

**Directive 2008/08/EC amending the rules on the place of supply of services  
Relevant provisions for travel agents**

Ref.: CR08-043/42 – 08/02/2008

**As from 1 January 2010 services of ...[1st column] are taxed where...[last two columns depending on whether it's a B2C or B2B supply]:**

	CURRENT PROVISIONS		FUTURE PROVISIONS	
	B2C	B2B	B2C	B2B
General rule for services	... supplier is established, with exceptions for certain services including most tourism services (see below)	... supplier is established, with exceptions for certain services including most tourism services (see below)	... supplier is established, with exceptions for certain services including most tourism services (see below), <b>unless MS make use of option (see point 1)</b>	<b>... customer is established,</b> with exceptions for certain services including most tourism services (see below), <b>unless MS make use of option (see point 1)</b>
<b>Exceptions</b>				
<b>Intermediary</b>	... underlying service takes place, in accordance with the provisions below	... underlying service takes place, UNLESS the customer is registered for VAT purposes in another Member State than where the underlying service takes place, in which case the service is taxed where customer is established	... underlying service takes place, in accordance with the provisions below	<b>... customer is established, unless MS make use of option (see point 1)</b>
Accommodation (hotel and similar services), including the granting of rights to use these services	... hotel is located	... hotel is located	... hotel is located	... hotel is located
Passenger transport	... transport takes place, having regard to the distance covered	... transport takes place, having regard to the distance covered	... transport takes place, having regard to the distance covered	... transport takes place, having regard to the distance covered
Restaurant and catering	... supplier is established	... supplier is established	<b>... services are physically carried out</b>	<b>... services are physically carried out</b>

	CURRENT PROVISIONS		FUTURE PROVISIONS	
	B2C	B2B	B2C	B2B
Cultural, artistic, sporting, scientific, educational, entertainment and similar activities (e.g. fairs & exhibitions), including ancillary services	... activities / events take place	... activities / events take place	... activities / events take place	... activities / events take place <u>As of 2011 a distinction is made between:</u> - Admission to these activities → no change - Supply of services & ancillary services relating to activities → taxed where customer is established, unless MS make use of option (see point 1)
Hiring of means of transport - short-term (ST)* - long-term (LT)	... supplier is established, irrespective of short- or long-term hiring  Provisions apply unless MS make use of option (see point 1)	... supplier is established, irrespective of short- or long-term hiring  Provisions apply unless MS make use of option (see point 1)	ST: ... means of transport is put at customer's disposal LT:... supplier is established <u>As of 2013:</u> ST: ... means of transport is put at customer's disposal LT: ...customer is established with exception (see point 2 below) Above provisions apply unless MS make use of option (see point 1)	ST: ... means of transport is put at customer's disposal LT:... customer is established  Provisions apply unless MS make use of option (see point 1)
Services physically carried out and consumed on board ships, aircrafts or trains **	... transport takes place	... transport takes place	...point of departure ***	...point of departure ***

\* Short-term = period of not more than 30 days. Exception for vessels, where period shall not exceed 90 days

\*\* For passenger transport operations effected within the Community

\*\*\* The return trip is regarded as a separate transport

- (1) Option: In order to prevent double taxation, non-taxation or distortions of competition, Member States may (i) exempt services where it considers the effective use and enjoyment of the services to take place outside the Community and (ii) tax services where it considers the effective use and enjoyment of the services to take place within the territory.
- (2) Exception: the place of supply of long-term hiring a pleasure boat to a non-taxable person shall be the place where the pleasure boat is put at customer's disposal when the service provider is also established in that place