



2022/0407(CNS)

5.5.2023

DRAFT REPORT

on the proposal for a Council directive amending Directive 2006/112/EC as regards VAT rules for the digital age
(COM(2022)0701 – C9-0021/2023 – 2022/0407(CNS))

Committee on Economic and Monetary Affairs

Rapporteur: Olivier Chastel

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ▬ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a Council directive amending Directive 2006/112/EC as regards VAT rules for the digital age
(COM(2022)0701 – C9-0021/2023 – 2022/0407(CNS))

(Special legislative procedure – consultation)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2022)0701),
 - having regard to Article 113 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C9-0021/2023),
 - having regard to Rule 82 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs (A9-0000/2023),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, in accordance with Article 293(2) of the Treaty on the Functioning of the European Union;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to substantially amend the Commission proposal;
 5. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a directive
Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) The package ‘VAT in the Digital Age’, of which this Directive forms a part, aims to respect the principle of proportionality as regards, on the one hand, the objective of combating fraud and, on the other hand, the difficulties

that might arise in the application of the proposed rules for companies, especially for SMEs and very small enterprises (VSEs), in the day-to-day running of businesses and for national authorities. The rules of that package should be simple, clear, effective and balanced for all parties involved, tax authorities as well as entrepreneurs. The reforms proposed by this Directive aim to work in practice for businesses and administrative authorities.

Or. en

Amendment 2

Proposal for a directive Recital 1 b (new)

Text proposed by the Commission

Amendment

(1b) The package ‘VAT in the Digital Age’ aims to ensure full respect for fundamental rights to privacy and personal data protection, as well as the applicability of Regulations (EU) 2016/679^{1a} and (EU) 2018/1725^{1b} of the European Parliament and of the Council to the processing of personal data. The information collected should only be able to be processed for the purpose of combating fraud by the competent tax authorities.

^{1a} ***Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).***

^{1b} ***Regulation (EU) 2018/1725 of the European Parliament and of the Council***

of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

Or. en

Amendment 3

Proposal for a directive Recital 1 c (new)

Text proposed by the Commission

Amendment

(1c) *The Commission should ensure that taxpayers' rights are respected given that tax authorities will have access to vast amounts of data, including from algorithmic data analysis systems. The use of new technologies should respect Union values, human rights and primary law.*

Or. en

Amendment 4

Proposal for a directive Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) *The reform of the Union's VAT system aims to safeguard tax revenue, reduce administrative costs for taxable businesses and eliminate trade barriers in the internal market. In that respect, the harmonisation of procedures is essential both for businesses and for the functioning of the internal market.*

Amendment 5

Proposal for a directive Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The ‘VAT gap’ feeds the lack of trust between Union tax authorities and is much broader than missing trader intra-Community (MTIC) fraud. The best way to fight against MTIC, including carousel fraud, would be to remove the VAT exemption on intra-community supplies of goods and services, since that type of fraud is mainly due to a break in the fractioned collection of VAT. In order to better circumscribe the fight against VAT fraud, the Commission should undertake further analysis as to how an implementation of this Directive could lay the groundwork for the removal of the VAT exemption on the intra-Community supply of goods and services (i.e., the ‘definitive VAT system’).

Or. en

Amendment 6

Proposal for a directive Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The collection of data for international trade statistics (Intrastat) in the context of intra-Community transactions is an essential tool for the tax administrations of the Member States in the fight against VAT fraud and should be maintained.

Amendment 7

Proposal for a directive Recital 3 c (new)

Text proposed by the Commission

Amendment

(3c) The VAT exemption on the supply of goods and services in intra-Community transactions could increase the possibility of fraud, especially at retail level.

Amendment 8

Proposal for a directive Recital 4

Text proposed by the Commission

Amendment

(4) In order to increase tax collection on cross-border transactions and to end the existing fragmentation stemming from Member States' implementation of divergent reporting systems, rules should be laid down for Union digital reporting requirements. Such rules should provide information to tax administrations on a transaction-by-transaction basis, in order to allow cross matching of data, increase the control capabilities of tax administrations and create a deterrent effect on non-compliance, while reducing compliance costs for businesses operating in different Member States and eliminating barriers within the internal market.

(4) In order to increase tax collection on cross-border transactions and to end the existing fragmentation stemming from Member States' implementation of divergent reporting systems, **resulting in a significant burden on businesses and ineffective cross-border controls**, rules should be laid down for Union digital reporting requirements. Such rules should provide information to tax administrations on a transaction-by-transaction basis, in order to allow cross matching of data, increase the control capabilities of tax administrations and create a deterrent effect on non-compliance, while reducing compliance costs for businesses operating in different Member States and eliminating barriers within the internal market.

Amendment 9

Proposal for a directive Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) Digital reporting requirements aimed at providing information to tax authorities on a transaction-by-transaction basis should remain fair, realisable and balanced in accordance with the principle of proportionality. The reliability of technological solutions for detecting fraud should result in increased legal certainty for taxpayers.

Or. en

Amendment 10

Proposal for a directive Recital 6

Text proposed by the Commission

Amendment

(6) The definition of an electronic invoice should be aligned with that used in Directive 2014/55/EU of the European Parliament and the Council⁶⁴, to achieve standardisation in the area of VAT reporting.

(6) The definition of an electronic invoice should be aligned with that used in Directive 2014/55/EU of the European Parliament and the Council⁶⁴, to achieve standardisation in the area of VAT reporting. **However, businesses, in particular SMEs, VSEs and not-for-profit bodies, should remain free to adopt other standards in line with Article 217 of Directive 2006/112/EC.**

⁶⁴ Directive 2014/55/EU of the European Parliament and of the Council of 16 April 2014 on electronic invoicing in public procurement (OJ L 133, 6.5.2014, p. 1).

⁶⁴ Directive 2014/55/EU of the European Parliament and of the Council of 16 April 2014 on electronic invoicing in public procurement (OJ L 133, 6.5.2014, p. 1).

Or. en

Amendment 11

Proposal for a directive Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) In order to help businesses and tax administrations, the content of the European electronic invoicing standard should be made accessible, simple and clear, in particular by publishing on the Commission's website all relevant information relating to that standard. However, given that the European electronic invoicing standard referred to in Directive 2014/55/EU is adapted to a 'business to government' (B2G) context, its evolution should be planned to take into account 'business to business' (B2B) needs.

Or. en

Amendment 12

Proposal for a directive Recital 7

Text proposed by the Commission

Amendment

(7) For the VAT reporting system to be implemented in an efficient manner, it is necessary that the information reaches the tax administration without delay. Therefore, the deadline for the issuance of an invoice for cross-border transactions should be set at **2** working days after the chargeable event has taken place.

(7) For the VAT reporting system to be implemented in an efficient manner, it is necessary that the information reaches the tax administration without delay. Therefore, the deadline for the issuance of an invoice for cross-border transactions should be set at **10** working days after the chargeable event has taken place. **The limitation periods for the prosecution of VAT fraud should be adjusted accordingly.**

Or. en

Amendment 13

Proposal for a directive Recital 10 a (new)

Text proposed by the Commission

Amendment

(10a) Summary invoices save time and costs and reduce the administrative burden related to invoicing. Moreover, they reduce the possibility of errors and simplify the work for suppliers and customers thanks to simplified record keeping. Their abolition would cause considerable damage and entail additional costs for businesses.

Or. en

Amendment 14

Proposal for a directive Recital 12

Text proposed by the Commission

Amendment

(12) In order to facilitate for taxable persons the transmission of the invoice data, Member States should put at the disposal of the taxable persons the necessary means for such transmission, ***which should*** allow that the data is sent by the taxable person directly or by a third party on that taxable person's behalf.

(12) ***The growing flow of information exchanged daily requires high-performance computer software capable of transmitting the information continuously to national administrations in a secure manner.*** In order to facilitate for taxable persons, ***in particular SMEs, VSEs and not-for-profit bodies,*** the transmission of the invoice data, Member States should ***provide*** the taxable persons ***with the financial and other means that are necessary*** for such transmission. ***Those means could in particular be used for the installation of adapted software and for trainings relating to the new rules, in order to*** allow that the data is sent by the taxable person directly or by a third party on that taxable person's behalf.

Or. en

Amendment 15

Proposal for a directive Recital 13

Text proposed by the Commission

(13) Whilst the information to be transmitted through the digital reporting requirements for intra-Community transactions should be similar to what was transmitted through the recapitulative statements, it is necessary to request taxable persons to provide additional data, including bank details and payment amounts, so that tax administrations can follow not only the goods but also the financial flows.

Amendment

(13) Whilst the information to be transmitted through the digital reporting requirements for intra-Community transactions should be similar to what was transmitted through the recapitulative statements, it is necessary to request taxable persons to provide additional data, including bank details and payment amounts, so that tax administrations can follow not only the goods but also the financial flows ***and obtain appropriate information on the financial flows.***

Or. en

Justification

Article 226(17) of this proposal, by referring to the bank account, ipso facto, excludes payment by credit card, cash or others such as crypto-currencies.

Amendment 16

Proposal for a directive Recital 16 a (new)

Text proposed by the Commission

Amendment

(16a) Digitisation makes companies increasingly vulnerable to cybercrime and hacker attacks. The Commission and the Member States should ensure, each as far as they are concerned, the protection of data against cyber-attacks and attacks by hackers or zappers, during their transmission, transaction by transaction, and during their storage by tax authorities.

Amendment 17

Proposal for a directive Recital 16 b (new)

Text proposed by the Commission

Amendment

(16b) The rules governing electronic invoicing and digital reporting requirements do not apply to defence-related purchases, which are exempted under Articles 143 and 151 of Directive 2006/112/EC.

Or. en

Amendment 18

Proposal for a directive Recital 16 c (new)

Text proposed by the Commission

Amendment

(16c) In order to ensure the security of the data transmitted, the Commission should determine the way in which the data can be examined by the tax authorities concerned and should draw up an exhaustive list of those authorities. EPPO, Eurofisc, OLAF and Europol should be on that list.

Or. en

Amendment 19

Proposal for a directive Recital 17

Text proposed by the Commission

Amendment

(17) Several Member States have put in

(17) Several Member States have put in

place divergent reporting requirements for transactions within their territories, leading to significant administrative burdens for taxable persons which operate in different Member States, as they need to adapt their accounting systems to comply with those requirements. In order to avoid the costs derived from *such divergence*, the systems implemented in Member States to report supplies of goods and services for consideration between taxable persons within their territory should comply with the same features of the system implemented for intra-Community transactions. Member States should provide for the electronic means for the transmission of the information and, as is the case for intra-Community transactions, it should be possible for the taxable person to submit the data in accordance with the European standard laid down in Implementing Decision (EU) 2017/1870, even though the relevant Member State could provide for additional means to transmit the data. The data should be allowed to be sent by the taxable person directly or by a third party on that person's behalf.

place, *in accordance with Article 273 of Directive 2006/112/EC*, divergent reporting requirements for transactions within their territories, leading to significant administrative burdens for taxable persons which operate in different Member States, as they need to adapt their accounting systems to comply with those requirements. *Those divergent reporting requirements prejudice the functioning of the internal market*. In order to avoid the costs derived from *non-harmonised digital reporting requirements, which have led to the fragmentation of the regulatory framework*, the systems implemented in Member States to report supplies of goods and services for consideration between taxable persons within their territory should comply with the same features of the system implemented for intra-Community transactions. Member States should provide for the electronic means for the transmission of the information and, as is the case for intra-Community transactions, it should be possible for the taxable person to submit the data in accordance with the European standard laid down in Implementing Decision (EU) 2017/1870, even though the relevant Member State could provide for additional means to transmit the data. The data should be allowed to be sent by the taxable person directly or by a third party on that person's behalf.

Or. en

Amendment 20

Proposal for a directive Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) The collection of individuals' personal data should not under any circumstances infringe on the right to

privacy of individuals. Otherwise, it would be considered as equivalent to unlawful surveillance.

Or. en

Justification

The collection of such information allows conclusions to be drawn about the privacy of individuals on an unprecedented scale.

Amendment 21

**Proposal for a directive
Recital 19**

Text proposed by the Commission

(19) In order to evaluate the effectiveness of the digital reporting requirements, the Commission should prepare an assessment report evaluating the impact of digital reporting requirements on the reduction of the VAT gap and in the implementation and compliance costs for taxable persons and tax administrations, in order to verify whether the system has achieved its objectives or needs further adjustments.

Amendment

(19) In order to evaluate the effectiveness of the digital reporting requirements, the Commission should prepare an assessment report evaluating the impact of digital reporting requirements on the reduction of the VAT gap and in the implementation and compliance costs for taxable persons and tax administrations, in order to verify whether the system has achieved its objectives or needs further adjustments. ***In addition, the Commission should commission an independent study containing a comprehensive analysis on missing trader fraud, which is a particular category of VAT fraud, and in particular on the effectiveness of the digital reporting requirements in fighting such fraud. The Commission should also command an independent study to conduct a thorough assessment of the advantages and disadvantages of making IOSS mandatory.***

Or. en

Amendment 22

Proposal for a directive Recital 20 a (new)

Text proposed by the Commission

Amendment

(20a) In order to reduce the legal risk to which businesses, especially SMEs and VSEs, are exposed due to the complexity of VAT rates within the Union, the Commission should expand its databases into an up-to-date and legally binding tool that is easily accessible to businesses, providing real-time information on Union VAT rates and responses to tax inquiries.

Or. en

Amendment 23

Proposal for a directive Recital 23

Text proposed by the Commission

Amendment

(23) It is therefore necessary to lay down rules to address the distortions of competition in the short-term accommodation rental and passenger transport sectors by changing the role that platforms play in the collection of VAT (becoming the ‘deemed supplier’). Under this model, platforms should be required to charge VAT where VAT is due but the underlying supplier does not charge it because they are, for example, a natural person or a taxable person using the special scheme for small enterprises.

(23) It is therefore necessary to lay down ***clear, balanced and proportionate*** rules to address the distortions of competition in the short-term accommodation rental and passenger transport sectors by changing the role that platforms play in the collection of VAT (becoming the ‘deemed supplier’). Under this model, platforms should be required to charge VAT where VAT is due but the underlying supplier does not charge it because they are, for example, a natural person or a taxable person using the special scheme for small enterprises. ***It is important to ensure that the principle of VAT neutrality is respected.***

Or. en

Amendment 24

Proposal for a directive Recital 23 a (new)

Text proposed by the Commission

Amendment

(23a) As the establishment of a deemed supplier model will entail additional costs for the platforms concerned, incentives should be provided to encourage them to comply as soon as possible and to prevent those additional costs from being passed on to the final consumer.

Or. en

Amendment 25

Proposal for a directive Recital 23 b (new)

Text proposed by the Commission

Amendment

(23b) The deemed supplier scheme should not apply to small online travel agencies (OTAs), i.e. small suppliers of Short Term Rental (STR) accommodation (hosts and/or VAT-exempt businesses) that contribute to sustainable tourism in the Union and promote travel to less frequented places. In addition, the deemed supplier scheme should not provide a competitive advantage to large platforms, which are better able to bear additional costs.

Or. en

Amendment 26

Proposal for a directive Recital 23 c (new)

Text proposed by the Commission

Amendment

(23c) It is important to ensure a level-playing field and to guarantee that rules are enforced for all platforms facilitating the supply of short-term rental accommodation and passenger transport within the Union.

Or. en

Amendment 27

Proposal for a directive Recital 24

Text proposed by the Commission

Amendment

(24) Member States interpret the place of supply of the facilitation service provided by the platforms to non-taxable persons differently. ***Therefore*** it is necessary to clarify this rule.

(24) Member States interpret the place of supply of the facilitation service provided by the platforms to non-taxable persons differently. It is necessary to clarify this rule ***so that that the use of a facilitation platform does not in any way create a competitive advantage for a provider. It is also necessary, for the sake of clarity and legal certainty, to establish a uniform definition of the term "platform intermediary".***

Or. en

Amendment 28

Proposal for a directive Recital 27 a (new)

Text proposed by the Commission

Amendment

(27a) Under Council Directive (EU) 2021/514^{1a} and national law, a series of obligations applies to platforms. The Commission should ensure that the relevant rules are harmonised before the

entry into force of this Directive, in order to avoid any risk of double taxation as well as undue additional administrative burdens, which could harm the players in this sector.

1a Council Directive (EU) 2021/514 of 22 March 2021 amending Directive 2011/16/EU on administrative cooperation in the field of taxation (OJ L 104, 25.3.2021, p. 1).

Or. en

Amendment 29

Proposal for a directive Recital 31 a (new)

Text proposed by the Commission

Amendment

(31a) The implementation of various Union one-stop shop (UOSS) regimes in the Member States requires providing companies with sufficient technical specifications to ensure that the one-stop shop (OSS) declarations do not differ from one country to another and providing the possibility of downloading a file to submit an OSS declaration.

Or. en

Amendment 30

Proposal for a directive Recital 31 b (new)

Text proposed by the Commission

Amendment

(31b) In order to simplify the day-to-day running of businesses, the Commission might consider consolidating the current three registrations (import one-stop shop

(IOSS), Union one-stop-shop (UOSS) and non-Union one-stop shop (non-UOSS)) so that all supplies (namely, imported goods, services and domestic sales) can be declared through a single portal.

Or. en

Amendment 31

Proposal for a directive

Recital 32

Text proposed by the Commission

(32) Amongst other measures, Directive (EU) 2017/2455 extended the scope of the Mini OSS to become a broader OSS, covering all cross-border supplies of services to non-taxable persons taking place in the Union and all intra-Community distance sales of goods. Exceptionally, electronic interfaces, such as marketplaces and platforms, which become deemed suppliers for certain supplies of goods within the Union can also declare certain domestic supplies of goods in the Union OSS scheme. To support the objective of a single VAT registration in the Union, the scope of the Union OSS scheme should be further expanded to cover other supplies of goods, including domestic business-to-consumer supplies of goods in the Union by taxable persons who are not identified for VAT purposes in the Member State of consumption, ensuring that businesses do not need to register for VAT in each Member State where such supplies of goods to consumers take place. In addition, the scope of the Union OSS scheme should be expanded to also include domestic supplies of margin scheme goods to any person, when those goods are supplied by a taxable person (taxable dealer) who is not identified in the Member State where such supplies of goods take place. This

Amendment

(32) Amongst other measures, Directive (EU) 2017/2455 extended the scope of the Mini OSS to become a broader OSS, covering all cross-border supplies of services to non-taxable persons taking place in the Union and all intra-Community distance sales of goods. Exceptionally, electronic interfaces, such as marketplaces and platforms, which become deemed suppliers for certain supplies of goods within the Union can also declare certain domestic supplies of goods in the Union OSS scheme. To support the objective of a single VAT registration in the Union, the scope of the Union OSS scheme should be further expanded to cover other supplies of goods, including domestic business-to-consumer supplies of goods in the Union by taxable persons who are not identified for VAT purposes in the Member State of consumption, ensuring that businesses do not need to register for VAT in each Member State where such supplies of goods to consumers take place. In addition, the scope of the Union OSS scheme should be expanded to also include domestic supplies of margin scheme goods to any person, when those goods are supplied by a taxable person (taxable dealer) who is not identified in the Member State where such supplies of goods take place. This

amendment would allow taxable dealers to benefit from the OSS simplifications, and allow for the VAT due on those supplies to be declared and paid in one Member State of identification via the enlarged Union OSS scheme.

amendment would allow taxable dealers to benefit from the OSS simplifications, and allow for the VAT due on those supplies to be declared and paid in one Member State of identification via the enlarged Union OSS scheme. ***The freedom, for taxable persons with fixed establishments in different Member States, to choose the Member State of identification for OSS purposes adds to a growth-friendly internal market.***

Or. en

Amendment 32

Proposal for a directive Recital 35 a (new)

Text proposed by the Commission

Amendment

(35a) IOSSs should operate transparently and securely. A unified approach to customs legislation and practice aims to put an end to inconsistencies, errors and double taxation.

Or. en

Amendment 33

Proposal for a directive Recital 36

Text proposed by the Commission

Amendment

(36) In order to ensure uniform conditions for the implementation of Directive 2006/112/EC, powers should be conferred on the Commission to better secure the correct use and the verification process of IOSS VAT identification numbers for the purposes of the exemption provided for in that Directive. This

(36) In order to ensure uniform conditions for the implementation of Directive 2006/112/EC, powers should be conferred on the Commission to better secure the correct use and the verification process of IOSS VAT identification numbers for the purposes of the exemption provided for in that Directive. This

empowerment should allow the Commission to adopt an implementing act to introduce special measures to prevent certain forms of tax evasion or avoidance. Such special measures involve, inter alia, linking the unique consignment number with the IOSS VAT identification number. Those powers should be exercised in accordance with the examination procedure referred to in Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council⁷¹ and for this purpose the committee should be the one established by Article 58 of Regulation (EU) No 904/2010 of the European Parliament and of the Council⁷².

⁷¹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

⁷² Council Regulation (EU) No 904/2010 of 7 October 2010 on administrative cooperation and combating fraud in the field of value added tax (OJ L 268, 12.10.2010, p. 1).

empowerment should allow the Commission to adopt an implementing act to introduce special measures to prevent certain forms of tax evasion or avoidance. Such special measures involve, inter alia, linking the unique consignment number with the IOSS VAT identification number. Those powers should be exercised in accordance with the examination procedure referred to in Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council⁷¹ and for this purpose the committee should be the one established by Article 58 of Regulation (EU) No 904/2010 of the European Parliament and of the Council⁷². ***Any draft implementing act is to be transmitted to the European Parliament for information, in order to enable the exercise of its rights.***

⁷¹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

⁷² Council Regulation (EU) No 904/2010 of 7 October 2010 on administrative cooperation and combating fraud in the field of value added tax (OJ L 268, 12.10.2010, p. 1).

Or. en

Amendment 34

Proposal for a directive Recital 38

Text proposed by the Commission

(38) Directive 2006/112/EC provides for a simplified VAT treatment of goods

Amendment

(38) Directive 2006/112/EC provides for a simplified VAT treatment of goods

transferred under call-off stock arrangements where certain prescribed conditions are met. As the OSS simplification scheme for transfers of own goods is comprehensive and encompasses cross-border movements of goods that are currently covered by call-off stock arrangements under article 17a of that Directive, it is necessary to phase out these arrangements by including an end date prior to the complete removal of the call-off stock provisions in Directive 2006/112/EC. Therefore, an end date of 31 December **2024** should be laid down, after which it will no longer be possible to effect any new call-off stock arrangements. For call-off stock arrangements commencing on or before 31 December **2024**, the relevant conditions, including the 12 month time limit for transferring ownership of those goods to the intended purchaser, should continue to apply. In parallel with the inclusion of this new end date, a new paragraph should be inserted in the provisions pertaining to call-off stock arrangements to ensure that those arrangements will cease to apply on 31 December **2025**, as they will no longer be required after that date.

transferred under call-off stock arrangements where certain prescribed conditions are met. As the OSS simplification scheme for transfers of own goods is comprehensive and encompasses cross-border movements of goods that are currently covered by call-off stock arrangements under article 17a of that Directive, it is necessary to phase out these arrangements by including an end date prior to the complete removal of the call-off stock provisions in Directive 2006/112/EC. Therefore, an end date of 31 December **2025** should be laid down, after which it will no longer be possible to effect any new call-off stock arrangements. For call-off stock arrangements commencing on or before 31 December **2025**, the relevant conditions, including the 12 month time limit for transferring ownership of those goods to the intended purchaser, should continue to apply. In parallel with the inclusion of this new end date, a new paragraph should be inserted in the provisions pertaining to call-off stock arrangements to ensure that those arrangements will cease to apply on 31 December **2026**, as they will no longer be required after that date.

Or. en

Amendment 35

Proposal for a directive Recital 39 a (new)

Text proposed by the Commission

Amendment

(39a) Recognising the importance of sustainable practices, it is important to ensure that the method for calculating the VAT on the profit margin for the sale of second-hand and collectible goods is simple and clear. The Union should consider whether other calculation methods (for example, an average VAT

margin rate provided by the seller and by category of objects) are needed in order to improve the application and workings of the VAT margin scheme for second-hand goods.

Or. en

Justification

Marketplaces have no idea how to capture the VAT margin applicable to second-hand and collective goods. Each country has its own tax practice in a number of areas. Similarly, the basis for calculating the margin is not identical within the EU either, since the element eligible for inclusion in the purchase price may differ from country to another. In addition, the environmental objectives commend for the re-use of goods and the circulation of second-hand goods. Creating more tax and administrative burdens could be a brake on cross-border trade of such goods.

Amendment 36

Proposal for a directive Recital 41 a (new)

Text proposed by the Commission

Amendment

(41a) The expansion of cloud computing services, as a result of digital reporting requirements, may lead to an increase in greenhouse gas emissions. The Commission should take measures and provide incentives to ensure the "greening" of the digital sector, for example by centralising data centres to optimise their functioning, by helping companies to use renewable energies instead of fossil fuels to power them and by using artificial intelligence to reduce their pollution.

Or. en

Amendment 37

Proposal for a directive Recital 41 b (new)

Text proposed by the Commission

Amendment

(41b) Implementing digital reporting requirements in the markets of the 27 Member States simultaneously in 2028 will be extremely challenging, draining IT resources to breaking point. A progressive implementation of the digital reporting requirements would avoid a lack of capacity in qualified personnel to allow adaptation of all the software of the companies. Practical solutions to reduce implementation costs should be proposed by the Commission to businesses before the implementation of this Directive.

Or. en

Amendment 38

**Proposal for a directive
Recital 41 c (new)**

Text proposed by the Commission

Amendment

(41c) The digital package should be phased in as from 1 January 2025.

Or. en

Amendment 39

**Proposal for a directive
Recital 41 d (new)**

Text proposed by the Commission

Amendment

(41d) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU) 2018/1725^{1a} and delivered an opinion on 3 March 2023^{1b}.

^{1a} Regulation (EU) 2018/1725 of the European Parliament and of the Council

of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

^{1b} OJ C 113, 28.3.2023, p. 26.

Or. en

Amendment 40

Proposal for a directive Article 1 – title

Text proposed by the Commission

Amendments to Directive 2006/112/EC
with effect from 1 January **2024**

Amendment

Amendments to Directive 2006/112/EC
with effect from 1 January **2025**

Or. en

Amendment 41

Proposal for a directive Article 1 – paragraph 1 – point 6 Directive 2006/112/EC Article 217 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. For transactions not subject to the digital reporting requirements, an invoice in pdf format with an electronic signature shall be treated as an electronic invoice and shall continue to be accepted as a valid invoice format.

Or. en

Justification

pdf invoice with electronic signature is a common and well accepted business practice for supplier and customers, in particular for SMEs and VSEs.

Amendment 42

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 218 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. "Electronic documents" as referred to in paragraph 1 shall also mean electronic documents which are not "electronic invoices" within the meaning of Article 217.

Or. en

Justification

The definition of an electronic invoice also includes documents created, transmitted and received by electronic means which do not contain certain data in a structured electronic format but, for example, in the form of graphics.

Amendment 43

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 218 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The European standard on electronic invoicing referred to in Article paragraph 2 shall be published on the website of the Commission.

Or. en

Justification

Making it easier for businesses and avoiding errors.

Amendment 44

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 218 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. SMEs, VSEs and not-for-profit bodies are free to use standards recognised and in force in the Member State other than the one provided for in Directive 2014/55/EU, as long as they comply with Article 217 of Directive 2006/112/EC.

Or. en

Justification

Directive 2014/55/EU is long and complex (over 150 pages). Risks for SMEs, VSEs and Not-for-Profit bodies of having to use a third party service provider to issue. This adds costs, makes the process complex and harms the competitiveness of the EU businesses.

Amendment 45

Proposal for a directive

Article 1 – paragraph 1 – point 7

Directive 2006/112/EC

Article 218 – paragraph 2 c (new)

Text proposed by the Commission

Amendment

2c. If the recipient of the invoice is not established in a Member State which requires the issuance of electronic invoices in accordance with paragraph 2 and does not have a fixed establishment in such Member State, he may, during the transitional period, which lasts until 1 January 2028 at least, require the issuer of the invoices to send him the invoice on paper or in any other form.

Or. en

Justification

Prior to the implementation of the EU DRR (01.1.2028), it should be standardized, for the transitional period, that Member State can only impose the obligation to e-issue, transmit and receive e-invoices on taxable person who are either established in the territory of that Member State or have fixed establishment there.

Amendment 46

Proposal for a directive

Article 1 – paragraph 1 – point 9

Directive 2006/112/EC

Article 232

Text proposed by the Commission

(9) Article 232 is *deleted*;

Amendment

(9) Article 232 is *replaced by the following*:

Or. en

Amendment 47

Proposal for a directive

Article 1 – paragraph 1 – point 9

Directive 2006/112/EC

Article 232 – paragraph 1

Present text

The use of an electronic invoice shall be subject to acceptance by the recipient.

Amendment

Until the implementation of the digital reporting requirements of the Union, the use of an electronic invoice shall be subject to acceptance by the recipient, if that recipient is not established in a Member State which requires the issuance of electronic invoices in accordance with Article 218(2) and does not have a fixed establishment in such Member State.

Or. en

Amendment 48

Proposal for a directive Article 2 – title

Text proposed by the Commission

Amendments to Directive 2006/112/EC
with effect from 1 January **2025**

Amendment

Amendments to Directive 2006/112/EC
with effect from 1 January **2026**

Or. en

Amendment 49

Proposal for a directive Article 2 – paragraph 1 – point 2 – point a Directive 2006/112/EC Article 14a – paragraph 2

Text proposed by the Commission

2. Where a taxable person facilitates, through the use of an electronic interface such as a marketplace, platform, portal or similar means, the supply of goods within the Community by a taxable person, the taxable person who facilitates the supply shall be deemed to have received and supplied those goods.

Amendment

2. Where a taxable person facilitates, through the use of an electronic interface such as a marketplace, platform, portal or similar means, the supply of goods within the Community by a taxable person, the taxable person who facilitates the supply shall be deemed to have received and supplied those goods. ***The presumed provider may plead good faith and not be liable in the event that an underlying supplier does not deliberately declare that he is not a taxable person.***

Or. en

Justification

Good faith applies to all phases of the contract.

Amendment 50

Proposal for a directive Article 2 – paragraph 1 – point 2 – point b – introductory part

Text proposed by the Commission

(b) the following paragraphs **3 and 4** are added:

Amendment

(b) the following paragraphs are added:

Or. en

Amendment 51

Proposal for a directive

Article 2 – paragraph 1 – point 2 – point b

Directive 2006/112/EC

Article 14a – paragraph 3

Text proposed by the Commission

3. Where a taxable person facilitates, through the use of an electronic interface such as a marketplace, platform, portal or similar means, the transfer of goods to another Member State in accordance with Article 17(1) by a taxable person, other than capital goods as defined by the Member State to which the goods are dispatched or transported in accordance with Article 189, point (a), or goods in relation to which there is no full right of deduction in that Member State, the taxable person who facilitates the transfer shall be deemed to have received and supplied those goods.

Amendment

3. Where a taxable person facilitates, through the use of an electronic interface such as a marketplace, platform, portal or similar means, the transfer of goods to another Member State in accordance with Article 17(1) by a taxable person, other than capital goods as defined by the Member State to which the goods are dispatched or transported in accordance with Article 189, point (a), or goods in relation to which there is no full right of deduction in that Member State, the taxable person who facilitates the transfer shall be deemed to have received and supplied those goods. ***The presumed provider may plead good faith and not be held liable in the event that an underlying supplier does not deliberately declare that he is not a taxable person.***

Or. en

Justification

Good faith applies to all phases of the contract

Amendment 52

Proposal for a directive

Article 2 – paragraph 1 – point 2 – point b

Directive 2006/112/EC

Article 14a – paragraph 4

Text proposed by the Commission

4. Where a taxable person established only in one Member State facilitates through the use of an electronic interface such as a marketplace, platform, portal or similar means, supplies of goods only in that Member State without dispatch or transport, or with dispatch or transport which begins and ends in that Member State, that taxable person shall not be deemed to have received and supplied those goods.;

Amendment

4. Where a taxable person established only in one Member State facilitates through the use of an electronic interface such as a marketplace, platform, portal or similar means, supplies of goods only in that Member State without dispatch or transport, or with dispatch or transport which begins and ends in that Member State, that taxable person shall not be deemed to have received and supplied those goods. ***The presumed provider may plead good faith and not be liable in the event that an underlying supplier does not deliberately declare that he is not a taxable person.***

Or. en

Justification

Good faith applies all phases of the contract.

Amendment 53

Proposal for a directive

Article 2 – paragraph 1 – point 2 – point b

Directive 2006/112/EC

Article 14a – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The principle of VAT neutrality shall be respected in all circumstances. To that end, the assessment of the status of a platform user as taxable person, to be carried out on a case-by-case basis, may be based on information transmitted by payment providers in accordance with the

obligations arising from Council Directive (EU) 2020/284. The national provisions transposing that Directive will enter into force on 1 January 2024.*

** Council Directive (EU) 2020/284 of 18 February 2020 amending Directive 2006/112/EC as regards introducing certain requirements for payment service providers (OJ L 62, 2.3.2020, p. 7).*

Or. en

Justification

The principle of VAT neutrality could be compromised because the underlying suppliers services would be subject to VAT, but the suppliers would not be able to deduct input on the costs related to these services.

Amendment 54

Proposal for a directive

Article 2 – paragraph 1 – point 2 – point b

Directive 2006/112/EC

Article 14a – paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. The Commission shall commission an independent study after ... [two years after the implementation of the measures relating to deemed suppliers] to assess whether the rules regarding deemed suppliers have been successful and if so to identify new sectors in a similar situation, as well as to assess the advantages and disadvantages of making IOSS mandatory.

Or. en

Justification

Evaluate the effectiveness of the measures adopted with a view making adjustments to the text of the Directive if necessary. The new system has not passed any tax audits in practice. Neither the tax authorities, nor the platforms have any practical experience with this new set

of rules and the resulting changes in data collection, storage or accountability.

Amendment 55

Proposal for a directive

Article 2 – paragraph 1 – point 3

Directive 2006/112/EC

Article 28a – paragraph 1 a (new)

Text proposed by the Commission

Amendment

The deemed supplier scheme as provided for in the first subparagraph does not apply to small online travel agencies (OTAs).

Or. en

Justification

The introduction of the Deemed Supplier Regime (DSR) will impose disproportionate burdens and compliance costs on small and medium-sized travel agencies providing short-term accommodation. In addition, the principle of non-discrimination is not respected as hotels can claim an input credit while the underlying supplier, if they are not a taxable person, cannot claim on input credit.

Amendment 56

Proposal for a directive

Article 2 – paragraph 1 – point 4

Text proposed by the Commission

Amendment

(4) *Article 35 is deleted;*

deleted

Or. en

Justification

Each country has its own tax practice in a number of areas. Similarly, the basis for calculating the margin is not identical within the EU either, since the elements eligible for inclusion in the purchase price may differ from one country to another. In addition the environmental objectives commend to re-use of goods and the circulation of second-hand goods. Creating more tax and administrative burdens will be a brake on cross-border trade of such goods.

Amendment 57

Proposal for a directive

Article 2 – paragraph 1 – point 7

Directive 2006/112/EC

Article 135 – paragraph 3

Text proposed by the Commission

3. The uninterrupted rental of accommodation for a maximum of **45** days with or without the provision of other ancillary services shall be regarded as having a similar function to the hotel sector.;

Amendment

3. The uninterrupted rental of accommodation for a maximum of **30** days with or without the provision of other ancillary services shall be regarded as having a similar function to the hotel sector.

Or. en

Justification

A rental duration of 45 days is not usual. Few hotel stays have durations of 45 days or more.

Amendment 58

Proposal for a directive

Article 2 – paragraph 1 – point 10

Directive 2006/112/EC

Article 143 – paragraph 1a – subparagraph 1

Text proposed by the Commission

For the purposes of the exemption provided for in paragraph 1, point (ca), the Commission shall adopt an implementing act to introduce special measures to prevent certain forms of tax evasion or avoidance by, inter alia, linking the unique consignment number with the corresponding VAT identification number as referred to in Article 369q.

Amendment

For the purposes of the exemption provided for in paragraph 1, point (ca), the Commission shall adopt an implementing act to introduce special measures to prevent certain forms of tax evasion or avoidance by, inter alia, linking the unique consignment number with the corresponding VAT identification number as referred to in Article 369q. ***It shall inform the European Parliament, EPPO, Eurofisc, OLAF, Eurojust and Europol thereof.***

Or. en

Justification

Close cooperation and information sharing between EP, EPPO, Eurofisc, Europol, OLAF, Eurojust leads to better coordination in combatting VAT fraud and identifying new fraudulent practices.

Amendment 59

Proposal for a directive

Article 2 – paragraph 1 – point 12

Directive 2006/112/EC

Article 194 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The non-established taxable persons whose output services would in principle fall within the scope of paragraph 1 of this Article may voluntarily register for VAT purposes in the Member State of taxation in order to be able to receive supplies in that Member State using the reverse charge mechanism under Article 194.

Or. en

Justification

The exercise of the reverse charge mechanism option under Article 194 paragraph 1 must take place in the Directive itself or in VAT Regulation (Regulation 282/2011), otherwise there is a risk of a new fragmentation of the European legal framework in VAT taxation, which is particularly worrying in view of the inclusion of these services in the Digital Reporting Requirements.

Amendment 60

Proposal for a directive

Article 2 – paragraph 1 – point 12

Directive 2006/112/EC

Article 194 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. Non-established businesses shall still be able to register and account for

local VAT if they so prefer;

Or. en

Justification

In order to preserve neutrality, the reserve charge for supplies by non-established taxable persons remains optional for supplying businesses. The amendment clarifies the directive.

Amendment 61

Proposal for a directive

Article 2 – paragraph 1 – point 14 – point b

Directive 2006/112/EC

Article 242a – paragraph 2 – subparagraph 2

Text proposed by the Commission

Those records must be kept for a period of 10 years from the end of the year during which the transaction was carried out.;

Amendment

Those records must be kept **by the taxable person concerned** for a period of 10 years from the end of the year during which the transaction was carried out.;

Or. en

Justification

Clarifying the text

Amendment 62

Proposal for a directive

Article 2 – paragraph 1 – point 27

Directive 2006/112/EC

Article 369xa – paragraph 1 – point 1

Text proposed by the Commission

(1) ‘transfer of own goods’ means the transfer of goods to another Member State in accordance with Article 17(1), including transfers pursuant to Article 14a(3), **and shall not include transfers of capital goods as defined by the Member State to which the goods are dispatched or transported in accordance with Article**

Amendment

(1) ‘transfer of own goods’ means the transfer of goods to another Member State in accordance with Article 17(1), including transfers pursuant to Article 14a(3).

189(a) or goods in relation to which there is no full right of deduction in that Member State.

Or. en

Justification

There is a risk of new compliance costs due to the fragmentation of the legal framework, since the definition of "capital goods" under 189(a) is placed in the hand of the individual Member States.

Amendment 63

**Proposal for a directive
Article 3 – title**

Text proposed by the Commission

Amendments to Directive 2006/112/EC
with effect from 1 January **2026**

Amendment

Amendments to Directive 2006/112/EC
with effect from 1 January **2027**

Or. en

Amendment 64

**Proposal for a directive
Article 4 – title**

Text proposed by the Commission

Amendments to Directive 2006/112/EC
with effect from 1 January **2028**

Amendment

Amendments to Directive 2006/112/EC
with effect from 1 January **2029**

Or. en

Amendment 65

**Proposal for a directive
Article 4 – paragraph 1 – point 2
Directive 2006/112/EC
Article 138 – paragraph 1a.**

Text proposed by the Commission

Amendment

(2) in Article 138, paragraph 1a is replaced by the following:

deleted

1a. The exemption provided for in paragraph 1 of this Article shall not apply where the supplier has not complied with the obligation provided for in Articles 262 and 263 to communicate the data on intra-Community transactions, or that data transmitted does not contain the correct information concerning the supply as required under Article 264, unless the supplier can duly justify any shortcomings to the satisfaction of the competent authorities.;

Or. en

Justification

The failure to report the transaction in the EU sales list/and thus, for the future, failure to transmit the e-invoice within the deadline, would lead potentially to fines or penalties, but not rejecting the VAT exemption right, adding extra cost to the supplier.

Amendment 66

Proposal for a directive

Article 4 – paragraph 1 – point 4

Directive 2006/112/EC

Article 222 – paragraph 1

Text proposed by the Commission

Amendment

For supplies of goods carried out in accordance with the conditions specified in Article 138 or for supplies of goods or services for which VAT is payable by the customer pursuant to Articles 194 and 196, an invoice shall be issued no later than **2** working days following the chargeable event.;

For supplies of goods carried out in accordance with the conditions specified in Article 138 or for supplies of goods or services for which VAT is payable by the customer pursuant to Articles 194 and 196, an invoice shall be issued no later than **10** working days following the chargeable event;

Or. en

Justification

The deadline for issuing electronic invoices (2 days) is unrealistic. Items such as long chains of transactions, transshipment, temporary storage in terminals, consignment stock,..., may cause delays in issuing invoice until the delivery has reached an agreed location. Furthermore, "working days" vary from Member State to Member State. In order for Article 222 VAT Directive to be implementable in practice at all, a clear definition of the occurrence of chargeable event" in the VAT Directive is required.

Amendment 67

Proposal for a directive

Article 4 – paragraph 1 – point 4

Directive 2006/112/EC

Article 222 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

For SMEs, VSEs and not-for-profit bodies the period of 10 working days referred to in paragraph 1 shall not apply. Any obligation to report transactions shall, for SMEs, VSEs and not-for-profit bodies, be based on the date of acceptance of the invoice and not on the date of receipt. SMEs, VSEs and not-for-profit bodies that outsource their accounting shall comply with regulations.

Or. en

Justification

This approach gives small businesses more time to match invoices and at the same time covers employee vacation periods during which verification and approval of invoices may not be possible within the proposed 2 days timeframe.

Amendment 68

Proposal for a directive

Article 4 – paragraph 1 – point 4

Directive 2006/112/EC

Article 222 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

Practical solutions to reduce implementation costs shall be proposed by the Commission to businesses before ... [the date of entry into force of this Directive].

Or. en

Justification

The EC should make recommendations in this respect in order to compensate for invoicing and reporting obligations.

Amendment 69

Proposal for a directive

Article 4 – paragraph 1 – point 4

Directive 2006/112/EC

Article 222 – paragraph 1 c (new)

Text proposed by the Commission

Amendment

The rules defined in this Article shall not apply to defence-related purchases, which are exempted under Articles 143 and 151.

Or. en

Justification

Member States tax administrations would have a wide access to sensitive information relating to defence and national security, which would undermine the confidentiality clauses in these types of contracts.

Amendment 70

Proposal for a directive

Article 4 – paragraph 1 – point 5

Text proposed by the Commission

Amendment

(5) *Article 223 is deleted;* *deleted*

Or. en

Justification

The summery invoices allow suppliers and customers to better manage their cash flow. Such a deletion would cause considerable damage and cost as well as an unnecessary increase in the administrative burden for companies and a significant environmental impact.

Amendment 71

Proposal for a directive

Article 4 – paragraph 1 – point 6

Directive 2006/112/EC

Article 226 – paragraph 1 – point 16

Text proposed by the Commission

Amendment

(16) in the case of a corrective invoice, the *sequential* number *which identifies* the corrected invoice, as referred to in point (2);

(16) in the case of a corrective invoice, the *serial* number *of* the corrected invoice *or the number or other similar identifier of the agreement from which the correction results*, as referred to in point (2);

Or. en

Justification

codification of the practice.

Amendment 72

Proposal for a directive

Article 4 – paragraph 1 – point 6

Directive 2006/112/EC

Article 226 – paragraph 1 – point 17

Text proposed by the Commission

Amendment

(17) the IBAN number of the supplier's bank account to which the payment for the

(17) *if the payment is made to a bank account*, the IBAN number of the

invoice will be credited. If the IBAN number is not available, any other identifier which unambiguously identifies the bank account to which the invoice will be credited;

supplier's bank account to which the payment for the invoice will be credited. If the IBAN number is not available, any other identifier which unambiguously identifies the bank account to which the invoice will be credited. ***If the transaction is carried out by credit card, in cash or by other means of payment such as cryptocurrencies, any identifier providing proof of the transaction;***

Or. en

Justification

The requirement to produce an IBAN number is not required when the supplier uses alternative payment methods such as the B2B clearing system.

Amendment 73

Proposal for a directive

Article 4 – paragraph 1 – point 6

Directive 2006/112/EC

Article 226 – paragraph 1 – point 18

Text proposed by the Commission

Amendment

(18) The date on which the payment of the supply of goods or services is due or, where partial payments are agreed, the date and amount of each payment.; ***deleted***

Or. en

Justification

This obligation is not relevant and creates administrative burdens and difficulties in the event of non-payment or when the payment date is different from the purchase date (e.g. intra-group transactions that do not give rise to payment, barter exchanges and where there are payments in installments) because there would be no obligation for customers to pay an invoice through a bank transaction. In addition, this proposal would be particularly burdensome for small businesses established in countries.

Amendment 74

Proposal for a directive

Article 4 – paragraph 1 – point 6

Directive 2006/112/EC

Article 226 – paragraph 1 – 18 b (new)

Text proposed by the Commission

Amendment

(18b) the essential elements of an electronic invoice as set out in Article 6 of Directive 2014/55/EC.

Or. en

Justification

Consistency between texts

Amendment 75

Proposal for a directive

Article 4 – paragraph 1 – point 9 – point a

Directive 2006/112/EC

Article 262– paragraph 1 – introductory part

Text proposed by the Commission

Amendment

Every taxable person identified for VAT purposes shall submit to the Member State in which that person is established or identified for VAT purposes the following data on each supply and transfer of goods carried out in accordance with Article 138, on each intra-Community acquisition of goods in accordance with Article 20 and each supply of a service that is taxable in a Member State other than that in which the supplier is established.;

Every taxable person identified for VAT purposes shall submit **without undue delay** to the Member State in which that person is established or identified for VAT purposes the following data on each supply and transfer of goods carried out in accordance with Article 138, on each intra-Community acquisition of goods in accordance with Article 20 and each supply of a service that is taxable in a Member State other than that in which the supplier is established.;

Or. en

Justification

Honest business will probably issue invoices as early as possible. However, the missing traders can wait until the last moment to issue invoices that will be communicated the 17th of the month of the transaction.

Amendment 76

Proposal for a directive

Article 4 – paragraph 1 – point 10

Directive 2006/112/EC

Article 263 – paragraph 1 – subparagraph 1

Text proposed by the Commission

The data referred to in Article 262(1) shall be transmitted for each individual transaction carried out by the taxable person no later than **2** working days after **issuing the invoice**, or after the date the invoice had to be issued where the taxable person does not comply with the obligation to issue an invoice. The data shall be transmitted by the taxable person or by a third party on that taxable person's behalf. Member States shall provide for the electronic means for submitting such data.

Amendment

The data referred to in Article 262(1) shall be transmitted for each individual transaction carried out by the taxable person no later than **10** working days after **the posting date in the taxable person's accounting books**, or after the date, the invoice had to be issued where the taxable person does not comply with the obligation to issue an invoice. The data shall be transmitted by the taxable person or by a third party on that taxable person's behalf. Member States shall provide for the electronic means for submitting such data.

Or. en

Justification

The reporting deadline (2 days) implies that invoices must be reported bases on when they are received. This runs counter to business natural systems and processes, which, as a matter of essential governance and financial control, require that incoming invoices are reviewed before being booked. Failure to do so risks putting businesses in a position where it is impossible to comply without abandoning normal commercial controls and potentially exposing business to regular penalties for incorrect filing.

Amendment 77

Proposal for a directive

Article 4 – paragraph 1 – point 10

Directive 2006/112/EC

Article 263 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The rules referred in paragraphs 1 and 2 do not apply to defence-related purchases exempted under Articles 143

and Article 151.

Or. en

Justification

Member States tax administrations would have wide access to sensitive information relating to defence and national security, which would undermine the confidentiality clauses in these types of contracts.

Amendment 78

Proposal for a directive

Article 4 – paragraph 1 – point 17

Directive 2006/112/EC

Article 271b – paragraph 1

Text proposed by the Commission

Where a Member State requires to send the data pursuant to Article 271a, the taxable person, or a third party on behalf of the taxable person, shall transmit that data on a transaction-by-transaction basis by no later than **2** working days after the ***invoice is issued***, or after the date the invoice had to be issued where the taxable person does not comply with the obligation to issue an invoice. Member States shall allow for the transmission of data from electronic invoices which comply with the European standard on electronic invoicing ***and the list of its syntaxes pursuant to*** Directive 2014/55/EU.

Amendment

Where a Member State requires to send the data pursuant to Article 271a, the taxable person, or a third party on behalf of the taxable person, shall transmit that data on a transaction-by-transaction basis by no later than ***10*** working days after the ***posting date in the taxable person's accounting books*** or after the date the invoice had to be issued where the taxable person does not comply with the obligation to issue an invoice. Member States shall allow for the transmission of data from electronic invoices which comply with the European standard on electronic invoicing ***referred to in*** Directive 2014/55/EU ***that covers semantic and statistic standards, but not transmission modes.***

Or. en

Justification

Clarifying text

Amendment 79

Proposal for a directive

Article 4 – paragraph 1 – point 17

Directive 2006/112/EC

Article 271b – paragraph 2

Text proposed by the Commission

Member States may allow for the transmission of the data from electronic invoices using other data formats.

Amendment

Member States may allow for the transmission of the data, ***which may not necessarily be drawn*** from electronic invoices using other data formats.

Or. en

Justification

It is legally not possible to impose e-invoicing transactions with non-EU operators and it may not be legally possible in a number of Member States in respect of B2C transactions.

Amendment 80

Proposal for a directive

Article 4 – paragraph 1 – point 17

Directive 2006/112/EC

Article 271c – paragraph 1

Text proposed by the Commission

By 31 March 2033 at the latest the Commission shall, based on the information provided by Member States, present to the Council a report on the functioning of the domestic reporting requirements set out in this Section. In that report, the Commission shall assess the need for further harmonisation measures and shall if deemed necessary, make an appropriate proposal for such measures.;

Amendment

By 31 March 2033 at the latest the Commission shall, based on the information provided by Member States, present to the Council a report on the functioning of the domestic reporting requirements set out in this Section. In that report, the Commission shall assess the ***effectiveness of those requirements in relation to the objectives of this Directive and the*** need for further harmonisation measures and shall if deemed necessary, make an appropriate proposal for such measures.;

Or. en

Justification

It is necessary to have an assessment taking into account the real life of businesses.

Amendment 81

Proposal for a directive

Article 4 – paragraph 1 – point 18

Directive 2006/112/EC

Article 273 – paragraph 1

Text proposed by the Commission

Member States may impose other obligations which they deem necessary to ensure the correct collection of VAT and to prevent evasion, subject to the requirement of equal treatment as between domestic transactions and transactions carried out between Member States by taxable persons and provided that such obligations do not, in trade between Member States, give rise to formalities connected with the crossing of borders.

Amendment

Member States may impose other obligations which they deem necessary to ensure the correct collection of VAT and to prevent evasion, subject to the ***principles of proportionality and*** of equal treatment as between domestic transactions and transactions carried out between Member States by taxable persons and provided that such obligations do not, in trade between Member States, give rise to formalities connected with the crossing of borders.

Or. en

Justification

Recall that the Directive must be balanced.

Amendment 82

Proposal for a directive

Article 5 – paragraph 1 – subparagraph 2

Text proposed by the Commission

They shall apply those provisions from 1 January **2024**.

Amendment

They shall apply those provisions from 1 January **2025**.

Or. en

Justification

Delay too tight.

Amendment 83

Proposal for a directive Article 5 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Member States shall adopt and publish, by 31 December **2024**, the laws, regulations and administrative provisions necessary to comply with Article 2 of this Directive.

Amendment

Member States shall adopt and publish, by 31 December **2025**, the laws, regulations and administrative provisions necessary to comply with Article 2 of this Directive.

Or. en

Amendment 84

Proposal for a directive Article 5 – paragraph 2 – subparagraph 2

Text proposed by the Commission

They shall apply those provisions from 1 January **2025**.

Amendment

They shall apply those provisions from 1 January **2026**.

Or. en

Amendment 85

Proposal for a directive Article 5 – paragraph 3 – subparagraph 1

Text proposed by the Commission

Member States shall adopt and publish, by 31 December **2025**, the laws, regulations and administrative provisions necessary to comply with Article 3 of this Directive.

Amendment

Member States shall adopt and publish, by 31 December **2026**, the laws, regulations and administrative provisions necessary to comply with Article 3 of this Directive.

Or. en

Amendment 86

Proposal for a directive

Article 5 – paragraph 3 – subparagraph 2

Text proposed by the Commission

They shall apply those provisions from 1 January **2026**.

Amendment

They shall apply those provisions from 1 January **2027**.

Or. en

Amendment 87

Proposal for a directive

Article 5 – paragraph 4 – subparagraph 2

Text proposed by the Commission

They shall apply these provisions from 1 January **2028**.

Amendment

They shall apply these provisions from 1 January **2029**.

Or. en

EXPLANATORY STATEMENT

The European Commission proposed on December 8, 2022 a package of new measures updating the VAT Directive (2006/112/EC), the Council Implementing Regulation (EU) 282/2011 and the Council Regulation on administrative cooperation (EU 904/2010) to adapt to new digital business models and to allow the full use of data generated by digitization.

These proposed directive and regulations are expected to enter into force gradually between January 2024 and January 2028. Your rapporteur believes that these deadlines should, given the delay in the legislative process, be postponed by at least one year overall.

With these measures, the Commission hopes to reduce the VAT gap, better combat VAT fraud, ensure the proper functioning of the internal market and put an end to distortions of competition.

In this respect, your rapporteur stresses the need to respect the principle of proportionality between the objective of combating fraud and the difficulties that might arise in applying the proposed rules to the real life of businesses. The fight against fraud must not be to the detriment of the majority of businesses that work in transparency and good faith.

Similarly, the digital package must respect the fundamental rights to privacy and personal data protection. Therefore, the transmission of partial data can only be used by the competent administrative authority in the context of the fight against VAT fraud only and may not infringe on business secrets and personal data protection.

With the switch to real-time digital declaration based on electronic invoicing, stricter conditions will be imposed on companies carrying out intra-European transactions for all B2B deliveries of goods and services in the name of the fight against fraud.

Your rapporteur underlines the additional burdens that the implementation of this system will create for businesses. He recalls that the impact assessment states “Businesses will bear the costs of the additional administrative burden arising from the introduction of real-time digital declaration. This burden will be higher for micro and small enterprises”. Therefore, your rapporteur believes that these measures should be accompanied by incentives for businesses to encourage the optimal implementation of VAT in the Digital Age.

Your rapporteur believes that the two working day deadline for issuing and declaring invoices is not realistic for businesses, especially SMEs, and should be reviewed to a ten working days basis. Similarly, the deletion of the possibility of issuing summary invoices runs counter to the principles of flexibility and simplicity that govern this proposal.

Your rapporteur stresses that the proposals must be simple, effective and balanced for all parties concerned, in particular for SMEs, VSEs and Not-profit-bodies.

As regards the updating of the VAT rules applicable to passenger transport and short-term accommodation platforms, justified by the emergence of new business models, your rapporteur recalls that these new measures must be clear, non-discriminatory and neutral. He believes that the liability of the "presumed supplier/provider" instead of the "underlying provider" could increase the final price for the consumer.

Finally, your rapporteur considers that the Single registration is one of the improvements most appreciated by EU companies, especially SMEs, which have a real need for simplification of intra-EU declaration procedures. Nevertheless, your rapporteur is concerned that the mandatory reverse charge will lead to an increase in VAT fraud and proposes that an independent study must be carried out on the reduction of VAT fraud in case of taxation of intra-Community supplies of goods and services.

Furthermore, the inclusion of second-hand goods in the UOSS system could be problematic because it is not possible for a marketplace to know the margin made by a third-party seller.