



27 June 2016

1. CJEU rules on input VAT deduction for constructing a building only partly used for economic activities after having been sold

On 22 June 2016, the the EU Court of Justice (CJEU) ruled in the Dutch preliminary ruling case Gemeente Woerden (C-267/15) that where a taxable person has had a building constructed and has sold that building at a loss, this person may deduct all of the VAT paid in respect of the construction of that building, and not only a part of that tax in proportion to the parts of the building which its purchaser uses for economic activities. The fact that that purchaser allows the building at issue to be used without charge is of no importance in that regard.

- Judgment: [EN](#)

2. CJEU: VAT does not apply on broadcasting license fee

On 22 June 2016, the CJEU decided in the Czech preliminary ruling case C-11/15, Odvolací, that public broadcasting activities funded by a compulsory statutory charge are not a supply of services for consideration within the meaning of the VAT Directive.

- Judgment: [EN](#)

- Advocate-General opinion: [EN](#)

3. EP appoints members to “Panama” inquiry Committee

On 23 June 2016, the European Parliament appointed the 65 members of the “Committee on Money Laundering, Tax Avoidance and Tax Evasion” (PANA). The list of names features many MEPs previously involved in tax policy matters such as, i.a., TAXE 2 Chairman Alain Lamassoure, Luděk Niedermayer, Hugues Bayet, Anneliese Dodds, Jeppe Kofod, Michael Theurer, Cora van Nieuwenhuizen, Fabio de Masi and Sven Giegold. The chair and vice chairs will be appointed at the first meeting.

- PANA section on EP website: [EN](#)

- List of PANA members: [EN](#)

4. TAXE 2 Committee votes on report and publishes studies on tax rulings and transparency

On 21 June 2016, the European Parliament’s TAXE 2 Committee adopted its non-legislative report on a number of tax policy matters, including an EU public register of beneficial owners of companies, a tax havens blacklist, sanctions against non-cooperative tax jurisdictions, action against abuse of “patent box” regimes, tax good governance rules in all EU trade agreements, and a withholding tax on profits leaving the EU. For advisers, the report asks for the

introduction of European rules preventing tax advisers from advising both private clients and the public sector, and asks for sanctions with regard to dealings in tax havens. The plenary vote is scheduled for 7 July 2016.

The TAXE 2 Committee has also published three studies on tax transparency, titled “Are we moving in the right direction? Public disclosure of tax information and other EC/EP proposals to reduce aggressive tax planning”, “The future of tax rulings in the EU: Evaluation, confrontation and recommendations”, and “EU state aid law and national tax rulings: 2015-2016 update”.

- Press release: [EN](#) (FR available)
- Procedural file; TAXE 2 voted version will be made available at the bottom of the page: [EN](#)
- TAXE 2 studies: [EN](#)

5. Ecofin Report on tax issues

The Ecofin Council has published its biannual “Report on tax issues” providing an overview of progress achieved in the Ecofin Council, its sub-groups and the Code of Conduct Group since the beginning of 2016. Largely unnoticed, the Council reached political agreement on the VAT treatment of vouchers in May 2016, after four years of work on the proposal. The formal adoption will take place at one of the next Council meetings. In contrast, no agreement appears to be in sight on the revision of the Interest & Royalties Directive which the Dutch Council presidency had hoped to complete by June. Member states remain divided on the introduction and the scope of a minimum effective taxation clause. Also the Financial Transaction Tax (FTT) by a group of 10 member states will require further work.

- Report on tax issues 2016/1, 23 June 2016: [EN](#)
- VAT treatment of vouchers, agreed changes to the VAT Directive, 10 June 2016: [EN](#)
- Report on FTT state of play, 3 June 2016: [EN](#)

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