

Outside of scope activities and their effect on input VAT deduction rights

Article 1: Activities outside the scope of VAT related to the ownership of subsidiaries and their effect on the right of deduction: EU-law limitations

Nothing legislated specifically in the EU VAT Directive. Polysar (C-60/90), Cibo Participations (C-16/00), Larentia + Minerva (C-108/14), Kretztechnik (C-465/03) and Ryanair (C-249/17).

Article 2: Transfer pricing adjustments in VAT and their implications for input VAT deduction

Stellantis Portugal (C-603/24), Weatherford Atlas Gip (C-527/23) and Arcomet Towercranes (C-726/23)

Article 3: The effect of out-of-scope activities on VAT deduction rights in the EU and Australia

Preliminary findings

- 1) Limiting input VAT deduction rights based on only CJEU jurisprudence is not in line with the principles of neutrality and legality.
- 2) Changing the EU VAT Directive should be considered in order to uphold the principles of neutrality and legality.