

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

TITLE V

**PLACE OF TAXABLE TRANSACTIONS**

CHAPTER 3

**Place of supply of services**

Section 2

**Particular provisions**

Subsection 6

**Criterion of effective use and enjoyment**

*Article 58*

In order to avoid double taxation, non-taxation or distortion of competition, Member States may, with regard to the supply of the services referred to in Article 56(1) and with regard to the hiring out of means of transport:

- (a) consider the place of supply of any or all of those services, if situated within their territory, as being situated outside the Community, if the effective use and enjoyment of the services takes place outside the Community;
- (b) consider the place of supply of any or all of those services, if situated outside the Community, as being situated within their territory, if the effective use and enjoyment of the services takes place within their territory.

However, this provision shall not apply to the services referred to in point (k) of Article 56(1), where those services are rendered to non-taxable persons.