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REPORT FROM THE COMMISSION TO THE COUNCIL

in accordance with Article 105a(6) of Council Directive 2006/112/EC on VAT rates derogations applied by Member States

Preface

The Commission presents this report in accordance with Article 105a(6) of Directive 2006/112/EC [1] (the VAT Directive), detailing the supplies of goods and services covered by paragraphs 1 and 3 of Article 105a and by Article 105b. The report explains how Member States apply derogations entailing reduced rates, including rates lower than the minimum specified in Article 98(1) (super-reduced rates), and exemptions with deductibility of VAT paid at the preceding stage (zero rates).

The details provided in this report are based exclusively on information received from Member States. Therefore, the Commission cannot assume responsibility for any inaccuracies in the data. Any conclusions or explanations contained in this report do not necessarily reflect the Commission's official opinion. Neither the Commission nor any person acting on its behalf may assume responsibility for subsequent use of the information in this report.

[1] Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p. 1), as amended.

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Glossary

Reduced rate:	VAT rate not lower than the minimum of 5%.
Super-reduced rate:	Reduced rate lower than the minimum of 5%.
Zero rate:	Exemption with deductibility of VAT paid at the preceding stage.
Parking rate:	Reduced rate not lower than 12%.
Derogation:	For the purpose of this report, 'derogation' means the application of a VAT rate lower than the standard rate based on Articles 105a(1), 105a(3) or 105b of the VAT Directive.

Legal Information

This report is based exclusively on information provided by Member States in their communications to the VAT Committee.

Pursuant to Article 105a(6) of the VAT Directive, the Commission must present, by 1 July 2025 and on the basis of the information provided by Member States, a report with a comprehensive list indicating the goods and services referred to in paragraphs 1 and 3 of Article 105a and in Article 105b to which the reduced rates, including the super-reduced rates, or the zero rates, are applied in Member States.

By 7 July 2022 at the latest, Member States had to communicate to the VAT Committee the text of the main provisions of national law and the condition for their application as applied on 1 January 2021 regarding:

- the super-reduced and zero rates referred to in Article 105a(1)[2]
  (*goods and services listed in Annex III, excluding points 1–6 and 10c*)
- the parking rates referred to in the first subparagraph of Article 105a(3)[3]
  (*goods and services not listed in Annex III)*
- the reduced rates referred to in Article 105b(1)[4]
  (*transactions regarding housing not being part of a social policy*).

Member States that were not applying parking rates, super-reduced rates or zero rates to the above-mentioned transactions on 1 January 2021, but who wished to do so, had to adopt the detailed rules governing the exercise of those options by 7 October 2023. They also had to communicate to the VAT Committee the text of the main provisions of national law they adopted[5]. Those Member States must apply these rates to the same supplies of goods or services and under the same conditions as those applicable on 1 January 2021 in the Member States that communicated, by 7 July 2022[6], their main provisions and conditions of derogations already applied.

As set out in Article 105a(6) of the VAT Directive, **the scope of this report only covers permanent derogations**.

There are other derogations, such as those mentioned in Article 105a(2) of the VAT Directive, covering transactions not listed in Annex III, to which Member States apply a VAT rate lower than 12%, including super-reduced and zero rates. These derogations are **temporary**, as Member States may only apply reduced VAT rates lower than 12% or super-reduced or zero rates until 1 January 2032, or until the adoption of definitive arrangements under Article 402 of the VAT Directive. **The report does not refer to these temporary derogations.**

[2] Article 98(2), second subparagraph, point (b) of the VAT Directive.
[3] Article 105a(3), second subparagraph, of the VAT Directive.
[4] Article 105b(2) of the VAT Directive.
[5] Article 105a(5) of the VAT Directive.
[6] Article 105a(1), fourth subparagraph; Article 105a(3) third subparagraph; Article 105b(3) of the VAT Directive.

1. Executive Summary

This report reviews how Member States apply **VAT rate derogations**, revealing an uneven **distribution**. Out of a total of 64 derogations, **Luxembourg, Ireland and Italy** alone cover **75%** of them. The remainder concerns seven other Member States, namely **Malta**, **Cyprus**, **Greece**, **France**, **Portugal**, **Spain** and **Austria**.

There are **54 distinct transaction types** affected, the application of 10 of which overlaps in eight Member States. **More than 90%** of the derogations concern the application of **super-reduced rates (31 derogations)** and **parking rates (28 derogations)**.

The **housing and construction sector** dominates derogations at nearly **30%**, followed by sectors such as **culture and tourism**, **public services**, **food and hospitality** and **financial services**, which together make up a **share of 40%**. Other sectors concerned are **agriculture**, **animal welfare** and **broadcasting**.

Seven Member States have applied a total of **33 derogations** covering goods and services **listed in Annex III** under conditions set in **Article 105a(1)** of the VAT Directive, with **Luxembourg** alone accounting for **45%**. **Ireland is unique** in applying **zero VAT rates** to children's clothing and maritime services. **Italy**, **Cyprus**, **France**, **Spain** and **Greece** also apply derogations of this category covering **super-reduced rates** ranging from **2.1% to 4%**.

Furthermore, **28 derogations** applied by **six Member States** relate to goods and services **not listed in Annex III**, which require a minimum rate of 12% to remain permanent. **Ireland tops the list** in this category, having applied for half of all the derogations. **Luxembourg**, **Malta**, **Portugal**, **Austria** and **Greece** share the remaining half of derogations in this category. The **parking rates** applied in this category range from **12% to 14%**.

Italy is the only country that applies the third category of derogations relating to **non-social housing**. It uses a **10% VAT rate** for various transactions related to the construction and renovation of buildings, and this may continue beyond **1 January 2042** if the requirement of a **minimum rate of 12%** is met.

The **option to choose** from the derogations applied by other Member States on 1 January 2021 has been **very little used**. One plausible reason for this is that the Member States concerned have not always considered the specific application conditions to be suited to their needs. Only **Cyprus, Greece** and **Malta** opted into a total of **nine derogations** applied by six other Member States, with these derogations quite evenly split between **super-reduced** and **parking rates**.

2. Context

The Sixth VAT Directive[7] of 1977 paved the way for a common VAT system in the EU. It harmonised key aspects such as the tax base and liability, but gave Member States considerable leeway in setting VAT rates. Diverse national practices emerged as a result, including multiple reduced and zero rates, frequently maintained through transitional measures granted to new Member States on accession.

The completion of the single market in 1993 made closer approximation of VAT systems necessary due to the removal of fiscal borders. To this end, the introduction of transitional rules involving an exemption for intra-Community supplies of goods and the corresponding taxation of acquisitions at destination ensured that transactions were subject to VAT in the Member State of consumption, thereby reducing the risk of trade distortions due to differing VAT rates[8]. New simplification measures supported the change[9], with the scope of application for VAT rates amended to include a minimum standard rate of 15% as well as one or two reduced rates of at least 5% for items listed in Annex III[10].

However, under certain derogations, Member States could retain reduced or zero rates introduced prior to 1991. Initially, these derogations should have been temporary, pending the introduction of a definitive VAT system, but they persisted for decades. Over time, the accumulation of individual exceptions resulted in a fragmented and complex VAT landscape, making compliance difficult, and creating legal uncertainty in the single market. The transition to a destination-based VAT system, progressively extended to services, paved the way for greater flexibility in setting rates. With VAT now payable in the Member State of consumption, differences in national VAT rates have become less likely to distort cross-border trade.

This report marks an important milestone following the **first major reform of VAT rates** in the EU since the early 1990s. Based on this reform, new rules on VAT rates took effect on 6 April 2022[11].

The reform provides **increased flexibility** for Member States and aligns VAT rates with broader European objectives, including public health, digital transformation and environmental sustainability. The new rules allow Member States to apply up to two reduced VAT rates of at least 5% to goods and services listed in the revised Annex III to the VAT Directive. They also have the option of applying a reduced rate of less than 5% (super-reduced rate) or a zero VAT rate (exemption with deductibility at the preceding stage) to specific essential goods and services, such as food and medicines, but also solar panels. Additionally, it establishes deadlines for the phase-out of reduced rates for environmentally harmful products such as fossil fuels and chemical pesticides by 2030 and 2032, respectively.

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7 Sixth Council Directive 77/388/EEC of 17 May 1977 on the harmonisation of the laws of the Member States relating to turnover taxes - Common system of value added tax: uniform basis of assessment, OJ L 145, 13.6.1977, p. 1.

8 Council Directive 91/680/EEC of 16 December 1991 supplementing the common system of value added tax and amending Directive 77/388/EEC with a view to the abolition of fiscal frontiers, OJ L 376, 31.12.1991, p. 1.

9 Council Directive 92/111/EEC of 14 December 1992 amending Directive 77/388/EEC and introducing simplification measures with regard to value added tax, OJ L 384, 30.12.1992, p. 47.

10 Council Directive 92/77/EEC of 19 October 1992 supplementing the common system of value added tax and amending Directive 77/388/EEC (approximation of VAT rates), OJ L 316, 31.10.1992, p. 1.

11 Council Directive (EU) 2022/542 of 5 April 2022 amending Directives 2006/112/EC and (EU) 2020/285 as regards rates of value added tax, OJ L 107, 6.4.2022, p. 1.

The reform of VAT rates also ensured more equal treatment insofar as it allowed Member States to opt for and benefit from certain exemptions or reduced rates that other Member States were granted at the time of accession to the EU and which were not offered to Member States that joined more recently.

Within this framework, this report, drafted in accordance with Article 105a(6) of the VAT Directive, provides an **overview of the permanent VAT rate derogations** currently applied by Member States. These derogations are spread over three groups: one relating to goods and services **listed in Annex III**; one relating to goods and services **not listed in Annex III**; and one relating to **non-social housing** transactions.

The report provides valuable information that can be used to conduct further analysis and reach additional conclusions regarding how these derogations align with and support the broader objectives of the revised EU VAT framework.

3. Goods and services for which Member States apply derogations on VAT rates

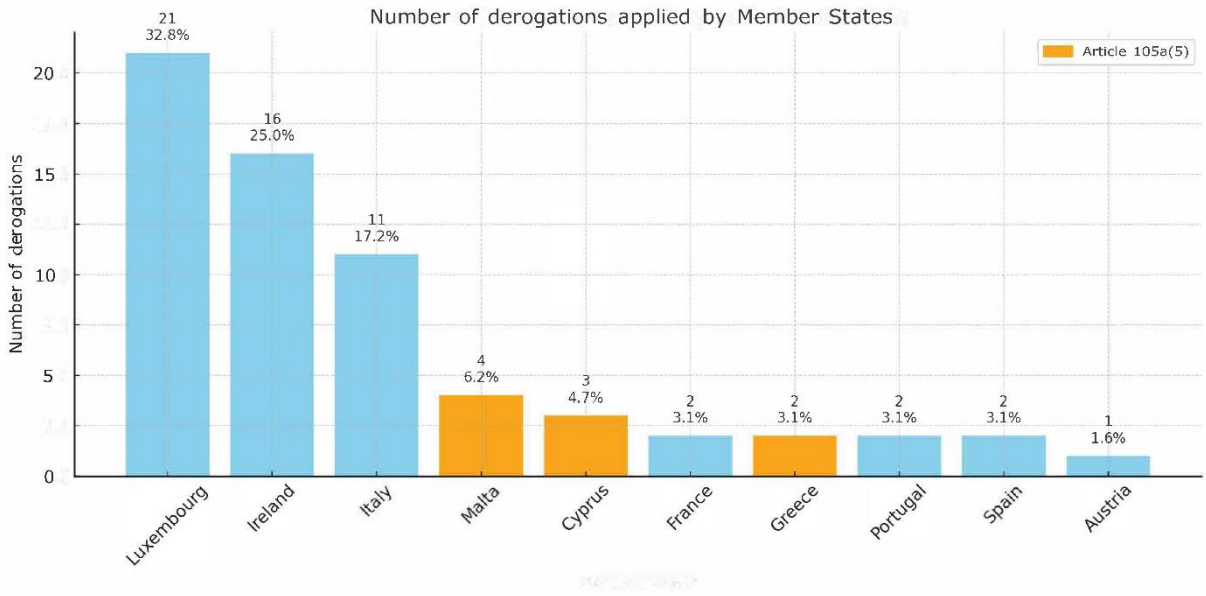
3.1 General observations on all derogations

The application of VAT rate derogations is uneven. Information provided by **10 Member States** shows that they apply a total of **64 derogations**. **Luxembourg** applies the highest number of derogations (21), representing almost one third of the total. **Ireland** follows with 16, and **Italy** with 11. Together, these three Member States cover 48 derogations, or 75% of the total number.

The remaining 16 derogations representing 25% of the total relate to **Malta** (4), **Cyprus** (3), **France** (2), **Greece** (2), **Portugal** (2), **Spain** (2) and **Austria** (1).

Only **Malta**, **Cyprus** and **Greece** have indicated that they opted to apply the particular derogations applied by other Member States in accordance with Article 105a(5) of the VAT Directive.

Figure 1:



Annex 1 provides a **simplified list** of all derogations, broken down according to the respective articles of the VAT Directive.

Annex 3 provides a detailed list of all derogations, specifying the transactions and conditions applied by Member States.

There is a total of **64 derogations** in place; in some cases, more than one derogation applies to the same transaction, i.e. the same type of supply of goods or services. The overlap results in a total of **54 types of transactions benefiting from derogations**. Consequently, 10 types of transactions are the subject of derogations applied by two Member States, namely **Ireland**, **Luxembourg**, **Cyprus**, **France**, **Greece**, **Italy**, **Malta** and **Portugal**.

Nine of these double applications result from Member States exercising the option provided for under Article 105a(5) of the VAT Directive, which allows them to select a derogation from the measures applied by other Member States.

The remaining transaction relates to **Ireland** and **Luxembourg**; they both applied zero and super-reduced rates respectively on 1 January 2021 to children's clothing and footwear.

Figure 2:

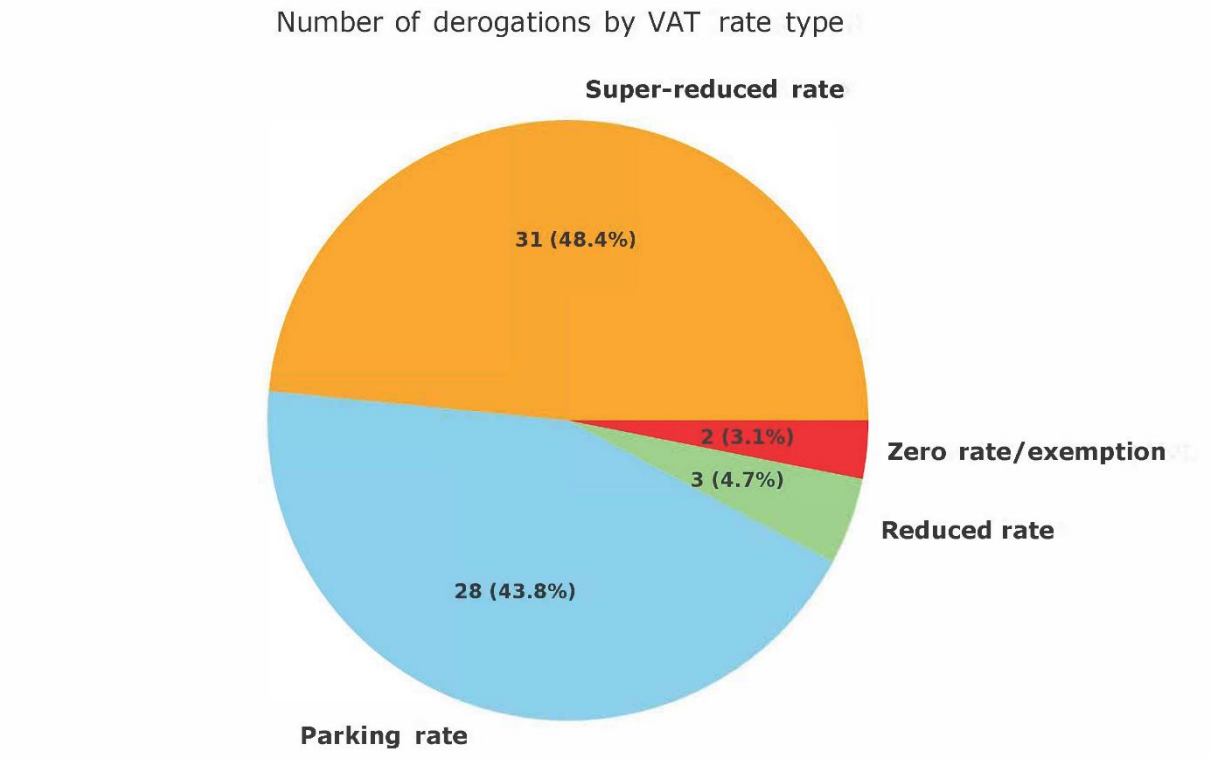
Transactions covered by multiple derogations

Transactions	Rate type	Member States
1. Children's clothing and footwear	ZR, SRR	Ireland, Luxembourg
2. First theatrical performance	SRR	Cyprus, France
3. Removing architectural barriers	SRR	Greece, Italy
4. Sewage disposal and treatment	SRR	Cyprus, Luxembourg
5. Waste collection and treatment	SRR	Cyprus, Luxembourg
6. Bodycare services	PR	Ireland, Malta
7. Custody and management of securities	PR	Luxembourg, Malta
8. Management of credits and credit guarantees	PR	Luxembourg, Malta
9. Agricultural tools and equipment	PR	Greece, Portugal
10. Short-term hiring of transport means	PR	Ireland, Malta

Of the different types of VAT rates, the **super-reduced rate** accounts for the **largest share**, with 31 derogations representing almost half of the total (48.4%). Parking rates follow closely with 28 derogations, accounting for 43.8%.

The remaining group of derogations relates to **Italy** and **Ireland**, covering the application of reduced rates and zero rates, respectively.

Figure 3:

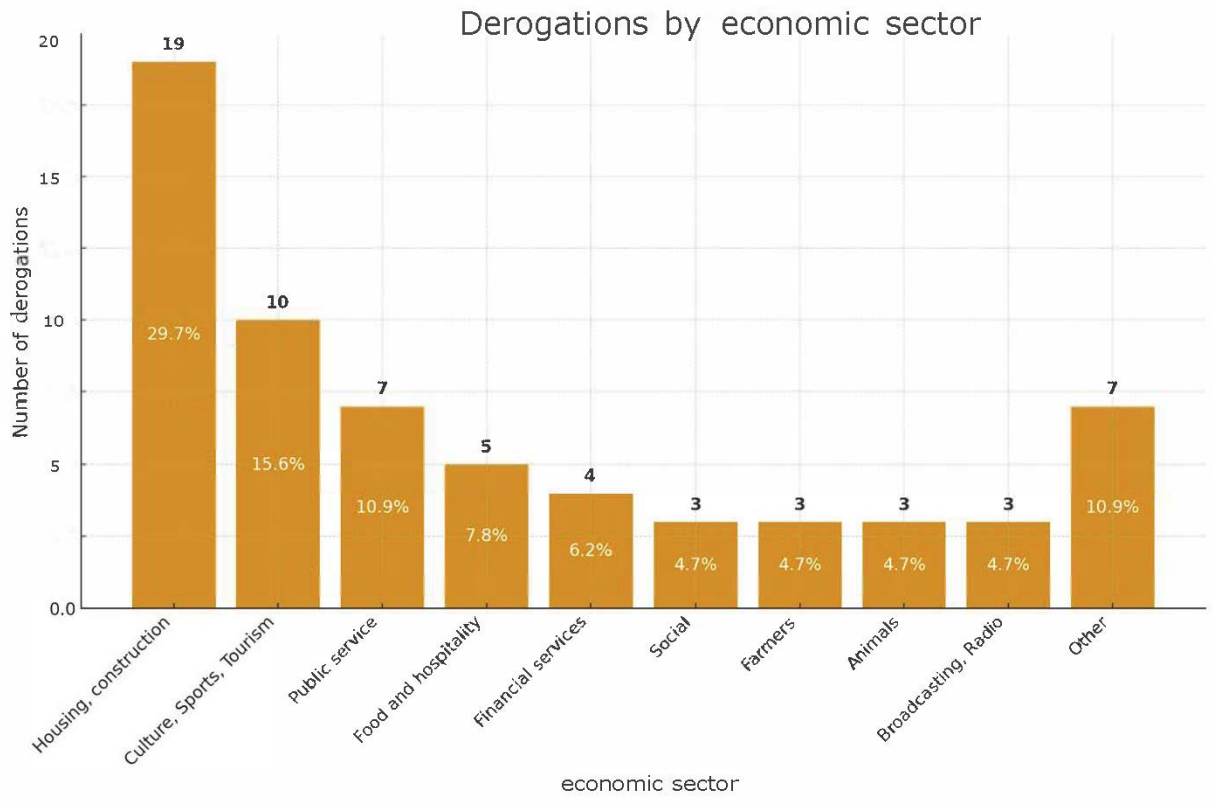


In terms of the economic sectors concerned, the **housing and construction sector clearly dominates**, representing almost 30% of all derogations. The culture, sports and tourism sector comes second at around 15%, followed by public services at around 10%.

Food and hospitality, together with financial services, cover another 14% of derogations. The social sector, farmers (which includes agriculture), animal welfare and broadcasting together account for less than 19%, with three derogations each.

The remaining 10% include various transactions of a different economic nature.

Figure 4:



Annex 2 provides a simplified list of derogations, broken down by economic sector.

3.2 Derogations for goods and services listed in Annex III[12]

The derogations in this category relate to the supply of goods and services listed in Annex III to the VAT Directive**, except points 1-6 and 10c**. The standard rules set out in Article 98(2) of the VAT Directive do not allow for the application of super-reduced or zero VAT rates to these goods and services. This is only possible under the conditions set out in Article 105a(1).

These derogations are permanent. Member States that apply them can continue to do so after 1 January 2032, and even after the adoption of definitive arrangements set out in Article 402 of the VAT Directive.

In this category, **seven Member States** apply a **total of 33 derogations**.

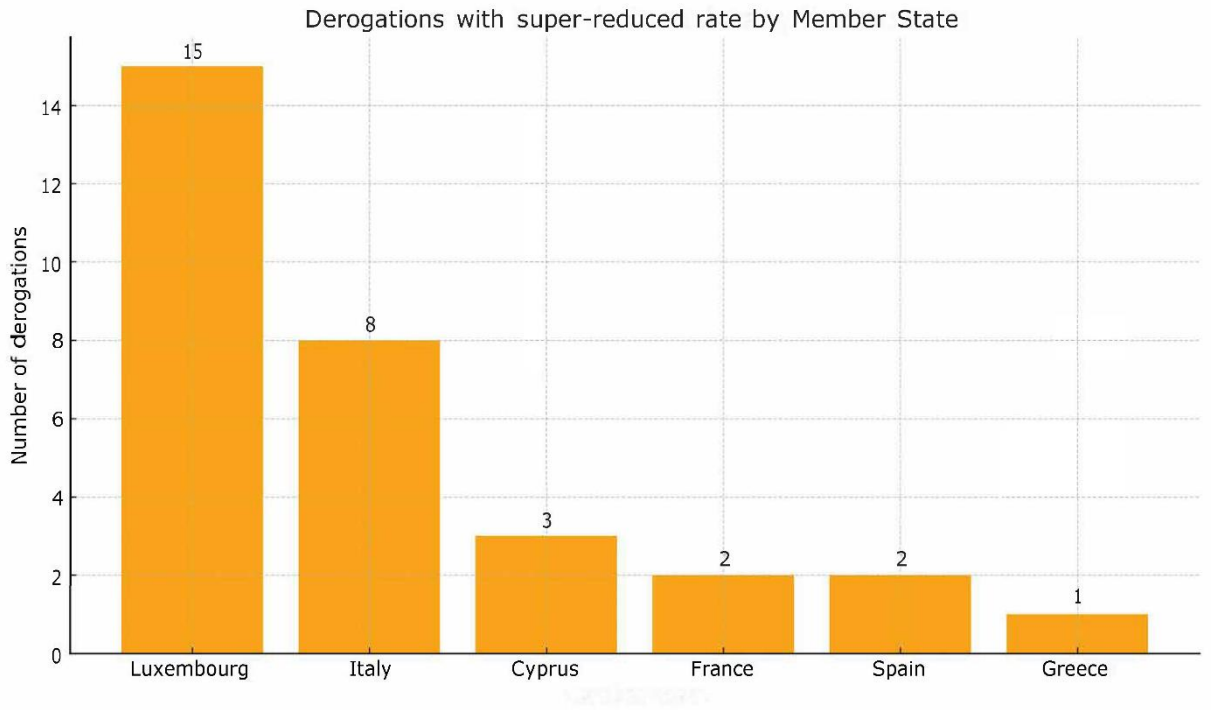
Luxembourg accounts for the largest share (45%) in this category, with 15 derogations, followed by **Italy,** with eight derogations (24%).

Ireland is the only Member State to apply a **zero VAT rate** to two derogations, namely children's clothing and footwear, and the operation of lightships, lighthouses and lifeboats.

The remaining **31 derogations** cover the application of **super-reduced rates ranging from 2.1% to 4%**.

[12] Article 105a(1) of the VAT Directive.

Figure 5:



With **12 derogations** shared by **four Member States**, the **housing and construction** sector is the one with the most derogations.

Luxembourg applies a super-reduced rate of 3% to the self-supply of new and renovated private dwellings, including their use, as well as to the renovation of private dwellings.

Italy applies a super-reduced rate of 4% to the supply and construction of non-luxury housing, the allocation of housing, the supply and construction of farmers' housing, the construction of certain mixed-use buildings and facilities in building construction, and the removal of architectural barriers. **Greece** also has a super-reduced rate of 4% in place for the latter.

Spain applies a super-reduced rate of 4% to housing under public protection.

In the areas of **culture, sports and tourism**, **Luxembourg** has derogations covering a super-reduced rate of 3% for services provided by writers and composers, access to events, museums and sports facilities, and short-term accommodation.

France and **Cyprus** apply super-reduced rates, of 2.1% and 3% respectively, to first theatrical performances.

Both **Luxembourg** and **Cyprus** apply a super-reduced rate of 3% to **public services** such as waste collection, waste treatment, sewage disposal and sewage treatment. **Luxembourg** also applies this rate to undertaker and cremation services.

As already mentioned, **Ireland** is the only Member State with a zero VAT rate, applied to the operation of lightships, lighthouses and lifeboats.

In terms of **social policy**, Ireland also applies a zero VAT rate to the supply of children's clothing and footwear, whereas **Luxembourg** applies a reduced rate of 3%. In **Spain**, services relating to the care of dependent individuals are subject to a super-reduced rate of 4%.

France, **Italy** and **Luxembourg** have set super-reduced rates for certain transactions concerning **radio or television broadcasting**. These rates are 2.1% in France, 3% in Luxembourg and 4% in Italy.

As regards the **food and hospitality** sector, **Luxembourg** applies a super-reduced rate of 3% to restaurant and catering services. In **Italy**, food and drinks in canteens are subject to a rate of 4%.

For activities performed by **farmers**, **Luxembourg** has established a super-reduced rate of 3% on agricultural inputs.

3.3 Derogations for goods and services not listed in Annex III[13]

The derogations in this category relate to the supply of goods and services **not listed in Annex III**. The standard rules set out in Article 98(1) of the VAT Directive do not permit the application of reduced VAT rates to these goods and services. It is only possible to do this if the conditions set out in Article 105a(3) of the VAT Directive are fulfilled. Article 105a(3) requires that the VAT rate be **no lower than 12%**.

Contrary to those falling under Article 105a(2), these **derogations are permanent**, as they respect the minimum VAT rate of 12%. Consequently, Member States applying them can continue to do so after 1 January 2032, and even after the adoption of definitive arrangements set out in Article 402 of the VAT Directive.

Six Member States have applied a total of **28 derogations** under Article 105a(3) of the VAT Directive.

With 14 derogations, **Ireland** covers 50% of this category, followed by **Luxembourg,** with six derogations (21%), and **Malta,** with four derogations (14%).

The **parking rates** applied in this category range from 12% in **Malta** to 14% in **Luxembourg**.

In the **housing and construction** sector, **Ireland** applies a 13.5% parking rate to the supply of certain immovable property, concrete works and mobile homes used as residences.

In the areas of **culture, sports and tourism**, **Malta** and **Ireland** respectively apply parking rates of 12% and 13.5% to the short-term hire of certain means of transport. **Ireland** also applies this rate of 13.5% to jockey and tour guide services.

The custody and management of securities, as well as the management of credits and credit guarantees, are **financial services** that are subject to parking rates of 12% in **Malta** and 14% in **Luxembourg**.

Certain supplies relating to wine in the **food and hospitality** sectors are subject to parking rates of 13% in **Austria** and **Portugal**, and 14% in **Luxembourg**.

Ireland has a parking rate of 13.5% for transactions relating to **animals**, including veterinary services and the supply and insemination of greyhounds.

Portugal and **Greece** apply derogations covering transactions for **farmers**, namely a parking rate of 13% for agricultural tools and equipment.

In **public services**, **Luxembourg** applies a parking rate of 14% to the supply of heat, cooling and steam.

[13] Article 105a(3) of the VAT Directive.

This category covers quite a few other derogations relating to a variety of transactions. For instance, **Malta** and **Ireland** apply VAT rates of 12% and 13.5% respectively to bodycare services. **Ireland** also applies a 13% rate to photographic and related supplies, certain repair services, and driving instructor services. **Luxembourg** applies a VAT rate of 14% to the supply of washing and cleaning services, and to printed advertising material.

3.4 Derogations for housing not being part of a social policy[14]

This category covers derogations regarding the application of reduced VAT rates no lower than the minimum of 5% to **housing transactions that are not part of a social policy**. Member States that applied these reduced rates in accordance with EU law on 1 January 2021 may continue to do so.

However, these derogations will only **remain permanent** if Member States ensure that, **as of 1 January 2042**, the reduced VAT rates applied to these transactions **do not fall below 12%**, as required under Article 105b(1) of the VAT Directive.

Italy is the only Member State in this category, applying a **reduced VAT rate of 10%** to certain transactions in the **housing and construction** sector. These include the supply and construction of non-luxury private dwellings and renovation works, as well as the supply of renovated buildings.

3.5 Derogations entailing choices made under Article 105a(5)

Article 105a(5) of the VAT Directive provided Member States with an opportunity to **select from the derogations** applied by other Member States on 1 January 2021. To retain derogations, Member States had to communicate these to the VAT Committee by 7 July 2022. Member States wishing to exercise these options had to adopt the detailed rules governing them by 7 October 2023. They also had to communicate the text of the main provisions of national law they had adopted to the VAT Committee.

The Commission has received such communications from **Cyprus**, **Greece** and **Malta**. These three Member States have made choices relating to **nine derogations** that **five other Member States** initially applied.

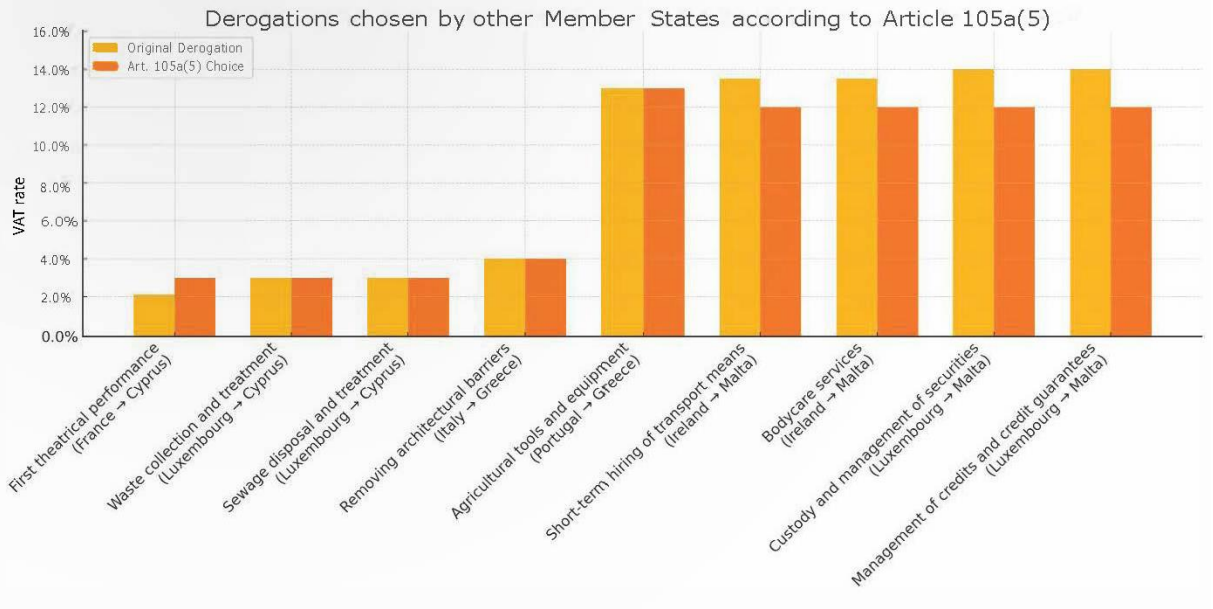
Cyprus has decided to apply a super-reduced rate of 3% to first theatrical performances, chosen from **France**[15], as well as to waste collection and treatment and sewage disposal and treatment, chosen from **Luxembourg**, which has the same rate of 3% in place.

Malta has chosen to apply a parking rate of 12% to the short-term hiring of certain means of transport and bodycare services, as does **Ireland**[16], as well as to the custody and management of securities and management of credits and credit guarantees, as does **Luxembourg**[17].

Greece has decided to apply the same super-reduced VAT rate of 4% to the removal of architectural barriers as **Italy**, and the same parking rate of 13% to the supply of agricultural tools and equipment as **Portugal**.

[14] Article 105b of the VAT Directive.
[15] VAT rate applied in France: 2.1%.
[16] VAT rate applied in Ireland: 13.5%.
[17] VAT rate applied in Luxembourg: 14%.

Figure 6:



4. Outlook

Following the reform of VAT rates in 2022, this report provides valuable information on the derogations applied by Member States beyond the normal rules, such as those set out in Annex III to the VAT Directive. This contributes to greater **transparency** regarding VAT rates.

The review of derogations across Member States indicates a varied **and uneven distribution** in their application, with a notable concentration in just a few Member States and a preference for specific economic sectors.

These observations, along with many others, will be useful for the **2028 report on the scope of Annex III**, in accordance with Article 100 of the VAT Directive, and for any proposals that may accompany the report.

Annex 1: Simplified list of derogations

	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
1	Children's clothing and footwear	Ireland		105a(1)	ZR	0.0%
2	Operation of lightships, lighthouses, lifeboats etc.	Ireland		105a(1)	ZR	0.0%
3	First theatrical performance	France		105a(1)	SRR	2.1%
4	Public broadcasting contribution	France		105a(1)	SRR	2.1%
5	Agricultural inputs	Luxembourg		105a(1)	SRR	3.0%
6	Children's clothing and footwear	Luxembourg		105a(1)	SRR	3.0%
7	Restaurant and catering services	Luxembourg		105a(1)	SRR	3.0%
8	Short-term accommodation	Luxembourg		105a(1)	SRR	3.0%
9	Access to events and museums	Luxembourg		105a(1)	SRR	3.0%
10	Access to sports facilities	Luxembourg		105a(1)	SRR	3.0%
11	Waste collection and treatment	Luxembourg	Italy	105a(1)	SRR	3.0%
12	Sewage disposal and treatment	Luxembourg		105a(1)	SRR	3.0%
13	Undertaker and cremator services	Luxembourg		105a(1)	SRR	3.0%
14	Services by writers and composers	Luxembourg		105a(1)	SRR	3.0%
15	Radio and television broadcasting services	Luxembourg		105a(1)	SRR	3.0%
16	Self-supply of new and renovated private dwellings	Luxembourg		105a(1)	SRR	3.0%
17	Use of new and renovated private dwellings	Luxembourg		105a(1)	SRR	3.0%

	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
18	Renovation of private dwellings used by owner	Luxembourg		105a(1)	SRR	3.0%
19	Renovation of private dwellings used by others than the owner	Luxembourg		105a(1)	SRR	3.0%
20	First theatrical performance	Cyprus	France	105a(1)	SRR	3.0%
21	Waste collection and treatment	Cyprus	Luxembourg	105a(1)	SRR	3.0%
22	Sewage disposal and treatment	Cyprus	Luxembourg	105a(1)	SRR	3.0%
23	Radio broadcasting services	Italy		105a(1)	SRR	4.0%
24	Supply and construction of non-luxury housing	Italy		105a(1)	SRR	4.0%
25	Allocation of housing	Italy		105a(1)	SRR	4.0%
26	Supply and construction of farmers housing	Italy		105a(1)	SRR	4.0%
27	Construction of certain mixed-use buildings	Italy		105a(1)	SRR	4.0%
28	Certain facilities in building construction	Italy		105a(1)	SRR	4.0%
29	Removing architectural barriers	Italy		105a(1)	SRR	4.0%
30	Food and drinks in canteens	Italy		105a(1)	SRR	4.0%
31	Housing under public protection	Spain		105a(1)	SRR	4.0%
32	Care for people in situations of dependency	Spain	Luxembourg	105a(1)	SRR	4.0%
33	Removing architectural barriers	Greece	Italy	105a(1)	SRR	4.0%
34	Short-term hiring of transport means	Malta	Ireland	105a(3)	PR	12.0%

	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
35	Body care services	Malta	Ireland	105a(3)	PR	12.0%
36	Custody and management of securities	Malta	Luxembourg	105a(3)	PR	12.0%
37	Management of credits and credit guarantees	Malta	Luxembourg	105a(3)	PR	12.0%
38	Wine supplied by producer	Austria		105a(3)	PR	13.0%
39	Table wines	Portugal		105a(3)	PR	13.0%
40	Agricultural tools and equipment	Portugal		105a(3)	PR	13.0%
41	Agricultural tools and equipment	Greece	Portugal	105a(3)	PR	13.0%
42	Immovable property for housing	Ireland		105a(3)	PR	13.5%
43	Immovable property other than housing	Ireland		105a(3)	PR	13.5%
44	Concrete works	Ireland		105a(3)	PR	13.5%
45	Photographic and related supplies	Ireland		105a(3)	PR	13.5%
46	Short-term hiring of transport means	Ireland		105a(3)	PR	13.5%
47	Repair and related services	Ireland		105a(3)	PR	13.5%
48	Body care services	Ireland		105a(3)	PR	13.5%
49	Jockey services	Ireland		105a(3)	PR	13.5%
50	Services of veterinary surgeons	Ireland		105a(3)	PR	13.5%
51	Tour guide services	Ireland		105a(3)	PR	13.5%
52	Driving instructor services	Ireland		105a(3)	PR	13.5%

	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
53	Greyhounds	Ireland		105a(3)	PR	13.5%
54	Insemination of greyhounds	Ireland		105a(3)	PR	13.5%
55	Mobile home as residence	Ireland		105a(3)	PR	13.5%
56	Wine of fresh grapes	Luxembourg		105a(3)	PR	14.0%
57	Washing and cleaning	Luxembourg		105a(3)	PR	14.0%
58	Printed advertising material	Luxembourg		105a(3)	PR	14.0%
59	Heat, cooling and steam	Luxembourg		105a(3)	PR	14.0%
60	Custody and management of securities	Luxembourg		105a(3)	PR	14.0%
61	Management of credits and credit guarantees	Luxembourg		105a(3)	PR	14.0%
62	Supply and construction of non-luxury private dwellings	Italy		105b	RR	10.0%
63	Renovation works	Italy		105b	RR	10.0%
64	Supply of renovated buildings	Italy		105b	RR	10.0%

ZR = zero rate / exemption

SRR = super-reduced rate

PR = parking rate

Member States having chosen from the list according to Article 105a(5)

Member States with derogation for the same transaction

Annex 2: Simplified list of derogations by sector

	Policy area	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
1	Housing, construction	Self-supply of new and renovated private dwellings	Luxembourg		105a(1)	SRR	3.0%
2	Housing, construction	Use of new and renovated private dwellings	Luxembourg		105a(1)	SRR	3.0%
3	Housing, construction	Renovation of private dwellings used by owner	Luxembourg		105a(1)	SRR	3.0%
4	Housing, construction	Renovation of private dwellings used by others than the owner	Luxembourg		105a(1)	SRR	3.0%
5	Housing, construction	Supply and construction of non-luxury housing	Italy		105a(1)	SRR	4.0%
6	Housing, construction	Allocation of housing	Italy		105a(1)	SRR	4.0%
7	Housing, construction	Supply and construction of farmers housing	Italy		105a(1)	SRR	4.0%
8	Housing, construction	Construction of certain mixed-use buildings	Italy		105a(1)	SRR	4.0%
9	Housing, construction	Certain facilities in building construction	Italy		105a(1)	SRR	4.0%
10	Housing, construction	Removing architectural barriers	Italy		105a(1)	SRR	4.0%
11	Housing, construction	Removing architectural barriers	Greece	Italy	105a(1)	SRR	4.0%
12	Housing, construction	Housing under public protection	Spain		105a(1)	SRR	4.0%
13	Housing, construction	Immovable property for housing	Ireland		105a(3)	PR	13.5%
14	Housing, construction	Immovable property other than housing	Ireland		105a(3)	PR	13.5%
15	Housing, construction	Concrete works	Ireland		105a(3)	PR	13.5%
16	Housing, construction	Mobile home as residence	Ireland		105a(3)	PR	13.5%

	Policy area	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
17	Housing, construction	Supply and construction of non-luxury private dwellings	Italy		105b	RR	10.0%
18	Housing, construction	Renovation works	Italy		105b	RR	10.0%
19	Housing, construction	Supply of renovated buildings	Italy		105b	RR	10.0%
20	Culture, Sports, Tourism	First theatrical performance	France		105a(1)	SRR	2.1%
21	Culture, Sports, Tourism	First theatrical performance	Cyprus	France	105a(1)	SRR	3.0%
22	Culture, Sports, Tourism	Short-term accommodation	Luxembourg		105a(1)	SRR	3.0%
23	Culture, Sports, Tourism	Access to events and museums	Luxembourg		105a(1)	SRR	3.0%
24	Culture, Sports, Tourism	Access to sports facilities	Luxembourg		105a(1)	SRR	3.0%
25	Culture, Sports, Tourism	Services by writers and composers	Luxembourg		105a(1)	SRR	3.0%
26	Culture, Sports, Tourism	Short-term hiring of transport means	Malta	Ireland	105a(3)	PR	12.0%
27	Culture, Sports, Tourism	Short-term hiring of transport means	Ireland		105a(3)	PR	13.5%
28	Culture, Sports, Tourism	Jockey services	Ireland		105a(3)	PR	13.5%
29	Culture, Sports, Tourism	Tour guide services	Ireland		105a(3)	PR	13.5%
30	Public service	Operation of lightships, lighthouses, lifeboats etc.	Ireland		105a(1)	ZR	0.0%
31	Public service	Waste collection and treatment	Luxembourg		105a(1)	SRR	3.0%
32	Public service	Waste collection and treatment	Cyprus	Luxembourg	105a(1)	SRR	3.0%
33	Public service	Sewage disposal and treatment	Luxembourg		105a(1)	SRR	3.0%
34	Public service	Sewage disposal and treatment	Cyprus	Luxembourg	105a(1)	SRR	3.0%

	Policy area	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
35	Public service	Undertaker and cremator services	Luxembourg		105a(1)	SRR	3.0%
36	Public service	Heat, cooling and steam	Luxembourg		105a(3)	PR	14.0%
37	Food and hospitality	Restaurant and catering services	Luxembourg		105a(1)	SRR	3.0%
38	Food and hospitality	Food and drinks in canteens	Italy		105a(1)	SRR	4.0%
39	Food and hospitality	Wine supplied by producer	Austria		105a(3)	PR	13.0%
40	Food and hospitality	Table wines	Portugal		105a(3)	PR	13.0%
41	Food and hospitality	Wine of fresh grapes	Luxembourg		105a(3)	PR	14.0%
42	Financial services	Custody and management of securities	Malta	Luxembourg	105a(3)	PR	12.0%
43	Financial services	Custody and management of securities	Luxembourg		105a(3)	PR	14.0%
44	Financial services	Management of credits and credit guarantees	Malta	Luxembourg	105a(3)	PR	12.0%
45	Financial services	Management of credits and credit guarantees	Luxembourg		105a(3)	PR	14.0%
46	Social	Children’s clothing and footwear	Ireland		105a(1)	ZR	0.0%
47	Social	Children’s clothing and footwear	Luxembourg		105a(1)	SRR	3.0%
48	Social	Care for people in situations of dependency	Spain		105a(1)	SRR	4.0%
49	Farmers	Agricultural inputs	Luxembourg		105a(1)	SRR	3.0%
50	Farmers	Agricultural tools and equipment	Portugal		105a(3)	PR	13.0%
51	Farmers	Agricultural tools and equipment	Greece	Portugal	105a(3)	PR	13.0%
52	Animals	Services of veterinary surgeons	Ireland		105a(3)	PR	13.5%

	Policy area	Derogation/transaction	Member State applying	Chosen from Member State Art. 105a(5)	Article	Rate type	Rate
53	Animals	Greyhounds	Ireland		105a(3)	PR	13.5%
54	Animals	Insemination of greyhounds	Ireland		105a(3)	PR	13.5%
55	Broadcasting, Radio	Broadcasting, Radio	France		105a(1)	SRR	2.1%
56	Broadcasting, Radio	Broadcasting, Radio	Luxembourg		105a(1)	SRR	3.0%
57	Broadcasting, Radio	Broadcasting, Radio	Ireland		105a(1)	SRR	4.0%
58	Other	Body care services	Malta	Ireland	105a(3)	PR	12.0%
59	Other	Body care services	Ireland		105a(3)	PR	13.5%
60	Other	Photographic and related supplies	Ireland		105a(3)	PR	13.5%
61	Other	Repair and related services	Ireland		105a(3)	PR	13.5%
62	Other	Driving instructor services	Ireland		105a(3)	PR	13.5%
63	Other	Washing and cleaning	Luxembourg		105a(3)	PR	14.0%
64	Other	Printed advertising material	Luxembourg		105a(3)	PR	14.0%

ZR = zero rate / exemption

SRR = super-reduced rate

PR = parking rate

Member States having chosen from the list according to Article 105a(5)

Member States with derogation for the same transaction

Annex 3: Detailed list of derogations by Member State

Austria						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1		X		Supplies of wine made from fresh grapes under subheadings 2204 21, 2204 22 and 2204 29 of the Combined Nomenclature and other fermented beverages under heading 2206 of the Combined Nomenclature produced within a domestic agricultural holding, provided that the producer supplies the beverages as part of his agricultural business. This does not apply to the supply of beverages produced from purchased materials (e.g. grapes, mash, must, storm) or served within the premises of the holding, including restaurant gardens (Buschenschank). In the case of transfer of an agricultural holding as a whole to the spouse or registered partner, as well as to descendants, stepchildren, adopted children or their spouses, registered partners or descendants, the transferee of the holding shall also be deemed to be the producer of the beverages taken over within the framework of the transfer of the holding, insofar as the tax reduction would also have been applicable to the supply of these beverages by the transferor of the holding.	Wine of fresh grapes (subheadings 2204 21 and 2204 29 of the Combined Nomenclature) does not include sparkling wine. Other fermented beverages of heading 2206 of the Combined Nomenclature include, for example, cider, perry, currant wine and mead. Distilled beverages are not included here. The prerequisites for the preferential treatment under § 10 para 3 subpara 11 UStG 1994 are the production of the beverage from one's own grapes or fruit and the supply within one's own agricultural business in Austria. The sale by way of a commercial enterprise of the same entrepreneur (e.g. restaurant) is also harmful. If it cannot be determined whether and to what extent the wine sold by the farmer was produced from grapes harvested by himself or purchased, the preferential treatment is therefore not completely lost. In such cases, the extent of the preferential treatment must be determined by estimation, taking into account the additional purchase and the usual yield rates. The transfer of business includes the gratuitous inter vivos transfer of business (e.g. in the course of anticipated succession), the transfer by way of inheritance as well as the transfer of business for consideration. The preferential treatment can also be applied in the case of leasing, provided that it can be assumed that the lessor will never again manage the business for his own account and risk.	Parking rate (13%)

France						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1	X			Receipts from the first theatrical performances of newly created dramatic, lyrical, musical or choreographic works or of classical works that have been re-staged, as well as on circus shows that include exclusively original creations conceived and produced by the company and that call upon the regular services of a group of musicians. A decree defines the nature of the works and sets the number of performances to which these provisions apply. These provisions do not apply to receipts from : a. Theatrical performances of a pornographic nature; b. (Provision no longer applicable). c. Ticket sales taxed at the reduced rate of 5.5% under the conditions set out in 2° of F of Article 278-0 bis.	140 first theatre and circus performances	Super-reduced rate (2.1%)
2	X			Public broadcasting contribution.	Contribution to public broadcasting	Super-reduced rate (2.1%)

Ireland						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1		X		Housing	The supply of immovable goods used or to be used for residential purposes.	Parking rate (13%)
2		X		Non-residential immovable good	15. (1) The supply of immovable goods, other than immovable goods used or to be used for residential	Parking rate (13.5%)

					purposes. (2) Services consisting of the development of immovable goods (not being goods referred to in paragraph 9(1)) and work on those goods (including the installation of fixtures), where the value of any movable goods supplied under an agreement relating to the services does not exceed two-thirds of the total amount on which tax is chargeable in respect of the agreement.	
3		X		Concrete works	16. (1) The supply of concrete that is ready to pour, but excluding the margin scheme supply of the concrete. (2) The supply of blocks of concrete of a kind that comply with the specification contained in the Standard Specification (Concrete Building Blocks, Part 1, Normal Density Blocks) Declaration 1987 (Irish Standard 20: Part 1: 1987), but excluding the margin scheme supply of those blocks.	Parking rate (13.5%)
4		X		Photographic and related supplies	18. (1) The supply to a person of photographic prints (other than goods produced by means of a photocopying process), slides or negatives, that have been produced from goods provided by that person. (2) The supply of goods being— (a) photographic prints (other than goods produced by means of a photocopying process) mounted or unmounted, but unframed, (b) slides and negatives, and (c) cinematographic and video film, that record particular persons, objects or events, supplied under an agreement to photograph those persons, objects or events. (3) The supply by a photographer of— (a) negatives that have been produced from film exposed for the purpose of the photographer's business, and (b) film that has been exposed for the purposes of	Parking rate (13.5%)

					the photographer's business. (4) The supply of photographic prints produced by means of a vending machine which incorporates a camera and developing and printing equipment. (5) Services consisting of— (a) editing photographic, cinematographic and video film, or (b) microfilming. (6) Agency services relating to a supply specified in subparagraph (1).	
5		X		Hiring for short periods	19. Hiring— (a) a vehicle designed and constructed, or adapted, for the conveyance of persons by road, (b) a vessel designed and constructed for the conveyance of passengers and not exceeding 15 tonnes gross, (c) any kind of sports or pleasure boat, or (d) a caravan, mobile home, tent or trailer tent, to a person under an agreement (other than an agreement of the kind referred to in section 19(1)(c)) for any term or part of a term that, when added to the term of a previous hiring (whether of the same goods or of other goods of the same kind) to the same person during the 12 months ending on the date of the beginning of the existing hiring, does not exceed 5 weeks.	Parking rate (13.5%)
6		X		Certain repair and related services.	20. (1) Services, other than those specified in paragraph 13(2), consisting of— (a) repairing or maintaining movable goods, or (b) modifying used movable goods (other than contract work or services of a kind specified in subparagraph (2)), but excluding the supply in the course of any such repair, maintenance or modification of— (i) accessories, attachments or batteries, or	Parking rate (13.5%)

					(ii) tyres, tyre cases, interchangeable tyre treads, inner tubes and tyre flaps, for wheels of all kinds. (2) The following services are specified for the purposes of subparagraph (1): (a) services specified in paragraph 3(4) of Schedule 2 (Work on movable goods for export); (b) services specified in paragraph 4(2) of Schedule 2 (Repair, etc. of sea-going vessels or aircraft); (c) services specified in paragraph 4(4) of Schedule 2 (Repair, etc. of equipment used in international aircraft).	
7		X		Services consisting of the care of the human body, including services supplied in the course of a health studio business or similar business, but not including exempted activities referred to in Part 1 of Schedule 1 or hairdressing services referred to in paragraph 13(3).	21. (1) Services consisting of the care of the human body, including services supplied in the course of a health studio business or similar business, but not including exempted activities referred to in Part 1 of Schedule 1 or hairdressing services referred to in paragraph 13(3).	Parking rate (13.5%)
8		X		Services supplied in the course of their profession by jockeys.	(2) Services supplied in the course of their profession by jockeys.	Parking rate (13.5%)
9		X		Services supplied in the course of their profession by veterinary surgeons.	(3) Services supplied in the course of their profession by veterinary surgeons.	Parking rate (13.5%)
10		X		Services supplied in the course of their profession by tour guides.	(4) Services supplied in the course of their profession by tour guides.	Parking rate (13.5%)
11		X		Instruction in the driving of mechanically propelled road vehicles, but excluding education, training or retraining of the kind specified in paragraph 4(3) of Schedule 1.	(5) Instruction in the driving of mechanically propelled road vehicles, but excluding education, training or retraining of the kind specified in paragraph 4(3) of Schedule 1. To Note, paragraph 4(3) of Schedule 1 states "The provision by educational establishments recognised by the State of children's or young people's education, school or university education, or vocational training or retraining (including the supply of goods and services incidental to that provision, other than the supply of research services), and the provision by other persons of	Parking rate (13.5%)

					education, training or retraining of a similar kind, but excluding instruction in the driving of mechanically propelled road vehicles other than— (a) vehicles designed or constructed for the carriage of 1.5 tonnes of goods or more, or (b) vehicles designed or constructed for the carriage of more than 9 persons (including the driver).	
12		X		The supply of live greyhounds	(3) The supply of live greyhounds.	Parking rate (13.5%)
13		X		The supply of insemination services for greyhounds	(4) The supply of insemination services for greyhounds.	Parking rate (13.5%)
14		X		Caravan or mobile home for use as residence.	1. (1) This Order may be cited as the Value-Added Tax (Refund of Tax) (No. 12) Order, 1980. (2) This Order shall be deemed to have come into operation on the 1st day of March, 1979. 2. (1) In this Order "the Act" means the Value-Added Tax Act, 1972 (No. 22 of 1972). (2) A reference in this Order to a caravan includes a reference to a mobile home or any similar structure designed primarily for residential purposes. 3. A person who establishes to the satisfaction of the Revenue Commissioners that he has borne or paid tax in relation to the supply to or importation by him of a caravan and who fulfils to the satisfaction of the said Commissioners the conditions which are specified in paragraph 4 of this Order shall be entitled to be repaid so much of such tax as is specified in paragraph 5 of this Order. 4. The conditions to be fulfilled by a person referred to in paragraph 3 of this Order are— (a) he shall claim a refund of the tax by completing such claim form as may be provided for the purpose by the Revenue Commissioners and he shall certify the particulars shown in such claim form to be correct; (b) he shall establish that the caravan in relation to	Parking rate (13.5%)

					which a claim for a refund of the tax arises— (i) is used by him as a permanent residence for himself and that neither he nor (if he is a married man having his spouse living with him) his spouse has any other place of abode within the State available for his occupation, or (ii) is, in the case of a local authority, occupied as a residence by a tenant of the local authority; (c) he shall, in the case of a person other than a local authority, by the production of a certificate from the appropriate local authority or such other documentary evidence as may be acceptable to the Revenue Commissioners, establish that the caravan has been rated under the Valuation Acts;	
15	X			Children's clothing and footwear	10. (1) The supply of articles of children's personal clothing of sizes that do not exceed the sizes of those articles appropriate to children of average build of 10 years of age, but excluding— (a) articles of clothing made wholly or partly of fur skin other than garments merely trimmed with fur skin, unless the trimming has an area greater than one-fifth of the area of the outside material, and (b) articles of clothing that are not described, labelled, marked or marketed on the basis of age or size. (2) The supply of articles of children's personal footwear of sizes that do not exceed the size appropriate to children of average foot size of 10 years of age, but excluding footwear that is not described, labelled, marked or marketed on the basis of age or size. (3) In this paragraph, a child whose age is 10 years or 10 years and a fraction of a year is taken to be a child of 10 years of age.	Exemption (0%)
16	X			Lightships, lighthouses, lifeboat services, navigational aids	13. (1) Services provided by the Commissioners of Irish Lights in connection with the operation of lightships, lighthouses or other navigational aids. (2) Life saving services provided by the Royal	Exemption (0%)

					National Lifeboat Institution including the organisation and maintenance of the lifeboat service.	

Italy						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1	X			Subscription fees for circular radio broadcasting services with the exclusion of those broadcast in coded form; radio broadcasting services with the exclusion of those broadcast in coded form involving primarily political, trade union, cultural, religious, sporting, educational or recreational matters performed pursuant to Article 19(b) and (c) of Law No 103 of 14 April 1975. Circular radio broadcasting services relating to the public transport service or to car rental services from a garage are also included.	Applies, in essence, to the subscription fee for the public radio and television services. It does not apply to pay TV. The radio taxi service is treated as the circular radio broadcasting service subject to the super-reduced rate 4%.	Super-reduced rate (4%)
2	X			Supply and construction of non-luxury housing constituting the so-called 'prima casa'(primary residential property) for the purchaser, as well as the relevant appurtenances (conditions set out in Note II-bis to Article 1 on the tariffs, part one, annexed to the Consolidated Text of the Provisions concerning Registration Tax, approved by Presidential Decree No 131 of 26 April 1986).	Applies under the following conditions: – The house is sold by the enterprise that built or renovated it within five years of the completion of the works (or, if the taxable person opts for full taxation, after that period) or it is intended for social housing (the other sales of private dwellings are exempt from VAT); – The purchaser does not own in the municipality where he/she resides (or in the municipality in which he/she is entitled to purchase the prima casa), any other dwelling, including pro-rata or houses in common with his/her spouse. In addition, the purchaser does not own throughout the entire national territory, not even pro-rata or in common with his/her spouse, any other dwelling purchased using the rate reduction. If the purchaser owns another dwelling, he/she may benefit from the reduced rate on the purchase of the prima casa on condition that he/she sells the former dwelling	Super-reduced rate (4%)

					within one year of the new purchase; – the house is not a luxury house (luxury houses are identified according to their cadastral classification and are: stately homes, villas, palaces of particular historical and artistic value and castles, under cadastral categories A1, A8 and A9); – the house is located in the municipality in which the purchaser has his/her residence (or to which he/she transfers his residence within 18 months) or, where different, in the municipality in which the purchaser conducts his/her business or, if the purchaser has moved abroad for work reasons, in the municipality in which his/her employer has its head office or conducts its business or, if the purchaser has emigrated abroad, in any municipality of the Italian territory. Staff of the armed forces and the public security forces may also purchase their prima casa in a municipality other than the municipality where they reside; – the reduction applies even if the property is not completed, provided that the original intended use is maintained.	
3	X			Allocations, including on the basis of a lease contract for use, of the residential property referred to in No 21), made by housing cooperatives and their consortia to their members.	Housing cooperatives may be: – characterised by the fact that the members are allocated the house with a view to become its actual owners ('cooperative a proprietà divisa' – housing cooperatives with separate ownership); – characterised by the fact that the dwellings are allocated to the members on the basis of a lease contract conferring the right to use them, without any transfer of ownership, which remains with the cooperative ('cooperative a proprietà indivisa' - housing cooperatives with common ownership). Allocations of dwellings by housing cooperatives are granted the rate reduction under the same conditions as those provided for the assignment of the prima casa: members must meet the requirements for the purchase of a prima casa and the houses must be 'non-luxury' ones and must be located in the municipality of residence or in any other municipality where the reduced rate is	Super-reduced rate (4%)

					allowed (see No 2).	
4	X			Supply and construction of rural houses intended for residential use by the owner of the land or by any other person engaged in the cultivation of the land or in livestock farming and activities related to agriculture, supplied by construction companies, even if not completed, provided that the original intended use is maintained, in so far as the conditions set forth in Article 9, paragraph 3, letters c) and e), of Decree-Law No 557 of 30 December 1993, converted, with amendments, by Law No 133 of 26 February 1994, are met.	– The houses are intended for the dwelling of persons involved in agricultural activities, including livestock farming. Constructions other than private dwellings are excluded from the rate reduction; – the land on which the building stands has a surface area of no less than 10,000 square metres and is registered in the land register with the relevant agrarian income (Article 9, paragraph 3, letter c); – buildings for residential use are required to have the characteristics of non-luxury buildings (Article 9, letter e).	Super-reduced rate (4%)
5	X			Services supplied under contracts relating to the construction of the buildings referred to in Article 13 of Law No 408 of 2 July 1949, and subsequent amendments, to taxable persons engaged in the construction of buildings for subsequent sale, including housing cooperatives and their consortia, even where they are 'cooperative a proprietà indivisa'.	Applies to buildings that have the following characteristics: – they are non-luxury residential buildings which also include offices and shops; – if they also include offices and shops, more than 50% of the total surface area of the floors above ground level must be used for residential purposes while no more than 25% of the total surface area of the floors above ground level may be used for commercial purposes. The construction contract is concluded with companies engaged in the business of construction of buildings for subsequent sale, including housing cooperatives and their consortia.	Super-reduced rate (4%)
6	X			Goods, excluding raw and semi-manufactured materials, supplied for the construction, including 'in economia' (on an in-house basis), of the buildings referred to in Article 13 of Law No 408 of 2 July 1949, as amended, and of the rural buildings referred to in No 21-bis)	Applies under the following conditions: – the finished goods for construction are incorporated into the building without losing their individual character. They constitute structural and/or functional elements of the building, thus becoming an integral part of them (e.g. sanitary ware, piping, boilers, radiator elements, etc.). Raw and semi-manufactured materials (such as bricks, tiles, nails, iron rods, lime, cement, etc.) are excluded; – the finished goods for construction are intended	Super-reduced rate (4%)

					for the construction of non-luxury residential buildings (private dwellings, buildings mainly for residential use, rural buildings, which do not qualify as luxury homes); – the supply can be carried out to construction companies, housing cooperatives and private individuals building dwellings 'in economia'; – the intended use of the finished good is stated in the purchaser's declaration and under his/her responsibility.	
7	X			Provision of services pursuant to contracts for works directly aimed at overcoming or removing architectural barriers.	Applies to works for the removal of architectural barriers that hinder the mobility of persons with disabilities, in private and public buildings and in buildings of public interest.	Super-reduced rate (4%)
8	X			The supply of food and drink carried out in company and inter-company staff canteens, canteens of schools of all types and levels, and food pantries, even where the supply is carried out on the basis of procurement contracts or special agreements.	This refers to the supply of meals to employees in their scheduled lunch breaks during working hours and the supply of meals to students during school hours. The supply of meals may also be carried out under contracts or special agreements concluded by the employer or with the school.	Super-reduced rate (4%)
9			X	Supply and construction of non-luxury private dwellings, including those allocated in ownership or on the basis of a lease contract for their use by housing cooperatives and their consortia to their members, even if not completed, provided that the original intended use is maintained, where the conditions referred to in No. 21) of Part II of Table A are not met; buildings or portions of buildings, other than the aforesaid private dwellings, referred to in Article 13 of Law 408 of 2 July 1949, as subsequently amended and supplemented, even if not completed, provided that the original intended use is maintained, supplied by construction companies.	Applies to the supply and construction of: – non-luxury private dwellings. Non-luxury dwellings are identified according to their cadastral classification and are: stately homes, villas, palaces of particular historical and artistic value, castles, under cadastral categories A1, A8 and A9 (see point 4) other than the prima casa (see point 4); – non-luxury private dwellings allocated by housing cooperatives and their consortia to their members; – buildings or portions of buildings, other than the prima casa, also if they include offices and shops, which do not have the characteristics of luxury buildings, even if not completed, provided that the original intended use is maintained, supplied by construction companies (the buildings may also include offices and shops. In that case, more than 50% of the total surface area of the floors above ground level must be used for residential purposes while no more than 25% of the total surface area of	Reduced rate (10%)

					the floors above ground level may be used for commercial purposes (see point 7)). The immovable property is sold by the enterprise that built or renovated it within five years of the completion of the works (or, if the taxable person opts for full taxation, after that period). The other sales of houses are exempt from VAT.	
10			X	'Interventi di recupero' (renovation works) referred to in Article 31 of Law No 457 of 5 August 1978, excluding those referred to in letters a) and b) of the first paragraph of the same Article, including those on buildings other than residential buildings, public buildings or buildings of public interest.	Applies to the performance of building renovation work other than 'interventi di manutenzione ordinaria' (routine maintenance and repair works) and 'straordinaria' (special works for the refurbishment of the building).	Reduced rate (10%)
11			X	Supplies of buildings or portions of buildings on which building renovation work has been carried out pursuant to Article 31 of Law No 457 of 5 August 1978, excluding those referred to in letters a) and b) of the first paragraph of the same Article, by the companies that carried out the work.	Applies to the supply of renovated buildings sold by the undertakings that carried out the renovation work.	Reduced rate (10%)

Luxembourg						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1	X			Agricultural inputs, excluding products of CN heading 3808	Live horses, asses, mules and hinnies normally intended for use in the preparation of foodstuffs or normally used by a taxable person in connection with his agricultural or forestry business; live domestic animals of the bovine species; live domestic animals of the porcine species; live domestic animals of the ovine and caprine species; live fowls of the species Gallus domesticus; live ducks, geese, turkeys and guinea fowls; live domestic rabbits; domestic bees; rhizomes of rhubarb and asparagus claws; chicory plants and roots (other than roots CN 1212; trees, shrubs and bushes, of kinds which bear edible fruit, grafted or not; forest trees; unrooted cuttings and slips of	Super-reduced rate (3%)

					vines; mushroom spawn; vegetable seedlings and strawberry plants; cereals; oil seeds and oleaginous fruits and miscellaneous seeds and fruits for sowing and for animal consumption; sugar beet and sugar cane, fresh or dried, whether or not ground; cereal straw and husks, whether or not chopped, ground, pressed or in the form of pellets; semen, ova and embryos of animals normally kept on a holding; quicklime and slaked lime; peat (including peat for bedding), whether or not agglomerated; fertilisers; unworked raw wool; agricultural services which normally contribute to agricultural or forestry production (cultivation, harvesting, threshing, pressing, gathering and harvesting, including sowing and planting); packing and packaging, such as drying, storing, transporting and storing of foodstuffs, and other services which normally contribute to the production of food; packaging and conditioning, such as drying, cleaning, crushing, disinfecting and ensiling of agricultural products; storage of agricultural products; services relating to artificial insemination, collection of eggs and embryos and transfer of embryos from animals normally kept on a farm; services relating to the improvement of the breeds of animals normally reared on an agricultural holding; keeping, breeding or fattening of animals normally reared on an agricultural holding; hiring out of draught horses; pruning of fruit trees; technical support services for agricultural and forestry holdings, including services relating to the inspection of agricultural or forestry products; destruction of harmful plants and animals and disinfection and spraying operations carried out in fields, woods, orchards and vineyards; operation of irrigation and drainage installations). Excluded goods: plant protection products of CN heading 3808. Excluded services: hire of agricultural or forestry machinery and implements; transport of agricultural or forestry products; felling and skidding of timber.	
2	X			Clothing, headgear, scarves, gloves and shoes for	Clothing, headgear, scarves and gloves falling	Super-reduced rate

				children under 14 years of age	within CN chapters 61, 62 and 65, insofar as they are designed and typical for children under 14 years of age; boys' shoes falling within CN chapter 64, up to and including size 40; girls' shoes falling within CN Chapter 64, up to and including size 35½ (35 if there are no half sizes) in the case of pumps (light, open or low-cut shoes without fastenings), and up to and including size 38½ (38 if there are no half sizes) in the case of any other type of shoe, provided that the greatest heel height, including the sole, does not exceed 4 cm.	(3%)
3	X			Restaurant and catering services, excluding such services or the part of such services involving alcoholic beverages		Super-reduced rate (3%)
4	X			Accommodation on premises which a taxable person reserves for the transient accommodation of persons and the letting of holiday camps or camping sites	Letting of furnished accommodation or rooms by the operator of a hotel establishment and, more generally, by any person operating an establishment where paying guests are temporarily accommodated, including the letting of caravans set up on the premises; the letting of pitches by the operator of a holiday camp or camping site; operations ancillary to letting, such as the supply of water, electricity or heat and the provision of the facilities of the establishment, camp or site, to the extent that these operations are not charged for as such.	Super-reduced rate (3%)
5	X			Granting of access to concerts, theatrical, choreographic and cinematographic performances, shows, entertainment, conferences, courses and other events of a scientific, cultural, educational, economic or professional nature, as well as to museums, archives, botanical or zoological gardens, nature parks and circuses	Including ancillary operations such as cloakroom service, programme sales and seat reservations. Does not cover ancillary transactions such as deliveries of drinks, food, tobacco or sweets.	Super-reduced rate (3%)
6	X			Granting the right of access to and use of sports facilities	Including ancillary operations such as seat reservations, cloakroom services and the provision of sporting goods. Does not cover ancillary transactions such as deliveries of drinks, food, tobacco or sweets.	Super-reduced rate (3%)

7	X			Refuse collection and waste treatment	Including the ancillary operation of providing the user with bins or other receptacles for the removal of household waste. Does not cover the delivery of goods recovered from the destruction of waste.	Super-reduced rate (3%)
8	X			Sewage disposal and treatment and emptying of septic tanks and industrial tanks	Does not cover the delivery of goods recovered in connection with the disposal and treatment of waste water or the emptying of septic tanks and industrial tanks.	Super-reduced rate (3%)
9	X			Services provided by undertakers and cremators	Excludes supplies of goods made by undertakers and cremators in connection with burials, exhumations and cremations, such as the supply of coffins, wreaths or flowers.	Super-reduced rate (3%)
10	X			Services provided by writers, composers and performers and the royalties due to them		Super-reduced rate (3%)
11	X			Reception of radio and television broadcasting services other than those with content intended exclusively for adults, irrespective of the electronic communications network used		Super-reduced rate (3%)
					Please note: LU applies Article 14(3) of Directive 2006/112/EC, and considers the supply of immovable property to be the performance of work on immovable property, including that involving the incorporation of movable property into immovable property, but excluding routine maintenance operations performed on immovable property. Limit: Invoices must individually be for an amount exceeding EUR 1,250 excluding VAT.	
12	X			Use of a dwelling as a principal residence by the owner of the dwelling which has undergone certain creation and renovation works	Principle: The owner of the dwelling is considered, for the construction/renovation of the dwelling, as a taxable person for VAT purposes; the suppliers and providers of works for the creation and renovation of the dwelling apply the normally applicable VAT rate to their operations; once the works have been completed, the owner makes the supply of the dwelling to himself at the super-reduced rate of VAT and can deduct the VAT invoiced by the suppliers	Super-reduced rate (3%)

					and providers; no VAT identification number is allocated to the owner of the dwelling, so he cannot make intra-Community acquisitions of goods. Covered operations related to "creation", carried out up to the level of the closed structural work with finishing stage including the covering of floors, ceilings and walls as well as its connection to the following public infrastructures: sewerage, water, electricity, gas, communications, district heating, roads: the construction of a dwelling; the conversion into a dwelling of a building or part of a building previously used for other purposes; the extension of an existing dwelling; the construction, conversion or extension of garages and car parks adjoining or separate from but located near the dwelling, provided that they are used with the dwelling by the owner of the dwelling. Operations covered in relation to "renovation": substantial improvement work carried out following the acquisition of a dwelling and completed within five years of that acquisition; substantial improvement works to a dwelling whose construction dates back at least ten years at the start of the said works, completed within two years of their commencement, provided that they are included in the list of operations covered under "creation", or that they involve the construction or demolition of internal partition walls, the drilling of new doors or windows, or the walled up of existing doors or windows.	
13	X			Assignment of a dwelling for use as a principal residence by a person other than the owner of the dwelling undergoing certain renovation works	Same principle as under point 12a and same operations covered under "renovation" in point 12a. Limit: Invoices must individually be for an amount excluding VAT exceeding EUR 3,000.	Super-reduced rate (3%)
14	X			Certain creation and renovation works carried out for the benefit of a dwelling used as a principal residence by the owner of the dwelling	Principle: Direct application of the super-reduced rate by the supplier of certain creation/renovation works on the basis of a provisional authorisation decision issued by the competent VAT administration to the owner of the dwelling. Operations covered: the same as those covered in	Super-reduced rate (3%)

					point 12a.	
15	X			Certain renovation work carried out for the benefit of a dwelling used as a principal residence by a person other than the owner of the dwelling	Same principle as mentioned in 13a and same operations covered under "renovation" in point 12a. Limitations: ● The dwelling element benefits from the tax measure only if it is used for the purpose of a principal dwelling: in the case of "creation", solely on the part of the owner, in the case of "renovation", either on the part of the owner or on the part of a person other than the owner. ● The cumulative amount of tax resulting from the application, to the creation and renovation works, of a rate equal to the difference between the normally applicable rate and the super-reduced rate (principle point 13) and of the reimbursed tax (principle point 12) may not exceed, respectively per dwelling created and/or renovated, the amount of EUR 50,000. ● A period of two years during which the use of a dwelling that enabled it to benefit from the tax measure must remain unchanged.	Super-reduced rate (3%)
16		X		Wine of fresh grapes containing 13° or less of alcohol, with the exception of fortified wines, sparkling wines and liqueur wines		Parking rate (14%)
17		X		Washing and cleaning preparations	Washing preparations based on surface-active agents (detergents), in liquid, powder or paste form, used for washing dishes or kitchen utensils, for household or industrial purposes; auxiliary washing preparations for soaking (pre-washing), rinsing or bleaching laundry; cleaning preparations for the care of floors, windows or other surfaces, which may contain very small quantities of odoriferous matter	Parking rate (14%)
18		X		Printed advertising material, trade catalogues and the like; tourist propaganda publications		Parking rate (14%)
19		X		Heat, cooling and steam, except heat supplied by means of a heating network as referred to in point 3 of Annex A		Parking rate (14%)

20		X		Custody and management of securities		Parking rate (14%)
21		X		Management of credits and credit guarantees by a person or body other than those who granted the credits		Parking rate (14%)

Portugal						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1		X		Wine (common table wines)	"Common table wines" exclude "special wines" as fortified wines, liqueur wines or sparkling wines. The parking rate applies to the supply of wine, irrespective of the status of the supplier or the acquirer of the product.	Parking rate (13%)
2		X		Agricultural tools and equipment, mobile silos, motorised cultivators, powered pumps, electric pumps, agricultural tractors (classified as such in the respective owner's documents), and other machines and apparatus exclusively or principally intended for agriculture, herding or forestry	The application of parking rate to agricultural tools and equipment is not subject to additional conditions, namely the nature or status of the acquirer of the goods. The parking rate does not apply to the mere supply of parts and components of those equipment. According to the interpretation of the tax administration, the expression "exclusively or principally intended for agriculture, herding or forestry" covers equipment whose characteristics imply their usage exclusively or mainly in those activities.	Parking rate (13%)

Spain						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1	X			The supply of housing classified administratively as officially protected.	Housing with public protection is qualified as such by law, taking into account certain parameters of	Super-reduced rate (4%)

				Leasing of buildings or parts thereof intended exclusively for dwellings classified administratively as officially protected.	maximum area, housing price and income limit of purchasers or users	
2	X			Telecare services, home help, day and night center and residential care, for people in situations of dependency	The services must be provided in arranged places in centers or residences or through prices derived from an administrative contest awarded to the provider companies. Law 39/2006, of December 14th, on the Promotion of Personal Autonomy and Attention to people in a situation of dependency (BOE of December 15) defines the content of these services.	Super-reduced rate (4%)

Malta						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1		X		Custody and management of securities		Parking rate (12%)
2		X		Credit management and credit guarantees	Credit management and credit guarantees by a person or body other than those who granted the credit	Parking rate (12%)
3		X		Pleasure boat lease	A pleasure boat lease to a person under an arrangement for any term or part of a term which, when added to the previous lease term, of the same or other goods of the same type, to the same person during the preceding twelve (12) months ending on the date of commencement of the existing lease, does not exceed five (5) weeks.	Parking rate (12%)
4		X		Care of the human body	Services consisting of the care of the human body required to be provided by a person in the exercise of any profession regulated by the Health Professions Act (Cap. 464), including services provided in the course of a health studio business or similar business, but not including exempt supplies referred to in item 11 of Section Two of the Fifth Schedule.	Parking rate (12%)

Cyprus						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1	X			Admission right from the first performance	Admission right from the first performance of theatrics, musicians and dance works or classical projects	Super-reduced rate (3%)
2	X			Street cleaning, refuse collection and treatment	Street cleaning, refuse collection and treatment services waste, excluding services provided by public authorities, local authorities and bodies governed by public law	Super-reduced rate (3%)
3	X			Waste water disposal and treatment	Waste water disposal and treatment and evacuation of septic and industrial tanks	Super-reduced rate (3%)

Greece						
Number	Legal basis			Text of main provisions	Conditions of application	Rate or exemption
	105a(1)	105(3)	105b			
1	X			Provision of services relating to overcoming or removing architectural barriers	The provision of services on the basis of contracts for works intended exclusively to overcome or cut off architectural barriers restricting the mobility of disabled persons in public or private buildings or buildings serving a public interest. The rate of tax for the services referred to in this Decision shall be four per cent (4%).	Super-reduced rate (4%)
2		X		Agricultural machinery	Agricultural tractors and forestry tractors, agricultural machinery, appliances and tools	Parking rate (13%)