

(English version)

**Question for written answer E-001403/24
to the Commission
Catherine Griset (Patriots)
(23 July 2024)**

Subject: Reduced VAT for the restoration of historic monuments, including churches

In France, the restoration of historic monuments, including churches, is subject to the standard VAT rate of 20%.

Such buildings enjoy no derogations under EU law. The only reduced rates of VAT that apply to them are for energy renovation (5.5% in France) and, for certain buildings, for work to improve, convert, fit out and maintain residential premises that have been completed for more than two years (10% in France). Whether the latter rate applies therefore depends on the nature of the work, but above all on the building concerned being used for residential purposes.

As most churches are not residential premises, they remain subject to the standard 20% rate of VAT, although municipalities are entitled to a partial refund of the VAT they have paid on their investment expenditure through the VAT compensation fund (FCTVA).

Would the Commission consider proposing that the scope of reduced rates of VAT should be extended to include the renovation of historic monuments, including churches, given their cultural importance and the problems involved in financing their restoration?

Submitted: 23.7.2024

**Answer given by Mr Gentiloni on behalf of the European Commission
(19 September 2024)**

The Commission regards the safeguarding of all forms of cultural heritage and addresses it in a number of policies, programmes and funding opportunities.

In 2018, the Commission made a proposal to reform the value-added tax (VAT) rates system, which would have allowed Member States to apply preferential VAT treatment to various goods and services that are not currently subject to a reduced VAT rate, such as the restoration of historical monuments.

The Commission's original plan was to allow Member States to choose the goods and services to which they wanted to apply reduced VAT rates, provided they were not on a so-called negative list.

However, when the Council finally adopted the new VAT rules in 2022, it decided against having a negative list and instead maintained a positive list of a limited number of goods and services eligible for reduced VAT rates, which can be found in Annex III of the VAT Directive ⁽¹⁾.

The restoration of historical monuments is not included in this list and such services will therefore continue to be subject to the standard VAT rate unless they fall within the scope of '*construction and renovation of public and other buildings used for activities in the public interest*' ⁽²⁾.

In any case, the decision to apply reduced VAT rates is entirely at the discretion of the Member States. The Commission is not currently planning any new initiative in the area of VAT rates.

⁽¹⁾ Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02006L0112-20160601&qid=1494999281011&from=EN>).

⁽²⁾ Category Ca of Annex III.