



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 10 January 2013
(OR. en)**

17702/12

**Interinstitutional File:
2012/0312 (NLE)**

**FISC 199
OC 746**

LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL IMPLEMENTING DECISION authorising the Kingdom of Belgium to introduce a special measure derogating from Article 285 of Directive 2006/112/EC on the common system of value added tax
COMMON GUIDELINES
Consultation deadline for Croatia: 14.01.2013

COUNCIL IMPLEMENTING DECISION

of...

**authorising the Kingdom of Belgium to introduce a special measure
derogating from Article 285 of Directive 2006/112/EC
on the common system of value added tax**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax¹, and in particular Article 395(1) thereof,

Having regard to the proposal from the European Commission,

¹ OJ L 347, 11.12.2006, p. 1.

Whereas:

- (1) In a letter registered with the Secretariat-General of the Commission on 21 June 2012, Belgium requested authorisation to introduce a special measure derogating from Article 285 of Directive 2006/112/EC allowing Belgium to exempt from value added tax (VAT) taxable persons whose annual turnover is no higher than EUR 25 000. Through that measure, those taxable persons would be exempted from all or some of the obligations in relation to VAT referred to in chapters 2 to 6 of Title XI of Directive 2006/112/EC.
- (2) In accordance with the second subparagraph of Article 395(2) of Directive 2006/112/EC, the Commission informed the other Member States by letter dated 13 September 2012 of the request made by Belgium. By letter dated 17 September 2012, the Commission notified Belgium that it had all the information necessary to consider the request.
- (3) Under Article 285 of Directive 2006/112/EC, Member States, which have not made use of Article 14 of Second Council Directive 67/228/EEC of 11 April 1967 on the harmonisation of legislation of Member States concerning turnover taxes, structure and procedures for application of the common system of value added tax¹, may exempt taxable persons whose annual turnover is no higher than EUR 5 000. Belgium has requested that this threshold be increased to EUR 25 000.

¹ OJ 71, 14.4.1967, p. 1303.

- (4) A higher threshold for the special scheme for small enterprises is a simplification measure in that it may significantly reduce the VAT obligations of the smallest businesses. The special scheme is optional for taxable persons.
- (5) In its proposal of 29 October 2004 for a Directive amending Directive 77/388/EEC, now Directive 2006/112/EC, with a view to simplifying valued added tax obligations, the Commission included provisions aimed at allowing Member States to set the annual turnover ceiling for the VAT exemption scheme at up to EUR 100 000 or the equivalent in national currency, with the possibility of updating that amount each year. The request submitted by Belgium is in line with that proposal.
- (6) The derogating measure will have only a negligible effect on the overall amount of the tax revenue of Belgium collected at the stage of final consumption and will have no adverse impact on the Union's own resources accruing from VAT,

HAS ADOPTED THIS DECISION:

Article 1

By way of derogation from Article 285 of Directive 2006/112/EC, the Kingdom of Belgium is authorised to exempt from VAT taxable persons whose annual turnover is no higher than EUR 25 000.

The Kingdom of Belgium may raise that ceiling in order to maintain the value of the exemption in real terms.

Article 2

This Decision shall take effect on the day of its notification.

It shall apply from 1 January 2013 until the date of entry into force of a Directive amending the amounts of the annual turnover ceilings below which taxable persons may qualify for VAT exemption or until 31 December 2015, whichever date is earlier.

Article 3

This Decision is addressed to the Kingdom of Belgium.

Done at Brussels,

For the Council

The President