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YEPP Resolution: The new VAT regulations

Adopted at the YEPP Seminar in Budapest, Hungary on February 25 2012

Recognizing:

- Most EU countries have special regulations for civil society organizations concerning taxes. For thousands of organizations, mainly organizations not competing in any market but facilitating volunteering activities, value-added tax is not compulsory to pay.
- The issue of VAT for civil society has been debated in many arenas the last years, especially with regards to the ambition of the European Commission's ambition to change the VAT regulations system thoroughly.
- The European Parliament adopted a statement concerning VAT for civil society, underlining that: "Non-profit-making organizations play a vital and very beneficial role in furthering democracy, growth and prosperity in Europe; calls on the Commission to propose a mechanism allowing Member States wishing to strengthen civil society to generally exempt from VAT all or most of the activities and transactions carried out by these organizations; stresses that at least the smaller non-profit-making organizations should be covered by such a mechanism".¹
- The Nordic countries have been advocating for these mechanisms to be included in the European Commission's proposal concerning the future of VAT, and Sweden also asked for exceptions for civil society if these mechanisms are not included. In December, the European Commission declared that the Swedish request of exception was not going to be considered, and the work will proceed according to the Commission's position, to ban VAT exceptions all over the EU - in opposition to opinions of numerous Member States and the European Parliament.

Acknowledging:

- Young people getting together in organizations constitute an important part of Europe, and should be encouraged instead of hindered. The European Commission should take the civil society's considerations into account when developing the future EU VAT system.

YEPP calls on:

- the European commission to support and enable a mechanism giving the member states the possibility to exempt civil society from VAT in the EU.

¹ Resolution [2011/2082\(INI\)](#), the European Parliament 13 October 2011.