

Distance sales of goods and certain domestic supplies of goods

2018/0415(CNS) - 14/11/2019 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 565 votes to 23, with 65 abstentions, following the consultation procedure, a legislative resolution on the proposal for a Council directive amending Council Directive 2006/112/EC as regards provisions relating to distance sales of goods and certain domestic supplies of goods.

As a reminder, the aim of the proposal is to lay down detailed rules needed to ensure the functioning of the new VAT rules for e-commerce following the amendments introduced by Directive 2017/2455 (the VAT e-commerce Directive), which will come into force in January 2021.

It clarifies in particular the situations in which electronic interfaces such as a marketplace, platform and portal are considered to facilitate sales of goods and services between users and specifies the type of information they must keep on sales made through an electronic interface. It also clarifies under which conditions marketplaces will not be liable to pay VAT on supplies of goods in excess of the VAT which is declared and paid on these supplies.

Parliament approved the European Commission proposal subject to the following amendments:

Chargeable event

The draft amending Directive provides that where a taxable person facilitates, through the use of an electronic interface such as a marketplace, platform, portal or other similar means, distance sales of goods imported from third territories or third countries in consignments of an intrinsic value not exceeding EUR 150 or the supply of goods within the Community by a taxable person not established within the Community to a non-taxable person, the taxable person who facilitates the supply shall be deemed to have received and supplied the goods himself.

The chargeable event in respect of a supply of goods by a taxable person who is deemed to have received and supplied the goods and of the supply to that taxable person shall occur and VAT shall become chargeable at the time when the payment has been accepted.

Member State of identification

Members stated that where a taxable person has not established his business in the Community and has no fixed establishment therein, the Member State of identification shall be the Member State in which the dispatch or transport of the goods begins. Where there is more than one Member State in which the dispatch or transport of the goods begins, the taxable person shall indicate which of those Member States shall be the Member State of identification.

Special scheme for non-established taxable persons supplying electronic services to non-taxable persons

Parliament introduced an amendment stipulating that where the taxable person providing services covered by the special scheme has one or more fixed establishments, other than in the Member State of identification, from which the services are supplied, the VAT return should also include:

- the total value exclusive of VAT, the applicable rates of VAT,

- the total amount per rate of the corresponding VAT and the total VAT due of such supplies, for each Member State in which the taxable person has an establishment,
- the individual VAT identification number or the tax reference number of each establishment.