

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

TITLE XI

**OBLIGATIONS OF TAXABLE PERSONS  
AND CERTAIN NON-TAXABLE PERSONS**

CHAPTER 1

**Obligation to pay**

Section 1

**Persons liable for payment of VAT to the tax authorities**

*Article 193*

VAT shall be payable by any taxable person carrying out a taxable supply of goods or services, except where it is payable by another person in the cases referred to in Articles 194 to 199 and Article 202.

*Article 194*

1 Where the taxable supply of goods or services is carried out by a taxable person who is not established in the Member State in which the VAT is due, Member States may provide that the person liable for payment of VAT is the person to whom the goods or services are supplied.

2 Member States shall lay down the conditions for implementation of paragraph 1.

*Article 195*

VAT shall be payable by any person who is identified for VAT purposes in the Member State in which the tax is due and to whom goods are supplied in the circumstances specified in Articles 38 or 39, if the supplies are carried out by a taxable person not established within that Member State.

*Article 196*

VAT shall be payable by any taxable person to whom the services referred to in Article 56 are supplied or by any person identified for VAT purposes in the Member State in which the tax is due to whom the services referred to in Articles 44, 47, 50, 53, 54 and 55 are supplied, if the services are supplied by a taxable person not established in that Member State.

*Article 197*

1 VAT shall be payable by the person to whom the goods are supplied when the following conditions are met:

- a the taxable transaction is a supply of goods carried out in accordance with the conditions laid down in Article 141;

- b the person to whom the goods are supplied is another taxable person, or a non-taxable legal person, identified for VAT purposes in the Member State in which the supply is carried out;
- c the invoice issued by the taxable person not established in the Member State of the person to whom the goods are supplied is drawn up in accordance with Articles 220 to 236.

2 Where a tax representative is appointed as the person liable for payment of VAT pursuant to Article 204, Member States may provide for a derogation from paragraph 1 of this Article.

#### *Article 198*

1 Where specific transactions relating to investment gold between a taxable person who is a member of a regulated gold bullion market and another taxable person who is not a member of that market are taxed pursuant to Article 352, Member States shall designate the customer as the person liable for payment of VAT.

If the customer who is not a member of the regulated gold bullion market is a taxable person required to be identified for VAT purposes in the Member State in which the tax is due solely in respect of the transactions referred to in Article 352, the vendor shall fulfil the tax obligations on behalf of the customer, in accordance with the law of that Member State.

2 Where gold material or semi-manufactured products of a purity of 325 thousandths or greater, or investment gold as defined in Article 344(1) is supplied by a taxable person exercising one of the options under Articles 348, 349 and 350, Member States may designate the customer as the person liable for payment of VAT.

3 Member States shall lay down the procedures and conditions for implementation of paragraphs 1 and 2.

#### *Article 199*

1 Member States may provide that the person liable for payment of VAT is the taxable person to whom any of the following supplies are made:

- a the supply of construction work, including repair, cleaning, maintenance, alteration and demolition services in relation to immovable property, as well as the handing over of construction works regarded as a supply of goods pursuant to Article 14(3);
- b the supply of staff engaged in activities covered by point (a);
- c the supply of immovable property, as referred to in Article 135(1)(j) and (k), where the supplier has opted for taxation of the supply pursuant to Article 137;
- d the supply of used material, used material which cannot be re-used in the same state, scrap, industrial and non industrial waste, recyclable waste, part processed waste and certain goods and services, as listed in Annex VI;
- e the supply of goods provided as security by one taxable person to another in execution of that security;
- f the supply of goods following the cession of a reservation of ownership to an assignee and the exercising of this right by the assignee;
- g the supply of immovable property sold by a judgment debtor in a compulsory sale procedure.

2 When applying the option provided for in paragraph 1, Member States may specify the supplies of goods and services covered, and the categories of suppliers or recipients to whom these measures may apply.

3 For the purposes of paragraph 1, Member States may take the following measures:

- a provide that a taxable person who also carries out activities or transactions that are not considered to be taxable supplies of goods or services in accordance with Article 2 shall be regarded as a taxable person in respect of supplies received as referred to in paragraph 1 of this Article;
- b provide that a non-taxable body governed by public law, shall be regarded as a taxable person in respect of supplies received as referred to in points (e), (f) and (g) of paragraph 1.

4 Member States shall inform the VAT Committee of national legislative measures adopted pursuant to paragraph 1 in so far as these are not measures authorised by the Council prior to 13 August 2006 in accordance with Article 27(1) to (4) of Directive 77/388/EEC, and which are continued under paragraph 1 of this Article.

#### *Article 200*

VAT shall be payable by any person making a taxable intra-Community acquisition of goods.

#### *Article 201*

On importation, VAT shall be payable by any person or persons designated or recognised as liable by the Member State of importation.

#### *Article 202*

VAT shall be payable by any person who causes goods to cease to be covered by the arrangements or situations listed in Articles 156, 157, 158, 160 and 161.

#### *Article 203*

VAT shall be payable by any person who enters the VAT on an invoice.

#### *Article 204*

1 Where, pursuant to Articles 193 to 197 and Articles 199 and 200, the person liable for payment of VAT is a taxable person who is not established in the Member State in which the VAT is due, Member States may allow that person to appoint a tax representative as the person liable for payment of the VAT.

Furthermore, where the taxable transaction is carried out by a taxable person who is not established in the Member State in which the VAT is due and no legal instrument exists, with the country in which that taxable person is established or has his seat, relating to mutual assistance similar in scope to that provided for in Directive 76/308/EEC<sup>(1)</sup> and Regulation (EC) No 1798/2003<sup>(2)</sup>, Member States may take measures to provide that the person liable for payment of VAT is to be a tax representative appointed by the non-established taxable person.

However, Member States may not apply the option referred to in the second subparagraph to a non-established taxable person, within the meaning of point (1) of Article 358, who has opted for the special scheme for electronically supplied services.

2 The option under the first subparagraph of paragraph 1 shall be subject to the conditions and procedures laid down by each Member State.

*Article 205*

In the situations referred to in Articles 193 to 200 and Articles 202, 203 and 204, Member States may provide that a person other than the person liable for payment of VAT is to be held jointly and severally liable for payment of VAT.

Section 2

**Payment arrangements**

*Article 206*

Any taxable person liable for payment of VAT must pay the net amount of the VAT when submitting the VAT return provided for in Article 250. Member States may, however, set a different date for payment of that amount or may require interim payments to be made.

*Article 207*

Member States shall take the measures necessary to ensure that persons who are regarded as liable for payment of VAT in the stead of a taxable person not established in their respective territory, in accordance with Articles 194 to 197 and Articles 199 and 204, comply with the payment obligations set out in this Section.

Member States shall also take the measures necessary to ensure that those persons who, in accordance with Article 205, are held to be jointly and severally liable for payment of the VAT comply with these payment obligations.

*Article 208*

Where Member States designate the customer for investment gold as the person liable for payment of VAT pursuant to Article 198(1) or if, in the case of gold material, semi-manufactured products, or investment gold as defined in Article 344(1), they exercise the option provided for in Article 198(2) of designating the customer as the person liable for payment of VAT, they shall take the measures necessary to ensure that he complies with the payment obligations set out in this Section.

*Article 209*

Member States shall take the measures necessary to ensure that non-taxable legal persons who are liable for payment of VAT due in respect of intra-Community acquisitions of goods, as referred to in Article 2(1)(b)(i), comply with the payment obligations set out in this Section.

*Article 210*

Member States shall adopt arrangements for payment of VAT on intra-Community acquisitions of new means of transport, as referred to in Article 2(1)(b)(ii), and on intra-Community acquisitions of products subject to excise duty, as referred to in Article 2(1)(b)(iii).

*Article 211*

Member States shall lay down the detailed rules for payment in respect of the importation of goods.

In particular, Member States may provide that, in the case of the importation of goods by taxable persons or certain categories thereof, or by persons liable for payment of VAT or certain categories thereof, the VAT due by reason of the importation need not be paid at the time of importation, on condition that it is entered as such in the VAT return to be submitted in accordance with Article 250.

*Article 212*

Member States may release taxable persons from payment of the VAT due where the amount is insignificant.

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**Status:** This is the original version (as it was originally adopted).

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- (1) Council Directive 76/308/EEC of 15 March 1976 on mutual assistance for the recovery of claims relating to certain levies, duties, taxes and other measures ([OJ L 73, 19.3.1976, p. 18.](#)). Directive as last amended by the Act of Accession of 2003.
- (2) Council Regulation (EC) No 1798/2003 of 7 October 2003 on administrative cooperation in the field of value added tax ([OJ L 264, 15.10.2003, p. 1.](#)). Regulation amended by Regulation (EC) No 885/2004 ([OJ L 168, 1.5.2004, p. 1.](#)).