Value added tax VAT: level of the standard rate (amend. direct. 77/388/EEC)

1995/0362(CNS) - 25/04/1996 - Economic and Social Committee: opinion, report

The ESC approves the Commission proposal to introduce a band with a lower rate of 15% and an upper rate of 25% for the standard rate of VAT in Member States from 1 January 1997 to 31 December 1998. The ESC accepts the Commission proposition that any change in the transitional arrangements must also serve for the preparation of the subsequent definitive system. The ESC also considers that the proposed introduction of a definitive system should not be allowed to obscure the need for further interim reforms of the existing transition system. One such reform which the ESC considers to be highly desirable is that the group registration provisions should be extended to groups of associated companies in different Member States.