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General Court: Joint and several liability of tax representative for payment of VAT

In a most recent decision, the General Court of the EU held that a person appointed as tax representative may be liable for payment of the VAT and that a tax representative who is not appointed as the person liable for payment of VAT but who is responsible for various formal administrative functions (e. g. carrying out VAT filing obligations) cannot be held jointly and severally liable for the VAT due given the observance of the principle of proportionality.

The differing opinions of the parties involved:

The tax representative (AY) disputes her registration as tax representative of the taxable person (O, which is a company with its registered office in Italy) and her incurring joint and several liability in respect of that company's tax debts. It claims, in particular, that she merely submitted the VAT returns relating to the transactions carried out by O under its Greek VAT identification number and paid the corresponding tax, but that she did not keep accounting records or conclude contracts in respect of that company, that she was not aware of the transactions carried out by O and that she was not responsible for the transportation of the goods concerned or the payment of the suppliers.

The AADE (the Independent Revenue Authority, Greece) on the other hand submits, for its part, that AY, as the tax representative of O, was jointly and severally liable for the fulfilment of that company's VAT obligations, both under Article 35(1)(c) of the national VAT Code, relating to the status of the tax representatives of taxable persons established outside Greece as liable for payment of the tax, and Article 55 of that code, relating to persons jointly and severally liable, together with the person liable, for payment of the tax.

This is what **the General Court** had to say in his **four answers to the questions raised**:

1. Article 204 of the VAT Directive **does not preclude a tax representative** of a taxable person established in another Member State **from being regarded as liable for payment of the VAT**, even though that tax representative is not involved in the taxable transactions carried out by the taxable person, provided that that tax representative has been appointed as such by that taxable person (judgment, paras. 31 – 45).

2. According tothe General Court, and**having regard to the principle of proportionality**, **a tax representative may not be held jointly and severally liable** for the payment of the VAT due where that representative has not been designated as the person liable for VAT owed by a taxpayer established in another Member State, but is merely responsible for fulfilling that taxpayer's VAT reporting obligations. This applies, in particular, where the representative is not required to maintain accounting records or issue accounting documents in respect of the transactions carried out by that taxpayer (paras. 46-56).

3. The fact that the transaction was carried out under **the individual VAT identification number** allocated to the taxable person by the Member State in which he or she is established or under that allocated by the Member State in which the VAT is due cannot be decisive for the answers in the aforementioned paragraphs 1 and 2 (paras. 57 – 68).

4. A person appointed as the person liable for payment of the VAT under Article 204 of the VAT Directive **cannot at the same time be jointly and severally liable** under Article VT Directive (paras. 69 - 73).

Source: General Court of the EU, judgment of 9 July 2026 **T?356/25** *Rapera*.

Schlagwörter

agents, liability for VAT