

Council Directive 2006/112/EC of 28 November  
2006 on the common system of value added tax

TITLE IX

**EXEMPTIONS**

CHAPTER 2

**Exemptions for certain activities in the public interest**

*Article 133*

Member States may make the granting to bodies other than those governed by public law of each exemption provided for in points (b), (g), (h), (i), (l), (m) and (n) of Article 132(1) subject in each individual case to one or more of the following conditions:

- (a) the bodies in question must not systematically aim to make a profit, and any surpluses nevertheless arising must not be distributed, but must be assigned to the continuance or improvement of the services supplied;
- (b) those bodies must be managed and administered on an essentially voluntary basis by persons who have no direct or indirect interest, either themselves or through intermediaries, in the results of the activities concerned;
- (c) those bodies must charge prices which are approved by the public authorities or which do not exceed such approved prices or, in respect of those services not subject to approval, prices lower than those charged for similar services by commercial enterprises subject to VAT;
- (d) the exemptions must not be likely to cause distortion of competition to the disadvantage of commercial enterprises subject to VAT.

Member States which, pursuant to Annex E of Directive 77/388/EEC, on 1 January 1989 applied VAT to the transactions referred to in Article 132(1)(m) and (n) [<sup>X1</sup>may also apply the conditions provided for in point (d) of the first paragraph of this Article] when the said supply of goods or services by bodies governed by public law is granted exemption.

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**Editorial Information**

- X1** Substituted by [Corrigendum to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax \(Official Journal of the European Union L 347, 11 December 2006\)](#).