

Question for written answer P-001637/2015
to the Commission
Rule 130
Alberto Cirio (PPE)

Subject: Split-payment system for Italian VAT

Article 1(629)(b) of the so-called Italian Stability Law (Law No 190 of 23 December 2014) includes provisions for a split-payment system – meaning a system where public bodies make invoice payments minus VAT, as any tax is paid directly to the State by the public body which issues an invoice.

This system will have far-reaching implications for suppliers' cash-flow management, with knock-on costs for procuring liquidity previously covered by VAT in transit.

1. Based on what data and/or impact evaluations does the Commission consider this Law to strike a balance between competing interests, if this is indeed the case?
2. Can it confirm that all the formalities required for this Law to be implemented have been completed?
3. Can it reveal what arguments the Italian government used to justify this measure, as well as the data it was based on?