

10/02/2017 | Scrutiny results - COM20160757

The Bundesrat welcomes the Commission's initiative to modernize value added tax in cross-border e-Commerce between enterprises and consumers. However, in the Bundesrat's view, the proposed extension of the destination principle needs careful scrutiny. Particularly, facilitation for business must be weighed against possible increased difficulties in the execution of administration. To secure the amount of value added tax for the entitled country of destination would be hampered.

Having regard to the provisions of Article 402 para. 1 of [Directive 2006/112/EC on the common system of value added tax](#) and the therein established application of the principle of origin, the Bundesrat rejects the extension of the destination principle before the final decision on the system governing further harmonisation, has been taken.