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'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee (Part 2)/Council
No. Cion doc.:	5196/18 FISC 16 ECOFIN 15 - COM(2018) 5 final
Subject:	Draft Council Implementing Decision authorising Malta to apply a special measure derogating from Article 287 of Directive 2006/112/EC on the common system of value added tax – Adoption

1. On 10 January 2018 the Commission transmitted to the Council a proposal for the abovementioned Council Implementing Decision. This proposal aims at allowing Malta to exempt from VAT taxable persons whose economic activity consists principally in supplies of services with a high value added (low inputs) and whose annual turnover is no higher than EUR 20 000.
2. At its meeting on 24 January 2018 the Working Party on Tax Questions - Indirect taxation (VAT) agreed to the draft Implementing Decision as set out in doc. 5196/18 subject to the addition of a recital 5a related to the application of the Decision as from 1 January 2018. The LV delegation expressed a linguistic scrutiny reservation, which since then has been lifted.

3. The Permanent Representatives Committee is therefore invited to suggest that the Council:
- adopt the abovementioned Implementing Decision as finalised by the legal/linguistic experts in doc. 5610 /18 FISC 33 ECOFIN 58 as an "A" item on the agenda of a forthcoming meeting;
 - agree on the publication of the abovementioned Implementing Decision in the Official Journal.
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