Common system of value added tax (VAT): duration of the obligation to respect a minimum standard rate

2015/0296(CNS) - 18/03/2016 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted, in the framework of a special legislative procedure (Parliament’s consultation), the report by Peter SIMON (S&D, DE) on the proposal for a Council directive amending Directive 2006/112/EC on the common system of value added tax, with regard to the duration of the obligation to respect a minimum standard rate.

The VAT Directive provides that from 1 January 2011 until 31 December 2015, the standard rate may not be less than 15 %. Pending the decisions on the final shape of the definitive regime, the committee agreed with the Commission's proposal to retroactively maintain the principle of a minimum standard VAT rate of 15 %. It proposed that the **current arrangements be extended for three years until 31 December 2018** (instead of 31 December 2017 as proposed by the Commission).