

Council Directive 2006/112/EC of 28 November
2006 on the common system of value added tax

TITLE IX

EXEMPTIONS

CHAPTER 10

Exemptions for transactions relating to international trade

Section 1

**Customs warehouses, warehouses other than
customs warehouses and similar arrangements**

Article 158

1 By way of derogation from Article 157(2), Member States may provide for warehousing arrangements other than customs warehousing in the following cases:

- a where the goods are intended for tax-free shops, for the purposes of the supply of goods to be carried in the personal luggage of travellers taking flights or sea crossings to third territories or third countries, where that supply is exempt pursuant to point (b) of Article 146(1);
- b where the goods are intended for taxable persons, for the purposes of carrying out supplies to travellers on board an aircraft or a ship in the course of a flight or sea crossing where the place of arrival is situated outside the Community;
- c where the goods are intended for taxable persons, for the purposes of carrying out supplies which are exempt from VAT pursuant to Article 151.

2 Where Member States exercise the option of exemption provided for in point (a) of paragraph 1, they shall take the measures necessary to ensure the correct and straightforward application of this exemption and to prevent any evasion, avoidance or abuse.

3 For the purposes of point (a) of paragraph 1, 'tax-free shop' shall mean any establishment which is situated within an airport or port and which fulfils the conditions laid down by the competent public authorities.