

TAXREP 24/02

VAT: EU INVOICING DIRECTIVE

Text of a letter submitted in September 2002 by The Tax Faculty of the Institute of Chartered Accountants in England and Wales in response to a consultation paper issued in June 2002 by Customs

**VAT: EC INVOICING DIRECTIVE:
IMPLEMENTATION IN UK**

1. We welcome the opportunity to respond to the proposals in JVCC information paper 03/02 sent to us in June. We have no comment to make on the details of the intended final provisions.
2. However, we are concerned that the ability of Member States to bring national rules into line with the Directive any time up to 1 January 2004 will mean that there could be a variety of start dates across the European Community. This will cause compliance difficulties for businesses. For example, a requirement to quote VAT numbers of EC customers (e.g. for exempt business recipients of services) would be impossible to meet if the customer's Member State had yet to introduce such numbers.
3. 'Big Bang' is often simpler than staggered changes for traders to comply with and as we suspect that most Member States will leave implementation until the last minute, we recommend that the UK implements the rules with effect from 1 January 2004.

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