



Dear Sir/Madam,

The CFE Fiscal Committee has prepared an [Opinion Statement](#) on issues concerning double taxation in VAT.

Double taxation in all its forms inhibits the single market. It is possibly surprising that VAT, which is largely, but not completely, a harmonised tax within the European Union, has no formal cross border mechanisms for avoiding double taxation. In the direct tax sphere, there are double tax treaties between countries. Within the Union, since 1 July 2019, it is also possible to rely on Council Directive (EU) 2017/1852 on tax dispute resolution mechanisms in the European Union. Surprisingly, there are no similar measures relating to VAT.

In spite of the overall positive developments, such as the Commission having facilitated a system of cross-border rulings, as well as having established SOLVIT which aims to assist with resolving issues in double taxation disputes, there are nevertheless outstanding issues that, in CFE's view, merit further attention. Consideration should also be given to having a more formal machinery for avoiding issues of VAT double taxation within the Union and also between members of the Union and third countries that also operate VAT systems.

We invite you to read the [Opinion Statement](#) and remain at your disposal for any queries you may have.

Kind regards,

The Office Team at CFE Tax Advisers Europe

Avenue de Tervueren 188A

B - 1150 Brussels

T. +32 2 761 00 91

E. info@taxadviserseurope.org

W. www.taxadviserseurope.org

EU Transparency Register No. 3543183647-05