

Value added tax (VAT): reduced rates

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The Council examined a proposal for a Directive amending the rules on reduced rates of VAT (value added tax), pending an in-depth review of the rules. It requested the Permanent Representatives Committee (Coreper) to continue to examine the outstanding issues, to enable the Council to take a decision by the end of the year.

The proposal is intended to allow Member States to apply reduced rates – indefinitely – to certain locally-provided services, including catering services, for which there is no risk of unfair competition in the internal market.