

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

9741/79 (Presse 122)

600th meeting of the Council

- Tax Questions -

Luxembourg, 16 October 1979

President: Mr Ray MacSHARRY  
Minister of State,  
Department of the  
Public Service of Ireland

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Marc LEPOIVRE Deputy Permanent Representative

Denmark:

Mr Jakob Esper LARSEN Deputy Permanent Representative

Germany:

Mr Guenter OBERT State Secretary  
Federal Ministry of Finance

France :

Mr Pierre BERNARD-REYMOND State Secretary  
Ministry of Foreign Affairs

Ireland:

Mr Ray MacSHARRY Minister of State, Department  
of the Public Service of  
Ireland

Mr Sean FITZGERALD Deputy Secretary-General,  
Ministry of Finance

Italy :

Mr Francesco REVIGLIO Minister of Finance

## MUTUAL ASSISTANCE ON VAT

The Council recorded its agreement to the texts of two Directives concerning mutual assistance of the tax authorities of the Member States on VAT. These two Directives mark significant progress in connection with the measures already taken to combat tax fraud and evasion on a Community scale.

### Assessment of VAT

Under the Directive of 19 December 1977, the tax authorities of Member States are empowered to co-operate in the field of direct taxation. The first Directive to which the Council recorded its agreement extends mutual assistance to the assessment of VAT.

### Recovery of VAT

The aim of the second Directive to which the Council recorded its agreement is to extend to the recovery of VAT the Council Directive of 15 March 1976 on mutual assistance for the recovery of claims resulting from operations forming part of the system of financing the EAGGF, and agricultural levies and customs duties.

TENTH DIRECTIVE ON VAT

The Council held a policy debate on the proposal for a tenth Directive on VAT, the aim of which is to clarify the provisions of the sixth Directive on VAT relating to the place where a service is provided in the case of hiring out of moveable tangible property.

At the close of this exchange of views, the Council requested the Permanent Representatives Committee to examine this matter further, particularly in the light of the Opinion expected from the European Parliament.

EXCISE DUTIES ON ALCOHOLIC BEVERAGES

The Council held an exchange of views on the Commission proposals relating to the harmonization of excise duties on wine, beer and alcohol.

Winding up, the Council instructed the Permanent Representatives Committee to continue its work in the light of this discussion.

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NOTE BIO(79)318 AUX BUREAUX NATIONAUX  
CC AUX MEMBRES DU GROUPE, A M. BURGHARDT, DG I ET A M. LECOMTE,  
DG VIII

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PREPARATION CONSEIL FISCAL DU 16.10.79 A LUXEMBOURG(M. LILLIS)  
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CE CONSEIL EST LE PREMIER, DEPUIS MAI 1977, A ETRE ENTIEREMENT  
CONSACRE AUX QUESTIONS FISCALES. A L'ORDRE DU JOUR IL Y A  
QUATRE PROJETS DE DIRECTIVES TVA ET LES PROJETS DE DIRECTIVES  
POUR L'HARMONISATION DES ACCISES SUR LES BOISSONS ALCOOLISEES.

LES QUATRE PROJETS DE DIRECTIVES DANS LE DOMAINE DE LA TVA SONT:

- PROPOSITION DE DIRECTIVE DU CONSEIL CONCERNANT L'ASSISTANCE  
MUTUELLE EN CE QUI CONCERNE L'ASSIETTE DE LA TVA. CETTE PRO-  
POSITION EST DESTINEE A ETENDRE LE CHAMPS D'APPLICATION DE LA  
DIRECTIVE DU CONSEIL DU 19 DECEMBRE 1977 CONCERNANT L'ASSISTANCE  
MUTUELLE DES AUTORITES COMPETENTES DES ETATS MEMBRES DANS LE  
DOMAINE DES IMPOTS DIRECTS OU DOMAINE DE LA TVA.

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- PROPOSITION DE DIRECTIVE DU CONSEIL CONCERNANT L'ASSISTANCE  
MUTUELLE DANS LE DOMAINE DU RECOUVREMENT DE LA TVA. CETTE  
PROPOSITION EST DESTINEE AUSSI A ETENDRE AU DOMAINE DE LA  
TVA LE CHAMPS D'APPLICATION DE LA DIRECTIVE DU CONSEIL DU 15  
MARS 1976 CONCERNANT L'ASSISTANCE MUTUELLE DE RECOUVREMENT DES  
CREANCES RESULTANTES D'OPERATIONS FAISANT PARTIE DU SYSTEME  
DE FINANCEMENT DU FEOGA AINSI QUE DE PRELEVEMENTS AGRICOLES  
ET DE DROITS DE DOUANE.

- PROJET D'UNE HUITIEME DIRECTIVE DU CONSEIL EN MATIERE  
D'HARMONISATION DES LEGISLATIONS DES ETATS MEMBRES RELATIVES  
AUX TAXES SUR LE CHIFFRE D'AFFAIRE - MODALITES DE REMBOURSEMENT  
DE LA TAXE SUR LA VALEUR AJOUTEE AUX ASSUJETTIS NON ETABLIS A  
L'INTERIEUR DU PAYS.

PROJET D'UNE DIXIEME DIRECTIVE DU CONSEIL EN MATIERE  
D'HARMONISATION DE LEGISLATIONS DES ETATS MEMBRES RELATIVES  
AUX TAXES SUR LE CHIFFRE D'AFFAIRES, COMPLETANT LA SIXIEME  
DIRECTIVE DU CONSEIL DU 17 MAI 1977 RELATIVE AUX TAXES SUR LE  
CHIFFRE D'AFFAIRES - APPLICATION DE LA TAXE SUR LA VALEUR  
AJOUTEE AUX LOCATIONS DE BIENS MEUBLES CORPORELS.

DANS LE DOMAINE DES ACCISES SUR LES BOISSONS ALCOOLISEES, VOUS  
SAVEZ QUE LA COMMISSION A PRESENTE AU CONSEIL EN 1977 UNE  
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LILLIS PP/X

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M. SANTARELLI

COMMUNICATION DANS LAQUELLE ELLE SUGGERAIT DE PROCEDER PAR QUATRE ETAPES PLUTOT QUE D'ESSAYER D'HARMONISER TOUS LES DROITS D'ACCISES GLOBALEMENT, APRES DISCUSSION AU COMITE DES REPRESENTANTS PERMANENTS. IL ETAIT CONVENU DE CONCENTRER LES TRAVAUX SUR TROIS PROPOSITIONS SPECIFIQUES, A SAVOIR LES PROPOSITIONS DE DIRECTIVES CONCERNANT L'ALCOOL, LA BIERE ET LE VIN.

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CE CONSEIL SERA NATURELLEMENT LE PREMIER CONSEIL AUQUEL CES PROPOSITIONS SERONT DISCUTEES. LES ACCISES SUR LES BOISSONS ALCOOLISEES CONSTITUENT UNE SOURCE DE REVENUE IMPORTANTE; ELLES SONT D'UNE GRANDE IMPORTANCE AUX INDUSTRIES ET AUX PRODUCTEURS AGRICOLES IMPLIQUES; ELLES IMPLIQUENT DES PROBLEMES SOCIAUX DIFFICILES ET SONT TECHNIQUEMENT COMPLEXES. DANS CES CIRCOMSTANCES ON NE POURRAIT TROP ESPERER ARRIVER A UN ACCORD TOTAL SUR TOUTES CES PROPOSITIONS A L'OCCASION DE LA PREMIERE FOIS QU'ON EN DISCUTE MAIS LA COMMISSION S'ATTEND A UN ECHANGE DE VUES FRUCTUEUX QUI AURA COMME EFFET DE DONNER AUX AFFAIRES EN COURS DANS CE DOMAINE UN ELAN POLITIQUE SUPPLEMENTAIRE.

(CORRIGENDUM: AU PREMIER PARAGRAPHE, 3EME LIGNE APRES TVA LIRE: UNE COMMUNICATION DE LA COMMISSION SUR L'HARMONISATION; FIN DEUXIEME PARAGRAPHE LIRE : AU DOMAINE DE LA TVA.)

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AMITIES

M. SANTARELLI COMEUR 12H30

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BRUXELLES 16.10.79

NOTE BIO (79) 318 (SUITE 1) AUX BUREAUX NATIONAUX  
C.C. AUX MEMBRES DU GROUPE ETC.

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FISCAL COUNCIL, LUXEMBOURG, 16 OCTOBRE

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SITUATION AT 1 P.M.  
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THE COUNCIL HAS ADOPTED IN PRINCIPLE THREE DRAFT DIRECTIVES  
ON THE VAT:

VAT-MUTUAL ASSISTANCE ( 2 DIRECTIVES)

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THE PROPOSALS ON THE EXTENSION OF THE COMMUNITY'S MUTUAL ASSIS-  
TANCE SYSTEM TO VAT CONCERN, ON THE ONE HAND, THE EXCHANGE  
OF INFORMATION BETWEEN THE MEMBER STATES ENABLING THE CORRECT  
ASSESSMENT OF VAT, AND, ON THE OTHER, THE EMPLOYMENT OF THE  
PROCEDURES OF ONE MEMBER STATE FOR THE RECOVERY OF VAT DUE  
IN ANOTHER MEMBER STATE.

IN BRINGING BOTH ASSESSMENT AND RECOVERY INTO PLAY THE DIRECTI-  
VES ARE DESIGNED TO REINFORCE THE MEMBER STATES IN THEIR FIGHT  
AGAINST FRAUD AND EVASION IN THE VAT FIELD.

BESIDES ITS GENERAL INTEREST IN PROMOTING CO-OPERATION BETWEEN  
THE MEMBER STATES IN THIS AREA, THE COMMUNITY IS OF COURSE  
VITALLY CONCERNED THAT THE VAT SYSTEM OPERATES PROPERLY IN THE  
MEMBER STATES BECAUSE OF ITS 'OWN RESOURCES' INTEREST IN THIS  
TAX.

VAT - 8TH DIRECTIVE

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THE PROPOSAL FOR AN 8TH VAT DIRECTIVE AIMS AT ESTABLISHING COMMON  
ARRANGEMENTS FOR THE REFUND OF VAT TO TAXABLE PERSONS NOT ESTABLISHED  
IN A COMMUNITY COUNTRY IN WHICH THE VAT IS INCURRED. THE  
PRINCIPLE OF SUCH REFUNDS IS LAID DOWN BY THE 6TH VAT DIRECTIVE.  
THE MAIN IMPACT OF THE PROPOSAL WILL BE FELT BY FIRMS WHO  
ARE IN THE COURSE OF EXPANDING THEIR BUSINESSES WITHIN THE  
COMMUNITY AND BY INTERNATIONAL CARRIERS. THESE ENTERPRISES ARE  
CURRENTLY EXPERIENCING A WIDE DIVERGENCE OF TREATMENT UNDER THE  
VARIOUS ARRANGEMENTS IN OPERATION WITHIN THE MEMBER STATES.

A SUIVRE.

REGARDS,

M. LILLIS

16.10.79

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CONNEXION AVEC ORDINATEUR

NO. REF.: 113120

BRUXELLES, LE 16.10.79

REF NR 113296/LAB

NOTE BIO (79) 318 (SUITE 2 ET FIN) AUX BUREAUX NATIONAUX  
C.C. AUX MEMBRES DU GROUPE ETC.

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FISCAL COUNCIL, LUXEMBOURG, 16 OCTOBRE 1979

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10TH DRAFT DIRECTIVE ON VAT

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THE PROPOSAL FOR A 10TH VAT DIRECTIVE AIMS AT COMPLETING THE PROVISIONS OF THE 6TH VAT DIRECTIVE IN THE AREA OF THE HIRING OUT OF MOVABLE TANGIBLE PROPERTY. CERTAIN MEMBER STATES HAVE BEEN EXPERIENCING DIFFICULTY IN THE APPLICATION OF THE PROVISIONS OF THE 6TH VAT DIRECTIVE TO THIS TYPE OF TRANSACTION AND THE PROPOSAL FOR A 10TH DIRECTIVE IS DESIGNED TO SOLVE THESE PROBLEMS AND INTRODUCE AN OVERALL CLARITY INTO THIS FIELD WITHIN THE CONTEXT OF ARTICLE 9 OF THE 6TH DIRECTIVE.

THE COMMISSION WAS REQUESTED BY THE COUNCIL TO GIVE FURTHER STUDY TO ASPECTS OF ITS PROPOSAL. THE COUNCIL UNDERTOOK TO CONSIDER THE PROPOSAL AGAIN AT AN EARLY DATE.

EXCISE DUTIES ON ALCOHOLIC DRINKS

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AS FORECAST IN OUR PREPARATORY BRIEFING, THE COUNCIL TOOK NO DECISION ON THE COMMISSION'S PROPOSALS.

REGARDS,  
M.LILLIS

16.10.79

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