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**2016/0406(CNS)**

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**FISC 419**  
**ECOFIN 903**

#### 'A' ITEM NOTE

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From:	General Secretariat of the Council
To:	Council
No. Cion doc.:	15817/16 FISC 241 IA 145 - COM(2016) 811 final
Subject:	Draft Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards the temporary application of a generalised reverse charge mechanism in relation to supplies of goods and services above a certain threshold – Adoption

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1. On 21 December 2016, the Commission presented a Proposal for a Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards the temporary application of a generalised reverse charge mechanism (GRCM) in relation to supplies of goods and services above a certain threshold<sup>1</sup>.
2. On 2 October 2018, the ECOFIN Council reached a general approach on the compromise text of the draft Directive.<sup>2</sup>

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<sup>1</sup> Doc. 15817/16 FISC 241.

<sup>2</sup> Doc. 12565/18 FISC 381 ECOFIN 850.

3. The objective of this legislative proposal is that Member States, if they meet a number of very strict conditions (e. g. the cumulative conditions that are set out in paragraphs 1, 3, 5 and 6 of the draft Article 199c of the VAT Directive), could apply GRCM in relation to non-cross border supplies of goods and services above a certain threshold.
4. The opinion of the European Economic and Social Committee on this dossier was issued on 31 May 2017<sup>3</sup>. The opinion of the European Parliament was issued on 11 December 2018.<sup>4</sup>
5. On 14 December 2014, the Committee of Permanent Representatives (Part 1) decided<sup>5</sup> to recommend that this dossier is submitted to the Council as an "A" ("no discussion") item.
6. The Council is therefore invited to adopt the **Council Directive amending Directive 2006/112/EC on the common system of value added tax as regards the temporary application of a generalised reverse charge mechanism in relation to supplies of goods and services above a certain threshold**, as finalised by the legal/linguistic experts in doc. 12852/18 FISC 400 ECOFIN 884.

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<sup>3</sup> OJ C 288, 31.8.2017, p. 52.

<sup>4</sup> P8\_TA(2018)0496.

<sup>5</sup> Doc. 13023/18 FISC 417 ECOFIN 901.