



European Court of Justice Case, C-153/17 - Right to deduct general costs in hire-purchase agreement

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ECJ has ruled that the article 168 and 173(2)(c) of the VAT Directive, must be interpreted as the general costs incurred in a supply of moveable goods by hire purchase must be considered as a component of the price of the original supply and in this sense, a part of the VAT incurred in these general costs would be partially recoverable.

Furthermore, Member States must apply a method of apportionment which takes into consideration the initial amount of the goods when they were supplied.

We remain at your disposal if you wish further information or analysis.