

Case C-452/03

RAL (Channel Islands) Ltd and Others

v

Commissioners of Customs & Excise

(Reference for a preliminary ruling from the High Court of Justice of England and Wales, Chancery Division)

(VAT — Sixth Directive — Article 9(1) and (2) — Slot gaming machines — Entertainment or similar activities — Supplier of services established outside the territory of the Community — Determination of the place where services are supplied)

Opinion of Advocate General Poiares Maduro delivered on 27 January 2005 I - 3949
Judgment of the Court (First Chamber), 12 May 2005 I - 3972

Summary of the Judgment

Tax provisions -- Harmonisation of laws -- Turnover taxes -- Common system of value added tax -- Supply of services -- Determination of the place of fiscal connection --

Entertainment or similar activities — Meaning — Making available to the public, for consideration, slot gaming machines installed in entertainment arcades — Included
(Council Directive 77/388, Art. 9(2)(c))

The supply of services consisting of enabling the public to use, for consideration, slot gaming machines installed in amusement arcades established in the territory of a Member State must be regarded as constituting entertainment or similar activities within the meaning of the first indent of Article 9(2)(c) of Sixth Directive 77/388 on the harmonisation of the laws of the Member States relating to turnover taxes, so that the place where those services are supplied is the place where they are physically carried out.

their part, given that the possibility of losing is indeed an essential component of the sort of entertainment sought by those users. Application of the rule of the place where services are deemed to be supplied laid down by the first indent of Article 9(2)(c) cannot, moreover, be precluded on the ground that the recipients of the services concerned are final consumers, because the scope of application of that provision is not restricted to supplies of services between taxable persons.

The principal objective of the activity referred to above is the entertainment of slot machine users and not financial gain on

(see paras 31, 33-34, operative part)