

# Ministry of Finance Consults on ViDA Proposals

28 August 2023

Report from our correspondent Xeniya Yeroshenko

The Ministry of Finance has submitted for further discussion and inter-sectoral consultation process the preliminary opinion on the proposals for EU legislation in the field of VAT in the digital age (ViDA proposals), including:

- [Proposal for a Council Directive amending Directive 2006/112/EC as regards VAT rules for the digital age;](#)
- [Proposal for a Council implementing Regulation amending Implementing Regulation \(EU\) No 282/2011 as regards information requirements for certain VAT schemes;](#) and
- [Proposal for a Council Regulation amending Regulation \(EU\) No 904/2010 as regards the VAT administrative cooperation arrangements needed for the digital age.](#)

The Ministry of Finance shared preliminary concerns and the opinion of the Slovak Republic on the suggested amendments.

With respect to the Proposal for a Council Directive amending Directive 2006/112/EC:

- in general the Ministry is supportive of the model of "deemed supplier", but identifies potential negative impact the model may have on SME businesses by influencing (increasing) the prices charged by the underlying suppliers (increase in prices due to VAT collected and remitted by the platforms) and thus potentially creating pricing policy barriers;
- the Ministry recommends to more precisely define the term "underlying supplier";
- the Ministry supports the idea of structured electronic format of invoicing, but proposes to postpone the date of its effectiveness in view of the need to adjust relevant software;
- the Ministry opines that article 217b should give more flexibility to the Member States regarding B2C transactions; and
- the Ministry proposes to redraft the amendments to a number of articles, including articles 264, 59c and 369g.

In general, the Slovak Republic supports the majority of the pursued objectives but believes that the proposed amendments need to be further researched and analysed in detail on the basis of in-depth discussions and practical examples, so that the final wording of the draft directive contributes to the fulfilment of the set goals. The full text of the comments can be found [here](#) (in Slovak only).

With respect to the Proposal for a Council Regulation amending Regulation (EU) No 904/2010, the Slovak Republic perceives positively the introduction of the centralized VIES system. However, it expects that the EU legislation should provide more clear provisions on the processes replacing the original information exchange system. In principle, however, the Slovak Republic agrees with the proposed changes, but appeals for a sufficient time frame for their implementation. The full text of the comments can be found [here](#) (in Slovak only).

With respect to the Proposal for a Council implementing Regulation amending Implementing Regulation (EU) No 282/2011, the Slovak Republic reiterates that it supports the objectives of the ViDA proposals, but opines that the specific provisions need to be further interpreted and examined in close connection with the articles of the [VAT Directive \(2006/112\)](#). The Slovak Republic takes a flexible position on the mandatory application of the IOSS scheme. It agrees with the proposed changes in individual articles in this context. The Slovak Republic is rather sceptical with respect to the new OSS simplification scheme for transfer of own goods and extension of the OSS scheme to the B2B area. The full text of the comments can be found [here](#) (in Slovak only).

The position of the Slovak Republic may change after the inter-sectoral consultation process. Further developments will be reported as they occur.

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