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Proposal for a

COUNCIL REGULATION

amending Regulation (EU) No 904/2010 as regards the VAT administrative cooperation arrangements needed for the digital age

{SEC(2022) 433 final} - {SWD(2022) 393 final} - {SWD(2022) 394 final}

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

This proposal is part of the package of legislation on the VAT in the Digital Age initiative, together with a proposal for a Council Directive on amending Directive 2006/112/EC as regards VAT rules for the digital age¹, and the proposal for a Council implementing Regulation amending Council Implementing Regulation (EU) No 282/2011 as regards information requirements for certain VAT schemes². The context of this initiative as a whole is set out comprehensively in the explanatory memorandum for the proposal for a Council Directive amending Directive 2006/112/EC³.

This explanatory memorandum describes modifications required to Council Regulation (EU) No 904/2010 on administrative cooperation and the fight against fraud in the field of VAT stemming from changes to the VAT Directive.

The proposal to amend Council Regulation (EU) No 904/2010 is an important part of the package. The VAT in the Digital Age package modernises the way cross-border transactions within the single market are reported for VAT purposes to make use of well-established technology and address VAT fraud. The current way of collecting aggregated data through recapitulative statements⁴ and exchanging data through the VAT Information Exchange System has been in use since the introduction of the single market in 1993. It is no longer fit for purpose in light of the scale of cross-border transactions and the level of VAT fraud. The amended VAT Directive replaces recapitulative statements with new, transaction-based reporting obligations. To complement these changes, the amended Regulation provides for the necessary practical rules on how these newly collected data will be exchanged between Member States, the IT infrastructure required, and the personal data protection rules that will govern the new exchanges. These details are necessary to ensure that the new rules are implemented smoothly and that the new measures can reduce VAT fraud.

Following the structure of the VAT in the Digital Age initiative the following parts of the package should be noted:

This package has three main objectives:

- (1) Modernising **VAT reporting obligations**⁵, by introducing Digital Reporting Requirements, which will standardise the information that needs to be submitted by taxable persons on each transaction to the tax authorities in an electronic format. At the same time it will impose the use of e-invoicing for cross-border transactions;
- (2) Addressing the challenges of the **platform economy**⁶, by updating the VAT rules applicable to the platform economy in order to address the issue of equal treatment,

¹ Please include reference when available.

² Please include reference when available.

³ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

⁴ A recapitulative statement is a simple form submitted on a monthly/quarterly basis by traders, in addition to their VAT return, to declare goods delivered and services provided to traders in other Member States, containing the VAT number of the customers and the aggregated value of supplies per customer during a given period.

⁵ VAT reporting obligations refer to the obligation of VAT-registered businesses to make periodic declarations of their transactions to the tax authority to allow monitoring the collection of VAT.

⁶ In this respect, the term 'platform economy' relates to supplies of services made via a platform.

clarifying the place of supply rules applicable to these transactions and enhancing the role of the platforms in the collection of VAT when they facilitate the supply of short-term accommodation rental or passenger transport services; and

- (3) Avoiding the need for multiple **VAT registrations** in the EU and improving the functioning of the tool implemented to declare and pay the VAT due on distance sales of goods⁷, by introducing Single VAT Registration (SVR). That is, improving and expanding the existing systems of One-Stop Shop (OSS)/Import One-Stop Shop (IOSS) and reverse charge in order to minimise the instances for which a taxable person is required to register in another Member State.

- **Consistency with existing policy provisions in the policy area**

This proposal is part of the package of legislation on the VAT in the digital age initiative. The consistency of the package as a whole is set out comprehensively in the explanatory memorandum of the proposal for a Council Directive amending Directive 2006/112/EC⁸.

- **Consistency with other Union policies**

This proposal is part of the package of legislation on the VAT in the digital age initiative. The consistency of the package as a whole is set out comprehensively in the explanatory memorandum of the proposal for a Council Directive amending Directive 2006/112/EC.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

This Regulation amends Council Regulation (EU) No 904/2010 on the basis of Article 113 of the Treaty on the Functioning of the European Union. This Article provides for the Council, acting unanimously in accordance with a special legislative procedure and after consulting the European Parliament and the Economic and Social Committee, to adopt provisions for the harmonisation of Member States' rules in the area of indirect taxation.

- **Subsidiarity (for non-exclusive competence)**

Member States are primarily responsible for VAT management, collection and control. However, VAT fraud is often linked to cross-border transactions within the single market or involves traders established in Member States other than the one in which VAT is due. VAT fraud adversely affects how the single market functions and causes severe losses to the EU budget.

The EU cooperation instruments which allow the exchange of information between tax administrations are indispensable for the proper control of cross-border transactions and the fight against VAT fraud.

This initiative is consistent with the principle of subsidiarity, as the objectives sought by the present initiative cannot be achieved by the Member States themselves. Therefore, it is necessary for the Commission, which is responsible for ensuring the smooth functioning of the single market and for promoting the general interests of the European Union, to propose action to improve the situation.

⁷ https://ec.europa.eu/taxation_customs/business/vat/vat-e-commerce_en

⁸ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

This cannot be done solely at Member State level or using non-legislative instruments. Acting at EU level in relation to administrative cooperation instruments would offer value over and above what can be achieved nationally, requiring amendments to Council Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax.

- **Proportionality**

The proposal is largely based on the current legal framework for administrative cooperation in the field of VAT and adds elements to it only where the framework needs strengthening. All measures proposed have been designed to meet the new digital reporting requirements and Member States' needs. While they are expected to have positive effects on the fight against VAT fraud, the new provisions would not entail any significant additional costs for business and administrations, except for certain IT developments for tax administrations. Even in these instances, the associated development costs would remain limited.

A central electronic system for VAT information ('the central VIES') would be set up. It will allow Member States to transmit VAT information they store at national level, helping to fight VAT fraud effectively. The central VIES would be able to aggregate per taxable person information on cross-border business-to-business (B2B) transactions transmitted by the Member States. It will also allow the reported intra-Community supplies to be cross-checked with intra-Community acquisitions data that has been transmitted. It will also allow the information transmitted by the Member States to be processed with other VAT information exchanged under Regulation (EU) No 904/2010, such as customs or payment data, and retain this information only for the period necessary for tax authorities to carry out VAT controls.

Information will be retained in the central VIES for a period of 5 years, to provide Member States with a reasonable period of time to carry out VAT audits. After this period the data will be definitively erased.

The central VIES would only be accessible to authorised officials appointed by their Member States, and for the purposes of the control of the correct application of VAT legislation and combating VAT fraud. In terms of storage, the central VIES would guarantee an appropriate level of security, in line with the rules governing the processing of personal information by the EU's institutions.

The exchange of information between national tax authorities and the central VIES will take place through a secure common communication network. This currently supports exchanges of information between tax and customs authorities, and provides all the necessary security features (including encryption of information).

This proposal, therefore, will continue to apply the safeguards laid down under Regulation (EU) No 904/2010 and the European framework on data protection. The overall purpose for exchanging and analysing this VAT-relevant information remains ensuring the correct application of VAT legislation and combating VAT fraud. Fighting VAT fraud is an important objective of general public interest for the EU and its Member States, as referred to in Article 23(1)(e) of the General Data Protection Regulation and in Article 20(1)(b) of Regulation (EU) 2018/1725. In order to support that important objective and the effectiveness of the tax authorities in pursuing that objective, the restrictions laid down in Article 55(5) of Regulation (EU) No 904/2010 will apply to the central VIES.

The new provisions do not go beyond what is strictly necessary to make administrative cooperation instruments more effective in verifying cross-border transactions and enhancing the fight against VAT fraud in light of the proposed digital reporting requirements and other changes introduced in the VAT in the Digital Age package.

- **Choice of the instrument**

A Council Regulation is needed to amend current Regulation (EU) No 904/2010.

3. RESULTS OF *EX POST* EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- ***Ex post* evaluations/fitness checks of existing legislation**

An evaluation of the use of the existing EU framework for administrative cooperation and combating VAT fraud provided for in Regulation (EU) No 904/2010 was carried out in 2017⁹. Overall, the Member States take a positive view of the legal and practical framework implemented with Regulation (EU) No 904/2010.

Changes to the administrative cooperation legal framework are needed following the changes to reporting requirements for cross-border transactions in the VAT Directive. The introduction of new digital reporting requirements significantly increases the amount of data that will need to be exchanged between Member States and the frequency of exchanges. Therefore, a new part is being introduced to the Regulation under Chapter V: *Storage and exchange of specific information* which will allow these exchanges through a new electronic system called the central VIES.

- **Stakeholder consultations**

Extensive information on stakeholder consultations is provided in the explanatory memorandum of the proposal to amend the VAT Directive.

Two Fiscalis workshops were organised to gather feedback from Member States on the adaptation of the VAT administrative cooperation framework to support the new digital reporting requirements. The first workshop, which took place in November 2021, gathered the opinions of VAT anti-fraud experts and Eurofisc liaison officials. The second workshop in April 2022 focussed on the heads of the competent liaison offices of Member States. In both instances, Member State representatives underlined the importance of the new digital reporting requirements when accompanied by an appropriate system for exchanging VAT information. It was seen that there was a clear need for automatic cross-checking of DRR data, e.g. reported supplies with acquisitions. There was also a broad consensus that a central system to facilitate the joint processing and analysis of information would be the preferred approach guaranteeing a uniform implementation of cross-checks and interpretation of the results.

- **Collection and use of expertise**

This proposal is part of the package of legislation on the VAT in the digital age initiative. The collection and use of expertise for the package as a whole is set out comprehensively in the explanatory memorandum of the proposal for a Council Directive amending Directive 2006/112/EC.

- **Impact assessment**

This proposal is part of the package of legislation on the VAT in the digital age initiative. The impact assessment is provided for the package as a whole in the explanatory memorandum of the proposal for a Council Directive amending Directive 2006/112/EC.

⁹ Commission Staff Working Document SWD(2017) 428 final.

- **Regulatory fitness and simplification**

This proposal is part of the package of legislation on the VAT in the digital age initiative. Extensive information on Regulatory fitness and simplification is provided in the explanatory memorandum of the proposal for a Council Directive amending Directive 2006/112/EC.

- **Fundamental rights**

This proposal is expected to trigger exchange and joint processing of VAT information, which could include personal data. However, the data collected under the new digital reporting requirements and subsequently exchanged via the central VIES system would be limited to intra-Community business-to-business transactions and will not cover business-to-consumer transactions. The principle of data minimisation has also been applied. Therefore the data collected and subsequently exchanged relate only to a subset of the information contained in an invoice. This minimum data set which is required for the purposes of monitoring the correct application of VAT and for combating VAT fraud is specified by the amendment to Article 264 in the accompanying proposal for a Council Directive amending Directive 2006/112/EC. However protecting personal data and complying with Regulations (EU) 2016/679¹⁰ and (EU) 2018/1725 remain a priority, even where the information to be processed is limited. As a result, the following provisions are being proposed:

- The data in the central VIES will only be kept for 5 years which is the minimum time necessary for analysis and investigations by national tax authorities who are empowered to enforce VAT obligations (data retention).
- The data in the central VIES will be protected as set out in Article 55(1) of Regulation (EU) No 904/2010.
- The data in the central VIES will be used for clearly identified and limited purposes, notably to correctly assess VAT, to monitor the correct application of VAT, and to combat VAT fraud as laid down in Article 1 of Regulation (EU) No 904/2010. In particular the data will be used to carry out risk assessments to identify potential fraudsters at an early stage and to put an end to fraudulent networks whose purpose is to abuse the VAT system by carrying out VAT fraud.
- Users who can access the data in the central VIES will be limited to authorised personnel from Member States, in respect of the need-to-know principle.
- The central VIES will be hosted, maintained and technically managed by the Commission, which has the operational capacity and experience to ensure technical and organisational security measures are put in place to protect personal data. An implementing act will set out the tasks to be carried out by the Commission in relation to technically managing the central VIES .
- An implementing act will set out the roles and responsibilities of the Member States and the Commission when acting as controller and processor under Regulations (EU) 2016/679 and (EU) 2018/1725 .

In addition, these measures are subject to Article 8 of the Charter of Fundamental Rights.

¹⁰ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC

4. BUDGETARY IMPLICATIONS

The budgetary implications are set out in detail in the explanatory memorandum of the proposal for a Council Directive amending Directive 2006/112/EC.

The proposal will lead to limited costs for national administrations and the EU budget for putting the enhanced VAT information exchange system (VIES) in place.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The Standing Committee on Administrative Cooperation (SCAC), established under Article 58(1) of the Council Regulation (EU) No 904/2010, will deal with all possible issues regarding administrative co-operation between Member States resulting from the new rules on the taxation of intra-EU trade. In particular, an implementation plan will be established together with the Member States in SCAC, for the necessary IT changes¹¹ once the modification is adopted by the Council.

Pursuant to Article 59 of Regulation (EU) No 904/2010, the Regulation's application is reviewed every five years. In addition, under Article 49, to evaluate how well administrative cooperation is combating tax evasion and avoidance, Member States must communicate to the Commission any available information relevant to the application of the Regulation and, *inter alia*, annual statistics about the use of the cooperation instruments.

- **Explanatory documents (for directives)**

N/A

- **Detailed explanation of the specific provisions of the proposal**

1. INTRODUCING A CENTRAL SYSTEM FOR THE EXCHANGE OF VAT INFORMATION

A first set of amendments in the proposal deals with the development of a new central system for the exchange of VAT information between Member States' tax administrations at EU level that is adapted to the specificities of Digital Reporting Requirements. Section 3 is added to Chapter V of Regulation (EU) 904/2010 to introduce the central VIES with Articles 24g to 24m as follows:

- Article 24g establishes the central VIES system by determining that the Commission shall develop, maintain, host and technically manage the central system, while each Member State shall develop, maintain, host and technically manage a national electronic system to automatically transmit different categories of information to the central VIES. The most essential part of information exchanged through central VIES will be the information collected through the DRR. The other information relates to the identification of the taxable persons. Finally it is explicitly mentioned that Member States may store the information they have to automatically transmit to the central VIES in the national electronic system which they use for transmitting the information for the purposes of reuse in national controls.

¹¹ IT development and procurement strategy choices will be subject to pre-approval by the European Commission Information Technology and Cybersecurity Board.

- Article 24h relates to data quality and availability. Exchanging information will only be of value if the data is of sufficient quality. To this end, Member States shall make all necessary updates and adopt measures in order to ensure that the central VIES data is kept up-to-date, and is complete and accurate. For the information to be up-to-date, new or updated information should be entered into the system without delay. This immediate update of information is particularly important for identification information, which is intrinsically linked with VAT number validation. As for the *intra-Community transaction reports*, gathered through the DRR, the acceptable delay to be entered into the central VIES is within one day after the collection by the tax administration. The cross-checking of information reported by a supplier and their client can only take place after the information is reported by both parties and after each authority transmits it to the central VIES. This means that the acceptable delay for each step should remain at the level of a few days for an analysis to be possible on a sufficiently frequent basis. The information shall remain available in central VIES for five years from the end of the year in which the information was transmitted to the central VIES.
- Article 24i is about showing VAT identification information as invalid within the central VIES, once certain conditions are met. The provision comes into effect where persons identified for VAT purposes have ceased their economic activity, declared false data in order to obtain a VAT identification number or have failed to communicate changes to their data which, had the tax administration known, they would have either refused or withdrawn the VAT identification number. This provision is of huge importance with regard to the objective of fighting VAT fraud effectively. It should be underlined that this provision is only about *showing* the VAT identification number as invalid in a few situations. It doesn't mandate when Member States should withdraw the VAT identification number.
- Article 24j describes the capabilities that the central VIES shall have with regard to the information transmitted to it. The article provides that the central VIES shall be able to store, as well as cross-check, aggregate and process the information received. Furthermore, the central VIES shall be able to make the information (received, cross-checked, aggregated and processed) accessible to authorised users and systems. The central VIES should also be able to process information together with any information communicated or collected pursuant to Council Regulation (EU) No 904/2010 for control purposes and for combating VAT fraud. A prominent example is cleaning and enriching the data by processing it together with data from other systems, such as the Surveillance system which contains information on VAT exempt importations using Customs Procedures 42/63. This capability is necessary to build synergies between different information systems containing VAT relevant information and maximise the impact of investments in such systems.
- Article 24k describes which officials and systems are provided with automated access to the central VIES. These include the Member State officials who check the requirements for VAT exempt importation of goods, Eurofisc liaison officials as well as any other officials who are explicitly authorised by the competent authority of their Member State. Finally, access to the collected and processed information is foreseen for the national electronic systems which transmit the information to the central VIES. This provision allows for a secure machine-to-machine communication channel facilitating automation and relieving the need for human intervention.

- Article 24l deals with the costs for development and maintenance of the central VIES, as it determines that the costs for establishing, operating and maintaining the central VIES shall be borne by the general budget of the Union. These costs shall, amongst others, include those of the secure connection between central VIES and the national electronic systems referred to in Article 24g(2), and those of the services necessary to carry out the capabilities which are listed in Article 24j. On the other hand, each Member State shall bear the costs of and shall be responsible for all necessary developments to its national electronic systems to permit the exchange of information using the CCN network, or any other similar network.
- Finally, Article 24m relates to the security and compliance of the central VIES system. The first paragraph determines that the Member States shall take all measures necessary to ensure compliance with Article 55 of this Regulation. Article 55 provides obligations with regard to official secrecy, privacy and security of the information stored, processed or exchanged under the Regulation. The second paragraph empowers the Commission to adopt, by means of implementing acts: the tasks to be carried out by the Commission for technically managing the central VIES and the roles and responsibilities of the Member States and the Commission as regards the functions of controller and processor under Regulation (EU) 2016/679 of the European Parliament and of the Council and Regulation (EU) 2018/1725 of the European Parliament and of the Council.

2. PHASING OUT THE EXISTING LEGACY SYSTEM FOR THE EXCHANGE OF VAT INFORMATION

A second set of amendments in the proposal deals with the phase out of the legacy VIES. The existing VIES system, covered by Section 1 of Chapter V, needs to be retained for two years after establishing the central VIES system in order to facilitate the controls of transactions which were reported with recapitulative statements, prior to the introduction of the Digital Reporting Requirements. The legacy VIES will allow the automatic exchange of information provided via the old reporting requirements for this period. After phasing out the legacy VIES the information could still be exchanged between Member States spontaneously or upon request, using non-automated instruments of administrative cooperation. The phase out of the existing VIES is performed as follows:

- Articles 17, 20, 21, 22 and 23 are amended so that the references of the legacy VIES are removed.
- Article 31 which deals with the provision of information to taxable persons on the validity of the VAT identification numbers as well as the associated name and address of other persons involved in intra-Community transactions is amended. After the amendment the Article will refer to the information kept in the central VIES.

3. OTHER CHANGES

A third set of amendments in the proposal provides for the necessary adjustments concerning the exchange of information related to the new special transfers of own goods scheme as introduced in Directive 2006/112/EC.

Under Article 242a of Directive 2006/112/EC platform operators are required to keep the records of business to customer supplies made on their platforms. In order to facilitate the operation of the deemed supplier model being introduced in the short-term accommodation

rental and passenger transport sectors, this shall be broadened to business to business supplies. It is necessary to introduce a standard format for the transfer of this information.

Proposal for a

COUNCIL REGULATION

amending Regulation (EU) No 904/2010 as regards the VAT administrative cooperation arrangements needed for the digital age

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 113 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Parliament¹,

Having regard to the opinion of the European Economic and Social Committee²,

Acting in accordance with a special legislative procedure,

Whereas:

- (1) Council Regulation (EU) No 904/2010³ lays down the conditions under which the competent authorities in the Member States responsible for the application of the laws on VAT are to cooperate with each other and with the Commission to ensure compliance with those laws. Those conditions entail, amongst others, rules on the storage and exchange, through electronic means, of information that may help to effect a correct assessment of VAT, monitor the correct application of VAT, particularly on intra-Community transactions, and combat VAT fraud.
- (2) Council Directive (EU) XX/XXX⁴ [OP please insert number and year of the Council Directive amending Directive 2006/112/EC as regards VAT rules for the digital age adopted the same day as this Regulation] introduced into Council Directive 2006/112/EC⁵ digital reporting requirements ('DRR'). Those requirements oblige taxable persons identified for VAT purposes to submit to Member States information on each intra-Community supply of goods, on each intra-Community acquisition of goods and on each supply of a service that is taxable in a Member State other than the one in which the supplier is established. Member States need to exchange and process that information on intra-Community transactions to monitor the correct application of VAT and to detect fraud.

¹ OJ C , , p. .

² OJ C , , p. .

³ Council Regulation (EU) No 904/2010 of 7 October 2010 on administrative cooperation and combating fraud in the field of value added tax (OJ L 268, 12.10.2010, p. 1).

⁴ Council Directive (EU) XXX/XXXX of (OJ L., dd/mm/yy, p. X). [OP Please insert full ref.]

⁵ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1).

- (3) The existing cooperation between Member States' tax authorities is based on exchanging aggregated information between national electronic systems. The introduction of DRR aims to increase tax collection by providing transaction-by-transaction data to tax administrations in a timely manner. To make those data available to other tax administrations in an efficient manner, and to facilitate a common implementation of analysis and crosschecks, as well as a common interpretation of those analyses and crosschecks, a central system where VAT information is shared is necessary.
- (4) In order to enable Member States to fight VAT fraud more effectively, a central electronic VAT information exchange system ('central VIES') for sharing VAT information should be established. That system should receive, from national electronic systems of Member States information about intra-Community transactions as reported by the respective suppliers and acquirers in different Member States. That system should also receive from Member States the VAT identification information of taxable persons making intra-Community transactions. Furthermore, whenever data are changed, the metadata for tracking the modification time should be uploaded into the central VIES as well.
- (5) The VAT identification information of taxable persons making intra-Community transactions should be automatically updated in the central VIES without delay whenever identification information changes, except where Member States agree that such update is not pertinent, essential or useful. Such updates are necessary because the validity of the VAT identification numbers of taxable persons is subject to verification as regards the condition for exempting intra-Community supplies provided for in Article 138 of Directive 2006/112/EC. To provide a reasonable level of assurance to tax administrations with regard to the quality and reliability of such information, information on intra-Community transactions should be automatically updated in the central VIES no later than 1 day after the Member State received the information from the taxable person.
- (6) Furthermore, with regard to VAT identification information in the central VIES, Member States should adopt measures to ensure that the data provided by taxable persons for their identification for VAT purposes in accordance with Article 214 of Directive 2006/112/EC, are assessed by the respective Member State as complete and accurate. Moreover, Member States should ensure that the VAT identification number is shown as invalid in the central VIES where a taxable person fails to respect the obligations to communicate data or the economic activity is ceased.
- (7) The information on intra-Community transactions reported by the suppliers and acquirers in different Member States should be entered by each Member State into the central VIES promptly after the Member State received it. It is necessary to process the information received quickly, for technical reasons related to the data volume as well as to detect suspicious transactions and possible cases of VAT fraud early.
- (8) To assist Member States in their fight against VAT fraud and to detect fraudsters, VAT identification information and VAT information on intra-Community transactions should be retained for 5 years. That period constitutes the minimum period necessary for Member States to carry out controls effectively and investigate suspected VAT fraud or detect such fraud. It is also proportionate considering the massive volume of the intra-Community transaction information and the sensitivity of the information as commercial and personal data.

- (9) To detect mismatches in a timely manner and thereby improve the capability to fight VAT fraud, the central VIES should be able to automatically cross-check the information collected from both the supplier and acquirer through the DRR introduced by Directive (EU) XX/XXX [OP please insert number and year of the Council Directive amending Directive 2006/112/EC as regards VAT rules for the digital age adopted the same day as this Regulation⁶]. The results of such cross-checking should be made available to Member States for the appropriate follow-up.
- (10) Furthermore, to allow the central VIES to maintain the capabilities of the existing VAT information exchange system provided for in Article 17(1), point (a), of Regulation (EU) No 904/2010, it should also be able to aggregate information to provide an overview of supplies and acquisitions reported by taxable persons located in Member States. To ensure that the central VIES permits Member States to continue accessing each other's information as currently structured within the existing VAT information exchange system, the central VIES should support data aggregation.
- (11) To support the competent authorities of Member States to effect a correct assessment of VAT, monitor the correct application of VAT, combat VAT fraud, and exploit the synergies between different information systems containing VAT relevant information, the central VIES should process information received from Member States together with any information communicated or collected pursuant to Regulation (EU) No 904/2010.
- (12) Access to the information in the central VIES should be provided on a need-to-know basis. That information should not be used for other purposes than to monitor the correct application of VAT and combat VAT fraud. All users should be bound by the confidentiality rules laid down in this Regulation.
- (13) To fight VAT fraud, Member States' Eurofisc liaison officials as referred to in Article 36 of Regulation (EU) No 904/2010 should be able to access and analyse VAT information on intra-Community transactions. To monitor the correct application of VAT laws, Member States' officials who check whether the exemption of VAT for certain imported goods, which is laid down in Article 143(1), point (d), of Directive 2006/112/EC, applies, should also be able to access VAT identification information that is stored in the central VIES. Moreover, for the same reasons, Member States' competent authorities should select other officials who need to have direct access to the central VIES and grant them such access where needed. Finally, duly accredited persons of the Commission should be able to access the information contained in the central VIES, but only to the extent that such access is necessary for the development and maintenance of that system.
- (14) To investigate suspected VAT fraud and to detect such fraud, the information systems supporting the Eurofisc network in the fight against VAT fraud, including the Transaction Network Analysis system and the central electronic system of payment information ("CESOP"), should have direct access to the central VIES.
- (15) The data volume and the frequency of data transmissions to the central VIES render the automation of the information flows from the central VIES to national systems necessary. Such automation should also provide for an efficient and secure machine-to-machine communication channel, and should ensure that there is no longer a need for human intervention when accessing shared data. National electronic systems that

⁶ Council Directive (EU) XXX/XXXX of (OJ L., dd/mm/yy, p. X).

transmit information to the central VIES should therefore also have access to the information stored in that system, including the processed and aggregated information for VAT control purposes and for the fight against VAT fraud.

- (16) In order to ensure uniform conditions for the implementation of Regulation (EU) No 904/2010, implementing powers should be conferred on the Commission in respect of the tasks to be carried out by the Commission for technically managing the central VIES, the technical details concerning the identification and access of officials and electronic systems to the central VIES, the technical details and format of the information transmitted to the central VIES and the roles and responsibilities of Member States and the Commission when acting as controller and processor under Regulations (EU) 2016/679⁷ and (EU) 2018/1725⁸ of the European Parliament and of the Council. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁹.
- (17) VAT fraud is a common problem for all Member States. Member States alone do not have the information necessary to ensure that the VAT rules are correctly applied and to tackle VAT fraud. Since the objective of Regulation (EU) No 904/2010, the fight against VAT fraud, cannot be sufficiently achieved by the Member States because of the cross-border nature of the internal market, but can be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (18) Taxable persons facilitating supplies of goods or services through the use of an electronic interface may be subject to requests for records from the Member State where those supplies are taxable as referred to in Article 242a of Directive 2006/112/EC. To reduce the administrative burden and compliance costs for those taxable persons and to avoid duplication of work, the Member State of identification should coordinate such requests as much as possible. For that purpose, it is necessary to lay down a standard form for the electronic transmission of this information to Member States.
- (19) A new One-Stop-Shop ('OSS') simplification scheme is to be introduced into Directive 2006/112/EC for taxable persons who are transferring certain own goods cross-border. It is therefore necessary to integrate that new scheme in the overall framework of the VAT OSS special schemes set out in Chapter XI, Section 3, of Regulation No 904/2010. It should notably include the provision of information between the Member State from and to which the goods are transferred.

⁷ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).

⁸ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

⁹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

- (20) As the new OSS scheme is comprehensive and encompasses cross-border movements of goods that are currently covered by call-off stock arrangements in accordance with Article 17a of Directive 2006/112/EC, those arrangements have been deleted from Directive 2006/112/EC. It is necessary that that amendment of Directive 2006/112/EC is reflected in Article 21 of Regulation (EU) No 904/2010.
- (21) The abuse of Import One-Stop-Shop ('IOSS') VAT identification numbers has been identified by stakeholders as a potential risk. To better secure the correct use and the verification process of IOSS VAT identification numbers, it is necessary to extend Article 47h of Regulation (EU) No 904/2010 granting customs authorities access to information about the IOSS registered trader, which will improve the risk management and control capabilities of those customs authorities.
- (22) To enhance controls in relation to the IOSS scheme, it is necessary to add the total value of the goods imported under the IOSS scheme per IOSS identification number per Member State of consumption to Article 17(1), point (e), of Regulation (EU) No 904/2010.
- (23) The technical details, including common electronic messages, for the submission of records by the taxable persons facilitating supplies through the use of an electronic interface as referred to in Article 242a of Directive 2006/112/EC should be adopted in accordance with the comitology procedure provided for in this Regulation.
- (24) This Regulation respects the fundamental rights and observes the principles recognised by the Charter of Fundamental Rights of the European Union. In particular, this Regulation seeks to ensure full respect for the right of protection of personal data laid down in Article 8 of the Charter. In that regard, this Regulation strictly limits the amount of personal data that will be made available to the tax authorities. The processing of intra-Community transaction information pursuant to this Regulation should only occur for the purposes of this Regulation.
- (25) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU) 2018/1725 and delivered an opinion on [...]
- (26) As the implementation of the central VIES system will require new technological developments, it is necessary to defer the application of the provisions related to the central VIES to allow Member States and the Commission to develop these technologies.
- (27) Automated access to information on intra-Community transactions which have been reported via recapitulative statements is directly affecting the efficiency of VAT controls. Therefore the current VAT information exchange system provided for in Article 17(1), point (a), of Regulation (EU) No 904/2010 should be maintained for a period of time after the abolition of those recapitulative statements. Beyond that period, the relevant provisions of the current VAT information exchange system should be deleted and the information reported via recapitulative statements should still be accessible on request.
- (28) Regulation (EU) No 904/2010 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EU) No 904/2010 applicable from 1 January 2025

Regulation (EU) No 904/2010 is amended as follows:

- (1) in Article 1, paragraph 4 is replaced by the following:

‘4. This Regulation also lays down rules and procedures for the exchange by electronic means of VAT information on goods and services supplied or goods transferred in accordance with the special schemes provided for in Title XII, Chapter 6, of Directive 2006/112/EC and also for any subsequent exchange of information and, as far as goods and services covered by the special schemes are concerned, for the transfer of money between Member States' competent authorities.’;
- (2) in Article 2, paragraph 2 is replaced by the following:

‘2. The definitions contained in Articles 358, 358a, 369a, 369l and 369xa of Directive 2006/112/EC for the purposes of each special scheme shall also apply for the purposes of this Regulation.’;
- (3) in Article 17(1), points (d) and (e) are replaced by the following:
 - ‘(d) information which it collects pursuant to Articles 360, 361, 364, 365, 369c, 369f, 369g, 369o, 369p, 369s, 369t, 369xc, 369xf and 369xg of Directive 2006/112/EC;
 - (e) data on the VAT identification numbers referred to in Article 369q of Directive 2006/112/EC it has issued and per VAT identification number issued by any Member State, the total value of the imports of goods exempted under Article 143(1), point (ca), during each month, per Member State of consumption as defined in Article 369l(4) of that Directive;’;
- (4) Article 47b is replaced by the following:

‘Article 47b

1. Member States shall provide that taxable persons making use of the special scheme laid down in Title XII, Chapter 6, Section 2 of Directive 2006/112/EC provide to the Member State of identification, by electronic means, the information laid down in Article 361 of that Directive. Taxable persons making use of the special schemes laid down in Title XII, Chapter 6, Sections 3 and 5, of Directive 2006/112/EC shall provide, to the Member State of identification, by electronic means, details for their identification when their activities commence pursuant to Articles 369c and 369xc of that Directive. Any changes in the information provided pursuant to Article 361(2), Article 369c and Article 369xc of Directive 2006/112/EC shall also be submitted by electronic means.

2. The Member State of identification shall transmit the information referred to in paragraph 1 by electronic means to the competent authorities of the other Member States within 10 days from the end of the month in which the information was received from the taxable person using one of the special schemes laid down in Title XII, Chapter 6, Sections 2, 3 and 5, of Directive 2006/112/EC. The Member State of identification shall in the same manner inform the competent authorities of the other Member States of the VAT identification numbers referred to in those Sections 2, 3 and 5.

3. Where a taxable person making use of one of the special schemes laid down in Title XII, Chapter 6, Sections 2, 3 and 5, of Directive 2006/112/EC is excluded from

that special scheme, the Member State of identification shall inform the competent authorities of the other Member States thereof by electronic means and without delay.’;

- (5) Article 47d is replaced by the following:

‘Article 47d

1. Member States shall provide that the VAT return with the details set out in Articles 365, 369g, 369t and 369xg of Directive 2006/112/EC are submitted by electronic means.

2. The Member State of identification shall transmit the information referred to in paragraph 1 by electronic means to the competent authority of the Member State of consumption or the Member States from and to which the goods have been dispatched or transported at the latest 20 days after the end of the month during which the return was required to be submitted.’;

- (6) in Article 47h, the following paragraph is added:

‘For the purposes of the first paragraph, Member States shall grant competent authorities access to the information referred to in Article 369p (1) and (3) of Directive 2006/112/EC.’;

- (7) Article 47i is amended as follows:

(a) paragraph 1 is replaced by the following:

‘1. To obtain the records held by a taxable person or intermediary pursuant to Articles 369, 369k, 369x and 369xk of Directive 2006/112/EC, the Member State of consumption or the Member State from or to which the goods have been dispatched or transported shall first make a request to the Member State of identification by electronic means.’;

(b) paragraphs 4 and 5 are replaced by the following:

‘4. The Member State of identification shall transmit the records obtained by electronic means, without delay to the requesting Member State of consumption or Member State from or to which the goods have been dispatched or transported.

5. Where the requesting Member State of consumption or Member State from or to which the goods have been dispatched or transported does not receive the records within 30 days of the date of the making of the request, that Member State may take any action in accordance with its national legislation to obtain such records.’;

- (8) in Article 47j, paragraph 2 is replaced by the following:

‘2. Without prejudice to Article 7(4), if the Member State of consumption or the Member State from or to which the goods have been dispatched or transported decides that an administrative enquiry is required, it shall first consult with the Member State of identification on the need for such an enquiry.’;

- (9) in Article 47l, point (a) is replaced by the following:

‘(a) the technical details, including a common electronic message, for providing the information referred to in Articles 47b(1), 47c(1), and 47d(1), and the standard form as referred to in Article 47i(3) and Article 47m;’;

- (10) the following Chapter XIa is inserted:

‘CHAPTER XIa

PROVISIONS CONCERNING RECORD KEEPING OBLIGATIONS FOR ELECTRONIC INTERFACES FACILITATING SUPPLIES OF GOODS OR SERVICES IN ACCORDANCE WITH ARTICLE 242A OF DIRECTIVE 2006/112/EC

Article 47la

1. To obtain the records held by a taxable person pursuant to Article 242a of Directive 2006/112/EC, the Member State in which those supplies are taxable shall first make a request to the Member State in which a taxable person is identified for VAT purposes by electronic means.
2. Where the Member State in which a taxable person is identified for VAT purposes receives a request referred to in paragraph 1, that Member State shall transmit the request by electronic means and without delay to the taxable person.
3. Member States shall provide that, upon request, a taxable person submits the requested records by electronic means to the Member State in which that taxable person is identified for VAT purposes. Member States shall accept that the records may be submitted using a standard form.
4. The Member State in which that taxable person is identified for VAT purposes shall transmit the records obtained by electronic means and without delay to the requesting Member State in which those supplies are taxable.
5. Where the requesting Member State in which those supplies are taxable does not receive the records within 30 days of the date of the making of the request, that Member State may take any action in accordance with its national legislation to obtain such records.

Article 47lb

The Commission shall by means of implementing acts specify the following:

- (a) the technical details for the standard form as referred to in Article 47la(3);
- (b) the technical details, including a common electronic message, for providing the information referred to in 47la(1), (2) and (4) as well as the technical means for the transmission of this information.’;

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 58(2).’.

Article 2

Amendments to Regulation (EU) No 904/2010 applicable from 1 January 2026

Regulation (EU) 904/2021 is amended as follows:

- (1) Article 21 is amended as follows:
 - (a) paragraph 2 is amended as follows:
 - (i) point (c) is replaced by the following:
 - ‘(c) the VAT identification numbers of the persons who carried out the supplies of goods and services referred to in point (b);’;

- (ii) in point (e), the introductory words are replaced by the following:
‘the total value of the supplies of goods and services referred to in point (b) from each person referred to in point (c) to each person holding a VAT identification number issued by another Member State under the following conditions:’;

Article 3

Amendments to Regulation (EU) No 904/2010 applicable from 1 January 2028

Regulation (EU) 904/2021 is amended as follows:

- (1) in Article 2(1), points (g) and (h) are replaced by the following:
- ‘(g) ‘intra-Community supply of goods’ means any supply of goods the data of which must be submitted in accordance with Article 262 of Directive 2006/112/EC;
 - (h) ‘intra-Community supply of services’ means any supply of services the data of which must be submitted in accordance with Article 262 of Directive 2006/112/EC;’;
- (2) in Article 17(1), point (a) is replaced by the following:
- ‘(a) information which it collects pursuant to Title XI, Chapter 6, of Directive 2006/112/EC as amended by Council Directive (EU) 2022/890*;

* Council Directive (EU) 2022/890 of 3 June 2022 amending Directive 2006/112/EC as regards the extension of the application period 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 (OJ L 155, 8.6.2022, p. 1).’;

- (3) in Chapter V, the following Section 3 is inserted after Article 24f:

‘SECTION 3 Central electronic system for the exchange of VAT information’;

Article 24g

1. The Commission shall develop, maintain, host and technically manage an electronic, central VAT information exchange system (“central VIES”) for the purposes referred to in Article 1.
2. Each Member State shall develop, maintain, host and technically manage a national electronic system to automatically transmit the following information to the central VIES:
 - (a) information which it collects pursuant to Title XI, Chapter 6, Section 1, of Directive 2006/112/EC;
 - (b) information on the identity, activity, legal form and address of persons to whom it has issued a VAT identification number, collected pursuant to Article

213 of Directive 2006/112/EC, as well as the date on which that number was issued;

- (c) the VAT identification numbers the Member State has issued which have become invalid, and the dates on which those numbers became invalid;
- (d) the date and time on which the data referred to in points (a), (b) and (c) were modified;

The information referred to in point (a) shall be in conformity with the European standard on electronic invoicing and the list of its syntaxes as set out in Directive 2014/55/EU of the European Parliament and of the Council.*

The Commission shall specify by means of an implementing act the details and the format of the information listed in this paragraph. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 58(2).

3. Each Member State may store the information referred to in paragraph 2 of this Article and the information referred to in Article 24j, points (b), (c) and (d) in the national electronic system referred to in paragraph 2 of this Article.

Article 24h

1. Member States shall ensure that the information available in the central VIES is kept up-to-date, complete and accurate.

The Commission shall by means of an implementing act establish the criteria determining which changes are not pertinent, essential or useful enough to be transmitted in the central VIES. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 58(2).

2. Member States shall adopt the measures necessary to ensure that the data provided by taxable persons and non-taxable legal persons for their identification for VAT purposes in accordance with Article 214 of Directive 2006/112/EC, are, in their assessment, complete and accurate before they are transmitted to the central VIES.

Member States shall implement procedures for checking these data as determined by the results of their risk assessment. The checks shall be carried out, in principle, prior to identification for VAT purposes or, where only preliminary checks are conducted before such identification, no later than 6 months after such identification.

3. Member States shall inform the Commission and other Member States of the measures implemented at national level to ensure the quality and reliability of the information in accordance with paragraph 2.

4. Member States shall enter the information referred to in Article 24g(2) into the central VIES without delay.

The details on the acceptable technical delays shall be defined in an implementing act. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 58(2).

5. By way of derogation from paragraph 4 of the Article, the information referred to in Article 24g(2), point (a), shall be entered into the central VIES no later than one day after the collection of the information submitted by the taxable person to the competent authorities.

6. The information referred to in Article 24g(2) shall be available in central VIES for 5 years from the end of the year in which the information was transmitted to it.

Article 24i

1. Member States shall automatically update the central VIES to ensure that the VAT identification number, as referred to in Article 214 of Directive 2006/112/EC, is shown as invalid in the central VIES in the following situations:

- (a) where persons identified for VAT purposes have stated that their economic activity, as referred to in Article 9 of Directive 2006/112/EC, has ceased or where the competent authority considers that they have ceased such activity;
- (b) where persons have declared false data in order to obtain VAT identification and, had the tax administration known, the latter would have refused identification for VAT purposes or withdrawn the VAT identification number;
- (c) where persons have failed to communicate changes to their data and, had the tax administration known, the latter would have refused identification for VAT purposes or withdrawn the VAT identification number.

The situations listed in this paragraph are provided without prejudice to any national rules providing for additional situations.

2. For the purposes of paragraph 1, point (a), an economic activity shall be considered by the competent authority to be ceased in at least the following situations:

- (a) despite being required to do so, the person identified for VAT purposes has failed to submit VAT returns for 1 year after the expiry of the time limit for submitting the first return that was missed;
- (b) despite being required to do so, the person identified for VAT purposes has failed to submit the data on the intra-Community supply of goods or services for 6 months after expiry of the time limit for submitting those data.

The situations listed in this paragraph are provided without prejudice to any national rules providing for additional situations.

Article 24j

The central VIES shall have the following functions with regard to information received in accordance with Article 24g(2) of this Regulation:

- (a) to store the information referred to in points (b), (c) and (d) of this Article and Article 24g(2) of this Regulation ;
- (b) to cross-check the information on intra-Community supplies and acquisitions collected pursuant to Title XI, Chapter 6, Section 1, of Directive 2006/112/EC;
- (c) to aggregate information in respect of persons to whom a VAT identification number was issued and collected pursuant to Article 213 of Directive 2006/112/EC and make the following details accessible to the officials or electronic systems referred to in Article 24k:
 - (i) the total value of all intra-Community supplies of goods and the total value of all intra-Community supplies of services to persons holding a

- VAT identification number issued by a Member State by all operators identified for the purposes of VAT in each other Member State;
- (ii) the VAT identification numbers of the persons who carried out the supplies of goods and services referred to in point (i);
 - (iii) the total value of the supplies of goods and services referred to in point (i) from each person referred to in point (ii) to each person holding a VAT identification number issued by a Member State;
 - (iv) the total value of the supplies of goods and services referred to in point (i) from each person referred to in point (ii) to each person holding a VAT identification number issued by another Member State;
- (d) to process information, together with any information communicated or collected pursuant to this Regulation;
 - (e) to make the information referred to in Article 24g(2) and in points (b), (c) and (d) of this Article accessible to the officials or electronic systems referred to in Article 24k.

Article 24k

1. Each Member State shall grant automated access to the central VIES to:
 - (a) officials who are authorised by the competent authority of that Member State to directly access information in the central VIES;
 - (b) Eurofisc liaison officials, as referred to in Article 36(1), who hold a personal user identification for the central VIES and where that access is in connection with an investigation into suspected VAT fraud or is to detect VAT fraud;
 - (c) officials of that Member State that check the requirements provided for in Article 143(2) of Directive 2006/112/EC.
2. Each Member State shall grant automated access to the central VIES to:
 - (a) national electronic systems of that Member State that check the requirements provided for in Article 143(2) of Directive 2006/112/EC;
 - (b) national electronic systems, as referred to in Article 24g(2), for the purposes referred to in Article 1(1), second paragraph, of this Regulation;
 - (c) the central electronic system of payment information referred to in Article 24a ('CESOP');
 - (d) the electronic systems carrying out swift exchange, processing and analysis of targeted information on cross-border fraud by Eurofisc.
3. The Commission shall specify by means of an implementing act the following:
 - (a) the practical arrangements for the identification of the officials and electronic systems referred to in paragraphs 1 and 2;
 - (b) the technical details concerning the access of the officials and electronic systems referred to in paragraphs 1 and 2 to the information referred to in Article 24j, points (a) to (d).

That implementing act shall be adopted in accordance with the examination procedure referred to in Article 58(2).

Article 24l

1. The costs of establishing, operating and maintaining the central VIES shall be borne by the general budget of the Union. These costs shall include those of the secure connection between the central VIES and the national electronic systems referred to in Article 24g(2), and those of the services necessary to carry out the capabilities which are listed in Article 24j.
2. Each Member State shall bear the costs of and shall be responsible for all necessary developments to its national electronic system referred to in Article 24g(2) to permit the exchange of information using the CCN network or any other similar secure network.

Article 24m

The Commission shall specify by means of implementing acts the following:

- (a) the tasks to be carried out by the Commission for the technical management of the central VIES;
- (b) the roles and responsibilities of Member States as controllers and the Commission as processor under Regulation (EU) 2016/679 and Regulation (EU) 2018/1725 of the European Parliament and of the Council.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 58(2).

* Directive 2014/55/EU of the European Parliament and of the Council of 16 April 2014 on electronic invoicing in public procurement (OJ L 133, 6.5.2014, p. 1).

± Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).’;

Article 4

Amendments to Regulation (EU) 904/2010 applicable from 1 January 2030

Regulation (EU) 904/2010 is amended as follows:

- (1) in Article 17(1), points (a), (b) and (c) are deleted;
- (2) Article 20 is amended as follows:
 - (a) paragraph 2 is deleted;
 - (b) paragraph 3 is replaced by the following:
 - ‘3. By way of derogation from paragraph 1, of this Article, where information is to be corrected in, or added to, the electronic system pursuant to Article 19, the information must be entered no later than 1 month after the period in which it was collected.’;
- (3) Article 21 is amended as follows:

(a) paragraph 3 is replaced by the following:

'3. The Commission shall determine by means of implementing acts the practical arrangements as regards the conditions provided for in paragraph 2a, point (d), of this Article in order to enable the Member State providing the information to identify the Eurofisc liaison official accessing the information. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 58(2).';

(c) paragraphs 1a and 2 are deleted;

(4) Articles 22 and 23 are deleted;

(5) in Article 31, paragraph 1 is replaced by the following:

'1. The competent authorities of each Member State shall ensure that persons involved in the intra-Community supply of goods or of services and non-established taxable persons supplying services, are allowed to obtain, for the purposes of such transactions, confirmation by electronic means of the validity of the VAT identification number of any specified person as well as the associated name and address. That information shall correspond to the data referred to in Article 24g(2).';

Article 5

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

Article 1, shall apply from 1 January 2025.

Article 2 shall apply from 1 January 2026.

Article 3 shall apply from 1 January 2028.

Article 4 shall apply from 1 January 2030.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Council
The President*