

COUNCIL DIRECTIVE 2005/92/EC**of 12 December 2005****amending Directive 77/388/EEC with regard to the length of time during which the minimum standard rate of VAT is to be applied**

THE COUNCIL OF THE EUROPEAN UNION,

(4) Directive 77/388/EEC should be amended accordingly,

Having regard to the Treaty establishing the European Community, and in particular Article 93 thereof,

HAS ADOPTED THIS DIRECTIVE:

Having regard to the proposal from the Commission,

Article 1

The first and second subparagraphs of Article 12(3)(a) of Directive 77/388/EEC shall be replaced by the following:

Having regard to the opinion of the European Parliament ⁽¹⁾,

'The standard rate of value added tax shall be fixed by each Member State as a percentage of the taxable amount and shall be the same for the supply of goods and for the supply of services. From 1 January 2006 until 31 December 2010, the standard rate may not be less than 15 %.

Having regard to the opinion of the European Economic and Social Committee ⁽¹⁾,

Whereas:

'The Council shall decide, in accordance with Article 93 of the Treaty, on the level of the standard rate to be applied after 31 December 2010.'

(1) The second subparagraph of Article 12(3)(a) of the sixth Council Directive 77/388/EEC of 17 May 1977 on the harmonisation of the laws of the Member States relating to turnover taxes — Common system of value added tax: uniform basis of assessment ⁽²⁾, lays down that the Council shall decide on the level of the standard rate to be applied after 31 December 2005.

Article 2

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive with effect from 1 January 2006. They shall forthwith inform the Commission thereof.

(2) The standard rate of value added tax (VAT) currently in force in the various Member States, combined with the mechanisms of the transitional system, has ensured that this system has functioned to an acceptable degree. It is nonetheless important to prevent a growing divergence in the standard rates of VAT applied by the Member States from leading to structural imbalances within the Community and distortions of competition in some sectors of activity.

2. When Member States adopt the measures, they shall contain a reference to this Directive or shall be accompanied by such a reference on the occasion of their official publication. The methods of making such reference shall be laid down by Member States.

(3) It is therefore appropriate to maintain the minimum standard rate at 15 % for a further period long enough to cover the ongoing implementation of the strategy to simplify and modernise current Community legislation on VAT.

3. Member States shall communicate to the Commission the text of the provisions of national law which they adopt in the field covered by this Directive.

Article 3

This Directive shall enter into force on the day of its publication in the *Official Journal of the European Union*.

⁽¹⁾ Not yet published in the Official Journal.

⁽²⁾ OJ L 145, 13.6.1977, p. 1. Directive as last amended by Directive 2004/66/EC (OJ L 168, 1.5.2004, p. 35).

Article 4

This Directive is addressed to the Member States.

Done at Brussels, 12 December 2005.

For the Council
The President
J. STRAW
