Press release - MEPs vote to lower VAT on e-books, aligning them with printed books - Committee on Economic and Monetary Affairs

EU citizens could pay less for e-books after plans to allow member states to reduce VAT on e-publications were backed in committee on Wednesday.

An EU Commission proposal to enable member states to charge a reduced rate of VAT on e-books, which would bring them into line with VAT levied on printed matter, was backed by the 48 votes to 1 with 2 abstentions in the Economic and Monetary Affairs Committee.

"Our way of reading has changed rapidly over recent years. Now, it makes no sense to apply a double standard whereby an online newspaper is taxed higher than a printed one you buy in a shop. This new directive will give Member States the option to align VAT on digital content with printed matter," said the rapporteur Tom Vandenkendelaere (EPP, BE).

Currently, e-books have to be taxed at an EU minimum standard rate of 15%, whereas member states are free to charge the reduced rate of at least 5% – and in some cases, even zero-rates – on printed publications.

Music and videos, as well as publications predominantly consisting of music and video content, would continue to be taxed at the standard VAT rate.

Next steps

The proposal will now be voted by Parliament as a whole on May 31st or April 1st.