

Article 1 (1) to a doctor who has not completed the training referred to in Article 2 but holds an equivalent specialist qualification. The Committee is a little concerned that if the system is too liberal and flexible it might allow individual Member States to go against the philosophy underpinning specific training in general medicine, as set out in the third, fourth, fifth and sixth recitals. The aim of the proposal is to produce a general practitioner able to offer increasingly appropriate, high quality treatment, especially in preventive medicine. It seems unlikely that specialists in other fields would be able to provide such a service; although highly

skilled in their own discipline, they might not be suited to the specific duties of a family doctor.

It is therefore proposed that the second indent of Article 4 (1) be reworded to read as follows:

*'the diploma issued attests to a level of skill equivalent to that reached on completion of the training referred to in Article 2 and to detailed knowledge of the health problems connected with the living environment and with the preservation of the health of the individual as a whole.'*

Done at Brussels, 3 July 1985.

*The Chairman*  
*of the Economic and Social Committee*  
Gerd MUHR

**Opinion on the proposal for an 18th Council Directive on the harmonization of the laws of the Member States relating to turnover taxes – abolition of certain derogations provided for in Article 28 (3) of Directive 77/388/EEC – common system of value added tax <sup>(1)</sup>**

(85/C 218/06)

**Procedure**

On 18 December 1984 the Council decided to consult the Economic and Social Committee, under Article 100 of the Treaty establishing the European Economic Community, on the abovementioned proposal.

The Section for Economic and Financial Questions, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 23 April 1985 in the light of the oral report by Mr Broicher.

At its 228th plenary session (meeting of 3 July 1985) the Economic and Social Committee adopted the following opinion by a majority vote with five abstentions:

**1. General comments**

The Committee welcomes the Commission proposal, the implementation of which will not only lead to further harmonization of the Member States' laws relating to turnover taxes, but will also facilitate the calculation of Community own resources, a process at present considerably impeded by the existence of variations. Hitherto, where exemptions have been allowed, special calculations have been required which are both labour-intensive and approximate in their results.

The Committee feels, however, that the implementation of some of the proposed measures could be brought forward

and that in the interests of uniform and fair taxation a number of significant alterations are required to Article 28 of the Sixth EEC Directive on the harmonization of the laws of the Member States relating to turnover taxes.

**2. Specific comments**

*Sixth Directive, Article 1, Annex E, point 2*

It seems unjustifiable that dental technicians' services and the supply of dental prostheses should be tax-exempt, whilst similar services performed by doctors or the supply of other prostheses such as artificial limbs or hearing aids are taxed.

<sup>(1)</sup> OJ No C 347, 29. 12. 1984, p. 3.

The essential thing is to ensure uniform treatment, i.e. either all supplies or services of similar type should be taxed, or none of them.

The Committee recommends that the arrangements outlined in point 2 of Annex E should be incorporated into the 19th Directive, thus amending the Sixth Directive by providing for the exemption from tax with effect from 1 January 1988 of other services performed by doctors and other suppliers of prostheses.

*Article 1, Annex E, point 7*

The Committee considers that from 1 January 1988 services performed by public radio and television bodies should be exempted from tax, notwithstanding the fiscal implications for two Member States.

*Article 1, Annex E, point 11*

The Committee considers that harmonization of the turnover tax provisions for supplies of buildings that are not newly constructed cannot be postponed indefinitely.

*Article 1, Annex E, point 15*

Equal treatment of travel agents' services with respect to turnover taxes can be achieved by across the board taxation as well as by the extension of exemptions. Given the tax

situation in the social and health spheres, for example, across the board taxation seems more appropriate. In this case the amendment proposed in Article 28 (3) (g) would become inoperative.

*Article 2, Annex F, points 1, 2 and 9*

The Committee recommends that taxation of these items be brought forward to 1 January 1986, as there seem to be no compelling grounds for the further postponement of harmonization.

*Article 2, Annex F, points 13 and 15*

The Committee suggests that the management of credits and credit guarantees by third parties and transactions concerning the safekeeping and management of securities should continue to be tax-exempt. Otherwise considerable demarcation difficulties would in practice arise with regard to the management of credits and credit guarantees, in view of the continuing and necessary exemption of the arranging of credit and the issue of loans on a trust basis. As in the case of other typical banking services, the exemption of the safekeeping and management of securities is necessary basically for social reasons. The taxation of safekeeping and management fees would, in particular, be inappropriate where shares and other securities evidencing equity participation are deposited. This would run directly counter to the Commission's efforts to improve the equity situation of Community companies through tax incentives.

Done at Brussels, 3 July 1985.

*The Chairman  
of the Economic and Social Committee*  
Gerd MUHR

**Opinion on the proposal for a 19th Council Directive on the harmonization of the laws of the Member States relating to turnover taxes, amending Directive 77/388/EEC – common system of value added tax <sup>(1)</sup>**

(85/C 218/07)

#### Procedure

On 18 December 1984 the Council, acting pursuant to Article 100 of the EEC Treaty, asked the Economic and Social Committee for an opinion on the abovementioned proposal.

<sup>(1)</sup> OJ No C 347, 29. 12. 1984, p. 5.