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

1995/0362(CNS) - 20/12/1996 - Final act

OBJECTIVE: to take a decision on the level of the minimum rate of the standard rate as it is required under Community VAT legislation (Directive 77/388/EEC). The decision is necessary to consolidate the functioning of the single market from a fiscal standpoint both under the transitional arrangements currently in force and in the light of the preparation of the definitive arrangements for the common system of value added tax. COMMUNITY MESURE: Council Directive 96/95/EC amending Directive 77/388 /EEC on the common system of Value Added Tax. SUBSTANCE: the amendments made to Directive 77 /388/EEC provide for the following measures: - maintenance of the current level of the minimum rate (15%) for a further period of two years (from 1 January 1997 to 31 December 1998); - the level of the standard rate to be applied after a period of two years will be decided unanimously by the Council on a proposal from the Commission. DATE OF ENTRY INTO FORCE: 1 January 1997.