

**Question for written answer E-000171/2021
to the Commission**

Rule 138

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Subject: Possibility of a reduced rate of VAT on Spanish electricity

Electricity prices have shot up in recent days in Spain with an increase of more than 20%. This comes at a time when Spanish households have a higher demand for electricity due to the drastic drop in temperatures caused by the Filomena snow storm, as a result of which the country has experienced unprecedented levels of snowfall and low temperatures.

The Spanish Government refuses to lower VAT (21%) on electricity bills, claiming that EU rules do not allow it to do so. However, countries such as Portugal have already made such a step and now apply a reduced rate of VAT to the first consumption threshold.

Can the Commission confirm that Spain is not permitted to reduce VAT on electricity?

If so, can it explain what the legal obstacles are that justify such a prohibition?

Can the Commission specify which other countries have reduced VAT on electricity?