COUNCIL IMPLEMENTING DECISION (EU) 2015/2396

of 10 December 2015

amending Implementing Decision 2009/1008/EU authorising the Republic of Latvia to extend the application of a measure derogating from Article 193 of Directive 2006/112/EC on the common system of value added tax

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 291(2) thereof,

Having regard to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax ([1]), and in particular Article 395(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) By letter registered with the Commission on 30 March 2015, the Republic of Latvia requested authorisation to continue to apply a measure derogating from Article 193 of Directive 2006/112/EC which governs the person liable for the payment of the value added tax (VAT) to tax authorities.

(2) In accordance with Article 395(2) of Directive 2006/112/EC, the Commission informed the other Member States, by letter dated 18 May 2015, of the request made by Latvia. By letter dated 20 May 2015, the Commission notified Latvia that it had all the information necessary to consider the request.

(3) Council Decision 2006/42/EC ([2]) authorised Latvia to make the recipient liable for the VAT due on the supply of timber.

(4) The period for the application of the derogating measure was extended twice, by Council Implementing Decisions 2009/1008/EU ([3]) and 2013/55/EU ([4]).

(5) The investigations and the analysis of the application of the mechanism carried out by the Latvian tax authorities have revealed the effectiveness of the derogating measure.

(6) The Commission understands that the legal and factual situation which has justified the application of the derogating measure has not changed and continues to exist. Latvia should therefore be authorised to apply the measure for a further limited period.

(7) Where Latvia considers that a further extension of the derogating measure beyond 2018 is necessary, it should submit to the Commission an evaluation report, together with the extension request, by no later than 31 March 2018 in order to allow sufficient time for the Commission to examine the request.

(8) The derogating measure will have no adverse impact on the Union's own resources accruing from VAT.

(9) Implementing Decision 2009/1008/EU should therefore be amended accordingly,

([1]) OJ L 347, 11.12.2006, p. 1.
([2]) Council Decision 2006/42/EC of 24 January 2006 authorising Latvia to extend the application of a measure derogating from Article 21 of the Sixth Council Directive 77/388/EEC on the harmonisation of the laws of the Member States relating to turnover taxes (OJ L 25, 28.1.2006, p. 31).
([3]) Council Implementing Decision 2009/1008/EU of 7 December 2009 authorising the Republic of Latvia to extend the application of a measure derogating from Article 193 of Directive 2006/112/EC on the common system of value added tax (OJ L 347, 24.12.2009, p. 30).
([4]) Council Implementing Decision 2013/55/EU of 22 January 2013 amending Implementing Decision 2009/1008/EU authorising the Republic of Latvia to extend the application of a measure derogating from Article 193 of Directive 2006/112/EC on the common system of value added tax (OJ L 22, 25.1.2013, p. 16).

HAS ADOPTED THIS DECISION:

Article 1

Articles 2 and 2a of Implementing Decision 2009/1008/EU are replaced by the following:

'*Article 2*

This Decision shall apply until 31 December 2018.

Any request for the extension of the measure provided for in this Decision shall be submitted to the Commission by 31 March 2018 and shall be accompanied by a report on the application of that measure.'.

Article 2

This Decision is addressed to the Republic of Latvia.

Done at Brussels, 10 December 2015.

For the Council
The President
F. BAUSCH