



Malta-EU Steering & Action Committee

COMPETITIVENESS AND CONSUMER AFFAIRS

Sectoral Committee
Weekly Update
30.04.10

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COM (2010) 179- Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on Information Society services (Codification)



In the context of a people's Europe, the Commission attaches great importance to simplifying and clarifying the law of the Union so as to make it clearer and more accessible to the ordinary citizen. This aim cannot be achieved so long as numerous provisions that have been amended several times, often quite substantially, remain scattered, so that they must be sought partly in the original documents and partly in later amending ones.

For this reason a codification of rules that have frequently been amended is also essential if the law is to be clear and transparent.

This proposal is a codification of Directive 98/34/EC which lays down a procedure for the provision of information in the field of technical standards and regulations and of rules on Information Society services.

Every Member State must notify the Commission of its draft technical rules or amendment of technical regulations, the grounds for them and, where necessary, the main basic legislative and regulatory provisions of the draft regulation. Where the draft limits the marketing or use of a chemical substance for public health, consumer or environmental protection reasons, the characteristics, effects and risks of the product must also be specified.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0179:FIN:EN:PDF>



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COM (2010) 175 - Proposal for a COUNCIL IMPLEMENTING DECISION of [...] authorising Germany, Italy and Austria to introduce a special measure derogating from Article 193 of Directive 2006/112/EC and amending Decision 2007/250/EC to extend the period of validity of the authorisation granted to the United Kingdom

Article 395 of the VAT Directive states that the Council may, acting unanimously on a proposal from the Commission, authorise any Member State to apply special measures to derogate from the provisions of the Directive, in order to simplify the procedure for collecting VAT or to prevent certain forms of tax evasion or avoidance.

As a general rule, the person liable for the payment of value added tax to the tax authorities under Article 193 of the VAT Directive is the person supplying the goods. The purpose of the derogation requested by Germany, Italy and Austria is to place that liability on the person to whom the supplies are made, but only under certain conditions and exclusively in the case of particular products, mainly mobile telephones, integrated circuit devices and also some other related products.



Austria stated that due to the scale, complexity and sophisticated nature of these fraud mechanisms in Austria, organisational measures alone would not be sufficient to counter the fraud. Similarly, Germany also considers that the organisational measures they have implemented are insufficient to counter the fraud, and regard the application of the reverse charge mechanism to sales of those products most affected to be an important instrument to quickly and effectively counter the threat of VAT fraud. Italy estimates that the losses due to this type of fraud have been steadily rising for some years now. Austria and Germany have thus requested the application of a transaction threshold of EUR 5.000 in order to reduce the burden on small traders.

Moreover, the UK has requested that the expiry date of the derogation, which it was granted in April 2007 to apply such a measure to supplies of mobile telephones and integrated circuit devices to apply such a measure to supplies of mobile telephones and integrated circuit devices, be extended to accord with the expiry date of the measures proposed for Germany, Italy and Austria.



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The Commission has made an impact assessment of the request and concluded that the request is aimed at combating VAT evasion and will therefore have a potential positive impact on VAT receipts.

Thus the Commission has drafted this proposal for a Council Decision authorising Germany, Italy and Austria to apply a measure derogating from Article 193 of the VAT Directive as regards the use of a reverse charge mechanism for domestic supplies of certain electronic devices and their components, and authorising the United Kingdom to continue to apply such a measure.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0175:FIN:EN:PDF>