

Value added tax (VAT): rates applied to books, newspapers and periodicals

2016/0374(CNS) - 09/05/2017 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted, in line with the consultation procedure, the report by Tom VANDENKENDELAERE (EPP, BE) on the proposal for a Council directive amending Directive 2006/112/EC, as regards rates of value added tax applied to books, newspapers and periodicals.

The committee approved the Commission proposal subject to the following amendments:

Subject matter: Members stated that the Directive shall aim at **simpler, more fraud-proof and business-friendly VAT systems** across the Member States, as well as keeping pace with today's digital and mobile economy.

Scope of the Directive: the Commission shall clarify whether the proposed Directive also applies to brochures, leaflets and similar printed matter, children's picture, drawing or colouring books, music printed or in manuscript form, maps and hydrographic or similar charts.

Towards a better coordinated regime: Members noted that the flexibility granted to Member States in the context of the current proposal in **no way prejudices the definitive VAT regime** to be rolled out and shall not remove the need for a more coordinated, efficient and simpler system of reduced VAT rates with fewer exceptions.

Follow-up: three years following the entry into force of the Directive, the Commission shall produce a **report** identifying the Member States that have adopted similar reduced or super-reduced VAT rates for books, newspapers and periodicals and their electronic equivalent, and evaluate the impact of those measures in terms of budgetary implications and development of the cultural sector.