

EN  
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Answer given by Mr Gentiloni  
on behalf of the European Commission  
(7.9.2021)

With its proposal<sup>1</sup> to reform the system of value added tax (VAT) rates, the Commission proposed a package that, if adopted, would allow Member States to treat certain supplies more favourably than they are treated under the current rules. This could make the pursuit of certain social policy objectives, such as rendering the renting of aids for people with disabilities, more affordable.

The negotiations are currently progressing well and, although they are now focussed on a positive list of supplies to which the reduced rates may apply rather than on a negative list as in the original proposal<sup>2</sup>, these negotiations are still driven by the idea that the application of reduced or zero VAT rates should, alongside other criteria, take into account social policy aspects.

The Commission stands ready to assist the current Slovenian Presidency and the Member States to reach a successful outcome of the negotiations. The adoption of this proposal requires the unanimous agreement by Member States in the Council.

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<sup>1</sup> COM(2018) 20 final.

<sup>2</sup> <https://data.consilium.europa.eu/doc/document/ST-9970-2021-INIT/en/pdf>