

By PwC Deutschland | 04 October 2018

# EU-Council agreed on four adjustments to EU's current VAT rules

**Pending introduction of the new VAT system, four short-term 'quick fixes' will be made regarding the VAT aspects of trade between the member states. Discussions are ongoing on a definitive VAT system to replace the current 'transitional' VAT arrangements, which have been applied since 1993.**

The Council agreed on the four '**quick fixes**' initially presented by the Commission:

- **call-off stock.** The proposals provide for a simplified and uniform treatment for call-off stock arrangements, where a vendor transfers stock to a warehouse at the disposal of a known acquirer in another member state;
- the **VAT identification number.** To benefit from a VAT exemption for the intra-EU supply of goods, the identification number of the customer will become an additional condition;
- **chain transactions.** To enhance legal certainty in determining the VAT treatment of chain transactions, the proposals establish uniform criteria;
- **proof of intra-EU supply.** A common framework is proposed for the documentary evidence required to claim a VAT exemption for intra-EU supplies.

These adjustments will apply from 1 January 2020.

**Source:** Council of the EU, Press release of 2 October 2018

### **Keywords**

VAT ID Number, call-off stock, chain transaction, intra-community supply, quick fixes