Council Directive (EU) 2019/475 of 18 February 2019 amending Directives 2006/112/EC and 2008/118/EC as regards the inclusion of the Italian municipality of Campione d'Italia and the Italian waters of Lake Lugano in the customs territory of the Union and in the territorial application of Directive 2008/118/EC

COUNCIL DIRECTIVE (EU) 2019/475

of 18 February 2019

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 113 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

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

Having regard to the opinion of the European Economic and Social Committee[(2)],

Acting in accordance with a special legislative procedure,

Whereas:

(1) By its letter of 18 July 2017, Italy requested that the Italian municipality of Campione d'Italia and the Italian waters of Lake Lugano be included in the customs territory of the Union as defined in Regulation (EU) No 952/2013 of the European Parliament and of the Council[(3)] as well as in the territorial scope of Council Directive 2008/118/EC[(4)] for the purposes of excise duty, whilst leaving those territories outside the territorial scope of Council Directive 2006/112/EC[(5)] for the purposes of value added tax.

(2) The Italian municipality of Campione d'Italia, an Italian exclave in the territory of Switzerland, and the Italian waters of Lake Lugano should be included in the customs territory of the Union because the historical reasons justifying the exclusion of those territories, such as their isolation and economic disadvantages, no longer apply. For the same reasons, those territories should be included in the territorial application of Directive 2008/118/EC.

(3) However, Italy wants to continue the exclusion of those territories from the territorial application of Directive 2006/112/EC, as this is essential to maintain a level playing field between economic operators established in Switzerland and in the Italian municipality of Campione d'Italia through the application of a local indirect taxation regime in line with the Swiss value added tax system.

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(4) This Directive should be strictly linked to Regulation (EU) 2019/474 of the European Parliament and of the Council[6]. Therefore, the national transposition measures necessary to comply with this Directive should apply from the date of application of that Regulation.

(5) Directives 2006/112/EC and 2008/118/EC should therefore be amended accordingly,

HAS ADOPTED THIS DIRECTIVE:

Article 1

In Directive 2006/112/EC, Article 6 is amended as follows:

(1) in paragraph 1, the following points are added:

(f) Campione d'Italia;

(g) the Italian waters of Lake Lugano.;

(2) in paragraph 2, points (f) and (g) are deleted.

Article 2

In Article 5(3) of Directive 2008/118/EC, points (f) and (g) are deleted.

Article 3

1 By 31 December 2019, Member States shall adopt and publish the measures necessary to comply with this Directive. They shall immediately inform the Commission thereof.

They shall apply those measures from 1 January 2020.

When Member States adopt those 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.

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

Article 4

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

Article 5

This Directive is addressed to the Member States.

Done at Brussels, 18 February 2019.

For the Council

The President

N. BĂDĂLĂU