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### Improvements in the EU VAT system will strengthen growth

In today's Ecofin Council conclusions on future of VAT, BUSINESSEUROPE has noted in particular the Council's support for:

- greater involvement of business in developing VAT rules, by supporting the establishment of a joint EU VAT forum for Member States and businesses and an enhanced stakeholder consultation in the earliest stage of the legislative process;
- cooperation on the design of the proposed EU VAT web portal to ensure that businesses have easy access to reliable information on VAT legislation in the EU;
- implementation of the mini One-Stop-Shop IT system by 2015. Under this scheme, suppliers will be enabled to fulfil their VAT obligations in their home Member State, including for services provided in Member States where they are not established;
- progressive shift to a EU VAT system in which VAT is levied in the country where the good is consumed, regardless of whether it was produced (destination principle).

Kristian Koktvedgaard, Chair of BUSINESSEUROPE's VAT Working Group said: *"We welcome the ECOFIN Council's support for greater business involvement in developing VAT rules. Improvements in the VAT system are important due to the impact on day-to-day business. These changes will improve the functioning of the single market and therefore increase growth and tax revenues. We hope the Council will show an even more ambitious commitment in supporting the work of the Commission to achieve a simpler, more robust and more harmonised VAT system – a system designed for today's trade patterns".*

#### NOTE TO THE EDITOR

*BUSINESSEUROPE represents small, medium and large companies. Active in European affairs since 1958, BUSINESSEUROPE's members are 41 leading industrial and employers' federations from 35 European countries, working together to achieve growth and competitiveness in Europe. For the full list of our members, please visit our website.*

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