
On the basis of point (11) of the revised Annex III to the VAT Directive, capital goods such as machinery or buildings used in agricultural production are indeed excluded from the list of supplies to which reduced rates may be applied. This was the case before the review and Member States have decided to retain this exclusion. This means that only the standard VAT rate in force in the given jurisdiction applies to the supply of machines used in agricultural production such as slurry spreading machines.