

Question for written answer E-003721/2025
to the Commission
Rule 144
Adrian-George Axinia (ECR)

Subject: VAT increase in the Hotel, Restaurant and Catering (HoReCa) sector in Romania and subsidiarity in tax matters

The HoReCa sector is a major driver of the European economy. In the current climate of rising energy costs, high inflation and falling purchasing power, a potential increase in VAT in the HoReCa sector to 21 % (as is being contemplated in Romania, for example) would put significant pressure on the business environment and could affect Romania's competitiveness in the European tourism market. Several leading organisations and industry representatives maintain that the Commission is pressurizing the Romanian authorities to bring the lower rate of VAT applied in the HoReCa sector into line with the standard 21 % rate. However, under the VAT Directive (2006/112/EC) Member States can apply reduced VAT rates to certain goods and services, including tourism and catering.

1. Can the Commission confirm that it has requested or pressurized the Romanian authorities to increase the VAT rate to 21 % in the HoReCa sector?
2. How does the Commission intend to ensure that the principle of subsidiarity in tax matters is observed, given that under Directive 2006/112/EC Member States are free to apply reduced rates to certain services, including in the field of HoReCa?
3. What is the Commission's assessment of the economic and social impact that a potential increase in VAT would have on the HoReCa sector in Romania?

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