



European Court of Justice Case, C-17/18- Leasing agreement and continuation of catering activities

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The ECJ has held that under the article 19 of the VAT Directive, the expression “transfer of a totality of assets or part thereof” must be interpreted as not covering the transaction by which an immovable property which was used for commercial purposes is let with all capital equipment and inventory items necessary for that use, even if the lessee pursues the activity of the lessor under the same name.

Also, the ECJ has held that the article 135(1)(l) of the VAT Directive must be interpreted as meaning that a lease contract for an immovable property which was used for commercial purposes and for all capital equipment and inventory items necessary for that use constitutes a single supply in which the letting of the immovable property is the principal supply.

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