Press release

The Hague, 25 October 2006

**EBLIDA has issued a Press Release on 25 October 2006 about a study made by the Frankfurt Group regarding taxation of printed and electronic versions of publications**

The Frankfurt Group Study Shows:

VAT is the greatest obstacle to electronic information in Europe. Within the European Union, regarding taxation, printed and electronic versions of publications are treated differently. Whereas printed publications throughout the EU are subject to a reduced rate of VAT, electronic publications in most countries are charged with the highest rate.

VAT represents a barrier for the switch to electronic publications. “The higher costs for electronic publications influence the libraries’ decisions when purchasing resources,” commented Hans Geleijnse, Chairman of the Frankfurt Group. “The study shows that VAT inhibits the switch to electronic publications in the majority of European libraries in non-VAT exempt countries. This is contrary to the stated aims of the European Commission and most national governments.”

VAT harms European competitiveness. “The differences in national legislations not only affect the provision of knowledge within the EU” stated Michael Mabe, Secretary of the Frankfurt Group. “It also affects the development of science in the EU compared to countries without VAT charges on electronic publications such as the USA, where a zero rate favours the purchase of electronic resources, and thus may lead to competitive advantages for US research and education.”

The Frankfurt Group report “Survey on the impact of VAT on libraries and the scientific publication markets” was carried out by Soziologisches Forschungsinstitut Göttingen (SOFI) or Sociological Research Institute. The report is available on the Frankfurt Group Website. (http://www.sub.uni-goettingen.de/frankfurtgroup/vat/EndberichtVAT210906.pdf)

The Frankfurt Group considers VAT issues as a key problem in the current development of the framework of scientific publications and the economic development in the EU. The consequences of the current VAT legislation on electronic publications in the EU give reason to urgent need of action.

The Frankfurt Group is a Consensus Forum for Academic and Research Information, whose members represent authors, publishers, rights organizations, libraries, research centres, subscription agents and intermediaries. For more information, see the Frankfurt Group’s website http://www.sub.uni-goettingen.de/frankfurtgroup or contact:

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EBLIDA, European Bureau of Library, Information and Documentation Associations, was established in 1992 as a non-governmental, non-profit umbrella organization representing libraries on a European level. Subjects on which EBLIDA concentrates are culture, copyright, Information Society related matters and information technology. More info at http://www.eblida.org.