Value added tax VAT: arrangements for the refund to taxable persons established in another Member State (Directive 2006/112/EC)

2005/0807(CNS) - 14/11/2005

The committee adopted the report by Zsolt László BECSEY (EPP-ED, HU) amending the proposal under the consultation procedure:

- the Member State of establishment should notify the Member State of refund when the taxable person submits his application for a VAT refund to the competent tax authority;

- to provide further legal clarification, the proposal should specify that the three-month period shall start from the date on which the tax authority in the Member State of refund receives the electronic refund data from the tax authority in the Member State of establishment concerning the taxable person, who shall be automatically notified of the fact;

- to avoid any misunderstanding, it should be stipulated that the refund transfer deadline shall be one week after expiry of the three-month decision-making period;

- the committee amended the provisions on requests by the tax authorities for further information so as to ensure that, in such cases, the decision-making process (i.e. determining whether a taxable person is entitled to a refund or not) may be extended, but only on condition that the time elapsing between the refund application and the date of the refund transfer does not exceed 4 months.