Value added tax (VAT): common system

2007/0238(CNS) - 10/06/2009 - Amended legislative proposal for reconsultation

The Council agreed a general approach on the draft Directive and the draft statements for the Council Minutes set out respectively in Annex I and Annex II.

The Permanent Representatives Committee decided to reconsult the European Parliament on this proposal.

The original proposal for a Council Directive amending various provisions of Directive 2006/112/EC of 28 November 2006 on the common system of value added tax has been significantly amended by the Council, notably as regards the introduction of more general and more far-reaching rules concerning the right of deduction, and is consequently of the opinion that the European **Parliament needs to be re-consulted** in order to respect the relevant institutional rules of decision-making.

As regards Article 168a (VAT on immovable property forming part of the business assets of a taxable person and used both for purposes of the taxable person's business and for his private use or that of his staff, or, more generally, for purposes other than those of his business): the Council agrees to continue works, on the basis of the pending Commission separate proposal already submitted by the Commission pursuant to Article 176 and still pending before Council, to establish common rules on the exclusion from the right to deduct VAT in order to adopt the proposal rapidly. To this end, the Council stands ready to take stock of the progress as soon as possible.