



Reports of Cases

Case C-665/16

Minister Finansów
v
Gmina Wrocław

(Request for a preliminary ruling from the Naczelny Sąd Administracyjny)

(Reference for a preliminary ruling — Value added tax (VAT) — Directive 2006/112/EC — Article 2(1)(a) — Supply of goods for consideration — Article 14(1) — Transfer of the right to dispose of tangible property as owner — Article 14(2)(a) — Transfer of the ownership of property belonging to a municipality to the Public Treasury in return for the payment of compensation for the purposes of the construction of a national road — Concept of ‘compensation’ — Transaction subject to VAT)

Summary — Judgment of the Court (Seventh Chamber), 13 June 2018

- Harmonisation of fiscal legislation — Common system of value added tax — Taxable transactions — Supply of goods — Meaning of a transfer of the ownership of property*
(Council Directive 2006/112, Arts 14(1) and (2)(a))
- Harmonisation of fiscal legislation — Common system of value added tax — Taxable transactions — Supply of goods for consideration — Meaning of transfer against payment of compensation*
(Council Directive 2006/112, Arts 2(1)(a) and 14(2)(a))
- Harmonisation of fiscal legislation — Common system of value added tax — Taxable transactions — Supply of goods — Transfer to the Public Treasury, in accordance with the law and in return for payment of compensation, of the ownership of property belonging to a municipality that is a taxable person for the purpose of the construction of a national road — Meaning — Person simultaneously representing the expropriating authority and the municipality that is the subject of the expropriation — Municipality that is the subject of the expropriation continuing the management of the relevant property — Included*
(Council Directive 2006/112, Art. 14(2)(a))

1. See the text of the decision.

(see paras 35, 36, 40, 41)

2. See the text of the decision.

(see paras 43, 44)

3. Article 2(1)(a) and Article 14(2)(a) of Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax must be interpreted as meaning that a transfer of ownership of immovable property belonging to a taxable person for value added tax purposes to the Public Treasury of a Member State, carried out in accordance with the law and in return for a payment of compensation, constitutes a transaction subject to VAT in a situation, such as that at issue in the main proceedings, where the same person simultaneously represents the expropriating authority and the municipality that is the subject of the expropriation and where the latter continues the practical management of the relevant property, even if the payment of compensation has been made only by means of an internal accounting transfer within the budget of the municipality.

(see para. 51, operative part)