

Council Directive (EU) 2018/912 of 22 June 2018 amending Directive 2006/112/EC on the common system of value added tax as regards the obligation to respect a minimum standard rate

COUNCIL DIRECTIVE (EU) 2018/912

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amending Directive 2006/112/EC on the common system of value added tax as regards the obligation to respect a minimum standard rate

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<sup>(1)</sup>,

Having regard to the opinion of the European Economic and Social Committee<sup>(2)</sup>,

Acting in accordance with a special legislative procedure,

Whereas:

- (1) Article 97 of Council Directive 2006/112/EC<sup>(3)</sup> provides that, from 1 January 2016 until 31 December 2017, the standard rate may not be lower than 15 %.
- (2) The application of a standard rate of value added tax (VAT) ensures the smooth functioning of the common system of VAT and should therefore be kept in place.
- (3) It is appropriate to maintain the current minimum standard rate at 15 %, and to make it permanent.
- (4) Since the objective of this Directive, namely to set a minimum standard rate of VAT, cannot be sufficiently achieved by the Member States, but can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Directive does not go beyond what is necessary in order to achieve that objective.
- (5) Directive 2006/112/EC should therefore be amended accordingly,

HAS ADOPTED THIS DIRECTIVE:

*Article 1*

Article 97 of Directive 2006/112/EC is replaced by the following: