



Rolf Diemer
Head of Unit VAT and other Turnover Taxes
Chairperson VAT Committee
DG TAXUD

10 June 2009

Commission proposal on the rules on invoicing: COM(2009) 21

Mr Diemer, dear Rolf,

BUSINESSEUROPE fully endorses the objective of the Commission proposal of January 2009 to simplify and harmonize the VAT invoicing rules. An adoption of the proposal by the Council will reduce the administrative burden for business and will be an important step to completing the internal market.

We strongly welcome the removal of specific rules on e-invoicing. The current legal requirements on e-invoicing are very difficult to fulfill and very burdensome for business. As a result, the use of e-invoicing is very limited.

In the few Member States with no specific requirements, e-invoicing is much more broadly implemented. Compared to paper invoices, e-Invoices offer huge advantages for companies. According to a report commissioned by DG Enterprise, annual benefits can reach up to €40 billion across Europe in the business-to-business field alone.

The Commission proposal on equal treatment of paper- and e-invoicing has already initiated a positive development. The Dutch tax administration has recently removed any specific requirements on e-invoices. This is possible in all Member States, anytime.

In the attached note, we present detailed remarks and suggestions to various articles of the proposal. We also highlight five concerns which, if not addressed, would impose significant additional compliance burdens on businesses without providing any real benefit in terms of revenue protection.

These points of concern are related to the following proposed amendments:

- (1) The chargeable event of an intra-Community supply (proposed art. 68);
- (2) The right of deduction linked to a valid invoice (proposed art. 178 (c) and 178 (f));
- (3) Invoices for exempt supplies (proposed art. 210);
- (4) Currency exchange rate (proposed art. 230);
- (5) Customer VAT ID-No. for domestic supplies (proposed art.226(4)).

We look forward to meeting you to further discuss these concerns.

With kind regards,

Henk Wildeboer
Chairman of the VAT Group