Common system of value added tax (VAT): exemptions on importations and on certain supplies, in respect of Union measures in the public interest

2021/0097(CNS) - 18/05/2021 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 673 votes to 3, with 20 abstentions, following a special legislative procedure (consultation), a legislative resolution on the proposal for a Council directive amending Directive 2006/112/EC as regards exemptions on importations and certain supplies, in respect of Union measures in the public interest.

Parliament approved the Commission's proposal without amendments.

The proposal aims thus at introducing a broad-based VAT exemption for the acquisition of goods and services by the Commission or by an agency or body established under Union law in the fulfilment of a mandate conferred on it by Union law in the public interest.

The proposal will remove VAT as a cost factor for EU programmes. It is important to note that the introduction of this VAT exemption will have no negative implications for the EU budget.

In order to reduce administrative burden associated with the use of the paper version of the exemption certificate, the proposal also provides for the introduction of an electronic form.