



In a constantly changing environment, it is sometimes difficult to find relevant information. To help you anticipate and prepare for the changes that may affect your foreign VAT, you will find below the main changes of VAT rates in Europe.

Country	Subject	Date	Status (1)	In a few words...
CYPRUS	Rate cut	From 1st of November 2023 to 30 avril 2024	ADOPTED	Exemption from VAT on certain essential products: bread, milk, eggs, baby food, nappies, feminine hygiene products, adult nappies, coffee and sugar.
CZECH REPUBLIC	Rate cut	1st January 2024	ADOPTED	<ul style="list-style-type: none"> - Zero VAT from 2024 : * books - Reduced VAT rate of 12% from 2024 : *food (excluding drinks), gluten-free products *medicines and pharmaceutical products *medical equipment *building work *water and sewerage rates *heat *regular passenger transport, occasional passenger bus transport *accommodation services *catering services *tickets for theatres, cinemas, sporting events, zoos, swimming pools, gyms, etc. *magazines *children's car seats *Funeral services
	Merger of reduced rates	1st January 2024	PROPOSAL	Merger of the reduced VAT rates of 10% and 15% into a single reduced rate of 12%.
ESTONIA	Rate increase	1st January 2024	ADOPTED	The standard rate of VAT in Estonia is 22% instead of the current 20%.
	Rate cut	N/A	PROPOSAL	The Estonian Parliament is examining bills (Resolution Nos. 272 OE and 277 OE, Bill n° 286 SE) aimed at reducing VAT rates on certain foodstuffs and certain medicines (notably cancer treatments) from 20% to 5%.
FINLANDE	Rate increase	N/A	PROPOSAL	The Finnish Government published a bill on 28 August 2023, which would increase VAT to 14% on goods and services currently subject to the reduced rate of 10%; except for newspapers and magazines.
IRELAND	Back to normal rates (increase)	1st September 2023	ADOPTED	<p>A return to standard VAT rates on certain services (13.5% instead of 9%):</p> <ul style="list-style-type: none"> - Restaurant and catering services, - Accommodation and hotel services, - Sales of access to historic houses, stately homes and gardens, - Sale of admission to amusement parks and fairgrounds - Sales of certain food products.
ITALY	Creation of new VAT rates	N/A	Awaiting implementing decrees	As part of a more comprehensive tax reform, Italy wishes to introduce, in line with Council Directive (EU) 2022/542 of 5 April 2022, VAT treatments that are homogeneous with those in force in other Member States for similar goods and services. This could lead, for example, to the application of two reduced rates of not less than 5%, one lower rate and one higher rate.
LUXEMBURG	Back to normal rates (after a temporary VAT cut in 2023)	1st January 2024	ADOPTED	<p>End of temporary reduced rates and return to the standard rates in force before 2023 :</p> <ul style="list-style-type: none"> - Standard rate: 17 - Intermediate rate: 14 - Reduced rate: 8%".

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MALTA	Addition of a new reduced VAT rate	1st January 2024	ADOPTED	<p>Malta adds a new reduced rate of 12% from 1 January 2024. There are also some zero-rated supplies. The other reduced VAT rates (5% and 8%) and the standard VAT rate of 18% will remain unchanged.</p> <p>The 12% rate will apply to the following services:</p> <ul style="list-style-type: none"> - Custody and management of securities, - Management of credit and credit guarantees by a person or body other than those who granted the credit, - Hiring of a pleasure boat to a person according to an agreement for any term or part of a term that, when added to the term of a previous hiring, of the same goods or of other goods of the same kind, to the said person during the previous twelve (12) months ending on the date of the beginning of the existing hiring, does not exceed five (5) weeks. - Services consisting of the care of the human body required to be delivered by a person in the exercise of any profession regulated by the Health Care Professions Act (Cap.464), including services supplied in the course of a health studio business or similar business, but not including exempt supplies referred to in item 11 of Part Two of the Fifth Schedule.
POLAND	Confirmation of rates by decision of the Polish tax authorities	31st of August 2023	ADOPTED	Application of the reduced rate of 8% to medical gloves (decision of 31 August 2023)
		7th of September 2023	ADOPTED	Application of the reduced rate of 8% to food supplements in liquid form CN2106 (liquid products intended to be consumed mixed with water) - Decision of 7 September 2023
		7th of September 2023	ADOPTED	Application of the 0% rate for non-alcoholic protein drinks NC 2007 (decision of 7 September 2023)
PORTUGAL	Extension of reduced rate	From 31 October 2023 to 31 December 2023	ADOPTED	Renewal of the VAT exemption on basic necessities (bread, potatoes, pasta, rice, vegetables, onions, tomatoes, etc. - see https://diariodarepublica.pt/dr/detalhe/lei/17-2023-211783460).
ROMANIA	Rate cut	1st January 2024	PROPOSAL	A new law lays down the rules for applying VAT rates in the timber and energy sectors. The reduced rate of 5% will now apply to the supply and installation of photovoltaic panels and heat pumps, as well as to sawdust and agglomerated wood waste.
SWITZERLAND	Rate increase	1st January 2024	ADOPTED	From 1 January 2024, the following VAT rates will apply: Standard rate: 8.1% Reduced rate: 2.6% Special rate for accommodation: 3.8

(1) Status

Draft: The proposal is only at the draft stage.

Proposal: A written draft for legislative transposition has been submitted but not adopted.

Adopted: The proposal is/will be adopted.

Cancelled: The initial project has been abandoned.

Pilot: The project is at the pilot stage.

The above information is a non-exhaustive snapshot at a given time. It is provided for information only.

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