HMRC - VATSC82240 - Deutsche Bank (C-44/11)

Deutsche Bank provided portfolio management services to clients and the question put to the ECJ was whether the different elements were a single economic transaction and questioned the significance of the criterion that the ancillary service did not constitute for customers an end in itself, but the means of enjoying the supplier’s principal service in the situation when ancillary services may have a separate charge and be provided by a third party.

The decision commented that whether there was a principal and ancillary service was not the only test and decided on the facts that the Levob argument was more relevant and the elements were considered to be so closely linked that they formed, objectively, a single economic supply, which it would be artificial to split.

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