Council Implementing Decision (EU) 2018/2077 of 20 December 2018 amending Implementing Decision 2013/53/EU authorising the Kingdom of Belgium to introduce a special measure derogating from Article 285 of Directive 2006/112/EC on the common system of value added tax

COUNCIL IMPLEMENTING DECISION (EU) 2018/2077

of 20 December 2018

amending Implementing Decision 2013/53/EU authorising the Kingdom of Belgium to introduce a special measure derogating from Article 285 of Directive 2006/112/EC on the common system of value added tax

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax[(1)], and in particular Article 395(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) By virtue of Council Implementing Decision 2013/53/EU[(2)] the Kingdom of Belgium was authorised until 31 December 2015 to apply a special measure to exempt from VAT taxable persons whose annual turnover is no higher than EUR 25 000. That authorisation was subsequently extended until 31 December 2018 by Council Implementing Decision (EU) 2015/2348[(3)].

(2) By letter registered with the Commission on 12 September 2018, Belgium requested a further extension of the special measure for a limited period.

(3) In accordance with the second subparagraph of Article 395(2) of Directive 2006/112/EC, the Commission transmitted the request made by Belgium to the other Member States, by letter dated 14 September 2018. By letter dated 17 September 2018, the Commission notified Belgium that it had all the information necessary for the appraisal of the request.

(4) According to Belgium the special measure reduces the administrative burden and compliance costs for small enterprises and tax authorities and therefore contributes to the simplification of tax collection. The special measure is and will remain entirely optional for taxable persons.

(5) Given the potential positive impact with regard to the reduction of the administrative burden and compliance costs for small enterprises and tax authorities, without any major impact on the total VAT revenue to be generated, it is proposed that the special measure be extended for another limited period, until 31 December 2021.

(6) As Articles 281 to 294 of Directive 2006/112/EC governing the special scheme for small enterprises are subject to review, it is possible that a directive amending those Articles

Changes to legislation: *There are currently no known outstanding effects for the Council Implementing Decision (EU) 2018/2077. (See end of Document for details)*

will enter into force setting a date from which Member States are to apply national provisions before the period of validity of the derogation expires on 31 December 2021. If that happens, this Decision should cease to apply.

(7) The derogation has no impact on the Union's own resources accruing from VAT because Belgium is to carry out a compensation calculation in accordance with Article 6(1) of Council Regulation (EEC, Euratom) No 1553/89[(4)].

(8) Implementing Decision 2013/53/EU should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Article 2 of Implementing Decision 2013/53/EU is replaced by the following:

Article 2

This Decision shall apply from 1 January 2013 until the earlier of the following two dates:

(a) 31 December 2021;

(b) the date from which Member States are to apply any national provisions that they are required to adopt in the event that a directive is adopted amending Articles 281 to 294 of Directive 2006/112/EC governing the special scheme for small enterprises.

Article 2

This Decision shall take effect on the date of its notification.

It shall apply from 1 January 2019.

Article 3

This Decision is addressed to the Kingdom of Belgium.

Done at Brussels, 20 December 2018.

For the Council

The President

E. KÖSTINGER