Value added tax VAT: measures for derogation, implementing powers (amend. Directive 77/388 /EEC)

2003/0120(CNS) - 10/06/2003 - Legislative proposal

PURPOSE : to propose a Council Directive amending amending Directive 77/388/CEE concerning the common system of value added tax, as regards conferment of implementing powers and the procedure for adopting derogations. CONTENT : this proposal recalls that the Sixth Council Directive of 17 May 1977 on the harmonisation of the laws of the Member States relating to turnover taxes (Directive 77/388/EEC) requires Member States to apply a common system of value added tax. This Directive establishes a general framework but contains no machinery providing for the introduction of implementing rules. However, while the Directive does not contain a procedure for laying down common implementing measures it does make specific provision for the adoption of measures derogating from the common system of VAT. Under Articles 27 and 30 of the Sixth Directive the Council can authorise a Member State to introduce special measures to derogate from its provisions in order to simplify the procedure for charging VAT, to prevent certain types of tax evasion or avoidance, or as part of an agreement with a non-member country or an international organisation. Therefore, the purpose of this proposal is to modernise the Article 27 and 30 procedure and specifically to make it more transparent, and also to provide for the adoption of implementing rules at Community level.