

Council Directive 2008/7/EC of 12 February 2008
concerning indirect taxes on the raising of capital

CHAPTER II

GENERAL PROVISIONS

Article 5

Transactions not subject to indirect tax

1 Member States shall not subject capital companies to any form of indirect tax whatsoever in respect of the following:

- a contributions of capital;
- b loans, or the provision of services, occurring as part of contributions of capital;
- c registration or any other formality required before the commencement of business to which a capital company may be subject by reason of its legal form;
- d alteration of the constituent instrument or regulations of a capital company, and in particular the following:
 - (i) the conversion of a capital company into a different type of capital company;
 - (ii) the transfer from a Member State to another Member State of the centre of effective management or of the registered office of a capital company;
 - (iii) a change in the objects of a capital company;
 - (iv) the extension of the period of existence of a capital company;
- e the restructuring operations referred to in Article 4.

2 Member States shall not subject the following to any form of indirect tax whatsoever:

- a the creation, issue, admission to quotation on a stock exchange, making available on the market or dealing in stocks, shares or other securities of the same type, or of the certificates representing such securities, by whomsoever issued;
- b loans, including government bonds, raised by the issue of debentures or other negotiable securities, by whomsoever issued, or any formalities relating thereto, or the creation, issue, admission to quotation on a stock exchange, making available on the market or dealing in such debentures or other negotiable securities.

Article 6

Duties and value added tax

1 Notwithstanding Article 5, Member States may charge the following duties and taxes:

- a duties on the transfer of securities, whether charged at a flat rate or not;
- b transfer duties, including land registration taxes, on the transfer, to a capital company, of businesses or immovable property situated within their territory;
- c transfer duties on assets of any kind transferred to a capital company, insofar as such property is transferred for a consideration other than shares in the company;

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- d duties on the creation, registration or discharge of mortgages or other charges on land or other property;
- e duties in the form of fees or dues;
- f value added tax.

2 The amount charged by way of the duties and taxes listed in points (b) to (e) of paragraph 1 shall not vary according to whether or not the centre of effective management or the registered office of the capital company is situated within the territory of the Member State charging the duties or taxes. Those amounts may not exceed those of duties or taxes applicable to like transactions which take place within the Member State charging them.