Common system of value added tax (VAT): treatment of vouchers

2012/0102(CNS) - 27/06/2016 - Final act

PURPOSE: to simplify, modernise and harmonise VAT rules applicable to vouchers.

LEGISLATIVE ACT: Council Directive (EU) 2016/1065 of 27 June 2016 amending Directive 2006/112 /EC as regards the treatment of vouchers.

CONTENT: the new directive amending Directive 2006/112/EC (the VAT Directive) lays down specific rules regarding the VAT treatment of vouchers.

In view of the new rules on the place of supply for telecommunications, broadcasting and electronically supplied services which are applicable since 1 January 2015, the directive offers a common solution for vouchers in order to ensure that mismatches do not occur in respect of vouchers supplied between Member States.

Identification of what constitute vouchers: to identify clearly what constitutes a voucher for the purposes of VAT and to distinguish vouchers from payment instruments, the directive **harmonises the definition of vouchers**. Vouchers may have physical or electronic forms, recognising their essential attributes, in particular the nature of the entitlement attached to them and the obligation to accept them in return for the supply of goods or services.

The directive distinguishes between (i) **a single-purpose voucher** which is a voucher where the place of supply of the goods or services to which the voucher relates, and the VAT due on those goods or services, are known at the time of issue of the voucher, and (ii) **a multi-purpose voucher**. It sets out the rules determining the **taxable value** of transactions in both cases:

- where the VAT treatment attributable to the underlying supply of goods or services can be determined with certainty already upon issue of a single-purpose voucher, VAT should be charged on each transfer, including on the issue of the single-purpose voucher;

- for multi-purpose vouchers, VAT should be charged when the goods or services to which the voucher relates are supplied. Against this background, any prior transfer of multi-purpose vouchers should not be subject to VAT.

Only vouchers which can be used for redemption against goods or services are affected by these rules. The provisions regarding vouchers should not trigger any change in the VAT treatment of transport tickets, admission tickets to cinemas and museums, postage stamps or similar.

Report: no later than 31 December 2022, the Commission shall, on the basis of information obtained from the Member States, present an assessment report on the application of the provisions of this Directive, with particular regard to the definition of vouchers, the VAT rules relating to taxation of vouchers in the distribution chain and to non-redeemed vouchers, accompanied, where necessary, by an appropriate proposal to amend the relevant rules.

ENTRY INTO FORCE: 2.7.2016.

TRANPOSITION: by 31.12.2018. The provisions of the directive only apply to vouchers issued after this date.

APPLICATION: from 1.1.2019.