






EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION

The Director-General

Brussels, 10/11/2020
TAXUD/
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Secretary of State for Finance
Ministry of Finance
C/ Alcalá, 9. Planta 1ª- 28014
Madrid
Spain

Subject: Your letter on the VAT treatment of individual protection masks needed to combat COVID-19


Thank you for your letter of 6 November 2020 on the VAT treatment of individual protection masks needed to combat COVID-19.

In relation to protection masks and similar goods used in the fight against COVID-19, which are temporarily exempted from VAT¹ when they are imported, reduced or zero² rates on domestic or intra-EU transactions are in principle not yet permitted by current EU VAT law, but they would be allowed under the new legal framework of the [2018 Commission proposal](#) on VAT rates. The German Presidency is now resuming the negotiations on this important proposal, notably with a view to taking account of COVID-19 needs. A meeting to this purpose has already been scheduled on 11 November 2020 and I hope that we can count on your support.

The Commission has, in its 2016 Communication on enforcement of EU Law, indicated that it will not normally launch infringement procedures when a legislative proposal, which would make the conduct in question lawful is pending before the Council. While the aforementioned proposal is pending and, under these difficult circumstances, it is therefore not our intention to launch any infringement procedure against Member States wishing to apply reduced or zero rates on individual protection masks.

Regarding your suggestion on temporary VAT relief for individual protection masks, the aim of the [Commission proposal of 28 October 2020](#) is to temporarily adapt the VAT Directive to provide affordable COVID-19 vaccines and testing kits for the Union

¹ By means of Commission Decision (EU) 2020/491 of 3 April 2020 on relief from import duties and VAT exemption on importation granted for goods needed to combat the effects of the COVID 19 outbreak during 2020 (OJ L 103 I, 3.4.2020, p. 1) as prolonged.

² Exemption with deductibility.

people. It needs to be adopted and in force at the time the vaccines will be available, hopefully early next year.

Individual protection masks, unlike COVID-19 vaccines and testing kits, are not specific to COVID-19. Such masks may indeed be used for a multitude of other illnesses and numerous other (non-medical) purposes. A consensus on a proposal covering also protective masks would take more time to emerge and possibly trigger additional requests for an expanded scope, which would risk delaying the adoption of the current proposal substantially.

Yours sincerely,

(e-signed)

Gerassimos THOMAS

c.c.: Mr Benjamin ANGEL, Acting Director for Indirect Taxation and
Tax Administration