Value added tax VAT: services supplied by electronic mean (amend. Directive 77/388/EEC)

2000/0148(CNS) - 17/10/2000

Firstly, the Council noted the progress made on the Commission proposal amending the sixth VAT Directive in order to cover the impact of the developing e-commerce market. Commissioner BOLKESTEIN stressed the potential of e-commerce for job creation. The tax system should therefore serve as an incentive and not as a check, to this potential. In this context, he argued the Commission's case for a single place of registration for third-country operators who supplied services by electronic means to non-taxable Community customers. After a brief exchange of views on this point, the majority of delegations were opposed to the Commission proposal in that it did not result in actual taxation in the country of consumption. These delegations endorsed the Presidency's suggestion that third-country operators should register in each of the Member States where they conducted business. The Presidency appealed to the delegations to do their utmost to enable the Council to conclude its work on this dossier definitively at the meeting on 27 November.