EC own resources: EC financing 1993-1999 (repl. dec. 88/376/376/EEC)

1993/1035(CNS) - 14/09/1993 - Legislative proposal

The draft decision sought to implement the conclusions of the Edinburgh European Council on Community financing for the period 1993 to 1999. It was concerned essentially with the level of resources available for the period 1995-1999 and the structure of the system of Community finances: - the annual ceiling on own resources for payment appropriations, held at 1.20% of Community GDP up to 1994, would be raised each year from 1995 to 1.27% of Community GDP in 1999; - the proposed ceiling for the uniform rate of the VAT base would be lowered from 1.4% to 1% in equal stages over the period 1995-1999; - the VAT base would be limited to 50% of GDP from 1995, for countries whose GDP was less than 90% of the Community average; it would be reduced from 55% to 50% for the other Member States in equal stages between 1995 and 1999; - the annex set out the results of the study requested by the Council of the desirability or otherwise of introducing a fixed uniform rate of VAT. The draft decision also sought to improve and complete the system currently in force by means of provisions on: the raising of resources needed to cover reserves; the degressive refunding of own resources raised from VAT or based on GDP; the role of the Commission in improving national procedures for recording, calculating, recovering and monitoring VAT.