

## V

(Announcements)

## COURT PROCEEDINGS

## COURT OF JUSTICE

**Judgment of the Court (Third Chamber) of 1 July 2021 (request for a preliminary ruling from the Tribunal Superior de Justicia de Galicia — Spain) — CB v Tribunal Económico-Administrativo Regional de Galicia**

(Case C-521/19) <sup>(1)</sup>

*(Reference for a preliminary ruling — Taxation — Value added tax (VAT) — Directive 2006/112/EC — Tax inspection — Supply of services as an activity of an agent for performing artists — Transactions subject to VAT — Transactions not declared to the tax authority and not invoiced — Fraud — Reconstitution of the taxable amount for income tax purposes — Principle of VAT neutrality — Inclusion of VAT in the reconstituted taxable amount)*

(2021/C 329/02)

Language of the case: Spanish

**Referring court**

Tribunal Superior de Justicia de Galicia

**Parties to the main proceedings**

*Applicant:* CB

*Defendant:* Tribunal Económico-Administrativo Regional de Galicia

**Operative part of the judgment**

Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax, in particular Articles 73 and 78 thereof, read in the light of the principle of neutrality of value added tax (VAT), must be interpreted as meaning that, where taxable persons for VAT purposes, by fraud, have not indicated the existence of the transaction to the tax authority, issued invoices or shown the income generated during that transaction in a direct tax declaration, the reconstitution, as part of an inspection of that declaration, of the amounts paid and received during the transaction at issue by the tax authority concerned must be regarded as a price already including VAT, unless, under national law, the taxable persons have the possibility of subsequently passing on and deducting the VAT at issue, notwithstanding the fraud.

<sup>(1)</sup> OJ C 363, 28.10.2019.