

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

TITLE VIII

RATES

CHAPTER 5

Temporary provisions

Article 123

The Czech Republic may, until 31 December 2007, continue to apply a reduced rate of not less than 5 % to the following transactions:

- (a) the supply of heat energy used by households and small entrepreneurs who are not subject to VAT for heating and the production of hot water, excluding raw materials used to generate heat energy;
- (b) the supply of construction work for residential housing not provided as part of a social policy, excluding building materials.

Article 124

Estonia may, until 30 June 2007, continue to apply a reduced rate of not less than 5 % to the supply of heating sold to natural persons, housing associations, apartment associations, churches, congregations, and institutions or bodies financed from the State, rural municipality or city budget, as well as to the supply of peat, fuel briquettes, coal and firewood to natural persons.

Article 125

1 Cyprus may, until 31 December 2007, continue to grant an exemption with deductibility of VAT paid at the preceding stage in respect of the supply of pharmaceuticals and foodstuffs for human consumption, with the exception of ice cream, ice lollies, frozen yoghurt, water ice and similar products and savoury food products (potato crisps/sticks, puffs and similar products packaged for human consumption without further preparation).

2 Cyprus may continue to apply a reduced rate of not less than 5 % to the supply of restaurant services, until 31 December 2007 or until the introduction of definitive arrangements, as referred to in Article 402, whichever is the earlier.

Article 126

Hungary may continue to apply a reduced rate of not less than 12 % to the following transactions:

- (a) the supply of coal, coal-brick and coke, firewood and charcoal, and the supply of district heating services, until 31 December 2007;
- (b) the supply of restaurant services and of foodstuffs sold on similar premises, until 31 December 2007 or until the introduction of definitive arrangements, as referred to in Article 402, whichever is the earlier.

Article 127

Malta may, until 1 January 2010, continue to grant an exemption with deductibility of VAT paid at the preceding stage in respect of the supply of foodstuffs for human consumption and pharmaceuticals.

Article 128

1 Poland may, until 31 December 2007 grant an exemption with deductibility of VAT paid at the preceding stage in respect of the supply of certain books and specialist periodicals.

2 Poland may, until 31 December 2007 or until the introduction of definitive arrangements, as referred to in Article 402, whichever is the earlier, continue to apply a reduced rate of not less than 7 % to the supply of restaurant services.

3 Poland may, until 30 April 2008, continue to apply a reduced rate of not less than 3 % to the supply of foodstuffs as referred to in point (1) of Annex III.

4 Poland may, until 30 April 2008, continue to apply a reduced rate of not less than 3 % to the supply of goods and services of a kind normally intended for use in agricultural production, but excluding capital goods such as machinery or buildings, as referred to in point (11) of Annex III.

5 Poland may, until 31 December 2007, continue to apply a reduced rate of not less than 7 % to the supply of services, not provided as part of a social policy, for construction, renovation and alteration of housing, excluding building materials, and to the supply before first occupation of residential buildings or parts of residential buildings, as referred to in point (a) of Article 12(1).

Article 129

1 Slovenia may, until 31 December 2007 or until the introduction of definitive arrangements as referred to in Article 402, whichever is the earlier, continue to apply a reduced rate of not less than 8,5 % to the preparation of meals.

2 Slovenia may, until 31 December 2007, continue to apply a reduced rate of not less than 5 % to the supply of construction, renovation and maintenance work for residential housing not provided as part of a social policy, excluding building materials.

Article 130

Slovakia may continue to apply a reduced rate of not less than 5 % to the following transactions:

- (a) the supply of construction work for residential housing not provided as part of a social policy, excluding building materials, until 31 December 2007;
- (b) the supply of heat energy used by private households and small entrepreneurs who are not subject to VAT for heating and the production of hot water, excluding raw materials used to generate heat energy, until 31 December 2008.