their own suppliers or providers.

Italy has already been subject to infringement proceedings by the European Union for long delays and, in the case of VAT repayments, it would be appropriate if it were the European Union that authorised derogation from the VAT system.

1. Is the Commission aware of these facts?

2. If so, is it planning to remedy the situation?