Value added tax VAT: taxation of agricultural outputs (amend. Direct. 77/388/EEC)

1994/0324(CNS) - 10/07/1995

In January 1995 the Commission had submitted a report on the application of provisional VAT arrangements since 1993 in which it had concluded that they were operating satisfactorily and that no changes needed to be made at this juncture except in the particular case of taxation of agricultural outputs. For the latter, the Commission proposed a Directive to allow all Member States henceforth the option - until the definitive VAT arrangements were introduced - of applying a reduced rate to supplies of live plants and other floricultural products and to supplies of wood. The discussion on this proposal failed to yield a conclusion at this stage. The Council accordingly requested the Presidency and the Commission to pursue their contacts with Member States in order to find, if possible, a basis for a unanimous decision.