

3. NEW LEGISLATION – MATTERS CONCERNING THE IMPLEMENTATION OF RECENTLY ADOPTED EU VAT PROVISIONS

- 3.1 Origin:** Commission
References: Articles 17a, 36a, 138(1) and (1a), 243(3) and 262(2) of the VAT Directive
Subject: Articles 45a and 54a of the VAT Implementing Regulation
Implementation of the Quick Fixes Package:
Council Directive (EU) 2018/1910 and Council Implementing Regulation (EU) 2018/1912
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Chain transactions: Combined with applying the simplification in Article 141 (triangular transactions) (section 3.2.1.)

1. Where the same goods are supplied successively and those goods are dispatched or transported from one Member State to another Member State directly from the first supplier to the last customer in the chain, the VAT Committee **unanimously** agrees that in the chain of transactions, only the taxable person making the intra-Community acquisition (hereinafter, “X”) may, subject to meeting all conditions, benefit from the simplification for triangular transactions laid down in Article 141 of the VAT Directive.
2. The VAT Committee **almost unanimously** agrees that, in the situation such as described under point 1, the condition laid down in Article 141(c) of the VAT Directive shall be seen as fulfilled when the goods are directly dispatched or transported, from a Member State other than that which has issued the VAT identification number used by X for the purposes of the intra-Community acquisition, to the place designated by the person for whom X carries out the subsequent supply (hereinafter, “Y”).
3. The VAT Committee **almost unanimously** agrees that the fact that Y makes a subsequent supply of the goods to another person within the chain, shall have no impact on the application of the simplification for triangular transactions to the transactions made by X. For that simplification to apply, all the conditions in Article 141 of the VAT Directive must however be fulfilled, which according to the view held **almost unanimously** by the VAT Committee, shall require that Y is identified for VAT purposes in the Member State where the VAT on that subsequent supply is due and designated, in accordance with Article 197 of the VAT Directive, as liable for the payment of the VAT due on that supply.