Value added tax (VAT): place of supply of services

2003/0329(CNS) - 07/12/2004

The Council examined a draft Directive aimed at changing the place of taxation – from the place where the supplier is located to the place where the customer is located – with regard to VAT payments for business-to-business services.

Discussion focused on two outstanding issues, namely the scope of provisions on the exchange of information and the conditions for entry into force of the Directive as well as of provisions relating to the long-term leasing of motor vehicles.

The Council requested the incoming Luxembourg Presidency to consult further on these two issues and to report back at a future meeting with a view to enabling it to reach an agreement.