

**Question for written answer E-006238/2018
to the Commission**

Rule 130

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Subject: Payment of VAT in the form of SEPA DD B2B

As of November 2016, France imposed an obligation on all foreign companies in the SEPA area to pay VAT only through the SEPA DD B2B automated banking service. Companies that do not comply with these guidelines will be charged a fine of 0.2% of the value of the tax in accordance with Article 1738 of the French Tax Code.

This obligation appears to be contrary to Article 3(2) of EU Regulation No 260/2012. However, the French Ministry of Finance refers to internal rules.

France applies the obligation only to foreign companies in the SEPA area. It does not take into account the fact that banks in the SEPA area which are not in the euro area are not obliged to offer SEPA DD B2B. As a result of the above, companies from SEPA countries that are not in the euro area pay monthly fines for not being able to pay through SEPA DD B2B when submitting a VAT return in France. These companies cannot claim a VAT refund in France for technical reasons - the website 'does not accept' the account number of a bank that does not provide SEPA DD B2B services.

1. According to the Commission, can France impose penalties on companies for not applying the SEPA DD B2B scheme?
2. Do these practices not infringe the principles of the internal market as regards the free movement of goods and services?