



## EUROPEAN COMMISSION

Brussels, 20.3.2017  
C(2017) 1731 final

*Dear President,*

*The Commission would like to thank the Assembleia da República for its Opinion on the proposals amending Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax {COM(2016) 755 final}, to amend Implementing Regulation (EU) No 282/2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax {COM(2016) 756 final}, to amend Directive 2006/112/EC and Directive 2009/132/EC as regards certain value added tax obligations for supplies of services and distance sales of goods {COM(2016) 757 final} and to amend Directive 2006/112/EC as regards rates of value added tax applied to books, newspapers and periodicals {COM(2016) 758 final}.*

*The Commission welcomes the support expressed by the Assembleia da República for these proposals and in particular the conclusion of the Assembleia da República that the proposals do not breach the subsidiarity principle, in so far as the objectives pursued will be achieved more effectively by means of action at Union level.*

*These proposals represent an important step in delivering on the commitments made by the Commission in the Digital Single Market Strategy and the Value Added Tax Action Plan. The proposals to modernise value added tax for cross-border e-commerce would bring important benefits both for Member States, in terms of increases in tax revenues, and for businesses, through a reduction in administrative burdens when trading cross-border. In addition, these proposals could help protect jobs in the European Union by providing businesses in the Union with a level playing field as in many cases they cannot compete with non-EU sellers who can import value added tax free into the Union. The proposal on value added tax rates applied to books, newspapers and periodicals would allow Member States to align the value added tax rates for electronically supplied publications with the lower value added tax rates for publications on any means of physical support.*

*Discussions between the Commission and the Council concerning the proposals are now underway and the Commission remains hopeful that an agreement will be reached soon.*

*The Commission looks forward to continuing our political dialogue in the future.*

*Yours faithfully,*

*Frans Timmermans  
First Vice-President*

*Pierre Moscovici  
Member of the Commission*

*Mr Eduardo FERRO RODRIGUES  
President of the Assembleia da República  
Palácio de S. Bento  
P – 1249-068 LISBOA*