

EN
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Answer given by Mr Gentiloni
on behalf of the European Commission
(11.11.2024)

The Commission acknowledges that the deliberate destruction of usable goods gives rise to serious concerns as it leads to high costs for the society and the environment.

As regards donations given free of charge to a charitable organisation, these are, in principle, outside the scope of Value Added Tax (VAT). However, Member States have some flexibilities to establish conditions for certain free-of-charge supplies, including donations to charitable organisations¹.

The Commission will continue reflecting about further measures to disincentivise the destruction of goods that are still in a good state. With the condition to respect the principle of tax neutrality and without opening the door for unlimited tax avoidance possibilities as well as tax fraud, this may include changes to the rules on VAT.

¹ As illustrated by the guidelines agreed by the VAT Committee (Document C – taxud.c.1(2012)1701663 – 745) (https://taxation-customs.ec.europa.eu/system/files/2024-01/guidelines-vat-committee-meetings_en.pdf, p. 168).