

**Combating tax evasion: common system of VAT \***

**European Parliament legislative resolution of 4 December 2008 on the proposal for a Council directive amending Directive 2006/112/EC on the common system of value added tax to combat tax evasion connected with intra-Community transactions (COM(2008)0147 – C6-0154/2008 – 2008/0058(CNS))**

**(Consultation procedure)**

*The European Parliament,*

- having regard to the Commission proposal to the Council (COM(2008)0147),
  - having regard to Article 93 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0154/2008),
  - having regard to Rule 51 of its Rules of Procedure,
  - having regard to the report of the Committee on Economic and Monetary Affairs and the opinion of the Committee on Legal Affairs (A6-0448/2008),
1. Approves the Commission proposal as amended;
  2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
  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 amend the Commission proposal substantially;
  5. Instructs its President to forward its position to the Council and the Commission.

**Amendment 1**

**Proposal for a directive – amending act  
Recital 1**

*Text proposed by the Commission*

(1) The evasion of value added tax (VAT) has a significant impact on the Member States' tax revenue and distorts economic activity in the single market by creating unjustified flows of goods and by placing goods on the market at abnormally low

*Amendment*

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prices.

prices. *Furthermore, VAT evasion affects not only the financing of Member States' budgets but also the overall balance of the European Union's own resources in so far as reductions in VAT own resources have to be compensated for by an increase in the gross national income own resources.*

## Amendment 2

### Proposal for a directive – amending act Recital 4 a (new)

*Text proposed by the Commission*

*Amendment*

*(4a) In order to improve and increase the efficiency of the application of Directive 2006/112/EC, the Commission should encourage the tax administrations in the Member States to develop their administrative capacity in order to be able to receive statements by electronic means for as many categories of taxable persons as possible.*

## Amendment 3

### Proposal for a directive – amending act Recital 6

*Text proposed by the Commission*

*Amendment*

(6) In view of changes in the business environment and tools, businesses *should* be guaranteed the possibility of meeting their obligations with regard to declarations by simple electronic procedures in order to reduce the administrative burden to a minimum.

*(6) This Directive is in no way intended to affect actions carried out at Community level with a view to achieving a 25 % reduction in the administrative burden on companies by 2012. In particular, in view of the resulting changes in the business environment and tools, it is desirable that businesses be guaranteed the possibility of meeting their obligations with regard to declarations by simple electronic procedures in order to reduce the administrative burden to a minimum.*

## Amendment 4

### Proposal for a directive – amending act Recital 6 a (new)

*Text proposed by the Commission*

*Amendment*

***(6a) In order better to appreciate the impact of the new formal obligations, in particular as regards the extension of the information obligation to the supply of services, the Commission should draw up an evaluation report on the impact of those obligations, in particular on the administrative costs for individuals affected and for administrations, and of the effectiveness of those formal obligations in combating tax evasion. The Commission should submit a legislative proposal modifying the content of the formal obligations, if appropriate.***

## **Amendment 5**

### **Proposal for a directive – amending act Recital 7 a (new)**

*Text proposed by the Commission*

*Amendment*

***(7a) The Commission should examine the possibility of setting up a database at European Union level that would contain the identification data of physical persons who have established, administered or managed companies involved in fraudulent intra-Community transactions in relation to VAT. Before a new company is registered, the relevant national body should ask the national tax administration for an EU tax record issued by it after consulting the respective database, to which it should be connected.***

## **Amendment 6**

### **Proposal for a directive – amending act Article 1 – point 7 Directive 2006/112/EC Article 263 – paragraph 2 – subparagraph 2**

*Text proposed by the Commission*

*Amendment*

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by other means for certain categories of taxable person.

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*\* 31 December of the year in which Directive .../.../EC (the amending act) enters into force.*

## **Amendment 7**

### **Proposal for a directive – amending act Article 1 a (new)**

*Text proposed by the Commission*

*Amendment*

#### ***Article 1a***

#### ***Commission report***

***By ...\*, the Commission shall draw up a report evaluating the impact of this Directive. That report shall focus, in particular, on the administrative costs arising from the new formal obligations for individuals affected and on the degree of effectiveness of those formal obligations in combating tax evasion. The Commission shall submit a legislative proposal modifying the content of the formal obligations, if appropriate.***

*\* Two years after the date of entry into force of this Directive.*