4. Are corrugated clips with rounded tips connected by means of a pin included in subheading 7317 00 90 of the Combined Nomenclature in Annex I to Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff?

(1) OJ 1987 L 256, p. 1.
(2) OJ 2001 L 211, p. 1.

**Reference for a preliminary ruling from the Latvijas Republikas Augstākās tiesas Senāta Administratīvo lietu departaments (Republic of Latvia) lodged on 9 November 2011 — SIA Forvards V v Valsts ieņēmumu dienests**

**(Case C-563/11)**

(2012/C 13/17)

*Language of the case: Latvian*

**Referring court**

Augstākās tiesas Senāta

**Parties to the main proceedings**

*Applicant:* SIA Forvards V

*Defendant:* Valsts ieņēmumu dienests

**Questions referred**

1. Must Article 17(2)(a) of the Sixth Directive (1) be interpreted as meaning that the right to deduct value added tax paid when goods are purchased can be denied to a taxable person who fulfils all the essential requirements for deduction of value added tax, without any abusive conduct on his part having been demonstrated, when the other party to the transactions was not able to effect the supply of the goods for factual or legal reasons (the other party to the transaction is fictitious or the person responsible for it denies the existence of any economic activity or of a specific transaction and that person has no capacity to fulfil the contract)?

2. May a refusal to recognise the right to deduct value added tax be based as such on the circumstance that the other party to the transaction (the person indicated on the invoice) is considered fictitious (that is to say, his transaction does not relate to an economic activity)? Can the right to deduct input tax also be denied where no abusive practice on the part of the applicant for deduction of the input tax has been ascertained?

(1) Sixth Council Directive 77/388/EEC of 17 May 1977 on the harmonization of the laws of the Member States relating to turnover taxes — Common system of value added tax: uniform basis of assessment (OJ 1977 L 145, p. 1)