Common system of value added tax (VAT): standard VAT return

2013/0343(CNS) - 26/02/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 572 votes to 20, with 20 abstentions, in the framework of a special legislative procedure (Parliament consultation), a legislative resolution on the proposal for a Council directive amending Directive 2006/112/EC on the common system of value added tax as regards a standard VAT return.

Parliament approved the Commission proposal subject to the following amendments:

Use of standardised VAT returns: the use should facilitate both the collection and payment of VAT and the control of VAT returns by the Member States tax authorities and should also contribute to **helping businesses comply with VAT legislation**, thus reducing the error rate, and ultimately contributing towards a reduction or even elimination of VAT fraud and the VAT gap.

Transposition: Members stressed that that the standard VAT return will only fulfil its full potential if the Member States **fully transpose** this Directive, in a timely manner, into their national laws, regulations and administrative provisions, without deviating from its scope.

Electronic filing: the resolution suggested that Member State tax authorities should provide their officials and taxable persons with **online tutorials on the appropriate use of electronic filing** to ensure that submission of the standard VAT return is conducted in an appropriate and secure manner.

Evaluation of the Directive: in order to **further reduce burdens** on business and improve the functioning of the internal market, the information requirements in the standard VAT return should become **unified** in all Member States, and the Commission should, within **five years** of the date of entry into force of this Directive, **evaluate the implementation of this Directive** from that point of view and make proposals if appropriate. The results of the review shall be communicated to the European Parliament and to the Council accompanied, where necessary, by appropriate legislative proposals.