

6. CASE LAW – ISSUES ARISING FROM RECENT JUDGMENTS OF THE EUROPEAN COURT OF JUSTICE

6.3 Origin: Commission
Reference: Article 132(1)(a)
Subject: Case C-357/07 (TNT Post UK limited)
(Document taxud.d.1(2009)326553 – Working paper No 643)

- *Supplies “for which the terms have been individually negotiated” are not covered by the exemption in Article 132(1)(a)*

The VAT Committee **almost unanimously** agrees that the exemption provided for in Article 132(1)(a) of the VAT Directive shall not apply to the supply of postal services, and the supply of goods incidental thereto, by a universal service provider, which are dissociable from the service of public interest, including services which meet the special needs of the customer or customers concerned as such supplies are not provided in the public interest.

In any case, the supply of postal services, and the supply of goods incidental thereto, by a universal service provider, for which the terms have been individually negotiated is regarded as meeting the special needs of the customer or customers concerned and shall therefore be excluded from the scope of the exemption provided for in Article 132(1)(a) of the VAT Directive.