

Indirect taxation in the internal market: Fiscalis programme 2003-2007

2002/0015(COD) - 20/08/2002 - Commission communication on Council's position

The Commission notes with satisfaction that the Council has endorsed the general approach of the Commission's original proposal. It notes that the Council supports the continuation of the actions currently carried on under the existing Fiscalis programme and particularly welcomes the Council's support to extend these actions to the direct tax area. The Commission is disappointed, however, that the Council has decided to reduce its proposal for funding of the programme from EUR 56 million to EUR 44 million. Reducing the budget to this extent may well mean that certain actions foreseen under the programme can not be implemented. Nevertheless, some of the proposed budget related to activities which had not yet been approved by the Council, particularly in the IT field. Should the Council decide to go ahead with the system for the exchange information on cross-border deduction of VAT and the creation of a new system for the control of e-commerce, the Commission will, if there are insufficient funds in the Fiscalis 2007 budget, propose to the European parliament and the Council that the budget be increased. This re-examination of the budget is in line with the desire expressed by Parliament that the Budgetary Authority should be re-consulted on this programme in 2006.