



Cross-Border Rulings for VAT

**Introduction:
Why this CBR project
with 13-15 Member States?**

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EUCJ 09.10.2014, C-492/13, Traum EOOD:

27 (...) when they exercise their powers, Member States must observe the general principles of law which form part of the European Union legal order, which include, in particular, the principles of legal certainty and proportionality (see ...).

28 The principle of **legal certainty**, the corollary of which is the principle of the **protection of legitimate expectations**, **requires, on the one hand, that rules of law must be clear and precise and, on the other, that their application must be foreseeable by those subject to them** (see ...).

29 It must be pointed out that that principle is to be observed all the more strictly in the case of rules liable to entail financial consequences, **in order that those concerned may know precisely the obligations which such rules impose on them**. It follows that **it is necessary that taxable persons be aware, before concluding a transaction, of their tax obligations** (see ...).

EU Charter of fundamental rights

Article 41

Right to good administration

1. Every person has the right to have his or her affairs handled impartially, fairly and within a reasonable time by the institutions, bodies, offices and agencies of the Union.

Article 51

Field of application

1. The provisions of this Charter are addressed to the institutions, bodies, offices and agencies of the Union with due regard for the principle of subsidiarity and to the Member States only when they are implementing Union law.

Problem: cross-border cases: several tax authorities are involved

No legal obligation to consult each other (although beneficial for taxable persons and tax authorities) ?

→ legislative proposal ? (has been considered 10 years ago).

→ "voluntary" cooperation to gain immediate experience, and to convince all parties of the usefulness → CBR pilot project



Participating Member States

SINCE 2013

- Belgium
- Netherlands
- United Kingdom
- France
- Spain
- Portugal
- Estlonia
- Latvia
- Lithuania
- Hungary
- Slovenia
- Malta
- Cyprus

SINCE 2014

- Sweden
- Finland

13 Member States not (yet) participating...

- various reasons (excuses) for non-participation in the pilot project

- some Member States wait for the outcome of the pilot project.

... but it would be good to have all MS participating and to continue this CBR action.