



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Indirect Taxation and Tax administration
Value added tax

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Brussels, 27 June 2024

**VALUE ADDED TAX COMMITTEE
(ARTICLE 398 OF DIRECTIVE 2006/112/EC)
WORKING PAPER NO 1086 FINAL**

**GUIDELINES
124TH MEETING
– 11 APRIL 2024 –
DOCUMENT A**

4. QUESTIONS CONCERNING THE APPLICATION OF EU VAT PROVISIONS

4.1 Origin: Denmark
References: Articles 103, 135, 311 and 371
Subject: Crypto art and VAT
(Document taxud.c.1(2024)1916657 – Working paper No 1080)

1. The VAT Committee unanimously agrees that as works of crypto art have other practical use than that of a means of payment, such items may not qualify as a currency pursuant to Article 135(1)(e) of the VAT Directive. Thus, the VAT Committee unanimously agrees that the VAT exemption provided for in Article 135(1)(e) of the VAT Directive shall not apply to crypto art transactions.
2. The VAT Committee unanimously agrees that as these items are not appearing in the list under Annex IX, Part A, of the VAT Directive, and cannot be seen as similar to any of the objects in that list, the VAT margin scheme for works of art provided for in Article 311(1)(2) of the VAT Directive shall not apply to works of crypto art. For the same reason, the VAT Committee unanimously agrees that the reduced rate under Article 103 of the VAT Directive, which will be based as from 2025 on point (26) of Annex III of the VAT Directive, shall not apply to works of crypto art.
3. The VAT Committee almost unanimously agrees that the VAT exemption for the supply of services by artists under Article 371 of the VAT Directive shall not apply to works of crypto art as this exemption relies on a standstill clause limited in scope to what was exempted before 1978, a time when crypto art did not exist.