

Case C-498/99

Town & County Factors Ltd v Commissioners of Customs and Excise

(Reference for a preliminary ruling from the VAT
and Duties Tribunal, Manchester)

(Sixth VAT Directive — Scope — Competition whose organiser
binds himself in honour only — Taxable amount)

Opinion of Advocate General Stix-Hackl delivered on 27 September 2001 1-7175
Judgment of the Court (Sixth Chamber), 17 September 2002 1-7197

Summary of the Judgment

1. *Tax provisions — Harmonisation of laws — Turnover taxes — Common system of value added tax — Taxable transactions — Supply of services for consideration — Obligations of the supplier not enforceable because of an agreement binding in honour only — Taxable*
(Council Directive 77/388, Art. 2(1))

2. *Tax provisions — Harmonisation of laws — Turnover taxes — Common system of value added tax — Taxable amount — Supply of services — Competition whose organiser has the entry fees freely at his disposal — Taxable amount consisting of the total amount of those fees*
(Council Directive 77/388, Art. 11A(1)(a))

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| <p>1. Article 2(1) of the Sixth Directive 77/388 on the harmonisation of the laws of the Member States relating to turnover taxes must be interpreted as meaning that a supply of services which is effected for consideration but is not based on enforceable obligations, because it has been agreed that the provider is bound in honour only to provide the services, constitutes a transaction subject to value added tax.</p> | <p>2. Article 11A(1)(a) of the Sixth Directive 77/388 on the harmonisation of the laws of the Member States relating to turnover taxes must be interpreted as meaning that the full amount of the entry fees received by the organiser of a competition constitutes the taxable amount for that competition where the organiser has that amount freely at his disposal.</p> |
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(see para. 24, operative part 1)

(see para. 31, operative part 2)