



IOTA – Sarajevo

12 June 2025

C4 Unit – DG TAXUD - EU Commission

Legislative initiatives

- VAT in the Digital Age
- CESOP

Operational Networks

- Eurofisc
- EU AIAC

VAT GAPs

Overview of ViDA proposal

Pillar 1

Introduction of Digital Reporting Requirement (DRR)

Introduction of DRR for intra-EU supplies and ensuring interoperability



Pillar 2

Platforms in passenger transport and short-term accommodation sectors to account for the VAT rather than underlying supplier
Deemed supplier in Platform economy



Pillar 3

Single VAT Registration

Reducing the need for business to register in another Member State



Legislation

- VAT Directive
- Implementing Regulation
- Admin. Coop. Regulation

A legislative package with three parts



PILLAR 1:

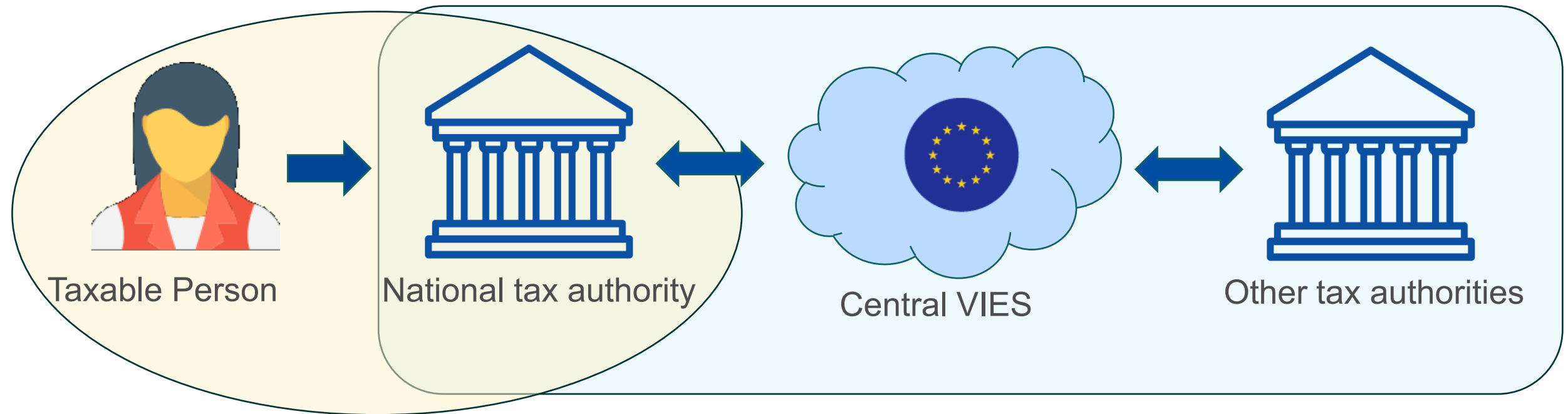
Digital Reporting Requirement (DRR)

& e-invoicing

DRR & e-invoicing

- Mandatory transaction-based Digital Reporting Requirement (DRR) for intra-Community transactions replacing monthly/quarterly recapitulative statements
 - E-invoicing becomes the default system for issuing invoices
 - 10 days after chargeable event for issuing and reporting invoices
 - Entry into application 1 July 2030
- Central database for the exchange of information between Member States on intra-Community transactions (central VIES)

DRR information flow



- 1) Taxable persons report to their national tax authorities
- 2) Exchange of information between national authorities through new central VIES

PILLAR 2

VAT treatment of the platform economy

Platforms - Deemed supplier

- Introduces **deemed supplier** for
 - short-term accommodation rental and
 - passenger transport.
- Member States can exclude Small and Medium sized businesses
- 1st July 2028
- MS have option to delay implementation until 1st January 2030

PILLAR 3

Single VAT registration

Further reduce need for VAT identification in other Member States

- Extension of OSS to B2C domestic supplies of goods when the taxable person is not established in the Member State of supply:
- The reverse charge for B2B becomes the rule
 - When supplier is not established and not identified for VAT in the MS where VAT is due
 - When customer is already identified for VAT in that Member State
- The transfer of own goods module
- The main elements of the SVR part 1 July 2028



CESOP

Central Electronic System of Payment Information

Stakeholders and systems

- Payment Service Providers (PSPs)
 - Submit quarterly all cross-border payment data (more than 25 transactions per payee), standardised file (xml). 1st submission 1 April 2024.
- National Tax Administrations (NTA)
 - Collect data from PSPs and transmit files to central CESOP
 - May store the data collected nationally (requires national legal base)
- Central Electronic System Of Payment information (CESOP)
 - Web application with the "payee catalogue" and Data analytics tools
 - Access available for Eurofisc officials

Joint EU level data analysis

- Data to be explored:
 - Payment data on payees, provided by PSPs
 - VAT information: VIES, (I)OSS, TNA and SURV3
 - National feedback data
 - External (commercial data bases), e.g. Orbis data - no legal base yet (not in automation)
- Make targeted cases available for MS, followed by
 - National measures
 - EU level joint actions (e.g. Eurofisc follow up actions, MLC)

Legal Base and Guidance

- [Council Regulation \(EU\) 2020/283 of 18 February 2020 amending Regulation \(EU\) No 904/2010](#) as regards measures to strengthen administrative cooperation in order to combat VAT fraud
- [Council Directive \(EU\) 2020/284 of 18 February 2020 amending Directive 2006/112/EC](#) as regards introducing certain requirements for payment service providers
- [Commission Implementing Regulation \(EU\) 2022/1504 of 6 April 2022](#) laying down detailed rules for the application of Council Regulation (EU) No 904/2010 as regards the creation of a central electronic system of payment information (CESOP) to combat VAT fraud

EU Guidelines

- [CESOP - Guidelines for the reporting of payment data](#) and [Frequently Asked Questions \(FAQ\)](#)
- [XSD and XSD User Guide package](#) and [CESOP Validation Module v1.3.0 and corresponding User Manual v2.01](#)



EU AIAC

Advanced International Administrative Cooperation

- **EU AIAC Community** supports and promotes the use of cross border cooperation tool through a strong network of experts.
- As from 2022, it replaces Multilateral Control Platforms.
- **Simultaneous Controls, Joint Audits and PAOES**
 - *Articles 28, 29 and 30 of Regulation 904/2010 -VAT-,*
 - *11, 12 and 12a of Directive 2011/16/EU -DAC-,*
 - *12 and 13 of Regulation (EU) No 389/2012 -Excises- and*
 - *7 of Directive 2010/24/EU -Recovery-*

- [Tax Administration - European Commission](#) with a Short [video](#)
- [Customs & Tax EU Learning Portal](#)
 - [AIAC presentation](#)
 - [Advanced International Administrative Cooperation \(AIAC\) Instruments](#)



EUROFISC

Eurofisc is a network without legal personality composed of national liaison officials from all the MS to combat VAT fraud.

- Eurofisc Chair.
 - Working Fields (WF) 1 – MTIC and CP42.
 - WF2 - vehicle.
 - WF5 - e-commerce.
- The Eurofisc Advisory Board as link with TADEUS.
- IT tools: TNA (WF1 and 2) and CESOP (WF 5)

Eurofisc - European Commission

LinkedIn

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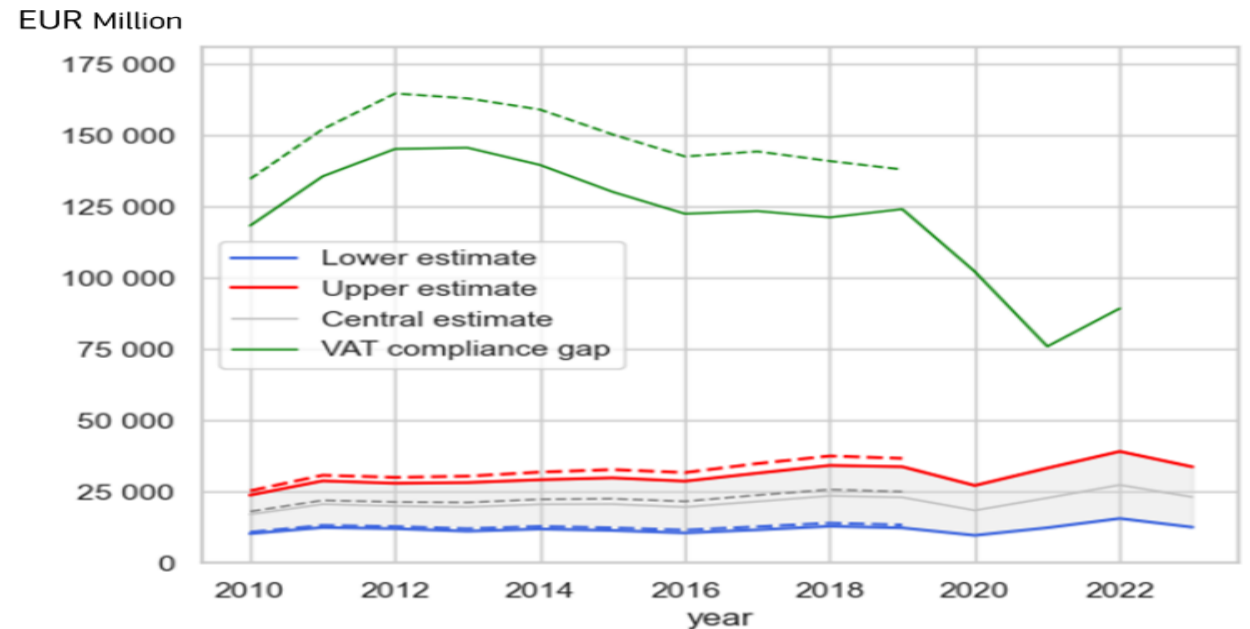


VAT GAPs

VAT Gap - European Commission

VAT Gap study 89 billions in 2022 and **NEW MTIC GAP**

- Average MTIC gap over 2010-2023:
EUR 12.5 billion to EUR 32.8 billion
per year
- Annual MTIC fraud:
 - 1.2 - 3.1% of actual VAT revenue
 - 9 - 24% of VAT compliance gap



Source: [VAT compliance gap due to MTIC fraud – Phase II Final Report](#)



European
Commission

Thank you