



**2018/0006(CNS)**

6.6.2018

# **AMENDMENTS**

## **15 - 61**

**Draft report**  
**Tom Vandenkendelaere**  
(PE621.115v02-00)

Common system of value added tax as regards the special scheme for small enterprises

Proposal for a directive  
(COM(2018)0021 – C8-0022/2018 – 2018/0006(CNS))



## Amendment 15

Molly Scott Cato

on behalf of the Verts/ALE Group

### Proposal for a directive

#### Recital 1

##### *Text proposed by the Commission*

(1) Council Directive 2006/112/EC<sup>21</sup> allows Member States to continue to apply their special schemes to small enterprises in accordance with common provisions and with a view to closer harmonisation. However, those provisions are outdated and do not **reduce** the compliance burden of small enterprises as they were designed for a common system of value added tax (VAT) based on taxation in the Member State of origin.

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<sup>21</sup> OJ L 347, 11.12.2006, p. 1.

##### *Amendment*

(1) Council Directive 2006/112/EC<sup>21</sup> allows Member States to continue to apply their special schemes to small enterprises in accordance with common provisions and with a view to closer harmonisation. However, those provisions are outdated and do not **fulfil their objective of reducing** the compliance burden of small enterprises as they were designed for a common system of value added tax (VAT) based on taxation in the Member State of origin.

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<sup>21</sup> OJ L 347, 11.12.2006, p. 1.

Or. en

## Amendment 16

Molly Scott Cato

on behalf of the Verts/ALE Group

### Proposal for a directive

#### Recital 2

##### *Text proposed by the Commission*

(2) In its VAT action plan<sup>22</sup>, the Commission announced a comprehensive simplification package for small enterprises aimed at reducing their administrative burden and helping create a fiscal environment to facilitate their growth and the development of cross-border trade. ***This would entail*** a review of the special scheme for small enterprises as outlined in the Communication on the follow-up to the

##### *Amendment*

(2) In its VAT action plan<sup>22</sup>, the Commission announced a comprehensive simplification package for small enterprises aimed at reducing their administrative burden and helping ***to*** create a fiscal environment to facilitate their growth and the development of cross-border trade, ***as well as to increase VAT compliance. Small enterprises in the Union are particularly active in certain***

action plan on VAT<sup>23</sup>. The review of the special scheme for small enterprises constitutes therefore an important element of the reform package set out in the VAT action plan.

*sectors which operate across borders, such as construction, communications, food service and retail trade, and can constitute an important source of employment. To achieve those objectives,* a review of the special scheme for small enterprises as outlined in the Communication on the follow-up to the action plan on VAT<sup>23</sup> *is necessary*. The review of the special scheme for small enterprises constitutes therefore an important element of the reform package set out in the VAT action plan.

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<sup>22</sup> Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on an action plan on VAT — Towards a single EU VAT area — Time to decide (COM(2016) 148 final of 7.4.2016).

<sup>23</sup> Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on the follow-up to the Action Plan on VAT — Towards a single EU VAT area — Time to act (COM(2017) 566 final of 4.10.2017).

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<sup>22</sup> Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on an action plan on VAT — Towards a single EU VAT area — Time to decide (COM(2016) 148 final of 7.4.2016).

<sup>23</sup> Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on the follow-up to the Action Plan on VAT — Towards a single EU VAT area — Time to act (COM(2017) 566 final of 4.10.2017).

Or. en

## **Amendment 17**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

### **Proposal for a directive**

#### **Recital 3**

*Text proposed by the Commission*

(3) The review of this special scheme is closely linked to the Commission's proposal setting out the principles for a definitive VAT system for cross-border business-to-business trade between Member States on the basis of the taxation

*Amendment*

(3) The review of this special scheme is closely linked to the Commission's proposal setting out the principles for a definitive VAT system for cross-border business-to-business trade between Member States on the basis of the taxation

of cross-border supplies of goods in the Member State of destination<sup>24</sup>. The VAT system's shift towards destination-based taxation has identified that a number of the current rules are not suited for a destination-based tax system.

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<sup>24</sup> Proposal for a Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards certain harmonisation and simplification rules within the current value added tax system and introducing the definitive system for the taxation of trade between Member States (COM(2017) 569 final of 4.10.2017).

of cross-border supplies of goods in the Member State of destination<sup>24</sup>. The VAT system's shift towards destination-based taxation has identified that a number of the current rules are not suited for a destination-based tax system. *The main difficulties of enhanced cross-border trade for small enterprises arise because of the complex and diverse rules relating to VAT across the Union, as well as the fact that the national SME exemption only benefits small enterprises in the Member State in which those small enterprises are established.*

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<sup>24</sup> Proposal for a Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards certain harmonisation and simplification rules within the current value added tax system and introducing the definitive system for the taxation of trade between Member States (COM(2017) 569 final of 4.10.2017).

Or. en

**Amendment 18**  
**Molly Scott Cato**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Recital 4**

*Text proposed by the Commission*

(4) In order to address the issue of the disproportionate compliance burden faced by small enterprises, simplification measures should be available not only to enterprises that are exempt under the current rules, but also to those considered small in economic terms. For the purposes of the simplification of the VAT rules, enterprises would be considered 'small' if

*Amendment*

(4) In order to address the issue of the disproportionate compliance burden faced by small enterprises, simplification measures should be available not only to enterprises that are exempt under the current rules, but also to those considered small in economic terms. *The availability of such measures is particularly relevant as a majority of small businesses, whether*

their turnover qualifies them as micro enterprises under the general definition provided for in Commission Recommendation 2003/361/EC<sup>25</sup>.

*exempted or not, are de facto obliged to use the services of advisors or external consultants who help them comply with their VAT obligations, which adds a financial burden to small enterprises.* For the purposes of the simplification of the VAT rules, enterprises would be considered 'small' if their turnover qualifies them as micro enterprises under the general definition provided for in Commission Recommendation 2003/361/EC<sup>25</sup>.

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<sup>25</sup> Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36).

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<sup>25</sup> Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36).

Or. en

## **Amendment 19** **Miguel Viegas**

### **Proposal for a directive** **Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) Micro, small and medium-sized enterprises are of fundamental importance in the economic activity of the Member States and are responsible for the creation and maintenance of a significant part of the resulting employment and wealth. It is thus crucial to avoid any situation liable to cause cash-flow problems for such companies. For example, regimes levying VAT on a cash basis for companies (considered passive VAT payers) with turnover of less than or equal to EUR two million could be set up.***

Or. pt

**Amendment 20**  
**Alfred Sant, Costas Mavrides**

**Proposal for a directive**  
**Recital 6**

*Text proposed by the Commission*

(6) Small enterprises may only benefit from the exemption where their annual turnover is below the threshold applied by the Member State in which the VAT is due. In setting their threshold, Member States should abide by the rules on thresholds laid down by Directive 2006/112/EC. Those rules, most of which were put in place in 1977, are no longer suitable.

*Amendment*

(6) Small enterprises may only benefit from the exemption where their annual turnover is below the threshold applied by the Member State in which the VAT is due. In setting their threshold, Member States should abide by the rules on thresholds laid down by Directive 2006/112/EC. Those rules, most of which were put in place in 1977, are no longer suitable. ***For the sake of flexibility, it is essential to set only maximum thresholds at Union level. Setting only maximum thresholds at Union level would ensure that each Member State could set appropriate lower thresholds proportional to the size and the needs of its economy.***

Or. en

**Amendment 21**  
**Paloma López Bermejo**

**Proposal for a directive**  
**Recital 8**

*Text proposed by the Commission*

(8) Member States should be left to set their national threshold for the exemption at the level that suits their economic and political conditions best, ***subject*** to the upper threshold provided for under this Directive. In this regard, it should be clarified that where Member States apply different thresholds, this would need to be based on objective criteria.

*Amendment*

(8) Member States should be left to set their ***own*** national threshold for the exemption at the level that suits their economic and political conditions best, ***without prejudice*** to the upper threshold provided for under this Directive. In this regard, it should be clarified that where Member States apply different thresholds, this would need to be based on

objective criteria. *The setting of different thresholds based on objective criteria cannot give rise to substantial differences between the exemptions granted by the different countries that make it harder for SMEs to transact business in practice.*

Or. es

## **Amendment 22**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

### **Proposal for a directive**

#### **Recital 8**

*Text proposed by the Commission*

(8) Member States should be left to set their national threshold for the exemption at the level that suits their economic and political conditions best, subject to the upper threshold provided for under this Directive. In this regard, it should be clarified that where Member States apply different thresholds, this would need to be based on objective criteria.

*Amendment*

(8) Member States should be left to set their national threshold for the exemption at the level that suits their economic and political conditions best, subject to the upper threshold provided for under this Directive. In this regard, it should be clarified that where Member States apply different thresholds, this would need to be based on objective criteria. *In order to facilitate cross-border business, the list of national thresholds for exemption should be easily accessible to all SMEs willing to operate in several Member States.*

Or. en

## **Amendment 23**

**Paloma López Bermejo**

### **Proposal for a directive**

#### **Recital 9**

*Text proposed by the Commission*

(9) The annual turnover threshold, which is the basis for the exemption under

*Amendment*

(9) The annual turnover threshold, which is the basis for the exemption under



this special scheme, consists only of the combined value of supplies of goods and services **made** by a small **enterprise** in the Member State where the exemption is granted. Distortions of competition could arise where an enterprise, not established in that Member State, could benefit from such an exemption regardless of the turnover it generates in other Member States. In order to mitigate such distortions in competition and as a revenue safeguard, only those enterprises whose Union annual turnover is below a certain threshold should be eligible for exemption in a Member State where they are not established.

this special scheme, consists only of the combined value of supplies of goods and services **produced** by a small **business** in the Member State where the exemption is granted. Distortions of competition could arise where an enterprise, not established in that Member State, could benefit from such an exemption regardless of the turnover it generates in other Member States. In order to mitigate such distortions in competition and as a revenue safeguard, only those enterprises whose Union annual turnover is below a certain threshold should be eligible for exemption in a Member State where they are not established. ***To this end, and with a view to preventing large companies from using administrative and financial engineering to benefit from this type of mechanism, companies benefiting from an exemption in a Member State in which where they are not based are obliged to submit a document proving their relationship, if any, whether as shareholder or owner, with another company or companies.***

Or. es

## **Amendment 24** **Paloma López Bermejo**

### **Proposal for a directive** **Recital 11**

#### *Text proposed by the Commission*

(11) In order to reduce the compliance burden on small enterprises, their obligations should also be simplified. Given that the need for obligations varies and largely depends on whether small enterprises are exempt from VAT, different sets of simplified obligations should be put in place.

#### *Amendment*

(11) In order to reduce the compliance burden on small enterprises, their ***administrative and financial*** obligations should also be simplified. Given that the need for obligations varies and largely depends on whether small enterprises are exempt from VAT, different sets of simplified obligations should be put in place ***in these areas. The Commission shall establish, within a maximum time-***

*frame of one year, a web portal and a one-stop shop mechanism with a view to facilitating bureaucratic procedures as much as possible for small businesses. Awareness-raising and publicity activities will also be carried out in this one-year period in order to encourage as many small businesses as possible to use it.*

Or. es

#### **Amendment 25**

**Stanisław Ożóg**

on behalf of the ECR Group

**Zbigniew Kuźmiuk**

#### **Proposal for a directive**

##### **Recital 12**

###### *Text proposed by the Commission*

(12) Where an exemption applies, small enterprises availing themselves of the exemption should, at a minimum, have access to simplified VAT registration, invoicing, accounting and reporting obligations.

###### *Amendment*

(12) Where an exemption applies, small enterprises availing themselves of the exemption should, at a minimum, have access to simplified VAT registration, invoicing, accounting and reporting obligations. *In order to avoid confusion and legal uncertainty in Member States, the Commission should produce guidelines on simplified registration and accounting, explaining in more detail which procedures should be simplified and to what extent . Within three years of the entry into force of this Directive, that simplification should be subject to the evaluation by the Commission and Member States to assess whether it has an added value for and a real positive impact on enterprises and consumers.*

Or. en

#### **Amendment 26**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Recital 13**

*Text proposed by the Commission*

(13) Furthermore, in order to ensure compliance with conditions for exemption granted by a Member State to enterprises not established there, it is necessary to require prior notification of their intention to use the exemption. Such notification should be made by the *small enterprise to the Member State where it is established. That Member State* should thereafter, based on the information declared on the turnover of that enterprise, *provide that information to* the other Member States concerned.

*Amendment*

(13) Furthermore, in order to ensure compliance with conditions for exemption granted by a Member State to enterprises not established there, it is necessary to require prior notification of their intention to use the exemption. Such notification should be made *through an online portal to be set up* by the *Commission*. The Member State *of establishment* should thereafter, based on the information declared on the turnover of that enterprise, *inform* the other Member States concerned. *Small enterprises can at any time notify their Member State of registration of their willingness to revert back to the general VAT system.*

Or. en

**Amendment 27**  
**Stanisław Ożóg**  
on behalf of the ECR Group  
**Zbigniew Kuźmiuk**

**Proposal for a directive**  
**Recital 15**

*Text proposed by the Commission*

(15) To reduce the compliance burden of small enterprises that are not exempted, Member States should be *required* to simplify VAT registration and record keeping *and to prolong tax periods so as to provide for less frequent filing of* VAT returns.

*Amendment*

(15) To reduce the compliance burden of small enterprises that are not exempted, Member States should be *encouraged* to simplify VAT registration and record keeping. *However, Member States should remain fully entitled to introduce individual, more frequent periods for* VAT returns, *if they consider it appropriate to fight VAT frauds and tax avoidance.*

**Amendment 28**  
**Alfred Sant**

**Proposal for a directive**  
**Recital 15**

*Text proposed by the Commission*

(15) To reduce the compliance burden of small enterprises that are not exempted, Member States should be required to simplify VAT registration and record keeping and to prolong tax periods so as to provide for less frequent filing of VAT returns.

*Amendment*

(15) To reduce the compliance burden of small enterprises that are not exempted, Member States should be required to simplify VAT registration and record keeping and ***it should be possible for them*** to prolong tax periods so as to provide for less frequent filing of VAT returns.

Or. en

**Amendment 29**  
**Molly Scott Cato**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Recital 15**

*Text proposed by the Commission*

(15) To reduce the compliance burden of small enterprises that are not exempted, Member States should be required to simplify VAT registration and record keeping and to prolong tax periods so as to provide for less frequent filing of VAT returns.

*Amendment*

(15) To reduce the compliance burden of small enterprises that are not exempted, Member States should be required, ***as a minimum***, to simplify VAT registration and record keeping and to prolong tax periods so as to provide for less frequent filing of VAT returns.

Or. en

**Amendment 30**  
**Stanisław Ożóg**  
on behalf of the ECR Group  
**Zbigniew Kuźmiuk**

**Proposal for a directive**  
**Recital 15 a (new)**

*Text proposed by the Commission*

*Amendment*

***(15a) It is of the utmost importance to maintain the balance between reducing the compliance burden for small enterprises and further sealing the VAT system, in particular in cross-border trade, so that this Directive does not neutralise nor undermine the benefits from the other parts of the Commission's action plan on VAT, to be implemented at the same time.***

Or. en

**Amendment 31**  
**Alfred Sant, Pervenche Berès**

**Proposal for a directive**  
**Recital 17**

*Text proposed by the Commission*

*Amendment*

(17) The objective of this Directive is to reduce the compliance burden of small enterprises, which cannot be sufficiently achieved by the Member States and can therefore be better achieved at Union level. As a result, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality as set out in Article 5, this Directive does not go beyond what is necessary in order to achieve these objectives.

(17) The objective of this Directive is to reduce the compliance burden of small enterprises, which cannot be sufficiently achieved by the Member States and can therefore be better achieved at Union level. As a result, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality as set out in Article 5, this Directive does not go beyond what is necessary in order to achieve these objectives. ***Nonetheless, VAT controls induced by compliance processes are solid anti-tax fraud instruments. It must therefore be underlined that easing processes for SMEs should not be done at the expense of the fight against VAT***

*fraud.*

Or. en

## **Amendment 32**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

### **Proposal for a directive**

#### **Article 1 – paragraph 1 – point 4 a (new)**

Directive 2006/112/EC

Article 251 a (new)

*Text proposed by the Commission*

*Amendment*

**(4 a) The following Article is inserted:**

**‘Article 251a**

***Member States may allow exempt small enterprises to file only simplified VAT returns including the following information: chargeable VAT, deductible VAT, net VAT amount (payable or receivable), total value of input transactions and total value of output transactions;’***

Or. en

## **Amendment 33**

**Tom Vandenkendelaere**

### **Proposal for a directive**

#### **Article 1 – paragraph 1 – point 8**

Directive 2006/112/EC

Article 280a – point 1

*Text proposed by the Commission*

*Amendment*

(1) ‘small enterprise’ means any taxable person established within the Community whose Union annual turnover is no higher than EUR **2 000 000** or the equivalent in national currency;

(1) ‘small enterprise’ means any taxable person established within the Community whose Union annual turnover is no higher than EUR **4 000 000** or the equivalent in national currency;

**Amendment 34**  
**Paloma López Bermejo**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 12**  
Directive 2006/112/EC  
Article 284 – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Member States may fix varying thresholds for different business sectors based on objective criteria. However, those thresholds shall be no higher than EUR **85 000** or the equivalent in national currency.

*Amendment*

Member States may fix varying thresholds for different business sectors based on objective criteria, ***which must go through a prior validation process. The Commission shall ensure that these criteria do not distort or hamper the economic activity of small businesses originating from different countries to the one in which they operate.*** However, those thresholds shall be no higher than EUR **75 000** or the equivalent in national currency.

**Amendment 35**  
**Caroline Nagtegaal, Thierry Cornillet, Lieve Wierinck**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 12**  
Directive 2006/112/EC  
Article 284 – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Member States may fix varying thresholds for different business sectors based on objective criteria. However, those thresholds shall be no higher than EUR **85 000** or the equivalent in national currency.

*Amendment*

Member States may fix varying thresholds for different business sectors based on objective criteria. However, those thresholds shall be no higher than EUR **50 000** or the equivalent in national currency.

**Amendment 36**  
**Paloma López Bermejo**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 12**  
Directive 2006/112/EC  
Article 284 – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

**2a. In order to harmonise the definition of ‘delivery of goods and services’, states shall explain what each of the two terms specifically entail. Such explanations will ensure understanding of the scope of each of the two activities throughout the Directive.**

Or. es

**Amendment 37**  
**Paloma López Bermejo**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 12**  
Directive 2006/112/EC  
Article 284 – paragraph 3

*Text proposed by the Commission*

*Amendment*

3. Member States shall take appropriate measures to ensure that small enterprises benefiting from the exemption satisfy the conditions referred to in paragraphs 1 and 2.

3. Member States shall take appropriate measures to ensure that small enterprises benefiting from the exemption satisfy the conditions referred to in paragraphs 1 and 2 **and recital 9**.

Or. es

**Amendment 38**  
**Molly Scott Cato**  
on behalf of the Verts/ALE Group



**Proposal for a directive**

**Article 1 – paragraph 1 – point 12**

Directive 2006/112/EC

Article 284 – paragraph 4 – subparagraph 1

*Text proposed by the Commission*

*Prior to availing itself of the exemption in other Member States, **the small enterprise** shall **notify the Member State in which it is established**.*

*Amendment*

***The Commission shall set up an online portal through which small enterprises willing to benefit from the exemption in other Member States shall **register**.***

Or. en

**Amendment 39**

**Paloma López Bermejo**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 12**

Directive 2006/112/EC

Article 284 – paragraph 4 – subparagraph 2

*Text proposed by the Commission*

Where a small enterprise avails itself of the exemption in Member States other than that in which it is established, the Member State of establishment shall take all measures necessary to ensure the accurate declaration of the Union annual turnover and the Member State annual turnover by the small enterprise and shall inform the tax authorities of the other Member States concerned in which the small enterprise carries out a supply.;

*Amendment*

Where a small enterprise avails itself of the exemption in Member States other than that in which it is established, the Member State of establishment shall take all measures necessary to ensure the accurate declaration of the Union annual turnover and the Member State annual turnover by the small enterprise and shall inform the tax authorities of the other Member States concerned in which the small enterprise carries out a supply. ***The Member State shall also ensure that the requirement of sufficient knowledge of the status of small businesses and of their shareholding or ownership relationships is fulfilled so as to guarantee they are indeed small businesses.***

Or. es

**Amendment 40**  
**Paloma López Bermejo**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 12**  
Directive 2006/112/EC  
Article 284 – paragraph 4 a (new)

*Text proposed by the Commission*

*Amendment*

**4a. Within one year of entry into force of this Directive, the Commission shall launch a web portal and a one-stop shop to facilitate the procedures described in Article 1(1) and (2) and recital 9.**

Or. es

**Amendment 41**  
**Alfred Sant**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 15**  
Directive 2006/112/EC  
Article 288a

*Text proposed by the Commission*

*Amendment*

Where during a subsequent calendar year the Member State annual turnover of a small enterprise exceeds the exemption threshold referred to in Article 284(1), the small enterprise shall be able to continue to benefit from the exemption for **that year**, provided that its Member State annual turnover during **that year** does not exceed the threshold set out in Article 284(1) by more than 50%.

Where during a subsequent calendar year the Member State annual turnover of a small enterprise exceeds the exemption threshold referred to in Article 284(1), the small enterprise shall be able to continue to benefit from the exemption for **two more years**, provided that its Member State annual turnover during **those two years** does not exceed the threshold set out in Article 284(1) by more than 50%.

Or. en

**Amendment 42**  
**Molly Scott Cato**  
on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 1 – paragraph 1 – point 15**

Directive 2006/112/EC

Article 288a

*Text proposed by the Commission*

Where during a subsequent calendar year the Member State annual turnover of a small enterprise exceeds the exemption threshold referred to in Article 284(1), the small enterprise shall be able to continue to benefit from the exemption for that year, provided that its Member State annual turnover during that year does not exceed the threshold set out in Article 284(1) by more than **50%**;

*Amendment*

Where during a subsequent calendar year the Member State annual turnover of a small enterprise exceeds the exemption threshold referred to in Article 284(1), the small enterprise shall be able to continue to benefit from the exemption for that year, provided that its Member State annual turnover during that year does not exceed the threshold set out in Article 284(1) by more than **33%**;

Or. en

**Amendment 43**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 1 – paragraph 1 – point 17**

*Text proposed by the Commission*

(17) Articles 291 **to 294** are deleted;

*Amendment*

(17) Articles 291 **and 292** are deleted;

Or. en

**Amendment 44**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 1 – paragraph 1 – point 17 a (new)**

Directive 2006/112/EC

Article 293

*Present text*

*Amendment*

Every four years starting from the adoption of this Directive, the Commission shall present to the Council, on the basis of information obtained from the Member States, a report on the application of this Chapter, together, where appropriate and taking into account the need to ensure the long-term convergence of national regulations, with proposals on the following subjects: **(1)** improvements to the special scheme for small enterprises; **(2)** the adaptation of national systems as regards exemptions and ***graduated tax relief***; **(3)** the adaptation of the ceilings provided for in Section 2.

***(17 a) Article 293 is replaced by the following:***

“Every four years starting from the adoption of this Directive, the Commission shall present to ***the European Parliament and*** the Council, on the basis of information obtained from the Member States, a report on the application of this Chapter, together, where appropriate and taking into account the need to ensure the long-term convergence of national regulations, with proposals on the following subjects:

***(i)*** improvements to the special scheme for small enterprises;

***(ii)*** the adaptation of national systems as regards exemptions and ***the possibility to harmonise exemption thresholds across the Union***;

***(iii)*** the adaptation of the ceilings provided for in Section 2.”

Or. en

*(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02006L0112-20160601&qid=1528271574699&from=EN>)*

#### **Amendment 45**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

#### **Proposal for a directive**

#### **Article 1 – paragraph 1 – point 17 b (new)**

*Text proposed by the Commission*

*Amendment*

***(17b) Article 294 is deleted;***

Or. en

**Amendment 46**  
**Stanisław Ożóg**  
on behalf of the ECR Group  
**Zbigniew Kuźmiuk**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 18**  
Directive 2006/112/EC  
Article 294c – paragraph 1

*Text proposed by the Commission*

Member States shall ***release exempt*** small enterprises from the obligation to issue an invoice pursuant to Article 220.

*Amendment*

Member States shall ***provide that, in cases where the consumer did not request an invoice, small enterprises are exempted*** from the obligation to issue an invoice pursuant to Article 220.

Or. en

*Justification*

*The invoice is not for the taxation purpose exclusively. It is a substantial part of a good accountancy as well as an evidence of purchase, required for some complaint procedures. Therefore, no enterprise should be exempted from its delivery at a consumer's request.*

**Amendment 47**  
**Alfred Sant**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 18**  
Directive 2006/112/EC  
Article 294c – paragraph 1

*Text proposed by the Commission*

Member States ***shall*** release exempt small enterprises from the obligation to issue an invoice pursuant to Article 220.

*Amendment*

Member States ***may*** release exempt small enterprises from the obligation to issue an invoice pursuant to Article 220.

Or. en

**Amendment 48**  
**Alfred Sant**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294c – paragraph 2

*Text proposed by the Commission*

Member States ***shall*** not impose an obligation on exempt small enterprises to issue an invoice pursuant to Article 221.

*Amendment*

Member States ***may*** not impose an obligation on exempt small enterprises to issue an invoice pursuant to Article 221.

Or. en

**Amendment 49**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294e – paragraph 1

*Text proposed by the Commission*

Member States may release exempt small enterprises from the obligation to submit a VAT return laid down in Article 250.

*Amendment*

Member States may release exempt small enterprises from the obligation to submit a VAT return laid down in Article 250 ***or may require exempt small enterprises to submit a simplified VAT return as laid down in Article 251a.***

Or. en

**Amendment 50**

**Caroline Nagtegaal, Thierry Cornillet, Lieve Wierinck**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294e – paragraph 1

*Text proposed by the Commission*

Member States ***may*** release exempt small enterprises from the obligation to submit a

*Amendment*

Member States ***shall*** release exempt small enterprises from the obligation to submit a

VAT return laid down in Article 250.

VAT return laid down in Article 250,  
*notwithstanding the right of an exempted  
small enterprise to submit a VAT return.*

Or. en

#### **Amendment 51**

**Stanisław Ożóg**

on behalf of the ECR Group

**Zbigniew Kuźmiuk**

#### **Proposal for a directive**

##### **Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294e – paragraph 2

*Text proposed by the Commission*

*Amendment*

*Where this option is not exercised,  
Member States shall allow such exempt  
small enterprises to submit a simplified  
VAT return to cover the period of a  
calendar year. However, small enterprises  
may opt for the application of the tax  
period set in accordance with Article 252.*

*deleted*

Or. en

#### *Justification*

*The less frequent VAT reports, the more likely is VAT gap to increase in a country. Therefore, Member States should keep their right to request more frequent VAT declarations, e.g. in some sensitive areas, aiming at combating tax evasion.*

#### **Amendment 52**

**Stanisław Ożóg**

on behalf of the ECR Group

**Zbigniew Kuźmiuk**

#### **Proposal for a directive**

##### **Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294i

*Text proposed by the Commission*

*Amendment*

*For small enterprises the tax period to be covered in a VAT return shall be the period of a calendar year. However, small enterprises may opt for application of the tax period set in accordance with Article 252.* **deleted**

Or. en

*Justification*

*The less frequent VAT reports, the more likely is VAT gap to increase in a country. Therefore, Member States should keep their right to request more frequent VAT declarations, e.g. in some sensitive areas, aiming at combating tax evasion.*

### **Amendment 53**

**Alfred Sant**

#### **Proposal for a directive**

#### **Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294i

*Text proposed by the Commission*

*Amendment*

For small enterprises the tax period to be covered in a VAT return *shall* be the period of a calendar year. However, small enterprises may opt for application of the tax period set in accordance with Article 252.

For small enterprises the tax period to be covered in a VAT return *may* be the period of a calendar year. However, small enterprises may opt for application of the tax period set in accordance with Article 252.

Or. en

### **Amendment 54**

**Caroline Nagtegaal, Thierry Cornillet, Lieve Wierinck, Enrique Calvet Chambon**

#### **Proposal for a directive**

#### **Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294i a (new)



*Text proposed by the Commission*

*Amendment*

**Article 294i a**

***The Commission shall carry out an impact assessment on the introduction of a one-stop shop through which small enterprises can file VAT returns of the different Member States in which they are operating.***

Or. en

**Amendment 55**

**Stanisław Ożóg**

on behalf of the ECR Group

**Zbigniew Kuźmiuk**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294j

*Text proposed by the Commission*

*Amendment*

***Notwithstanding Article 206, Member States shall not require interim payments to be made by small enterprises.;***

***deleted***

Or. en

*Justification*

*Lack of balance between reducing of burden and securing of a sealed VAT system.*

**Amendment 56**

**Alfred Sant**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 18**

Directive 2006/112/EC

Article 294j

*Text proposed by the Commission*

*Amendment*

Notwithstanding Article 206, Member States ***shall*** not require interim payments to be made by small enterprises.;

Notwithstanding Article 206, Member States ***may*** not require interim payments to be made by small enterprises.;

Or. en

**Amendment 57**

**Molly Scott Cato**

on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 2 – paragraph 1 – subparagraph 1**

*Text proposed by the Commission*

Member States shall adopt and publish, by ***30 June 2022 at the latest***, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall communicate to the Commission the text of those provisions without delay.

*Amendment*

Member States shall adopt and publish, by ***31 December 2020***, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall communicate to the Commission the text of those provisions without delay.

Or. en

**Amendment 58**

**Caroline Nagtegaal, Thierry Cornillet, Lieve Wierinck, Enrique Calvet Chambon**

**Proposal for a directive**

**Article 2 – paragraph 1 – subparagraph 1**

*Text proposed by the Commission*

Member States shall adopt and publish, by ***30 June 2022 at the latest***, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall communicate to the Commission the text of those provisions without delay.

*Amendment*

Member States shall adopt and publish, by ***31 December 2019***, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall communicate to the Commission the text of those provisions without delay.

Or. en

**Amendment 59**  
**Paloma López Bermejo**

**Proposal for a directive**  
**Article 2 – paragraph 1 – subparagraph 1**

*Text proposed by the Commission*

Member States shall adopt and publish, by **30 June 2022** at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall communicate to the Commission the text of those provisions without delay.

*Amendment*

Member States shall adopt and publish, by **31 December 2019** at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall communicate to the Commission the text of those provisions without delay.

Or. es

**Amendment 60**  
**Caroline Nagtegaal, Thierry Cornillet, Lieve Wierinck, Enrique Calvet Chambon**

**Proposal for a directive**  
**Article 2 – paragraph 1 – subparagraph 2**

*Text proposed by the Commission*

They shall apply those provisions from **1 July 2022**.

*Amendment*

They shall apply those provisions from **1 January 2020**.

Or. en

**Amendment 61**  
**Molly Scott Cato**  
on behalf of the Verts/ALE Group

**Proposal for a directive**  
**Article 2 – paragraph 1 – subparagraph 2**

*Text proposed by the Commission*

They shall apply those provisions from **1 July 2022**.

*Amendment*

They shall apply those provisions from **1 January 2021**.

Or. en

