


# Procedure file

| Basic information  |                                |                               |
|--|--------------------------------|-------------------------------|
| CNS - Consultation procedure Directive                             | <a href="#">1998/0025(CNS)</a> | Procedure lapsed or withdrawn |
| Tax treatment: permanent or temporary transfer of tourism vehicles |                                |                               |
| Subject<br>2.70.02 Indirect taxation, VAT, excise duties           |                                |                               |

| Key players                   |  |   |            |
|-------------------------------|--|---|------------|
| European Parliament           | Committee responsible  | Rapporteur                                    | Appointed  |
|                               | <b>ECON</b> Economic and Monetary Affairs, Industrial Policy | ELDR <a href="#">WATSON Sir Graham</a>        | 24/03/1998 |
| Council of the European Union | Committee for opinion  | Rapporteur for opinion                        | Appointed  |
|                               | <b>JURI</b> Legal Affairs, Citizens' Rights                  | The committee decided not to give an opinion. |            |
| European Commission           | Commission DG<br><a href="#">Taxation and Customs Union</a>  | Commissioner<br>ŠEMETA Algirdas               |            |

| Key events |   |   |         |
|------------|---|---|---------|
| 10/02/1998 | Legislative proposal published                                  | COM(1998)0030   | Summary |
| 13/03/1998 | Committee referral announced in Parliament                      |   |         |
| 03/06/1998 | Vote in committee   |   | Summary |
| 03/06/1998 | Committee report tabled for plenary, 1st reading/single reading | <a href="#">A4-0217/1998</a>  |         |
| 17/06/1998 | Debate in Parliament  |  |         |
| 18/06/1998 | Decision by Parliament  | T4-0365/1998  | Summary |
| 16/04/1999 | Modified legislative proposal published                         | COM(1999)0165   | Summary |
| 07/03/2015 | Proposal withdrawn by Commission                                |   |         |

| Technical information |                              |
|-----------------------|------------------------------|
| Procedure reference   | 1998/0025(CNS)               |
| Procedure type        | CNS - Consultation procedure |
| Procedure subtype     | Legislation                  |

|                            |  |
|----------------------------|--|
| Legislative instrument     | Directive                                    |
| Legal basis                | Treaty on the Functioning of the EU TFEU 113 |
| Stage reached in procedure | Procedure lapsed or withdrawn                |
| Committee dossier          | ECON/4/09843                                 |

### Documentation gateway

|   |   |            |     |         |
|---|---|------------|-----|---------|
| Legislative proposal  | <a href="#">COM(1998)0030</a><br><a href="#">OJ C 108 07.04.1998, p. 0075</a> | 10/02/1998 | EC  | Summary |
| Economic and Social Committee: opinion, report                  | <a href="#">CES0793/1998</a><br><a href="#">OJ C 235 27.07.1998, p. 0031</a>  | 27/05/1998 | ESC |         |
| Committee report tabled for plenary, 1st reading/single reading | <a href="#">A4-0217/1998</a><br><a href="#">OJ C 210 06.07.1998, p. 0007</a>  | 03/06/1998 | EP  |         |
| Text adopted by Parliament, 1st reading/single reading          | T4-0365/1998<br><a href="#">OJ C 210 06.07.1998, p. 0171-0204</a>             | 18/06/1998 | EP  | Summary |
| Modified legislative proposal                                   | <a href="#">COM(1999)0165</a><br><a href="#">OJ C 145 26.05.1999, p. 0006</a> | 16/04/1999 | EC  | Summary |

## Tax treatment: permanent or temporary transfer of turism vehicles

OBJECTIVE: the proposed directive aims to simplify the conditions and procedures relating to private motor vehicles moved permanently or temporarily to another Member State. The objective is to bring the tax treatment of private motor vehicles accompanying individuals moving from one Member State to another more closely into line with the principles and rules of the single market. SUBSTANCE: the proposed directive is intended to replace Directive 83/182/EEC on tax exemptions within the Community for certain means of transport imported into one Member State from another and Directive 83/183/EEC (amended by Directive 89/604/EEC), on tax exemptions applicable to permanent imports from a Member State of the personal property of individuals. The proposed measures cover two broad categories: (1) firstly, in the case of transfer of residence, it is proposed that Member States should not impose registration taxes or similar taxes on vehicles brought into their territory by individuals who are transferring their place of residence to their territory from another Member State; (2) as regards temporary movements, the main thrust of the proposal is to ensure a satisfactory continuation of the right of an individual to use a vehicle temporarily in a Member State other than that in which he resides; the key element here is the right to use a vehicle for up to six months in any 12 month period. A number of additional elements are being introduced, in particular: - greater freedom to use rental cars in Member States other than those where they are registered, - the right of family members to use the vehicle, - greater flexibility concerning the rights of persons who work in a Member State other than that where they reside and vehicles provided by employers. The proposal also envisages a greater onus on the competent authorities of Member States to communicate bilaterally in the event of a dispute concerning a persons' alleged place of residence, and emphasizes that, in cases where national law is infringed, any consequent action or sanction must be proportionate. ?

## Tax treatment: permanent or temporary transfer of turism vehicles

A Commission proposal aiming at ensuring free movement for cars won strong backing from the Committee. The proposal, which is in response to a large number of petitions to the European Parliament, seeks to prevent double taxation on cars when a person moves from one Member State to another. Subject to certain conditions, Member States will no longer be allowed to impose registration taxes, such as the Belgian Taxe de mise en circulation, on vehicles brought into their territory by individuals changing their place of residence. The proposal also seeks to make the rules concerning temporary use of a vehicle in another Member State more flexible. Following the advice of the rapporteur, Graham WATSON (ELDR, UK), the Committee approved the proposal subject to three amendments which seek to clarify the Commission text.?

## Tax treatment: permanent or temporary transfer of turism vehicles

In adopting the report by Mr Graham WATSON (ELDR, UK), the European Parliament endorsed the proposal subject to three amendments seeking to clarify the Commission's text. Parliament takes the view that, where vehicles, during temporary use in another Member State, are irretrievably damaged and disposed of with a view to being scrapped or destroyed, then the owners should not incur liability to taxation as a result. In addition those concerned should have the choice of whether to pay the tax of the Member State or to remove the vehicle from the Member State without payment of tax.?

## Tax treatment: permanent or temporary transfer of turism vehicles

The amended proposal retains the two amendments adopted by the European Parliament. ?