

C2 A5

Motion

Y-FED 2024

Proposer: Committee - Budget

Title: **C2 A5: Government's proposal for Regulation 2024/XX laying down the Federal Budget**

From line 120 to 122:

The Uniform VAT Rate shall be set at:

- 2% for essential goods and services, this VAT rate shall not be raised any higher by Member States;
- 5% of the common goods and services;
- 10% for luxury goods and services.

~~The Uniform VAT Rate shall be set at 20% of the commodity's Value added, a quarter of which is due to the Federation's budget.~~

Each commodity's value added shall go to the European Federation budget, while Member States retain the ability to fix at their discretion a higher national VAT rate.