II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DIRECTIVE

of 10 June 1985

amending Directive 69/335/EEC concerning indirect taxes on the raising of capital

(85/303/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 99 and 100 thereof,

Having regard to the proposal from the Commission (1),

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas indirect taxes on the raising of capital were harmonized at Community level by Directive 69/335/EEC (4), as last amended by Directive 74/553/EEC (5); whereas Directive 73/80/EEC (6) fixed common rates for such taxes;

Whereas the economic effects of capital duty are detrimental to the regrouping and development of undertakings; whereas such effects are particularly harmful in the present economic situation in which there is a paramount need for priority to be given to stimulating investment;

Whereas the best solution for attaining these objectives would be to abolish capital duty; whereas, however, the losses of revenue which would result from such a measure are unacceptable for certain Member States; whereas the Member States must therefore be given the opportunity to exempt from or subject to capital duty all or part of the transactions coming within its scope, it being understood that a single rate of tax must be charged within one and the same Member State;

Whereas there should be mandatory exemption for the transactions currently subject to the reduced rate of capital duty;

Whereas on 1 July 1984 no capital duty existed in Greece; whereas, for this reason, provision should be made for the possibility of introducing such duty in Greece and of exempting certain transactions from it,

HAS ADOPTED THIS DIRECTIVE:

Article 1

Directive 69/335/EEC is hereby amended as follows:

1. In Article 4 (2):

— the introductory phrase is replaced by the following:

'2. The following transactions may, to the extent that they were taxed at the rate of 1 % as at 1 July 1984, continue to be subject to capital duty:';

— the following subparagraph is added at the end:

'However, the Hellenic Republic shall determine which of the transactions listed above it will subject to capital duty.'

(1) OJ No C 267, 6. 10. 1984, p. 5.
(2) OJ No C 46, 18. 2. 1985, p. 77.
(3) OJ No C 87, 9. 4. 1985, p. 21.
(4) OJ No L 249, 3. 10. 1969, p. 25.
(5) OJ No L 303, 13. 11. 1974, p. 9.
(6) OJ No L 103, 18. 4. 1973, p. 15.