



European
Commission

The Brussels Tax Forum

An Efficient VAT system

18 November 2013

*Centre Albert Borschette
36, rue Froissart-1049 Brussels*

[HTTP://EC.EUROPA.EU/BRUSSELSTAXFORUM](http://ec.europa.eu/brusselstaxforum)

Taxation and
Customs Union

The Brussels Tax Forum

An efficient VAT system

"The importance of VAT cannot be understated; in the EU in 2011 a little over EUR 900 billion was collected. Yet more could and arguably should be collected.

In fact if all the VAT that should be collected was actually collected then in 2011 almost a further EUR 200 billion would have been available to spend by EU governments. Uncollected VAT is due to numerous factors but undoubtedly includes fraud. This Brussels Tax Forum kicks off by addressing this key issue.

Another important aspect in VAT collection is establishing a more efficient and simpler system through broadening the tax base and limiting the use of reduced rates. This is what economists repeatedly tell us. While the standard VAT rates in the EU have been increasing over recent years the scope of goods and services taxed at the standard rate remains low.

Indeed this preponderance for an extensive use of exemptions and reduced rates, of course reduces revenue, but also makes VAT compliance more burdensome. Exemptions erode the tax base and cause economic distortions and along with the myriad of rates for varying goods and services make invoicing more complex, lead to more information demanded on VAT returns and complicate the calculation of tax and yet there is no easy to understand VAT information at EU level available on one web site. Why not?

The Brussels Tax Forum dedicated to VAT will look at these issues of fraud, consolidation of receipts and compliance.

I look forward to welcoming you to Brussels on the 18 November 2013."

Algirdas Šemeta
EU Commissioner for Taxation, Customs,
Statistics, Audit and Anti-fraud

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- 9:30 - 10:00** **Welcome Coffee**
- 10:00 – 10:20** **Opening of the Conference by Algirdas Šemeta,**
Commissioner responsible for Taxation, Customs, Statistics, Audit and Anti-fraud
- 10:20 – 10:40** **Opening Speech by Sharon Bowles,** *Chairwoman of the European Parliament’s Committee on Economic and Monetary Affairs*

Session 1

Moderator: Donato Raponi, Head of Unit, VAT, DG TAXUD

- 10:40 – 11:40** **VAT Fraud** – seeking the best way to improve the fight against fraud
- Present situation (VAT gap), the future challenges (supply of services), real concern for business (distortion of competition) and Tax administrations (loss of revenue)
 - How to improve the fight against fraud: joined action between business and tax administration, review collection methods, more use of electronic systems

Speakers:

John Crombez (*State Secretary for the Fight against Tax and Social Fraud, Belgium*)

Paulo Nuncio (*Secretary of State of Tax Affairs, Portugal*)

- 11:40 – 12:30** **Panel discussion and questions**

Panellists: John Crombez, Paulo Nuncio, Piet Battiau (OECD), Ray Kavanagh (Department of Finance, Ireland)

- 12:30 – 14:00** **Lunch break**

Session 2

Moderator: Manfred Bergmann, Director, Indirect Taxes and Tax Administration, DG TAXUD

- 14:00 – 14:30** **Using VAT as a fiscal consolidation tool in Portugal**
- Meeting the challenges of the tax collection in an economic downturn and seeking the most efficient system in order to stimulate growth and revenue
 - Broadening the tax base and improving compliance: increasing the scope of standard VAT rates, suppressing

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exemptions and looking at hard to tax items such as financial services, public bodies, etc

- Impact of the EU economic governance and country specific recommendations
- Presentation of the results of the Study on the economic effects of the current VAT rates structure

Speaker: José António de Azevedo Pereira (*Director-General of the Portuguese Tax and Customs Authority*)

14:30 – 15:20 **Panel discussion and questions** (rates, exemptions, broadening the tax base)

Panellists: José António de Azevedo Pereira, Michel Aujean (Taj), Joachim Englisch (VAT Expert Group), Gaëtan Nicodeme (Head of Unit, Economic analysis, evaluation & impact assessment support, DG TAXUD)

15:20 – 15:40 **Coffee break**

Session 3

Moderator: Donato Raponi, Head of Unit, VAT, DG TAXUD

15:40 – 16:10 **VAT compliance** – how to reduce compliance costs (and at the same time not putting at risk VAT collection)

- Managing VAT is costly for businesses, how to reduce the compliance costs and at the same time to secure the revenue collection.
- VAT compliance costs in a cross border context, obstacles to trade
- Proposal of the Commission: Standard VAT return. More harmonisation: electronic invoicing, standardisation of obligations (too different between MS), one stop shop
- Web Portal, Partnership, horizontal monitoring, SAF-T

Speaker: Chris Needham (Global VAT/GST Director at GE)

16:10 – 17:00 **Panel discussion and questions** (web portal, SAF-T, OSS, e-invoicing, cross border obligations etc)

Panellists: Chris Needham, Steven Effingham (HM Treasury, UK), Kristian Koktvedgaard (BusinessEurope), Iwona Mertin (Eurochambres)

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17:00 – 17:15 **Closing remarks** – Heinz Zourek, Director General, DG TAXUD

17:15 **End**