

4. QUESTIONS CONCERNING THE APPLICATION OF EU VAT PROVISIONS

4.4 Origin: Commission

References: Articles 143(1)(g) and 151(1)(b)

Subject: VAT treatment of the European groupings of territorial cooperation (EGTCs)

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1. The VAT Committee is of the **unanimous view** that European groupings of territorial cooperation (EGTCs), as a class or category, shall not, for the purposes of Articles 143(1)(g) and 151(1)(b) of the VAT Directive, be regarded as international bodies as they may be set up without the participation of two States and/or existing international bodies, their membership may include private bodies and their objectives may also cover the carrying out of economic activities.
2. The VAT Committee **almost unanimously** agrees that to determine whether a particular EGTC may possibly be regarded as an international body and benefit from the VAT exemptions provided for in Articles 143(1)(g) and 151(1)(b) of the VAT Directive an assessment shall be made on a case-by-case basis, considering all the features of that EGTC.