

Own resources: methods and procedure for making available the value added tax (VAT) based own resource

2011/0333(CNS) - 23/10/2012 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 516 votes to 98, with 33 abstentions, a resolution on the proposal for a Council Regulation on the methods and procedure for making available the own resource based on the value added tax, following the consultation procedure in the framework of a special legislative procedure (consultation of Parliament).

It approves the Commission proposal. It considers that the strongest advantages of the new VAT proposal are transparency, fairness to taxpayers in all Member States, improved simplicity and potential to turn into a genuine own resource directly accruing to the EU budget in the future.

Members call on the Commission to come up with **concrete proposals how to further reform the VAT own resource so that it accrues directly to the Union budget** in the 2014 - 2020 period or in a further revision of the own resources system. They recall that Parliament, in its [resolution of 23 October 2012](#) on the MFF procedure, expressed a strong belief that the VAT is one of the conditions for the necessary political agreement on Own resources and that an agreement on the reform of VAT as own resource, as well as its implementing modalities, must be concluded together with the agreement on the MFF. They also recall that Parliament has several times reiterated its position that a reform of the own-resources system of the Union is needed, in particular in relation to the existing VAT resource, with the aim of reverting to its initial idea of that resource being a genuine own resource and not a pure statistical device. For the first time, the Treaty requires Parliament's consent to implementing measures for the system of the Union's own resources, and Parliament recalls it has clearly expressed its will to exercise its prerogative in that regard in the negotiations on the reform of the own-resources system.

Lastly, Parliament calls for a practical follow-up to the Commission's [Green Paper](#) on the future of VAT and concrete measures that will ensure a higher degree of harmonisation of the VAT systems in the Member States, since it is only such harmonisation that can provide the basis for making the VAT a genuine own resource, accruing directly to the Union budget in the future.