

Tuesday 24 November 2009

Common system of value added tax *

P7_TA(2009)0075

European Parliament legislative resolution of 24 November 2009 on the draft Council directive amending various provisions of the VAT Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (10893/2009 – C7-0002/2009 – 2007/0238(CNS))

(2010/C 285 E/24)

(Consultation procedure – renewed consultation)

The European Parliament,

- having regard to the Council draft (10893/2009),
 - having regard to the Commission proposal to the Council (COM(2007)0677),
 - having regard to its position of 8 July 2008 ⁽¹⁾,
 - having regard to Article 93 of the EC Treaty, pursuant to which the Council again consulted Parliament (C7-0002/2009),
 - having regard to Rules 55 and 59(3) of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs (A7-0055/2009),
1. Approves the Council draft as amended;
 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Calls on the Council to consult Parliament again if it intends to amend the draft substantially or replace it with another text;
 5. Instructs its President to forward its position to the Council and the Commission.

⁽¹⁾ Texts adopted, P6_TA(2008)0319.

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COUNCIL DRAFT

AMENDMENT

Amendment 1**Draft directive – amending act
Recital 8**

(8) In the context of their accession, Bulgaria and Romania were authorised to grant a tax exemption to small enterprises and to continue applying a VAT exemption to the international transport of passengers. For purposes of clarity and consistency, *these exemptions should be incorporated into the Directive itself.*

(8) In the context of their accession, Bulgaria and Romania were authorised to grant a tax exemption to small enterprises and to continue applying a VAT exemption to the international transport of passengers. For *the* purposes of clarity and consistency, *those* exemptions should be incorporated into the Directive itself. ***The legality and necessity of those exemptions should be reviewed at least every two years.***

Amendment 2**Draft directive – amending act
Recital 9**

(9) Regarding the right of deduction, the basic rule is that this right arises only in so far as the goods and services are used by a taxable person for the purposes of ***his business activity***. This rule should be clarified and strengthened with respect to the supply of immovable property ***and expenditure relating thereto*** in order to ensure that taxable persons are *dealt with* in an identical manner whenever immovable goods that they use for their business activity are not used exclusively for purposes related to that activity.

(9) Regarding the right of deduction, the basic rule is that this right arises only in so far as the goods and services are used by a taxable person for the purposes of ***the transactions of that person which give rise to a right of deduction***. That rule should be clarified and strengthened with respect to the supply of immovable property in order to ensure that taxable persons are *treated* in an identical manner whenever immovable goods that they use for their business activity are not used exclusively for purposes related to that activity. ***Consequently, the initial exercise of the right of deduction should be limited to that use which results in transactions giving rise to a right of deduction when the tax becomes chargeable.***

Amendment 3**Draft directive – amending act
Recital 10**

(10) ***Whilst*** immovable property and related expenditure account for the most significant cases where clarification and strengthening of the rule is appropriate, given the value and economic lifetime of such property and the fact that mixed use of this type of property is a common practice, ***it is nevertheless appropriate, in accordance with the principle of subsidiarity, to authorise Member States to apply the same rule to movable goods with a durable nature and forming part of the business assets.***

(10) ***Since*** immovable property and related expenditure account for the most significant cases where clarification and strengthening of the rule is appropriate, given the value and economic lifetime of such property and the fact that mixed use of this type of property is a common practice, ***the initial right of deduction should be applied to immovable property supplied to the taxable person and important services relating thereto, which, by virtue of their economic value, can be assimilated to the acquisition of immovable property. Conversely, minor repairs or improvements of limited economic significance should be excluded from the scope of the rule.***

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COUNCIL DRAFT

AMENDMENT

Amendment 4**Draft directive – amending act
Recital 11**

(11) With a view to ensuring an equitable deduction system for taxable persons in the context of the new rules, an adjustment system in accordance with the **other** rules on adjustment of deductions should be provided for which takes into account changes in the business and non-business use of the property concerned.

(11) With a view to ensuring an equitable deduction system for taxable persons in the context of the new rules, an adjustment system in accordance with the rules on adjustment of deductions should be provided for which takes into account changes in the business and non-business use of the property concerned **for a period corresponding to the existing adjustment period for immovable property acquired as capital goods.**

Amendment 5**Draft directive – amending act
Article 1 – point 12
Directive 2006/112/EC
Article 168 a – paragraph 1**

1. In the case of immovable property forming part of the business assets of a taxable person and used both for purposes of the taxable person's business and for his private use or that of his staff, or, more generally, for purposes other than those of his business, **VAT on expenditure related to this property shall be deductible in accordance with the principles set out in Articles 167, 168, 169 and 173 only up to the proportion of the property's use for purposes of the taxable person's business.**

1. In the case of immovable property forming part of the business assets of a taxable person and used both for purposes of the taxable person's business and for his private use or that of his staff, or, more generally, for purposes other than those of his business, **the initial exercise of the right of deduction arising when the tax becomes chargeable shall be limited to the proportion of the property's effective business use for transactions giving rise to a right of deduction.**

By way of derogation from Article 26, the changes in the proportion of use of immovable property referred to in the first subparagraph shall be taken into account in accordance with the **principles** provided for in **Articles 184 to 192 as applied in the respective Member State.**

By way of derogation from Article 26, the changes in the proportion of use of immovable property referred to in the first subparagraph shall be taken into account in accordance with the **conditions** provided for in **Articles 187, 188, 190 and 192 for adjusting the initial exercise of the right of deduction.**

The changes referred to in the second subparagraph shall be taken into account during the period defined by the Member States under Article 187(1) for immovable property acquired as capital goods.

Amendment 6**Draft directive – amending act
Article 1 – point 12
Directive 2006/112/EC
Article 168 a – paragraph 2**

2. **Member States may also apply paragraph 1 in relation to VAT on expenditure related to other goods forming part of the business assets as they specify.**

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COUNCIL DRAFT

AMENDMENT

Amendment 7**Draft directive – amending act
Article 1 a (new)****Article 1a****Evaluation**

The Commission shall evaluate to which extent it would be appropriate to authorise Member States to apply Article 168a(1) of Directive 2006/112/EC, and the general adjustment rules under Articles 184 to 192 thereof, to movable goods that have a durable nature and that form part of the business assets. Any legislative proposal in that respect shall aim to harmonise the applicable rules in order to eliminate, to the greatest extent possible, factors that could distort competition, with a view to ensuring the proper functioning of the internal market. Such a legislative proposal shall be accompanied by an independent impact assessment, taking negative and positive aspects into account.

Amendment of Annexes II and III to the OSPAR Convention *

P7_TA(2009)0076

European Parliament legislative resolution of 24 November 2009 on the proposal for a Council decision concerning the approval on behalf of the European Community, of the Amendments of Annex II and Annex III to the Convention for the protection of the marine environment of the North-East Atlantic (OSPAR Convention) in relation to the storage of carbon dioxide streams in geological formations (COM(2009)0236 – C7-0019/2009 – 2009/0071(CNS))

(2010/C 285 E/25)

(Consultation procedure)

The European Parliament,

- having regard to the proposal for a Council decision (COM(2009)0236),
- having regard to Articles 175(1) and 300(2), first subparagraph, of the EC Treaty,
- having regard to Article 300(3), first subparagraph, of the EC Treaty, pursuant to which the Council consulted Parliament (C7-0019/2009),
- having regard to Rules 55 and 90(8) of its Rules of Procedure,
- having regard to the report of the Committee on the Environment, Public Health and Food Safety (A7-0051/2009),