



EUROPEAN COMMISSION

*Brussels, 20.2.2018
C(2018) 765 final*

Dear President,

The Commission would like to thank the Senat for its Opinion on the Commission proposal to amend the VAT Directive 2006/112/EC {COM(2017) 569} as regards harmonising and simplifying certain rules in the value added tax system and introducing the definitive system for the taxation of trade between Member States..

The proposal forms part of a package of legislative initiatives adopted by the Commission on 4 October 2017. The overall objective of that package, already announced in the Value Added Tax Action Plan {COM(2016) 148 final}, adopted by the Commission on 7 April 2016, is to create a robust single European Value Added Tax area for which a simpler and fraud-proof definitive Value Added Tax system for intra-Union trade will be set up.

The Commission takes note of the fact that the Romanian Senat is of the view that the proposal complies with the principles of subsidiarity and proportionality.

In addition, the Commission has duly taken note of the Senat's support for the proposed "quick fixes" to improve the current Value Added Tax system, and in the meantime acknowledges its view that any fundamental change requires a cautious approach given the possible budgetary implications, increase of administrative burdens and compliance costs.

This proposal is being discussed within the legislative process involving both the European Parliament and the Council. The Senat's Opinion has been made available to the Commission's representatives in the ongoing negotiations and will inform these discussions.

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 Călin POPESCU-TĂRICEANU
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