Value added tax VAT: conditions laid down for invoicing (amend. Directive 77/388/EEC)

2000/0289(CNS) - 17/11/2000 - Legislative proposal

PURPOSE : to amend the Sixth VAT Directive with a view to simplifying, modernising and harmonising the provisions concerning the obligation to issue invoices. CONTENT : the provisions laid down in this proposal form a coherent and integrated approach to simplifying and modernising the provisions applied to invoicing within the European Community, by establishing a more fully-harmonised legal framework. This harmonisation, however, is limited to those aspects of invoicing where it answers a real need and leaves the Member States to define for themselves all other conditions which do not necessarily have to be defined at Community level. In this way the principle of subsidiarity is entirely respected. Nevertheless, this flexibility given to the Member States is limited by the freedoms enshrined in the Treaty, and therefore has to respect the principle of "proportionality" as espoused in the jurisprudence of the Court of Justice of the European Communities. This proposal is also restricted to the invoicing conditions imposed by VAT legislation. Clearly, there also exists other provisions which cannot be harmonised or simplified by this proposed amendment to the Sixth Directive. The aim of the proposal is to ensure that the conditions imposed are satisfactory for VAT purposes and permit the granting of the right to deduction. It in no way affects any further need to simplify other invoicing obligations either at Community or national level. This proposal should in itself lead to a substantial simplification of the obligations on traders, in particular those who conduct cross-border operations. In addition, it should facilitate the development of electronic invoicing and thus of electronic commerce, while providing the tax administrations with sufficient guarantees that the security they require will not be compromised.