



2016/0371(CNS)

31.5.2017

DRAFT REPORT

on the proposal for a Council regulation amending Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax
(COM(2016)0755 – C8-0003/2017 – 2016/0371(CNS))

Committee on Economic and Monetary Affairs

Rapporteur: Luděk Niedermayer

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 regulation amending Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax (COM(2016)0755 – C8-0003/2017 – 2016/0371(CNS))

(Special legislative procedure – consultation)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2016)0755),
 - having regard to Article 113 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0003/2017),
 - having regard to Rule 78c of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs (A8-0000/2017),
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 regulation

Article 1 – paragraph 1 – point 5 – point b

Regulation (EU) No 904/2010

Section 3 – Subsection 4 – Article 471 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

Within two years of the date of application of this Regulation, the Commission shall conduct a review to ensure the viability and cost effectiveness of the fee, and, if necessary, take steps for correction.

Amendment 2

Proposal for a regulation

Article 1 – paragraph 1 – point 5 – point b

Regulation (EU) No 904/2010

Section 3 – Subsection 5 – Article 47m – paragraph 1

Text proposed by the Commission

Member States shall grant the Commission access to statistical information stored in their electronic system pursuant to Article 17(1)(d). This information shall not contain any personal data.

Amendment

Member States shall grant the Commission access to statistical information stored in their electronic system pursuant to Article 17(1)(d). This information shall not contain any personal data ***and shall be limited to information necessary for relevant statistical purposes.***

Or. en

Amendment 3

Proposal for a regulation

Article 1 – paragraph 1 – point 5 – point b

Regulation (EU) No 904/2010

Section 3 – Subsection 6 – Article 47n – paragraph 1 – point f

Text proposed by the Commission

(f) the information to be accessed by the Commission as referred to in Article 47m as well as the technical means for the extraction of this information.

Amendment

(f) the information to be accessed by the Commission as referred to in Article 47m as well as the technical means for the extraction of this information. ***The Commission shall ensure that the extraction of data does not impose an unnecessary administrative burden on Member States.***

Or. en

EXPLANATORY STATEMENT

This proposal, put forward by the Commission on 1 December 2016, is part of the package of legislation on *modernising VAT for cross-border B2C e-commerce*. The proposal provides the basis for the underlying IT infrastructure and the rules and procedures necessary for cooperation by Member States to ensure successful extension of the Mini One Stop Shop (MOSS) to services beyond telecommunications, broadcasting and electronically supplied services (for which the MOSS already applies) and to distance sales of goods, both within and from outside the EU. The overall package is estimated to increase VAT revenues for Member States by EUR 7 billion annually and reduce regulatory costs for business by EUR 2.3 billion annually.

This proposal is closely linked to the *Proposal amending Directive 2006/112/EC and Directive 2009/132/EC as regards certain VAT obligations for supplies of services and distance sales of goods* (COM/2016/757; 2016/0370 (CNS)), as it implements the changes put forward in that proposal through amendments to the *Regulation 2010/904 on administrative cooperation and combating fraud in the field of VAT*; the two proposals should therefore be treated together.

The proposal is estimated to have important positive budgetary implications for MS. The coordination of audits and the incentive of the administrative fee paid by Member State receiving collected VAT to the Member State of identification of the taxable person should result in risk based audits. A more efficient streamlined audit process which focuses on audit yield and significantly decreases red tape for businesses should lead to higher compliance rates compared to the alternative of an uncoordinated approach which can needlessly tie up resources.

The rapporteur welcomes and fully supports this proposal by the Commission. As this proposal constitutes the technical alignment of the *Regulation on administrative cooperation and combating fraud in the field of VAT* resulting from the changes put forward in the proposal on *Modernising VAT for cross-border e-commerce* (as outlined above), the rapporteur recommends adoption of this proposal, and calls upon the Council to swiftly adopt this proposal.