

WRITTEN QUESTION P-2673/03
by Georges Berthu (NI)
to the Commission

Subject: VAT on repairs to old buildings

The trial period during which Member States may charge a lower VAT rate for highly labour-intensive services, including repair work on old buildings, is due to expire on 31 December 2003.

Given the current economic woes, and especially the rise in the Union's average unemployment rate, there are strong reasons to make the experiment an established practice. Competition among Member States has, moreover, hardly been distorted, because the type of services in question, which are essentially of a local nature, are difficult to relocate.

Can the Commission say whether, as seems desirable, it will submit a proposal at the end of the year whereby Member States would be authorised on a permanent basis to charge the lower VAT rate for building repairs?