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

2000/0148(CNS) - 27/11/2000

The Council took note of the work on e-commerce carried out by the Working Party on Tax Questions, regarding in particular the types of transactions, the territoriality rules applicable to services supplying non-taxable Community clients and the rate of VAT applicable. The Council confirmed, for services supplied by electronic means, the principle of taxing services supplied to Community clients and exempting services supplied to third-country customers, and that of applying the normal rate (with the exception of radio and television services). The Council asked the Working Party on Tax Questions to continue seeking a solution to the problem of identification of third-country operators providing services in the Union to non-taxable persons, examining all the options presented so far. The Council asked the Working Party on Tax Questions to submit, by 30 June 2001 at the latest, an amended draft Directive for its approval.