

# Tax Hotline

December 18, 2001

## EU MOVES TOWARDS E-COMMERCE TAXATION

The United Kingdom has agreed as a member of the European Union (EU) in moving towards an agreement on e-commerce taxation with regards to a tax on video downloads and other digital products purchased and delivered via the Internet. The member states will now have 18 months to incorporate the directive into national law.

EU has decided that non-EU businesses will only be obliged to register in one member state, as opposed to in all fifteen of them. That country will then collect the VAT on the purchases and remit it to the purchaser's country of residence. However, there are fears that this could cause complications in terms of additional administration and compliance, as VAT rates vary widely across Western Europe.

Britain withdrew its opposition to the law following an agreement to revisit and streamline the legislation in three years time but however as a precondition it is required that agreement must be formally drafted and approved at a forthcoming meeting.

Source: [www.taxfundas.com](http://www.taxfundas.com) dated December 18, 2001

## DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

## Research Papers

### New Age of Franchising

June 20, 2025

### Life Sciences 2025

June 11, 2025

### The Tour d'Horizon of Data Law Implications of Digital Twins

May 29, 2025

## Research Articles

### 2025 Watchlist: Life Sciences Sector India

April 04, 2025

### Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

### INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

## Audio

### CCI's Deal Value Test

February 22, 2025

### Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

### Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

## NDA Connect

Connect with us at events, conferences and seminars.

## NDA Hotline

[Click here to view Hotline archives.](#)

## Video

### Vyapak Desai speaking on the danger of deepfakes | Legally Speaking with Tarun Nangia | NewsX

April 01, 2025

**SIAC 2025 Rules: Key changes &  
Implications**

February 18, 2025

