

The EU's taking the UK to court on failing to operate V...

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Indefatigable VAT campaigner Richard Allen has drawn my attention to the following report on [VATLive](#) which provides further evidence that the EU is absolutely right to reject the Chequers proposal that the UK collect taxes on behalf of the EU when they cannot already collect the taxes that are owing right now:

On 19 July, the European Commission sent a warning to the UK that its administration of the VAT Mini-One-Stop-Shop (MOSS) for B2C e-services VAT contravened EU rules.

The EC states that the UK was failing to gather UK taxpayers' bank account information for speedy credits of VAT repayments where changes or refunds were due. The UK now has two months to comply with the rules or face a referral to the European Court of Justice. The EC had previously issued a formal notice on the subject to the UK on 25th January 2018

MOSS was established across the EU in 2015 to enable providers of B2C electronic services to make just one return and payment on VAT charged to consumers across the 28 member states.

Given that we are already subject to litigation on failure to collect duties on Chinese imports it's hardly surprising that, for purely practical reasons, the EU has treated the UK offer as something little better than a joke. Add to that the fact that the UK has not, as yet, got a functioning IT system able to handle Brexit, whilst it also appears we now have no Customs officers located at any port (although I have an FoI request in on this issue to check that) and you can see why May's suggestion on tax collection at the UK border made to the EU really was farcical.

If the UK could, for once, make a serious suggestion to the EU that it might have a chance of complying with on its side then maybe, just maybe, the EU would take us seriously. But there's no sign of that happening as yet.