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COUNCIL DIRECTIVE

of 30 April 1968

on a common method for calculating the average rates provided for in Article 97 of the Treaty

(68/221/EEC)

(OJ L 115, 18.5.1968, p. 14)

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►**A1**	Act of Accession of Greece	L 291	17	19.11.1979

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COUNCIL DIRECTIVE

of 30 April 1968

on a common method for calculating the average rates provided for in Article 97 of the Treaty

(68/221/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 Decision of 21 June 1960 of the Representatives of the Governments of the Member States meeting in the Council;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament [1];

Having regard to the Opinion of the Economic and Social Committee [2];

Whereas, since the Treaty entered into force, the fixing of the average rates provided for in Article 97 of the Treaty to offset the burden of turnover taxes levied in accordance with the cumulative multi-stage tax system has constantly given rise to difficulties which interfere with the proper functioning of the common market; whereas such adverse effects increase with the elimination of customs duties in the Community;

Whereas the sole purpose of any future alignment of compensatory charges and refunds should be to ensure that existing cumulative multi-stage turnover tax systems are more neutral in their impact on international trade and enable the changeover to the common value added tax system to be made in the best possible conditions; whereas such alignments are therefore in accordance with the criteria recognised in the Decision of 21 June 1960 of the Representatives of the Governments of the Member States meeting in the Council;

Whereas the difficulties mentioned above result mainly from differences between the methods used by the Member States for calculating these rates;

Whereas it is therefore in the interest of the common market that, until the value added tax is introduced in all Member States, these different methods of calculation should be harmonised by the adoption of common and reasonable rules which ensure observance of the limits set by Article 97 of the Treaty and make it possible to keep under review the average rates thus obtained;

Whereas, in order to take into account as far as possible the actual conditions in which a product or group of products is produced, such rules must provide for weighting of the tax burdens;

Whereas such rules must leave open to Member States the possibility of resorting to certain flat-rate estimates;

Whereas the Commission should be authorised to lay down, by directives adopted after consulting Member States, the procedure for applying the common method of calculation;

Whereas, in order to make it easier for the Commission to ensure observance of the limits set for the average rates, it should be provided that the Member States must submit to the Commission, on their own initiative, calculations based on the common method before introducing or altering an average rate in any way;

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[1] OJ No C 10, 14.2.1968, p. 4.
[2] OJ No. 317, 28.12.1967, p. 9.