



2016/0374(CNS)

5.4.2017

AMENDMENTS

5 - 25

Draft report
Tom Vandenkendelaere
(PE599.762v01-00)

Rates of value added tax applied to books, newspapers and periodicals

Proposal for a directive
(COM(2016)0758 – C8-0529/2016 – 2016/0374(CNS))

Amendment 5
Notis Marias

Draft legislative resolution
Citation 2 a (new)

Draft legislative resolution

Amendment

- *having regard to Protocol (No 1) of the Treaty on the Functioning of the European Union on the role of national parliaments in the European Union,*

Or. el

Amendment 6
Notis Marias

Draft legislative resolution
Citation 2 b (new)

Draft legislative resolution

Amendment

- *having regard to Protocol (No 2) of the Treaty on the Functioning of the European Union on the application of the principles of subsidiarity and proportionality,*

Or. el

Amendment 7
Notis Marias

Proposal for a directive
Citation 1 a (new)

Text proposed by the Commission

Amendment

- having regard to Protocol (No 1) of the Treaty on the Functioning of the European Union on the role of national parliaments in the European Union,*

Or. el

Amendment 8
Notis Marias

Proposal for a directive
Citation 1 b (new)

Text proposed by the Commission

Amendment

having regard to Protocol (No 2) of the Treaty on the Functioning of the European Union on the application of the principles of subsidiarity and proportionality,

Or. el

Amendment 9
Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a directive
Recital -1 (new)

Text proposed by the Commission

Amendment

(-1) The difference between expected VAT revenues and VAT actually collected (the so-called 'VAT gap') in the Union was approximately EUR 170 billion in 2013 and cross-border fraud amounts to a VAT revenue loss in the Union of approximately EUR 50 billion a year, all of which makes VAT an important issue to be addressed at Union level.

Or. en

Amendment 10
Olle Ludvigsson

Proposal for a directive
Recital 1

Text proposed by the Commission

Amendment

(1) Council Directive 2006/112/EC⁷ provides that Member States may apply reduced rates of value added tax (VAT) to publications on any means of physical support. However, a reduced VAT rate cannot be applied to electronically supplied publications, which have to be taxed at the standard VAT rate.

⁷ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

(1) Council Directive 2006/112/EC⁷ provides that Member States may apply reduced rates of value added tax (VAT) to publications on any means of physical support. However, a reduced VAT rate cannot be applied to electronically supplied publications, which have to be taxed at the standard VAT rate. ***That comparative disadvantage for electronically supplied publications vis-à-vis publications on any means of physical support could impede the development of the digital economy in the Union.***

⁷ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

Or. en

Amendment 11

Notis Marias

Proposal for a directive

Recital 1

Text proposed by the Commission

(1) Council Directive 2006/112/EC⁷ provides that Member States **may** apply reduced rates of value added tax (VAT) to publications on any means of physical support. However, a reduced VAT rate cannot be applied to electronically supplied publications, which have to be taxed at the standard VAT rate.

⁷ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

Amendment

(1) Council Directive 2006/112/EC⁷ provides that Member States **are able to** apply reduced rates of value added tax (VAT) to publications on any means of physical support. However, a reduced VAT rate cannot be applied to electronically supplied publications, which have to be taxed at the standard VAT rate.

Or. el

Amendment 12
Notis Marias

Proposal for a directive
Recital 2

Text proposed by the Commission

(2) In line with the Commission's Digital Single Market Strategy⁸ and in order to keep abreast of technological progress in a digital economy, Member States *should* be enabled to align the VAT rates for electronically supplied publications with lower VAT rates for publications on any means of physical support.

⁸ COM(2015) 0192 final

Amendment

2. In line with the Commission's Digital Single Market Strategy⁸ and in order to keep abreast of technological progress in a digital economy, Member States *may* be enabled to align the VAT rates for electronically supplied publications with lower VAT rates for publications on any means of physical support.

Or. el

Amendment 13
Olle Ludvigsson

Proposal for a directive
Recital 2

Text proposed by the Commission

(2) In line with the Commission's Digital Single Market Strategy⁸ and *in order to keep abreast of technological progress in a digital* economy, Member States should be enabled to align the VAT rates for electronically supplied publications with lower VAT rates for publications on any means of physical support.

⁸ COM(2015) 0192 final

Amendment

(2) In line with the Commission's Digital Single Market Strategy⁸ and *to ensure its global competitiveness in a digitalised* economy, Member States should be enabled to align the VAT rates for electronically supplied publications with lower VAT rates for publications on any means of physical support.

⁸ COM(2015) 0192 final

Or. en

Amendment 14

Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a directive
Recital 3

Text proposed by the Commission

(3) In the Action Plan on VAT⁹, the Commission outlined that electronically supplied publications should be able to benefit from the same preferential VAT rate treatment as publications on any means of physical support. To achieve this aim, this needs to include the possibility for all Member States to apply to the supply of books, newspapers and periodicals either a reduced VAT rate or lower reduced VAT rates including the possibility of granting exemptions with deductibility of the VAT paid at the preceding stage.

⁹ COM(2016) 148 final

Amendment

(3) In the Action Plan on VAT⁹, the Commission outlined that electronically supplied publications should be able to benefit from the same preferential VAT rate treatment as publications on any means of physical support. To achieve this aim, this needs to include the possibility for all Member States to apply to the supply of books, newspapers and periodicals either a reduced VAT rate or lower reduced VAT rates including the possibility of granting exemptions with deductibility of the VAT paid at the preceding stage. ***That proposal is in line with the objective of granting Member States more freedom to set their own VAT rates within a definitive destination-based VAT system.***

⁹ COM(2016) 148 final

Or. en

Amendment 15
Notis Marias

Proposal for a directive
Recital 3

Text proposed by the Commission

(3) In the Action Plan on VAT⁹, the Commission outlined that electronically supplied publications should be able to benefit from the same preferential VAT rate treatment as publications on any means of physical support. To achieve this aim, ***this needs to include the possibility for*** all Member States to apply to the supply of books, newspapers and

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Amendment

3. In the Action Plan on VAT⁹, the Commission outlined that electronically supplied publications should be able to benefit from the same preferential VAT rate treatment as publications on any means of physical support. To achieve this aim, ***the possibility could be given to*** all Member States to apply to the supply of books, newspapers and periodicals either a

periodicals either a reduced VAT rate or lower reduced VAT rates including the possibility of granting exemptions with deductibility of the VAT paid at the preceding stage.

reduced VAT rate or lower reduced VAT rates including the possibility of granting exemptions with deductibility of the VAT paid at the preceding stage.

⁹ COM(2016) 148 final

Or. el

Amendment 16
Barbara Kappel

Proposal for a directive
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3 a) In line with the Action Plan on VAT, this Directive aims at simpler, more fraud-proof and business-friendly VAT systems across the Member States, as well as keeping pace with today's digital and mobile economy.

Or. en

Amendment 17
Barbara Kappel

Proposal for a directive
Recital 5

Text proposed by the Commission

Amendment

(5) In order to prevent an extensive use of reduced VAT rates to audio-visual content, Member States should be enabled to apply a reduced rate to books, newspapers and periodicals, only if these publications, both on any means of physical support or electronically supplied, do not wholly or predominantly consist of music or video content.

deleted

Or. en

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

Proposal for a directive
Recital 5 a (new)

Text proposed by the Commission

Amendment

(5 a) Granting freedom to Member States to apply reduced or super-reduced VAT rates for e-books, e-newspapers and e-periodicals could provide an opportunity for new profit margins for publishers and for investment in new content, compared to the current model which depends heavily on advertisement. A more general reflection on the funding model of e-content should also be started at Union level.

Or. en

Amendment 19
Barbara Kappel

Proposal for a directive
Recital 6

Text proposed by the Commission

Amendment

(6) Member States should maintain discretion to set VAT rates for publications and restrict the scope of reduced VAT rates.

deleted

Or. en

Amendment 20
Paloma López Bermejo

Proposal for a directive
Recital 6

Text proposed by the Commission

(6) Member States should maintain discretion to set VAT rates for publications ***and restrict the scope of reduced VAT rates.***

Amendment

(6) Member States should maintain discretion to set VAT rates for publications, ***taking into account the need to support production and quality job creation in the sector.***

Or. en

Amendment 21
Notis Marias

Proposal for a directive
Recital 6

Text proposed by the Commission

(6) ***Member States should maintain discretion to set VAT rates for publications and restrict the scope of reduced VAT rates.***

Amendment

(6) ***Does not affect English version.***

Or. el

Amendment 22
Sander Loones

Proposal for a directive
Recital 6 a (new)

Text proposed by the Commission

Amendment

(6 a) In the Commission Action Plan on VAT the Commission indicates its intention to make a legislative proposal in 2017 for a reform to give more freedom to Member States in setting up rates.

Or. en

Amendment 23
Paloma López Bermejo

Proposal for a directive

Article 1 – paragraph 1 – point 2 a (new)

Directive 2006/112/EC

Article 132 – paragraph 1 – point q a (new)

Text proposed by the Commission

Amendment

(2 a) In Article 132, the following point (qa) is added:

'(qa) the provision of books, newspapers and periodicals in conventional or electronic format to public schools and education centres, public libraries, public universities and public research institutions, other than publications wholly or predominantly devoted to advertising and other than publications wholly or predominantly consisting of music or video content.'

Or. en

Amendment 24

Cora van Nieuwenhuizen, Marian Harkin, Sophia in 't Veld

Proposal for a directive

Article 1 – paragraph 1 – point 3

Directive 2006/112/EC

Annex III – point 6

Text proposed by the Commission

Amendment

(6) the supply, including on loan by libraries, of books, newspapers and periodicals, other than publications wholly or predominantly devoted to advertising and other than publications wholly or predominantly consisting of music or video content;

(6) the supply, including on loan by libraries, of books, newspapers and periodicals, other than publications wholly or predominantly devoted to advertising and other than publications wholly or predominantly consisting of music or video content; ***including brochures, leaflets and similar printed matter, children's picture, drawing or colouring books, music printed or in manuscript form, maps and hydrographic or similar charts.***

Or. en

Justification

In the current Directive, the above-mentioned categories are included in Annex III, point (6).

In the text proposed by the Commission, these categories are not mentioned anymore.

Therefore, in order to avoid different interpretations by Member States, the Commission should clarify whether the proposed Directive also applies to brochures, leaflets and similar printed matter, children's picture, drawing or colouring books, music printed or in manuscript form, maps and hydrographic or similar charts.

Amendment 25

Molly Scott Cato

on behalf of the Verts/ALE Group

Proposal for a directive

Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2 a

Monitoring

The European Commission shall, by three years after the entry into force of this Directive, produce a report identifying the Member States that have adopted similar reduced or super-reduced VAT rates for books, newspapers and periodicals and their electronic equivalent, and evaluate the impact of those measures in terms of budgetary implications and development of the cultural sector.

Or. en