

EUROPEAN PARLIAMENT

Working Documents

1983-1984

14 December 1983

DOCUMENT 1-1211/83

Report

drawn up on behalf of the Committee on Economic and Monetary Affairs

on the proposal from the Commission of the European Communities to the Council (Doc. 1-1038/83 - COM(83) 634 final) for a fifteenth directive on the harmonization of the laws of the Member States relating to turnover taxes - Deferment of the introduction of the common system of value added tax in the Hellenic Republic

Rapporteur : Mr D. ROGALLA

Or. De.

PE 87.999/fin.

By letter of 10 November 1983, the President of the Council requested the European Parliament to deliver an opinion, pursuant to Article 100 of the EEC Treaty, on the proposal from the Commission of the European Communities to the Council for a fifteenth directive on the harmonization of the laws of the Member States relating to turnover taxes - Deferment of the introduction of the common system of value added tax in the Hellenic Republic.

On 16 November 1983, the President of the European Parliament referred this proposal to the Committee on Economic and Monetary Affairs as the committee responsible and to the Committee on Budgets for an opinion.

At its meeting of 28 November 1983 the Committee on Economic and Monetary Affairs appointed Mr Rogalla rapporteur.

It considered the proposal and the draft report at its meeting of 14 December 1983.

At the last meeting the committee decided by 16 votes to 1 to recommend to Parliament that it approve the Commission's proposal with the following proposed amendments.

The motion for a resolution as a whole was adopted by 16 votes to 1.

The following took part in the vote : Mr Moreau, chairman; Mr Rogalla, rapporteur (deputizing for Mr Mihr); Mr Albers (deputizing for Mr Wagner), Mr Beazley, Mr Beumer (deputizing for Mr Vergeer), Mr von Bismarck, Mr Bonaccini, Mr De Gucht, Mrs Desouches, Mr I. Friedrich, Mr Herman, Mr Hopper, Mr Papantoniou, Mr Schinzel, Mrs Theobald-Paoli, Mr Van Rompuy and Mr Wedekind (deputizing for Mr Schnitker).

The explanatory statement will be given orally in plenary sitting.

The opinion of the Committee on Budgets is attached.

The report was tabled on 14 December 1983.

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The Committee on Economic and Monetary Affairs hereby submits to the European Parliament the following amendments to the Commission proposal and the following motion for a resolution :

Proposal from the Commission for a Fifteenth Council Directive
on the harmonization of the laws of the Member States
relating to turnover taxes - Deferment of the introduction of
the common system of value added tax in the Hellenic Republic

Amendments tabled by the
Committee on Economic and
Monetary Affairs

Text proposed by
the Commission

Preamble and first recital unchanged

Second recital

Whereas the present Greek tax system is such that the Greek Government's request should be accepted in part

Second recital

Whereas the present Greek tax system is such that the Greek Government's request should be accepted

Article 1

At the earliest opportunity and by 1 January 1985 at the latest the Hellenic Republic shall put into effect the measures necessary to comply with the provisions of the following Directives :

Article 1

At the earliest opportunity and by 1 January 1986 at the latest the Hellenic Republic shall put into effect the measures necessary to comply with the provisions of the following Directives :

Remainder of Article 1 unchanged

Article 2

The Commission shall, by 30 June 1984, present the Council and the European Parliament with a report on the progress made by the Hellenic Republic in respect of the work of putting into effect the Directives referred to in Article 1.

Article 2

The Commission shall, by 31 December 1984, present the Council and the European Parliament with a report on the progress made by the Hellenic Republic in respect of the work of putting into effect the Directives referred to in Article 1.

Article 3 unchanged

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a fifteenth directive on the harmonization of the laws of the Member States relating to turnover taxes - Deferment of the introduction of the common system of value added tax in the Hellenic Republic

The European Parliament,

- having regard to the proposal from the Commission to the Council (COM(83) 634 final)¹,
 - having been consulted by the Council pursuant to Article 100 of the EEC Treaty (Doc. 1-1038/83),
 - having regard to the report of the Committee on Economic and Monetary Affairs and the opinion of the Committee on Budgets (Doc. 1-1211/83),
 - having regard to the result of the vote on the Commission's proposal,
1. Favours the introduction as quickly as possible of the VAT system in Greece in order to eliminate the distortions of competition caused by divergent systems of indirect taxation and to speed up the integration of the Greek economy into the common market;
 2. Is aware, however, of the considerable adjustments necessitated by the introduction of the common system of value added tax in Greece; takes note, in this connection, of the technical difficulties pointed out by Greece both for the Greek authorities and for taxable persons and the problems related to the current economic situation which would arise as a result of the introduction of the VAT system;
 3. Notes, however, that the Commission proposal provides scarcely any information on the efforts and progress made - or even on the particular difficulties observed - so far in Greece as regards the introduction of the VAT system; therefore calls on the Commission to provide Parliament forthwith with the relevant information;

¹OJ No. C 317 of 23.11.1983, p. 5

4. Draws attention to the significant loss in own-resources for the Community caused by the postponement of the introduction of VAT in Greece;
5. Under these circumstances, can accept a postponement of the implementation of the common system of VAT only for a limited period and only provided that, in the interval, Greece makes all the necessary preparations to ensure that at the end of this one-year period the VAT system can be introduced with no further postponements; calls on the Commission to monitor the activities with regard to the introduction of the VAT system in Greece very carefully and to keep Parliament informed;
6. Approves the Commission's proposal, subject to these conditions, recommending - because of the principle of equal treatment for Member States in a similar position - that the extension be limited to a period of one year;
7. Instructs its President to forward to the Commission and the Council and also to the Parliaments of the Members States, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.

OPINION OF THE COMMITTEE ON BUDGETS

Letter of 8 December 1983 from the Chairman of the Committee on Budgets to
Mr MOREAU, Chairman of the Committee on Economic and Monetary Affairs

SUBJECT : Proposal for a fifteenth directive on the harmonization of the Laws
of the Member States relating to turnover taxes - Deferment of the
introduction of the common system of value added tax in the Hellenic
Republic
(Doc. 1-1038/83 - COM(83) 634 final)

Dear Mr Chairman,

At its meeting of 5, 6 and 7 December 1983, the Committee on Budgets
considered the abovementioned proposal and adopted the following opinion.

The Committee on Budgets noted that this proposal involves a considerable
reduction in the own-resources of the Community and a decline in the resources
actually available for the financial years 1984 and 1985. Consequently, the
budgetary aspects seem to take precedence over the fiscal aspects of the measures
proposed, namely the deferment of the introduction of Community VAT in Greece
to 1 January 1986.

The Committee on Budgets considers that the Community should strongly urge
the Greek Government to ensure that the delay incurred in the introduction of
VAT be made up as soon as possible. The Committee on Budgets has therefore
adopted an amendment to Article 1 of the proposal for a directive, replacing
1 January 1986 by 1 January 1985.

The Committee on Budgets also regrets that the Commission waited until
8 November 1983 before taking action on the request by the Greek Government of
19 July 1983, with the result that the 1984 budget gives an incorrect picture
of the revenue position of the Community and should therefore be rectified.

The Committee on Budgets unanimously approved this opinion.

Yours sincerely,

(sgd) Erwin LANGE

Present : Mr LANGE, chairman; Mr NOTENBOOM, first vice-chairman; Mrs BARBARELLA,
second vice-chairman; Mr ROSSI, third vice-chairman; Mr ABENS,
Mr BAILLOT, Mr BALFE, Mrs BOSERUP, Mrs HOFF, Mr LALUMIERE, Mr LOUWES,
Mrs NEBOUT, Mr PROTOPAPADAKIS, Mr RYAN, Mr SABY, Mr Konrad SCHÖN and
Mr SIMONNET.