

Procedure file

Basic information	
CNS - Consultation procedure Directive	2016/0374(CNS) Procedure completed
Value added tax (VAT): rates applied to books, newspapers and periodicals Amending Directive 2006/112/EC 2004/0079(CNS)	
Subject 2.70.02 Indirect taxation, VAT, excise duties 4.45.08 Cultural and artistic activities, books and reading, arts	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 ECON Economic and Monetary Affairs		08/12/2016
		 VANDENKENDELAERE Tom	
		Shadow rapporteur	
		 DELVAUX Mady	
		 LUCKE Bernd	
		 VAN NIEUWENHUIZEN Cora	
		 SCOTT CATO Molly	
		 KAPPEL Barbara	
		Committee for opinion	Rapporteur for opinion
 IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.		
 CULT Culture and Education			15/02/2017
	 ZDROJEWSKI Bogdan Andrzej		
 JURI Legal Affairs	The committee decided not to give an opinion.		
Council of the European Union	Council configuration	Meeting	Date
	Economic and Financial Affairs ECOFIN	3646	06/11/2018
	Economic and Financial Affairs ECOFIN	3619	25/05/2018
	Economic and Financial Affairs ECOFIN	3549	16/06/2017

Key events

01/12/2016	Legislative proposal published	COM(2016)0758	
16/01/2017	Committee referral announced in Parliament		
21/03/2017	Debate in Council	3527	
03/05/2017	Vote in committee		
09/05/2017	Committee report tabled for plenary, 1st reading/single reading	A8-0189/2017	Summary
01/06/2017	Results of vote in Parliament		
01/06/2017	Decision by Parliament	T8-0233/2017	Summary
16/06/2017	Debate in Council	3549	
25/05/2018	Debate in Council	3619	
02/10/2018	End of procedure in Parliament		
06/11/2018	Act adopted by Council after consultation of Parliament		
14/11/2018	Final act published in Official Journal		

Technical information

Procedure reference	2016/0374(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Directive
	Amending Directive 2006/112/EC 2004/0079(CNS)
Legal basis	Treaty on the Functioning of the EU TFEU 113
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	ECON/8/08651

Documentation gateway

Legislative proposal		COM(2016)0758	01/12/2016	EC	
Document attached to the procedure		SWD(2016)0392	01/12/2016	EC	
Document attached to the procedure		SWD(2016)0393	01/12/2016	EC	
Committee draft report		PE599.762	07/03/2017	EP	
Amendments tabled in committee		PE602.780	05/04/2017	EP	
Committee opinion	CULT	PE601.090	26/04/2017	EP	
Committee report tabled for plenary, 1st reading/single reading		A8-0189/2017	09/05/2017	EP	Summary

Text adopted by Parliament, 1st reading/single reading	T8-0233/2017	01/06/2017	EP	Summary
Commission response to text adopted in plenary	SP(2017)494	19/07/2017	EC	

Additional information

Research document

[Briefing](#)

Final act

[Directive 2018/1713](#)

[OJ L 286 14.11.2018, p. 0020](#) Summary

Value added tax (VAT): rates applied to books, newspapers and periodicals

The Committee on Economic and Monetary Affairs adopted, in line with the consultation procedure, the report by Tom VANDENKENDELAERE (EPP, BE) on the proposal for a Council directive amending Directive 2006/112/EC, as regards rates of value added tax applied to books, newspapers and periodicals.

The committee approved the Commission proposal subject to the following amendments:

Subject matter: Members stated that the Directive shall aim at simpler, more fraud-proof and business-friendly VAT systems across the Member States, as well as keeping pace with today's digital and mobile economy.

Scope of the Directive: the Commission shall clarify whether the proposed Directive also applies to brochures, leaflets and similar printed matter, childrens picture, drawing or colouring books, music printed or in manuscript form, maps and hydrographic or similar charts.

Towards a better coordinated regime: Members noted that the flexibility granted to Member States in the context of the current proposal in no way prejudices the definitive VAT regime to be rolled out and shall not remove the need for a more coordinated, efficient and simpler system of reduced VAT rates with fewer exceptions.

Follow-up: three years following the entry into force of the Directive, the Commission shall produce a report identifying the Member States that have adopted similar reduced or super-reduced VAT rates for books, newspapers and periodicals and their electronic equivalent, and evaluate the impact of those measures in terms of budgetary implications and development of the cultural sector.

Value added tax (VAT): rates applied to books, newspapers and periodicals

The European Parliament adopted by 590 votes to 8, with 10 abstentions, in line with the consultation procedure, a legislative resolution on the proposal for a Council directive amending Directive 2006/112/EC, as regards rates of value added tax applied to books, newspapers and periodicals.

As a reminder, the Commission proposal seeks to grant all Member States, the possibility to apply the same VAT rates to electronically supplied publications as Member States currently apply to printed publications.

Parliament approved the Commission proposal subject to the following amendments:

Subject matter: Members stated that the Directive shall aim at simpler, more fraud-proof and business-friendly VAT systems across the Member States, as well as keeping pace with today's digital and mobile economy. It shall:

- stimulate innovation, creation, investment and the production of new content, and facilitate digital learning, knowledge transfer and the access to, and promotion of, culture in the digital environment;
- promote reading and encourage investment in new content for publishers.

Scope of the Directive: the Commission shall clarify whether the proposed Directive also applies to brochures, leaflets and similar printed matter, childrens picture, drawing or colouring books, music printed or in manuscript form, maps and hydrographic or similar charts.

Blind and visually impaired persons: Members suggested that adapted and audio electronic books, newspapers and periodicals are to be understood as not wholly or predominantly consisting of music or video content. Therefore, reduced VAT rates could also be applied to those formats in order to facilitate access to books, newspapers and periodicals for persons who are blind, visually impaired or otherwise print-disabled.

Towards a better coordinated regime: Members noted that the flexibility granted to Member States in the context of the current proposal in no way prejudices the definitive VAT regime to be rolled out and shall not remove the need for a more coordinated, efficient and simpler system of reduced VAT rates with fewer exceptions.

Follow-up: three years following the entry into force of the Directive, the Commission shall produce a report identifying the Member States that have adopted similar reduced or super-reduced VAT rates for books, newspapers and periodicals and their electronic equivalent, and evaluate the impact of those measures in terms of budgetary implications and development of the cultural sector.

The amended text refers to a [resolution of 13 October 2011](#) in which the European Parliament recalled that one of the key features of VAT is the principle of neutrality and, for that reason, it argued that all books, newspapers and magazines, regardless of format, should be treated in exactly the same way.

Value added tax (VAT): rates applied to books, newspapers and periodicals

PURPOSE: to allow Member States to apply the same VAT rates to publications supplied electronically as they currently apply to publications on any type of physical means.

LEGISLATIVE ACT: Council Directive (EU) 2018/1713 amending Directive 2006/112/EC as regards rates of value added tax applied to books, newspapers and periodicals.

CONTENT: under the current VAT rules (Directive 2006/112/EC), Member States may apply reduced VAT rates to publications on any type of physical means. However, a reduced rate of VAT cannot be applied to publications supplied electronically, which must be taxed at the standard rate of VAT.

This amending Directive allows Member States that so wish to apply reduced, very reduced or zero VAT rates to electronic publications, thereby aligning the VAT rules for electronic and physical publications.

Only those Member States which, on 1 January 2017, applied very reduced rates and zero rates to physical publications will be allowed to apply them to electronic publications.

In order to prevent the extensive use of reduced VAT rates on audiovisual content, the Directive allows Member States to apply a reduced rate to books, newspapers and periodicals only if those publications, regardless of whether they are supplied on physical means of support or electronically (including brochures, leaflets and similar printed matter, children's albums, drawing or colouring books, printed or manuscript forms, maps and hydrographic or similar charts), do not wholly or predominantly consist of music or video content.

ENTRY INTO FORCE: 3.12.2018.