

10/02/2017 | Scrutiny results - COM20160758

The Bundesrat welcomes the Commission's initiative to allow member states the application of reduced VAT rates on print and digital publications. In a world of converging media and evolving technics, this is an important step to assure media diversity, which plays an important role in the free and independent opinion making process of citizens. As different VAT rates for same publications - according to the fact if published printed or digital - are not comprehensible to people, the Bundesrat calls the Commission to support a swift adoption of the proposal.

However, the Bundesrat is very sceptic about further changes in VAT taxation as aimed by the proposal and trying to extend reduced or zero VAT rates to further services or benefits. Any differentiation in tax rates leads necessarily to a more complex situation in executing provisions already in the domestic tax system and should therefore be avoided; moreover this also applies for cross-border taxation.