II

(Acts adopted under the EC Treaty/Euratom Treaty whose publication is not obligatory)

DECISIONS

COUNCIL

COUNCIL DECISION

of 30 January 2007

authorising Romania to apply a reduced rate of VAT to certain labour-intensive services referred to in Article 106 of Directive 2006/112/EC

(2007/50/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the 2005 Treaty of Accession [1], and in particular Article 4(3) thereof,

Having regard to the 2005 Act of Accession [2], and in particular Article 55 thereof,

Having regard to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax [3], and in particular Article 106 thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) The Council may authorise Member States to apply a reduced rate of VAT to certain labour-intensive services, which must meet the conditions provided for in Directive 2006/112/EC and be included in the list given in Annex IV thereto.

(2) Directive No 2006/112/EC extended the period of application of the reduced rates of VAT until 31 December 2010. It enables Member States, both those wishing to avail themselves for the first time of the facility provided for, and those wishing to change the list of services to which they have applied the said provision in the past, to submit their request to the Commission.

(3) This is intended to make it possible for all Member States to take part under the same conditions in the trial of reduced rates for labour-intensive services. It is therefore appropriate to grant the acceding States, from their accession to the European Union, the same possibility of applying a reduced rate of VAT to certain labour-intensive services.

(4) By letter dated 31 March 2006, Romania submitted a request to apply a reduced rate of VAT to certain labour-intensive services covered by the said trial.

(5) To ensure equality among the Member States, this Decision should apply from the date of entry into force of the Treaty of Accession of Bulgaria and Romania.

(6) This Decision will have no impact on the Communities' own resources derived from VAT,

HAS ADOPTED THIS DECISION:

Article 1

Under Article 55 of the 2005 Act of Accession, read in conjunction with Articles 106 and 108 of Directive 2006/112/EC, Romania is authorised to apply, from the entry into force of the 2005 Treaty of Accession until 31 December 2010, the reduced rates provided for in Article 98 to the following services, referred to in points 1 and 4 of Annex IV to Directive 2006/112/EC:

[1] OJ L 157, 21.6.2005, p. 11.
[2] OJ L 157, 21.6.2005, p. 203.
[3] OJ L 347, 11.12.2006, p. 1. Directive as amended by Directive No 2006/138/EC (OJ L 384, 29.12.2006, p. 92).

(a) minor services of repairing clothing and household linen (including mending and alteration);

(b) domestic care services.

Article 2

This Decision shall apply from the date of entry into force of the 2005 Treaty of Accession, and shall cease to have effect on 31 December 2010.

Article 3

This Decision is addressed to Romania.

Done at Brussels, 30 January 2007.

For the Council
The President
P. STEINBRÜCK