

**Question for written answer E-005324/2016
to the Commission**
Rule 130
Filiz Hyusmenova (ALDE)

Subject: VAT simplification for SMEs

The current VAT system is struggling to address innovative business models and technological progress in today's environment. In particular, SMEs are bearing proportionally higher VAT compliance costs than large businesses, owing to the complexity and fragmentation of the EU VAT system.

Within the new context of the VAT reform package, what specific actions will the Commission will take with a view to greater simplification of the system for SMEs and start-ups, in order to create a favourable environment for their growth and for cross-border EU trade?