Value added tax VAT: administrative co-operation (amend. Regulation (EEC) No 218/92)

2000/0147(CNS) - 07/05/2002 - Final act

PURPOSE : to amend the rules regarding electronic commerce in the area of Value Added Tax. COMMUNITY MEASURE : Council Regulation 792/2002/EC amending temporarily Regulation 218/92 /EEC on administrative cooperation in the field of indirect taxation (VAT) as regards additional measures regarding electronic commerce. CONTENT : This Regulation, together with Directive 2002/38/EC (please see CNS000148) apply to broadcasting and television services supplied electronically. The major innovation introduced is the requirement that operators in third countries (providing the service concerned) should invoice non-registered clients established in the EU for VAT. Such operators should therefore register for VAT in the Member State of their choosing. The rate of VAT applied will always be that of the Member State where the consumer is established. The Member State of registration (or identification) will be required to redistribute VAT receipts among consumer countries. This provision will apply solely to Business to Consumer Commerce. EU operators will no longer be required to charge VAT when supplying services electronically outside the EU. The rules also contain a number of facilitation and simplification measures aimed at easing the compliance burden. DATE OF APPLICATION: 01/07/03 for a period of three years with regard to some provisions. ENTRY INTO FORCE : 22/05/02.