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From: General Secretariat of the Council
To: Permanent Representatives Committee (Part 2)/Council
No. Cion doc.: 9461/18 FISC 231 ECOFIN 502 - COM(2018) 298 final
Subject: Draft COUNCIL DIRECTIVE amending Directive 2006/112/EC on the common system of value added tax as regards the period of application of the optional reverse charge mechanism in relation to supplies of certain goods and services susceptible to fraud and of the Quick Reaction Mechanism against VAT fraud
– Adoption

1. On 25 May 2018, the Commission transmitted the proposal for a Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards the period of application of the optional reverse charge mechanism in relation to supplies of certain goods and services susceptible to fraud and of the Quick Reaction Mechanism against VAT fraud¹.
2. The purpose of this legislative proposal for a Directive amending Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax² (hereafter the VAT Directive) is to prolong:

¹ Doc. 9461/18 FISC 231 ECOFIN 502.

² OJ L 347, 11.12.2006, p.1.

- a) the possibility for Member States to apply the reverse charge mechanism to combat existing fraud in supplies of goods and services included in Article 199a(1) of the VAT Directive; and
 - b) the possibility to use the Quick Reaction Mechanism (QRM) to combat fraud.
3. The European Economic and Social Committee has delivered its opinion on this legislative proposal on 11 July 2018³, the opinion of the European Parliament has been delivered on 3 October 2018.⁴
 4. The Council reached a general approach on the draft Directive on 2 October 2018.⁵
 5. The Permanent Representatives Committee is therefore invited to suggest that the Council:
 - adopt, as an "A" item on the agenda of a forthcoming meeting, **the Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards the period of application of the optional reverse charge mechanism in relation to supplies of certain goods and services susceptible to fraud and of the Quick Reaction Mechanism against VAT fraud**, as finalised by the legal/linguistic experts in doc. 12033/1/18 REV 1 FISC 351 ECOFIN 813.

³ Doc. 11546/18 FISC 327 ECOFIN 776.

⁴ P8_TA(2018)0367.

⁵ Doc. 12659/18 FISC 387 ECOFIN 861.